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SENATE—*Wednesday, April 28, 1976*

The Senate met at 12 o'clock noon and was called to order by Hon. JOHN C. CULVER, a Senator from the State of Iowa.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, who hast given us this good land for our heritage, imbue this Republic with that "righteousness which exalteth a nation" and deliver us from the sin "which is a reproach to any people." May Thy Holy Spirit so penetrate the life of this Nation that our celebration may engender pure religion and lofty patriotism. Fashion into one united people the diverse multitudes in this land that justice and peace may prevail.

Be with all who serve in this place. Save us from error, from ignorance, from pride, and prejudice. Motivate us to do justly, to love mercy, and to walk humbly with our God.

We pray in the name of Him who came not to be ministered unto, but to minister and give His life for many. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U. S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., April 28, 1976.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JOHN C. CULVER, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. CULVER thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, April 27, 1976, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committees on Armed Services, Commerce, and the Select Committee To Study Governmental Operations With Respect to Intelligence Activities be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. I also ask unanimous consent that all other committees be authorized to meet until 1 p.m. or the end of morning business, whichever comes later.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the calendar beginning with "New Reports."

There being no objection, the Senate proceeded to the consideration of executive business.

DEPARTMENT OF STATE

The second assistant legislative clerk read the nominations of Frank E. Maestrone, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait; Thomas R. Byrne, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czechoslovak Socialist Republic; and Francis H. Meloy, Jr., of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Lebanon.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read sundry nominations in the Foreign Service placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I request the President be notified.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania is recognized.

Mr. HUGH SCOTT. Mr. President, I yield back my time.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes.

IMPORTATION OF GOODS FROM RHODESIA—SENATE JOINT RESOLUTION 191

Mr. TUNNEY. Mr. President, it is well known that Dr. Kissinger and I have had our differences of opinion on American policy in Africa over the past year, but I would like to commend the Secretary for what appears to me to be a forthright statement on a hopeful new American approach to Africa's problems. The Secretary's Lusaka speech marked the first time an American Secretary of State has set forth in a straightforward and coherent manner the goals and objectives of U.S. policy on that continent. While in some ways, I wish the statement had gone farther—I believe, for example, it should have included an overture to the new government in Angola and I would have liked to have seen it coupled with increasing economic and political pressure on the Soviet Union—I am encouraged by its tenor. The President and Dr. Kissinger are to be congratulated.

I was particularly encouraged to note that the administration has at last decided to speak out clearly in favor of the repeal of the Byrd amendment prohibiting U.S. observance of the 1966 U.N. sanctions against the importation of Rhodesian chrome. Every effort to repeal this provision since its passage in 1971 has been hampered by a failure of the administration to publicly endorse and actively work towards repeal. Last week, at the time of Dr. Kissinger's departure for Africa, in a three-page letter to President Ford, I suggested that Dr. Kissinger's visit presented a unique opportunity to take such a public stand in support of repeal and urged the President to do so. It now appears as though the President and Dr. Kissinger were thinking along the same lines and I am gratified at the result.

Mr. President, I ask unanimous consent that the letter to which I referred, dated April 22, 1976, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., April 22, 1976.

Hon. GERALD R. FORD,
The President,
the White House,
Washington, D.C.

DEAR MR. PRESIDENT: Despite our differences over covert assistance to Angola last December, I believe that we now share a similar perspective on the basic necessities for a realistic and effective policy toward southern Africa. There has been a discernible and encouraging tone in the administration's policy toward southern Africa during the past month for which you are to be commended. The decision earlier this month to continue the 12-year ban on loans to South Africa by the Export-Import Bank should put to rest the speculation which grew out of our Angola policy that the U.S. Government desires to shore up the Apartheid system in South Africa. The State Department's decision (a few days later) to send two more black foreign service officers to South Africa should leave no doubt that the U.S. will never accommodate itself to South African Apartheid. Moreover, our vote in the U.N. Security Council last week to assist Mozambique in offsetting the economic losses it is incurring for observing U.N. sanctions against Rhodesia is yet another clear signal that the United States is desirous of working closely with African initiatives for peaceful change in Rhodesia.

I would also like to compliment you for your statement on Rhodesia at Wheaton College (March 11) where you urged the Government of Ian Smith to make "more progress" toward yielding control to the black majority. Similar admonitions from Secretary of State Kissinger before the Senate Foreign Relations Committee March 16th and before the Dallas World Affairs Council March 22nd along with pointed comments from Assistant Secretary of State William Schaufele in recent testimony and the American support for strengthened sanctions against Rhodesia in the United Nations on April 6th, strongly underscore the United States' opposition to the continuance of the white minority and illegal government in Rhodesia.

Clearly, it is only a matter of time before Africans control their own destinies in Rhodesia—even William Buckley recently observed that "it is hard to imagine that there are any realistic prospects for the survival of the white regime in Rhodesia." The only question is whether the transition from white minority to black majority rule will be peaceful or violent. Most Americans, including myself, hope that the transition will be peaceful, although the recalcitrance of Smith and his Rhodesian Front Party do not give much cause for optimism.

There appears to be a consensus in this country that our Government use what little leverage it has in this troubled area to urge the Smith regime to reach an immediate peaceful agreement with the African majority. Secretary Kissinger's declaration that the U.S. "will do nothing to help the white minority to exercise authority in Rhodesia" was an effective assertion of this attitude. Yet, as long as the United States continues to violate U.N. sanctions under the Byrd Amendment we will be viewed by most nations as assisting the Smith regime to resist pressures to negotiate a settlement. In other words, precisely the opposite of our stated policy.

It therefore seems urgent that we remove this glaring inconsistency immediately and with as much unanimity as possible between the Executive and Congressional branches. When the Byrd Amendment was debated in the past there was a conspicuous lack of guidance or expression of personal interest from the White House. I trust that this will not be the case under your administration. Secretary of State Kissinger urged repeal of the Byrd Amendment almost two and a half years ago (in a letter to the House of Representatives October 5, 1973). At that time he argued: "The Byrd provision is not essential to our national security . . . (it) brings us no real economic advantage, and is detrimental to the conduct of foreign relations." It is only too obvious that this is more true today than at the time he wrote these words.

I am convinced that it is not only important to repeal the Byrd Amendment as soon as possible but certain that we would strengthen our foreign policy if this repeal came about through well coordinated efforts among the White House, State Department, Senate and House. With Dr. Kissinger now in Africa, I think that there is an excellent opportunity to show the world that the various branches of the U.S. Government are capable and determined to carry out a realistic policy toward Africa, perfectly in line with the goals and policies of the U.N. and OAU. A lead from you on the repeal of the Byrd Amendment would not only facilitate a quick passage in Congress, but would also send Smith the unequivocal message that the U.S. is united and serious about doing everything possible to effectuate a peaceful and speedy settlement of the present impasse. In this regard, I am in agreement with a recent New York Times editorial which argued that "a vigorous repeal effort (of the Byrd Amendment) might accomplish more than anything else the U.S. could do at this time to encourage negotiations (in Rhodesia)." If you prefer not to take the lead in this matter, it would be helpful to know that those in Congress who desire the repeal of the Byrd Amendment have yours and Secretary Kissinger's wholehearted support.

Sincerely yours,

JOHN V. TUNNEY,
U.S. Senator.

Mr. TUNNEY. Mr. President, in light of the Secretary's statement in Lusaka, I am introducing today a joint resolution to repeal the Byrd amendment. I think that it is high time the United States join with the rest of the world community in abiding by these sanctions which were enacted with American support and were, in fact, observed by the United States for 5 years prior to enactment of the Byrd amendment.

Personally, I believe the Byrd amendment was destructive not only toward our African policies in general but toward the world's view of our willingness to meet our responsibilities as a member of the United Nations as well. As our distinguished colleague Senator McGEE, then chairman of the subcommittee on Africa of the Foreign Relation Committee, so ably pointed out at the time:

> If the Congress were to take this action, we would become the first nation in the history of the United Nations to have deliberately initiated a formal action to thwart an agreed upon procedure by the United Nations.

In my opinion, that is hardly the image that our country, dedicated as it is to the cause of fundamental human rights, having itself gone through a period of agonizing reappraisal of our own policies toward minorities, wants to project in the world community.

We all know the argument in favor of the Byrd amendment—that observance of the United Nations' sanctions would jeopardize the major source of supply of chrome ore to the United States and force the United States to become increasingly dependent upon the Soviet Union for this scarce mineral. I believed then that this argument was a red herring and I continue to believe so today. At the very time of passage of the amendment in 1971, for example, at the same instant the argument was being made on the floor of the Senate that it would jeopardize the availability of chrome ore for strategic purposes in the United States, our Government was announcing the public sale of 1.3 million tons of chrome ore from our own strategic stockpile because it believed we had an excess over and above the most cautious estimates of our needs.

In this regard it is interesting to note that a recent study dated January 1976 by the General Accounting Office on the subject of strategic stockpiles and the importation of scarce mineral resources shows that in the 4 years prior to 1972 when the sanctions were being observed the percentage of chromite imports from the U.S.S.R. were less than in 1972 itself—the first year of implementation of the Byrd amendment—and that in the same period the average percentage imported from the Soviet Union each year was actually less than the average for years following enactment of the Byrd amendment.

Today, we find, according to the GAO report, only 5 percent of chromite ore is imported from Rhodesia compared with 33 percent from South Africa, 26 percent from the Soviet Union, 20 percent from the Philippines and 14 percent from Turkey. American imports of processed ferrochromium alloy from Rhodesia also amount to only 5 percent of total chrome product imports in the latest year for which statistics are available.

What these figures indicate is that if the United States was dependent on the Rhodesians for our supplies of chrome in 1971 it clearly is not today. Is 5 percent of total imports of material for which we already have an excess in our own strategic stockpile (amounting to several years' consumption) a reason to risk the animosity of an entire continent? I think not.

These figures also indicate that South Africa, not the Soviet Union, is the largest single source of chrome ore for the United States and is likely to be in the future since South Africa is the world's largest producer and 96 percent of all known world reserves are concentrated in either South Africa or Rhodesia—not the Soviet Union. In addition, it should be pointed out that fully 70 percent of chromite ore supplied to the United States comes from free world countries and, therefore, it is extremely unlikely, considering alternatives sources of supply to the Soviet Union and Rhodesia and taking into account our own strategic reserves of chromite, that the United States will ever be caught short.

I might add in relation to those that have argued the instability of Soviet sources of supply, as limited in importance as I believe they are, that those sources have remained stable throughout the 1960's and 1970's despite differences between the Soviet Union and the United States. For example, during both the Cuban missile crisis and the Vietnam war Soviet exports to the United States actually increased.

In conclusion, I would like to say that I believe we in this country must at last meet our responsibilities both as members of the international community and as a people determined to support the cause of human rights and equal justice around the world. For too long the plight of black Rhodesians has been relegated to the backwaters of American foreign policy. I think Dr. Kissinger has made a start in the right direction in calling for repeal of the Byrd amendment. It is now up to us in the Congress to take the next step.

I urge my colleagues to join me in cosponsoring this resolution and encourage swift action on the part of the Foreign Relations committee.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—SENATE JOINT RESOLUTION 178

Mr. HELMS. Mr. President, I ask unanimous consent that Dr. James P. Lucier and Dr. James McClellan of my staff be accorded the privilege of the floor during any consideration of a motion relating to Senate Joint Resolution 178 and any votes thereon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

GRUBER WAGON WORKS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 724, S. 1497.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1497) to provide for the protection and preservation of the Gruber Wagon Works in Berks County, Pennsylvania.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the project for Blue Marsh Lake, Berks County, Pennsylvania, a part of the plan for the comprehensive development of the Delaware River Basin, as authorized by section 201 of the Flood Control Act of 1962 (76 Stat. 1183), is hereby modified to authorize and direct the Secretary of the Army acting through the Chief of Engineers, to relocate and restore intact the historic structure and associated improvements known as the Gruber Wagon Works located on certain Federal lands to be inundated upon completion of the project.

SEC. 2. Upon completion of the relocation and restoration of the Gruber Wagon Works at a site mutually agreeable to the Secretary of the Army and the County of Berks, title to the structure and associated improvements and equipment shall be transferred to the County of Berks upon condition that such county agree to maintain such historic property in perpetuity as a public museum at no cost to the Federal Government.

SEC. 3. There are authorized to be appropriated such additional sums for the project for Blue Marsh Lake as may be necessary to carry out the provisions of this Act.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—SENATE JOINT RESOLUTION 178

Mr. JAVITS. Mr. President, I ask unanimous consent that Jay Cutler and Charles Warren may have the privilege of the floor during consideration of the motion to take up Senate Joint Resolution 178.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAYH. Mr. President, I ask unanimous consent that Barbara Dixon, Ann Church, Abby Brezina, and Howard Paster of my staff, and Bob Malson of the staff of the Subcommittee on Constitutoinal Rights be granted the privilege of the floor during the consideration of Senate Joint Resolution 178.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, I ask unanimous consent that Leroy Rooker of my staff be accorded the privilege of the floor during the discussion and debate of the pending business or the motion to take up.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that Debra Robertson may be on the floor during the pendency of this issue, including the votes that may occur.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BAYH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE JOINT RESOLUTION 178—UNANIMOUS-CONSENT AGREEMENT

Mr. BAYH. Mr. President, I ask unanimous consent that at the hour of 1 o'clock p.m. the Senator from North Carolina (Mr. HELMS) be recognized to make a motion to proceed to the consideration of Calendar No. 666; that after the motion is made and before the motion to proceed is voted upon, the Chair recognize the Senator from Indiana (Mr. BAYH) for the purpose of making a motion to table the motion to proceed; and further, that the vote on the motion to table occur not later than 6 o'clock p.m., with the time provided and controlled by the following persons:

One-half hour controlled by Senator HELMS, one-half hour controlled by Senator HATFIELD, one-half hour controlled by Senator BUCKLEY, one-half hour controlled by Senator BARTLETT, 1 hour controlled by Senator BAYH, and 2 hours controlled by Senator PACKWOOD.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

Mr. BAYH. I thank the Chair.

QUORUM CALL

Mr. BAYH. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll. The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 2:25 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the enrolled bill (H.R. 12226) to amend further the Peace Corps Act.

The enrolled bill was subsequently signed by the President pro tempore.

At 3:22 p.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes, and recedes from its amendment to the title of the bill.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTIVE PRESIDENT pro tempore (Mr. Culver) laid before the Senate the following letters, which were referred as indicated:

Report of the Federal Home Loan Bank Board

A letter from the Acting Chairman of the Federal Home Loan Bank Board transmitting, pursuant to law, the annual report of the Board for the calendar year 1975 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

Report of the Assistant Secretary of Defense

A letter from the Principal Deputy Assistant Secretary of Defense transmitting, pursuant to law, the report of Department of Defense Procurement from Small and Other Business Firms for July 1975–January 1976 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

Report of the Secretary of Transportation

A letter from the Secretary of Transportation transmitting, pursuant to law, the semiannual report concerning the effectiveness of the civil aviation security program (with an accompanying report); to the Committee on Commerce.

Proposed Legislation by the Secretary of Commerce

A letter from the Secretary of Commerce transmitting a draft of proposed legislation to amend the Central, Western, and South Pacific Fisheries Development Act (with accompanying papers); to the Committee on Commerce.

Proposed Acts of the Council of the District of Columbia

Two letters from the Chairman of the Council of the District of Columbia each transmitting, pursuant to law, a proposed act adopted by the Council (with accompanying papers); to the Committee on the District of Columbia.

Report of the Foreign-Trade Zones Board

A letter from the Secretary of Commerce transmitting, pursuant to law, the annual report of the Foreign-Trade Zones Board for the fiscal year ended June 30, 1975 (with an accompanying report); to the Committee on Finance.

Report of the International Trade Commission

A letter from the Chairman of the International Trade Commission transmitting, pursuant to law, the 26th report of the Commission on the operation of the trade agreements program (with an accompanying report); to the Committee on Finance.

Proposed Legislation by the Department of State

A letter from the Assistant Secretary of State transmitting a draft of proposed legislation authorizing a contribution to the International Atomic Energy Agency (with accompanying papers); to the Committee on Foreign Relations.

International Agreements Other Than Treaties

A letter from the Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, copies of international agreements other than treaties entered into within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

Report of the Export-Import Bank

A letter from the Chairman of the Export-Import Bank reporting, pursuant to law, with respect to two transactions involving the extension of credit; to the Committee on Banking, Housing and Urban Affairs.

Report of the Department of Health, Education, and Welfare

A letter from the Assistant Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report on an altered system of records (with an accompanying report); to the Committee on Government Operations.

Report of the Assistant Secretary of Defense

A letter from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report on a proposed new system of records (with an accompanying report); to the Committee on Government Operations.

Report of the Department of Commerce

A letter from the Assistant Secretary of Commerce transmitting, pursuant to law, a report on a proposed new additional system of records (with an accompanying report); to the Committee on Government Operations.

Revised Regulations of the General Services Administration

A letter from the Administrator of General Services transmitting, pursuant to law, revised regulations proposed to govern the public release of presidential materials of the Nixon administration (with accompanying papers); to the Committee on Government Operations.

Report of the Federal Energy Administration

A letter from the Administrator of Federal Energy transmitting, pursuant to law, a report on changes in market shares for petroleum products (with an accompanying report); to the Committee on Interior and Insular Affairs.

Notice of the Federal Energy Administration

A letter from the Assistant General Counsel of the Federal Energy Administration transmitting, pursuant to law, a notice of certain meetings related to the International Energy Program (with accompanying pareport); to the Committee on Interior and Insular Affairs.

Report of the Department of the Interior

A letter from the Secretary of the Interior transmitting, pursuant to law, the annual report concerning the Bonneville Power Administration (with an accompanying report); to the Committee on Interior and Insular Affairs.

Report of the Department of the Interior

A letter from the Secretary of the Interior transmitting, pursuant to law, a report on the archeological and historic data recovery program for fiscal year 1975 (with an accompanying report); to the Committee on Interior and Insular Affairs.

Proposed Legislation of the Department of the Interior

A letter from the Secretary of the Interior transmitting a draft of proposed legislation to authorize loan funds for the Government of the Virgin Islands (with accompanying papers); to the Committee on Interior and Insular Affairs.

Report of the National Park Foundation

A letter from the Secretary of the Interior transmitting, pursuant to law, the 1975 annual report of the National Park Foundation (with an accompanying report); to the Committee on Interior and Insular Affairs.

Financial Statements of the Colorado River Storage Project

A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, financial statements of the Colorado River storage project and participating projects for the year ended June 30, 1975 (with accompanying papers); to the Committee on Interior and Insular Affairs.

Report of the Department of the Interior

A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, a report and certification of physical, economic, and financial feasibility on the Uintah unit, Central Utah project (with accompanying papers); to the Committee on Interior and Insular Affairs.

Report of the Council of Economic Advisers

A letter from the Special Assistant to the Chairman of the Council of Economic Advisers reporting on the operation of the Freedom of Information Act; to the Committee on the Judiciary.

Report of the Pennsylvania Avenue Development Corporation

A letter from the General Counsel of the Pennsylvania Avenue Development Corporation transmitting, pursuant to law, the report of the Corporation for the calendar year 1975 (with an accompanying report); to the Committee on the Judiciary.

Orders of the Immigration and Naturalization Service

Two letters from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders entered by the Service in the case of certain aliens for the period March 16 through 31, 1976 (with accompanying papers); to the Committee on the Judiciary.

Consumer Product Safety Commission

A letter from the Chairman of the Consumer Product Safety Commission transmitting a copy of a letter from the Commission to the Office of Management and Budget relating to H.R. 12048 (with accompanying letter); to the Committee on the Judiciary.

Report of the National Advisory Council on the Education of Disadvantaged Children

A letter from the Chairman, National Advisory Council on the Education of Disadvantaged Children, transmitting, pursuant to law, the 1976 Annual Report of the National Advisory Council on the Education of Disadvantaged Children (with an accompanying report); to the Committee on Labor and Public Welfare.

Final Regulations for Parts D and F of the Education Professions Development Act

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, final regulations for parts D and F of the Education Professions Development Act, as amended (with accompanying papers); to the Committee on Labor and Public Welfare.

Report of the 1976 Summer Youth Jobs Programs

A letter from the Secretary of Labor, transmitting, pursuant to law, a report on the 1976 summer youth jobs programs (with an accompanying report); to the Committee on Labor and Public Welfare.

Proposed Work Plans for Upstream Watershed Protection

A letter from the Director, Office of Management and Budget, Executive Office of the President, reporting, pursuant to law, on 11 work plans for upstream watershed protection; to the Committee on Public Works.

The National Highway Safety Needs Report

A letter from the Secretary of Transportation, transmitting, pursuant to law, the National Highway Safety Needs Report (with an accompanying report); to the Committee on Public Works.

Proposed Change in Information Records System

A letter from the Acting Secretary, Department of Agriculture, transmitting, pursuant to law, advance notice of a change in the retrievability of information contained in the system of records FmHA-1, "Applicant Borrower or Grantee File, USDA-FmHA (with accompanying papers); to the Committee on Government Operations.

Report on New System of Records

A letter from the Administrator, Veterans' Administration, transmitting, pursuant to law, a report on new system of records for the Veterans' Administration Voluntary Service (with an accompanying report); to the Committee on Government Operations.

Report of New Systems of Records

A letter from the Assistant Secretary for Administration and Management, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report on new systems of records which are being proposed by the Department (with an accompanying report); to the Committee on Government Operations.

Report of the Federal Power Commission

A letter from the Chairman, Federal Power Commission, transmitting, pursuant to law, a report on the content of present and proposed programs for additional savings in energy consumption by persons regulated by the Commission (with an accompanying report); to the Committee on Interior and Insular Affairs.

Notice of Certain Meetings Related to the International Energy Program

A letter from the Assistant General Counsel for International, Conservation and Resource Development, Federal Energy Administration, transmitting, pursuant to law, notice of certain meetings related to the International Energy Program (with enclosed papers); to the Committee on Interior and Insular Affairs.

Early Storage Reserve Plan Report

A letter from the Administrator, Federal Energy Administration, transmitting, pursuant to law, a report on the early storage reserve plan (with an accompanying report); to the Committee on Interior and Insular Affairs.

Follow-Up Report on the National Energy Policy Report

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a follow-up report with respect to the recommendations contained in the National Energy Policy Report, December 30, 1974, President's Labor-Management Committee (with an accompanying report); to the Committee on Interior and Insular Affairs.

Report on Proposed Programs for Aviation Energy Savings

A letter from the Administrator, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, a report on proposed programs for aviation energy savings (with an accompanying report); to the Committee on Interior and Insular Affairs.

Report of the Pennsylvania Avenue Development Corporation

A letter from the Chairman, Pennsylvania Avenue Development Corporation, transmitting, pursuant to law, the annual report of the Pennsylvania Avenue Development Corporation, dated January 29, 1976 (with an accompanying report); to the Committee on Interior and Insular Affairs.

Report on Administration of the Freedom of Information Act

A letter from the Legislative Counsel, Central Intelligence Agency, transmitting, pursuant to law, a report on the administration of the Freedom of Information Act (with an accompanying report); to the Committee on the Judiciary.

Rfport on Administration of the Freedom of Information Act

A letter from the Executive Officer, Freedom of Information Officer, U.S. Environmental Protection Agency, transmitting, pursuant to law, a report on the administration of the Freedom of Information Act (with an accompanying report); to the Committee on the Judiciary.

Rfport on Administration of the Freedom of Information Act

A letter from the Chairman, Foreign Claims Settlement Commission, transmitting, pursuant to law, a report on the administration of the Freedom of Information Act (with an accompanying report); to the Committe on the Judiciary.

Proposed Legislation To Authorize the Judicial Conference To Fix Fees and Costs in District Courts

A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to authorize the Judicial Conference of the United States to fix fees and costs in the U.S. district courts and for other purposes (with accompanying papers); to the Committee on the Judiciary.

Follow-Up Report on Vocational Education: Staff Development Priorities for the 70's

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a follow-up report with respect to the recommendations contained in "Vocational Education: Staff Development Priorities for the 70's," March 25, 1974, National Advisory Council on Education Professions Development (with an accompanying report); to the Committee on Labor and Public Welfare.

Final Regulations for the Metric Education Program

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, final regulations for the metric education program (with accompanying papers); to the Committee on Labor and Public Welfare.

Final Regulations for Part B of the Indian Education Act

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, final regulations for Part B of the Indian Education Act (Discretionary Grant Programs) (with accompanying papers); to the Committee on Labor and Public Welfare.

Final Regulations for Special Projects for Arts Education

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, final regulations for Special Projects for Arts Education (with accompanying papers); to the Committee on Labor and Public Welfare.

Final Regulations for Bilingual Vocational Training

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, final regulations for bilingual vocational training (with acompanying papers); to the Committee on Labor and Public Welfare.

Report of the Advisory Council on Education Statistics

A letter from the Assistant Secretary for Education, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report of the Advisory Council on Education Statistics (with an accompanying report); to the Committee on Labor and Public Welfare.

Report of Building Project Survey for Albuquerque, N. Mex.

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, a report of building projects survey for Albuquerque, N. Mex. (with an accompanying report); to the Committee on Public Works.

Proposed Alterations of Federal Building, Dallas, Tex.

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, a prospectus for alterations at the Dallas, Tex., Federal Building, 1114 Commerce Street, in the amount of $4,631,296 (with accompanying papers); to the Committee on Public Works.

Report of Rural Electrification Administration Loan

A letter from the Acting Administrator, Rural Electrification Administration, Department of Agriculture, transmitting, pursuant to law, information relating to a commitment to guarantee a non-REA loan in the amount of $261,419,000 to Arizona Electric Power Cooperative, Inc., of Benson, Ariz. (with accompanying papers); to the Committee on Appropriations.

Report of Opinion and Final Award in Indian Claims Commission

A letter from the Chairman, Indian Claims Commission, transmitting, pursuant to law, a report of opinion and final award in Pueblo of Taos v. United States, Docket No. 357-A, before the Indian Claims Commission (with accompanying papers); to the Committee on Appropriations.

Report on the Emergency Homeowners' Relief Act

A letter from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report on the Emergency Homeowners' Relief Act (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

Proposed Legislation to Provide Insurance and Reinsurance to Air Carriers

A letter from the Deputy Secretary of Transportation, transmitting a draft of proposed legislation to extend and expand the authority of the Secretary of Transportation to provide insurance and reinsurance to air carriers under Title XIII of the Federal Aviation Act of 1958, as amended, and for other purposes (with accompanying papers); to the Committee on Commerce.

Report of the Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on Federal prison construction plans—should be better developed and supported, Bureau of Prisons, Department of Justice (with an accompanying report); to the Committee on Government Operations.

Proposed Federal Act for the Commitment of Incompetent Persons

A letter from the Deputy Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend Chapter 313 of Title 18 of the United States Code (with accompanying papers); to the Committee on the Judiciary.

Amendments to the Federal Rules of Criminal Procedure

A letter from the Chief Justice of the United States, transmitting, for the information of the Senate, amendments to the Federal Rules of Criminal Procedure (with accompanying papers); to the Committee on the Judiciary.

Follow-Up Report to the Annual Report of the National Advisory Council on Vocational Education

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a follow-up report with respect to the recommendations contained in the annual report of the National Advisory Council on Vocational Education, March 1975 (with an accompanying report); to the Committee on Labor and Public Welfare.

International Development and Food Assistance Act

A letter from the Administrator of the Agency for International Development informing the Senate regarding activities carried out pursuant to Title XII of the International Development and Food Assistance Act of 1975; to the Committee on Agriculture and Forestry.

PETITIONS

The ACTING PRESIDENT pro tempore (Mr. CULVER) laid before the Senate the following petitions which were referred as indicated:

Two resolutions adopted by the General Court of the Commonwealth of Massachusetts; to the Committee on Finance:

"RESOLUTION

"Memorializing the Congress of the United States to enact legislation providing for the taking over of the cost and administration of public assistance programs and to provide equal benefits for all persons in need of assistance

"Whereas, The citizens of Massachusetts are rightly disturbed over the ever increasing cost of public assistance; and

"Whereas, All of the fifty states of the United States are limited as to their ability to raise funds by taxation; and

"Whereas, States differ in the amounts of benefits in public assistance which result in forcing persons in need to unnecessarily migrate to states offering larger grants; therefore be it

"*Resolved*, That the general court of Massachusetts respectfully urges the Congress of the United States to take such action as may be necessary to take over the full cost and administration of public assistance and to equalize the benefits in all states; and be it further

"*Resolved*, That copies of these resolutions be forwarded by the Clerk of the House of Representatives to the President of the United States, to the presiding officer of each branch of the Congress, and to each member thereof from the commonwealth."

"RESOLUTION

"Memorializing the Congress of the United States to enact legislation that would preclude social security benefits from affecting Veterans Administration pension payments

"Whereas, Many war veterans are receiving Social Security payments and Veterans Administration Pensions; and

"Whereas, It would be unfair and unjust to allow any Social Security payments to decrease or eliminate the Veterans Administration Pensions to veterans receiving both; therefore be it

"*Resolved*, That the general court of Massachusetts respectfully urges the Congress of the United States to enact legislation to preclude any change in Social Security payments from affecting any Veterans Administration Pension to veterans receiving both; and be it further

"*Resolved*, That a copy of these resolutions be transmitted forthwith by the Clerk of the House of Representatives to the President of the United States, to the presiding officer of each branch of the Congress, and to each member thereof from the commonwealth."

A resolution adopted by the Senate of the Commonwealth of Massachusetts; to the Committee on Armed Services:

"RESOLUTION

"Memorializing the Congress of the United States to maintain natural disasters within the Jurisdiction of the Department of Defense Civil Preparedness Agency

"Whereas, It has long been recognized that certain critical functions such as warning, communications and operational capability have basic validity for both nuclear and natural disaster situations; and

"Whereas, In the past these functions have been performed by the National Defense Civil Preparedness Agency; and

"Whereas, The proposed FY 77 federal budget will reduce funding and limit the National Defense Civil Preparedness Agency to limit nuclear preparedness planning program; and

"Whereas, Individual communities and states will be asked to assume an overwhelming burden in terms of immediate medical and manpower assistance in dealing with natural disasters; and

"Whereas, Individual communities and states will be asked to assume an overwhelming burden in financing direct assistance and followup operations in dealing with natural disasters; and

"Whereas, Shifting these additional burdens to communities and states is indefensible in light of proposed cuts in federal funding combined with the limited financial resources of local and state governments; now therefore be it

"Resolved, That the Massachusetts Senate hereby memorializes the Congress of the United States to maintain natural disasters within the jurisdiction of the Department of Defense, Defense Civil Preparedness Agency; and be it further

"Resolved, That the Clerk of the Senate transmit a copy of this resolution forthwith to the presiding officer of each branch of the Congress and to each member thereof from the Commonwealth."

Resolution No. 52 adopted by the House of Representatives of the State of Hawaii; to the Committee on Armed Services:

"HOUSE CONCURRENT RESOLUTION No. 52

"*Requesting retention of certain Department of Defense programs for the Army and Air National Guard*

"Whereas, 10 U.S.C. section 262 establishes that all branches of the United States military services, including the National Guard, is to provide trained units and qualified persons available for active duty in the U.S. Armed Forces, in time of war or national emergency and at other times requiring national security; and

"Whereas, reserve members of the Hawaii Army and Air National Guard can be ordered by the Governor of the State of Hawaii to active state service in support of civil authorities of the state and each of the counties during periods of civil disturbance and national disasters; and

"Whereas, since the establishment and implementation of the Total Force Policy by the Secretary of Defense, the reserve component of all branches of the military have become more heavily dependent upon as the primary group to support active components of the military services during the period of war or national emergencies; and

"Whereas, since the adoption of a no-draft, voluntary recruitment policy for military service, the National Guard has had to solely depend upon voluntary recruitment and retention of guard members to maintain an adequate level of manpower and necessary levels of readiness; and

"Whereas, several provisions of the Department of Defense Legislative Addendum to the fiscal year 1976–77 budget, now before the Armed Services Committees and Appropriations Defense Subcommittees in the U.S. Congress, would substantially reduce the level of training required for the Army and Air National Guard and eliminate the benefit of military leave for full-time Civil Service employees who serve in the National Guard; and

"Whereas, in Hawaii, such proposals would (1) transfer 14,000 Army National Guard and 7,000 Air National Guard personnel from category A to B drill status, or from 48 drills to 24 drills, and (2) eliminate the provisions of 15 days of military leave each calendar year for Guardsmen who are full-time civil service employees; and

"Whereas, such proposed changes would substantially reduce Army and Air National Guard Reserve as well as frustrate the ability of the reserve component of the military to recruit and retain skilled personnel from the civil service community; now, therefore,

"Be it resolved by the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1976, the Senate concurring, that the members of Hawaii's congressional delegation are requested to defeat and delete the aforementioned provisions of the Department of Defense Legislative Addendum to the fiscal year 1976–1977 budget and that they continue to seek and work on legislation which would be conducive to the continuation of a strong and viable reserve of the U.S. Armed Forces.

"Be it further resolved that certified copies of this Resolution be transmitted to the members of Hawaii's congressional delegation, the President of the United States Senate, and the Speaker of the United States House of Representatives."

A resolution adopted by the Legislature of the Virgin Islands; to the Committee on Commerce:

RESOLUTION No. 782

"To express the position of the Virgin Islands Legislature regarding the 'Johnston Amendment' to the Merchant Marine Act of 1920.

"Whereas S. 2422, a bill "To Amend the Merchant Marine Act, 1920, in order to provide that the coastwise laws shall extend to the Virgin Islands with respect to the transportation of crude oil, residual fuel oil, and refined petroleum products", was introduced by the Honorable Senator J. Bennett Johnston, Jr., on September 26, 1975 (hereinafter referred to as the "Johnston amendment"); and

"Whereas the Johnston amendment represents a potentially crippling blow to the fragile and already troubled economy of the United States Virgin Islands and more particularly to the petroleum refinery oriented economy of the Island of St. Croix; and

"Whereas the deleterious effect of the Johnston amendment to the Island of St. Croix would be two-fold, in that it would not only bring about a reduction in petroleum refining at the existing refinery, Hess Oil Virgin Islands Corporation, but would threaten the viability of the Virgin Islands Refinery Corporation project proposed to be constructed on St. Croix; and

"Whereas the long standing exemption from the provisions of the Merchant Marine Act of 1920 enjoyed by the Virgin Islands was originally granted for the purpose of encouraging the development, growth and prosperity of the Virgin Islands, and said exemption has over the years come to be recognized as a basic necessity to an island economy which suffers from inflated prices and substantially higher living costs than experienced on the United States mainland; and

"Whereas even a limited elimination of the Jones Act exemption by Congress, regardless of the economic consequences, which are staggering in this instance, poses a substantial threat to a long standing and heretofore stable statutory relationship between the U.S. Virgin Islands and the United States, which action would doubtless arouse the fears of Virgin Islands residents and investors and potential investors in the island economy that further erosion of the Jones Act exemption will be shortly forthcoming; and

"Whereas in considering the provisions of S. 2422 (the Johnston amendment), the Congress of the United States must carefully weigh the enhanced employment opportunities for U.S. Merchant Seaman and increased energy independence benefits which are claimed by the bill's sponsor against the long-lasting and devastating effects such an amendment would have on the fragile economy of the Virgin Islands of the United States; and

"Whereas it is the sense of this body that the aforementioned facts and circumstances should be presented to the members of Congress who will be called upon to render this most important decision involving the very life blood of the Virgin Islands economy: Now, Therefore,

"Be it resolved by the Legislature of the Virgin Islands:

"Section 1. That the members of Congress and the President of the United States are hereby respectfully informed that it is the unalterable position of the Legislature of the Virgin Islands, as representatives of the People of the Virgin Islands, that the provisions of S. 2422, proposing an amendment to the Merchant Marine Act of 1920 which would extend the coastwise laws of the United States to the Virgin Islands with respect to the transportation of crude oil, residual fuel oil and refined petroleum products, should not be permitted to become law due to the devastating immediate and long-term effect which said bill would have upon the already seriously troubled economy of the Virgin Islands of the United States.

"Section 2. That copies of this Resolution shall, immediately upon its passage, be forwarded to the President of the United States Senate, the Chairman and individual members of the Committee on Commerce of the United States Senate, the Secretary of the Department of the Interior and the President of the United States, Washington, D.C."

Joint Resolution No. 73 adopted by the Legislature of the State of New York; to the Committee on Commerce:

"Joint Resolution No. 73

"Joint resolution of the Senate and Assembly of the State of New York, memorializing Congress to enact legislation to exempt the Chesapeake and Ohio Railway System (Chessie) from requirements of section five hundred eight of the Northeast Rail Reorganization Act

"Whereas, The continued operation of the Erie-Lackawanna Railroad is essential to the continued economic well being of the communities so served and is critical to the continued employment of people in the industries served by Erie-Lackawanna along their right of way; and

"Whereas, The operation of the Erie-Lackawanna by a solvent Railroad Corporation is preferable to the Con-Rail System since a profit making carrier will insure competition, provide real property tax revenues to our fiscally needy localities, help prevent the transfer of existing rail employees as is authorized under the Con-Rail plan, and will most likely preserve the Hornell shops; and

"Whereas, The Chesapeake and Ohio Railway System (Chessie) entered into negotiations with unions representing employees associated with the bankrupt Erie-Lackawanna Railroad pursuant to the Northeast Rail Reorganization Act as a prerequisite to purchase of certain Erie-Lackawanna trackage and rights of way in New York state; and

"Whereas, Chessie has been able to operate efficiently and in an economically successful manner because of its ability to negotiate realistic working conditions, agreements and understandings with its employees; and

"Whereas, Acceptance by Chessie of conditions imposed as a result of compliance with Section 508 of Title V of the Northeast Regional Rail Reorganization Act would jeopardize the economic viability of Chessie and realistically forever prohibit Chessie from ever acquiring the Erie-Lackawanna system; now, therefore, be it

"*Resolved,* That Congress is hereby urged to introduce and pass legislation to exempt the Chesapeake and Ohio Railway System (Chessie) from the prohibitive and self-defeating requirements of Section 508 of Title V of the Northeast Rail Reorganization Act, and, further, to allow Chessie and the local unions involved to bargain freely independent of said Act; and be it further

"*Resolved,* That Congress include in the aforesaid legislation a waiver of the deadline for completion of negotiations between Chessie and the Erie-Lackawanna Railroad which will allow for the accomplishment of the aforesaid goals; and be it further

"*Resolved,* That the Congressmen representing the areas served by the Erie-Lackawanna Railroad assist in bringing about a mutuality of negotiations commensurate with the rights and interests of the communities served by the affected line and the taxpayers, businesses, industries and related health and welfare needs so involved equally with those of the railroads, their unions and the admitted need for the maintenance of adequate rail facilities in this state; and be it further

"*Resolved,* That copies of this resolution, suitably engrossed, be transmitted to the President of the Senate, the Speaker of the House of Representatives, and to each member of Congress representing the areas served by the Erie-Lackawanna Railroad."

House Joint Memorial No. 15 adopted by the Legislature of the State of Idaho; to the Committee on Finance:

"House Joint Memorial No. 15

"A joint memorial to the President and Vice President of the United States, the chairmen of the appropriate committees of the Senate and House of Representatives of the U.S. Congress and to the Senators and Representatives representing Idaho in the U.S. Congress

"We, your Memorialists, the House of Representatives and Senate of the State of Idaho assembled in the Second Regular Session of the Forty-third Idaho Legislature, do hereby respectfully represent that:

"Whereas, each decedent's estate is entitled to an exemption of $60,000 in computing the Federal Estate Tax on said decedent's estate, and

"Whereas, that exemption was established in 1942, and

"Whereas, each person is entitled to a lifetime exemption of $30,000 and an annual exclusion of $3,000 per person or entity in the computation of the Federal Gift Tax, and

"Whereas, those exemptions and exclusions allowed for an orderly devolution of the family farm, family business and home and personal effects to the family, either during lifetime or at the time of death, based on the values of said properties at the time said exemptions and exclusions were established, without the payment of estate and gift taxes, and

"Whereas, inflation and the rapid devaluation of the dollar have resulted in those same family farms, family businesses, homes and personal effects becoming so increased in value that their devolution to the family, during life-time or at the time of death, have resulted in onerous and unreasonable taxes, and

"Whereas, the large estates, with much expert help, have employed various schemes and plans in tax avoidance, leaving many of the family farmers and family businessmen and laborers with modest homes and small estates paying, disproportionately, estate taxes, and

"Whereas, the annual exclusions from the gift tax won't even offset annual inflationary increases in valuations of property, and

"Whereas, a great majority of our citizens are now being forced to employ attorneys, accountants, trust officers, insurance brokers and estate planners of all kinds to devise for them one or more of the many types of gift and estate tax avoidance plans, which in fact does avoid the tax, but which is expensive to the citizens, and which, for instance, is resulting in the incorporation of a great majority of the family farms and businesses, and

"Whereas, those professionals, because of the business it engenders, have not been active enough in their support for legislation increasing said exemptions and exclusions, and

"Whereas, said gift and estate taxes have become so burdensome, and, by their very nature, are the most disliked and complained of taxes by the ordinary farmer, small businessman and laborer as to shock the national conscience, and

"Whereas, equity and fairness dictate that those exemptions and exclusions be increased somewhat commensurate with the inflationary increases in property to allow people to transfer, during lifetime or at death, that basic family farm unit or basic family business, or a person's home or personal effects, to their families, when those farms and businesses represent basic units for the earning of a livelihood and not investments for the 'rich.'

"Now, therefore, be it resolved by the Second Regular Session of the Forty-third Idaho Legislature, the House of Representatives and the Senate concurring therein, that the Congress of the United States immediately enact legislation amending the estate tax laws of the United States to allow for an exemption of at least $200,000 per estate and to amend the gift tax laws of the United States to allow for a lifetime exemption per person of at least $100,000 and an annual exclusion from the gift tax of $10,000 per person or entity.

"Be it further resolved that the Chief Clerk of the House of Representatives be, and he is hereby authorized and directed to forward certified copies of this Memorial to the President and Vice President of the United States, the chairmen of the appropriate committees of the Senate and House of Representatives of the United States Congress and to the Senators and Representatives representing Idaho in the United States Congress."

House Resolution No. 197, adopted by the House of Representatives of the State of Hawaii; to the Committee on Finance:

"House Resolution No. 197

"Requesting the U.S. Congress to enact a New Sugar Act

"Whereas, the federal Sugar Act expired on December 31, 1974; and

"Whereas, the people of Hawaii are economically dependent on its sugar industry with sales now averaging one-half billion dollars annually; and

"Whereas, an act regulating the import and sale of sugar is necessary to assure the sugar industry the possibility of continued viability, stability, and growth; and

"Whereas, this industry is based on over 500 farms and plantations distributed throughout each county in the State; and

"Whereas, more than 200,000 acres are now devoted to the culture of sugar, with more than 6,000 non-managerial wage workers alone engaged in the growing of this crop, these workers constituting half of all persons in the State directly employed in agricultural pursuits; and

"Whereas, the expired Sugar Act embodied a stable forty-year-old method designed to supply the United States market with its annual sugar requirement of some twelve million tons by a system of allocation of 55 per cent of the sugar market to domestic producers of beet and cane sugars, and 45 per cent to 32 nations overseas; and

"Whereas, the enactment of this Act is absolutely necessary to provide Hawaii's economy with sufficient protection to permit the continued solvent operation of its total sugar agricultural endeavor which provides the State's largest single agricultural product—or 85 per cent of the State's total income from all agriculture, and an increase in dollar amount of 389 per cent over the past decade; now, therefore,

"Be it resolved by the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1976, that the Congress of the United States is urgently requested to pass a federal Sugar Act, specifically H.R. 14747–74, now pending before it; and

"Be it further resolved that certified copies of this Resolution be transmitted to the President of the Senate and the Speaker of the House of Representatives of the United States, to the United States Secretary of Agriculture, and to each member of the delegation to the Congress from the State of Hawaii."

Senate Joint Resolution No. 40 adopted by the Legislature of the State of California; to the Committee on Finance:

"SENATE JOINT RESOLUTION No. 40

"Whereas, The General Revenue Sharing Program enacted by Congress is due to expire on December 31, 1976; and

"Whereas, This program has proven generally effective as a national stimulus to decentralize public decisionmaking on domestic affairs from the federal level to the state and local levels where individual citizens may exercise a greater voice in the expenditure of tax dollars; and

"Whereas, The program has proven generally effective as an assistance to state and local government jurisdictions in the maintenance of essential public services at adequate levels during periods of rising costs; and

"Whereas, The program has enabled state and local governmental jurisdictions to provide important new public services and facilities which would be otherwise infeasible in the face of rising costs and increased tax burdens on available state and local revenue sources; and

"Whereas, The pending expiration of the program poses a serious threat to the continuance of many vital public services provided to the people of California through state and local governmental agencies; and

"Whereas, Orderly state and local government budget planning procedures require that decisive action with respect to the program beyond the pending expiration date be taken prior to the beginning of the 1976–77 fiscal year; and

"Whereas, President Gerald Ford has proposed, and Members of the Congress have introduced, federal legislation proposing reasonable appropriations and authority to extend the program through October 1, 1982; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to expedite and assure the passage of appropriate legislation as soon as is feasible under the provisions of the Congressional Budget Act of 1974 (P.L. 93–344, Titles I to IX, incl.), in order that the General Revenue Sharing Program currently serving the vital interests of the people of California not be precipitously terminated; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

House Joint Resolution No. 45 adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Finance:

"HOUSE JOINT RESOLUTION No. 45

"Memorializing the Congress of the United States to reenact the General Revenue Sharing Program

"Whereas, the state and local governments have been annually receiving a significant amount of vitally needed fiscal assistance through the allocation of federal dollars under the General Revenue Sharing Program; and

"Whereas, these revenue sharing dollars are received directly from the federal government with a minimum of federal bureaucratic red tape which enables the localities in Virginia to use their revenue sharing funds to meet the locally determined priority needs of the community; and

"Whereas, the citizens of Virginia view their locally elected officials as being accountable for the expenditure of revenue sharing dollars, and that such clearly defined accountability has resulted in increased citizen involvement in identifying the priority needs of Virginia municipalities; and

"Whereas, the citizens of Virginia are being severely affected by the spiralling and unprecedented rate of inflation which is stripping them of their hard-earned income; and

"Whereas, the current inflationary trend is also undermining the ability of many local governments to provide essential services to the community within reasonable and acceptable levels of local taxation; and

"Whereas, the General Revenue Sharing ing Program is providing essential fiscal relief to the devastating impact of inflation; and

"Whereas, the General Revenue Sharing Program, which began in 1972, will terminate in 1976 unless the 94th Congress authorizes an extension of the State and Local Fiscal Assistance Act; and

"Whereas, the federal funds received by the Commonwealth of Virginia have also provided much needed assistance at the State level; and

"Whereas, the State's share of general revenue sharing for the current biennium (1974–76) has been at least eighty-three million dollars, and the continuation of the revenue sharing program is essential to the fiscal soundness of the State budget in the coming biennium; and

"Whereas, the termination of the General Revenue Sharing Program will place the State and the localities in Virginia in the untenable position of either having to decrease essential community services or raise taxes; now, therefore, be it

"Resolved by the House of Delegates, the Senate concurring, That the Congress of the United States is hereby memorialized to reenact the State and Local Fiscal Assistance Act; and, be it

"Resolved Further, That the Clerk of the House of Delegates is hereby directed to send a copy of this resolution to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, and each member of the delegation from Virginia to the Congress of the United States."

House Joint Memorial No. 18 adopted by the Legislature of the State of Idaho; to the Committee on Finance:

"HOUSE JOINT MEMORIAL No. 18

"A joint memorial to the President and Vice President of the United States, the chairmen of the appropriate committees of the Senate and House of Representatives of the United States Congress and to the Senators and Representatives representing Idaho in the United States Congress.

"Whereas, taxpayers owning farming businesses face large expenditures in the form of taxes imposed at death; and

"Whereas, the property owned by these taxpayers has often appreciated in value over long time periods; and

"Whereas, these same taxpayers often lack the liquid assets to meet such obligations without the sale or encumbrance of property owned and farmed by them and their families over long periods of time; and

"Whereas, it is in the best interest of these United States to insure the continuance of the family farm and avoid the division of such farms into uneconomic units; and

"Whereas, the President of the United States, recognizing the acute problems thus faced by the farmers of this nation has, in his State of the Union message, presented to Congress a plan to provide for the deferral of such burden to avoid the disastrous results now occurring;

"Now, therefore, be it resolved by the Second Regular Session of the Forty-third Idaho Legislature, the House of Representatives and the Senate concurring therein, that this Legislature of the State of Idaho go on record and express wholehearted support and endorsement of the object and purpose of such proposal and of the deferral of these taxes.

"Be it further resolved that the Chief Clerk of the House of Representatives be, and he is hereby authorized and directed to forward copies of this Memorial to the President and Vice President of the United States, the chairmen of the appropriate committees of the Senate and House of Representatives of the United States Congress and to the Senators and Representatives representing Idaho in the United States Congress."

House Joint Memorial No. 22 adopted by the Legislature of the State of Idaho; to the Committee on Interior and Insular Affairs:

"HOUSE JOINT MEMORIAL No. 22

"A joint memorial relating to General Federal policy pertaining to the closure of certain airports and landing facilities in Idaho's back country, addressed to the Honorable Senate and House of Representatives of the United States in Congress assembled, to the Honorable Congress of the United States, to the Honorable Secretary of Agriculture, and to the Honorable Secretary of the Interior.

"Whereas, Idaho's mountainous and regional stature has long been compared to the remote isolation and wilderness of Alaska and Canada, which is reached and developed primarily by the adaptability of air commerce in a new concept of service and utility; and

"Whereas, the remote and back country landing areas of Idaho have been existent since the beginning of regional and localized air service and continue to present a natural environmental face after nearly a half-century of use; and

“Whereas, a place to safely land an airplane in Idaho's mountainous terrain is hard to come by and every recognizable facility should be retained as one of our greatest assets serving the fourth and last of our transportation mediums, namely aviation; and

“Whereas, the Wilderness Act passed by Congress within the past decade took this into account and states: ‘Where use of aircraft and airstrips have been well established, they may be permitted to continue.’

“Now, therefore, be it *resolved* by the Second Regular Session of the Forty-third Idaho Legislature, the House of Representatives and the Senate concurring therein, that we most respectfully urge the Honorable Secretary of Agriculture and the Honorable Secretary of Interior that all such airstrips shall be continued, regardless of location or area of service, whether desert, agricultural, forest, or wilderness, so long as they serve and protect public safety.

“Be it further *resolved* that the Chief Clerk of the House of Representatives be, and he is hereby authorized and directed to forward copies of this Memorial to the President of the Senate and the Speaker of the House of Representatives of Congress, to the honorable congressional delegation representing the State of Idaho in the Congress, to the honorable Secretary of Agriculture, and to the honorable Secretary of the Interior.”

House Joint Memorial No. 19 adopted by the Legislature of the State of Idaho; to the Committee on the Judiciary:

“HOUSE JOINT MEMORIAL NO. 19

“A joint memorial to the Congress of the United States urging defeat of all attempts to impose restrictions upon the rights of the people to keep and bear arms

“Whereas, the right of citizens of the United States to keep and bear arms was among the matters deemed worthy of constitutional protection in the Bill of Rights of the Constitution of the United States; and

“Whereas, federal legislation is currently pending before Congress which would impair the right of citizens to keep and bear arms; and

“Whereas, such legislation grows from the false hope that lawlessness may be curbed through restrictions upon the ownership of guns, while experience warns us that the outlaw would violate gun controls leaving law abiding citizens defenseless; and

“Whereas, the Idaho Legislature, speaking on behalf of honest citizens of the State who are sportsmen, gun enthusiasts, and free people, is unalterably opposed to any form of federal legislation which would infringe upon the rights of the people.

“Now, therefore, be it *resolved* by the Second Regular Session of the Forty-third Idaho Legislature, the House of Representatives and Senate concurring therein, that we respectfully urge the Congress of the United States to defeat all attempts to impose restrictions upon the rights of the people to keep and bear arms.

“Be it further *resolved* that the Chief Clerk of the House of Representatives be, and he is hereby authorized and directed to forward copies of this Memorial to the President of the Senate and the Speaker of the House of Representatives of Congress, and the honorable congressional delegation representing the State of Idaho in the Congress of the United States.”

House Joint Resolution No. 75 adopted by the Legislature of the Commonwealth of Kentucky; to the Committee on the Judiciary:

“HOUSE RESOLUTION NO. 75

“A joint resolution ratifying the thirteenth, the fourteenth, and the fifteenth amendments to the United States Constitution

“Whereas, the thirteenth, fourteenth and fifteenth amendments of the United States Constitution have been duly ratified and have been a part of the United States Constitution since 1865, 1868 and 1870 respectively; and

“Whereas, Kentucky rejected the fourteenth amendment on January 10, 1867 and has not ratified the thirteenth and fifteenth amendments; and

“Whereas, the thirteenth amendment abolishes slavery; the fourteenth amendment grants citizenship to all persons born or naturalized in the United States, guarantees due process of law and equal protection under the law to citizens of the United States; and the fifteenth amendment requires that no person be denied the right to vote on account of race or color; and

“Whereas, Kentucky is long overdue in ratifying these amendments so vital to our democracy, although, fortunately, the effectiveness of these amendments does not depend on Kentucky's ratification or lack of it; and

“Whereas, this Bicentennial Year is an appropriate time to erase this shadow on Kentucky's history;

“Now, therefore, *Be it resolved by the General Assembly of the Commonwealth of Kentucky:*

“SECTION 1. That the thirteenth amendment to the Constitution of the United States, which reads as follows, is hereby ratified:

“(1) Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction.

“(2) Congress shall have power to enforce this article by appropriate legislation.

“SEC. 2. That the fourteenth amendment to the Constitution of the United States, which reads as follows: is hereby ratified:

“(1) All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the state wherein they reside. No state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any state deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

“(2) Representatives shall be apportioned among the several states according to their respective numbers, counting the whole number of persons in each state, excluding Indians not taxed. But when the right to vote at any election for the choice of electors for President and Vice-President of the United States, representatives in Congress, the executive and judicial officers of a state, or the members of the legislature thereof, is denied to any of the male inhabitants of such state, being twenty-one years of age, and citizens of the United States, or in any way abridged, except for participation in rebellion, or other crime, the basis of representation therein shall be reduced in the proportion which the number of such male citizens shall bear to the whole number of male citizens twenty-one years of age in such state.

“(3) No person shall be a senator or representative in congress, or elector of President and Vice-President, or hold any office, civil or military, under the United States, or under any state, who, having previously taken an oath, as a member of congress, or as an officer of the United States, or as a member of any state legislature, or as an executive or judicial officer of any state, to support the constitution of the United States, shall have engaged in insurrection or rebellion against the same, or given aid or comfort to the enemies thereof. But congress may by a vote of two-thirds of each house, remove such disability.

“(4) The validity of the public debt of the United States, authorized by law, including debts incurred for payment of pensions and bounties for services in suppressing insurrection or rebellion, shall not be questioned. But neither the United States nor any state shall assume or pay any debt or obligation incurred in aid of insurrection or rebellion against the United States, or any claim for the loss or emancipation of any slave; but all such debts, obligations and claims shall be held illegal and void.

“(5) The congress shall have power to enforce, by appropriate legislation, the provisions of this article.

“SEC. 3. That the fifteenth amendment to the Constitution of the United States, which reads as follows, is hereby ratified:

“(1) The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any state on account of race, color, or previous condition of servitude.

“(2) The congress shall have power to enforce this article by appropriate legislation.

“SEC. 4. That the Secretary of State shall cause certified copies of this resolution to be sent to the President of the United States, the Administrator of General Services of the United States, the Secretary of State of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States.”

House Concurrent Resolution No. 62 adopted by the Legislature of the State of Idaho; to the Committee on the Judiciary:

“HOUSE CONCURRENT RESOLUTION NO. 62

“A concurrent resolution stating legislative findings, proposing to the Congress of the United States that the Congress prepare and submit an amendment prohibiting debt in the absence of an emergency, and directing that copies of this resolution be sent to persons specified

“Be It Resolved by the Legislature of the State of Idaho:

“Whereas, with each passing year this nation becomes more deeply in debt as its expenditures grossly and repeatedly exceed available revenues, so that the public debt now exceeds hundreds of billions of dollars; and

“Whereas, the annual federal budget continually demonstrates an unwillingness or inability of both the legislative and executive branches of the federal government to curtail spending to conform to available revenues; and

“Whereas, unified budgets do not reflect actual spending because of the exclusion of special outlays which are not included in the budget nor subject to the legal public debt limit; and

“Whereas, knowledgeable planning, fiscal prudence and plain good sense require that the budget reflect all federal spending and be in balance; and

“Whereas, believing that fiscal irresponsibility at the federal level, with the inflation which results from this policy, is the greatest threat which faces our nation; we firmly believe that constitutional restraint is necessary to bring the fiscal discipline needed to restore financial responsibility.

“Now, therefore, be it resolved by the Second Regular Session of the Forty-third Idaho Legislature, the House of Representatives and the Senate concurring, that we hereby propose that the Congress of the United States institute procedures in the Congress to prepare and submit to the several states an amendment to the Constitution of the United States, adding a new Article to the Constitution requiring in the absence of a national emergency that the total of all federal appropriations made by the Congress for any fiscal year may not exceed the total of all estimated federal revenues for that fiscal year.

“Be it further resolved that the Legislature of the State of Idaho proposes that the Legislature of each of the several states comprising the United States apply to the Congress requesting the enactment of the appropriate amendment to the federal constitution.

"Be it further resolved that the Clerk of the House of Representatives be, and he is hereby authorized and directed to forward copies of this Resolution to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, the presiding officers of both Houses of the Legislature of each of our sister states in the Union, and the members of the delegation representing the State of Idaho in the Congress of the United States."

Resolutions adopted by the Senate of the Commonwealth of Massachusetts; to the Committee on Veterans' Affairs:

"Resolutions Memorializing the Congress of the United States To Enact Legislation Continuing Veterans' Educational Benefits Beyond May Thirty-First, Nineteen Hundred and Seventy-Six

"Whereas, From the earliest days of the republic, the national policy of the United States concerning veterans of the United States has been to grant educational benefits to them in consideration of their military service in defense of our country; and

"Whereas, Without such benefits many veterans would be denied educational skills necessary to properly provide for themselves and their families; and

"Whereas, Such benefits shall cease to exist beyond May thirty-first, nineteen hundred and seventy-six; now therefore be it

"Resolved, That the Massachusetts Senate respectfully urges the Congress of the United States to enact legislation continuing veterans' educational benefits beyond May thirty-first, nineteen hundred and seventy-six; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the Clerk of the Senate to the President of the United States, to the presiding officer of each branch of the Congress, and to each member thereof from the Commonwealth."

A petition from the United Cancer Institute relating to National Cancer Day; to the Committee on Labor and Public Welfare.

A resolution adopted by the City Council of Minneapolis, Minnesota, relating to general revenue sharing; to the Committee on Finance.

A resolution adopted by the AFL–CIO of the State of Louisiana, relating to national health security; to the Committee on Labor and Public Welfare.

A resolution adopted by the Chamber of Commerce of Puerto Rico relating to fighting cocks; to the Committee on Commerce.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. EASTLAND:

S. 3332. A bill for the relief of Joseph Spears Buchanan, Jr. Referred to the Committee on the Judiciary.

By Mr. GRIFFIN:

S. 3333. A bill for the relief of Ewa Winiaraka. Referred to the Committee on the Judiciary.

By Mr. JOHNSTON (by request):

S. 3334. A bill to provide for the conveyance of certain mineral interests of the United States in property in Louisiana to the record owners of the surface of that property. Referred to the Committee on Interior and Insular Affairs.

By Mr. LAXALT:

S. 3335. A bill to extend the provisions of Section 4(c) of P.L. 93–483. Referred to the Committee on Finance.

By Mr. HARRY F. BYRD, JR.:

S. 3336. A bill to require review and evaluation of Government programs and activities at least every four years, to limit the period of authorization of new budget authority, and for other purposes. Referred to the Committee on Government Operations.

By Mr. McINTYRE:

S. 3337. A bill for the relief of Roland Belhumeur. Referred to the Committee on the Judiciary.

By Mr. GRAVEL:

S. 3338. A bill for the relief of Kwan Ho Song. Referred to the Committee on the Judiciary.

By Mr. RIBICOFF (for himself and Mr. Jackson):

S. 3339. A bill to promote more effective management of certain related functions of the executive branch by reorganizing and consolidating those functions in a new Department of Energy and Natural Resources. Referred to the Committee on Government Operations.

By Mr. WILLIAMS:

S. 3340. A bill to amend title 39 of the United States Code to require the Postal Rate Commission to consider matters in its ratemaking procedures, to provide for the treatment of certain mail matters as certain classes of mail, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. TUNNEY:

S.J. Res. 191. A joint resolution relating to Presidential authority to prohibit the importation into the United States of goods and materials from Rhodesia. Referred to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JOHNSTON (by request):

S. 3334. A bill to provide for the conveyance of certain mineral interests of the United States in property in Louisiana to the record owners of the surface of that property. Referred to the Committee on Interior and Insular Affairs.

Mr. JOHNSTON. Mr. President, I am introducing a private bill which will direct the Secretary of Interior to convey the Federal mineral interests in section 153, T15S, R16E, Louisiana Meridian, Louisiana, to the record owners of the surface rights thereof.

During the 93d Congress, in Report No. 93–1144, the Senate Interior and Insular Affairs Committee adopted a policy concerning such private bills. In accordance with that policy, the value of these mineral interests will first be determined and the interests will not be conveyed to the landowners unless the landowners first pay the fair market value of the mineral interests.

By Mr. LAXALT:

S. 3335. A bill to extend the provisions of Section 4(c) of P.L. 93–483. Referred to the Committee on Finance.

Mr. LAXALT. Mr. President, a number of my constituents have requested an extension of section 4 of Public Law 93–483, which maintained until January 1, 1976 the tax-exempt status of the Armed Forces Health Professions Scholarship Program—AFHPS.

This program was created under Public Law 92–426, the Uniformed Services Health Profession Revitalization Act of 1972. It established within the Armed Forces a scholarship program for the purpose of obtaining sufficient numbers of commissioned officers on active duty qualified in health professions. At any one time a total of 5,000 scholarships are available and any U.S. citizen who meets the requirements for appointment as a reserve commissioned officer, is enrolled at an accredited educational institution and agrees to sign a contractual agreement mandating future service with the service concerned is eligible. Successful applicants receive a monthly stipend of $400 plus full educational expenses.

In 1974 when Public Law 93–483 was enacted, the IRS ruled that AFHP scholarships were not excludable from gross income because of the individual's commitment to future service with the Armed Forces. The Senate promptly amended H.R. 12035 of the 93d Congress in such a way that the expenses and grants for tuition and other educational expenses were excluded for 3 years pending a review by the staff of the effect of the application of this provision. It is my understanding that the committee now supports an extension of the exclusions.

In my view a scholarship is just that, a scholarship and not earned income. And in this case it is money to be paid back by years of service. It is not compensation for past, present, or future services as argued by the IRS. AFHPS students are not military personnel in that they receive no military medical, PX, or promotional benefits while in the program. Instead, they are scholarship recipients who have additionally signed agreements to serve in the military.

Moreover, it is my contention that extending the tax-exempt status of the Armed Forces Health Professions Scholarship program would save the Government money in the end. It is cheaper to educate a scholarship student who would then incur up to a 4-year obligation than it is to compete for graduate physicians and other skilled health services personnel in the open market.

Finally, as many letters from my constituents have attested, it is unfair to change the status on existing AFHPS students in midstream. These students have incurred a service obligation in exchange for certain benefits. The service period has been kept but with the expiration of Public Law 93–483 their benefits have been substantially reduced. In my view, this is unfair.

Accordingly, the bill which I am now introducing would simply extend the provisions of Public Law 93–483 as they pertain to the exclusion for scholarship and fellowship grants for the Armed Forces Health Professions Scholarship program for an additional 3 years. It would also make that exclusion retroactive to January 1, 1976.

Mr. President: I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3335

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 4(c) of Public Law 93–483 is amended by striking "and" and inserting before the period at the end thereof the following: ", 1976, 1977, and 1978."

By Mr. HARRY F. BYRD, JR.:

S. 3336. A bill to require review and evaluation of Government programs and activities at least every 4 years, to limit the period of authorization of new budget authority, and for other purposes. Referred to the Committee on Government Operations.

FEDERAL PROGRAM CONTROL ACT OF 1976

Mr. HARRY F. BYRD, JR. Mr. President, I am today introducing the Federal Program Control Act of 1976.

The need for systematic review of the multitude of Federal programs—we now have more than 1,000 in the domestic assistance area alone—has been apparent for some time.

During consideration of the many proposals which led to the Congressional Budget and Impoundment Act of 1974, plans to include mandatory program review were discussed at length. I cosponsored, with Senator Percy, one version of the budget legislation, and I recall that this issue was considered at that time.

More recently, in July of 1975, Senator Biden introduced S. 2067, which was based upon a rejected title of the budget act, and which incorporated the principle of a 4-year cycle of renewal for most Federal programs. And this year, Senator Muskie introduced S. 2925, based on similar principles, and incorporating a timetable for program review.

In late March and early April, the Subcommitte on Intergovernmental Relations of the Government Operations Committee held hearings on program review. On March 25, I testified before that subcommittee, presenting my own views and indicating my intention of introducing legislation incorporating those views.

So my interest in this area, and my commitment to take action to get a handle on Federal programs, are of long standing.

The fact is that there is a lot of dead wood in the Federal forest, and it is high time that we cleared it out. In both size and cost, the Federal Government is literally out of control. My aim is to introduce some discipline in the authorization and reauthorization of programs.

Basically, my bill would require these things:

First. Complete congressional review of Federal programs, with the assistance of appropriate agencies, at least once every 4 years.

Second. Justification by the executive branch for continuation of all programs except social security and other trust funds.

Third. For trust funds, review of their operations when changes are made by legislation.

Fourth. Early and timely review of all new programs, on a special cycle, to prevent mushrooming of costs beyond the original intent of the Congress.

Fifth. Review of regulations issued by Federal agencies pursuant to programs under existing and future law.

Sixth. For each program to be continued, close scrutiny of costs of administration, including numbers and salaries of personnel.

Seventh. Careful study of costs and benefits of each program, including factors not readily quantified.

Why is this legislation important?

A study of the Federal budget shows why.

This year the Federal Government is spending $374 billion.

It is taking in $298 billion, so we are running a deficit of $76 billion—by far the largest in our history.

What are we buying for $374 billion?

After some research by my staff last year, I made the statement that the number of Federal domestic programs was 1,000.

Shortly thereafter, I had lunch with the Director of the Office of Management and Budget, Mr. James Lynn.

Mr. Lynn said my statement was in error—the total now was 1,010.

That was a few months back, so I guess it is above 1,010 by now. In any event, the total is staggering.

For years now, the programs of the Federal Government have been growing by leaps and bounds.

Some of these programs, enacted years ago, have become outdated.

Others, according to studies by the General Accounting Office, are overlapping and duplicate one another.

Some of the programs, while having worthy goals, have been badly managed.

And I think there are some programs which never have served a useful purpose.

Under my proposal, the executive branch will have to justify continuance of each program—except social security and other contributory trust funds—every 4 years.

Congress will review regulations issued by Federal agencies under each program.

This is a critically important provision.

Few things the Federal Government does are more counterproductive than constantly extending its gigantic web of regulation into every facet of American life.

Excessive regulation hampers industry and commerce.

It restricts the liberties of American businesses and American citizens.

It builds huge bureaucracies and generates mountains of paperwork.

And finally, it hits the citizen right in the pocketbook by pushing up costs to the consumer.

Last year the regulations and legal notices issued by the agencies of the Government filled 50,000 pages in the Federal Register.

Things have reached the point where Americans are hard-pressed to know what the law requires—let alone comply with it.

Giant corporations, with batteries of attorneys and accountants, usually can cope with the maze of Federal regulation. But for the small businessman, the burden of regulation can be a backbreaking one.

And all businesses—large and small—are forced to pass along the costs of compliance with Federal regulations along to—you know who—the consumer.

The poor American consumer! His hard-earned tax dollars go to pay the salaries and administrative costs of setting up enormous bureaucracies—and then the bureaucrats turn around and sock him with price increases through excessive regulation.

We have got to break into that vicious circle.

The long-term trend toward more and more regulation must be reversed.

That is why I have made review of regulations a key feature of my proposal for examining Federal programs.

There is a marked tendency in the Government for programs to acquire many layers of high-salaried employees, and to multiply costs with complex administration.

We need to take a hard look at the administrative costs of programs. It is important that dollars designated to reach the goals intended by the Congress are not swallowed up in administration.

That is the purpose of my bill.

I ask unanimous consent that the text of the Federal Program Control Act of 1976, and the text of my March 25 testimony before the Intergovernmental Operations Subcommittee, be printed at this point in the Record.

There being no objection, the bill and testimony were ordered to be printed in the Record, as follows:

S. 3336

A bill to require review and evaluation of Government programs and activities at least every four years, to limit the period of authorization of new budget authority, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Program Control Act of 1976".

DEFINITIONS

Sec. 2. (a) For purposes of this Act—

(1) The term "budget authority" has the meaning given to it by section 3(a)(2) of the Congressional Budget Act of 1974.

(2) The term "Comptroller General" means the Comptroller General of the United States.

(b) For purposes of this Act, the Members of the Senate who are members of the Joint Committee on Atomic Energy shall be treated as a standing committee of the Senate, and the Members of the House of Representatives who are members of the Joint Committee shall be treated as a standing committee of the House.

TITLE I—AUTHORIZATIONS OF BUDGET AUTHORITY

TERMINATION OF CERTAIN AUTHORIZATIONS OF BUDGET AUTHORITY

Sec. 101. (a) Except as provided in subsection (b), all provisions of law in effect on the effective date of this section which authorize new budget authority for any fiscal year beginning after October 1, 1980, or for an indefinite or unspecified number of fiscal years, shall cease to be effective at the close of the fiscal year beginning on October 1, 1980.

(b) Subsection (a) shall not apply to any provision of law which authorizes new budget authority for a trust fund in the Treasury of the United States.

LIMITATIONS ON NUMBER OF YEARS FOR WHICH NEW BUDGET AUTHORITY MAY BE AUTHORIZED

Sec. 102. (a) Except as provided in subsection (b), on and after the effective date of this section, it shall not be in order in either the Senate or the House of Representatives to consider any bill, resolution, or amendment—

(1) which authorizes new budget authority for any program or activity for more than four fiscal years;

(2) which authorizes new budget authority

for any program or activity for any fiscal year beginning after October 1, 1980, unless a program control review of such program or activity has been conducted, and a report submitted thereon, under section 301 during the four-fiscal-year period preceding the beginning of such fiscal year; or

(3) in the case of a program or activity for which new budget authority is authorized on the effective date of this section, which authorizes new budget authority for a number of fiscal years which is longer by more than one fiscal year than the number of fiscal years for which new budget authority was authorized for such program or activity in the most recent law which authorized such new budget authority (whether enacted before, on, or after such effective date).

(b) Subsection (a) shall not apply to any bill, resolution, or amendment which authorizes new budget authority for a trust fund established in the Treasury of the United States on the effective date of this section.

NEW PROGRAMS AND ACTIVITIES

SEC. 103. It shall not be in order in either the Senate or the House of Representatives to consider any bill, resolution, or amendment—

(1) which authorizes new budget authority for more than one fiscal year for a program or activity for which new budget authority has not been authorized for any prior fiscal year;

(2) which authorizes new budget authority for more than two fiscal years for a program or activity for which new budget authority has been authorized for only one prior fiscal year; or

(3) which authorizes new budget authority for a program or activity for which new budget authority has been authorized for less than four prior fiscal years, unless a program control review has been conducted, and a report submitted thereon, under section 301 prior to the end of each fiscal year or period of fiscal years for which such new budget authority has been authorized.

TRUST FUNDS; PERMANENT BUDGET AUTHORITY

SEC. 104. It shall not be in order in either the Senate or the House of Representatives to consider any bill, resolution, or amendment which changes any program or activity which is funded from a trust fund or by permanent budget authority if such change is to take effect during a fiscal year beginning after October 1, 1980, unless a program control review of such program or activity has been conducted, and a report submitted thereon, under section 301 during the four-fiscal-year period preceding the beginning of the fiscal year in which such change is to take effect.

IDENTIFICATION OF PERMANENT AUTHORIZATION

SEC. 105. (a) On or before April 1, 1977, the Comptroller General shall submit to the Senate and the House of Representatives a report setting forth each program or activity which is carried on under a provision of law which permanently authorizes the enactment of new budget authority for such program or activity (including programs or activities for which permanent authorizations are implied).

(b) The report submitted under subsection (a) shall also set forth—

(1) the law or laws under which each such program or activity is carried on;

(2) the committee or committees of the Senate and the House of Representatives which have legislative jurisdiction over each such program or activity;

(3) the annual appropriation bill which provides new budget authority for each such program or activity; and

(4) the amount of new budget authority provided for each such program or activity for each of the last four completed fiscal years ending before April 1, 1977.

The information required by this section shall be cross-indexed so as to provide information to the committees of the Senate and the House of Representatives with respect to programs and activities under their jurisdiction which are carried on under permanent authorizations.

(c) On or before April 1, 1978, April 1, 1979, and April 1, 1980, the Comptroller General shall submit to the Senate and the House of Representatives a report setting forth the amount of new budget authority provided for each of the last four completed fiscal years for each program or activity identified in the report submitted under subsection (a) which, as of the date on which such report is submitted, is carried on under a provision of law which permanently authorizes the enactment of new budget authority for such program or activity.

EFFECTIVE DATE

SEC. 106. Sections 101, 102, 103, and 104 shall take effect on the first day of the first session of the Ninety-fifth Congress.

TITLE II—EARLY ELIMINATION OF INACTIVE AND DUPLICATE PROGRAMS

STUDY AND REPORT BY GENERAL ACCOUNTING OFFICE

SEC. 201. (a) The Comptroller General shall promptly conduct a study of all Government programs and activities for the purposes of identifying—

(1) those programs and activities for which no outlays have been made for the last two completed fiscal years; and

(2) those programs and activities which have duplicate objectives.

(b) The Comptroller General shall submit interim reports to the Senate and the House of Representatives on the results of the study conducted under subsection (a), and shall submit a final report on or before July 1, 1977.

(c) The Comptroller General shall transmit a copy of each report submitted under subsection (b) to the standing committees of the Senate and the House of Representatives which have legislative jurisdiction over the programs and activities included in such report.

ACTION BY CONGRESSIONAL COMMITTEES

SEC. 202. Each standing committee of the Senate and the House of Representatives shall give prompt consideration to each report transmitted to it under section 201(c) with a view to—

(1) eliminating inactive programs and activities; and

(2) eliminating programs and activities which duplicate other programs and activities, or consolidating such duplicate programs and activities.

To the extent possible, action shall be taken by each such standing committee on all reports transmitted to it on or before March 15, 1978.

TITLE III—PROGRAM CONTROL REVIEW

REVIEW BY SENATE AND HOUSE COMMITTEES

SEC. 301. (a) Not less often than every fourth year, each standing committee of the Senate and the House of Representatives shall conduct a program control review of each program or activity within its legislative jurisdiction. Each program control review shall include (but not be limited to)—

(1) a study of the feasibility of alternate programs or activities;

(2) a study of the relationship of the program or activity to other Government (including State and local) and private programs and activities in the same area, including tax expenditures;

(3) a study of any proposed legislation in the Congress to accomplish similar objectives;

(4) an evaluation of the impact of the program or activity on the national economy;

(5) an evaluation of the effect, if any, of the program or activity on the international relations of the United States;

(6) a study of the possibility of elimination of the program or activity or of related programs or activities, or the consolidation of related programs or activities, either currently or at a future date;

(7) a study of regulations, issued to carry out the program or activity, which may be inappropriate to its objectives, or which may create unreasonable costs, either to the government or the private sector; and

(8) a study of personnel levels for the current and future operation of the program or activity.

(b) Each committee shall submit to its House a report of each program control review conducted by it under subsection (a). Each such report shall set forth the committee's findings with respect to each of the matters described in subsection (a), and, if the committee recommends the authorization of new budget authority for a program or activity, such report shall also set forth its reasons therefor and its reasons for the recommended period of authorization of new budget authority and the amount of new budget authority recommended for authorization.

REPORTS AND ASSISTANCE BY GENERAL ACCOUNTING OFFICE AND CONGRESSIONAL BUDGET OFFICE

SEC. 302. (a) Whenever a standing committee of the Senate or the House of Representatives is conducting a program control review of a program or activity under section 301, the Comptroller General shall submit a report to that committee on the costs and benefits of the program or activity. Such report shall include information on—

(1) the appropriateness of the use of the funds expended in such program or activity,

(2) the administrative costs (including the number and aggregate compensation of personnel involved in such program or activity), and

(3) the objectives of the program or activity accomplished or frustrated by regulations issued to carry out such program or activity.

(b) The Comptroller General shall furnish to each standing committee of the Senate and the House of Representatives the results of prior audits and reviews and evaluations of each Government program or activity which is the subject of a program control review being conducted by that committee under section 301. At the request of any such standing committee, the Comptroller General shall furnish to such committee such information and analyses as it may request to assist in its conduct of any such review. Assistance authorized by this subsection shall be in addition to assistance authorized by section 204 of the Legislative Reorganization Act of 1970.

(c) Consistent with the discharge by the Congressional Budget Office of its duties and functions under the Congressional Budget Act of 1974, the Director of the Congressional Budget Office shall, at the request of any standing committee of the Senate or the House of Representatives, furnish to such committee such information and analyses as it may request to assist in its conduct of a program control review of a Government program or activity under section 301.

(d) The report required to be submitted to a standing committee under subsection (a), information required to be furnished to a standing committee under subsection (b), and information or analyses requested by a standing committee under subsection (b) or (c) with respect to a program or activity shall be furnished to such committee at such time as it may specify.

REPORTS BY EXECUTIVE BRANCH

SEC. 303. Whenever a committee of the Senate or the House of Representatives is conducting a program control review of a program or activity under section 301—

(1) the head of the department or agency which administers such program or activity shall submit a report to that committee, at such time as the committee may specify, setting forth an analysis of such program or activity and his evaluation of the effectiveness of such program or activity, taking into account the matters described in section 301(a); and

(2) the Director of the Office of Management and Budget shall submit a report to that committee, at such time as the committee may specify, setting forth his analysis and evaluation of such program or activity from the standpoint of the budget function being served by such program or activity and its impact on the economy.

TITLE IV—CONTINUING REVIEW AND EVALUATION

ADDITIONAL FUNCTIONS OF GENERAL ACCOUNTING OFFICE

SEC. 401. (a) Whenever, in the judgment of the Comptroller General, any audit conducted by the General Accounting Office discloses any substantial deficiency in achievement of the objectives of any Government program or activity, he shall conduct subsequent audits of such program or activity periodically at such times as he deems necessary, but not less often than every six months, until he determines that the deficiency or deficiencies in such program or activity have been eliminated. The Comptroller General shall report the results of each such subsequent audit, together with his findings as to progress made to eliminate the deficiency or deficiencies in such program or activity, to the Committees on Appropriations of the Senate and the House of Representatives and to the standing committees of the Senate and the House which have legislative jurisdiction over such program or activity.

(b) The Comptroller General shall furnish to the Committees on Appropriations of the Senate and the House of Representatives, and to the standing committees of the Senate and the House which have legislative jurisdiction over any Government program or activity, a summary of each audit conducted by the General Accounting Office involving such program or activity.

INCLUSION OF PROGRAM INFORMATION IN PRESIDENT'S BUDGET

SEC. 402. (a) Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended by adding after subsection (i) the following new subsection:

"(j) The Budget transmitted pursuant to subsection (a) for each fiscal year shall include information, with respect to each Government program or activity, on the specific objectives of such program or activity for such fiscal year, and a comparison of the achievement of the objectives of such program or activity for the last completed fiscal year with the planned objectives of such program or activity for such fiscal year.".

(b) The amendment made by subsection (a) shall apply with respect to the fiscal year beginning on October 1, 1978, and succeeding fiscal years.

TITLE V—MISCELLANEOUS

EXERCISE OF RULEMAKING POWER

SEC. 501. The provisions of this section and sections 102, 103, 104, 202, and 301 of this Act are enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

STATEMENT OF SENATOR HARRY F. BYRD, JR., ON FEDERAL PROGRAM REVIEW LEGISLATION

I appreciate this opportunity to offer my views on S. 2925 and to discuss with the Committee the difficult problems associated with establishing systematic review of the programs of the federal government.

As Senator Brock pointed out on the first day of this series of hearings, review of federal programs was included in some original versions of what became the Congressional Budget and Impoundment Act of 1974. I cosponsored one such version with Senator Percy, and I recall there were discussions about the need for review at that time.

More recently, in July of 1975, Senator Biden introduced S. 2067, which was based upon a rejected title of the budget act, and which incorporated the principle of a four-year cycle of renewal for most federal programs. Early this year, my staff met with a staff member of the Budget Committee to discuss possible improvements in this legisation.

So my interest in this area has been of long standing.

I want to commend the Chairman for his initiative in framing truly comprehensive legislation in this vital area of government operations. While we do not seem to be making headlines in this effort, I feel that we may well be making history.

I also wish to add a salute to the Chairman for his statements in the first days of these hearings, to the effect that he and his colleagues on the committee are in earnest about this initiative, and that it will be pursued. It is going to take a lot of courage and a lot of work, and I think all who are taking part in this effort are making an important contribution to better government.

Finally, I want to pay tribute to the Chairman and his colleagues on the committee for the open-minded, problem-solving attitude which they have displayed in receiving testimony. I think all of us who have struggled with this problem recognize that there can be no pride of authorship in this undertaking: the best thought of many minds will be needed to arrive at a program that will work.

I believe that in these hearings, the committee is very close to the heart of government.

In the process of framing this legislation, and in the process of program review that will follow if it is enacted, those involved will be dealing with the hardest of hard questions:

What is the proper use of the tax funds paid into the Treasury by our citizens?

In funding federal programs, how much is enough?—and by implication, what is too little, and what is too much?

How does one properly measure the true costs and the true benefits of government programs?

These questions are at once so basic and so complex that they tend to bend the mind. Nevertheless, I shall try to keep them in mind as I discuss S. 2925.

In that discussion, the first point would seem to be the appropriateness of the time cycle for review of programs. I believe that the period of four years proposed in this legislation is appropriate.

Given the workload required for truly adequate review, review more frequent than every four years probably would not be practical. On the other hand, review at less frequent intervals would not provide a sufficient check on waste and inequities that may develop in the operation of programs.

I note that S. 2925 avoids a specific link between authorization and program review by providing that programs may be authorized for less than four years, with review to remain quadrennial. I think that is a wise provision, but I nevertheless fear that the natural tendency will be to authorize more and more programs on four-year cycles.

This, I believe, would be unfortunate: in many areas of government activity, the issuance of regulations and the making of commitments proceeds at a pace such that the review inherent in re-authorization—even if less comprehensive than the kind of review required in this legislation—is needed to prevent the creation of monsters.

Perhaps the committee might consider a provision limiting future authorizations to the period of the most recent past authorization, or no more than one year longer than the most recent past authorization.

In addition, I feel that some special provision may be appropriate for new programs. Like children, programs tend to get their good or bad habits in their formative years.

I ask that the committee consider a limitation of one year—or two years at the most—on authorizations for activities previously unfunded. I understand that a certain amount of time must be allowed for staffing and organization, but I believe that early checks are important to prevent the entrenchment of excessive cost or unreasonable regulation.

Consideration of the four-year cycle leads naturally to the timetable contained in S. 2925 for program review. The legislation provides for division by budgetary function and subfunction, which seems logical from the point of view of evaluation. If like programs are considered together, there is a better chance for comparison of relative merits.

One problem presents itself in this connection. I wonder if there may not be overloads imposed upon particular committees by this arrangement. I presume that many programs within a given budgetary area are handled by the same committee, and it may be that simultaneous consideration of all of them may seriously strain the capacities of the committees and their staffs.

Under S. 2925, according to the explanation provided by the sponsors, the schedule for program review was arrived at by taking first the budgetary areas "entailing the lightest workload." Unfortunately, this arrangement leaves for consideration six years hence some of the programs having the fastest rate of growth in outlays.

I have studied the rates of growth in spending for budgetary functions, arranged by review date as specified in S. 2925.

It turns out that for the quadrennium 1972–1976, the rate of growth for programs to be reviewed in 1979 is a little over 20 percent; for those to be reviewed in 1980 and 1981 it is 70 percent; and for those to be reviewed in 1982 it is 144 percent.

The last figure is somewhat skewed by the initiation of revenue sharing and the explosion in "training and employment" outlays because of the recession, but the basic fact is that the slowest-growing programs come first, and the fastest-growing at a later date.

I think it is important to isolate some of the fastest-growing programs for early review. By 1982, they may be totally out of control.

Section 104 of the bill calls for identification of permanent authorizations and permanent budget authority. I think this is a very significant and necessary undertaking. Testimony on the first day of these hearings by Dr. Alan Schick of the Library of Congress, showed that permanent authorizations are becoming more the rule than the exception, and that the uncontrollable elements in the budget are crowding out the controllable elements. The danger inherent in this trend is obvious: Congress is losing control over its own creations.

I likewise favor the provisions of S. 2925 requiring early elimination of inactive and duplicate programs. The testimony of the Comptroller General on this point indicates that the General Accounting Office will need some guidance from the Congress in defining duplication, and I trust the committee will address itself to that need.

Turning to the provisions of the legislation for zero-base review, I think this concept has the merit of forcing a comprehensive evaluation. Certainly the question of whether or not to continue a program must be asked in any meaningful review.

Zero-base review, as defined in the bill, also requires assessment of the effects of incremental amounts of budget authority. Perhaps this is the best approach—I am not sure on this point—but I wish to point out the difficulties associated with quantifying benefits mathematically.

Can we apply meaningful numerical criteria to all government programs? Here are a few areas of government activity where I foresee great difficulty in this exercise:

Veterans hospitals.

Intelligence activities.

Embassies.

The Coast Guard.

The Federal Bureau of Investigation.

Intangibles such as protection of human rights and scenic values.

Can numbers be put on incremental benefits from all of these activities? If not, what kinds of evaluation criteria are appropriate?

I am inclined to feel that considerable flexibility will have to be provided the authorizing committees in arriving at their conclusions on the merits of various funding levels.

On the other hand, I think that certain elements of the review process should be quite specific.

For example, I think there should be a specific requirement for review of regulations issued by the departments and agencies pursuant to the programs which they administer.

Let us bear in mind that a program is not necessarily a set of declared principles in a piece of legislation: it is whatever is made of it by the bureaucracies to which it is entrusted.

Last year, the *Federal Register* published over 50,000 pages of regulations and legal notices. Excessive governmental regulation is hampering commerce and industry, confusing and restricting our citizens, creating mountains of paperwork and driving up costs to the consumer. Unless we get this Goliath under control, we shall not have fully accomplished the objectives of program review.

In his testimony last week, former OMB Director, Roy Ash, said that Congress should consider the effect of federal programs on private sector costs. I heartily agree, and congressional review of program regulations is one of the ways in which this can best be accomplished.

Besides regulation, I think specific attention must be devoted to the issue of administrative cost. For each program, there should be an analysis of the portion of funds which reaches the intended beneficiaries, or performs the intended function, and how much is swallowed up in the administrative process. This would serve as a check on excessively complex administration, and on the possible layering of high-priced administrative personnel.

Now let's consider the question of inputs into the review process. Basically, the legislation before the committee calls for a flow of information from four sources: the Executive Branch, the General Accounting Office, the Congressional Budget Office and the authorizing committees. Certainly these are the logical sources for the needed reports.

Perhaps within the Executive Branch, an input from the Office of Management and Budget would be desirable. I am inclined to feel that OMB either should report to the Congress on its own, or at least review and comment upon the evaluation prepared by the department or agency conducting the program.

The General Accounting Office seems the logical source for analysis of costs and benefits, and for the analyses which I have suggested of regulations and administrative cost.

As Chairman of the Budget Committee, the Chairman of this subcommittee is in an excellent position to judge what should be the role of the Congressional Budget Office.

I agree with the limitation stated in the bill, that CBO's work in this area must be consistent with its performance of its primary mission, but I think the Office is a valuable resource for some of the analysis which the authorizing committee will require.

Finally, the authorizing committee itself must of course bear responsibility for evaluation of all the data submitted to it, and for its report and recommendations to the House or the Senate. I hope that in conducting their program reviews, the committees will seek views from non-governmental sources, because judgments from outside the government will often throw new light on the questions of program value and effectiveness.

There has been a suggestion in the testimony of several of your witnesses that since carrying out the provisions of S. 2925 will involve a very heavy workload, some extra staffing may be required in the offices of those responsible for preparing the various analyses and reports.

I believe the response to that is that cost-benefit analysis—or zero-base budgeting, if you will—should be applied to the program review process itself, just as it will be applied to the programs under review.

It would be possible to create an enormous review bureaucracy—to make the costs of review, in other words, exceed the benefits.

I believe this pitfall can be avoided. Some additional expense to the taxpayer is inevitably going to occur because of the review process, if it is to be thorough—but it is my judgment that the benefits in elimination of waste, inefficiency and duplication will far outweigh any such added cost.

Obviously that is the assumption inherent in the bill itself.

If we are to make that assumption a fact, there will have to be a rule of reasonableness in the review process. Perhaps smaller-scale review can be specified for programs involving relatively little in cost; or perhaps the major effort should be focused on areas of government activity where the greatest growth in cost has been shown in recent years.

In any event, I do not see this as an insurmountable problem. As these hearings progress, and as the committee proceeds to prepare the legislation for the floor, I am sure that formulas can be devised to achieve the aims of the legislation without giving birth to a new governmental Frankenstein.

Mr. Chairman, some time ago—before the introduction of S. 2925—I made a commitment to introduce legislation of my own in this field. Of course I shall follow through on that commitment.

Drafting of my bill is going forward at this time, and I hope to have it ready for submission in the near future. I expect that it will incorporate many of the provisions of S. 2925, and some of the suggestions which I have advanced in my testimony today. I hope that this effort will be of help to the committee as it continues its deliberations.

Once again, I wish to express my appreciation for this opportunity to present my views, and my congratulations to the Chairman and the members of the committee for their excellent initiative.

By Mr. RIBICOFF (for himself and Mr. JACKSON):

S. 3339. A bill to promote more effective management of certain related functions of the executive branch by reorganizing and consolidating those functions in a new Department of Energy and Natural Resources. Referred to the Committee on Government Operations.

DEPARTMENT OF ENERGY AND NATURAL RESOURCES

Mr. RIBICOFF. Mr. President, I am today introducing a bill to reorganize and consolidate the Federal Government's responsibility for the Nation's energy and natural resources.

Mr. President, it has been apparent for some time that our governmental structure in the energy and natural resources area is totally fragmented, and totally lacking in effective leadership. There is no one individual, or agency, which has overall responsibility for dealing with energy.

As we have come to recognize, energy is absolutely vital to us. It is the very lifeblood of our economy. Without an adequate supply of energy, we cannot maintain our present high standard of living, we cannot preserve our preeminent position among the industrial nations—indeed, our very leadership of the free world can be threatened.

Considering the importance of energy, it seems incredible that we have no single government entity with prime overall responsibility for dealing with energy.

We have the Federal Energy Administration—an agency created under enormous time pressure, in the midst of a national crisis, which was designed to self-destruct in 2½ years. The FEA's mandate, and its functions, are addressed to meet problems of the immediate future; it was not designed to set long-range policy for the future.

We have the Energy Research and Development Administration—an agency consisting of the promotion and development arm of the old Atomic Energy Commission, plus an infusion of funds for research and development in nonnuclear energy. ERDA is primarily supply-and-technology oriented; it is an R. & D. agency with no capacity to coordinate overall energy policy.

We have the Department of Interior—an old-line, Cabinet-level agency composed of such diverse elements as the Fish and Wildlife Administration, the Bureau of Mines, the Bureau of Indian Affairs, the Bureau of Outdoor Recreation, and the Coordinator of Bicentennial Activities. Clearly, the Interior Department, by itself, is not equipped to manage our energy and natural resources or to coordinate national energy policy.

All of these agencies—Interior, ERDA, and FEA—perform essential functions, and each is critical to our national energy posture. What is missing—and what is absolutely essential if we are going to attain and present national self-sufficiency in energy without doing unacceptable damage to the environment—is overall leadership and direction from above. Without this leadership—if the present fragmentation persists—there is little chance that we can attain the long-range goals we have set for ourselves.

Moreover, the decentralization of the Nation's energy responsibilities has led us to the situation where the existing agencies have failed to accurately anticipate emergency energy problems, failed to act adequately to mitigate the crises we still face, and failed to provide reliable and credible information on which to develop and support policy decisions which must be made.

In addition to these shortcomings, the current structure for energy and natural resources is not adequate to handle the tremendous demands which will be placed on it in the future. If we desire a comprehensive national energy policy we must develop and implement that policy in a comprehensive manner. A fragmented uncoordinated approach, such as we now have is simply not adequate.

Congress has experimented long enough with short-term measures to deal with the Nation's energy and natural resource programs. These measures are less effective because of the lack of a centralized focus of decisionmaking. Agency responsibilities overlap and their proliferation weakens the effectiveness of all programs, inhibits timely implementation of mandated activities, and fosters unnecessary and wasteful competition. All of this precludes the development of a national energy and natural resource policy.

Accordingly, Mr. President, I am today introducing a bill to consolidate agencies with responsibility in the energy area into a single Cabinet-level department with overall responsibility for energy and natural resources.

The Department of Energy and Natural Resources would encompass all of the present activities of the Department of the Interior, and the Energy Research and Development Administration, and the Federal Energy Administration, except those activities pertaining to regulation.

The Department would be headed by a Secretary of Energy and Natural Resources, who would of course have direct and immediate access to the President. The Secretary would have full responsibility for overall direction of our national energy program—short-range and long-range—and would have all the powers essential to carrying out his mandate.

Mr. President, the following section-by-section analysis provides a more detailed explanation of the bill's provisions:

SECTION-BY-SECTION ANALYSIS

Section 2, "Declaration of Purposes," states that it is necessary for the general welfare of the country to establish a Department of Energy and Natural Resources in order to provide leadership and direction necessary to ensure the discovery, assessment, preservation, development, utilization, adequacy, and enjoyment of our natural and energy resources. This section also states that the federal government has a responsibility to administer and promote the development of appropriate conservation, management, and utilization policies.

Section 3, "Establishment of Department," locates at the seat of government an executive department known as the Department of Energy and Natural Resources.

Section 4, "Office of the Department," establishes a Secretary, a Deputy Secretary and four (4) Undersecretaries for Energy Research and Development, Natural Resources and Planning, Evaluation, and Coordination to be appointed by the President by and with the advice and consent of the Senate. This provision also provides for Administrators, one Assistant Secretary and a General Counsel to be appointed by the President, by and with the advice of the Senate. In addition, 25 additional officers may be appointed by the Secretary who shall receive compensation at level IV or V of the Executive Schedule.

Section 5, "Functions," provides that the DENR: operates to insure the conservation, management, utilization of resources; assures maintenance of the ecological balance; conducts research and encourages development of conservation technology; assesses national energy requirements and resources; provides physical and economic data; manages Federal lands; preserves irreplaceable park, wilderness and wildlife resources; and, provides for the fulfillment of Federal trust responsibilities over land and other resources of Indians, Alaska natives, and territorial peoples.

Section 5 transfers to this new Department all functions of the Department of the Interior, of the Energy Research and Development Administration, of the Federal Energy Administration, of the Office of Pipeline Safety of the Department of Transportation, and the Water Resources Council to the DENR, *except* those functions pertaining to any regulatory activities.

Section 6, "Transfer of Personnel and Property," provides for the transfer of all personnel, positions, assets, localities, contracts, property, records, unexpended balances of appropriations, authorizations, allocations and other funds of the transferred agencies to the new Department.

Section 7, "Hearing Examiners," provides for the transfer of such personnel employees by any Department, agency or component thereof, along with the functions vested therein by subchapter II of Chapter 5 of the 5 U.S.C.

Section 8, "Consultation," terminates the requirement for consultation and approval of any other department or agency as a condition to the Secretary's performance.

Section 9, "Nontransferability Provision," provides that no function of the Energy Research and Development Administration may be transferred for 10 years after the effective date of this Act.

Section 10, "Administrative Provision," provides for: the Secretary to prescribe policies, standards, criteria, procedures, rules and regulations as are necessary; the Secretary to engage in policy planning and program evaluation analyses; the delegation of functions; the organization of the Department as the Secretary deems necessary; the establishment or discontinuance of field offices; the selection, appointment, employment and setting compensation for officers and employees; the obtaining of services at rates not to exceed the rate prescribed for grade GS-18 of the General Schedule; the establishment of advisory committees; the appointment of other officials by and with the advice and consent of the Senate; the authorization to provide for participation of military personnel in the performance of Secretary's functions; the authorization to enter into contracts and agreements; the authorization to acquire, construct, improve, repair, operate and maintain facilities as necessary. The Secretary is further authorized to: provide, construct or maintain emergency medical services and supplies; enter into contracts with any concessioner to permit the use of any real property under the control of the Secretary; conduct research and development programs and disseminate technological information; engage in joint projects of a research, developmental or experimental nature; make special studies, prepare reports and bulletins; accept, hold, administer and utilize gifts and bequests of property; commission of seal of office to be made; establish a working capital fund for expenses necessary; transfer funds from one appropriation to another within the Department; employ persons not citizens of the U.S. in professional capacities.

Section 11, "Services Funds Provided," establishes such funds as necessary to provide services on a reimbursable basis for other departments, agencies, and instrumentalities of the government.

Section 12, "Annual Report," provides for the Secretary to make a report to the President for submission to the Congress on the activities of the Department of the preceding fiscal year.

Section 13, "Transitional and Technical Agreements," provides for the lapse of functions of any department, agency or any body transferred to the Department. This section also provides for amendments to Section 101, 5 U.S.C.; Section 19, 3 U.S.C.; Paragraph 6 of Section 5312, 5 U.S.C.; Paragraph 22 of Section 5313, 5 U.S.C.; amendments to Section 5313, 5 U.S.C.; Paragraph 7 of Section 5314; Paragraph 18 of Section 5313; Paragraph 42 of Section 5315. In addition, the Director of OMB is authorized to make additional disposition of functions, and other matters in connection with the functions transferred by this Act as deemed necessary.

Section 14, "Savings Provisions," provides for the transfer of all rules, regulations, orders, permits, contracts, certificates, and licenses to the Department. It also provides that the provisions of this Act shall not affect any pending proceedings; judicial review of orders and actions of the Secretary.

Section 15, "Codification," directs the Secretary to submit to the Congress within 2 years a proposed codification of all laws which contain functions transferred by this Act.

Section 16, "Amendments to FEA Act of 1974," repeals the expiration date set in Section 30 of the FEA Act of 1974.

Section 17, "Council on Natural Resources," provides for such a Council in the Executive Office of the President. This section provides for the functions and the membership of the Committee.

Section 18, "Definitions," defines various terms for the purposes of the Act.

Section 19, "Effective Date and Interim Appointments," provides for the Act's effective date 120 days after enactment. It also provides for interim funds until such time as funds are made available; the designation by officers until such offices can be filled as provided in this Act.

By Mr. WILLIAMS:

S. 3340. A bill to amend title 39 of the United States Code to require the Postal Rate Commission to consider matters in its ratemaking procedures, to provide for the treatment of certain mail matters as certain classes of mail, and for other purposes. Referred to the Committee on Post Office and Civil Service.

POSTAL RATE CLASSIFICATION ACT OF 1976

Mr. WILLIAMS. Mr. President, I am today introducing legislation that would facilitate the dissemination of certain educational and nonprofit publications and printed materials by revising and improving the guidelines used to determine postal rate classifications. These amendments have been made necessary by a series of recent U.S. Postal Service rulings, and by the heavy financial burdens that our economic troubles have imposed on a great many educational institutions and nonprofit organizations. This legislation has been introduced in the House by my distinguished colleague from Michigan (Mr. **William Ford**) and was included in H.R. 8603, the Postal Reorganization Act Amendments of 1975, which passed the House last year.

My legislation would first insure the continuation of second-class mailing privileges for looseleaf reporting services. These publications perform an indispensable public service for those who have a special need for the latest information on our laws and Government policy decisions. College and university libraries consider these reporting services an essential element in their research capability, while local, State, and Federal Government units depend on them to keep abreast of recent public policy developments that might affect their functions. Private citizens, particularly educators and lawyers, as well as public service organizations also subscribe regularly to looseleaf reporting services.

Congress recognized the importance of these publications when it passed the Freedom of Information Act Amendments in 1974. Under one section of this legislation, Federal agencies would have been required to publish indexes of policy statements and opinions and orders made in the adjudication of cases brought before the agencies. In its comments on the legislation, the Justice Department noted that it "would be an inefficient and expensive duplication of function" to insist on this requirement, because looseleaf publications already provided the necessary service. Congress acknowledged the validity of the Department's comments in this regard, and provided in the legislation that—

> Where agency indexes are now published by commercial firms . . . such publications would satisfy the requirement of this amendment.

The Postal Service has begun to withdraw second-class permits for looseleaf services on the grounds that these publications are not periodicals, even though this term is not defined in former provisions of the Postal Code nor in Postal Service regulations. The Postal Service bases its revocation of these second-class permits on a definition of "periodical" contained in a 1904 Supreme Court decision, Houghton against Payne. Although these services were developed subsequent to the Supreme Court decision, they were admitted to second-class mail without question or challenge, and have enjoyed the privilege for decades. Now, the Postal Service is attempting to overturn administratively this established interpretation of law.

The revocation of these permits could have an unfortunate impact on the free flow of information concerning matters of Government policy and law. The alternatives of first-, third-, and fourth-class mail are not feasible. Use of first-class mail would most likely cause sharp increases in the cost of these services that would be borne by public and private subscribers already experiencing severe budgetary strains. While third- or fourth-class mail would be comparatively inexpensive, the delivery would be so slow as to effectively destroy the usefulness of the publications, most of which are published weekly. My legislation would protect these looseleaf reporting services against the administrative action of the Postal Service, thus assuring that up-to-date information on public policy matters will continue to be available at reasonable cost to the many subscribers who depend on them.

The legislation I offer today would also require that the Postal Rate Commission, in its determinations of postage rates and fees for postal services, take into account the educational, scientific, cultural, and informational value to the recipient of mail matter. The Commission must now weigh eight different factors, and also has the implicit authority to consider the value of mail matter to the recipient when it makes its rate and fee decisions. My legislation would make certain that this authority is exercised.

Magazines published by State agencies responsible for the management and conservation of the fish and wildlife resources of the State would be permitted the use of second-class nonprofit rates rather than the commercial magazine rates they must use at present. This section incorporates legislation introduced last year in the Senate by my esteemed colleague, the Senator from Oregon (Mr. **Hatfield**). State conservation publications do not realize advertising revenues. Instead they depend on State funds usually derived from the sale of hunting and fishing licenses, and should not be subject to the same mail rates as commercial magazines.

In 1951, Congress permitted certain qualified nonprofit organizations, such as religious, educational, and scientific organizations, to utilize second-class, nonprofit rates. However, the Post Office Department consistently refused to include Government publications in their interpretation of nonprofit. In 1962, and again in 1967, Congress extended second-class nonprofit privileges to one publication published by a State highway agency, and one publication published by a State development agency. The legislation I have introduced today would do no more than extend the definition to include one publication of a State wildlife conservation agency.

Under present law, books mailed between libraries are eligible for the library rate of 7 cents for the first pound and 3 cents for each additional pound, instead of the more expensive book rate of 19 cents for the first pound and 9 cents for each pound more. My legislation would allow books mailed to schools or libraries by publishers or distributors to utilize the library rate.

Schools and libraries receive at least 50 percent of their books through the mail, while small rural institutions may receive as much as 90 percent of their books in this manner. By allowing these institutions to benefit from the lower library rate, my bill would encourage them to continue to expand their acquisitions, while providing a measure of financial relief to those which have been hard hit by rising costs or lower enrollments or both.

Lastly, my legislation would permit National and State political parties which qualify for tax credit eligibility under section 41 of the Internal Revenue Code to mail under second- and third-class nonprofit rates. These organizations are now subject to strict contributions limitations that require them to seek financial assistance from small, individual contributors to a larger degree than ever before. The use of direct mail is the most efficient way to reach these people, but increased postal rates for third-class mail makes this an extremely costly endeavor.

Both the Democratic and Republican National Committees have asked the Postal Service to include political parties under the definition of nonprofit, but the Postal Service has held that this can be done only through legislation. My bill would make the necessary change in the definition, thereby promoting greater participation by the average citizen in our political process.

Mr. President, the Postal Service provides the vital link in the communication of ideas and information to this Nation's people. The legislation I have introduced today is designed to enhance this function, which is so essential to the development of an educated, informed society, and the maintenance of a free Nation.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3340

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Section 3622 (b) of title 39, United States Code, is amended by striking out "and" at the end of paragraph (7) by redesignating paragraph (8) as paragraph (9), and by inserting immediately after paragraph (7) the following new paragraph:

"(8) the educational, cultural, scientific, and informational value to the recipient of mail matter; and".

(b) Section 3626 of title 39, United States Code, is amended by inserting "(a)" immediately before "If the rates" and by adding at the end thereof the following new subsections:

"(b)(1) For purposes of this title, the term 'periodical publications', as used in former section 4351 of this title, includes any loose-leaf page or report (including any index, instruction for filing, table, or sectional identifier which is an integral part of such report) which is designed as a part of a loose-leaf reporting service concerning developments in the law or public policy.

"(2) Any material described in paragraph (1) shall qualify to be entered and mailed as second class mail in accordance with former section 4352 through former section 4357 of this title.

"(c) In the administration of this section a committee qualified for tax credit contributions under section 41(c)(1)(C) and (D) of the Internal Revenue Code shall be considered a qualified nonprofit organization under former sections 4452(d) and 4358 (j)(2) of this title.

"(d) In the administration of this section, one conservation publication published by an agency of a State which is responsible for management and conservation of the fish or wildlife resources of such State shall be considered a publication of a qualified nonprofit organization which qualifies for rates of postage under former section 4358(d) of this title.".

(c) Section 3683 of title 39, United States Code, is amended by inserting "(a)" immediately before "notwithstanding any other provision" and by adding at the end thereof the following new subsection:

"(b) The rates for mail matter specified in former section 4554(a)(1) or 4554(b)(2)(A) of this title, when mailed from a publisher or a distributor to a school, college, university, or library, shall be the rate currently in effect for such mail matter under the provisions of former section 4554(b)(1) of this title.".

By Mr. TUNNEY:

S.J. Res. 191. A joint resolution relating to Presidential authority to prohibit the importation into the United States of goods and materials from Rhodesia. Referred to the Committee on Foreign Relations.

(The remarks of Mr. Tunney on the introduction of the above joint resolution are printed earlier in today's Record.)

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 2020

At the request of Mr. Ribicoff, the Senator from Nebraska (Mr. Curtis) and the Senator from Kansas (Mr. Pearson) were added as cosponsors of S. 2020, a bill to provide optometric services under part B of medicare payments.

S. 2081

At the request of Mr. Huddleston, the Senator from Minnesota (Mr. Mondale) and the Senator from Oklahoma (Mr. Bellmon) were added as cosponsors of S. 2081, to provide for furthering the conservation, protection, and enhancement of the Nation's land, water, and related resources.

S. 3134—WITHDRAWAL

At the request of Mr. Buckley, the Senator from Minnesota (Mr. Mondale) was withdrawn as a cosponsor of S. 3134, to eliminate the 1 percent add-on from cost-of-living increases in Federal pensions.

S. 3292

At the request of Mr. Pearson, the Senator from Nevada (Mr. Laxalt) was added as a cosponsor of S. 3292, amending title XIX of the Social Security Act.

S. RES. 319

At the request of Mr. Curtis, the Senator from South Carolina (Mr. Thurmond) was added as a cosponsor of Senate Resolution 319, relating to the occupation of certain Baltic nations by the Soviet Union.

AMENDMENTS SUBMITTED FOR PRINTING

CLINICAL LABORATORIES DEVELOPMENT ACT OF 1976—S. 1737

AMENDMENT NO. 1615

(Ordered to be printed and to lie on the table.)

Mr. BELLMON submitted an amendment intended to be proposed by him to the bill (S. 1737) to amend the Public Health Service Act to encourage the establishment of uniform standards for licensing and regulation of clinical laboratories, and for other purposes.

AMENDMENT NOS. 1621 AND 1622

(Ordered to be printed and to lie on the table.)

Mr. BEALL submitted two amendments intended to be proposed by him to the bill (S. 1737), supra.

FISH AND WILDLIFE COORDINATION ACT AMENDMENTS—S. 1727

AMENDMENT NO. 1616

(Ordered to be printed and referred to the Committee on Commerce.)

Mr. MOSS (for himself, Mr. Metcalf, and Mr. Philip A. Hart) submitted an amendment intended to be proposed by them jointly to the bill (S. 1727) to amend the Fish and Wildlife Coordination Act, and for other purposes.

Mr. MOSS. Mr. President, on May 13, 1975, I, along with three of my distinguished colleagues (Mr. Metcalf, Mr. Philip A. Hart, and Mr. Buckley) introduced S. 1727, a bill to amend the Fish and Wildlife Coordination Act.

The legislation responded to recommendations by the National Coordinating Committee-Fish and Wildlife in Federal Water Resources Projects. That committee is made up of representatives of State wildlife agencies, national conservation organizations, and the U.S. Fish and Wildlife Service. Over several years, the work of that committee culminated in a series of 169 recommendations designed to get earlier and more equitable consideration for fish and wildlife resources into planning, construction, and maintenance of Federal water development projects. Those recommendations were published in an "Action Report" dated September 1971.

Since S. 1727 was introduced, the National Coordinating Committee has persisted in trying to improve the legislation. The committee has developed some refined language which it feels would respond better to the needs of fish and wildlife and at the same time help expedite progress on needed water development projects.

There is little question that water development is necessary in our country. The problem has been and continues to be that many of those projects are developed without adequate input to protect fish and wildlife habitat. Consequently we are confronted with unnecessary losses of those valuable resources which result in public conflict and costly delays in water developments.

This problem already has been the subject of extensive hearings conducted in 1974 by the House Subcommittee on Fisheries and Wildlife Conservation and the Environment. Those hearings, bolstered by a 1974 General Accounting Office report, and the "Action Report" of the National Coordinating Committee shows conclusively that certain changes in the Fish and Wildlife Coordination Act would be in the broad public interest.

I am pleased today to honor the National Coordinating Committee's request and introduce an improved and more workable bill to accomplish needed changes in the Fish and Wildlife Coordination Act. I believe this bill will give us a better document with which to work in the Senate and help speed up the search for agreeable and final language to solve a perplexing problem.

I urge my colleagues to study this important legislation. Note that it certainly is not our intention to harass or impede water development projects. Just the opposite is what we seek. Our basic aim is to get multiagency and multidisciplinary input into project planning and construction. That, we believe, would accomplish two important things. First, it would help minimize the disruption to fish and wildlife hapitat. And second, it would help prevent costly delays in project construction because fish and wildlife related problems would be solved substantially during the planning process. Both, I think, are admirable goals.

Mr. President, I ask unanimous consent that the amendment in the nature of a substitute to S. 1727 be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Strike all after the enacting clause and insert the following:

That this Act may be cited as the "Fish and Wildlife Coordination Act Amendments of 1976".

Sec. 2. Section 1 of the Fish and Wildlife Coordination Act (16 U.S.C. 661) is amended to add the following: "It is the policy of Congress that all lands, waters, and interests therein required for fish and wildlife purposes shall be acquired concurrently with all other lands, waters, and interests required for installation of the Federal project.".

Sec. 3. Section 2(a) of the Fish and Wildlife Coordination Act (16 U.S.C. 662(a)) is amended to read as follows:

"(a) Whenever the waters of any stream or other body of water, including those of the Continental Shelf, are proposed or authorized to be impounded, diverted, widened, the channel deepened, or otherwise controlled or modified for any purpose whatever, including but not limited to, navigation, drainage, and offshore mineral development, by any Federal department or agency (including wholly owned Government corporations) either directly or by extending Federal technical or financial assistance by way of grant, loan, or contract, or by issuing to any public or private person a permit, license, contract, or lease, such department or agency shall first ascertain the probable effect of the project on fish and wildlife by (1) consulting with the United States Fish and Wildlife Service, the National Marine Fisheries Service in the National Oceanic and Atmospheric Administration, and the State fish and wildlife agency or agencies having the immediate and direct administrative authority within that State concerning the affected fish and wildlife resources, and (2) requesting a written report setting forth the views, comments, objections, and recommendations, if any, of the Secretary of the Interior, the Secretary of Commerce, and State agency on such project with a view to the conservation of fish and wildlife resources by preventing loss of, and damage to, such resources as well as providing for the development and improvement thereof in connection with such projects. Such department or agency shall promptly inform the public when it initiates consideration of any project subject to this subsection and give every appropriate opportunity for public participation in planning.".

Sec. 4. Section 2(b) of the Fish and Wildlife Coordination Act (16 U.S.C. 662(b)) is amended to read as follows:

"(b) (1) Any written report which the Secretary of the Interior, the Secretary of Commerce, and the State agency or agencies, make pursuant to subsection (a) of this section shall be based on written findings of the United States Fish and Wildlife Service, the National Marine Fisheries Service in the National Oceanic and Atmospheric Administration and the State fish and wildlife agency concerning (1) the direct and indirect effects attributable to the project on fish and wildlife resources, (2) the means and measures that should be adopted, including, but not limited to, project alternatives and modifications or abandonment, to prevent or minimize loss of, or damage to, fish and wildlife resources and provide for the mitigation, full compensation for unavoidable losses, and, where possible, enhancement of such resources, and (3) the need for additional pre- or post-construction investigations to further identify project impacts on fish or wildlife resources and measures required to prevent, mitigate, or compensate for losses to such resources. Such written reports shall be based on studies, surveys, or investigations conducted, respectively, by the United States Fish and Wildlife Service, the National Marine Fisheries Service in the National Oceanic and Atmospheric Administration, or the State fish and wildlife agency or agencies having immediate and direct administrative authority concerning the affected fish and wildlife resources. Such written report shall, to the maximum extent practicable, specify the measures and features recommended for fish and wildlife conservation and development, the lands to be utilized or acquired for such purposes, the results expected, the damage to fish and wildlife attributable to the project, and the measures proposed for preventing, mitigating, or compensating for such damages.

"(2) The appropriate Federal department or agency shall give full consideration to any written report of the Secretary of the Interior, the Secretary of Commerce, and the State agencies made pursuant to subsection (a) of this section on the fish and wildlife aspects of any project and shall not carry out, finance, authorize, or seek authorization of any project unless and until such department or agency shall have (1) advised the Secretary of the Interior, the Secretary of Commerce, and the concerned agencies of the appropriate State of the proposed disposition of each recommendation on means and measures to prevent, mitigate, or compensate fish and wildlife losses or damages resulting from the project, including the approximate schedule for installation of each measure in relation to the installation of other project features, and (2) secured their concurrence: *Provided*, That should the two Secretaries and the State not respond within a period of ninety days from receipt of notification of the proposed disposition it will be deemed to signify concurrence for purposes of this subsection: *And provided further*, That notwithstanding the receipt of a negative report from either Secretary or the State, the affected department or agency, after publishing its determination that acceptance of specific recommendations is not in the public interest and detailing the reasons therefor, and holding a public hearing should the affected State fish and wildlife agency so request, may proceed. If a public hearing is held, the affected department or agency shall weigh the information developed and may revise or retain its former determination and shall publish its final decision before proceeding.

"(3) In the case of any project which is constructed or assisted by a Federal department or agency, such department or agency shall fund the costs of providing, operating, and maintaining means and measures, including land acquisition costs, to prevent, mitigate, and compensate fish and wildlife losses and damages, and shall fund as a nonreimbursable cost all costs of providing and maintaining enhancement facilities for anadromous fish, notwithstanding other provisions of law.

"(4) In evaluating proposed and existing major projects, the United States Fish and Wildlife Service, the National Marine Fisheries Service, and the State fish and wildlife agency or agencies having the immediate and direct administrative authority within the State concerning the affected resources shall consider the need for postconstruction evaluation and modification to prevent or minimize loss of, or damage to, fish and wildlife resources and provide for full compensation for unavoidable losses, and, where possible, enhancement of such resources. If in their opinion such postconstruction evaluation is necessary, they may propose and justify in writing a plan for postconstruction evaluation and project modification. The costs of postconstruction evaluations shall be nonreimbursable.

"(5) All written reports, findings, and determinations prepared under this Act shall be promptly made available to the public and shall accompany and be made an integral part of any report required to be submitted to Congress or to another authorizing agent.".

Sec. 5. Section 2(e) of the Fish and Wildlife Coordination Act (16 U.S.C. 662(e)) is amended to read as follows:

"(e) (A) In the case of any project to which this Act applies, the Federal department or agency concerned shall transfer to the United States Fish and Wildlife Service and the National Marine Fisheries Service, out of appropriations or other funds made available for investigations, engineering, construction, or other project functions, such funds as may be necessary to complete the studies, investigations, and reports required to carry out the purposes of this section. Any part of such funds so transferred may be made available by the United States Fish and Wildlife Service and the National Marine Fisheries Service to any State agency to enable such agency to carry out all or part of any such studies, surveys, and investigations.

"(B) In preparing project budgetary requests for each fiscal year, the Federal department or agency shall include requests for such estimated funds as will be necessary to complete all studies, investigations, and reports, including any postconstruction evaluations, required during such fiscal year to carry out the purposes of this section.".

Sec. 6. Section 2(h) of the Fish and Wildlife Coordination Act (16 U.S.C. 662(h)) is repealed.

Sec. 7. Section 2 of the Fish and Wildlife Coordination Act (16 U.S.C. 662) is amended by inserting at the end thereof the following new subsections (h) and (i):

"(h) Federal agencies authorized to assist, plan, or construct water projects shall provide to the Secretary of the Interior, the Secretary of Commerce, where appropriate, and the appropriate State agency or agencies, not later than ninety days following the end of each fiscal year a report which shall—

"(1) summarize for each project under construction during the preceding fiscal year, all means and measures (including land acquisition) implemented with respect to that project (A) to prevent, mitigate, or compensate for loss or damage to fish and wildlife resources, and (B) to enhance the fish and wildlife habitat or human use of such resources; and

"(2) compare in quantitative and qualitative terms the progress made during the fiscal year with respect to the fish and wildlife features of the project with the progress made on all other authorized features of the project.

The Secretary of the Interior shall within thirty days transmit the report made pursuant to this subsection to the Congress together with his views, and those of the Secretary of Commerce, as to the timely installation of fish and wildlife features as compared to other aspects of project construction.

"(i) (1) Upon completion of any postconstruction evaluation the United States Fish and Wildlife Service, the National Marine Fisheries Service, or the State fish and wildlife agency, whichever is conducting the evaluation, shall forward to the appropriate Federal department or agency a report describing results of the evaluation and making and justifying such recommendations for modifying the project as they deem appropriate to provide mitigation, full compensation, or both, for project effects on fish and wildlife resources and, where possible, enhancement of such resources.

"(2) The appropriate Federal department or agency shall give full consideration to such recommendations for modifying the project and is hereby authorized to implement those which are found justified and within its authority. For any recommendation not implemented the affected department or agency shall publish its determination not to implement the recommendation, detailing its reasons therefor; and outlining all measures which would be necessary to implement the recommendations. The department or agency shall forward said report to Congress. Said department or agency shall respond to all recommendations in the manner described above within six months of receiving the postconstruction evaluation report.".

Sec. 8. Section 3(b) of the Fish and Wildlife Coordination Act (16 U.S.C. 663(b)) is amended by adding the following sentence at the end thereof: "Any revenue obtained from the use and operation of such waters, lands, or interests shall be available to such State agency or, as appropriate, to the Secretary of the Interior as refuge receipts, to supplement, but not supplant, any funds required to be provided from project funds to such agency or the Secretary for the management of fish and wildlife as mitigation or compensation of project effects, or to supplement funds available to such agency or the Secretary for the enhancement of fish and wildlife production and utilization: *Provided*, That such use and operation shall be consistent with the purposes of this Act.".

Sec. 9. The proviso in section 3(c) of the Fish and Wildlife Coordination Act (16 U.S.C. 663(c)) is amended to read as follows: "*Provided*, That the probable amount of lands or interests therein to be acquired and the estimated cost thereof, together with other pertinent data, shall be set forth in any report submitted to Congress concerning authorization of such project, or, in the case of any project previously authorized to be reported to Congress before any sums are made available for such acquisition.".

Sec. 10. Section 8 of the Fish and Wildlife Coordination Act (16 U.S.C. 666(b)) is amended to read as follows:

"Sec. 8. As used in this Act—

"(1) The terms 'wildlife' and 'wildlife resources' as used herein include birds, fishes, mammals, and all other taxa of wild animals and all types of aquatic and land vegetation upon which wildlife is dependent.

"(2) The term 'consult' means to seek advice, to advise, to participate actively in the planning and formulation of Federal and federally licensed and assisted projects and alternatives, to evaluate proposed and completed projects and predict their impacts on fish and wildlife, and to present recommendations in the interest of conservation of these resources.".

Sec. 11. Section 9 of the Fish and Wildlife Coordination Act (16 U.S.C. 666c) is amended to read as follows:

"Sec. 9. (a) Any citizen may commence a civil action on his own behalf—

"(1) against any person, including the United States and any other governmental instrumentality or agency (to the extent permitted by the eleventh amendment to the Constitution), who is alleged to be in violation of any provision of this Act, or any regulation, order or permit issued pursuant to the authority provided in this Act, or

"(2) against any Federal department or agency where there is alleged a failure by such department or agency to perform any act or duty under this Act which is not discretionary with such department or agency.

The district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such provision, requirement, or condition or to order such department or agency to perform such act or duty, as the case may be.

"(b) No action may be commenced—

"(1) Under subsection (a)(1) of this section prior to sixty days after the plaintiff has given notice of the alleged violation (i) to the appropriate Secretary or Secretaries, (ii) to the State in which the alleged violation occurs, and (iii) to any alleged violator of the Act, regulation, order or permit.

"(2) Under subsection (a)(2) of this section prior to sixty days after the plaintiff has given notice of the alleged violation to the head of the department or agency which is alleged to be in violation of the Act, regulation, order or permit.

Notice under this subsection shall be given in such manner as the appropriate Secretary shall prescribe by regulation.

"(c) The court, in issuing any final order in any action brought pursuant to this section, may award costs of litigation, including reasonable attorney and expert witness fees, to any party other than a Federal department or agency, whenever the court determines such award is appropriate.

"(d) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any such provision, requirement, or condition, or any other relief.".

Sec. 12. Section 3 of the Act of August 12, 1958 (72 Stat. 563), is hereby repealed.

CLEAN AIR ACT AMENDMENTS OF 1976—S. 3219

AMENDMENT NO. 1617

(Ordered to be printed and to lie on the table.)

Mr. WILLIAM L. SCOTT submitted an amendment intended to be proposed by him to the bill (S. 3219) to amend the Clean Air Act, as amended.

FOREIGN MILITARY ASSISTANCE ACT—S. 3331

AMENDMENT NO. 1618

(Ordered to be printed and referred to the Committee on Foreign Relations.)

Mr. KENNEDY. Mr. President, I send to the desk an amendment for myself and Mr. Humphrey to the fiscal year 1977 foreign military aid bill. This amendment will put a halt to all military assistance and support to the Government of Chile.

I am pleased that Congressman Don Fraser, who has played a leading role in emphasizing the need to include human rights concerns in our foreign policy formulations, is introducing the identical amendment in the House of Representatives.

It reflects my continuing effort to remove the U.S. imprimatur on the repression and human rights violations of that government. It also reflects my effort to see that the Senate position on this matter—expressed four times in the past 2 years—finally becomes law.

In December 1973, the Senate adopted my amendment to halt military aid to Chile as part of the debate on the foreign aid appropriations bill of that year. It was deleted in conference.

On October 1, 1974, during consideration of the continuing resolution of that year, once more, the Senate, in a record vote, adopted my amendment again. It was deleted in conference.

The following day, the same amendment was adopted to the foreign aid bill of 1974. That legislation ultimately became law, although this time, the provisions of my amendment were modified in conference. However, beginning December 29, 1974, the amendment's prohibitions on military grant aid, FMS cash, and credit and training became law.

On February 18 of this year, the Senate again by record vote, adopted my amendment to put a total halt to all military aid, through whatever means, to the Government of Chile.

Unfortunately, once more that provision was diluted in conference, so as to permit FMS cash and commercial sales.

However, the administration previously indicated that it did not intend to provide any FMS sales of whatever nature to the Government of Chile in the current fiscal year. This may have affected the conference decision. In any case, I would strongly hope that the Appropriations Committees would not permit any such sales to take place in this fiscal year.

However, in fiscal year 1977, once more the administration is planning to stuff more arms into the pipeline for a regime whose excesses apply across the board to all who do not fully support the junta. The human rights violations now are being concentrated on the moderate sectors of the Christian Democratic Party in that country.

In fact, the most recent event was that arrests and expulsions followed meetings of Chileans with three U.S. Congressmen, who had been invited to see Chile. The very act of talking to a U.S. Congressman was cause for arbitrary arrest, mistreatment, and expulsion.

I find it incredible that the administration with the clear record of human rights violations before it, now suggests new sales of weapons to that government. I ask unanimous consent that the most recent resolution adopted in Geneva by the U.N. Human Rights group and its report and a recent editorial from the Miami Herald regarding the OAS be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

STUDY OF REPORTED VIOLATIONS OF HUMAN RIGHTS IN CHILE, WITH PARTICULAR REFERENCE TO TORTURE AND OTHER CRUEL, INHUMAN OR DEGRADING TREATMENT OR PUNISHMENT

(Austria, Cuba, Cyprus, Senegal, United Kingdom or Great Britain and Northern Ireland, Upper Volta and Yugoslavia: draft resolution)

The Commission on Human Rights,

Conscious of its responsibility to promote and encourage respect for human rights and fundamental freedoms for all,

Recalling that the Universal Declaration of Human Rights solemnly declares that everyone has the right to life, liberty and security of person and the right not to be subjected to arbitrary arrest, detention or exile, or to torture or cruel, inhuman or degrading treatment or punishment,

Recalling General Assembly resolution 3452 (XXX) by which the Declaration on the Protection of all Persons from Being Subjected to Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, which was adopted unanimously,

Recalling further the concern of the General Assembly in its resolution 3219 (XXIX) of 6 November 1974 in which the Assembly expressed its deepest concern about reported constant and flagrant violations of basic human rights and fundamental freedoms in Chile and urged the authorities in that country to take all necessary steps to restore and safeguard them,

Recalling in this connexion its resolution 8 (XXXI) of 27 February 1975, in which it expressed its serious concern about the continuing reports of violations of human rights in Chile, and in which it decided to establish an *Ad Hoc* Working Group to enquire into the present situation of human rights in the said country on the basis of all available evidence, including a visit to Chile, and appealed to the authorities of Chile to extend its full co-operation to the Group,

Noting General Assembly resolution 3448 (XXX) entitled "Protection of human rights in Chile", by which, inter alia, it deplored the refusal of the Chilean authorities to allow the Ad Hoc Working Group of the Commission on Human Rights to visit the country notwithstanding previous solemn assurances given by them in this regard and urged them to honour those assurances,

Noting also, inter alia, recent Supreme Decree 187 of 20 January 1976, related to the need for the protection of persons detained as a result of the state of siege, the effects of which have yet to be ascertained,

Having considered the report of the *Ad Hoc* Working Group (E/CN.4/1188 and A/10285) established under Commission resolution 8 (XXXI),

1. Expresses its appreciation to the Chairman and members of the *Ad Hoc* Working Group for the report, which has been prepared in a painstaking and objective manner, notwithstanding the refusal of the Chilean authorities to permit the Group to visit the country,

2. Expresses its profound distress at the constant, flagrant violations of human rights, including the institutionalized practice of torture, cruel, inhuman or degrading treatment or punishment, arbitrary arrest, detention and exile, of which the present report brings further evidence, which have taken place and, according to existing evidence, continue to take place in Chile, soon after the adoption of General Assembly resolution 3448 (XXX).

3. Reaffirms its condemnation of all forms of torture and cruel, inhuman or degrading treatment or punishment,

4. Appeals to the Chilean authorities to take, without delay, all necessary measures to restore and safeguard basic human rights and fundamental freedoms, and fully to respect the provisions of the international instruments to which Chile is a party, and to this end to ensure that:

(a) The state of siege or emergency is not used for the purpose of violating human rights and fundamental freedoms, contrary to article 4 of the International Covenant on Civil and Political Rights;

(b) Adequate measures are taken to end the institutionalized practice of torture and other forms of cruel, inhuman or degrading treatment or punishment in full respect of article 7 of the International Covenant on Civil and Political Rights;

(c) The rights of all persons to liberty and security of person, in particular those who have been detained without charge or put in prison solely for political reasons, are fully guaranteed, as provided for in article 9 of the International Covenant on Civil and Political Rights, and steps are taken to clarify the status of those individuals who are not accounted for;

(d) No one shall be held guilty of any criminal offence on account of any act or omission which did not constitute a criminal offense under national or international law at the time when it was committed, contrary to article 15 of the International Covenant on Civil and Political Rights;

(e) No one, in accordance with article 15 (2) of the Universal Declaration on Human Rights, shall be arbitrarily deprived of Chilean nationality;

(f) The right to freedom of association, including the right to form and join trade unions, shall be respected in accordance with article 22 of the International Covenant on Civil and Political Rights;

(g) The right to intellectual freedoms as provided for in article 19 of the International Covenant on Civil and Political Rights shall be guaranteed;

(h) The request of the Commission communicated by its Chairman in 1974 to the Government of Chile be implemented, that persons still in detention be released and that no steps be taken and no trials be held against on a retroactive basis;

5. Concludes that the practice of torture has been systematically employed by some State agencies, particularly by the DINA, and calls upon the Chilean authorities to undertake effective measures to investigate and put an end to such activities of these agencies and of individuals in relation to acts of torture,

6. Extends the mandate of the present Ad Hoc Working Group, made up as follows, to work as experts in their personal capacity: Mr. Ghulam Ali Allana (Pakistan, Chairman/Rapporteur), Mr. Leopoldo Benites (Ecuador), Mr. Felix Ermacora (Austria), Mr. Abdoulaye Diéye (Senegal), Mrs. M.J.T. Kamara (Sierra Leone), and requests it to report to the General Assembly at its thirty-first session and to the Commission on Human Rights at its thirty-third session on the situation of human rights in Chile, in particular any developments, legislative or otherwise, which may occur to re-establish respect for human rights and fundamental freedoms in implementation of General Assembly resolution 3448 (XXX) and all other relevant resolutions and decisions of United Nations bodies; thereafter the Group shall cease to exist.

7. Requests the Secretary-General to render to the Ad Hoc Working Group all the assistance which it might require in its works;

8. Recommends to the Economic and Social Council to make arrangements for the provision of adequate financial resources and staff for the implementation of the present resolution;

9. Decides to consider at its thirty-third session as a matter of high priority the question of the violation of human rights in Chile.

HUMAN RIGHTS COMMISSION WORKING GROUP SEES NO IMPROVEMENT IN HUMAN RIGHTS SITUATION IN CHILE

(The following was received from the United Nations Information Service, Geneva.)

The present situation of human rights in Chile—characterized as not substantially changed from that reported at the end of August 1975 and showing no facts or measures pointing to an improvement or restoration of human rights—is the subject of a report presented to the Commission on Human Rights at its current session in Geneva by the Working Group of five of its members appointed by the Commission a year ago.

The Working Group, made up of Ghulam Ali Allana (Pakistan) (Chairman), Leopoldo Benites (Eucador), Abdoulaye Dieye (Senegal), Felix Ermacora (Austria) and Mrs. M. J. T. Kamara (Sierra Leone), had, in accordance with its mandate, examined voluminous written evidence and oral testimony from numerous witnesses. It submitted a report on the situation of human rights in Chile to the General Assembly last September (document A/10285). The Group's report to the Assembly forms part of the report just presented to the Commission.

In establishing this Group last February, the Commission on Human Rights had envisaged a visit to Chile as part of the Group's method of investigation. However, just prior to the Group's scheduled visit to that country in July, the Government of Chile revoked previously accorded permission for the visit.

In the report now presented to the Commission, the Working Group deals with developments subsequent to the adoption of its report to the Assembly and studies in greater depth certain subjects which, although dealt with in the earlier report, are of particular relevance to the present situation of Human Rights in Chile.

The report deals, among other subjects, with further Chilean legislative provisions and their impact on the enjoyment of human rights; arrest and detention for reasons of state security; freedom of movement; torture and cruel, inhuman and degrading treatment, and the present situation of women, children, youth and the family.

In its annexes the report contains statements by Bishop Helmut Frenz of the Evangelical Lutheran Church, Shelia Cassidy, recently arrested, detained and expelled from Chile, and Enrique Kirberg, former Rector of the State Technical University of Chile.

The Working Group states that it hoped to be able to report on facts and measures indicating an improvement in human rights in Chile. But the information freshly examined forces it to conclude that the situation of human rights in Chile, as reported at the end of August 1975, has not substantially changed.

The Group notes as a positive development the fact that a number of persons considered by the Government as opponents to the regime or dangerous to state security and order have been allowed to leave the country. Also noted is the relative possibility. Also to the people of Chile of being informed through the press or radio of world events and of the interest of friendly States and international organizations in their welfare.

Concerning the new legislation reportedly intended to mitigate the harshness of the state of seige, the Group, after what it describes as a careful and genuine search for changes, declares itself unable to report any significant progress. In the Group's view, the state of siege, in force for over two years, prevents meaningful judicial review of military trials and affords the government junta powerful means to influence and intimidate judges of all ranks.

State security police agencies, the Group reports, have used methods characterized by extreme ruthlessness. The report speaks of the cold, methodical application of torture to adults as a means of extracting information, and to children to obtain information from their parents. It states that the punishment and destruction of political opponents have frequently been accompanied by manifestations of barbaric sadism on the part of individual operators. Statements made before the group in this connexion stagger the imagination, it adds.

Torture, the report says, in indeed institutionalized and has become part of the Government; the present rulers of Chile still act as if they were the military occupiers of a foreign hostile territory. The report quotes reliable witnesses as having attributed to high Chilean officials such statements as: "National security is more important than human rights" and "If they are not tortured they will not sing."

The group cites what it calls very disturbing information indicating that the Chilean authorities have turned their attention to the church and the clergy. It notes, in particular, the disbanding of a humanitarian organization established by the co-operative efforts of various churches in Chile.

After considering the group's first report at its last session, the General Assembly, in resolution 3443 (XXX) of December 1975, requested the Commission on Human Rights to extend the Group's mandate so as to enable it to report to the Assembly at its next session in September/December 1976 and to the Commission in 1977 on developments and hoped-for improvements in the situation of human rights in Chile.

In its report, the Working Group expresses its readiness to assist further in the international effort to restore human rights in Chile. The Group stresses the importance in this connexion of its being given an opportunity to visit Chile in the near future.

The Group further expresses its fervent wish that the noble nation of Chile, with its glorious heritage, should be spared further suffering and humiliation.

[From the Miami Herald, Mar. 12, 1976]

OAS INACTION ON CHILE IS SHAMEFUL

Once again an international group that watchdogs human rights has responded negatively to conditions in Chile.

This time it is a body within the Organization of American States. Three of the seven members of its Human Rights Commission, including one from the United States, have decided to step down in frustration over OAS inaction on its reports documenting extensive violations in Chile and other Latin American countries.

As he made his exit, the representative from Uruguay, Justino Jimenez de Arechaga, who had helped compose the Universal Declaration of Human Rights in 1948, declared: "The experience has left me skeptical about the dedication of many Latin American countries to human rights."

Similar sentiment was expressed by Robert Woodward of the United States and Genaro Carrio of Argentina. The Human Rights Commission members had gathered in Washington to update a report they made after a visit to Chile almost two years ago and which has been consistently ignored by the OAS General Assembly. Further disheartening the Commission members is the decision of the OAS to hold its next meeting in Chile.

The concern voiced by the hemispheric Human Rights Commission has been echoed and substantiated by a global body, the United Nation's Human Rights Commission. Last month it complained that "torture and inhuman, cruel and degrading treatment have become a pattern of governmental policies in Chile." The U.N. group has been able to get better response from its parent organization although, unlike the OAS group, it has never been allowed entry into Chile.

Nor is torture in Chile the concern only of human rights agencies. Official statements of concern and outrage have come from segments of the Catholic Church hierarchy, other religious groups and the British Foreign Secretary.

In view of all the smoke, it is difficult to understand the OAS position. If it goes ahead with its plans to meet in Chile, it can not help but fall under the shadow of worldwide suspicion and scorn that hovers over the subjugated nation.

Mr. **KENNEDY**. The Government of Chile will accept U.S. arms but it will not permit any of its citizens to talk freely with U.S. Congressmen.

The reports of continued arbitrary arrests, arbitrary firings from jobs, exile within the country, and torture during interrogation persist. The Congress remains closed. Political parties—in a country which once was the symbol of democracy in the hemisphere—remain outlawed. A state of siege continues in effect. And the military junta which came to power in perhaps the bloodiest coup in the hemisphere's history remains in power, its leaders pointing to the generation-long reign of Franco as their model.

Whatever the details of the role of the CIA in helping to establish the climate for the coup itself, to continue to ship arms to the junta is to accord U.S. aid and support to the repressive practices of the military junta that now rules Chile.

AMENDMENT NO. 1619

(Order to be printed and referred to the Committee on Foreign Relations.)

A U.S. TIMETABLE FOR MODERNIZING SOUTH KOREA'S ARMED FORCES WITH WITHDRAWING AMERICAN TROOPS FROM SOUTH KOREA

Mr. **CRANSTON**. Mr. President, today I am submitting an amendment to the security assistance bill for fiscal year 1977.

The amendment would cut off all funds to support U.S. Armed Forces in South Korea after January 1, 1981, unless Congress decides to extend this deadline. The amendment specifically states that this deadline and timetable are subject to annual review by the Congress.

The amendment calls upon the President of the United States to submit to Congress a plan for the gradual withdrawal of all U.S. troops in South Korea, to be completed by January 1, 1981.

It also calls upon the President to submit to Congress an estimate of U.S. financial assistance to South Korea needed to enable it to achieve by January 1, 1981, the military capacity to defend itself against an attack by North Korea. Congress could then exercise its independent judgment on the President's aid request.

Any further military assistance to the Government of South Korea, not previously authorized, would be contingent upon Congress judgment of the security situation on the Korean peninsula and the human rights situation in South Korea. Such additional assistance can be extended or withheld in accordance with congressional judgment as to what course of action best serves overall American foreign policy goals on a yearly basis.

Mr. President, so long as U.S. troops remain in South Korea, we will remain in a dangerous tripwire situation that could precipitously involve the United States in another war on the Asian mainland without congressional approval and without time for proper deliberation as to whether such involvement is in the best interests of the United States.

Despite the continuing risk, I do not advocate any immediate withdrawal of all U.S. troops from South Korea. Such action could be misinterpreted by others and could lead to the very outbreak of hostilities between North and South Korea that we are trying to avoid.

Our withdrawal must be gradual, and it must be paced with the buildup of South Korea's ability to defend itself against an attack by the North.

Both the United States and the South Korean Governments have publicly announced their intention to make the South Korean armed forces self-sufficient by January 1, 1981. We must see to it that this specific timetable is kept. Vague intentions to get our forces out "sometime in the future" are not enough. That is a surefire formula for our being there indefinitely at continuing cost to the American taxpayer and continuing danger of our being inadvertently involved in hostilities.

Mr. President, I refined the details of this amendment on April 8 while sitting with Senator Humphrey's Subcommittee on Foreign Assistance of the Foreign Relations Committee to hear testimony on the U.S. security assistance program for South Korea in fiscal year 1977. Those hearings had been called in fulfillment of a pledge that Senator Humphrey made to me on the floor during the debate on the security assistance bill for fiscal year 1976. I am very grateful to Senator Humphrey for his interest and cooperation.

The testimony provided by witnesses from the State and Defense Departments is the basis for the plan in my amendment. For example, Assistant Secretary of State Philip Habib testified that the fiscal year 1977 security assistance request for Korea would enable the United States to meet its modernization plan—MOD plan—objectives in the coming fiscal year. Deputy Assistant Secretary for Defense Morton Abramowitz testified that South Korea's own "Force Improvement Program," aided by military credit sales from the United States, was due to be completed by the end of 1980. He testified:

> This plan supplements and follows the trends established in the Modernization Plan and aims to put the South Korean armed forces on a rough par with North Korea's.

Mr. Abramowitz added that the South Korean Government "understands that the FIP—Force Improvement Program—is their own program and we have not made any multiyear commitment to support the plan." I feel, therefore, that the arrangement in my amendment is soundly based on current thinking in the executive branch.

Mr. President, I ask unanimous consent that the text of my amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

AMENDMENT No. 1619

At the end of the bill insert the following new section:

MODERNIZATION OF SOUTH KOREAN ARMED FORCES; WITHDRAWAL OF UNITED STATES ARMED FORCES FROM SOUTH KOREA

Sec. 11. Chapter 3 of part III of the Foreign Assistance Act of 1961, is amended by adding at the end thereof the following new section:

"Sec. 669. Modernization of South Korean Armed Forces; Withdrawal of United States Armed Forces from South Korea.—(a) In view of the planned completion of the United States program for modernization of the armed forces of South Korea by September 30, 1977, and the planned completion of South Korea's force improvement program by January 1, 1981, with the expected result that South Korea will thereby have achieved the military capacity to defend itself against an attack by North Korea, no funds authorized to be appropriated under any law shall be used to support any member of the armed forces of the United States (other than the normal complement of military attaches) assigned to duty in South Korea on and after January 1, 1981. This timetable shall be subject to annual review by Congress.

"(b)(1) Not later than six months after the date of enactment of this section, the President shall transmit to the Speaker of the House of Representatives and the Committees on Foreign Relations and Armed Services of the Senate a plan to—

"(A) carry out the provisions of subsection (a) of this section; and

"(B) assist South Korea, through the completion of existing programs, in modernizing its armed forces so as to allow for the gradual but eventual withdrawal of United States armed forces as provided in subsection (a) of this section.

"(2) At yearly intervals after the transmission of such plan until January 1, 1981, the President shall transmit to the Speaker of the House of Representatives and such Committees a report describing the steps he has taken to carry out such plan.

"(3) In the event that the plan required in paragraph (1) of this subsection is not transmitted in accordance therewith, no security assistance (as defined in section 502B(d)(2) of this Act) shall be delivered to South Korea except as may thereafter be specifically authorized by law unless and until such plan is transmitted."

NATIONAL SCIENCE FOUNDATION AUTHORIZATIONS—S. 3202

AMENDMENT NO. 1620

(Ordered to be printed and referred to the Committee on Labor and Public Welfare.)

Mr. TUNNEY. Mr. President, during the conference on H.R. 10230 (S. 32), the National Science and Technology Policy Organization and Priorities Act of 1976, it was recognized that there was a need to assist the States in developing or strengthening their own science advisory apparatus. It was agreed that such an apparatus would improve the State's capacities to use their science and technology resources. In fact, the original version of S. 32 which passed the Senate contained a title V which would have provided financial assistance to the States for these purposes. However, the conferees agreed that the proper vehicle for this title was the National Science Foundation authorization bill, rather than S. 32. In recognition of this need, the statement of managers on H.R. 10230 stated:

> At the same time, the conferees agreed to express their unanimous conviction (1) of the soundness of the concept that state and local governments would profit from their own science advisory systems; (2) that such systems could be made more effective through appropriate liaison with the Federal Government; and (3) that greater cooperation and improved financial arrangements between the states and localities and the National Science Foundation are in order, including adequate additional financial support of programs designed to increase a state's capacity for wise application of science and technology for state and local needs.

In order to meet this need, I am today submitting an amendment to the National Science Foundation authorization bill, S. 3202. This amendment will add $10 million to the National Science Foundation authorization to help States improve their capabilities for utilizing their science and technology capacities. This money would be for the specific purposes of providing grants of up to $200,000 per State to be divided equally by the legislative and executive branches. This money would be funded on an 80/20 matching basis.

During the conference, expressions of widespread support for such programs were received by the conferees. The National Governors Conference, for example, wrote:

> Specifically, the conference urges enactment of federal legislation that would provide for: . . . authorization of a long-term program of annual grants to states for the purpose of assisting in development of a science advisory capacity on the state level.

The National Conference of State Legislatures also wrote in support of the development of State science advisory mechanisms.

> The National Conference of State Legislatures' Committee on Science and Technology has been on record as strongly supporting the establishment of a grant program such as that set forth in title V [of S. 32]. We of course are not alone in this support. Individual legislators and various groups from academia, industry, and the public sector, and within the Federal Government have all recommended the establishment of programs to strengthen the states' capacity to deal with scientific and technical aspects of public policy issues. . . . For the Presidential Science Advisory Office to function effectively and, indeed, for the already-established Congressional Office of Technology Assessment to carry out its delegated functions, both need to establish strong working relationships with state governments. Such working relationships cannot come about unless the states have the capacity to interact on equal footing, and the ability to assess states' science and technology policy needs and integrate them into the federal planning process.

Finally, the U.S. Conference of Mayors also strongly favored such a program. The U.S. Conference of Mayors stated:

> The Conference also endorses the principle of providing assistance to the states for the development of programs which will assist the state and its local governments in developing a greater science and technology utilization capacity. As much of the testimony presented in the past reflects, there have been a number of very successful city/county science and technology collaborative networks developed in certain states, and between networks of the local governments around the country. Development of a program of support to the states similar to that which is proposed in title V [of S. 32], whose purpose would be to facilitate the further development of technology utilization networks within the state, we believe would be a most worthwhile activity.

Mr. President, in light of this strong support and the clear need for the development and strengthening of the science advisory apparatus within the various States, I call for quick action on this amendment. I ask unanimous consent that my amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 1620

On page 2, between lines 10 and 11, insert the following:

"(7) State science, engineering, and technology programs, for $10 million."

On page 2, line 11, change "seven" to "eight".

On page 22, between lines 21 and 22, insert the following new section:

STATE SCIENCE, ENGINEERING, AND TECHNOLOGY PROGRAMS

Sec. 209. (a) The Director of the National Science Foundation is authorized to make grants to a State for the purpose of increasing the State's capacity for wise application of science, engineering, and technology to meeting the needs of its citizens.

(b) Application for grants under this section may only be received from the executive and/or legislative branch of a State government.

(c) A grant awarded under this section to the executive or legislative branch of a State government may not exceed $100,000 and no recipient of an award is eligible to apply for a subsequent award under this section.

(d) No grant may be authorized under this section unless an application is submitted at such time, in such manner, and containing or accompanied by such information as the Director of the National Science Foundation shall require. Each such application shall contain provisions to ensure that—

(1) A State's capacity for the wise application of science, engineering and technology to meeting State needs will be measurably increased; and

(2) It is the intention of the State receiving the grant to assume the full costs of any activities supported by the grant no later than two years after the grant is made.

(e)(1) The Director of the National Science Foundation shall, by rule, promulgate guidelines for the preparation of grant applications under this section within 90 days after enactment and shall publish such guidelines in the Federal Register.

(2) Guidelines issued by the Director of the National Science Foundation pursuant to the preparation of grant applications under this section shall leave flexibility to a State to meet the requirements of section (d)(1) in a manner suitable to the circumstances of such State.

(f) The Director of the National Science Foundation shall approve any application which meets requirements of subsection (d) of this section, and shall not disapprove any application without affording an opportunity for a hearing.

(g) Any application receiving financial support under this section must be received by the Director of the National Science Foundation on or prior to September 30, 1978, and shall specify that at least 20 percent of the cost of the activities specified in such application is to be borne by the State making such application.

NOTICE OF HEARING

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, May 5, 1976, at 9 a.m., in room 2228 Dirksen Senate Office Building, on the following nominations:

Charles Schwartz, Jr., of Louisiana, to be U.S. district judge for the eastern district of Louisiana, vice Herbert W. Christenberry, deceased.

Morey L. Sear, of Louisiana, to be U.S. district judge for the eastern district of Louisiana, vice James A. Comiskey, resigned.

Robert M. Takasugi, of California, to be U.S. district judge for the central district of California, vice E. Avery Crary, retired.

Harlington Wood, Jr., of Illinois, to be U.S. circuit judge, seventh circuit, vice John Paul Stevens, elevated.

Any person desiring to offer testimony in regard to these nominations shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

The subcommittee will consist of the Senator from Arkansas (Mr. McClellan), the Senator from Nebraska (Mr. Hruska), and myself as chairman.

ADDITIONAL STATEMENTS

LEVI HAD THE '76 SPIRIT

Mr. McINTYRE. Mr. President, we of New Hampshire take abiding pride in the role our ancestors played in the birth of the Nation, and we sometimes suspicion that published history has not recognized that role in the way it should.

With this in mind, I call attention to an article written by Maj. Joseph W. Marshall, Army, retired.

Major Marshall lives in Seattle, Wash., but the Bicentennial story he has written is about an ancestor, Levi Adams, who served with the 1st New Hampshire Regiment in the Revolutionary War.

Mr. President, I am sure that in this Bicentennial Year many Americans could follow Major Marshall's example and, by dint of a little research, uncover countless fascinating accounts of their respective ancestors' role in the winning of independence.

I ask unanimous consent that Major Marshall's article titled: "Levi had the '76 Spirit," appear in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LEVI HAD THE '76 SPIRIT

(By Joseph W. Marshall)

While rummaging through a collection of old family papers, we discovered a yellowing family history. Great-aunt Alzina Williams Toogood had researched and recorded a Williams and Adams family lineage.

Our curiosity was aroused when we read: "My mother's great-grandfather Stephen Adams was father of four sons who stood for the Republic and fought in the Revolution War: Stephen Jr., Jonas, Levi and Phineas, Phineas was killed at Bunker Hill and Jonas was wounded at Bunker Hill. I think the Adams were English and relatives of Samuel and John Adams. One son, Levi Adams, was mother's grandfather.

"My mother, whose name was Betsy Adams, was a noble Christian woman who taught us children to keep the commandments. She was born in Andover, Vermont. She died at 78 and was buried near Pleasant Valley, Minnesota. I don't think my mother ever knowingly told a lie and taught us children that it was abominable."

A search of New England town histories and military records in the National Archives indicates that Levi Adams was a quiet, hard-working farmer devoted to his land and his freedom. His enlistment record shows that he was five feet nine inches tall and blue-eyed. He had four and a half years of honorable service during the war. He volunteered for the First New Hampshire Regiment. He was a sergeant, an expert marksman with exceptional endurance, and fought at Ticonderoga, Bunker Hill, Bennington, Saratoga, and the Sullivan Expedition. Retracting his routes to these battles shows that he must have walked about a thousand miles.

The Adams were four of the 83 Colonials under the command of Ethan Allen when he captured Fort Ticonderoga from the British. This important victory gave the Colonies courage to continue their struggle against the British.

At Bunker Hill, those of Levi's regiment, commanded by Colonel Reed, were among the first patriots to arrive, well-disciplined and determined to stop the British. Levi and his brothers took up positions behind a fence. The soldiers paired off so that one could fire his musket while the other loaded.

The first charge by the British left Levi's brother Phineas dead and Jonas wounded, a British musket ball taking off his ear. Levi now had a score to settle and he became a hardened, experienced soldier fighting for independence.

Levi, an infantryman, walked from Bunker Hill to Bennington, New York. Here the Adamses were under the command of New Hampshire's favorite son, General John Stark. General Stark was determined to win the battle or make a widow of his wife in the attempt. The victory at Bennington was important in the war for independence because it set the stage for the great victory at Saratoga. It was at Bennington that the '76 flag, known as the Bennington flag, was first unfurled. Having this beautiful banner of unity and strength to rally around must have given Levi extra courage and determination to do his best as a soldier and patriot.

At the battle of Saratoga, called by many historians one of the ten greatest battles of all times, Levi and his brothers were in the thick of the fighting. Jonas was again wounded, this time in the leg, an experience which he shared with Benedict Arnold who also was wounded in the leg at this time. If you visit the Saratoga battleground, you will see the monument which has been erected to Arnold's leg, along with a memorial, placed by the Irish for sharpshooter Timothy Murphy who mortally wounded British General Fraser.

When Burgoyne surrendered at Saratoga he commended the colonial soldiers for their bravery and discipline. Saratoga was the turning point of the war. It encouraged France and Spain to become the colonists' allies.

After the battle was over Sergeant Levi's squad had an equipment inspection. Eight military coats were missing, so Levi was charged for them. It cost him more than two months' salary.

During the Sullivan campaign against the Iroquois, Levi barely escaped death. His squad was ambushed by an Indian raiding party, and all were killed except Levi who outran the pursuing Indians. Levi's speed saved his scalp and allowed him to become an 87-year-old veteran. A part of this escape story not repeated by the teetotalers of the family is that he was so tired and thirsty that he drained a quart of rum at a gulp.

It would be interesting to know Levi's views and commentaries on the Revolution, to know whether the hardships and the price he paid for independence from the British were after all worth it. Did his experience battle dreams of his encounters? Did he ever get together with other old soldiers to tell war stories and re-live their battle experiences? While living on his pension, did he enjoy hunting with his worn army musket? Or did the memories of forced marches with a few squirrels his only food make him gag at the thought of hunting?

Levi is buried in an unmarked grave in Ludlow, Vermont. As we celebrate our country's 200th birthday, may Sergeant Levi, his brothers and comrades sleep easy in their last bivouac.

GOVERNMENT DESPITE THE PEOPLE

Mr. GOLDWATER. Mr. President, Mr. Pat Murphy, the editor of the editorial pages of the Arizona Republic recently spoke before the Retail Grocers of Arizona. The title of his remarks was "Government Despite The People," and it is exactly to the point. If the Romans had had these words to read, digest and think about, there never would have been a fall of that empire. If we will but heed what Mr. Murphy has written and if what he has written will encourage others of the same mind and vein to put down on paper their thoughts, maybe, just maybe, we can celebrate our 250th or, even better, our 300th anniversary. I, like Mr. Murphy, have great confidence in the American people and if we in Government and those in the press tell them the truth, nothing can happen but perpetual existence of our freedom. If we fail, we will go down the tube like other great civilizations and cultures have done. I ask unanimous consent that Mr. Pat Murphy's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

GOVERNMENT DESPITE THE PEOPLE

As a general proposition, mankind's hallmark experiment in liberty and personal freedom—the United States of America—remains unique and envied in a world drifting deeper into tyranny.

Yet, as we hail our birth 200 years ago and celebrate our durability as a nation, our own national sense of direction poses troubling question.

Even as we recall Benjamin Franklin's stirring declaration of two centuries ago—"I am a mortal enemy of arbitrary government and unlimited power"—we see an unrelenting drift toward bigger government with arbitrary powers.

As government's size increases, as its costs grows, as its powers expand, it does so in direct proportion to the loss of your personnel freedoms, and mine.

The powers being conveyed to government today, and powers proposed for tomorrow, sap our economic vitality, hinder history's most remarkable production and distribution system, and lure us yet closer to social systems which George Orwell described in his chilling novel, 1984.

In our lifetime, government, and the bureaucracy which presides over it, has become the fastest growing least productive and most unaccountable sector of America's social system.

Its dimensions are frightening.

One out of five working Americans is on a government payroll somewhere.

Half of all personal income taxes are needed just to meet the federal payroll.

Federal agencies in Washington send out more than 2 billion reporting forms every year to individuals and businesses—10 for very man, woman and child alive today in this country.

Government now takes nearly 40 cents out of every earned dollar in this nation to keep functioning—and the bite grows every year, regardless of our ability to meet ever higher demands on our earnings.

The first and foremost consequence of such government growth is to remove funds from the private sector through taxes and borrowing, and put it into the public sector. Thus, industry and business have fewer dollars to create jobs and manufacture products, and government has more dollars to fuel programs with questionable social and economic value.

Thus the economic mechanisms which made this nation the world's most successful and envied producer and distributor are in jeopardy.

Now, the social engineers, the intellectual frontrunners of change, and the abstractionist economists have undertaken their tasks with skill, and plied their programs with an air of nobility. Their targets of opportunity generate instinctive public support.

You've heard the chant—break up the monopolies, redistribute income, lower prices and raise wages, legislate industrial perfection, penalize profits, provide with public money what private money can't or won't do.

In carrying out these programs—some of which I will examine—government has become not necessarily an instrument of, by and for the people, but one whose motto might well be despite the people.

How is this possible?

The historical genesis of bureaucracy as we know it was formulated innocently enough in the Great Depression of yesteryear. Given the mood of the misery in those days, Franklin Delano Roosevelt had no trouble setting into motion a grand plan to provide brighter tomorrows—all through new government agencies with the power to give and the power to take away?

With this new bureaucracy came a gradual metamorphosis in the American ethnic—that blessings flow not from the human will and the human spirit, but from beneficent benefactors somewhere in a marble building in Washington.

Thus, personal instincts which had built a nation and a free economy had begun to pass into antiquity, and in their stead came growing dependence on government for a full range of assistance, and a growing power to decide.

Now, some will argue that if the American people don't like it, vote the bums out at the next election.

How do you vote out tens of thousands of public service employes in Washington who write and promulgate rules and regulations which even the Congress and the President of the United States cannot countermand, and who control an increasing share of the national wealth?

How do you vote out federal judges, appointed for a lifetime, whose interpretations from one year to the next alter the course of a nation's economic, social and political freedoms?

Perhaps the most powerful organ in our system of government—and the one which has brought more controls to personal and corporate individuality—is the Federal Register, an innocuous-appearing publication in which proposed rules and regulations dominating every facet of life are published. In 1974, the Register contained 45,000 pages.

Once published, they are permanent, until some board or agency or panel changes its mind.

Through these pages have passed volumes of rules and regulations which range from the ridiculous to the scary. I especially like the one several years ago which regulated the exact contents of frozen cherry pies.

What is not amusing is how unelected, job-secure federal employes can compel large and small businessmen to comply with regulations and rules which often are strangers to common sense, and more frequently are dangerous assaults on the freedoms of a democracy.

Recently, Goodyear Tire and Rubber Co. reported that complying with government regulations cost the firm $30 million a year—enough to add 3,400 new workers. Business as a whole estimates that just responding to government paperwork adds $18 billion a year in costs, and as much as another $30 billion a year to install non-income producing systems whose merits often are in doubt; and whose costs weaken industrial stability.

Mind you, unless a businessman is willing to mount legal resistance against the almost unlimited legal talent available in the federal government, his wisest course is to merely submit, and try passing along the costs to the consumer.

Contemplate what spews from the fertile mind of the various agencies which rule and regulate.

Occupational Safety and Health dreamed up 15,000 rules and regulations in its first year of existence with which industry had to comply—whether a family lumberyard or General Motors.

The Environmental Protection Agency is into the water and air sciences, auto emission systems, nuclear power plants, smelters, aircraft engines—thousands of rules and regulations requiring batteries of industry lawyers and clerks to stay abreast of the next new decision affecting their companies, and therefore their productivity.

OEO, and EEOC have done their share. Religious and racial information may not be required of applicants for jobs—but industry must nevertheless report its employment composition by race and ethnic groups to the government.

The Census Bureau's reporting forms for industry add up to a stack six feet high.

Sen. William Proxmire discovered that the low bid on a $4,000 truck sought by the Bureau of Land Management came out to $15,497—largely because of the cost of hiring eight persons to complete a 155-page technical bid.

Forget the blizzard of paperwork. What of government's track record with tax dollars?

Billions of dollars have been handed to the Housing and Urban Development agency to ensure comfortable dwellings for the needy. Yet, today, federal housing has resulted in subsidized slums, new ghettos of crime and misery, and nearly half a million pending foreclosures on persons who were led to believe they could afford this so-called low-cost housing.

What of government-financed poverty programs? Billions have gone into food and job training and day care and heaven knows what—and we hear that today there are more needy than ever.

And what of education? Promised a new day in American literacy by educationists, taxpayers have yielded more billions of dollars—yet the average high school graduate cannot read at the ninth grade level after 12 years in the classroom.

Nor is it any comfort to read George Gallup's recent poll of more than 1,000 college students about corporate profits—more than half of them said the average corporate operating profit is 45 percent of gross, and that 25 percent is acceptable. The plain fact is that the nation's top 500 industries had an operating profit averaging less than eight percent. We are breeding economic illiteracy in our young.

Crime? Government has wandered from solution to solution, yet violence today has forced families to double-bolt themselves into their homes, prisons are being expanded, and the serious crime rate has increased at annual rates of as much as 18 percent.

Having failed to solve energy shortages, unemployment, poverty, crime, housing and whatever else, some of Washington's brightest backroom think-tankers now have come up with the Economic Growth and Development Act which would tell industry where, what and when to manufacture; tell schools what skills to teach—in short, to manipulate the country's economic ebb and tide through a succession of five-year plans. We all know what success five-year plans have had in the Soviet Union.

The nation's college campuses—bastions of liberal thought and social innovation—currently are aghast at the Office of Civil Rights' new thrust in behalf of affirmative action. I have read in recent months one report after another from pained, frustrated and outraged college presidents who have been told by the government that if qualified minority professors cannot be found—then hire qualifiable professors who can be brought up to satisfactory academic levels. Numerical ratios of teachers based on sex or race are the goal, not academic excellence.

And the industry regulators are no better than the social regulators. The net result of the Interstate Commerce Commission's century-old handiwork is bankrupt railroads. The net result of the Civil Aeronautics Board's economic gyrations is an airline system teeming with half-empty jets, higher passenger fares and bankruptcy for the less hardy.

In the event the illusion persists that all this isn't happening, consider a random sampling of the pervasive extent of government's absolute powers and how it touches our lives.

Government decides what trains will run, what planes will fly, what trucks will roll—and when and where and at what price to the consumer.

Washington can set prices.

It can roll back prices and penalize profits.

It approves the design of automobiles, their safety accessories, and what kind of gasoline they must use.

Flood control is approved by Washington, and so is road design, construction of baby cribs and tricycles, minority makeup of public school classes and who attends what school.

Washington decides what drugs we take, what fertilizers and pesticides we use, what clothes are safe to wear, whom we hire.

Washington decides whether a company is getting too big and should be dismantled, and whether a company can carry grain in an American vessel or British.

In short, little in our personal lives or personal decisionmaking escapes the dictates of government.

Even if this intervention by government could somehow be rationalized, its double standards cannot.

While the Federal Trade Commission will leap into action at the first sign of shortweight in cereal boxes, what is the FTC or anyone doing about the appalling inefficiency and bankrupting cost of the U.S. Postal Service?

While the Justice Department musters its legal troops to bust up the Bell Telephone System and General Motors as monopolies, why is the Justice Department giving its blessing to Conrail's new monopoly rail system in the northeast?

While the Federal Energy Administration exacts penalties for gasoline overcharges, what has Washintgon done about the $400 million in overpayments to social security recipients last summer with taxpayers' funds?

What government does, what it is, what effect it has on this nation touches every one of us, and influences the character of us as a people.

It is clear that the bonds of arbitrary and big government which our founding fathers threw off have reappeared, step by devious step, cloaked in new colors.

I believe that Americans as a whole still yearn for the spirit of independence, and a life built around the human will to achieve, or to endure adversity.

We are a people of inventiveness, of imagination, of hardiness, of a sense of historic pride in what has gone before.

There could be no greater tribute to those who gave us our rich and rewarding heritage than to dedicate our bicentennial year to the reaffirmation of principles at the heart of our founding, and to reject government paternalism which would have been intolerable to our forefathers in 1776.

A GROWING MALAISE IN SOCIETY

Mr. GARY HART. Mr. President, in this Bicentennial Year there are many Americans who find little reason to celebrate, and who are deeply and openly disturbed about the present state of our country. In recent trips back to my State of Colorado, I have come in contact with people of many diverse backgrounds and interests who all share a deep sense of concern for the future of the Nation. They are losing trust in the people and in the institutions of Government to operate efficiently and effectively. They do not only doubt Government's ability, but even its willingness, to listen to them. They are troubled by a growing malaise in society that is being nourished by widespread cynicism and perpetuated by Government complacency.

Upon returning from Colorado last week, I received a letter from a constituent of mine who echoed the frustration, anger, and discouragement I found in those I talked to around the State. I want to share Mr. M. K. Lindblom's thoughts with my colleagues, because I think it expresses a message well worth our contemplation. The people's confidence in Government, including those of us in Congress, is not improving. It is steadily declining, and we must regain it.

If there is no objection, I ask unanimous consent that Mr. Lindblom's letter be printed in today's Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Denver, Colo.,
April 3, 1976.

Hon. Gary W. Hart,
U.S. Senate.

Dear Senator Hart: My wife and I are 45 and 48 respectively. So what follows is not short lived anger from a college sophomore but a long slow burn from a couple who have raised 3 daughters, worked (as a nurse and as a teacher), served in the Navy (12 years), and met all obligations—financial—social—political.

Perhaps because it is " '76" and because I taught History for 20 years we are more sensitive to the "state of the Union" 200 years later. Or perhaps, because we are reasonably literate, we can express our sense of frustration so many others share with us but can't voice.

There is no one injustice or inconvenience we would have you correct. We are not even sure you will see this letter, And that is part of the pain . . . to discover growing cyncism in one's outlook, to hear the two married and one single daughters say, "we will *NEVER* bear children. We would not commit such an injustice to a child; bringing them into all of this."

And what is "all of this"?

A seniority system that strangles desperately needed action in Congress,

A "justice" department that refuses to prosecute unions, banks, railroads, and other white collar crime,

A tax system that excuses the wealthy and destroys small business, savings, the old, and the near poor,

A business system that must grow to exist, not unlike cancer, and produce weapons of death and call it "progress",

An executive branch of government at all levels whose main function seems to be aimed at breaking the law.

It could go on for pages. You know that.

This kind of talk should not come from a man who loves this country.

But it comes in growing regularity. From many.

And yet the cosmetic campaign for president has produced no sharp differences or even opinions on these problems.

So I must continue to bear the shame of Viet Nam and now the bribes to foreign governments using our tax dollars, or leave the country.

That is pretty much the same choice you gave the young a few years ago.

Are there not better options than those?

Please tell your colleagues that this would be a good year to re-read our preamble. And act on its principles.

Adlai Stevenson once said, "The beauty of democracy is that the people get the kind of government they deserve."

Have we been this evil?

Sincerely,

M. K. Lindblom.

Sat. Noon.

This morning my wife and I walked to the Post Office to retrieve a small parcel not delivered because of a 7 cent due notice on postage. Since we both work we were not here to pay it. This happens often—even on metered mail from another post office.

When it was our turn I was told that the man could not find it.

"What should I do".

"Come back Monday."

"I work."

"Come back next Saturday."

We walked home. Something snapped. Thus, this letter . . .

A CALL FOR REGULATORY REFORM IN A NEW POLITICAL JOURNAL

Mr. FANNIN. Mr. President, recently there has appeared on the scene a new journal of fact and opinion which promises significant contributions to the study and debate of current issues of public importance. I refer to The Journal of Social and Political Affairs, a quarterly published by the Council on American Affairs, a Washington-based research foundation, and edited by the Council's director, Mr. Roger Pearson.

The first issue of the journal contains several thoughtful articles in the fields of defense and foreign relations. Included are a discussion of détente and containment by my distinguished colleague from Tennessee, Senator Brock, and a proposed policy for Latin America by my distinguished colleague from North Carolina, Senator Helms. Articles by two British scholars, Dr. Kenneth Watkins and Julian Birch, examine the role of Marxists in industrial conflicts and the role of nationalists within the Soviet Union. Other articles touch on various problems of Government regulation and modern genetics.

I direct the attention of my colleagues to the informative discussion of Federal regulatory agencies by Representative Philip Crane of Illinois. Congressman Crane's article traces the development of Government regulation and the expansion of Federal regulatory power and authority in the American economy. He analyzes various aspects of Government regulatory policy and, with ample documentation, shows how that policy has been harmful to both business and consumers.

Dr. Crane presents a most convincing case for regulatory reform. He concludes:

> The regulatory agencies as they exist today not only eliminate competition, but, in that they give government total power over vital sectors of the economy, challenge the very concept of individual freedom as well . . . The American society has the opportunity to turn away from its self destructive policies of governmental regulation of the economy. The place to begin, many in Washington now believe, is with the abuses of the regulatory agencies . . . Unless we take these steps now, it may cost us much more to do so in the future. With our economy headed down, with unemployment and inflation mounting at the same time, we can ill afford the counter-productive role being played by regulatory agencies in Washington. Hopefully, an aroused society, carefully examining the available data, will come to this inevitable conclusion.

Mr. President, the Journal of Social and Political Affairs is a publication of high intellectual quality. It is a welcome addition to the world of journalism. By publishing Dr. Philip Crane's excellent article, the journal has gotten off to a good start, and I took forward to its future issues.

Mr. President, I have selected several passages from Congressman Crane's article on regulatory agencies which appeared in the Journal of Social and Political Affairs, Vol. 1, No. 1, of January 1976. I ask unanimous consent that their complete text be printed in the Record.

There being no objection, the passages were ordered to be printed in the Record, as follows:

Regulatory Agencies

(By Philip M. Crane, Member of U.S. Congress)

Prior to the advent of the New Deal in the nineteen thirties, with a number of specific exceptions, the United States pursued a policy of support for the free market based upon a belief that economic freedom and political freedom went hand in hand, as well as the idea that under a system of free enterprise the nation's goods and services would be most widely and most equitably distributed.

Since the advent of the New Deal, Americans have pursued a policy of government intervention in and regulation of the nation's economy. The initial reason for this departure was the hope that such intervention could help us avoid the difficulties which occurred in 1929 with the beginning of the Great Depression.

In every instance, the advocates of intervention and regulation have advanced the view that their policies would best serve the "public" interest. Now, as we face a period of economic decline and are confronted by an economy in which inflation and recession are occurring simultaneously, after a generation of unprecedented intervention and regulation, we are provided a unique opportunity to test the assumptions of the interventionists and regulators.

In an important speech, unusual for a federal official, the chairman of the Federal Trade Commission, Lewis A. Engman, attacked federal regulatory agencies—specifically including the Civil Aeronautics Board and the Interstate Commerce Commission—as protecting the industries they regulate in an unhealthy relationship that raises costs to the consumer unnecessarily and contributes to inflation.

Engman declared that, "Most regulated industries have become federal protectorates, living in a cozy world of cost-plus, safely protected from the ugly specters of competition, efficiency and innovation." To correct these problems, he called for re-examination of "every regulation or regulatory policy that contributes to inflation."

It is no accident that government regulation of the economy produces negative results. Liberal reformers who believed otherwise in the nineteen twenties learned a lesson which modern liberals—and their Republican imitators—must now re-learn. Frederic G. Howe, a progressive who had been in the Wilson Administration, wrote in 1925 in his *Confessions Of A Reformer* that he had become distrustful of the government and he now "viewed it as the source of exploitation rather than the remedy for it."

Woodrow Wilson also understood the problems of government control of the economy. In 1912 he declared: "If the government is to tell big businessmen how to run their business, then don't you think that big businessmen have got to get closer to government than they are now?"

The failure of government regulatory agencies is something which, in recent days, has become a reality accepted as true even by the strongest proponents of such bodies.

Consider, for example, the record of the Civil Aeronautics Board. If you are flying between Los Angeles and San Francisco, your plane ticket will cost you $23 if you purchase it in New York (subject to federal control), but only $16.50 in California.

The Los Angeles-San Francisco fare comes out to 4.6 cents a mile compared with 9.9 cents between Boston and Washington, D.C. There is this simple difference: the Los Angeles to San Francisco route is within a single state. An airline such as Pacific Southwest Airlines, which operates only within one state, is not subject to federal regulation.

Interstate airlines flying the same route are forced to ask the Civil Aeronautics Board to let them lower their rates in order to compete with the unregulated interstate airline. The Boston to Washington, D.C. route is part of "interstate commerce." All of the airlines flying it are under federal regulation—and the consumer pays more. . . .

. . . Equality dramatic in its failure to serve the public interest is the record of the Interstate Commerce Commission.

Originally established in 1887 to protect customers and rail lines from discriminatory pricing and rate wars, the agency today has more than 2,000 employees in 78 offices across the country. Not only railroads, but interstate trucking and barge-lines have been brought under the agency's jurisdiction. Its stated goal was to end "cut-throat competition" and serve the public. What it has done is end competition entirely and serve the joint interests of the large companies and labor unions.

Looking at the record of the I.C.C., Senator William Proxmire (D-Wisconsin) stated that, "The ICC has become a captive of the transportation industry itself. Instead of regulating transportation to avoid monopoly and increased prices, it has established monopolies, reduced competition, and ordered high and uneconomic rates to cover the costs of inefficient producers." . . .

. . . One dramatic example of the manner in which the ICC has caused significant harm by its interventionist policies may be seen by examining the case of the Rock Island Line, which currently is in serious financial difficulty. Its difficulties have been the result not of the failure of free enterprise, but of the refusal of government regulators to permit free enterprise to work.

Aware that it faced an untenable economic situation if it continued to operate on its own, the Rock Island Line petitioned the ICC in 1964 to approve a merger with the Union Pacific. After considering the matter for ten long years, through countless hearings and 200,000 pages of transcripts, the ICC finally granted "conditional" approval of the merger. It is estimated that it will take two to four years to receive final ICC approval.

But, as the Rock Island waited, it encountered the economic failure which it had anticipated. During the past eight years it has lost money, including a record $22 million last year. Now, in a desperate effort to stay alive, the line, which has a 7,500 mile rail system and provides primary hauling for at least 185 companies in the St. Louis area, has asked its 10,000 employees to make voluntary loans to keep its trains running. It has also requested the U.S. Railway Association, the new federal planning organization created by the Railroad Reorganization Act, for a $100 million loan and has been turned down.

Discussing this situation, the *St. Louis Globe Democrat* editorially stated the following: "Think of it. Fifteen years to complete action on a merger of two railroads that shouldn't have taken more than a few months! Compared to the ICC, the three-toed sloth moves like a cheetah. If the ICC had been in existence when the West was being built by the railroads, the West would still be Indian country." . . .

. . ."The list of the ICC's blunders could go on and on. Nearly everyone who has looked into its labyrinthian labors agrees that this tired old bungler should be cashiered. The ICC is a costly, paralyzing anachronism—a very heavy load on the transportation industry and the American public. It should be assigned to the scrap heap."

This, of course, is nothing new. According to a study by the Brookings Institution, the economic loss resulting from ICC regulation in 1968 alone ranged from a low of $3.78 billion to a high of $8.79 billion. While it is a story which many have understood for some time, there is now some hope that the flagrant abuses of the ICC, when considered in light of our current economic difficulties, will prove even less acceptable than they were in the past.

The latest annual report of the President's Council of Economic Advisers notes that ICC regulation of the transportation industry allows exemptions from the anti-trust laws, presents serious barriers to entry into the trucking business and promotes costly inefficiencies in the railroad freight transportation, all of which are "inconsistent with an efficiently organized transport sector." One result of the present ICC regulations, according to the report: "windfall profits to more efficient truckers and higher prices to consumers." Another: the bankruptcy of numerous rail lines.

In precisely the same way in which the Interstate Commerce Commission and the Civil Aeronautics Board limit competition and serve the industries they are meant to regulate, rather than the public, so the Federal Communications Commission tends also to serve the regulated industry rather than the consuming public . . .

. . . It should be clear to all those who will look objectively at the data that regulatory bodies such as the Civil Aeronautics Board, the Interstate Commerce Commission and the Federal Communications Commission serve not the *public* interest, in whose name they were created, but, instead, the very private interests they were intended to regulate—the truckers, the airlines, and the radio and television networks.

Just as government regulation *directly* harms the public in these fields, so a host of other government regulations, imposed by a number of different government agencies, harm the public in other ways—both directly and indirectly.

The fact that government regulations, even in those areas where some possible benefits may be found, cost the taxpayers billions of dollars each year is something which many Americans do not understand.

A study published in February, 1975, *Government Mandated Price Increases* by Professor Murray L. Weidenbaum of Washington University in St. Louis, details many examples of this situation . . .

. . . The study, published by the American Enterprise Institute, lists "29 major pieces of regulatory legislation which imposed non-productive costs on business during the period 1962–1973." Dr. Weidenbaum states that, "There has been a shift to more, rather than less, government intervention and, if this reduces innovation and productivity, it's something to be concerned about."

One of the areas dealt with in the study is that of drugs. Regulations imposed by the Food and Drug Administration, according to the study, delay the introduction of effective drugs by approximately four years, leading to higher prices "on the order of $200 to $300 million a year . . ."

Dr. Weidenbaum declares that, "A second managerial revolution is now under way—a silent bureaucratic revolution, in the course of which the locus of much of the decision making in the American corporation is shifting once again—from the professional management . . . to the vast cadre of government regulators."

The price of the typical new 1974 passenger automobile is about $320 higher than it would have been in the absence of federally mandated safety and environmental requirements. The same is true with regard to many other products. Professor Weidenbaum believes that attention should be focused on this route to inflation for two reasons: "(1) The government is constantly embarking on new and expanded programs which raise costs and prices in the private economy and (2) Neither government decision makers nor the public recognize the significance of these inflationary effects. Literally, the federal government is continually mandating more inflation via the regulations it promulgates. These actions of course are validated by an accommodating monetary policy."

Rather than burden the public treasury with the full cost of cleaning up environmental pollution—which would mean a Congressional vote for added expenditure—we now require private firms to devote additional resources to that purpose. Similarly, instead of spending federal funds to eliminate traffic hazards which, again, would require a vote by members of Congress for huge expenditures, we require motorists to purchase vehicles equipped with various safety features that appreciably increase the selling price.

Exactly the same is true with regard to the effect of regulations promulgated by such bodies as the Occupational Safety and Health Administration and the Consumer Safety Commission. Concerning these, Professor Weidenbaum notes that, ". . . every time OSHA imposes a more costly, albeit safer, method of production, the cost of the resultant product will necessarily tend to rise. Every time that the Consumer Safety Commission imposes a standard which is more costly to attain, some product costs will tend to rise. The same holds true for the actions of the Environmental Protection Agency, the Food and Drug Administration, and so forth."

While many believe that imposing costly regulations upon private business somehow aids the public without costing it anything, this is not the case. The higher prices which are paid by consumers throughout the American economy represents the "hidden tax" which is simply shifted from the taxpayer to the consumer. Dr. Weidenbaum concludes that, "As these government-mandated costs begin to visibly exceed the apparent benefits, it can be hoped that public pressures will mount on governmental regulators to moderate the increasingly stringent rules and regulations that they apply. At present, for example, a mislabeled product that is declared an unacceptable hazard often must be destroyed. In the future, the producer or seller perhaps will only be required to relabel it correctly, a far less costly way of achieving the same objective."

. . . The call for regulatory reform is now being heard across the country and many individuals and publications who once supported the concept of government regulation of various aspects of our economy are now admitting that such regulation has been a failure.

In an editorial entitled "The Need for Regulatory Review," the *Washington Post*, in its issue of February 10, 1975, notes that, "We suspect that much of this regulation no longer serves the purpose for which it was created and needs to be either eliminated or drastically changed. The ICC, for example, was created in 1887 primarily to protect the public against the monopoly power of the railroads. For a long time now, its primary role has been to protect the railroads against competition from other carriers of freight . . . the ICC may be a classic example of an agency that has outlived its useful life by several decades. As far as we can tell, only it and the industries over which it has jurisdiction defend the way in which surface transportation is now regulated."

The *Post* declares that, "The economic problem of this kind of regulation is staggering. There is a growing body of data that suggests it costs far more—not just to the government but in unnecessarily high prices for consumers—than the value of the benefits the regulation brings. The President's economic report says one study puts the costs of government regulation of the surface transportation industry alone at $4 billion to $9 billion a year."

Despite the temporary dislocations which an end to, or radical reform of, government regulatory agencies might entail, the *Washington Post* believes that this is the time to proceed. The *Post* concluded its editorial by stating that, ". . . this seems to us to be the time for Congress to get on with it. If it is true . . . that the hand of government regulation is now a major drag on the economy, and it certainly appears to be true in some areas, ways can be found to ease the transition of business back toward a less regulated situation. To do that, Congress may have to upset some of the theories that have dominated government policies for decades and will have to face up to some of the entrenched special interest groups. But we can think of few greater contributions this Congress could make to a proper celebration of the nation's Bicentennial than a full dress reappraisal of what government is doing in the way of regulating free enterprises and of why it is doing it."

The fact that the *Washington Post* and other liberal publications and legislators have now come to understand the regressive nature of our regulatory agencies, and the manner in which they work against rather than in behalf of the public interest is certainly to be welcomed. Hopefully, they will come to understand that such agencies are not accidentally negative but are inherently so. Unfortunately, some advocates of "regulatory reform" mean by this term not a return to the free market but, instead, the creation of new regulatory agencies to oversee the ones we have at the present time.

Those who advance this viewpoint should remember that government regulations, even before they are actually administered, have a negative effect upon the economy. One impact of federal regulation is what has become known as the "announcement effect." For some time, economists have pointed out the existence of this effect with regard to government spending or taxation. What happens is that potential government contractors may start preparing to bid on a project even before Congress has appropriated funds for it, or consumers may increase their expenditures while a tax cut is still being debated. . . .

Whether we are discussing the Consumer Product Safety Commission, the Environmental Protection Agency, OSHA, the CAB, the ICC, the FCC, or any of the myriad of other governmental regulatory agencies we find a similar story—regulation in behalf of the public which, in the end, costs the public a great deal of money and does the public a significant amount of harm.

Only when the American people recognize that this is the inevitable result of government regulation will we begin to really solve the problem.

The regulatory agencies which we have at the present time are, in fact, remnants of the philosophy of the Progressive Movement, which dominated the American scene in the years from the turn of the century to U.S. entrance into World War I.

The effect of the regulatory agencies established initially during the Progressive era has not been to serve the public, but to serve the vested interests they were created to regulate. A number of historians have made it clear that the primary effect of the new regulatory agencies was to give dominant business groups a greater control over their respective economic interests than they had previously enjoyed.

. . . The old warning by economist Friedrich Hayek that socialism in its radical form was not nearly as dangerous as socialism in its conseravtive form is worthy of serious reconsideration. As George Roche has noted, "When the advocates of state power and the advocates of corporate bigness form an alliance, the resultant form, however conservative, is still socialistic."

While we may understand the reasons for business and labor to support the regulatory agencies which have grown up in the years since the Progressive era, there is no reason for those who are truly concerned with the public interest to do so. Only by permitting the free market to work, by eliminating government-created monopolies, can we give each citizen the opportunity to vote with his dollars for the goods and services he seeks.

The regulatory agencies as they exist today not only eliminate competition but, in that they give government total power over vital sectors of the economy, challenge the very concept of individual freedom as well.

This point was made by the distinguished economist Wilhelm Roepke, in his book, *The Social Crisis Of Our Time:* "An economic system, where each group entrenches itself more and more in a monopolist stronghold, abusing the power of the state for its special purposes, where prices and wages lose their mobility except in an upward direction, where no one wants to adhere to the reliable rules of the market any more, and where consequently nobody knows any longer whether tomorrow a new whim of the legislature will not upset all calculations, an economic system in which everyone wants to live exclusively at the expense of the community and in which the state's budget finally comes to about half of the national income: a system of this kind is not only bound to become unprofitable and thus bound to intensify the scramble for the reduced total profit, but it will moreover in the end suffer a complete breakdown. This is usually called the crisis of capitalism and is used as an occasion for new and revolutionary interventions which complete the ruin and corruption and finally present us with the inexorable choice of either returning to a reasonable and ethical market system or of plunging into the collectivist adventure."

The American society has the opportunity to turn away from its self-destructive policies of governmental regulation of the economy. The place to begin, many in Washington now believe, is with the abuses of the regulatory agencies, some of which have been discussed here. Unless we take these steps now, it may cost us much more to do so in the future. With our economy headed down, with unemployment and inflation mounting at the same time, we can ill afford the counterproductive role being played by regulatory agencies in Washington. Hopefully, an aroused society, carefully examining the available data, will come to this inevitable conclusion.

MIRACLES AT THE DEPARTMENT OF AGRICULTURE

Mr. MUSKIE. Mr. President, in the April 25 edition of the Maine Sunday Telegram, Don Larrabee wrote of a man from Maine, J. Paul Bolduc, who is performing miracles at the Department of Agriculture.

Disturbed by the amount of waste he saw in the Department's myriad forms and paperwork, Mr. Bolduc set out to do something about it. After only a few months' work, he has succeeded in eliminating 9,664 forms—26 percent of the total number—and more than 700 reports—16 percent of the total—at a savings of $16.2 million. And he is still not finished.

This is not the only miracle of Mr. Bolduc's career at Agriculture. I commend the entire article to my colleagues as an example of what business-as-usual in Government ought to be, and ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Bolduc Carves Mark Into Bureaucracy

(By Don Larrabee)

Washington.—A few months ago, J. Paul Bolduc of Lewiston decided that something had to be done about the excesive paperwork at the Agriculture Department. He advised Secretary Earl Butz that the number of forms could easily be reduced by 20 per cent and the number of required reports by ten per cent.

The 36-year old Maine man knew he was upsetting the system but he had no choice. "When I see waste, it troubles me. I wasn't brouht up in affluence," he says. Besides, he had won Secretary Butz' confidence with a couple of earlier miracles.

One was to consolidate the department's 28 computer operations (one for each agency) under a single roof. He also had developed a centralized, unified accounting system to replace the budgetary babel of 15 different systems that had jammed USDA's communications for years.

Butz didn't hesitate to give the go-ahead on the paperwork project. And, as Bolduc expected, "all hell broke loose." The bureaucrats instinctively resisted the changes. But Bolduc, who became the department's Assistant Secretary for Administration last month, was able to report last week that 9,664 forms (26 per cent) and more than 700 reports (16 per cent) had already been eliminated for an annual saving to the taxpayers of $16.2 million. The campaign still has a month to go.

Meantime, another Bolduc experiment was taking place. The department had been scouting all over town for more space to accommodate USDA's 28 sprawling agencies. Bolduc wondered if anyone had looked at waste space USDA had in its existing two buildings.

He took a walk one morning through seven and one-half miles of corridors in the two huge USDA structures bordering on Independence Avenue and found all the space that was needed. The remodeling of offices is now under way.

"I just happen to believe that you ought to realize the biggest bang for a buck," he says. "All too frequently, that doesn't happen in a bureaucracy."

J. P. Bolduc is not the only person in government who sees horrible waste, empire-building and inefficiency all around him. He and a group of partners at the sub-cabinet level—the men who try to manage the other big departments—meet regularly to share ideas about the seemingly losing battle in which they are engaged.

Bolduc has had 15 years to watch the empire builders at work in the Agriculture Department. Starting as an internal auditor and moving steadily up the career ladder, he was northeast regional director of USDA for audits before coming to Washington as deputy assistant secretary for administration two years ago.

His recent promotion involves overseeing the departmental budget of $15 billion annually and the fiscal and administrative nightmare of 350 programs, 15,000 field offices and all the personnel problems that go with having a work force of 100,000.

Superiors have recognized his skills with a number of cash awards. Associates say he is a man of "exceptional initiative and drive . . . very aggressive, a motivator, a real dynamo." Bolduc says candidly that he's probably made a lot of enemies, too.

"We're asking every one of our agencies to submit a report on what they expect to get for the dollars they want to spend," he says. "We've identified several programs that ought to be discontinued because they are not cost-beneficial. In one sense, we're already testing Senator Muskie's proposal to force every agency to justify its existence and start from scratch."

Bolduc sees his principal role as one of supplying Secretary Butz with the facts and figures he needs when he goes to Congress. But he says it's been a disillusioning experience to watch Congress make decisions for their political impact, without regard to cost or sound judgment.

As an example, he cites the department's repeated recommendations to discontinue the 1930s Agriculture Conservation Program under which Uncle Sam pays up to $2,500 to any farmer who chooses to install a pond on his acreage or half the cost of liming or fertilizer.

"These are normal costs of doing business," he says. "Why should the government provide this help?"

At the moment, as the highest ranking career official in USDA, Bolduc finally has the clout to inject some of his philosophy into the top management of each of the 28 agricultural agencies.

He meets with these 28 deputies regularly and plans a major brainstorming session May 5 and 6 at a Pennsylvania farm retreat. They will go away "committed" or else, he says.

Bolduc pulls no punches about his own future. If he doesn't go to private industry, which is a constant temptation for a man with a growing family of four children, he might return to Maine in the next couple of years and seek the governorship.

"Yes, I'd like to run for governor," he says. "When I was northeast regional director for audits, I had a chance to interface with Maine state government and I saw first hand some of the antiquated ways of doing business.

"Maine's state auditor does nothing but audit the taxing districts; no one ever comes in to take a close look at how efficient or effective the programs are or what kind of mileage they're getting. No one assesses the long-range impact."

Bolduc says he likes Governor Longley's businesslike approach and philosophy but he faults Longley's handling of men and politicians in the state. By coincidence, Bolduc has the same geographic base.

His mother, Blanche Bolduc, lives in Lewiston. His wife's father, Louis Talarico, was Lewiston's deputy fire chief and now operates Luigi's Pizzeria. The family spends the summer in Harpswell. But J. Paul Bolduc talks like a man who'd like to live in Maine all year 'round.

A GUIDING PHILOSOPHY FOR ACHIEVING REGULATORY REFORM

Mr. HRUSKA. Mr. President, regulatory reform is now a popular subject. Unfortunately, too many people define regulatory reform as discarding the controls they personally do not like while retaining the controls they do like. This explains to a great extent why so many of us agree on the need for regulatory reform but yet too often cannot agree on specific ways to achieve that goal. Every control or regulation attracts its own constituency which lobbies for continuing the regulation. Therefore, once in place, it is very difficult to remove a control or regulation.

If we are to achieve the goal of regulatory reform we must reach an agreement upon a method for determining which regulations are in the public interest and which others are not and should be discarded.

If the congressional budget reform process succeeds, it will be because each Congressman and Senator agrees that limiting the budget is a worthy goal in and of itself even though there are differences of opinion about individual programs. It is this underlying agreement that will enable us to overcome our disagreements on particular appropriations. Mr. President, if we are to achieve the goal of regulatory reform we must reach agreement on the basic criteria by which regulations are to be judged.

Charles E. Welch, general counsel of the Du Pont Co., has written an excellent article, "Regulation Becomes a Bigger Business." In this article Mr. Welch made this observation:

> Government controls are often characterized by regulatory delays and conflicting or over-lapping regulation.

He then offers two central questions to be asked of every regulation. They are, "Is the desired goal in fact being achieved by the regulation?" and, "Can that goal be achieved by less expensive, and hence less inflationary, means?" I would like to share with my colleagues the thoughts expressed by Mr. Welch because in developing these two questions he has offered a guiding philosophy that may enable us to achieve regulatory reform even though we disagree among ourselves about the wisdom of particular regulations.

I ask unanimous consent that "Regulation Becomes a Bigger Business" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Regulation Becomes a Bigger Business

(By Charles E. Welch)

Mounting public interest in the actual effects of business regulation by the government is one of the healthiest new trends of the 1970s.

For too long, regulation after regulation was put into place and forgotten by the public. Now, the recent combination of recession and inflation of the past decade has fired public concern about the causes of our economic problems, and Federal regulation is coming in for an increasing share of attention.

This is all to the good, for government regulation—like all other government programs—is a mixed blessing. In some areas, government regulation clearly is needed and provides self-evident public benefits that are worth their cost. In other areas, however, government regulation is increasingly being exposed as a needless expense which not only does not provide clear public benefits but, in some cases, actually is counterproductive to the national interest.

Anything that costs $120 billion a year—President Ford reported this estimate of the cost of regulation, without deducting for benefits—should be carefully and continually reviewed. That cost adds up to $2,000 a year for every American family.

The new public skepticism about Federal regulation has been stirred to some degree by its mind-numbing extent. The very number of Federal regulatory agencies is part of the problem.

A decade ago there was no EPA, CPSC, OSHA, ERDA, FEC, FEA, or EEOC. Now, these new agencies and the older bodies such as the ICC, FDA, FCC, FPC, CAB, FTC, and SEC are but several of many Federal regulatory bodies, in addition to thousands more at the state and local levels.

BILLIONS FOR PAPERWORK

Another obvious by-product of government regulation has been a flood of paperwork. It has been reported that there are about 10,000 Federal forms in existence. Du Pont has estimated its cost of completing its government reports at $4.5 to $5 million annually, requiring more than 180 man-years of work. The General Services Administration calculates that government forms cost the private economy $20 billion annually and the government another $20 billion to read them, whereas nine years ago the cost to government of paperwork was $8 billion annually.

An example of how a single regulatory requirement can generate a mountain of paper involves certification of equal employment compliance. As a government contractor, Du Pont sends out 28,000 letters annually to its suppliers from whom annual purchases exceed $2,500. Du Pont is required to report to the government that each of its suppliers has developed and maintains a written and signed affirmative action program at each of its facilities.

It is clear that government regulations are required in areas where competition or economic self-interest does not keep private and public interests in balance. For example, the 1977 water pollution standards are reasonable and necessary and probably would not have been met without the enactment of these standards. Also needed are airline safety regulations, automobile speed limits, regulation of utility monopolies, and so on.

However, in other areas, such as the wage-price controls we experienced a few years ago, the complexity of the system means that regulation cannot be achieved without disruption. Since free markets guarded by antitrust laws provide control, price regulation is unnecessary and counterproductive.

In addition to burdensome reporting provisions and inadequate cost analyses, government controls are often characterized by regulatory delays and conflicting or overlapping regulation. Business is increasingly confined in its decisions by these government controls, and innovation can be stifled and its benefits delayed. For example, the delay involved in complex approvals for new drugs by the FDA is not only costly, but could result in deaths among those awaiting development of life-saving or life-prolonging drugs.

SOCIETAL NEEDS DELAYED

The web of government regulation also can have a serious effect upon the ability of the private sector to cope with the needs of society. Although coal is an abundant resource in our country, industry's attempts to become involved in coverting coal into gas, oil, and petrochemicals have been delayed, at least in part, by legislative barriers. Although, prompt experience with available technology is a key to an effective coal conversion program, *Chemical and Engineering News* has reported that commercialization has been delayed because of the failure of the Federal Power Commission (FPC) to issue the mandated plant construction permits. It is true that there are some legitimate questions about the FPC's authority in this area, but that illustrates the all-too-frequent problem of broad legislation written without foresight into the difficulties of its implementation. Here, the legislation did not take account of new developments.

Another area of petrochemical concern is government price regulations on natural gas, which threaten its effective free-market distribution for domestic heating purposes. With respect to crude oil, the December 1975 "energy compromise" between President Ford and Congress extended the price control policy of the past decade, which, in the opinion of oil consultant Ruth S. Knowles, will result in reduced domestic exploration and increased foreign energy dependence.

The reduced internal availability of capital for production expansion—which in some cases is being diverted to meet dubious regulations—underscores the need for considered action, or indeed an easing of the level of activity by government. In the past decade the government has mandated more inflation by imposing costly controls; however, in that period the supply of capital has been shrinking.

Although many of our industrial facilities are older than those of either Europe or Japan, a Treasury Department study covering 1963–1970 shows that we have been able to invest considerably less of our national output in productive capacity (13.6 per cent versus 29.0 per cent in the case of Japan, although part of the latter reflects a less mature economy). In the coming decade action to reverse this trend is essential. We need more capital to build more production capacity to provide jobs and a healthy economy that can support the needs of the public.

INDUSTRY ROLE NEEDED

How then can the regulatory process be reformed to strengthen its positive effects and hence meet our national goals?

Whether in economic, health, safety, or environmental areas, the need for each piece of legislation must be challenged. The tendency to add additional regulations is difficult to resist since each generation has been nurtured in a successively more "progressive" environment.

Better communication between the regulated parties and the governmental regulators is a modest, but essential, step toward making government more responsive to society's needs. Russell Train, the Environmental Protection Agency (EPA) administrator, has recently spoken of developing steps to broaden the base of EPA's policy-making procedure, including a new Pesticide Policy Advisory Committee. The committee includes manufacturers, farmers and other users, environmentalists and health experts, state officials, and the general public. It will advise EPA on the impact of proposed EPA decisions and on the need for special studies. If the function of such committees is more than illusory, they will provide an important public service.

Next, periodic review of the performance of existing regulations, in terms of achieving the desired goals, is essential. Air quality standards which preclude entrance of industry into an undeveloped area should be reexamined, since a plant in a remote geographic area with proper safeguards could make more sense than further industrial concentration.

Thirdly, proposed legislation should be subjected to careful economic analysis of the cost of the desired goal versus the value of the resulting benefit. The removal from the air of 94 per cent of the particulate emissions from one plant was found to cost the same as removal of the next 3 per cent of particulate. However, adequate environmental protection may have been provided by removal of the first 94 per cent. Similarly, it has been estimated that the development and introduction of seat belt ignition interlocks cost over $1 billion, a sum which could well have been better spent on other highway safety programs.

IS REGULATION NECESSARY?

Finally, inconsistent Federal controls must be minimized. Water pollution authorities have forced industry to spend millions of dollars in controlling discharges into the Delaware River, for example, but still permit municipalities to dump sewage into the river. This effectively precludes the attainment of a clean river, for which industry, and ultimately the consumer, has paid so much.

In the past decade the often inconsistent layering of additional health, safety, and environment controls has been defended by the simplistic question "How much is a human life worth?" However, the hard questions should be asked:

Is the desired goal in fact being achieved by the regulation?

Can that goal be achieved by less expensive, and hence less inflationary means? Regulations which cause inflation and unemployment of themselves cause much human misery. This must be considered in any equation which evaluates present or prospective regulations.

In answering these questions, we may discover that much of the public interest legislation passed during the last 10 years is not in the public interest at all.

A mechanism for making the regulatory agencies responsive to the will of the people is required, since many regulatory agencies are operated independently of the President by non-elected administrators.

FUNDING FOR THE FOOD STAMP PROGRAM

Mr. HUMPHREY. Mr. President, I wish to bring to the attention of this body a controversy which has arisen over the funding of the food stamp program during the transition quarter of July 1, 1976 through September 30, 1976.

I recently wrote to the Department of Agriculture pointing out the possibility of a shortage of $400 to $500 million for the operation of the food stamp program during this "transition quarter." I suggested that the Department prepare its best funding estimates on the basis of: First, the implementation of the administration's proposed new regulations; and second, no implementation of the proposed new regulations.

The response of the administration was that the economy has been improving with employment picking up and inflation decreasing. I transmitted this response to Senator McGee, chairman of the Subcommittee on Agriculture and Related Agencies of the Senate Appropriations Committee, pointing out that if the new regulations are not implemented, which is a strong likelihood, an additional appropriation of $400 million would be a minimum requirement. Even if the new regulations were to be implemented early in the transition quarter, the likelihood would be that an additional $100 million would be required.

The subcommittee has reacted favorably to my recommendation that $400 million should be provided as a minimum requirement to cover the transition quarter needs. I am hopeful that the Senate will accept this amount and that the conferees will insist that this full amount be provided. Any lessor amount would have a serious adverse impact on the provision of vitally needed assistance under the food stamp program. There should be no compromise on this funding level.

I would like to share with my colleagues an April 28, New York Times article by Nancy Hicks outlining this problem and the response of the Department of Agriculture.

Mr. President, I ask unanimous consent that my initial letter to Secretary Butz, the response of Assistant Secretary Feltner, and my letter to Senator McGee, as well as the New York Times article, and a brief background paper prepared by CRS be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

U S. Senate,
Committee on Foreign Relations,
Washington, D.C., April 20, 1976.

Hon. Earl L. Butz,
Secretary, U.S. Department of Agriculture, Washington, D.C.

Dear Mr. Secretary: It has recently come to my attention that the need for Food Stamp Program funds will outstrip available monies before the beginning of the new fiscal year on October 1, 1976. Because the funding status of the Food Stamp Program is of considerable importance as the Congress considers the second supplemental Appropriations bill, I would appreciate your analysis of the Program.

For fiscal 1976, I ask that you set forth at least—

(1) the most recent data on Food Stamp Program expenditures (both "bonus" and administrative costs) through January or February 1976;

(2) the best data on food stamp costs in January and/or February 1976 (both "bonus" and administrative costs);

(3) your most reasonable estimate of food stamp costs for the remainder of fiscal 1976 (through June 1976), assuming:

(a) implementation of the Administration's proposed changes in food stamp regulations; and

(b) no implementation of the Administration's proposed changes in food stamp regulations.

(4) the amount of money available to fund food stamp costs through June 1976; and

(5) the amount of any anticipated "carry-over" or "deficit" at the end of fiscal 1976.

Regarding the "transition quarter" (July–September 1976), I would ask that you set forth at least—

(1) your most reasonable estimate of food stamp costs for the 3 month "transition quarter", assuming:

(a) implementation of the Administration's proposed changes in food stamp regulations; and

(b) no implementation of the Administration's proposed changes in regulations.

(2) the amount of money anticipated to be available to fund "transition quarter" costs; and

(3) the amount of any anticipated "carry-over" or "deficit" at the end of the "transition quarter."

In presenting the foregoing information, I would appreciate it if you would fully explain the various assumptions which you use—including the month in which the proposed new food stamp regulations would have a fiscal impact if they were implemented and the potential of S.S.I. recipients coming on the rolls in three states which are expected to lose their "cash out" status on July 1, 1976.

As regards the possibility of a "deficit" in food stamp funding, I would like to ask for your analysis of the options available to you to deal with this type of situation—most specifically as to the use of the authority set forth in section 16(b) or a request for additional funds. Finally, if you do estimate that there will be a deficit in food stamp funding, please tell us which option you plan to choose.

It appears likely to me that there will be a $400–$500 million deficit for the transition quarter. The Department's imposed new regulations have not been finalized, and they are likely to be challenged in the courts when issued. The most reasonable course, in my view, would be to request the amount likely to be needed.

Because the Senate Appropriations Committee will be considering the Second Supplemental Appropriations bill, H.R. 13172, next week, it is necessary that I receive a response by the close of business on Tuesday, April 27.

Sincerely,

HUBERT H. HUMPHREY.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., April 27, 1976.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: This is in response to your letter of April 20, 1976. The information and analysis you requested regarding the Food Stamp Program funding situation is enclosed.

We have been aware of a potential funding problem and have been tracking participation and cost data closely. The States have just submitted their monthly reports for March and we are in the process of recalculating our 1976 and transition quarter estimates of cost. The improved status of the economy is very encouraging and we believe this will have a significant impact on future food stamp participation and costs. Earlier projections, for example, assumed the cost of the Thrifty Food Plan would increase by $2 to $168 per month for a family of four on July 1. Actual February food cost data indicate no change is warranted in the current $166 allotment. Participation is also showing the impact of increased employment opportunities and remaining slightly below earlier expectations.

Consideration of these two trends will have a significant impact on food stamp costs during the next six months. Our March data is now being studied carefully and a current projection based on this data should be available by May 15. We are aware of your urgent need for this information and will provide it to you as soon as possible.

I will review the estimate carefully and consider the options you mentioned. As you may be aware, our proposed regulations to direct program benefits to the neediest and eliminate non-needy participants are to be published in the Federal Register next week. Those regulations, when issued for comment, reflected implementation dates of June 1 for practically all provisions except retrospective accounting. A saving of about $280 million through September 30 is estimated if these reforms are implemented as proposed.

Sincerely,

RICHARD L. FELTNER,
Assistant Secretary.

Two enclosures.

FOOD STAMP PROGRAM—ACCOUNT 12X3505

FISCAL YEAR 1976 AND TRANSITION QUARTER FUND STATUS

[Dollars in thousands

Food stamp program	Actual February	Accumulative actual fiscal year 1976 through February
Bonus costs	$462,498	$3,526,692
50/50 matching	14,987	236,987
Other program costs	600	38,257
Federal administrative	4,485	28,646
Total costs	482,570	3,830,582

Available funds

[Dollars in thousands]

Fiscal year 1976	$5,782,894
Actual July 1, 1975 through February 29, 1976	−3,830,582
March 1, 1976 through June 30, 1976	1,952,312
Transition quarter July 1 through September 30, 1976	1,037,441

POTENTIAL SSI PARTICIPATION FROM "CASH OUT" STATES

State	Eligible	FSP participants	Income level
California	600,000	240,000	[1] $200
Nevada [2]	4,000	1,600	[1] 200
New York	400,000	160,000	[1] 200
Total	1,004,000	401,600	[1] 200

[1] Plus per month.

[2] Aged and blind—no disabled.

Note: Massachusetts will maintain "hold harmless" status

FISCAL IMPACT OF SSI PARTICIPATION ON FOOD STAMP PROGRAM

State	Participants	Bonus per person	Bonus cost
California	240,000	$10	$2,400,000
Nevada	1,600	10	16,000
New York	160,000	10	1,600,000
Total	401,600	10	4,016,000

Note: $4,000,000 per month for July, August, and September for total transition quarter of $12,000,000.

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C., April 28, 1976.

Hon. GALE W. MCGEE,
Chairman, Subcommittee on Agriculture and Related Agencies, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am forwarding to you the response of the U.S.D.A. regarding my letter of April 20 to them regarding funding requirements for the food stamp program during the remainder of FY 1976 and the transition quarter. A copy of my letter to the U.S.D.A. was provided to your staff in view of its importance in your deliberations on this matter.

The U.S.D.A. response cites two factors as leading to potentially decreasing the food stamp program cost: decreased inflation rates and an improved employment picture.

The specific cost estimates do not indicate with any precision what if any carry-over there will be on June 30, 1976. The Department originally assumed a carry-over of $132 million. It would now appear that the carry-over could be as low as $22 million if the February rate of spending continues through June.

The major unresolved issue is when and if the proposed new regulations will go into effect. It is my view that the implementation of the regulations is doubtful and, even if implemented, they would be unlikely to have any fiscal impact until very late in the "transition quarters" because of the time needed by state and local welfare agencies to put the new rules into ffect.

My review of the matter, with help from the Congressional Research Service, indicates that a very modest amount would be required even were the regulations to be implemented early in the transition quarter. The amount needed under this scenerio would be on the order of $100 million. This need for $100 million in additional funding would, in my view, result if there is not a significant improvement in inflation and employment rates and the carry-over is a minimal $22 million rather than $132 million as originally estimated. Moreover, another $12 million (according to the U.S.D.A.) must be anticipated due to new SSI recipients coming onto the program beginning July 1, 1976.

More likely, the regulations will not be implemented, and the requirement would be significantly higher, at least $400 million considering seasonal adjustments. This estimate is lower than a November 1975 U.S.D.A. estimate of $450 million and a C.R.S. paper indicating that the figure could well approach $500 million additional required.

While the Department indicates that they will have better data by May 15, I feel that the responsible course of action is to provide the minimum requirement to meet the ongoing program needs.

The Senate has passed food stamp legislation, and the House of Representatives is moving to develop legislation. It is unlikely that this legislation would have a cost impact on the program for some time, but we could well have legislation to forestall the implementation of the Department's proposed new regulations.

My recommendation is that your Subcommittee consider providing an additional $400 million to cover the transition quarter. This is hardly an excessive amount but well in keeping with the likely program needs. Moreover, the food stamp program does have carryover authority, and, if there is a small overage, this would reduce the funding requirement in FY 1977.

In closing, I am somewhat concerned that the Department chose not to answer my question as to their view regarding the possible use of section 16(b) authority in terms of reducing benefits if adequate funds were not available.

I feel that the Congress cannot overlook this possibility. To do so would ignore the responsibility which we have regarding a program on which some 19 million people depend.

I know that you and your staff will give this matter your usual devoted attention.

Sincerely,

HUBERT H. HUMPHREY.

[From the New York Times, Apr. 28, 1976]

HUMPHREY PRESSING FOR FOOD STAMP FUNDS TO PREVENT CRISIS

(By Nancy Hicks)

WASHINGTON, April 27.—The food stamp program may temporarily run out of money this year, according to Senator Hubert H. Humphrey, but the Ford Administration has not yet asked for additional funds.

If the program runs short of funds, the Administration could reduce benefits for the 19 million food stamp recipients by up to one-third or terminate the program.

The Administration, in not requesting more money, argues that the improvement in the economy, with its resultant increase in employment, and steady food prices, should result in a reduction in program costs.

This is the same argument used by liberal supporters of the program who have resisted Administration attempts to cut as many as three million recipients.

The money problem has arisen because the $1 billion set aside for the transitional quarter from July through September as the federal government changes the start of its fiscal year from July 1 to Oct. 1, may be $500 million, according to estimates the Department of Agriculture made last November.

FUND DEBATE DUE TODAY

The Senate agriculture appropriations subcommittee meets tomorrow to consider allotting more money to food stamps for the transition quarter. Any such funds would be added to the $5.8 billion food stamp appropriation for the current, 1976 fiscal year, which ends June 30.

In a letter to Senator Humphrey, Democrat of Minnesota, who raised the question of a possible fund shortage with the Administration, Assistant Secretary of Agriculture Richard L. Feltner asked today for a two-week delay in deciding whether to ask for more money.

In this time, the department would have March enrollment figures on which to make new projections of costs. The problem, according to Mr. Humphrey, is that the appropriations subcommittee would have finished it work by then.

President Ford has several times vowed to cut the program and in ways that would include a new administrative regulation to limit eligibility to poverty-level families. This would save $280 million in the * * * in the next fiscal year, the Administration estimated.

But Agriculture Department spokesmen said today it was doubtful that such regulations could go into effect by June 1, the original target date. Even if they did, the Library of Congress estimates that, with all costs savings in effect, the program would need $130 to $150 million to get through the transition quarter.

"It appears likely to me that there will be a $400 to $500 million deficit for the transition quarter," Senator Humphrey wrote in a letter to Agriculture Secretary Earl L. Butz.

"The department's imposed new regulations have not been finalized, and they are likely to be challenged in the courts when issued," Senator Humphrey wrote. "The most reasonable course in my view, would be to request the amount likely to be needed."

Controversy has accompanied the rising enrollment in the program, which grew from 15 million in mid-1974 to almost 20 million recipients in April 1975, the height of the recession.

The growth led to charges that the program was "a haven for cheats and rip-off artists" and has been a prominent issue in the Presidential and Congressional campaigns.

Mr. Ford, for example, announced his intention to cut the program by regulation two days before the New Hampshire primary last February.

The Administration cites two trends in declining at present to request more money.

The first is the decline in the unemployment rate. The Agriculture Department estimates that for every 1 percent increase in unemployment, there is an increase of about 750,000 recipients. Thus officials are counting on a proportional decrease in participation if unemployment falls.

They are also optimistic about containing the program's cost because food prices have held constant. Benefit levels are based on food prices, and are adjusted semi-annually to take any increases or decreases into account.

FUNDING STATUS OF THE FOOD STAMP PROGRAM

It appears as though Food Stamp Program funding needs will outstrip available funding (appropriations and carryover money) sometime during the "transition quarter" (July-September 1976)—even if new food stamp regulations are implemented as per the Administration's proposed changes.

FISCAL 1976

The USDA had planned to need about $5.657 billion for fiscal 1976 (through June 1976)—assuming new food stamp rules in May 1976. Since available funding for fiscal 1976 is about $5.789 billion, this would have left roughly $132 million as a "carryover" balance to help fund the "transition quarter," if necessary.

However, it now appears almost certain that new regulations will not actually be implemented until July 1976 at the earliest—if not blocked by the court action or legislation. And, thus, if existing caseloads (19 million people each month) and "bonus" costs (roughly $470 million a month) continue through June 1976, food stamp funding needs will use up the entire amount of available funding. It may even be necessary to dip into the $1 billion appropriated for the "transition quarter" in order to fund fiscal 1976 if "bonus" costs continue to rise or if there are added administrative costs linked to a larger-than-anticipated caseload.

THE "TRANSITION QUARTER"

The actual fiscal impact of all the foregoing will be felt in the "transition quarter."

In the USDA's original planning, funding needs for the "transition quarter" were expected to be about $1.171 billion—assuming operation under new regulations. This was to be funded with $1.039 billion in direct appropriations plus $132 million carried over from fiscal 1976.

As the situation now appears, it is probable that only the $1.039 billion in direct appropriations will actually be available to fund the "transition quarter" because the $132 million "carryover" will have been used up in fiscal 1976. It is even possible that less than $1.039 billion will be available for the "transition quarter" if fiscal 1976 funding needs top $5.789 billion, as discussed earlier.

If the new regulations begin to have a fiscal impact in July 1976 (assuming they are not blocked by court action or legislation), funding needs for the "transition quarter" can be expected to be at least $1.171 billion (as originally planned). However, since the "phase in" time looks like it will be moved back to July–August 1976 (rather than May–June 1976, as originally planned), "transition quarter" funding needs may very well be higher than $1.171 billion—even under the new regulations. Thus, a "deficit" of at least $132 million in the "transition quarter" can be expected.

If the new regulations are blocked by court action or legislation, the "transition quarter" deficit will be ever greater. Assuming that "transition quarter" costs will run about the same as current costs if the new regulations are blocked, funding needs for the "transition quarter" will be between $1.4 and $1.5 billion—as opposed to available funding of no more than $1.039 billion. This would lead to a "deficit" of $400–$500 million—the amount indicated by the Adminstration in appropriations committee hearings.

A CAUTIONARY NOTE

Estimates of funding needs are imprecise. The "margin of error" is probably in the neighborhood of $100 million. Thus, it is possible that, if the new regulations go into effect, a $132 million "deficit" might not appear.

However, an estimated "deficit" of $400–$500 million is far enough beyond any "margin of error" that it is probable—unless there is a substantial change in economic conditions.

OPTIONS FOR THE ADMINISTRATION

Basically, the Administration has three options in case of an anticipated "deficit" in food stamp funding—

(1) It could request a supplemental appropriation in the necessary amount.

(2) It could continue financing the program until it ran out of funding and simply close down the program when funds ran out (sometime in August or September).

(3) It could invoke the provisions of section 16(b) of the Food Stamp Act which direct the Secretary to reduce benefits across the board in order to stay within available appropriations.

CONGRESSIONAL ACTION NEEDED ON OCS LEGISLATION

Mr. CRANSTON. Mr. President, the need for tighter regulation and enhanced economic returns from Federal offshore oil and gas leasing remains on our legislative agenda. While the Senate passed S. 521 last summer, the House Ad Hoc Committee on the Outer Continental Shelf is still hard at work marking up a companion bill.

It is imperative that this Congress enact major OCS reform legislation now, before the administration progresses any further with its accelerated leasing program. Already, 988,170 acres of Federal OCS have been leased off the coast of southern California. And the first of nine sales scheduled to be held off Alaska's shorelines by 1978 was completed this month.

We should not forget the lessons of the past. I vividly recall January 28, 1969, when a Union Oil Co. derrick in the Santa Barbara Channel blew out of control spewing thousands of gallons of oil into the sea. The spill continued through the spring and into the summer of that year creating a blanket of oil that covered miles of ocean and ravaged the southern California coastline. Fish and sea life, aquatic birds, entire ecosystems were severly damaged by the slick that resulted from an estimated 160,000 barrels of crude oil.

The tragedy of the Santa Barbara oil spill impacted so strongly throughout our Nation that for the first time Americans began to ask themselves and their elected representatives serious questions about existing economic and environmental priorities.

It is now abundantly clear that our present system for the development of not only Santa Barbara's offshore oil resources, but the entire Outer Continental Shelf, was and is grossly inadequate. It does not guarantee the public—the true owners of these valuable resources—either a fair return or the full and timely development of the oil and gas recovered. It hands over to the oil companies the right to make critical energy and environmental decisions without meaningful public input.

S. 521, legislation which represents the culmination of the national debate which began on the oily beaches of Santa Barbara 7 years ago, passed the Senate on July 30, 1975, and now awaits House action. Similar legislation (H.R. 6218) is being marked up in the House Ad Hoc Committee on the OCS.

S. 521 contains a number of important provisions which I have actively supported. Under this legislation, the conventional leasing arrangements whereby the oil companies are sold rights to explore for and, in the event of a discovery, to develop the oil and gas resources of the Outer Continental Shelf—OCS—would be replaced by a two-step decision process which separates exploration from development and production.

This would mark a significant departure from our current leasing policies. Not only would it improve the public data base about these federally owned reserves, it would also mean that the decisions which have the greatest impact on the marine and coastal environments would be made in the public sector, with the opportunity for full participation by affected coastal States. In support of this concept, a 5-year leasing program contained in the bill would provide for a more orderly, timely development of OCS resources.

From the standpoint of environmental safeguards, S. 521 not only improves the safety requirements for drilling programs, but it establishes a Coastal States Impact Fund to provide compensatory dollars for use in the event of adverse OCS consequences.

The leasing options for the development leases would be discretionary. I personally favor the royalty bidding system, with a sliding scale of decreasing royalty payments to provide an incentive for recovery of as much of the resources as possible while guarding against premature abandonment of the lease. I am, however, pleased that this bill will leave open a wide range of options including bonus and royalty bidding profit sharing, and exploration programs.

The importance of S. 521 is vividly demonstrated by the recent problems which have occurred with regard to California's offshore oil and gas leases. Not long ago, the Department of the Interior announced the acceptance of bids for the lease of 56 offshore oil and gas tracts on the Outer Continental Shelf off the coast of southern California. However, serious questions have been raised with regard to the Department's evaluation of the high bids received for the tracts. For this reason, the General Accounting Office, at the request of Senator TUNNEY and me, has begun a major investigation to determine why bids on southern California oil fields were so far below presale Government estimates.

Preliminary investigations by the General Accounting Office indicate that the Department of the Interior prepared two separate estimates of the value of the OCS resources. One estimate by the Geological Survey valued OCS lands at approximately $300 million for 231 tracts, 200 of which were valued at the minimum price of $25 per acre. I am informed that the $25 per acre valuation is that which is assigned to an offshore acre when USGS has no information about the area. In contrast to this $300 million figure, an estimate by Department of Interior staff valued the OCS resources at $2 billion.

I believe that it would be a tragedy to give away these valuable, nonrenewable resources under the current system which does not assure an adequate return to the public. I am hopeful that the passage of corrective legislation such as S. 521 will enable us to avoid situations such as this not only in California, but in all coastal States.

GEAR '76 GOES TO SYRACUSE, N.Y.

Mr. BUCKLEY. Mr. President, next month, the Onondaga Cycling Club of Syracuse, N.Y., will serve as the host for the annual great eastern bicycle rally. This rally, known as GEAR, is one of the major recreational bicycling events of the year. It attracts hundreds of individuals and families for a long weekend of rides and discussions on problems confronting bicyclists.

This year, the headquarters of the May 29–31 rally will be at LeMoyne College in Syracuse. The Onondaga Cycling Club has scheduled 40 different rides during the 3-day period, including a 100-mile trek along the Erie Canal to Rome, N.Y., and back, plus a 200-mile Bicentennial "Double Century." In addition, the club plans a variety of lectures and instructions, equipment displays, and panel discussions.

As the author of recent legislation under which $6,000,000 was appropriated for an urban bikeways demonstration program, and as an individual who has far less opportunity to ride my 5-speed bike than I would like; I offer my congratulations to the Onondaga Cycling Club for taking on the challenge to host GEAR. And I offer all those who plan to attend my very best wishes for a successful GEAR '76.

I ask unanimous consent that an article from today's Washington Post that discusses the advantages of increased bicycling be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LET THE CYCLING REIGN SUPREME

(By Jonathan Power)

ROME.—The Piazza Navona, that graceful 16th century square with the Bernini Fountains, is one of the great joys of Rome.

An oasis of tranquillity right in the heart of the city, a mighty square two hundred and forty meters long, sixty-five meters wide, where motorized traffic is forbidden and people sit—in my case write a newspaper column—or ride bicycles. Indeed this is the very place where three years ago my own two little girls learned to ride a bicycle, hired from the little shop where Signor Tanturri has been plying his trade for some 30 years.

The bicycle is man's energy-efficient and effective form of transport—effective because it does so much good, increasing man's unaided speed by a factor of three or four, while doing so little harm—there are no exhaust fumes, it takes a thirtieth the space of a moving car and rarely are people knocked down. Despite these great advantages the bicycle has been, almost literally, driven off most of our city roads. In Britain the Ministry of Transport estimates that the distance traveled by cycles went down from 5.8 million miles in 1962 to 2.3 million miles in 1972.

At last, however the tide has begun to turn. The car is no longer seen as such a wonder horse. And OPEC has helped nurse doubts that were introduced by the upward graphs of heart disease and obesity. Cycles are coming back and fast too. In 1968 in Britain, only 573,000 bicycles were sold. Last year the total passed the one million mark for the first time in 20 years. The United States now sells more new bicycles than automobiles. And sales are booming. It is America's fastest growing outdoor activity. Surprisingly it is no fad of the trendy young. A survey in Washington, D.C. showed that the average age of male riders was 38 and of women, 40.

A fascinating study done under the unlikely auspices of the United States Atomic Energy Commission has concluded that the bicycle is one of America's great unexploited resources. The author, Eric Hirst, urges that a modest substitution of bicycles for cars in worker commuting could save the United States 4 billion dollars a year on energy imports.

Hirst's sums are fascinating, and are worth reproducing here in digest form.

He examines how much extra energy is required for each mile cycled, the price of a new bike, its average life span and how much city bikeways cost. He calculates that bicycling costs 2.6 cents a mile, half of which is food. Total energy use for bicycling comes out at 1.300 BTU/mile—which is equivalent to 100 miles a gallon. He then compares this with the dollar cost of traveling by car for short city trips and finds that the bicycle is thirteen times as energy-efficient as the car. But what about speed? Presumably that is what convinces the average man that he is better off in his car.

Hirst assumes the cyclist travels at an average speed of 10 mph with a total delay time of 5 minutes for locking and unlocking his bicycle. A car travels in the rush hour at an average speed of 20 mph with a 6-minute delay time for parking and locking. For trips shorter than a mile the bicycle is clearly faster. For a journey of three miles the car would take fifteen minutes and the bicycle twenty-two.

If a commuter values his time at more than $1.70 an hour, it would not be worth shifting to a bicycle. But what, on a three-mile journey, does that extra seven minutes do? It gives you much-needed exercise, eases the pressure on your nervous system and—if there are bicycle lanes—gives you pleasure and relaxation too. Moreover, it helps the country's balance of payments. If on the days of good cycling weather (estimated at 62 percent), half the commuters switched to their bikes, America would have saved 160 million barrels of oil worth $4 billion. That is 7 percent of the total automobile gasoline used in a year. Not too impossible a dream. In Davis, Calif., the recent shift to bicycles has reduced auto travel by at least 10 percent. A survey in Denver showed that 40 percent of the commuters would ride bicycles if it were safe to do so. The real barrier is a man-made one—we have made the city for the car. Twenty percent of the land in London is given over to roads and parking lots. In Los Angeles it is 60 percent.

But given the chance to cycle in safety, people will jump at it. In Copenhagen, Denmark; Upsala, Sweden; Rotterdam, Holland; and Stevenage, England, bicycles account for well over a quarter of all the trips made by any form of transportation. The secret? In Stevenage, a new town, bikeways have been built as part of the town plan. In Holland, one third of the total road length has special provision for bikes. In Holland and Sweden, a commuter can check in his bicycle at a train station and rent another at his destination.

What is stopping our city governments from introducing such sensible innovations? There is really no reason why inner city areas should not now be entirely closed to motorized traffic, except ambulances and delivery trucks, and let the pedestrian and the bicyclist rule supreme. It would, despite the fury of the car lobby, be a popular move. In a recent poll in Southampton, 1,000 pedestrians out of 1,100 were for the closure of a principal street. In the center of Vienna, where 9 city blocks were closed to traffic over Christmas in 1971, 80 percent of the pedestrians questioned supported the move. It is now a permanent feature. It is not surprising that banning the car is so popular a move—people begin to enjoy city life in a way they did not know they could. Carbon monoxide levels fall dramatically—in the Ginza district of Tokyo, a ban on traffic reduced the level of carbon monoxide by a factor of five. Even the shops are beginning to welcome these reforms. Their trade actually goes up, concludes an O.E.C.D. report, Streets for People.

So why not the bicycle? Ivan Ilich in his little book "Energy and Equity" poses the same question. He observes: "Thousands of years ago the wheel took the load off the carrier-slave, but it did so only on the Eurasian landmass. In Mexico, the wheel was well known but never applied to transport. It served exclusively for the construction of carriages for toy gods. The taboo on wheelbarrows in America before Cortez is no more puzzling than the taboo on bicycles in modern traffic."

SPENDING REFORM

Mr. MUSKIE. Mr. President, on February of this year, Senator ROTH, Senator GLENN, and I introduced legislation which would terminate all Federal programs and activities every 4 years and require a zero-base review and evaluation of these programs before they could be reauthorized. That legislation, S. 2925, the Government Economy and Spending Reform Act of 1976, now has 28 cosponsors in the Senate. Companion legislation in the House, introduced by Congressmen JAMES BLANCHARD and NORM MINETA, now has about 80 cosponsors.

Those of us who have introduced this legislation believe that it is a critical starting point for the Congress to begin exercising greater control over the way the Federal Government spends the American taxpayers' money. I have been very pleased to note that the legislation though largely unnoticed by many in the Congress, has received considerable news interest and editorial support. I would like at this point to insert several news stories and columns about S. 2925 in the RECORD for my colleagues' information. I ask unanimous consent that the articles be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MUSKIE. Mr. President, the Subcommittee on Intergovernmental Relations has now completed 7 days of hearings on this proposal. The subject of these hearings has often been very technical and tedious. But Senator GLENN, Senator ROTH, and I believe that this is important work. I would like to thank and congratulate both the junior Senator from Ohio and the senior Senator from Delaware for the hard work and thoughtful attention they have given to the hearings and to the development of a workable proposal. Their support and cooperation has been most important in raising questions about and building the case for this kind of reform.

The subcommittee has scheduled mark-up sessions on S. 2925 for May 12 and 13. I think I can speak for both Senator GLENN and Senator ROTH when I say that I am very encouraged about the prospects for reporting out a spending reform bill at that time.

[From the Portland Press Herald, February 13, 1976]

EXHIBIT 1

REVIEWING THE PROGRAMS

For years now there has been protest against the proliferation of government programs.

New programs are created with every legislative session at the state and the federal levels. But, the complaint runs, no programs are terminated. Once a program is enacted it goes on and on regardless of the need. No one even bothers to review them to determine whether they have fulfilled their purpose or have been duplicated by something newer.

The complaint has been much like the weather. Everyone has talked about it but no one has done anything about it. At last, someone has done something. Sen. Edmund S. Muskie has filed a proposal which would require Congress to re-examine each federal program at least once every four years. There is hope that some action may be taken on the proposal because the measure, originating with a Maine liberal, quickly drew support from conservative quarters, notably Sen. Barry Goldwater who asked to have his name attached as a cosponsor.

In view of the continuing discontent with the present arrangement, one might have expected more positive reaction to the Muskie measure than has been displayed.

Of course, the bill would add to the congressional burden. It puts all programs on a four-year reauthorization basis and all those not explicitly continued by congressional vote would be abolished. Exempt from the measure would be those programs to which individuals had made payments in expectation of later compensation—programs such as Social Security, railroad retirement, civil service retirement, Medicare, etc.

When Senator Muskie spoke on television to present the Democratic view of the state of the nation, he devoted several minutes to his concern about the people's attitude toward government. He said that in talking with Maine folk he had found that they are disenchanted with government, don't believe that government can meet the problems of the day or that it is responsive to their needs. This bill is a further expression of that concern.

Government has "become out of touch and out of control," he said in introducing the "government economy and spending reform act," as it will be known.

It seems to us a responsible and progressive course for government, one that might be applied equally well to state governments. With the support it has attracted from both sides of the aisle, we hope it will get the momentum it deserves to move through the congressional machinery.

With this measure, Senator Muskie is doing something many people have been requesting for years.

A GOOD IDEA

Taking a look at various government programs to see if they're working out seems like a simple idea, and it is; but little or nothing's been done about it.

Now, Maine's Sen. Edmund S. Muskie says it's time the Congress did examine the operations of the federal government on a regular basis and scrap programs that have proven useless, duplicative or inefficient, and continue those of proven worth.

He has introduced the "Government Economy and Spending Reform Act of 1976" which would require virtually every federal program to receive a formal review and reauthorization at least once every four years.

The senator says, "Government inefficiency is becoming today's number one villain. Horror stories about bureaucratic bungling make good copy, and I'm sure that all of us at one time or another have been guilty of taking a ride on some well-intentioned government worker's mistake. But I think the time has passed when the American people will be satisfied with such press release exclamations of outrage. They are ready for hard evidence and real results that prove we are serious about making government more productive."

Basically, what Senator Muskie is talking about is a zero-based budget approach to government spending. Instead of merely renewing each government program on the assumption that once started it must ever after be worthwhile, the programs will automatically end after four years unless specifically renewed by the Congress.

It will, even if approved by the Congress, be a long process of reform, but it is one that is desperately needed.

As matters now stand, nobody really knows which government programs are working and which are not. How can they considering the federal government now operates 228 health programs, 156 income and social security programs, 83 housing programs. There are well over a thousand programs that touch upon virtually every aspect of national life.

It's no wonder that, for example, communities all over the country are having to hire profesisonal planners and assistants just to fill out grant applications for money under the 1975 Community Development Act.

Some means must be found to pull some of these programs together. Why should there be 83 housing programs, for example? Everybody from the departments of Housing and Urban Development to Agriculture to Health and Welfare is involved in housing. Is it any wonder there is no coherent national housing policy?

Yet the Congress continues to pour money into these varied housing programs without any clear notion or whether they're worthwhile or not.

This is the kind of thing Senator Muskie's proposal is designed to halt, and it's about time.

Program Review

A plan devised by U.S. Senator Edmund S. Muskie to give Congress better control over the many federal programs and the budget which finances them is being well received in Congress. Sen. Muskie's work as chairman of the Senate Budget Committee caused him to conclude that government has "become out of touch and out of control." His proposal seeks to reverse the trend.

The Muskie plan of reforms would put all federal programs and activities on a four year reauthorization schedule. Those which Congress did not specifically vote to continue automatically would be abolished, with some exceptions. Those to be continued would have to start on a "zero base" in determining money allotments.

The exceptions to the automatic termination would be such programs as Social Security, Medicare, and the retirement plans. They would remain subject to review, however.

In seeking support for his plan Sen. Muskie contends that Congress has not paid enough attention to how well programs have been working. He feels that only if spending for ineffective programs is brought under control will there be enough money or public trust to adopt needed new programs.

Our senior senator correctly is assessing the mood of Maine and the American people. Big government and big spending are in disrepute. The office holders who continue to espouse either or both are likely to find themselves on the outside looking in.

Reforming Government

It used to be that young Turks at every level of government came to us tatooed with the fire-breathing slogans of Keynesian politics; Growth Through Spending, Programs Mean Progress. They formed a coalition with the special interests so that nearly everyone was for big, bigger and biggest government.

No longer. Big government has sapped our purses and wrecked our illusions. Now the young Turks are the likes of Rep. James Wilfong and Rep. Richard Spencer of Stow and Standish respectively, who promote reform.

Two of their proposals bear the earmarks of Sen. Edmund Muskie, once a young Turk himself. Muskie's plan on the federal side would require reapproval of virtually every government program at least once every four years. Without it—ZAP! Self destruct. Wilfong and Spencer would like to see the same idea promulgated in Maine. Their "sunset law" is modeled on one adopted in Colorado, which puts an expiration date on programs and requires that their existence be justified periodically.

"Since the New Deal, we have been going in the direction of more and more government programs," Wilfong is quoted saying, "At some point this country is going to have to reverse that trend." And no time like the present.

The second part of the Wilfong-Spencer Initiative 76 is budget reform. Sen. Muskie is deep into this, also at the federal level, and Wilfong points to the state worker pay raise issue as indicating the need in the state's budget. With full debate and panoply, spending and taxing priorities would be established early in the session. The big spending issues would not be left for the heated hours and frantic maneuvering at the very end. As Senate chairman of the budget committee, Muskie is enthusiastic about its success in setting a mandatory spending ceiling.

The third part of Initiative 76 is equally reasonable. It would enable the Public Utilities Commission to levy a surcharge on the utilities it regulates in order to provide it with more staff and resources to present the consumer viewpoint on rate increase cases. Such a bill had been approved by two sessions of the legislature, and then vetoed by Gov. Longley. As Spencer puts it, the people are paying indirectly for the legal power the utilities muster on their side; why shouldn't they be entitled to equally clout as consumers? The PUC can't afford such an investment now but it should be given the resources to do so. Whether such funds are found through an assessment system or regular state appropriations, the cost will be borne by consumers in any event.

Sunset law, budget reform, regulatory agency upgrading three steps toward limiting and revitalizing government, a government that is manageable, a government that works.

[From the Portland (Me.) Press Herald, Feb. 4, 1976]

Muskie's Plan Gets Barry OK

(By Donald R. Larrabee)

Washington.—Declaring that government has "become out of touch and out of control," Sen. Edmund S. Muskie Tuesday filed his long-discussed proposal requiring Congress to take a fresh look at each federal program at least once every four years.

The proposed "government economy and spending reform act" promptly drew significant support from conservatives, notably Sen. Barry Goldwater R-Ariz.

In theory, the plan would give Congress a vehicle to review and wipe out any runaway program after four years.

And even if Congress decided to continue the program, it would have to start from a "zero base" in determining the amount of money to provide.

Goldwater listened to Muskie explain the plan and then approached the Maine senator to ask that his name be attached as a cosponsor.

The Muskie legislation would put all government programs and activities on a four-year reauthorization schedule. Those that Congress did not explicitly vote to continue would be automatically abolished.

The only exceptions to the unprecedented process would be those under which individuals make payments to the federal government with the expectation that they will be compensated later.

This would include Social Security, railroad retirement, civil service retirement and Medicare, among others. Interest payments on the national debt would also be exempted.

But every program, except for the debt interest payments, would still have to be reviewed every fourth year.

In his speech, Muskie acknowledged congressional failure to deal effectively with such problems as health, education and aid to the cities under existing programs.

The Maine senator said Congress had not "paid enough attention to how well the programs we adopted were working."

And only if spending for ineffective programs is brought under control, he said, will there be enough money or public trust to adopt needed new programs.

Muskie told colleagues that Congress is blamed by the public as much as anyone for the way government works.

He said the spending reform bill is one way of responding to the criticism "that we are not in control of our own house."

Excerpt From CBS Evening News With Walter Cronkite, February 10, 1976

Walter Cronkite. Eric Sevareid comments tonight on a movement in Congress to bring the federal bureaucracy under control.

Eric Sevareid. Everybody complains about the weather, as the man said, but nobody does anything about it. Nearly every political candidate on the stump complains about the costs and complexity of government programs but nobody does anything about it—almost nobody. But it can be done, not very effectively by Presidents because laws are laws, but by the Congress that makes the laws.

Congress took one big preliminary step last year when it reformed its own budget-making procedures. For the first time, it has what looks like a rational system of constructing and controlling budget expenditures.

The next great step would be to reach out for the hundreds of domestic programs, as well as defense, and get them under some control by making them demonstrate, in a systematic way, their necessity and their effectiveness. That's the aim of legislation introduced by Senator Muskie and several of his colleagues. This, if passed, would put the Congress neck deep into a whole new river of work. It would be a huge, continuing project, but it's hard to see that it would require any more energy than Congress expends in thinking up and putting into action agency after agency and program after program.

Very few government bureaus self-destruct, even when their work is essentially finished. Long ago, Supreme Court Justice Douglas unsuccessfully urged Mr. Roosevelt, so he recalls, to put a terminal date on every new bureau and program—ten years and they would die automatically. The Muskie bill would give all new and existing programs a statutory life of four years, except of course those into which citizens have been paying money for future return like Social Security. None could continue after four years unless Congress took positive action to re-authorize them, and Congress would begin with action by the General Accounting Office to identify programs that duplicate each other or are inactive.

The Muskie group proceeds on the assumption that the public protest about the maddening complexity and delay in dealing with government is real and well founded, that putting money into many of these programs is like pouring water through twenty-five layers of blotting paper.

The federal government oversees around a thousand programs affecting nearly all aspects of life: over two-hundred health programs, a-hundred-and-fifty-six income security and social service programs, eighty-three housing programs—at that point, the Muskie statement to the Senate resorts to "et cetera".

But no mention is made of the Congress itself. It is breeding committees and subcommittees like rabbits or wire coat-hangers, to an overlapping, duplicating total now getting around the four-hundred mark.

Muscle-Bound—And Fat-Bound

Sen. Edmund S. Muskie (D-Me.) has come up with the refreshing idea that the best way to restore public faith in government is to weed out federal programs that, however well-intentioned, aren't working well enough to earn their keep. More refreshing still, he has gone beyond easy rhetoric to offer a practical means of achieving this result.

Legislation introduced by Muskie early this month would require virtually every federal program to be reviewed by Congress every four years to determine if it should be continued—and, if so, at what level of spending. Those failing to win reauthorization would expire.

The only spending programs exempt from the automatic quadrennial review would be interest payments on the national debt and programs, such as Social Security, under which individuals make payments to the national government in the expectation of later compensation.

Because Muskie's proposal calls for fundamental changes in the psychological atmosphere in Washington, as well as in actual procedures, it is likely to encounter stiff resistance.

But it strikes us as one of the most sensible ideas to come along in years.

The way the political system now operates, members of Congress concentrate on generating new programs to solve real and not-so-real national problems. But once the legislation is enacted, they move on to new frontiers and show scant interest in following up to determine whether the hope-for results are in fact achieved. In the meantime, the programs gain powerful constituencies of their own in the bureaucracy and in the public. Social and defense programs alike generate pressures for their continuance, and against their reexamination. The question, "Should we be doing it at all?" is too seldom asked.

The cumulative result is a government in which performance increasingly falls short of promise.

Muskie notes that the Catalog of Federal Domestic Assistance lists, among other things, 228 health programs, 156 income-security and social-service programs and 83 housing programs. The federal government manual lists not only 11 Cabinet departments and 44 independent agencies, but also 1,240 advisory boards, committees, commissions and councils. And while dozens of new such bodies are created each year, the old ones rarely go out of business.

As an all-too-typical case of overlapping social programs, the Maine senator told of one city where the General Accounting Office found eight clinics operating in one neighborhood under several different programs—each proceeding without regard to what the others were doing. The GAO has found agencies that were unable to say how much they spend on administrative costs as opposed to actual services.

The American people are understandably turned off, Muskie added, by a government that is too muscle-bound to do the things it is trying to do. He cited complaints from citizens who had to wait 18 months for a ruling on claims for disability compensation, and from towns that had to wait many months for federal approval of sewer systems mandated by federal law.

Muskie, who has done a highly creditable job as chairman of the Senate Budget Committee, says the point is not that there should be a freeze on new programs to help people, but that the country cannot afford new programs unless Congress is willing to eliminate old ones that are ineffective, unnecessary or redundant.

The same sort of waste and duplication is to be found in military programs; they would be subject to the proposed reauthorization procedure, too.

As part of the quadrennial review process that would be required by Muskie's bill, congressional committees would have to make "zero-base" evaluations. That is, they would consider the comparative effects of eliminating a program, of funding it at existing or greater levels, or of funding it at various levels in between. Their findings would be reported to the full House and Senate.

Congress took a big step toward rational setting of national priorities when it established the House and Senate budget committees last year. The Muskie proposal is a natural follow-up; it deserves the support of everybody in and out of Congress who believes in responsible, effective government.

[From the Washington Star, Feb. 5, 1976]

More Bang for the Buck

Senator Edmund Muskie has come up with a legislative proposal that has the look of a winner.

Instead of following the usual practice of plowing more money into federal programs year after year whether they work or not, Mr. Muskie says, why not take a fresh look at them periodically?

Indeed, why not? Congressional failure to reexamine what it creates is a major reason why the budget keeps getting bigger, the bureaucracy keeps growing, and the taxpayers keep wondering why they don't get more bang for their bucks.

The way Mr. Muskie and the bill's cosponsors—Republican William Roth of Delaware and Democrat John Glenn of Ohio—see it, the government will never have enough money for new initiatives if it continues to throw good money after bad programs.

Under the Muskie bill, beginning in 1979 almost all federal programs would be put on a four-year authorization cycle. This means that each program, with the exception of such things as servicing the federal debt and Social Security pensions, would be examined every four years to see if it is doing what it was established to do. Any program that was not reauthorized would automatically be abolished.

There's more. Programs deemed worthy of keeping would not necessarily be retained at existing or greater size. Congress would start at "zero base" in its re-examination and every dollar of authorization would have to be justified as to the job it is supposed to do and the impact on overall government spending.

To help the process, the executive branch would be required to make a "zero-base review and evaluation" of programs scheduled for extension or termination.

Enacting the Muskie proposal will not be easy. Congress is a world of 535 fiefdoms and each potentate has pet programs that he's determined to hang onto. Then there are the special interests—the lobbyists, if you will—that cajole, badger and even now and then bribe congressmen to keep programs going that benefit the special interests. The government bureaucracy itself is an important influence in keeping programs going long after they have served their purpose or proved to be inadequate; abolished programs mean abolished jobs, and paper shufflers can always find arguments to keep them in business.

Inertia is a factor in keeping programs going. Unless there is an external force to change its direction, a program continues on its course. Congress is not a body that works very hard at overcoming inertia.

As Senator Muskie said, there is no valid basis for the assumption that old programs and old agencies deserve to be continued simply because they existed the year before. "Government," he said, "has become out of touch and out of control." The time may be ripe for doing something about it, given the growing public sentiment for cutting back the government—and the Muskie plan seems a good place to start.

[From the Washington Post, Apr. 27, 1976]

Sunset for Bureaucracies

Out in Colorado, an intriguing experiment in regulating bureaucratic growth is getting under way. Gov. Richard D. Lamm has just signed a novel "sunset law" which would terminate every one of the state's regulatory agencies—let the sun set on them—within seven years unless the legislature votes to continue them. This unique self-destruct measure, initiated by Colorado Common Cause, was passed with broad bipartisan support, extending from consumer-oriented legislators to Republican conservatievs. However much these factions may disagree about the proper role of regulation in the state, they shared a desire to make the regulatory agencies leaner and more accountable.

The great advantage of the "sunset" approach is that it establishes a framework for systematic, periodic scrutiny of the bureaucracies involved, and makes the advocates of each agency openly justify continuing public investment in it. This can focus legislative and public attention on some corners of government that have grown very cluttered and musty over the years. The Colorado law, for instance, is aimed at the more than 40 boards and commissions in the states that regulate or license various occupations, from barbers to morticians. Such agencies, which are usually fairly small and obscure, can easily become captives of the professions they are supposed to regulate—or can do nothing at all except provide sinecures for a few employees.

Since cutting back government regulation has become a popular cause, the Colorado "sunset law" may become a model for other states that are also burdened with inefficient or antiquated agencies. At the federal level, a number of similar bills have been introduced in Congress during the past several months. One of the most ambitious, sponsored by Senate Budget Committee Chairman Edmund S. Muskie (D-Maine) and others, would require a "zero-based" review, or total reassessment, of every single federal program every four years. Other bills would impose periodic termination dates on all or some regulatory agencies. Along this line, the House wrote a 7-year expiration clause into its version of the consumer advocacy agency legislation last fall.

One reason for all the congressional interest in the "sunset" concept is that most other methods of congressional oversight of the executive branch do not work very well. The appropriations process is an inadequate tool for comprehensive evaluation of agencies' performance. Unless deadlines are imposed or great public pressure is brought to bear, authorizing committees seldom bestir themselves to consider structural changes in programs and agencies. Oversight panels tend to function in a scattershot way, directing their attention primarily at programs that become generally controversial or particularly irksome to powerful congressmen. There is widespread interest right now in reining in agencies through legislative review of administrative rules and regulations, but this raises substantial issues of separate of powers.

All in all, some kind of federal "sunset" plan could have considerable benefits both for the taxpayers and for the government. In exploring such possibilities however, it is vital to recognize that serious attempts to discipline the federal bureaucracy require considerable effort and self-discipline by Congress too. In fact, the broader proposals now pending would involve a staggering amount of legislative coordination and concentration. A few years ago, we might have said that Congress could never manage it. Since the new budget process has begun to take hold, the prospects for more orderly and effective congressional operations have improved substantially. Even so, the Senate and House committee structures are so sprawling, and committees' performance so uneven, that Congress might profitably start by devising a "sunset" program for itself.

[From the Washington Star, Apr. 26, 1976]

Automatic 'Sunset' May Face U.S. Spending Programs

(By Martha Angle)

Archy the cockroach and Mehitabel the cat are alive and well on Capitol Hill.

It figures, if you stop to think about it.

These days, the spirit of Archy seems to have slipped into Sen. Edmund S. Muskie, D-Maine. The free-wheeling Mehitabel, never one for modesty, has reappeared in the Congress as a whole.

Archie, as readers of a certain age may recall, was a *vers libre* poet returned to life as a cockroach. Mehitabel, Cleopatra in an earlier existence (or so she always claimed) was a fun-loving cat of easy virtue, perpetually producing kittens which are promptly forgot about.

Archy, with some social conscience, regularly inquired about the well-being of Mehitabel's offspring—only to be met by a blank stare and innocent query, "What kittens, Archy?"

Like Mehitabel the Congress for a decade or so has been happily producing programs—health programs, education programs, veterans programs, energy programs, environmental programs, transportation programs, every size, shape and price program you can name.

And like Mehitabel Congress never checks up on its progeny. Each new program is sent out into the world to fend for itself and grow willy-nilly. Until Ed Muskie started asking a few months ago, no one ever bothered to inquire how all those programs were faring.

In the last dozen years, the number of federal domestic programs multipled from 50 to nearly 1,000. The federal budget climbed from $158.2 billion in 1967 to an estimated $413 billion for fiscal 1977.

But the good old days are over. Vietnam, inflation and recession have bent the federal budget all out of shape. There's no longer enough money in the treasury to feed all those programs Congress created, let alone provide sustenance for a new generation.

The American taxpayers are tired of government profligacy. Nothing seems to work right. Benefits don't trickle down to the average citizen. Promises go unfulfilled. Taxes go up, and up, and up—with no corresponding increase in results. People have had it with big government, and the message is sinking in with a few legislators like Muskie.

"Government has become out of touch and out of control," said Muskie, chairman of the new Senate Budget Committee, in a Feb. 3 speech to his Senate colleagues.

"We in Congress have not paid enough attention to how well the programs we adopted were working—and now these years of inattention to performance are taking their toll as we reap a bumper crop of public disenchantment with government."

Under the guidance of the Maine Democrat, a Senate Government Operations subcommittee is preparing landmark legislation that would automatically abolish almost all federal programs every four years unless Congress specifically reauthorizes them.

The only exemptions from the quadrennial review would be interest payments on the public debt and programs like Social Security where individuals contribute to the system with the promise of receiving future benefits.

All programs in a specific budget function would be scheduled for expiration at the same time, to force the executive branch and Congress to examine the total federal efforts in a particular field, such as health.

And when a program comes up for evaluation, Congress and the President would have to apply "zero-base budgeting" techniques to the review—a fancy way of saying the program managers would be required to explain what would happen if they go zero funds, half their current funds, three-quarters of their present budget, and so forth.

The Muskie bill, cosponsored by a remarkable array of senators of every ideological stripe, is known as "sunset" legislation. It embodies, at the federal level, a concept which is catching fire all over the country.

Colorado has just enacted the first major state "sunset" law, which will require automatic termination of dozens of state regulatory boards and commissions every seven years unless reauthorized.

The measure, first proposed by the Colorado chapter of Common Cause, the self-styled citizens lobby, was guided through the legislature by a coalition of liberal Democrats and conservative Republicans and was signed into law last week by Gov. Richard Lamm.

In Florida, where the state legislature is now in session, a similar "sunset" bill has been introduced with the support of 33 of the 40 state senators.

In Maryland, Del. David L. Scott, D-Mont., succeeded in winning approval during the final days of the legislative session of two resolutions dealing with sunset review and zero-base budgeting.

The first resolution calls for creation of a 15-member commission to assess the feasibility of enacting a sunset law like Colorado's. The second asks Gov. Marvin Mandel to select one state agency for zero-base budget review as a pilot program.

And George, although lacking a sunset law, was the first state in the nation to adopt zero-base budgeting—the other half of the Muskie bill. It did so at the insistence of former Gov. Jimmy Carter, now the frontrunning contender for the Democratic presidential nomination.

A Carter spokesman said last week the former Georgia governor is unfamiliar with the specifics of the pending federal legislation, but said "it appears to entail the sort of philosophy and approach that he would take as president."

Carter has already pledged to implement zero-base budgeting in the federal government, if elected, and to reorganize the bureaucracy—a step which would necessarily include termination of some agencies, the spokesman noted.

As it happens, Peter H. Pyhrr, a business executive who helped Carter establish zero-base budgeting in Georgia five years ago, is working with the Muskie subcommittee in drafting the federal legislation.

Pyhrr said Carter deserves full credit for initiating the system in Georgia. "He is not an executive who is run by his staff. He has his own ideas, and he is a very quick study. He personally decided to do it, even before his staff knew what the hell zero-base budgeting was."

Pyhrr, now vice president of Alpha Wire, Inc., a New Jersey firm which manufactures electronic wire cable and tubing, said Carter contacted him just before taking office after reading an article on zero-base budgeting Pyhrr had written in the Harvard Business Review.

"There aren't too many politicians who read the Harvard Busines Review, but Carter did. He called me and asked if I could spend a couple of days with him explaining zero-base budgeting," Pyhrr recalled.

The days stretched into weeks, and by his second year in office, Carter had implemented zero-base budgeting for every executive branch agency in Georgia.

Pyhrr conceded many agency heads in the Georgia government were initially "very hostile" to the concept, having become accustomed to justifying only the annual increases in their budgets—not every penny spent.

"But we gave them no choice. They either produced zero-base budgets, or they didn't get any money. It was a super incentive to cooperate," Pyhrr said.

Muskie and his staff are acutely conscious of the technical and political hurdles which must be cleared to win enactment of effective sunset and zero-base budgeting requirements for the entire federal government.

They know federal agencies have never been required to justify their existence and aren't anxious to start now. They realize special interest groups with a stake in existing federal programs will descend upon Congress to plead for their favorite causes.

They anticipate an epidemic outbreak of the "Washington Monument" syndrome, a standard bureaucratic response to proposed budget reductions which features threats to eliminate the affected agency's most popular program unless funds are restored.

(The syndrome first appeared one year when the Interior Department, ordered to cut spending by a certain percentage, quickly announced it would be forced to limit visiting hours at the Washington Monument. The cuts were then rescinded.)

During hearings on the Muskie bill in recent weeks, nearly every executive branch official who testified praised the aims of the legislation but insisted they can't be accomplished—at least not all in one swoop.

James T. Lynn, director of President Ford's Office of Management and Budget, called the bill "far too mechanical and inflexible," predicting it would produce mostly "unneeded paperwork and wasted effort."

Secretary of Commerce Elliot L. Richardson suggested a four-year zero-base review of every federal program is "overly ambitious," warning, "If we attempt too much, the effort may simply become one of satisfying the form without addressing the substance."

And William A. Morrill, assistant secretary of Health, Education and Welfare, noted his agency alone has over 370 programs. "Undertaking zero-base reviews of all these would be a major burden requiring extreme amounts of staff time," he said.

Muskie and other sponsors of the sunset legislation are neither surprised nor discouraged by the dire predictions. Much of the resistance, they suspect, stems from normal bureaucratic terror of anything which challenges business-as-usual.

The subcommittee plans to move to mark-up of the sunset bill in about two weeks, hoping to steer it through the full Government Operations Committee and onto the Senate floor before the Democratic National Convention in July.

Enhancing prospects for action on the bill is the striking breadth of support it enjoys. Cosponsors range from Democratic liberals like Mike Mansfield to conservative Republicans like Barry Goldwater. Common Cause and the U.S. Chamber of Commerce, groups which seldom agree on the time of day, both vigorously support sunset legislation.

"There's terrific political momentum for this concept right now," said one Muskie aide.

"With all the public concern about big government, excessive spending and overlapping programs, it's a natural for an election year."

[From the Washington Post, Mar. 23, 1976]

THE "SUNSET" DEMAND FOR BUREAUCRATIC JUSTIFICATION

(By Neal R. Peirce)

"The great creative work of a federal agency," William O. Douglas wrote a few years ago, "must be done in the first decade of its existence if it is to be done at all. After that it is likely to become a prisoner of the bureaucracy."

Again and again in the 1930s, Douglas suggested to President Franklin Roosevelt that every agency created should be abolished after 10 years. FDR "would always roar with delight at that suggestion, and of course never did anything about it."

The idea of giving government agencies limited life spans has never died out completely, however. Every few years someone suggests—let all programs and agencies periodically rejustify their existence, or face extinction if they cannot.

And now, 40 years and several trillion dollars of government spending later, the idea is embodied in a "sunset" bill about to pass the Colorado Legislature, and in similar bills in Congress.

The leading Congressional sponsor is Senate Budget Committee Chairman Edmund S. Muskie, D-Maine, whose bill would require that every federal agency, commission, board, and program come up for review every four years on a rotating basis. Unless Congress acted to extend the activity, it would be abolished.

Muskie's cosponsors cover the ideological spectrum—from Mike Mansfield, D-Mont., to Barry Goldwater, R-Ariz. The idea has been picked up by several liberal House freshmen. And a companion bill, limited to regulatory agencies, has been introduced by Sens. Charles H. Percy, R-Ill., and Robert C. Byrd, D-W. Va.

Major hearings on the Muskie bill and related measures started last week before Muskie's Senate Intergovernmental Relations Subcommittee, with several governors and other governmental experts scheduled to testify.

What would make these proposals politically viable in the '70s, when they could be laughed away by FDR and succeeding generations of national leaders? A Republican backer in Colorado says the bill "incorporates Republican philosophy" because it demands that government agencies justify their existence. But why do the key sponsors include many program-happy liberals, some of whose pet projects might be jeopardized?

Muskie—himself no slouch at proposing liberal spending measures in past years—provides some clues on the developing support from the left. In their belief that government can materially improve people's lives, he says, the liberals have successfully persuaded Congress to pile up program on program and to spend billions on social problems, until today there are some 1,000 federal domestic assistance programs.

But Congress, Muskie adds, has satisfied itself "with the rhetoric of legislation, leaving the hard work of implementation—from rulemaking to evaluation—to the executive branch. And now these years of inattention to performance are taking their toll, as we reap a bumper crop of public disenchantment with government that can't even perform the simple day-to-day tasks that need to be done."

Many liberals, Muskie charges, are so defensive about the programs they've passed that they have "become the defenders of government, no matter its mistakes." In a landmark speech to the Liberal Party in New York last fall, he said: "Why can't liberals start raising hell about a government so big, so complex, so expensive that it's dragging down every good program we've worked for? We must recognize that an efficient government—well managed, cost effective, equitable and responsible—is in itself a social good."

Unless some way is found to escape the hand of "suffocating bureaucracy" and to discard programs that aren't working, Muskie suggests, reserves will be lacking—"either in the budget or the public's trust"—to enact programs when new needs arise.

To assure that the quadrennial review of government programs would be more than pro forma, Muskie and his cosponsors would require both the executive branch and appropriate Congressional committees to conduct zero-based reviews and evaluations of programs coming up for extension. (The zero-based method, pioneered in government by former Gov. Jimmy Carter's administration in Georgia, requires assessing the effect of no expenditures at all for a program, and then gauging the likely level of program quality and quantity at various levels of funding.)

Another important feature of the proposed legislation is that all activities in a single functional area would be reviewed simultaneously. All transportation programs, for instance, would be evaluated in the same year—highway building, railroad assistance, mass transit, the activities of the Transportation Department and Interstate Commerce Commission.

The idea is that related programs could be judged, not only on their own merits, but also in comparison with each other in terms of efficiency in meeting national needs. Some could be continued, others consolidated, others dropped altogether. Comparing the 238 federal health programs on the books, for instance, Congress might decide that most of them could be scrapped in favor of some form of national health insurance.

At a minimum, the process would trigger elimination of many outmoded and useless government programs and agencies that now hold on, year by year, through sheer inertia because no one in Congress is willing to undertake the battle to assure their demise.

The onus would be on bureaucracies to perform well and prove solid grounds for their continued existence, lest they face their last "sunset" on the next turn of the four-year cycle. (The only exempt federal programs would be those under which individuals make payments in expectation of later compensation, including social security, medicare and civil service retirement.)

At a maximum, the process would trigger concentrated Congressional and national debate on where the country stands, what it can afford, and what the top program priorities are in each policy area. This kind of debate rarely emerges under the present system—but may be indispensable in the dawning era of severely restricted government revenue sources.

The sunset proposal is "fraught with risk," according to Denver attorney Craig Barnes, a member of the Colorado Common Cause board and originator of the idea in that state. "It jeopardizes obviously beneficial programs—programs we liberals have fought for for generations at a time." (Barnes might have added it also imperils less clearly "liberal" programs, from foreign military assistance to farm subsidies.)

The trend of the past 50 years, Barnes added, "has been to delegate more and more of the business of the people to bureaucracies, including many relatively obscure and hard-to-find agencies. Sunset retrieves issues from their immersion in the bureaucracy and resubmits them to politics. That's a good in and of itself. It says to the people—this is a democracy, you once again have a chance, through pressure on your legislature, to speak."

And while sunset is a "frightening prospect" for some people, Barnes said, "the justification is that the republic can grind to a halt—we can grind out creativity and sterilize ourselves—if we don't risk change. The greater danger we face in the next years is paralysis—and perhaps revolution as a result of government's inability to function. So while we run these risks—and do not do so lightly—we do so because the republic is not flourishing."

MUSKIE TALKS COMMON SENSE

(By Andrew Tulley)

WASHINGTON.—I hope Sen. Ed Muskie doesn't get all worked up and decide to run for President. These days, as a candidate only for reelection to his Maine seat, Muskie is free to talk the kind of common sense that is still heard in his no-frills state.

For example, Muskie has introduced a bill that in effect would wipe out the "mess in Washington" every four years and start fresh. The bill has two co-sponsors, Republican William Roth of Delaware and Democrat John Glenn, Ohio's astronaut hero. None of these three men belongs to the nut wing on Capitol Hill.

Under the bill, Congress would be required to act explicitly on continuation of almost all federal programs and activities beginning in 1979. Any program that was not reauthorized would automatically be abolished. Exceptions would be interest payments on the national debt and programs such as Social Security under which individuals make contributions with the promise of receiving benefits.

Moreover, those programs deemed worth continuing would not necessarily be financed to support their current size or to permit expansion. Starting from "zero base," Congress would be required to justify every dollar of authorization as necessary to do the job. It also would consider the impact of the program's budget on overall government spending.

Nor would the White House escape responsibility. The President would have to review and reevaluate all programs scheduled either for extension or termination, with emphasis—praise be—on affordable costs.

Some critics have dismissed the Muskie-Roth-Glenn bill as too conservative. Fortunately, it does have elements of conservatism. But as Muskie has suggested, there is no reason why liberals should not find something in the proposal for them.

Muskie has said he is sponsoring the bill because "government has become out of touch and out of control." That's what a lot of conservatives and, increasingly, many liberal voters are saying. And it should be obvious to liberal politicians that only if spending for ineffective programs is brought under control will there be enough money and as Muskie puts it, "public trust," to adopt needed new social legislation in a variety of fields.

In short, Muskie and his two co-sponsors face the fact that there is only so much money available—or only so much money the electorate will let Congress spend. Some programs will have to be cut if the country wants, say, universal health insurance and public service jobs for the unemployed.

"We still haven't solved the basic problems which prompted us to enact all these programs in the first place," Muskie says. He cites failures in health, education and aid to cities as evidence that Congress hasn't paid enough attention to how well those programs were working. Congress creates monsters and rarely gives them another thought; the result is bigger and bigger governments and bigger and bigger deficits.

All this is not to say the Muskie-Roth-Glenn bill's chances are all that good. Congress has 535 members and each of them is gauleiter of his own little principality, which must be constantly nourished with pet programs. Lobbyists spend their days pushing programs that benefit special interests. The federal bureaucracy runs scared; abolished programs mean abolished jobs.

One high-level bureaucrat dismissed the whole idea. "It's not that simple," he said. He's right, of course. Muskie & Co. are suggesting nothing less than changing the nature of Washington. But given the growing public sentiment for cutting government down to size, this just could be the right time for some brave souls on Capitol Hill and downtown to give it their best shot.

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[From the Arizona Republic, Feb. 25, 1976]

WHY NOT LOOK FIRST?

In the past year, as chairman of the Senate Budget Committee, Edmund S. Muskie, the Lincolnesque Democrat from Maine, has been attempting to keep federal spending within bounds.

Muskie is not a conservative by any means, but, as a Down Easter, he does have a native aversion to waste. Unfortunately, not many of his fellow Democrats share his attitude, so his admonitions against waste generally have fallen on deaf ears.

Muskie has now come up with an idea so eminently sensible that it also is likely to fall on deaf ears. He has introduced a bill requiring Congress to review every four years all federal programs except those which are not subject to review, like the interest on the national debt and Social Security payments.

Muskie points out that Congress is forever starting programs and creating agencies, advisory boards, commissions and committees to run them, and that, once it does so, Congress never bothers to find out whether they are serving the purpose they're supposed to.

It simply renews them automatically.

There are now, he points out, 228 health programs, 156 income-security and social-service programs and 83 housing programs. Supervising them are not only 11 cabinet departments and 44 independent agencies but 1,240 boards of various sorts, as well.

Congress establishes dozens of these boards every year. It rarely abolishes one.

Many of the programs overlap, many are redundant, many that once served a purpose no longer do. The bureaucracies running them are snarled in red tape.

Muskie cites a city where the General Accounting Office found eight clinics operating in one neighborhood under different programs, with none of them having any knowledge of what the others were doing.

He cites complaints from citizens who had to wait 18 months for a ruling on claims for disability compensation. He cites complaints from towns which had to wait months for federal approval of sewer systems mandated by federal law.

The GAO, he says, has found agencies unable to say how much they were spending on administrative costs as compared with actual services.

In effect, what Muskie's bill proposes is that every agency, commission, committee, what-have-you be forced to justify its existence and the existence of the programs it administers every four years.

Then Congress would have to determine whether they should be continued or killed, whether the programs should be curtailed, expanded or eliminated.

Forced to re-examine the agencies and programs, Congress might discover that it had been voting money for no purpose except to keep people on the federal payroll.

Muskie's bill deserves support. The trouble is that, when it comes to money, Congress so rarely does the obvious.

[From the Journal of Commerce, Mar. 29, 1976]

GROUPS JOIN TO SUPPORT SPENDING BILL

(By Dan Skartvedt)

WASHINGTON.—There are few occasions on Capitol Hill when organizations as widely differing in their viewpoints as the **U.S.** Chamber of Commerce and Common Cause testify in behalf of the same bill.

But it happened here last week, and involved a piece of legislation whose sponsors are similarly unlikely allies, ranging from liberal Edmund Muskie, D-Me., and conservative Barry Goldwater, R-Ariz.

The measure, titled the "Government Economy and Spending Reform Act of 1976," would establish so-called "zero-based budgeting," under which practically all federal spending programs would be reviewed every four years and allowed to expire unless their continued existence was specifically found to be justified.

When he introduced the proposal last month, Senator Muskie said such a review would "reverse the assumption that old programs and agencies deserve to be continued just because they existed the year before."

The Maine lawmaker, who chairs the Senate Budget Committee, pointed out that there are currently "nearly 1,000 federal programs, touching on virtually every aspect of life in these United States," and claimed that his bill "offers us one of the few chances we have to clear out some dead wood."

Existing programs would be terminated unless reauthorized every four years, with the only exceptions, being payment of interest on the national debt and programs such as Social Security where individuals make payment to the government in order to receive compensation later on.

PROPOSAL PRAISED

Testifying, last week before a subcommittee of the Senate Government Operations Committee, U.S. Chamber of Commerce President Richard L. Lesher and Common Cause Chairman John Gardner both had high praise for the proposal, which has been dubbed the "Sunset Bill."

Mr. Lesher pledged that his organization, due to "the great importance and urgency of this legislation," will "do all within its power to encourage active support for its passage."

In a smilar vein, Mr. Gardner declared: "This is no ordinary piece of legislation. It could stand as a landmark in the history of government organization." He added that he considers it "as powerful and fundamental a step as could be taken to improve government."

Also testifying at that session was a spokesman for the Veterans of Foreign Wars (VFW), who endorsed the bill's overall concept, but argued that veterans benefits should be exempted from the four-year review process.

His remarks, predictable as they were, served to underscore a major difficulty the bill will undoubtedly encounter—namely, that groups who have a stake in the continuation of existing programs are certain to demand that those particular ones be retained once the winnowing out starts.

Fears that their favorite programs might not survive the review process might even lead some of those organizations to actively oppose the bill's enactment.

An aide to Sen. Muskie, discussing this problem in a telephone interview with The Journal of Commerce commented that staffers anticipated such a reaction from various special interest groups when the proposal was first being drafted.

However, he stressed, if a particular program is justifiable, those who benefit from it have no reason to worry that it might be killed.

As he put it: "If the program is good, then the interest group backing it has no worries. On the other hand, if it can't stand up under scrutiny, then they're in trouble."

Former Office of Management and Budget (OMB) Director Roy Ash, also testifying last week, brought up what he regarded as another potential problem. The rotating four-year review cycle specified in the legislation might be too ambitious, he suggested.

"To start full blown, giving zero base consideration to an average of over 250 programs per year, is like attempting to jump aboard a 747 in full flight," he said.

The former OMB chief also urged that "related tax expenditures also be considered along with a zero base program review."

As a matter of fact, Sen. John Glenn, D-Ohio, a cosponsor of the "Sunset Bill," announced last week that he was proposing an amendment to it with that precise purpose.

Under the amendment, every individual and corporate tax incentive in the federal code would be evaluated in the same four-year schedule.

A companion measure has also been introduced by Sens. Charles Percy, R-Ill., and Robert Byrd, D-W. Va., pertaining to the continued existence of federal regulatory agencies.

The overall issue, as has been demonstrated, is one upon which persons across the whole political spectrum can agree at least in principle.

The ultimate fate of the "Sunset Bill," however, will depend on how well this broad-based coalition can hang together once things get down to specifics.

[From the Journal of Commerce and Commercial, Mar. 31, 1976]

NOT NECESSARILY HOPELESS

As Dan Skartvedt noted in a Washington dispatch appearing in this newspaper on Monday, the concept of zero-based budgeting has brought a surprising flock of sheep and goats into the ranks of its supporters.

There is Sen. Edmund Muskie, who introduced it in the Senate and with whom we seldom agree on anything. There is also Sen. John Glenn, former astronaut and now a Democratic senator from Ohio, who is Sen. Muskie's co-sponsor. And there is Common Cause, which we usually view (as it usually views us) through a barbed-wire fence.

But also among the supporters of the "Government Economy and Spending Reform Bill," otherwise known as the "Sunset Bill," are Sen. Barry Goldwater and the U.S. Chamber of Commerce. Include us, please, in this same unlikely group.

The purpose of the bill is quite simple. Once every four years, all federal spending programs would be taken under congressional review. None would survive any longer unless specifically re-approved by Congress. This would mark such an astonishing reversal of present practice, in theory at least, that it merits serious attention.

Present practice is to continue funding almost any federal program that still maintains a staff able to prepare an annual budget, whether it was originally meant to be temporary or whether it has demonstrably long outlived its usefulness, like the Rural Electrification Administration. That is one reason for our past laments to the effect that it is far easier to get a new spending program on the statute books than it is to get it off again.

We applaud the idea of turning this moth-eaten concept around and we applaud Sen. Muskie for proposing it. It was, after all, Sen. Bob LaFollette, the Wisconsin Progressive, who, back in the New Deal days, proposed some far-reaching reforms for the Senate. They didn't produce much action, but his views commanded great respect.

And during the Truman Administration, it was the conservative Herbert Hoover, ex-president of the United States, who drew up the first in a series of blueprints for a restructuring of most of the major federal agencies, including some that have yet to be restructured. But his views, too, were respectfully received.

In neither of these prior instances did the supporters and opponents of the proposals split along partisan lines. And even though both produced disappointing results, we are glad to know that Sen. Muskie's move is drawing support from both sides of the aisles. Perhaps it will fare better.

There are, however, practical difficulties, for it is one thing to get Congress to endorse a new and daring concept, but quite another to get it put into practice. It is already plain, and Sen. Muskie understands this, that not all the government's thousand-odd spending programs could be dropped simply because Congress, on some fourth year, simply forgot to renew them.

Social Security, or at least that part of it supported by taxes on employers and employes, could not be dropped. Neither could veterans pensions, nor a lot of other pensions. So it stands to reason that before a final measure could be considered acceptable, it would have to be studded with a long list of exceptions. How long in proportion to the total? And what would the necessary exceptions be? And how many would, in fact, be necessary?

At this point, very troublesome questions begin to take shape. Roy Ash, former director of the Office of Management and Budget, raised one of these by asking whether Congress could actually manage a thorough review of an average of 250 federal programs a year.

This strikes us as doubtful, especially if coupled with another proposal of Mr. Ash, which has drawn the support of Sen. Glenn, that every individual and corporate tax incentive in the federal code be re-evaluated in the same four-year cycle. Quite a large order, we would say.

So the danger is that while Congress might vote for the Muskie concept, that concept would be given only lip service in practice. That danger, as we see it, is that all 250-odd programs coming up for review every fourth year would be lumped together in one omnibus bill and automatically renewed in the last burst of business of each session. In such circumstances, the serious re-evaluation conceived by Sen. Muskie and his supporters would be out of the question.

Does this mean his proposal is too hopelessly utopian to be considered seriously?

We are not convinced it is. After all, the concept of a Joint Congressional Committee on the Budget, a mechanism to give Congress greater control over its own budget processes, seemed utopian not too many years ago. It hasn't been wholly realized up to now, but both the House and Senate have made encouraging progress toward setting up budget committees of their own.

So where there's life there's hope. And the odd assortment of supporters drawn to Sen. Muskie's side in this instance should provide more than just a hint that his cause is not necessarily hopeless.

[From the Washington Post, Apr. 28, 1976]

Ideas Are Sought

(By Jack Anderson and Les Whitten)

Even as we celebrate the bicentennial, some of us have an uneasy sense that government of, by and for the people is slipping away from us.

Events daily reinforce this uneasiness. The tax bite grows ever bigger, except for favored interest, while public services decay. The rapist and robber are forever being let free to prowl again by a legal system that seems impervious to the public demand that dangerous criminals stay locked up.

The residential neighborhood is regularly bulldozed under to make way for the office building or the highway extension, as though only the construction lobbies have the inside track on public decisions.

The businessman is almost hopelessly entangled in governmental red tape spun by a mindless process of bureaucratic accretion that all profess to deplore but none seem able to halt.

Meanwhile, the government that so often seems rented out to the predators and power blocs also seems dried up of genuine ideas. Problems mount, but officialdom gibbers and offers no solutions.

Despite failures that should humble the vainest, the bureaucracy grows more arrogant, more contemptuous of the public, more given to entrenching itself in a labrinthine fortress wherein it is impenetrable to the people and uncontrollable even by Presidents and congresses.

True participation by the people in public decisions can be made not only just a possibility but a prerequisite. Either we must now make these goals the key items on our national agenda, or we must write the epitaph of the American idea.

As a beginning, we wish to offer a modest proposal. It springs from the fact that we have a line of daily communication with 50 million readers in close to 1,000 newspapers, a line of communication that can be used to combat the individual citizen's despairing belief that no one in government is listening.

We have established a National Suggestion Box which will receive your ideas for the solution of national problems and the righting of governmental wrongs. Millions of Americans have good ideas and valuable perspectives, which are sorely needed to revitalize the nation.

But they feel that they have no place to go with their ideas, for the government has a special talent for resisting outside suggestions and giving people the runaround. So if you have an idea, send it to the National Suggestion Box.

Here's what we'll do with it. We will publicize ideas of special merit. We will follow up these proposals, urging their adoption. We cannot demand that your proposals be accepted; we can merely demand that they be considered.

To run this program, we have set up a small organization. President Edward Piszek of the Copernicus Society of America, a group devoted to good causes, has offered to help fund it. The rest is up to you. Write to us at the National Suggestion Box 20009, Washington, D.C. 20013.

As a typical example, we have previously received suggestions that federal agencies should have to be renewed every four years. Those that become obsolete or unproductive should automatically die.

This would require the federal agencies to justify their reestablishment. It would also offer a real incentive for citizens' groups to monitor the bureaucracy and bring pressure to bear on Congress at the optimal time.

The idea has now been put into legislative form by Sen. Edmund Muskie, (D-Maine). Similar ideas from the public should be presented and discussed.

What we seek to do, in a large sense, is to return government to the people and encourage Americans to rise as never before to the status of true citizenship. We must be more than regular taxpayers and sometime voters.

PAUL ROBESON

Mr. CASE. Mr. President, since his death several months ago, there has been an outpouring of the feelings of Americans in regard to Paul Robeson. Statements by public figures, editorials, reminiscences and the like have appeared in great number. In most of them, understandably, the tragic and somber side of Paul Robeson's life has been stressed.

I should like, in contrast and to help round out the picture, to present a piece by Paul Robeson himself, written when he was a student at Rutgers, an outstanding athlete, student and campus leader, and, quite obviously, happy in his college community.

Mr. President, I ask unanimous consent to have printed in the Record an article taken from Aloud to Alma Mater, edited by George J. Lukac, published by the Rutgers University Press in 1966.

There being no objection, the article was ordered to be printed in the Record, as follows:

Review of the 1917 Football Season

(By Paul Robeson, 1919)

Rutgers has a long-standing scholar-athlete tradition, and one of the foremost members of this group is Paul Robeson. His many achievements while an undergraduate may best be summed up by the top honors he earned in the classroom and on the playing field; he was elected to Phi Beta Kappa and was named a football All-American. Alumni probably best remember his subsequent career from two points of view—Paul Robeson, the singer, and Paul Robeson, the center of political controversy.

Presented here is young Robeson, a Rutgers junior, writing with enthusiasm and spirit of one of Rutgers' greatest football seasons. In that year, the Scarlet played nine games, winning seven, losing one and tying one. What is impressive over and above the 7–1–1 record is that six of the victories were shutouts. As a matter of fact, the opposition scored a total of 28 points, while Rutgers scored 295. Robeson's article, which originally appeared in the Rutgers Alumni Quarterly of 1918, was prefaced by this note from the Quarterly editor: "Paul Robeson . . . was a member of the Rutgers team. He was generally recognized as the best football player seen in action during the past season. On the offense he played end, where he made many sensational runs after having received forward passes from Whitehill. When line plays were called for, he was placed beside Captain Rendall at tackle, opening holes through which the Rutgers halfbacks plunged for certain gains. On the defense he played fullback, supporting the line in sensational style and diagnosing opposing plays with almost uncanny instinct. He was selected by practically every football authority in the country as the season's leading player. Never before has a Rutgers man achieved such athletic distinction. Robeson is a Negro, nineteen years of age, six feet two inches in height, and two hundred and ten pounds in weight. He is one of the leaders of his class in scholarship, and the winner of the Edward Livingston Barbour Prize in Declamation, and the Myron W. Smith Memorial Prize in Oratory."

The season of 1917 is over, but the memories thereof will fire the hearts of Rutgers men as long as football is football. For the team, fighting as only a Rutgers team can fight, and inspired by the indomitable spirit of that greatest of footballs mentors, George Foster Sanford, rose to the greatest heights, and stands not only as one of the best teams of the year but as one of the greatest of all time. Coach Sanford says that it is the nearest to the Yale '91 team he has ever seen, and this perhaps is the greatest compliment received, when we consider that this Yale team was composed of such men as Sanford, Heffelfinger, Hinkey, McClung, and other stars of like calibre.

The season started none too conspicuously. Only three veterans were left from last year, Rendall, Robeson, and Feitner, and the incoming material was an unknown quantity. However the team which took the field against Ursinus, though necessarily a bit crude, showed the signs of power. The Ursinus men played hard football and were finally subdued by a score of 25–0.

The next contest, that with Fort Wadsworth, was not a real test of the strength of the Scarlet eleven, as the team ran wild and won by a score of 90–0.

The next Saturday, confident of victory, the squad traveled to Syracuse. And we should have won. A few unfortunate breaks, however, lost a big opportunity. Syracuse had a far more experienced team and the advantage of home surroundings, and really put up a sterling game. But the Rutgers aggregation played a splendid uphill contest and, after scoring one touchdown in the last quarter, started for another and victory but was stopped by lack of time. So the up-state boys returned the winners by a score of 14–10. It was a bitter pill for the team to swallow, but a more bitter one for Coach Sanford, who had hoped for a season with no defeats; and it was a rather sad lot who boarded the train for Jersey.

Against Syracuse, the team showed some serious faults. It wasn't a Sanford line that allowed the opposing backs to rip through for five and eight yards at a clip! It wasn't a Sanford backfield that wouldn't run! This was shown at Easton, the following week, when the Pennsylvanians were unable to gain at all against the rejuvenated Scarlet forwards and would have been whitewashed but for a pretty sixty-yard run by Sigel from a crisscross formation. Meanwhile our backs ripped the line of the Eastonians to shreds and piled up a safe lead of 33 points to our opponents' six. This was a sweet victory, as Lafayette had claimed that Rutgers had never defeated her in anything. But now wè are of the opinion that this state of affairs will be reversed.

It looked as though the team had arrived, but the followers were unwilling to accede too much to the eleven until it had faced a real test, which was at hand in the game with Fordham, a team undefeated and with a superabundance of fighting spirit. The New York papers conceded the Fordhamites an even chance. But the Rutgers steamroller was too much for the footballers from old Gotham, and they were buried under a 28–0 score. This settled it. The old college on the bank of the Raritan had a great team, a team with a varied, smashing attack and an impenetrable defense.

Then came one of the biggest games of the season. West Virginia, near conquerors of Pittsburgh and conquerors of Dobie's Navy team, arrived, a slight favorite, to take the measure of the New Brunswick eleven. A very large crowd attended the contest, which was "some battle." In the first period our team ran the West Virginians all over the field and scored one touchdown by straight line hitting. This score seemed enough to win until the third period, when a bad break gave the opposing team a chance to score. A long punt by King, the visitor's halfback, rolled to Rutgers' one-yard line and stopped. Whitehill's kick was partially blocked and went out of bounds on the 12-yard line. Rodgers, the much-heralded back, took it over in two rushes. Rutgers had one chance to score thereafter, but a forward pass over the goal line failed and the last chance was gone. It was a great game, full of thrills and of every variety of football. The score ended 7–7, leaving the supremacy of the two teams still unsettled, as last year's score was 0–0.

Stung by its failure to win the best game on the schedule up to that time, the eleven came back the next week and delivered to the Springfield team the most crushing defeat ever suffered by an aggregation from that school. The Scarlet backs plunged and sliced through the line for long gains, and when the game ended the score stood 61–0. A most remarkable feature of the game was that the Rutgers team, having once received the ball, never relinquished it until a touchdown had been scored.

The next contest was with the U.S. Marines from Philadelphia, headed by the great Eddie Mahan. The leader, unfortunately, was unable to play, owing to an injured leg, but it was a strong, rugged bunch of men who took the field against Rutgers. Our team did not play with its usual snap and vigor, but won easily, 27–0.

Then to the Rutgers eleven came the greatest opportunity ever afforded a college team. A game was arranged with Cupid Black's Naval Reserves at Ebbet's Field, Brooklyn, for November 24. The Reserve team was composed of the greatest players of the past couple of years. It included Barrett of Cornell, Black and Callahan of Yale, Schlachter of Syracuse, Gerrish of Dartmouth—all All-American selections—and a number of All-Western men. Here was a team of experienced men, of highest recognized football ability, in condition and coached by Dr. Bull, the famous Yale Coach, a team which had defeated Brown, conquerors of Colgate and Dartmouth, by a score of 35–0. And opposing them was "little" Rutgers with an eleven averaging slightly over nineteen years in age and outweighed at least ten pounds to a man. To all football followers there could be but one result. Rutgers didn't have a chance. But Coach Sanford and the Rutgers team felt differently, and the team which trotted on the field in Brooklyn on that Saturday afternoon late in November was full of confidence in its ability to conquer the famed opponents. And they proved it. Never did a team fight like that one. From flag-fall to finish it was all Rutgers, and the final score, 14–0 fails miserably in telling just how superior the wearers of the Scarlet were to the great All-Americans.

How could such a thing happen? Anyone who visits Neilson field on a fall afternoon will understand. It lies in the fact that football is method and not men and that Rutgers has the best of methods taught by the greatest of football coaches, George Foster Sanford. At last has this wonderful man received his just due from all parts of the country. The consensus of opinion is that there is none greater. Consider that there were only three veterans to start with, that the team consisted of green freshmen and two men who never played football before, that practice hours were very short, that only one real scrimmage was held all year, and one can realize the wizardry of Coach Sanford. Of course, he will stand an imposing figure in Rutgers history and dear to the hearts of every Rutgers man. But by those who have been his pupils, who have had the privilege of close association with him, who have listened to his inspiring talks, who have received an impetus toward higher and better things of life through observance of his character, he will never be forgotten. A wonderful coach, yes, but more, a wonderful man, an adviser, the guardian and molder of the characters of the young men under his supervision! An advocate of clean play, not only on the football field but also in life!

The one thing which determined most the successful season was the teamwork and team spirit of Rutgers. There was no individual brilliancy, but every man did his best for a common cause under the leadership of one of Rutgers' greatest captains, "Thug" Rendall. His "never say die" spirit was felt by every member of the team, and his command to "get into the game" was always heeded. Rendall was chosen on several All-American teams, an honor which he richly deserved.

Kelly, uninjured throughout the season, gave an exhibition of halfback play seldom equalled. Ever fearless, always giving all he had, he tore up every line he faced. His exhibition against the Naval Reserves will stand out always in the minds of those who witnessed the game. A wonderfully shifty back on offense and an exceptionally strong defensive halfback! He also received places on a number of All-Star teams.

Baker, who had the benefit of a year's tutelage under Mr. Sanford, developed into the best quarterback of which Rutgers can boast and one of foremost in the country. In generalship he was splended at all times, and, furthermore, he proved himself a fine open-field runner in returning kicks and a fine tackler. When it comes to gameness and grit, none of them has anything on "Bake."

Feitner, our captain-elect played a steady, dependable game all year and rose to his truest form against Black's eleven, when he smashed their offtackle plays before they were started. A fighter from start to finish, who will lead Rutgers to an even greater success next year, he was chosen by New York Sun as one of the leading tackles of the year.

Whitehill more than lived up to his promise of last year. It was old "Mike" who could break through any line for the precious yards, who could pass the ball like a rifle shot into the waiting hands of his ends, who time and again booted the pigskin out of dangerous territory. "Mike" stood among the first five players in touchdowns scored this season. A heady, aggressive player, who was recognized as one of the country's leading fullbacks by numerous football writers!

Breckley, a fine athlete, but who never player football before, under the close eye of Coach Sanford developed into a first class end and received a place on the *Sun's* Honor Roll.

Neuschaefer, formerly an end, developed such a high degree of proficiency in guard play that he showed Schlacter, All-American guard for two years, a number of new points about said position. "Neu" played fine grade of ball all year and merits the distinction given him by the New York *Sun* as one of the season's best guards.

Rollins, picked for several All-American teams, played "Cupid" Black off his feet and stands as one of the foremost guards on the gridiron. "Rolly" is only a freshman, so we can expect even greater things in the future.

Gray and Francke were two fine centers, reliable in passing, quick in opening holes, and dependable on defense. Both admirable examples of Mr. Sanford's wonderful coaching ability!

Gardner and Gargan are two of the best halfbacks developed by Coach Sanford at Rutgers. The former, weighing 180 pounds, could butt any line, and any one who tackled him usually realized he had tackled a real "he." A wonderful future! Gargan was smaller but the speediest man on the team, and his winding, twisting runs were beautiful to watch.

Dunham, Redmond, Francisco, Hand, when given an opportunity, showed promise and will bear watching when next year's team is picked.

Sutton, a short, sturdy type of end, played a fine game all year, both on offense and defense.

Coaches Wittpenn and Nash deserve great credit for their unselfish efforts in the development of the team. Both gave all they had to their successors and also furnished sturdy opposition when it was needed.

The scrubs, while not so strong as usual, played valiantly, and to them belongs a lot of honor. They stood the brunt of battle without giving away an inch, and it was their team which helped make such a glorious name for Rutgers.

Only one man, Captain Rendall, is lost

from this year's team. With Coach Sanford again at the helm and with the same team spirit as characterized the play this year, Rutgers bids fair to eclipse all previous efforts and stand undisputed as one of the best teams in the East.

LAW DAY

Mr. RIBICOFF. Mr. President, May 1 will mark the 19th observance of Law Day. We again reaffirm our dedication to a system of government which has as its cornerstone the concept of individual liberty and equality of opportunity under law.

Our Nation has shown its essential strength and durability during the Vietnam War, the Watergate affair, and the recently uncovered abuses within our domestic and foreign intelligence services. Our system of laws has been responsive to the challenges presented by these crises and demonstrated that it is a vital link between man and the preservation of his freedom.

As lawmakers, we have the duty to assure that laws are enacted and administered in a manner consistent with constitutional guarantees of free speech, press, religion, assembly, petition, and due process. Good laws do not merely safeguard these rights but function to make us better and more virtuous as a people and a Nation. They are ordinances for the common good, and in this sense, are really the accumulated wisdom of our heritage.

As we approach Law Day, I encourage each of our citizens to fully participate in the electoral and lawmaking processes. The right to participate is guaranteed by the Constitution, but only through its exercise will our laws be responsive to the will and wisdom of all Americans.

I commend the Connecticut Bar Association for its plans to set up free legal counseling centers throughout the State on Law Day. This is an example of the system of laws working to meet the needs of our citizens, and I hope it will be continued in future years.

SYMPOSIUM ON THE GREEK EXPERIENCE IN AMERICA

Mr. PERCY. Mr. President, I wish to call the attention of the Senate to an outstanding National Bicentennial Symposium on "The Greek Experience in America," to be sponsored by the Modern Greek Studies Association at the University of Chicago Center for Continuing Education next October 29, 30, and 31.

The papers to be presented will assess the nature and progress of the Greek-American community from the earliest immigration in the 18th century to this, our Bicentennial Year. Some of the topics to be discussed will be Greek immigration, the Greek and the Americanization process, the sociology of Greek Americans, and Greek-American literature.

The concept for the symposium originated in 1972 with Prof. Charles Moskos, Jr., of Northwestern University. Directing the project is Prof. Andrew T. Kopan, of DePaul University, assisted by Prof. Kostas Kazazis, of the University of Chicago, and Alexander Karanikas, of the University of Illinois.

The symposium has been endowed by both the American Revolution Bicentennial Commission and the Illinois Bicentennial Commission. The United Hellenic American Congress, of which Andrew Athens, of Chicago, is national chairman, is supporting the symposium through financial contributions and active participation.

I am very proud that this significant Bicentennial event is being organized by these leaders of the Greek-American community in Illinois and that it will be held in Chicago.

THEODORE NATTI DEFENDS FORESTRY PROGRAMS

Mr. McINTYRE. Mr. President, I would like to share with my colleagues a statement by Theodore Natti, New Hampshire's State forester. Ted Natti has been a professional forester in New Hampshire and has been associated with state forestry for 25 years. Therefore, it is with great knowledge and concern that he protests the potential budget cuts in the Forest Service program. As he points out in his statement, such worthy programs as CM–2 cooperative fire control rural fire protection, and the Youth Conservation Corps will be severely threatened.

Mr. President, forests occupy about 86 percent of the total land area of New Hampshire; this resource is not only vital to our State's economy, but it provides New Hampshire with the natural beauty for which our State is famous. We must join together to further programs aimed at protecting this great natural resource.

I ask unanimous consent to have printed in the Record the statement of Theodore Natti, State forester of New Hampshire.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Theodore Natti

My name is Ted Natti, and I reside in Pembroke. I am a registered professional forester in New Hampshire and have been associated with State forestry for 25 years, about 17 years of that time in the field of forest management. Presently, I am director, N. H. Division of Forests and Lands (also known as State Forester).

My purpose here today is to provide some general information on the forest resources of our state and to present some views on utilization of these resources. I will depend substantially on the unpublished (as yet) results of the 1973 statewide forest survey conducted by the U.S. Forest Service in cooperation with our Division of Forests and Lands.

Forests occupy about 86% of the total land area of New Hampshire, with 4,692,000 acres classified as commercial forest land—about the same as it has been for the past 25 years.

87% of this acreage is privately owned by an estimated 87,500 owners. About 55,700 of these ownerships range from 1–9 acres, encompassing about 4% of the total private forest land area. The remaining 31,600 owners of ten acres or more hold 96% of the total private forest land. These facts are quite significant in estimating availability of wood which I will touch on later in my remarks.

New Hampshire's forests contain an estimated 6.5 billion cu. ft. of wood of all species, about 3.1 billion of softwoods and 3.4 billion of hardwoods. Calculated in cords, the total volume equals about 77,500,000 cords. For the past 25 years, this forest has been annually increasing in total volume at a rate of 3.6%, while 1% has been removed annually by harvesting, land clearing, and other factors, for a net annual gain of about 2.6%. The present total volume of New Hampshire's forests is about 60% higher than it was in 1948. The most significant reason for this increase is the considerable decline in timber harvesting during these years.

Timber growth and removals for a single year may be summarized as follows (based on 1972):

(1) Total annual net growth 236,000,000 cu. ft. (or about 2,780,000 cords).

Divided into the following: Softwoods 125,300,000 cu. ft. (1,474,000 cds.) hardwoods 111,000,000 cu. ft. (1,306,000 cds.)

(2) Total annual removals 64,400,000 cu. ft. (or about 760,000 cds.) divided into the following:

Softwoods 32,100,000 cu. ft. (380,000 cds.)
Hardwoods 32,300,000 cu. ft. (380,000 cds.)

Ninety-four percent of the commercial forest land in New Hampshire is either fully stocked or overstocked with trees, i.e. the growing space of most of our land is fully occupied. This presents a somewhat misleading picture, however, since only 54% of the land is adequately stocked with desirable trees. It is of interest to note that the average acre of commercial forest land contains 805 trees, 5" d.b.h. and over, of which 275 trees or about one-third of the total are classed as rough or rotten, and are not included in the total forest volume. Statewide, these rough and rotten trees include about 10,000,000 cords of wood which is utilizable in conjunction with forest improvement and harvest operations. These trees occupy space which could be profitably utilized by more valuable trees.

In my view, the greatest single forestry need in New Hampshire today is the utilization of low-grade hardwood trees. Lack of financial incentives for removal of such trees has served to continually down-grade our forests. Better quality trees are harvested leaving the lower quality and less desirable species to take over available growing space. The forest survey supports this statement, since No. 1 and No. 2 quality sawlogs have declined from 35% of the total sawlog volume in 1948, to 29% in 1973. Also, red maple, a less desirable sawlog species, has replaced yellow birch, a most desirable sawlog species, as the predominant hardwood. Forest policy studies in 1952 and again in 1964 reveal the same problems existing at those times, and support the same conclusions. Despite the incentives of landowner assistance programs, significant gains in improving New Hampshire's forests are not being made.

The only feasible solution to the problem is a viable market where the price paid for low grade wood will encourage landowners to carry out forest improvement and harvest operations, following generally accepted practices. This observation applies as well to our neighboring states.

If markets for low grade wood became a reality, how would landowners react and what would be the impact on New Hampshire forests? Based on information derived from the forest survey, it is my opinion that timber would be available from 86% more or less of our privately-owned commercial forest land. Those who would cut timber are mostly in the 10 acres or more ownership class. Most owners of forest land from 1–9 acres would not cut timber, or those who did cut would not contribute significantly to the total.

Now as to cutting practices, New Hampshire laws in themselves are inadequate to assure proper harvesting. Forest laws apply primarily to the leaving of protective strips along public highways and water bodies, and to the removal of slash for forest fire prevention and control purposes along boundaries, roads, railroads, and near buildings. Therefore, the bulk of forest land falls into the "voluntary compliance" category where cutting practices are the perogative of the landowner. Based on past experiences, about 35% of our forest acreage has been cut under good practices, with the remainder grading fair or poor. There is no doubt that a market for low grade wood *could* substantially increase good practices, for most of the criticisms of past cuttings are caused by the high-grading of forest stands, taking the good and leaving the bad. However, a great deal will depend on the landowners themselves and the efforts of publicly employed county foresters, private consulting foresters, industrial foresters and substantially on the loggers who will be doing the harvesting job. It certainly is in the best long-range interests of the entire forest industry to insist upon good forest harvesting and utilization practices.

Finally, in regard to the wood supply for the proposed mill, based on the projected 450,000 cords annual usage, my analysis indicates an adequate volume of available standing wood and annual growth to sustain current and future needs. Though some variations are obvious, the forest situation within a reasonable procurement area of the proposed pulp mill will not be greatly dissimilar to the statewide situation. Furthermore, the wood procurement area can be as flexible as the situation demands, though I expect it will be concentrated within an approximate 50 mile radius. I do think it will reach further in the initial stages and tend to contract with time.

Summarizing my remarks, I firmly believe that wood supply based on a reasonable price structure is no problem and also that a well planned program of forest improvement and harvest would be of long-range benefit to New Hampshire's forests and economy.

GOVERNMENT DESPITE THE PEOPLE

Mr. FANNIN. Mr. President, L. D. "Pat" Murphy is one of the best editorial writers I have had the pleasure to know in my years of public service.

Pat's newspaper career spans 24 years from reportorial duties with the Miami, Fla., Herald to editor and publisher of the Coral Gables, Fla., Times and the Guide newspapers to his present position as editorial page writer for the Arizona Republic. He has been presented 40 State and National press awards for excellence in journalism.

Recently, Pat Murphy addressed the Retail Grocers' Association of Arizona in Paradise Valley. He delivered a brief but eloquent statement, expressing concern over the tremendous growth and power of the Government in America and the threat posed by big brother to our free society.

Murphy's warning is clear:

> The powers being conveyed to government today, and powers proposed for tomorrow, sap our economic vitality, hinder history's most remarkable production and distribution system, and lure us yet closer to social systems which George Orwell described in his chilling novel, 1984. . . . It is clear that the bonds of arbitrary and big government which our founding fathers threw off have re-appeared, step by devious step, cloaked in new colors.

Yet Murphy holds out hope for salvation of this Nation of free men if we can rededicate ourselves to the fundamental principles and revolutionary spirit of 1776. I quote:

> I believe that Americans as a whole still yearn for the spirit of independence, and a life built around the human will to achieve, or to endure adversity.
>
> We are a people of inventiveness, of imagination, of hardiness, of a sense of historic pride in what has gone before.
>
> There could be no greater tribute to those who gave us our rich and rewarding heritage than to dedicate our bicentennial year to the reaffirmation of principles of the heart of our founding, and to reject government paternalism which would have been intolerable to our forefathers in 1776.

Mr. President, I ask unanimous consent that the complete text of Pat Murphy's remarks of April 5, 1976, entitled, "Government Despite the People," be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

GOVERNMENT DESPITE THE PEOPLE

As a general proposition, mankind's hallmark experiment in liberty and personal freedom—the United States of America—remains unique and envied in a world drifting deeper into tyranny.

Yet, as we hail our birth 200 years ago and celebrate our durability as a nation, our own national sense of direction poses troubling questions.

Even as we recall Benjamin Franklin's stirring declaration of two centuries ago—"I am a mortal enemy of arbitrary government and unlimited power"—we see an unrelenting drift toward bigger government with arbitrary powers.

As government's size increases, as its costs grow, as its powers expand, it does so in direct proportion to the loss of your personal freedoms, and mine.

The powers being conveyed to government today, and powers proposed for tomorrow, sap our economic vitality, hinder history's most remarkable production and distribution system, and lure us yet closer to social systems which George Orwell described in his chilling novel, 1984.

In our lifetime, government, and the bureaucracy which presides over it, has become the fastest growing, least productive and most unaccountable sector of America's social system.

Its dimensions are frightening.

One out of every five working Americans is on a government payroll somewhere.

Half of all personal income taxes are needed just to meet the federal payroll.

Federal agencies in Washington send out more than 2 billion reporting forms every year to individuals and businesses—10 for every man, woman and child alive today in this country.

Government now takes nearly 40 cents out of every earned dollar in this nation to keep functioning—and the bite grows every year, regardless of our ability to meet ever higher demands on our earnings.

The first and foremost consequence of such government growth is to remove funds from the private sector through taxes and borrowing, and put it into the public sector. Thus, industry and business have fewer dollars to create jobs and manufacture products, and government has more dollars to fuel programs with questionable social and economic value.

Thus the economic mechanism which made this nation the world's most successful and envied producer and distributor are in jeopardy.

Now, the social engineers, the intellectual frontrunners of change, and the abstractionist economists have undertaken their tasks with skill, and plied their programs with an air of nobility. Their targets of opportunity generate instinctive public support.

You've heard the chant—break up the monopolies, redistribute income, lower prices and raise wages, legislate industrial perfection, penalize profits, provide with public money what private money can't or won't do.

In carrying out these programs—some of which I will examine—government has become not necessarily an instrument of, by and for the people, but one whose motto might well be despite the people.

How is this possible?

The historical genesis of bureaucracy as we know it was formulated innocently enough in the Great Depression of yesteryear. Given the mood of the misery in those days, Franklin Delano Roosevelt had no trouble setting into motion a grand plan to provide brighter tomorrows—all through new government agencies with the power to give and the power to take away.

With this new bureaucracy came a gradual metamorphosis in the American ethic—that blessings flow not from the human will and the human spirit, but from beneficent benefactors somewhere in a marble building in Washington.

Thus, personal instincts which had built a nation and a free economy had begun to pass into antiquity, and in their stead came growing dependence on government for a full range of assistance, and a growing power to decide.

Now, some will argue that if the American people don't like it, vote the bums out at the next election.

How do you vote out tens of thousands of public service employes in Washington who write and promulgate rules and regulations which even the Congress and the President of the United States cannot countermand, and who control an increasing share of the national wealth?

How do you vote out federal judges, appointed for a lifetime, whose interpretations from one year to the next alter the course of a nation's economic, social and political freedoms?

Perhaps the most powerful organ in our system of government—and the one which has brought more controls to personal and corporate individuality—is the Federal Register, an innocuous-appearing publication in which proposed rules and regulations dominating every facet of life are published. In 1974, the Register contained 45,000 pages.

Once published, they are permanent, until some board or agency or panel changes its mind.

Through these pages have passed volumes of rules and regulations which range from the ridiculous to the scary. I especially like the one several years ago which regulated the exact contents of frozen cherry pies.

What is not amusing is how unelected, job-secure federal employes can compel large and small businessmen to comply with regulations and rules which often are strangers to common sense, and more frequently are dangerous assaults on the freedoms of a democracy.

Recently, Goodyear Tire and Rubber Co. reported that complying with government regulations cost the firm $30 million a year—enough to add 3,400 new workers. Business as a whole estimates that just responding to government paperwork adds $18 billion a year in costs, and as much as another $30 billion a year to install non-income producing systems whose merits often are in doubt; and whose costs weaken industrial stability.

Mind you, unless a businessman is willing to mount legal resistance against the almost unlimited legal talent available in the federal government, his wisest course is to merely submit, and try passing along the costs to the consumer.

Contemplate what spews from the fertile mind of the various agencies which rule and regulate.

Occupational Safety and Health dreamed

up 15,000 rules and regulations in its first year of existence with which industry had to comply—whether a family lumberyard or General Motors.

The Environmental Protection Agency is into the water and air sciences, auto emission systems, nuclear power plants, smelters, aircraft engines—thousands of rules and regulations requiring batteries of industry lawyers and clerks to stay abreast of the next new decision affecting their companies, and therefore their productivity.

OEO, and EEOC have done their share. Religious and racial information may not be required of applicants for jobs—but industry must nevertheless report its employment composition by race and ethnic groups to the government.

The Census Bureau's reporting forms for industry add up to a stack six feet high.

Sen. William Proxmire discovered that the low bid on a $4,000 truck sought by the Bureau of Land Management came out to $15,497—largely because of the cost of hiring eight persons to complete a 155-page technical bid.

Forget the blizzard of paperwork. What of government's track record with tax dollars?

Billions of dollars have been handed to the Housing and Urban Development agency to ensure comfortable dwellings for the needy. Yet, today, federal housing has resulted in subsidized slums, new ghettos of crime and misery, and nearly half a million pending foreclosures on persons who were led to believe they could afford this so-called low-cost housing.

What of government-financed poverty programs? Billions have gone into food and job training and day care and heaven knows what—and we hear that today there are more needy than ever.

And what of education? Promised a new day in American literacy by educationists, taxpayers have yielded more billions of dollars—yet the average high school graduate cannot read at the ninth grade level after 12 years in the classroom.

Nor is it any comfort to read George Gallup's recent poll of more than 1,000 college students about corporate profits—more than half of them said the average corporate operating profit is 45 per cent of gross, and that 25 per cent is acceptable. The plain fact is that the nation's top 500 industries had an operating profit averaging less than eight per cent. We are breeding economic illiteracy in our young.

Crime? Government has wandered from solution to solution, yet violence today has forced families to double-bolt themselves into their homes, prisons are being expanded, and the serious crime rate has increased at annual rates of as much as 18 per cent.

Having failed to solve energy shortages, unemployment, poverty, crime, housing and whatever else, some of Washington's brightest backroom think-tankers now have come up with the Economic Growth and Development Act which would tell industry where, what and when to manufacture; tell schools what skills to teach—in short, to manipulate the country's economic ebb and tide through a succession of five-year plans. We all know what success five-year plans have had in the Soviet Union.

The nation's college campuses—bastions of liberal thought and social innovation—currently are aghast at the Office of Civil Rights' new thrust in behalf of affirmative action. I have read in recent months one report after another from pained, frustrated and outraged college presidents who have been told by the government that if qualified minority professors cannot be found—then hire qualifiable professors who can be brought up to satisfactory academic levels. Numerical ratios of teachers based on sex or race are the goal, not academic excellence.

And the industry regulators are no better than the social regulators. The net result of the Interstate Commerce Commission's century-old handiwork is bankrupt railroads. The net result of the Civil Aeronautics Board's economic gyrations is an airline system teeming with half-empty jets, higher passenger fares and bankruptcy for the less hardy.

In the event the illusion persists that all this isn't happening, consider a random sampling of the pervasive extent of government's absolute powers and how it touches our lives.

Government decides what trains will run, what planes will fly, what trucks will roll—and when and where and at what price to the consumer.

Washington can set the prices.

It can roll back prices and penalize profits.

It approves the design of automobiles, their safety accessories, and what kind of gasoline they must use.

Flood control is approved by Washington, and so is road design, construction of baby cribs and tricycles, minority makeup of public school classes and who attends what school.

Washington decides what drugs we take, what fertilizers and pesticides we use, what clothes are safe to wear, whom we hire.

Washington decides whether a company is getting too big and should be dismantled, and whether a company can carry grain in an American vessel or British.

In short, little in our personal lives or personal decisionmaking escapes the dictates of government.

Even if this intervention by government could somehow be rationalized, its double standards cannot.

While the Federal Trade Commission will leap into action at the first sign of short-weight in cereal boxes, what is the FTC or anyone doing about the appalling inefficiency and bankrupting cost of the U.S. Postal Service?

While the Justice Department musters its legal troops to bust up the Bell Telephone System and General Motors as monopolies, why is the Justice Department giving its blessing to Conrail's new monopoly rail system in the northeast?

While the Federal Energy Administration exacts penalties for gasoline overcharges, what has Washington done about the $400 million in overpayments to social security recipients last summer with taxpayers' funds?

What government does, what it is, what effect it has on this nation touches every one of us, and influences the character of us as a people.

It is clear that the bonds of arbitrary and big government which our founding fathers threw off have re-appeared, step by devious step, cloaked in new colors.

I believe that Americans as a whole still yearn for the spirit of independence, and a life built around the human will to achieve, or to endure adversity.

We are a people of inventiveness, of imagination, or hardiness, of a sense of historic pride in what has gone before.

There could be no greater tribute to those who gave us our rich and rewarding heritage than to dedicate our bicentennial year to the reaffirmation of principles at the heart of our founding, and to reject government paternalism which would have been intolerable to our forefathers in 1776.

HUMPHREY/HAWKINS FULL EMPLOYMENT BILL: REVERSING THE TREND TOWARD ECONOMIC STAGNATION

Mr. HUMPHREY. Mr. President, the Employment Act of 1946 was intended to commit the Federal Government to policies to achieve full employment. That act has been ignored during the last 8 years, with drastic consequences for the workers, the farmers, the businessmen, and the Nation as a whole.

We will lose over $1 trillion of economic production in the decade of the 1970's. This failure to use our human and capital resources has resulted in more than 9 million Americans without productive roles in society, and large Federal deficits to pay for that lack. It has idled our plant capacity and has given rise to grave problems of health care, housing, welfare, and crime—all of which are linked directly to unemployment. Even inflation, in large measure, has been the result of our failure to use the resources which are available to us.

Mr. President, to reverse this trend of economic stagnation, I have proposed the Full Employment and Balanced Growth Act of 1976. This legislation recognizes that there is no simple path to full employment through a single bill or program and instead it proposes a general economic policy framework with a package of programs to give that new structure direction and meaning. The actual activities will vary from year to year, depending upon economic conditions, and this flexible process is the major strength of the legislation.

So that my colleagues and their staffs can study and better understand this complex legislation, I ask unanimous consent that my testimony before the House Subcommittee on Manpower, Compensation, and Health and Safety, be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HUBERT H. HUMPHREY

Mr. Chairman and Members of the Subcommittee, I appreciate this opportunity to be with you today to testify on the "Full Employment and Balanced Growth Act of 1976."

Most Americans have begun to realize that there is something fundamentally wrong with our nation's economy; from month to month the statistics fluctuate, new patterns emerge and hopes rise and fall. But beneath it all, there remain serious economic problems that threaten the vitality of our mixed capitalist system.

That may sound alarming. Unfortunately, the record bears it out. During the past five years, U.S. economic growth rates averaged only about 1.8 percent per year, compared with a historical average of about 4 percent. Because of this shortfall, the nation has lost some $500 billion in production of goods and services in the last five years alone. And we can expect to lose another $600 to $900 billion by 1980.

That astounding waste lies at the center of our economic problems. It has resulted in more than 9 million Americans without productive roles in society, and large federal deficits to pay for that lack. It has idled our plant capacity and has given rise to grave problems of health care, housing, welfare and crime—all of which are linked directly to unemployment. Even inflation, in large measure, has been the result of our failure to use the resources which are available to us.

Coming to grips with those problems will require nothing less than bedrock reform of the way in which we manage the economy. It will require this nation to answer an absolutely basic question: what is the most important function of government if not to assure that all citizens willing and able to work are given an opportunity to contribute to the strength of America?

One answer to that question is contained in the Full Employment and Balanced Growth Act of 1976, authored by myself and Congressman Augustus Hawkins and cosponsored by many other members of both Houses of Congress. This measure recognizes that there is no simple path to full employment through a single bill or program, and instead it proposes a general economic policy framework with a package of programs to give that new structure direction and meaning. The actual activities will vary from year to year, depending upon economic conditions, and Congressional decisions, and this flexible process is the major strength of the legislation.

The Act sets an initial objective of 3 percent adult unemployment to be achieved within four years from the date of enactment. Admittedly, this is an ambitious goal. But it can be done, given the new policies set forth in the Act, including the requirement that the President review the employment goal to determine what specific obstacles may stand in the way of its achievement. Let me briefly summarize some of these new policies:

(1) A new cooperative process is created among the President, Congress and the Federal Reserve for the establishment of annual, numerical economic goals. This will encourage the development of a unified annual economic policy.

(2) New requirements are placed on the Federal Reserve to make it a full partner in national economic decisions.

(3) The President is required to determine the extent to which budget policy can be relied upon to achieve full employment so that government spending does not excessively inflate the economy.

(4) A planning capability is provided for in the Executive Office of the President to give us a better idea of where the economy is headed over the long-run and how we can most efficiently achieve full use of our human and capital resources.

(5) The Act also provides for economy in government measures to review and make recommendations for improvement of 20 percent of all government programs and regulations each year.

(6) The Act requires that work be substituted for welfare, unemployment compensation, and income maintenance spending to the maximum practical extent.

(7) Comprehensive anti-inflation policies are required in conjunction with the annual policymaking process, with an emphasis on increasing productivity and the supplies of necessities such as food and fuel.

(8) Provision is made for a range of unemployment programs that focus on structural problems of unemployment in depressed regions, states and among groups in the labor force who have special unemployment problems, such as youth.

(9) A comprehensive counter-cyclical employment program is required, with special emphasis on a grant program to stabilize State and local governments during recessions and thereby prevent contradictory fiscal actions at different levels of government.

(10) After the private sector has been fully utilized, and all other provisions of this Act have been employed, the Federal government is responsible for ensuring that the remaining unemployed above 3 percent adult unemployment are provided jobs.

Taken together, these policies will bring coherence to our national economic policies and yield substantial benefits to the private economy as well as to our citizens. Between now and 1980, unemployment could be cut from 7.5% to 3%, with a gain of roughly $500 billion of additional economic production and a substantial reduction in both welfare payments and the Federal deficit. Crime and the other social costs associated with unemployment will be drastically reduced.

Against these benefits one must, of course, consider the costs and any possible difficulties that may be associated with achieving the objectives of the bill. There have been criticisms made of the bill and these should be debated on the merits during the Committee hearing process. Let me turn to some of these questions now.

Is the 3% adult unemployment goal unrealistic? Some have said that we cannot achieve such a goal, either without explaining why, or by arguing that such a goal is too inflationary. This is an ambitious goal, certainly, but there are several reasons why I believe it is realistic.

First, I believe we should define the term "adult" as persons 18 years of age or older, which implies an overall unemployment rate of about 3.5%. This is only ½ of a percentage point below what was considered "full employment" in the Kennedy-Johnson years. I might add that we went below 4% for 4 years during that period, beginning in 1966, while holding inflation to a 4% average annual rate.

Secondly, we must have new economic policies to get at stubborn pockets of unemployment, if we are to achieve this long term goal, and the bill provides for such policies. There is no iron law sent down from the heavens that decrees you can't reduce adult unemployment to 3%, because other industralized countries have done it. Over the period 1962–73, while the U.S. had an average unemployment rate of 5 percent, the countries of Japan, France, United Kingdom, Sweden, and Germany had an average unemployment rate of 1.8 percent.

Finally, it should be remembered that a goal is an objective—not an absolute requirement. The purpose of setting goals is so that we can do better, not achieve perfection for all times. This bill provides for annual review of the goal and, it should be emphasized, also requires the President in the first year to review the full employment goal and timetable and "report to Congress on any obstacles to its achievement and, if necessary, propose corrective economic measures to insure that the full employment goal and timetable are achieved."

Will the Act accelerate inflation? Those who argue that more production and employment cause inflation have got things turned upside down. The way to reduce prices is to increase production, productivity, and the supply of goods and services like food and health care.

I am not propounding a theory, but reporting the facts. During the early 1950's, and again in the mid-1960's, increased production and employment was accompanied by lower rates of inflation. Our recent experience with unemployment and inflation tells the same story. In 1975, when we reached an unemployment rate of about 9%, we had an inflation rate that for many months exceeded 10%. Since then, as production was increased and unemployment reduced, the rate of inflation dropped by about one half.

Although I believe production and productivity are the best weapons against inflation, I recognize that as the economy approaches full utilization of its human and capital resources, bottlenecks and price pressures are likely to develop. For that reason, the bill requires the inflation situation to be constantly monitored, and the President to annually submit a comprehensive set of anti-inflation policies that are relevant to changing conditions. There is full provision in the bill for these actions to be as thorough and tough as necessary—"to promote reasonable price stability if situations develop that seriously threaten price stability."

Will the bill be extremely costly? Some of those who have argued that the bill will cost a great deal are confused about the meaning of cost and investment. First, there are two kinds of costs: 1) the budgetary costs associated with programs mandated under the Act; and 2) the resource costs associated with the inefficient use of national resources. Budgetary costs can only be evaluated in conjunction with the investment made, the Federal spending saved by making the investment, and the increased tax revenues due to the investment. If public monies are wisely spent, the budgetary costs of our proposal can be less than the benefits from the investment. The cost associated with the inefficient use of resources, however, is not an investment but a waste of resources that can never be regained. It is like pouring money down a rat hole.

With these ideas about cost in mind, let me return to the question of the cost of the bill. The direct and immediate cost of this bill is small. It is a general economic policy bill, like the Employment Act of 1946, and the costs are limited to the administrative costs of expanding the staff of the Council of Economic Advisers, creating a public Advisory Council, establishing the framework for the job reservoirs, and so forth. Because we have endeavoured to use existing institutions to the maximum extent, these direct costs would be less than $50 million.

There will be, of course, substantial indirect budget costs if all of the actions mandated by this bill are eventually undertaken. It is impossible, however, to estimate these costs precisely because they depend on such things as the strength of the private sector economic recovery, the rate of growth in the labor force, and the specific design of the job creation programs mandated under the Act. Most importantly, the budget costs will depend upon decisions taken by both the President and Congress each year.

But let me give you some rough estimates of the indirect budget costs associated with this bill. If we sustain a moderate economic recovery, perhaps the kind of recovery projected by the Administration, we could still face a job gap of between 2 and 3 million in some of the years between now and 1980. The budgetary costs of putting those people to work will fall in a range that is dependent upon the job gap.

If we have a job gap of 2 million persons, the gross budgetary costs could be roughly $16 billion, with that cost falling to about $8 billion after decreased welfare and unemployment compensation payments and increased tax revenues are considered. If we were to have a job gap of 3 million persons, the gross budgetary cost could be roughly $25 billion, with net budgetary costs of roughly $12 billion. Therefore, I would say that the very rough estimates we have—and I would stress how rough these numbers are—would indicate that the indirect budget costs of this bill could be in the range of about $8-12 billion.

Such budgetary costs are significant, but I want to emphasize the investment side of that spending. Employment of one person may cost twice as much, or more, in dollars as unemployment benefits or welfare—but, remember that the person is *employed* and has a productive role in society. Building houses or factories cost more in dollars than doing nothing—but remember that you then have the national *asset* of a house or factory. Doing something usually costs more than doing nothing, but if you are wise about what you do it is always worth it.

Let me conclude by saying a word on the resource cost side of this bill. As I indicated earlier, the most debilitating costs are those that occur when human and capital resources are squandered. This bill has no such resource costs—it has only benefits because it puts to work capital and human resources that are now being wasted because they are unemployed. As I said before, the nation could gain the benefits of $500 billion in additional goods and services by 1980.

I believe this cost picture shows that full employment is a bargain. The budgetary costs are largely offset by the decreased welfare payments, increased tax revenues, and the value of the goods and services created by the jobs. In addition, there is the great-cost saving that comes from using capital and human resources that are now being wasted.

Would the wage standards cause a shift from private to public employment? Some people have argued that the wage standards are so generous they would cause a shift from private to public employment. I don't believe this is true. I believe the wage standards are "neutral" between the private and public sectors because they simply reaffirm existing, fair wage standards.

The key to understanding the wage standards is to carefully read section 402. That section states that people employed under the bill shall receive "equal wages for equal work." It then prescribes a range of wage standards from the minimum wage to prevailing wages for similar employment in the specific labor markets. This means that someone doing a job that merits the minimum wage will be paid that wage, while a skilled worker doing a job of higher value will be paid commensurate wages.

I believe this is a flexible and fair set of wage standards.

Isn't this bill just a large public service jobs bill? This is a large and complex bill that some people have chosen to simplify as a public service jobs bill. It is not. I have already outlined to you the ten major elements of the bill, the majority of which are designed to improve the management of the Federal government and encourage production in the private sector. The setting of national economic goals, the improved use of fiscal policy, the integration of the Federal Reserve into national economic policy, the provision for long-range planning, the improved productivity and anti-trust provisions, and the economy in government measures will all improve the growth and performance of the private sector.

In title II, there are several supplementary job measures to encourage employment in both the public and private sector. In addition to improved public jobs, that title prescribes a national development bank to encourage private development and employment, as well as anti-recession assistance to State and local governments, improved job training in the private sector, and the use of private non-profit organizations to increase employment.

Only as a last resort, after the private sector has been fully utilized, does the bill provide for Federally operated public employment projects and private non-profit projects. This provision is based on the belief that, if people cannot obtain employment through any other means, it is better to give them a job funded by the government than it is to write those people a check to do nothing. As most of you know, Dr. Arthur Burns supports this same principle, which I believe is both a humane and conservative idea. In fact, Mr. Chairman, much of this bill is premised on the conservative belief that we ought to put people to work instead of keeping them on the dole.

Mr. Chairman, members of the Subcommittee, this concludes my formal statement. I am happy to answer any questions you might have. Thank you.

TRAVEL PROGRAM FOR FOREIGN DIPLOMATS

Mr. PERCY. Mr. President, recently, on March 22, 1976, a very fine presentation was made to the Senate Foreign Relations Committee about the Travel Program for Foreign Diplomats, Inc., which has made it possible for more than 5,000 foreign diplomats stationed here in Washington or in New York City to visit other parts of this country and to see ordinary Americans at work on their farms or in their factories or at play on their weekends. The diplomats have had a chance to talk with Americans in their own homes where they have stayed as guests. They have attended church suppers, PTA, and town meetings, and other community activities.

Robert B. Anderson, our former Treasury Secretary who heads the Travel Program, explained to the committee that it is 100-percent financed from private sources. With him in the committee hearing room were some 30 distinguished Americans representing important organizations which support the Travel Program.

The chairman of the program is Robert B. Anderson, now of Robert B. Anderson & Co., Ltd. The president is Dr. John E. Kircher, deputy chairman of Continental Oil Co., which has contributed vastly to the program over a long number of years.

Present also were the following directors of the Travel Program, which is a tax-exempt, nongovernmental American corporation: Dr. David W. Beer, senior vice president of Welton Becket & Associates of New York; Albert V. Casey, chairman of American Airlines, Inc., of New York; Fred L. Hartley, chairman of Union Oil Co. of Los Angeles; Melvin R. Laird, senior counsellor of Reader's Digest Association; Richard K. LeBlond II, vice chairman of Chemical Bank of New York; Peter MacDonald, chairman of the Navajo Tribal Council of Window Rock, Ariz.; Foster Parker, president of Brown & Root Inc., of Houston; Francis T. P. Plimpton of Debevoise, Plimpton, Lyons & Gates of New York; Robert M. Schneider of Xerox Corp. of Stamford, Conn.; and Mrs. Richard Swig, chairman of the San Francisco Art Institute.

I wish we could name all those who attended the hearing in order to show our gratitude for their having taken the time to come to Washington to tell us about their fine program. I did tell them that I so esteem this program that I would ask the staff of the Foreign Relations Committee to work with me to prepare a summary of the hearing in which committee members learned firsthand about the Travel Program. I ask unanimous consent that the summary be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

TRAVEL PROGRAM FOR FOREIGN DIPLOMATS, INC.

Summary of Foreign Relations Committee hearing, Monday, March 22, 1976 in Room 4221, Dirksen Building, the Honorable John Sparkman, Chairman, presiding. Present: Senators Sparkman, Symington, Clark, Case, Javits and Percy.

The Chairman, Senator Sparkman, introduced Mr. Robert B. Anderson, who was welcomed also by Senator Percy. Mr. Anderson then introducd those accompanying him to the witness table: Dr. John E. Kircher, President of Travel Programs for Foreign Diplomats, Inc. and Deputy Chairman of Continental Oil Company of Stamford, Connecticut; Fred L. Hartley, Chairman of Union Oil Company of Los Angeles; Albert V. Casey, Chairman of American Airlines, Inc. of New York; and Mrs. Ellen Stoutenberg, Executive Director of Travel Program for Foreign Diplomats Inc.

Following the introduction of the remaining officials, directors and contributors to the Travel Program who had traveled to Washington in order to be present at this hearing, Mr. Anderson told how the Travel Program had come to be organized. Vice President Lyndon Johnson had asked Mr. Anderson in 1962 to arrange for a group of diplomats to go to Texas to see part of his native state. That initial venture turned out to be so successful and the diplomats so enthusiastic about seeing something of the United States other than Washington and New York that those who had helped Mr. Anderson organize the trip decided that they should try to establish a regular program for showing diplomats assigned to the United States, the United Nations and the World Bank more of this country.

Since that beginning in 1962, the Travel Program for Foreign Diplomats has made it possible for more than 5,000 foreign diplomats to see ordinary Americans at work and play in the farms, factories and homes of the United States, far from Washington's Embassy Row, the United Nations Delegates' Lounge, or the confines of the World Bank.

The Travel Program is financed without use of any Government funds. Reliance on contributions from individuals and private corporations derives from very obvious reasons, according to Mr. Anderson. The Travel Program does not wish to be regarded in any sense as propagandizing. It is not selling a point of view, nor does it want to be mistakenly taken as a quasi-governmental agency. For this reason it stands apart from the State Department and does not look for funds from Congress.

It has no endowment of any kind so spends right out of receipts. Its annual budget comes to about $250,000, with which it is financing about seven trips a year. One reason it can get so much return for its money is that the program is operated out of a single room in New York by Mrs. Stoutenberg and two others.

The modest administrative costs are paid for by the Lilly Endowment so that the officers and directors can say to potential contributors that every penny donated will go directly into the program.

Mrs. Stoutenberg described the Travel Program which includes trips of 10–14 days to some of the more distant areas of America such as Alaska, the Pacific coastal states or the South; long week-end visits to places within bus or short airhop distances of New York and Washington; and summer vacation motorcade-camping trips.

The two-week trip usually involves about 40 diplomats, ranking from attache upward, who are chosen simply in order of the receipt of their applications, first come, first served. Many more applications are received than can be accommodated.

The trip is pre-arranged. Mrs. Stoutenberg goes in advance and sees the officials of the cities or communities and interviews the families who will host each individual. These "host families" are at the airport to meet the diplomats when they arrive and not only take them home with them, but also participate in the program themselves while the diplomats are in their community. The diplomats have a chance to answer questions about life in their own country as well as to ask the host family and neighbors about life in their part of the United States. They have an opportunity to visit local institutions, colleges, high schools, factories and city offices and agencies.

Mr. Anderson emphasized, however, that they do not simply pick out the good museums, "best families", or tidiest factories. They also take them to the most blighted area in the community so they will not feel that they have been propagandized. For exemple, when they went to Alaska, they were taken to some of the poorest Eskimo villages.

"Our program has a reputation now after 14 years" continued Mrs. Stoutenberg, "and so they know now that they really are going to have to work every day. There is no getting out of any part of the schedule. When they commit themselves for two weeks they must commit themselves to every part of the schedule. They must live with four sets of host families over two weeks."

Many foreign diplomats, when they first start out, are a little uneasy about living with four sets of host families over a two-week period, according to Mrs. Stoutenberg, because many of them have come from cultures where they have never gone into strangers' homes to live for two or three days, or travelled so long and so closely with people from other nations. Still, all the diplomats have said that the trip was perhaps their most important experience in the United States.

The shorter, extended week-end trips are very much the same, explained the officers of the Program, except that the participants are limited to the East and can only visit one family and fewer institutions in the time available.

The summer camping trips can include the families of the diplomats, who otherwise are prevented from participating only because of a lack of funds. Mr. Anderson explained that this program largely concentrates on the Middle West, using camping units lent by the Winnebago Corporation. Gasoline is furnished by Continental Oil and linens by the J. C. Penney Company. The diplomats and their families travel in caravans of about 25 or 30 campers, stopping overnight in cities where prearrangements have been made. The diplomat does the driving. He and his family travel about two weeks and then return by plane, while another family flies out to take over the car and camper, returning it after two weeks to the starting point.

Somewhat allied with this are specialized trips where, for example, they might go on a "white-water adventure" or on an Outward Bound trip down the Colorado River. Mr. Anderson emphasized that "the whole point of the trip is to show them the real United States, exactly like it is, with all of its good things and all of its bad things, and to give them an opportunity to talk to the people directly and to be asked questions."

Many foreign governments now consider these trips as "official business" and do not charge the participants annual leave for the time taken. On the other hand, the fact that it is heavily scheduled and demands 100 percent participation by those who accept the invitation, is reason enough according to Mrs. Stoutenberg for not asking the participants to pay the expenses themselves, even though the limitation of funds prevents their taking their wives with them in most cases.

Not only do foreign governments look on the Travel Program with favor—some have suggested that it bring the American host families to their countreis in reciprocity—but the Travel Program has not yet been able to respond, again due to a limitation of funds. It was brought out in the questioning that no other foreign country has a privately-endowed travel program for foreign diplomats such as this.

Mr. Percy recommended that the Travel Program seek an endowment from an individual business or labor organization or a foundation. He said: "When I was a trustee of the Ford Foundation's Fund for Adult Education, we endowed the Great Books Program giving it in excess of a million dollars so as to have a base on which they could always count. I hope someone or some foundation will step forward and endow you so that you will also have a more permanent base. I hope also that you will find the generosity that this country is capable of contributing to you, so you can expand the Travel Program and include spouses."

As Mrs. Stoutenberg summed up the Travel Program benefits by saying: "It is not one area of the world that does not understand us. It is every area of the world. We find, even when taking Europeans out, that they have concepts of us which are wrong, and when they travel with us, they say 'You know I really did not know you. I did not know how Americans thought.' "

Mr. Anderson added, "I have never talked to a diplomat who has made one of these trips who did not come back to say, 'America is completely different from what I thought it was. You are a freer people, you are a more sympathetic, a more understanding people, a stronger people than we thought you were.' "

The Chairman concluded the hearing, saying: "I commend you and all of those associated with you for the good job you are doing, showing what a great country this is. Thank you."

ENABLING THE UNITED STATES TO CONTEST "ILLEGAL" UNITED NATIONS ACTS

Mr. CRANSTON. Mr. President, I would like to share with my colleagues in the Senate an editorial by Louis B. Sohn which appeared in the October issue of the American Journal of International Law.

In the article, Professor Sohn, a highly respected international legal scholar, outlines a way in which the United States could challenge an action by the General Assembly in the United Nations which the United States considers invalid or contrary to the charter of the United Nations. He suggests that the United States adopt a specialized declaration allowing the United States to accept the jurisdiction of the International court of Justice regarding disputes over the interpretation of application of the U.N. Charter.

Professor Sohn's proposal deserves our serious consideration. I ask unanimous consent that the editorial by Louis B. Sohn entitled, "Enabling the United States to Contest 'Illegal' United Nations Acts" be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ENABLING THE UNITED STATES TO CONTEST "ILLEGAL" UNITED NATIONS ACTS

It is quite likely that at one of the next sessions of the General Assembly some action might be taken which the United States would like to contest on the ground that it constitutes a violation of the Charter. In the early days of the United Nations, when questions of legality arose, the United States was able to muster a majority for requesting an advisory opinion of the International Court of Justice on the subject, and the opinion of the Court was in practically every case favorable to the view taken by the United States. This is no longer possible, as the contest is likely to be between, on the one hand, the developing countries, which have a preponderant majority in the United Nations, and, on the other hand, the United States and very few other states.

To enable the United States in this situation to bring a case before the International Court of Justice contesting the validity of a General Assembly action, it will be necessary for the United States to accept the jurisdiction of the Court for that purpose. Though the United States has accepted the jurisdiction of the Court in 1946 with respect to any legal dispute concerning the "interpretation of a treaty"—which term includes the Charter of the United Nations—the so-called "Connally amendment" to the U.S. declaration of acceptance nullifies the usefulness of that acceptance. Any state can contend that it has determined that its support or not of a particular decision of the United Nations is purely a matter of domestic discretion, not subject to the Court's jurisdiction.

The United States has also excepted from the jurisdiction of the Court "disputes arising under a multilateral treaty, unless (1) all parties to the treaty affected by the decision are also parties to the case before the Court, or (2) the United States of America specially agrees to jurisdiction." It is unlikely that the first condition could be complied with in any case which might arise under the Charter; but the United States could specially agree to the jurisdiction of the Court not only in a particular case but also, more generally, with respect to a particular multilateral treaty.

A new, specialized declaration is therefore needed. Such a declaration is permissible. For instance, the Iranian declaration of 1930 was limited to situations or facts relating directly or indirectly to the application of treaties accepted by Iran and subsequent to the ratification of the declaration. (In the Anglo-Iranian case the Court decided that the dispute did not relate to a treaty subsequent to the declaration and that the Court did not have jurisdiction.) In 1946 the United Kingdom accepted the jurisdiction of the Court with respect to "all legal disputes concerning the interpretation, application or validity of any treaty relating to the boundaries of British Honduras." This declaration was in addition to a more general declaration of 1929, which was revised from time to time.

Similarly, the United States may file an additional declaration limited to disputes relating to the interpretation of the United Nations Charter. Such a declaration will be in addition to, and not a substitute for, the declaration of 1946, and would be in a way equivalent to a special treaty provision conferring jurisdiction on the Court, as has been done in many treaties since 1946. Many such clauses have by now been accepted by the Senate as permissible exceptions to the Connally amendment. (A list prepared by the Office of the Assistant Legal Adviser for Treaty Affairs, Department of State, in 1975 lists 36 multilateral and 22 bilateral treaties containing such clauses.)

Such a declaration might, for instance, read as follows:

"The United States of America recognizes as compulsory *ipso facto* and without special agreement, in relation to any other State accepting the same obligation, the jurisdiction of the International Court of Justice in all legal disputes hereafter arising concerning the interpretation or application of the Charter of the United Nations.

"This declaration is made for a period of five years. Unless it is denounced six months before the expiration of that period, it shall be considered as renewed for a further period of five years and similarly thereafter."

Should the United States file a declaration, it would be able to bring before the Court a dispute with any state about the consistency of any General Assembly resolution with the Charter of the United Nations, provided that the other state has accepted the jurisdiction of the Court with respect to disputes relating to treaty interpretation, without any reservation allowing that state to exclude in some manner a dispute relating to Charter interpretation.

Should, for instance, the United States and state Alpha disagree during the General Assembly meeting whether a particular resolution is valid under the Charter, and should the United States thereafter through an exchange of diplomatic notes ascertain that Alpha persists in its interpretation, after an appropriate warning about its intentions, the United States will be able to bring the dispute to the Court, if Alpha's declaration contains no blocking reservations. Similarly, cases could be brought against any other state which has accepted the jurisdiction of the Court without any relevant reservations and has taken a point of view different from the United States.

It would seem desirable to obtain the consent of the Senate to such a declaration as soon as possible, without waiting for a situation in which the United States may find it necessary to contest an important UN decision. It may not be too difficult to obtain such consent, in view of the fact that a large majority of the Senate is concerned about the possibility of serious violations of the Charter occuring at sessions of the General Assembly.

Of course, it needs to be considered that the United States may also be accused of having violated the Charter on some occasion, and by reciprocity such a case could be brought against the United States. This problem has two aspects: allegations of past violations, and the possibility of future violations. The proposed declaration is limited to "disputes hereafter arising" and will not allow the dredging up of any past situations. As far as future disputes are concerned, if the United States makes such a declaration, it would have to consider carefully in each case that any U.S. action which may be considered by some other state a violation of the Charter could be brought before the Court. In some cases, this fact may have some restraining influence on U.S. decisionmakers, both the Administration and the Congress. For a country which claims to be dedicated to the rule of law in world affairs, such restraint may be salutary. But the main importance of the declaration will be in restraining the action of other states, as for the first time the United States would have a legal weapon to challenge those actions of the United Nations which it considers contrary to the Charter. This might be a more useful weapon than a threat to withdraw from the United Nations, an act which might have as disastrous consequences as U.S. refusal to join the League of Nations.

THE CAPITOL HILL FORUM

Mr. GRAVEL. Mr. President, for a year now, my colleagues in both the Senate and the House, congressional staff, and others have been taking advantage of a free community service which will mark its first anniversary on April 12.

It is seldom such a quality service is provided free, and, for that reason, the Capitol Hill Forum should receive the recognition it deserves. Under the editorship of Paula Ehrlich, the Forum has proven itself to be a responsible member of the Washington media. In its first year, the newspaper has reported on many complex issues with admirable fairness and accuracy.

On its first anniversary, I would like to extend to the Forum my congratulations on a job well done.

INCREASING PARTICIPATION IN UNITED NATIONS

Mr. McGEE. Mr. President, the executive branch is presently in the midst of a thorough and far-reaching effort at increasing the effectiveness of our participation in the United Nations.

This is a most welcome development. As has been all too often the case in recent years, the United Nations has received a very low priority in our foreign policy considerations. As a result, our ability to influence events within the vital international body has suffered.

It appears we are beginning to develop a policy which recognizes the inherent value of the institution and the various agencies and bodies which make up the United Nations family. The performance of Gov. William Scranton, as our U.N. Ambassador, has demonstrated his astute knowledge of, and appreciation for, the vital interests of the United States in the United Nations system. The administration is to be commended for the appointment of the former Pennsylvania Governor to this vital point. U.S. efforts at the United Nations should be significantly strengthened if the administration heeds his advice and counsel.

Of equal importance was the recent testimony of Samuel Lewis, Assistant Secretary of State for International Organization Affairs, who appeared before a recent session of the Senate Foreign Relations Committee. It is apparent that Sam Lewis brings extraordinary qualities to this vital position within the State Department. It is another example of how serious the executive branch is in attempting to give the United Nations a higher priority within foreign policy considerations.

While not going into any great detail—as I will let the testimony speak for itself—Secretary Lewis presented a very balanced and effective case in defining broad U.S. interests in the U.N.

As Secretary Lewis noted in this testimony:

> Any assessment of the role of the United States in the United Nations must, therefore, take into account not merely issues of the moment, but our fundamental interests, and the basic ideals of the American people.

In this connection, it would be worthwhile for the Senate to place the voting record of the United Nations General Assembly in perspective. The anti-Zionist vote during the last session of the U.N. General Assembly was one of the most deplorable acts ever voted upon by an organ of the United Nations. Yet, even as deplorable as this action might have been, it must be placed in its proper perspective. Earlier this year, the United Nations Association of the U.S.A. published an analysis of how well U.S. interests are protected during consideration of a wide variety of issues which come before the U.N. General Assembly. As the UNA pointed out:

> Last year, the 29th General Assembly, out of 241 resolutions and decisions, the controversial ones on which the United States voted "no" came to only 18 or just 7.5 percent. Finally, just as voting coalitions in Congress tend to shift with individual issues, so do they shift in the U.N. The Zionism resolution, for example, was supported by only 72 member nations, a bare majority, reflecting a deepening split in the "Third World bloc" and an increasing awareness of fundamental differences in political opinion. By contrast the 1974 resolution granting observer status to the PLO had the support of 114 governments.

In a recent editorial, the Christian Science Monitor analyzed the present U.S. Government attitude toward the United Nations. Quoting from Secretary Lewis' statement before the Foreign Relations Committee:

> We support the United Nations; and we shall work in the future—as we have worked in the past—to add strength, and influence, and performance to all that the organization stands for in this, our tempestuous, tormented, talented world of diversity in which all men are brothers and all brothers are somehow, wonderously, different—save in their need for peace.

As the editorial noted:

> Is the voice familiar? This is what then Ambassador Adlai Stevenson said a decade ago on the occasion of the U.N.'s 20th anniversary. The U.S. could hardly do better than live up to these words now.

The point is both succinct and relevant. I only hope the Congress will act with the perception and rationality which is now characterizing the attitude of the executive branch as it implements its new policy toward the United Nations system.

I ask unanimous consent that both the testimony of Secretary Lewis and the Christian Science Monitor editorial be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE ROLE OF THE UNITED STATES IN THE UNITED NATIONS

(Statement of Samuel W. Lewis, Assistant Secretary of State for International Organization Affairs)

Mr. Chairman: I greatly appreciate your invitation to appear before this Committee, on behalf of the Administration, to discuss United States policy towards the United Nations. We are passing through a time of turbulence in that organization, and these hearings can help all of us, public and Administration alike, to steer a firmer course.

Consultation between the Executive Branch and the Congress on UN matters is growing, and we welcome that trend. Within the last half year there has been a particularly close and productive cooperation between members of Congress and the Executive Branch in connection with United States participation in the 7th Special Session of the General Assembly, held last September, on the subject of world economic cooperation. Several from this Committee and other interested members of Congress met with Secretary Kissinger on several occasions during the months of preparation, commented on our ideas, and put forward many creative suggestions of their own. Many were reflected in the proposals we put forward in New York. A large number of Senators and Congressmen then joined our delegation at the Session itself, participating actively in the negotiations.

The 7th Special Session endorsed a comprehensive agenda for action by consensus, a resolution which the United States was happy to support. We are convinced that the collaboration between the Congressional and Executive Branches had a major bearing on the success of our efforts to shape the outcome. This example should surely provide the model for our efforts in future major UN endeavors.

But we are equally aware of more worrisome trends. The regular session of the General Assembly last fall was marked by high contention. The United States and some of its friends, particularly Israel, seemed to take it on the chin. Among other actions, a resolution was adopted which Americans fundamentally reject, which they rightly believe to be a wholly unjustified distortion of basic truths—the resolution equating Zionism and racism. And other hostile resolutions were adopted in an atmosphere of confrontation—raising serious questions in the minds of many Americans about the UN itself and about the utility of U.S. participation in its work.

Indeed, throughout recent decades there have been large-scale changes in the political environment at the United Nations, especially in the General Assembly. Orginially, the organization consisted of about 50 countries, most of which practiced a fairly polite brand of diplomacy—along 19th century lines. Now, however, membership has expanded to nearly 150, with the addition of about 100 new nations. These countries share a deep dissatisfaction over the cards they were dealt when they became independent. They want to narrow the great gulf of economic inequality. They want a weightier political role in the international state system. They are impatient, and many are eager to dramatize their causes even if this involves a disregard for traditional niceties of diplomacy. Americans understandably are affronted when our country is attacked, or repeatedly outvoted, by small new nations whose independence we championed.

At the same time, many Americans understand that global cooperation is more than ever essential to meet inescapable global problems. We are all increasingly aware that the interdependence of nations in both the economic and security spheres can have a direct effect on the lives of our citizens.

The oil embargo that followed the last major Middle East conflict produced serious hardship in many countries, including our own. Many saw vividly for the first time the inescapable facts of economic interdependence—that political decisions by other governments can damage America's prosperity, can impact on whether millions of Americans have jobs or suffer the economic and social hardships of unemployment, on whether our businesses and our economy grow and flourish, on whether or not our budget can readily sustain vital social, educational, and health programs.

In addition to these pragmatic concerns, there is another factor which makes your current review particularly important. Our government was the chief architect of the United Nations system. We acted in the shadow of a global disaster whose incalculable cost had convinced men and women in every land that a new basis for global cooperation had to be established. Through all the disappointments and setbacks of the past 30 years, we have remained among the chief supporters of constructive and innovative work within the United Nations system. This is because, as President Ford has said, "the United States retains the idealism that made us the driving force behind the creation of the United Nations system over three decades ago as a worldwide system to promote peace and progress."

Any assessment of the role of the United States in the United Nations must, therefore, take into account not merely the issues of the moment, but our fundamental interests, and the basic ideals of the American people.

Moreover, it is essential that we view our role in the United Nations as an integral part of our overall foreign policy—not as a separate segment. The United States seeks on many fronts to build an international system congenial to the pursuit of our national foreign policy goals. Our participation in the United Nations represents only one part—although certainly an important part—of that larger effort.

If this central point is accepted, it means that we can approach the United Nations in a practical way. We should ask ourselves:

Not whether the United Nations can solve all of the world's evils—but whether it can contribute significantly to the achievement of American purposes.

Not whether the United States can win every dispute in the United Nations—but whether through firm, imaginative and patient participation we can help the United Nations to play its role in building a world order in which all countries, rich and poor, new and old, feel a genuine stake.

To help find answers to these fundamental questions, I would like today to review how we see U.S. interests in the United Nations system as a whole; second, how the General Assembly fits into this picture; third, where we stand now in our effort to encourage more responsible participation in the United Nations by other states; fourth, what future course it would be in our interest to follow; and lastly, what paths we should avoid if we are to protect our basic interests.

THE NATURE OF THE UNITED NATIONS SYSTEM

The United Nations is often seen as a simple, single entity. As a consequence, simplistic judgments too often affirm that the United Nations is either good or bad, getting worse or better, in the U.S. interest or contrary to it.

The United Nation's system, however, is composed of a vast array of institutions, embracing an extremely wide spectrum of activities. It includes bodies of nearly universal membership and relatively small subgroups. It includes specialized agencies handling the regulation of daily international intercourse in technical fields like shipping, aviation, communications, finance. It includes bodies working on highly political security issues, and others wrestling with the complexities of international economic policy. It includes organs which funnel development and humanitarian aid to many countries. Within many of these institutions there are different types of subbodies—conferences, executive boards, expert groups.

Clearly, regarding this range of activities, no single, simple judgment of success or failure can be made.

I believe, however, it may assist in our review to consider United Nations activities in two broad spheres. First, those relating directly to the maintenance of international peace and security, and second, those relating to economic and social cooperation.

In the security area, the United Nations, and the Security Council in particular, has made vital contributions to maintaining world peace. Let me illustrate by recalling recent peacekeeping efforts in the Middle East.

During the fourth Arab-Israeli war in 1973, our efforts to achieve a ceasefire and avoid dangerous escalation of the conflict encountered enormous difficulties. In the negotiations it became clear that disengagement between the opposing forces would depend upon the availability of an independent, impartial organization that could provide peacekeeping forces and observe compliance with the disengagement plan. This was an element regarded as indispensable by all sides. The UN provided that indispensable element.

This experience, incidentally, underscores a key point in any overall assessment regarding the value of the United Nations. It would be completely misleading to attempt to tally up apparent successes and failures within the United Nations system and then draw a conclusion based on a comparison of the totals, as if all of these events were of roughly equal importance. In fact, they are not.

The United Nations operations in the Middle East were an essential ingredient in terminating the fourth Arab-Israeli war. We all know that the conflict, had it continued, would not only have deepened the misery within the area, but it would have gravely jeopardized world peace. No one can be certain that another world war, including the United States, would not ultimately have ensued. The United Nations performed a role of incalculable importance to the United States.

The United Nations continues to play such a role. The mandates of the UN forces both in Sinai and on the Golan Heights have been extended. These forces remain integral elements in preserving options for negotiations toward a just and lasting peace.

As Secretary of State Kissinger recently said, "If this organization had no other accomplishment than its effective peacekeeping role in this troubled area, it would have well justified itself."

In other areas of political tension, the Security Council has also played an important role. It has served increasingly as one of the mechanisms through which a growing crisis may be defused or negotiated or at least kept from erupting. On a number of occasions, it has permitted a government being pressed towards a military reaction or intransigence to allay such pressures by taking the issue to the Council.

This was true, for example, of a number of the sessions devoted to Cyprus, to the Spanish Sahara, to Djibouti, and to Iceland as well. In Cyprus, a peacekeeping force has been deployed at the direction of the Council since 1964. The Force, in addition to patrolling the lines of confrontation, has contributed to the satisfaction of humanitarian needs.

The Security Council continues to be occupied with important business, including the problems of Southern Africa and the thorny Middle East dispute. Although inevitably there will be conflicting viewpoints, we find that the Council has been conducting its proceedings in a serious and responsible atmosphere, employing relatively new, informal procedures which reduce somewhat the temptation for delegates to play to world propaganda galleries.

The Security Council will continue to be available in the event of unforeseen crises—ready to meet at all times and at a moment's notice. Its constant availability provides an appropriate check against efforts by other bodies to issue recommendations bearing on security matters. Since the Charter has assigned the Council primary responsibility in the area of peace and security, recommendations of other bodies remain only that. It is only the Council—in which the United States retains its veto—which can make binding decisions.

Let me turn now to the UN's activities affecting international economic and social cooperation. This is a vast realm involving both the conduct of day-to-day work in regulating the world's continuing business, and also the development of goals and concrete programs regarding global problems of economic interdependence, as at the 7th Special Session. I would like first to sketch several examples of continuing day-to-day business within the UN system which are of intrinsic importance to our citizens.

—The International Civil Aviation Organization, for example, helps to set and maintain high standards for international air transportation. Needless to say, for our citizens who probably use international air transportation more than the citizens of any other country in the world, international cooperation in improving safety and efficiency is of vital, direct importance. And the standards developed by the ICAO will assist many countries to take measures that can lessen the occurrence of aircraft hijacking.

For many years the World Health Organization has worked patiently and with determination to rid the world of the highly contagious and age-old disease, smallpox. These endeavors have been outstandingly successful. The WHO also maintains a worldwide alert system to warn governments of the outbreak of serious contagious diseases anywhere in the world, and this activity is clearly of great value to our own health officials and to Americans—millions of them—who travel abroad.

The Food and Agriculture Organization maintains programs which directly lessen the threat of introduction into the United States of foreign plant and animal diseases and pests. This organization has established a program in which over 100 countries participate to maintain internationally accepted food standards. The United States, as a major food exporter and importer, directly benefits, not only because international trade is facilitated, but also the health and safety of Americans is better protected. Moreover, new research programs sponsored by the FAO are expected to improve the varieties of our food crops.

Several bodies within the UN system are encouraging programs to control production of opium and other dangerous drugs and to curtail international drug trafficking. These efforts largely respond to priorities we have urged, and they are of undoubted benefit in the overall U.S. effort to counter drug abuse among our citizens.

The International Monetary Fund, another organization within the United Nations system, plays an indispensable role in promoting international monetary cooperation, facilitating international trade and finance, and promoting world economic stability. These are areas in which our own country has huge interests which would be difficult to exaggerate.

A little known body within the United Nations system is the UN Disaster Relief Office. It helps to coordinate assistance from many parts of the world when a country has been overwhelmed by natural disaster.

The International Atomic Energy Agency plays an indispensable role in the effort to prevent the spread of nuclear weapons. The Agency is responsible for establishing safeguards standards and carrying out international inspections to ensure that nuclear materials are not being transferred from peaceful uses to weapons uses.

The World Meteorological Organization maintains a World Weather Watch—a global network of meteorological stations collecting and exchanging weather information on a continuous basis. This program has made possible improved forecasts for U.S. passenger jets crossing the Atlantic and the Pacific. It has also enabled more accurate forecasts of hurricanes originating in the Caribbean which affect the eastern half of the United States. Large-scale research programs coordinated by this UN body will improve our understanding of climate changes which are fundamental to agricultural and economic planning.

The Intergovernmental Maritime Consultative Organization is developing standards which nations are generally following to prevent pollution of the seas. This organization's work in the field of safety at sea has long been recognized as of the highest value to all countries whose ships and peoples travel the oceans.

This list of examples could be extended almost indefinitely. I have mentioned only a few to illustrate the range of work being done within the UN system today which affects directly the interests and concerns of our citizens.

I have already referred to last September's 7th Special Session of the General Assembly on world economic cooperation. At that Session our government presented a comprehensive set of proposals which resulted in the adoption of a wide-ranging practical program for improving economic cooperation between the developing countries and the industrial world. The important point to bear in mind about the Special Session is that it provided an opportunity for us to see whether it was possible to fashion approaches to current economic problems which would be in the mutual interest of all countries. I cannot stress this point too strongly. What the United States Government was proposing at the Special Session was a nonideological approach to problems of economic interdependence, based on concrete steps of benefit to poor countries and rich countries alike. We found an overwhelming majority of governments in the Third and Fourth Worlds ready to try this path with us.

Since September, we have been vigorously following up on our Special Session proposals. At meetings of the International Monetary Fund in Jamaica two months ago, the United States took the lead in achieving adoption of measures to stabilize the earnings of developing countries and to help meet the severe balance of payments problems which many of them are experiencing. We have gotten well underway in the North-South dialogue at the Conference on International Economic Cooperation taking place in Paris. At the Multilateral Trade Negotiations in Geneva, we are vigorously promoting our Special Session proposals. And in anticipation of the 4th UNCTAD, the UN Conference on Trade and Development in May of this year, the Department of State is working intensively on further practical proposals to implement more of the broad negotiating agenda adopted at the Special Session.

Let me conclude this part of my statement with this observation: as we build on the program begun at the 7th Special Session, we will not merely be assisting the less fortunate—we will be helping to create healthier conditions throughout the world which provide more opportunities for American business. The long-term results will create more jobs for American workers and also lessen the danger of raw material scarcities which can fuel a worldwide inflation that would erode the real income of consumers in the United States and throughout the developed world.

THE ROLE OF THE GENERAL ASSEMBLY

It is easy for most Americans to agree that bodies like the World Health Organization or the Security Council are indispensable and continue to merit full American support.

But many question the usefulness of the General Assembly or other parts of the UN system whose utility is less obvious; they are prone to call on our government to cease participating or to reduce our financial support. This issue has recently arisen with respect to the General Assembly because of parliamentary abuses which have taken place there and because that body has recently taken a number of irresponsible actions—such as passage of the resolution equating Zionism and racism. The question is a valid one. But in order to answer it, we must first take a careful look at the overall activity of the General Assembly to see how it fits with other activities of the United Nations and how American interests are affected by its work.

The General Assembly is the central body of the United Nations. It considers and disposes of certain subjects which are dealt with nowhere else in the UN system; but it also provides guidance and coordination for many activities handled by specialized and technical bodies. Moreover, many of the activities of the United Nations which we strongly support are financed through decisions taken by the General Assembly.

The best way for me to explain the Assembly's role might be to provide a series of illustrations showing the interconnection between the General Assembly and other activities.

SUPPORT FOR MIDDLE EAST PEACEKEEPING OPERATIONS

Peacekeeping operations in the Middle East and elsewhere have been financed in accordance with decisions of the General Assembly. While the members of the Security Council take policy decisions which set the basic lines of action, *all* UN members have a responsibility to contribute to the costs. All members jointly determine the amount and apportionment of the assessed expenses, and in fact have done so through the General Assembly. Needless to say, the essential peacekeeping operations in the Middle East could not be carried out unless there were successfully cooperation in determining how to pay for the troops, supplies, and other burdens inherent in these large operations. We are pleased that a pattern of cooperation in providing financial support for Middle East peacekeeping has continued within the General Assembly.

Consideration of security issues. It is often thought that security issues are dealt with seriously only within the Security Council. This is not so. Many of the most important security issues of significance to the United States have been considered by both the Security Council and the General Assembly, and there is unavoidable interaction between the two bodies. This has, for example, been the case with the Middle East, with Korea, and with Cyprus. In the latter case, the General Assembly has adopted resolutions which the United States considered moderate and constructive and which have had a direct influence in stimulating talks between the Greek and Turkish communities. It is encouraging that talks have recently resumed under the auspices of the Secretary General who is pursuing his mission with skill and dedication. I should also mention in passing that the Security Council and the General Assembly are further interconnected because it is the General Assembly which elects the non-permanent members of the Security Council.

Promotion of economic and social cooperation. Within the United Nations, the General Assembly has not merely a partial role, but a predominant one. I have already cited the 7th Special Session of the Assembly on world economic cooperation. A meeting of that sort could only have taken place in the General Assembly. It will be the General Assembly and some of its subsidiary bodies, the Second Committee and the Economic and Social Council, which will monitor implementation of many of the concrete measures for economic cooperation which the U.S. has proposed.

United Nations involvement in international drug control. As the result of a U.S. initiative, the General Assembly adopted in 1970 a resolution authorizing establishment of the United Nations Fund for Drug Abuse Control. The technical and executing personnel for many of the projects financed by the Fund come from the Division of Narcotic Drugs, part of the UN Secretariat, which is supported by the budget of the United Nations as voted by the General Assembly. The Fund's most important project has been its assistance to Turkey in setting up strict controls over its poppy production. It was not so long ago that it was feared that heroin from Turkish opium might once again appear on the streets of American cities. In 1975 the Fund-supported Turkish program prevented this from happening. Today the Fund is helping the Turkish Government to make this success permanent.

The General Assembly is also responsible for supporting unprecedented diplomatic efforts to achieve international agreement at a series of UN conferences on the Law of the Sea. I think it is broadly recognized that the U.S. must persevere, no matter how hard the task, in working out with other countries fair, sound, and effective rules to govern this enormous sector of our planet. World peace and security are at stake, as is the future rational and peaceful exploitation of the resources of the oceans and the seabeds.

The third major session of the conference is now underway in New York and we are hopeful that a comprehensive oceans treaty may soon be in sight.

The United Nations Fund for Population Activities is another activity directly connected with the General Assembly. Many members of the Congress and public have been deeply concerned with the difficult dilemma of trying to make meaningful gains through development assistance when population growth outstrips economic growth. The UN Fund for Population Activities is supporting important projects that help countries to slow down explosive population growth rates. The Fund's connection with the General Assembly is very direct. Several years ago, the General Assembly debated and adopted a world plan of action on this subject—a major step forward for the nations of the world. This General Assembly action provides a fundamental framework and impetus for all population control activities, including particularly those of the UN Fund.

The United Nations Environment Program is a creature of the General Assembly, having been established by a resolution of the Assembly in 1972, and the budget of the UN contributes to its work. Since the UN's Stockholm Conference on the Human Environment, the U.S. has attached great importance to the mounting of a major UN program to begin the work necessary to reverse worldwide deterioration of the human environment. A concerted worldwide program can only be realized within the UN system; and the Assembly has taken the essential steps to launch and support this effort.

The General Assembly has also recently played a constructive role in planning worldwide cooperative efforts to cope with international food problems. The Assembly decided, as a result of a U.S. initiative, to convene a World Food Conference. Held in November 1974, the Conference was generally successful. Among many other actions, the Conference led to the formation of the World Food Council which reports to the General Assembly. World food problems clearly are of central importance to the United States—both for humanitarian reasons and because they have direct impact on our own economic well-being.

The United Nations Disaster Relief Office, to which I earlier referred, is another activity guided and supported by the General Assembly. We believe that the worldwide coordination efforts of this organization can save the American government, and thus the American taxpayer, significant sums by helping to avoid overlapping or duplicative disaster relief efforts.

The U.S. has always responded generously when other countries are struck by natural disaster, as recently occurred in Guatemala. I am sure that we will continue to do so. The functioning of the UN's disaster relief coordination effort is of real practical value to the United States.

Finally, the General Assembly also serves as the only truly global forum for promoting disarmament agreements which are in our interests and the broad interests of all other nations. Certain negotiations, like the Strategic Arms Limitations Talks (SALT), must of course be carried out by the nations most directly involved, the U.S. and the USSR. But there are other vital disarmament areas, like the current effort to control forms of warfare based upon manipulation of man's environment, which should merit wide international support and participation. The General Assembly has recently discussed a draft agreement proposed by the United States. The Assembly's activities are a necessary part of the process of achieving broad international support for a sound treaty.

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There is another aspect of the General Assembly which I have not so far discussed. That is its role as a universal forum to debate basic viewpoints, to develop consensus when this is possible, and to register honest disagreement.

We must expect to encounter serious differences in point of view among the nearly 150 countries that comprise the United Nations. These differences do not derive primarily from hostility to the United States, though hostility is sometimes a factor. More often they reflect the diversity of interests among countries widely differing in geography, state of development, and historical background. Amid such diversity, the United States will not always have its way and indeed it should not expect to. What is important is that countries pursue their differences in a spirit of mutual respect and that they still attempt, to the greatest extent possible, to agree on concrete measures from which there can be common gain.

Obviously, these precepts have not always been followed and there have been recent instances when countries have gone beyond the bounds of vigorous, constructive debate and have attempted to establish by "parliamentary victories" doctrines which a substantial part of the world cannot accept.

But even where there is sharp conflict, it is important that all of us keep in mind this fundamental aspect of the United Nations. It is not some abstract entity called the United Nations which is responsible for disagreements or irresponsible and confrontational acts. It is individual countries acting through their representatives which make decisions about what should be proposed, supported, or opposed at the United Nations. In this sense the United Nations is but a mirror of the attitudes of governments throughout the world.

Certainly any parliamentary body can distort the reflection of the real views of those represented. For example, there is no doubt that in many representational bodies, including the United Nations, the extent of support for or opposition to a particular proposal is often affected by old-fashioned "logrolling," or by whether a particular representative desires to build personal support for an elected office in the body. In general, however, the opinions and concerns of governments are mirrored in the actions of their United Nations representatives.

Let us keep one point firmly in mind: the United States does not fear vigorous debate. When widespread disagreement about an important issue exists, it is in our interest that it be exposed and debated. The reality of differing viewpoints, differing objectives, will not go away simply because countries may find it expedient in one forum or another to hold back in expressing their opinions. Open discussion of differing viewpoints is an essential first step towards making progress in understanding the full dimensions of a problem, the interests at stake, and in identifying and enlarging on those areas where there may be common ground.

This does not mean that we welcome or enjoy hostile or exaggerated attacks. When debate is carried on in an irresponsible fashion, positions can harden and the prospects for accommodation diminish. We will therefore work in every way to encourage serious, responsible debate, while forcefully rebutting unwarranted attacks on our good name. But the United States is a strong enough country, and our overall record of past constructive achievements is impressive enough, that we need not shrink timidly from the fray—even when the going gets pretty tough.

WHERE WE STAND

I have already discussed where we stand with respect to some of the main substantive subjects within the United Nations system. As I have indicated, we believe the United Nations has done, and is continuing to do, responsible work in many areas relating to maintaining international peace and security. We also believe that the United Nations is doing essential work on many economic and social issues. What I would like to focus on now is where we stand in our reinforced diplomatic efforts to encourage a greater degree of responsibility and genuine cooperation among all countries in the United Nations.

The United States has for some time been distressed by what has seemed a growing trend towards confrontation within the UN system.

We witnessed an acute example of this confrontation nearly two years ago at the 6th Special Session of the General Assembly. Many less developed and nonaligned countries seemed much more interested at that Session in preserving an artificial bloc unity through which they could score "victories" over the industrial world than in coming to grips with the real economic issues at stake. We were distressed not solely because of the negative political ramifications of this attitude but also because the practice of ramming through "precooked", confrontation resolutions would destroy all possibility of practical cooperation.

Our concern led us to begin a sustained effort to encourage a turning away from confrontation towards cooperation. The Secretary of State made a series of major statements during 1975 in which he spelled out with utmost clarity that countries cannot have it both ways: they cannot expect to challenge and confront us in some arenas and then automatically expect our full cooperation in others.

And we did much more. We attempted to demonstrate, not only in conjunction with the Secretary's statements, but in numerous diplomatic representations, that through the practice of cooperation and conciliation, through the beginning of genuine dialogue, there were concrete gains to be realized by all.

Since confrontation seemed to have reached a peak at the 6th Special Session, we decided to focus special effort on our preparations for the 7th Special Session in September of last year. We viewed that session as a test case, to see whether countries would negotiate rather than confront in the General Assembly when we ourselves made major efforts to present concrete action proposals.

We believe this effort was a success, and I am pleased to say that this is not solely a view of the Administration, but also one that has been expressed by the Congressional group which participated in the Special Session. The Congressional advisors reported that the Session "marks a significant turning point in U.S. relations with the developing countries and sets the stage for a new era of economic partnership between rich and poor nations." They also said that the session "eases a decade of confrontation over how to narrow the widening gap in the distribution and control of global resources." And they referred to "the success of the 7th Special Session in creating a positive dialogue and an atmosphere of negotiation on North-South issues".

Shortly after these encouraging developments were taking place, however, the General Assembly was also the scene of some actions based on confrontation and political antagonism. One such action stood out at the last General Assembly—the resolution equating Zionism and racism.

It was a distressing and deplorable resolution which we know to be wholly unjustified. Nonetheless, it is our duty, no matter how strongly we feel about that resolution, to assess it objectively.

The first thing which needs to be said is that the resolution is not binding on us, or any other member of the United Nations. Like most General Assembly resolutions, it is merely a recommendation. As Secretary Kissinger has said, "The United States will ignore this vote, pay no attention to it."

Second, we must recognize that, throughout this deplorable episode some countries displayed objectives and good sense. In other words, a substantial number of countries, including many from the Third World, refused to be bulldozed by the extremist leadership. This means that the extremists had no iron grip on all votes of the nonaligned. True, in the end the numerical vote went against us, but, in the long run, it may be of more significance that bloc solidarity was fractured.

Third, we must ask ourselves what are the practical consequences of the Zionism resolution? Is it likely to lead to the exclusion of Israel from the General Assembly? It should be recalled that some UN members did try last year to begin an effort to exclude Israel. Fortunately the effort was thwarted, largely because many African and nonaligned countries did not support it. Some of the countries which were against expulsion did, however, support the resolution equating Zionism and racism. They have said that they did so because they believed it represented a way to register a strong protest regarding the Palestinian problem. We will, in any event, continue as we have in the past to resist with the utmost seriousness any unconstitutional exclusion of a member of the UN from General Assembly activities. Such an abuse of the Charter would pose the gravest threat to the viability of the organization as a whole and call fundamentally into question continuing U.S. support and participation.

Fourth, will there be other consequences of the Zionism resolution affecting the work of the United Nations? Yes, there will be. Of most immediate significance, the Zionism resolution applies to other recently adopted resolutions relating to the Decade for Action to Combat Racism and Racial Discrimination, which was launched in 1973. We therefore decided not to participate in this activity. Recently we took concrete steps to implement this policy. We instructed our representative at UNESCO to inform the Director General that we would not participate in a meeting of experts to draft a UNESCO declaration on racism. The meeting was postponed.

U.S. POLICY IN THE FUTURE

I would like now to discuss, in light of this review, what we in the Administration believe should be the American approach to participation in the United Nations. I shall do so first in terms of the direct positive steps we think should be pursued in order to advance American interests. And then I would like to outline some of the policies which we believe it would be contrary or harmful to American interests to adopt.

First, the steps we intend to pursue:

The Administration intends to continue to support in an effective, vigorous, and tough-minded way, all of those programs in the United Nations which offer benefits to the American people. As I think I have demonstrated, there are programs and activities of benefit throughout the entire system—in the Security Council, in specialized agencies, in many technical and ad hoc committees, and in the General Assembly itself.

We will continue selectively to refuse to participate in UN activities which we believe are fundamentally unsound or grossly irresponsible. An immediate consequence of this approach is our decision, caused by the resolution equating Zionism and racism, not to participate in the decade to combat racism. We hope that our firm stand will give many countries serious second thoughts about the wisdom of letting a situation develop in which over the longer term they lose more than they gain.

On the diplomatic front, we have intensified our efforts to impress on other governments that standards of cooperation and restraint largely prevalent in the conduct of bilateral relations should also prevail in multilateral relations. We are doing everything possible to counter the belief that attacks on the motivation and the basic good faith of the U.S. can be safely and inexpensively delivered in international forums. While we welcome honest and vigorous debate over issues, countries should not believe, without any concern for the consequences, that they can attack the vital interests of the U.S. in behalf of some abstract concept of group solidarity, particularly when their own national interests are not involved. When we see a consistent pattern of hostility toward the United States, unjustified by any reasonable and honest differences of policy, we will consider whether there are appropriate direct bilateral responses that we should carry out. It will, of course, continue to be our duty in any such cases to keep in mind the practical balance of American national interests.

In meetings of international organizations, and particularly in the General Assembly, we will continue to speak out firmly and forcefully in behalf of American interests.

There may be differences of judgment from time to time on precisely how this may best be done, but basically an approach of vigor and candor on our part strengthens our participation in the United Nations. Others will know that we care more about the work of the UN and about their opinions when we take the time and the trouble to engage ourselves in vigorous give-and-take. Moreover, it seems clear that such an approach will be strongly supported by the American people and will be important for maintaining the public's confidence in our work.

To strengthen our capacity to interrelate effectively our multilateral and bilateral diplomacy, the Department of State has taken important new organizational steps. We have established within the Bureau of International Organization Affairs a new Office of Multilateral Affairs, under the supervision of a Deputy Assistant Secretary of State. The basic responsibility of this office is to work even more intensively than in the past with our regional bureaus and our embassies in order to achieve maximum possible support from other countries in pursuing issues of greatest concern to the United States. The overall thrust of this effort will be to increase our effectiveness in persuading others on the merits of the issues. There is a tremendous job to be done here. We need to approach governments early. We need to build up serious and frank dialogues with many countries which continue throughout the year. We need to frame our arguments in ways which are most meaningful to countries with dissimilar backgrounds. In short, we need to use all opportunities, both in our bilateral and multilateral contacts, to persuade—to build a climate of greater understanding.

In addition to these specific immediate actions, we are taking broader long-range actions to build up the capability of the personnel of the Department of State and the Foreign Service to perform more effectively in advancing American interests in international organizations. We are building up work on multilateral affairs as a specialty. To be sure that the best officers are attracted to assignments in multilateral diplomacy, we are establishing new training programs and designating positions in our embassies to concentrate on multilateral affairs problems on a year round basis. The success of all of our efforts in multilateral affairs ultimately will depend to a large measure on the talents, skills, and training of our personnel.

Let me discuss now certain courses of action which we do not think are in the American interest:

First, withdrawal from the United Nations as a whole. The President has made clear that the United States continues to support the United Nations. We believe that the organization as a whole serves many important American interests. This option would hurt, not help, the United States.

Second, cessation of our active participation in the General Assembly. We do not believe this is either a desirable or a practical course of action. There are many Assembly activities which are beneficial to us and many which are intertwined with vital activities in other forums like the Security Council. For us to cease our active participation in the Assembly's work would deprive us of an influential voice on such issues as: the funding and administration of peacekeeping operations; the planning and shaping of important international conferences, like the World Food Conference and the Law of the Sea Conference; the development of new international institutions like the International Fund for Agricultural Development; the formulation and approval of the United Nations budget, which supports such activities as international drug control and worldwide efforts to improve the environment.

Third, reduction in the United States contribution to the UN's budget. This also would be a self-defeating course. We have a treaty obligation to pay our assessed contribution to a UN budget properly adopted by its members. The Administration does not intend to disregard the treaty obligations of the United States, and we are certain the Congress would agree. But even if this fundamental consideration were not present, it would still serve no practical purpose to reduce unilaterally our contribution. There is no realistic way to prevent activities which we do not like as a result of such a reduction. The Soviet Union tried this course when it refused to pay its assessments for UN bonds required to relieve financial strains arising out of UN peacekeeping operations. The net result was not to stop the peacekeeping operations, but to place additional burdens on the funding of all activities covered by the UN budget. We should not ourselves consider reductions which would only have the impact of making it harder to support the many activities which we feel are beneficial. I would note in passing that under the present assessment rates the United States is treated specially—and favorably. If the formula used for calculating the dues of others, for example, the United Kingdom, France, the Soviet Union, were applied strictly to the United States, we would pay more than the 25 percent we do now. A great many countries now contribute a larger share of their gross national product to the United Nations than does the United States.

Fourth, cutting off U.S. bilateral assistance to all countries which supported the Zionism resolution or other resolutions which were egregiously irresponsible or hostile. We believe that this type of shotgun approach would harm American interests. It would be playing into the hands of extremist adversaries for us to lash out equally at all who voted for the Zionism resolution, without recognizing important differences in underlying situations and even some possible differences in motives. In short, our bilateral programs serve a great many American interests and are carried out for a wide and complex variety of reasons. We should not subordinate all of these American interests to a single vote, no matter how offensive, on a recommendatory resolution which we and many other members intend to disregard.

Fifth, reduction of U.S. support for multilateral development assistance, especially through the UN Development Program. This also would be contrary to American interests. By cutting back on our own contributions, we would be lessening significantly the money available for many close friends who benefit from UNDP programs. In addition, we would be lessening the assistance available to many of the poorest countries, like the drought-stricken nations in Africa. This dimension—that some aid is of an essentially humanitarian character—also argues against proposals to cut back on our bilateral economic assistance. But there is an even more fundamental point involving the calculation of U.S. interests. We do not support UNDP as a favor to other nations. We do so because we believe it is in our interest. We believe that the development efforts fostered by the UNDP and other multilateral programs will over time contribute to creating a healthier expanding world economy—one in which there will be more opportunities for American business, for growing and profitable trade, all of which can have the consequence of greater American prosperity.

CONCLUSION

Mr. Chairman, this hearing provides a valuable occasion for the Congress and the Administration to consider together issues of fundamental importance to the American people. The breadth of our interests involved comprehends our physical security, our economic well-being, and even our ability to pursue the kind of way of life which we cherish.

It is clear that it would be wrong, even tragic, to take only a short-range view of individual activities within the United Nations system. As the Secretary of State commented last year in Pittsburgh, "we also will keep in mind that we have long-term obligations, and that we will not be driven by the emotions of the day." All of us, I submit, must make every conceivable effort to keep our sights fixed on our larger, long-range goals.

We will not, Mr. Chairman, ever experience in any continuing body, domestic or international, a steady and straight graph of successes or failures. There will be ups and downs. We have recently experienced a serious low point. But we have also experienced some points that are very high indeed. Foremost among these is the outstanding American success at the 7th Special Session on international economic cooperation. We do not exclude that other high points, other successes, are possible. In fact, we believe that they are. But we can achieve them, not by withdrawing, but by participating—by staying and fighting for what we know to be right.

We will not ignore our difficulties. We will not pretend that we have not had setbacks—because, indeed, we have. But equally, we in the Administration, and we hope and trust that this is true of Americans generally, will not give up in a fight where there are important and fundamental gains to be made for our country.

And we must maintain historical perspective. Since the United Nations was founded some 30 years ago at San Francisco, the world has witnessed fundamental changes which no one could have predicted.

Ambassador Adlai Stevenson on the occasion of the United Nations 20th anniversary, shortly before his death, described the situation this way: "In the bright glow of 1945 too many looked to the United Nations for the full and final answer to world peace. And in retrospect that day may seem to have opened with the hint of a false dawn.

"Certainly we have learned the hard way how elusive is peace—how durable is man's destructive drive—how various are the forms of his aggressions.

"We have learned, too, how distant is the dream of those better standards of life in larger freedom—how qualified our capacity to practice tolerance—how conditional our claims to the dignity and worth of the human person—how reserved our respect for the obligations of law."

He then described the changes taking place in the world:

"Already science and technology are integrating our world into an open workshop where each new invention defines a new task, and reveals a shared interest, and invites yet another common venture.

"In our sprawling workshop of the world community, nations are joined in co-operative endeavor: improving soils . . . purifying water . . . harnessing rivers . . . eradicating disease . . . feeding children . . . diffusing knowledge . . . spreading technology . . . surveying resources . . . lending capital . . . probing the seas . . . forecasting the weather . . . setting standards . . . developing law . . . and working away at a near infinitude of down-to-earth tasks—tasks for which science has given us the knowledge, and technology has given us the tools, and common sense has given us the wit to perceive that common interest impels us to common enterprise.

"Common enterprise is the pulse of world community—the heartbeat of a working peace . . ."

Mr. Chairman, I can find no words that better express my own view of the United Nations than those spoken by this great American on that occasion:

"We support the United Nations; and we shall work in the future—as we have worked in the past—to add strength, and influence, and permanence to all that the Organization stands for in this, our tempestuous, tormented, talented world of diversity in which all men are brothers and all brothers are somehow, wondrously, different—save in their need for peace."

[From the Christian Science Monitor, Apr. 9, 1976]

U.S./UN: Echoes of Adlai

How is United States policy toward the United Nations shaping up after that brief but turbulent period of Moynihanizing? With Ambassador Scranton performing firmly but unflamboyantly on the job, the State Department recently sent a representative to Capitol Hill with what it describes as an "up-to-date official statement" on the subject. It is disappointing on some points but not in its final words with their once and future ring:

"We support the United Nations; and we shall work in the future—as we have worked in the past—to add strength, and influence, and permanence to all that the organization stands for in this, our tempestuous, tormented, talented world of diversity in which all men are brothers and all brothers are somehow, wondrously, different—save in their need for peace."

Is the voice familiar? This is what then Ambassador Adlai Stevenson said a decade ago on the occasion of the UN's 20th anniversary. The U.S. could hardly do better than live up to these words now.

Does the U.S. live up to them by reacting to the egregious Zionism-is-racism resolution with a decision not to participate in the UN's decade to combat racism? In view of American moves to avoid a racist identification in the southern Africa turmoil, for example, it would seem short-sighted to be identified for 10 long years as a country declining to join the UN's major anti-racist venture. And the venture itself could be improved through the influence of the U.S. and its hard-won experience in combating racism at home.

The confirmation of nonparticipation in the decade as current U.S. policy is one of the disappointments in the statement delivered to the Senate Foreign Relations Committee last month. But it is full of carefully drawn particulars that ought to temper controversy over some other U.S. positions.

On U.S. retaliation outside the UN against countries that attack it inside the UN. This would not be undertaken lightly: "When we see a consistent pattern of hostility toward the United States, unjustified by any reasonable and honest differences of policy, we will consider whether there are appropriate direct bilateral responses that we should carry out."

On cutting off U.S. assistance to countries supporting the Zionism resolution or others of similar irresponsibility. The State Department rules out the "shotgun approach" of ending aid to all such countries. It recognizes "important differences in underlying situations and even some possible differences in motives."

On the possibility of reducing U.S. support for multilateral development assistance. The State Department is opposed to such reduction. "We do not support UNDP [UN Development Program] as a favor to other nations. We do so because we believe it is in our interest."

The department also wisely rejects such steps as withdrawing from the UN as a whole or dropping out of active participation in the General Assembly or reducing the U.S. contribution to the UN budget. "Under the present assessment rates the United States is treated specially—and favorably," the statement notes. "If the formula used for calculating the dues of others, for example, the United Kingdom, France, the Soviet Union, where applied strictly to the United States, we would pay more than the 25 percent we do now. A great many countries now contribute a larger share of their gross national product to the United Nations than does the United States."

Such perspectives help to explain and confirm that, despite the flare-ups and confrontations of the past couple of years, the U.S. remains committed to the basic UN spirit of cooperation which it sees as enhanced rather than undercut by full and frank debate.

Ambassador Scranton is operating in this spirit when he offers unpalatable truths to the Israelis on one day and to the Palestinians on the next. The State Department policy freshly articulated to the senators provides firm backing for his endeavors.

LET THE CYCLE REIGN SUPREME

Mr. CRANSTON. Mr. President, the bicycle is a vastly underrated form of transportation that can provide us with many benefits. Today's Washington Post contains an excellent article about the bicycle—its benefits and its surge in popularity.

Jonathan Power, author of this article, points out that when we are given the chance to "cycle in safety," we seize this chance. I agree with Mr. Power. For this reason I have been a strong supporter of both urban and cross-country bicycle paths. Legislation which I introduced in 1971 was responsible for making highway trust funds available for bicycle path construction.

Mr. President, I am delighted that bicycling has become America's fastest growing outdoor activity. As an active bicyclist I can appreciate the many advantages of cycling—from improved physical fitness to decreased dependence on energy imports. I ask unanimous consent that Mr. Power's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Apr. 28, 1976]

Let the Cycle Reign Supreme

(By Jonathan Power)

Rome.—The Piazza Navona, that graceful 16th century square with the Bernini Fountains, is one of the great joys of Rome.

An oasis of tranquillity right in the heart of the city, a mighty square two hundred and forty meters long, sixty-five meters wide, where motorized traffic is forbidden and people sit—in my case write a newspaper column—or ride bicycles. Indeed this is the very place where three years ago my own two little girls learned to ride a bicycle, hired from the little shop where Signor Tanturri has been plying his trade for some 30 years.

The bicycle is man's energy-efficient and effective form of transport—effective because it does so much good, increasing man's unaided speed by a factor of three or four, while doing so little harm—there are no exhaust fumes, it takes a thirtieth the space of a moving car and rarely are people knocked down. Despite these great advantages the bicycle has been, almost literally, driven off most of our city roads. In Britain the Ministry of Transport estimates that the distance traveled by cycles went down from 5.8 million miles in 1962 to 2.3 million miles in 1972.

At last, however the tide has begun to turn. The car is no longer seen as such a wonder horse. And OPEC has helped nurse doubts that were introduced by the upward graphs of heart disease and obesity. Cycles are coming back and fast too. In 1968 in Britain, only 573,000 bicycles were sold. Last year the total passed the one million mark for the first time in 20 years. The United States now sells more new bicycles than automobiles. And sales are booming. It is America's fastest growing outdoor activity. Surprisingly it is no fad of the trendy young. A survey in Washington, D.C. showed that the average age of male riders was 38 and of women, 40.

A fascinating study done under the unlikely auspices of the United States Atomic Energy Commission has concluded that the bicycle is one of America's great unexploited resources. The author, Eric Hirst, argues that a modest substitution of bicycles for cars in worker commuting could save the United States 4 billion dollars a year on energy imports.

Hirst's sums are fascinating, and are worth reproducing here in digest form.

He examines how much extra energy is required for each mile cycled, the price of a new bike, its average life span and how much city bikeways cost. He calculates this bicycling costs 2.6 cents a mile, half of which is food. Total energy use for bicycling comes out at 1.300 BTU/mile—which is equivalent to 100 miles a gallon. He then compares this with the dollar cost of traveling by car for short city trips and finds that the bicycle is thirteen times as energy-efficient as the car. But what about speed? Presumably that is what convinces the average man that he is better off in his car.

Hirst assumes the cyclist travels at an average speed of 10 mph with a total delay time of 5 minutes for locking and unlocking his bicycle. A car travels in the rush hour at an average speed of 20 mph with a 6-minute delay time for parking and locking. For trips shorter than a mile the bicycle is clearly faster. For a journey of three miles the car would take fifteen minutes and the bicycle twenty-two.

If a commuter values his time at more than $1.70 an hour, it would not be worth shifting to a bicycle. But what, on a three-mile journey, does that extra seven minutes do? It gives you much-needed exercise, eases the pressure on your nervous system and—if there are bicycle lanes—gives you pleasure and relaxation too. Moreover, it helps the country's balance of payments. If on the days of good cycling weather (estimated at 62 per cent), half the commuters switched to their bikes, America would have saved 160 million barrels of oil worth $4 billion. That is 7 per cent of the total automobile gasoline used in a year. Not too impossible a dream.

In Davis, Calif., the recent shift to bicycles has reduced auto travel by at least 10 percent. A survey in Denver showed that 40 percent of the commuters would ride bicycles if it were safe to do so. The real barrier is a man-made one—we have made the city for the car. Twenty percent of the land in London is given over to roads and parking lots. In Los Angeles it is 60 percent.

But given the chance to cycle in safety, people will jump at it. In Copenhagen, Denmark; Upsala, Sweden; Rotterdam, Holland; and Stevenage, England, bicycles account for well over a quarter of all the trips made by any form of transportation. The secret? In Stevenage, a new town, bike-ways have been built as part of the town plan. In Holland, one third of the total road length has special provision for bikes. In Holland and Sweden, a commuter can check in his bicycle at a train station and rent another at his destination.

What is stopping our city governments from introducing such sensible innovations? There is really no reason why inner city areas should not now be entirely closed to motorized traffic, except ambulances and delivery trucks, and let the pedestrian and the bicyclist rule supreme. It would, despite the fury of the car lobby, be a popular move. In a recent poll in Southampton, 1,000 pedestrians out of 1,100 were for the closure of a principal street. In the center of Vienna, where 9 city blocks were closed to traffic over Christmas in 1971, 80 percent of the pedestrians questioned supported the move. It is now a permanent feature. It is not surprising that banning the car is so popular a move—people begin to enjoy city life in a way they did not know they could. Carbon monoxide levels fall dramatically—in the Ginza district of Tokyo, a ban on traffic reduced the level of carbon monoxide by a factor of five. Even the shops are beginning to welcome these reforms. Their trade actually goes up, concludes an O.E.C.D. report, Streets for People.

So why not the bicycle? Ivan Ilich in his little book "Energy and Equity" poses the same question. He observes: "Thousands of years ago the wheel took the load off the carrier-slave, but it did so only on the Eurasian landmass. In Mexico, the wheel was well known but never applied to transport. It served exclusively for the construction of carriages for toy gods. The taboo on wheelbarrows in America before Cortez is no more puzzling than the taboo on bicycles in modern traffic."

A PROFILE OF ACHIEVEMENT: HOW A HANDICAPPED PERSON APPROACHES LIFE: AN ESSAY BY BARBARA HORAN FOR THE PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED

Mr. WILLIAMS. Mr. President, I would like to bring to my colleagues' attention an essay written by Miss Barbara Horan on the topic of "A Profile of Achievement: How a Handicapped Person Approaches Life." Miss Horan is the fourth place winner in the National "Ability Counts" contest sponsored by the President's Committee on Employment of the Handicapped, and is the first place winner for the State of New Jersey. Barbara is from Delanco, N.J.

I believe that her essay expresses a very important theme. She says:

> In order to achieve in life, it is not possible to follow a step-by-step set of instructions, like those printed in a how to do it pamphlet. Instead, an individual must develop his own approach, designed to cope with his special needs. For the millions of handicapped people throughout our country, such an individualized approach for success contains additional steps which are essential in order to compensate for a specific impairment.

As Larry Lewis, one of the five persons she interviewed, said:

> I had to find something inside myself that would overcome my handicap; I had to prove to myself that I was just like everyone else . . . despite my physical difference I still had the same dreams, the same aspirations, the same ambitions, and the same feelings for life.

It is a special pleasure for me to congratulate Barbara Horan on her achievement, for Barbara's brother, Tim, won fifth place in this contest in 1972, and thereafter, spent two summers working on my staff on the Committee on Labor and Public Welfare on issues which affect handicapped persons.

Mr. President, I ask unanimous consent that Ms. Horan's essay be printed in the Record.

There being no objection, the essay was ordered to be printed in the Record, as follows:

A Profile of Achievement: How a Handicapped Person Approaches Life

(By Barbara M. Horan)

Let me but live my life with forward face
 and unreluctant soul,
Not hurrying to, nor turning from, the goal;
Not mourning for the things that disappear
 in the dim past;
Nor holding back in fear from what the
 future veils.—Robert Browning[1]

In order to achieve in life, it is not possible to follow a step-by-step set of instructions, like those printed in a "how-to-do-it" pamphlet. Instead, an individual must develop his own approach, designed to cope with his special needs. For the millions of handicapped people throughout our country,[2] such an individualized approach for success contains additional steps which are essential in order to compensate for a specific impairment. Utilizing this approach in a quest for achievement, the handicapped person must accent his abilities rather than his disabilities.

Each one of the various handicapped individuals, with whom I have talked, has developed an approach to life tailored to his individual specifications. All of them approach life with a set of common principles which they emphasize in varying degrees, reflecting the differences not only in vocation and in personality but also in the handicapping conditions. These principles include the desire to persevere; the desire to participate; the desire to improve the existence of others; the desire to be equal; the desire to utilize one's inner resources; the desire to achieve.

Overcoming great difficulties to achieve success, Al Selva emphasizes perseverance in his approach to life. Striken with polio at the age of five, a condition which prevented his attendance at school, he faced the future as an illiterate invalid. Unwilling to accept such a fate, Al, with his twisted body and severely-crippled legs, set out to learn, as he calls it, "the fundamentals of an education." Nevertheless, he found it difficult to obtain employment because he lacked essential qualifications. However, he did not succumb to this obstacle. Al explained, "I never give up; I always work to my full capacity." Currently, as a car salesman, Al outsells all of the other salesmen at Barlow's Chevrolet in Delran, New Jersey. "Al works harder than a person without a handicap; so he get results!" boasts his employer.[3] His achievement requires constant perseverance. Never does Al undercut his abilities.

Footnotes at end of article.

Demonstrating his ability to function independently, Edward Hagarty emphasizes participation in his approach to life. Because of an automobile accident, he is paralyzed from the waist down and is confined to a wheelchair. After his rehabilitation, Ed wanted to resume all of his activities. However, he met obstacles in gaining an opportunity to participate. He stated: "Medical technology has advanced so much to help people like me; yet social awareness is so far behind. As a result, society does not appreciate the handicapped and believes that we are completely dependent upon it. If scientific innovations enable us to be productive, why can't society see fit to let us participate?"

Now, as an active member of his church and as a high school teacher, Ed participates, having made both organizations aware of the need for barrier-free facilities.[4] In addition, Ed operates in a handicapped advocacy group—Disabled In Action.[5] His achievement requires him to demonstrate his ability to participate. Never does Ed permit his handicap to limit his activity.

Deriving enjoyment from understanding the needs of others, John McCool emphasizes improvement for others in his approach to life. Permanently paralyzed on his left side as a result of an automobile accident in which he was hurled through a windshield, John, a former U.S. Marine, suffered through eighteen months of hospitalization and rehabilitation. Wanting "to be active, not withdrawn," John worked as a Post Office clerk,[6] and resolved to save enough money to complete a college degree as well as to undertake graduate study in Social Work at the University of Pennsylvania. Motivated by the desire to make a contribution to others, John, currently, is employed by the Drug Rehabilitation Program, in Berlin, New Jersey. He notes, "What you do must have meaning. You must be important to someone or to something." His achievement requires an understanding of problems and an ability to solve them. Never does John forget the needs of others.

Wanting to be integrated into the mainstream of society, Larry Lewis emphasizes his right to be treated as an equal in his approach to life. Sent home from a U.S. Naval aircraft carrier during the Vietnamese War in order to save his leg, Larry suffered from deep depression after undergoing a series of unsuccessful operations. Unfortunately, Larry's leg had to be amputated.[7] Unable to accept his condition, he explained, "I had to find something inside myself that would overcome my handicap; I had to prove to myself that I was just like everyone else . . . despite my physical difference, I still had the same dreams, the same aspirations, the same ambitions, and the same feelings for life." Larry desires to participate equally. Currently, he has a responsible position as a department manager for K-Mart, in Mount Holly, New Jersey, a wife and two children, and a home which he has completely remodeled. His achievement requires him not to doubt his abilities. Never does Larry let his handicap interfere with his pursuit of equality.

Facing the challenges of the most demanding profession in contemporary society, Morris A. Robbins, as an orthopedic surgeon, emphasizes the use of his inner resources in his approach to life. Having sustained severe burns on his hands while giving first aid at the scene of an automobile accident, he had to have his left hand amputated, before embarking on his collegiate career. Instead of lamenting the loss of his left hand, he resolved, during his undergraduate years, to enter the medical profession—one which requires not only the keenness of mind but also the dexterity of both hands. Despite his academic qualifications, most medical schools turned him down because of his handicap. However, the University of Maryland School of Medicine gave him the opportunity to demonstrate his ability. As a one-handed man in a two-handed profession, Dr. Robbins has devised unique methods for performing operations upon and for treating his patients. "The handicapped person has to figure out alternatives; he cannot be conventional!" advises Robbins. His achievement as an outstanding surgeon requires his remarkable ingenuity. Never does Dr. Robbins neglect to use his inner strengths.

Inherent in everyone is the need for achievement. These five handicapped individuals demonstrate their abilities and their desires to achieve. Each of them is successful and productive. Therefore, through various approaches to life, each one etches A Profile of Achievement.

FOOTNOTES

[1] Robert Browning, an English poet, composed this verse as inspiration for his wife, Elizabeth Barrett Browning, an English poetess, who suffered as *an invalid* for twenty-six years. Her achievements include *Sonnets from the Portuguese.*

[2] *White House Conference on the Handicapped: A Report to Accompany U.S. Senate Joint Resolution 118.* "Estimates of Americans who are handicapped range from a low of 28 million to a high of over 50 million people. The figures represent 22 million individuals who are physically handicapped . . ." (Washington, D.C., 1973), p. 2.

[3] Edward J. Barlow, President, Barlow Chevrolet, Inc., Route 130, Delran, New Jersey.

[4] Definition: Barrier-free facilities are accommodating features in the design or architecture of a building, the absence of which would prohibit or hinder the mobility of a handicapped person, i.e., ramps, elevator. Many federal buildings exhibit the symbol of a wheelchair on the exterior of the building to indicate that the facilities within are "barrier-free" and will, therefore, accommodate wheelchairs at entrances and exits, in restrooms, and at desks.

[5] Disabled In Action—A group, funded and operated by its members, comprising wheelchair-handicapped individuals who work for the equal rights of the handicapped by fighting all discrimination against those persons who require the use of a wheelchair. Ed Hagarty is a member of its Delaware Valley Chapter, which represents the South Jersey-Eastern Pennsylvania-Delaware area.

[6] John McCool—the first handicapped person to be hired in Burlington County, New Jersey, by the U.S. Post Office Department (Riverside, N.J.).

[7] As a result of his leg amputation, Larry Lewis needs prosthetic equipment. He obtains his artificial limbs from the Veterans' Administration, in Philadelphia, Pa. According to Larry, "They (the V.A.) try very hard to give every comfort and consideration when fitting me with the latest and best artificial limb."

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NEEDED: HELP FOR THE AMERICAN CONSUMER

Mr. DURKIN. Mr. President, the Senate has been had.

In February, Constance E. Newman appeared before the Committee on Banking, Housing and Urban Affairs as President Ford's nominee for Assistant Secretary of Housing and Urban Development for Consumer Affairs. The Consumer Affairs Office in HUD was then considered part of President Ford's consumer representation plan—the nonalternative to the Consumer Protection Agency which the Congress wants to create.

In response to questions by Senator Proxmire, Mrs. Newman said she intended to be a consumer advocate within HUD, even if it meant becoming a gadfly.

But alas, what 1 month on the job will not do to the best intentions.

In the March 18 Washington Star, Mrs. Newman is quoted as saying that she just coul dnot see herself as a gadfly or consumer advocate. She said she did not want to "become a royal pain . . . to publicly criticize everybody."

Apparently there is no room in the Ford administration for people willing to stick their necks out for America's hard pressed consumers. And that, Mr. President, is why we need a Consumer Protection Agency, now more than ever.

I ask unanimous consent that the text of Mrs. Newman's Senate testimony and the text of the Star article be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Text of Constance E. Newman's Senate Testimony

The Chairman. The trouble is that the concept of "consumer" is such an amorphous concept. It embraces every one of us as a consumer, and none of us as consumers, because we produce and have other functions, of course.

So how would you focus on this? How would you bring in people who could speak for the consumer without representing a particular hang-up or view?

Mrs. Newman. Your point is well taken, and I think in order for me to be effective I need to start out in the beginning by narrowing the goals for the first six months, and not attempt to communicate with all of the consumers of HUD programs

So my initial attempt will be find those individuals and those consumer groups who are the end users—the home buyer, the renter—of department policies, and attempt to figure out ways of getting them to respond to the department's policies.

In other words, I also believe that the realtors are consumers of the department's policy, but it would not be smart for me at the very outset to take on all of the consumers of the department's policy, but to limit the initial effort to the end-use consumer.

And that is going to be difficult. I have attempted in the Consumer Product Safety Commission to involve consumers in standards development. And consumers have limited resources. Consumers, unless they are well informed, can not make technical advice on policies within the department. And the role that I will have to play is to break down the issues, provide the information on the options, in a way in which individual consumers and groups can make a difference.

The Chairman. How large a staff will you have?

Mrs. Newman. Well, the staff will start out, Mr. Chairman, with those people who are already in Interstate Land Sales and Mobile Homes. That is 120. And there are plans to increase that, plus I tend to believe that there are ways to extend the resources by using people who are already in the department, detailed by specific projects.

In other words, I know that there is a concern about the building of a bureaucracy that will just add red tape but not provide any more light, and I am not going to attempt to go in there and demand a staff of 500. But what I will do is attempt to suggest to people who are already in the other parts of the department ways in which they might improve the consideration of consumer views.

The Chairman. I will yield to the other Senators in one minute. I have one more question.

Will you be able to be involved in questions involving consumers which technically involve other bailiwicks? For example, on overriding local rent control laws—on an issue like that do you feel you could serve as a consumer advocate even if it meant opposing another division of HUD?

Mrs. Newman. I certainly think, Mr. Chairman, I would not be effective if I did not attempt to take on that kind of responsibility. I know it will be difficult. I will first attempt to find out what position various consumers wish to take on those issues. I will attempt to present those to the Assistant Secretary of the program involved. If I am not successful in exhausting my remedies at that level, I will move up the ladder in HUD in order to effectively present those views.

To limit my responsibilities to running interstate land sales and mobile homes, I think would do a disservice to the plan presented by the Secretary.

[From the Washington Star, Mar. 18, 1976]

Hers Is Dual Role

(By Bailey Morris)

Constance E. Newman's name is up on the big board in the vast lobby of the Department of Housing and Urban Development, indicating that she is one of a small group who have status at HUD.

As former vice chairman of the Consumer Product Safety Commission, it is not unusual for Newman to have status in government, but as a consumer adviser, appointed under the controversial Ford "Consumer Representation Program," it is unusual for her to hold such major responsibility.

She is to be both a government regulator of industry as well as the head of consumer programs in her new position as an assistant secretary, reporting directly to HUD Secretary Carla Hills.

Her appointment is one of the few consumer adviser positions that required Senate confirmation and her post is one that Secretary Hills had wanted to establish long before the White House consumer plans were created.

"I had three years left to go (as a member of the Consumer Product Safety Commission) . . . I wouldn't have taken this job if I didn't believe I had a real commitment from Hills," Newman said.

And after only a couple of weeks in her $39,900 post, Newman says, "I know this job is going to be difficult . . . I know I'm going to be criticized."

A major responsibility, she explains, is to ensure citizen participation in the over-all decision-making process at HUD. And as every seasoned bureaucrat knows, there is no magic way to accomplish this.

"Citizen participation and how to bring it about is something nobody knows completely," Newman says, adding that she has read many books on the subject.

Over the next two months, however, Newman hopes to devise a system that will "institutionalize" consumer participation in the HUD decision-making process.

One point she wants to underscore strongly is that she does not consider herself "a consumer advocate" in her new position.

"A fed can't be a consumer advocate . . . I can't be one . . . What I can do is make sure that the advocates . . . out there . . . talk to the decision-makers in here," Newman says.

At the same time she is setting up a consumer participation system. Newman also has responsibility for HUD's regulatory functions in the areas of interstate land sales, mobile homes and real estate settlement transactions.

To carry out these responsibilities, she has a staff of about 150, in addition to a group of advisory personnel who work out of her office.

For her first two months on the job, however, Newman says nothing very "visible" is going to be coming out of her office.

She feels sure she will be criticized for this, but she says, "I'm going to take that chance" because she wants to put together a sound, workable program that has the backing of Secretary Hills.

A "phony" hurry-up, public relations kind of program is not going to help her or HUD over the long term, Newman feels.

So for the next two months, she says, she is going to be spending her time talking to critics of current HUD policy, talking to bankers, homebuilders, people with expertise in government systems and in the field of housing.

At the end of the two months, Newman plans to present "a document" to Carla Hills that will spell out a complete consumer participation and regulatory program to be carried out by her office.

"I want her approval and the undersecretary's approval," Newman says.

Having come up through the bureaucratic system, she knows how it works and she knows that one way to lose her effectiveness and power inside is to "become a royal pain . . . to publicly criticize everybody."

She also knows, however, that "turfs are won and lost" during the all-important budget meetings and she plans to attend those as well as to speak out when she doesn't agree with what's being done.

The two major obstacles she feels she must overcome in setting up her initial priorities at HUD, Newman says, are time pressures and her lack of expertise in housing.

But she will overcome them, she feels, especially the latter obstacle, by picking the brains of housing specialists both within and outside of government.

She is very aware of the political pressures that can be brought to bear, but for the present, at least, she is not even looking at those.

"I know you need a few winners to gain leverage," says Newman, adding that she serves at the pleasure of the secretary of HUD and she is very happy to "be judged on my performance."

She has, after all, used her prior government record well, starting as a personnel management officer at the Interior Department in 1962 and working her way up as chief of the Midwest Migrant Division at OEO to a better position at HEW and then as a special assistant to Elliot Richardson, when he was HEW secretary.

She later was director of VISTA before moving into two government product safety positions.

ARMENIAN MARTYRS DAY

Mr. WILLIAMS. Mr. President, each year it is traditional to set aside April 24 as a day of solemn remembrance of the slaughter of Armenian people living in Turkey in 1915. This observance, which occurred during our Easter recess, has always been an important reminder to us of the tragic experience of the Armenian people, and of our own traditional opposition to persecution in any form.

The Armenian people have suffered a long history of persecution and subjugation. They have enjoyed political independence for but a few brief periods, amidst thousands of years of foreign rule. The most recent period of Armenian independence began in 1918, but was extinguished within just a few years. Prior to this shortlived opportunity, the Armenian people suffered their worst period of oppression during which time the majority of them were either killed or forced to flee their homeland.

Many of those who survived emigrated to the United States, and it is with deep appreciation that we note their significant contributions to education, politics, industry, and the arts in this country. Mr. President, on this solemn anniversary, we join with our Armenian neighbors in remembering the victims of 1915, and in renewing our own national commitment to equal justice for all minorities throughout the world.

THE ANNOUNCED RETIREMENT OF CONGRESSMAN JOSEPH E. KARTH

Mr. MONDALE. Mr. President, a week ago, Representative Joseph E. Karth announced his intention to retire from the House of Representatives. This decision came as a surprise to many of us who have worked closely with Joe Karth during his nearly three decades in public life. It would be difficult not to admire Joe's desire to spend more time with his family after a long and demanding career. His retirement, nevertheless, represents a loss to the Congress of one of the most gifted, thoughtful and widely respected Members ever to serve in the House.

During his 18 years in the Congress, Joseph E. Karth has been a diligent, progressive lawmaker. His record is one of firm commitment not only to the best of what America is but also to the best of what we can be. He has received many of the highest published ratings of public interest organizations, liberal and labor groups, senior citizens' councils, and tax reform associations. His achievements span many fields; pension and tax reform, conservation, international trade, science and technology and human services.

My colleague from Minnesota enjoys perhaps the greatest admiration among his fellow Members of the House and Senate. Soon after he joined the House Committee on Science and Astronautics, Joe became known as a man who "did his homework." Whatever the subject matter before that committee, Joe Karth conscientiously studied the issue and came to committee meetings thoroughly informed.

This same care and industry have been even more characteristic of Joe Karth's work on the critically important House Ways and Means Committee. Here, too, Joe has become known as a committee member who takes his assignment with great seriousness. Because he "does his homework," and because he completely familiarizes himself with the most intricate and complex tax legislation, Representative Karth has earned not only the highest prestige but also the profound appreciation of his colleagues.

Joe Karth's reputation in the Congress as a hard worker and an imaginative lawmaker, has not gone unnoticed in his congressional district. In 1972, St. Paul and Ramsey County voters gave Joe Karth an impressive 72 percent of the total vote. Two years ago, that vote soared to 76 percent, reflecting a degree of public trust and confidence rarely placed in any political leader.

This confidence and esteem is also reflected in editorial comment by the Minnesota press. For example, in an editorial entitled "Karth Is Outstanding," the Saint Paul Pioneer Press said at the start of one of his reelection campaigns:

> Representative Joseph Karth has so clearly demonstrated his worth in Congress that an endorsement of this newspaper hardly seems necessary. . . . We urge the voters of Minnesota's 4th Congressional District to award the gentleman with something approaching reelection by acclamation.

And that is just what the voters did.

The city's other newspaper, the Saint Paul Dispatch, devoted its lead editorial on April 15 to Joe Karth's unexpected announcement of retirement. It is worthwhile to quote excerpts from that editorial to illustrate the broad foundation of Representative Karth's popularity:

> If there is anyone in Congress with a guaranteed return ticket to Washington, it's Joseph Karth. That is one of the reasons Joe Karth's decision not to continue in the House of Representatives comes as such a surprise. That Karth would be the "next" Congressman from the 4th District had long since come to be taken for granted.
>
> Another reason for surprise is that Karth was just rounding into his most effective years in a body where enormous emphasis is placed on seniority. . . . He was honored by his colleagues by election, by acclamation, to the top committee of all, prestigious Ways and Means. Election to that Committee by acclamation is a rare occurrence and was a measure of the respect in which his colleagues held him.
>
> On Ways and Means, Karth quickly came to be known as a member who did his homework and who was independent-minded. The Wall Street Journal characterized him in a 1975 article as one of the four or five most influential Democrats on the Committee "bright, hard-working, effective."
>
> A former union international representative, and always backed staunchly by organized labor, Karth was not afraid to antagonize labor bosses if he thought their policies ran counter to the greater public interest. In fighting for touchy energy legislation, for example, he was highly critical of the United Auto Workers leadership for its attitudes on the manufacture of big, gasoline-guzzling cars.
>
> Consistently liberal without being doctrinaire, Karth could speak out against "wild-eyed reform." At the same time, he used his position on Ways and Means in a diligent pursuit of meaningful and far-reaching tax reform.

The editorial concludes, "one regrets the loss to Congress of so valuable a Member," but Joe's departure from the House of Representatives leaves to our Nation a legacy of legislative achievements and a standard of political performance that will endure for many years to come.

I know that I speak for my fellow members of the Minnesota congressional delegation and for my colleagues in the Senate in congratulating Joe Karth upon his extraordinarily successful career.

CAPITAL KIWANIS CLUB

Mr. HATFIELD. Mr. President, on March 11, I commended a project undertaken by an Oregon Kiwanis Club which provided teletypewriters with acoustical couplers at the Salem Police and Fire Departments so that deaf persons can communicate via telephone for emergency help. I stressed that this project would be a worthwhile one for other service clubs to emulate.

Unfortunately, as a former Salem resident, I referred to the project as one carried out by the Salem Rotary Club, when it is one sponsored by the Capital Rotary Club. I have friends in both clubs, and was not thinking when I attributed it to the wrong club. Harold Charnholn is the retiring chapter president, and the credit should go to him and the other members of the Capital Rotary Club for their work.

ELECTIONS IN PORTUGAL

Mr. KENNEDY. Mr. President, last Sunday, elections were held in Portugal for a legislative assembly. Despite nearly 50 years of authoritarian rule, the Portuguese people voted for the second time in a year in overwhelming numbers, in an orderly fashion, showing seriousness of intent. This in itself is a major achievement.

The verdict of the Portuguese people is clear. They seek to establish a government in the mainstream of Western social democracy, gathering strength from the consent of the governed. This is a vindication of the hopes that many of us have placed in the Portuguese people in the 2 years since the fall of the Caetano government, and the beginning of Portuguese democratic experiment and decolonialization in Africa.

I join other Americans in reaffirming support for democratic efforts in Portugal such as the election held on April 25. Provided that the will of the people, as expressed in these elections, plays an important part in the evolution of Portuguese political institutions, that country will have a real chance to regain its rightful position in Western Europe and among the nations of the world.

I ask unanimous consent that several recent editorials on the Portuguese election be printed in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the New York Times]

COALITION FOR PORTUGAL

Portugal's first free parliamentary election in half a century proves the feasibility of and the necessity for a coalition Government of the democratic forces of center and moderate left. It would generate confidence at home and abroad if the Socialists and the Popular Democrats, who together captured about 60 percent of the votes, would promptly discuss forming such a coalition.

The Socialists won more votes than anyone else but only 35 percent of the total; some party leaders now concede that a coalition is inevitable. Given Portugal's gigantic problems of political and economic reconstruction, it would be disastrous if party chief Mário Soares tried to lead a minority Government, which would be forced on critical issues to bid for votes in Parliament from other parties, including the Communists.

The Socialists and Popular Democrats are not far apart on most social and economic questions, each resembling in many ways the Social Democratic parties of Western Europe. They are divided mostly by personality clashes among their leaders, the greater tendency of the Socialists to cling to Marxist rhetoric, and the greater willingness of Mr. Soares in the past to cooperate with the Stalinist-type Communist Party for tactical objectives.

But the Communists, despite their involvement in the abortive leftist putsch of last November, registered a modest gain in this election over their showing a year ago. Their poll of nearly 15 percent is enough to provide the Socialists and Popular Democrats with another incentive to work together.

What is needed now—even before the direct election of a new President in about two months—is the beginning of close collaboration between the two parties that together command a robust majority in Parliament. These are the forces best able to revive a stagnant economy and carry out the reforms that will buttress democracy in Portugal and enable that country to take its place at last in modern Europe.

[From the Baltimore Sun]

PORTUGAL: STILL CENTER-LEFT

Portugal may settle down as a stable democracy yet. The elections for the National Assembly on Sunday paved the way for an effective, democratic and legitimate government, though this will be delayed until after a president is elected in the next two months. The National Assembly chosen to implement the new constitution reflects the will of the electorate. It should be able to insure Portugal's rightful place in Western Europe and to deal with the economic stagnation brought on by the past two heady years of revolution.

Mario Soares, leader of the Socialists, must realize that the voters made his party preeminent but, despite his repudiations of coalition, insufficient to govern by itself. The proper partner is the party closest to the Socialists in principal and second to it in support, the Popular Demccrats. The Communists did not vanish, but failed to improve materially on their showing in the constituent assembly election of last year. The Social Democratic Center, which despite its name is the main conservative party, nosed the Communists out for third place for a sixth of the seats. The surprise is that it merely doubled its vote of last year, and did not become a potential alternative to center-left rule. The inescapable conclusion is that the nationalization and land redistributions of the past two years met voter approval and will not be undone at the first opportunity. The Portguese are less conservative than they had seemed.

What a contrast between Portugal's first free parliamentary election in a half-century and Vietnam's first unified national election in three decades. In Portugal, most people voted. In Vietnam, nearly everyone did. But in Vietnam there were only a few more candidates than seats in the National Assembly, and all were chosen by the Communist party. While the Portuguese National Assembly will struggle under a constitution already provided, the Vietnamese National Assembly will harbor no opposition and will rubber-stamp a constitution submitted to it.

Both countries are in transition: Portugal to democratic ways, Vietnam to national unity untroubled by democracy. Portugal's progress is still threatened by extremist violence of left and right. In Vietnam, authority and the terror potential are in the same set of hands. One good reason why the Communists in Portugal failed to earn 15 per cent of the vote is that the Communists in Vietnam got all of it.

[From the Washington Post]

ELECTIONS IN PORTUGAL: A WIN FOR DEMOCRACY

(By Joseph Kraft)

LISBON.—The sun shone, the sea sparkled, the flowers flourished, the army kept hands off and the party militants behaved themselves Sunday when the Portuguese people trooped quietly to the polls to elect a new parliament. For the second time in two years this country, after half a century of authoritarian rule, chalked up a win for democracy.

But the test is not yet over. Though the vote yielded the makings of a solid ruling coalition, some discreet nudging by the arm will be required if political haggling is to give way to the truly critical task of governing the country.

Just before the results began pouring in election night, the national television showed, in a series of flashbacks, the political highlights which have marked the two years since the revolution of April 25, 1974, overthrew the dictatorship set up nearly half a century ago by Antonio Salazar. The clips began with the euphoria of the revolution.

There followed a horror story—Communist-led soldiers breaking up rallies of other parties with tear gas; farmers, demanding trucks and tractors, besieging the constituent assembly elected a year ago; an attempted right-wing coup; an attempted left-wing coup; a prime minister complaining that he had twice been taken prisoner by protesting groups.

Set against that nightmare, the elections for the legislative assembly on Sunday were a political miracle. Despite reports of widespread violence, the campaign, which cost only one life directly, was essentially peaceful. Despite other reports of popular political fatigue, the campaigning was brisk—some 750 meetings held on the Sunday before elections. The turnout, though less than last year's 92 per cent, was, at nearly 85 per cent, quite high.

The only troops I saw near the polls on election day here in Lisbon were on hand to cast their ballots, and had to wait around because of a goof in the voting lists. The press facilities, especially for foreigners, were a model of electronic convenience—a sign that one of the forces working here is a small country's sense of pride in cutting a good figure in the international scene.

The results showed a fairly solid base for the Communist Party, and a slight drift to the right among the far stronger Democratic parties. The Communists, and assorted splinter groups, took one-fifth of the total vote—about what they and the dissident Marxists won in the elections for the constituent assembly last year.

Among the 80 per cent of the votes for the Democratic parties, the Socialists, at the left-center of the political spectrum, held the line with about 35 per cent of the vote—a drop of only a couple of points from their showing last year. The Popular Democrats, at the center-right of the spectrum, slipped a couple of points to about 25 per cent of the total. The biggest gains were made by a right-wing Catholic party which doubled its vote to about 15 per cent of the total.

Obviously there will have to be a coalition government, presumably under the rule of the Socialist leader, Marion Soares. The natural coalition partners are the Popular Democrats, since between them the two center parties won over 60 per cent of the vote.

Unfortunately there has been bitter personal animosity between Mr. Soares and the Popular Democratic leader, Sa Carneiro. During the campaign they attacked each other harshly. Election night Mr. Soares indicated that, rather than join with Mr. Carniero alone, he would head a coalition of all the major parties including the Communists.

But mainly because of a lack of strong political leadership. Portugal is in bad economic straits. Unemployment is over 15 per cent. Gross national product fell at that rate last year. Inflation has been running at 40 per cent, and investment is drying up. So the country, apart from being a testing ground for democracy, has to be governed.

Which is where the military comes in. Though the soldiers are back in their barracks, the military leaders still exercise general control through a council of the revolution. The leading military figure—Gen. Ramalho Eanes, who is the army chief of staff—is said to be a strong partisan of firm, democratic government. So by knocking together political heads the army ought to be able to end the haggling, and put in place a regime which can run this eminently runnable country.

MINUTEMAN III

Mr. KENNEDY. Mr. President, the $322 million add-on request to the Defense budget to build another 60 Minuteman III missiles and to begin production of a "counterforce" warhead appears to be a shamefully blatant political decision motivated not by national defense needs but by the White House desire to win the Texas Presidential primary.

The $322 million would break the already astronomic budget ceiling of $112.7 billion requested by the President for the Department of Defense. It would violate the target—already too high—permitted in the Senate budget resolution. And it would not add but detract from our national defense.

First, the $260 million estimated for use in producing 60 more Minuteman III missiles is money being spent for no purpose whatsoever that has any relation to defense needs.

They are not needed for our active duty Minuteman III force of 550 missiles. They are designed either to sit in warehouses or to tilt our missile force toward land-based as opposed to sea-based forces. They have no relationship to Soviet threats or U.S. defense. Their only apparent relationship is to the Texas primary.

A year ago, I offered an amendment to halt the waste of $203 million for 50 Minuteman III missiles last year. That amendment was defeated. Yet during and after consideration of my amendment even DOD staff privately agreed on the lack of worth to continued purchase of these missiles. And 5 months ago, DOD decided not to buy any more. Four months ago, OMB also agreed. Three months ago, the President submitted a budget without these funds. Nothing justifies changing that decision:

We have deployed 550 missiles.

We have purchased another 204 missiles for spares and testing. Of those, we have tested slightly more than 52. The remainder remain available for our testing needs through 1988.

So it is clear that these 60 additional missiles now being requested are not exactly vital to our security. They are simply a Texas-aimed $322 million waste of taxpayer money.

It also represents only the latest waste of Federal dollars in this program, a waste that every Secretary of Defense has promised to halt year by year, only to continue the request at the last minute. Thus far, it has meant $800 million in expenditures beyond what was needed to deploy our 550 Minuteman III force. Now, another $260 million is being requested to pour into what is evidently a never-ending drain. And these weapons again, are not needed for our deterrent. They are not needed for our ICBM force.

Surely, the original decision of DOD and OMB and the White House not to continue wasting this money is the right one. Presidential politics should not be permitted to cause the waste of hundreds of millions of taxpayer funds.

There is a second even more disturbing element to this political request from the White House. For it includes an additional $60 million for the beginning of production of the Mark 12A warhead. That change from development to production is particularly dangerous. It represents a counterforce-type weapon whose purpose is to destroy Soviet missiles in their silos.

Thus, it raises new doubts of our intentions in Soviet minds and presents a distorting element into strategic calculations.

In so doing, it represents a threat to our security instead of a protection. For it constitutes not a deterrent but a potential first-strike weapon. However unrealistic and illogical such an interpretation of our intentions might be, Soviet military planners may well make as extreme judgments as we ourselves have done all too often in the past, undertaking major new arms expenditures, and making it more difficult, not less, to arrest the nuclear arms race.

Surely, we do not need these additional expenditures as new bargaining chips. We have sufficient bargaining chips now to take over Las Vegas.

I will oppose this unneeded defense expenditure and urge the Senate to reject this request.

PROPOSED TRAVEL OF STAFF MEMBER

Mr. MONDALE. Mr. President, pursuant to the statement of the joint leadership of the Senate on July 16, 1974, I wish to state that Bert Carp of my staff will travel at the invitation and at the expense of the Swedish Institute to Stockholm, Sweden, April 16–24, to study programs related to employment and training and to occupational safety and health.

NOTICE FOR FILING DISCLOSURE STATEMENTS

Mr. CANNON. Mr. President, as we approach the filing deadlines for the annual personal financial disclosures under Senate Rules 41 and 44, the Select Committee on Standards and Conduct reminds Senators, candidates for Senator and Senate employees of their responsibilities to file.

There are three different disclosures required by the rules.

A Senator, a candidate for Senator, and an employee who was compensated by the Senate at a rate in excess of $15,000 a year in 1975 must file two separate reports prior to May 15. The first report is the Confidential Statement of Financial Interests which must be filed with the Comptroller General. The second report, the "Statement of Contributions and Honorariums," has to be filed with the Secretary of the Senate.

The third report is on outside employment and should be made by an officer or employee, regardless of amount of salary paid by the Senate, who is engaged in any business or professional activity or employment for compensation in addition to his Senate position. This report is made on May 15 itself to the employees senatorial supervisor as stated in Senate Rule 41.

In January of this year, the committee mailed to every Senator and Senate employee a package of forms for the three reports, instructions on who must file and how to file the reports, and a special envelope for the filing of the confidential report with the Comptroller General. An individual who needs to file and who does not have a copy of the forms may request them from the committee staff in room 1417 Dirksen or on telephone extension 42981.

The chief counsel of the committee is available to assist Senators and employees in determining their responsibilities under the rules.

THE GENOCIDE CONVENTION: A STAND FOR HUMAN RIGHTS

Mr. PROXMIRE. Mr. President, I again rise in support of the United Nations Convention on the Prevention and Punishment of the Crime of Genocide.

I hope that these daily reminders that the convention has yet to be ratified by the Senate of the United States after a quarter of a century in existence may serve one purpose: to allay any fears that this treaty might be inimical to our constitutional guarantees. It is my firm conviction that the Genocide Convention is not a threat to our constitutional liberties; indeed, I submit that it serves as an outstanding symbol of international agreement with the most fundamental principle upon which our Nation was founded, the right of every individual and group to life, liberty, and the pursuit of happiness.

We may sometimes fail to appreciate just what a privilege this is. Perhaps we have heard the phrase too many times to appreciate the fundamental hope which it embraces and which is not realized by the majority of our brothers in humanity. Some of us have lived with these protections so long that we forget that there are others who do not have this hope. Others, even within these United States and in our own generation, have tragically never known themselves what it is to experience the free spirit of hope which can arise from the gift of a life which does not face discrimination, social oppression, or the vicissitudes of poverty and poor health.

The Genocide Convention is an international agreement which addresses itself to the very substance of this hope: the right to live. Without life there is not even the potential for happiness or freedom. And yet in our century there have been countless instances of the extermination of human potential through the deliberate and calculated murder of entire groups of people—who are guilty of no crime save their ethnic, religious or national heritage. The death of 6 million Jews in Nazi Germany is only the most outstanding example.

Mr. President, the Senate Foreign Relations Committee has agreed to report out the Genocide Convention. The American Bar Association's general membership has approved of United States ratification. All three branches within the Defense Department are solidly behind favorable action on the treaty. There is no longer any responsible opposition standing in the way of this body's ratification of the Genocide Convention. We must not delay any longer.

SILVER ANNIVERSARY OF THE NAVAL OFFICER CANDIDATE SCHOOL AT NEWPORT, R.I.

Mr. PELL. Mr. President, May 14 of this year marks the 25th anniversary of the founding of the U.S. Naval Officer Candidate School at the Naval Education and Training Center at Newport, R.I.

On that day the Officer Candidate School will present commission to 110 graduates—93 men and 17 women—who are members of the 185th class graduated from the school. These graduates are the latest in a total of more than 70,000 men and women who have received commissions at the school since its founding.

I am particularly pleased to recognize this anniversary because it is symbolic of the Navy's role in Newport as a prime center for naval officer training and education. I would add that I have been particularly interested in the Naval Officer Candidate School and also very familiar with its excellent program, having twice had the good fortune and the challenge of serving on its Board of Visitors. The educational programs at Newport include a broad spectrum from the young men and women undergoing instruction at the Naval Academy Preparatory School, to senior officers matriculating at the Naval War College. In our Nation's Bicentennial Year, I think it is appropriate to take special notice of this anniversary of OCS because it is representative of the deep-seated relationship which has existed during the past two centuries between the city of Newport, the State of Rhode Island and the Navy.

The Officer Candidate School was founded in Newport in 1951, during the Korean conflict, to provide the Navy with a ready source of well-trained junior officers. OCS has been the avenue by which civilian and military graduates of our Nation's colleges and universities who did not attend the Naval Academy or join the NROTC but who became motivated to become naval officers could accomplish that goal. The OCS program has brought into the Navy the broadest possible representation from every national region and academic discipline.

Through the past quarter century, naval officers commissioned in Newport, have forged their own traditions of excellence, and have served their country well—in Korea, through the Vietnam era, and in times of peace. From these graduates have come 2 winners of the Medal of Honor; 7 have won the Navy Cross; 62, the Silver Star; and 56, the Legion of Merit. Four graduates of Officer Candidate School already have been selected for flag rank.

Changes in the school during the past quarter century have reflected changes in American society. The Naval Officer Candidate School has been a leader in the development of coeducational military training. In 1973, the Women Officers School merged with the previously all-male Officer Candidate School. Since that time, men and women have participated side by side in all phases of the curriculum, including academics, physical training, leadership, and the administration of discipline. The class graduating today is the 20th class with both men and women graduates. Women have served in most regimental leadership positions, including that of regimental commander, and many have received honors.

Today's naval officer candidates are entering the school not because of pressure of the draft, but because they perceive that the Navy offers a tremendously challenging job with high level responsibilities, and an opportunity to serve their Nation with honor. Many are former enlisted men and women who, having already tasted military life, find the Navy a source of intense satisfaction; a career in which the word "Service" takes on real meaning.

In my view, the Naval Officer Candidate School continues to demonstrate its ability to provide our Navy with high quality officers, not only in times of national emergency, but also in times of peace when a smaller but equally dedicated officer corps is needed. On its silver anniversary, this fine school with its responsiveness to our national commitment, has earned our congratulations.

PUBLIC HOUSING

Mr. MONTOYA. Mr. President, in the field of housing, there is no goal with which I more fully agree than the increase in Housing and Urban Development programs for new housing construction. For this reason, I was happy to vote in favor of S. 3295, the Housing Amendments of 1976. The distinguished chairman of the Senate Banking, Housing and Urban Affairs Committee, Senator WILLIAM PROXMIRE, is to be complimented for introducing and bringing to the floor this essential alternative to the housing crisis in which we now find ourselves.

For the past year and a half, I have shared the frustration felt by many across the Nation in dealing with section 8 programs. For my home State of New Mexico, new construction is essential because of the very severe housing needs and the fact that many existing homes are not worth rehabilitation or cannot be properly improved to make them adequate housing for families. Each time this was brought to the attention of HUD officials, assurances were received that there was no priority for the use of the existing housing program, that full use would be made of the program including the construction of new homes, and that both the Secretary of Housing and Urban Development and the President had "every intention of carrying out the will and intent of the Congress in the administration of the section 8 programs." Yet, to this day, the section 8 new housing program is still being refused to many New Mexico housing authorities.

When I read in the April 16, 1976, CONGRESSIONAL RECORD that the Secretary of Housing and Urban Development would recommend a Presidential veto of S. 3295 in its present form, I was not surprised in the least. This is typical of the confused way in which HUD has handled this program. It is good that Congress has earmarked funds specifically for new construction of public housing under section 8. The present level of assisted housing starts is not sufficient to meet the needs of low and moderate income families or the construction and substantial rehabilitation goals set by Congress in the Housing and Urban Development Act of 1968 and the Housing and Community Development Act of 1974. I feel that it is too bad that Congress had to take this route in order to mandate a program which was clearly the intent of Congress in passing the original legislation. However, it became clear that without such a mandate, the administration will continue to delay action on this very essential construction program.

S. 3295 rectifies not only this situation, but other problems in the housing arena. Therefore, I would like to congratulate the Senate on the swift consideration and passage of this bill.

ALASKAN OIL AND GAS

Mr. McGOVERN. Mr. President, according to an article by Bill Richards which appears in the April 28, 1976, edition of the Washington Post, oil industry executives have expressed a growing concern about the lack of adequate facilities on the west coast to store crude oil from Alaska and the Elk Hills reserve and to transport it to markets in the Midwest and the East. Richards cites an observation by one senior official to the effect that while the Eastern two-thirds of the country remain dependent on Middle East oil, we may be forced to sell a portion of the American oil arriving at our Pacific ports to the Japanese.

The Richards article also reports, incredible as it may seem, that the FEA began to study this problem only 6 weeks ago. The FEA official responsible for the study is quoted as saying that, "a lot of these decisions should have been made several years ago and we're just getting around to them now." The official went on to state that the "impression" was that "the big problem was getting the oil out of Alaska." But now," he said, "we're beginning to see there's more to it."

Mr. President, I do not think the American people have cause to rejoice in the fact that the FEA is beginning to see what was painfully obvious from the start. These problems were clearly anticipated during the Senate debate on the Alaska pipeline bill in July of 1973.

At that time, I joined with Senators MONDALE, BAYH, and HUMPHREY in raising serious questions about the wisdom of constructing the trans-Alaska pipeline. Instead of building a line to Valdez, from where the oil would be moved to our west coast ports via tanker, as has been done, we urged negotiations with Canada for construction of a pipeline to bring Alaskan oil directly to landlocked markets in the upper Midwest.

In a floor statement on July 10, 1973, I predicted that the Alaska pipeline would produce an oil surplus of between 600,000 and 1,000,000 barrels per day on the west coast by 1980. Since experts are now projecting a 400,000 barrel per day surplus when Alaskan production begins in 1977, it would appear that my prediction was accurate.

In that same statement, I also pointed out that there was no realistic plan to transport Alaskan oil to our Eastern and Midwestern States. I observed that the Alaskan pipeline option would almost inevitably lead to export of 25 percent or more of production by 1980 and I suggested that exports on that scale were, in fact, part of the oil industry plan for developing the Alaskan reserves.

I believe that this situation shows once more that the public interest is of secondary concern to both the oil industry and to the pliable Federal agencies charged with administering energy policy. It is a good argument for the pending legislation to require divestiture and restore competition in this concentrated industry.

If we are prepared to take prompt action, there is still time to correct at least some of the massive miscalculations of the recent past. Senator MONDALE, for example, has introduced a bill, S. 2950, of which I am a cosponsor, which would help to clear the way for a trans-Canada pipeline to move vast natural gas supplies from Prudhoe Bay to users in the Midwest and the East.

The proposed alternative to the Canadian line, the so-called "El Paso Plan" would pipe this gas via the existing Alaskan pipeline corridor to liquefaction plants. Liquified natural gas would then be shipped in specially-constructed tankers to California, reconverted to its original form, and distributed through existing pipelines. By some estimates, this extraordinarily expensive process would cost American consumers $845 million per year in excess of what it would cost to pipe the gas through Canada. In addition, the liquification would consume 78 percent more energy than the pipeline—an amount sufficient to supply the needs of four cities the size of Washington, D.C.

Finally, we should pay the most urgent attention to our pressing need to move Alaskan crude oil to the parts of our country which need it most. One intriguing possibility in this regard is a proposed pipeline running from Prince Rupert, a deepwater port in British Columbia, to Edmonton, Alberta. From Edmonton, Alaskan crude could easily be piped at very reasonable cost to existing American refineries. The initial investment in the Prince Rupert line would run to approximately $350 million, but Alaskan crude could be brought into Prince Rupert much more cheaply than into any other port. In the long run, this project would almost certainly result in substantial savings and it would keep our upper Midwest refining capacity operating efficiently.

Mr. President, we have called upon American farmers to produce more food for a hungry world in the face of sharply higher production costs due to enormous price increases in the petroleum and natural gas products on which they depend. Now, we may not even be able to assure them that adequate energy supplies will be available at any price.

I know that many of my colleagues from the oil-producing States believe that refineries, what with the attendant environmental problems, should not be concentrated in any one area of the country. I support this view and I hope that we can take steps to distribute both the risks and the resources more equitably.

I ask unanimous consent that the Richards article from the April 28, 1976 Washington Post be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, April 28, 1976]

Alaska Oil Glut Feared in West

(By Bill Richards)

Seattle.—With vast quantities of crude oil scheduled to begin flowing into the Alaskan pipeline next year, top industry officials are becoming increasingly worried that there may be no place to put much of the oil once it arrives.

A daily surplus of as much as 400,000 barrels—a third of the pipeline's daily capacity—could pile up here on the West Coast if no way is found of moving the Alaskan oil inland where it will be needed, federal and industry officials are warning.

Ironically a situation could develop, officials said, where two-thirds of the country would be desperately seeking sources of oil other than the Middle East while the West Coast would be glutted with oil and possibly even selling it to Japan to relieve the surplus.

Federal officials in interviews here Monday discounted the possibility of a surplus sell-out to Japan, but that prospect was raised by one senior industry official here last week. Under federal law, a sale of Alaskan oil outside the United States would require both presidential and congressional approval.

One senior Federal Energy Administration official said today that an additional $1 billion atop the estimated $7 billion pipeline investment might be needed to transport the Alaskan oil to the Midwest.

Rober Boldt, a deputy FEA regional administrator who heads a federal study of the potential West Coast surplus, said the study began only six weeks ago. "A lot of these decisions should have been made several years ago and we're just getting around to them now," Boldt said.

He said many decisions were postponed because of uncertainty over a national energy policy. Moreover, "A lot of people were under the impression that the big problem was getting the oil out of Alaska, but now we're beginning to see there's more to it," Boldt said.

For example, Boldt said, federal officials are just now attempting to determine how much the flow of Alaskan oil will be augmented by oil from offshore California leases granted to private companies by the government last December. Sales of those leases yielded only about 40 per cent of what the Interior Department had expected, and officials are still trying to calculate how much oil will actually be produced.

Oil industry officials are also awaiting a decision on where a potential 250,000-barrel daily output from the federal Elk Hills field in California will be stored. Federal officials have proposed that the oil be placed in underground chambers along the Gulf Coast. If that storage area is not used, the Elk Hills oil could further tax West Coast facilities.

Also unclear is the extent of opposition to a proposed west-to-east oil pipeline from Long Beach, Calif., to the Midwest. Officials speculate that under the best of conditions that pipeline—which both federal and private oilmen currently favor to carry the Alaskan oil—would take two to three years to complete. The Alaskan pipeline is now scheduled to begin operation in October, 1977.

The Long Beach pipeline would move the Alaskan oil first to Texas and then to the Midwest. One section has already been constructed and is in use as a natural gas pipeline. The owner, El Paso Natural Gas, has applied to the Federal Power Commission for permission to convert the line to oil. Last month the FEA intervened to seek a speedup to the commission's deliberations because of the urgency of the Alaskan oil situation.

Standard Oil of Ohio, which has proposed building the segment of the Alaska line from the California border to Long Beach, owns the largest portion of the Alaskan oil. The company has no refineries or terminals on the West Coast.

Whether the Long Beach line can be made operational depends on California's willingness to grant permission for coastal terminal and storage facilities. The facilities would face a certain fight from California environmental groups.

There is little likelihood that existing refinery and storage capacities on the West Coast could be immediately equipped to handle high-sulfur Alaskan oil. Industry officials said that about 40 per cent of the West Coast refinery capacity can now handle only low-sulfur oil and that any changeover would take two or three years.

Ames Smith, marine department manager for Exxon, which will own about a fifth of the pipeline oil, told reporters last week that his company is preparing for a surplus and is considering several alternatives.

One alternative that both federal and private officials said they would like to avoid is reducing production at the Alaska end of the pipeline. Full production is needed, they said, both to pay off the huge capital expenditures of the Alaskan pipeline and to reduce the national dependence on Arab oil.

A second alternative, Smith told reporters, is selling Exxon's surplus oil to Japan, if no way could be found to move it to the Midwest.

In a telephone interview from Exxon's Houston headquarters Monday, Charles R. Sitter, senior vice president, said the most likely option at this time is to send the surplus oil by tanker to Gulf of Mexico ports.

If the daily surplus does reach 400,000 barrels, Sitter said, it would require three or four medium sized tankers per day to move the oil through the Panama Canal.

President Ford's Energy Resources Council is now considering how much of the cost of the Midwest transport would be borne by the government, Sitter said.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The hour of 1 p.m. having arrived, the Chair will announce that morning business is closed.

PROPOSED RIGHT OF LIFE AMENDMENT TO THE CONSTITUTION

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from North Carolina is recognized.

Mr. HELMS. I thank the Chair.

Mr. President, on January 17, 1975, I introduced Senate Joint Resolution 6, proposing a constitutional amendment to restore the right of life to the unborn. On March 15, 1976, I reintroduced the identical resolution as new legislation, and it now appears on the Senate Calendar as Senate Joint Resolution 178.

I might mention, Mr. President, that the distinguished Senator from Rhode Island (Mr. Pastore), who is absent today, is cosponsor of the joint resolution.

As I indicated earlier in a letter to each Member of the Senate, a letter which was distributed on Monday of this week, and emphasized by the Senator from North Carolina in this Chamber yesterday afternoon, it is my intent to day to move that Senate Joint Resolution 178 be made the pending business. In that connection, Mr. President, I extend my deep appreciation to the distinguished majority leader, Mr. Mansfield, and the distinguished assistant majority leader, Mr. Robert C. Byrd, for their typical courtesy and helpfulness to me yesterday when they propounded unanimous-consent agreements in an effort to facilitate consideration of Senate Joint Resolution 178 today. It is not their fault that the unanimous-consent agreements met objection yesterday. I thank them for their cooperation, which I have enjoyed constantly since I have been a Member of the Senate, and for which I am immensely grateful.

Mr. President, it has been made clear that there will be a motion to table my motion to make Senate Joint Resolution 178 the pending business. It was my intent, prior to the unanimous-consent agreement just agreed to, to withhold the motion until Senators had ample opportunities to speak for or against my motion. But in the light of the unanimous-consent agreement propounded by the distinguished Senator from Indiana (Mr. BAYH) on behalf of the majority leader, all rights of all Senators are protected within the parameters of that agreement.

Mr. President, I would observe the obvious, that a motion to table my motion and any Senator's vote in support of a motion to table my motion will be logically viewed by literally millions of Americans as a vote against the protection of the life of the unborn. Let us be very clear about that, because once any resolution becomes the pending business, it is subject to amendment or modification. It, of course, is not subject to amendment or modification prior to that time except by unanimous consent.

I can understand that some Senators do not want to vote on this question. It is a hot issue. Those who shrink from hard decisions, particularly in the political arena, do not approach this issue with great relish. But in my judgment, Mr. President, the Senate must come to grips with a moral question, for that is what this is. So if there is a flakeoff today, if by whatever parliamentary maneuvers my resolution is not made the pending business, then it will be clear to millions of Americans what is afoot. I am simply saying that the Senate owes it to the American people to vote one way or the other on this question and not hide behind some obfuscation, not hide behind some parliamentary maneuver or tabling motion, but have the courage to stand up and say, "I feel this way" or "that way" about this issue. That is all the Senator from North Carolina asks and that is all I have ever asked. And I am asking it today.

Mr. BAYH. Will the Senator yield just briefly? I do not intend to interrupt his speech, but I am sure he would not want the record to remain unclear at this point.

Mr. HELMS. I yield, gladly, to the able Senator.

Mr. BAYH. As far as parliamentary maneuvering is concerned, there have been those on either side of this issue who have objected to unanimous-consent requests for reasons that were sufficient for them and which they have a right to exercise. I believe the Senator from North Carolina knows that the Senator from Indiana yesterday was more than willing, in fact was trying, to get the unanimous-consent agreement through so that the Senator from North Carolina's resolution could become the pending order of business.

Mr. HELMS. That is true, Mr. President. The Senator from Indiana (Mr. BAYH) has indeed been most cooperative. I have expressed my gratitude to him privately and I do so publicly. He and I differ on this question and differ sincerely. But he has been a gentleman about it and I appreciate his cooperation in this connection.

Following the votes today, I am sure there will be all sorts of explanations all around the country when Senators go home to discuss this issue with their constituents. But those who are really willing to face up to the Senate's responsibility to act on this awesomely important question, one way or the other, will vote against tabling my motion to make Senate Joint Resolution 178 the pending business today.

Mr. President, I would emphasize that my primary purpose here today—and I may be repetitive when I say this—is to bring the abortion issue up for discussion. If other Senators wish to offer other constitutional amendments, and there are other constitutional amendment proposals—and I am cosponsor of some of them, by the way—all well and good. This will then be an opportunity for the Senate today to consider any substitute once my resolution has become the pending business. If, that is, the motion by the Senator from Indiana (Mr. BAYH) is defeated.

Indeed, the Senate has the opportunity today to proceed to consider any or all of the proposed amendments, unless there is a successful effort to table my motion to call up Senate Joint Resolution 178. In that event—if my motion is tabled—I can assure Senators that they will confront this issue again prior to the November elections—and perhaps several times.

If Senate Joint Resolution 178 is tabled, none of the amendments and none of the modifications can be discussed or considered except in the most extraneous of ways.

So it is clear that a vote to table is a vote to block any real consideration of a Constitutional amendment on this question. Citizens all across this country will so interpret it, and they will be right in their interpretation.

As my colleagues are aware, the Constitutional Amendments Subcommittee, after conducting hearings on all proposed right-to-life constitutional amendments, refused to report any of these amendments to the full committee. The subcommittee is now deadlocked on the issue. For this reason, Members of the Senate have been denied any opportunity to consider any or all of the constitutional amendments that have been proposed.

That is why I availed myself of the procedure to place Senate Joint Resolution 178 on the calendar some weeks ago. On countless occasions I have stated that, in my view, many Senators have made clear that they are anxious to go around the parliamentary logjam that has developed in the Constitutional Amendments Subcommittee and confront this problem in a direct and forceful manner.

So I have reintroduced Senate Joint Resolution 178 solely for the purpose of allowing the full Senate to deliberate the proposition before the eyes of the Nation and go on record in connection therewith for or against the Supreme Court decision of 1973 which created our present moral and constitutional crisis.

Mr. President, there is no more appropriate time than now for the Senate to take the initiative, and to exercise moral leadership in restoring the right to life of the unborn. The people of this Nation are looking to us for leadership because they recognize the simple fact that only Congress—not the President, not the several States, and certainly not the Federal judiciary—can put an end to this wholesale destruction of human life.

The American Congress is the last hope for the millions whose lives will be terminated unless we act now.

The main thrust of any human life amendment must be to insure that all human beings enjoy the protection of the right to life. This can be done by insuring that all human beings are considered "persons" under the protection of the fifth and fourth amendments. In Roe against Wade, the U.S. Supreme Court said:

> The appellee and certain amici argue that the fetus is a "person" within the language and meaning of the Fourteenth Amendment. In support of this they outline at length and in detail the well-known facts of fetal development. If this suggestion of personhood is established, the appellant's case, of course, collapses, for the fetus' right to life is then guaranteed specifically by the Amendment.

If personhood is established by a new constitutional amendment, then the Supreme Court itself admits that the right to life of the unborn child will be protected.

It is most important, however, that the beginning of life, and therefore, the beginning of the constitutional protection of that life, be defined with precision and clarity. Our scientific knowledge today is sufficient to provide such a definition; and the language must not be so loose or general that the way is opened for arguments that the period of protected life should be shortened for the sake of convenience. On the other hand, it is not necessary to encumber the unborn child with all the constitutional rights of an adult; our concern can be limited to the right to life.

Once the principle has been established of the primacy of life of every human being, it is inevitable that someone will raise the problem of so-called hard cases, where pregnancy puts two lives in simultaneous danger, the life of the mother and the life of the child. Today such cases are indeed medical rarities, although they do exist, and it would be unfortunate to amend the Constitution in such a way that a doctor attempting to care for his patients would be placed in legal jeopardy. It would also be unfortunate to amend the Constitution in such a way that an exception clause would destroy the primacy of life values, so that the way would be opened to widespread abuse under the cover of law. The resolution of this problem has been a principal aim of my amendment.

Finally, I do not think that abortion should be made a Federal crime when committed outside the Federal jurisdiction. Our tradition of State and local criminal law should be maintained in the analogy of homicides, robberies, assaults, and other crimes of violence, which are prosecuted and punished on the State level, except where there is an overriding Federal interest.

Although the right to life can be made a constitutional right, the Federal Government should not preempt the rights of the States to prohibit abortion, prescribe penalties, and regulate the implements of abortion. This is especially important, because there is some doubt whether restraints on Federal and State action can reach private action under the 14th amendment. Such a doctrine has been put forward in certain cases before the Supreme Court, but I think that it is wise and prudent, from the standpoint of the Constitution and the problem of enforcement, to leave room for the States to legislate prohibitions against abortion in the field of private action.

These considerations, along with a recognition of the need for simplicity, have governed the drafting of my amendment, the substantive portion of which reads as follows:

ARTICLE

SECTION 1. With respect to the right of life guaranteed in this Constitution, every human being subject to the jurisdiction of the United States, or of any State, shall be deemed, from the moment of fertilization, to be a person and entitled to the right of life.

SEC. 2. Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

I will make the following observations:

First. Personhood: The essence of the amendment is that it restores personhood to the unborn child at every stage of its biological development.

Second. Moment of fertilization: This amendment clearly states that life begins at the moment of fertilization. The word "fertilization" is scientific and unambiguous. The biological evidence clearly establishes that the fertilization of the egg is the beginning of human development, that the fertilized ovum is genetically complete and independent of the mother, and that the lifespan which follows is a continuum unbroken by any point of radical change. The word "moment" makes it clear that a given point in time is established, rather than the process of development.

If the language of the amendment allows for a process of development, then the way is opened for a court to choose any point in that process, such as implantation, "viability," or even birth, for the protection of life. It is not enough to protect every stage of biological development, unless we know with some certainly what a stage of development means.

The word "fertilization" is more precise than the word "conception," which, in common parlance, is often used interchangeably. "Conception" however is a word whose use and associations antedate our scientific knowledge, and in certain proabortion circles, an effort has been made to equate conception with implantation. It is true that many fertilized ova are never implanted; but that is only to say that a human being can die at any time in his lifespan.

Third. Hard cases: This amendment contains no specific exception clause because the difficult cases can be handled under traditional concepts of substantive due process. This amendment leaves the difficult cases to be determined by an evenhanded application by the courts and State legislatures of constitutional principles apply to all human beings. It establishes the basic life principle, that the destruction of the child in the womb is a violation of every human being's constitutional right to life. Not every abortion, of course, results in the death of the child; controversies are in the papers daily about the efforts or lack of efforts to insure the survivability of such children outside the womb. The amendment would, however, insure equal protection.

The amendment also takes cognizance of substantive due process as it has been developed in Anglo-Saxon jurisprudence. Although the amendment does not encourage exceptions, it admits to exceptions in the light of legal precedents, such as "the doctrine of necessity," established in rare and unusual circumstances. In any case, the solution would have to be determined by an evenhanded application of principles applying to all human beings.

Fourth. States rights: As already indicated, this amendment allows the States to act in the fields of State interest, without the Federal Government prempting all action. Both Federal and State governments can act concurrently to prohibit abortions. Any Federal action promoting abortions, including funding of actual abortions, use of Federal facilities, equipment intended to procedure abortions, particularly research that involves clinical testing, would be clearly a violation of the constitutional rights of the unborn. The Federal Government could act to outlaw interstate commerce in abortions, and in drugs, instruments, and equipment intended to procedure abortions. The States would have similar powers within their jurisdictions. The States, particularly, could delineate the spheres of culpability with respect to participating in abortions, prescribe penalties, and enforcement powers of local jurisdictions. In many ways, the result will be similar to the actions of the States under the 21st amendment in regulating the sale and transportation of intoxicating liquors. Needless to say, no State could enact laws infringing upon the constitutional right to life of any person.

Fifth. Other rights for the unborn: This amendment would make the unborn child a person only "with respect to the right of life guaranteed in this constitution." Thus only the right of life would become a constitutional right. Other rights could be assigned to the unborn by legislation or judicial interpretation, indeed there is already a large body of law on inheritance law and tort claims. It is clear, therefore, that an unborn child would not be subject to census, registration, passports, taxation, and other such requirements imposed upon residents of the United States. Our laws take due note of the age of citizens, and make appropriate distinctions based upon such considerations. A broad distinction is made between adults and minors, for example, and even minors are subdivided according to mental responsibility. Yet all enjoy the fundamental right to life, a right which is just as reasonably accorded to the born and the unborn.

Sixth. Euthanasia: This amendment also recognizes that the right to life is a broad right that cannot be abridged on account of age, illness, or incapacity. There is nothing in our traditions that would allow for such an abridgment. Yet in certain quarters there are some who are beginning to argue that other human beings have a right to decide when someone's life should be terminated. This is a principle that we can never admit to our society. It is indeed the same principle involved in the destruction of the unborn. By emphasizing that every human being is a person, from the moment of fertilization, and entitled to the right to life, this amendment implicitly forecloses such arguments.

Mr. President, there is just one additional consideration which I should add. We should focus upon the fact that, in the taking of any innocent life, the ultimate evil is not death itself. People die every day, causing human tragedies for their loved ones, and have done so from the beginning of time. The real evil, in which society has the ultimate interest, is the effect which the deliberate taking of innocent life as upon those who take that life.

The real evil of abortion is the distorted mentality in the living that is created when social convenience, pleasure, or utility is preferred to human life; or when the quality of life as a value supplants life itself as a value. We cannot allow our society to cross the line which allows the ultimate abrogation of the rights of an individual. We can debate the proper social measures that must be taken to alleviate the problems of human life; but there should be no debate about life itself.

Mr. President, in accordance with the previously approved unanimous-consent agreement, I move that Senate Joint Resolution 178 be made the pending business.

Mr. WILLIAM L. SCOTT and Mr. BAYH addressed the Chair.

The PRESIDING OFFICER (Mr. BUMPERS). Under the previous order, the Senator from Indiana is recognized.

Mr. HELMS. Mr. President, I reserve the remainder of my time.

Mr. BAYH. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAYH. Under the unanimous-consent agreement entered just a few moments ago, is it correct that the motion just made by the distinguished Senator from North Carolina cannot be put until after the time limit and prior to the Senator from Indiana having an opportunity to propose a tabling motion?

The PRESIDING OFFICER. The Chair understands that there was a unanimous-consent agreement that the Senator from North Carolina would be recognized at 1 p.m., to make a motion to proceed, then immediately thereafter the Senator from Indiana would be recognized to make a motion to table.

Mr. BAYH. Mr. President, let me make certain we all understand what the unanimous-consent agreement was.

The PRESIDING OFFICER. And that the vote occur at 6 p.m.

Mr. HELMS. Mr. President, the Chair has stated the understanding of the Senator from North Carolina as to the unanimous-consent agreement. I am perfectly prepared to do whatever——

Mr. BAYH. Let the Senator from Indiana make certain that his question is not misunderstood. I am concerned that in the hiatus that developed here there was the possibility of a vote on the motion to take up——

Mr. HELMS. No, no. The Senator knows the Senator from North Carolina better than that.

Mr. BAYH. I am certain the Senator from North Carolina understands this but our distinguished friend from Arkansas was not in the Chair at the time the agreement was reached, and the normal disposition of a request like that is to say "without objection, it is so ordered." I wanted to make certain that——

Mr. HELMS. Mr. President, to resolve the situation I withdraw my motion temporarily, if the Senator feels it necessary. But, I would say to him, it is not necessary.

Mr. BAYH. That is not necessary.

I simply want to make certain there is no vote on the motion of the Senator from North Carolina until the tabling motion has been voted on.

Mr. HELMS. I think it is perfectly clear from the unanimous-consent agreement as already stated by the distinguished presiding officer with the advice of the Parliamentarian.

The PRESIDING OFFICER. The Chair has stated the content of the Journal as the Journal reflects the unanimous-consent agreement.

Mr. HELMS. The Chair is entirely correct in the opinion of the Senater from North Carolina.

I reserve the remainder of my time, Mr. President.

The PRESIDING OFFICER. The Senator from Indiana is to be recognized at this time to make a motion to table the motion of the Senator from North Carolina.

But the vote will not occur on that tabling motion until 6 p.m., not later than 6 p.m.

Mr. PACKWOOD. And debate is in order until that time.

Mr. HELMS. That is right.

Mr. BAYH. In accordance with the unanimous-consent agreement, Mr. President, I move to table the motion of the distinguished Senator from North Carolina.

The PRESIDING OFFICER. The vote will occur on the motion to table at 6 p.m.

Mr. HELMS. Not later than 6 p.m., I would suggest to the Chair.

The PRESIDING OFFICER. No later than 6 p.m.

Mr. WILLIAM L. SCOTT. Is the motion of the distinguished Senator from North Carolina debatable and can we now carry on a discussion of the motion even though there has been a motion to table?

The PRESIDING OFFICER. Normally neither the motion to take up, if made during the morning hour, nor the motion to table the motion to take up are debatable, but under the unanimous-consent agreement they are debatable with time allocated to the respective parties, the proponents and opponents, with a vote to occur not later than 6 p.m.

Mr. WILLIAM L. SCOTT. Mr. President, I would like to be heard at this time then.

The PRESIDING OFFICER. Who yields time to the Senator from Virginia?

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator from North Carolina yield to me.

Mr. HELMS. Mr. President, I have a small problem with the limited amount of time allocated to me.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. The Senator from New York (Mr. BUCKLEY) has time in his own right; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. HELMS. I want to protect Senator BUCKLEY's rights.

May I ask the distinguished Senator from Virginia how much time he desires?

Mr. WILLIAM L. SCOTT. I only want about 5 minutes.

Mr. HELMS. I gladly yield 5 minutes to the able Senator.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 5 minutes.

Mr. WILLIAM L. SCOTT. Mr. President, I am not sure how I am going to vote on this motion to table, because I have a mixed feeling. I do not favor the resolution of my friend from North Carolina. I do not agree with his views that this is a question to be decided by the Federal Government.

We live in a nation of dual sovereignty where the authority not delegated to the Federal Government is reserved to the States. I believe a question of abortion should be decided by the State government under its police power. This is in the traditional manner where the State government has the right to regulate the health and morals of the people.

We live in a very diverse and large Nation, where people of various sections of the country have different points of view on a matter of this nature.

So, Mr. President, in the event that the Senator from North Carolina prevails, in the event that the motion to table is defeated, I have an amendment in the nature of a substitute.

I shall read my amendment in the nature of a substitute to the joint resolution of the distinguished Senator from North Carolina.

It would strike out all after the resolving clause and insert in lieu thereof the following:

> Except as otherwise provided in this Constitution the power to regulate the circumstances under which pregnancy may or may not be terminated is reserved to the States, except within the District of Columbia, Federal territory, or other area of exclusive Federal jurisdiction.

Mr. President, I know that this is a very controversial matter. I know that some will indicate that a resolution such as this is passing the buck to the States, and that is what it is doing. But it is passing the buck in the proper manner, because when we are talking about regulating the health and morals of the people, this is reserved by the Constitution to the States, and that is where it should be, and that is where it should be decided. If, for example, the people of North Carolina want to decide in one way and the people of Indiana want to decide in another manner, that is their right. Under the police power of the States, I would permit them to do it, and that is the purpose of my amendment. It does not indicate that I am proabortion or antiabortion. My proposal places the responsibility where I believe it belongs and permits each State to decide for itself whether or not it wants any laws on abortion; and if a State wants a law on abortion, what type of law it favors.

I appreciate the distinguished Senator from North Carolina yielding to me.

Mr. HELMS. I thank the Senator.

Mr. President, I reserve the remainder of my time.

Mr. BAYH. Mr. President, I yield myself whatever time I may require.

The distinguished Senator from North Carolina, in his opening presentation, suggested that the full Senate should have a right to vote on this matter and not be denied this right, because of the parliamentary logjam that occurred in the Committee on the Judiciary. I think those were his exact words. I should like to take a moment or two to describe exactly what has happened on this issue of amending the Constitution in regards to abortion.

As the chairman of the Constitutional Amendments Subcommittee, I presided over hearings that lasted 16 days and heard 84 witnesses. The distinguished Senator from North Carolina appeared before our committee on two occasions. His testimony is contained in the record. The hearing record encompasses more than 3,200 pages—3,204 pages, to be exact. The hearings are included in the four volumes which are on the desk of each Senator.

It cannot be rightly said that this matter has not been heard, that it has not been discussed, that the differing points of view have not been considered. A number of different resolutions were considered by the committee, representing the personal and the legal differences of opinion of various authors of these proposed constitutional amendments regarding abortion.

I point out, as the chairman of the subcommittee, never before in my experience in the Senate, nor my 8 years in the Indiana State Legislature, have I been involved in an issue which involved this unique combination of moral and philosophical and religious beliefs commingled with political-legal-medical questions. It is an issue that has caused the Senator from Indiana a great deal of anguish regarding the position I should assume personally, on one hand, and what position I should assume as a Senator, on the other. After a great deal of consideration and deep thought—and, indeed, some prayer—the Senator from Indiana came to the conclusion, personally, that abortion is wrong.

I further considered that I had more than a personal obligation in this matter, that I had a senatorial obligation; that inasmuch as this issue really is a moral decision, a moral decision based on our individual beliefs and our individual experiences, as one Senator, I did not feel it would be right for me to take the personal moral decision that I was prepared to make and to impose that standard, on every other citizen of this country.

The Senator from North Carolina is not talking about permitting an abortion decision to be decided in our own hearts and minds, in our own family council, in consultation with our own minister.

Rather, we are talking about a constitutional amendment, Mr. President—a constitutional amendment which will have the force and effect of law and which will affect the lives of every man, woman, and child in this country.

It is easy enough for me to say that I am opposed to abortion and that I think it is wrong. It is also wrong for me to impose my moral conviction on others who may well be faced with an entirely different set of circumstances from that of the Senator from Indiana.

The Subcommittee on Constitutional Amendments met following the conclusion of our 16 days of hearings. To show that there was not dilatory action—the normal kind of definition one attributes to a logjam—there were eight record votes in that subcommittee. The chairman, the Senator from Indiana, did not try to avoid having the committee come to grips with the issue of abortion. The fact of the matter is that the majority of the subcommittee could not be obtained by proponents to report to the full committee any of the proposed constitutional amendments on abortion that had been studied. The fact of the matter is that the very amendment the Senator from North Carolina now asks the Senate to consider—now asks the Senate to consider, outside the traditional committee system—was voted down by a vote of 5 to 2.

So, having set that legislative background before the Senate, I think we can, perhaps with a bit more enlightenment, proceed to look at the merits of the issue. I have no desire to avoid the issue. I am prepared to vote on it. However, I think it should be described as it was and as it is, with fair notice of the considerable amount of study and attention that was given to the question of a constitutional amendment on abortion.

The fact is that the majority of the subcommittee thought that the distinguished Senator from North Carolina was wrong. I hope that the majority of the Senate, when faced with the question later, will support the Senator from Indiana's motion to table. At the time of the subcommittee action last September, the Senator from Indiana took advantage of his opportunity as a Senator to discuss in some detail on the floor of the Senate, the considerations that were involved in reaching my personal decision on this issue.

The Subcommittee on Constitutional Amendments, which I have had the privilege of chairing for the past 12 years, has had pending before it for 16 months proposed joint resolutions to amend the U.S. Constitution in relation to abortion. These proposed amendments would establish as a constitutional principle the time during pregnancy at which a person can be said to legally exist. I have determined to vote against the proposed amendments. Because of the fundamental importance of the questions raised by my decision, I felt it incumbent upon me to spend many long hours sorting out the multiple threads of the issues involved. This decision has been a particularly difficult one for me. At the time my subcommittee began its hearings on the proposed amendments, I stated that I was personally opposed to abortion. My views have not changed. I have sat through 1½ years of hearings on the implications of the proposed amendments, ranging from the moral implications to the medical and legal ones. After assessing the many complexities raised by the 84 witnesses testifying before the subcommittee, I have reached my decision. Because of the seriousness of the issues raised and the strong feelings expressed by advocates on both sides, I feel I should carefully explain how I arrived at my conclusions.

HISTORICAL PERSPECTIVE

At the time the U.S. Constitution was written, and until the mid-19th century, the law regarding abortion in all but a few States was the pre-existing English common law, which punished post-quickening abortions—those after the 16th to 18th week of pregnancy—as a misdemeanor, and did not punish pre-quickening abortions. After the middle of the century, most States adopted laws providing rather severe penalties for the performance of abortion. While there is dispute in legal circles, several scholars have maintained these abortion laws were enacted so as to protect the health of the mother at a time when medical procedures were not safe or antiseptic. Nevertheless, until recent times, these prohibitions on the practice of abortion remained quite absolute. By the 1960's however, several of the facets of the abortion question were going through a period of rapid change.

From the record presented to the subcommittee, two changes stand out most vividly. The first was the spectacular advance in medical knowledge that enabled experts to detect a number of congenital defects of tragic proportions in the earlier stages of pregnancy. The second was a growing awareness that a large number of otherwise law-abiding American citizens were voluntarily involving themselves in the criminal offense of abortion. Publicity on abortions to prevent birth of fetuses tragically deformed by use of the drug thalidomide focused particular attention on these developments.

In response to the growing public concern about the rigidity of existing abortion laws, various State legislatures during the 1960's and 1970's modified their statutes. Most of these statutes expanded the categories of exceptions to the general prohibition on abortion. The American Law Institute's Model Penal Code provision typified the abortion statutes in many States. The code provided that abortion was not a criminal offense when: First, continuation of the pregnancy would endanger the life of the pregnant woman or would seriously and permanently injure her health; second, the fetus was likely to be born with a grave, permanent, and irremediable mental or physical defect; or third, the pregnancy resulted from forcible or statutory rape.

At the same time that legislatures were reconsidering State abortion laws, women and doctors began to challenge the constitutionality of particular State abortion statutes in the courts. Many lower courts struck down State statutes as unconstitutional on the ground of vagueness or overbreadth which abridged constitutionally protected rights. See e.g., *Aebel* v. *Markel*, 342 F. Supp. 800 (D. Conn., 1972) (three-judge court); *Doe* v. *Bolton*, 319 F. Supp. 1048 (N.D. Ga. 1970) (three-judge court); *Poe* v. *Menghini*, 339 F. Supp. 986 (D. Kans. 1972) (three-judge court). Other courts sustained State laws in the face of such challenges. See *Crossen* v. *Attorney General of Commonwealth of Kentucky*, 344 F. Supp. 587 (E.D. Ky. 1972) (three-judge court); *Rosen* v. *Louisiana State Board of Medical Examiners*, 318 F. Supp. 1217 (E.D. La. 1970) (three-judge court); *Corkey* v. *Edwards*, 322 F. Supp. 1248 (W.D. N.C. 1971) (three-judge court). Gradually, two of these cases, one from Texas, the other from Georgia, reached the Supreme Court. On January 22, 1973, the Court, in a 7-to-2 decision, declared that laws which seriously restrict the option of terminating pregnancy are unconstitutional on their face. In effect, the Court ruled that the laws of every one of the 50 States did not conform to constitutional requirements.

THE SUPREME COURT DECISION

In *Roe* v. *Wade*, 410 U.S. 113 (1973) and *Doe* v. *Bolton*, 410 U.S. 1970 (1973), the Supreme Court set forth the constitutional rights and restraints regarding abortion. The Court attempted to balance three fundamental interests which it had identified—the constitutionally protected right to privacy, the State's interest in protecting maternal health, and the State's interest in preserving potential human life. The Supreme Court held that the constitutionally mandated balance required giving special importance to each interest at a particular time in the pregnancy. During the first trimester of pregnancy, the Court judged the State's interests to be minimal and ruled that the right to privacy dictated the abortion decision should be made by the woman and her doctor during the first 3 months. During the second trimester of pregnancy, the State in promoting its interest in the health of the mother, may if it chooses, regulate the abortion procedure in ways reasonably related to protecting maternal health. Under this ruling, the State may legitimately require safety standards for the performance of abortions, or may limit abortion to only licensed facilities. During the third trimester, the State in promoting its interest in protecting potential human life, may, if it chooses, regulate or proscribe abortion except when it is necessary to protect the life or health of the mother.

The Court's decision has engendered as much controversy as any decision in the Court's history. Criticism has centered around two aspects of the cases: First, that the Court went beyond its proper judicial mandate and was, in effect "second-guessing" what should have been a legislative determination; and, second, that in any event, the Court had failed to give sufficient weight to the State's interest in protecting the unborn.

Legal scholars testifying before the subcommittee remained divided over the Court's role in interpreting certain "fundamental" interests of individuals, not explicitly enumerated in the Constitution, to specifically include a constitutionally protected right to privacy which dictates that the abortion decision remain primarily between a woman and her doctor. While few legal scholars would maintain that proper judicial review should include only those "fundamental" interests explicitly stated in the Constitution, critics such as Prof. John Ely maintain that there are certain restrictions on the Court's role in interpreting general public mores. To such critics, the legislatures, as opposed to the courts are the proper places to establish the protection of substantive as opposed to procedural rights. The Court's more proper function is to guarantee purity of the process.

Legal arguments on both sides of this question appear to me to have merit. I think those legal scholars who defend the Court's decision would admit that Roe and Doe are unprecedented in the extension of the Court's role in interpreting certain "fundamental" rights not specifically enumerated as part of the Constitution. Nevertheless, there is impressive case history that has developed with the last 50 years based upon a Constitutional right to privacy which includes the right to individual choice in marriage, procreation, and child rearing. See *Meyer* v. *Nebraska*, 367 U.S. 497 (1961); *Pierce* v. *Society of Sisters*, 268 U.S. 510 (1925); *Prince* v. *Massachusetts*, 321 U.S. 158 (1944); *Griswald* v. *Connecticut*, 381 U.S. 479 (1965); *Loving* v. *Virginia*, 388 U.S. 1 (1967); *Boddie* v. *Connecticut*, 401 U.S. 371 (1970); and *Eisenstadt* v. *Baird*, 405 U.S. 438 (1972). These decisions did appear ot be forerunners of the Court's logic in Roe and Doe.

The Court specifically held in Roe that among the 14th amendment rights is a category encompassing the freedom of choice in matters of marriage, procreation, and child rearing (410 U.S. 152). This line of reasoning was clearly enunciated by the Court in its earlier decision in Eisenstadt against Baird:

> If the right of privacy means anything, it is the right of the individual, married or single to be free from unwarranted governmental intrusion into matters so fundamentally affecting a person as the decision of whether or not to beget a child. 405 U.S. 453.

While criticism of the Court's decision based upon the proper role of judicial review has captured the interest of many legal scholars, public concern has centered around the second major criticism of the Court's ruling, the failure of the Court to give sufficient weight to the State's interest in protecting the unborn.

In effect, the Court ruled that the State's interest in protecting the potential human life was "compelling"—enough to justify interference by the State—only during the third trimester of the pregnancy. The Court found this to occur at about the 7th month when the fetus had reached a state of viability. However, during the third trimester, the interest of the State in protecting the unborn was still less strong than the State's interest in protecting the life and health of the mother. The Court specifically made the definition of health broad so as to encompass a woman's physical or mental well-being. Therefore, the Court ruled the Constitution requires that the fetus' life give way to the life or health of the mother at all stages of the pregnancy.

It was in order to correct this definition of "compelling" State interest in protecting the unborn that several Senators introduced constitutional amendments. Three of these constitutional amendments, Senate Joint Resolution 6 introduced by Senator HELMS, and Senate Joint Resolution 10 and Senate Joint Resolution 11 introduced by Senator BUCKLEY, attempt to overturn the Court's decision by establishing the legal rights of a fetus as a person. After 1½ years of testimony of the effects of these amendments, including their legal, medical, and moral implications, I have come to the conclusion, that I cannot support either amendment for the reasons I will now detail.

THE NATURE OF THE AMENDMENT PROCESS

Much has been said and written, with good cause, about the remarkable nature of our Constitution. That a document written almost 200 years ago could continue to serve today as the basis for a government of a vastly different society than that known to the Constitutional Convention of 1787 is a lasting tribute to the authors of the Constitution. It is clear that the individuals who met in Philadelphia in the spring of 1787 wrote a document based on fundamental principles, and not a document responsive to the political exigencies of the time.

The reverence the American people hold for the Constitution is attested to by the fact that it has been amended only 16 times after the Bill of Rights, the first 10 amendments, were ratified en bloc in 1791. There is a decided, and well justified reluctance to tamper with a document that has stood us in such good stead for so long.

During my almost 12 years as chairman of the Senate Subcommittee on Constitutional Amendments, I have been privileged to be involved directly in the adoption of two amendments to the Constitution: The 25th amendment on Presidential and Vice-Presidential succession and the 26th amendment lowering the voting age in all elections to 18. In addition, we have proposed to the States another amendment, already ratified by 34 States, to provide equal rights for men and women. None of these amendments were responsive to compelling moral or political issues. Rather they were designed, in the manner of the original document itself, to establish underlying principles on which our Government should operate.

Actually, there was only one occasion throughout our entire history when the Constitution was amended to other ends. The 18th, or so-called prohibition, amendment was adopted for the incongruous purpose of establishing as a matter of fundamental law hotly debated moral principles. The 18th amendment sought to impose those principles on the behavior of individuals. It is highly illustrative of the unique, and unsatisfactory, nature of this amendment that it was widely flouted by the American people. Never before, and never since, has a part of the Constitution been held in such contempt by such large numbers of Americans. And it is also highly illustrative of the 18th amendment that it suffered the ignominious fate of being the only amendment to the Constitution ever repealed.

I fear greatly that adoption of any of the proposed amendments regarding abortion would be far more in line with the unfortunate experience encountered with the 18th amendment than with the rest of the Constitution. Without arguing the merits, can anyone seriously doubt that adoption of any of the proposed amendments would result in tens of thousands of women seeking abortions through illicit channels? Can there be doubt that if any of the proposed amendments were adopted that there would immediately be unleashed active political forces designed to repeal the amendment?

The simple and irrefutable fact is that it is not an issue that can be properly or effectively dealt with in a constitutional context. This can be illustrated by examining the specific constitutional principle that would be established through adoption of either of the most widely supported amendments.

The means by which the Supreme Court decisions in Roe and Doe would be overturned under three of the proposed constitutional amendments, those introduced by Senators HELMS and BUCKLEY is by establishing as part of the Constitution legal protection for a fetus at all stages of biological development. In other words, the language of the amendments nullifies the Court's distinction of viability, and establishes "life" as beginning at the moment of fertilization. No matter what one's personal views are as to when life begins, there can be no disagreement as to the clear fact that we have been unable to establish to everyone's satisfaction exactly when this mysterious transformation takes place. Is it at the time of conception? Or fertilization? Is it only after "quickening" or viability? By amending the Constitution to establish one view as to when life begins at a time when there is no clear agreement among various religious denominations or among people in general, appears to me to be a serious misreading of the nature of the Constitution itself. The very term Constitution implies a document of a permanent and abiding nature. As one who has great faith in this durable document, I feel that we cannot and must not use the Constitution as an instrument for moral preference. We cannot and should not presume to provide for the people of this country, people with widely varying opinions on such fundamental issues, a definitive answer to a question that is clearly not open to certitude.

It is precisely in areas that are so intimate, where public attitudes are deeply divided, both morally and religiously, that private choice can be defended as our Constitution's way of reconciling the irreconcilable without dangerously embroiling church and state in one another's affairs.

THE CONCEPT OF THE FETUS AS A PERSON WOULD NOT OVERTURN THE SUPREME COURT DECISION

The concept of the fetus as a legal person, irrespective of its biological development raised several questions of a legal as well as a moral nature. Testimony from legal scholars on both sides of the abortion controversy indicated to our subcommittee that there was serious question among legal scholars as to whether by giving the fetus status as a person, the Supreme Court decision would actually be overturned. According to testimony before our subcommittee, the effect of the proposed amendments would be to create competing interests, but would not really resolve the question as to whose interest had priority—that of the woman to control her own body, or that of the fetus to survive. In testimony before the subcommittee, Yale law professor, John Ely, a critic of the Court's decision, stated:

> In fact all that would be established (by concluding that the fetus is a person) is that one right granted by the Fourteenth Amendment was in conflict with what the Court felt was another; it would not tell us which must prevail.

Further, it has been contended that by concluding that the abortion decisions should be made by a woman and her doctor, a legislative or judicial body permits, but does not cause the death of any fetus; hence does not "deprive" any fetus of life without due process. While such legal reasoning may seem strained to those who view the abortion decision as a simple moral choice, such testimony from legal scholars on both sides of the issue, raises serious question as to the wisdom of amending the Constitution with language that would conceivably not accomplish its major purpose.

THE PROPOSED AMENDMENTS WOULD REQUIRE DRASTIC CHANGES IN ALL AREAS OF THE LAW TO ACCOMMODATE THE RIGHTS OF THE FETUS

An overriding difficulty raised by the proposed amendments, which would fix the beginning of life at fertilization or at the earliest stages of biological development, is the effect such a rule would have on other constitutional provisions and on nonconstitutional areas of the law. Despite one's personal views as to when life begins, it is necessary to recognize that the law has been reluctant to endorse any theory that life begins before birth or to accord legal rights to the unborn except in narrowly defined situations and except when the rights are contingent upon live birth. Four legal areas—torts, property, tax law, and criminal law—exemplify the difficulty that may follow from enforcement of the proposed constitutional amendments.

A. TORT LAW

At present, the tort law of most States provides recovery for injury to a fetus only if it has "quickened" or become "viable," and the recovery is often premised on the requirement that the fetus be born alive. "Constitutional Aspects of the Right To Limit Childbearing," report of the U.S. Commission on Civil Rights, April 1975, at 87; Roe, supra, 410 U.S. at 161–2. If the proposed amendments were enacted, however, a representative of the fetus could recover for its injury against any person, including the mother from the time of conception. Actions could be maintained against mothers who smoked, took strong drugs, took drugs for their own health, ate in a non-nutritious manner, or went skiing and had an accident while pregnant. Suits could be successfully brought against drivers who injure pregnant women accidentally. Doctors would face possible malpractice claims from the fetus' representative if they acted in a manner that would protect the health of the mother at the possible expense of the fetus.

B. PROPERTY LAW

Property laws and rules of inheritance throughout the United States which govern succession of interests accord rights to inherit to the unborn, but those rights vest only if the fetus is born alive. According "personhood" to a fetus from the moment of conception would entail a determination that a fetus which is miscarried during the pregnancy—15 to 25 percent of pregnancies terminate naturally—could inherit and bequeath property. This change would introduce drastic confusion into the laws of property and estates.

C. TAX AND REVENUE LAWS

Under State and Federal income tax law, "persons" are counted as dependents. If fetuses are deemed to be persons, they too could become dependents for purposes of the tax laws. Enforcement of such a rule, in light of the difficulties in determining when pregnancy has occurred and the high incidence of natural miscarriage—15 to 25 percent of conceptions—would be extremely difficult and unnecessarily invade individual privacy.

D. CRIMINAL LAW

Enforcement problems as well would be raised under the criminal laws. It would appear that a person charged with carelessness or recklessness which resulted in a miscarriage would be guilty of "killing" a "person", or murder. Incarceration of a pregnant woman would be incarceration of a "person"—the fetus—without due process of law to that fetus. All the activities which could result in claims of tort by the fetus' representative could also lead to criminal charges against the mother, the father, the doctor, or others. An inquiry would be required to determine whether or not miscarriages had occurred naturally. Serious fifth amendment problems would occur in any attempt to enforce such laws. Finally, if a "person" is deemed to exist at the time of fertilization, then use of such abortifiacients as intrauterine devices, relied on for contraception by millions of American women, would constitute continuous murder. Again, enforcement would be highly intrusive on privacy.

THE ABSOLUTE NATURE OF THE PROPOSED AMENDMENTS WOULD NOT ALLOW FOR EXCEPTIONS IN THE CASES OF RAPE, INCEST, OR GENETIC DISEASE

Assuming that the wording of the proposed constitutional amendments giving the fetus status as a person does, in fact, preclude a woman's right to choose abortion, I find that I could not support a measure which would not allow flexibility under the circumstances of rape, incest, or genetic disease.

While I am deeply disturbed by the concept of abortion for convenience sake, I find that I cannot support an amendment which would not allow a woman who has been brutalized by the crime of rape the option of terminating a pregnancy that resulted against her will. There were 55,000 reported rapes in our country last year. This figure does not include those rapes which were never reported to the police. Unfortunately, the crime of rape is one of the fastest growing of violent crimes. I am not arguing that every one of those women who are the victims of rape and who find themselves pregnant should choose abortion. I am only arguing that I cannot deny a helpless victim the right to make that choice.

Similarly, I feel that I cannot support an amendment which is so absolute as to prevent a woman who is carrying a fetus with a detectable and deadly genetic disease—and as Tay-Sachs or down's syndrome—the option of terminating her pregnancy. It is very difficult for those of us who have not endured the heartbreaking experience of a mother who must watch her child die a slow, agonizing, and sure death by the age of 2 or 3 to understand the importance of having the option of terminating such a tragic pregnancy. Medical science has enabled us to detect Tay-Sachs and other such genetic diseases during the second trimester of pregnancy. Such tests make it possible for women afflicted with genetic disorders such as Tay-Sachs to look forward to pregnancy with the knowledge that medical science can detect such tragedy before a woman has come to full term. Three out of four such pregnancies—involving parents with Tay-Sachs tendencies—result in the birth of normal infants. I cannot support an amendment that would prevent a mother from bringing a healthy child into this world if she could be guaranteed that choice.

THE PROPOSED CONSTITUTIONAL AMENDMENTS WOULD AFFECT THE CONTRACEPTIVE PRACTICES OF MILLIONS OF AMERICANS

In testimony before our subcommittee, it became clear that one of the possible effects of the proposed amendments would be to prohibit the use of certain forms of contraceptive devices in use by millions of Americans. Because the amendments define life as beginning at fertilization, the use of many contraceptive devices, such as the intrauterine device used by almost 9 million women, would no longer be permitted since medical testimony indicated there is evidence that such devices may work by preventing implantation after fertilization. This raises the unfortunate specter of the Federal Government monitoring the bedroom practice of all American citizens.

In addition, many women who have selected forms of contraception which may be less effective and reliable, but which pose less danger to their own health, may feel compelled to change to forms of contraception which are more effective, but which pose greater health risks for women. Such considerations are particularly important as health problems which may be caused by the pill and the IUD, the morning-after-pill, and dep-prover—an injectible contraceptive not yet approved for use by the FDA—come to light.

CONCLUSION

After listening to hundreds of hours of testimony on the proposed constitutional amendment, I am keenly aware that amending the Constitution to proscribe abortion is an extremely complex issue. It is not a question of my personal views on abortion; nor is it a question of the personal views of any of the members of my subcommittee. The question is whether we, as elected representatives, feel that amending the Constitution to impose one conception of life on all our citizens, is indeed the most responsible course of action. I have concluded it is not a responsible course of action. Each of us must make that important choice for himself or herself.

The PRESIDING OFFICER. Who yields time?

Mr. BAYH. I yield the floor.

Mr. BARTLETT. Mr. President, the distinguished Senator from New York (Mr. BUCKLEY) has, in his introduction of the human life amendment, dealt eloquently with the various aspects of the recent Supreme Court decision on abortion. As a cosponsor of the amendment, I add my voice to his and present my personal feelings on the Court's decision.

Though Chief Justice Burger says, "plainly the Court today rejected any claim that the Constitution requires abortion on demand," the first and most important point to be observed is that the decision does pave the way for abortion on demand for the first 6 months of pregnancy or until viability. In the first 3 months, or first trimester, according to the Court, the abortion question is totally up to the woman and her attending physician. In the second trimester, the State may regulate, but not proscribe, the abortion procedure—and so for the second trimester, the decision of the pregnant woman and her physician is compelling. In the final trimester, the State suddenly takes on a "compelling interest" in the matter, and may proscribe abortion except "where it is necessary for the preservation of the life or health of the mother." But the Court then accepts a definition of health which includes "psychological as well as physical well-being," that is "all factors—physical, emotional, psychological, familial, and the woman's age—relevant to the well-being" of the mother.

In other words, Mr. President, a woman now has a constitutional right to pursue the abortion of her unborn child if giving birth would be socially inconvenient, or would make her emotionally upset. The right to life is no longer a right, but is now dependent on the comfort and well-being of the mother. A human being is reduced to an expendable social convenience.

How did the Court arrive at such a position? It did so by a gross distortion of history, of the Constitution, and of the nature of man. Basically, the Court based the decision on its conclusions that: First, abortion is historically neither wholly uncommon nor unlawful; second, the right of privacy includes the decision of a woman to terminate her pregnancy as she and her doctor desire; and third, the fetus, regardless of "potential" human status, is not a legal person and thus is not entitled to human rights.

Now it is true that abortion has been practiced, legally and illegally, throughout history. But slavery has been practiced throughout history, too. Should we therefore repeal the laws which proscribe slavery?

The Court was content merely to list periods in history where abortion was sanctioned, and thus saw only what it wanted to see. Justice Blackmun, for example, was impressed with the fact that "Roman law afforded little protection to the unborn."

Mr. President, our history is the story of a progression, though imperfect and unsteady, from barbarism to civilized society. Though the Romans were more civilized than other ancient cultures, they were barbaric in that they did not understand the sanctity and dignity of human life. And thus Seneca, the Roman philosopher, argued:

> Mad dogs we knock on the head; the fierce and savage ox we slay; sickly sheep we put to the knife to keep them from infecting the flock; unnatural progeny we destroy; we drown even children who at birth are weakly and abnormal.

This is the voice of barbarism, and in a society which accepted slavery, crucifixion, and the killing of newborn children, we should not expect the killing of a fetus to seem abnormal.

The Judeo-Christian philosophy, with its emphasis on human rights and individual freedom, emphasized the basic dignity and sanctity of human life. The Didache, an anonymous Christian writing of the early second century, includes under the "second commandment of the teaching" the precept, "Thou shalt not procure abortion." And this precept has continued as a basic concept of our Western civilization for almost 2,000 years. The advancement of our culture, measured by the increasing recognition of the rights of the unborn, is evidenced historically in the increasing protection by law of unborn life.

Mr. President, the Supreme Court decision is applauded by some as "progressive," but in reality it is regressive, a throwback to the primitive and barbarian past when human life was without innate value. The Court's interpretation of history is one-sided. And this is documented in a comprehensive brief filed by the attorneys in the Byrn against New York City Health and Hospitals Corporation case which was on appeal to the Court at the time the Court handed down its decision on abortion.

Perhaps an even greater misinterpretation, Mr. President, is found in the Court's discovery of a constitutional right to privacy which includes the right of a woman to destroy her unborn child. Not surprisingly, there was much disagreement among the members of the Court as to where this right of privacy is situated—some found it in the ninth amendment; others found it in the first, fourth, or fifth, even the entire Bill of Rights. However, the majority "felt," to use its own language, that this right is contained in the 14th amendment's concept of personal liberty and limited government.

In order to find this right in the 14th amendment, the Court has had to totally ignore the expressed intent of the framers. Justice Rehnquist in his dissenting opinion pointed out that at the time of the adoption of the 14th amendment there were 36 laws enacted by State or territorial legislatures limiting abortion, and he declared:

> The only conclusion possible from this history is that the drafters did not intend to have the 14th amendment withdraw from the States the power to legislate with respect to this matter.

Obviously, this also applied to the amendments adopted prior to the 14th amendment.

The intent of the framers, as pointed out in the Byrn brief, was clearly to "protect every live human being regardless of age, stage, condition of wantedness." Congressman John Bigham, who sponsored the 14th amendment in the House, stated that it was "universal" and applied to "any human being," and his Senate counterpart noted that the amendment covers "the humblest, the poorest, the most despised of the race." Even a cursory glance at history shows that the opinion and mood of the age were unquestionably opposed to abortion. Are we to assume, Mr. President, that the framers did not mean what they said? In the words of dissenting Justice White:

> The Court simply fashions and announces a new constitutional right for pregnant mothers and with scarcely any reason or authority for its action invests that right with sufficient substance to override most existing state abortion statutes.

Finally, after misinterpreting history and the Constitution, the Supreme Court has thrown both established scientific fact and commonsense out the window by declaring that the fetus is not a legal person and thus not entitled to human rights.

The Court is unequivocal on this matter:

> . . . the word "person," as used in the 14th amendment, does not include the unborn.

And they are aware that the validity of their case hinges on this point:

> If this suggestion of personhood is established, the appellant's case, of course, collapses, for the fetus' right to life is then guaranteed specifically by the 14th amendment.

Given these conditions, one would expect a thorough and cogent analysis. What is evidenced in the decision, however, is a jumble of illogic and confusion. The basic question to be resolved, before one can even begin to consider the rights of unborn children, is the issue of when human life begins.

But the Court chose to totally disregard this matter by saying:

> When those trained in the respective disciplines of medicine, philosophy, and theology are unable to arrive at any consensus, the judiciary, at this point in the development of man's knowledge, is not in a position to speculate as to the answer . . . We need not resolve the difficult question of when life begins.

Now, as a matter of fact, there is considerable agreement among scientists, biologists, philosophers, and theologians as to when human life begins. It begins at the moment of conception: When the ovum is fertilized by the sperm—forming that unique genetic organism called the zygote—fetus—which 7 days later implants itself in the womb.

But let us assume, for the sake of argument, the Court's uncertainty about when life begins. Now when there is doubt about the possible effects of an action, commonsense dictates that one take the safer course. Thus, if there is a possibility that abortion is the taking of human life, one would naturally forbid abortion until the matter can be decided conclusively one way or the other. The Supreme Court, however, does not concern itself with the issue of whether or not abortion is murder. It closes its eyes to this all-important issue and, busying itself with sophistry, discusses only the purely legal issue of the definition of "person" in the 14th amendment.

Yet even this slender reed falls before the historical evidence which shows that the framers, in harmony with the common law and moral sentiment of their age, intended the 14th amendment to apply to unborn children. I quote from the Byrn brief:

> The Framers intended that every live human being, every member of the human race, even the most unwanted, fall within the aegis of the Due Process and Equal Protection Clauses. History does not support the proposition that the Framers intended to exclude unborn children.

Moreover, from a strictly logical standpoint, the argument that the unborn child is not a human being or "person" and is not entitled to human rights is a manifest absurdity. A principal argument of proabortionists is that before birth the fetus is merely a part of the mother's body, like any other organ or appendage. Because it is common practice to remove an organ or appendage when it becomes dangerous to the mother, we are therefore asked to sanction abortion as we would sanction the removal of a gangrenous leg or diseased kidney. The extermination of a living being whose heart beats at 3 weeks, who moves after 6 weeks, and who by 12 weeks is sucking his thumb, swallowing, digesting, and urinating is to the proabortionist no different than an appendectomy. By virtue of its dependence on the mother for survival, then, the fetus is deemed an expendable part of the body.

While a mother may claim that a fetus is a part of her body, it is interesting that the umbilical cord attaching the fetus to the mother is produced by the fetus, and not by the pregnant woman.

But for months and years after birth the child is also dependent on the mother for survival. By the logic of the argument of whether the child is dependent on the mother, we could also exterminate newborn children and, by extension, the elderly and sick who are unable to take care of themselves. It is true that the fetus lives inside of a womb and a child outside—but why should this factor be at all relevant?

Scientists and theologians alike agree that birth, the severing of the umbilical cord, is an arbitrary point in the development of the child.

The absurdity of this dependency argument becomes clear as we progress to its logical conclusions. The Court assumes that birth is the point at which the child becomes a person. Is he not a person when one-third of the way out, as well as a person when two-thirds of the way out? Is the baby a human being which may be destroyed one second before birth begins, and a "person" possessed of inalienable rights one second after birth begins?

A guarantee of the conditions of life for a human being during the first 9 months are perhaps more important than those of any succeeding 9 months.

If a human being's life is terminated in the first 9 months, he is absolutely denied all of his inalienable rights and has no second chance to regain them—ever.

Mr. President, the Declaration of Independence states, "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are Life, Liberty, and the Pursuit of Happiness." The Supreme Court is apparently now prepared to say that some men are not created equal, and that the desire, convenience, health, or comfort of some give them the power of life or death over others. This value system, denying the inalienable right to life of an unborn child until some arbitrary state of development, is a shameful regression to the barbarism which ignores human dignity and value.

And now, in our time, this doctrine is loosed with full force upon the most innocent of all beings: the defenseless unborn child.

What is there to say about a Court which cares more for the life of a convicted murderer than the life of an unborn child?

Justice Douglas, in his concurring opinion, said that a woman may be deprived of a "preferred life style" and have forced upon her an "undesired future" because "the vicissitudes of life produce pregnancies which may be unwanted."

Pregnancy is not some mysterious accident over which human beings have no control. I thought they were teaching in our high schools that sexual intercourse between a man and a woman causes pregnancy. He is saying that man is no longer a free and autonomous being, no longer capable of controlling his destiny so as to become a businessman, a doctor, a father, a farmer, a poet—that, stripped of dignity and responsibility, man is now a mere biological organism which floats passively on the tide of events, tossed about by the "vicissitudes of life." Given this view of humanity, it is inevitable that human beings should be reduced to expendable social utilities and conveniences.

Some will protest that to draw such implications from this Supreme Court decision is imprudent. I ask them to examine the wording of the Court's decision. The Court states that the unborn are not recognized by the law as "persons in the whole sense," and uses as a prerequisite for human status the criterion that one be "capable of meaningful life."

What does this mean? Quite simply, it means that human life may not have value; that it is subordinate to other considerations. What are such considerations? For instance, that the mother may have to "* * * abandon educational plans; sustain loss of income * * * (and) endure the discomforts of pregnancy."

It is for the "discomforts of pregnancy" that the Court is now willing to sacrifice innocent human life. The right to life is no longer an inalienable right, but a matter of chance.

Mr. President, as soon as one questions the value of human life, there is nothing in principle that prevents him from expanding the circumstance under which human beings may be exterminated. It is only a matter of degree to shift from the extermination of the fetus to the extermination of children with birth defects; to the extermination of the elderly, the sick, the crippled, and others who are "less than whole persons."

Mr. President, one must always value human life. The right to life is not the gift of a State, a judiciary, or any other organization or individual. It is innate in the nature of man.

The decision of the Supreme Court is a direct attack on this fundamental human right. It is offensive not only to commonsense and established scientific fact, but to that precious moral tradition which is the product of ages of human endeavor—a moral tradition which has culminated in the American philosophy. It places the rights and liberties of each individual and all human life ahead of the State.

To hold that many of us can solve our problems only by killing others is a blow to human development and justice.

Mr. President, I urge my colleagues to join me in supporting the human life amendment. Nothing less is at stake than that respect for the dignity and sanctity of human life which is the prime characteristic of a free and civilized society such as ours.

Mr. President, I should like to comment on one point that the distinguished Senator from Indiana raised. I believe I am paraphrasing him correctly when I say he was making the point that he is personally opposed to abortion, but does not want to force his beliefs on somebody else. I believe that is a fair definition or fair recount of what the distinguished Senator said.

It seems to me that we in this body are continually making judgments of a moral nature which we are forcing, by the laws that we adopt, on the people in this country, whether it be a matter of capital punishment, or a matter affecting the lives of our citizens.

I think the question here is about life—because certainly, we do guarantee life in this Nation. That is one of the basic precepts of the Declaration of Independence, the guarantee of life. My reason for supporting the Helms amendment is that this guarantee should be given for the whole stage of development of that life, from the very beginning to the very end, and is just as important for a senile, elderly person who is bedridden and perhaps incapable, as far as medical science is concerned, of assuming normal faculties and the normal uses of his or her limbs—it is just as important that this person be accorded the guarantee of life as it is to someone in the prime of life, as it is to a newly born youngster, a baby, or as it is to an unborn fetus.

I am glad to yield.

Mr. BAYH. I do not want to impose on the time of my colleague from Oklahoma, but the complicated nature of debating the Government's role in life decisions was acknowledged by the Senator from Indiana in his earlier remarks and it was brought to mind by the two examples that my good friend and colleague from Oklahoma pointed out; that is, the death penalty example and the euthanasia example. Also, there are others. Certainly, the Senator from Indiana has struggled with the issue of a declaration of war—certainly, that subjects a lot of individuals to face the ultimate cost of citizenship. But I must say to my friend from Oklahoma, one can look at any of those difficult issues with much clearer definition and a much higher degree of understanding and even agreement, than some of the questions that are brought to this body by the abortion issue. It is rather clear that an adult of 80 years of age, under the conditions described by my colleague from Oklahoma, is alive. There is no question about that. I know only a very few people who would get involved in advocating euthanasia, and, I must say, I do not anticipate any problem keeping those people in their right place. We are talking there about people who are alive, we know they are alive, they have lived a long period of time.

The problem that is posed by the question of abortion is that there is not that kind of agreement as to when life begins. If we are talking about a viable child, a viable fetus, that is one thing. But we are talking, as I understand my friend from Oklahoma, about redefining life legally and making a definition that would say a human being exists, with all the legal rights of an individual, from the point of conception. We really do not know exactly when conception occurs and yet we would bring to bear a number of legal and medical questions as to what happens if certain acts are taken, accidents occur, that interrupt a normal development of that fetus from the point of initial conception.

I must say that the difficulty of defining conception is something that I think makes it much different from the question and examples raised by my friend from Oklahoma. I know that does not change his judgment, but that is one complicating factor that is in the mind of the Senator from Indiana.

For example, the Senator from Oklahoma, I assume, would accept life and does accept life from the moment of conception. Is that accurate?

Mr. BARTLETT. Yes, I do.

Mr. BAYH. Others talk of fertilization; from the time the egg and the sperm get together. I must say, although I have discussed this at great length, I still have great reservation here, alive and in full color, discussing an issue that involves one of the most intimate personal acts of two human beings in scientific terms, but I think we must, because that is what the issue is.

Is any act taken by a mother or any other person after fertilization that interrupts the normal development of that fertilized egg abortion in the estimation of the Senator from Oklahoma? Is that accurate?

Mr. BARTLETT. I would like to comment on that in a few minutes, because I am going to talk about some new language, so rather than mislead the Senator from Indiana, I shall proceed.

Mr. BAYH. All right.

Mr. BARTLETT. I first would like to comment on the Senator's statement. I think there is absolutely no question that we are dealing with human life in an abortion. That is the purpose of the abortion, to terminate that human life. I think we are kidding ourselves when we put it in some other terms, as some people want to do. I think we can prove beyond any shadow of a doubt that life begins at fertilization, when the ovum, the egg, is fertilized by the sperm.

Mr. BAYH. Will the Senator yield? At what time is that beginning? How many days, how many hours?

Mr. BARTLETT. Let me go on, if I may, and I shall try to get to that point.

Mr. BAYH. I do not want to interrupt, but I think that is a telling question and would like the Senator's opinion on that.

Mr. BARTLETT. Let me get to the point that I want to and if the Senator has other points he wants to make, I shall be glad to try to respond.

This can be proved because of the test tube babies, which have been successful with fertilization in the so-called test tube and implantation in the mother. This has resulted in the successful birth of a number of babies. So it is obvious that with fertilization, life begins when the egg is fertilized by the sperm and you have the fetus, a person in its own rights. It has its own characteristics and personality from that point on.

I favor the language of the amendment to be changed so that the effect would be from the time of implantation, so it would read, in section 1:

> With respect to the right to life, the word "person" as used in this article and in the Fifth and Fourteenth Articles of Amendment to the Constitution of the United States applies to all human beings, including their unborn offspring from the time of implantation and at every stage of their biological development, irrespective of age, health, function, or condition of dependency.

Just to go on and read the rest of it:

> This article shall not apply in an emergency when a reasonable medical certainty exists that continuation of the pregnancy will cause the death of the mother.

Implantation can be determined and the time of pregnancy or shortly thereafter can be established. This is done in the most active, in the most advanced, way, and a quickness determination can be reached by what is called the radio-immunoassay which measures the hormones that are emanated from the zygote or the fertilized egg after implantation, and this can generally be measured within 9 days.

So up to 9 days it is impossible to determine whether a person is pregnant or not. This does not mean that she is not pregnant. It just means that it cannot be determined whether she is.

So this would have the amendment taking effect after implantation. This would permit the D & C to be utilized by a young girl or woman who was raped. It would provide a period of time in which the pregnancy would not take place.

There are those who might claim that a D & C is an abortifacient. The problem is it cannot be proved whether it is or whether it is not because it cannot be proved that there is pregnancy at this time within the 9 days.

The same with the IUD. The IUD is called an abortifacient by some people and yet there are babies born and, as the baby is delivered, so is the IUD. So at least in those cases the IUD was certainly not an abortifacient.

So I think that this change resolves a lot of the difficulty the Senator may have, and it puts a timing at implantation.

There are fertilized eggs that do not implant, and yet one can say life begins at the time of fertilization. But just in the normal scheme of things many fertilized eggs do not implant. So the implantation is a vital part of the whole process of pregnancy.

Does the Senator have any questions?

Mr. BAYH. I appreciate the Senator's——

Mr. BARTLETT. May I yield on the Senator's time because the Senator has a little more than I do?

Mr. BAYH. Yes, I would be privileged to yield on my time.

The Senator points out the question being raised by the Senator from Indiana—and I assume I do not put words in his mouth—if fertilization has occurred and if a D & C, morning-after pill, or an IUD which, Dr. Hilgers, the No. 1 doctor representing the position of the Right to Life Movement, testified before our committee prevented implantation, that that was the way IUD functioned, and if that is the case——

Mr. BARTLETT. Is that Dr. Hellegers?

Mr. BAYH. Dr. Hilgers.

Mr. BARTLETT. How do you spell it?

Mr. BAYH. H-i-l-g-e-r-s, as I recall—

I will check that out—and if that is the case then would the Senator agree with the Senator from Indiana that the language contained in the amendment of our friend from North Carolina would make anyone who used the morning-after pill, used an IUD, or had a D & C, guilty of committing an abortion?

Mr. BARTLETT. No, I disagree, and I think the Senator may be quoting Dr. Hellegers who testified before the Senator's committee, and with whom I talked several times and talked this morning. But he points out——

Mr. BAYH. That is Dr. Hilgers. I think we are talking about the same person.

Mr. BARTLETT. The spelling I have is H-e-l-l-e-g-e-r-s.

Mr. BAYH. I think there are two.

Mr. BARTLETT. Well, anyway, Dr. Hellegers points out, I will say to the Senator from Indiana, that since you cannot tell whether a woman is pregnant in the first 9 days, it is impossible to claim or to prove that the IUD or the morning-after pill were abortifacients, even though they would have that tendency.

For example, with the morning-after pill, apparently there are those who feel it may be an abortifacient in the way it reacts. But apparently it also prevents the ovum from releasing an egg, which would not be an abortifacient act. So there is a lot involved here. I would like to make it clear that the answer to the question the Senator asks is that it cannot be proved during the first 9 days that there is a pregnancy and, therefore, it could not be proved that an abortion was taking place by the use of a D & C or a IUD or morning-after pill.

Mr. BAYH. I guess what the Senator is saying, in answer to my question, is he does not know, that I do not know, we do not know, and it is that vast uncertainty which concerns the Senator from Indiana.

Mr. BARTLETT. That is right.

Mr. BAYH. Are we prepared to amend the Constitution of the United States under the language of the Senator from North Carolina to prohibit or to make abortifacient certain acts in which 10 million American women are now participating with no idea they are committing an abortion? They do not want to become pregnant, they want to avoid having to face what they consider an abortion. Yet Dr. Hilgers, who was the physician representing the Right to Life movement, during our first series of hearings, held the position that it was an abortifacient.

Mr. BARTLETT. I think the Senator from Indiana is making a good point, and that is the reason why several of us have agreed to this change of language. This would eliminate that concern and that problem we have. But I do agree with the Senator that during that period we do not know whether an abortion would be taking place or not. But it cannot be proved that it is, and I feel that that is the important fact.

Does the Senator wish me to yield?

Mr. PACKWOOD. I was going to ask the Senator to yield, and to yield on my time.

I want to understand the Senator's amendment and the point of implantation. You are not arguing on the same basis, I take it, that the Senator from North Carolina is arguing, on a moral basis; or that you just could not draw a line at conception which is roughly 7 days before implantation and say roughly everything after implantation is human life?

Mr. BARTLETT. I think you can make a moral argument and, I think, you can make a legal argument and you can make a medical argument on this basis for the reason, for example—and I will be very brief——

Mr. PACKWOOD. The reason I asked the question——

Mr. BARTLETT. The reason is that many fertilized eggs, as the Senator well knows, do not implant.

Mr. PACKWOOD. And most of them do not.

Mr. BARTLETT. Most of them do not. So implantation, for example, after fertilization is essential to a pregnancy, as we term it.

Mr. PACKWOOD. The Senator is talking about 6 or 7 days after intercourse; the Senator is talking about a doctor being able to prove whether or not a woman might be pregnant.

Mr. BARTLETT. No, to determine whether she is pregnant.

Mr. PACKWOOD. All right, say it that way—is pregnant.

As the Senator is aware there are still throughout the world a variety of methods of research on abortion going on, and we have not yet come upon what I would regard as a really perfect, satisfactory method of abortion. The morning-after pill is one of the things that is being researched throughout the world now. But I want to know what the position of the Senator from Oklahoma would be if we hit upon, in essence—and I think we will—a week-after, a 2-week-after pill that is going to have the effect of causing a natural abortion. A woman takes it and she has a natural abortion although it is after implantation.

Mr. BARTLETT. After implantation.

Mr. PACKWOOD. After implantation. Is that going to be a legal abortion?

Mr. BARTLETT. According to this legal——

Mr. PACKWOOD. According to the Senators definition.

Mr. BARTLETT. Yes. I think after implantation, this language would guarantee the life of the fetus from the point of implantation on.

Mr. PACKWOOD. I do not support the amendment, but it does have the advantage of a specific date. But I think it shoots the dickens out of the argument of life from the moment of intercourse or from the moment of fertilization, and that there is some kind of soul then. There actually is a moral issue here because you really have taken an artificial time, and you have said from this date onward abortion is wrong; from this date before implantation abortion is OK.

Mr. BARTLETT. No. I think the Senator, in using the word "artificial," is misleading himself because it is not an artificial time. It is a specific condition that must occur with the fertilized egg before pregnancy will continue. Certainly, pregnancy starts with fertilization. I think practically everyone agrees on that. But without implantation there is no pregnancy, and so the fetus does not develop.

At implantation, as it absorbs into the mother, then hormones are emanated which can be picked up in the mother and the pregnancy determined.

Mr. PACKWOOD. I should not have used the word "artificial."

Mr. BARTLETT. But it is a very natural——

Mr. PACKWOOD. It is a natural part of the sequence. But what I mean is that the Senator has not picked a time, in my mind, that has no particular discrimination. He could have picked 2 weeks or a month after.

Mr. BARTLETT. I think one reason I disagreed with the use of the word "artificial" is because implantation must take place, as the Senator knows, and without implantation there is going to be no pregnancy, as we know.

Mr. PACKWOOD. Right.

Mr. BARTLETT. It begins first, certainly, with fertilization and then it begins, in a sense, we may say, roughly 7 days later with implantation, and without implantation there is no pregnancy.

I do not think it is an arbitrary time span, although it does figure out about 7 days and I think implantation takes about 2. So we are talking about, maybe, 9 days when pregnancy can be detected.

I think this is very important from a legal point of view, to have a specific way of determining whether this law would be fulfilled or not, or whether it would be violated.

Mr. President, I would like to discuss briefly some of the matters that are brought up in the discussions of abortion that I think are very important.

I discussed one already, about when this life begins, and I think there is really very strong evidence and general approval that life does begin at fertilization and then continues at implantation.

Often we talk about the proponents of abortion who point out that those of us who do oppose them are wanting to discriminate against the poor.

I think the discrimination that takes place is against the fetus, against the very small human being that is being discriminated against because of its size—and its size is talked about, size in terms of 6 months' pregnancy, with what amounts to abortion on demand, and then up to the full term, in some situations.

I think the discrimination that does take place is against the small human being, because the human being is small.

Then there is the argument that we should not permit the birth of children because they are unwanted.

The interesting thing about this is that the decision to take the life of the unwanted is always made by the person who does the unwanting and it is never made by the person who is unwanted.

I think we must remember that there are a lot of parents who are unwanted by their children. There are a lot of parents of parents who are old and perhaps senile who are unwanted by their adult children, and oftentimes they are neglected by them.

Now do we want to terminate their lives because they are unwanted? I do not think so.

I think we should want, rather, in the case of the fetus, to do something for the unwanted and not to do it to them. I think it is important that this country makes a special effort with the children of the unmarried, or with children who are not wanted, to have them made available to parents who would like to adopt them.

I think we know today that there is a great demand for this, and this demand is pretty much standard and exists with all races in this country.

I have had people tell me that this should be a matter just between the mother and the doctor. On the one hand, if privacy is the reason to allow abortion, then why do we bring the Federal Government into its funding—which we do?

In this regard, I do not believe there have been hearings on the funding of abortions and, certainly, there has not been any act passed by this body authorizing the funding of abortions.

Mr. BAYH. Will the Senator yield?

Mr. BARTLETT. Yes.

Mr. BAYH. I think we are talking about a different question, if we are talking about Federal funds.

Mr. BARTLETT. I understand.

Mr. BAYH. Certainly, there is rather dramtic evidence that was presented before our committee in which people from various parts of the country pointed out that absent the Supreme Court decision, the very practical effect of the various abortion laws that existed in the United States and, indeed, in the world, created a dual standard of who could have an abortion and who could not.

If one were poor, perhaps a minority citizen and lived in a State that said there was no abortion, that person had no right to an abortion at all.

If one were middle class or affluent and the cost of an airplane ticket from State X to State Y from here to Sweden or someplace else, was not prohibitive, then that person had an opportunity to get an abortion.

I think one consequence of the court decision is that if abortion is right, then it is equally right for all Americans regardless of their financial conditions.

Of course, the Senator from Oklahoma argues that it is wrong and thus it should be wrong for all Americans.

Mr. BARTLETT. Yes.

I thank the Senator.

But I think it has not been decided that it is a right that a person has to the financing of an abortion.

I feel that there are legal rights that are enjoyed by the citizens of this country that are not required to be funded by the Federal Government.

As I said earlier, the most important right that we have is the right to life, but a guarantee to only part of a person's life is no guarantee at all.

To discuss abortion only in terms of a mother, but never the fetus, is sort of like discussing slavery in terms of the owner and never the slave.

I believe that the rights of the fetus have not been supported by many advocates, whereas the rights of the mother—and certainly the mother has rights—have been supported by many people.

All persons are created equal. Abortion has been legalized by the Supreme Court. I believe that these two principles cannot stand together and whoever holds to one must despise the other, because I believe that if people are created equal and have the right to life, they must, by necessity, have that right for the whole term, through the whole period of development from the very start to the very end.

People talk about a fetus at the early stages of development not looking like the fetus at 9 months, at the time that it is born. Nor does the young person of 6 years generally look like he did at the time he was born. Nor does the college graduate look like he did at 6, nor is he going to look the same at 85 years of age.

So during that period he has changed very much, but still he is the same human being.

As I said earlier, discrimination of the poor by aborting their unborn children is something that I disapprove of, discriminating against the unborn whether it is poor, rich, or in between. But the most likely to be discriminated against is probably the fetus of the poor. I do not believe in discriminating against blacks or Indians or very small human beings.

Sometimes a question is raised should I as a Senator decide this matter rather than the mother and the doctor. Well, the Constitution sets out my job, to participate in the writing of legislation governing the people of the country. As a ranking member of the Indian Subcommittee I vote on Indian matters even though I am not an Indian. I know that the women Members of Congress vote on matters of declaring war even though the women would not be fighting in a war.

This is a matter of life and death. All issues, but particularly this one, should be everyone's business. I have never held that women should not express themselves or make decisions on any matter that comes before this body. In fact, I think they should.

Mr. BAYH. Will the Senator yield, Mr. President?

Mr. BARTLETT. Yes.

Mr. BAYH. The Senator pointed out comparisons that I must say, as far as my own personal position is concerned that I have found to be very persuasive. It is very difficult to find an analogy between plants and human beings. But to a farmer the distinction between a grain of corn that has just been put in the ground and livestock is not difficult to make. We try to separate one from the other.

I came to the personal conclusion that I personally did not approve of abortion. I found it wrong. But where I really had problems, and the reason I came down on the side of vigorous opposition to constitutional amendments imposing my judgment on others, was there are a lot of people who face different circumstances than I have ever had faced, and I hope never to have to face.

Does the Senator from Oklahoma have any qualms with the fact that if he is successful, the example brought to our attention of a teenage girl, a very young teenage girl, who becomes pregnant as a result of an incestuous relationship would be denied the opportunity in consultation with her parents and her doctor to take advantage of an abortion?

Mr. BARTLETT. In incest and rape, of course, that is a very emotional problem. It is certainly one that I am very much aware of and to which I have given a great deal of thought. First, very fortunately, the great majority of rapes or incest do not result in pregnancy. But some do. There is certainly a great opportunity in the 9 days until implantation to deal with this eventuality. Also, with all the money that is spent in the hundreds of thousands of abortions that are financed by this Government, there could be promulgated across the country in our schools, and to girls at a very young age, that they can have access to treatment at a hospital, a health clinic, or wherever would be appropriate, for a D. & C. or whatever would be prescribed to prevent the pregnancy from taking place.

Mr. BAYH. If the Senator would permit me, what he said is absolutely true, but the analysis is made in an unreal environment.

Mr. BARTLETT. I do not think so.

Mr. BAYH. The analysis is made in an unreal environment. The facts are, unfortunately, in most instances an incestual relationship is not voluntarily disclosed. It is the kind of thing that goes on where there is a very immature young girl taken advantage of by a man who has something wrong with him, and that is not disclosed until the pregnancy is too large to ignore.

All too many rapes now are hidden because of the unfortunate and unfair stigma that is imposed on the woman involved, because of the double standard that we now have under the Federal code where it is easier to prove a bloody nose assault than it is to prove a rape assault. Women are dragged before the courts and their names are flashed on the front pages. They are embarrassed and hide from it until they cannot hide from it. When I confront such circumstances I cannot say, "My personal view says that abortion is wrong and you who have had this pregnancy forced on you are denied praying and thinking and coming to grips with that as you see fit."

I will not further interrupt. I just wanted to say I think we oversimplify this.

Mr. BARTLETT. I appreciate the point, but I think the Senator from Indiana will have to say one other thing. That is the Senator from Indiana is going to have to say that in the position he is taking, and in the position I assume he has taken on the financing of abortions, that there are going to be more hundreds and thousands of human beings killed unless this law is changed, because this is what is happening today, involuntarily on the part of the fetus. Life is being terminated.

I know the Senator said that he felt

very strongly about the fact that obviously life has a beginning, and life is being terminated in the very beginning of that beginning when a fetus is aborted.

It would make much more sense, I suppose, to take the life of an elderly person than the life of a fetus because for the fetus the whole life is yet to go, whereas for the very elderly person there is very little life.

I am in favor of the life being protected for the whole span. I think this is very vital. It is just as important to have it protected at the very beginning as it is at the very end.

I am concerned, because there have been indications already that people are now talking about wanting to take the life of those fetuses which are abnormal. The fetus is now aborted not because it is abnormal but because it is small. It is a certain size in the months. If it becomes a matter of aborting fetuses because they are abnormal, then is it going to be much of a change to take the life of an individual who is born abnormal? And what conditions?

This whole matter is a can of worms once it starts, and it has started with the Supreme Court decision. I think it is very important for the Senator to know that there are thousands and thousands of human beings who are being destroyed because of a decision of the mother in concert with her doctor.

This amendment by the Senator from North Carolina, and hopefully with an amendment which will be reached by unanimous consent, would put a stop to that, and I think would do it in a very proper way.

Mr. BAYH. I appreciate the feeling of the Senator from Oklahoma, and I know he feels very deeply about this. I must say I think one can made some distinctions. I suggested that the parallel that I mentioned a moment ago of seed to plant appealed to me with my farm background and from my personal standpoint.

I think we have to recognize that there are distinctions there between that analogy and the ones of deformed babies who are born of adults who have passed their prime. One is that in the first instance there is a uniqueness about a fetus, particularly an early gestation fetus, that does not exist in a day-old baby and that is that that early gestation fetus cannot live outside of the womb of its mother. With that being the case, then I think the mother's right is certainly much, much stronger and much, much more compelling. Looking at it from how I feel I should be denied in imposing my moral judgment on a mother who is pregnant than it would be as to the right of a mother who has a child that is born deformed. And certainly I must say I find it a—I want to be kind about this, because I know that my friend from Oklahoma and others who share the feeling that there is a comparison, but I must say I find that the comparison between the abortion question, which is before us, and the taking of an adult life so extreme as to find it almost defeating the argument.

I think the argument can be made much more persuasively if we stick closer to home base, but to suggest we are going to suddenly start—we in this country fought a war because some wild man lined up a bunch of people and gassed them, shot them, or burned them. We are not going to let that happen. I think it is wise to point it out. Once in a while we have some character who introduces a resolution in the State legislature, and I never have found one that got out of committee, so I think we need to be aware of that. But to suggest that there is a comparison between that and abortion, I have to say I do not share that feeling.

Also, I must say I think it is important for us to try to make the world as we would like for it to be, but if we are ever going to get there, and all of us are trying, but if we are ever really going to get there, I think we have to start from where we are now, and the fact of the matter is that passing this amendment is not going to do away with abortion. There are still going to be hundreds of thousands of women and babies, or would-be babies, subjected to this same kind of experience, and all of this traumatic—the numbers that are thrown around I have not found any evidence to support. There has been a relatively small increase in the numbers of abortions, at least that we know about, since the Supreme Court ruling.

But the figure I heard the other day, a million, a million more abortions—there is no evidence of that at all.

Mr. BARTLETT. Mr. President, may I say——

Mr. BAYH. What we are concerned about—let me say also, we have to understand we had mothers who were dying because they just plain were desperate and they resorted to coat hangers and butcher knives and butchers.

Mr. BARTLETT. I might say to the distinguished Senator one of the reasons why we do not have precise figures is that the Government does not keep them as they finance the abortions. We have not had a law authorizing abortions. We had a Supreme Court decision, but not a law, and not an authorization bill which would provide the manner in which that would be done. There has been no list available. But there are certain estimates that are fairly accurate. There is certainly every indication that the number of abortions has greatly increased, and there is every indication that abortions are being promoted.

The distinguished Senator a minute ago made the argument that the woman has a right to make this decision because the fetus is a part of her body. He did not quite say that, but it was along that line.

Mr. BAYH. I said the fetus could not exist in the early stages of gestation outside the mother's womb.

Mr. BARTLETT. The argument is made oftentimes that the woman has certain rights because the fetus is part of her body, which is not true. A woman can only produce female cells, and a male fetus, of course, is composed of male cells, but the fetus when created, attaches itself to the womb, and then produces its own unbilical cord and attaches itself to the mother.

Going on with the Senator's argument, the mother obviously is essential to the viability of the unborn fetus during the 9 months' period and also after that for even a longer period when it cannot survive without adult care.

Mr. BAYH. I do not know if the Senator can prove that it has any relationship to the mother after birth.

Mr. BARTLETT. The mother or someone standing in for the mother is very vital. So the birth is just an arbitrary period during that whole matter of development from the very beginning until the person dies.

So I do not think that viability only starts at the point of birth. It exists earlier within the womb of the mother, and it exists afterward with the care of the mother or someone else.

So, I feel what is important here is that we are dealing with life and the taking of life and that this amendment will stop thousands and thousands of unborn fetuses' lives being taken that are now being taken.

Mr. President, I reserve the remainder of my time. I yield the floor.

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, I shall speak at some length on this topic at this time. It is a topic that I have spent a fair portion of my political career considering. It is not a new topic to me. It was an issue in the Oregon Legislature when I served there in the early midsixties long before the Supreme Court decision, long before there were what has even really been termed modern abortion laws which were first found in Colorado in 1965. The issue bubbled but did not boil in the Oregon Legislature, and I have studied it since that time.

As we look at this issue I think we have to divide it into really three categories: legal, medical, and moral. There are three views and three separate considerations.

Let me take the legal first. At least as far as the common law history of this country and prior to that where Great Britain is concerned, abortion was not a crime at common law. At least abortion prior to quickening—and quickening is roughly defined as when a pregnant woman can feel a fetus move, and this normally takes place between 16 and 18 weeks—was not a crime at common law. Society saw nothing wrong with it, passed no laws to prohibit it, and the common law courts by court decision did nothing to prohibit it.

Starting in the 1800's laws were passed against abortion. England passed one in 1803. In our various States the attitude changed and we passed laws against abortion all through the 1800's, up through the early 1900's, up through the 1950's. We legally said: Abortion is wrong; we are not going to allow it. There is some stigma attached to it. Common law was wrong and whatever might have been the view of England and the United States in the 1600's, 1700's, and 1800's which said abortion was all right and legal, we are now changing.

Then in the late 1950's our attitude began to change again. The American Law Institute first promulgated a model abortion law, and it was essentially the law of Colorado adopted in 1967, substantially broadening the right of a woman to have an abortion—not a complete right, not an absolute right but a substantial broadening from what had been allowed by statutes up until that time.

Then came the State of New York and the State of Washington where an actual vote of the people on a measure on the ballot calling for legalized abortion, passed; Hawaii and Alaska also legalized abortion. Then finally came the Supreme Court decision in January 1973, saying that State efforts to at least prohibit abortion, especially during the first 3 months of pregnancy, were unconstitutional under our Constitution.

So in 200 years we have circled 360 degrees. Two hundred years ago, abortion was legal. It was not viewed with opprobrium by society and generally was accepted as permissible.

Today, legally, abortion is permitted by law, is generally accepted by society as permissible, if the public opinion polls are to be believed, and we are where we were 200 years ago. I am not sure where in that 200-year continuum we finally reached morality, exact morality.

I am not so confident that my position, which is in opposition to the amendment of the Senator from North Carolina, is irrevocably right; nor am I prepared to say to the Senate or to anyone else who wants to listen that I am right and you are wrong. But I do not know how one can look at the history for 200 years and say that at some point—1900, 1950, 1850—God spoke to him or at least to the common law world, England and the United States—and said at that specific moment: "We are going to say that abortion is . . ."—and then say whatever it is.

I do not think God is going to speak to the Senate tonight, at 6 o'clock, Wednesday, April 28, 1976, when we are going to vote, and that the heavens are going to open up. I do not think He is going to come down tonight, after 2,000 years of Christian history—longer than that with respect to Judeo-Christian history—that the light has arrived, and that we are going to arrive at the only moral decision.

That is the legal background: shifting, diverse, changing, never static, as law should be. I do not think we have yet seen the end of great decisions or the end of arguing legally what should be permissible with regard to abortion.

I do not sense in this country any overwhelming desire to allow abortions at 7½ or 8½ or 9 months, 1 or 2 weeks short of a full-term pregnancy. On the other hand, I do not sense any kind of consensus in this country to say that one cannot have an abortion at 1 week, 2 weeks, up to 3 months. I do not know that public opinion will be static, but I do not think that, whatever public opinion may be today, that it is necessarily irrevocably right.

Let us now look at the matter medically. When abortion laws were passed in the 1800's in this country, the reasons were medical as much as moral. Abortion was a dangerous procedure. Infections resulted. Women died by the hundreds of thousands from badly performed abortions. It is very clear from the history of the passage of the statutes that State legislatures were thinking as much at that time about the safety of the woman, the health of the woman, the life of the woman, as they were about the morality or the immorality of abortion.

That has changed. Abortion today, properly performed, is an infinitely safer process than pregnancy. The Center for Disease Control soon will issue its new statistics on abortion figures ending in 1974, which will show that, on the average, there are two deaths for abortions performed in the first 3 months of pregnancy—two deaths of women for each 100,000 abortions. The same statistics will show that 14.8 women will die—from the pregnacy carried to full term—per 100,000 live births.

So, as for the argument that we need to have abortion laws to protect the life of a woman, or that abortion is a dangerous procedure which should not be allowed to be practiced on society, whatever might have been the merits of that argument in 1850, they are not valid in 1976.

However, the main argument turns on morals, theology, religion—call it what you wish. The Senator from North Carolina (Mr. HELMS) indicated very clearly in his opening comments that he thought this was a moral argument. With that I am inclined to agree. I do not agree with his conclusion religiously. I do not agree with his conclusion morally. But I think that most people who have firm feelings on this subject, for abortion or against abortion, feel so on moral grounds, and not really legal grounds or medical grounds. So let us take a look at the background of the moral, of the religious, view of abortion.

Mr. BAYH. Mr. President, will the Senator yield momentarily, before he leaves the health scene, so that we may have some consistency?

Mr. PACKWOOD. I yield.

Mr. BAYH. With respect to the statistics that the Senator stated relative to the safety of abortion and the safety of pregnancy through a full term, the statistics that he used for deaths as the result of abortion, did those statistics cover abortions during the entire period of pregnancy?

Mr. PACKWOOD. No. Those were abortions during the first 3 months. I have other statistics. The reason why I limit it to the first 3 months is that the procedure is much safer then. Normally, abortion is not done after 12 weeks, and the method of procedure is slightly more dangerous. Approximately 84 percent of abortions are performed prior to 12 weeks.

Mr. BAYH. I want to emphasize that, because the great number of abortions are committed early on, and the safety ratio is much greater than later on, and I think the records will show that.

Mr. PACKWOOD. I appreciate the Senator from Indiana calling that to my attention. I may have misspoken.

Mr. BAYH. No; the Senator did not. I wanted to emphasize that the earlier this matter is dealt with, the safer it is to the woman involved.

Mr. PACKWOOD. Yes.

The figure I used of 2 deaths per 100,000 should be per 100,000 abortions, rather than per 100,000 births carried to full term.

Religiously, when you look at the history of this country, which is basically Judeo-Christian, although not completely, you are hard presseed, in the history of either the Jewish or the Christian religion, prior to the 14th century—at least, prior in the Christian religion—to find any strong evidence of opposition to abortion. There is no strong evidence for it, but it was not what you call a moral religious issue in the early days of this church; nor was it in the early days of the Jewish church. From about the 14th century onward, the Christian church, at least, began to form a very strong opposition to abortion.

At that time, of course, in Christendom there was only the Catholic church; but after the Reformation, many of the Protestant churches shared the same view against abortion for a long period of time. Try as I might, I have been unable to find the antecedents of why, starting around the 14th century, the churches undertook a much stronger opposition to abortion than they had felt in the past. I have been unable to fathom what happened in that era. I do not want to say that what happened caused a change of feeling. I do not want necessarily to give the impression that prior to that time the churches favored abortion. It just was not a significant issue. As I indicated, despite the view of the church that abortion was wrong, at least at English common law, the law did not follow the view of the church—if the church, at that time, took a position in opposition to abortion. It was not until 1803 that England passed a statute against abortion.

As I indicated also, during the 1800's, when most of the States passed laws against abortion, the impetus was medical more than religious, although it would not be fair to say there was no religious motivation at all. There was a strong moral fervor in the legislatures, a strong feeling that abortion was wrong. And that, together with the clear medical dangers, was the impetus for the State laws against abortion.

Again, though, just like the law—and maybe the law follows religion, which perhaps is wise—in the fifties and the sixties, and picking up momentum in the seventies, the attitude of religious leaders and religious organizations in this country began to change about abortion. Timorously at first, and then in greater quantity, and finally in almost an avalanche, religious leaders and a great, great number of religious organizations passed resolutions in favor of legalized abortion. I should like to read that list into the RECORD at this time to give the Senate an idea of the breadth of support that exists religiously for legalized abortion:

RELIGIOUS ORGANIZATIONS WHICH HAVE ENDORSED ABORTION RIGHTS

National Federation of Temple Sisterhoods, 1965.

Commission on Social Action of Reform Judaism, 1967.

Clergy Consultation Service on Abortion, 1967.

American Baptist Convention, 1968.

American Friends Service Committee, 1969.

Connecticut Council of Churches, 1969.

Church Women United, 1970.

Presbyterian Church in the U.S., Committee on Women's Concerns, 1970.

Presbyterian Church in the U.S., General Assembly, 1970.

Lutheran Church in America, 1970.

B'nai B'rith Women, 1970.

Moravian Church in America, Northern Province, 1970.

Council of Churches of Greater Washington, 1970.

Federation of Protestant Welfare Agencies, 1970.

Connecticut Conference of the United Church of Christ, 1971.

Board of Homeland Ministries, United Church of Christ, 1971.

Center for Social Action, United Church of Christ, 1971.

Council of Churches of the Mohawk Valley area, 1971.

United Church of Canada General Council, 1972.

American Humanist Association, 1972.

American Jewish Congress, Women's Division, 1972.

Board of Church and Society, United Methodist Church, 1972.

Church Women United of Connecticut, 1972.

Church and Society Unit, United Presbyterian Church, USA, 1972.

Washington Office, United Presbyterian Church, USA, 1972.

Women's Program Unit, United Presbyterian Church, USA, 1972.

Church of the Brethern, 1972.

Pennsylvania Council of Churches, 1973.

Baptist Joint Committee on Public Affairs, 1973.

Women of the Episcopal Church, 1973 (Reaffirmed 1970 endorsement).

National Association of Laity, 1973.

American Ethical Union, 65th Annual Assembly, 1973.

Young Women's Christian Association, 1973.

Baptist Joint Committee on Public Affairs, 1973.

Southern Baptist Convention, 1974, (reaffirmed 1971 endorsement).

American Lutheran Church, 1974.

Women's League for Conservative Judaism, 1974 (reaffirmed 1972 endorsement).

Reorganized Church of Jesus Christ of Latter Day Saints, 1974.

Central Conference of American Rabbis, 1975.

Unitarian Universalist Association, 1975.

Unitarian Universalist Women's Federation, 1975.

Women's Division, Board of Global Ministries, United Methodist Church, 1975.

Friends Committee on National Legislation, 1975.

United Methodist Church, Women's Division, 1975.

Union of American Hebrew Congregations, 1975.

American Ethical Union, National Women's Conference, 1975.

Reformed Church in America, 1975.

National Council of Jewish Women, reaffirmed 1975 (Previous 1969 endorsement).

Catholics for a Free Choice, 1975.

United Synagogue of America, 1975.

I ask unanimous consent to have printed in the RECORD a list of medical groups that favor legalized abortion and another list which is a miscellaneous list of organizations favoring legalized abortion.

There being no objection, the lists were ordered to be printed in the RECORD, as follows:

MEDICAL GROUPS WHICH HAVE ENDORSED ABORTION RIGHTS

Medical Committee for Human Rights, 1967.

American Public Health Association, 1968.

American Medical Women's Association, 1969.

American Psychiatric Association, 1969.

New York Academy of Medicine, 1969.

Group for the Advancement of Psychiatry, 1969.

American Protestant Hospital Association, 1970.

American Psychoanalytic Association, 1970.

American Medical Association, 1970.

American Medical Student Association, 1970.

American College of Obstetricians and Gynecologists, 1970.

California Medical Association, 1970.

American College of Nurse-Midwives, 1971.

Michigan Nurses Association, 1971.

National Medical Association, 1971.

Physicians Forum, 1973.

Iowa Medical Society, 1973.

Association of Planned Parenthood Physicians, 1973.

National Association of Reproductive Health Centers.

American College Health Association.

OTHER ORGANIZATIONS WHICH HAVE ENDORSED ABORTION RIGHTS

National Abortion Rights Action League, 1968.

American Civil Liberties Union, 1968.

Planned Parenthood—World Population, 1969.

National Council of Women of the United States, 1969.

American Psychological Association, 1969.

American Society of Mammalogist, 1970.

The Izaak Walton League of America, 1970.

Chicago Child Care Society, 1970.

National Organization for Women, 1970.

Urban League, 1970.

White House Conference on Children and Youth, 1970.

United Auomobile Worker's Union, 1970.

American Association of University Women, 1971.

American Home Economics Association, 1971.

National Association of Social Workers, 1971.

National Council on Family Relations, 1971.

National Welfare Rights Organization, 1971.

National Emergency Civil Liberties Committee, 1972.

Community Service Society, 1972.

American Bar Association, 1972.

Child Welfare League of America, 1973.

American Veterans Committee, 1973.

Americans for Democratic Action, 1973.

Women's International League for Peace and Freedom, 1973.

Human Rights for Women, 1973.

National Association of Women Deans, Administrators and Counselors, 1973.

Intercollegiate Association of Women Students, 1973.

Women's Legal Defense Fund, 1974.

Workmen's Circle, 1974.

Americans United for Separation of Church and State, 1974.

National Women's Political Caucus, 1974.

National Organization for Non-Parents, 1975.

National Commission on the Observance of International Women's Year, 1975.

Women's Equity Action League.

Women's Lobby.

Zero Population Growth.

District 1199 of the National Union of Hospital and Health Care Employees.

Sierra Club.

Friends of the Earth.

Environmental Policy Center.

Environmental Action.

Sex Information and Education Council of the U.S.

Center for Law and Social Policy.

Center for Women Policy Studies.

Mr. PACKWOOD. Mr. President, I know that list is accurate; it may be incomplete. There may be other religious organizations I have not yet discovered. These are not organizations unconcerned with life, or unconcerned with morality. These are organizations in every sense as moral and as concerned with the rights of individuals as those who are sincerely opposed to abortion. I think in a nutshell, that is the problem and that is why no constitutional amendment should be adopted by the Senate limiting or reversing the Supreme Court's decision. I have never met, in my entire political career, anyone on either side of the abortion issue and who felt strongly about it, who was other than very morally motivated, and in many cases very religiously motivated. What we have in this situation is what the drafters of the Bill of Rights genuinely intended to protect against with the freedom of religion clause in our first amendment to the Constitution. We have people of genuine religious concern of divided opinion, and it would be unwise either for those who are in favor of legalized abortion to say everyone in this country must have an abortion, or for those who are opposed to abortion to say no one in this country may have an abortion. Abortion is basically a moral, it is basically a religious issue, and the religious attitude of this country is polarized and divided right down the middle.

I will conclude with what I said when I opened. We have gone through 200 years of common law history and circled 360 degrees on this issue. We have gone through 2,000 years of Christian history and longer than that of Judeo-Christian history, and certainly seen changes of opinion in religious views on this subject. We have seen medical evidence change in just a few years from that which said abortion is dangerous to that which says abortion is safer than pregnancy.

One of the unique features of our Constitution is that it continues to be a living instrument, changing as needs occur. I do not think that, somehow, some way, God has spoken on one side of this issue, or on either side of this issue, and said, "I want you in the U.S. Senate tonight at 6 o'clock, to write and freeze into your Constitution a final and definitive view of abortion that shall not be changed forever more."

I yield the floor.

Mr. JAVITS. Mr. President, will the Senator yield 6 minutes?

Mr. PACKWOOD. Yes.

Mr. JAVITS. Mr. President, I appreciate, applaud, and express my very profound interest and pleasure in the erudite and eloquent discussion of the Senator from Oregon and the very useful contribution he has made with that explanation of the situation. I associate myself fully with his arguments. They are, to me, very persuasive and I shall not repeat them.

Similarly with Senator BAYH, who has, like Senator PACKWOOD, been profoundly interested in this problem, I associate myself with the factual presentation he has made.

Mr. President, I propose to object to any limitation of debate on the substance of these amendments. Fortunately, that problem has momentarily been dealt with by limitation of the debate only on the motion to take up. I shall object because I consider the implications of these constitutional amendments to be so profound, to represent such a new departure in being directed against the person rather than against the acts of Government, as to require the most profound discussion. I do not use the word "extended" because I would never filibuster so important an issue as this, but we certainly need to consider whether we wish, in such a constitutional amendment, to take a step which leads us so intimately into the control of a person as to jeopardize all the other 10 amendments which are directed toward safeguarding the right of the person which, in my opinion, we would nullify in principle if we adopted any one of these amendments which are before us.

I join Senator PACKWOOD in my respect for all those who feel as they do, and he and I have sought to preserve the voluntarism of their action. I have constantly fashioned amendments, provisions in the Labor and Public Welfare Committee—where I am the ranking member—to not inhibit any hospital or any individual who, because of his convictions, felt that he did not want to have anything to do with abortion. That is quite proper, and we have adopted that policy. But, at the same time, we have no right to inhibit a woman who has got this tremendous responsibility to herself and to society because, Mr. President, this issue relates to the enfranchisement of women who have been subjected to conditions which began in the most abject slavery, and have gradually developed into where they have a freedom to be themselves and to have their own lives and to make their own decisions and to develop in the way in which they wish.

This would set us back centuries if we went back to the Dark Ages of, as Senator PACKWOOD so eloquently described them, the day of the butcher knife and the coathanger.

Mr. President, I know, I was born in and lived the early part of my life in the slums of New York City, and I have seen the deformations, the deaths, the peritonitis which come from kitchen table operations by families who simply cannot have another child, and never even had the means to prevent it from being conceived, and that represents the kind of desperation which is inhuman, Mr. President. That is why the Supreme Court decided as it did, and I am with that decision.

Mr. President, this is what is at stake: the enfranchisement of women. Are we going to relapse to the Dark Ages or are we going to go forward and let one-half of our population and the world's population have the same rights that we have? There never has been any law against the use of contraceptives by men. There should be no law against the use of abortion by women.

Mr. President, two other points, and then I shall be through because the matter has been so well and so eloquently argued. One relates to the political implications which are here involved.

The Supreme Court, in an exercise of ususual wisdom, has made a fair definition here of what is the law and what is not the law, what States may prevent and what they may not prevent. It is a compromise. It does not go all the way with either side. It tries to accommodate the national law to the exigencies of the national situation.

The country is deeply and sharply divided on this issue, although I might say politically that in my own election in New York in 1974, notwithstanding the most vigorous opposition by the Right-to-Life forces, whom I thoroughly respect, I was elected, and I had to be elected by an enormous proportion of the population to which they had a particular appeal on religious or other grounds.

So, in my judgment, the polls are right. The country is essentially with the Supreme Court decision.

But, Mr. President, beyond that the political implications of these very definitions contained in these amendments are absolutely amazing because if you do what either amendment calls for, Senator HELMS' amendment, which makes a human being subject to killing from the moment of fertilization and, therefore, the State has a right to step in, or to adopt Senator BUCKLEY'S definition which is a definition making it at the biological beginning of a person, you turn absolutely topsy-turvy the whole body of our law. That means that in every tort if a woman is pregnant and she has a miscarriage there has been a murder. That means indeed the woman herself may be guilty of killing her own child if she takes pills and does not know she is pregnant or has been fertilized and, therefore, the child, the fetus dies; and this is but the beginning of an enormous complexity in this particular field.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. JAVITS. Yes.

Mr. BAYH. I hope we will have a chance to explore the ramifications of this with both the distinguished junior Senator from New York and the distinguished Senator from North Carolina, who is now presiding and, hopefully, we will have a chance to explore at least the concerns that I had brought out, but the Senator from New York pointed out one of them.

It might be more difficult to place a specific example or to follow the specific example of the Senator from New York when he talks about a fetus dying of a miscarriage, but let me ask him as a distinguished and eminent member of the Bar if a much greater and real question could not be presented if, as the result of taking a drug of some kind like thalidomide——

Mr. JAVITS. I did not catch the name.

Mr. BAYH. Thalidomide.

Mr. JAVITS. Thalidomide.

Mr. BAYH. Or if, as a result of a fall or abuse of maternal health and diet the child was born malformed, then if that child indeed is a live human being, with all the rights of any live human being, from the moment of fertilization, would not that child have every right in the world to sue the parent?

Mr. JAVITS. He certainly would. There is very established law on that score. But child abuse is an actionable tort for which a recovery lies with the child through some designee appointed by the court.

Mr. BAYH. Even if that was an accident or if the drug taken was with every good intention, if it nevertheless resulted in the deformation of the child, the whole question of reasonableness could be argued and the tort action could be pursued.

Mr. JAVITS. Exactly.

I ask unanimous consent to introduce as part of my remarks the testimony of Harriet F. Pilpel, a distinguished lawyer, before Senator BAYH'S subcommittee on this very subject. She is a member, a senior partner, in a distinguished New York law firm, the firm of Greenbaum, Wolff & Ernst.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF HARRIET F. PILPEL

I. INTRODUCTION

My name is Harriet F. Pilpel. I am a senior partner in the law firm of Greenbaum, Wolff & Ernst in New York City. I am a Vice-Chairman of the American Civil Liberties Union. Our firm is general counsel to Planned Parenthood Federation of America, Inc., International Planned Parenthood Federation (Western Hemisphere Region) and Planned Parenthood of New York City, Inc. The firm also represents many other groups, individuals and organizations interested one way or another in preserving the basic constitutional freedom of reproductive choice.

The amendments under consideration here today, S.J. Res. 6 (Helms), S.J. Res. 10 (Buckley) and S.J. Res. 11 (Buckley), the so-called "Right to Life" amendments, pose a serious threat to such freedom, and if enacted would have far reaching collateral consequences which would in my opinion be highly damaging to our whole legal system. I have been asked to address myself to these collateral consequences.

II. THE "RIGHT TO LIFE"

First, I want to talk about a "right to life" generally in the context of United States law as it has been until now and is today.

Nowhere in our Constitution or in any amendment adopted to date is there any reference to, or guarantee of a "right to life" for anyone. Some affirmative rights are guaranteed by the Constitution, e.g., a right to assemble peaceably, a right to keep and bear arms, a right to a speedy and public trial by jury and to counsel in criminal prosecutions, and a right to vote.

But there is no guaranteed "right to life" for anyone born or unborn. All that the Constitution does in this context is to forbid the government—federal, state and local—from depriving any one of life without due process of law. This is accomplished by the Fifth and Fourteenth Amendments.

Neither Amendment confers any "right to life."

Perhaps we should consider at this stage of our constitutional development, amending the Constitution so that it would guarantee a "right to life" for all those "persons" within the jurisdiction of the United States—not just for those not yet born. Such a "right" would at least extend to the continuation of the biological physical lives of all our people. It would mean that all of us would be assured at the very least of that minimum of food, clothing, shelter and medical care which is necessary to sustain the continued physical existence of all of us. Such a guaranteed "right to life" would mean that there would be a constitutional obligation on the part of government to assure to each individual access to these life giving essentials. None of us has such a constitutional right now.

The Helms amendment (S.J. Res. 6) clearly provides for such a right: "every human being subject to the jurisdiction of the United States or any state . . . shall be deemed from the moment of fertilization to be a person and entitled to the right to life." That must mean all of us. Both Buckley amendments (S.J. Res. 10 and S.J. Res. 11) also refer specifically to a "right to life" which would apply to "all human beings, including their unborn offspring at every stage of their biological development irrespective of age, health, function or condition of dependency." That also applies to all of us. (S.J. 10) S.J. 11 seems to confer such a right only on the "unborn".

What would be the effect of adopting these amendments? Clearly no one can fully answer that question, since history shows that virtually every amendment to the Constitution has, by virtue of years of necessary judicial interpretation, come to mean something more and often quite different from its original sponsors' intention. For example, the Fourteenth Amendment was adopted after the Civil War to protect blacks from state action in violation of their new freedom. Yet the term "person" in that Amendment was later defined to include corporations, and the Amendment itself, used at one time to bar needed social reforms, more recently has in effect become a protector of many of our individual liberties but against government action only.

What is clear, however, is that the courts would have to define any newly guaranteed "right to life." The rash of cases which have followed the declaration of such rights as the right to equality of treatment as far as racial discrimination is concerned, declared by the United States Supreme Court in *Brown v. Board of Education*, 347 U.S. 483 (1954), would be negligible compared to the litigation which would be required to determine the contours of a newly guaranteed "right to life."

As I have already pointed out, such a right would at the very least call for affirmative government action to assure every person of the basic necessities which are prerequisites to biological survival, i.e. food, clothing, shelter and medical care. However, "man does not live by bread alone" and it might well be argued that such a "right to life" means more than just going on living. Surely such a right would also entail on the part of government some obligation with respect to the quality of life which must be constitutionally maintained. Would not the right to life be violated in situations, for example, where children already born, and adults for that matter, are compelled by our economic system to live in substandard housing where they are exposed daily to attack by such vermin as rats which recent studies have again demonstrated many Americans, adults and children are. And what about "battered babies?" The government would certainly have to step in and assure them the minimum conditions for continued existence.

Perhaps, I repeat, the Constitution should guarantee all persons subject to United States jurisdiction a "right to life." But any consideration of such a proposal must take into account all its ramifications and not be limited only to the rights of unborn "persons" since they would be but a small minority of those affected.

I will now consider the effects of the proposed amendments one at a time.

III. THE HELMS AMENDMENT (S.J. RES. 6)

The Helms amendment would create a guaranteed "right to life" to which every human being from the moment of fertilization would be entitled. The amendment provides for no exceptions. It leaves it up to Congress and the several states to enforce the article "by appropriate legislation."

Since the proposed amendment was designed to prevent abortion, let us first consider its collateral effects in that area. The Helms amendment gives no guidance to Congress and the several states as to how the right to life of the woman is to be balanced as against the right to life of the fetus where those rights are in conflict. If it is necessary to destroy the fetus in order to save the life of the mother, what is the doctor to do? As I read this proposed amendment, it would be up to Congress and the states to make that choice, and nothing would prevent them from placing the life of the fetus ahead of the life of the mother.

But the collateral consequences with respect to abortion are minor compared with aspects of the problems which would arise if S.J. Res. 6 were adopted. Since as stated above, the proposed amendment would for the first time create a federally guaranteed "right to life", such questions would have to be resolved as: could the federal government still draft men and send them off to war where at least some of them would certainly be killed and thus deprived of the "right to life"? Would not capital punishment become unconstitutional in all circumstances? What would happen to the established self-defense exception to virtually all our laws against homicide?

Moreover, the amendment would give government broad new powers far beyond those presently accorded it by the Constitution. In order to protect the right to life of all "persons", Congress and the states would be called upon to enact far reaching legislation providing for the support and maintenance of every individual—not only as in some Socialist countries—"from the cradle to the grave", but indeed, "from womb to tomb."

IV. THE BUCKLEY AMENDMENT NO. 1 (S.J. RES. 10)

S.J. Res. 10 is more limited in its scope and indeed does not appear to accomplish what apparently is its sponsors' goal. Nevertheless it too would create chaos in numerous areas of law.

S.J. Res. 10 provides that "with respect to the right to life, the word 'person', as used in this article and in the fifth and fourteenth articles of amendment to the Constitution . . . applies to all human beings, including their unborn offspring at every stage of their biological development." The amendment makes an exception for "an emergency when a reasonable medical certainty exists that a continuation of the pregnancy will cause the death of the mother." Enforcement is left to Congress and the several states.

I would like to point out first that, although this amendment does not in so many words "guarantee" a right to life, it uses that new term and might well lead to all of the litigation and possible expansion of rights discussed with respect to the Helms amendment.

However, by its terms this amendment would appear only to protect "persons" including the unborn, against government action. It seems clear that if this amendment were adopted, it would do nothing to take away from women and their doctors the right to decide whether or not to abort a fetus. As was stated by Professor Laurence Tribe of the Harvard Law School in previous hearings before this Subcommittee, abortion decisions would still be privately made for the amendment operates only against government action, as do the Fifth and Fourteenth Amendments generally. If a legislative body permitted, but did not cause the death of any fetus, it would not, under well established legal principles, be depriving any fetus of life without due process of law any more than such a body would be acting unconstitutionally if it did not conduct a meaningful war against hunger.

The amendment might, however, prevent such government agencies as federal, state and municipal hospitals from permitting abortions on their premises, and in that respect would have the unfortunate result of preventing poor and indigent women from obtaining abortions while not interfering with the ability of affluent women to obtain abortions readily from private doctors, clinics and hospitals.

Outside the abortion field, moreover, the amendment could have widespread collateral consequences. The word "person" as used in the Fifth and Fourteenth Amendments and presumably in all the legislation that has been enacted to implement those amendments would be broadened to include the unborn. Also, Congress and the state legislatures would be empowered to enforce the rights of unborn persons with confusing and disastrous effect upon our laws relating to crimes, torts and medical malpractice, all of which I will discuss later in this testimony.

V. THE BUCKLEY AMENDMENT NO. 2 (S.J. RES. 11)

I believe that S.J. Res. 11 would have the most serious collateral and detrimental effects on our entire constitutional system of any of the amendments proposed. Like S.J. Res. 10, S.J. Res. 11 begins with a provision that "with respect to the right to life, the word 'person', as used in this article and in the fifth and fourteenth articles of amendment to the Constitution . . . applies to all human beings . . . including their unborn offspring."

However, unlike either of the other two proposals, S.J. Res. 11 contains a provision in Section 2, that "no unborn person shall be deprived of life by any person" (except to prevent the death of a pregnant woman). (Underlining mine.) Such a provision in the United States Constitution would involve a totally new and uncharted application of the Fifth and Fourteenth Amendments which presently apply only against government action. By according a new and special protection against the action of "any person" to "unborn persons" as distinguished from any born person, this amendment would give unborn persons far greater constitutional protection than is now given to any born human being, and for the first time private individuals as well as government would be subject to the constitutional restraints of these amendments but only with respect to the unborn.

The United States Supreme Court in the Civil Rights Cases, 109 U.S. 3 (1883) made clear that the amendments as they now stand do not apply against the action of individuals as opposed to government:

> ". . . Civil rights, such as are guaranteed by the Constitution against State aggression, cannot be impaired by the wrongful act of individuals, unsupported by State authority in the shape of laws, customs or judicial or executive proceedings. The wrongful act of an individual, unsupported by any such authority, is simply a private wrong, or a crime of that individual; an invasion of the

rights of the injured party, it is true, whether they affect his person, his property or his reputation; but if not sanctioned in some way by the State, or not done under State authority, his rights remain in full force, and may presumably be vindicated by resort to the laws of the State for redress . . . Hence, in all those cases where the Constitution seeks to protect the rights of the citizens against discriminative and unjust laws of the State by prohibiting such laws, it is not individual offenses, but abrogation and denial of rights, which it denounces, and for which it clothes the Congress with power to provide a remedy."

The amendment proposed by S.J. Res. 11 would create a whole new area of congressional control, namely the protection of unborn "persons" against injury by any "person", even a person not acting under color of any government authorization. Presumably this would call for a federal law of "crimes against the fetus" including abortion which would have to be enforced by the FBI and other federal agencies already overburdened without the addition of such mammoth new caseloads.

Any attempt to enforce the "right to life" of the fetus "person" would involve not only a wholesale invasion of the right of privacy of all women of child bearing age, but would necessitate a federal law enforcement apparatus which would threaten the privacy of all of us. Thus, in the interests of the unborn we would not only be giving them protection far beyond any accorded to those of us who have already been born, but we would have taken a long step toward creating an all powerful federal bureaucracy and impairing the essential right of privacy of all born persons, which would be permanently and irrevocably in jeopardy.

I shall next discuss some of the probable effects that all of the proposed amendments would have in varying degrees upon substantial areas of established law.

VI. CRIMINAL LAW

If the fetus is a "person" or a "human being", anyone committing a lesser crime which incidentally results in the miscarriage of a woman would apparently ipso facto be guilty of murder under the so-called "felony-murder rule", which classifies as murder the killing of a person in the course of a lesser crime. Yet at no time in the history of Anglo-American law, even at its strictest, has abortion been the equivalent of murder. Compare *Seeler* v. *Superior Court*, 2 Cal. 3d 619 (1970) and *State* v. *Dickinson*, 23 Ohio App. 2d 259, 275 N.E. 2d 599 (1970). *See also* Beans, Cyril, "The Phoenix of Abortional Freedom", XVII N.Y. Law Forum 355 (1971). Similarly, anyone charged with criminal recklessness or indeed negligence which resulted in a miscarriage would be guilty at least of the crime of manslaughter.

Would not prosecutors be under a duty to investigate every miscarriage to see if it resulted from fetus abuse or carelessness or recklessness? It is estimated that approximately 30 percent of all conceptions result in a spontaneous miscarriage. Would the women who spontaneously miscarried automatically be under suspicion of fetus murder? Could every fertile female in the United States be required to have a pregnancy test every month to ascertain if she is harboring a "person" within her? How else could crimes against the fetus-person be detected, especially when the fetus is only two or four or even eight or ten weeks old?

Many questions arise with respect to the conduct of a pregnant woman herself. If she took a medicine which caused the expulsion of the fetus, would she be violating a constitutional amendment and be guilty of murder? Would the answer to that question depend on proof of intent, i.e. whether she intended to cause that effect? Would she be equally guilty if she didn't intend any such result but should have known it would follow (under the well known axiom that a person is deemed to have "intended" the natural consequences of his act)?

One thing is clear. If the fetus were a person entitled to due process and equal protection from the moment of conception, every pregnant woman would constantly be acting at her peril. Presumably the state could enjoin a safety regimen on every pregnant woman and could hold her accountable criminally and civilly for any injury the fetus suffered which she could have avoided. The profound invasion of born women's rights of privacy that would be involved would really be akin to those of the worst totalitarian regimes.

VII. GENERAL TORT LAW

The effect of the proposed constitutional amendments upon tort law would also be great. As the law now stands, tort recovery for injury to the fetus is permitted, if at all, only if the alleged tort occurs at a time when the fetus is viable. In New York and many other states, there can be no recovery for injury even to a viable fetus unless a live child is born. See 15 ALR 3d 992. It may well be that adoption of any of the proposed amendments would alter this rule, and that the courts and legislatures would be required to recognize the "right to life" of a fetus in civil as well as criminal litigation. Difficult questions would arise, for example, under the automobile guest statutes: What are the rights of a guest in an automobile? What if the driver has no knowledge that the woman is pregnant? Could the estate of a fetus sue an airline on the ground that miscarriage was caused by an especially turbulent flight which could have been avoided by the choice of another route? Or that the airline should have turned away its pregnant mother? Or would that depend on whether the airline officials knew or could have known that the woman was pregnant?

And what of intra-family immunities? This area of law is opening up today so that live children, i.e. childen who have been born alive and are alive when they are injured by, for example, a negligent act of their parents, can sue the parents for tortious injury. Would the proposed amendment allow the fetus also to sue the pregnant woman in tort?

Could any of the proposed amendments be interpreted to give anyone with an interest in the birth of a child the right to sue if the fetus does not ever get born? Could such a right be extended to the situation where a woman was negligent with respect to maintenance of her pregnancy?

All of these issues might well result in the direction of "federalizing" the tort of negligence—which again would enormously complicate the law and add greatly to the already overburdened docket of the federal courts.

VIII. MEDICAL PRACTICE AND MALPRACTICE

The mounting and now almost prohibitive cost of malpractice insurance (e.g. $15,000 a year for physicians in New York) has become a problem of wide public concern. If every fetus had a constitutionally guaranteed "right to life," it is likely that there would come into being a new variety of malpractice actions against doctors charged with negligence in connection with pregnancies. In addition to claims on behalf of the woman, there would also inevitably be claims on behalf of dead or injured fetuses. In a situation where a life saving medical procedure for the woman had the ancillary effect of possibly forcing a miscarriage, the doctor would always be at risk of a charge of violation of the constitutional rights of the fetus. Thus his medical judgment with respect to the medical steps he thought necessary to protect the woman might be restrained to the point where he would not * * *

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for the woman. Indeed, S.J. Res. 11 might force all hospitals to adopt practices similar to those currently in use at some Catholic hospitals, where the life of the woman may not be placed above the life of the fetus. It is true that the Buckley amendments make an exception for this but experience under the old restrictive abortion laws had demonstrated that this criterion of avoiding the death of the woman (and S.J. 10 talks of "a reasonable medical certainty that continuance of the pregnancy will cause the death of the mother") is so imprecise that doctors would be acting at their peril in guessing its meaning in any particular case. Moreover, the Helms amendment makes no such exception at all. The "chilling effect" on medically mandated treatment of the woman is incalculable as is the substantial increase in the already staggering cost of malpractice insurance which would follow.

IX. AT WHAT POINT IN TIME WOULD THE FETUS BECOME A PERSON UNDER THE PROPOSED AMENDMENTS?

The proposed amendments differ significantly in their definition of the beginning of "personhood". Under S.J. Res. 6, personhood would begin at the "moment of fertilization." Yet I understand that there is no way in which this "moment" can be ascertained. If the amendment were adopted, physicians would have to indulge in a gigantic and tragic guessing game. Moreover, the exact way in which certain contraceptives operate is today also not known. Some may prevent fertilization; others may prevent implantation which takes place after fertilization. Among these methods may be the intrauterine device (I.U.D.), the morning after pills and the so-called mini-pills (progestin-only). S.J. Res. 6 would apparently make the doctors who prescribed these and the women who used them guilty of murder. Moreover, since the date of fertilization cannot be exactly determined, S.J. Res. 6 would create a great penumbra of vagueness in this context around our laws with respect to murder, manslaughter, wrongful death, negligent death, and all other laws relating to the continuation of "life". Such vagueness until now has been rightly denounced by the courts as unconstitutional in connection with criminal law.

S.J. Res. 10 and S.J. Res. 11 do not define so specifically when personhood begins. They refer instead to "all human beings, including their unborn offspring at every state of their biological development . . ." Does this mean from the time of fertilization? Or from the time of implantation? Or if not, when? By avoiding the question entirely, S.J. Res. 10 and S.J. Res. 11 leave totally unanswered and unanswerable the question whether the prescription and/or use of such contraceptives as the I.U.D., the morning after pill and the mini-pill would violate constitutional rights.

All three of the proposed amendments, by redefining the word "person" as it has always been understood in Anglo-American law, would have some startling side-effects. Legally birth would no longer be a significant event. Presumably, we would celebrate not our birthdays but (under Helms) our "fertilization days" or (under Buckley) our "beginning of biological development."

X. CONCLUSION

Some of the consequences I have mentioned may sound farfetched. However, they are all real possibilities as would become immediately apparent if we adopted any of the amendments rather than speculate about them. What would certainly follow upon an adoption of any of them would be a drastic upheaval of our established law and legal traditions. Regardless of the position of any of us with reference to the abortion controversy, these amendments must be rejected if we are to avoid legal chaos which would seriously threaten our present governmental system.

Mr. JAVITS. I thank my colleague, Senator PACKWOOD.

The PRESIDING OFFICER. Who yields time? Time will be divided proportionately.

The Senator from New York (Mr. BUCKLEY) is recognized.

Mr. BUCKLEY. Mr. President, we have heard a great deal about some of the physical consequences of abortion, accurate and inaccurate. I suspect that most of the horror stories we have heard in light of experience in the last decade or two prior to legalization by judicial fiat of abortion on demand are largely inaccurate.

We have heard a great deal about the terrible human situations in cases of rape and incest. They are basically irrelevant to this debate. What we are talking about is what value our society is going to place on human life. That is the issue, that is really the only issue, at this stage as we consider whether or not this body will initiate the long, arduous, difficult process of enacting a constitutional amendment whose purpose it is to undo totally novel doctrine, without any precedent, that was enacted by a split court of the United States, a court, as with all other courts, that is elected by no one and thereby responsible to no one.

I know that people will immediately rise up and say I am attacking the institution of the Supreme Court. I am not. I have the very highest respect for the Supreme Court, the present Supreme Court most definitely included. But, after all, a Supreme Court is constituted of fallible human beings. We know that an earlier Supreme Court, one over a century ago, was able to come up in the Dredd Scott decision with the extraordinary doctrine, a novel doctrine, that someone who happened to be black was not a human being within the meaning of our Constitution.

In order to undo the damage of that decision, it was necessary to enact the 14th amendment. In order to undo the damage of the decisions that occurred in 1973, there is no recourse, no practical recourse under our system, but to initiate another.

I would like to put this discussion in what I believe to be its fundamental focus. What we are talking about is, what value will our society continue to place on a distinct individual human life, and once that question is answered, then all the rest becomes a matter of varying degrees of social policy.

The most honest discussion that I ever read—and I have read a great deal of discussion on what is at stake—was contained in an editorial that appeared in 1970, I believe, in a journal called California Medicine, which is the official journal of the California Medical Association.

The title of the editorial which advocated permissive abortion was "A New Ethic for Medicine and Society."

I would like to read portions of that editorial, but I point out, first of all, that the author points out that we have historically maintained and been motivated by the traditional Judeo-Christian ethic.

> "The process of eroding the old ethic and substituting the new has already begun. It may be seen most clearly in changing attitudes toward human abortion. In defiance of the long held Western ethic of intrinsic and equal value for every human life regardless of its stage, condition, or status, abortion is becoming accepted by society as moral, right, and even necessary. It is worth noting that this shift in public attitude has affected the churches, the laws and public policy rather than the reverse. Since the old ethic has not yet been fully displaced it has been necessary to separate the idea of abortion from the idea of killing, which continues to be socially abhorrent. The result has been a curious avoidance of the scientific fact, which everyone really knows, that human life begins at conception and is continuous whether intra- or extra-uterine until death. The very considerable semantic gymnastics which are required to rationalize abortion as anything but taking a human life would be ludicrous if they were not often put forth under socially impeccable auspices. It is suggested that this schizophrenic sort of subterfuge is necessary because while a new ethic is being accepted the old one has not yet been rejected."

Lest there be any ambiguity as to the ultimate thrust of the "new ethics," the California Medicine editorial went on to state the following in discussing the growing role of physicians in deciding who will and will not live:

> "One may anticipate further development of these roles as the problems of birth control and birth selection are extended inevitably to death selection and death control whether by the individual or by society . . ."

I believe, Mr. President, that the nexus between euthanasia, whether by the will of the individual concerned or the closest family, or euthanasia imposed by the State, and the assumption, therefore, other purposes of convenience, a mother may put aside and destroy the life of her unborn child, is complete and total and, I believe we can see that in the upsurge of groups who have been urging euthanasia in this country in the wake of the Supreme Court decisions legalizing, sanctifying almost, abortion.

Mr. BAYH. Will the Senator yield?

I do not want to interrupt him, but I must say that an upsurge in groups that are espousing euthanasia, could the Senator name some of those groups for us?

Mr. BUCKLEY. As the Senator knows, there is a great deal of literature on the matter.

Mr. BAYH. Name two or three of them.

Mr. BUCKLEY. My memory does not work that well. I will be glad to insert them in the record to reflect them, but there is large literature on this and I am surprised the Senator has not run into it.

Mr. BAYH. The Senator has, but the Senator believes everyone is free to print anything he wants, and this upsurge in groups espousing euthanasia comprise relatively few people.

Can the Senator point to one effort that has been successful?

Mr. BUCKLEY. I will only say, Mr. President, I know I am under limited time, I merely say that up to a few years ago the people advocating permissive abortion were very few.

In fact, planned parenthood literature as recently as 8 or 9 years ago said one should never tolerate abortion for population control. It is absolutely wrong and unthinkable. Thoughts spread very rapidly.

But the reasoning about being unwanted and not being a person in the whole sense, the reasoning that riddles the Supreme Court decision in justification of the mandates to allow one human to extinguish another human being's life, is absolutely, logically, and rationally applicable to putting away people who because they are senile, because they are incurably insane, and so forth, are unwanted or not capable of fulfillment as human beings.

Mr. BAYH. I will not continue to interrupt the Senator. I shall speak on my time. The Senator is usually very logical and precise, but I must say the purport of his argument escapes the Senator from Indiana, and I have sat and studied the issue hour after hour.

Mr. BUCKLEY. What it comes down to, Mr. President, is exactly reflected in what the Senator from Indiana has stated.

We are talking about relative values to be placed on human life, and as a matter of science it is absolutely conceded that a distinct, biologically complete, separate human individual comes into existence at the moment of conception. As was pointed out in this editorial in the journal of the California Medical Association, this is agreed.

The abortion debate has translated itself into a determination as to whether or not human life at some stages or under certain conditions becomes expendable. And the same rationale that says the unborn child is expendable can also be applied with equal logic to the useless human being, the useless cripple, the useless senile, the expensive-to-society, and mind you, all the money that must be expended to keep medicine pouring in to sustain life. They offer utilitarian reasons why that life should be destroyed.

The Supreme Court, by a divided vote in the decision issued in 1973, had the effect of voiding the oath of Hippocrates, of voiding 2,000 years of ethical teachings of the West with respect to human life, and of setting aside the laws of 50 States.

(Mr. HELMS assumed the Chair at this point.)

Mr. BUCKLEY. I have heard discussion here, learned discussion, as to when the antiabortion laws came into focus, what the teachings of the church may have been in the 13th or 15th centuries. I believe when all is said and done, when there is an examination of the basic premises which have led to the superficial changes in specific teachings or specific laws on the question of abortion, it will be found that in earlier times there was so little knowledge as to the biology of human development that it was assumed that there was no life, no human life, no personality to be destroyed prior to quickening or some other such observable phenomenon. But the fact is from the beginning of our society as a nation, or even earlier, the most influential teachers made it very clear as to what was perceived and what was conceived to be the nature of a deliberate act to put aside unborn life.

The Library of Congress a little while ago did a little research for me on the question of medical ethics as it was understood in the earlier times and during the formative stages of our development as a nation. There was one article, one book, on medical ethics, for example, written by an English physician, Dr. Thomas Percival, that, according to the Library, had great influence in this country. He was writing in the 18th century. He wrote:

> To extinguish the first spark of life is a crime of the same nature both against our Maker and society as to destroy an infant, a child, or a man.

This work also quotes Blackstone in the common law as stating, "If a woman be quick with child and by a potion or otherwise kill it in her womb, this is a great misprision."

And then in terms of our early history as a nation, there is a quotation from a book apparently very influential, again on the authority of the Library of Congress, by Theodore and Johnson Beck, called "The Elements of Medical Jurisprudence," published in Albany in 1923. The argument there was whether or not animation or quickening should be considered as the significant dividing line between the unlawful act of abortion and what was merely considered unlawful. I quote from that work:

> However objectionable such an opinion may be, yet the fact is certain that the fetus enjoys life long before the sensation of quickening is felt by the mother. If physiology and reason justify the position just laid down, we must consider those laws which treat with less severity the crime of producing abortion at an early period of gestation as immoral and unjust.

The reason that our various States began legislating in this area in the early 1820's is traceable directly to the fact that we began learning something about the development of an unborn child, and as soon as scientific knowledge became apparent, the necessary protections were written into law. It is for this reason, Mr. President, that the amendment that I have introduced for the protection of human life relies exclusively on a scientific determination as to when human life begins.

To get back to my original point, Mr. President, there is no scientific debate as to when human life starts and when it ends. The debate here is whether or not, in the words of the editorial I quoted, American society is prepared to abandon the old ethic that has animated us from the beginning, that has animated our civilization, that has been written into the laws of 50 States, or are we prepared to move into the new ethic that places a relative value on human life and is prepared to subordinate it to social convenience.

I suggest, Mr. President, that the real issue that faces this body at this moment is whether or not we are satisfied to allow six judges on the Supreme Court to make this decision for the American people, or should we allow the American people to make this decision through the cumbersome, awkward but, nevertheless, available processes of instituting a constitutional amendment.

We cannot, in this Chamber today, change the Constitution. But we can, by appropriate action today, begin a process which will allow the American people to make this decision for themselves by acting through those levels of government far more directly responsive to them, far more directly under their control, than is the Congress of the United States. I speak of the legislatures of 50 States.

After all, even if we, with a two-thirds vote, were to adopt this amendment, and the House to adopt an equivalent one by that same two-thirds vote, we would still need the concurrence of three-quarters of the State legislatures in order for the decisions of the Supreme Court to be upset and for life to be protected at every stage.

I believe we owe it to the American people, however we may personally feel about this issue, to at least allow the process to be tested so that we can determine under what ethical imperatives Americans want their society to exist.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. HANSEN). Who yields time?

Mr. BAYH. Will the Senator from New York answer one question of the Senator from Indiana, please? At the outset, the Senator said that he thought the question of rape and incest was irrelevant to the issue. Would the Senator tell me very quickly why he feels that?

Mr. BUCKLEY. One always brings up the hard case where one has extraordinary sympathy for the woman who has been subjected to this vicious experience or humiliating experience. The fact is that we are dealing not with the condition of the woman but the condition of her child. The fact that that child may have been conceived as a result of an act of rape or an act of incest is not, in and of itself, justification for destroying that child.

Let me ask the Senator this: Let us assume that there is an act of incest, a child is conceived, and that child then is born. Let us assume that 2 hours after that child is born it is determined that this was the result of an incestuous union. Would the Senator from Indiana approve putting that child away?

Mr. BAYH. Of course not.

Mr. BUCKLEY. This is the issue.

Mr. BAYH. That is just about as ridiculous as the Senator from New York comparing killing an 85-year-old man with the use of an abortifacient at an early stage pregnancy. That is not the issue at all. Once the child is born, there is no question about the fact that there is a live human being. The Senator says his definition of life at fertilization is based on a scientific definition. There is no scientific definition. How does one prove fertilization? How can one prove that there is a fertilized egg?

Mr. BUCKLEY. We are not talking about a practical matter.

If one cannot prove pregnancy or fertilization, we cannot prove an act of abortion. One cannot prove murder unless one can demonstrate that there was somebody murdered. So there is no problem there. Let me ask a question.

Mr. BAYH. There is a moral problem, then. Just because one cannot prove it, it is rather inconsistent to suggest that on the one hand if one has a fertilized egg and it is disposed of, one is disposing of life, and on the other because one cannot display a corpus delicti that makes it morally right. I think the Senator from New York is establishing a double standard, I may say to him.

Mr. BUCKLEY. The Senator from New York has a totally consistent standard. I am saying one cannot, under the Senator's original hypothesis. If they can establish that there has been a violation of the law, I do believe that this ought to authorize States, as an ancillary precaution, if you will, under such an amendment as I would propose, to outlaw those techniques, the effect of which would be to destroy an ovum after fertilization.

I would like to pursue this on a different level.

Mr. BAYH. I am glad to yield on the Senator's time.

Mr. BUCKLEY. All right. Mr. President, this is now on my time.

Apparently my example of putting a child born of incest out of its way an hour after natural birth did not appeal to my friend as being a reasonable alternative to present.

Let us take a case where the mother is, let us say, 30 weeks pregnant. She is a victim of incest, and she suddenly decides she wants to eliminate the pregnancy. At that stage the common abortive technique is a hysterectomy, which is in effect a cesarean operation. Let us assume that another woman who has been pregnant the identical period of time is rushed into the hospital. She wants her child. Because of an emergency she requires a cesarean operation.

There we have two women in adjoining rooms having within them human life—it is not dog life or anything else—human life at identical stages of development. But because one goes into that hospital and says, "I don't want this child, I want an abortion," and the other one goes in and says, "Please save this child, give me a cesarean," the doctors at the same moment cut the abdomen of these two women and lift out identical human beings that are at identical stages of development. Under the Supreme Court ruling it is permissible and lawful to destroy one while the other must be rushed to the incubator with all the genius of science brought to bear to keep it alive. How can one logically intellectually make a distinction between the rights of these two very young 30-week old human beings?

Mr. BAYH. I may say to my friend from New York I do not think one could make a distinction.

Mr. BUCKLEY. I agree, but the law now does.

Mr. BAYH. No, the Supreme Court does not say that at all. In fact, there is absolutely nothing right now to prohibit any State or all States from making that illegal. Frankly, I think that is a horrible practice. In fact, I share the concern of the Senator from New York about abortion. I am really concerned about some of the matters I discussed before he arrived here that lead me to believe I am not about to impose a constitutional amendment, if I can say anything about it, on other people so that they are forced to accept my standard. But there is nothing at all right now to prohibit any State to make that illegal. The specific example that the Senator from New York pointed out is well into the third trimester, and the State legislature can prohibit abortions in the third trimester.

Mr. BUCKLEY. Mr. President, I am glad that the Senator from Indiana brought this point up because one of the widely held misconceptions as to the meaning and impact of the Supreme Court decision is that during the first 3 months the State cannot interfere in an abortion, during the second 3 months the State may impose certain conditions for the health of the mother—obviously not for the health of the unborn child—which must be proceeded with in order for the abortion to take place, and also the Supreme Court decision is also interpreted as stating that with respect to the last 3 months a State may prohibit abortion. That is not what the Supreme Court has ruled.

Mr. BAYH. Unless the health or the life of the mother is involved, they certainly may. One cannot have an abortion in that trimester for her own convenience.

Mr. BUCKLEY. All right.

Mr. BAYH. I do not think they should have.

Mr. BUCKLEY. I agree that the Supreme Court says that the State may not prohibit abortion in the third 3 months unless the mother's health is at stake. The Supreme Court goes on to define health as involving "all factors physical, emotional, psychological, familial, and the woman's age, relevant to well-being." That is the definition of health lifted out of the World Health Organization which says that it is the purpose of medicine to assure well-being. Under that generic loophole, any woman who said, "I will be unhappy if I am forced to bear this child, it will affect my well-being," will be able to get one, two, or three doctors to certify, "Yes, she will be an unhappy woman," under the Supreme Court order a State may not prohibit that abortion.

Mr. BAYH. I must say I accept the Senator's right to make that interpretation, but I do not feel any woman would have an abortion during the third trimester for the sake of convenience.

Mr. BUCKLEY. Mr. President, I am delighted to hear the Senator say this because perhaps he will go part way, but the language I quoted was quoted from the Supreme Court decision.

Mr. BAYH. I understand that.

Mr. BUCKLEY. That is its necessary effect.

Mr. BAYH. But I think the Senator took some very significant liberties with his own interpretation after he stopped reading what the Supreme Court said. I would like to make an observation if I might. I do not want to impose on the Senator's time. I do not know whose time we are operating on.

Mr. BUCKLEY. May we now operate on the time of the Senator from Indiana?

Mr. BAYH. I shall make an observation, if I might. One of the real matters that concerns me about this whole effort to change the Constitution is that some of us who are males and never having been faced with situations like rape and incest, find it very easy to say what the Senator from New York said, "It's irrelevant." I will never be faced with having a daughter come home and describe this kind of situation to me, but I have to say very frankly that if there is only one of those occurrences out of every million young women, if that were my daughter, frankly, I could not care less about the odds. I would want to have a chance to pray over that with her, my wife, our doctor, and our clergyman, and make that decision. As much as I say I am opposed to abortion, I cannot tell how I would opt if that were the situation and to find out. The unfortunate problem, as I pointed out I think before the Senator from New York came into the Chamber, is that in case of incestual experience and rape, because of the embarrassment and because of the devious nature of the first act, these pregnancies are not disclosed or the acts are not disclosed at a time usually when something can be done about it until rather later in the stages of pregnancy.

I think it is very unfortunate for us to feel that we should impose a decision that we might accept upon everyone else or anyone else who would be confronted with that kind of situation.

The Senator from New York talked about birth selection, death selection, and the euthanasia question. As I pointed out in discussing this matter with the Senator from Oklahoma, I think he and others do a service when they point out the fact that there are some people talking about death for the sake of convenience of live human beings about which there can be no question.

One of the concerns I have about the abortion issue is that it is very difficult to define scientifically when there is indeed life.

There is no question at all as to an 85-year-old man who is in a hospital and has air injected in his veins that that man is alive. There is no question about that. There is no competing interest.

There is the interest of a mother, be she young, old, or middle-aged, and one can conjure up all sorts of horror stories about pregnancies as a result of rape and incest. I will not do that. But I do feel that one can make a rather distinct difference between the responsibilities of the mother where we have a voluntary pregnancy and an involuntary pregnancy, and yet this amendment would prohibit us from doing so.

Although I think that we are being well served to be alerted to the fact that there might be a few people who would like to look at the color of our eyes, the strength of our muscles, and the intellect that we possess and determine who should give birth or who should die or who should live. I must say I think that is a rather ridiculous comparison to the question of abortion because there is no big movement toward euthanasia. There has not been one successful effort or even reporting a measure out of committee. There have been three, four, or maybe a half dozen proposals made by individual State legislators. I would hate for 215 million Americans to be judged by the foolish acts of half a dozen legislators scattered around over the country. That is not what we are talking about. We are talking about whether a woman has the right to make that personal decision or whether we are going to make it for her or prohibit her from making it. Although I am prepared to make it as a man, I am not prepared to make it for a woman.

The PRESIDING OFFICER. Who yields time? If no one yields time, the time will be charged equally against all sides.

Mr. BAYH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAYH. Will the distinguished Presiding Officer inform the Senate as to what the time situation is?

The PRESIDING OFFICER. The Senator from North Carolina has 12 minutes, the Senator from Virginia has 12 minutes, the Senator from New York has 8 minutes, the Senator from Indiana has 27 minutes, the Senator from Oregon has 30 minutes, and the junior Senator from Oregon has 82 minutes.

The Chair made one mistake. The Senator from Virginia had no time.

Time now is being charged equally to all sides.

Mr. PACKWOOD. Mr. President, I am ready to vote, if everybody wants to yield back time. I am not prepared to yield it back by myself; but if other Senators are prepared to yield back their time, I am prepared to vote.

The PRESIDING OFFICER. As the Senator from Oregon knows, all parties would have to yield back their time, if they are in agreement on the point.

Mr. DOLE. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be divided among all parties.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that Mr. William Gavin, of my staff, be accorded the privilege of the floor throughout the remainder of this debate and the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President I wish to make clear to the Senator from Indiana that when the time comes to vote, I hope he will be willing to withdraw his motion to table the matter, so that we may have an honest vote on this issue. I believe it is significant enough and important enough to the people of the United States, so that they will know how their elected representatives in this body feel about this issue, which is of critical importance to many people. I hope he will consider that when the time is appropriate.

Mr. BAYH. I am not in a position to do that. As the Senator from New York knows, I was prepared to accept the unanimous-consent request yesterday on the amendment that he and the Senator from Oregon had proposed. The leadership—and I share their concern—does not want to get into some kind of parliamentary situation in which debate in this matter can go on to the point that it prohibits the Senate from discussing or deliberating and deciding on any other issue. For that reason, we attempted to get a unanimous-consent agreement. This was the only one we could get.

I say again that I think that whether there is an honest vote or not is determined by how we look at it. I do not think anybody is being kidded about whether or not this matter is tabled. It is a parliamentary vehicle, and I believe that most of the Members of this body are going to vote honestly on this. In fact, I think they are all going to vote honestly on it, relative to how they stand on the issue. I respect the right of my colleague from New York to act as he sees fit.

Mr. BUCKLEY. I appreciate the explanation by the Senator from Indiana.

I must confess that the reason why I made that statement is that I do not like the process of tabling. Often, I will vote against a measure that I subsequently vote against, because I think it is beneficial for the people at large, especially in this era of sunshine, that we require people to put their necks on the line.

Mr. BAYH. I say to my distinguished colleague and friend from New York that all of those who might be inclined to be on my side but find the tabling abhorrent will vote for him and thus, his vote will be increased and that is a liability that I am willing to accept if, indeed, that is the way it is going to work out. I frankly feel that we go through this charade sometimes feeling that we are providing an opportunity for some of our colleagues to vote on something other than the substance, but basically, they pretty well come down to the issue. I do not think anybody is going to be able nor—I shall not say tempted, because we are all human—but I do not think anybody is going to succumb to temptation to vote other than what they think is right on this issue.

I have agonized on it myself, I suppose, and I ask for no merit badge on this, because it has been my responsibility to study this issue and I have agonized on it, trying to determine what is right and what is wrong. Then, after I had determined that, I had to see whether I could reconcile mandating everybody else to accept that standard that I had come to. I came to the conclusion that I could not.

I think it is wonderful that we can have differing opinions. This is one of the things I have marvelled at in this body, that although we may get hot and tense with one another, after we have had a chance to think about it, I certainly—as I know the Senator from New York does—try to sit back and give Senators on the other side full faith and credit for being sincere and honest in their own decisions. I find that if one is to accept the logic of the Senator from New York that, because of the sensitivity of this issue—and I think it is a very sensitive issue; we are talking about life itself, in my judgment—just because it is that kind of sensitive issue, we then need to subject it to a two-thirds majority vote and three-fourths of the State legislatures, we come perilously close to then saying, we had better open up all of the other sacred rights in this country. I think we are not prepared to do that, either.

Mr. BUCKLEY. Mr. President, again, I thank the Senator from Indiana. He stated a little earlier that he is human. I shall fight to the death his right to say it and the fact that he is, no matter what the Supreme Court may rule from time time.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, I suggest the absence of a quorum, the time to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAYH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Pending the arrival of one of our colleagues, who I understand has a desire to be heard and has every right to be heard, I would like to share one experience I had with my colleagues. I think it was the first day or the second day of hearings. We are talking about life and how sacred it is. Frankly, I find some of this genetical engineering that we have talked about rather frightening, because, as the Senator from New York said in jest, if we do not keep our guard up, I suppose we could have some committee of geniuses deciding who will mate with whom and for how long and under what circumstances. I do not think that is ever going to come, but I think it is wise to be on our guard.

The question of child abnormality is one that was raised earlier. Certainly, I think when a child is born, there can be no question that the child is alive, whether it is the 1-day-old child or 1-hour-old child; regardless of the mental or physical condition of that child, it is life and it is illegal and immoral to take it. There was one particular instance that was brought to our attention that I think describes at least my concern for all of us making this decision for all individuals.

It involved a young woman testifying—her name was Kay Katz. She had with her in the hearing room two live-wire little boys. Each of them was very much like our used-to-be little boy, because they were running around the hearing room, full of life and vitality, curly haired, and blue eyed. This woman described a rather pathetic experience she had had in giving birth to their first child, who was a Tay-Sachs child. Tay-Sachs, as I think most of the Senators know, is a genetic illness, primarily of origin in individuals coming from Eastern Europe of Jewish extraction and ethnic background. Its impact is rather peculiar, because a child born with the Tay-Sachs gene disease is born alive, well, and healthy, and it cannot be detected by observation. But as the child matures, the child begins to atrophy and dies a very horrible death at somewhere between the ages of 3 and 4. There is no cure for this death.

Science has discovered a way by examination of the blood cells of the prospective mother and father prior to pregnancy, of determing whether the genes of a couple are such that a Tay-Sachs child could be born. Subsequent to that, science developed the ability to take fluid out of the womb of a pregnant woman and, by examining that fluid, determine whether the child in the body of the mother was indeed going to be a Tay-Sachs child. The odds are 1 in 4, if you have the genes as a mother and father, that your child is going to be a Tay-Sachs baby.

To hear Mrs. Katz describe the agony of the death of a child through Tay-Sachs disease and to hear her say, "Senator, after the Supreme Court decision, my husband and I could, with the advent of medical science, have this test and then make the determination of whether the pregnancy was to continue or not." She told us, and I belive it was true, that they would never have had the two subsequent pregnancies which resulted in those two live, bouncing little boys being born if they had had to go through another pregnancy under the specter that that might possibly be another Tay-Sachs child. We might argue the rightness or wrongness of that decision, but I think that is a decision that can only be made by the two parents involved and should not be made here in the U.S. Senate.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I am informed that my colleague from Idaho does not wish to speak on this matter and the senior Senator from Oregon has indicated that if he got here, fine, because he is in conference on the Federal election bill, but not to hold up proceedings for him. Unless others wish to speak, I am prepared to vote.

Mr. CURTIS. Mr. President, I would like to speak.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. I have ample time, and the Senator can have as much time as he wishes.

Mr. CURTIS. Five minutes.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. CURTIS. Mr. President, I cannot escape the feeling—it is more than a feeling with me—that an unborn child is a human being. Therefore, I am totally out of sympathy with the action of the Supreme Court of the United States. I think their reasoning was fallacious. I think although they possessed no medical expertise that they undertook to make a decision as to when life began. I do not believe they were qualified to do that, but that is gone.

I wish this problem could be dealt with in some manner other than amending the Constitution, but apparently that cannot be done.

Today we are faced with this situation: There is a motion to take up. If that motion prevails and the Helms proposed constitutional amendment is taken up then there will be an opportunity for amendments or consideration of alternatives, and it may well be that some choice language will be offered. It may well be that something like the Bartlett amendment may be offered as a substitute. But the first bridge that we must cross is to take this up and to discuss it. Therefore, I shall vote to take up. I will vote against a motion to table.

At this time I will not go into all of the details involved here. The situation in certain circumstances where there is rape or incest or danger to the health of the mother, and so on, all of this should be considered. I personally like the approach of the distinguished Senator from Oklahoma (Mr. BARTLETT) on those things. But we cannot consider them unless the motion to take up prevails.

I think it should be made clear to the Senators that a motion to take up is not approval or disapproval of the particular language of this resolution. It may be the will of the Senate that that would be the language that would finally be advanced to be voted upon. But the Senate can always work its will in the way of modifications, amendments, and substitutions.

As for me, I can see no hypothesis upon which free and open abortions at will can be justified. I cannot accept the notion that a child an hour after birth is an individual but an hour before birth is not. If that is true, that a child a day after birth is an individual then a child the day before birth must be an individual.

I do not accept the notion that it is not an individual, a human being, prior to separation from its mother. I believe an unborn child is a human being. I also feel that as such the child is entitled to every protection of the law.

If there is anybody in our whole society who is entitled to extra protection on the part of the law it is those individuals who cannot arise in court or elsewhere or have someone appear for them to protect them. I feel in that case there is a responsibility on Congress to see that a right or a potential right is fully protected. I think we have a greater obligation toward those who cannot protect their own rights. In determining that question think we should give the benefit of the doubt in favor of the individual involved, and in this case the unborn child.

I thank the distinguished Senator from Oregon, and I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I take this time to propound a series of parliamentary inquiries.

The PRESIDING OFFICER. The Senator will state them.

Mr. DOLE. First of all, what is the pending business?

Mr. PACKWOOD. I yielded 5 minutes to the Senator from Kansas.

The PRESIDING OFFICER. The pending business is a motion to table the motion to proceed to consider Senate Joint Resolution 178.

Mr. DOLE. If that motion to table fails, then what will be the pending business?

The PRESIDING OFFICER. The motion to proceed to the consideration of Senate Joint Resolution 178.

Mr. DOLE. Would there be an immediate vote on that motion to proceed?

The PRESIDING OFFICER. The motion is not debatable, there having been debate during the morning hour.

Mr. DOLE. In other words, if the motion to table fails, then we proceed to the consideration of the Helms amendment?

The PRESIDING OFFICER. If the motion to table fails, we proceed to vote or we vote on the motion to proceed to the consideration of Senate Joint Resolution 178.

Mr. DOLE. Then if that motion prevails the Helms amendment becomes the pending business?

The PRESIDING OFFICER. Then Senate Joint Resolution 178 is the pending business.

Mr. DOLE. At that time, Senate Joint Resolution 178 would be subject to amendment, would it not?

The PRESIDING OFFICER. That is correct.

Mr. DOLE. Mr. President, I have asked these questions because there are some of us who have, I think, essentially corresponding views on the issue of abortion, but may not be in full agreement on what the various rights and limitations should or should not be. That is, we feel that the matter is appropriate for consideration by the Senate and that some proposed constitutional amendment should come out of this body—even though we do not necessarily endorse the exact language now expressed in the Helms resolution.

As the Senator from Nebraska has stated, many Senators may support certain aspects of the Buckley or Bartlett amendments, for example, and would prefer that modifications be incorporated to address the exceptional cases which have been referred to throughout this debate. So I have asked these questions, Mr. President, to make it clear that the pending vote is not one of the final merits, and that in the event the motion to table fails and we do take up Senate Joint Resolution 178, substantive amendments would be in order. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. DOLE. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I know of no one else who wishes to speak. If everyone else wants to yield back his time which they have I am prepared to yield back my time and vote now.

Mr. BAYH. I yield back my time.

The PRESIDING OFFICER. Not all of the persons who have reserved time are on the floor. It would take unanimous consent to yield back the time of those——

Mr. PACKWOOD. I am advised, and I will inform the Senate—and then I will make a unanimous-consent request—that Senator HATFIELD has been contacted. He is in the Federal election conference, and he says if he got here he would make some comments, but not to hold up floor action if he did not get here in time. That was relayed to me by his staff, so I think he has been adequately protected.

I cannot speak for some others who have time alloted.

Mr. DOLE. I am advised by Senator HELMS' staff that he does not wish to use more time.

Mr. HANSEN. Mr. President, will the distinguished Senator from Oregon yield me 2 minutes or 3?

Mr. PACKWOOD. Yes, as much time as the Senator from Wyoming needs.

Mr. MANSFIELD. Mr. President, will the Senator yield? I ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER (Mr. DOLE). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

(At this point, Mr. DOLE assumed the chair.)

Mr. HANSEN. Mr. President, I listened very closely to the observations and the inquiries made by the distinguished present occupant of the Chair, the Senator from Kansas.

It will be my purpose to vote against tabling the motion to proceed to the consideration of Senate Joint Resolution 178. I make that statement because I would welcome an opportunity to vote up or down on this issue.

It is my view that if the life of a mother is in jeopardy, if the conception has been the result of incest or rape, the right to an abortion should not be denied. I would support an amendment to the Constitution which contained these provisions. Absent at least those three, I will not support such an amendment.

I anticipate that it may very well be that I will not have an opportunity later to state my position, so I have chosen this opportunity now to make that statement.

We have had a lot of mail, as I am certain most Senators have, on this issue and I have been precise in saying how I would support an amendment to the Constitution and under what conditions I would not support it, and it is essentially as I stated my position here.

I thank my good friend from Oregon.

Mr. MANSFIELD. Will the Senator yield me 1 minute?

The PRESIDING OFFICER. Who yields time?

The Senator from Montana.

Mr. MANSFIELD. Mr. President, this is a two-section Senate joint resolution.

> SECTION 1. With respect to the right to life guaranteed in this Constitution, every human being, subject to the jurisdiction of the United States, or of any State, shall be deemed, from the moment of fertilization, to be a person and entitled to the right to life.

I would like to ask the chairman of the subcommittee which has held extensive hearings on this bill if there are any exceptions or does this forbid abortion under any and all circumstances?

Mr. BAYH. There are no exceptions

under the amendment of the Senator from North Carolina.

I hoped to be able to explore that with him, but I think that opportunity will not be available to us.

Of course, this would mean even if the life of the mother were in jeopardy——

Mr. MANSFIELD. No exceptions?

Mr. BAYH. Right, there would be no option as to whether the fetus or the mother were to survive.

Mr. MANSFIELD. No exceptions?

Mr. BAYH. No exceptions.

Mr. HELMS. Mr. President, in response to the distinguished majority leader, I would point out that once the principle has been established of the primacy of life of every human being, it is inevitable that someone will raise the problem of the so-called hard cases, where pregnancy puts two lives in simultaneous danger, the life of the mother and the life of the child. Today, such cases are indeed medical rarities, although they do exist, and it would be unfortunate to amend the Constitution in such a way that a doctor attempting to care for his patients would be placed in legal jeopardy. It would also be unfortunate to amend the Constitution in such a way that an exception clause would destroy the primacy of life values so that the way would be opened to widespread abuse under the cover of law. The resolution of this problem has been a principal aim of my amendment.

My amendment contains no specific exception clause because such a clause is not necessary. As the amendment is presently drafted, the difficult cases can be handled under traditional concepts of due process and equal protection of the laws.

Although this amendment definitely prohibits abortions in every case where the mother's life is not at stake, it is not intended to invalidate past, present, and future laws in the States which permit abortion to save the life of the mother. Nor is it intended to prevent the State legislatures and the courts reviewing State laws from continuing to regard abortions to save the life of the mother as a matter of self-defense and, therefore, legally justifiable according to the general principles of self-defense that apply to all human beings. Because abortions to save the life of the mother were not regarded by our State or Federal courts as violations of due process or equal protection before the Supreme Court ruling in 1973, there is, therefore, no reason to assume that they would be after the adoption of this amendment. My amendment would merely apply the existing principles of due process of law and equal protection of the laws to all human beings, including the child in the womb. It simply gives the child in the womb the same right to continue living as his older brother, with both of them, of course, governed by the even-handed application of the principles of due process and equal protection.

Although the right to life can be made a constitutional right, the Federal Government should not preempt the rights of the States to prohibit abortion, prescribe penalties, and regulate the tools and implements of abortion. Section 2 of my amendment preserves the concurrent jurisdiction of Congress and the States over abortion, and recognizes the fact that the regulation of abortion is primarily a State responsibility. In the event of a direct conflict between Federal and State laws, however, the Federal law would prevail in accord with the supremacy clause of the Constitution, which makes the Constitution and all Federal laws enacted in pursuance thereof the supreme law of land. Neither Congress nor the States, however, could allow abortion, whether Government sponsored or privately performed, any more than they could allow for the practice of involuntary servitude, which is prohibited by the 13th amendment.

Both the Federal and State governments can, therefore, act concurrently to prohibit abortions under my amendment. Any Federal action promoting abortions, including the use of Federal facilities or personnel for abortions, would be a clear violation of the constitutional rights of the unborn. The Federal Government could also outlaw, under the commerce clause, the interstate shipment of drugs, instruments, and equipment intended to procure abortions.

The States in turn would have similar powers in regulating abortions, particularly under their criminal codes. They would again have the power to delineate spheres of culpability with regard to those who participate in abortions. They would have the authority to prescribe penalties and enforce criminal statutes against abortion. In many respects, the result will be similar to the actions of the States under the 21st amendment in regulating the sale of intoxicating liquors.

ADDITIONAL STATEMENTS SUBMITTED ON SENATE JOINT RESOLUTION 178

Mr. STENNIS. Mr. President, I rise to support the constitutional amendment proposed by the Senator from North Carolina (Mr. HELMS) opposing abortion. I commend him for bringing this issue to the floor of the Senate and I urge favorable Senate action on his proposed Senate Joint Resolution No. 178.

The proposed amendment states very clearly and very simply that every human being shall be deemed, from the moment of fertilization, to be a person and entitled to the right to life.

As is well known, the controversy on abortion has led to much discussion over the question of at what stage of its life shall an unborn child become entitled to the constitutional right to live. In January, 1973, the Supreme Court ruled on the powers of a State, by its laws, to constitutionally forbid abortion. The court said in effect that this is legally correct only in the final 3 months of pregnancy.

The Court, of course, was ruling on the constitutionality of State laws, and not on moral issues. It was a matter of jurisprudence, and not what is right and what is wrong from an ethical or moral view. I think the Supreme Court decision is in grave order, and strikes at the foundation of the human family which is the bedrock of our civilization.

Mr. President, it having been held that the Constitution is unclear as to the right of an unborn child to life, then a constitutional amendment is necessary. A person is alive or is not, and an unborn child is alive or is not regardless of its age. This proposed constitutional amendment meets that point squarely. Anything short of this would be inadequate and unacceptable. I strongly support Senate Joint Resolution No. 178 and advocate its immediate passage.

Mr. TAFT. Mr. President, while I am opposed to the current language of the Helms amendment that has been placed on the Senate calendar, I know that there are many Americans who feel very strongly about the issues involved with this proposed constitutional amendment. I believe that we in the Senate owe these citizens a straight up or down vote on the merits of the issue.

I have taken the position, after careful study, that the proper unit of Government for the consideration of the abortion issue should be the State legislatures. Under our legal system, family and related criminal laws have traditionally been State matters. The controlling Supreme Court decision is unfortunate and leaves more questions unanswered than answered, but I do not believe that the language in this amendment is the proper vehicle for correcting the problem.

While the Supreme Court outlines general guidelines with regard to the abortion issue, specific interpretations of the decision have yet to be tested in the courts. In fact, several State abortion laws are currently under active consideration by the Court.

My own State of Ohio has passed a new statute which will hopefully have the effect of applying strict standards to doctors, clinics and hospitals that perform such operations. This seems to me to be a sounder approach than the proposed amendment before us today. I believe that the proposed amendment would be divisive among Americans of varying faiths and convictions and damaging to the spirit of religious tolerance that we seek. I will, however, listen to the floor debate on the Helms amendment and any other language that might be offered and then vote my conscience.

Mr. WILLIAMS. Mr. President, the time of the Senate is limited for consideration of Senate Joint Resolution 178, proposing a constitutional amendment guaranteeing the right of life to the unborn. Therefore, I shall take no more than my share of time to briefly explain why I shall not support its passage.

The language of the proposed constitutional amendment is as follows:

> "SECTION 1. With respect to the right to life guaranteed in this Constitution, every human being, subject to the jurisdiction of the United States, or of any State, shall be deemed, from the moment of fertilization, to be a person entitled to the right to life.
>
> "SECTION 2. Congress and the several States shall have concurrent power to enforce this article by appropriate legislation."

This is the language that the Senator from North Carolina (Mr. HELMS) has brought before the Senate. Of the four major proposals for amending the Constitution that have been introduced, the Helms amendment is the most absolute and inflexible. It provokes the most controversy and inflicts the highest emotional tensions into a public discussion that requires deep sensitivity and strong reasoning.

This proposal, Senate Joint Resolution 178, raises many more important and difficult questions than it answers. Why does it not provide for an exception to save the life of a woman whose pregnancy could be fatal? What would be the effect of this amendment on the legality of the intrauterine device as a means of preventing conception? Would the proposed language prohibit the manufacture and sale of the morning-after contraceptive pill, which can be regarded as an abortive substance?

How would the amendment's provision protecting the unborn "from the moment of fertilization" apply in cases involving conception after rape or incest? Would it permit traditional medical treatment at any time up to a week, even if conception occurred, or would it prohibit such treatment altogether?

Underlying these questions about how the Helms amendment would be implemented is the basic question that is the essence of the issue: When does embryonic life become sufficiently viable and promising to warrant equal consideration with its mother in the protection of their constitutional rights?

Senator HELMS asserts in his amendment that this occurs at the moment of fertilization. It may well be that legal and theological thought may in time evolve to this point, but the undisputed fact is that no such consensus now exists. Legal and theological witnesses before the Senate Subcommittee on Constitutional Amendments and the House Subcommittee on Civil and Constitutional Rights have answered this fundamental question with widely differing pronouncements. It can be assumed that they give widely differing advice to those who rely upon them for legal and ethical guidance.

The Nation is deeply divided on this issue. No consensus has yet emerged, and without a strong consensus of support, particularly from the churches and the legal institutions of the country, no constitutional amendment of this nature could be enforced. Abortions, although illegal, would be sought and obtained, making a mockery of the law and resulting in grave human misery. Passage of this amendment would instigate an immediate political movement to have it repealed.

Mr. President, my colleagues in the Senate rely upon me, as chairman of the Senate Committee on Labor and Public Welfare, to give them good advice on whether to adopt any of the broad range of labor, health, education, and human resources legislation considered by our committee. In the past, they have sought my counsel on Federal programs for rehabilitating the disabled, providing educational opportunities for handicapped children, attacking inherited diseases that drain the human potential of the newborn. The Senate and the Congress have adopted these programs for preserving the lives and expanding the horizons of the most unfortunate among us.

I depend upon my colleagues on the Judiciary Committee to give me good advice on matters within their jurisdiction and area of expertise. But there is no advice from the Judiciary Committee to support the passage of the Helms amendment today. We are here considering this immensely complex and momentous issue without the benefit of the Judiciary Committee's recommendations. Senator Helms has chosen to bypass the committee and bring his proposal directly before the Senate.

For all of the reasons that I have stated in this brief time, I shall oppose passage of this proposal at this time and suport the motion to table its consideration.

Mr. BROOKE. Mr. President, the issue before us has evoked strong emotions. Both sides have deep and strongly held convictions. And surely no issue has been more difficult for me to decide personally. However, I have supported and shall continue to support the Supreme Court's decision, not with any joy, but with a deep belief that the question of abortion is so personal that it must be left, under the guidelines outlined by the Court, to a woman and to her doctor.

But today we are not deciding whether to pass or to defeat a constitutional amendment designed to overturn the Supreme Court decision. Rather, we are deciding the manner in which Congress will debate and consider this important constitutional issue. And because I believe that we must adhere to the regular procedures of the Senate, I will vote to table the Helms amendment.

I want to strongly emphasize that my vote today and my support of the Supreme Court decision does not mean that I would abide a stifling of the views and beliefs of either side. I have insisted and will continue to insist on a full and free discussion of the issue. But I believe we are having such a discussion. We have debated abortion amendments on the floor of the Senate on several occasions. And I am sure we will continue to do so. The Constitutional Amendments Subcommittee of the Senate Judiciary Committee has devoted 2 years of solid work to studying constitutional amendments similar to the one before us today. It has held 15 days of hearings. Thousands of pages of testimony have been taken. In addition, the House Judiciary Committee is now holding hearings. Surely the Congress is giving the issue a fair hearing.

However, we must combine full discussion with procedural soundness. I am strongly convinced that we cannot accomplish these objectives if we take this highly unusual step of circumventing the Senate's committee system. This system is essential for building a legislative history, and is particularly necessary for a complex and highly complicated piece of legislation like the one before us. In my opinion we would be derelict in our responsibilities if we passed this particular measure without establishing a clear and proper legislative history on which the American people and the courts can rely.

The submission of a committee report to the Senate is the first step in building such a legislative history. That report and the legislation itself is then debated on the Senate floor. Vague or ambiguous language is explained by a member of the committee which wrote the bill.

In a chamber of 100 members, it is impossible to legislate properly a complex measure without such committee guidance. Some may argue that general floor debate alone is enough to establish a legislative history. But the courts have ruled otherwise.

In *Duplex Company* v. *Deering* (254 U.S. 443 at 474–475 (1921)), the Supreme Court stated:

> By repeated decisions of this Court it has come to be well established that the debates in Congress expressive of the views and motives of individual Members are not a safe guide, and hence may not be resorted to in ascertaining the meaning and purpose of the lawmaking body (citations). But reports of committees of House or Senate stand upon a more solid footing, and may be regarded as an exposition of the legislative intent in a case where otherwise the meaning of a statute is obscure (citation). And this has been extended to include explanatory statements in the nature of a supplemental report made by the committee member in charge of a bill in course of passage.

And in the case of *Imhoff-Berg Silk Dyeing* v. *U.S.* (43 Fed. 836, at 837–838 (D.C. New Jersey, 1930)), a Federal district court held that:

> While legislative debate, partaking of necessity very largely of impromptu statements and opinions, cannot be resorted to with any confidence as showing the true intent of Congress in the enactment of statutes, a somewhat different standard obtains with reference to the pronouncements of committees having in charge the preparation of such proposed laws. These committee announcements do not, of course, carry the weight of a judicial opinion, but are rightly regarded as possessing very considerable value of an explanatory nature regarding legislative intent where the meaning of a statute is obscure.

And finally I would refer my colleagues to Statutes and Statutory Construction, by J. S. Sutherland, third edition, by F. E. Horack, Jr., 1943, Volume 2:

> Although not decisive, the intent of the legislature as revealed by the committee report is highly persuasive. (p. 490)
>
> Statements by individual members of the legislature as to the meaning of provisions in a bill subsequently enacted into law, made during the general debate on the bill on the floor . . . are generally held to be inadmissible as an aid in construing the statute. (p. 500)
>
> In the earlier cases courts refused to consider legislative debates completely. This rule has been modified to permit explanatory statements by the member of the standing committee who is in charge of its presentation to the legislative house and leads the debate thereon. (p. 501)

I would emphasize that the establishment of a comprehensive record of what a bill and committee report actually mean is essential not only to the courts but to the Senate which must vote on the bill.

Mr. President, it is clear that the best interests of all will not be served by bypassing the committee system. Under this system one cannot assure the victory of one side over the other. The only thing that can be assured is a full, open hearing for both sides. This is what is happening with this issue. And I am sure this will continue to hold true.

It is with this strongly held belief in procedural soundness and in thorough hearings and discussion that I vote today to table the Helms amendment.

Mr. ABOUREZK. Mr. President, I rise in support of the motion to table. As a member of the subcommittee which considered antiabortion amendments, including those of Senator HELMS and Senator BUCKLEY, last September, I hope that the motion to table will carry on procedural grounds alone.

No committee or subcommittee presumes to speak for the entire Senate. But if there is an implication in calling up the "Right to Life" amendment for floor consideration today that the Subcommittee on Constitutional Amendments did not or will not take its responsibility seriously, that implication is untrue.

With the leadership of Senator BAYH, the subcommittee held lengthy hearings on the many pending antiabortion amendments, published and distributed those hearings, debated and voted on the proposals.

Like other subcommittee members, I received hundreds of thoughtful letters and phone calls from my constituents on this issue. If there had been any desire on anyone's part—and there was not—to brush this matter aside or dismiss the implications of our action, the public reminded us forcefully of our responsibility.

We considered every proposal that had been introduced, and even some which had not yet been introduced formally. We debated and voted on each, and all were rejected. I, for one, did not know in advance how the various votes would come out in the subcommittee. I voted as I thought best. I am sure that every subcommittee member will agree that there was no collusion, strategy, or attempt at obstructionism by anyone. The votes were taken and the proposals did not pass.

As a member of the Judiciary Committee, therefore, I consider this attempt to bypass the committee unwarranted.

The procedural issue is important, but more important is that the legislation before us is bad legislation.

Criminal laws against abortion will not stop abortion. An amendment to the Constitution will not reconcile the differing factions in this country who strongly and sincerely disagree on the moral, legal, philosophical, medical, and religious issues of abortion. If anything, approving and enacting into law the particular beliefs of one group in this dispute will deepen the conflicts and diminish respect for the law.

We have learned by hard experience that Government does a terrible job of solving social and moral disputes with legal absolutes. What a triumph it would be if the Senate had such power and influence that we could pass a law here today which would settle for all times the question of when life begins. But this is not going to happen no matter how hard we try.

I consider abortion a repulsive alternative to preventive birth control. In good conscience, I could not recommend or advocate abortion. But like my own beliefs, the decision by a woman with an unwanted pregnancy is a matter of individual conscience. I would personally urge the choice of adoption or another alternative to abortion, but the final choice must rest with the individual, not politicians or policemen.

To a certain extent it concerns me that the Senator from New York (Mr. BUCKLEY), the Senator from North Carolina (Mr. HELMS) and others who have, with great eloquence and conviction, spoken out against big government and the increasing power of Government over Americans' personal lives, want Government to have a role in the most personal and intimate decisions concerning pregnancy.

There are actual, practical consequences of the pending amendment which are frightening to me. How will police know whether laws are being broken? Will all conceptions have to be reported? Will aborted women be expected to testify against themselves on criminal charges? How could enforcement of antiabortion laws be other than haphazard, arbitrary, and discriminatory? How could the law be enforced for wealthy women who could afford to go abroad for abortions?

I do not know all the answers to these questions. But I do know that the 1973 Supreme Court decision on abortion did not change my personal feelings about the rightness or wrongness of abortion. Likewise, a "Right to Life" amendment will not change the minds of those who do not consider abortion immoral.

Approval of the pending constitutional amendment will create many more problems than it would solve. It is not good legislation. I urge the Senate to approve the motion to table.

Mr. HATFIELD. Mr. President, today the Senate is giving consideration to an issue which is of extreme importance and which has generated very strong feelings among our people. I am confident that the Congress has just begun to deal with this issue, even though it has spent a number of months engaged in hearings on abortion since the fateful Supreme Court decision of January 1973.

I intend to vote against the motion to table the motion to proceed with the deliberation of Senate Joint Resolution 178, the Helms resolution. I am doing this in order that the Senate might proceed to deal with the substance of the abortion question and the actual merits of referring an amendment to the State legislatures. My vote does not indicate satisfaction with the language of the Helms resolution, for I share misgivings of a number of my colleagues about this particular resolution. If the opportunity had been given I was prepared to support a substitute amendment which would assure that abortions would be allowed to save the life of a mother. I had also talked with some of my colleagues about language which would substitute the moment of implantation for the moment of fertilization as the point at which protection would be given to the unborn. If these modifications had not been accepted I would also have supported versions which would at least refer the question to the State legislatures of allowing these State legislatures to subsequently make laws restricting abortion.

Whatever the outcome of this vote, I think it is important to remember that it is a vote strictly on the question of proceeding to consider the Helms resolution. A defeat of this effort is not the final chapter on the abortion question. We are engaged in a long-range consideration of a matter of great consequence. The Congress, in this session or in subsequent sessions, may well want to give additional consideration to the substance of the matter.

I thank the leadership for reserving time for me on this matter and regret that my participation in the conference committee on the Federal Election Commission bill did not allow me to participate more actively.

Mr. BAYH. I am again prepared to yield back my time.

The PRESIDING OFFICER (Mr. HANSEN). It would require unanimous consent for all time to be yielded back.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that all time be yielded back.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

All time is yielded back. The question is on agreeing to the motion to lay on the table the motion to proceed to the consideration of Senate Joint Resolution 178.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RANDOLPH. Mr. President, a point of order. The Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order. The clerk will suspend until there is order in the Chamber.

The legislative clerk resumed and concluded the call of the roll.

Mr. MANSFIELD. Mr. President, on this vote I have a pair with the distinguished Senator from Delaware (Mr. BIDEN). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Indiana (Mr. HARTKE), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. MAGNUSON), and the Senator from Rhode Island (Mr. PASTORE) are necessarily absent.

I further announce that the Senator

from Colorado (Mr. Haskell) is absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pastore), and the Senator from Mississippi (Mr. Eastland) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. Fong), the Senator from Nevada (Mr. Laxalt), and the Senator from Texas (Mr. Tower) are necessarily absent.

I further announce that, if present and voting, the Senator from Texas (Mr. Tower) would vote "yea."

The result was announced—yeas 47, nays 40, as follows:

[Rollcall Vote No. 156 Leg.]

YEAS—47

Abourezk
Baker
Bayh
Beall
Bellmon
Brooke
Bumpers
Burdick
Byrd, Robert C.
Case
Clark
Cranston
Culver
Fannin
Glenn
Goldwater
Gravel
Hart, Gary
Hart, Philip A.
Hathaway
Hollings
Humphrey
Jackson
Javits
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pearson
Pell
Percy
Ribicoff
Scott, Hugh
Sparkman
Stafford
Stevenson
Talmadge
Tunney
Weicker
Williams

NAYS—40

Allen
Bartlett
Brock
Buckley
Byrd,
Harry F., Jr.
Cannon
Chiles
Curtis
Dole
Domenici
Durkin
Eagleton
Ford
Garn
Griffin
Hansen
Hatfield
Helms
Hruska
Huddleston
Johnston
Kennedy
Leahy
Long
McClellan
McClure
Morgan
Moss
Proxmire
Randolph
Roth
Schweiker
Scott,
William L.
Stennis
Stevens
Stone
Symington
Taft
Thurmond
Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mansfield, for.

NOT VOTING—12

Bentsen
Biden
Church
Eastland
Fong
Hartke
Haskell
Inouye
Laxalt
Magnuson
Pastore
Tower

So the motion to lay on the table the motion to proceed to the consideration of S.J. Res. 178 was agreed to.

SENATE JOINT RESOLUTION 178 PLACED UNDER "SUBJECTS ON THE TABLE"

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that Calendar No. 666, Senate Joint Resolution 178, be taken off general orders, under Senate rule VIII, and placed under "Subjects on the Table." I do this with the full approval of the Senator from North Carolina.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

FOREIGN ASSISTANCE ACT AND FOREIGN MILITARY SALES ACT—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I submit a report of the committee of conference on S. 2662, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. Fannin). The report will be stated by title.

The second assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of April 6.)

The PRESIDING OFFICER. The Senate will be in order.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, may we have order? This is an important bill.

The PRESIDING OFFICER. The Senate will be in order.

Mr. CASE. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. HUMPHREY. I yield.

Mr. CASE. Mr. President, I ask unanimous consent that during the consideration of the conference report and vote my staff assistant, Michael Kraft, in addition to members of the staff of the committee may be accorded privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, in order for us to proceed, I ask that the Chair obtain order in the Senate.

The PRESIDING OFFICER. The Senate will suspend until the Senate is in order.

The Senate will be in order. The Senator from Minnesota is correct. The Senate must be in order before we continue.

Senators will please retire to the cloakroom if they desire to continue discussions.

Mr. HUMPHREY. Mr. President, I thank the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I understand that the conference report has now been laid before the Senate. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. Mr. President, the conference on S. 2662 represents a highly satisfactory outcome for the Senate on the many differences between this body and the House of Representatives on the security assistance bill.

Enactment of this bill will be a major milestone in American foreign assistance policy. It signals the end of grant military aid and U.S. military missions abroad except, may I add, as Congress may in its own judgment subsequently authorize grant aid or military missions on a country-by-country basis.

This provision has been long asked for in the Senate so that the Senate and Congress have a better picture of what is going on in those overseas activities.

It means far-reaching changes in U.S. arms sales policy, giving Congress, for the first time, the right to review significant commercial sales of arms to foreign countries and expanding its tools for more effective oversight of all arms sales. And the emphasis on U.S. arms transfer policy will be shifted from indiscriminate selling to managing and controlling.

The conference agreed to security assistance authorizations for the 1976 fiscal year totaling $3.17 billion, a reduction of $293 million from the House figure and an increase of $117 million over the amount that the Senate had originally authorized.

Mr. President, I ask unanimous consent to have printed in the Record at this point a comparative table for the programs authorized in the bill.

There being no objection, the table was ordered to be printed in the Record, as follows:

FUNDS AUTHORIZED FOR FISCAL YEAR 1976 BY S. 2662

[In millions of dollars]

	Executive request	House recommendation	Senate recommendation	Conference substitute
Grant military assistance	394.5	334.0	180.9	[1]196.7
Grant military assistance administration	[2]	32.0	32.0	32.0
Foreign military education and training	30.0	28.15	25.0	27.0
Foreign military sales credits	1,065.0	1,065.0	1,014.5	1,039.0
Contingency fund	10.0	5.0	5.0	5.0
Narcotics control	42.5	42.5	37.5	40.0
Security supporting assistance	1,873.3	1,883.3	1,705.0	1,766.2
Middle East Special Requirements Fund	50.0	50.0	50.0	50.0
Aid to Cypriot refugees		[3]20.0		10.0
International Atomic Energy Agency			1.0	1.0
Total	3,465.3	3,459.95	3,050.4	3,166.9

[1] In addition to the amount authorized to be appropriated for grant military assistance programs, $28,300,000 in recoupments and reimbursements are authorized to be made available for such programs.

[2] The executive request included $37,000,000 for general costs in its overall request for grant military assistance.

[3] The $20,000,000 authorized in the House amendment for aid to Cypriot refugees is in addition to the $30,000,000 authorization for such purpose contained in H.R. 9005 (Public Law 94-161).

Mr. HUMPHREY. Mr. President, the Senate bill contained a number of other provisions giving Congress statutory tools to enable it to exercise more effective oversight over arms sales matters.

The essential elements of these provisions have been retained in the conference agreement. Probably the most significant provision concerned the types of proposed Government and commercial sales which must be submitted to Congress for review. Under the conference agreement all proposals for the sale or export of major defense equipment of $7 million or more may be rejected by Congress within 30 calendar days of notice. This expands the scope of the existing

Nelson amendment, but not in a way which will interfere with sound management by the Executive. The definition of items to be covered and the $7 million floor figure were worked out in close consultation with the Departments of State and Defense. Those agencies have assured us that this provision is manageable.

Government control over sales of major military equipment is strengthened further by requiring that all such sales of $25 million or more must be made through Government channels, unless the sale is to a NATO country. I might note that this provision was added at the suggestion of the Defense Department in the interest of providing the executive branch with a tool for better overall control of arms sales abroad. The House provision imposing an annual ceiling on arms sales was retained, adding a further restraint to the more direct controls in the bill.

The Senate did not have such a provision. We felt very strongly that we should not, but I can tell Senators that the House ceiling is actually higher than the proposed sales level that the administration presented to our committee. The ceiling does add a restraint to the more direct controls in the bill. At the same time some highly restrictive details of the original House language were relaxed at the urging of the executive branch.

An important feature of the Senate bill, which combines into one statute controls over both Government and commercial sales and exports of military materials, was also retained. For the benefit of interested members of the Committee on Armed Services, who played an important role in shaping the Senate bill, I point out that the conference report includes the substance of each of the provisions which concerned them most directly. In other words, every recommendation of the Committee on Armed Services relating to our security which was made to us is included in the bill as it comes back from conference.

The conference agreement contains strong provisions dealing with agents' fees, discrimination, third country transfers, ineligibility, and human rights. For the record, I would like to clarify a minor point regarding the human rights provision. Section 301(c)(3) provides that if a report requested by the Congress regarding the human rights practices of a given country is not received within 30 days, no security assistance shall be provided to that country unless specifically authorized by law or until the report is transmitted. Although the intent is clear, I point out that, in the absence of submission of a report, any specific authorization to resume assistance must be enacted after the failure to transmit the report.

The essence of the Senate's prohibition on involvement of U.S. narcotics personnel abroad in foreign police actions, which was of special interest to the majority leader, who came to us with his recommendations following an extensive and intensive visit in the Far East, also has been preserved in this bill; and we are indebted to the majority leader, Senator MANSFIELD, for his able counsel and assistance.

Mr. President, the results of the conference on S. 2662 represent both sound policy and further affirmation of the basic thrust of the Senate bill, a congressional initiative. To be sure, there was give and take on both sides, as there must be in any conference. But the bill which emerged from the conference is very close to the bill passed by the Senate in most major particulars. I can recommend the conference report to my colleagues without hesitation.

Mr. President, this bill was worked out in close cooperation with the Department of Defense; with General Fish, who is in charge of military assistance and sales and with the State Department. At every step of the way, even in the process of marking up the bill in the Senate committee, we had present representatives of the administration—the State Department, and the Department of Defense. Every provision—and many of them are controversial—was worked out in consultation with the executive branch. Each of these provisions, although some of them were not desired by the executive branch, was considered workable and acceptable. I think that should be made a matter of record.

Never before has there been closer cooperation between the legislative branch of Government and the executive branch in designating a piece of legislation, particularly one which, by its very nature, is difficult and has many points of controversy.

We are indebted to the executive departments for their help and cooperation—even more so to the staff of the Committee on Foreign Relations and the Subcommittee on Foreign Assistance and to the diligence of my colleagues on the subcommittee and the members of the full committee.

We think that this is an extraordinarily innovative piece of legislation. It is constructive and sound.

I note that today the House of Representatives overwhelmingly has adopted the conference report, and I urge the adoption of the report in the Senate.

I yield to the distinguished Senator from New Jersey.

Mr. CASE. Mr. President, the Senate is busy with many matters, and I shall not take much time except for an appropriate acknowledgement—since he has acknowledged everybody else's help—of the assistance that our chairman, the Senator from Minnesota, has given in this matter.

It just goes to prove the correctness of the old adage: If you want something done, give it to the busiest guy. If anybody could have been busier than Senator HUMPHREY, running away from the Presidential nomination for the last 6 months, I do not know who it could have been. [Laughter.] Yet, he had the time to take this job on and to do it in extraordinary fashion.

Mr. HUMPHREY. It appears that I am succeeding. [Laughter.]

Mr. CASE. Mr. President, the Senator from Minnesota has correctly summarized the conference report and placed it in its proper setting. We in the Senate did not want all these things ourselves. A $9 billion arms ceiling was not of our origin, nor was the provision in regard to the restrictions on the authority for trade with North and South Vietnam. These were House matters. We accepted them in a spirit of comity, and the House yielded many things to us. For the first time, we succeeded in getting into the conference report provisions, for example, terminating military grant assistance.

It is a great step forward. It does not unduly in any way restrict the administration, the executive branch. It was worked out in cooperation with them. In truth, if the efforts that were made by both the executive branch, through the Department of State, the Department of Commerce, and AID, and the staffs of our committee and members of our committee are not going to produce cooperative action, then that is not possible. I do not accept that.

I think we should vote overwhelmingly to approve the conference report, and I so recommend.

Mr. KENNEDY. Mr. President, I rise to question one particular aspect of the conference agreement concerning Chile. I am disturbed that the action of the Senate in regard to this amendment essentially was voided by the conference agreement permitting substantial amounts of continuing military aid to go to the Government of Chile.

The Senate adopted my amendment on February 9, 1976, to put a complete halt to any transfer of arms to the Government of Chile, through Government or commercial channels. The Senate action went beyond previous law which had not affected commercial sales or the substantial pipeline of arms which currently exists.

Unfortunately, the conferees on this matter adopted a compromise which is far closer to the House position than it is to our own. It still would prohibit grant or credit aid or training of Chilean military; but it would permit FMS cash sales and Government licensing of commercial sales. I intend to submit an amendment to the fiscal year 1977 legislation which I hope will be adopted. It will be identical to the language already adopted by the Senate to prohibit all forms of military support of Chile. Hopefully, this time it will prevail in conference.

With regard to other provisions in the legislation, I express support for the strong stand of the conferees in assuring Israel the means to defend itself. Also, I believe the conferees have produced an admirable document, in other respects if a military aid program must be maintained, one which keeps faith with the new directions charted in the Senate version—in terms of assuring close monitoring of sales, adequate and timely information being made available to the Congress and most important, with a new institutional focus on human rights. No longer can an administration blithely commit U.S. taxpayer dollars and the advantage of arms, both manufactured and painted with the "Made in U.S.A." signature, to regimes which engage in the grossest violations of human rights.

We have now created a mechanism which will begin to insure that the State Department and the Defense Department consider the character of a regime to which they propose to send military support. Such consideration is in keeping with international declarations of respect for human rights and our own 200-year-old tradition. Both have been disregarded in the past too often.

AMENDMENT NO. 1618

So, Mr. President, I send to the desk to have printed an amendment which I hope will be considered by the committee itself, which is being submitted by myself and cosponsored by the distinguished Senator from Minnesota (Mr. HUMPHREY) and that it will be sent to the appropriate committee.

Mr. HUMPHREY. Will the Senator yield to me?

Mr. KENNEDY. I yield.

Mr. HUMPHREY. We had a discussion this morning of key features of the bill. I want the Senator to know that we have not yet proceeded to the markup, but there was discussion of the different features of the bill. The amendment of the Senator from Massachusetts was brought to our attention.

May I say that, without any dissent, we feel that that amendment should be placed in the fiscal year 1977. I must say to the Senator that I deeply regret that in this conference report, we did not retain the Senate language. As I told the Senator, I think it is unfortunate, but so be it. It is a short time between now and the end of the fiscal year, and the next year, we will definitely try to do our best.

Mr. KENNEDY. I thank the Senator for those assurances and for his cosponsorship and leadership. He was strong in support of our amendment on the floor, as the distinguished Senator from New Jersey was. Hopefully, with this adoption and with the process working through the House of Representatives, we shall be able to meet this objective. I thank the Senator.

Mr. McCLURE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLURE. Have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not been ordered.

Mr. McCLURE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLURE. Mr. President, there is one provision in this conference report which particularly troubles me. It is a factual problem as well as a procedural problem for those of us concerned about the provision relating to the suspension of the ban on trade with North Vietnam. Unfortunately, the Senate has never had an opportunity to work its will on this provision. We have not had an opportunity to look at the terms or the conditions under which that might occur. It has never been, as such, debated on the floor of the Senate. This was a provision put in by the House and was then adopted in the conference. Under the procedures of the Senate, unlike those in the House, we cannot get a separate vote on that issue. The only way that issue can be raised for a separate discussion and a vote separate from all of the rest in the conference report as a whole is if the conference report is either tabled or defeated. Such a vote on tabling or failure to adopt the conference report encompasses a whole lot of different issues, not simply this one issue.

I think on a matter of this kind, it is unfortunate that the Senate cannot have the opportunity to look at whether or not the terms and conditions of this provision are correct or whether or not we wish to amend the provisions with respect to the resumption of trade with North Vietnam, or the conditions under which the MIA accounting is conducted or reported to the Senate or to the people of this country. I know of no way we can get to that issue except words to my colleagues who reject the conference report. Then we get back to the basic bill. Then we can deal with this issue separately.

If I could, I would offer an amendment. If I could, I would offer a motion to recommit with instructions. But those are not available to us today. So I must, because I strongly disagree with the provisions here and because I very strongly feel that the Senate ought to have an opportunity to vote on this issue separately, urge that my colleagues vote with me against the adoption of the conference report.

There are two things that occur to me with regard to this provision. One is that it seems to me we have gotten the cart before the horse. It says we will resume trade with North Vietnam and then we will review whether or not we have made sufficient progress on the accounting for the MIA's. I think that is completely backward. At the very minimum, it is completely backward. We ought to require that there be progress on accounting for the MIA's before we resume trade. Does anyone really believe that we are going to resume trade and then cut it off because insufficient progress has been made? I believe that that is very, very highly unlikely.

I have been active from the very beginning on this question of MIA's, and I continue to be very much concerned about the plight of the families that are denied the information which every humanitarian instinct of every civilized country in this world tells us we are entitled to and that the families of these missing people are entitled to. I do not want to disturb that. I want to further and strengthen that. But I do believe it is wrong for us to extend to North Vietnam the benefits of trade until they, as a very minimum, have fully recounted, as they are capable of doing, to the extent that they are capable of doing it, all of the information on the missing in action.

The families of these men who are unaccounted for yet are certainly entitled to every effort by our Government to make certain that the information is available to them and here we are extending to North Vietnam, by action taken in the House, the benefits of trade with the only incentive on the MIA issue being the cutoff, or the possibility that the President would certify that there has been unsatisfactory or insufficient progress on this subject, and that would then trigger a termination of the trade with North Vietnam.

I shall ask my colleagues to join with me in voting against this conference report on that basis, as well as any other basis they might have, so we can get to the issue of whether or not we want to resume trade with Vietnam and whether or not the conditions established in this conference report for that resumption with regard to the MIA question is a suitable provision or whether it, as I believe it to be, has been curiously inverted in this instance.

Mr. GRIFFIN. Will the Senator from Idaho yield?

Mr. McCLURE. I am happy to yield to the Senator from Michigan.

Mr. GRIFFIN. I want to associate myself with the position taken by the distinguished Senator from Idaho and to indicate that, while I voted for this bill with great reluctance when it passed the Senate, it was with the hope that when it went to conference, it would be improved instead of being made worse. It has come back, it seems to me, in worse shape than when it passed the Senate.

I think it is generally known, but I want to say here on the floor, that the President is opposed to this conference report. I think there is every reason to believe that the legislation will be vetoed if it is sent to him in its present form. We would, it seems to me, be wise to reject the conference report and instead send the President a bill that has a chance of being signed. The objections of the administration are not only those made by the Senator from Idaho regarding the termination of the President's authority to restrict trade with North and South Vietnam. There also is concern about a number of other provisions in this legislation. It provides for congressional veto—in effect, congressional administration of programs—which, I think, most constitutional scholars would say is unconstitutional. One of these days, it will be tested in the courts. I think that, following the reasoning of the Supreme Court in the Buckley against Valeo case, it is very likely to be declared unconstitutional.

A number of other provisions in the conference report are very objectionable to the administration. For example, the administration has set forth these specific objections:

1. This legislation contains an unprecedented web of restrictions on the Administration's ability to carry out our security assistance programs. While the President supports a greater congressional role in U.S. foreign policy, there must be a line drawn on congressional encroachment on his Constitutional authority to implement that policy.

2. The recent past has demonstrated how congressional interference in foreign policy can be counter-productive (e.g. the effect of the Jackson-Vanik amendment on emigration from the Soviet Union) or damaging to our bilateral relationships with key countries (e.g. the Turkish arms embargo, the Jordan HAWK sale).

3. Congressional vetoes of Administration action through concurrent resolution, whereby the Congress can block or terminate actions taken or proposed by the Administra-

tion. Such arbitrary obstruction of the President's ability to implement American foreign policy can cause severe damage to U.S. credibility and capability to fulfill its security requirements.

4. A $9 billion annual arms sale ceiling which would restrict the United States' ability to respond to the legitimate security needs of our friends and allies, and create great uncertainties for U.S. exporters.

5. A detailed process for the submission of general and specific country reports on the human rights practices of recipient countries, on the basis of which Congress may terminate or restrict assistance, irrespective of overall U.S. relationships with a country.

6. Restrictions intended to impact upon the discriminatory visa practices of foreign governments which appear unnecessary in light of the President's recent policy directives regarding this issue and are likely to prove damaging to current Administration efforts to seek modifications of such practices.

7. Termination of grant MAP and MAAGs unless specifically authorized by Congress—both important elements of our security assistance program which enable us to respond to the needs of poorer countries and maintain important controls over arms sale programs.

8. Termination of the President's authority to restrict trade with North and South Vietnam.

9. Numerous burdensome and often repetitive reporting requirements including ACDA impact statements on U.S. arms sale policies and specific sales.

I join in urging rejection of the conference report.

Mr. McCLURE. I thank the Senator from Michigan for his remarks. This is just one of several reasons why the conference report perhaps should be rejected. I am very much disturbed that on a matter of such fundamental interest to the American people as the resumption of trade with North Vietnam, the Senate never has had the opportunity and, by this procedure, will not have the opportunity to vote on that issue. I think everybody in the United States is interested in the issue. I think the people of the United States are entitled to know how the individual Members of this body feel upon the issue. I know of no way to get there without the use of the device I have suggested of rejecting the conference report.

Mr. SYMINGTON. Mr. President, I am interested in the remarks of the assistant minority leader. Looking at this bill, I become increasingly apprehensive about the way we are handling this foreign aid, military aid especially. At the time that the State of Israel was formed, I was Secretary of the Air Force, and remember well the discussions that went on. We have a clearcut obligation to prevent Israel from being destroyed.

Survival is the word that was used consistently by that very able lady, Prime Minister Golda Meir; and she is right.

On the other hand, for reasons that at times are clear, and at times not so clear, now we are adding various additional foreign aid donations and commitments to the point where the American taxpayer is becoming increasingly obligated to spend for various countries. In effect, we are now financing not only that state which we have the obligation to help survive, but also states where we have no obligation and ones which have consistently been enemies of Israel.

I understand in this bill there is around $700 million for Egypt. That the total which goes to Egypt is around $1.6 billion in the next 2 years.

It seems more and more that the distinguished Secretary of State, for whom I have great respect, is now trying to buy the peace in the 1970's comparable to those unsuccessful efforts of France and Britain to buy peace in the 1930's.

If we held this bill down to the one obligation, that would be one thing. But we go all around the world giving away our money—money to Spain in heavy quantities to be allowed to put a base there. Actually perhaps they should pay us. We give money to Greece, over $1 billion, because they are having trouble with the Turks; and we give over $1 billion to the Turks because they having trouble with the Greeks.

Some people were annoyed we did not put more heavy money into Angola. Now, as I understand it, we plan to support the antigovernment people in Rhodesia. Where is all this going to stop.

We have that one obligation; but some people are now utilizing that one obligation as a base to put money all over the world in an effort to buy peace all over the world.

I asked the other day what was the national debt, was told it was now $634 billion, estimated next year to be $720 billion.

A lot of people perhaps forget, because of extraordinary interest in various foreign countries that we still have some problems right here at home. Perhaps they also forget that in our way of life, the only source for taxes is income, including profits. With a national debt now approaching a trillion dollars, with this effort all over the world to buy people off—nobody has yet told us how it is ever to be paid off unless we are drowned in taxes.

I would ask my friend, the distinguished Senator from New Jersey (Mr. CASE) is there any money in this bill for Syria?

Mr. CASE. $80 million is the figure for Syria.

Mr. SYMINGTON. $80 million.

Mr. President, this matter has now arrived at a point where I recognize our obigation to that one state, especially as I was involved in it; but we cannot continue to vote this type and character of aid to all these other countries. No one can buy peace. The effort may be destroying the American economy.

I thank my able friend from Idaho for yielding to me.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, Senator GRIFFIN has stated the situation very accurately. We, too, fought very hard under the leadership of Senators HUMPHREY and CASE to sustain the Senate's position. I thoroughly agreed with the Senate's position as being more rational and more logical. But, as has always been true in these matters, where the other side is just as deeply convinced, if we want to get anywhere we have to work out some accommodation.

I believe that in the totality of the measure and its purposes, and even in the totality of what we can do about forcing information on MIA's, to which all of us are devoted, we have done as well as we pragmatically can. It certainly does not represent an issue to overturn this monumental labor and watershed character of the conference report on this issue of security assistance and foreign military sales.

My colleagues who were managing the bill have already pointed out the historic nature of the situation involved here. For one, it has sought to resolve the issue of an overall ceiling on arms sales, something which is one of the most critical problems facing our Nation, which has agitated all of us in terms of policy, and again we have arrived at a practical limitation in order to keep us out of being the prime merchant of arms in the world, and yet to accommodate ourselves both to the statesmanship involved of maintaining our relations with allies—and we dearly need them all over the world—and the practical competition which dictates that if we do not supply, others will which will be of material detriment to the economy of the United States, and nothing gained whatsoever.

But, Mr. President, I would like to address myself to the threatened veto of this measure to which Senator GRIFFIN has already spoken. Mr. President, I hope the President of the United States will survey the whole scene before deciding to veto this measure about which we have heard threats.

I say that because I believe the balance which has been attained as a result of the most intimate contact with the administration—not that anyone is committed, the President is perfectly free to veto this if he wishes—but the balance which has been obtained in an absolutely unparalleled effort to work with the administration and to balance out individual provisions against other provisions is so well done and so much accomplishment is represented by those agreements that I believe it cannot possibly within any proximate period of time be restored, but that all we will have will be a confrontation between the President and Congress which will do no one any good.

The talk about trading one bill for another, trading something on the transitional quarter with respect to the Middle East for this particular measure and having it signed by the President, is unworthy of the President and unworthy of Congress. I simply cannot believe that any such idea is seriously considered.

For one, the measures which are contained in this conference report are altogether too portentous for our own future and that of the world to be dealt with in any such way, and that it completely is denigrated by any such treatment.

Second, I have too much respect for the President of the United States to involve the President in any such proposals.

As to a compromise on the fifth quarter, so-called, on another bill, not in this one, I am deeply devoted to that. This is no time, and there is no need, for a confrontation between the President and anybody of American opinion. I believe that the points of view on both sides are so eminently reasonable, and the objectives are so thoroughly agreed upon, that the matter is susceptible of compromise, and I devoutly hope in the utmost statesmanship of both the President and Congress that we will contrive such a compromise.

Finally, Mr. President, the President, I know—because Presidents before, our present President included, have done the same thing—takes serious exception to a number of provisions here which give Congress residual authority to undo what the President, by an exercise of executive power, may wish to do in particular areas, the most notable of which, of course, are both commercial and government-to-government sales of military materiel.

But, Mr. President, while this question has been very widely discussed as a constitutional question, it goes back—and I think my memory is correct on that—some 30 years to the Marshall plan where we began to employ this kind of technique. The reason why we began to employ it, Mr. President, is this: We had to have a balance between the complete and untrammeled exercise of the executive power where conditions have changed without in any way consulting the Congress because of the basic mandate or blank check, as it used to be called, which Congress gave the President.

What we tried to do was find a technique by which we could, without embarrassment to the President, be a party to the process, and that is all this is.

I deeply believe, and I have worked at it for a long time, that this is constitutional and that it is not an effort to interfere with the executive power, which is untrammeled and can be completely exercised.

It is simply a way in which we say to the President, "We would never have given you this authority in the first instance if we felt you would exercise it in this way. Therefore, what we have the power to give you, we have the power to withhold so long as it does not represent an exercise of executive power which involves a change of circumstance as interesting and as important to the Congress as it is to you, Mr. President."

That is essentially what we do in every case we do it, and that test may be applied.

For example, we could limit all sales, both public and private, to $25 million, but we felt that this was undesirable inflexibility in legislation, that that was a normal rule, but in changed circumstances, if the President found that circumstances had changed, then he could go ahead and allow a sale for a greater amount, but we then would have the right to determine whether or not we wished the grant of power which we have given to be that extensive.

Having left that matter in the President's discretion, we will have it in our own discretion, as well.

To that limited extent, I think it is a fair balance under the Constitution, and I believe the President should welcome it, rather than reject it, because it only serves to assure an act which is taken to be an act of the Nation and as the legislation and the President, and it takes account of the modern concept on the part of the Congress that, to use Arthur Vandenberg's aphorism, "We want to be in on the take-offs as well as the landings."

I hope very much, and especially as I think Senator Humphrey has pointed out time and time again, that in the some 80 instances which have arisen under comparable statutes, though not particularly parallel to this particular one of over $25 million, we have had that limitation on the Government sales. We had 80 instances of such applications to us, none of which have been touched by the Congress.

Both on practical grounds and on grounds of division of power and authority between the branches of our Government, I hope the President will give consideration to our point of view on this matter and, again be a party to that kind of comity which is so essential to our country if the Congress is to realize its own true personality, which I feel the country deeply wants as a participant in the development of the foreign policy of the country without derogating from the authority of the President as the country's chief foreign policy negotiator and chief foreign policy executor.

I believe it represents, on the part of those who may be advising the President to the effect of vetoing this bill on that ground, a backward step in terms of the comity which should exist between us and him in the interests of the country in view of our new concept of our duty in respect of foreign policy.

I think that concept has been very clearly signalized by two measures, the commitment resolution over which Senator Case was the primary author, and the war powers resolution passed over the President's veto, of which, with Senator Stennis and others, I had the privilege of being the author.

Mr. President, we can only do what duty and responsibility dictates we should do. I believe our approach in this conference report is rational and reasonable and we should not be inhibited or constrained from doing what we think is right because of discussions about a possible veto, but we should show our faith in the President's fairness and anxiety, which he has mentioned time and time again, to get along with the Congress in respect to foreign policy, by sending him a bill which we feel is eminently just and is essential to the national interest.

I hope very much that the Senate, therefore, will approve this conference report.

Mr. GLENN. Mr. President, all of the arms sales around the world, from whatever sources, obviously give a lot of pause, whether from this country or from Russia, or wherever they come from. I just wish to note in this bill we have something that also advocates, we hope, in the future some peaceful intents around the world, also.

In this bill there is included $1 million, small by comparison with the total extent of the bill, but $1 million that goes to expand the monitoring efforts of the International Atomic Energy Agency in efforts to prevent a plutonium spread around the world, which is the output of the byproduct of these nuclear plants built for peaceful generating purposes.

I wish to congratulate the distinguished floor managers of the bill, both the Senator from Minnesota and the Senator from New Jersey, for their efforts to keep that $1 million in.

I know from personal conversation with both of the gentlemen of their concern, which equals mine, certainly, and most of the Members of this body—or I should say all the Members of this body, I guess—in trying to monitor this nuclear spread around the world, that if it goes uncontrolled much longer it is liable to literally have the potential of the death of mankind some day.

We have seen too much spread already. This is at least a small first step that the floor managers of this bill were able to keep in in conference.

I wish to congratulate them on it and hope that our concerns in the future can be expressed in a similar way toward extending not only the monitoring, but, hopefully, some day, to our control of this nuclear spread around the world so we do not wind up with a holocaust from which there is no return.

Mr. MUSKIE. Mr. President, I rise in support of the conference report on the International Security Assistance and Arms Export Control Act of 1976. This legislation, as I mentioned earlier, cuts to the core of Congress' rightful role in foreign policymaking. At long last, S. 2662, reforms the country's policy of arms transfers abroad, and the conferees are to be commended for their work.

I especially want to single out Senator Humphrey for his leadership on this critical foreign policy issue. He has been responsible and reasonable in the manner in which he has pursued and developed this legislation; I salute him for his vision.

I also commend him for keeping the conference report budget authority levels in the national defense function in accord with the fiscal year 1976 second budget resolution. In the international affairs function, Senator Humphrey held budget authority to within $0.1 billion of the resolution assumptions. The $0.4 outlay overage is not due to congressional spending beyond the resolution but to inadequate estimates which were made last year by the Office of Management and Budget.

Mr. CASE. Mr. President, one of five provisions in the conference report now before us relates to the matter of U.S. assistance to foreign governments accused of violating basic human rights. I ask unanimous consent to include a statement on that matter which I made when the instant bill was first before the Senate.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT BY SENATOR CLIFFORD P. CASE

For some time now the Committee on Foreign Relations, on which I serve as ranking Republican member, has been deeply concerned by continued reports of violations of human rights in foreign countries. Our concern is heightened by the fact that many times it has appeared that American military assistance has been going to governments accused of human rights violations.

It would seem a simple matter to prohibit any United States assistance to any country that violates human rights, and some have advocated that we do this. Unfortunately, there are very few countries in the world that adhere to Western concepts of justice and fair play. And if it were our policy simply to cut off all American assistance whenever a violation occurred we might well make the situation of the people in those countries worse, particularly if the country fell under Communist control.

Still there are instances where the behavior of certain governments toward their own people cannot be tolerated or supported. For that reason the Senate has added to this year's International Security Assistance and Arms Export Control Act a special provision which deals with human rights abroad. If approved by the House, this section of the Act will establish a new institution in our own government directly concerned with such violations and it will establish a procedure whereby the Congress can, under certain circumstances, reduce or terminate American assistance to countries proven to be persistent violators of internationally recognized standards of human conduct.

At my suggestion, the bill establishes a new office in the Department of State with the responsibility to monitor alleged violations of human rights in foreign countries. This new Office of Human Rights is to be headed by a Director who will be approved by Congress. He will act as a fact finder and will evaluate charges of violations of basic human rights by other nations. He will give advice to the Secretary of State, to the President and to the Congress on the situation in those countries and what he believes to be the appropriate American response to the problem. One of the problems we have faced in the Congress is getting an objective view on what is actually happening in foreign countries and useful advice as to what to do under the circumstances. Unfortunately there has been a tendency in our own State Department to pay little attention to the behavior of foreign dictatorships and totalitarian governments respecting human rights.

The action by the Senate in cutting off all military assistance to the Government of Chile makes it clear that it will not condone foreign dictatorships that do not respect fundamental rules of decency in dealing with their own people. At the same time, by continuing certain forms of assistance such as food donations for the needy in Chile, the Senate has avoided penalizing the people of the country.

The new legislation also recognizes that there may be certain unusual circumstances where American national security interests outweigh our humanitarian instincts and our concern for the plight of people living in foreign countries. If, however, the administration believes that it is necessary to consider continuing military aid in these unusual circumstances, the law requires that the decision be shared with the Congress and not made routinely without proper consultation or without the support of the American people.

This new legislation can mark an important step in advancing the cause of human dignity in the world community of nations.

Mr. HUMPHREY. Mr. President, I think we are ready for the vote.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The rollcall is in progress, the Chair cannot recognize the Senator.

The assistant legislative clerk resumed and concluded calling the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Delaware (Mr. Biden), the Senator from Idaho (Mr. Church), the Senator from Mississippi (Mr. Eastland), the Senator from Indiana (Mr. Hartke), the Senator from Hawaii (Mr. Inouye), the Senator from Washington (Mr. Magnuson), the Senator from Rhode Island (Mr. Pastore), and the Senator from Montana (Mr. Metcalf) are necessarily absent.

I further announce that the Senator from Colorado (Mr. Haskell) is absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. Magnuson) and the Senator from Rhode Island (Mr. Pastore) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. Brooke), the Senator from Hawaii (Mr. Fong), the Senator from Nevada (Mr. Laxalt), and the Senator from Texas (Mr. Tower) are necessarily absent.

I further announce that, if present and voting, the Senator from Texas (Mr. Tower) would vote "nay."

The result was announced—yeas 51, nays 35, as follows:

[Rollcall Vote No. 157 Leg.]

YEAS—51

Bayh
Beall
Bumpers
Case
Chiles
Clark
Cranston
Culver
Durkin
Eagleton
Ford
Glenn
Gravel
Hart, Gary
Hart, Philip A.
Hathaway
Hollings
Huddleston
Humphrey
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Mathias
McGee
McGovern
McIntyre
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Packwood
Pell
Percy
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Stone
Taft
Tunney
Weicker
Williams

NAYS—35

Abourezk
Allen
Baker
Bartlett
Bellmon
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Curtis
Dole
Domenici
Fannin
Garn
Goldwater
Griffin
Hansen
Hatfield
Helms
Hruska
Mansfield
McClellan
McClure
Nunn
Pearson
Proxmire
Randolph
Scott, William L.
Stennis
Symington
Talmadge
Thurmond
Young

NOT VOTING—14

Bentsen
Biden
Brooke
Church
Eastland
Fong
Hartke
Haskell
Inouye
Laxalt
Magnuson
Metcalf
Pastore
Tower

So the conference report was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. CASE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONSUMER PRODUCT SAFETY COMMISSION IMPROVEMENTS ACT OF 1976—CONFERENCE REPORT

Mr. MOSS. Mr. President, I submit a report of the committee of conference on S. 644 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. Clark). The report will be stated by title.

The second assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 644) to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the Record of April 8, 1976, beginning at page 9957).

Mr. MOSS. Mr. President, we are considering today the conference report on the Consumer Product Safety Commission Improvements Act of 1976 (S. 644). I am very proud of this legislation because it represents a congressional effort at reforming the regulatory process under the Consumer Product Safety Act and an effort to refine the Consumer Product Safety Act which we enacted 3½ years ago.

One of the major components of this legislation is the establishment of a strong Federal preemption in the consumer product safety area unless a State or local government can show a specific need for having a varying and higher standard. The purpose of having strong Federal preemption is to remove some of the burden from business of Government regulation. All too often a business must comply with not only Federal requirements, but also with specific, varying standards promulgated by State or local governments. While there are some circumstances where the State or local requirement may be warranted, it is my firm belief that to the extent possible, manufacturers who produce products for a national market should be required to comply with only national standards.

To this end, the conference report amends the Consumer Product Safety Act, the Federal Hazardous Substances Act, the Poison Prevention Packaging Act, and the Flammable Fabrics Act to provide that when the Federal Government establishes a standard or other regulation, no State or local government may establish or continue in effect a standard or regulation if that standard or regulation is designed to protect against the same risk as the Federal standard or regulation. However, a State or local government may petition the Commission for a waiver of the Federal preemption if, first, the State or local standard or regulation would not cause the product to be in violation of the Federal standard or regulation; and second, if the State or local standard or regulation provides a significantly higher degree of protection than the risk of illness with respect to which the Federal standard or regulation is in effect and it does not unduly burden interstate commerce.

The conference report will also facilitate congressional oversight activities into the implementation of the Consumer Product Safety Act. It requires the Commission to transmit to the Senate and the House Commerce Committees proposed safety rules and prohibits the Commission from adopting such a rule for 30 days from the date of transmission. This will enable the oversight committees to review and evaluate Commission proposals before they are finally promulgated.

An additional component of this legislation which is designed to reform the regulatory process is in the nature of an experimental provision amending the Federal Tort Claims Act. It is designed to make the Commission accountable to the public where the Commission abuses its discretion in an action which is not an "agency action" as defined in the Administrative Procedure Act. The conference report provides that section 2680 of title 28 of the United States Code does not prohibit the bringing of a civil action on a claim against the United States which is based upon misrepresentation or deceit on the part of the Consumer Product Safety Commission, or any exercise or performance or failure to exercise or perform a discretionary function on the part of the Commission which was grossly negligent.

This legislation also will clarify several of the ambiguities which have arisen regarding the Commission's authority and jurisdiction.

First, the Commission is specifically prohibited from regulating tobacco or tobacco products.

Second, it is also prohibited from making any ruling or issuing any order which restricts the manufacture or sale of firearms, firearms ammunition, or components of firearms ammunition.

Third, the Commission is prohibited from requiring, incorporating, or referencing in a consumer product safety standard a sampling plan. However, the Commission may utilize such sampling plans for compliance purposes.

Finally, the legislation clarifies the uncertainty regarding the relationship between the Consumer Product Safety Act and the transferred acts—the Poison Prevention Packaging Act, the Federal Hazardous Substances Act, and the Flammable Fabrics Act. The conference reporting provides that a risk of injury which is associated with a consumer product and which could be eliminated or reduced to a sufficient extent by an action taken under a transferred act may be regulated under the Consumer Product Safety Act if the Commission, by rule, finds it is in the public interest to regulate such risk of injury under the Consumer Product Safety Act. No longer will there be uncertainty as to which act the Commission shall use to reduce a risk of injury. This amendment to section 30(d) of the Consumer Product Safety Act in no way affects previous determinations made by the Commission under section 30(d). For example, the Commission's determination that reporting requirements under section 15 of the act apply to products regulated under the transferred acts is not altered by this amendment.

I believe that this legislation will make a major contribution to insure effective administration and enforcement of the act. First, it provides for the awarding of attorneys' fees to enable interested persons who have rights under the Consumer Product Safety Act to vindicate those rights. This is to insure that the governmental system functions properly and that the great cost of litigation does not prevent the Consumer Product Safety Act from being properly administered and enforced.

Second, the conference report adopts a provision contained in the Senate bill to enable the Commission to seek a preliminary injunction during the pendency of the section 15 hearing to determine whether a product contains a substantial product hazard. This will prevent the possibility that the public may be endangered while the Commission is snarled in procedural morasses.

Third, the conference report gives the Commission authority in certain circumstances to represent itself in civil actions. However, before the Commission may utilize its own attorneys for this purpose, it must give the Attorney General 45 days' notice and allow the Attorney General the opportunity during this period to notify the Commission in writing that the Attorney General will represent the Commission in the civil action. This 45-day procedure does not apply to the enforcement of subpenas, or for seeking injunctions or preliminary injunctions. In those cases, the Commission's attorneys may represent the Commission immediately.

Mr. President, I firmly believe that the conference report represents a fair compromise between the Senate and the House bill. It is designed to strengthen the enforcement of the Consumer Product Safety Act while, at the same time, reduce the burdens which may, as a result of protecting the public from product risks, be imposed on business.

Mr. President, there is full agreement on this matter. I have cleared this on the other side of the aisle. I think there is no opposition, and I move the adoption of the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. MOSS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

ORDER EXTENDING TIME FOR FILING ANNUAL REPORT OF THE SPECIAL COMMITTEE ON AGING

Mr. CLARK. Mr. President, on behalf of Senator CHURCH, chairman of the Special Committee on Aging, I ask unanimous consent that the time for filing the committee's report to the Senate be extended from April 30 to May 28. Under terms of Senate Resolution 62, agreed to July 26, 1975, the Special Committee on Aging was required to submit its report by February 29. However, the Senate has approved orders extending the time for filing until April 30. This request is made for the following reasons: First. The Government Printing Office faces heavy work pressures on other matters, and our galley proofs are being delayed; second, indexing of the report cannot be completed until the galley proofs are received; third, additional actions have been taken, causing a need for revision of prior drafts of certain sections of the report; and fourth, committee members need ample time for review.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. CLARK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CLARK). Without objection, it is so ordered.

SELECT COMMITTEE ON SMALL BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed, without further action thereon today, to the consideration of Calendar No. 645, Senate Resolution 104, a resolution relative to the Select Committee on Small Business.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 104) relative to the Select Committee on Small Business.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, have any orders been entered for the recognition of Senators?

The PRESIDING OFFICER. There are no orders.

Mr. ROBERT C. BYRD. I thank the Chair.

ORDER FOR ROUTINE MORNING BUSINESS TOMORROW AND FOR CONSIDERATION OF SENATE RESOLUTION 104

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the majority and minority leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business, not to extend beyond 1 p.m., with statements therein limited to 5 minutes each; that at 1 p.m., the Senate resume consideration of the then unfinished business, Senate Resolution 104.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVISION OF ORDER FOR CONSIDERATION OF SENATE RESOLUTION 400

Mr. ROBERT C. BYRD. Mr. President, it is my understanding that an order was entered some days ago providing that the action of the Senate on Senate Resolution 400, creating an intelligence oversight committee, be taken up by the Senate no later than May 6. I believe that is correct.

In any event, after consultation with Mr. Ribicoff and through him, I believe, with Mr. Church, I desire to change that date to the 10th of May. It does not have to be done today, if there is any objection.

Mr. GRIFFIN. If there was an order that it be taken up on the 6th, there would be no objection to changing it to the 7th—if there were merely an announcement by the leadership that they expected to take it up on the 6th.

Mr. ROBERT C. BYRD. There was no order?

The PRESIDING OFFICER. That is the Chair's understanding.

Mr. ROBERT C. BYRD. I understand that there was an announcement by the leadership that the legislation would be taken up on May 6. At any rate, Mr. Mansfield and Mr. Ribicoff suggested that the date of May 6 be changed to May 10.

Mr. GRIFFIN. I thank the Senator.

Mr. ROBERT C. BYRD subsequently said: Mr. President, it has now been determined that an order was entered some days ago providing for consideraation at some point during the day of the 6 of May—no later than that date—for the Senate to take up Senate Resolution 400. I have been asked by the majority leader, after consultation with Mr. Ribicoff and others, to seek consent to revise that order to provide for the new date, May 10, rather than May 6. I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE DISAPPEARANCE OF JAMES R. HOFFA

Mr. GRIFFIN. Since the disappearance last July 30 of James R. Hoffa, I have frequently expressed my concern as to the allegations of corruption and underworld influence associated with the Teamsters Union that he once served as president. As I have said, I believe it is very important to leave no stone unturned until we learn what happened to Jimmy Hoffa. It may be even more important, however, to find out why it happened.

Having urged a full investigation, I again welcome a recent initiative on the part of the Senator from Georgia (Mr. Nunn), who, as acting chairman, has now launched an inquiry by the Permanent Subcommittee on Investigations of the Committee on Government Operations. Intensive investigations are also underway and have been for some time by the executive branch of the Government and there have been some encouraging indications within recent days that the Department of Justice may be close to solving the Hoffa mystery.

Mr. Saul Friedman, of the Washington Bureau of Knight-Ridder newspapers, reported in the Detroit Free Press on April 23 that Federal investigators now believe they do know how, by whom, and why Mr. Hoffa was abducted and presumably killed.

I ask unanimous consent that a copy of the article, headlined "U.S. Probers Think They Know Who Murdered Hoffa And Why," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Detroit Free Press, April 23, 1976]

U.S. Probers Think They Know Who Murdered Hoffa and Why

(By Saul Friedman)

Washington.—Federal investigators believe they know why, how and by whom former Teamsters President James R. Hoffa was kidnapped and killed, according to a high-ranking Justice Department official.

The official, who asked that his name be withheld, declined to divulge the details of what investigators have found because, he said, that could pinpoint the government's sources of information.

He did say, however, that the evidence and information supplied by witnesses and underworld informants strongly point to Detroit area persons close to Hoffa and the New Jersey mobsters. New Jersey Teamster official Anthony (Tony Pro) Provenzano also figures in the government probe, he said.

A separate source in Detroit who has been close to the investigation confirmed the Justice Department official's assessment of the case.

And Richard Thornburgh, assistant attorney general in charge of the criminal division, put it this way: "We have a very viable theory as to the facts and circumstances surrounding the kidnapping and murder of Hoffa and as to who was responsible. But there is a difference between what we know and what we can prove in court." Hoffa disappeared last July 30 from the parking lot of the Machus Red Fox Restaurant in Bloomfield Township.

Another federal source said that Charles (Chuckie) O'Brien apparently played a major role in the events that led up to the disappearance of Hoffa.

But the same source said that O'Brien, self-described foster son of the missing Hoffa and a key figure in the probe from the start, may have been involved unwittingly.

Thornburgh acknowledged that since December, attempts to build a legal case against suspects have "stalled." But he added, "We're still working on it every day. We are still putting the pressure on. We are still getting information. And we are confident we can break the case.

Investigators seemed on the verge of cracking the case four months ago when three New Jersey men were brought before a grand jury and a lineup.

The three were Salvatore Briguglio, former business agent for Teamsters Local 560 in Union City, N.J., and a close associate of Provenzano, the local's former president and now its secretary-treasurer; Briguglio's brother, Gabriel; and Thomas Andretta, sentenced in June 1973 to prison for loan sharking.

The three were permitted to return home following their appearances before a Detroit grand jury and the lineup in Pontiac, reportedly after witnesses had failed to substantiate underworld tips that the three were involved in the kidnapping. The case seemed to die.

On the condition that his name not be used, the Justice Department official agreed to explain as candidly as possible to Knight Newspapers why the Hoffa investigation now seems to be on dead center. His explanation was checked with separate sources involved in the investigation.

Just why the official chose to reveal that the Justice Department is getting closer to the suspected killers is unclear. But the disclosure may be related to an overall campaign to put increasing pressure on those responsible for Hoffa's disappearance and those who have knowledge of it.

According to the official and the other sources, identifications supplied by witnesses at the Pontiac lineup were not as legally conclusive as FBI agents wished. But investigators became satisfied that they knew who was involved in Hoffa's disappearance.

The investigators also have information from within the Teamsters and the underworld in Detroit and New Jersey which has bolstered their working assumptions about the case.

The problem is that the tipsters, although considered reliable by investigators, could be of no help in obtaining indictments or convictions.

The investigators further believe, on the basis of evidence and information, that Hoffa was lured to the restaurant for a lunch meeting which never took place with an old friend and reputed mob figure, Anthony (Tony Jack) Giacalone, among others.

Asked if Chuckie O'Brien was involved in helping to set up the kidnapping, the Justice Department official said,: "We're keeping the pressure on Chuckie. I won't say anything one way or the other."

It was learned from another source, however, that FBI agents have what they consider reliable information that O'Brien picked up the New Jersey trio when they arrived at Detroit Metropolitan Airport. The source indicated O'Brien might not have known what purpose the men had in coming to Detroit.

Attorneys for the three men have denied that they were in Detroit at the time of Hoffa's disappearance.

O'Brien could not be reached for comment Thursday.

The Justice Department official went out of his way to say that investigators "have no evidence" that Teamster President Frank Fitzsimmons, who had become Hoffa's rival, was involved in Hoffa's disappearance.

The official did acknowledge—for the first time—that the Justice Department had known that it probably could not have sustained the ban against Hoffa's participation in union activities much longer.

Hoffa, who was on parole, was pushing a suit to permit resumption of his union activties. And the Justice Department official said that Hoffa probably would have won, sooner or later, on constitutional grounds.

Fitzsimmons, who wanted to hold on to

the presidency, "benefitted" from Hoffa's disappearance, he said.

"But he would have benefitted if Hoffa had died of a heart attack," the official added, "and it would be unfair to leave the impression that any evidence suggests Fitzsimmons' involvement in the Hoffa case."

Investigators agree, according to several sources, on the motive behind the kidnapping and murder of Hoffa.

As the Justice Department official put it: "There was a strong likelihood that Hoffa was coming back to the Teamsters Union. That was a matter of concern to underworld figures who had acquired influence in the union and its pension fund during Hoffa's tenure as well as during Fitzsimmons'.

"Hoffa was not as easy to get along with as Fitzsimmons," the official said, "and anything that threatened to disrupt the agreeable relationship the underworld had with (the Teamsters), or even create uncertainty, had to be eliminated."

Investigators are still working on one lead, which they consider promising.

Although there has been speculation that Hoffa's body was transported to a dump on New Jersey's Hackensack River, investigators discount that.

They believe that the body of a former loan shark is in that dump, and their hope is that the recovery of that body would help make a solid murder case, which could be used as a lever in breaking the Hoffa case.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, tomorrow, the Senate will take up Senate Resolution 104, a resolution relative to the Select Committee on Small Business. Rollcall votes are expected with regard to that matter.

Upon the disposition of Senate Resolution 104, the Senate is expected to take up S. 2555, a bill to establish a national rangelands rehabilitation and protection program, and S. 1737, a bill to amend the Public Health Service Act to encourage the establishment of uniform standards for licensing and regulation of chemical laboratories—not necessarily in that order, but more than likely in that order.

Hopefully, the Senate can complete action on all three of those measures tomorrow. In any event, it is anticipated that upon the conclusion of business tomorrow, the Senate will go over until Monday. However, I will not enter that order at this point, because circumstances could change.

It is my understanding that the conference report on the Federal Elections Commission bill will not be taken up by the House until Monday of next week. Consequently, the Senate will have to defer action on that conference report until it is received by the House. That would mean that the Senate will not take up the conference report this week.

I believe that about sums up the program.

ADJOURNMENT

Mr. ALLEN. Mr. President, there being no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until tomorrow at 12 o'clock noon.

The motion was agreed to and, at 5:36 p.m., the Senate adjourned until tomorrow, Thursday, April 29, 1976, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 28, 1976:

DEPARTMENT OF STATE

Frank E. Maestrone, of Connecticut, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait.

Thomas R. Byrne, of Pennsylvania, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czechoslovak Socialist Republic.

Francis E. Meloy, Jr., of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Lebanon.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE FOREIGN SERVICE

Foreign Service information officers beginning Charles R. Beecham, to be a Foreign Service information officer of class 1, and ending E. Ashley Wills, to be a Foreign Service information officer of class 7, which nomination were received by the Senate and appeared in the Congressional Record on March 29, 1976.

HOUSE OF REPRESENTATIVES—*Wednesday, April 28, 1976*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Know ye not that ye are the temple of God and that the Spirit of God dwelleth in you?—I Corinthians 3: 16.

O God, our Father, who art Light and Life and Love; we come into Thy presence with thanksgiving and into Thy courts with praise. In Thy goodness Thou hast enriched our lives, strengthened our spirits, and sustained us in times of trouble.

Now as we face the duties of a new day we bring to Thee our affections to be purified, our ambitions to be refined, our minds to be cleansed, and our hearts to be made fit dwelling places for Thy Spirit. May we do our work faithfully and in so doing make our country a better country and our world a better world.

Let this be a day of peace and joy because Thou art with us and we are with Thee.

In Thy holy name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 12226. An act to amend further the Peace Corps Act.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10230) entitled "An act to establish a science and technology policy for the United States, to provide for scientific and technological advice and assistance to the President, to provide a comprehensive survey of ways and means for improving the Federal effort in scientific research and information handling, and in the use thereof, to amend the National Science Foundation Act of 1950, and for other purposes."

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1526. An act to make additional funds available for purposes of certain public lands in northern Minnesota, and for other purposes;

S. 2004. An act to eliminate a restriction on use of certain lands patented to the city of Hobart, Kiowa County, Okla.;

S. 3295. An act to extend the authorization for annual contributions under the U.S. Housing Act of 1937, to extend certain housing programs under the National Housing Act, and for other purposes; and

S. Con. Res. 112. Concurrent resolution relating to Fair Housing Month.

CAMBODIAN EMBASSY CONTACTED IN PEKING BY CONGRESSMAN WOLFF OF NEW YORK REGARDING MISSING PERSONS

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I would like to commend the gentleman from New York (Mr. WOLFF) and thank him on behalf of the Select Committee on MIA's for delivering a letter from our committee to the Cambodian Embassy in Peking.

As you know, we have had considerable

difficulty contacting the new Cambodian Government in order to determine the fate of U.S. servicemen and newsmen missing in Cambodia. When we learned that Mr. WOLFF was planning a trip to the People's Republic of China during the recent congressional recess we asked him to make an attempt to contact the Cambodians, which he readily agreed to do.

I wanted the Members to be aware of the gentleman's efforts. Mr. WOLFF has had a longstanding and deep concern for our MIA's and we appreciate the assistance he has given to the Select Committee on Missing Persons.

CONTACTING CAMBODIANS IN PEKING

(Mr. WOLFF asked and was given permission to address the House for 1 minute, to revise, and extend his remarks.)

Mr. WOLFF. Mr. Speaker, I want to thank the chairman of the Select Committee on Missing in Action, the gentleman from Mississippi (Mr. MONTGOMERY) for his kind words. However, I feel that it is important that the House of Representatives know the circumstances under which this letter from the Select Committee on Missing in Action was delivered to the Cambodians.

I requested our Legation to make arrangements for Congressman BURKE of Florida and myself to meet or to deliver this formal request to the Cambodians while we were in Peking.

Unfortunately, I could not get the Legation to accompany me on this mission and we had to take a taxicab to the Cambodian Legation of the Cambodian Mission. In the time that it took for us to get the taxicab, I surmise from subsequent events, the Cambodians were notified that we were on the way.

When we arrived at the Mission, the Peoples Liberation Army guard who was present did not stop the cab from entering the driveway. It was quite obvious the Cambodians were notified for it is normal procedure for the PLA guard to halt visitors. We went to the door and rang the bell and got no answer. We rang several times. We got no response whatsoever, not even someone coming to the window of the Legation which, again to me was an indication that the Embassy in some fashion had been notified we were coming.

I tried the door, and the door was open. I walked in and attempted to rouse someone in the Embassy, to no avail. The other doors were locked, although I could hear voices in the background. In order to hand deliver this message, I left it on the official information desk in the front of the reception room. Therefore, hand delivery of this letter has been accomplished.

We received no response while we were in Peking.

Mr. Speaker, the families of the servicemen and civilians missing in action in Cambodia are anxiously awaiting word as to the fate of their next of kin. I sincerely hope that the Cambodians will take this opportunity to display the responsibility that is required of governments and make a positive response to the select committee's letter. At this time, I would like to list the names of the servicemen and civilians contained in this letter.

AMERICANS MISSING IN CAMBODIA

Servicemen listed as missing in action or prisoner of war, total, 24.

NAME, RANK, AND SERVICE NUMBER

U.S. Army

Bauman, Richard Lee, CWO, [redacted].
Becerra, Ruby Morales, SSGT, [redacted].
Boronski, John Arthur, SPC [redacted].
Cochrane, Deverton C., SSGT [redacted].
Dix, Craig Mitchell, SSGT, [redacted].
Harned, Gary Alan, SSGT [redacted].
Harris, Bobby Glenn, SSGT [redacted].
Hosken, John Charles, CWO, [redacted].
Kroske, Harold William, Jr., CAPT, [redacted].
O'Donnell, Michael Davis, CAPT, [redacted].
Pool, Jerry Lynn, CAPT, [redacted].
Price, Bunyan Durant, Jr., SSGT [redacted].
Richardson, Dale Wayne, CAPT, [redacted].
Scherdin, Robert Francis, SSGT [redacted].
Smoot, Curtis Richard, SSGT [redacted].
White, Charles Edward, MSGT, [redacted].

U.S. Air Force

Cornelius, Samuel Blackmar, CAPT, [redacted].
Huberth, Eric James, CAPT [redacted].
Lineberger, Harold Benton, LTC [redacted].
Martin, Douglas Kent, CAPT [redacted].
Smallwood, John Jackie, CAPT [redacted].

U.S. Marine Corps

Hall, Gary L., PFC, [redacted].
Hargrove, Joseph N., LCPL, [redacted].
Marshall, Danny G., PVT, [redacted].

Civilians listed as missing, total, 9.

Flynn, Sean, Photographer for Time.
Hangen, Welles, CBS Correspondent.
Humphrey, Larry.
McKay, Clyde.
Nolan, McKinley.
Reynolds, Terry, UPI Reporter.
Stone, Dana, CBS Cameraman.
Walsh, Brian.
Yim, John.

MIA SELECT COMMITTEE COMMENDS MR. WOLFF FOR HIS EFFORTS ON BEHALF OF THE MIA'S IN CAMBODIA

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, as a member of the House Select Committee on Missing Persons in Action in Southeast Asia, I wish to commend the gentleman from New York (Mr. WOLFF) for his efforts on behalf of our committee to deliver our request for MIA information to Cambodia. As my colleagues know, our committee has attempted to establish a line of communication not only with Cambodia but with Laos and with Vietnam. To date all of our efforts in communicating with the Government of Cambodia have been fruitless.

When we were in Hanoi during the December recess, we made a personal call upon the Cambodian legation in Vietnam and found that we received no response, and that there was nobody at home.

I hope that the message that the gentleman from New York (Mr. WOLFF) has delivered will receive a response. I urge our Embassy people in China to exert an effort to try to obtain a response, and I hope that the People's Republic of China will assist us in that endeavor.

PERMISSION TO FILE CONFERENCE REPORT ON S. 3065

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight, April 28, 1976, to file a conference report on S. 3065, the Federal Election Campaign Act Amendments of 1976.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. STEIGER of Wisconsin. Reserving the right to object, Mr. Speaker, I make this reservation only for the purpose of attempting to get some clarification as to when it might be anticipated that the conference report could be acted on by the House. The gentleman from Ohio yesterday received permission to bring up the conference report on Thursday. That was done, as I read the RECORD, on the basis that there would be a report in the RECORD this morning, and, of course, there was not.

Mr. HAYS of Ohio. If the gentleman will yield, the gentleman is correct. The request that I made yesterday would still be effective, but I do not believe it would be fair if this request is granted to bring the report up tomorrow, the Members not having had a chance to read the report. I am hopeful, may I say to the gentleman, that we will arrive at a consensus this afternoon. What is going on now is a conference on the report, not on the bill but on the language of the report to accompany the bill. I have never been down this road before. Yesterday we got about halfway through the report. I offered to meet with the Senate this morning. They were unable to meet due to previous commitments.

We are going to meet at 1:30 this afternoon, and I am hopeful that by some time this evening we will have the report agreed upon.

The bill has already been agreed upon. All we are now discussing is the report explaining what we did. If that is agreed upon and can be filed tonight it would be my intention to bring the report up not before Monday.

Mr. STEIGER of Wisconsin. Mr. Speaker, I very much appreciate that response by the gentleman from Ohio. With that understanding that the report will not come up until Monday, I withdraw my reservation of objection.

Mr. HAYS of Ohio. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

SOVIETS RESTRICT EMIGRATION

(Mr. HARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARRIS. Mr. Speaker, 35 nations signed the Helsinki agreement last August, including the Soviet Union and the United States. Those that signed pledged to do everything possible to reunite families separated by political boundaries. Unfortunately, the Soviet Union is not living up to that promise. Thus, Members of Congress are conducting a vigil on behalf of the families who remain separated.

A case history of these families entitled "Orphans of the Exodus" dramatically details this tragic problem. At this time I would like to bring to the Members' attention the situation of the Reinberg family.

Yuri Reinberg, a young medical student studying at Tel Aviv University, traveled to Brussels in February to the World Conference on Soviet Jewry to call the world's attention to the plight of his family, cruelly separated by the Soviet Union's emigration policies. His parents are now in Leningrad.

Yuri's only sister died a few years ago at the age of 20 of Hodgkins disease—he is all they have left in the world.

Yevgenny and Sophia Reinberg, 55 years of age, applied to leave the Soviet Union last July, hoping to join Yuri who had received permission to emigrate. They were refused permission to leave; and, Yevgenny, who has a doctorate in physics, was demoted from his position as a specialist in metallurgy at the Institute for Shipbuilding to foreman for building repairs. He feels that he is being used as an example to others at the Institute to discourage them from applying. Sophia, an economist, has retained her job.

The Helsinki agreement becomes meaningless in the face of the Reinberg family and others in this position, and I will close by quoting from a recent letter from the Reinbergs to their son:

> We miss you desperately and our only thought is for the day when we shall all be together in Israel.

RE-REFERRAL OF H.R. 12776, PAYMENT OF UNEMPLOYMENT COMPENSATION TO RESIDENTS IN GUAM FOR FEDERAL SERVICES

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from the further consideration of the bill H.R. 12776, to provide for the payment of unemployment compensation to individuals residing in Guam on the basis of Federal service or service in the Armed Forces, and that the bill be re-referred to the Committee on Ways and Means.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PRESIDENT MUST END CANAL ZONE FALSEHOODS

(Mr. SNYDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SNYDER. Mr. Speaker, on April 13, I said here that President Ford has the duty to thoroughly explore the matter of the State Department's claim that the 1936 Treaty of Friendship with Panama refers to the Canal Zone as "territory of the Republic of Panama under the jurisdiction of the United States."

The Department currently seeks to sell our people on its Canal Zone giveaway by spreading this erroneous belief. I have found no previous State Department interpretation of the 1936 treaty ever making such an inference.

I demanded that President Ford publicly substantiate this State Department claim—which I consider to be absolutely without legal grounds, and totally false—or order the Department publicly to immediately retract the claim and to desist from using it.

Today I repeat my demand.

This week's National Observer editorially repeats the State Department claim, unaware, I am certain, that the 1936 treaty actually reinforced U.S. sovereignty over the Canal Zone itself, while yielding certain rights to land and acquisition of land outside the Zone situated in the Republic of Panama.

I repeat what I said on the 13th:

> The President and the State Department have a right to argue their case on its merits.
>
> To lie to the American people is nothing less than malfeasance in office.

PERMISSION FOR COMMITTEE ON RULES TO HAVE UNTIL MIDNIGHT TO FILE CERTAIN PRIVILEGED REPORTS

Mr. LONG of Louisiana. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, can the gentleman from Louisiana tell us something about the reports?

Mr. LONG of Louisiana. Mr. Speaker, there are four reports, as follows:

A rule on H.R. 8410, Packers and Stockyards Act amendments.

A rule on H.R. 9043, flexible and compressed work schedules.

A rule on H.R. 12384, military construction authorization, which was postponed once before.

No. 4 is the resolution granting permission for all committees to sit until May 16, 1976, while the House is proceeding under the 5-minute rule, notwithstanding the provisions of rule XI, clause 2(i).

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, why is it necessary to get special permission for committees to sit while we are in full debate?

Mr. LONG of Louisiana. The presentation which was made before the Committee on Rules today was that because of the press of the consideration of the proposed budget resolution and the necessity for all committees to act prior to that deadline, May 16, that they would need to meet when the 5-minute rule was in effect.

Mr. ROUSSELOT. Mr. Speaker, normally I would not want to object to the consideration, but I do not see why we have to have committees sitting. They have all known that the May 16 deadline is here.

Is the gentleman from Louisiana willing to withdraw that unanimous-consent request and just have the other three?

Mr. LONG of Louisiana. Mr. Speaker, I point out to the gentleman from California that while we are asking for filing the reports this does not necessarily mean, as the gentleman knows, that they will be called up; but if the gentleman continues in the objection, I will withdraw the request with respect to item No. 4.

Mr. ROUSSELOT. I would appreciate if the gentleman would; otherwise, I would feel constrained to object.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. ROUSSELOT. Mr. Speaker, the gentleman from Louisiana withdraws the fourth item?

Mr. LONG of Louisiana. I do.

Mr. ROUSSELOT. Mr. Speaker, then I will not object and withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CALL OF THE HOUSE

Mr. BROOMFIELD. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 201]

Ambro
Ashley
Bell
Bergland
Bevill
Boggs
Buchanan
Burke, Fla.
Chisholm
Clay
Conlan
Conyers
de la Garza
Dellums
Dent
Diggs
Eckhardt
Edwards, Calif.
Esch
Eshleman
Evans, Colo.
Gude
Harsha
Hayes, Ind.
Hébert
Hinshaw
Howard
Jarman
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Karth
Long, Md.
McEwen
Macdonald
Madden
Matsunaga
Mills
Moakley
Moorhead, Pa.
Murphy, N.Y.
Nix
Obey
Patterson, Calif.
Pepper
Pike
Rangel
Rees
Reuss
Rhodes
Risenhoover
Sarbanes
Scheuer
Skubitz
Steelman
Stuckey
Teague
Thompson
Udall
Ullman
Vigorito
Waxman
Wilson, Tex.

The SPEAKER pro tempore (Mr. SISK). On this rollcall 369 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONFERENCE REPORT ON S. 2662, INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976

Mr. MORGAN. Mr. Speaker, I call up the conference report on the Senate bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there

objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of April 6, 1976.)

Mr. MORGAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The gentleman from Pennsylvania (Mr. MORGAN) is recognized for 30 minutes.

Mr. MORGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on S. 2662, the International Security Assistance and Arms Export Control Act of 1976.

This conference report is the end result of nearly 1 year of investigations, hearings, committee markups, and negotiations between the House and the Senate.

I especially want to thank my fellow House conferees for their contributions and support during the conference.

I firmly believe that we have resolved the differences between the House and Senate bills fairly and responsibly.

RESOLUTION OF BUDGET DIFFERENCES

With respect to the budget differences between the two bills, the conferees agreed to a total fiscal year 1976 authorization of $3,166,900,000.

According to the Congressional Budget Office, this authorization—if fully appropriated—would not exceed the overall ceilings on budget authority and outlays set in the second resolution on the budget.

In addition to falling under fiscal year 1976 budget ceilings, this authorization represents a cut of $298,400,000 in the administration's request—and a decrease of $293,050,000 in the House bill.

The Senate figure is, however, increased by $116,500,000.

Within the total authorization, the conferees agreed on the following major program authorizations:

Grant military assistance, $229,600,000;

Grant military training, $27 million;

Foreign military credit sales, $1,039,000,000;

Security supporting assistance, $1,766,200,000;

Contingency fund, $5 million;

Narcotics control, $40 million;

Middle East special requirements fund, $50 million;

Aid to Cypriot refugees, $10 million; and

International Atomic Energy Agency, $1 million.

Although the conferees agreed to a small reduction in the Middle East package, the bulk of funds authorized in the conference report are still earmarked for that vital area.

Specifically, Israel would receive a total program of $2,230,000,000, including $1,500,000,000 in military sales credits and $730 million in supporting assistance.

Egypt and Syria would receive economic aid in amounts of $705 million and $80 million respectively.

Jordan would receive economic and military assistance totaling $197,500,000.

The conference report retains the earmarking of grant military assistance and supporting assistance for Greece but reduces the amounts contained in the House bill to $31 million and $65 million respectively.

Turkey is also earmarked for $31 million in grant military assistance. However, Turkey cannot actually receive this aid unless she is in compliance with the restrictions contained in section 620(x) of the Foreign Assistance Act.

Further, with regard to Turkey, the conferees retained the House provision on assistance to Turkey which authorizes the President to suspend the statutory prohibition on military aid to that country only for the period from enactment of this bill until September 30, 1976, and only to the extent of authorizing Turkey to buy defense articles and services up to $125 million in value during that limited period.

MAJOR POLICY DIFFERENCES

Mr. Speaker, although there were more than 200 substantive and technical differences in the two bills, they stemmed largely from two major policy differences. Those differences involved the provisions in each bill for:

First, expanding congressional control over arms sales; and

Second, the related issue of defining the term "major defense equipment."

The conferees resolved these issues as follows:

First, the House provision setting an annual $9 billion ceiling on all arms sales was adopted with certain modifications. The 40-percent subceiling on the sale of combat equipment was deleted along with the requirement that the President had to declare that an emergency existed in order to waive the requirements of the ceiling.

In defining the scope of the ceiling, it is the intent of the committee of conference that letters of offer with respect to the sale of F-16 jet fighter aircraft to NATO countries should not count against the ceiling.

It is further the intent of the committee of conference that licenses for the export of sporting arms and ammunition shall not count against the ceiling.

Second, the Senate bill revised and expanded existing law to require that all proposed sales of "major defense equipment"—whether they are handled through Government or commercial channels—be submitted to Congress for possible veto. The Senate bill also would have required that all proposed Government and commercial sales of defense articles and services of $25 million or more be sent to Congress for possible veto.

The conferees modified the Senate's provisions by requiring the President to submit to Congress for possible rejection the following types of proposals:

One. All proposed Government sales of "major defense equipment" of $7 million or more;

Two. All proposed commercial export licenses to sell "major defense equipment" of $7 million or more; and

Three. All proposed Government sales of any defense articles or services of $25 million or more.

Finally, the conferees adopted the House bill's definitions of "major defense equipment" as "any item of significant combat equipment on the U.S. Munitions List having a nonrecurring research and development cost of more than $50,000,000 or a total production cost of more than $200,000,000"—and applied it uniformly throughout the act.

Mr. Speaker, when I stood before the House last month to present our committee's recommendations for the fiscal year 1976 security assistance authorization, I said that the bill provided "a proper balance between our responsibilities to our friends and allies and the avoidance of arms races and other threats to international peace and stability."

I am convinced that this conference report retains that balance. I urge its adoption.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it has been 6 months now since the Committee on International Relations began marking up security assistance legislation for fiscal year 1976. During the extensive markup period, during the floor debate on this legislation, and in conference, I have repeatedly and forcefully voiced my grave reservations about the tendency of Congress—so evident in S. 2662—to interject itself into the foreign policy process and hobble the ability of the President to guide the conduct of American diplomacy.

On March 3, when we debated the security assistance bill in this Chamber, I expressed many of these reservations and described the legislation as being at the very margin of acceptability. Nevertheless, because of its importance to our diplomacy, particularly in the vital Middle East area, I reluctantly urged my colleagues to support the bill and pointed out that the President could determine whether the restrictions written into the legislation were so obnoxious and crippling as to render it unacceptable.

I was also hopeful, in early March, that some of the problems I enumerated in respect to H.R. 11963 could be resolved in conference. Unfortunately, this was impossible since the zeal of the other body to establish itself as a paramount factor in the conduct of American diplomacy surpasses even our own best efforts. Despite my reservations about S. 2662, I signed the conference report not because I was enthusiastic about the legislation, but because of the obvious, urgent requirement for a security assistance program. Again, my assumption was that the President would determine for himself whether he could live with the encroachments Congress had established as the price of fiscal year 1976 security assistance authorization.

Most of my problems with S. 2662, the end product of our labors, concern the ongoing rivalry between Congress and the executive branch for control of American diplomacy.

If there is one point I would like to make today it is that this growing confrontation must not work to the detriment of our national security and our global interests. In seeking to redress

imbalances of the past decade—and I acknowledge that there have been imbalances and abuses—Congress must resist the tendency to abuse its new-found power by staking out ever-larger territory in foreign affairs.

I am concerned, Mr. Speaker, about our infatuation with the legislative veto as an instrument—constitutionally questionable as far as I am concerned—to block arms sales, even commercial arms sales; to terminate assistance to nations deemed to be in violation of our conditions of assistance; and to terminate assistance to nations whose policies on human rights we have weighed in the balance and found wanting.

I am concerned, Mr. Speaker, when Congress tells the President, not just President Ford, but any future President, that he can no longer place restrictions on trade with Vietnam. When Congress says, in effect, that it shall determine policy on our MIA's for the next 180 days.

I am concerned, Mr. Speaker, when Congress tells the President to phase out grant military assistance and military assistance advisory groups. I am concerned when Congress lectures the administration on how to deal with nations that discriminate against American citizens.

The drift and tenor of S. 2662 is confrontational; Congress has established a high price for its approval of a security assistance program in fiscal year 1976. We demand reports, assessments, and consultations. We demand the right to say "no" on an increasing number of issues. And we demand that this and future administrations abdicate to us an ever-larger role in foreign policy.

There is no question, Mr. Speaker, that S. 2662 serves the interest of the Congress of the United States. I am not convinced, however, that it serves the national interest of the United States of America.

Mr. MORGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, when the House of Representatives passed the International Security Assistance Act, H.R. 11963, March 3, 1976, it adopted two amendments that were offered regarding coercive treatment of American business representatives overseas.

Simply stated, my amendments would have: First, required the President to report to the Congress whether we should continue security assistance to those countries whose officials extorted or attempted to extort, in return for rights to allow American citizens or corporations to conduct business in that country; and, second, required a similar report by the President when it was found that foreign officials, covered under this act, received payments, or other illegal and improper considerations of value from a U.S. corporation in return for a contract to purchase arms or other military materiel from a U.S. corporation. I feel that it is very unfortunate that both of these amendments were dropped in the conference, and merely put in the report.

For the last several months, the media has been saturated with stories involving overseas payoffs. We cannot simply turn our head and pretend that it does not exist. I do not believe we can downplay such aberrant behavior by dismissing with the simplistic observation that "Everyone does it." After all the moralizing and chest-beating in indignation, I felt and still think that it was time that we went on the record to decry this reprehensible atmosphere poisoning the conduct of international business affairs.

My amendments were not drawn to be confining. I contend that they were not overly burdensome to the President and the State Department.

I think that my amendments would have been a boon to the great majority of American businessmen who deal overseas who are honest and straightforward. My amendments would have given these people protection.

Can the distinguished chairman tell us why these amendments were dropped?

Mr. MORGAN. I will be glad to. I thought the gentleman offered good amendments on the floor and the chairman at that time very broadly accepted his amendment. When we went to conference we had three similar amendments in the bill. We had the long amendment inserted in the other body, inserted by Senator CHURCH, and we had a modified amendment adopted by the gentleman from Pennsylvania (Mr. NIX), a member of the Committee on International Relations, and then we had the amendments offered by the gentleman from Texas. We tried to mold all three amendments together to do what the sponsor tried to accomplish. As a matter of fact the conferees felt so strongly about the gentleman's amendments that the language of the amendments was included in the statement of managers. Also if the gentleman will look at page 40 in the conference report he will see that section 604 will do what the gentleman had in mind. But I felt strongly about the gentleman's amendment and insisted it be highlighted in the statement of managers.

Mr. PICKLE. I am glad to see that this language in the report is almost verbatim reporting the amendments the House passed and which the chairman had accepted. I do notice on page 40, section 604, the bill makes specific reference to the foreign military sales and the requirement for the keeping of reports and the possibility that the President may require by regulations or he may require the reporting of these sales.

It would seem to me what the gentleman is saying is that the committee clearly intends for the State Department and the President to report any acts of coercion or illegal sales or corruption by any foreign officials and if that is reported, then it is clearly expected that the President shall make such a report to us here with the recommendation that he thinks such foreign affairs program would be discontinued or not and give the House a chance to express itself. Is that clear here?

Mr. MORGAN. That is this Member's position, yes.

Mr. PICKLE. I would hope that language would be in the law; but in view of the fact that the gentleman says those points are included in section 604 and they will be carried out, I believe it does give the American people the feeling that none of this will take place and, if so, the President should take action.

Mr. MORGAN. I agree with what the gentleman has said.

Mr. PICKLE. Mr. Speaker, I thank the gentleman from Pennsylvania.

Mr. BROOMFIELD. Mr. Speaker, I yield 6 minutes to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, I rise in opposition to the conference report. I understand that my colleague, the gentleman from Illinois (Mr. DERWINSKI) later on will speak in opposition and offer a motion to recommit the conference report, which I intend to support.

The reasons for taking this position are as follows:

The bill recommended by the conference committee contains numerous provisions for legislative veto, by concurrent resolution, of executive branch implementation of security assistance programs. These provisions violate the express provisions of the Constitution regarding the procedures for enactment of legislation and involve Congress in the execution of the law in a manner incompatible with the separation of powers doctrine.

The bill permits all of the following executive functions to be blocked by concurrent resolution:

Section 204, consent to a third-party transfer of U.S. origin defense articles or defense services;

Section 211, governmental sale to a foreign country of: First, defense articles or services valued at $25 million or more; or, second, major defense equipment valued at $7 million or more.

Section 211, issuance of a license for the export of major defense equipment sold commercially for $7 million or more.

Section 301, governmental sales, commercial arms shipments, military assistance and training to a government which in the judgment of Congress is engaged in a consistent pattern of gross human rights violations and for which continued assistance and sales are not adequately justified by extraordinary circumstances.

Section 303, continued grants and sales to a country believed by Congress to have committed a substantial violation of the conditions of use for U.S. furnished defense articles or defense services.

Section 304, assistance to a country which has granted sanctuary to terrorists where the President has determined that U.S. national security requires such assistance.

The Constitution requires that resolutions intended to have the force and effect of law be presented to the President and, if disapproved by him, be repassed by two-thirds majority in both Houses. The provisions in this bill which I mentioned previously seek to

circumvent this constitutionally mandated procedure. In effect, they reserve to the Congress the right to amend the law to prohibit specific transactions through a process less formal than required under the Constitution for an amendment to the statute.

In addition, the wide range of transactions made subject to congressional disapproval by the bill would necessarily involve the Congress directly in the performance of executive functions—such as entering into contracts and issuing licenses—which are not within the province of Congress under the apportionment of legislative and executive powers set forth under the Constitution. For Congress to participate directly in the execution of the laws it enacts as proposed, violates the fundamental principle of separation of powers.

The constitutional objections to the legislative veto provisions in the bill are not merely theoretical, they are of profound importance to the functioning of our Government. These provisions seriously erode the President's ability to carry out his responsibilities in the conduct of foreign affairs. Moreover, they distract Congress from the formulation of foreign policy guidance to be applied by the President as Chief Executive and instead cause the Congress to become a coadministrator sharing responsibility for operational decisions. The predictable result would be inefficiency, delay, and uncertainty in the management of our Nation's foreign affairs.

Congress has important responsibilities for the formulation of foreign policy and the oversight of the Executive's conduct of foreign affairs. These responsibilities should be fulfilled in an affirmative and constructive way rather than through a systematized procedure for disruption of executive branch initiatives.

Mr. Speaker, that is the reason I think there are good grounds for voting against this conference report and I will certainly support the motion to recommit offered by the gentleman from Illinois (Mr. DERWINSKI).

Mr. BROOMFIELD. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman from Michigan for yielding me some time. I am not opposed to foreign military assistance. I certainly am not opposed to the fact that, as the distinguished chairman of the committee has already said, the bulk of the funds in this legislation are earmarked for that very important and strategic area known as the Middle East, but I want to amplify, if I can, my objections to this conference report and speak to the point raised by my friend from Illinois (Mr. MICHEL) about the use of the legislative veto through the provisions in this conference report, in this legislation, that would enable the Congress by the exercise of a concurrent resolution literally to negate actions that have been taken by the executive branch.

This is not a subject to which I have come just today. Back in December of last year, 1975, I asked the Congressional Research Service of the Library of Congress to prepare for me an analysis of what has been done in this regard in recent years by the Congress. I was astounded to find that between 1932 through 1939, there were only five occasions on which the Congress had sought to interpose what could be described as a legislative veto.

But, that rate of adoption has quickened, I was informed, especially during the last 3 years when 40 such laws were passed in the 93d Congress; 15 in 1973 and 26 in 1974, and at least 23 such acts were passed in the first session of the 94th Congress. Mind you, this is a report that was given me by the Library of Congress under date of December 30, 1975, and additional actions have been taken since that time. Moreover, a number of the acts that are referred to, those acts that have been passed particularly in the 93d and 94th Congress, have called for more than one review, more than one deferral or contained more than one disapproval section, and some of them have had as many as three or four legislative veto provisions.

As has been pointed out already, there are at least six sections—as I understand the analysis that has been made of the conference report—there are at least six sections in this legislation that amount to legislative veto by concurrent resolution. I voted for the War Powers Act in the 93d Congress. I have been in the well of this House on more than one occasion to urge a more equal partnership between the Congress and the executive branch in foreign policy, but when we involve the Congress in prescribing this kind of negative action and in what amounts to the day-to-day operational conduct of foreign policy, we are completely perverting the very laudable and justifiable ends that I am sure the authors of these provisions intended.

It is scarcely, therefore, any wonder that when I had a conversation a few weeks ago with an ambassador from a leading Asian country, he complained bitterly to me to this effect—and he put it very bluntly and, I think, very precisely: "If I want to know what the foreign policy of the United States is, where do I go? Do I go to the Secretary of State? Do I talk to someone in the executive branch of the Government? Or, do I come to the Congress of the United States; and if I come to the Congress, with whom then should I deal? Should I go to the chairman and ranking minority member of the Committee on International Relations, or should I go to someone who represents what has come to be known as one of the ethnic groups that have, in my opinion, involved themselves to an unwarranted degree in foreign policy in recent months?"

This is a complaint that is becoming all too common among those who seek to work in cooperative fashion with the United States, that the Congress of the United States is making it very difficult for anyone to tell exactly what our foreign policy is.

I would feel remiss in my duty in acting on this conference report, supporting as I do the amounts that are involved, and to a great extent the places where that grant assistance or military assistance would be applied, I would be remiss in my duty if I did not state my very grave objection, serious objection, to the legislative veto provisions that are contained in this particular bill.

Mr. Speaker, I think it is unfortunate that under the rules of the House a point of order will not lie on provisions of legislation that are considered to be of extremely dubious constitutionality, because I think that could be said of some of the provisions of this legislation to which I have referred.

Mr. BROOMFIELD. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, this conference report, does not exactly achieve utopia in this complex world.

This report moves the country another step down the road to the management of foreign affairs by committee—by a committee of 535 Members of the House and Senate. No doubt a certain amount of the push in this direction comes from the reaction of Congress to Secretary Kissinger. But even though I have called for his resignation three times, I strongly believe that this drive by certain Members of Congress to assume direct control of the day-to-day operations of foreign policy cannot be justified by their dislike of the present Secretary of State. The restrictions and requirements imposed by Congress on the executive branch in its day-to-day operation of foreign policy can only reduce its capability to respond quickly and flexibly to the complex and urgent problems we face around the world.

The Congress has gone a long way from the philosophy of the late Senator Vandenberg: "Politics stops at the water's edge." That, of course, was a reflection of national unity during World War II. While I recognize the impossibility of achieving national unity in foreign affairs at this time, I believe the Congress has gone too far in the opposite direction.

I also regret that the conference retained the $9 billion annual ceiling on U.S. arms sale. If the United States had a monopoly on arms, a ceiling would make sense. But in the real world all a ceiling will accomplish is to open the arms sales market for the French, the sanctimonious Swedes, and the opportunistic Soviets, while depriving the United States of political leverage in controlling the spare parts flow and followup sales.

The arms ceiling is another example of congressional inconsistency. On the one hand the Congress gives the executive branch hell for its red tape and bureaucratic inefficiency; then the Congress turns around and blithely imposes arms control and review procedures upon the Executive that will create a massive, costly, and perhaps unworkable administrative burden. As a result of this mischief, I predict a year from now the Congress will be criticizing executive branch handling of the arms control restrictions, depending, of course, upon which administration is in power.

In the area of human rights, the bill retains provisions implementing our selective indignation over the misdeeds of some of our foreign policy allies such as South Korea and Chile. For some reason there is no concern over leftist dictatorships such as India where parliamentarians languish in jail, or Peru where the press is controlled and political opposition banned, not to mention Uganda which has a bungling, racist dictatorship.

The bill expresses our concern over discrimination, but is more concerned over Saudi Arabia, an extremely conservative theocracy with a responsible foreign policy, than it is over the plight of Syrian Jews.

The President has threatened to veto the foreign assistance appropriation bill. In my judgment, it would be more practical for him to veto this bill, since it would tie his hands, rather than the money bill which can be more easily negotiated.

It must also be noted that the lack of cooperation by Congress in foreign affairs is, in large measure, stimulated by congressional doubts concerning the Secretary of State. His credibility on Capitol Hill is almost nonexistent. I believe it is accurate to say that his credibility rating abroad is poor.

This legislation contains an unprecedented web of restrictions on the administration's ability to carry out our security assistance programs. While the President supports a greater congressional role in U.S. foreign policy, there must be a line drawn on congressional encroachment on his constitutional authority to implement that policy.

Congressional vetoes of administration action through concurrent resolution, whereby the Congress can block or terminate actions taken or proposed by the administration. Such arbitrary obstruction of the President's ability to implement American foreign policy can cause severe damage to U.S. credibility and capability to fulfill its security requirements.

A $9 billion annual arms sale ceiling which would restrict the U.S. ability to respond to the legitimate security needs of our friends and allies, and create great uncertainties for U.S. exporters.

Restrictions intended to impact upon the discriminatory visa practices of foreign governments which appear unnecessary in light of the President's recent policy directives regarding this issue and are likely to prove damaging to current administration efforts to seek modifications of such practices.

Termination of grant MAP and MAAG's unless specifically authorized by Congress—both important elements of our security assistance program which enable us to respond to the needs of poorer countries and maintain important controls over arms sale programs.

Termination of the President's authority to restrict trade with North and South Vietnam.

Mr. Speaker, it is difficult for me, as a relatively quiet Member of the House, to come into the well after orations by the minority whip and the distinguished leader of the Republican conference, who are articulate and outstanding world statesmen. But some things have to be said and that is my assignment this afternoon.

Mr. Speaker, as a member of the committee that worked on this bill, I recognize that a lot of staff motivation went into it. A member of the staff, who is a very personal friend of mine, worked for years to develop this legislation, and I have a great deal of respect for his effort. And then I have a tremendous respect for the chairman of the committee, Dr. MORGAN, and I know the great responsibility he has borne. So when the bill was before the committee, I held my nose and voted for it. Then it was brought to the floor, and some bad amendments were beaten off, and an effort was made to polish it up a bit, but it was still a bad bill. So I again held my nose and voted for it. Then we went to conference. Seven House Members, and seven or eight Members of the other body, all but one, I think, a potential President of the United States, added to the complications of the bill. But as a good conferee, I signed the report, but again I held my nose.

Now we are at the point where we have to make a decision, a decision whether we can support this conference report. At this point, I cannot do it. Therefore, I have to vote against the conference report, and I will offer a motion to recommit.

Mr. Speaker, let me tell the Members why this bill must be recommitted to the committee. First, I would like to remind the Members that this is the 1976 authorization bill. We only have 2 months left of the 1976 authorization year. We have lived without this authorization for 10 months. We could take care of the program for the remaining 2 months without any major problem.

But then let me take some specific points on this bill. What is wrong with this bill? Basically, this bill provides that the 535 Members of Congress, if they wish, shall each conduct the foreign policy of the United States.

Mr. Speaker, I am one of the first and most vigorous critics of the present Secretary of State. I know that many Members, for political reasons in a Presidential year, are less supportive of the President. But the bill as drawn will affect all future Presidents and all future Secretaries of State, no matter who they may be, because there are restrictions in this bill that make it almost impossible for the Chief Executive and the Secretary of State to conduct foreign policy.

Normally, as the Members know, I am not moved to partisan comments. But one brief partisan comment is necessary. That is, I predict that if we would pass this bill in its present form and it would become law and the next President of the United States would be a member of the Democratic Party, his first request of the Congress in January 1977 would be, "Unshackle me from the restrictions you have imposed on the Chief Executive under this legislation."

Foreign policy cannot be carried on intelligently under this bill which so totally ties the President's hands, and it would.

Let me discuss one dollar figure. Back in the mid-sixties, when the Congress of that time evidently had great confidence in the Chief Executive, the authorization for contingency funds in this kind of legislation was over $300 million.

The President had over $300 million in contingency funds to use to adjust foreign policy. Do the Members know what he has today? It is $5 million in the contingency fund. That is less than the amount some of the chairmen of committees of the House of Representatives could muster under some of the committee resolutions approved by the House.

This bill terminates the MAAG assistance program. It provides, without any concessions from North and South Vietnam, for the termination of the President's authority to restrict trade with that Communist country. It totally ties the hands of the Chief Executive.

Mr. Speaker, let me make one other point. The bill provides a $9 billion annual ceiling on the United States on arms sales; $9 billion sounds like a lot of money, and I would support the absolute abolishment of arms sales if we were the only country in the world exporting arms. The latest figures I have show that the Soviet Union in 1976 will probably provide its allies and other sources of trouble over $12 billion in military equipment.

In addition, we have the French, the West Germans, the British, and the Italians, and we even have the greatest neutralists in history, the Swedes, selling arms abroad.

When we put in a prohibition as tight as this one, on arms sales as a ceiling, all we do is open up the opportunity for other countries to make sales; we do not end the arms race. We lose the constraint we could exercise in the supply of spare parts, and we further tie the hands of the Executive to effectively conduct foreign policy.

Let me sum the situation up in this way: If we believe that the Chief Executive of the United States ought to conduct foreign policy, then we should vote for the motion to recommit so we could go back to committee and undo some of the damage that is done in this bill. This bill is an overkill, an absolute overkill, by the Congress in the area of foreign affairs.

We cannot have 535 Members of Congress assume this role. Some Members, in fact, most are well motivated, most are tremendously able, and most are dedicated, but Members are all susceptible to regional pressures, especially in a campaign year. We cannot give the Congress the type of authority this bill does and expect to have an effective conduct of foreign policy.

Mr. Speaker, when I say these things as I have, I hope the Members will please understand I am not an isolationist. I consider myself an internationalist as I look about this complex world of ours. I realize that on my side of the aisle there are a number of classic isolationists. On the majority side of the aisle there are many neo-isolationists. So I say to the classic isolationists and to the neo-isolationists that they should stick with me on this motion to recommit, because I am sure we really want our President, not all 535 of us, to be responsible for foreign affairs.

I say to international minded Members of Congress, that we know that the United States, the greatest country in the world, has to have its Chief Executive in a position to speak with authority and confidence on world affairs, and we know that the Congress of the United States cannot be responsible for our relations with 145 different countries.

So I appeal to all the Members, the isolationists, and the broadminded statesmanlike types that I generally associate with, to support me in this motion to recommit.

Mr. Speaker, if the Members will do that, we can send the bill back to the committee where it will be considered with the sober responsibility it should receive in that body. Then they can send us back a bill that will contain the necessary congressional oversight and at the same time allow the President to exercise proper responsibility in foreign affairs.

Mr. MORGAN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I take this opportunity to say a few words before we vote on the conference report.

Now that the gentleman from Illinois (Mr. DERWINSKI) has notified the House that he intends to offer a motion to recommit, I would like to inform the House what is likely to happen if that motion is adopted and we send the bill back to conference.

The basic fact, Mr. Speaker, is that it would be impossible for the conferees to change this conference report to the extent desired by the speakers on the minority side because the language mentioned by the gentleman from Illinois (Mr. MICHEL) and by the gentleman from Illinois (Mr. ANDERSON) appeared frequently in both bills. Under the House rules, there would be no way by which this language could be changed substantially if this bill were sent back to conference.

Mr. Speaker, I say that there must be another reason this report is opposed by the minority so that they want it to go back to conference. I do not know what it could be—but if they want to give us the real reason, let them go down in the well and spell out the real reason.

I repeat, Mr. Speaker, there is no way by which this conference report could be rewritten under the rules of the House if it goes back to conference.

Therefore, Mr. Speaker, if this conference report is recommitted, the President will have to shoulder the consequences of the action of the minority. If it is passed and the President decides that he wants to veto it by virtue of what has been put forth here by some of the leadership on the other side, then he will have to live with the consequences.

Mr. Speaker, this is a very serious measure. Many, many Members of this House have a deep interest in this legislation. If we want to follow what the Secretary of State had worked out in the Middle East peace package, then let us vote against the motion to recommit and let us send this bill down to the President and let him make the decision as to whether it should be law or not.

Mr. FINDLEY. Mr. Speaker, much has been said today about the use of concurrent resolution authority as a means by which Congress can direct foreign policy. It is described as a legislative veto of foreign-policy actions of the President.

What is the record? I have been a Member for 16 years and I cannot recall an occasion when Congress used the authority of a concurrent resolution. On no occasion I can recall has a vote even occurred on the House floor based on concurrent resolution-veto authority.

It is true that several resolutions have been filed under concurrent resolution authority—one in opposition to the sale of Hawk missiles to Jordan—but none ever reached the House floor.

Frankly, I have been greatly distressed by some of the foreign policy decisions of the Congress. Restrictions on military sales to Turkey the past few years have been especially ill-advised.

But I do believe the Congress, under the Constitution, has a substantial responsibility to influence and help decide foreign policy. The establishment of concurrent resolution authority is one way to fulfill this responsibility.

The record would tend to support the contention that Congress, so far, at least, has been prudent, restrained and proper in its exercise of such authority.

In my opinion, conferees have done a good job.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of the motion to recommit S. 2662 to conference. There are certainly many features of the bill that I support—in particular, the provisions relating to aid to Israel. However, I do not feel we should be forced to accept a bill which has other, unacceptable features just to get the things which are essential. For example, the provisions in the bill relating to renewed trade with Hanoi are in my view, totally unacceptable. This bill should be sent back to conference so that this language can be deleted, then expeditiously returned so that we can get on with the business of the House.

Mr. BINGHAM. Mr. Speaker, the House will take final action today on the fiscal year 1976 International Security Assistance Act. I think, on the whole, that we have produced a good bill, with some far reaching implications, and I should like to mention just a few of its most important elements.

One of the touchstones of American Foreign Policy has been our support for Israel's security; at the same time we have worked unceasingly to bring peace and stability to the Middle East. The bill recognizes both objectives. It authorizes $1.5 billion in military sales credits for Israel, as well as a grant of $730 million in security supporting assistance. It also authorizes $705 million in security supporting assistance for Egypt. In the past few years Egypt has exerted leadership in the efforts to find a long-term solution to the Middle East crisis. The country is desperately in need of economic aid, and the United States has decided, I think correctly, to furnish her some of that support.

Furthermore, the bill authorizes up to one quarter the aid for fiscal year 1976 for the 3-month transitional quarter. This will round out our strong support for Israel for the year.

Another aspect of the bill has broad and long-term implications. In the past few years the tempo of U.S. arms sales to foreign powers has quickened. We have become the world's leading arms salesman, and this has extremely dangerous implications. The bill before us today contains a variety of new checks on this escalating trend. It is useful to note that the Foreign Military Sales Act has been renamed the Arms Export Control Act, and it now covers both government-to-government and private commercial arms sales.

Section 212 urges the President to initiate multinational discussions for the purpose of reducing international military arms sales, and he is required to report to the Congress by the end of the year the results of these discussions.

Section 213 puts a ceiling of $9 billion—in 1975 constant dollars—on the aggregate value of defense articles and services which are sold under the Foreign Military Sales Act and are licensed through commercial sales. It shall take effect on October 1, 1976, and apply to fiscal year 1977 and every other fiscal year thereafter. This absolute ceiling on all U.S. arms tranfers to foreign countries is a broad new approach to this invidious problem. Congress has taken the initiative to slow down, we hope, America's becoming the arsenal of an unstable world. Unfortunately the amendment has been slightly weakened since, if the President declares that the national security so requires, he can waive the ceiling. I would have preferred that this waiver only be applicable where the President declares that a emergency situation exists.

There are some indications, however, that our foreign military sales may have peaked, and that the $9 billion ceiling, which is over $2 billion less than our military sales for fiscal year 1976, will not be approached in the coming fiscal year.

Section 217 requires the administration to present an annual estimate of proposed sales, credits and guarantees for the coming fiscal year, as well as an arms control impact statement for each purchasing country.

I think that the crux of this part of the act is found in section 212, which expands the role of Congress not only in its power to determine, in great detail, the scope of proposed military sales, but in the extension of its veto power over them.

All proposed commercial or government-to-government sales of major defense equipment with a value of over $7 million must be submitted in advance for congressional review. All sales of major defense equipment which exceed $25 million can only be on a government-to-government basis. Commercial sales of "defense articles or defense services" are allowed up to the $25 million limit.

"Major defense equipment" is defined as "any item of significant combat equipment on the U.S. Munitions List which has a nonrecurring research and development cost of more than $50,000,000, or a total production cost of more than $200,000,000." In effect this prohibition covers virtually every article of military equipment and hardware, from the M-16 rifle to the B-1 bomber.

Furthermore the Congress, by passing a concurrent resolution within 30 days after the receipt of notification about a proposed sale, can veto any transfer of major defense equipment, as stipulated within the limits described above.

The International Relations Committee of the House and the Senate Foreign Relations Committee have broad powers to demand very precise information concerning the nature of the proposed military sale, its purposes and value to the country involved.

Section 211(a) includes an amendment Congresswoman SCHROEDER, Congressman RYAN, and I collaborated on. It requires the administration to submit detailed quarterly reports listing "all letters of offer to sell any major defense equipment * * * for $1,000,000 or more" as well as "the total value of all defense articles and defense services so licensed for each foreign country and international organization." This reporting requirement will allow the Congress and the public to observe the pattern of our arms sales abroad with an ease which has not been possible in the past.

Another feature of the bill, section 301, deals with the vexing problem of the relationship of aid to the recipient country's observance of basic human rights. This section prohibits security assistance for any country which "engages in a consistent pattern of gross violations of internationally recognized human rights." The Secretary of State is required to present to the Congress, as part of the proposals for security assistance programs, a full and complete report on the status of human rights in each country which is a proposed recipient of this assistance. Furthermore, the President is obliged to report any gross violations of human rights, and the Congress, or the Senate or House Committees on Foreign Affairs, can require the Director of Human Rights in the State Department to present a detailed list of human rights violations in specific countries. Within 90 days of such a report the Congress can, by concurrent resolution, terminate aid to these countries.

Finally, section 413 of the bill includes an amendment which I offered to help normalize relations with North and South Vietnam. It will abolish many of the trade and travel restrictions instituted by the administration between the United States and Vietnam. U.S. concerns will be allowed to trade in nonstrategic items with the Vietnamese. Restrictions will be reimposed if, within 180 days, the President cannot certify to the Congress that progress has been made in obtaining information on American POW's and MIA's.

These, then, are some of the major provisions of the International Security Assistance Act of 1976. This act was the product of many months of labor, and I think it is a significant achievement. The Congress has fulfilled our obligations to both sides in the Middle East, acted resolutely to monitor foreign military sales, affirmed its conviction that the United States should rethink its policy of supporting dictatorial governments and made steps toward normalizing relations with Vietnam.

There are indications that the President may veto this bill. I would consider this an irresponsible act, which will not only consume a great deal of time, but attempt to undo the real and creative steps which Congress has taken. Some Members of the House have assessed that the Congress is trying to "tie the President's hands," to "legislate" foreign policy, or that Congress is trying to create "535 Secretaries of State."

These arguments are mistaken. It is well known that the United States has relations, sometimes close relations, with a number of repressive States, States who have little or no regard for the human rights of their citizens, and who sometimes have discriminated against American citizens who have participated in our foreign assistance programs. In recent years our foreign assistance, and especially our arms sales, have been increasing to these countries almost at a geometric rate.

The key provisions of this bill will force this administration, and future administrations, to keep the Congress and the American people informed as to the nature and amount of our arms aid and sales to foreign nations, what uses they make of these weapons, and the degree to which their own citizens enjoy basic human rights. And in each case the administration will have to present solid and compelling reasons for these sales. If the case is well made, the veto procedure will not be used. I feel very strongly that the Congress and the American people have the right to know of these dealings, and to pass judgment on them. They are a major arm of our foreign policy, and thus deserve the same kind of scrutiny that the Congress already gives other aspects of that policy. And in a world where basic human rights seem to be going out of style, it will serve as a salutary signal if foreign governments realize that America is not the cornucopia of military supply. It is our hope, and it may only be a hope, that these regimes will come to understand that they cannot automatically expect U.S. arms to buttress them against the aspirations of their repressed citizens.

No, this bill does not unduly tie the administration's hands. I think that with this bill the Congress has demonstrated the commitment and the ability of the legislative branch of our Government to participate responsibly in the making and implementation of American foreign policy.

Ms. ABZUG. Mr. Speaker, it is very appropriate that we vote on the International Security Assistance and Arms Export Control Act of 1976 just 2 days before the first anniversary of the end of the Vietnam war. That war was the logical outcome of what has been called "the imperial Presidency": Unlimited Presidential power to create commitments, send troops and engage the whole Nation in a senseless, unjust, and futile war.

Our commitment in Vietnam began with a few advisers and limited financial aid. Neither Congress nor the American people were asked to approve the early engagements—they just happened. There was insufficient critical questioning of the actions of a whole series of American Presidents. And before the process could be brought to a halt, over 500,000 combat troops and the mightiest air force ever assembled had been sent to cause unconscionable destruction to the land, people, and culture of Vietnam and all of Indochina.

Two of the most important lessons of the Vietnam war are: First, that a small U.S. military commitment can easily grow into large-scale intervention unless it is halted in the early stages; and second, that no long-term American interests are served by supporting corrupt client regimes which must depend upon repression instead of consent to gain the support of a pacified citizenry.

I support this act because I believe it reflects the growing awareness by Congress and the public that these lessons must be translated into effective tools of policy so that we can prevent Vietnam-type wars in the future. Once Congress begins to use these tools, we can help to shape a more democratic foreign policy.

Just think what could have happened if the provisions of this act had been on the lawbooks during the Indochina war buildup. Congress would have been able to prevent the sending of the first U.S. military assistance advisory group. There would have been no grant military assistance for the local dictators to use to support themselves. Congress could have vetoed major arms shipments to the Diem, Ky, and Thieu governments. Under the human rights provisions of this act, the Saigon government probably would have been prohibited from receiving U.S. security assistance because, from the earliest days of its illegitimate existence, it used police repression and tiger cages to grossly violate the human rights of the Vietnamese people.

It staggers my imagination to consider how much in terms of lives, resources and destruction we could have saved both for America and for Vietnam if we had had these tools to seriously question and to stifle the early forms of intervention in Indochina.

According to Dr. Arthur Westing, writing in the publication "Air, Water, Earth, Fire," between 1965 and 1973, approximately 1 out of every 30 inhabitants in all Indochina was killed by the war, 1 in 12 wounded, and 1 in 5 made a refugee. The numbers of American men killed exceeded 50,000, aside from the thousands wounded, and those missing in action.

This act would not only help us look critically at those nations which do not deserve our support—it also authorizes the necessary aid for one of our most important democratic friends—Israel. Israel is engaged in a daily struggle for survival against hostile neighbors. It needs arms for its defense; it needs economic aid for its social viability. The economic aid authorized in this act will provide some of the desperately needed relief for the Israeli people.

My greatest hope is that we will be able to use the provisions of this act and of complementary legislation, such as the War Powers Act, to make sure that no more Vietnams occur for the future generations of the world. This act creates the tools. But we must also show the will to use them. For the balance of power between Congress and "the imperial Presidency" is not a static, lifeless relationship. Instead, it is a dynamic one being developed every day. Too often American military assistance abroad has been directed to repressive regimes which have used our military equipment to deny freedom to their own citizens. Unfortunately, this act authorizes aid for some of the most repressive countries related to the United States today, such as Indonesia, Chile, the Philippines, and South Korea. This support deeply disturbs me.

But I am convinced that by showing the will to exercise the powers of this act that Congress will be in a strong position to reduce or even to end this aid in the coming years.

Since this act would help swing the balance away from unilateral Presidential authority and toward a more democratically determined foreign policy, I intend to support the International Security Assistance and Arms Export Control Act of 1976.

Ms. HOLTZMAN. Mr. Speaker, I rise in strong support of the conference report on the International Security Assistance and Arms Export Control Act.

One of the most important features of the conference report is continuing support for the defense of Israel. One and one-half billion dollars in military sales credits and $730 million in security supporting assistance for Israel is authorized. The conference report also includes transition quarter funds and sales credits for Israel in an amount up to one-quarter of the fiscal year 1976 authorization.

If any peace effort in the Middle East is to succeed, Arab nations must accept Israel's right to survive. Israel's capacity to protect herself must be preserved. If there is to be an end to war and terrorism in the Middle East, the United States must not waiver in its commitment to support the State of Israel.

Another provision of the conference report addresses discrimination against Jews inspired by the Arab boycott. The report states that it is U.S. policy not to furnish assistance or make military sales to governments that discriminate against U.S. citizens or companies. The President must report to Congress any instances of discrimination. If discrimination persists, the President is required to cancel military aid and sales to the offending nation.

Other provisions of the conference report are designed to assure that Congress exercises greater responsibility in the provision of foreign military aid. In the past, the executive branch has led this country into ever-widening military involvements without congressional knowledge. U.S. military aid has been used to support repressive regimes that deny fundamental human rights. This conference report contains several sections directed at these problems.

This legislation prohibits military aid to governments which engage in a pattern of gross violation of internationally recognized human rights. Military aid to Chile is cut off. No military assistance to any of the factions in Angola is permitted. Assistance must be terminated to any country which aids or abets international terrorists by granting them sanctuary from prosecution.

The conference report also takes a step toward preventing future repetition of the Lockheed bribery scandal. Thus, payments, contributions, or gifts to secure foreign military sales under this act must be reported to the Secretary of State and his records made available to the Congress. If the President finds illegal or improper payments have been made, he is required to submit a report to Congress recommending whether U.S. security assistance should be continued.

I urge passage of this conference report.

Mr. MORGAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. DERWINSKI

Mr. DERWINSKI. Mr. Speaker, I offer a motion to recomit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. DERWINSKI. I am, Mr. Speaker, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. DERWINSKI moves to recommit the conference report on the Senate bill (S. 2662) to the committee of conference.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. DERWINSKI. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 185, nays 214, not voting 33, as follows:

[Roll No. 202]

YEAS—185

Abdnor
Allen
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Baucus
Bauman
Beard, Tenn.
Bennett
Bowen
Breaux
Breckinridge
Brinkley
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Derrick
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Erlenborn
Evans, Ind.
Fenwick
Flowers
Flynt
Forsythe
Fountain
Frey
Fuqua
Ginn
Goldwater
Goodling
Gradison
Grassley
Hagedorn
Haley
Hammerschmidt
Hansen
Hébert
Hefner
Henderson
Hightower
Hillis
Holt
Hubbard
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Colo.
Jones, Okla.
Jones, Tenn.
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Lagomarsino
Landrum
Latta
Lent
Lloyd, Tenn.
Lott
Lujan
McClory
McCollister
McDade
McDonald
McEwen
McKinney
Madigan
Mahon
Mann
Martin
Michel
Milford
Miller, Ohio
Mills
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mosher
Mottl
Myers, Ind.
Neal
Nichols
O'Brien
Passman
Paul
Pettis
Poage
Pressler
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Rhodes
Roberts
Robinson
Rose
Roush
Rousselot
Runnels
Ruppe
Russo
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Sikes
Skubitz
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Treen
Vander Jagt
Waggonner
Wampler
Weaver
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.

NAYS—214

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Annunzio
Aspin
AuCoin
Badillo
Baldus
Beard, R.I.
Bedell
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Brodhead
Brooks
Broomfield
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Findley
Fish
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Frenzel
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Green
Guyer
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Heinz

Helstoski
Hicks
Holland
Holtzman
Horton
Howard
Howe
Hughes
Hungate
Johnson, Calif.
Jones, Ala.
Jordan
Karth
Koch
Krebs
Krueger
LaFalce
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Long, La.
Long, Md.
Lundine
McCloskey
McCormack
McFall
McHugh
McKay
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Hara
Ottinger
Patten, N.J.
Pattison, N.Y.
Perkins
Peyser
Pickle
Pike
Preyer
Price
Rangel
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rosenthal
Rostenkowski
Roybal
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Stokes
Studds
Sullivan
Symington
Traxler
Tsongas
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Whalen
Wilson, C. H.
Wirth
Wolff
Wright
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—33

Ashley
Bell
Bergland
Bevill
Boggs
Clay
Conlan
de la Garza
Esch
Eshleman
Gude
Harsha
Hayes, Ind.
Hinshaw
Johnson, Pa.
Jones, N.C.
Macdonald
Madden
Mathis
Nix
O'Neill
Patterson, Calif.
Pepper
Rees
Steed
Steelman
Stuckey
Thompson
Udall
Ullman
Waxman
Wilson, Tex.
Young, Tex.

The Clerk announced the following pairs:

On this vote:

Mr. Jones of North Carolina for, with Mr. O'Neill against.

Mr. Conlan for, with Mr. Thompson against.

Mr. Eshleman for, with Mrs. Boggs against.

Mr. Johnson of Pennsylvania for, with Mr. Nix against.

Mr. Mathis for, with Mr. Waxman against.

Mr. de la Garza for, with Mr. Bergland against.

Mr. Steed for, with Mr. Clay against.

Mr. Bevill for, with Mr. Udall against.

Until further notice:

Mr. Bell with Mr. Macdonald of Massachusetts.

Mr. Esch with Mr. Ashley.

Mr. Madden with Mr. Harsha.

Mr. Patterson of California with Mr. Pepper.

Mr. Hayes of Indiana with Mr. Young of Texas.

Mr. Gude with Mr. Stuckey.

Mr. Steelman with Mr. Rees.

Mr. Charles Wilson of Texas with Mr. Ullman.

Mr. LEGGETT changed his vote from "yea" to "nay."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BROOMFIELD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 215, nays 185, not voting 32, as follows:

[Roll No. 203]

YEAS—215

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Annunzio
Aspin
AuCoin
Badillo
Beard, R.I.
Bedell
Biaggi
Biester
Bingham
Blanchard
Boland
Bolling
Bonker
Brademas
Brodhead
Brooks
Broomfield
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, Phillip
Carney
Carr
Chisholm
Cohen
Collins, Ill.
Conte
Corman
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dent
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Fary
Fascell
Findley
Fish
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Frenzel
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Gradison
Green
Guyer
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Heckler, Mass.
Heinz
Helstoski
Hicks
Holland
Holtzman
Horton
Howard
Howe
Hughes
Johnson, Calif.
Jones, Ala.
Jordan
Karth
Kasten
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Long, Md.
Lundine
McCloskey
McCollister
McCormack
McDade
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Matsunaga
Mazzoli
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Roncalio
Rooney
Rosenthal
Rostenkowski
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O'Neill
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Pepper
Rees
Steed
Steelman
Stuckey
Thompson
Udall
Waxman
Wilson, Tex.
Young, Tex.

The Clerk announced the following pairs:

On this vote:

Mr. O'Neill for, with Mr. Jones of North Carolina against.

Mr. Thompson for, with Mr. Conlan against.

Mrs. Boggs for, with Mr. Eshleman against.

Mr. Nix for, with Mr. Johnson of Pennsylvania against.

Mr. Pepper for, with Mr. Steed against.

Mr. Bergland for, with Mr. Bevill against.

Mr. Waxman for, with Mr. de la Garza against.

Until further notice:

Mr. Ashley with Mr. Esch.

Mr. Clay with Mr. Hayes of Indiana.

Mr. John Burton with Mr. Kemp.

Mr. Macdonald of Massachusetts with Mr. Bell.

Mr. Patterson of California with Mr. Steelman.

Mr. Udall with Mr. Charles Wilson of Texas.

Mr. Young of Texas with Mr. Stuckey.

Mr. Rees with Mr. Madden.

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MOTION OFFERED BY MR. MORGAN

Mr. MORGAN. Mr. Speaker, I move that the House recede from its amendment to the title of the Senate bill.

The motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PROVIDING FOR PERMISSION FOR ALL COMMITTEES OF THE HOUSE TO SIT DURING 5-MINUTE RULE UNTIL MAY 16, 1976

Mr. BOLLING, from the Committee on Rules, submitted a privileged report (Rept. No. 94–1052), on the resolution (H. Res. 1164) permitting all committees of the House to sit during the 5-minute rule until May 16, 1976, which was referred to the House Calendar and ordered to be printed.

AUTHORIZING THE SPEAKER TO DECLARE RECESS AT ANY TIME ON TUESDAY, MAY 18, 1976, FOR THE PURPOSE OF RECEIVING IN JOINT MEETING THE PRESIDENT OF THE REPUBLIC OF FRANCE

Mr. McFALL. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Tuesday, May 18, 1976, for the Speaker to declare a recess for the purpose of receiving in joint meeting the President of the Republic of France.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE RECESS ON FRIDAY, MAY 21, 1976, FOR THE PURPOSE OF RECEIVING FORMER MEMBERS OF THE HOUSE

Mr. McFALL. Mr. Speaker, I ask unanimous consent that it be in order for the Speaker to declare a recess on Friday, May 21, 1976, subject to the call of the Chair, for the purpose of receiving in this Chamber former Members of the House of Representatives.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1977

Mr. ADAMS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 611) setting forth the congressional budget for the U.S. Government for fiscal year 1977 and revising the congressional budget for the transition quarter beginning on July 1, 1976.

The SPEAKER. The question is on the motion offered by the gentleman from Washington.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution House Concurrent Resolution 611, with Mr. BOLLING in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. When the Committee rose on Tuesday, April 27, 1976, the concurrent resolution had been considered as having been read and open for amendment at any point, and pending were an amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA) and a perfecting amendment to the concurrent resolution offered by the gentleman from Texas (Mr. WRIGHT).

The Chair recognizes the gentleman from Texas (Mr. WRIGHT) for 5 minutes.

PARLIAMENTARY INQUIRY

Mr. BURLESON of Texas. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Texas (Mr. WRIGHT) yield so that the gentleman from Texas (Mr. BURLESON) may state his parliamentary inquiry?

Mr. WRIGHT. Mr. Chairman, does this come out of my time?

The CHAIRMAN. It does come out of the time of the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I will yield only briefly to my friend, the gentleman from Texas (Mr. BURLESON).

The CHAIRMAN. The gentleman from Texas (Mr. BURLESON) will state his parliamentary inquiry.

Mr. BURLESON of Texas. Mr. Chairman, I realize the Chair has clarified the situation as to what we are considering, and that is the Wright proposal.

The Wright amendment, as I understand it, is a perfecting amendment; and it changes the macro figures in the resolution, both the outlays and the budget authority.

My inquiry, Mr. Chairman, is this: If the Wright amendment is adopted, does this preclude other changes in the macro figures with respect to other amendments which may affect those figures?

The CHAIRMAN. Will the gentleman from Texas (Mr. BURLESON) advise the Chair as to whether he is saying "macro" or "micro" figures?

Mr. BURLESON of Texas. The macro figures, whatever they are. They are the figures in the resolution, both as to budget authority and outlays.

The Wright amendment, if adopted, would change those figures. If other amendments are subsequently adopted which would likewise change those figures, would it be necessary in the presentation of the amendment to make adjustments in the macro figures?

The CHAIRMAN. If the Chair understands the gentleman from Texas (Mr. BURLESON), the Wright amendment, if adopted, would not prevent further amendments being offered to section I.

Let the Chair be precise. It would prevent some amendment, but the amendments that could still be offered to section I would be amendments that would be more comprehensive, because the Wright amendment only changes some of the figures in section I.

Mr. BURLESON of Texas. Then subsequent amendments which would alter the same figures that are altered by the Wright amendment, if adopted, could also be altered by subsequent amendments; is that correct?

The CHAIRMAN. If they were more comprehensive than the amendment already adopted and amend a portion of of the resolution not yet amended; that is correct.

Mr. BURLESON of Texas. Mr. Chairman, I do not understand the Chair's explanation. However, it is rather simple to me.

I wonder whether I might ask the chairman, if, at the end of the consideration of this resolution, whatever amendments may be adopted, including the Wright amendment or any others, which alter the figures that are in the resolution, would it then be in order for the chairman to offer committee amendments adjusting the figures affected by the amendments already adopted?

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. BURLESON of Texas. I yield to the gentleman from Washington.

Mr. ADAMS. Mr. Chairman, if it is necessary, the statute provides that we can go back into the full House and offer a reconciling amendment that makes the resolution mathematically consistent in the first and second sections.

Mr. BURLESON of Texas. And there would not be a point of order against amendments which would make those alterations; is that correct?

Mr. ADAMS. There would not be a point of order against that because they are provided for under the statute.

I should be addressing this to the Chair, but that is my interpretation.

The CHAIRMAN. The colloquy in the nature of parliamentary inquiry is accurate.

Mr. ADAMS. Mr. Chairman, I ask unanimous consent that the gentleman from Texas (Mr. WRIGHT) be granted an additional 5 minutes on his amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN. The gentleman from Texas (Mr. WRIGHT) is recognized for a total of 6 minutes.

Mr. WRIGHT. Thank you, Mr. Chairman.

Mr. Chairman, this amendment adds $1.2 billion in budget authority and outlays to function 700, veterans benefits and services. These amounts would cover cost-of-living increases in the three major veterans' entitlement programs—compensation for service-disabled veterans, pensions, and GI bill education benefits.

All of us have been overwhelmed by letters from concerned veterans wondering why the Budget Committee failed to add this $1.2 billion for cost-of-living increases as requested in the March 15 report of the House Veterans' Affairs Committee. Some charged that those of us on the Budget Committee had callously ignored the needs of our veterans. But this is not the case.

Indeed, let me read from pages 66 and 67 of the committee report which says:

> The President's budget excludes funds for cost-of-living increases for all veterans entitlement programs, although the budget does not deny cost-of-living increases for benefit programs indexed by law to the cost of living. Enactment of legislation to provide cost-of-living increases to veterans is both equitable and inevitable, and the Budget Committee favors such action.
>
> However, the Committee's recommendations in this function do not include the estimated $1.2 billion required for such increases. The Budget Committee feels the President's exclusion of funds for this purpose is a deceptive budget practice and urges the President to submit a budget amendment to fund these cost-of-living increases. The Committee supports such an amendment.

But let me explain a little further the background of this issue.

Unlike social security, food stamps, and a number of other entitlement programs, veterans' benefits are not automatically increased under law as the cost of living rises. Laws must be passed each time veterans' benefits are to be increased. Because such increases are not mandatory, Presidents frequently are tempted to exclude funds for cost-of-living increases to reflect budget totals at an artificially low level, knowing that Congress will take the initiative. President Ford has succumbed to such temptation 2 years in a row.

Last year the President's budget did not include one nickel for veterans cost-of-living increases. The Congress added $500 million for such increases to its budget—and to its budget deficit. Congress subsequently passed two bills raising compensation and pension benefits. The President signed these bills into law, but repeatedly charged Congress with budget busting.

This year as last, the President's budget excludes benefit increases for veterans. In fact, the President pretends to save $200 million by assuming that the 1976 vetans pension increase will be allowed to expire on October 1, 1976. Thus, under his budget, veterans' pensions would be cut by 8 percent and would revert to 1975 levels.

The House Veterans' Affairs Committee requested the inclusion of $1.2 billion for cost-of-living increases in pension, compensation, and education benefits. The Budget Committee supports such increases, but declined to add the funds to the congressional budget—and the congressional budget deficit—until the President submits a formal amendment to his own budget to cover such increases. We asked the President to do this. Thus far, no amendment has been forthcoming. The administration is silent. One reasonable interpretation is that the administration opposes these increases and that the President would veto them. Another might be that he favors them but simply wants Congress to assume the budgetary responsibility. I know not, because the President saith not.

Mr. Chairman, this is only one of a number of areas in which this year and last the President's budget has overestimated revenues and underestimated outlays. Each year we have had to add several billions to the congressional budget and the projected deficit by making the President's budget an objective budget. And then we suffer the consequences of being called "big spenders."

I do not mind spending more than the President recommends for certain areas. But I do strenuously object to budget gimmickery.

I urge passage of this amendment. And I certainly hope that this is the last year in which any President uses unrealistic assumptions about veterans programs as an easy way to achieve a small paper reduction in the deficit—a reduction which palpably is more apparent than real.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to my friend, the gentleman from Texas (Mr. ROBERTS), who is chairman of the Committee on Veterans' Affairs.

Mr. ROBERTS. Mr. Chairman, I thank the gentleman for yielding to me.

I want to express my strong support for the amendment offered by the distinguished gentleman from Texas (Mr. WRIGHT), a member of the Committee on the Budget.

As chairman of the Committee on Veterans' Affairs, I had planned to offer such amendment; however, I am most pleased that a member of the Budget Committee offered the amendment in view of the sentiments expressed in the committee report on House Concurrent Resolution 611.

The amendment would provide the funds to allow us to grant cost-of-living increases to service-connected disabled veterans, totally and permanently nonservice-connected disabled veterans, most of whom are elderly, and veterans going to school under the current GI education and training program.

As members know, veterans' compensation, pension, and readjustment benefits are not indexed by law as are some other programs. As a result, due to the rapid rate of inflation in recent years, our committee has reviewed these programs annually and recommended to the Congress that such increases be granted. The Congress, believing that these benefits should not be eroded in purchasing power, has always granted such increases.

As has been explained, the President's budget for fiscal year 1977 does not provide any cost-of-living increases for veterans' entitlement programs, although his budget does not deny cost-of-living increases for benefit programs indexed by law to the cost of living. In addition, the President's budget assumes there will be an 8-percent cut in veterans' pensions, effective October 1, 1976, since he failed to recommend that the 8-percent increase granted by Public Law 94–169 be extended beyond the September 30, 1976, date.

Mr. Chairman, should the amendment offered by the distinguished gentleman from Texas (Mr. WRIGHT) not be adopted, we will be unable to extend the 8-percent rate increase adopted by the Congress last year for pensioners beyond the September 30 expiration date. If the current law is not changed, 55,800 veterans and eligible survivors will be terminated from the pension and DIC rolls, and 2,269,000 will receive severe reductions in their pension checks the first day of October. We simply cannot allow that to happen. Also, 2,232,500 service-connected disabled veterans drawing compensation and 217,600 widows receiving DIC benefits will receive no rate increase, nor will some 1.9 million veterans and eligible dependents who are expected to be enrolled in school this fall under the GI education program.

Mr. Chairman, it should be clearly understood that the $1.2 billion this amendment will provide is for cost-of-living increases. It will not provide for any major expansion or liberalization of current veterans' programs. If the amendment is adopted, the target for veterans' benefits and services will still be about $200 million below the amount requested by the Committee on Veterans' Affairs in its report to the Committee on the Budget. Although I feel the entire amount requested by our committee is fully justified, as laid out in our report to the Committee on the Budget, I realize the budgetary constraints we are under and although we had hoped to correct certain omissions in the President's budget pertaining to our medical program, we will have to delay our plans until the next fiscal year. But at the very least, Mr. Chairman, we must provide funding for cost-of-living increases to our veterans and their dependents.

If the proposed amendment is adopted, outlays for veterans' benefits and services during the next year will be—set at approximately $19.4 billion—only $200 million more than outlays in fiscal year 1976. Although the veteran population grew from 26.2 million in 1968 to 29.5 million in 1977, an increase of 13 percent, outlays for veterans' benefits and services will amount to only 4.4 percent of the total outlays in 1977 compared with 5.9 percent in 1960 and 4.8 percent in 1965. In other words, although the number of veterans has increased 3.3 million during the past 10 years, the percent of total outlays for veterans' benefits and services has actually decreased.

Mr. Chairman, I believe in the budget process and the necessity of doing everything we can to make sure that it works. However, the Congress must assume responsibility of seeing that the needs of our veterans and their survivors and dependents are adequately met. This clearly cannot be done unless the proposed amendment is adopted. I realize that since 1960 the Federal budget has been in deficit every year but one, and my record will clearly show that I have consistently voted to reduce Federal spending wherever possible. But to deny needy veterans a modest cost-of-living incrase while allowing increases to others is absolutely intolerable. To do so we will have failed to honor our commitments to those who fought our Nation's wars. On behalf of veterans and their families throughout our Nation, I urge that the amendment offered by my colleague, the distinguished gentleman from Texas (Mr. WRIGHT), be adopted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WRIGHT. I thank the gentleman for his comments.

(At the request of Mr. CARNEY and by unanimous consent, Mr. WRIGHT was allowed to proceed for 5 additional minutes.)

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Texas.

Mr. WHITE. I thank the gentleman from Texas for yielding.

Going through my district talking to a number of veterans, particularly those who are disabled, I find a great bit of dismay at the possible action of Congress not to budget adequately so that they can receive a cost-of-living adjustment. Many of these veterans are unable to earn their living or to earn adequately to sustain themselves, and they are relying upon the cost-of-living increase to keep pace with the Nation. I think it would be a travesty if we did not, indeed, budget enough in order to take care of those who sacrificed so much in order to provide security for this country.

Mr. WRIGHT. I thank the gentleman for his comments.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas (Mr. WRIGHT) and urge that it be adopted.

The Veterans' Affairs Subcommittee on Compensation, Pension, and Insurance, of which I serve as chairman, is responsible for seeing that the purchasing power of veterans' compensation and pension benefits is not eroded by inflation. As Chairman ROBERTS has already pointed out, veterans' compensation, pension, and readjustment benefits, unlike social security benefits and Federal and military retirement are not indexed by law for cost-of-living increases. Therefore, my subcommittee must annually review the compensation and pension programs and provide such increases when necessary.

The President's budget included $17.2 billion in outlays for veterans' benefits and services, compared with $19.2 billion spent in fiscal year 1976. The proposed reduction in outlays comes about as a result of two things: First, the President recommended various legislative changes that would have reduced outlays by some $900 million. These were spelled out in our submission to the Budget Committee and most of them were rejected by our committee. Second, the President did not recommend any cost-of-living increases for compensation, pension, DIC and educational beneficiaries. The Committee on Veterans' Affairs recommended the following increases to the Budget Committee: For compensation—$393 million and for pension—$450 million. Of the $1.2 billion included in the amendment, the commitee estimated approximately $843 million would go for increases in compensation and pension benefits.

If the amendment is not accepted, I think the House should be aware that in October, thousands of those now on the pension rolls will be terminated and several million will receive reductions in their checks on October 1 of this year.

Mr. Chairman, the distinguished chairman of the VA Committee, Mr. ROBERTS of Texas, has stated that case extremely well and I shall not go into further details except to say that it is unthinkable that veterans not be provided cost-of-living increases while others indexed by law receive such increases. We cannot ignore the needs of our war veterans and their families. I strongly support the amendment offered by the distinguished gentleman from Texas and urge that it be adopted.

Mr. CARNEY. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Ohio (Mr. CARNEY).

Mr. CARNEY. Mr. Chairman, I rise in support of the amendment offered by my distinguished colleague, the Honorable JIM WRIGHT of Texas.

Since coming to Congress in 1971, I have received thousands of letters from my constituents who are veterans, and the wives, widows and dependents of veterans. In the last few days alone, I have received nearly a hundred letters from disabled veterans. These disabled veterans feel that they have been forgotten in the Halls of Congress by their elected representatives. In view of the many sacrifices they have made for their country, these men and women now ask that their country not forget them. They need and deserve our help.

With each passing month, the cost-of-living creeps upward. These increases have been especially hard on veterans and their dependents who must live on a fixed income. Each month, their food, utility, clothing, rent, transportation bills, and taxes take a larger share of their veterans' benefits. To provide relief from this continuing economic hardship, disabled veterans are asking for the same cost-of-living increase in benefits as are given to social security recipients.

To achieve this goal, the proposed amendment would implement the recommendations which were put forward by the House Veterans' Affairs Committee. It would amend the budget resolution to provide funds for a cost-of-living increase in compensation, as well as an increase in the VA medical treatment budget, for disabled veterans and their dependents.

By agreeing to this amendment, we would help these people to keep pace with the continuing high rate of inflation. We would also prove to them that Congress has not turned its back on our Nation's disabled veterans and their dependents.

Mr. Chairman, I urge my colleagues in the House and the Senate to join me in supporting this legislation to allow a cost-of-living increase for our country's veterans in fiscal year 1977. Let us not forget our Nation's veterans.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding, and also thank him for offering this amendment.

I might point out to the House that the substitute I offered yesterday contains provisions for some cost-of-living allowances as provided in the Wright amendment and I support it without reservation.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from New York.

Mr. OTTINGER. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the Wright amendment to add $1.2 billion in budget authority and outlays to function 700, veterans benefits and services, to cover scheduled cost-of-living increases for all veterans' entitlement programs, and of the Edgar amendment to provide for extension of veterans educational benefits—the GI bill of rights.

Although the cost-of-living increases are required for programs where benefit levels are tied to the cost of living, the President's budget does not include any funds to meet these mandated costs. Apparently the administration has come up with a new tactic in its budget battles with Congress, that of deliberately ignoring required spending, so Congress will add it, thus permitting the President to attack Congress for "budget busting."

This new tactic is similar to the other approach of underestimating expenditures and overestimating revenue to make the deficit look smaller. Congress, acting on its own more realistic estimates adjusts the figures and thus looks like the big spender.

For example, when he proposed the fiscal 1977 budget, the President overestimated receipts from oil lease sales on the Outer Continental Shelf, included no funding for several provisions of the Energy Policy Act, and saved $100 million by assuming there will be no forest fires next year; all in addition to his omission of veterans' cost-of-living increases. The result is that the President, by ignoring mandated programs and by using misleading estimates, is able to place the burden of added spending on the Congress.

Unfortunately the real loser in this budget game is not the Congress but the public, particularly veterans in the current case. While we are playing this game there is a very real threat that veterans will not receive benefits properly due them.

The Budget Committee, however, has chosen to play the President's game and has decided not to include this funding, instead urging the President to submit his own amendment to the budget, thus putting the burden of added spending on him. This may be good politics, but it is bad policy and it is a bad risk for veterans.

The Budget Committee summed up the merits of the case perfectly in its report, when it said:

> Enactment of legislation to provide cost-of-living increases to veterans is both equitable and inevitable, and the Budget Committee favors such action.

I support that conclusion on its merits, and I urge my colleagues to end budget gamesmanship and add these needed funds to the resolution.

I also support the Edgar amendment to add $610 million to the budget resolution to allow for an extension of the expiration date for utilization of veterans' educational benefits—the GI bill of rights.

Currently the delimiting date is scheduled to expire on May 31. Congressman Teague, chairman of the Veterans' Affairs Subcommittee on Education and Training has, however, agreed to hold hearings next month on the possibility of extending that date. Obviously, if the committee decides to take action at that time money will have to be available for any extension that is ultimately enacted. Excluding such funds from the budget resolution effectively removes from the Veterans' Affairs Committee the choice of extending the delimiting date or not. It makes good sense not to foreclose that decision at this point before the Veterans' Affairs Committee has had an opportunity to consider the matter.

That an extension of the delimiting date is badly needed by veterans now in the midst of their education goes without saying. One resident of Westchester County recently wrote me detailing his own situation:

> The basic problem with the current law, is that it now states that one must complete his courses within a certain time period. Recently, I have found myself back attending college ¾ time in a weekend program. I started school this January, and the V.A. advises that my benefits will run through May of this year only. Total benefits coming to me, will equal five months at ¾ time, of the 36 months full-time originally allocated under the law. You can see that I obviously will not receive all the benefits to which I was originally entitled. My painful conclusion is that the law as now written is inequitable and not logically reasonable. . . .
>
> Why should a veteran lose his benefits because of arbitrary deadlines for completion of courses? If we have 36 months (full-time) educational benefits coming, it should be at any time in our life. Some of us may not be in a position to start and finish our educations within the current time span allotted. When we really need and are able to utilize these benefits, they are denied to us.

Mr. Chairman, this is only a sample of the many letters I have received on this subject that make clear the real hardship that will ensue if we cut off these benefits at an arbitrary date.

My feelings on the subject aside, however, it should clearly be the prerogative of the authorizing committee—in this case Veterans' Affairs—not the Budget Committee to make that decision. The budget resolution should be amended by including funds to allow for the extension of the delimiting date. I urge my colleagues to support the Wright and the Edgar amendments.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Iowa.

Mr. BEDELL. I think the gentleman for yielding.

Mr. Chairman, I would like some clarification of the gentleman's amendment. It is my understanding from speaking to him that the intent of the amendment is to make it possible to give cost-of-living increases to the veterans and these various benefits, and whether this amount in the resolution is too high or too low to do that it is not meant to instruct the committee that it should give less than nor more than what would be a cost-of-living increase for these various programs; is that the understanding?

Mr. WRIGHT. The gentleman is exactly correct. The best we could do would be to put into the budget a figure which reflects an estimate given to us by the appropriate administrative agency and by the appropriate legislative committee. The purpose is to allow sufficient moneys to be available to accommodate actual cost-of-living increases.

Mr. BEDELL. If the gentleman will yield further, if that actual cost of living is greater or leser than the amount in the budget, there is no intention by this amendment to cause it to be different from a cost-of-living increase?

Mr. WRIGHT. The gentleman is exactly correct.

Mr. BEDELL. If the gentleman will yield further, I would like to have that confirmed by the chairman of the subcommittee and the chairman of the Budget Committee, if I could. The question is, is it the intention to see that we give what is truly a cost-of-living increase for these benefits neither lesser nor greater than that when the time comes?

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I will be glad to yield to the chairman of the Budget Committee, the gentleman from Washington (Mr. Adams).

Mr. ADAMS. This is the intention, and it is set forth in the committee report on page 21. It is also set forth on page 67 that the committee intended that the administration send this up as a recommendation to the chairman of the Veterans' Committee. It was not done so we are now proceeding on the basis set forth in the report, which is to give the cost-of-living benefit increases provided ordinarily in the spring supplemental in the amount stated by the gentlemen from Texas, Mr. Wright and Mr. Roberts.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Texas (Mr. Roberts).

Mr. ROBERTS. I agree with the statement made by the gentleman. Understand, these are cost index estimates. We cannot say to one-tenth of 1 percent what it will be, but the statement of the gentleman is correct as to the intention of the committee, and we will offer that at the appropriate time.

AMENDMENT OFFERED BY MR. WOLFF TO THE PERFECTING AMENDMENT OFFERED BY MR. WRIGHT

Mr. WOLFF. Mr. Chairman, I offer an amendment to the perfecting amendment offered by Mr. Wright.

The Clerk read as follows:

> Amendment offered by Mr. Wolff to the perfecting amendment offered by Mr. Wright: In section 2(11) (relating to veterans benefits and services), strike out "$19,849,000,000" and "$19,365,000,000" and insert in lieu thereof "$20,584,000,000" and "$20,100,000,000", respectively.
>
> Page 1, line 11, strike out "$453,461,000,000" and insert in lieu thereof "$454,196,000,000".
>
> Page 2, line 2, strike out "$414,825,000,000" and insert in lieu thereof "$415,560,000,000".
>
> Page 2, line 5, strike out "$51,825,000,000" and insert in lieu thereof "$52,560,000,000".

Mr. WOLFF. Mr. Chairman, the amendment I am offering would increase the veterans category by approximately $700 million above the restoration in funds proposed by the chairman of the Veterans' Affairs Committee. My amendment would bring the outlays under the veterans category to $20.1 billion. Let me emphasize that this is the bare minimum needed to maintain existing VA programs, insure cost-of-living increases in pension, compensation and readjustment benefits and allow Congress to carry out legislative initiatives that have been passed already by either the House or the Senate.

The Budget Committee report emphasizes that the budget submitted by the administration for veterans' benefits and services was both unrealistic and deceptive. I would like to add to that that the administration's budget is also a blatant attempt to legislate and even exercise veto power over veterans' legislation through the budget process. The administration's budget deliberately omitted cost-of-living increases in veterans' pension, compensation and readjustment benefits, knowing, as the Budget Committee points out, that "this increase will be provided and should be provided" by the Congress. The administration's budget assumes a benefit reduction—and thus a decrease in expenditures—resulting from repeal of Public Law 93–337 which extended the GI bill delimiting date from 8 to 10 years. Repeal of the extension has virtually no support in Congress; indeed, over 100 House Members have introduced legislation to extend the delimiting date beyond the current 10 years. The administration budget leaves absolutely no room for legislative reform measures initiated by the Congress—some of which have already passed one body or the other. In effect, the administration is attempting, through the budget process, to dictate to Congress what it can and cannot legislate; and, the administration is setting Congress up as the "fall guy" to absorb every charge of fiscal irresponsibility because any increase we propose will look astronomical compared to the deceptively low figure submitted by the President.

The Budget Committee report states:

> The Budget Committee feels the President's exclusion of funds for (cost of living increases) is a deceptive budget practice and urges the President to submit a budget amendment to fund these cost of living increases.

The President, however, has failed to submit the amendment to restore the $1.2 billion needed for cost-of-living increases. Because of the administration's failure to engage in honest and realistic budget practices, we are now compelled to consider a floor amendment that proposes a $1.2 billion "increase" in the veterans category. In fact, it is not an "increase" at all; it is a restoration of funds that should have been in the budget in the first place.

If we thus consider the amendment offered by the gentleman from Texas—as indeed we should—as a restoration of funds, then the amendment I am offering represents a $700 million increase in the veterans category—an increase that is both realistic and modest. I would urge all of my colleagues to bear in mind that while the $1.2 billion restoration of funds in the veterans category will enable us to enact cost-of-living increases in veterans benefits, that is virtually the only legislative initiative that can be encompassed. All other legislative reforms and initiatives—some of which have already been passed by either the House or Senate—are, in effect, "vetoed" by the present budget ceiling. My amendment, adding $700 million to the veterans category, is intended to restore to the Congress the fiscal latitude it needs to consider reforms in veterans programs—most of which will result in long-term cost savings. Let us consider some of the essential legislative reforms and veterans needs that must necessarily be neglected if my amendment is not adopted.

The Senate has unanimously, passed the Veterans and Survivors Pension Reform Act—legislation which has potential long-term cost savings. The bill awaits House action, yet if the House were to pass this bill, under the present budget limitations, we would have to find some other veterans program from which to "borrow" funds to implement it—most probably, implementation would result in an unfair reduction of cost-of-living increases in compensation and education benefits.

The House has passed legislation to extend entitlement to GI education benefits from 36 to 45 months for both undergraduate and graduate students, removing the unfair restriction to undergraduate work only. This legislation would provide effective readjustment assistance to our younger veterans, providing them with the education needed to find jobs in today's market. It has the potential to enhance productivity and thus spur the economy, yet under the present budget ceiling, we lack the funds needed to implement this potentially cost-effective reform.

Hearings are currently being held in the House on the serious problem of overpayments in GI education benefits. Needed reform in this area would result in a savings of millions of dollars, yet the present budget allows for no funding to facilitate the collection of education benefit overpayments.

Last year we enacted legislation to provide a salary bonus to VA medical personnel in response to the VA's report that the inability of the system to attract and retain qualified medical personnel was seriously undermining the quality of VA health care. The present budget does not allow for an extension of the VA Physician Pay Comparability Act, in spite of the well-founded need for this reform.

The VA health care system lacks adequate staff, equipment, supplies and facilities, yet the present budget does not provide funds even to maintain existing health care caseload levels. In spite of the 1974 VA report on the "Quality of Patient Care at VA Hospitals and Clinics" which identified needed construction and repairs for priority funding, the present budget includes no funds for any new starts for modernization and/or replacement. Projects that would have to be deferred include: Emergency generators and electrical equipment, ambulatory care space requirements, safety and fire protection requirements and air-conditioning requirements. These are not incidentals, but major inadequacies in the VA health care system that warrant priority action.

Mr. Chairman, I have been listing items that have been identified by both the VA and the House and Senate Veterans' Affairs Committees as priority areas. I have not even begun to mention pending legislation in which considerable interest has been expressed—legislation such as World War I pension reform, extension of the 10-year GI bill delimiting date and "acceleration" of GI bill entitlement.

I will read from a letter that was addressed to the gentleman from Texas, Chairman ROBERTS, from the American Legion.

The letter states:

> The additional amount of $1.2 billion that the Wright amendment covers did not provide for any new legislative initiative.

In other words, the Wright amendment does not cover those pieces of legislation that we Members of Congress have passed which will not be funded unless we pass the amendment that I have just offered.

I further state from the American Legion letter:

> The American Legion also believes that funds for certain program improvements must be provided for fiscal 1977. Some of these would include implementation of a pension reform act to provide a more equitable program at an ultimate savings in cost; funds for certain hospital construction projects; improvements in the VA medical program to include an improved salary structure for professional personnel; increases in the VA per diem reimbursement formula to state veterans hospitals and nursing homes; and expansion of the national cemetery system, to mention but a few.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. WOLFF. I yield to the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Chairman, I thank the gentleman for yielding. If the gentleman's amendment is not passed, would that mean a cutback in the amounts for refurbishing of the veterans' hospitals and new equipment for the hospitals and for building of additional veterans' hospitals?

Mr. WOLFF. Yes. It would not provide for any new programs or additional funds for legislation that we have already passed.

Mr. ADDABBO. So in those hospitals where there are programs for expansion or renovation, those plans would not be able to be appropriated for unless this amendment passes?

Mr. WOLFF. It is only for those funds for some of the legislation that has been previous adopted.

Mr. ADDABBO. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment. I believe the Wright amendment is necessary but I also feel it does not fully cover the needs of veterans. The Wolff amendment will permit the maintenance and expansion of veterans' hospitals and nursing homes. The Wolff amendment would make it possible to fund these programs. The Wolff amendment would also protect the funding of extension of GI educational entitlements and certain pension reforms.

I urge the adoption of the Wright amendment as amended by the Wolff amendment.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. WOLFF. I yield to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am pleased to associate myself with the amendment offered by my colleague from New York (Mr. WOLFF). He describes his amendment as a perfecting amendment to the one offered by Mr. WRIGHT. I agree with his assessment and feel its adoption will bring us a lot farther toward meeting the needs of all veterans in this Nation.

While I do not dispute the need for disabled veterans to receive a cost-of-living increase, I feel there are other equally serious veterans' problems which must be resolved. Two in particular could be aided by passage of this amendment. The first is to provide additional staff in our VA hospitals to more sufficiently meet the needs of these facilities. Inpatient and outpatient visits to VA hospitals has risen by an average of almost 8 percent in the past year, yet the fiscal year 1977 budget would not provide any additional personnel for another 15 months. This situation is especially acute in those VA facilities which provide nursing care. One such place is the St. Albans Veterans' Hospital located in Queens, N.Y., which Mr. WOLFF and I share the pleasure of representing in the House. We along with other members of the New York congressional delegation fought to get this facility established, yet now it faces very serious problems in meeting its existing patient load due to inadequate staff levels. The VA has requested funds for additional nursing personnel, yet have been denied. For far too long New York City suffered from a serious shortage of nursing home beds to treat veterans. The facility is now there to relieve the shortage and it is imperative that adequate funds be provided. This amendment will most certainly help.

The other serious problem which this amendment will deal with are funds to allow completion and in some cases start-up costs for renovation or replacement of VA facilities. One such project is presently ongoing at the Kingsbridge Veterans' Hospital located in the Bronx, N.Y., which I am also happy to represent a portion of. A new pavilion is being built to increase its use by veterans yet the budget provides insufficient funds to allow this project to be completed, despite its importance to the veteran community in New York City.

Other programs which will be assisted by this amendment include funds to extend the delimiting date for veterans seeking to obtain education benefits under the GI bill, and legislation to assist in collecting GI education benefit overpayments.

The intention of the Wright amendment is good but it is far from enough. We will be forced to make many hard decisions on this budget resolution. Efforts to increase funds under this resolution cannot be judged on a black and white basis, but instead on a human basis. Our budget resolution must reflect Congress continued concern for meeting human needs. The veterans of this Nation have given much to this Nation and now should be provided with our assistance here today. I urge support of this amendment.

Mr. WOLFF. Mr. Chairman, I might mention to the House the Veterans' Administration health care system lacks the staff, the equipment, and the facilities to provide adequate staff to provide for the needs of our veterans. The present budget does not provide funds to maintain even the existing health care levels, does not even provide for emergency generators sorely needed and for electrical equipment desperately needed and for ambulatory space requirements for new caseloads. It does not provide even for adequate safety and fire protection requirements.

These are not incidental services but they are major inadequacies in the VA health care system and they warrant priority action by this Congress.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. WOLFF. Mr. Chairman, I yield to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York (Mr. WOLFF).

I also applaud the effort by the gentleman from Texas (Mr. WRIGHT) in amending this measure in order to take care of the cost-of-living increases in veterans' pensions; but this $1.2 billion is inadequate. It does not improve or expand veterans' benefits, veterans' benefits that are so urgently needed, the need for hospital construction, improvements in VA medical programs, the increase in State vocational programs and State hospitals and nursing homes and the expansion of the national cemetery system.

Mr. Chairman, I urge my colleagues to support this worthy amendment.

Mr. WOLFF. Mr. Chairman, I thank the gentleman. What this means if we do not pass the additional funds is that we are vetoing legislation that has already passed this Congress, because both the administration as well as the request of the Budget Committee in the amendment by the gentleman from Texas (Mr. WRIGHT) only encompasses the cost-of-living increases. It does not encompass those benefits we added here by legislation in this Congress.

Therefore, I feel it is incumbent upon us as Members of Congress to live up to the responsibility that we have to see to it that programs that pass the Congress are funded and that there are no administrative impoundments made just by the budgetary process.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. WOLFF. I yield to the gentleman from Texas.

Mr. TEAGUE. Mr. Chairman, it seems to me this is an unusual amendment. The gentleman intimated the amendment was to restore benefits to veterans and the gentleman intimates we will lose benefits to veterans. What benefits would we lose? The veterans budget went from $7 billion in 1969 to about $20 billion this year. What is it that will be cut back if the gentleman's amendment is not adopted?

Mr. WOLFF. First of all, the Veterans' and Survivors Reform Act that has passed this House.

The CHAIRMAN. The time of the gentleman from New York (Mr. WOLFF) has expired.

(At the request of Mr. TEAGUE, and by unanimous consent, Mr. WOLFF was allowed to proceed for an additional 2 minutes.)

Mr. WOLFF. Mr. Chairman, the Veterans' and Survivors Pension Reform Act, which has long-term cost savings to the United States, will not be able to be funded. The House passed legislation to extend entitlement for GI educational benefits from 36 to 45 months for both undergraduate and graduate students. This will not be possible.

Mr. TEAGUE. That has already been authorized.

Mr. WOLFF. It has been authorized, but it is not in the budget.

Mr. TEAGUE. If we pass it again, they are not going to get it. I just do not understand the gentleman's amendment.

Mr. WOLFF. The amendment very clearly takes care of those portions of the authorized bills that we have had here before us that are not covered in the present budget request that has been made. It does not appropriate the funds for it, but it gives us the opportunity to appropriate those funds if the Congress feels that it is necessary; but if we are restricted to the present requirements, then there is no opportunity for us to give these veterans the benefits to which they are justly entitled.

Unfortunately, we spend a great amount of time in this House in seeing that people do go to war, but when they come back, we find very little time and effort to take care of those who have risked their lives in a war for all of us.

Mr. TEAGUE. Mr. Chairman, it seems to me this amendment is talking about $700 million that we are adding to veterans' benefits, that we do not know what we are doing. I hope it will be defeated.

Mr. ADAMS. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the Wolff amendment.

Mr. Chairman, the budget resolution is a very difficult resolution. It means that we have to raise needed money by borrowing. We are at a very high level now and there are many good programs—many good programs—that have not been funded.

Now, if we are going to start a process of adding programs that are necessary, and I support the Wright amendment which is to bring the veterans' benefits to where they are now, I think that is legitimate; but to add $700 million on top of it is wrong.

Mr. Chairman, I hope this amendment will be defeated.

Let me say that the report of the Veterans' Committee indicated that the $1.2 billion was necessary to cover cost-of-living increases. We therefore indicated that we would ask the administration and the President to send up a specific request for these funds. He has not as yet, and therefore we have taken care of it. But this would add $700 million on top of that.

The chairman of the Veterans' Committee himself is not in favor, and has not been in favor, of adding this $700 million on top of the budget. My information from the veterans groups is that the $1.2 billion is sufficient, that they feel this is enough.

I do not think we should go that far when we are holding many other programs down. We are holding down programs in the food stamp area and job area and many others. So I hope that the Wolff amendment will be defeated, and then we can adopt the Wright amendment.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

Mr. Chairman, I want to say that I agree completely with what the chairman of the committee has just said. We have a legitimate reason for adopting the Wright amendment because, in my humble judgment, this was an oversight and should have been taken care of in the committee, but when we come along with new projects that have not been funded in the past for inclusion in the budget resolution, I think we destroy the very purpose of the resolution itself.

If we are going to make this process work—and hopefully we will—we have to turn down all amendments for programs which have not been previously authorized. Many attractive amendments will be offered to help this or that group but unless they have been authorized, they must be rejected. I think we have to be able to stand up and bite the bullet and say no to these amendments if the budget process is to work.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I merely wish to put a question to my chairman. If the additional funds requested are for new programs and further expansion of existing programs would it not be under the regular budget procedure that if these programs are acted favorably on in committee, they could then be considered at the time of the second budget resolution?

Mr. ADAMS. That is correct.

Mr. MITCHELL of Maryland. Am I right in assuming then, Mr. Chairman, that any action we take today does not preclude the possibility of these programs being considered later on when we consider the second budget resolution?

Mr. ADAMS. That is correct. No point of order would lie against such legislation. If money is appropriated, then when we come to the second resolution they will be added.

Mr. MITCHELL of Maryland. I thank the gentleman.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, the chairman of the committee indicated that in his total figures that will be including the $1.2 billion of the Wright amendment now, there are sufficient funds for legislation already passed. I draw the gentleman's attention to the fact that we passed in this House, over my opposition, a bill which included extending benefits from 36 months to 45 months in entitlement for GI benefits.

In talking to the committee, I understood from the staff that there is, $72 million in the gentleman's target figure for that extension from 36 months to 45 months, except that the total cost is some $125 million for that benefit. The reason that the $72 million figure is in the gentleman's figure is that it is contingent upon the Senate agreeing to termination of GI education.

The CHAIRMAN. The time of the gentleman from Washington has expired.

(On request of Mr. EDGAR and by unanimous consent Mr. ADAMS was allowed to proceed for 2 additional minutes.)

Mr. ADAMS. Let me explain to the gentleman the way the budget process works again for particular line items. There is $200 million of potential savings in the veterans area that have been brought to the attention of the Budget Committee, both from the Veterans' Committee and from the administration. If this amount of money is saved, that money can be used for new initiatives.

We have left it to the Veterans' Committee to live within the total target for veterans. We feel that the figure that is in the resolution, plus this $1.2 billion for cost-of-living increases, is ample.

Mr. WOLFF. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. I thank the gentleman for yielding.

The gentleman has said that the veterans' organizations have approved the $1.2 billion and have not supported the idea of additional sums. I show the gentleman a letter from the American Legion, which I read from before, which shows that they very strongly support the idea of the additional funds that I have requested in my amendment.

In addition to that, in answer to the request for new initiatives, what is the gentleman talking about when he talks about new initiatives? What is being requested is money that is required, not for new initiatives. There is a requirement to meet these needs now. We are cutting the program to render hospital care for veterans and cemeteries for veterans interment by $193 million. These are not new initiatives. Money is being cut from programs that are already in existence.

Is the gentleman going to stand there and say that this is a new initiative? This is money that is needed to continue existing programs.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Texas (Mr. ROBERTS).

Mr. ROBERTS. I thank the gentleman for yielding.

Mr. Chairman, I must reluctantly rise in opposition to the amendment offered by my distinguished colleague.

Mr. HAMMERSCHMIDT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Texas (Mr. WRIGHT), a distinguished member of the Committee on the Budget, and I rise in strong opposition to the amendment offered by the gentleman from New York (Mr. WOLFF).

The Wright amendment, Mr. Chairman, as has been discussed here earlier, will add $1.2 billion in new budget authority and outlays to the major functional category identified in House Concurrent Resolution 611 as Veterans Benefits and Services. With this amendment, should it be approved, the needed cost-of-living increases in service-connected disability compensation payments to veterans and dependency and indemnity compensation for survivors can be authorized. I am certain that other Members have felt a ground swell of public opinion expressed in recent correspondence from veterans on this subject.

This amendment will also provide a modest increase in educational allowances.

Additionally, Mr. Chairman, the funds sought by this amendment will permit us to continue the pension program at the rate and income levels authorized by Public Law 94-169 that became effective at the beginning of this year. Members will recall that the other body amended the pension bill last year to terminate its provisions on September 30 of this year. If there is no action taken by this Congress prior to that date, the pension program will roll back to its 1975 rates and income levels, and as our distinguished chairman of the Committee on Veterans' Affairs has said, it will take thousands of pensioners off of the payrolls or have their pensions reduced. We cannot allow this to happen.

Finally, Mr. Chairman, this amendment offered by the gentleman from Texas (Mr. WRIGHT) will permit us to provide cost-of-living adjustments in monthly payments to those pensioners who are, for the most part, older veterans.

Mr. Chairman, the Wright amendment is essential. The Committee on the Budget, in the report accompanying this measure, recognized the need for this amendment when it cited the $1.2 billion veterans' cost-of-living increase. It says, and I quote from this report:

> In order to encourage more realistic budgeting, the committee has not included this amount in its recommendations. Of course, this increase will be provided and should be provided.

That is in the committee report.

And the report went on to say:

> Consequently, the committee requests a formal budget amendment for $1.2 billion in this area. If such an amendment is released, it can be added to the resolution during floor consideration.

Which, of course, is what we are doing under the proposal offered by the gentleman from Texas (Mr. WRIGHT).

Mr. Chairman, I appreciate this expression of support from the Committee on the Budget. Believing as they do, however, it is most unfortunate that the Budget Committee did not go one step further and add the funds to the resolution. The new budget procedure gives the Congress the opportunity to develop a realistic budget. We have the responsibility for appropriating funds, and we do not have to wait for permission from OMB or the President.

I am delighted, Mr. Chairman, that the gentleman from Texas, a member of that committee, has offered this amendment to the resolution, and I hope all Members will support it.

Mr. Chairman, I also want to rise in strong opposition to the amendment offered by the gentleman from New York (Mr. WOLFF).

I can appreciate the zeal of the gentleman from New York (Mr. WOLFF) in attempting to obtain additional funds for veterans' benefits, but I would agree strongly with the distinguished chairman of the Subcommittee on Education and Training of the Committee on Veterans' Affairs, the gentleman from Texas (Mr. TEAGUE), and I associate myself as well with the remarks of the chairman of the Committee on the Budget, the gentleman from Washington (Mr. ADAMS). I must call to the attention of the House, however, the fact that we are considering funds in the amount of $1.2 billion for the cost-of-living increases in veterans' benefits.

If we are to exercise any degree of fiscal responsibility, then we must act with restraint. We should vote up the Wright amendment, and we should vote down the Wolff amendment.

Mr. HARSHA. Mr. Chairman, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from Ohio.

Mr. HARSHA. Mr. Chairman, I rise to express my strong support of the amendment which has been offered to House Concurrent Resolution 611 to increase the budget authority by $1.2 billion to provide for cost-of-living increases for all veterans' entitlement programs.

I was most distressed when I learned provision for such increases was not included in the President's budget or provided for in the budget resolution we are now considering.

Funds to provide for automatic cost-of-living increases in other entitlement programs which are indexed by law to the cost of living were included in the budget. However, increases in pension, compensation, and educational benefits for our veterans are not automatic and, apparently because of this, were omitted. This has led untold thousands of our veterans to believe they have been forgotten.

There can be no question about the urgent need for increases in these programs if our veterans, their dependents, and their survivors are to keep up with the ever-increasing cost of living, and this need has been recognized by the members of both the Veterans' Affairs Committee and the Budget Committee. As you know, the Veterans' Committee requested the inclusion of $1.2 billion for this purpose in the budget authorization, and the members of the Budget Committee urged the President to submit a budget amendment to fund these increases. However, the administration has not proposed such an amendment, and the committee did not include the required funds in House Concurrent Resolution 611.

I can think of no group of people more deserving of our consideration than our veterans. Through their devotion and service to our Nation, they have more than earned the right to benefit from the various VA entitlement programs. To penalize them by excluding them from receiving even a minimal increase in their benefits while other elements of our society are benefiting from automatic cost-of-living raises would be a cruel and callous action.

I have long supported efforts to reduce the Federal budget and to eliminate all possible instances of waste and unessential spending. However, in our efforts to effect economies, we must not forget the great debt we owe our veterans. While I am convinced funding for many programs could be—and probably should be—substantially reduced, this is not the case with our veterans' entitlement programs. Our failure to provide for a cost-of-living increase in these benefits would cause extreme hardship for many thousands of veterans and their families. I strongly urge you to overwhelmingly approve this amendment so that we can clearly demonstrate to our veterans that they have not been forgotten by the Nation which they served so unselfishly and so devotedly.

Mr. WOLFF. Mr. Chairman, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from New York.

Mr. WOLFF. Mr. Chairman, what does the gentleman suggest we do with these veterans who are in school now and who are not funded and for whom we have added the 36 to 45 months of training? What does he suggest we do now with those veterans? The money is not in this portion of the bill.

Mr. HAMMERSCHMIDT. Mr. Chairman, I would respectfully disagree with the gentleman. In fact, I believe there is proper budgeting authority for the Committee on Appropriations to act and fund the program.

Mr. WOLFF. Mr. Chairman, will the gentleman show me where these funds are contained in the budget report?

Mr. HAMMERSCHMIDT. Is the gentleman referring to increasing the benefits to graduate students? Is that what he is referring to?

The CHAIRMAN. The time of the gentleman from Arkansas (Mr. HAMMERSCHMIDT) has expired.

(On request of Mr. WOLFF and by unanimous consent, Mr. HAMMERSCHMIDT was allowed to proceed for 2 additional minutes.)

Mr. HAMMERSCHMIDT. Mr. Chairman, is the gentleman referring, when he speaks of the increase from 36 to 45 months, to accommodating graduate students?

Mr. WOLFF. Mr. Chairman, if the gentleman will yield further, I refer to both graduate and undergraduate students.

Mr. HAMMERSCHMIDT. Mr. Chairman, as the gentleman knows, legislation to provide 45 months of education for veterans who are graduate students is awaiting action in the Senate. We have passed it in the House, but as of now authorization action that would then require an appropriation has not been completed.

Mr. WOLFF. What happens if it is passed in the Senate?

Mr. HAMMERSCHMIDT. We would have to make the necessary adjustment through the second budget resolution.

Mr. WOLFF. Then we would not now have the funds for those young men and women in school for the purpose of continuing their education?

Mr. HAMMERSCHMIDT. Mr. Chairman, let me respond to that very quickly. As I understand this new budget authority under which we are operating, we will speak to that issue in the second budget resolution of this Congress when the legislative authorization has been finally approved.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from Texas.

Mr. TEAGUE. Mr. Chairman, the money the gentleman is talking about has been authorized, and never in my 29 years in this Congress has a Committee on Appropriations ever refused to appropriate a penny for veterans that our committee authorized. I have no doubt that the money will be there to pay for this, as we have already authorized it.

Mr. WOLFF. Mr. Chairman, will the gentleman yield further?

Mr. HAMMERSCHMIDT. I yield to the gentleman from New York.

Mr. WOLFF. Mr. Chairman, could the chairman of the Committee on the Budget tell us if this money is in the budget?

Mr. ADAMS. Mr. Chairman, if the gentleman from Arkansas will yield, the money is available for what has been authorized, but as the gentleman from Arkansas (Mr. HAMMERSCHMIDT) points out, the amount of money that we are talking about in the other area has not been authorized. That has not been signed into law yet. It is pending over in the Senate.

Mr. WOLFF. But, as I understand it, the 36- to 45-month authorization has already been passed here on this side?

Mr. HAMMERSCHMIDT. Yes, it has been passed, and it is also authorized. There are funds available for undergraduate students for the 45 months.

Mr. WOLFF. Not 45 months but 36 months?

Mr. HAMMERSCHMIDT. No, I mean for 45 months.

Mr. Chairman, I yield back the balance of my time.

Mr. ROBERTS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I reluctantly rise in opposition to the amendment proposed by my distinguished colleague from New York (Mr. WOLFF), a ranking member of our committee.

It is true that even if we succeed in getting the $1.2 billion, it will be about $200 million less than our committee recommended to the Committee on the Budget. Nevertheless, it will allow the Committee on Veterans' Affairs to proceed with what I consider to be the major priority items. Of course we will be unable to recommend any major new initiatives this session. I regret that the deficit situation is such that we may have to delay some of our plans until next year, but we must provide cost-of-living increases this year.

We have passed and sent to the other body a bill, H.R. 9576, to extend the entitlement from 36 to 45 months for all eligible veterans. This provision is estimated to cost about $124 million in fiscal year 1977. However, when the cost-saving provisions of that bill are taken into consideration, the net fiscal year cost for the additional entitlement is estimated to be about $72 million. Should the Senate enact the bill this year our committee will have to make the necessary adjustments to take care of the situation and I believe that we can. It must be remembered that the Senate concurrent resolution provides only $19.3 billion in outlays for veterans programs. If the amendment offered by the gentleman from Texas is adopted, which I support, the House resolution will target $19.4 billion for veterans benefits and services. Obviously the Senate committee as well as the House committee must make some hard decisions in deciding where the moneys allowed are going to be spent and in what amounts. Again, it is a question of priorities.

I will close by saying this, Mr. Chairman. Veterans throughout the country know where I stand on issues affecting their well-being. I left my campaign yesterday to be here today to support the major effort being made to get adequate targets established for veterans programs. My constituents, and I am sure they reflect the feelings of most citizens throughout the country, want Federal spending brought under control and I intend to carry out their wishes as best as I can. In doing so, I must decide what is adequate, and what is obtainable in taking care of our veterans' needs. I have concluded that $1.2 billion out of $1.4 billion we recommended is adequate and I shall oppose the gentleman's amendment for that reason. When one considers that during the last 10 years appropriations for veterans' benefits and services have increased over $11.4 billion, or 170 percent, I do not think we have to make excuses for what we have accomplished for our veterans and their dependents.

We must make this budget procedure work. I shall support the Budget Committee's position.

I hope the gentleman's amendment is rejected.

Mr. CONYERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I support the Wright amendment, but I think the Wolff amendment deserves a little bit closer consideration that it is being given.

Will all of the Members who are known friends of the veterans tell me what we should tell the veterans at Wayne State University in Detroit, some of them Vietnam veterans who have a 10-year limitation on their rights under the GI bill, who have been going to school evenings, and are now asking us to support this measure offered by the gentleman from New York (Mr. Wolff), or else they will not be able to go to school? Will all the friends of veterans please tell me what to do in this instance?

Do we want to tell them that they will get what they deserve on the second budget resolution? Should we advise them that we really like them a lot, but there are some other important considerations such as the most major increase in military spending in peacetime?

Mr. Chairman, I am suggesting that we go a little beyond just taking the beating that we are going to take on the Wolc amendment. I think my colleague, the gentleman from New York (Mr. Wolff), will concede that it is not going to win.

However, Mr. Chairman, I am going to do what my colleague, the gentleman from Ohio (Mr. Stokes), a member of the Committee on the Budget, said.

He said as follows:

> Again, I will acknowledge that I voted to move this resolution out of Committee but I will make every attempt on the Floor of the House to insure that we maximize the resources that directly influence the minorities, the poor, and the disadvantaged people of this country.

I think he should have added "working people."

Mr. Chairman, I will say this to all of the Members who think that we cannot support the budget process if we vote against the budget resolution: They had better understand how this legislative process works.

There are only two things we can do with a budget resolution. We can vote it up or we can vote it down. If we vote it down, it does not mean that we are against the budgetary process in the Congress. It means that we do not like what went into the budget.

Therefore, Mr. Chairman, as to all of those who keep saying that if we love the budgetary process, please vote for anything that comes along in the budget resolution, I think they are very seriously mistaken, because the only way that we are going to deal with the problems that are treated with in the Wolff amendment is to approve the inexcusable increase in these military benefits. The fact is that we ought to be committed to domestic programs in the years ahead.

Members of the committee, I know that it is very hard to approach this problem. The resolution will pass or fail by one or two votes, but the only way the majority party is going to be able to adopt something different from the President's budget is, yes, to join with those who want to sink it and identify with those who desire that it go back to the committee.

Here is a very interesting point. Some tell me, "But, my dear colleague, if you do that, the Budget Committee on the next round will then come out with the President's budget." Well, if it does, and this is a 2-to-1 majority Congress, then I would think that that is something that the American people ought to take note of.

Mr. WOLFF. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield at this point to the author of the amendment, the gentleman from New York (Mr. Wolff).

Mr. WOLFF. Mr. Chairman, I thank the gentleman for yielding to me and for the gentleman's support.

I would like to add one or two matters, and one is that the VA medical system has been absorbing 1 million additional outpatient visits more than they have had in the past, and this represents an increase of 10 percent. This need is unfunded and it will remain unfunded until or unless we give them the additional money. The budget is down this year, I repeat, $198 million for hospital programs alone—$198 million from last year. And that is what the present budget looks to.

Mr. DOWNEY of New York. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from New York.

Mr. DOWNEY of New York. Mr. Chairman, I thank the gentleman for yielding, and I will be quite brief.

The gentleman from Michigan at the outset of his remarks said that he was concerned about the number of veterans who will be losing their educational benefits. I intend to support the Wolff amendment, but I think the gentleman from Michigan should consider the Edgar substitute which will presently be offered as a substitute for the Wright perfecting amendment, the Edgar substitute would extent to 563,000 veterans of America who, on May 31 will have their educational benefits removed, the right to complete their education. The Wolff amendment does not deal with that, the Edgar substitute does that.

Mr. CONYERS. Mr. Chairman, I would like to take the remainder of the time to discuss the Holtzman amendment which will be coming up soon, which will attempt to partly rectify the outrageous situation in which this body is being called upon to commit American taxpayers in the coming years to hundreds of billions of dollars of wasteful expenditures on unnecessary weapons.

The CHAIRMAN. The time of the gentleman has expired.

AMENDMENT OFFERED BY MR. EDGAR AS A SUBSTITUTE FOR THE PERFECTING AMENDMENT OFFERED BY MR. WRIGHT

Mr. EDGAR. Mr. Chairman, I offer an amendment as a substitute for the perfecting amendment.

The Clerk read as follows:

> Amendment offered by Mr. Edgar as a substitute for the perfecting amendment offered by Mr. Wright: Strike out "$19,365,000,000" and insert in lieu thereof "$19,975,000,000". (Page 4, line 4.)
>
> Strike out "$453,461,000,000" and insert in lieu thereof "$454,071,000,000. (Page 1, line 11.)
>
> Strike out "$414,825,000,000" and insert in lieu thereof "$415,435,000,000". (Page 2, line 2.)
>
> Strike out "$19,849,000,000" and insert in lieu thereof "$20,459,000,000". (Page 4, line 3.)

Mr. EDGAR. Mr. Chairman, we are in a very confusing parliamentary situation with this new budget process. I would like to do several things. First, I would like to commend the chairman of the Committee on the Budget for bringing to us a budget resolution which includes many, many facets of the Federal budget. I appreciate the fact that this was a difficult task. I would also like to commend the Committee on Veterans' Affairs for their efforts in advancing a figure for authorizations and outlays which it believes is adequate for the veterans. Also I particularly would like to commend the gentleman from Texas (Mr. Wright) for offering his amendment for $1.2 billion, which covers pensions, compensation, and education cost-of-living increases. But I would also like to clarify for the House what my amendment that I am offering will do.

My amendment, offered as a substitute for the Wright amendment, accepts the provision in the Wright amendment of $1.2 billion for pensions, compensation, and education cost of living. It adds an additional amount of money of $610 million primarily for the purpose of an extension of the delimiting date.

While I commend the gentleman from New York (Mr. Wolff) for his $700 million amendment, I believe that it is more appropriate for us to look at a more realistic figure that zeroes in on a specific issue.

I point out to my colleagues that over 100 Members have either introduced or cosponsored legislation to extend the 10-year delimiting date from May 31 for 2 years, for 5 years, or indefinitely, so that veterans can use their 36 months of entitlement. All of us who voted in the fall to extend the benefits from 36 to 45 months recognized that GI educational programs are a valuable asset to our economy. All of us recognize the fact that GI educational programs give veterans an opportunity to readjust themselves and to make some sense out of their lives. We all recognize the fact that we are getting a payback for better jobs and better opportunities for salaries that many veterans have.

We must recognize that many minority members of our society who found themselves coming out of the early Vietnam war getting inadequate jobs to support their families, who found themselves being laid off in 1971 and 1972 and 1973, find themselves in the midst of an educational experience where they are within 1 year of completion of that degree. Yet because the House 2 years ago set an arbitrary date of 10 years, we now find ourselves coming upon the expiration of this 10-year period for many of these veterans. These veterans are going to lose their benefits without corrective legislation.

Our studies indicate that some 563,000 veterans are going to be terminated as of May 31. These are the veterans who received their benefits retroactively and are classified in the category from 1956 to 1966. Starting on June 1, June 2, and June 3 additional veterans who were terminated from service 10 years ago will begin to lose their benefits.

Mr. Chairman, our subcommittee chairman of the Subcommittee on Education and Training, the gentleman from Texas (Mr. TEAGUE), has graciously consented to have public hearings in May to discuss this important issue. Unfortunately, if the figure of $610 million is not included even for a partial extension of that delimiting date now, it would probably be fruitless for us to move on this issue further. We need now some sign from the House that we are willing not only to cosponsor legislation but go on record as saying that we care about the extension of GI benefits beyond May 31.

Mr. DOWNEY of New York. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from New York.

Mr. DOWNEY of New York. I thank the gentleman for yielding.

I commend the gentleman. I am going to support his substitute. I think it is important for the House to understand, since there are persuasive arguments against this, not only budgetary arguments but precedential arguments, that World War II veterans had a 8-year period of time, and the Korean veterans had a 9-year period of time in which to take advantage of their veterans' benefits. But I think one of the things the House should understand is that society has changed very much, and because of the economic dislocation that has occurred in our society, many veterans who have been unemployed have had an opportunity recently—and I am talking about veterans from 1956 to 1966—to go to college now with the opportunity of retraining themselves for different jobs.

As the gentleman has so aptly pointed out, the money that we invest today is certainly given back to the Federal Treasury by individuals who have better educational opportunities and better jobs.

In my district alone, for instance, we have had hundreds and hundreds of letters from veterans who have decided to go to school as a result of their unemployment and who are looking for greater educational opportunities.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. EDGAR was allowed to proceed for 2 additional minutes.)

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Texas.

Mr. TEAGUE. I thank the gentleman for yielding.

Will the gentleman tell the House the stand of the veterans organizations—the VFW and others—on this amendment?

Mr. EDGAR. There is not substantial support among the major veterans organizations. There is, however, substantial support among the Vietnam-era veterans organizations. There is substantial support among the young veterans who find themselves using the GI program—and by "younger" I mean 35 or 36 years old, 40 years old, who still have entitlement accruing to them. If it were not for this arbitrary date of 10 years, they would be able to complete their last year or their last 6 months of entitlement.

What I am suggesting by the $610 million figure is not to simply open the door and say to all the veterans, "Over a period of time all of you get opportunities."

What I am suggesting is a very narrow thing. For example, if we were to provide for every veteran an extension of benefits, it would go on to $1.1 or $1.2 billion. What I am suggesting is for those veterans presently enrolled who are about to complete their program, who are arbitrarily going to be terminated on May 31 and beyond, we ought to have the creativity to develop legislation to respond to that urgent need right now.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for yielding.

I commend the gentleman for his remarks and I wish to express my strong support for the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR) to provide the budget authority for an extension of the time limit within which programs of education for veterans must be completed.

As we are all aware, many veterans stand to lose their benefits as of May 31, if the time limit is not extended or removed. This would present a severe hardship to those veterans who have not yet completed their studies, a hardship they surely do not deserve.

I cannot see any valid reason to impose a time limit on use of these benefits. Some may argue that the May 31 cutoff date has provided a generous enough timeframe within which to complete programs of higher education. However, I would remind my colleagues that not every veteran is ready or able to begin further education at the time of his or her separation from service. For the many veterans who found it necessary to first go out and work for a number of years, I feel it is indeed discriminatory to deny them the opportunity to complete their studies.

I believe that the veterans education program is one of the most successful Government programs we have. Many veterans have used their benefits to obtain the education needed for better employment opportunities and, consequently, a higher standard of living for themselves and their families. The GI bill has started many a veteran on the road to success, but there are still thousands more who served their country in times of war or during the cold war period who want that chance for a better life.

I have received countless letters from veterans in California's 18th District urging my help in extending or eliminating the time limit, and I am more than happy to provide that assistance. These letters are from earnest, hard-working individuals who want the chance to finish what they have started. I have always felt that those who gave their time to the service of their country deserve special recognition and thanks for the effort. This is one chance we have to show our appreciation and I ask that we do it by supporting the Edgar amendment.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I, too, wish to commend the gentleman for bringing to our attention an area which needs our concern and I will support the gentleman's amendment because it is constructed to deal with a problem which is confined to a relatively narrow group of people. I think it deserves support.

Mr. EDGAR. I thank the gentleman.

Mr. HAMMERSCHMIDT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR) as a substitute for the amendment offered by the gentleman from Texas (Mr. WRIGHT).

Mr. Chairman, I rise in opposition to this substitute to the Wright amendment that will increase the budget targets to provide for funding an extension of the 10-year period during which Veterans' Administration educational benefits must be used. I think it should be remembered that the provisions of current law on this subject are more liberal than those of earlier GI bills, and the Veterans' Affairs Committee did not recommend funds for an extension in the March 15 report to the Budget Committee.

It should be realized that the GI education program was initially, and remains today, a short-term readjustment benefit designed to place veterans on par with their counterparts who did not serve and to assist veterans in their assimilation into civilian life. A comparison of entitlements under previous programs illustrates the more liberal nature of today's law. World War II veterans were allowed 9 years after their release to utilize their benefits, providing they began their training within 4 years after discharge. The Korean conflict veterans were allowed 3 years to begin their educational program after discharge, with 8 years of eligibility from the date of discharge.

Veterans of the cold war, those who served between February 1, 1955, and August 4, 1964, and Vietnam era veterans, those who served after August 4, 1964, were allowed 8 years after discharge or until May 31, 1974, whichever occurred later. There is no requirement in current law for initiating an educational program within a certain period of time after discharge. In 1974, a 2-year extension on the 8-year delimiting date was authorized and the May 31, 1976, termination date was enacted. This action resulted in cold war and Vietnam era veterans having a longer period of time to utilize their GI benefits than did veterans under earlier GI bills.

Prior to submitting it's recommendations to the Budget Committee for fiscal year 1977 funding, the Veterans' Affairs Committee approved it's budget estimates. There were no recommendations contained in that report for funding an extension of the delimiting date. Thus, as in the past, a majority of the members of the committee continue to feel that the Veterans' Administration educational assistance program is a readjustment benefit, and not a life-long benefit.

I am not certain which one of the several pending delimiting date extension proposals the gentleman proposes to fund under this amendment. The most conservative amendment pending before the Veterans' Affairs Committee is estimated to cost approximately $566 million.

However, only the 563,000 veterans who are enrolled in the spring semester and whose delimiting date is May 31, 1976, would be allowed to utilize the extension under this proposal. The inequity in this is best illustrated by the fact that it would help only 563,000 of the total 3.7 million veterans who will lose their eligibility on May 31, 1976. It would seem quite inequitable to only allow benefits for those veterans enrolled in the spring semester, while forgetting over 3 million veterans whose eligibility also expires on May 31, 1976, but who happen not to be enrolled at that time.

Any proposal to extend the benefits that would be more equitable by allowing all eligible veterans to take advantage of the extension over a 2-year period would cost approximately $2.5 billion, or $9.4 billion over a 5-year period. Thus, as is quite evident, the costs for this program skyrocket when the proposal is made fair and equitable to all veterans concerned.

It is also interesting to note that nearly 76 percent of the veterans eligible for this extension would be age 35 years or older, mainly because these are veterans who were discharged between January 31, 1955, and May 31, 1966. An extension to this group alone would thus go beyond the principle of readjustment benefits.

Therefore, Mr. Chairman, in efforts to keep the budget within realistic parameters, I would suggest that this is an area in which the Congress has been most generous in creating the current law. Although further extensions would provide a generous and helping hand to some veterans, we must realize our Government cannot continue extending programs which have fulfilled their intended function. Therefore, Mr. Chairman, I urge the rejection of the amendment.

The CHAIRMAN. The time of the gentleman from Arkansas (Mr. HAMMERSCHMIDT) has expired.

(By unanimous consent, Mr. HAMMERSCHMIDT was allowed to proceed for 2 additional minutes.)

Mr. HAMMERSCHMIDT. Mr. Chairman, let me direct these inquiries to the distinguished chairman of the Committee on Veterans' Affairs. Does the proposal for an extension of training time, which I understand would cost in excess of $600 million the first year, include all veterans?

Mr. ROBERTS. Mr. Chairman, if the gentleman will yield, if I understand the proposal, the only persons who would immediately benefit would be about 400,000 peacetime veterans that served between Korea and Vietnam. Seventy-five percent of these individuals are over 35 years old. Many are retired military and they have already had 10 years to do their training. Bona fide Vietnam veterans would not benefit from this legislation but, of course, this is a foot in the door and the same group that is pushing this amendment will be right back here urging extension for the Vietnam groups as their time is expiring over the next few years; and when that step is taken, as it probably would be as a matter of simple equity, it will cost several billion dollars. So, make no mistake about it. We are not talking about $500 or $600 million; we are committing ourselves to sums up to $2 billion in the next 3 to 4 years and maybe more.

Mr. HAMMERSCHMIDT. Mr. Chairman, what is the position of the National Veterans' Organizations on this proposal to extend training time for peacetime veterans?

Mr. ROBERTS. The major veterans' organizations—the American Legion, Veterans of Foreign Wars, and Disabled American Veterans—all oppose the extension. They have stated their opposition on two basic points: The current group of veterans has had 10 years in which to obtain their training, which is greater than the time allowed either World War II or Korean veterans. The veterans' organizations have stated their belief that there are higher and more important priorities for spending funds in veterans' programs than a further extension of education which, in fact, is nothing more than a perpetual aid-to-education program.

The letters referred to are as follows:

DISABLED AMERICAN VETERANS,
Washington, D.C., April 26, 1976.

HON. RAY ROBERTS,
Chairman, Committee on Veterans' Affairs, Washington, D.C.

DEAR CHAIRMAN ROBERTS: The Disabled American Veterans is greatly disturbed over the fact that the First Concurrent Resolution on the Budget specifically excluded necessary funding for cost-of-living increases in service-connected disability and death benefits for the nation's 2.4 million disabled veterans, their dependents and survivors.

We therefore commend you for your efforts to rectify this glaring injustice and we strongly support your amendment to H. Con. Res. 611 which would provide an additional $1.2 billion for veterans benefits and services.

We sincerely regret, however, that in view of the present budgetary restraints, we are forced to oppose any further extension of the delimiting date for G.I. Bill educational benefits.

As you know, the present delimiting date was previously extended from eight to ten years by Public Law 93–337, and the underlying purpose of the Veterans Educational Assistance Program was to help veterans in their readjustment from military to civilian life, by affording them monetary assistance in obtaining the educational status they might normally have attained, had they not served their Country in time of National emergency.

It was never intended that the Educational Assistance Program would be a continuing benefit, and in the opinion of the DAV, the current ten year delimiting date provides an adequate period of time for these able-bodied veterans to accomplish their readjustment to civilian life.

We therefore believe that priorities must be established and the funds that such an extension would cost could be better spent on needed improvements in medical benefits for the Veterans Administrations primary beneficiaries—veterans with service-connected disabilities.

Sincerely yours,
CHARLES L. HUBER,
National Director of Legislation.

THE AMERICAN LEGION,
Washington, D.C., April 26, 1976.

HON. RAY ROBERTS,
Chairman, House Committee on Veterans' Affairs, Washington, D.C.

DEAR CHAIRMAN ROBERTS: Enclosed is a copy of my letter to the Honorable Robert W. Edgar on the subject of proposals to extend beyond 10 years the delimiting date for veterans to complete their courses of education or training under Chap. 34 of title 38, U.S.C.

At a time when veterans benefit programs are keenly competing for the budget dollar simply to maintain a balance with cost of living increases due to inflation, we do not believe that a costly extension of the existing 10-year period for veterans to complete their education and training programs can be justified.

Your continued concern for our nation's war veterans is appreciated.

Sincerely,
MYLIO S. KRAJA,
Director,
National Legislative Commission.

VETERANS OF FOREIGN WARS,
OF THE UNITED STATES,
Washington, D.C., April 28, 1976.

HON. RAY ROBERTS,
Chairman, Veterans' Affairs Committee,
Washington, D.C.

MY DEAR MR. CHAIRMAN: This is to advise that the Veterans of Foreign Wars of the United States opposes any amendment to House Concurrent Resolution 611 which would appropriate funds to extend the ten-year delimiting period for educational assistance under Chapter 34, Title 38 of the United States Code.

The Veterans of Foreign Wars has worked diligently over the years in shaping and improving the three GI Bills. Our objective has been and continues to be seeking equal benefits for veterans of all wars and periods of hostility. The current GI Bill is more liberal than previous bills, and there is no tenable justification for any further extension thereof.

With best wishes and kind personal regards, I am

Sincerely,
THOMAS C. "PETE" WALKER,
Commander-in-Chief.

Mr. HAMMERSCHMIDT. Mr. Chairman, I appreciate the response of the distinguished committee chairman.

Mr. ADAMS. Mr. Chairman, I ask unanimous consent that all debate on the Wright perfecting amendment and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will be recognized for approximately 1 minute and 40 seconds each.

The Chair recognizes the gentlewoman from Massachusetts (Mrs. Heckler).

Mrs. HECKLER of Massachusetts. Mr. Chairman, I rise in support of this amendment. Before addressing the issue, I wish to commend the distinguished gentleman from Texas (Mr. Roberts) the chairman of the Committee on Veterans' Affairs. Although he and I do not always agree on every issue, I respect his leadership and am pleased to be one of his colleagues on the committee.

Two years ago, in the 93d Congress, I was the author of an amendment in the Veterans' Affairs Committee to extend the delimiting period for 4 years, from 8 to 12 years. In the committee procedure, with an honest difference of opinion, the committee sought and succeeded in setting the period at 10 years.

I think at this point we are still considering how long the GI bill should be functional for the Vietnam era veteran. In support of the Edgar amendment, let me say that I think there is a significant difference between the level of benefits received by the veterans of World War II and Korea, and the level of benefits received by Vietnam era veterans.

For many years after the onset of the Vietnam conflict, the level of benefits was exceedingly low, and it was not really until the 93d Congress that the level of benefits was increased sufficiently to attract a significant number of veterans into the program. Those veterans who were attracted 2 years ago found, finally, that their veterans' benefits would cover the costs of their tuition, but they also learned that they would only have 2 years' worth of education.

The question before this Congress is whether or not we really want them to complete their education. In my view, it would be fiscally wasteful, rather than fiscally responsible, to withdraw educational assistance from the nearly one-half million veterans who are enrolled in the program. If we refuse to approve the funds for extension, we will force many of these veterans to become college dropouts—an outcome which I find unconscionable. I urge my colleagues to approve funds for extension, in order to allow full review of the numerous bills to eliminate or extend the delimiting period which are now pending before this Congress. Otherwise, hearings on this issue, scheduled tentatively for mid-May, will be in vain. Let us resolve to deal with the issue—to meet the educational needs of hundreds of thousands of veterans who will be abandoned on May 31—by authorizing funds for the VA budget today.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. Bedell).

Mr. BEDELL. Mr. Chairman, I would like to get something very clear. Is it correct that this amendment would only apply to those who are now in their educational benefits, and would only give them an opportunity to finish their education? Because, apparently, there is misunderstanding on the floor.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding to me.

That is essentially correct. The amount of money, $610 million, is only sufficient to give us the figures for those presently enrolled. I draw the gentleman's attention to a document I received that was sent from the Veterans' Administration. It indicates that if we have all those presently enrolled or funded for 1977, the cost would be $609.7 million. This is a document that I received this past week, April 20, 1976.

It would cover some 563,000 veterans who would be eligible, about 480,000 of which would take advantage of it and would accelerate their program and would keep that program within the period of the entitlement of this $610 million.

Mr. BEDELL. The answer is, yes, it is for those people who are presently in the program, to enable them to finish their education, is that correct?

Mr. EDGAR. That is correct. The committee would have to design legislation directed only to those presently enrolled, because if it were to be extended beyond that, it would cost $1.1 billion or $1.2 billion.

AMENDMENT OFFERED BY MR. GILMAN TO THE AMENDMENT OFFERED BY MR. EDGAR AS A SUBSTITUTE FOR THE PERFECTING AMENDMENT OFFERED BY MR. WRIGHT

Mr. GILMAN. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the perfecting amendment.

The Clerk read as follows:

Amendment offered by Mr. Gilman to the amendment offered by Mr. Edgar as a substitute for the perfecting amendment offered by Mr. Wright: In section 2(11) (relating to veterans benefits and services), strike out "$19,849,000,000" and "$19,365,000,000" and insert in lieu thereof "$20,584,000,000" and "$20,100,000,000", respectively.

Mr. GILMAN (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. ADAMS. Mr. Chairman, reserving the right to object, I will not object if the gentleman is going to explain his amendment, because we have no idea what it is.

Mr. GILMAN. Mr. Chairman, I will be pleased to explain the amendment.

Mr. ADAMS. Mr. Chairman, with that assurance I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Gilman).

Mr. GILMAN. Mr. Chairman, my amendment, simply stated, combines the Wolff amendment with the Edgar amendment, providing both educational benefits and medical benefits for our Nation's veterans.

I do not think this body should be placed in the unfortunate position of having to choose which is more important, medical care or educational opportunities for veterans. Both are extremely important. I ask this body to bear in mind what our objective is, to compensate them for the sacrifices that they have made in serving their Nation, to make up for their time lost, to provide them the medical care and attention that they need, to provide them the educational opportunities that they missed—that they need and deserve.

Mr. Chairman, by combining both of these amendments, we will take care of all of these vital needs.

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from Washington (Mr. Adams).

Mr. ADAMS. I thank the gentleman for yielding.

The Wright amendment has $1.2 billion; the Edgar amendment has $600 million; the Wolff amendment was $700 million. That, in my opinion, comes to $2.5 billion.

Is that the gentleman's amendment?

Mr. GILMAN. Adding these two measures to the Wright amendment would amount to that total, yes, sir. But bear in mind that there already is agreement on the $1.2 billion. My amendment would add $1.3 billion.

These are funds that are urgently needed for maintaining the bare minimum for medical care, hospital construction, and medical facilities.

With regard to veterans' educational assistance benefits, I have previously sponsored legislation eliminating the time limitation for completing the veterans' educational program, and restoring educational assistance benefits to those veterans of World War II, the Korean conflict, and the Vietnam era whose entitlements have been terminated, because of family and career situations, which prevented them from availing themselves of such assistance.

Mr. Chairman, the issue before us is clear: If we can appropriate large expenditures for defense, then it is indefensible not to provide funds that are urgently needed to aid those who have sacrificed so much in defense of our Nation, especially our disabled. To do otherwise would be unconscionable. Those who have sacrificed so much look to us as their legislators to provide the necessary funds for medical care, for pensions, and for educational and job opportunities.

Our Nation has provided these brave men and women with the best of weapons and training to defend our homeland in times of war. Let us now, in this peace, provide these loyal veterans with first-rate assistance to assure that their educational, medical, and hospital needs are adequately administered. Limiting the funds to the level sought in House Concurrent Resolution 611 would severely impact our Nation's veterans' programs.

Mr. Chairman, in the interest of providing necessary and decent care for all our veterans, the healthy and the handicapped, I urge my colleagues to join with me in support of this amendment. Let us combine our efforts and our funds in order to insure proper assistance for these deserving men and women.

Mr. Chairman, I urge the support of this proposal.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Chairman, I would like to restate my position. I support the Wright amendment because it is right, and I oppose the Wolff amendment, the Edgar substitute, and the Gilman amendment.

Mr. Chairman, there is just so much money available for these programs. I serve as chairman of the Subcommittee on Compensation, Pension, and Insurance of the Committee on Veterans' Affairs. It is a matter of priority. Which priority do we want to give? I think there are many higher priorities than extending the GI educational bill. In my committee, we are having a problem with the World War II veteran who has his term life insurance of $10,000, and have been paying the premiums for years. As he gets older the premium goes up and he pays up to $60 or $70 a month. This is a high priority in that we have got to help these veterans on this insurance or they will lose the coverage. In my committee, we are considering legislation to help the World War I veterans. The average age of the World War I boys is 82 years and we have 1 million of them left. Of them, 100,000 a year are leaving us. I am sorry to give the Members these figures. Most of these courageous Americans will be gone in 10 years. They are entitled to live in dignity in their last few years. They are going to need aid and attendance. This is going to cost money. This is a much higher priority than trying to extend educational benefits. I wish we could help out all veterans but the line has to be drawn. The World War I veterans should be taken care of first. We ought to support the Wright amendment and defeat these other amendments.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Chairman, and members of the committee, a little over 100 years ago a European prince, in a letter to the young, advised them to go out into the world and find out what they need to survive and then come back and ask that the teachers teach them that.

That is what the Vietnam veterans are doing today.

I am sure most of my colleagues have been to community colleges and have been to junior colleges. That is where most of these veterans are. They have more of a sense of purpose in life than most students there. They have a sense of importance, in terms of education.

I urge my colleagues to take a look at this situation. It is not a question of whether or not we have austerity, because we are going to have austerity. But it is a question of who will bear the burden of that austerity. Will it be the poor and the sick and the elderly and the Vietnam-era veterans, or will it be some of the more wasteful policies, the type of bill that we passed earlier today on foreign aid?

I agree with the gentleman from Mississippi that the older veterans are important. But why, all of a sudden, do we have to choose between two important groups, the young Vietnam veterans and the older veterans?

The choice is between these young veterans or the wasteful boondoggle programs that we in the House do not scrutinize and question.

The veterans are hoping we chose them.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I rise in opposition to the Gilman amendment, in opposition to the Edgar substitute, in opposition to the Wolff amendment, and in support of the Wright amendment. The Wright amendment includes funds for cost-of-living increases already approved by our subcommittee for veterans entitlement programs.

I think the Gilman amendment and the Edgar substitute constitute a significant policy change in the philosophy underlying GI educational benefits. Educational benefits for veterans since their inception have always been viewed as a means to help a discharged veteran make a satisfactory readjustment to civilian life. The vast majority of these veterans were drafted into the military service and consequently suffered a serious disruption in their personal, academic, and career plans. The GI educational benefits were made possible for those who were conscripted to bear arms, and they were made available so that the veteran could make a readjustment to civilian life.

During World War II we gave the veterans 4 years to initiate their educational benefits program and 9 years to complete it; we gave the Korean veteran 3 years to initiate the program and 8 years to complete it. Present law provides no limitation on initiation and 10 years for completion. The Edgar amendment would basically only apply to veterans discharged between 1955 and 1966.

It seems to me that the availability of GI bill benefits is general knowledge among recently discharged veterans, and I feel that 10 years is an adequate time within which a veteran who needs additional education to readjust to civilian life can take advantage of that program. And I think that if this program is to be used as a recruitment incentive, the Department of Defense ought to administer the program.

I, therefore, urge defeat of the Gilman amendment, the Edgar substitute, the Wolff amendment, and I urge support of the Wright amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. SATTERFIELD).

Mr. SATTERFIELD. Mr. Chairman, I oppose the substitute amendment offered by the gentleman from Pennsylvania (Mr. EDGAR).

Mr. Chairman, it is my understanding that the chairman of the Subcommittee on Education, the distinguished gentleman from Texas (Mr. TEAGUE) has indicated to Mr. EDGAR that hearings would be scheduled next month on all pending proposals to extending GI educational benefits beyond the present expiration dates contained in the law.

Accordingly, it appears to me that Mr. EDGAR's amendment is very premature. There is no way that we can predetermine what final action might be taken on various extension proposals and put a sum of money in this resolution before the authorization process is completed.

I personally agree with Chairman ROBERTS' position—I am opposed to any further extension in GI education benefits for the reasons outlined by the distinguished chairman of the Committee on Veterans' Affairs and the distinguished Subcommittee on Education chairman, "TIGER" TEAGUE.

I am opposed to any extension because this legislation was originally designed as a readjustment benefit for those who entered the military service when our country was at war.

We are no longer engaged in a shooting war.

There is no more draft.

We now have an all voluntary military force—so there is no longer a need for such a readjustment benefit beyond that now provided by law which would be paid from the Veterans' Administration appropriation.

Mr. Chairman, there is another program in the Veterans' Administration which, in my opinion, has a second-to-none priority—namely, medical care of the sick and disabled veterans of our country who require treatment in VA's 171 hospitals and over 200 outpatient clinics located throughout our country.

The Veterans' Affairs Committee has closely examined the proposed administration appropriation request for VA medical care for fiscal year 1977.

We find the administration's appropriations request deficient in many areas.

We have made some very conservative recommendations to the Budget Committee in an effort to correct those deficiencies, which in our judgment, have the highest priorities.

I want to make it abundantly clear to my colleagues at this time that the Subcommittee on Hospitals of the House Veterans' Affairs Committee sought under $100 million in new legislative initiatives for fiscal year 1977. We have also identified and documented deficiencies in funding and staffing of various segments of the medical care program in which the President's appropriations request is inadequate.

For instance, the President's budget for fiscal year 1977 provides for no increase in outpatient staff workloads between those treated in fiscal year 1976 and those to be treated in fiscal year 1977. Yet, the Congress broadened the eligibility for the outpatient and ambulatory care programs in Public Law 93-82 to provide for diagnosis and treatment of veterans in an effort to "obviate the need for hospitalization." This broadened authority, plus the increased number of patients being treated in VA hospitals has resulted in the rapid growth of outpatient treatment. The number of visits during fiscal year 1976 will exceed the fiscal year 1977 budget level by almost 1 million visits. To control this growth rate and reduce the number of visits to the fiscal year 1977 stated level will result in fewer veterans being provided this form of care.

This was not the intent of Congress when this legislation was enacted.

To fund this program at an adequate level will require an additional $40 million to meet the workload increase projected into fiscal year 1977. The Veterans' Affairs Committee has so reported to the Committee on the Budget and requested funding.

Another example of the need for additional funding is that VA's Department of Medicine and Surgery will be required to activate new bed buildings at Phoenix, Ariz., and San Francisco, Calif., during fiscal year 1977. The new Los Angeles, Calif., and Loma Linda, Calif., VA Hospitals will be partially activated during fiscal year 1977, and the St. Albans Extended Care Hospital in New York will add an additional 114 nursing beds. More than 70 other new nonbed clinic facilities at existing hospitals will also require small numbers of additional personnel for their operations.

Also scheduled for activation are over 500 badly needed VA nursing home care beds at Manchester, Vt.; Castle Point, N.Y.; East Orange, N.J.; Wilmington, Del.; Biloxi, Miss., and Jackson, Miss. There is no additional funding provided in the President's appropriations request for this purpose. In other words, in order to activate these facilities, unless Congress provides additional funding, it will be necessary to rob staffing and funding from other areas of the hospitals where these facilities are located. The current facilities are already understaffed and thus, the problem will become a crisis.

Another example of underfunding in the President's 1977 appropriations request for the Veterans' Administration medical program is the need for additional staffing to meet the needs of an estimated 106,000 additional inpatients to be treated in 1977 over the 1976 budget level. The President's budget does not recognize that VA's Department of Medicine and Surgery took care of an increased number of inpatients treated above the budgeted level during fiscal year 1976. This has been accomplished as a result of increased turnover, fewer operating beds, and the payment of high rates of overtime pay in many instances. While the dedication of these medical personnel, mostly nurses, is gratifying, it is taking its toll on the personnel who are required to perform their responsibilities for many extra hours.

Mr. Chairman, I want to emphasize that because of the severe and critical overall budget crisis which exists, the committee refrained from recommending this year additional funding for inpatient hospital staffing for existing facilities, reserving its judgment as to whether this can be accomplished by the VA until the second concurrent budget resolution.

Additionally, we identified the need for an additional $37.6 million which is badly needed to pay for maintenance and repairs of equipment and facilities and replacement of obsolete equipment at many VA facilities—but again, because of the severe budget crisis, the committee refrained from seeking additional funding during the current fiscal year for this purpose.

Mr. Chairman, there is not one dime in the President's fiscal year 1977 appropriations request for hospital construction "new starts" or replacement of outdated facilities which the Veterans' Administration inherited shortly after World War II from the military. These facilities had a life expectancy when they were constructed of 10 to 15 years, and they are now over 30 years old. Some hospital facilities even date back to Teddy Roosevelt's time and are not air-conditioned.

Independent studies to replace some of these outmoded facilities were submitted to the Office of Management and Budget by the Administrator of Veterans' Affairs on April 1, 1976. The replacement facilities include Martinsburg, W. Va.; Richmond, Va.; Portland, Oreg./Vancouver, Wash.; Philadelphia/South New Jersey; Baltimore, Md.; Seattle, Wash.; Bay Pines, Fla.; and Little Rock, Ark.

The committee has deferred seeking funding during fiscal year 1977 for planning starts of any of the eight hospitals which I have mentioned until subcommittee hearings can be held with respect to each study.

Mr. Chairman, under any reasonable rationale, this is not the time to be expanding the eligibility for GI education benefits, which under Mr. EDGAR's proposals, would cost about one-half billion dollars in fiscal year 1977.

Mr. Chairman, the Congress would be breaking faith with the sick and disabled veterans of this country who need hospital and medical care if we add funding in this resolution for a proposal to expand eligibility for education at the expense of the VA medical program.

If the Congress is to approve one-half billion dollars in additional funds for the Veterans' Administration during fiscal year 1977, it is my judgment that our priorities rest first with funding the medical appropriation at a more realistic level. Certainly the needs of sick and disabled war veterans should take precedence over the demands of a group of peacetime veterans that want to go to school 10 or 15 years after being discharged.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY of New York. Mr. Chairman, all budgets pose questions on priorities. I think that is obvious to everyone who has been involved in the process.

Quite frankly, I wish that the Edgar amendment had gone further so that we could extend the education benefits to others so they could take advantage of this opportunity. The question here is whether or not we are going to say to those veterans who are in school and who are trying to better themselves, "Look, I am sorry, but we just do not consider you as one of our priorities. We do not consider the fact that you would like to get a better job because of the changing job market and the fact that you are unemployed and must be retrained to be one of our priorities."

I happen to think that would be one of the worst steps we could take we must provide these men and women the potential for better jobs and also provide educational opportunities for those men and women who have a desire to better themselves.

Therefore, Mr. Chairman, I rise in strong support of the Edgar subsitute, and I hope all the Members join with me and support the extension of veterans' educational benefits.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. HANNAFORD).

Mr. HANNAFORD. Mr. Chairman, the amendment offered by Mr. EDGAR is a reasonable and responsible correction to an unfortunate situation. It is reasonable because there has not been an adequate opportunity to review the 27 bills cosponsored by almost 100 Members providing for an extension of veterans' educational benefits. The hearings on these bills now scheduled for this summer will be meaningless if the budget authority to implement the extension of these benefits is not approved today. Only with the recognition accorded by inclusion in this budget resolution will this legislation receive the consideration it deserves.

Mr. Chairman, this amendment is also responsible. There is a considerable number of veterans in my district who will not be able to complete the educational curriculums they have already begun due to circumstances beyond their control. There is no doubt that these veterans are serious in their desire to achieve a higher education, for they are now enrolled in school. And it is because this amendment will extend benefits only to those veterans who are now in school that makes it equally responsible to the larger concerns embodied in the budget resolution. This amendment exemplifies the restraint necessary to eventually balance the Federal budget as well as the determination necessary to keep our worthwhile social programs effective.

Mr. Chairman, I urge the Members of the House to vote favorably on this measure.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. DANIELSON).

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Texas.

The CHAIRMAN. The gentleman from Texas (Mr. ROBERTS) is also recognized on his own time.

Mr. ROBERTS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, many of you will recall that almost 2 years ago, we were debating about whether to grant post-Korean and Vietnam veterans more time in which to complete their program of education. After much debate, the Congress decided to extend the period of time from 8 to 10 years, Public Law 93–337. Now here we are again, before the first hearing has even been scheduled, engaged in debate over whether to provide funds in the budget resolution so that Congress can provide another 2 years or more to the very same veterans we extended it for before. Practically all of them are peacetime post-Korean veterans, and about 75 percent of them have been discharged 15 years or more.

Mr. Chairman, this very issue is a classic example of why the Congress is often criticized for being big spenders. If ever there was any merit at all to excessive spending, this is it, and I think the voters throughout the country are turning out in great numbers to tell the Congress that something must be done about it. Here we are attempting to live by the discipline of the Budget Act, having to offer a floor amendment in order to get a modest cost-of-living increase for veterans' benefit programs, and along comes a proposal to extend a Federal program for the second time in order to give peacetime veterans between the ages of 35 through 65 another extension of time in order to complete their education at a cost from $500 million to more than a billion dollars a year. It is a perfect example of a Federal program designed for a specific goal, and having accomplished that goal, is not allowed to end. If there is additional money around that can be made available for veterans' benefits and services in addition to the $1.2 billion we need to provide for cost-of-living increases, I for one can think of many other higher priority initiatives already approved by our committee where such money can be spent. A good place to start is the medical program.

Mr. Chairman, I am aware that Members are receiving mail in support of a second extension of the delimiting period. To date, the Committee on Veterans' Affairs has received approximately 2,000 letters. We have analyzed every one of them and have found that about 1,600 of those letters, 80 percent, came from 2 schools in 2 States, and there is evidence that the lobbying activity is being led by a group of salaried individuals who work on college campuses under a grant of funds from the Office of Education. Last year each of the two schools responsible for most of the letters received a grant of $135 thousand from the Office of Education. One of the schools has a total enrollment of 9,000 students and 7,297 of them are veterans.

Our committee has not held hearings on any of the bills pending before the committee, although the distinguished chairman of our Subcommittee on Education and Training, Tiger Teague, has indicated he plans to hold hearings in mid-May. I cannot predict what the outcome of those hearings might be because there are approximately 43 bills with 100 cosponsors pending on the subject. Some propose to remove the limitation altogether; some would extend the period 5 more years; others propose to extend it for 2 more years and a bill offered by the gentleman from Pennsylvania (Mr. Edgar) would grant a 2-year extension at a reduced rate to those in training during the spring semester and whose time would expire on May 31. This bill would cost about $500 million in fiscal year 1977 and the others would cost about a billion dollars or more.

I am personally opposed to any further extension of the delimiting period. Many other members of the committee share my view. My opposition stems from the fact that the delimiting period for the group of veterans affected has already been extended once by the Congress, thus placing them in an already favored position. World War II veterans had 9 years in which to complete their training, and they must have enrolled in their program within 4 years from discharge. Korean veterans had 8 years in which to complete their training, and they must have enrolled within 3 years from the date of their discharge. Post-Korean and Vietnam veterans have 10 years in which to complete training and they do not have any enrollment limitation.

Who are the veterans whose time will expire on May 31? Those veterans who were discharged between January 31, 1955, and May 31, 1966, have 10 years from the date of the 1966 act in which to complete their training. All other veterans discharged after May 31, 1966, have 10 years from date of discharge. The House should not be misled into believing that the group of veterans whose time will expire next month are Vietnam veterans. Practically all of them are peacetime veterans dating back to early 1955. Very few served in the Vietnam conflict since the group involved were discharged before June 1, 1966. Many of them are 40 years old and quite a number are much older because many of them were career military. As a minimum, these individuals have been discharged 10 years and many have been discharged as many as 18 to 20 years. In fact, according to the Veterans' Administration, if Mr. Edgar's bill, H.R. 12306, were enacted into law, it would provide a second 2-year extension to about 480,000 trainees. Of that total, 793 are veterans over 65 years old; 8,219 are veterans between the ages of 55 through 64; 20,684 are between the ages of 45 through 54 years, and 324,279 are between 35 and 44 years old. In other words, 74 percent of the veterans who would benefit by Mr. Edgar's bill are well over 35 years of age and a very substantial number are retired career military drawing retirement benefits. So we are not talking about Vietnam veterans, and I want the record to show that.

In closing, Mr. Chairman, if we are to adopt the amendment offered by the gentleman from Pennsylvania, then let us understand what we are voting for. The current law was enacted as a readjustment benefit for the citizen soldier who was drafted and sent off to war. It was never intended to be a bonus for peacetime service. The program was not designed as an aid to colleges although some seem to think that is the purpose of the program. The question is, what is a reasonable readjustment period of time. I think 10 to 15 years is more than sufficient.

The extension is not supported by the major veterans organizations. The American Legion, Veterans of Foreign Wars, and Disabled American Veterans oppose the extension. Statements from these organizations follow:

DISABLED AMERICAN VETERANS,
Washington, D.C., April 26, 1976.

Hon. Ray Roberts,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, D.C.

Dear Chairman Roberts: The Disabled American Veterans is greatly disturbed over the fact that the First Concurrent Resolution on the Budget specifically excluded necessary funding for cost-of-living increases in service-connected disability and death benefits for the nation's 2.4 million disabled veterans, their dependents and survivors.

We therefore commend you for your efforts to rectify this glaring injustice and we strongly support your amendment to H. Con. Res. 611 which would provide an additional $1.2 billion for veterans benefits and services.

We sincerely regret, however, that in view of the present budgetary restraints, we are forced to oppose any further extension of the delimiting date for G.I. Bill educational benefits.

As you know, the present delimiting date was previously extended from eight to ten years by Public Law 93–337, and the underlying purpose of the Veterans Educational Assistance Program was to help veterans in their adjustment from military to civilian life, by affording them monetary assistance in obtaining the educational status they might normally have attained, had they not served their country in time of national emergency.

It was never intended that the Educational Assistance Program would be a continuing benefit, and in the opinion of the DAV, the current ten year delimiting date provides an adequate period of time for these able-bodied veterans to accomplish their readjustment to civilian life.

We therefore believe that priorities must be established and the funds that such an extension would cost could be better spent on needed improvements in medical benefits for the Veterans Administrations primary beneficiaries—veterans with service-connected disabilities.

Sincerely yours,

CHARLES L. HUBER,
National Director of Legislation.

THE AMERICAN LEGION,
Washington D.C., April 26, 1976.

Hon. Ray Roberts,
Chairman, House Committee on Veterans' Affairs, Cannon House Office Building, Washington, D.C.

Dear Chairman Roberts: Enclosed is a copy of my letter to the Honorable Robert W. Edgar on the subject of proposals to extend beyond 10 years the delimiting date for veterans to complete their courses of education or training under Chap. 34 of title 38, U.S.C.

At a time when veterans benefit programs are keenly competing for the budget dollar simply to maintain a balance with cost of living increases due to inflation, we do not believe that a costly extension of the existing 10-year period for veterans to complete their education and training programs can be justified.

Your continued concern for our nation's war veterans is appreciated.

Sincerely,

MYLIO S. KRAJA,
Director, National Legislative Commission.

VETERANS OF FOREIGN WARS,
Washington, D.C., April 28, 1976.

Hon. Ray Roberts,
Chairman, Veterans' Affairs Committee, U.S. House of Representatives, Washington, D.C.

My Dear Mr. Chairman: This is to advise that the Veterans of Foreign Wars of the United States opposes any amendment to House Concurrent Resolution 611 which would appropriate funds to extend the ten-year delimiting period for educational assistance under Chapter 34, Title 38 of the United States Code.

The Veterans of Foreign Wars has worked diligently over the years in shaping and improving the three GI Bills. Our objective has been and continues to be seeking equal benefits for veterans of all wars and periods of hostility. The current GI Bill is more liberal than previous bills, and there is no tenable justification for any further extension thereof.

With best wishes and kind personal regards, I am

Sincerely,
THOMAS C. "PETE" WALKER,
Commander-in-Chief.

I hope the gentleman's amendment will be overwhelmingly rejected.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I thank the gentleman for yielding.

I think he is making a significant point that ought to be emphasized.

A veteran who was discharged in 1970 after the Vietnam conflict has 10 years within which to qualify for GI educational benefits.

This amendment would only apply to veterans discharged between 1955 and 1966. It just seems to me that such veterans have had sufficient time to make up their minds with respect to any educational readjustment program.

Mr. ROBERTS. Mr. Chairman, let me say that this is not a veterans bill. This is a bill for education. The people who pushed for this extension are mostly the college group funded by HEW, who are financed by the Government to look after the veterans in these colleges.

Mr. Chairman, I oppose all of the amendments except the Wright amendment, and I hope the committee will support that proposition.

The **CHAIRMAN.** The Chair recognizes the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Chairman, I would just like to point out something to the chairman of the Committee on Veterans' Affairs. The statistics I received from the Veterans' Administration indicate that the 108,000 veterans who will be terminated are Vietnam-era veterans. Even though they terminated their service in 1966, they did participate in the Vietnam-era activities.

Also, each day after May 31 there will be additional veterans who will lose their benefits and who are now presently enrolled.

I would also like to point out, Mr. Chairman, to all the members of this committee that one of the gentlemen in the well indicated that we as the Committee on Veterans' Affairs set priorities. I would like to inform the Members of the House that I as one member of the Committee on Veterans' Affairs was prohibited from having discussions and having an opportunity to present this amendment in the committee.

The report was put together by the chairman and the staff.

I would like to commend the gentleman from New York (Mr. DOWNEY) and the others for their support of my amendment.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I rise in support of the Edgar amendment. I think it is important that we keep in mind that the GI bill education program has worked. It is estimated that the return in tax dollars from veterans who are gainfully employed is estimated to be at least four times greater than the money spent to help them get an education. And, at a time when employment opportunities are few in many parts of the country due to the present state of the economy, veterans' educational assistance is even more important.

First, it gives veterans an income at a time when chances of employment are slim, while enabling them to further their educations—which is far better than having them on the unemployment rolls.

Second, when the economy does improve, the veterans' chances of landing jobs will be increased due to the education and training they were able to receive.

Third, many veterans who have lost their jobs due to the state of the economy are being forced to find new jobs and develop new skills. These veterans are in need of their educational benefits now more than ever. The chance to go back to school and acquire a new skill is often their only alternative to signing up for unemployment.

The veterans deserve a fair shake. Let us give them one.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Texas.

Mr. ROBERTS. Mr. Chairman, I think the gentleman from Pensylvania (Mr. EGAR) gave an erroneous impression to the effect that he had no opportunity to discuss this amendment before our committee.

I called a special meeting and allowed the gentleman to present his facts, and the committee voted him down. Is that not correct?

Mr. EDGAR. That is not correct. A special meeting was held, but the motion was on whether we could open the report for such a discussion.

The **CHAIRMAN.** The Chair recognizes the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. Mr. Chairman, I rise in strong support of the Edgar amendment and the effort originally made by the gentleman from Texas (Mr. WRIGHT) to remedy failures in the budget resolution to deal with veterans' needs.

The Wright amendment adds funds to allow for cost-of-living increases in veterans' pensions. Without the Wright amendment, veterans would be the only group of people receiving Federal pensions who have not been given a cost-of-living increase. Retired veterans are suffering as much from inflation as the rest of our senior citizens and should not be discriminated against.

The Edgar amendment provides funds to allow veterans currently enrolled in colleges and universities to complete their higher education without being cut off from the support they receive under the GI bill. It is important to allow as many people as possible to complete their education, and these veterans have clearly shown an interest in completing their education. We should support their efforts.

I urge adoption of both of these amendments.

Mr. FRASER. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman, I would like to indicate my support for the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR).

The Edgar amendment has been proposed to permit open consideration of an extension or removal of the present 10 year time limitation on the use of GI bill education benefits. I would have preferred that discussions on this issue had been held at an earlier date so as to have allowed for the inclusion of an extension in the Budget Committee report. But as this has not been the case, I feel that we should not foreclose the possibility of an extension if the Veterans' Affairs Committee holds hearings on the proposals before it.

Unless an extension of the time limitation is enacted, half a million veterans across the Nation may be forced to leave school due to lack of funds. Many of these vets were unable to take advantage of their benefits initially because of employment or family restrictions. Now, to take away their unused benefits during a time of high unemployment would clearly be unfair to them and to their families.

I urge adoption of the Edgar amendment.

The **CHAIRMAN.** The Chair recognizes the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. Mr. Chairman, I rise in support of the Gilman amendment to the Edgar amendment.

I do not understand some parts of this debate. Where is the compassion of some of the individual Members here in the House who stood up so strongly and said at one time, "Do not tie the hands of a man who has to go out and fight." What about tying that same man to a bed in a hospital?

When we talk about not having the money, what is the price tag we are willing to put on the man who has to be put in a hospital? We have some 1 million patients in veterans' hospitals or in outpatient clinics. Are we going to deny those men the health care they are entitled to by denying them the money that is included in the Gilman amendment?

Do the Members realize the fact that there are not sufficient funds available today for alcohol treatment programs for the veterans? Do the Members realize that there are insufficient funds available today for drug treatment programs for the kids who became hooked on the drug habit while they were in service?

Who can deny this meager repayment to those who have given so much for this Nation?

Mr. Chairman, I urge support for the Gilman amendment as well as the Edgar amendment the principle of which I have introduced as legislation in this House in the 92d Congress.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. Teague).

Mr. TEAGUE. Mr. Chairman, I would first like to commend the gentleman from Pennsylvania (Mr. Edgar) for the excellent work that gentleman has done in the field of GI education.

Second, Mr. Chairman, does any Member in this Chamber believe for 1 minute that if this were a bill or an amendment that was in the interests of the veterans that the American Legion, the VFW, the DAV, and other organizations would oppose it? Of course they would not.

Remember also that we will be setting up a select group of about 400,000 veterans out of millions of veterans, and we will regret this from now on if we do set up such a separate group of 400,000 veterans who have a special entitlement that the other veterans do not have.

The figures that were given me show that out of those 400,000 veterans that 793 are 65 years of age; 8,219 are veterans between the ages of 55 through 64; 20,684 are between the ages of 45 through 54, and 324,279 are between 35 and 44 years old.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I am sorry, Mr. Chairman, that I cannot yield to the gentleman since I only have 1 minute and 40 seconds allotted to me.

The gentleman from Pennsylvania said that 108,000 were Vietnam veterans, and that is true.

But, Mr. Chairman, we should not set up a select group of 400,000 veterans that we will have to deal with from now on out.

I rise in opposition to the amendment. It would be hard for me to imagine a bigger waste of money than spending $½ billion to $1 billion extending a program which has served its purpose and which has already been extended 2 years by this Congress. The American public is disillusioned about the size of the Federal Government, the excessive spending, and the size of the deficit. New programs are always being created but we seem incapable of ever ending one.

The veterans' education program originally had an 8-year period during which the veteran could take training. That was extended to 10 years. This is ample time for a veteran to readjust to civilian life. The program has served its purpose and there is absolutely no justification, in my opinion, of turning it into a perpetual aid-to-education program.

I think that Members should clearly understand that this extension which we are being urged to vote here today has nothing whatever to do with bona fide Vietnam war veterans. The funds being requested would be used to extend training time once again for a group of peacetime veterans that served between Korea and Vietnam. The vast majority were not in Vietnam and never heard a shot fired in anger. Seventy-five percent are over 35 years old. Many of them are career military receiving full retirement benefits and they have already had 10 years in which to take any training which they needed.

We certainly have many pressing needs in our medical program which, in my opinion, should enjoy a far greater priority than spending money on middle-aged, peacetime soldiers who have already had 10 years to go to school.

There is one other point that the House should be perfectly clear on. If this extension is voted for this group of veterans, the proponents will be right back arguing that several million other veterans whose 10 years has not yet run out should have the same extension, and what we are talking about here is from $5 to $10 billion over the next few years.

The major veterans' organizations understand this issue clearly. The American Legion, Veterans of Foreign Wars, and the Disabled American Veterans all oppose this extension and, while some may contend that they do not speak for the Vietnam veteran, these three organizations have nearly 1 million Vietnam veterans among their members and have a far greater membership of Vietnam veterans than any of the other so-called Vietnam veteran organizations.

I am chairman of the Education and Training Subcommittee and I am the author of the basic legislation which set up these programs. I have agreed to hold a hearing so that the proponents of the extension may present their case. I am certain in my own mind, however, that any extension is totally unwarranted and a needless expenditure.

I oppose the Gilman and the Edgar amendments.

Now I am happy to yield to the gentleman from New York.

Mr. GILMAN. The gentleman has referred to the 400,000 veterans as a select group. Permit me to point out that the select group of 400,000 veterans consist of police officers, businessmen, laborers, middle-aged men and women who have been tied down to the responsibility of raising families and who have not had an opportunity to take advantage of their educational benefits before this time. Let us not deprive them of hard-earned benefits merely because we legislate some omnipotent time limitation.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. Latta).

Mr. LATTA. Mr. Chairman, I rise in support, as I said earlier, of the Wright perfecting amendment and I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. Adams).

Mr. ADAMS. Mr. Chairman, I rise in support of the Wright amendment which we think is fair. I am opposed to the Gilman amendment, the Edgar substitute, and the Wolff amendment.

We have tried in this budget to provide increased resources for health care and have done so for the general American public. We have done the same in the educational area. And we have enhanced the ability of people to get jobs throughout this budget. With the Wright amendment we would compensate veterans receiving compensation, pensions, or GI bill benefits with cost-of-living increases that would match what would be provided in social security. The Gilman amendment would add $2.5 billion to a category that we have raised since 1975 from $15 billion to $17 billion, and with the Wright amendment would go nearly to $20 billion.

We have not cut back funds for people; we have tried to take care of people. But we can only go so far in this budget process. If we start adding on—even for the good programs—the amount that we would be spending would go completely out of control.

There are many programs that I like and would like to see expanded, but these amendments—other than the Wright amendment go too far. To Vietnam-era veterans the 93d Congress made available, in the event that they want to use it, a 10-year eligibility period for readjustment benefits as opposed to 8 or 9 years provided for other veterans. We are providing in this resolution in another function full funding for BEOG higher education grants. We are providing direct loans for higher education. We are providing indirect loan guarantees to people who are in college. We have done as far as we can go.

I hope that as of now we will vote down the Gilman amendment for $2.5 billion which is $1.3 billion extra above Mr. Wright's amendment. I hope we will vote down the Edgar amendment which adds $600 million to the $1.2 billion of Wright's and that we will vote down the Wolff amendment which adds $700 million to the $1.2 billion.

I point out that we have not cut back hospitals; we have raised the amount for hospitals in this budget resolution. We have not cut back education beyond expected caseload declines; and we will have raised the stipends for education with the Wright amendment. We have not cut back veterans' pensions; we have raised them. I think we have gone far enough. I hope we will vote down the amendments except for the Wright amendment and that we will adopt the Wright amendment.

The CHAIRMAN. The time of the gentleman has expired. All time on the Wright perfecting amendment and all amendments thereto has expired.

The question is on the amendment offered by the gentleman from New York (Mr. Wolff) to the perfecting amendment offered by the gentleman from Texas (Mr. Wright).

The amendment to the perfecting amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. Gilman) to the amendment offered by the gentleman from Pennsylvania (Mr. Edgar) as a substitute for the perfecting amendment offered by the gentleman from Texas (Mr. Wright).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. GILMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the amendment offered as a substitute for the perfecting amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. Edgar) as a substitute for the perfecting amendment offered by the gentleman from Texas (Mr. Wright).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. EDGAR. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 218, noes 188, not voting 26, as follows:

[Roll No. 204]

AYES—218

Abzug
Addabbo
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Aspin
Badillo
Baldus
Beard, R.I.
Bedell
Biaggi
Bingham
Blanchard
Boland
Bowen
Brademas
Brinkley
Brodhead
Brown, Mich.
Broyhill
Buchanan
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Carter
Cederberg
Chisholm
Clausen, Don H.
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Davis
Dellums
Dent
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Eilberg
Emery
English
Esch
Evans, Ind.
Fascell
Fish
Fithian
Flood
Florio
Flowers
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Gaydos
Giaimo
Gilman
Grassley
Green
Hagedorn
Hall
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Holland
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Jacobs
Jeffords
Jenrette
Jones, Okla.
Jones, Tenn.
Karth
Kasten
Kastenmeier
Ketchum
Keys
Kindness
Koch
LaFalce
Lehman
Lent
Levitas
Litton
Lloyd, Tenn.
Long, Md.
Lott
Lujan
Lundine
McCloskey
McDade
McEwen
McHugh
McKinney
Madigan
Maguire
Matsunaga
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Morgan
Mottl
Murtha
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Perkins
Peyser
Pike
Pressler
Price
Quie
Quillen
Railsback
Rangel
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Rooney
Rose
Rosenthal
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Sarasin
Scheuer
Schroeder
Schulze
Simon
Smith, Iowa
Solarz
Spellman
Spence
Staggers
Stark
Steed
Steiger, Wis.
Stokes
Studds
Taylor, Mo.
Taylor, N.C.
Thompson
Traxler
Tsongas
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
White
Whitten
Wilson, Bob
Wirth
Wolff
Yatron
Young, Ga.
Zeferetti

NOES—188

Abdnor
Adams
Alexander
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
AuCoin
Bafalis
Baucus
Bauman
Beard, Tenn.
Bennett
Biester
Blouin
Boggs
Bolling
Bonker
Breaux
Breckinridge
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Chappell
Clancy
Clawson, Del
Cochran
Collins, Tex.
Conable
Crane
Daniel, Dan
Daniel, R. W.
Danielson
Delaney
Derrick
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Oreg.
Edwards, Ala.
Edwards, Calif.
Erlenborn
Evans, Colo.
Evins, Tenn.
Fary
Fenwick
Findley
Fisher
Flynt
Foley
Frenzel
Frey
Fuqua
Gibbons
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Guyer
Haley
Hamilton
Hammerschmidt
Hansen
Harsha
Hays, Ohio
Hicks
Hightower
Hillis
Holt
Hungate
Hutchinson
Hyde
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jordan
Kazen
Kelly
Kemp
Krebs
Krueger
Lagomarsino
Landrum
Latta
Leggett
Lloyd, Calif.
Long, La.
McClory
McCollister
McCormack
McDonald
McFall
McKay
Mahon
Mann
Martin
Mathis
Mazzoli
Meeds
Michel
Milford
Miller, Ohio
Mills
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers, Ind.
Myers, Pa.
Passman
Pattison, N.Y.
Paul
Pettis
Pickle
Poage
Preyer
Pritchard
Randall
Rees
Rhodes
Roberts
Robinson
Rogers
Roncalio
Rostenkowski
Roush
Rousselot
Santini
Satterfield
Schneebeli
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Nebr.
Snyder
Stanton, J. William
Steiger, Ariz.
Stephens
Stratton
Stuckey
Sullivan
Symms
Talcott
Teague
Thone
Thornton
Treen
Ullman
Van Deerlin
Vander Jagt
Waggonner
Wampler
Whitehurst
Wiggins
Wilson, C. H.
Winn
Wright
Wydler
Wylie
Yates
Young, Alaska
Young, Fla.
Zablocki

NOT VOTING—26

Bell
Bergland
Bevill
Clay
Conlan
de la Garza
Eshleman
Forsythe
Gude
Hayes, Ind.
Hébert
Hinshaw
Johnson, Pa.
Jones, N.C.
Macdonald
Madden
Nix
Pepper
Riegle
Sarbanes
Stanton, James V.
Steelman
Symington
Udall
Wilson, Tex.
Young, Tex.

Mr. BAFALIS changed his vote from "aye" to "no."

Messrs. DINGELL, BYRON, LEVITAS, CARR, HORTON, SPENCE, RUPPE, and TAYLOR of North Carolina changed their vote from "no" to "aye."

So the amendment offered as a substitute for the perfecting amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Texas (Mr. WRIGHT), as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ADAMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 397, noes 6, not voting 29, as follows:

[Roll No. 205]

AYES—397

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
Lundine
McClory
McCloskey
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Paul
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa

Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton,
  J. William
Stark
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Zablocki
Zeferetti

NOES—6

Crane
Hansen
Landrum
Michel
Rousselot
Wilson, C. H.

NOT VOTING—29

Bell
Bergland
Bevill
Boggs
Breaux
Clay
Conlan
Conte
de la Garza
Eshleman
Forsythe
Gude
Hayes, Ind.
Hébert
Hinshaw
Holland
Johnson, Pa.
Jones, N.C.
Macdonald
Madden
Nix
Pepper
Riegle
Stanton,
  James V.
Steelman
Symington
Udall
Wilson, Tex.
Young, Tex.

Mr. McDONALD of Georgia changed his vote from "no" to "aye."

So the perfecting amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

Mr. LATTA. Mr. Chairman, on yesterday when I submitted my amendment in the nature of a substitute to House Concurrent Resolution 611, the copy of my amendment that was submitted to the Clerk contained a typographical error for the veterans function category and carried funding for uranium enrichment plant capacity expansion as an off-budget rather than as a budgeted item. I, therefore, ask unanimous consent that the record be corrected accordingly and that the following appropriate changes in my amendment be made:

Page 4, line 3, strike "17,949,000,000" and insert "18,949,000,000".

Page 4, line 4, strike "17,465,000,000" and insert "18,465,000,000".

Page 3, line 6, strike "11,863,000,000" and insert in lieu thereof "12,100,000,000".

Page 3, line 7, strike "14,753,000,000" and insert in lieu thereof "14,853,000,000".

Page 1, line 11, strike "428,763,000,000" and insert in lieu thereof "429,000,000,000".

Page 2, line 2, strike "399,924,000,000" and insert in lieu thereof "400,024,000,000".

Page 2, line 5, strike "47,824,000,000" and insert in lieu thereof "47,924,000,000".

Page 2, line 7, strike "710,224,000,000" and insert in lieu thereof "710,324,000,000".

Page 2, line 10, strike "61,324,000,000" and insert in lieu thereof "61,424,000,000".

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERFECTING AMENDMENTS OFFERED BY MR. GIAIMO

Mr. GIAIMO. Mr. Chairman, I offer perfecting amendments.

The Clerk read as follows:

Perfecting amendments offered by Mr. GIAIMO: Page 1, line 11, strike out the dollar figure and insert in lieu thereof "$452,071,000,000".

Page 2, line 2, strike out the dollar figure and insert in lieu thereof "$415,135,000,000".

Page 2, line 5, strike out the dollar figure and insert in lieu thereof "$65,400,000,000".

Page 2, line 7, strike out the dollar figure and insert in lieu thereof "$711,600,000,000".

Page 2, line 10, strike out the dollar figure and insert in lieu thereof "$65 400,000,000".

Page 2, line 21, strike out "$112,000,000,000" and insert in lieu thereof "$110,000,000,000'.

Page 2, line 22, strike out "$100,600,000,000" and insert in lieu thereof "$100,300,000,000".

Mr. GIAIMO. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. GIAIMO. Mr. Chairman, what this amendment does is to cut or reduce the amount in the 050 defense function by $2 billion in budget authority and by $300 million in outlays.

The President sent up a budget which, because of economic conditions and monetary problems, maintained the status quo in almost every category under consideration in the budget and in some instances went below last year's level. There were, however, two notable exceptions—interest on the national debt which was increased, as obviously it would have to be what with increased borrowings and deficits, and the national defense budget function which was increased substantially. That was increased from $100 billion in budget authority to $112 billion in budget authority, an increase of approximately $11 billion, and in outlays an increase of $8.5 billion.

That does not tell the whole story because the increase will become even greater unless we adopt certain restraints in the President's budget which, quite frankly, Congress may not adopt. For example, we have heard discussion of the necessity to abide by the President's pay increases, the Wage Board increases, and the 1-percent kicker on retirements. If Congress does not go along with that restraint package, as the Budget Committee did, then in the defense area alone we will have to add another $300 million to the budget.

The Armed Services Committee has already passed a procurement bill which, if my memory is correct, will add approximately another $1 million to the budget. So, my point is that the $11 billion increase in budget authority and the $8.5 billion increase in budget outlays are the very least that we will see in the defense budget this year, and most likely the increases will be even more.

Now, in spite of the fact that in almost every other category we do not have significant increases in the President's budget, we are asked to adopt this defense recommendation of the President in full because to do anything less, we are told, would jeopardize the security of the United States.

I spoke about the $11 billion and the $8.5 billion increases. In purchases from industry, which is the heart and bulk of expenditures in the defense bill outside of salaries and retirements the increase in real growth in the Defense Establishment of the United States is $8.3 billion. That is anywhere from a 14- to a 16-percent increase in real growth. No other program has grown by that magnitude. Only the Defense Department and the defense budget figure have grown that much. And remember, none of this is attributable to inflation. This is real growth separate and in addition to growth caused by inflation. My amendment is a modest cut in a total budget of $112 billion. A $2 billion reduction in addition to the committee cut of $1.3 billion. So, if we add the $1.3 billion committee cut to my $2 billion cut, we are cutting the President's budget by $3.3 billion. I submit that it will not jeopardize weapons systems programs. It is not directed at any one particular item.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(By unanimous consent, Mr. GIAIMO was allowed to proceed for 5 additional minutes.)

Mr. GIAIMO. Mr. Chairman, all that my amendment will do will be to slow down slightly the rate of increase from 14 percent or 16 percent. Slow it down slightly not drastically, but my amendment would result in a defense budget increase of $9 billion this year rather than $11 billion as prepared by the committee. I slow down the rate of growth from 14 to 12 percent. Hardly a drastic change or a meat-ax approach.

The total defense budget will still have grown in fiscal year 1977 by about 12 percent over last year. Bear in mind, that is after adjusting for inflation. This is real growth we are talking about, not inflated growth or inflationary growth.

Now, the argument is that we cannot do this because to do so would jeopardize the security of the United States. This being an election year, of course, that argument is made in even more strident fashion.

I submit that to get into the argument of who is ahead, the United States or the Soviet Union, does not render proper service to the security of the United States, nor to the real question of the proper and correct size of the defense budget. We should make certain we are spending our money wisely.

When the Committee on Appropriations sent preliminary suggestions, not recommendations but preliminary suggestions, of what it thought might or could happen in the defense budget this year, it sent to the Committee on the Budget net reductions of about $900 million, roughly $1 billion.

We have found that we can find additional moneys in the unobligated expenditures of the Defense Department, which are well in excess—this in prior year moneys which Congress has voted and which is unexpended and unobligated—well in excess of $84 billion.

Now, most of that money will be spent, will be obligated and ultimately expended; but there is some of it which can be recouped; the Appropriations Committee has recouped unexpended and unobligated funds from year to year without endangering defense. So, I believe we can take $1.4 billion in prior year unobligated funds and tell the Defense Department to use some of that money to absorb this $2 billion cut. Then we would have $900 million suggested as possible reductions by the Committee on Appropriations, $1.4 billion that we could pick up in unexpended funds, all amounting to $2.3 billion.

Then I say in a budget of $112 billion we can tighten our belts a little more and find another $1 billion, making a total of $3.3 billion. That is what we tried to do. We were not successful in the committee. We only recouped $1.3 billion in committee. I am suggesting that we reduce another $2 billion. We will not tell them where to cut. They can find where to pick up their cuts. As I say, they can quickly get $1.3 billion of it from the unobligated balances. The balance they can find in hundreds of line item amounts which are too high. It will not jeopardize national defense. It will not make the United States second to the Soviet Union. What it will do will be to slow down this rate of growth, which is unusually large, from 14 percent or 16 percent down to 12 percent. It will say in an election year, let us get over the election and then next year with the new administration, whether it is a continuation of President Ford's administration or someone else, we can get away from election year politics and look at the totality of America's defense posture, of America's commitments in the world, of America's relationship with the Soviet Union, and then we can make real determinations as to how best to spend the defense dollar and to get the best defense for the United States.

It does not serve the United States well for Congress to panic. We have fought too many years to try to bring the Defense Department under congressional control. We began to do so after the Vietnam era, and now we run the risk of losing control over it because of election year politics.

Mrs. HOLT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have opposed throughout the hearings in committee the efforts of the distinguished gentleman from Connecticut to make these cuts in the defense budget. I know that he did an outstanding job in providing hearings for us in the National Security Task Force, and I do know that he is convinced that the Nation's defense is a matter of deep concern to all Americans. He said in his "Dear Colleague" letter, which we all got today, that it is being demonstrated by the words of both political parties as their candidates run for office that we are concerned about it, so he does feel this strong concern.

But, I am very distressed at his attitude that we can use and I quote "large and growing unexpended balances carried over year after year" within the Defense Department's budget. We talked about unexpended balances in our Budget Committee hearings, the $18 billion in HUD, $12 billion in Agriculture, $8 billion in the Department of Transportation, and we were told over and over again that there was no money there, that the money is obligated. It certainly does not exist.

In the defense budget where we have proposals to reduce by making better use of prior years balances, it is going to have to come right out of the programs. It is just not a painless route to reduction. Obligated balances are large because the leadtimes are long, and they are growing primarily because of inflation. Unobligated balances are necessary to complete approved programs. They are not free balances.

The Congress has for many years followed the full funding principle with respect to defense procurement. When the Congress approves 10 aircraft, it appropriates all the funds necessary to deliver those 10 aircraft. There are overwhelming advantages to this approach, and I have not heard anybody who questions this full funding approach.

The department as a matter of good management does not contract for an entire system at one time or in the first year. Electronics or various items for a ship have to be purchased as they go along, and are contracted later, leadtime away. If everything were ordered at once, electronics and ordinance items would come into inventory long before needed. This is good management practice, so these two factors, full funding and leadtime away, make it inevitable that there are balances there.

They have grown only 14 percent since 1973, while prices have risen 46 percent. It is important to bear in mind that this balance issue arose last year. The House Budget Committee proposed, and it was carried through in both budget resolutions, a cut of $1 billion in fiscal year 1976 defense needs, and as we track that through, the Congress found just $122.9 million, and of that $75 million was the decision to kill DLGN in fiscal year 1975, and $24.3 million resulted from approval of the President's rescission; so actually all that was found was $23.6 million in old balances.

What I am trying to say is that what started as a painless $1 billion financing adjustment wound up as an $877 million cut in programs.

The proposal to adjust percentage growth rate is also similar to action taken last year. The real growth in purchases from industry in reality must be regarded as a bill which has come due after several years of deferring needed modernization because of domestic priorities which have been deemed more urgent.

According to persuasive evidence submitted by the Department of Defense in 1975 hearings, a sustained 4-percent annual growth in purchases is required to maintain a stable force, and that is if everything else stays constant—no significant change in the moment of the Soviet military buildup and no technological surprises.

They estimate that they can achieve this rate within the framework of a budget increase of 2 percnt a year, so that the current increase of purchases from industry is, in actuality, a 4-year bill that has been deferred since the end of the war in Southeast Asia.

So, Mr. Chairman, I urge that we defeat the amendments offered by the gentleman from Connecticut.

Mr. MITCHELL of Maryland. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendments.

Mr. Chairman, like so many of my colleagues in this room, I am a veteran of the service. Like so many of my other colleagues in this room, I am proud to say that I am a Purple Heart veteran of the service. Therefore, I think, by virtue of our service and by virtue of our having been wounded, we give ample demonstration of our concern about national security.

Mr. Chairman, I support this amendment for several primary reasons. The first being that the present defense budget is merely a political instrument in a political year, it is way out of proportion, and it is sold on the basis of a scare tactic, a scare propaganda that emanated from the Pentagon.

Mr. Chairman, the longer I stay in this House, the more I realize that Members of this House often voice their deepest convictions when they are off the floor or out of committee. As I have talked to various Members on both sides of the aisle, of different persuasions, almost 90 percent of them make statements to this effect:

"We know that the Defense budget is too big, we know it is unrealistic, we know it is bloated, but how can we attack that which has been sold to us by the Pentagon?"

If I do not get that kind of a reaction, then the other reaction I get is this:

"We know that the Defense Department budget is totally unrealistic, that it is padded, but this is a political year and we have been put into a position in which if we do not vote for this bloated budget, we somehow or other do not care about our national security."

Mr. Chairman, I know the kind of pressure that is on us. I understand the political pressures. I understand the awesome power of the progaganda machine that is the Pentagon. But if we are talking about curbing spending, I would beg of the Members to consider the ultimate cost of this Defense Department budget. As I remember the figure, the ultimate cost is going to be something like $159 billion over the next 5 years.

Mr. Chairman, I am not trying to pit defense against domestic programs, I am not trying to persuade the Members simply on some sort of an emotional basis; I am trying to persuade the Members in terms of what this House is committed to do. The House is committed to gradually reducing governmental spending. If the Members vote for the defense budget, they are not committing themselves to gradually reducing Government spending. They are committing themselves to an almost astronomical explosion in Defense spending.

Mr. Chairman, let me make one or two other points. I stand supporting the Giaimo amendment, with the full understanding that that amendment does not represent a sufficient cut. We are talking about a mere $2 billion reduction added on to an additional $1.3 billion that the Budget Committee has already cut. We are talking about a total of $3.3 billion if the Giaimo amendment passes.

I would simply argue that, based on our knowledge, on the hearings we have had, the gut feelings we have inside of ourselves, if we are truthful to ourselves, we know that the $3.3 billion does not begin to touch the fat, the padding, that is in the Defense Department budget.

Mr. Chairman, I urge support for the

Giaimo amendment. If we are talking of fiscal responsibility, if we are talking about curbing Government spending, and if we are talking about looking realistically at the needs of our country, then the Giaimo amendment is right insofar as it goes.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. MITCHELL) has expired.

(On request of Mr. LONG of Maryland and by unanimous consent, Mr. MITCHELL of Maryland was allowed to proceed for 2 additional minutes.)

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, like my colleague, the gentleman from Maryland (Mr. MITCHELL), whom I have long admired, I want to do the right thing on this issue. I think it is something we have all puzzled over.

Do we have enough national defense, or do we have too much?

I know that a great deal of propaganda comes from the Pentagon, much of it well intentioned, but not all of the arguments that our national defense is in peril come from the Pentagon. I am sure the gentleman realizes that.

"Jane's Fighting Ships" has come out with a report for several years now indicating that we have a considerable inferiority now or at least potentially in our Navy. The Institute for Strategic Studies in London has indicated that we are in a precarious position.

Mr. MITCHELL of Maryland. Mr. Chairman, if the gentleman will allow me to interrupt at that point, I think that is the beauty of the Giaimo amendment. The gentleman from Connecticut (Mr. GIAIMO) does not say we should cut out all growth; he does not say we should cut back on any growth at all. He says we should approach its growth gradually, following realistic practices and procedures.

The problem that we have is the amount of doubletalk that is coming out of the administration and its spokesmen. On one day the Secretary of the Army says, "Look, we are the No. 1 power in the world. Nobody is going to catch up with us." The next day he says that we are the No. 1 power in the world but if we do not do something the Soviets will catch up with us. On one day Mr. Ford says that we have the military capability right now to guarantee the national security of this country, and the next day the President says that somehow or other, despite that capability, we need to spend an astronomical sum for defense this year.

Mr. Chairman, I share the concern of my colleague, the gentleman from Maryland (Mr. LONG), because we have gotten a very murky picture presented to the Congress and to the American people. However, we work in a democracy, and the Gallup poll and other polls have shown that the majority of the American people believe that we are still spending too much on defense. That is a very critical factor that we must reckon with.

Mr. LONG of Maryland. Mr. Chairman, I am sure the gentleman does not suggest that we should pattern our national defense after the results of a Gallup poll.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. MITCHELL) has expired.

Mr. LATTA. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman, we would be led to believe by the speaker who just preceded me that we have been spending for national defense in a manner way out of proportion to our needs and our expenditures in other areas. I would like to call the attention of the Members to the committee report and specifically to page 136.

We find that table No. 2 gives a comparison of the growth in Federal outlays for income transfer payments with the outlays for national defense for many years past. I am not going to take the time of the House to read every single year, but let us just go back to 1959, and I will include the entire table in my remarks. The table follows:

TABLE II.—COMPARISON OF GROWTH IN FEDERAL OUTLAYS FOR INCOME TRANSFERS WITH OUTLAYS FOR NATIONAL DEFENSE, ETC.

[In percent]

Fiscal year	As a percentage of total budget	
	Total Federal income transfer outlays	Total national defense outlays (minus military retirement)
1940	17.4	15.1
1941	12.0	43.9
1942	4.6	70.8
1943	1.6	83.5
1944	1.4	85.5
1945	1.2	88.2
1946	8.2	75.1
1947	23.5	33.2
1948	27.7	25.9
1949	23.6	29.9
1950	29.8	28.7
1951	20.3	47.1
1952	14.5	63.4
1953	13.3	65.0
1954	16.5	64.8
1955	19.4	57.6
1956	20.2	55.7
1957	20.9	54.4
1958	24.0	52.4
1959	23.9	49.2
1960	25.3	48.3
1961	27.0	46.8
1962	27.5	46.3
1963	28.2	45.4
1964	27.7	43.5
1965	28.4	39.9
1966	30.8	40.3
1967	27.7	42.5
1968	27.9	43.2
1969	31.3	42.1
1970	33.3	38.9
1971	38.3	34.7
1972	40.1	31.7
1973	42.5	28.7
1974	44.7	27.4
1975	46.6	24.4
1976	48.1	22.9

In 1959, the total Federal income transfer outlays were 23.9 percent of the total budget; the amount for national defense was 49.2 percent.

In 1960, the income transfer outlays were 25.3 of the total budget, and the national defense budget was 48.3 percent. And so it goes through the succeeding years, but let us get down to the last couple of years.

In 1974 the total Federal income transfer outlay payments jumped to 44.7 percent of the total budget, whereas national defense, which had been constantly declining, was down to 27.4 percent.

In 1975 the Federal income transfer outlay payments had gone up further and reached 46.6 percent, and the national defense outlays had still been going down and had reached 24.4 percent.

In 1976 the total Federal income transfer payments in the budget had risen to 48.1 percent of the total. What was the share for national defense? 22.9 percent.

Mr. Chairman, I think that answers the question: Are we spending too much for national defense? I think not. I think not.

Mr. Chairman, I do not think that we ought to consider the national defense of this country as we are asked to consider it by this amendment, with a meat-axe approach.

It proposes to take $2 billion out of budget authority. It takes $300 million more out of outlay. The committee has already taken out $545 million from that requested by the President.

Mr. Chairman, what does somebody who knows what the situation is say about the need for the amount requested by the President? I have a story from the UPI wire I would like to read. It is very short, and I think it pinpoints what I am talking about. It reads as follows:

> U.S. military strength has been cut to half of Russia's over the past five years and President Ford's defense budget must be approved uncut to reverse the weakening process, the Chairman of the Joint Chiefs of Staff, General George Brown, said Thursday.
>
> Russia has 4.4 million military personnel, compared to 2.1 million for the United States, he said. . . .

Who said that? The Chairman of the Joint Chiefs of Staff. He went on to say:

> . . . and outguns the United States in ICBMs 1,600 to 1,054, and in submarine-launched missiles 730 to 565.

Brown said:

> In the past five years, the Soviets produced about 15,000 tanks compared to our 2,100, about 20,000 armored personnel carriers to our 7,900, about 6,750 artillery pieces compared to our 1,350 and about 4,600 tactical aircraft compared to our 3,000.

"The President's defense budget will start to reverse these adverse trends," Brown said in a speech to a dinner honoring Maj. Gen. Zack Taylor, who received a brotherhood award from the National Conference of Christians and Jews.

The only thing he seemed to omit that might give comfort to some of our Members about our defense posture is the fact that we outproduced them in one area: helicopters. Yes; we outproduced them in helicopters.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. LATTA) has expired.

(By unanimous consent, Mr. LATTA was allowed to proceed for 5 additional minutes.)

Mr. LATTA. Yes, helicopters.

My dear colleagues, I do not think that we can protect the freedom of the great Nation we have, nor give comfort to the freedom-loving nations around the world—and they are getting fewer and fewer, with helicopters. We cannot do the job with helicopters.

Let me say that there is no politics involved here. I do not know how politics, as raised by the preceding speaker, gets into this debate. I do not know how that gets into it at all as freedom is everybody's business, be he Democrat or a Republican.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. I want to explain that. It is very simple. This is an election year.

Mr. LATTA. Mr. Chairman, I decline to yield further to the gentleman from Maryland.

To continue, Mr. Chairman, with respect to anybody who can look at the statistics I have just read and make that statement, I do not think we want to pay too much attention to the recommendations he chooses to make on our defense posture. If politics were to be considered, I would think this money would be pumped into more and more giveaway programs for the purpose of buying votes instead of being spent for defense.

Mr. Chairman, I am concerned as an American citizen, as a husband and as a father of two young adults, about our future. I used to be concerned about the future of our children's children but now I am becoming concerned about their future. I want my children to live under freedom, I repeat, under freedom more than anything else in this world.

Anybody who has looked at the world map in recent years has seen that map becoming more red every year. I do not like to see other people losing their freedom. Could we long survive as the only truly free Nation in the world?

Do not tell me we do not have a problem and that we should ignore it. We are the last bastion of freedom in the world with the capability to protect other freedom-loving nations. It might seem odd to some people in this mixed up world for anyone to love freedom as much as I happen to. But that is the way it is and I do not want this House to play fast and loose with its future.

Oh, sure, I would be the last one to say that there is not waste and extravagance in the Department of Defense just the same as there is in any other department of the Government, but I am not about to take the meat axe approach to the functions of these departments just because I believe there is waste in their agencies which should be eliminated.

I do not know enough about our overall defense situation to be able to say that we can take $2 billion or $5 billion more out of this defense budget without harming some important program designed for our protection. I think we have to depend on the people who know what the situation is. I think when we stop relying on people who know what the situation is and start guessing about it, we are in trouble.

So I plead with my colleagues to stay with the figure that was adopted by our Committee on the Budget.

Let me point out also that the Senate has stayed very close to the administration figure in their report.

Let me also say that I do not pay too much attention to the Gallup poll or any of the other polls when it comes to our national defense, but I do know what the people out my way are saying. They are saying that we had better start looking into the needs of our Defense Department in greater detail as they read what the Communists are doing throughout the world.

The people of this country are looking to this Congress to do something about this problem. Now is the time—I repeat—now is the time in this budget resolution.

Mr. ASHLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. I would like to talk for just a couple of minutes and then let the Members decide which gentleman from Ohio has been the most persuasive.

The President's budget, as submitted, requests, as we know, a substantial increase over the approved level of defense spending for fiscal year 1976. Requests for new budget authority by the President were increased from $100.6 billion to $113.3 billion, or a 13-percent increase.

Estimated outlays were increased from $92.2 billion to $101.1 billion, or about 10 percent.

The recommendation of the Committee on the Budget would reduce budget authority by about 1 percent and outlays by about one-half of 1 percent.

I must say, Mr. Chairman, in a budget of this size, this minimum amount of reduction in my opinion can be made with practically no change whatever in programs.

My principal concern with the increase in the size of this budget, to which the Giaimo amendment is aimed, is the effect it will have on our long-range planning If it is imperative that we get control over the budget in the years ahead, including the next 5 years, let us do so, so that we will be able to provide funds for required new initiatives. Nothing remains static in this city or in this Nation, so there will be new initiatives, and if we want to be responsive to them, and have the funds and balance the budget at the same time, then we have got to have some flexibility. To approve this budget as is narrows the amount of money which will be available for other options which the Congress almost certainly will be obliged to consider in future years.

Let me say, Mr. Chairman, that if we do not initiate any new programs, if we initiate no new programs at all, and do not provide for inflation with respect to the programs that are on the book, it will be 1980 before we could balance the budget. And these are not just my figures but the figures of the President, and the President's economists agree with this.

If we made a reasonable allowance for inflation on existing programs, it would be 1981 before the budget could be balanced.

If we look at the unexpended balances of the Department of Defense, Mr. Chairman, we find that they are growing at a substantial rate. The Department of Defense estimates that they will reach $84 billion by fiscal year 1977, of which $60 billion is in the military function. These balances represent commitments to the future which we will have to honor. That is what I am talking about when I say that the Giaimo amendment is for that reason all the more important, and it is all the more important that we support it. The amendment will not reduce our defense effort appreciably at all.

I will conclude by saying, Mr. Chairman, that, if this amendment offered by our colleague, the gentleman from Connecticut (Mr. GIAIMO) were to reduce the defense effort, I would not support it, but, in my view, it does not have that effect at all. It will simply slow the rate of increase. The time to make the adjustments to a more orderly funding approach is now. I believe that a lower rate of increase in the funding level of the Department of Defense is needed.

I know perfectly well that it will not be held at a plateau, it will increase. The question is at what rate it will increase. The gentleman has offered an amendment worthy of support, and I urge its adoption.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, after World War II we let down our defense guard somewhat for a few years, but since the war in Korea we have maintained a strong national defense posture. Generally, Congress has made only relatively minor adjustments in defense budget requests. Congress has made small cuts in defense budgets in most years. We have made larger cuts in the defense budget on occasion. We have also made increases when deemed necessary. Now seems to be a time when the American people are somewhat concerned and disturbed about the adequacy of our defense. I think it is a poor time for Congress to make substantial cuts in the defense budget.

I was pleased that the Budget Committee did not recommend drastic reductions in the Defense Budget. The Budget Committee did recommend reductions below what the Committee on Appropriations had estimated that it might recommend. Of course, the other body recommended a cut of only $300 million in new obligational authority in the first budget resolution.

The pending motion would make the reduction in the defense request of the President about $3.3 billion. I think most of us have been home to our districts, and we are aware that the people are concerned. There are some political aspects to this question, no doubt, but in view of the situation which confronts us, it seems to me that insofar as possible in this presidential election year we should keep defense out of the area of sharpest debate. So under those circumstances it seems to me to be the wiser course for us to approximate the President's budget in providing funds for national defense for the fiscal year 1977, and that is the position which I propose to take as we go through the necessary procedures to arrive at this conclusion here and in the appropriation bill which we will later consider.

I would just like to say that we all recognize it is an emotional question;

it is a political question; it is also a question of national defense. We are not second place to any power in the world. This Congress in the last 20 years or in the last 25 years has done a good job, in my opinion, in dealing with defense issues, in dealing with appropriations and authorizations for defense, and I do not apologize to anyone for what the Congress has done in defense during that period.

The truth is that the Soviet Union is engaging in a rapid buildup at this time, a remarkably rapid buildup. Our efforts to reach an accommodation with the Soviet Union on arms control have not been too successful. In the light of our inability to reach a safe accommodation with the Soviet Union I think it would be a mistake for us to place ourselves in a position of making sharp cuts in defense at this particular time.

So I rise in opposition to the amendment. I realize that programs could be postponed; I realize cuts could be made; I realize that there are two sides to these issues, but I think the American people would be more comfortable and I believe the Members of Congress would be more comfortable with more or less going along with the President's budget this year in order that the country and the world may have the assurance that we do place national defense as the No. 1 priority to our survival.

So I rise in opposition to the amendment, realizing the sincerity and good faith and the basis of the arguments which have been made to the contrary. In view of the present temper of the country and the failure of our efforts to arrive at a safe accommodation with the Soviet Union, I ask that the amendment be defeated.

Mr. LEGGETT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this amendment that our colleague, the gentleman from Connecticut (Mr. GIAIMO), offers is a little dinky amendment that affects a couple of billion dollars in budget authority, but how much does it affect in outlays? It affects about $300 million.

That is the monumental issue that we are called upon to decide here, and to decide that we review and put in our various perspectives and the overall defense posture of the United States, and we get all riled up concerning whether or not we are ahead or behind. Just a few minutes ago one speaker indicated here that we have half the power of the Soviet Union. The chairman of the full committee correctly indicated we are No. 1 today in national defense. We spend 90 to 95 percent of the defense expenditures in North and South America today. We have got it going for us, and in large part because of the leadership of the gentleman from Texas, but I would say a lot of these defense cuts are kind of what one has for breakfast. The gentleman from Texas a year ago thought $3 or $6 or $7 billion was a kind of neat amount. This year the reduction numbers, because of Pentagonese about this time and because of the fact that the voter polls indicate we have got to be strong, we do not seem to have the support that we ought to have to check and balance the Pentagon.

I want to tell the Members something. My inside information with respect to the Pentagon is that the Pentagon is amazed that this Congress has let them have as much as they have got. They put in a budget of 16-percent real growth and 7-percent cost of living, something like 23 percent toward escalation of purchases, and that is not 23 percent of a $2 billion agriculture budget or 23 percent of a $4.5 billion space budget. That is 23 percent of a multibillion outlay program for national defense which puts us in big chips.

The reason that we are in this situation and the reason for the amendment of the gentleman from Connecticut (Mr. GIAIMO) is because if we accept the amendment, we will be increasing the national debt by $65.4 billion. That is kind of the reason for the amendment. If we do not accept the gentleman's amendment, we will be increasing the national debt by some $1 billion more than that.

Now, we have got into all kinds of dialectics here today as to who is behind and who is ahead with the United States and Soviets. We talk about only being ahead in helicopters. Answer this question. What counterpart do the Soviets have to our B-52-G and H and F-111B bomber force? We have half our megatonnage in our bombers. The Soviets do not have any bombers they can get over here. If they have any bombers, we can take them down by our SAM's and other measures.

What countermeasure do they have to our F-14 aircraft? They have some real engine problems in that plane which I will talk about later in my revised remarks, but they do not have anything to counter that.

What counter do they have to the long-winded, long-legged F-16 and the F-17 and the F-18 that have come along? None.

How many MIRV's do they have deployed today? Zero.

How many do we have? Plenty.

We have the Vladivostok agreement. That is going to hold. But what about the kill capability, which is accuracy plus numbers of warheads, plus megatonnage? We have five times the deployed capability today as does the Soviet Union.

How about bases? My colleague, the gentleman from New York who sits senior to me on the Committee on Armed Services, said in the defense debate that the strongest base outside the Soviet Union today is Somalia. We were both in Somalia together in 140-degree heat last summer. They have one-third of a runway completed out there, it is not completed. They have no capability whatsoever to off-load POL. They have no capability program to off-load POL at that largest Communist base outside the Soviet Union.

Mr. Chairman, we all want a strong defense. But do we want a wasteful defense? I think not, and this is why I support this amendment.

Do you think the Defense Department is hurting for money? If you do, consider this: By the end of fiscal year 1977 the Pentagon will have $12.6 billion that we will have appropriated but which will not have been spent, not have been obligated, will not even be involved in specific final contract negotiations. It will just be sitting around burning holes in somebody's pocket, building up a padded budget base to make 1978's defense request look smaller.

Do you know what you could do with $12.6 billion? You could run the Commerce, Interior, Justice, and State Departments, throw in the entire legislative and judicial branches, and still have enough dollar bills left over to stretch from here to the Grand Forks ABM site we have closed down after wasting more than $6 billion on it. My friends, this is one heck of a lot of self-evident fat.

If this does not impress you, how about $84.1 billion? That is the total unexpended funds the Pentagon will have at the end of fiscal year 1977. It is a 75-percent increase in unexpended funds over fiscal year 1973. A 75-percent increase in 4 years is not exactly a "no-growth" status.

I know many feel it is better to waste some money than to take a chance on national security. But let us understand that more money will not buy more capability. It will not buy more deterrence. What it will buy is a wasteful and extravagant attitude which will most likely result in less capability. To give the admirals and generals all they ask for I am advised is the most surprising thing in the Pentagon today.

Look at the lessons from the past. Compare, for example, two of our new fighters: The F-16 and the F-14.

The F-16 was designed in an atmosphere of extreme austerity and insecurity. At the time it was being developed, it was in a two-way competition and the Air Force did not intend to put either plane into production. The contractor knew the aircraft had to be good, damn good, to have even a vague hope of a production aircraft. So we got a plane that was on time, on cost, and on performance standards. The entire research and development program through two flying prototypes cost less than $40 million. Today the F-16 is the hottest thing in the sky, and it is our cheapest and most maintainable fighter as well.

Contrast this with the cost-no-object F-14 program. We got a fighter the size of a B-24 bomber, the most expensive fighter in history with monumental cost overruns. Moreover, we were deceived about its performance. We were told the plane could handle any enemy fighter threat through the 1980's. A number of us were skeptical; we said it was underpowered and too large and heavy. But the Navy said we were wrong, and the House accepted the Navy's position. So where are we today? We have the Navy coming back to us and saying, "Gee, you know the F-14 really is underpowered. We need a new engine that will cost about $3 million per aircraft and a few hundred million to develop."

If we had been less gullible, and more cost-conscious, we would not have bought the F-14 in the first place. We would have bought something like the F–18 from the beginning, and we would have a stronger Navy today.

Many of us think we have to spend more, because of new Soviet developments. Let me tell you, what we are facing today is not a new Soviet capability, it is a new Pentagon public relations capability.

Why do you think we are constantly hearing about missile tonnage but never about ship tonnage? Do you think missile tonnage is a better measure? I assure you, it is not nearly as good a measure of missile power as ship tonnage is of naval power. We hear about it for the sole reason that the Russians are ahead in missile tonnage but behind in ship tonnage.

We were conned on Vietnam, conned on ABM, conned on the C–5A, conned on the F–14, conned on MIRV. Let us not be conned again today. Let us vote for a semblance of restraint, sanity, and fiscal responsibility.

The CHAIRMAN pro tempore (Mr. Long of Louisiana). The time of the gentleman from California (Mr. Leggett) has expired.

Mr. LEGGETT. Mr. Chairman, I ask unanimous consent that I may be permitted to proceed for 3 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. LONG of Maryland. Mr. Chairman, I object.

The CHAIRMAN pro tempore. The gentleman from Maryland is not standing to make the objection.

Mr. LONG or Maryland. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. LEGGETT. Mr. Chairman, I move that I be given 2 additional minutes.

The CHAIRMAN pro tempore. That motion is not in order. The time of the gentleman from California (Mr. Leggett) has expired.

Mr. GIBBONS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am here to support the committee position and the Budget Committee. Let us try to get this in perspective. We have had an awful lot of figures here and a lot of talk. What has been proposed and what is being proposed here?

First of all, there is no argument, or very little argument, about the outlay for this year. All the proposals are about the same. The Budget Committee, the President, and the Giaimo amendment, the whole argument is over the future. The whole argument is over this matter of budget authority for the future.

Now, Mr. Chairman, where does the Budget Committee come down? The Budget Committee comes down $2 billion ahead of the Giaimo amendment. The Budget Committee comes down $1.3 billion lower than the President. The Budget Committee comes down lower than the Committee on Armed Services and lower than the Committee on Appropriations. So the Budget Committee position is a rather tight position. It is below the President. It is below both of our committees of this Congress. It is slightly above the Giaimo position.

Now, how do we tell when we have enough in national security? Does anybody know how we tell when we have enough? Well, the answer is that we really never know. The answer is that only history can tell. If we never have to fight a war, obviously we have had enough. This is a position in which men of good faith and good will can argue forever.

Let us look at the position we are in today. We are members of an alliance and we must work together with that alliance. If we fail to work together with that alliance, then we are in severe trouble. The Russians do not really have that problem to the extent that we do. They have a problem, but not nearly to the extent we do. We are the leaders of an alliance, a very voluntary alliance, an alliance that has some real problems today.

Our alliance has some severe problems today. If we look at the European area, we will find that in the central area of Europe that we are outmanned, we are outgunned, we are outplaned. But, we have enough because we have there a very strong strategic force, and the Russians just do not want to take the chance to try to run over that.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, the gentleman in the well has said that we must stand with our allies. Can he tell me or tell this House which of our allies has increased their military budgets in the last year or two? Is it not a fact that every one of our allies in Europe have cut their military budgets, so are we to ask the taxpayers to pick up what they refuse to do for their own protection?

Mr. GIBBONS. We are not in Europe just for their protection, and I do not believe they have all cut their budgets. They are all having severe problems, but certainly the Germans have not and some of the others have not; the French have not cut their budget. But, it is not a question of that, not a question of, if my friends and neighbors are not doing their job, should I also let my house burn down?

We are not in Europe to defend Europeans; we are there, really, to defend ourselves. That is what the issue is all about. If we have to fight another war, I do not want to fight it on these shores, and I do not think anybody else here does either. So, we are in Europe to protect ourselves, not just to help the Europeans.

When do we have enough? The world is full of old forts, and old arms have been cast off. The reason why those forts were never destroyed and those arms never used is because when they were evaluated, the potential enemy knew that he could not overcome them. The only destroyed ones were the ones that were too weak, and we in this country cannot be that way.

I was reviewing the situation in Europe, because I think it is most crucial. I do not think the Russians are coming. I am not an alarmist, but when we look at the problem of Southern Europe along the Mediterranean, we are not just talking about freedom of the Greeks or Turks or even of the Yuglosavs or even of just the Italians, although those are fine people and a tremendous part of the free world.

The CHAIRMAN. The time of the gentleman from Florida has expired.

(By unanimous consent Mr. Gibbons was allowed to proceed for 5 additional minutes.)

Mr. GIBBONS. We are talking about the lifeline to the Near East. We are talking about the control of the vast petroleum resources of the Near East, as well as the freedom of most of the people in Europe. What do we see when we examine the southern part of our defensive alliance? We see ourselves in trouble in Turkey. Turkey is right under the gun. They have fought the Russians 19 or 20 times in the last 200 years, but they are on our side now. However, the pressure on them is terrific, and they have economic and social problems that make ours look minor by comparison.

Look at the Greeks; a fine nation, but a poor people with serious political problems who have just overcome a dictatorship and have their own internal problems. They are members of the alliance, half in and half out—they are certainly out right now, but we hope to get them back in. So, we have problems there.

We come next to Italy. On Friday, the Italian Government is going to fall again. Elections are going to be held, and the predictions are strong that the Communist Party in Italy will become a member of the government over there. If things get really bad and they could become the controlling party in Italy, but it does not look quite that bad.

We come across the rest of the alliance, and we find Spain there. They are not in politically, but they are there physically in our alliance. They have severe political problems, and have just changed leadership.

Then we come to Portugal. If we read the newspaper, we know that things are not real bright in Portugal. They are better than they were a year ago.

All of this adds up to this, to me—it may add up to something else for somebody else—that I do not know when we have enough in national security, but if we have to err, I would rather err on the side of being strong and never having to fight again. All of us know there will be no winners in that war.

Mr. Chairman, I think we can afford to not adopt the Giaimo amendment, to stick with the committee that will set a target for money that perhaps will never be spent in this whole process.

I think if we adopt the Giaimo amendment, we send out to all of the world, not just to the Russians, but to our own allies, the 14 countries of NATO, and some of those who are allied with NATO but who are not quite in NATO, the signal that we are not firm and resolved. If we cannot be firm, if the richest Nation in the world cannot be firm, if the people with the most to lose cannot be firm, how in the world can we expect the others to be firm?

We may, regretably, have to waste

some money; but I would prefer to waste a little money and be on the side of being sure of perhaps not having to fight another war than to risk the chance of having to fight another war, with all of the horror and the loss of life that that might entail.

There is no way of telling when we have enough. There is only an intelligent choice of what to do.

I think the committee, having come down with slightly less than the President, with having come down with slightly less than the Committee on Armed Services, should be supported in this.

Mr. ADDABBO. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendments. I can almost support the cut of $7 billion that will be offered, possibly, later.

Mr. Chairman, we hear that if we are to err, we should err on behalf of the military. I think we err too often on the side of the military. All we have to do is look at the many weapons that have been produced and shelved, the many programs. We talk about 80 million dollars. There was one program last year that, because the military had the money and because they were working under a continuing resolution, although the committees of this House and the Senate showed every intention of stopping that program because it was worthless, the military went on and kept spending. They spent to the extent that it cost us, it cost the taxpayers, $80 million, $80 million to stop a program.

We talk about the need for every dollar in this defense budget. We are talking about a budget of $114 billion, an increase of almost $20 billion over last year.

This amendment was not offered by someone who does not know what is going on in the Defense Department. This amendment was offered by a member of the defense appropriation subcommittee, who has sat hour after hour listening to the Pentagon and the Pentagon defense of the industrial complex.

We have heard the testimony that we need advance procurement funds for the B–1, $1 billion for advance procurement funds for the B–1, and then we hear the next witness come in and say we need 500 million dollars for further research on the B–1. That is in this bill. Procurement and research are the same thing. One and a half billion dollars.

Yet we need research to go with the development.

Let us talk about the Trident missile. We have in this $114 billion, $700 million to procure Trident missiles, but in the same bill we are being asked to spend $300 million for research for a Trident missile which will be ready before the Trident submarine, and by the time the Trident submarine comes in they are already talking about research on the Trident-II missile. That is in this bill.

Mr. Chairman, I will point out to my colleagues that last year the Subcommittee on Defense of the Committee on Appropriations spent 3 weeks marking up the defense appropriation bill. It was a $100 billion defense appropriation bill, and in that 3 weeks we were able to cut $7 billion of waste; $7 billion was cut last year, and this House upheld that subcommittee's action.

That was $7 billion, and did we become second rate? No. We heard the screams of the Defense Department when we cut that $7 billion, and yet when that same Defense Department came before the Subcommittee on Defense of the Committee on Appropriations this year and was asked, "Did you have any actual growth?" we learned they had $2 billion of real growth.

This $114 billion includes an inflationary factor. The Defense Department is the only agency that is permitted to include in its appropriation a projected inflationary factor. Last year in the amount for 1976 they also included an inflationary factor, and they were granted that inflationary factor. And what happened to that? They over-estimated the inflationary factor by $2 billion.

So what is so sacrosanct about a $114 billion budget? This is the budget given to us by the Defense Department. They had built in the inflationary factor.

The CHAIRMAN. The time of the gentleman from New York (Mr. Addabbo) has expired.

(By unanimous consent, Mr. Addabbo was allowed to proceed for 2 additional minutes.)

Mr. ADDABBO. Mr. Chairman, after all that they invited us down to the White House to wave the red flag of communism. That is the great red scare. But have any of us asked them where they get this intelligence from? How secure and how sure are they about this intelligence? No; they are not sure. These are all projections. They just put it through their computer.

Mr. Chairman, I would ask the Members to go back to their mail and read the statement put out by our colleague, the gentleman from Wisconsin, Les Aspin, who gave us the right comparisons. When we compare dollars with rubles, when we compare their military complex, which includes the doing of civilian work by their military, doing what our civilians do, with our military, we get a different comparison. When we point out that our defenses are added to our NATO forces, the disparity is not there.

If we continue to feed this great defense-military complex and take away from the needs of our people, then we will find that in that way we are building the greatest danger right here at home, not 10,000 miles away.

If we were building in this budget more planes, more tanks, and more ships, I would say, "Yes," but we are not. We are spending the money for sophistication. My colleagues who were in Israel in 1973 will remember this. We spoke to the generals who fought against the Russian equipment in 1973, and they told us then, "Give us not sophistication, but give us quality and quantity." Yet here we are buying over-sophistication for $114 billion.

We talk about the low-cost F–18. There is no low-cost airplane. That plane is going to cost up to $14 million or $15 million a copy. That is in this bill.

Mr. Chairman, I say to the Members that we should support the $2 billion cut.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is a very beguiling and somewhat insidious amendment.

I always hesitate to oppose my good friend, the gentleman from Connecticut (Mr. Giaimo). We came to Congress together. We support the same candidate for President; but when it comes to defense, we sometimes have somewhat different ideas.

This is billed as just a little cut. It does not mean very much, we are told, only $2 billion; and it really does not pick out any particular program to cut.

We can take our pick. The idea, presumably, is that we can somehow legislate administrative ability and can eliminate waste by legislation; but we all know we cannot really do that.

However, Mr. Chairman, the basic flaw with the Giaimo amendment is that it is based on a fundamental myth. I thought that that myth had already been knocked down. That myth is that the defense budget over the last few years has been going up and up and up and up, and here we are confronted now with this monstrous extra growth in fiscal year 1977. And so we just have to cut it down just a little bit.

Mr. Chairman, I thought we were all well aware that the truth is that although the dollar figure for defense has been going up year after year, our actual defense capabilities have not been going up. The dollar figures simply represent inflation, plus the staggering growth in salaries and retirement costs. However, but our ability to fight and the hardware available to us have been steadily going down, year after year.

Mr. Chairman, this is something I think most of the Members of the House are already well aware of. The Library of Congress study has made this perfectly clear to Senator Culver and to others.

The prestigious Institute of Strategic Studies in England has underscored the same point. The White House has been driving it home in a series of charts and briefings which demonstrate that while we have been gradually going down in military strength, the Russians have been steadily going up.

It was Secretary Schlesinger, Members will remember, who took the risk of being fired from the Cabinet rather than assume responsibility for the defense of the country with any budget substantially less than about $115 billion.

The House has already recognized this truth by adopting, with virtually no change except for a little place that the gentleman from Michigan (Mr. Carr) did not particularly like, the defense budget that came out of the House Committee on Armed Services. Likewise the Committee on the Budget, which last year had cut $7 billion or $8 billion or $9 billion out of the defense budget, and came in this year, as the gentleman from Florida (Mr. Gibbons) has so eloquently indicated, with a figure that was not very much below what the Committee on Armed Services had recommended, or, for that matter, what the administration itself had recommended.

Mr. Chairman, the only thing that this new 1977 defense budget does for the first time is to try to reverse the steady downward trend that we have had for the past 4 or 5 years while the Russians, not having to worry about Gallup polls, not having to worry about what their supreme Soviet thinks, and not having to worry about what their people think, have been steadily going up. Now, for the first time, we have a budget that will turn the corner just a little bit and begin to bring our military powers back up again.

Mr. Chairman, I will say to my friend, the gentleman from New York (Mr. ADDABBO), that there are indeed more ships for the Navy in this budget. That is what it is all about, and for the first time we are moving up in naval strength instead of going down.

As the gentleman from Florida (Mr. GIBBONS) has already said, all we have wanted to do this year—and I thought it had been generally accepted; it has been accepted in the Senate, and it has been accepted in the House earlier—was to give a little signal to the Soviets and to the rest of the world and to our allies that we do not intend to keep going down, but do intend to make the effort necessary to match the Soviets with a "rough equivalence" in military strength.

Mr. Chairman, we cannot keep cutting the defense budget and still turn the corner back upward.

Therefore, let us stick to the decision that has been made previously by the House when we voted on the bill out of the Committee on Armed Services. Let us stand by the decision that has already been made by the distinguished Committee on the Budget. Certainly that committee is not a bunch of warmongers. But obviously they understood this vital point.

Mr. Chairman, let us vote down the Giaimo amendment.

Ms. HOLTZMAN. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendments.

Mr. Chairman, I support a strong defense posture for America—as I am sure everyone here does. But that is not the issue—rather the question is how much we need to spend to achieve this goal. I think it is very important, even though it is getting late in the day, to understand what we are talking about when we speak of cuts or reductions in the defense budget. The Giaimo amendment actually increases over the last fiscal year the amount of money that we are spending on defense. It adds $8 billion in outlays and about $9 billion in budget authority. Those are very substantial amounts.

I think that has to be clear as we begin to debate this amendment.

Also, it is very important to put the military budget into some sort of perspective. In this connection I would like to let the Members know what we on the House Budget Committee were told about why we needed to have this enormous increase in defense spending, an increase which the Giaimo amendment tries to moderate slightly. I might add that this is the largest peacetime increase in defense spending in our history.

The basic argument we were given was that defense spending has fallen as a percentage of the gross national product and that this creates an enormous danger for this country.

Let me say to my colleagues that this is certainly one of the stupidest arguments I have ever heard. For example, if employment rises then the gross national product rises, and therefore defense as a percentage of the gross national product falls. If we have higher unemployment, we have a lower gross national product and defense spending as a percentage of GNP rises. The net effect of this argument is that high unemployment makes us strong militarily and high employment makes us weak. The Members can understand that this is absolute nonsense, but that was the kind of tactic that was used before the House Committee on the Budget to justify this enormous increase in defense expenditures.

The increase in military spending has serious consequences for the future which we ought to consider, as well. Based on the commitments undertaken in this defense budget, if military spending rises at the rate anticipated by the President, defense spending will increase by $90 billion over the next 5 years. We have not heard any argument before the Budget Committee or before the Congress that would justify a future commitment of this magnitude.

And if we accept the expected growth in the military budget which the President contemplates, we will find ourselves in a very difficult position 5 years from now. If the Members will turn to page 130 of the committee report, they can see that we can only have a balanced budget by 1981 if we keep every nonmandated domestic program, such as medicaid, medicare, veterans' benefits, and State and local aid at their 1977 levels. We know that is unlikely and undesirable. We also note from this chart that we cannot afford any new program growth if we are to have a balanced budget by 1981.

Surely the Members and I agree a balanced budget is an important objective, but because of the military spending commitments in this bill, it can be achieved in 1981 only by keeping major domestic programs at their 1977 levels and having no new programs. I think that it is very important for us, as part of this budget process, to reflect on the priorities down the line that will result, as a practical matter, from approving the committee's expenditure for defense. As a result of this budget, we are going to be locked into military expenditures that will starve domestic programs for years to come, or commit us to continued massive deficits. I think that is a very serious matter, and I would strongly urge Members of this Committee to adopt the Giaimo amendment.

The CHAIRMAN. The time of the gentlewoman has expired.

(At the request of Mr. ROUSSELOT, and by unanimous consent, Ms. HOLTZMAN was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentlewoman for yielding.

I wonder if the gentlewoman would like to apply the same formula she has just suggested for defense to education, training, and social services. She is on the Budget Committee, which has recommended a 25-percent increase in that functional category.

Ms. HOLTZMAN. An increase over what—last year?

Mr. ROUSSELOT. Yes, over last year's appropriations, and if I may finish one other point, the committee recommended increases in a number of other categories—natural resources, environment, and energy; general science and space technology; commerce and transportation. Does the gentlewoman want to apply the same formula she suggested for defense to those categories?

Ms. HOLTZMAN. If I may answer the gentleman, I would say that I would like to see real growth in domestic programs in the budget, but if the gentleman has studied the budget resolution very carefully, he will know that there is no real program growth in most of these areas except for job stimulus. Basically domestic programs have been kept at last year's level with a small amount taken into account for inflation. Aside from job stimulus programs there is no real program growth in the budget resolution. That is my concern. It seems to me that with the enormous growth in military spending, we are not able, if we are going to keep our deficit at a manageable size, to allow any growth in domestic programs. Some of them obviously can and should be cut, but some deserve to grow, and we are not going to be able to allow them to grow this year. We are also going to be in the same box 5 years from now. That is what I consider to be the real danger.

Mr. ROUSSELOT. If the gentlewoman will yield further, how is an increase of 25 percent in education, training, and social services an increase in job stimulus?

Ms. HOLTZMAN. I do not know what the gentleman is referring to.

Mr. ROUSSELOT. I am talking about the budget resolution to which the gentlewoman referred. The gentlewoman suggested trimming the $9 billion increase in defense to a more responsible level. My question is, are you willing to apply that same formula to the substantial increases in other nondefense functional categories?

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. ADAMS. Mr. Chairman, I wonder if we can get some limitation on time. I would like to see how many Members wish to speak so I can ask for a unanimous-consent request to end debate.

Mr. Chairman, I ask unanimous consent that debate on the Giaimo amendment and all amendments thereto cease in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was granted will be recognized for 1 minute each.

The Chair recognizes the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, I rise in support of the Giaimo amendment.

I would like to remind my colleagues of the statement made by several Members of the Armed Services Committee in their dissenting views in the report on the military procurement authorization bill. They said:

> What we are seeing today is not a shift in the military balance toward the Soviet Union and away from the United States. Their capability is growing but so is ours. Rather, what we are seeing is the fruition of a Pentagon public relations campaign to convince the American people and the Congress of our military inferiority. (P. 117.)

Unfortunately—as this budget resoluton seems to indicate—the Pentagon has won this "public relations campaign." But the irony is that, just several hours ago, this House voted to accept the conference report to the International Security Assistance and Arms Export Control Act of 1976 which places important new limits on the President's heretofore unfettered ability to engage the United States in senseless, self-defeating, and unproductive foreign policy commitments.

Therefore, we have an effort by Congress to achieve a better balance in foreign policy decisionmaking and to prevent future Vietnam-type wars; and at the same time, we have an extravagant military budget reminiscent of the most frigid days of the cold war. This indicates the public relations success scored by the Pentagon and the industrial lobbies.

I feel we should do more to become "No. 1" in social indicators of public health, education, and employment rather than try to play Presidential politics with the defense budget in an atmosphere of electioneering and irresponsible exaggeration. The President's request several days ago for over $300,000,000 for the Minuteman III program is just the latest example of how the Presidential primaries are affecting military procurement this year.

This amendment would take us a small but necessary first step toward setting more just national priorities. If accepted, the amendment would still leave the national defense function with 12 percent real program growth. I honestly feel that we could cut more without in any way affecting vital national security. But we have to begin somewhere. This amendment is a fine first step toward what I hope will be a new reordering of our priorities.

(By unanimous consent, Ms. Abzug yielded her time to Mr. Leggett.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Leggett).

Mr. LEGGETT. Mr. Chairman, in this hair-raising debate on defense we have heard not once but again and again that the hardware is going down, but no one has mentioned yet that the United States still has twice the tonnage at sea that the Soviet Union has. There is no doubt about that. There has been nothing said about the remarks of the junior Senator from Vermont (Mr. Leahy) in the Senate the other day when he indicated that over the past 5 or 6 years the Soviet submarine force has deteriorated from 215 submarines to 150 and the destroyers are down to 115 from 185. I still have to hear of one phase where the Soviets have any real military power outside the Soviet Union and the few satellites immediately adjacent to the Soviet Union.

In this tremendous budget we have, we are sending this very interesting signal, and it is very interesting to the rest of the world because we are building no more than 16 ships.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. Carr).

Mr. CARR. Mr. Chairman, I was stirred by the speeches coming from this side ranting and raving and guaranteeing the Americans freedom and security from the Russians. I hope we can get in the months ahead the same kind of zeal when we are trying to get security from not only the Russians but also from disease and from joblessness and poor health and hunger.

I am always amused that we are always accused, when we try to solve some of these basic problems of security at home, of throwing money at the problems. It seems to me we are doing just that in this debate.

Mr. Chairman, if Members think spending more money equals buying more defense, I hope they will carefully reexamine their views.

Have Members ever heard of anyone stopping a tank or shooting down an airplane by throwing a fistfull of thousand dollar bills at it? Of course they have not. But this is exactly what we will be doing with this defense budget, whether we pass the Giaimo-Leggett amendment or not. But by passing the amendment we can at least reduce the magnitude of our error.

Let me tell this committee a story. A few nights ago, a member of my staff was called, at home in the middle of the night, by a midlevel supergrade civilian employee of the Department of Defense. This man, who is a Goldwater Republican, called for no other reason than to unburden himself regarding the demoralization he and most other patriotic Defense Department people are feeling these days. He told of how the Pentagon is running wild like a millionaire 3-year-old in a toy store, of how every half-baked idea is being approved, even those in which nobody believes, because they know that in the current mood Congress will rubber-stamp anything they send over.

It is bad enough that, in the past, we approved weapons that would not work, weapons we did not need, and weapons which weakened nuclear deterrence. But now, emboldened by the new congressional profligacy, we have the Pentagon asking for missiles it cannot even deploy.

We all know President Ford has asked for 60 additional Minuteman III missiles. But press reports have not made clear that the Vladivostok agreement limits us to 1,320 MIRV missiles, that existing programs call for 1,310, and that therefore we can only deploy 10 more. What use we would make of the remaining 50 is not clear, but who cares when we have unlimited money to spend?

This is the kind of nonsense we are permitting when we allow ourselves to be spooked by Defense Department propaganda.

It is not a question of spending more money and losing efficiency but gaining some military security nevertheless. Past experience has shown that the programs with the weakest cost control are the ones with the weakest performance. With no standards to meet, good people become demoralized and the rest become careless.

Compare the 747 with the C-5A: Two airplanes of about the same size and capability. One was produced to compete in a commercial market; the other was produced on the assumption the Government would buy it no matter what. So the C-5A would end up costing twice as much. But is it a better airplane because of its freedom from cost? On the contrary, it has perhaps one-tenth of the service life of the 747. The Air Force is afraid to fly the C-5A because they are all on the verge of wearing out.

But the C-5A was produced in an era of stringent fiscal restraint, compared to the mood of Congress today. Ladies and gentlemen, I say this for the record: The overblown defense bills we are passing this year will come back to haunt us, not only in the form of inferior weapons but inferior capability.

This amendment will not bring our defense spending back to where it should be. But it will help, and I urge its support.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Kemp).

Mr. KEMP. Mr. Chairman, I rise in opposition to the amendments to cut the defense budget. At a time of the growing counterforce asymmetry that in Soviet eyes is allowing the Soviet Union, in the words of Foreign Minister Andrei Gromyko, "to lay down the direction of international politics," the amendment before us to cut national defense is irresponsible.

Not only do I object to the cuts, I also object to the statement that "After all, the issue is not reducing the defense budget, as some would like to claim, but rather determining what the prudent rate of the increase should be."

Rate of increase compared to what? In real terms the fiscal year 1977 defense budget is less than the fiscal year 1964 defense budget. Since 1964 the defense budget has fallen drastically both as a percentage of the Federal budget and as a percentage of the gross national product in real dollar terms.

It is misleading to ignore the fact that "the trends of the past 5 to 10 years are adverse with respect to the military balances," as Secretary Rumsfeld testified before the Appropriations Subcommittee on Defense.

During this time that the defense budget of the United States has been falling in real terms, Soviet defense spending has been steadily increasing in real terms, and is continuing to increase regardless of SALT talks. As Secretary Rumsfeld testified, "the momentum of this buildup shows no sign of slackening." This steadily mounting military spending has produced for the Soviets:

First, an increase of 1,600 Soviet ICBM's;

Second, an increase of 700 Soviet sea-launched ballistic missiles;

Third, an increase of 2,000 Soviet strategic warheads and bombs;

Fourth, the development of four new ICBM's, two of which are currently being deployed with MIRV's;

Fifth, the production of a new generation of ballistic missile submarines;

Sixth, the development of mobile ballistic missiles;

Seventh, large MIRV's with high-yield warheads;

Eighth, a 1-million-man increase in Soviet military personnel with added tanks, artillery, and armored personnel carriers;

Ninth, an increase of 2,000 tactical aircraft and more sophisticated fighter/attack aircraft;

Tenth, an increase of 800 in Soviet naval ship construction;

Eleventh, an extensive program of civil defense against nuclear weapons; and

Twelfth, a large and growing military production base.

It is not just a question of these vast numbers that is of concern, but during this period of tremendous and rapid build-up in Soviet strategic forces, our own strategic force level remained essentially constant. Our relative inactivity has been predicated on the following arguments:

First, allowing the Soviet Union to catch up and achieve strategic parity would put them at ease and take the pressure off the arms race; and

Second, once a certain force level is achieved by both sides, mutual destruction is assured and further increases are strategically meaningless and economically wasteful.

These arguments do not seem to carry any weight in the Soviet Union.

For example, it is not possible to understand in terms of parity the fact that, in addition to the four large and advanced ICBM systems that are presently entering the Soviet inventory, the Soviets are pushing ahead with the development of newer and better strategic ballistic missiles—perhaps as many as 10. The military production base necessary for the production and deployment of this new family of missiles is also known to be large and growing. Even if we take the sanguine view of the explosive growth of Soviet ICBM development and attribute it to the inertia of the Soviet bureaucratic process, the fact remains that the U.S.S.R. is rapidly acquiring a very credible first-strike capability.

Neither does the Soviet Union accept our idea that mutual destruction would be the only outcome of nuclear war, nor does the Soviet Government encourage this idea among its people or armed services. In fact, the official Soviet position denounces as "bourgeois pacifism" the view that both sides would be destroyed in a nuclear war, and that there can be no victor in nuclear war. The Soviet Government is very critical of anyone who thinks that no defense against nuclear weapons is possible. The fact that the Soviets have developed a cold launch technique for ICBM's that allows the missile silos to be reloaded contrasts with our idea that once the button is pushed it is all over for both sides. Whereas the Soviets prefer to win without war, they clearly state that nuclear war is a permissible and valid instrument of policy.

This is not to say that the Soviets seek nuclear war, but that they are psychologically conditioned to the concept and are willing to take advantage of a superior ability to wage it and our fear of it. This conditioning is reflected in an extensive civil defense program which stresses that adequate measures can greatly reduce the destructive potential of nuclear weapons and in Soviet military strategy which speaks openly of surprise nuclear attack. Soviet force structure reflects the blitzkrieg strategy of Soviet military doctrine in which it is stated that "the path for the advance of the troops will be cleared by nuclear weapons," as does the capability of Soviet forces to operate in radiological, chemical, and bacterial environments.

Soviet thinking does not mirror our emphasis on the deterrent characteristic of nuclear weapons or our faith that mutual destruction is assured by existing force levels. I do not believe our defense posture and SALT adequately take into account Soviet attitudes and behavior.

It is a matter of great concern to me that at a time when the Soviets are making a major effort to develop up to 10 new ICBM systems, we are relying on reciprocal arms control accords to maintain our strategic posture. The Secretary of Defense and Joint Chiefs have all testified that the fiscal year 1977 defense budget is based on the assumption that the current Strategic Arms Limitation Talks will be successful.

The weakness inherent in our position is obvious, and it is partly a result of the psychology of détente which works against the will of the American people to support adequate defense budgets because of the tendency of people to see détente as all that is necessary for security. These psychological effects do not operate in the Soviet Union where détente is explained as a forced change in U.S. policy as a result of Soviet military power. As Marshal Grechko puts it, the Soviet Union does not rely on the peace aspirations of the Americans but on the Soviet military might and clout in international power politics.

I believe our perception of the Soviet threat as well as our approach to national security is deficient for not taking into account that Soviet thinking and values do not mirror our own. Whether or not our forces will turn out to be second to none will depend on how realistic we are about the Soviet threat and nuclear war.

Braggadocio and détente psychology will not produce an American frame of mind capable of taking seriously this Soviet statement:

> The Party reached the conclusion that the Armed Forces and the country as a whole must prepare for a war in which nuclear weapons will be widely used; which will represent a decisive, classic collision of two opposing social systems; and which will be distinguished by unprecedented violence, dynamic force, and high maneuverability of combat operations.

Just as we seriously underestimated the Soviet Union's ability to acquire MIRV capability, General Brown, Chairman of the Joint Chiefs of Staff, testified before the Appropriations Defense Subcommittee this year that "it now appears that we underestimated the scope and the intensity of the Soviet—ICBM—program since both missiles—the SS–17 and the SS–19—have been deployed" in addition to the SS–18 which "is capable of destroying any known fixed target." In the light of our inability to successfully estimate the scope and intensity of the Soviet ICBM development and deployment, I am concerned about our estimate of our ability to inflict "assured destruction" in response to a Soviet first strike. There was more evidence of the Soviet ICBM program than there is evidence that the Soviets are committed to a deterrence concept of nuclear weapons.

Not since the war preparations of Nazi Germany under Hitler in the 1930's has a major nation at peace devoted such a high percentage of its resources to the production of weapons and to the build-up of the related scientific, technical, and industrial base for military production. The real question is why?

The Congress must understand that the growing counterforce asymmetry is a product both of the cutback in our own defense commitment and the steadily mounting Soviet military commitment. Support for these amendments will contribute to the trend toward Soviet military superiority, a trend which encourages Soviet adventures and belligerency at a time when war is more dangerous than ever before. Support for these amendments will give evidence to the Soviet Union of an absence of that "manifest will" that Secretary Rumsfeld testified is so necessary to deter aggression. I believe it would be fatal at this time in history to convey the impression of such a lack of will to the Soviet Union especially at a critical time in the course of negotiations. Weakness militarily, is provocative and is no precondition for successful negotiations.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Chairman, one of our country's gravest errors has been in the area of national defense. During the past 15 years the United States has let military superiority slip from its grasp. U.S. military power vis-a-vis the Soviet Union has eroded to the danger point. The consequences—unless rectified in the near future—could be disastrous for our Nation.

While American politicians have been praising the virtues of détente, the Soviet Union has been rapidly expanding its military power. While the U.S. Congress has been slashing military expenditures, Soviet spending has been substantially increased.

Secretary of Defense Rumsfeld, in his testimony before the Committee on Armed Services, charted the rise in Soviet power. He stated that during the decade Soviet defense spending, in real terms, has steadily risen.

That rise is reflected in the rapid growth of Soviet military forces. Men under arms increased from 3.4 million to

4.4 million. Tactical aircraft rose by nearly 2,000. Intercontinental ballistic missiles went from 224 to 1,600. Sea-launched ballistic missiles moved from 29 to 730. Strategic nuclear warheads and bombs escalated from 450 to 2,500.

In the words of the committee report:

> The Soviets have more strategic missiles than we do, and they far surpass us in aggregate throw-weight ... if the Soviets exploit their throw-weight advantage by MIRVing their giant missiles (that is, mounting multiple warheads on each missile which can be independently targeted), then our Minuteman sites will become highly vulnerable.

The relative decline in American military power is also evident in an independent study prepared by the Congressional Research Service. According to the study, "The quantitative military balance since 1965 has shifted substantially in favor of the Soviet Union."

There are strong grounds for this conclusion. Let me cite the section of the report entitled "Strategic Nuclear":

> This country's numerical superiority in strategic nuclear weapons, which was still evident a decade ago, has dissolved.
>
> The United States had three times as many intercontinental ballistic missiles (ICBMs) as the Soviet Union in 1965 (854 to 224). The Soviets had more ballistic missile submarines (SSB, SSBN), but we had four times as many sub-launched missiles (SLBMs, 496 to 120) because U.S. boats mounted 16 tubes each and theirs averaged only three. Neither side had yet deployed multiple independently targetable reentry vehicles (MIRVs), but 176 of our Polaris A-3 SLBMs carried three multiple reentry vehicles (MRVs) each by June 1965, so the warhead totals stood at 1,702 U.S. and 344 Soviet.
>
> Today, the United States lags in every category, except for MIRVed launchers and aggregate warheads. Continued U.S. ascendancy in quantities of heavy bombers and air-launched cruise missiles (ALCMs) compensates in part, but Soviet superiority in sea-launched cruise missiles (SLCMs) offsets that advantage to some extent.
>
> The United States/Soviet balance between anti-ballistic missile (ABM) forces is close to irrelevant, since neither country ever deployed extensive installations. Air defense assets, however, are a different case. This country, in conjunction with Canada, maintained the world's most comprehensive system in the mid-1960s. Ten years later, that accumulation has been cut to the bone. Only 12 dedicated fighter-interceptor squadrons, half in the Air National Guard (ANG), will remain after phaseouts are complete. All surface-to-air missile (SAM) batteries once assigned to the Army Air Defense Command. (ARADCOM) were inactivated in FY 1974. By way of contrast, the Soviet air defense shield currently contains 2,700 interceptor aircraft and 12,000 SAMs. That aggromeration, which is larger than ours at its apogee, is constantly being improved.

The decline is also evident in American naval forces. The Soviets have outstripped us in every category except aircraft carriers. The Congressional Research Service report states that the Soviets "have even surpassed us in numbers of amphibious ships, ending once dramatic U.S. dominance—not because they built many more, but because we have halved our force since 1965."

In area after area—tactical air forces, strategic mobility forces, ground forces—the record is the same. The United States is falling behind the Soviet Union in military strength.

Even the Washington Post has become alarmed at the growth in Soviet power. In a February 29 editorial, the Post writes:

> The handful of old men who run Russia seem prepared to see their country enter a new imperial stage. Soviet world influence "is becoming ever stronger and deeper," boasted Mr. Brezhnev in a bow to the growth in strategic and naval forces—and in political appetite—that in recent years has extended the Soviet reach to points as distant as Angola.

It is time that the Congress faced headon the growing Soviet military presence. We must be willing to spend more for national defense or else become a second-rate military power.

Mr. Chairman, the risk of being second best in national defense is national destruction. We cannot afford to rely on the tattered policy of détente for our survival. Military superiority is the only way to assure that our country will remain safe and free in the years ahead. We should reject the Giaimo amendment overwhelmingly.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, a comment was made here a moment ago about the B-1 and the Trident. Those are the deterrent factors that we use to prevent a nuclear war. They do not have anything to do with winning a conventional war. They are very expensive, but all they do is prevent a nuclear war.

In the field of conventional warfare, we are not up to what we should be. That is what objective people have said, such as "Janes Ships" and others, who have all observed our Navy, and see what needs to be done. While we have a need for more ability for waging conventional war, we are today considering in this House $50 million for the beginning of national health insurance, which is estimated to cost $100 billion a year.

We have another new start program here in the Humphrey bill for jobs and that measure will run into many, many billions of dollars. If we are going to use the same criteria for Defense as for social programs, we have not scratched the surface on the projected costs of the social programs.

We are talking about in this bill starting some very, very expensive social programs and the expenditures for defense are skimpy indeed.

Mr. Chairman, I urge defeat of the amendment.

(By unanimous consent, Mr. MITCHELL of Maryland yielded his time to Mr. GIAIMO.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. BOB WILSON.)

Mr. BOB WILSON. Mr. Chairman, I rise to express my deep concern over the Budget Committee's recommended target for national defense. The will of the people, and I think the will of the Congress, clearly indicates a national mandate to move vigorously forward with the modernization of our deterrent forces. And I, for one, find little comfort in the assurances of the Budget Committee that the proposed $1.3 billion reduction is not really a program cut, but only a painless little financial adjustment.

I would remind the House that we were given the same assurances last year. And what happened? What was supposed to be a billion dollar financial adjustment wound up as an $877 million program cut, because the so-called surplus funds just were not there. Having been led down that primrose path once, I am under no illusions this time.

Scarcely 3 weeks ago the House delivered a resounding message to the world that it would not hesitate to augment the President's defense budget where it was obvious that the President had erred on the side of too little. Yet, today we are being asked to dilute that mandate in the name of political expediency. Make no mistake about that.

The decision to increase the administration budget cannot be reconciled with a proposal to decrease it merely by giving blithe assurances that we can dip into a slush fund of prior balances to make up the difference. To be sure, some nominal amounts always materialize from this source in the course of reevaluating old programs. Budgeting is, after all, not an exact science. But there will be no where near the billion and a half dollars that will have to materialize to reconcile this proposal with the course we have already set ourselves upon.

I hope this body will not be lulled to sleep by the comforting and reassuring words in the Budget Committee report that the Defense budget target will be increased if the financial adjustments fail to materialize. The guarantees of April, so blithely given, rarely prove to be negotiable instruments in October. Therefore, I would hope that there would be an opportunity here today for us to vote on a more realistic target for defense—one more compatible with the realities that confront us as a nation.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. PRICE).

Mr. PRICE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in substantial support of this resolution. The task of our colleagues on the Budget Committee is a difficult, and to a large extent, thankless one. They were confronted with the problem of trying—in a very brief period of time— to reconcile pressing budgetary constraints with pressing needs in many areas. That they have succeeded as well as they have is a tribute to the leadership of their chairman and to the spirit of cooperation among the members of the committee.

However, I must express by serious reservations over the amount targeted for defense. And I want it known that my support for this resolution is based upon the fact that it sets only functional targets, not firm appropriation limits.

Not 3 weeks ago, the House overwhelmingly approved a defense authorization bill that exceeded an administration request by more than half a billion dollars. Based upon that clear mandate, we should be voting here on a target of $114 billion in budget authority for defense, not $112 billion. And just 2 weeks ago, our colleagues in the Senate approved their version of the first concurrent resolution on the budget with only a nominal reduction to the President's revised request for $113.3 billion.

Surely, those two actions together reflect a strong determination on the part of a united Congress to reverse the dangerous trends of recent years which have produced a gradual deterioration in our defense posture.

Yet, as I look at this resolution, I am puzzled at how quickly a vigorous resolve can be watered down. Within 2 weeks, fully $2 billion of that mandate seems to have disappeared. My support for this resolution, then is predicated on the assurances of the Budget Committee that it contemplates no reductions in the vital programs proposed in the defense budget for fiscal year 1977. The legislative history in the report accompanying this resolution makes it clear that there is no intention to reduce any programs. Their recommendation simply assumes that the programs can all be fully implemented within lower budget authority limits by transferring unobligated funds from prior year balances.

In recommending the reduced figure to $112 billion, the Budget Committee attached a very significant reservation which must not go unnoted by this body. Their report states that:

> **To the extent that unobligated balances of prior year funds cannot be identified in significant amounts during the course of appropriations review, the national defense budget authority totals for fiscal year 1977 may have to be increased above the levels specified herein.**

That is the guarantee upon which my support for this resolution hinges. If, in the course of time, it becomes obvious that the painless financial adjustments are not there and that the reductions can only be accomplished at the expense of our national security. I am going to insist that this guarantee be honored and not just consigned to the ashcan of forgotten rhetoric.

In the meantime, I hope the conferees on this resolution would recognize that in the area of defense, the Senate figures are more closely in line with the expressed will of this Congress and that of the American people.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Chairman, I rise in opposition to this amendment. Since the matter of jobs has been raised, and I do not think we ought to raise it in the matter of national defense, I do not think we should think of the two in the same context; but since it was raised, I just wonder how many jobs in the State of Connecticut would be lost if we adopt this amendment. There is some $2 billion in budget authority and $300 million in outlays.

It is something that some people might want to consider, but not this Member. I do not look at national defense with this in mind. I look on national defense as a need for the country to be satisfied in that regard, and that regard only. But other Members who look only at jobs might consider this factor.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut (Mr. GIAIMO).

(By unanimous consent Mr. ADAMS yielded his time to Mr. GIAIMO.)

Mr. GIAIMO. Mr. Chairman, let me say at the outset that this amendment, this budget function, is not cutting defense expenditures. What my amendment says is that we are going to increase budget authority for defense, but instead of increasing it by $11 billion, we are going to take a more modest approach and increase it by $9 billion, a $2 billion reduction in an $11 billion increase.

Much of the discussion sounded as if we were cutting defense, as if we were sending a signal to the Soviet Union that America is letting down on its defense. America is not letting down. It is increasing the budget by $9 billion over last year with my amendment.

Members should remember that last year this Congress saw fit to cut substantial amounts from the defense budget. Last year, we cut approximately $7 billion. This year, because of the buildup of Soviet forces, we have reversed that so that we are providing substantial increases.

Now, some ask, how much is enough? No one will ever know the answer to that, but it is your job and mine here in Congress to make the decision as to how much is enough. The Defense Department budgets come up here, they are scrutinized by Congress and usually we make reductions, such as last year when we made drastic ones. But this year military establishments are compared because of what I call propaganda—who is ahead, who is first, who is second, how many missiles, how many tanks—that is no way to compare military establishments.

The fact is that in the strategic area we have rough equivalency; we can kill each other many times over. In nonstrategic, conventional forces, we have adequacy in different parts of the world and they have adequacy in different parts of the world. Some mention the many tanks of the U.S.S.R. Those are in Eastern European countries and in China. But what about the mass of American forces and bases in the Pacific and Middle East, in Europe and the NATO countries of Western Europe?

How do we increase adequacy? How do we increase sufficiency? Not by a deceptive numbers game, but by real evaluations, which is your job and mine. We must determine the correct figure in our opinion.

I do not cut the budget. I increase it. With my amendment we will increase it by $9 billion, and all that we will be saying is that we are going to reduce the rate of growth by a small percentage so that we can evaluate even better next year.

The CHAIRMAN. All time has expired.

The question is on the perfecting amendments offered by the gentleman from Connecticut (Mr. GIAIMO).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GIAIMO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 145, noes 255, not voting 32, as follows:

[Roll No. 206]

AYES—145

Abzug
Addabbo
Anderson, Calif.
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Bedell
Biester
Bingham
Blanchard
Blouin
Boland
Bonker
Brademas
Brodhead
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Collins, Ill.
Conte
Corman
Cornell
Cotter
D'Amours
Dellums
Diggs
Drinan
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Fascell
Fenwick
Ford, Mich.
Ford, Tenn.
Fraser
Gaydos
Giaimo
Green
Hamilton
Hannaford
Harkin
Harrington
Harris
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holtzman
Hughes
Hungate
Jacobs
Johnson, Colo.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Litton
Long, Md.
Lujan
Lundine
McCormack
McEwen
McHugh
McKinney
Maguire
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Pa.
Moss
Mottl
Neal
Nolan
Nowak
Oberstar
Obey
O'Neill
Ottinger
Patterson, Calif.
Pattison, N.Y.
Pressler
Rangel
Rees
Reuss
Richmond
Rodino
Roncalio
Rooney
Rosenthal
Roush
Roybal
Ryan
St Germain
Scheuer
Schroeder
Seiberling
Sharp
Simon
Smith, Iowa
Solarz
Spellman
Stark
Stokes
Studds
Thompson
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Waxman
Weaver
Whalen
Wirth
Wolff
Yates
Young, Ga.

NOES—255

Abdnor
Alexander
Allen
Ambro
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, R.I.
Beard, Tenn.
Bennett
Biaggi
Boggs
Bolling
Bowen
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dent
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
Edwards, Ala.
Emery
English
Erlenborn
Esch
Evans, Ind.
Evins, Tenn.
Fary
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Fountain
Frenzel
Frey
Fuqua
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley

Hall
Hammerschmidt
Hanley
Hansen
Harsha
Hays, Ohio
Hefner
Heinz
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Horton
Howard
Howe
Hubbard
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lott
McClory
McCollister
McDade
McDonald
McFall
McKay
Madigan
Mahon
Mann
Martin
Mathis
Matsunaga
Michel
Milford
Miller, Ohio
Mills
Minish
Mitchell, N.Y.
Mollohan
Montgomery
Moore
Moorhead, Calif.
Morgan
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
O'Brien
O'Hara
Passman
Patten, N.J.
Paul
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Rhodes
Rinaldo
Risenhoover
Roberts
Robinson
Roe
Rogers
Rose
Rostenkowski
Rousselot
Runnels
Russo
Santini
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Nebr.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Treen
Vander Jagt
Vigorito
Waggonner
Walsh
Wampler
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Winn
Wright
Wydler
Wylie
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—32

Adams
Bell
Bergland
Bevill
Clay
Conlan
Conyers
de la Garza
Eshleman
Forsythe
Gude
Hayes, Ind.
Hébert
Hinshaw
Jones, N.C.
McCloskey
Macdonald
Madden
Mosher
Nichols
Nix
Pepper
Riegle
Ruppe
Sarbanes
Stanton, James V.
Steelman
Symington
Teague
Udall
White
Wilson, Tex.

The Clerk announced the following pairs:

On this vote:

Mr. Symington for, with Mr. Hébert against.

Mr. Udall for, with Mr. White against.

Mr. Conyers for, with Mr. Teague against.

Mr. Macdonald of Massachusetts for, with Mr. Ruppe against.

Mr. Nix for, with Mr. Conlan against.

Mr. ASHLEY changed his vote from "no" to "aye."

Mr. RUSSO changed his vote from "aye" to "no."

So the perfecting amendments were rejected.

The result of the vote was announced as above recorded.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment of my colleague from Ohio, Mr. LATTA.

The current budget debate centers on the President's plea for progress in returning to Federal fiscal sanity and the House Budget Committee policy of enlarged spending and deficits that could easily transform a healthy economic revival into another bout with inflation, followed by another recession.

As ranking Republican on the Joint Economic Committee. I want to observe how slow Congress is to learn its economic lessons. There is little doubt that a major cause of our recent serious recession was the unbridled inflation of 1973–74. And yet, we seem intent on pursuing the same outmoded and dangerous policies that could set the stage for next recession.

The House Budget Committee resolution of the 1977 budget embodies a spending level $18 billion above that requested by the administration. In addition to the excessive spending totals, the mix of spending and taxing in the committee resolution is aimed at draining resources from the private sector, where real jobs and real economic well-being are created, and transferring these resources to a far less efficient sector of the economy, the so-called public—or Government decision—sector.

A point that bothers me is that the Democratic majority of the Budget Committee is charging helter-skelter into expanded Federal spending and huge deficits at a time when the private economy is showing all the earmarks of a solid—and I mean solid—economic recovery. We are even ahead of the pace of recovery outlined in the President's Economic Report earlier this year.

Real GNP, adjusted for inflation, rose at a seasonally adjusted annual rate of 7.5 percent in the first quarter of 1976. This was up sharply from the 5 percent rate in the fourth quarter of 1975. Real GNP has now risen for four consecutive quarters.

On the inflation front, the GNP deflator, generally regarded as the most comprehensive measure of inflation, rose at a 3.7-percent annual rate in the first quarter of 1976, significantly lower than the 6.8-percent rate of the last quarter of 1975. In fact, the January to March 1976 performance was the best for this index since the third quarter of 1972. I do not expect that we can maintain this excellent inflation posture in the last half of this year, because food and fuel costs probably will rise. Yet the 1976 annual rate should be down to around 5.5 percent for the year as a whole compared to a 5.9-percent rate projected in the January Economic Report and compared to the 9.7-percent rate in calendar 1974 and 8.7 percent in 1975. By comparison the wholesale price index rose by 19 percent in 1974 and 9 percent in 1975.

With these new, encouraging recent statistics for GNP and inflation, we can now look for a 1976 real growth of at least 6.5 percent compared to a last January projection of 6.2 percent. And, of course, the most important economic statistic for all of us—employment—is improving ahead of schedule. The March unemployment figure of 7.5 percent, down from the 8.9 percent at the trough of last year's recession, gives us great confidence that a projected 7¼- to 7½-percent rate by the end of 1976 should easily be met and perhaps exceeded, although there may be some upticks along the way.

The encouraging thing about the current recovery is that we have not even shifted all the gears yet. Up to this point, the major stimulus has been in consumer spending, with accumulation of business inventories only now beginning to lend its stimulus. Waiting in the wings is what is expected to be a strong business fixed investment spending—probably coming late this year or in 1977.

In some past recoveries, the sources of stimulus often sputtered out simultaneously. But, that would not happen this time. There is much steam left in this economic advance.

The pace of recovery may be somewhat more labored in the months ahead, and in our type of society, this is to be expected. But, the point is, no one can question the fact that we are in the early stages of what promises to be a very vigorous and sustained economic recovery.

Despite this, the House Budget Committee has recommended a spending level of $413.6 billion, more than $18 billion above the administration's recommendation, and a deficit of $50.2 billion, because it fears the economic recovery may falter.

I disagree. Instead, the committee proposal will pull resources out of the more productive private sector and put them into projects of questionable value in the public sphere. Or, it will generate a new round of inflation and consequent recession.

The Budget Committee resolution is based on the old-fashioned, traditional, narrow view that the unemployment rate of labor is the only key indicator for assessing the need for fiscal stimulus.

I would like to call the attention of my colleagues to an April 1976 economic research paper by the respected firm of Goldman Sachs which gave some excellent new insights into this matter of evaluating fiscal stimulus. Again, the old-fashioned, traditional approach is that, over long periods of time, labor is the scarcest input into the production process, and only when this scarce resource is being utilized to its fullest extent does additional stimulus result in an acceleration of inflation.

This type of analysis may have been appropriate in the late 1960's when labor was in short supply relative to plant capacity. But not in today's economic environment, with plant capacity in short supply relative to labor. Recently, the manufacturers' rate of capacity utilization has shifted upward relative to the unemployment of labor. While presently existing excess plant capacity may prevent serious demand-pull inflation from developing in 1976, this plant utilization could be up to around an average of 82 to 84 percent by the end of this year while unemployment is still relatively high. At even higher plant capacity utilization rates in 1977, the economy may run out of available plant and equipment before it can efficiently employ all the workers necessary to reduce the unemployment rate to the 4- to 5-percent levels traditionally associated with full employment. Therefore, even in the face of unemployment rates above the 4- to

5-percent targets, we can generate strong inflationary pressures from manufacturers' capacity utilization.

Goldman Sachs suggests that an average of 86-percent plant utilization—which includes some full capacity utilization—is the rate beyond which inflation usually accelerates, and that figure might be conservative. Thus, we may have our eye on the wrong runner in trying to tackle the inflation problem.

This analysis gives all the more credence to the administration's budget approach. First, the strong recovery which I have outlined justifies a modest fiscal posture in terms of both Federal spending and Federal deficits. The President's budget moves strongly in this direction.

Moreover, the administration's proposal for an additional $11 billion tax cut for individuals and corporations—made possible by holding down Federal spending increases—is in keeping with the need to stimulate the private economy and private jobs. This is where our emphasis should be.

It is not just the outlays that are out of joint in the House committee resolution, it is also the mix of outlays and taxes that is out of joint. The biggest discrepancy in the administration's request and the House committee request is in line item 500—education, training, employment, and social services. The administration figure calls for $17.6 billion; the House figure is $23 billion. A large chunk of the difference is in proposals for greatly expanded public employment, coupled with the refusal to phase out current public service jobs programs. In addition to the considerably larger figure in line item 500, the House committee proposal provides for nearly $3 billion in allowances, much of which will be made available for public employment programs—public service employment, countercyclical aid, public works, or any other form of public employment. True, this allows flexibility in the use of the funds, but it still will result in spending private taxpayers' funds for public employment programs. As the economy continues to recover from the recession, it seems strange that the Democratic-dominated House Budget Committee persists in proposing a massive expansion of public jobs rather than reposing confidence in the creation of jobs through the private sector.

The Budget Committee is shortsighted in not accepting the administration's approach. What we need to do is to cut spending levels and return tax funds to the private sector and thereby promote private job creation. This is the only sure and lasting way to achieve full employment, prosperity, and real economic growth.

Let us remember that the Government does not create wealth; it only redistributes it. It is the private sector that creates wealth and sustains economic growth. The President wants to move in that direction, and I urge my colleagues to reject the Budget Committee resolution and support the more sensible administration approach.

Mr. DU PONT. Mr. Chairman, I believe in and have supported the principle of fiscal responsibility in government. I have consistently opposed spending programs that would increase our Federal indebtedness. However, both common sense and common decency argue in favor of the addition of this $1.2 billion in the Wright amendment to insure a decent living standard for our veterans.

While these additional dollars do not repay our debt to those who served our country—no amount of money could do this—they do help these individuals to live with the dignity they have earned.

Equally important is the message that those who answered our countries call for help have not been forgotten or ignored. Certainly, we cannot in good conscience do less for them than they have done for us. I urge every one of my colleagues to support these additional funds.

Mr. FLOWERS. Mr. Chairman, as one of the sponsors of legislation to extend the delimiting date for educational benefits for certain veterans, I urge my colleagues to seriously consider adoption of an amendment which will give the Veterans' Affairs Committee the "green light" to review and report legislation modifying the 10-year delimiting date. I understand Chairman TEAGUE has announced plans to hold hearings the middle of May to discuss this most important matter. If funds are not made available in the targeting resolution before us today then it is doubtful impetus will be given to the proposed changes.

I have talked at length with numerous veterans in my district which includes the University of Alabama and more recently with Cecil Byrd, director of the Office of Veterans' Affairs there. Cecil is also chairman of the board of directors for the National Association of Veterans Program Administrators and has devoted a tremendous amount of time encouraging veterans to take advantage of the benefits that are so rightfully theirs—particularly the GI bill. Cecil and I agree that the GI educational program is not a Government handout as some programs tend to be. Rather it is an investment in the future—the future of the veteran and the future of our country. It is a program that has worked well despite the normal incidents of abuse—common in any large program. The GI bill reaps a maximum amount of return for a minimum amount of investment—evidenced by increased productivity among veterans and increased earning power. It is far better to spend our tax dollars to encourage the attainment of higher education or training degrees than to spend those dollars on welfare and unemployment checks.

I recognize, of course, that tough decisions are going to have to be made as we review the budget this year and attempt to take a harder look at our spending priorities. I am one who firmly believes, however, that those individuals who served during wartime sacrificed a lot for this Nation—often at great risk—and I want them to receive their due thanks. Let us show those who bravely served during the unpopular days of Vietnam that they are not forgotten men. We can take the first step today by passing an amendment to help insure the funds necessary to implement a modification of the present delimiting provisions.

Mr. BROYHILL. Mr. Chairman, in the deliberations of the Budget Committee, no consideration was given to the subject of cost-of-living increases for our Nation's disabled veterans, those receiving pensions, their dependents, or GI bill recipients.

The political manuevering between the White House and the committee majority on this issue is to me irrelevant. What is relevant is that the welfare of our Nation's veterans not become the subject of partisan politics.

My efforts to keep Federal spending within manageable limits, I believe is a matter of public record. However, I believe this Nation has a responsibility to keep faith with our Nation's disabled veterans, veteran pensioners, and veterans' dependents who have felt the harsh affects of inflation no less than have social security recipients, Federal Government employees, and others who will receive budgetary authority for cost-of-living increases.

The budget process is simply the setting of spending priorities under the limitations of our revenue resources. I can think of no higher priority than a grateful Nation keeping its commitment to those who have served in our Armed Forces and defended freedom when the need arose.

I strongly support the amendment to restore the $1.2 billion recommended by the Veterans' Affairs Committee and I urge my colleagues to support this vital amendment.

Mr. GRASSLEY. Mr. Chairman, let me take this opportunity on the record to voice my dissatisfaction and complete dismay with House Concurrent Resolution 611, the first concurrent resolution on the budget. The above resolution is to be considered by the House of Representatives on this date.

It should be remembered that this resolution is only a target, an ideal, a goal to be achieved in the future. The question is quite simply how much and in what manner a sizable portion of our Nation's resources is to be spent by the Federal Government.

The fact of the matter is that were this resolution to be adopted in the form presented we would, in effect, be saying that one of our goals is to increase the national debt ceiling to the astounding sum of $711.9 billion. Forget not that bills to increase the national debt ceiling have been considered by the House six times since I assumed office in January 1975.

We would also be striving to spend $452.3 billion of the taxpayers' money. At a time when millions of individuals and families across the Nation are striving to make ends meet to survive, we would be giving our stamp of approval, however tentative and subject to later review, to a deficit of $50.6 billion.

I believe that many of those responsible for authoring this resolution, as well as that endless line of individuals and agencies who will ultimately be spending the taxpayers' money, have lost touch not only with reality, but also with the people of this country. This past January 2½ million members of the American Farm Bureau Federation called for constitutional amendments which would require a balanced Federal budget and would limit Federal taxes to a realistic percentage of the gross national product. This Nation has been in love with Keynsian economics for the past 30 years, which economic theory puts forth the proposition that it does not matter how far in debt the Federal Government goes because, after all, we owe it to ourselves. This concept has been time tested and disproved. It may sound good and look good in print, but I believe that we should listen to that segment of our citizenry who, perhaps, have not had the dubious distinction of studying economic theory in the rarified atmosphere of an institution of higher learning.

Mr. Chairman, let us recall the plight of the Roman Empire some 2,000 years ago. Historians tell us that one of the major reasons for the decline and fall of the Romans was that the middle class, the working class, the people who labored and produced, were taxed out of existence. The government took too much and gave too little or nothing in return. I can see the same thing happening in our country today and it is happening as we consider this resolution.

We must slow down, if not halt, the growth of Federal expenditures—not with a meat cleaver, but by careful and skilled surgery. The cancer which is raging through this country must be cut out and the process must begin today.

I sense a growing sense of disenchantment with the Federal Government by the people I represent. There is also a growing realization that Government cannot solve, nor should it attempt to solve all of the problems for all of the people. We can and should help and lend assistance where assistance and aid are required. Billions and billions of dollars have been spent by the Federal Government over these past many years. I would ask whether the lot of the people we are to represent, their standard of living if you will, has been improved because of Federal money or rather as a result of private initiative, work, and sacrifice. Ask yourself.

We must return to the traditional American values which allowed this Nation to prosper spiritually and economically. We must learn to help our neighbors and friends and, when it is necessary, turn to them for help. Federal money is not the answer. It is merely a bandaid which allows the wound beneath to fester.

We must exercise fiscal restraint. I have returned to the people of the United States the pay raise which the Congress voted itself and me and I call on others to do so.

The Congress of the United States must demonstrate leadership in restraint and fiscal responsibility. The proposed concurrent resolution on the budget for the fiscal year 1977, is pointing our Nation in the opposite and wrong direction. I must, therefore, speak out early in dissent.

Mr. GRADISON. Mr. Chairman, House consideration of the first congressional budget resolution (H. Con. Res. 611) marks an historic occasion. For the first time, Congress is fully implementing the new congressional budget process. This process allows Congress to take an overall look at the level of Federal spending and its economic implications.

I support the new budget process. It has already lead to some progress in efforts to control spending and it has great potential. But while supporting this process, I am opposed to specific budget targets set out in House Concurrent Resolution 611.

The budget resolution provides for Federal spending and a Federal budget deficit which are simply excessive. In overall terms, the resolution provides for total spending of $413.6 billion and a deficit of $50.6 billion. This huge deficit represents a serious mistake for several reasons.

In the first place, a $50-billion deficit does not make economic sense given the present state of the economy. The economic recovery has been underway for nearly a year now and the economy is still expanding sharply. In the first quarter of this year, GNP corrected for inflation rose 7.5 percent. There are about 2½ million more Americans with jobs today than there were at the low point of the recession last year.

Given these economic conditions, we should be sharply reducing the size of the deficit. This is necessary in order to prevent a renewed outbreak of inflation. A $50 billion deficit under the present economic conditions would threaten the continuation of economic recovery.

This budget resolution calls for an increase in antirecession jobs programs. Under the resolution, the number of public service jobs would increase next year to 550,000 from the present 300,000. Here, again, this is precisely the wrong medicine for our economy at the present time. With the economic recovery well under way, we should be placing primary emphasis on creating production jobs in the private sector. Temporary public employment jobs are useful as an antirecession measure but the program should not be sharply expanded now.

This budget resolution also fails to come to grips with the ever-expanding size of government. Just since 1960, the percentage of our GNP controlled by government at all levels has grown from 27 percent to over 36 percent today. The President proposed a $395 billion budget ceiling which was aimed at reversing the trend toward bigger and bigger government. The President also asked for additional tax cuts to give the working men and women of this country more say over how their money is spent, rather than having the Government decide how to spend it for them.

Unfortunately, this budget resolution rejects the President's proposals. It calls for higher spending and higher taxes than the President did. It does not attempt to reverse or even slow down the trend toward bigger and bigger government.

The American people have been pleading with Congress to begin to demonstrate some fiscal responsibility. With the new budget process, Congress now has the proper tools. By passing this budget resolution, Congress will be ignoring the demands of the American people for fiscal responsibility and opting instead for a continuation of excessive spending.

Mr. TEAGUE. Mr. Chairman, I supported the amendment offered by the gentleman from Texas to provide $1.2 billion in budget authority for the purpose of funding a cost-of-living increase for veterans and survivors receiving compensation, pension, and education allowances.

Of course, the Committee on the Budget has recognized that this group of beneficiaries of Federal programs is entitled to the same consideration that other groups receive, and the committee made that clear in their report. I think it is regrettable that the administration did not recognize the simple equity of this situation and make provision in its budget for these cost-of-living increases. But the fact that the administration has failed to meet the need does not absolve the Congress of its responsibilities, and I am very much appreciative of the cooperation of the Committee on the Budget in offering and supporting this amendment.

Mr. LLOYD of California. Mr. Chairman, I rise in support of House Concurrent Resolution 611, the first resolution on the budget for fiscal year 1977. This historic measure provides Congress with the ability to set firm spending limits, and stick to them. It will require Congress, and consequently the Federal Government, to live within its means.

There are features in this legislation that I want to single out for emphasis, because they make House Concurrent Resolution 611 a strong, farsighted, and practical document.

Of major importance is that this measure is designed to sustain the present economic recovery as a result of congressional budgetary controls implemented for fiscal year 1976.

As stated in the report of the House Budget Committee, the budget resolution also takes a great stride in the direction of a balanced budget. The annual budget deficit would be reduced nearly a third to $50.6 billion. Similar budget action in future years could conceivably lead to a balanced budget within 3 to 4 years, as I have recommended.

Unemployment would be reduced under this budget by a projected 1 percent, from the current 7 to 6 percent. This translates into nearly 1 million jobs for Americans currently out of work.

Our national defense is also strengthened under the budget provisions which allow for real growth to offset increases in Soviet military capability, particularly in the area of seapower.

The resolution also restores domestic programs in areas such as education, employment and training, veterans programs, and energy research and development.

The budgetary considerations contained in this resolution will affect Federal budget far into the future. Therefore, the importance of congressional action is magnified many times. We must balance the budget and regain our national economic health, and we must do this while maintaining a strong national defense. I am satisfied that House Concurrent Resolution 611 accomplishes these goals and will provide a sound foundation on which to bring Federal spending under control and within the means of the American taxpayers. I urge my colleagues to join me in support of this resolution.

Mr. McFALL. Mr. Chairman, I rise in support of House Concurrent Resolution 611, the first budget resolution for fiscal 1977.

This resolution proposes a carefully designed, well-balanced Federal budget which would keep our economic recovery moving, provide for a strong national defense, and maintain important domestic programs that the administration had scheduled for sharp cuts.

The resolution is fiscally responsible and responsive to the needs of the people. The deficit is down by a third from the fiscal 1976 level. It is virtually the same as the deficit proposed by President Ford for fiscal 1977, if realistic estimating and bookkeeping standards were applied to his budget.

The difference between the administration's budget and the House is the thrust and the intent: The House is clearly dedicated to maintaining economic recovery, providing the necessary stimulus in the form of a tax cut extension and measures to put people back to work. The administration's budget would tolerate high unemployment. It proposes a tax package that would benefit the upper income brackets and add more burdens to middle- and lower-income families.

One of the major priorities of this Congress is to make the new budget process work. This budget process is the best way for Congress to recapture full and effective control of the purse. It is a means by which Congress can consider the budget as a whole, weigh its impact on the national economic situation, and choose among national priorities. The resolution permits Congress to bind itself to a responsible spending ceiling and an appropriate minimum for tax revenues.

It is up to all of us to see that this historic new process works. This is a challenge as great as the passage of the Budget Act itself by the last Congress. It is an exercise of the legislative power for the benefit of the people in the best sense of the word. I urge all Members' support.

Mr. HECHLER of West Virginia. Mr. Chairman, I strongly supported the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR). The Edgar amendment adds an additional $600 million to the $1.2 billion provided for in the amendment offered by the gentleman from Texas (Mr. WRIGHT) so that the 563,000 veterans now going to school under the GI bill can continue their education and training beyond the May 31 termination date. A cost-of-living increase for the disabled veterans of this country is a matter of simple justice. Congress has voted regular increases for practically all other federally financed programs, and it is high time we realize, that the veteran and his dependents are subject to the same rising costs and living expenses that you and I and every other American must face. We can give billions of dollars in foreign aid, but yet we turn our backs on those Americans who served our country with pride and honor.

Here are excerpts from a few of the hundreds of letters I have received from my fellow West Virginians:

> ". . . I am a widow of a deceased serviceman who was killed in the line of duty and the small compensation payment that I receive would hardly provide a decent living. I am grateful for what I receive but living expenses have increased much more than what I am receiving." (Sophia, W. Va.)
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> ". . . I feel that the disabled are entitled to at least bring themselves into the security level of today's wages and prices, as promised by many in the political campaigns." (Huntington, W. Va.)
>
> ". . . The present Administration seems to find ways to grant and support other federally-financed programs but it seems to me they also manage to find ways to limit the support for us, the disabled and retired veterans, who also try to make ends meet on our limited and fixed budgets." (Apple Grove, W. Va.)
>
> ". . . I am just existing due to increase in things pertaining to living . . . I am now 71 years old, unable to work due to health conditions. It is getting to be a problem due to increase in utilities, rent, groceries, not mentioning doctor and hospital bills." (Huntington, W. Va.)
>
> "The high cost of living takes every thing I get, as it is, and for us not to have a raise soon will really be hard on myself and people like myself, on just so little income." (Whitby, W. Va.)
>
> ". . . I'm supposed to be on a diet but I can't afford to pay the price they want for the food I'm supposed to eat. And it's not just groceries, everything has gone up as you know, well every thing but our checks." (Lenore, W. Va.)
>
> ". . . I can't understand why they can and want to forget a man that has been to war when they needed him . . . sometimes I think nobody cares." (Ona, W. Va.)
>
> ". . . It is hard enough to make a living now, but if costs go up, what will the disabled veterans and their families do if they don't get an increase? Think about it." (Wyoming, W. Va.)

In my opinion, the education program is one of the best investments in the future of our country with the unemployment rate as high as it is especially among the younger veteran population. I do not think now is the time to terminate these benefits. Many veterans return home from service unable to get jobs or because of the economic situation lost their jobs and had to be retrained. There was not time to go to school on a full-time basis and these people have been unable to complete 36 months of entitlement in the time alloted by the Congress; therefore, I think it is only fair and equitable that we allow those who are now in school to be able to continue in order to complete their course of education. The amendment offered by Mr. EDGAR would accomplish this purpose.

I also supported and worked for the $1.2 billion provided for in the amendment offered by the gentleman from Texas, which is included in the amendment offered by the gentleman from Pennsylvania. This means that $1.2 billion are provided for cost-of-living increases for those drawing compensation, pension, and educational benefits and would provide an additional $600 million in order to allow those now in training to continue their education beyond the May 31 termination date.

Mr. Chairman, according to the chairman of the Veterans' Affairs Committee, the $1.2 billion would be broken down as follows: $393 million for compensation; $450 million for those drawing pension benefits and $390 million for those going to school under the GI bill. Compensation for service-connected disabled veterans was last increased on August 1, 1975, and since that time the cost of living has continued to rise. As we are all aware, veterans' benefit programs are not indexed by law as are some of the other programs; therefore, the Congress must review these programs on an annual basis in order to assure that these benefits are not eroded by inflation. Congress in the past has always granted such increases. As has been pointed out by the distinguished chairman of the Veterans' Affairs Committee, Mr. ROBERTS, if cost-of-living increases in these three areas are not granted this year, 55,800 veterans and eligible survivors will be terminated from the pension and DIC rolls; 2,269,600 pensioners will receive reductions in their pension checks the first day of October; and approximately 2,400,000 service-connected disabled veterans and widows drawing compensation and DIC benefits will receive no rate increase at all. Equally important, Mr. Chairman, some 1.9 million veterans and eligible dependents who are expected to be enrolled in the fall under the GI education program will not get an increase in rates. It is important to keep in mind that veterans going to school under the GI bill have not received a rate increase since September 1, 1974, when the Congress provided an increase of 22.7 percent. Since that time the cost of living has increased approximately 14 percent.

Mr. Chairman, we can not sit back and allow this to happen to veterans and their families. I have strongly urged my colleagues to support the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR) along with the amendment offered by the gentleman from Texas (Mr. WRIGHT).

Mr. MILLER of Ohio. Mr. Chairman, as the House debates this first concurrent resolution on the budget it is plain to see that we are once again confronting a spectacular rise in Government spending. Under the Budget Committee's recommendations, we are talking about a spending level in excess of $413 billion and a deficit of over $50 billion. With this budget, the public debt of the United States will reach almost $712 billion. If some of the Members here in the House have their way, these figures will rise even higher as each of these ceilings is raised. I cannot support the resolution at the committee figures.

We have always been told in the past that a balanced budget—something I have long fought for—was impractical; that the economy could not survive such a step. As a result the Congress has seen a steady parade of deficit-spending budgets, fueled by a variety of programs for which we are only now beginning to pay the price. Rather than cutting back on spending, this budget resolution lays the foundation for a whole new series of spending programs. The country cannot even afford to pay for the programs of the late sixties and early seventies—and some are suggesting that new and bigger spending programs are needed.

Mr. Chairman, it is time to put the Federal budget on a diet and balance the budget. In the years from fiscal 1971 through fiscal 1976, total Federal spending will have risen an estimated $162 billion—more than double the $77 billion rise in the 5-year period 1966–71. In the past 2 years alone, the budget is running with red ink to the extent of a combined deficit of $120 billion. The taxpayers of America—our constituents—are doing all they can to fight inflation and balance their own family budgets. They should expect nothing less from the U.S. Congress when the national budget is debated.

The trend toward bigger and bigger Government and higher and higher deficits can be reversed. The House has before it today several proposals that will bring the budget into balance or move a long way toward that goal. I support these efforts. Failure to approve these substitute measures will only mean that once again the majority of the House has shown an inability to make the difficult decisions necessary to reduce the budget. The effect of balancing the budget, accompanied by the tax cuts which could be made, would be a stimulation of the economy, providing meaningful jobs on a permanent basis by leaving more money in the hands of the American taxpayers to spend as they see fit in the private sector.

Mr. Chairman, I hope that those Members here today will heed the warning given by those of us advocating a balanced budget and will work with us in exercising restraint on ballooning Federal spending.

Mr. DODD. Mr. Chairman, I rise today in support of two amendments which will be offered to House Concurrent Resolution 611 by my distinguished colleagues from Texas (Mr. WRIGHT) and Pennsylvania (Mr. EDGAR) to provide for the continuation of benefits for the deserving veterans of this Nation at levels which are reasonable and appropriate.

I was shocked, as were many of my constituents and colleagues, to learn that the President, in an apparent attempt to make the congressional budget resolution look much larger than his own budget request, completely left out the cost-of-living increases for all veterans' entitlement programs. Traditionally the President's budget has reflected this cost-of-living increase, and it has been provided annually by Congress in a spring supplemental appropriations act. The cost of this increase this year is $1.2 billion, and by ignoring this increase and neglecting to include that amount in his budget request, the President has attempted to understate Federal spending and the deficit.

The House Veterans' Affairs Committee recommended that this cost-of-living increase be provided, and I know that a majority of members of the Committee on the Budget concurred in this position. They were reluctant, however, to fall into the administration's fiscal trap by including these funds in the congressional budget resolution.

Instead, the distinguished gentleman from Texas (Mr. WRIGHT), will offer an amendment to House Concurrent Resolution 611 on the floor to provide the additional funds for this most important cost-of-living increase. By adding these funds through a floor amendment, we will be allowing each Member of the House of Representatives to take a firm public stand on this issue, and hopefully we will be encouraging more realistic budgeting by the administration in future years.

I will support the Wright amendment for the cost-of-living increase, Mr. Chairman, and I strongly urge my colleagues to join me in this crucial stand.

I would also like to bring to the attention of my colleagues an equally important amendment to be offered by the gentleman from Pennsylvania (Mr. EDGAR). This amendment would authorize funding for veterans educational benefits which are due to expire at the end of next month for nearly 3 million American veterans.

I have introduced and cosponsored bills which would altogether eliminate the 10-year time limitation within which Vietnam era veterans educational benefits must be used, and I know that a large number of my colleagues share this concern. I believe that the limitation period is unnecessary, and puts undue pressure on veterans to "beat the deadline," as well as discriminating against veterans who have families or other commitments which have prevented them from being able to use their educational benefits as of yet.

Unfortunately, the administration and some Members of Congress have opposed the extension of entitlement due to costs involved, even though studies show that for each dollar spent on GI educational benefits, the Treasury receives $4 in additional tax revenues generated by higher veterans' incomes.

Hearings on legislation to extend entitlement have been scheduled by the House Veterans' Affairs Committee for mid-May, but unless additional funds are provided in the budget resolution, the question of providing educational benefits for these veterans for fiscal 1977 becomes moot.

This amendment, therefore, will allow us the option of providing continued educational assistance for these veterans if Congress finds the extension of entitlement to be appropriate.

I am hopeful that a majority of my colleagues will see the need to promptly enact legislation designed to prevent the termination of the academic careers of so many of our young men and women who served our country, and I am hopeful that the extension of these benefits will be approved when that question is before us.

At this time, however, I feel it is essential that we authorize the funds necessary to at least give us options in the matter at that time. To do otherwise could have very serious consequences, as one might easily imagine.

I urge my colleagues most strongly, therefore, to join me in supporting the Edgar amendment, as it is clearly in the public interest.

PERFECTING AMENDMENTS OFFERED BY MS. HOLTZMAN

Ms. HOLTZMAN. Mr. Chairman, I offer a series of perfecting amendments.

The Clerk read as follows:

Perfecting amendments offered by Ms. HOLTZMAN: Page 2, line 21, strike out "$112,000,000,000" and insert "$104,500,000,000".

Page 2, line 22, strike out "$100,600,000,000" and insert "$98,100,000,000".

Page 3, line 12, strike out "$19,910,000,000" and insert "$20,210,000,000".

Page 3, line 13, strike out "$17,740,000,000" and insert "$18,140,000,000".

Page 3, line 19, strike out "$24,617,000,000" and insert "$25,317,000,000".

Page 3, line 20, strike out "$23,004,000,000" and insert "$23,404,000,000".

Page 3, line 22, strike out "$39,250,000,000" and insert "$39,450,000,000".

Page 3, line 23, strike out "$38,200,000,000" and insert "$38,300,000,000".

Page 3, line 25, strike out "$156,764,000,000" and insert "$158,264,000,000".

Page 4, line 1, strike out "$139,228,000,000" and insert "$140,728,000,000".

Page 4, line 6, strike out "$3,400,000,000" and insert "$3,500,000,000".

Page 4, line 7, strike out "$3,500,000,000" and insert "$3,600,000,000".

Page 1, line 11, strike out the dollar figure and insert in lieu thereof "$449,371,000,000".

Ms. HOLTZMAN (during the reading). Mr. Chairman, I ask unanimous consent that the perfecting amendments be considered en bloc, considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the gentlewoman from New York?

There was no objection.

Mr. ADAMS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 611) setting forth the congressional budget for the U.S. Government for the fiscal year 1977, and revising the congressional budget for the transition quarter beginning July 1, 1976, had come to no resolution thereon.

GENERAL LEAVE

Mr. ADAMS. Mr. Chairman, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on House Concurrent Resolution 611 that we have had under consideration today.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERSONAL EXPLANATION

Mr. CONTE. Mr. Chairman, on rollcall No. 205 I was unavoidably detained at a meeting and missed the rollcall. Were I here, I would have voted "aye."

FURTHER LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, I rise to announce tomorrow's program. When the House adjourns today, it will adjourn to meet tomorrow at noon. The first piece of legislation we will take up will be Federal employees political activities. That is the veto of the so-called Hatch Act.

There is a conference report on Science and Technology, H.R. 10230, which we understand is not controversial. Then we will go back immediately to the first concurrent resolution on the budget for fiscal year 1977.

The gentleman from Washington (Mr. ADAMS), chairman of the committee, feels that we can finish this in 4 or 5 hours tomorrow night, so we would hope to finish this by 6 or 7 o'clock tomorrow night.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the minority leader, the gentleman from Arizona.

Mr. RHODES. I thank the gentleman for yielding. There is no doubt in the gentleman's mind that there will be a Friday session?

Mr. O'NEILL. There is no doubt in my mind that there will be a Friday session.

Mr. RHODES. Will the gentleman yield further for the purpose of inquiring about a rule which the Committee on Rules just put out consisting of a resolution permitting the committees to meet during general debate?

Mr. O'NEILL. I understand the rule, but that will not be on tomorrow. It could very well be on Friday.

Mr. RHODES. I thank the gentleman.

FORD HIT ON DENIAL OF SHOE QUOTA

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to call to the attention of my colleagues the following article which appeared in the AFL–CIO News of April 24 relative to the President's refusal to provide effective relief to the embattled domestic footwear industry. The Ford decision to provide relief to this hard-pressed industry in the form of adjustment assistance is another example of the administration's insensitivity to the plight of the American worker. Once again, the administration has broken faith with the American people in advocating a program which will not do the job in providing effective relief for the footwear industry and its workers.

The President has taken this action in spite of the U.S. International Trade Commission's unanimous finding which showed the industry to have suffered "serious injury" as a result of imported shoes from low-wage countries.

I urge the careful attention of each and every one of my colleagues to the very strong message that has been put before the American public by the AFL–CIO in the following article:

FORD HIT ON DENIAL OF SHOE QUOTA—DENIAL OF SHOE QUOTAS SEEN DESTROYING JOBS

(By John R. Oravec)

President Ford's refusal to set limits or to raise tariffs on shoe imports—despite government findings that foreign footwear is decimating U.S. production and jobs—may signal the demise of the American shoe industry.

That warning was sounded by union officials who have seen 100,000 jobs wiped out by non-rubber shoe imports in the past eight years. The share of the U.S. shoe market taken over by imports has increased from 21.5 percent in 1968 to 47.9 percent last year, President George Fecteau of the United Shoe Workers pointed out.

President John E. Mara of the Boot & Shoe Workers said Ford's decision will encourage further increases in imports that will result in additional shutdowns of American shoe factories. He charged that Ford acts more concerned about the economics of foreign countries than about the problems of American shoe workers.

Mara and Fecteau belittled Ford's call for "expedited" trade adjustment assistance to affected firms, workers and communities. Such adjustment assistance has not worked in the past and will not work now, they stressed.

Fecteau noted that the average skilled shoe worker is in the mid-50s age bracket and has a difficult time finding a new job even after retraining.

When adjustment benefits run out after 12 months, displaced workers must then use up their living savings, Fecteau said. After that, they must resort to public welfare.

In effect, Fecteau said, "trade adjustments assistance is nothing more than a few extra flowers for the funeral."

He stressed that the American shoe industry needs a chance to exist, but Ford's decision will not provide that chance.

AFL-CIO foreign trade economists noted that in February, the U.S. International Trade Commission unanimously found that imports were seriously injuring the American shoe industry. Three of the six commissioners recommended higher import tariffs and two others urged a tariff rate-quota system, but only one called for nothing more than the continuation of trade adjustment assistance—the recommendation embraced by Ford.

Fecteau charged that Ford had been under heavy pressure by foreign trade lobbyists and footwear retailers, who hailed the White House decision as a victory. They claimed consumers would benefit by lower prices on imported shoes.

But data compiled by the United Shoe Workers shows that prices on foreign-made footwear are being raised even as the volume of imports soars. Fecteau said that while the retail markup on domestic shoes averages 50 percent, the markup on imports ranges from 100 to 300 percent—reflecting higher profits for retailers, with little or no savings passed on to consumers.

Most foreign shoes coming into the United States are produced at substandard wages in Italy, Spain, Taiwan, Brazil and South Korea, the unions said.

In rejecting the recommendations for quotas or higher import duties, Ford released statistics showing U.S. shoe production and employment in the industry increasing in the first two months of 1976 over the comparable period of 1975.

However, the USW said that the two-month comparison does not take into account the broader impact of imports on the industry over the past decade

While U.S. production plunged from 642 million pairs in 1968 to an estimated 378 million in 1975, imports surged from 175 million to an estimated 345 million last year.

At the same time, Fecteau said, the number of production workers in the domestic shoe industry dropped from 204,100 in 1968 to an estimated 137,600 last year. Thousands of jobs in industries that supply components for shoe manufacturers were also lost during the eight-year period.

The continuing rise in imports is affecting workers and manufacturers alike as hundreds of production plants have been shut down in the past decade. The only firms that have shown any gains are those that have shifted production operations to low-wage countries overseas, Fecteau said.

Mara warned that Ford's decision will encourage many more domestic manufacturers to follow this trend in the quest of higher profits.

FOOD STAMP REFORM LEGISLATION

(Mr. POAGE asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. POAGE. Mr. Speaker, of the numerous public assistance programs which have been devised in the last quarter century, few have had greater potential for good than the food stamp program; yet probably none has resulted in greater abuse. The concept of assisting needy people to upgrade their diets with surplus foods was and is sound. It is a concept that was developed by the Agriculture Committee of the House of Representatives. Our committee reported the first food stamp bill, and I voted for it.

But the program as we know it today, although administered by the Department of Agriculture and coming under the jurisdiction of the Agriculture Committee, has very tenuous relations with agriculture. During recent years I have watched the food stamp program depart radically from its objective of raising the nutritional levels of the needy by supplementing their normal food expenditures, and gain momentum as what amounts to a general income guarantee. This disturbing trend began when Congress took it upon itself to mandate nationwide application of uniform Federal eligibility standards—one of a number of attempts to solve the welfare mess through increased federalization. As has been pointed out so acutely with the supplemental security income program—SSI—however, the federalization of welfare programs only seems to aggravate existing problems.

The trend away from food stamps as a nutritional supplement continued as Federal laws and administrative policies indiscriminately drove eligibility levels and benefits up while at the same time reducing the amount of their incomes food stamp recipients were required to pay for food stamps. Currently, the average four-person food stamp household pays about 23 percent of its net income for food stamps, while nonfood stamp families of four at the poverty level pay well in excess of 30 percent of their gross incomes for food.

Most recently, there has been an organized effort in some quarters to eliminate the food stamp purchase requirement altogether—making the food stamp program totally a replacement for rather than a supplement to the normal food expenditures of participating households, and completing the transition of food stamps from a food program to a general income guarantee.

The trend toward a wide-based general income support also can be evidenced in the recent internal growth of the food stamp program. Last April the food stamp caseload stood at 19.3 million recipients. At that time the opponents of reform claimed that the rapid growth during the early months of 1975 was due to the high unemployment levels experienced during the recession; that as unemployment decreased, the caseload would also decrease. During the summer and fall of 1975, the unemployment rate went down by 0.3 percent and the food stamp caseload did drop by 727,000 recipients. But the unemployment rate has continued to go down since that time, and the food stamp caseload has gone up by 493,000 recipients since September 1975.

Obviously, there are other factors besides unemployment which cause the food stamp program to keep growing in spite of improved economic conditions. Both the Congressional Budget Office and the Department of Agriculture expect unemployment to continue to go down, food price inflation to ease, and personal income to increase on into 1977. Yet the Department predicts an average caseload during fiscal year 1977 of 19.9 million persons if nothing is done to reform the program. Both the Department and the Congressional Budget Office expect Federal current services costs for the food stamp program to increase by $600 million, to $6.3 billion during fiscal year 1977, without reform.

The food stamp program has become almost entirely a welfare program. It duplicates other welfare programs without any coordination of coverages or administration. It provides assistance to individuals who do not qualify for regular welfare help, and it uses an entirely different set of criteria for eligibility. Currently over half of the caseload is in the non-public-assistance category.

The food stamp program's bounties bear no relation to the legitimate nutritional needs of its recipients. Beyond the artificially low food stamp purchase requirement, there is no effective means to insure that the food stamps are used substantially by recipients to improve their diets. The Government, contrary to its own publications, has failed to recognize the difference between hunger and nutrition. Food stamps are used legally to purchase mushrooms and caviar, as well as bacon and beans. Seventeen percent of every food stamp dollar is spent on accessory items. The Department of Agriculture's Thrifty Food Plan even budgets for nonessentials of questionable nutritional value, such as carbonated soft drinks. Too often, food stamp families are enjoying far more expensive foods than their working neighbors can afford; yet it is the working neighbors who subsidize the extravagance.

A family with an income far above the poverty level may legally use food stamps, and many do. This is due partly to a panoply of itemized deductions, including one which rewards recipients for living in expensive homes, which are sub- income limitation in line with recognized $1,200 a year higher than the poverty standards. The net income limitation for a food stamp family of four is nearly tracted from gross income before eligibility is determined. There is no effective limitation on gross income. Nor is the net level's gross income level for a family of the same size. In addition, there is no meaningful limitation on the nonliquid resources—such as a home or car—persons can have and still qualify for food stamps.

Although the law has long sought to disqualify families where able-bodied members refuse to work, it has only been within the last few weeks that the Department of Agriculture has made any credible effort to require recipients to accept employment, even though that employment paid the minimum wage, if the work was not of the character the recipient considered to be suitable. The so-called Poage amendment placed in the law in 1971 clearly provided that able-bodied citizens, who had no good excuse for not working should accept employment, regardless of its suitability, provided it paid the minimum wage and was not in a struck plant. This amendment did not deal with the problem of strikers' eligibility, although I have personally felt that the Government should not support a strike or a striker who would be eligible for food stamps only because he voluntarily left his job.

For years Department of Agriculture officials have claimed that illegal abuse of the food stamp program is almost nonexistent, and these claims have been echoed variously by the opponents of food stamp reform. Yet when the Department testified before our committee in February, representatives admitted that they do not know how much fraud there is. The fact is that a number of States do not even have statutes under which many of the food stamp violations can be prosecuted. The Federal Government does not keep reliable statistics on the number of violations that are dispensed with administratively by the States. However, the Department leaves the enforcement of food stamp rules largely up to the States.

Early this year we learned of a serious scandal involving some of the Nation's food stamp vendors. We were informed that at least $19 million in tax dollars either had been stolen, lost, or improperly retained by vendors. The Department conducted a study, but it still has not implemented program changes which will prevent this kind of abuse from occurring in the future. Senator HELMS, Mr. MICHEL, and others have authored a bill which has passed the Senate and now is in the House. This is known as the Vendor Accountability Act. I am hopeful of its early consideration and eventual enactment.

However, the Helms-Michel vendor accountability bill cannot serve as a substitute for the application of sound management principles in the food stamp program. According to the most recent food stamp quality control findings, 46.6 percent of all nonpublic-assistance cases are processed in error, and one gram administrators. bonus dollar in four is misspent. Roughly half of the errors are the fault of pro-

Some have argued that a significant cause of program errors is the complexity of current food stamp rules and inconsistencies with other welfare programs. They claim that the solution is program simplification and reconciliation. I share this view as a partial solution to the extent that simplification does not sacrifice basic program objectives or integrity.

As it stands, the States only pay half of their administrative costs, and the entire bonus cost is paid for by the Federal Government. Yet, in the aid to families with dependent children program—AFDC—in which the States pay half of the program costs, error rates are lower and program enforcement generally is tighter. It seems to me that the enforcement of food stamp rules would improve if the States had a more substantial financial interest in the program.

I think it is quite clear that the food stamp program is in need of reform. The problem has been in the past and still is that Members of Congress who recognize the evils are afraid to move to correct them for fear that they either will be branded as unsympathetic to the needy or will be charged as insensitive to the financial problems of the States.

I think it is fundamental that when there are several committees of the Congress dealing with aid to the needy that there is going to be competition among these committees. Each is going to claim for its members a more comprehensive scope of responsibility and a greater degree of generosity than their colleagues have been able to devise. This gives us the very worst kind of government. The food stamp program has come to be viewed, for example, as a panacea for all types of social problems, whether related to nutrition or not.

For some years the legislation allowed college students to claim "poverty" and, therefore, eligibility for food stamps, and at the same time allowed the income tax paying parents of that "destitute" student to take an income tax deduction for his or her support. A partial solution to the student problem has been achieved by special legislation. But college students still are exempted totally from the work requirement, making the food stamp program a subsidy of sorts to education.

The food stamp program also has become a cornucopia for the partial subsidization of other Government funded programs, such as institutions for alcoholics and drug addicts. I am a strong supporter both of education and rehabilitation programs for alcoholics and drug addicts. In fact, it was my amendment that originally authorized special food stamp assistance to addicts and alcoholics residing in institutions. However, if the Government ever is to regain control over the budget, and direct available resources in proper proportion among the various competing programs, it must get control not only of regular "back-door" spending but also of spending through the "invisible" back door.

With this in mind, I have sought to transfer the jurisdiction over the food stamp program out of the Committee on Agriculture to the Committee on Ways and Means, which has responsibility for at least many of the other welfare programs and which has to raise the taxes to pay the bill. Unfortunately, a majority of my colleagues have felt that our committee should keep the jurisdiction.

Mr. Speaker, I believe that we must face the need for comprehensive reform of the entire welfare system. At the Federal level there should be a single administrative agency and a single committee in each House of the Congress which is responsible for oversight of state administration to the extent that Federal funds are involved. But we must also face the fact in the wake of two costly experiments in increased federalization—notably SSI and the food stamp program—that the States are better equipped to meet the needs of the poor at the local level when they are given the proper measure of authority and accountability.

Until such time as comprehensive reform becomes a reality, however, if the Agriculture Committee is to continue to exercise control over the food stamp program, it must accept the responsibility therefor. Our present chairman, Mr. FOLEY, has met that challenge and has very properly sought to arrive at a more workable and more equitable program. I commend him for what he has done, even though I believe that the approach of a separate welfare program administered by the Department of Agriculture is basically unsound. The Agriculture Committee has made a serious effort to try to write a better food stamp bill. I fear that so far it has failed to propose any basic improvement. It has touched the mechanics and it has touched the details, but it has not come to grips with fundamentals.

Recently, the U.S. Senate undertook so-called food stamp reform and came up with legislation which would probably result in no more than 5 or 10 percent savings, if indeed there is any saving. Some estimates indicate that the Senate bill actually could increase program costs substantially. Others have introduced bills in this body to deal with some of the present abuses, but they have added additional costs in order that they might hold their handiwork out as giving more assistance to the needy.

In an effort to give Members an opportunity to deal with the fundamental isissues, I have introduced a revision of our present food stamp program. Admittedly this bill does not solve the problem of duplication and of competition between multiple welfare programs. This cannot be solved as long as several committees of the Congress are competing among themselves for recognition as the most liberal benefactor.

The bill I have introduced does deal with the question of providing more than merely extra purchasing power for the needy. It requires the Department of Agriculture to determine what foods meet the requirements of a nutritious diet, and it makes other foods ineligible for food stamp distribution. The bill I have introduced also would place into law a more realistic definition of what constitutes a nutritionally adequate diet, increase the purchase requirement to a uniform 30 percent of income, and mandate nutritional education programs to assist recipients in purchasing, planning, and preparing foods for home consumption.

This will, of course, substantially restrict the expenditures of food stamp recipients, and it will impose some additional burden on the stores that are now profiting from the use of food stamps. I expect bitter outcries of indignation; but Mr. Speaker, I, for one, believe that the Government has fulfilled its full duty when it assists needy people in maintaining a nutritionally adequate diet. With a growing national deficit, Government no longer can afford to throw money indiscriminately at problems by patterning its social policies after middle- and upper-class lifestyles. I know of no justification for burdening our taxpaying citizens to enable the nontaxpayers to enjoy a better diet than that enjoyed by most of those who are paying the bill.

My bill will materially reduce the eligibility of many families, who have gross incomes in excess of the officially determined poverty level or who have substantial personal resources. It will also curtail the eligibility of certain groups who now abuse the food stamp program legally, such as illegal aliens, runaway children, the voluntarily unemployed, and welfare recipients who are now categorically eligible for food stamps even though they may not meet food stamp income standards. This is especially serious in States with excessively high income levels for welfare eligibility.

The bill I have introduced attempts to give substantial incentives to those who work to be able to enjoy a higher standard of living than those who do not work. It contains a special $40 a month deduction for households in which at least one member is employed and working, no matter what the job or the number of hours worked. The bill also allows workers to deduct taxes and expenses incurred in gainful self-employment from income before eligibility and benefits are determined. This means that the effective gross income limitations for employed families are substantially above the poverty level.

For example, the gross income limitation for an employed four-person household is about $6,700 a year—similar to the administration's own reform proposal. The gross income limitation for an employed single-person household is $3,852 a year—138 percent of the poverty level; and the gross income limitations for the great majority of employed households are in excess of 120 percent of the poverty level. Workers also receive special exclusions from assets, such as higher dollar limits on automobiles and the total value of other property related to employment.

All of this means that people will be taken from the food stamp rolls, and there will be those who will protest; but if we are sincere, we must cut both the variety of food given for stamps and the number of those who share in the distribution. This bill will do both. It is not a painless reform. If you cannot stand criticism, do not vote for this bill. But if you really want to control this Frankenstein and honestly want to cut Government costs, you are going to have to vote for this or something like it.

The Poage amendment has been revised to strengthen explicit work-incentives and remove the voluntarily unemployed, such as strikers, from the rolls. At the same time, the minimum wage level, at which recipients are required to accept employment, has been raised by more than 50 percent; and special provisions have been added to protect the health and safety of recipients on the job, prevent the imposition of unreasonable commuting times, and allow recourse for the nonpayment of wages.

The bill I have introduced recognizes the special circumstances of certain categories of recipients. The aged are given a $25 monthly deduction for each member of the household over 65. The assets test is structured so as to recognize special equipment and other property required by the disabled. Students who are receiving veterans' benefits are exempted from the work requirement, and other college students are only required to work half-time. Alcoholics and drug addicts participating on an outpatient basis in treatment programs are exempted from the work requirement.

Finally, the bill I have introduced seeks to improve program administration from a functional standpoint. Recipients are required to provide information related to eligibility and benefits as a condition of eligibility and face disqualification for up to 1 year if they refuse to comply or are found to have intentionally provided false information. The transfer of property as a means of attempting to qualify for benefits is prohibited. Recipients are required to be recertified 30 days after moving to a new political jurisdiction. Recipients generally are required to use photo-identification cards in conjunction with countersigned food stamp warrants, except where infeasible due to illness, disability, remoteness, et cetera. The photo-identification card can be any card issued by a Government agency, to reduce administrative costs and inconvenience to recipients. Program rules and procedures are simplified by the standardization of purchase requirements, the elimination of most itemized deductions, and the introduction of retrospective income accounting. The States are required to assume 10 percent of the bonus cost of the food stamp program.

Mr. Speaker, the bill I have introduced will significantly decrease the number of citizens eligible for food stamps, and it wil likewise decrease the variety of foods that can be purchased with food stamps. I anticipate that the bill will result in substantial savings—on the order of 25 to 50 percent—if enacted into law and properly implemented.

However, Mr. Speaker, my bill is not founded strictly on the need to cut food stamp program costs. It may save more or less than I anticipate. I am not interested in playing the "numbers game" that has become a hallmark of food stamp reform, but rather I am motivated out of the desire to rationalize the food stamp program with sound public policy.

While the bill I have introduced by no means provides the total solution, I believe it fairly represents the basic direction in which we must move. Following is a summary of the bill. I am open to any constructive criticisms or suggestions my colleagues in the House and Senate may wish to offer. I also ask their support in moving ahead along these lines to reform the food stamp program.

The material follows:

Section-by-Section Description

Bill section 2(a)(1), law section 3(b): Define "food" to provide the Secretary with greater discretionary authority in the selection and approval of reasonably priced foods of high nutritional value. Retains specific exclusions and inclusions contained in existing law.

Bill section 2(a)(2), law section 3(e): Delete relatedness requirement. Eliminate "economic unit" criterion. Delete SSI provision (PL 93-86). Delete reference to alcoholics and drug addicts.

Bill section 2(a)(3), law section 3(f): Delete reference to section 10(i) regarding alcoholics and drug addicts.

Bill section 2(a)(4):

Law section 3(o): Define "nutritionally adequate diet".

Law section 3(p): Define "in-kind".

Law section 3(q): Define "bonus value".

Bill section 2(b): Delay effective date of bill section 2(a)(1) for one year.

Bill section 3:

Law section 5(b)(1): Drop the requirement for the Secretary to consult with the Secretary of HEW in the establishment of uniform standards of eligibility.

Law section 5(b)(2)(A): Eliminate categorical eligibility. Establish net income limit at the OMB poverty level for the United States and the District of Columbia, not to be exceeded in Guam, Puerto Rico and the Virgin Islands.

Law section 5(b)(2)(B): Allow deductions from income as follows: (1) $25 for each household member who is 65 years of age or older, (2) $40 for households in which there is at least one member who is employed and working, (3) Federal, State, local and social security income taxes, and (4) expenses incurred in gainful self-employment.

Law section 5(b)(2)(C): Define gross income to include (1) all monetary payments to the household (including VISTA payments, but excluding medical vendor payments), (2) in-kind payments related to employment, and (3) the value of in-kind benefits from food and housing programs.

Law section 5(b)(3): Set liquid and nonliquid assets limits at $1500 for one-person households, $2250 for households with two or more persons, and $3000 for households of two or more in which at least one member is 65 years of age or older. Exclude household goods and personal effects valued at less than $500. Nonrecurring lump sum payments from sources other than employment (but including tax refunds and retroactive social security payments) are included as assets rather than income.

Law section 5(b)(3)(A): Exclude from assets the first $25000 of the market value of a home, and allow the Secretary to adjust this figure up or down by not more than 20% in areas where the median market value of property used as a personal residence exceeds or is less than the national median.

Law section 5(b)(3)(B): Exclude from assets either (1) the first $1200 of the market value of one motor vehicle, or (2) the first $2400 of any vehicle required for employment or medical reasons. Exclude the total value of modifications or special equipment required for medical reasons or employment. Continue the $2400 exclusion for 90 days if the owner becomes unemployed.

Law section 5(b)(3)(C): Exclude from assets the first $1500 of the market value of household goods and personal effects.

Law section 5(b)(3)(D): Exclude from assets property essential for employment or medical reasons. Continue the exclusion for 90 days if the owner becomes unemployed.

Law section 5(b)(3)(E): Exclude from assets life insurance policies and pension funds.

Law section 5(b)(3)(F): Exclude from assets inaccessible resources.

Law section 5(b)(3)(G): Exclude from assets resources included as income.

Law section 5(b)(4): Allow the Secretary to establish temporary emergency standards of eligibility. Eliminate tax dependency provision ruled unconstitutional. Eliminate mechanical disaster provision.

Law section 5(b)(5): Establish 90-day retrospective accounting.

Law section 5(c): Limit care of dependent children work exemption to persons with children under 6 or intrusted with the care of incapacitated household members. Exempt primary and secondary school students from the work requirement. Exempt college students working at least 20 hours per week or receiving veterans benefits from the work requirement. Exempt certain alcoholics and drug addicts from the work requirement. Exempt persons employed and working at least 30 hours per week from the work requirement (contained in existing law).

Law section 5(c)(A): Eliminate persons who have voluntarily reduced their income, except where the individual was eligible for food stamps prior to such reduction (in which case benefits may not be increased as a result thereof).

Law section 5(c)(B): Retain existing provision of law regarding work registration.

Law section 5(c)(C): Require recipients to accept employment which is not injurious to their health or safety, located within 30 miles and meets minimum wage standards, unless they are already employed and would incur a reduction in earned income as a result thereof.

Law section 5(c)(D): Require job search. Eliminate parties to strikes and other labor disputes (other than lockouts), except where the individual was eligible prior to such dispute (in which case benefits may not be increased as a result thereof).

Law section 5(d): Eliminate the provision directing the Secretary to establish uniform standards for alcoholics and drug addicts. Make illegal and temporarily-present aliens ineligible for food stamps.

Law section 5(e): Require recipients to provide information related to eligibility and benefits, as required by the Secretary, as a condition of eligibility. Provide disqualification for up to one year in cases of recipient fraud.

Law section 5(f): Establish new tax dependency provision in line with court ruling.

Law section 5(g): Establish minimum age requirement.

Law section 5(h): Prohibit the deliberate transfer of property as a means of attempting to qualify for benefits, and provide a minimum 90-day disqualification for violations of this type.

Law section 5(i): Continue the ineligibility of SSI recipients in cash out states.

Bill section 4(a), law section 6(c): Require countersigned food stamp warrants.

Bill section 4(b):

Law section 6(d): Require photo-identification cards, with the exception that drivers licenses and similar substitutes may be used in lieu thereof if they are distributed by a government agency and contain both the individual's picture and signature. Require counter-signed coupons to be used in conjunction with photo-identification cards.

Law section 6(e): Has special provision for incapacitated persons and others (e.g., in remote areas) for whom the use of photo-identification cards and food stamps warrants is not feasible.

Bill section 5:

Law section 7(a): Provide reference to an averaging system so that a standard coupon allotment can be established for each household size. Limit the level of coupon allotments for Puerto Rico, Guam and the Virgin Islands to the level of the United States and the District of Columbia. Provide for semi-annual adjustments of coupon allotments as in existing law, except that coupon allotments now can be reduced when the cost of food goes down.

Law section 7(b): Establish purchase requirement at 30% of income (after deductions have been subtracted out and the 90-day retrospective accounting provision has been applied.) Provide $5 minimum bonus. Eliminate the existing provision that households with incomes of less than $30 shall not be charged for their coupon allotments.

Bill section 6(a):

Law section 8(d): Establish mechanism for approving and labeling foods that can be purchased with food stamps.

Law section 8(e): Prohibit reference to food stamps on labels and stress as a general service to consumers.

Bill section 6(b): Amend section heading.

Bill section 6(c): Delay effective date of bill section 6 for one year.

Bill section 7(1), law section 10(c): Reduce from 60 days to 30 days the eligibility of households moving to a new political jurisdiction.

Bill section 7(2), law section 10(e): Eliminate outreach. Require nutritional education programs.

Bill section 7(3), law section 10(e): Make public assistance withholding and mail issuance a state option.

Bill section 7(4), 7(5), law section 10(e): Require system of retroactive benefits to be included in state plans.

Bill section 7(6), law section 10(i): Delete provision related to alcoholics and drug addicts.

Bill section 8: Express sense of Congress that former outreach funds should be devoted to nutritional education.

Bill section 9(a), law section 15(b)(4): Delete reference to outreach.

Bill section 9(b), law section 15(c): Provide for 10% bonus cost-sharing by the states, to be phased in over a four year period.

TRIBUTE TO FORMER CONGRESSMAN WINT SMITH, REPUBLICAN, KANSAS

(Mr. SEBELIUS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SEBELIUS. Mr. Speaker, it is with personal sorrow that I inform my colleagues of the passing yesterday of Wint Smith, a former Member of this body. Our former colleague passed away yesterday morning in Wichita, Kans., at the age of 83. Funeral services will be at the Methodist Church in his home of Mankato, Kans., tomorrow, April 29, at 2 p.m.

Yesterday, Wint Smith's longtime friend, the Honorable ROBERT J. DOLE, Senator from Kansas, paid a tribute to our former colleague. I commend to the attention of my colleagues the remarks of Senator DOLE on page 11314 of the CONGRESSIONAL RECORD of April 27.

Mr. Speaker, Wint Smith was a man almost larger than life; a Member of Congress, combat soldier, rancher, conservative champion, and a leader of law enforcement and reform in Kansas and Washington. His accomplishments in all of these endeavors made him a man who had not one but many successful careers.

He was a rugged man, a dogged fighter, and by his own description the world's "worst" politician. Wint Smith always spoke his mind and came straight to the point. Mr. Speaker, I can personally testify to the fact that **Wint Smith's** virtue of plain speaking did not qualify him for his self-described label. In 1958, a young attorney from Norton, Kans., challenged Congressman Smith in the Republican primary. That attorney now has the privilege of addressing you today and the honor of saying Wint Smith was a man of unquestioned virtue and a great American.

Under unanimous consent granted me, I include in the Record as part of this statement, the following article printed today in the Salina Journal by John Schmeidler. The article, which is an excellent accounting of the life and accomplishments of Wint Smith, follows:

Wint Smith, combat soldier, conservative Congressman, rancher, raconteur, an almost larger than life figure in many years of Western Kansas history, is dead.

Mr. Smith, 83, died at 6 a.m. Tuesday at St. Joseph's hospital, Wichita, where he had undergone surgery last Friday. He had been living in active retirement at Mankato, his ancestral home where he had extensive farming and ranching interests.

A longtime friend, L. M. Weltmer, Mankato attorney, said Mr. Smith had not felt well for some time and came to Salina a week ago for medical tests, later entering the Wichita hospital. He appeared to be recovering when death came.

With him was Blanche, his wife of 64 years.

He was a fighter. The Wint Smith saga is that of battle. There were the battlefields of 3 wars and the political battles in the Halls of Congress where he spent 7 terms as an unrelenting conservative Republican Congressman from the old 6th District of Kansas. He was a dogged fighter in both arenas.

Mr. Smith was born on a farm homesteaded by his great-grandfather near Mankato. He still owned the farm at his death. He went to Mankato high school, first went to war on the Mexican Border in 1916, became a combat infantry officer in World War I and returned to study at Kansas University where he was graduated in 1920. In 1922, he earned a law degree at Yale University and returned to Kansas.

In 1931, he was appointed attorney for the State Highway Commission and held the job for 9 years.

"In the 1930s," remembers his friend, Weltmer, "the Kansas Highway Patrol was created by the Legislature. The bandits were robbing a bank a week in Kansas.

"They looked around for someone to head up the thing and found Wint. He was a combat veteran of World War I and was tough. He chased the bank robbers and locked them up."

In World War I, Mr. Smith was a combat infantry officer and spent 24 months overseas. He maintained his relationship with the service and was mustered into service in December 1940, with the Kansas National Guard. He was named to organize a Tank Destroyer Battalion of men from elements of the Guard and draftees fom Northwest Kansas counties.

Before World War II ended, Mr. Smith had led his men from the fire of Omaha Beach through the flame of the Battle of the Bulge. He was proud of his men, refused promotion to continue as the battalion commander and brought the battalion home after a stint of prisoner of war guard duty.

Back in Kansas, Frank Carlson of Concordia surrendered his 6th District seat in the U.S. House of Representatives to make a successful bid for the governorship of Kansas.

Wint Smith was the Republican nominee and won the first of 7 races for the seat. He retired from Congress in 1961, the seat passing to Bob Dole of Russell, whose political persuasion fitted the Smith conservative mold.

Mr. Smith told a reporter he left Congress when "my constitutents began apologizing for my conservation".

After 14 years in Washington, a city he never really liked, Mr. Smith and Blanche came home to western Kansas. He was busy with farming, ranching and a new interest—antique collecting. He developed an extensive collection, housed in 3 Mankato buildings and shown by appointment. He was curator, doorkeeper and financier of the collection.

Slightly profane in the soldier's manner, he growled in that raspy voice: "show the women (the collection, including old-fashioned kitchens) how they have been relieved from drudgery by plain old progress and not some damn liberation movement."

"Liberation movements" weren't a popular cause. But neither was subjugation and he fought hard if he felt freedom was imperiled. He insisted he wore no man's collar.

He remained a student of government and of political leaders. His opinions, delivered in a rasping voice, were pungent, pointed and unqualified.

He wasn't impressed by political puffery; what he loved most was the company of men with whom he had shared the danger of battle. The old outfit—the 635th Tank Destroyer Battalion—had a reunion several years ago in Salina. Their commander knew them all and there was genuine affection between the men and the soldier who had led them.

Surviving is the widow, Blanche.

The Kramer funeral home, Mankato, will announce the funeral.

GENERAL LEAVE

Mr. SEBELIUS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of our departed colleague, Wint Smith.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

CAPITAL FORMATION AND WHY THE JOBS CREATION ACT WILL CREATE AND SUSTAIN MORE JOBS THAN WILL THE SO-CALLED FULL EMPLOYMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Kemp), is recognized for 60 minutes.

Mr. KEMP. Mr. Speaker, I have taken this time this afternoon to afford my colleagues an opportunity to address the issue of jobs creation. It is a central issue this year, and it will continue to be one until we substantially reduce unemployment.

I have also taken this time to afford the 124 cosponsors of the Jobs Creation Act an opportunity to contrast what we know it will do in the way of creating and sustaining jobs in the private sector in comparison to the so-called Full Employment Act, commonly referred to as the Humphrey-Hawkins bill.

Few things can be more important than jobs. They are the underpinning of our economic stability. And, beyond that, of our way of life. Our living standard can continue to grow only as the real wages our work force earns grow. There certainly can be nothing more distressing—more depressing to the human spirit—than seeing or being someone earnestly seeking a job and not being able to find it. And, the majority of Americans want jobs and the opportunity to help themselves.

It is for these reasons that I and many of my colleagues are giving extra effort this year to assuring the path this country selects in addressing itself to creating and sustaining jobs is not a misleading one. This Congress could do nothing more cruel than telling those who are unemployed that we are passing legislation to help create a job for them, and then those jobs not come into being. The Jobs Creation Act avoids this danger; it would create and sustain jobs.

The American economy has been on the wrong jobs creation road in recent years. It has been on the road of inflationary stimulation of consumption—at the expense of the productivity base which generates new jobs and noninflationary real wages.

Now, the American economy is at a major policy crossroads. The road we choose will govern how well—or how poorly—the country recovers from the recession. It will govern our ability to meet social goals. It will even govern the stability of our institutions and rights.

At no time since the Depression and the debates on full employment which followed the Second World War has our country addressed itself this visibly to a primary choice of economic policy. It is indeed a fundamental choice—one between two basic alternatives.

What are those alternatives? Enough jobs, or not enough jobs. Enough jobs on one hand to rehire those now unemployed and to hire those coming into the work force each year. Or not enough jobs to rehire the unemployed and to hire new workers. No matter how else it may be expressed, this question of jobs is the central feature of the debate now going on in the economic councils and Congress in Washington.

To me, it borders on being ludicrous that there even has to be a national debate underway on how to create and sustain jobs. History is so very clear in this regard—the history of both material and social progress and that of freedom, as well—that it would seem to be beyond debate. It would certainly seem to be beyond debate, if in this Bicentennial period we understood accurately the events of 1776.

1776: THE DECLARATION OF INDEPENDENCE, "THE WEALTH OF NATIONS," AND THE STEAM ENGINE

Three things of monumental importance happened in 1776. It was no coincidence that 1776 was the year of our Declaration of Independence—the greatest single statement of political freedom and guarantor together with the Bill of Rights of personal freedom; the year of Adam Smith's "The Wealth of Nations"—the greatest single statement of economic freedom and means of assuring economic growth; and, the year of James Watt's first successful use of the steam engine, the benchmark from which most measure the true beginning of the industrial age and our unparalleled material progress. Those three events were not accidental, nor were they unrelated. They were related through specific, prevailing attitudes concerning the essential, concomitant nature of political and economic freedom and of political and economic progress.

We can too easily overlook what the leaders of that period were telling their fellow citizens—and us as the heirs of the same traditions. These events were reflections of the general will, of a consensus of views strongly held.

The Declaration of Independence certainly broke new ground by fostering the first break of a colony away from a mother country in modern history, but its declarations both of grievances against the State and of the means of best protecting freedom were little more than codifications, no matter how bold to put them into print, of prevailing intellectual and popular opinion.

Adam Smith may have broken new ground—he certainly is regarded as a founder of the free market school—but his conclusions were quite obviously based on an accurate reading of prior economic history.

And, while James Watt was an inventor—and therefore the first—his invention was in response to, first, a widespread recognition that quantum jumps in material progress would come only through devising means of power other than humans and draft animals, and second, to awarenesses on his part that his creativity would be rewarded by profit and it could be manufactured through investing enough front-end capital.

They told us as much themselves.

Jefferson said:

> Agriculture, manufacture, commerce and navigation—the four pillars of our prosperity—are the most thriving when left most free to individual enterprise.

And he knew quite well the restraints on growth caused by excessive taxation and regulation when he said:

> It is in the natural course of events that liberty recedes when government grows.

Jefferson summed it up most dramatically when he said in the Declaration that our rights are inalienable—that they are indivisible—that an infringement on one is an infringement on all. Liberty is important as an economic resource, too; as a matter of fact, it can be considered a factor of production.

Benjamin Franklin reflected these sentiments in an expression that we all use but seldom appreciate: "A penny saved is a penny earned." Now, how is a penny saved an earned one? By becoming the savings, the investment money from which additional income can be produced, can be earned.

And Adam Smith put it in economic terms understandable to all of us. As he put it:

> Every man, as long as he does not violate the laws of justice, is left perfectly free to pursue his own interests in his own way, and to bring both his industry and his capital into competition with those of any other man or order of men.

The concept he propounded complemented both James Watt's plans to harness energy and the truths of the Declaration. He proposed to energize economic society by developing the potential of individual initiative of free men. He propounded the idea that in society the sum total of individual economic initiatives of free men far exceeds any potential which would arise from the guidance of a selected few—selected by the King then or elected by the people today.

This is what the American Revolution was mostly about—protecting the means—our rights—through which political, social, and economic progress of the individual can be best assured—most typically against the restraints of government. This was taken so much for granted that there was not even any debate on freedom of enterprise in 1776. No one proposed that the Government assume the responsibility of assuring economic progress, of providing jobs. There was the broadest possible agreement on this point, and the consensus provided the base for unparalleled growth.

1776 AND 1976: THE DIFFERENCE IN LIVING STANDARDS

Look at the difference between 1776 and 1976. Compare the living standard today with then. Men and women were working 12 to 18 hours a day and 6 or more days a week. Child labor was the norm; as a matter of fact, children had to work for families to survive. Horses and oxen were plowing the fields and pulling wagons and carts. Electrical power consisted of Benjamin Franklin pondering over the effects of his kite in a storm. The internal combustion engine was a hundred years away from even being invented. Machines were in their infancy. Sail and flowing water were the means of waterborne commerce. There was no running water in homes. In summary, it was a hard life by today's standards even for the wealthiest.

We know what we have today by contrast. Prosperity has reached a level never known in the world's history. Workers' real wages have reached a level unprecedented in any economy. We produce in 1 hour the wheat it took them 1 week to produce. We travel in 5 hours the distance across America it took them 2 full seasons to travel. Instead of a campaign to open the Appalachians, we have walked on the Moon. Of all the figures one can recite, the most revealing is this: One-half of all the goods produced in the past 10,000 years, from the beginning of man's quantifiable economic history in 8,000 B.C., have been produced in the United States in the past 200 years.

We had the material resources, our vast quantities of natural resources. We had human resources, the never-ending flow of immigrants that came to America because of its vision and its living standards. And, we had sufficient capital—money for the investment essential to assure continued growth in jobs and productivity. And, this is what distinguished us from all the rest—our use of capital.

THERE ARE TWO WAYS TO GUARANTEE PRODUCTIVITY AND PROSPERITY

There are two ways to guarantee the productivity and prosperity essential to guaranteeing more jobs. On one hand, the workers can work longer and harder. On the other, we can have more and better tools—equipment and facilities.

The means through which we have more and better tools is capital—the funds with which to build plants and buy and replace equipment. It is capital and its system—capitalism—which have helped more than any other factor to improve our living standard. Without that capital, the American worker would not produce more and better things per hour of work than the serfs of feudal days. He would not earn more, and, like them, would live on the thin line of existence.

We do not need to return to the medieval period to prove this point. We have more recent examples. Two in particular are West Germany and Great Britain during the post-war period.

In 1948 American economic experts, including Walter Heller, went to West Germany to investigate their conditions and to make recommendations on fiscal economic policy. What did they recommend? They insisted the only way out for Germany was to adopt inflation. They said that Germany had an "excessive concern for price stability," and that "a rate of interest high enough to stimulate any large volume of personal savings would seriously curtail investment." In other words, the U.S. experts called upon Germany to adopt all the Keynesian principles. Economics Minister and subsequent Chancellor, Ludwig Erhard, would have nothing to do with the recommendations. He even threatened to resign if these views were forced upon him. The Americans backed away.

We all know what did happen. The German Government insisted upon the opposite course—upon the maintenance of a sound currency, a balanced budget, the elimination of price controls, incentives to business and individuals to save and invest, and encouragement to private enterprise. The rest is history. West Germany went on to become the most prosperous nation in Europe, one of the success stories of modern history, and the last to even be affected by the present recession. All of this is in stark contrast to what the British did after the war.

They did not need an American commission of economic experts to tell them what to do wrong. They did it themselves. They adopted the policies which West Germany rejected. They spent much more than they took in, and the currency and the economy foundered. Inflation—the inevitable product of consistently spending more than you take in—was the result, and the response was another bad one: wage and price controls, but mostly price controls. Nationalization took one industry after the other, and productivity dropped to among the lowest rates in the world. Britain today is on the verge of complete collapse—of bankruptcy.

I do not think it takes a Ph. D. in economics for all of us to know that we have not done too well since we adopted the policies of Lord Keynes either—the spend our way to prosperity approach. We have had boom and bust cycles which get more severe each time. Inflation reached 13 percent. Both the Federal budget and the Federal deficit have doubled in the 5 years in which I have been in the Congress. The Federal budget for fiscal year 1977 will be at least $111 billion greater than the budget of 2 years ago. The average amount of taxes the Federal Government will collect from a family of four this year is $7,000—quite a jump over the $308 it collected from a family of four in 1940.

All of this lawmaking and all of this Government spending does not create jobs. If it did, the spending would have produced an increase in jobs, no matter on what ratio. We know what the fact is. As spending by Government went up, the rate at which new jobs materialized went down. It was not the only reason jobs went down, but all of the reasons relate to the way in which Government impedes the private sector's capacity to assure jobs.

Excessive spending requires a financing of the deficit, and that part of the deficit which is not monetized through the Federal Reserve is paid for from capital which would be used otherwise at lower rates of interest by corporations, home buyers, individuals—in short, by the private sector. This is what we call the crowding out of capital.

THE BIAS IN OUR TAX LAWS AGAINST INVESTMENT AND PRIVATE SECTOR JOBS CREATION

Our tax laws are heavily biased against investment, against production. They are skewed heavily in favor of present consumption. Look at allowable deductions under the Internal Revenue Code. For example, as a general rule deductions are allowable for interest to finance consumption but not for the initial savings or the return to savings. We can deduct many State and local taxes imposed on our consumption, but we cannot deduct what we put into a new investment or saving—money we put into a bank or savings and loan account, or into a life insurance policy or an annuity. If we invest it in machinery, we are allowed to depreciate it usually only on very unrealistic schedules, some ranging as high as 50 years. What a marked contrast with Sweden—which we view as the most socialist of the free countries of Europe—which allows a 1-year writeoff of investments in plant and machinery; they allow you to treat such expenditures as ordinary costs of business.

The bias in our tax laws is even more apparent when you compare them to the other industrial nations of the free world. Out of nine countries, our rate of taxation on consumption is eighth. But out of those same nine countries, our rate of taxation on wealth—from which wealth must come most of that margin which either gives us the capital growth edge we need to assure progress or not—our rank is first. We tax wealth more heavily than any other.

THE TAX BIAS AGAINST SAVINGS AND INVESTMENT

	Consumption		Personal income		Corporate income		Wealth	
	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank
Canada	29	4	38	6	16	8	4	4
France	35	2	21	9	36	1	1	6
Germany	27	5	41	3	25	4	2	5
Italy	33	3	32	8	27	3	1	6
Japan	20	7	35	7	28	2	5	3
Norway	39	1	39	5	17	7	2	5
Sweden	29	4	49	1	18	8	1	6
United Kingdom	26	6	40	4	15	9	11	2
United States	17	8	43	2	22	5	13	1

Source: Weekly Staff Letter, David L. Babson & Co., Inc., Investment Counsel, Boston, Mass., Thursday, June 12, 1975.

The consequences should be a surprise to no one. Our average private investment as a percent of gross national product is seventh; so is our average annual growth in productivity, therefore. So was our output per man-hour and the growth rate of the real gross national product.

THE COSTS OF FAVORING CONSUMPTION

	1960-73 investment as a percentage of real gross national product		1970-73 growth rates			
			Output per man-hour		Real gross national product	
	Percent	Rank	Percent	Rank	Percent	Rank
Japan	35.0	1	10.6	1	10.6	1
Germany	25.8	2	5.8	4	4.7	4
France	24.5	3	5.9	3	5.8	2
Canada	31.8	4	4.4	5	5.4	3
Italy	20.5	5	6.6	2	5.4	3
United Kingdom	18.5	6	3.9	6	2.9	6
United States	17.5	7	3.6	7	4.3	5

Sources: Weekly staff letter, David L. Babson & Co., Inc., Investment Counsel, Boston, Mass., Thursday, June 12, 1975, and "The Need for Productive Tax Reform to Energize Economic Growth and Employment," prepared under the auspices of The Business Roundtable, May 1975.

INTERNATIONAL COMPARISONS OF INVESTMENT AND PRODUCTIVITY, 1960-73

	Average private investment as a percent of gross national product (excluding Defense expenditures)		Average annual growth in productivity (output per man-hour)	
	Percent	Rank	Percent	Rank
Japan	33.4	1	10.7	1
Germany	26.2	2	5.8	4
France	24.9	3	5.9	3
Canada	22.4	4	4.3	5
Italy	21.4	5	6.2	2
United Kingdom	18.9	6	4.2	6
United States	18.0	7	3.3	7

Source: Organization for Economic Cooperation and Development and U.S. Department of Labor, as reported in congressional staff briefing on capital formation, NAM, Feb. 20, 1975, p. 1.

If that does not tell one the correlation between investment and economic growth, I do not know what could.

Yet for whatever reason there are far too many in Washington whose main task it is to go in the wrong direction. The House has passed a so-called Tax Reform Act which will do more to tighten the stranglehold on capital formation; it shifts the balance even further toward consumption. The House has just passed a $6.2 billion public service jobs program, as well as a $6.1 billion public works program, both of which, of course, will ultimately transfer jobs from the private to the public sectors, generating greater, not less, dependence on Government. But these measures are viewed by their proponents as short term. What they have in mind for the long term is even more distressing.

THE FACTS AND FIGURES OF THE CAPITAL SHORTAGE

To maintain through 1985 the postwar trend rate of increase in employment and real wages, with no change in the rate of capital depreciation, requires $2.37 trillion in constant 1974 dollars to be added to total capital expenditures by private businesses.

To this figure must be added the capital expenditures necessary to satisfy Government-mandated environmental and safety standards, and public housing, energy, and mass transit goals.

A distinctive feature of much of the Government-mandated capital expenditures is that they generate no return on the capital investment. The total fixed cost of the business increases, but the productivity of the Government-mandated capital expenditures takes the form of cleaner air and water which the firm cannot capture in the price of its product. Consumers do not see cleaner air and water as an improvement in the quality of the firm's product. Therefore, the firm cannot earn a rate of return on its capital expenditures to improve air and water. As a result, the firm's rate of return on total fixed investment declines—that is, the firm's profitability declines.

In addition, the firm's costs go up by the amount of the capital expenditures necessary to meet the Government-mandated requirements. The increased cost is not matched by any increase in the value of the firm's product to the consumers, so the quantity of units sold falls. As every economist knows, the higher the price, the less the quantity demanded. Economists are so certain of this relationship that they call it the law of demand.

The fall in the rate of return to the firm's investment and the rise in the cost of producing its product, means that the firm cannot finance the Government-mandated capital expenditures out of revenues or profits. The firm, then, can finance the Government-mandated capital expenditures only out of capital the firm would otherwise have used to produce the goods and services people buy.

On the basis of very conservative assumptions, the Government-mandated capital expenditures will total $1.06 trillion through 1985.

Next we must compute the contribution Government deficits make to the capital shortfall. In real terms, Government deficits must be financed out of private savings. The Government cannot purchase through deficit expenditures any real goods and services unless the private sector releases them by not purchasing them. If we make the conservative, optimistic assumption that Government deficits will not exceed $10 billion per year through 1985, this adds another $110 billion claim on savings.

To meet the capital needs and finance the Government's deficits, total private savings through 1985 will have to aggregate $3.54 trillion in constant 1974 dollars. This assumes no inflation. If we make the optimistic assumption that Congress spending proclivities will only inflict a 5-percent inflation rate on the people, the saving necessary to meet the capital requirements increases to $4.9 trillion.

If we are fortunate enough to have the gross private saving rate continue over the next decade at the postwar average rate of 15.7 percent, an inflation rate of only 5 percent per year, and deficits of only $10 billion per year, we will have a cumulative capital shortage of $575 billion.

I want to emphasize that if there is anything irresponsible about this figure, it is because it is an understatement based on optimistic assumptions. Hysteria is in the eye of the beholder. To me it borders on hysteria to posture on shelters and loopholes when the Nation faces a minimum capital shortage of $575 billion.

To close the gap between saving and capital requirements requires that the private saving rate increase by 2 percent, at a minimum, to 17.75 percent of GNP. At no time in the postwar years has the saving rate reached this figure. Only major changes in the tax system that will reduce the disincentives to save can produce the required increase in the saving necessary to meet our capital needs.

THE OVERSTATEMENT OF PROFITS, THE DECLINE IN RETAINED EARNINGS, AND GREATER RELIANCE ON DEBT FINANCING

Retained earnings are of crucial importance to capital formation. Profits and retained earnings have been overstated by the effects of inflation—underdepreciation and phantom inventory profits. In 1974 the inventory valuation adjustment was minus $38.5 billion and the capital consumption adjustment was a minus $2.3 billion—all of which means firms paid taxes on phantom inventory profits of $38.5 billion and on understated depreciation cost of $2.3 billion. This clearly shows the negative effects of inflation on corporate financing as the following table also illustrates:

CORPORATE PROFITS AFTER TAX AND RETAINED EARNINGS

[In billions of dollars]

Year	Corporate profits after tax with inventory valuation and capital consumption adjustments	Retained earnings with inventory valuation and capital consumption adjustments
1966	48.9	29.4
1968	46.4	24.4
1970	33.4	10.5
1972	50.5	25.9
1973	51.9	24.1
1974	38.7	7.6

Although national income has risen from $622 billion in 1966 to $1,141 billion in 1975—an increase of $519 billion—both corporate profits after tax and retained earnings have fallen. In 1966 corporate profits before tax were over 13 percent of national income. Since 1966 profits have fallen continually as a percent of national income. This overstatement of profits and decline in retained earnings have pushed corporations further into debt.

In the past 20 years there has been a dramatic deterioration in the financial structure of business that raises serious doubts about the ability of major portions of the corporate sector to finance their future capital requirements. This is a known fact, not a fuzzy statistical exercise as to the future. The point bears reemphasis in some detail.

The change in private sector financial structure can be summarized by three phenomena: A sharp reduction in business liquidity, a substantial rise in interest rates, and a growing difficulty in equity financing.

Nonfinancial corporate business has sharply increased the proportion of external funds in its financing operations. The ratio of external funds to internally generated funds has increased steadily from 29 percent in 1950 to 85 percent in 1974. A similar trend is also seen in the declining ratio of internal funds to investment expenditures. In 1960 the ratio was 88.9 percent, and in 1974 it was 64.7 percent, as the following table shows:

INTERNAL FUNDS AS A PERCENT OF INVESTMENT EXPENDITURES—NONFINANCIAL CORPORATIONS

[Billions of current dollars]

	Internal funds	Investment expenditures	Percent
1960	$34.4	$38.7	88.9
1961	35.6	36.3	98.1
1962	41.8	43.6	95.9
1963	43.9	45.2	97.1
1964	50.5	51.6	97.9
1965	56.6	62.3	90.0
1966	61.2	76.5	80.0
1967	61.4	71.4	86.0
1968	61.7	75.0	82.3
1969	60.7	83.7	72.5
1970	59.4	84.0	70.7
1971	68.0	87.2	78.0
1972	78.7	102.5	76.8
1973	84.6	121.5	69.6
1974	81.4	125.8	64.7

As this information shows us, during the first half of the 1960's internal funds had financed on the average 94.6 percent of the capital expenditures. It was also during this period that plant and equipment expenditures had grown most rapidly. Since then, the percentage of investment expenditures financed by borrowing for the period 1970–1974 increased more than six times over that for the period 1960–1965.

In raising external capital, there has been increasing reliance upon debt, therefore. Debt-equity ratios for manufacturing companies have risen sharply since 1964. For example, for all manufacturing corporations in 1964, debt-equity ratios averaged 25.4 percent and only four industry groups of the 20 groups had ratios over 40 percent. By 1973, the average had increased to 44 percent and 16 of the 20 had ratios over 40 percent. An increase in corporate illiquidity is also seen in the ratio of total liabilities to net worth for nonfinancial corporations. In 1955 this ratio was 0.91. By 1974, the ratio had risen to 1.89. Furthermore, the proportion of liquid assets—that is, cash plus selected security holdings—to all corporate assets dropped from 15 percent to 9 percent between 1965 and 1974.

The cost of borrowing also has risen markedly with the increasing need for external funds. In the 1947–1966 period corporate borrowing rates on the average remained under 5 percent and the after-tax return on invested capital was about 12 percent on the average. Thus, a substantial additional return was offered for investing in risk situations. Assume no interest rates have risen to 10 percent and the return on capital remains at about 12 percent, then if the opportunity cost of capital expenditures is a 10 percent return with virtually no risk, why spend money to increase plant and equipment to earn an uncertain 2 percent additional return? Yet, unless this is done, new jobs do not come into being.

The increase in interest rates without a corresponding gain in the rate of return has resulted in the evaporation of the market for new equity issues. As interest rates rise, investors become more attracted to debt instruments, which guarantee fixed interest payments, than equity shares which offer no such certain return. Consequently, an increase in interest rates relative to the rate of return on equity constrains a firm's ability to sell new equity issues.

A study by the New York Stock Exchange reports that, at current price-earnings ratios, a corporation must earn approximately 14 percent on new capital in order to maintain the earnings of existing shareholders. Chase Econometrics also predicts that the total return on equities would have to be in excess of 15 percent if new issues are to be competitive with other forms of financial instruments. Such high returns may not be attainable.

This certainly shows us what we should—and should not—be doing in the Congress.

A CONGRESSIONAL RESURGENCE OF "MORE OF THE SAME" WILL NOT SOLVE OUR PROBLEMS

We have one bill being considered—the so-called Full Employment and Balanced Growth Act of 1976—which would give a statutory right to a job to every American. If you could not find a job in the private sector, Government would be obligated to give you a job. You and I know what that would mean.

This so-called full employment bill is guaranteed, in our opinion, to expand unemployment—not employment—in the private sector of the economy.

The Humphrey-Hawkins bill will expand private sector unemployment for two basic reasons.

First, by guaranteeing a Government-funded job to everyone who is unemployed, the bill removes all restraint from wage demands. No one would have to fear the unemployment effects of forcing huge wage increases. They could demand 20–30–40–50 percent wage increases, such as in Britain, knowing that all who were bumped out of jobs by over-pricing labor have a guaranteed Federally funded job cushion to fall back on. The presently unemployed would be diverted from reemployment in productive, tax-producing private sector jobs as the recovery proceeds. Such a tightening of the labor market would allow exorbitant wage demands that could abort the recovery, thus throwing additional people out of tax-producing private sector employment and into tax consuming public employment.

Second, public employment jobs have to be paid for in real terms—in terms of resources diverted from alternative uses—just like anything else, and there would be a lot of them to pay for. How would they be paid for? To pay for public employment out of taxes or borrowing from the private sector just transfers resources out of private sector activities, including investment, into public sector activities. Clearly, the private sector cannot maintain the same level of activities when resources are transferred out of it. Therefore, private sector jobs must fall as public employment jobs financed by taxes or borrowing rise. Alan Fechter, an economist at the Urban Institute, has done an extensive study of public employment and he concludes that there is "a substantial amount of displacement" in the long run of private sector jobs.

To pay for public employment by inflating the money supply would simply set the boom-bust cycle off again before recovery is completed from the previous cycle. People are beginning to realize that no one benefits from inflation except the Federal Government. The reason Government benefits is that inflation pushes everyone into higher tax brackets, with the result that the Government receives a larger percentage of the national income in tax receipts, just as it would do by raising tax rates. The evidence is certainly in that inflation destroys capital because of widely used accounting practices which result in firms paying taxes on profits that they do not really have.

We have another bill under consideration which would mandate central economic planning. After all, its proponents argue, can we assure jobs without controlling the economic conditions which can otherwise cause an increase in private sector unemployment? Thus, all the forces of the marketplace—that invisible hand to which Adam Smith referred—would be subject to control by the bureaucracy in Washington, a bureaucracy whose performance record seems to be overlooked in assessing its ability to do this task any better. And, as you and I know, market forces cannot really be ever controlled enough to satisfy the central planners. Not, at least, in a free society. This bill has nearly the same sponsorship as the prior one.

Both could be law within the next 2 years, unless we do something today to better inform the American people about how jobs are and are not created and sustained. It is no easy task.

ECONOMIC FACTS VERSUS ECONOMIC MYTHS: THE BASIS FOR PUBLIC OPINION

The difference between public opinion in this area and the reality is striking. People believe the average manufacturer's after-tax profits on sales are 33 percent. In reality, they are 5.2 percent. The people believe the average auto company's sales profit to be 39 percent. The reality is 1.9 percent. They believe the oil companies make a 61-percent profit on sales, when in reality they are 7.2 percent. Of crucial importance when talking to the labor force about the size and role of profits, we must work to dispel their belief that an after-tax dollar is split about 75 percent for profit and 25 percent for the employees. We must show them the reality—that employees receive 89.6 percent, not 25 percent.

Few ways of illustrating the role of wages and salaries are more dramatic than looking at the distribution of national income; 76 percent of that income goes to wages and salaries. Corporate profits—before taxes—are 8 percent, but they are 4.1 percent after taxes. Total interest paid is only 7 percent of national income.

I have seen thrown around time and time again the figure that 5 percent of Americans own 83 percent of American business from which they supposedly receive dividend payments equal to the total earnings of Americans in the bottom 40 percent of income distribution. What are the facts? The bottom 40 percent receives a share of personal income that is more than six times greater than total dividend payments. In 1975, dividend payments totaled $32.8 billion compared to transfer payments—social security, medicare, welfare, Government pension and unemployment payments—of $175 billion. Taxable dividends paid to individuals were only $18.7 billion—which is equal to the amount paid in veterans benefits and is about one-fourth the amount of social security payments.

We are told by some tax reformers that if we simply taxed the profits of corporations more heavily, that we would not have this huge national debt and the inflation it may—they say "may" but I must say "does"—produce. What are the facts? On the annual year basis in 1975 the Federal budget deficit was $73.4 billion. Yet corporate retained earnings totaled only $22.3 billion, and total corporate dividends paid totaled $32.8 billion. Added together, we have total corporate after tax earnings. But that is only $55.1 billion, some $18.3 billion less than the Federal deficit. This means that even if corporate earnings were taxed 100 percent—in other words, we confiscate the entire dividend income stream of shareholders plus the profits retained by corporations—we would still be $18.3 billion in the red. And, of course, we would have eliminated economic incentive altogether and much of the source for economic growth as well.

All of this misinformation did not occur overnight—nor did it occur by accident. Those who advocate the policies which have led Britain—and New York City—down the path to near financial ruin have been active in our economic—and political—thinking for the past 50 years. We know what they advocate, and we certainly know what the consequences have been. What they are doing now is a logical consequence of the earlier Keynesian policies—those which ran inflation up to 13 percent and which maintain it today at an average of 6 percent. Now, there tact is to get rid of the 8-percent unemployment which that inflation produced—all, however, without acknowledging that it was their policies which produced it.

Our task now becomes more obvious.

THE REASONS FOR A JOBS CREATION ACT

The response of 124 Members of the House and Senate has been the Jobs Creation Act, H.R. 13399 and S. 2465. This bill is directed toward achieving more neutral tax treatment of savings and investment, knowing that such treatment will accelerate the formation and accumulation of the investment capital needed to create jobs and stimulate productivity in the private sector. The capital formation issue is the jobs issue; there will never be enough jobs without enough capital.

It is an undeniable fact of economics that the real wage is determined by the productivity of labor. The greater the productivity of labor, the higher the real wage. The productivity of labor is determined in largest measure by the amount and quality of capital with which the work force has to work. The productivity of labor increases in large part as the quantity and quality of the capital stock increases. The demand for labor increases as labor productivity increases. Therefore, the surest way to create jobs and higher real wages—as well as a larger tax base and economic growth—is to create capital.

This established principle of economics is respected throughout the world and is challenged by posturing principally only in the United States and Great Britain, the two countries in the industrialized world now with the lowest gross savings as a percent of gross national product. In the United States and Great Britain the belief is too widely found that the way to create jobs and economic growth is through government stimulation of consumption. The aggregate demand fixation of the United States and Great Britain, which pictures Government spending as a substitute for investment spending in job creation, is not found as pervasively elsewhere in the world.

There are some people who are in the curious position of favoring capital formation in Third World countries but not in the United States. They realize that Third World countries need more capital to raise their living standards and they say the United States should provide more aid. At the same time they say that the way to raise living standards in the United States is through income redistribution rather than through capital formation. What these people need to explain is why capital formation works in the Third World but not in the United States, and why income redistribution works in the United States but not in the Third World. They cannot explain that. They are caught in a dilemma, just as are those who now accept that high taxes and deficit spending have ruined New York City but still advocate this formula for our national economy.

The American people will not buy a program of aiding capital formation in foreign countries but not in our own, because that is a program of redistribution of capital that is at the expense of Americans living standards. The proponents of foreign aid will have to realize that more aid to foreigners requires more capital formation in the United States. The greater our capital formation, the more we can help others without lowering our own living standards.

The American people support in increasing numbers the enactment of the Jobs Creation Act because of what its substantive provisions are too.

THE JOBS CREATION ACT

The Jobs Creation Act would increase the savings available for investment by:

First. Providing tax credits for increases in qualified savings in commercial or mutual savings banks, savings and loans, building and loans or similar associations, credit unions, and life insurance or mutual companies and in qualified bonds and common and preferred stock in domestic corporations, section 3;

Second. Enlarging the dollar amount for individual retirement savings, retirement accounts, and retirement bonds, and expanding the eligibility for qualified tax treatment of individual retirement savings, section 4;

Third. Excluding from gross income the dividends received from domestic corporations by individuals, section 5;

Fourth. Excluding the first $1,000 of capital gains, section 6;

Fifth. Allowing the owners to defer capital gains taxes on the sale or exchange of small business and qualified property if the gain is reinvested in 1 year in another small business or qualified property, section 7;

Sixth. Extension of time for payment of estate tax where estate consists largely of interest in closely held business and farms; 5-year deferral; a 20-year payment period after the deferral; and a lower rate of interest on the amount owed, section 8;

Seventh. Reducing the corporate normal tax from 22 to 20 percent on a permanent basis, section 9;

Eighth. Reducing the corporate surtax from 26 to 22 percent on a permanent basis, section 10;

Ninth. Increasing the corporate surtax exemption to $100,000 on a permanent basis, section 11;

Tenth. Increasing the investment tax credit to 15 percent for investment over $50,000, 20 percent for investment from $25,000 to $50,000, and 25 percent from zero dollars to $25,000, and making these three changes permanent, section 12;

Eleventh. Increasing the asset depreciation range—ADR—from 20 to 40, section 13;

Twelfth. Providing for a new alternative system of capital recovery allowances, section 14;

Thirteenth. Providing for a 1-year writeoff of mandated pollution control facilities and equipment, section 15; and,

Fourteenth. Allowing the interest exclusion on industrial development bonds for issues up to $10,000,000, section 16.

This act, thus, would stimulate increased savings and investments by reducing the tax burdens borne by individuals and corporations, in the process creating the many new jobs which we must have to re-employ those now out of work and to create jobs for those entering the work force each year. Individuals, farmers, small businesses, credit unions, corporations, savings and loans and similar associations, banks, mutuals and investment companies, life insurance and annuity companies, and industrial development agencies all have a stake in helping create more jobs through this type of measure.

What would be the economic effects of such an act? We can be very specific on this point.

THE PROJECTED ECONOMIC EFFECTS OF THE JOBS CREATION ACT

The Jobs Creation Act is the alternative to both unemployment and inflation. Its provisions would generate over one-quarter of a trillion dollars in new investment over a 3-year period, thus creating millions of new jobs and helping remove the threat of inflation for every American.

The Jobs Creation Act not only addressed itself to unemployment and the capital shortage, but also to the need for fiscal responsibility and stable prices. It would generate $45 billion in new Federal revenues over a 3-year period to help offset the huge deficits legislated by the Congress.

A major econometric study undertaken by Norman B. True Consultants, Inc., of Washington, D.C., which simulates the effects on the economy of the tax reduction provisions of the Jobs Creation Act, concludes that in the first year after its enactment the act would generate increases over what would otherwise occur of $151.4 billion in the gross national product, $74.6 billion in capital outlays, and $5.2 billion in Federal revenues. The second year after enactment would see additional increases of $200.5 billion in GNP, $77.9 billion in capital outlays, and $14.6 billion in Federal revenue. And the third year would see further increases of $248.9 billion in GNP, $81.1 billion in capital outlays, and $25.2 billion in Federal revenue. These are real increases, not artificial increases resulting from inflation.

How would this increase over a 3-year period of $600.8 billion in real GNP affect employment and real wages? If all of the increased productivity goes into employment—that is, if there is no increase above the trend rise in real wages—there would be increases in employment above trend of 8.7 percent in 1975, 10.6 percent in 1976, and 12.4 percent in 1977. These percentage figures translate into 7.2 million new jobs in the first year of enactment, 9 million new jobs in the second year of enactment, and 10.9 million new jobs in the third year of enactment.

On the other hand, if all the increased productivity goes into higher real wages—that is, there is no increase above the trend rise in employment—there would be increases in real wages above trend of 8.2 percent in 1975, 10.3 percent in 1976, and 12.1 percent in 1977. These percentage figures mean almost $2,000 additional real income for every employee in each of the 3 years.

Since some of the increased productivity would create new jobs and some would result in higher real wages, it is obvious that the act would generate millions of new jobs and substantial gains above the trend *rise in real* wages. These millions of new jobs would be real jobs resting on a larger and stronger capital base. They would be productive jobs, tax-generating jobs instead of tax-consuming jobs. By generating full employment the act would eliminate unemployment-related Government expenditures, thus further reducing the deficit.

There is no other way to create millions of new real jobs, jobs that are meaningful productive work, jobs which do not result from sharing the work, but which result from creating new work, jobs which are not just another form of Federal transfer payment that benefits the recipient at the expense of the income of others, but jobs which result from the creation of new income.

Some may find these large increases in income and employment striking, even startling. But that is because in the last four decades this country has not relied on the approach embodied in the Jobs Creation Act of fostering full employment and price stability through fostering production.

If there were ever any doubts about the effects on the economy of the Jobs Creation Act, those doubts can now be dispelled on the basis of Dr. Ture's analysis of the income, employment, and revenue effects of the act.

Dr. Ture's credentials are most impressive. He received his M.A. and Ph. D. from the University of Chicago in economics. From 1951–55, he was on the analysis staff of the U.S. Department of the Treasury, and from 1955–61 he was on the staff of the Joint Economic Committee. From 1961–68, Dr. Ture was Director of Tax Studies for the National Bureau of Economics Research, a most prestigious position. From 1968–71 he was a principal at the Planning Research Corp., and he has had his own consulting firm since 1971. During this time, he was also a lecturer at the Wharton School of Finance of the University of Pennsylvania and is now adjunct professor of economics at George Washington University.

The following summary of the analysis of the economic effects of the Jobs Creation Act shows that each and every tax reduction provision would produce a significant gain in GNP, employment, capital outlays and Federal revenue, even in the first year of enactment. The Jobs Creation Act is a tax reduction bill that will stimulate GNP and employment without the risk of inflation-fueling deficits.

The summary follows:

ECONOMIC EFFECTS OF THE JOBS CREATION ACT

[Money amounts in billions of 1974 dollars]

Jobs Creation Act section, proposal, and years after enactment	Increases in: Private GNP	Increases in: Employment (thousands)	Increases in: Capital outlays	Increases in: Federal revenue
§ 3 Savings tax credit of 10 percent, up to $1,000 ($2,000 for joint returns), not exceeding tax due:				
1	$31.0	1,780	$22.3	$1.9
2	40.2	2,100	23.3	4.8
3	50.1	2,430	24.3	7.9
§ 5 Exclusion of domestic corporate dividends from adjusted gross income:				
1	20.9	1,200	15.5	.6
2	28.7	1,510	16.3	3.1
3	35.7	1,740	17.0	5.3
§ 6 Exclusion of $1,000 of capital gain per year:				
1	9.0	520	6.8	1.6
2	12.7	920	7.1	2.8
3	15.6	760	7.4	3.7
§ 9 Reduction of normal corporate tax rate from 22 to 20 percent (with no change in surtax):				
1	11.0	630	7.7	1.1
2	13.7	710	8.1	2.0
3	17.7	860	8.4	3.2
§ 10 Reduction of surtax rate from 26 to 22 percent (no change in normal tax rate or surtax exemption):				
1	20.0	1,150	14.1	2.0
2	25.0	1,300	14.8	3.7
3	82.3	1,570	15.3	5.8
§ 11 Increase in surtax exemption from $25,000 to $100,000 (with present normal and surtax rates):				
1	11.0	630	7.7	1.1
2	13.7	710	8.1	2.0
3	17.7	860	8.4	3.2
§ 12 Increase in investment credit from 7 percent with limitations to 15 percent for all sec. 1245 property:				
1	23.9	1,370	17.4	4.3
2	31.7	1,660	18.2	6.8
3	39.9	1,940	18.9	9.4
§ 13 Increase in asset depreciation range (ADR) from 20 percent to 40 percent:				
1	12.9	760	7.0	2.3
2	22.2	1,250	7.4	1.8
3	28.2	1,520	7.7	1.6
§ 14 Optional capital recovery allowances:				
1	55.6	3,400	16.7	8.7
2	70.3	4,070	17.4	11.5
3	82.4	4,550	18.0	14.2
Combined effect:				
1	151.4	7,180	74.6	5.2
2	200.5	9,020	77.9	14.6
3	248.9	10,910	81.1	25.2

Note: The estimates with respect to any combination of these proposals are not necessarily equal to the sum of the individual estimates. An estimate will be forthcoming for provisions of the bill which are not included above if adequate data become available.

Estimates for certain of these proposals may differ from previous estimates for similar or identical proposals because of revisions in Government data and underlying assumptions. Assumptions used in this table are consistent among alternatives.

Where exact qualification of variables was impossible, conservative assumptions about the values of those variables were employed. A full documentation of the estimating procedure is available upon request.

Estimates are based on charges with respect to the law in 1974 rather than the temporary provisions enacted in 1975. Effects for year 1 are for 1975 and assume that the proposal would have been operative since Jan. 1, 1975. Effects for years 2 and 3 refer to 1976 and 1977 levels of GNP, employment, etc., relative to their assumed trend values had the 1974 law remained unchanged. Note that employment effects are not cumulative; the 40 percent ADR, for instance, would lead to an increase of 1,520,000 full-time equivalent employees in year 3 over the number of such employees in the absence of this tax change, not 760 plus 1,250 plus 1,520 equals 3,530,000.

A COMPARISON OF THE JOBS CREATION ACT AND THE PRESIDENT'S JOBS CREATION THROUGH TAX REFORM PROPOSALS

A number of Members have asked me to contrast the Jobs Creation Act with the President's jobs creation through tax reform proposals, essentially those outlined in his State of the Union message of January 19 and in subsequent legislative language sent to the Hill.

The President's state of the Union message outlined an economic program "designed to keep the economy of an upward path toward two central long-term objectives: sustained economic growth without inflation; jobs for all who seek work." That program is focused on both spending restraint and a balanced budget by 1979 and tax cuts.

The President's approach to the unemployment problem has embraced three sets of policies, outlined in the fact sheet accompanying the message as follows:

1. Alleviating the economic hardship for those who are unemployed through temporarily extending unemployment insurance coverage to 12 million additional workers and temporarily extending the period of time individuals may receive unemployment insurance from 39 to 65 weeks.

2. Providing increased funds for established and proven Federal programs including Comprehensive Employment and Training Act (CETA), summer youth employment and public service employment.

3. Stimulating economic activity in the private sector through a reduction in individual and corporate income taxes and encouraging increased investment in America's economic future through a series of tax incentives.

While is can be argued that the first and second components of the job creation and employment program are counterproductive with respect to the third, because of the requirement of raising revenue from the private sector from which the private sector would have created or sustained existent jobs therein, the principal jobs creation focus has been on the third component.

The President's tax reform related jobs creation package consists of the following recommendations:

First, six basic tax cuts, three oriented toward stimulation through consumption and three oriented toward stimulation through production, as follows:

An increase in the personal exemption from $750 to $1,000.

Substitution of a single standard deduction for the existing low-income allowance and percentage standard deduction.

A reduction in individual income tax rates.

A permanent 10-percent investment tax credit.

A reduction in the maximum corporate income tax rate from 48 percent to 46 percent and making permanent the current temporary tax cuts on the first $50,000 of corporate income.

A program to stimulate construction of new electric utility facilities.

Second, provision for accelerated depreciation for construction of plants and equipment in high unemployment, defined in excess of 7 percent, areas, with provisos as to qualifying location, qualifying real estate, qualifying equipment, amortization, and investment credit.

Third, authorization of broadened stock ownership plans to allow low- and middle-income working Americans to defer taxes on certain funds invested in common stocks.

Fourth, a stretchout of the estate tax payment period with a reduction in interest to be paid upon such taxes.

It should be noted that the President has already proposed a phased integration of the corporate and individual income tax to eliminate the double taxation of corporate dividends. This proposal was reiterated in the fact sheet accompanying the state of the Union address.

The proposals made by the President on January 19 are expected by the administration to result in a loss of revenue. That loss is presently projected at $22.2 billion, of which $18.5 billion would be related to individual cuts and of which $3.7 billion would be related to business cuts. No figures have been released or are known to have been prepared by the administration as to the effects of the proposed reforms on either gross national product, or capital outlays, or unemployment.

A section-by-section comparison of the Jobs Creation Act and the President's proposals, together with comments, follows:

A Comparison of the President's Tax Reform and the Jobs Creation Act Proposals

PRESIDENT FORD'S PROPOSALS	JOBS CREATION ACT [1]	COMMENTS
1. Increase in the personal exemption from $750 to $1000.	1. No provision.	
2. Substitution of a single deduction for the existing low income allowance and percentage standard deduction.	2. No provision.	
3. Reduction in individual income tax rates.	3. No provision.	
4. Per capita exemption credit of $17.50 with alternate taxable income credit equal to 1 percent of the first $1000 of taxable income.	4. No provision.	
5. Earned income credit equal to 5-percent of earned income with a maximum of $200, phasing out at $8000 of earned income or adjusted gross income whichever is greater.	5. No provision.	
6. Reduction in corporate rates: 20-percent for first $25,000 of taxable income, 22-percent for the second $25,000 of taxable income, and 47-percent for taxable income above $50,000.	6. § 9, reduction in corporate normal tax rate from 22 to 20-percent; § 10, reduction in corporate surtax rate from 26 to 22-percent; and, § 11, permanent increase in corporate surtax exemption from $50,000 to $100,000.	6. Until the Tax Reduction Act of 1975, there was no progressivity in the corporate normal tax rate; the President's proposal seems to encourage permanency of that concept in corporate tax structure.
7. Program to stimulate construction of electric facilities.	7. No provision specifically with respect to electric facilities.	7. § 14 of the Jobs Creation Act, coupled with other provisions, would accomplish the same objectives as the President's specific proposal for this industry.
8. Accelerated depreciation for construction of plants and equipment in high unemployment areas.	8. § 13, increase in ADR range from 20 to 40; and § 14, new alternative means of capital recovery.	8. § 14 of the Jobs Creation Act is identical to the proposed Capital Recovery Act, H.R. 8226.
9. Make permanent the investment credit at 10-percent.	9. § 12, make permanent the investment credit at 15-percent for investment in excess of $50,000; 20-percent for investment from $25,000 to $50,000; and 25-percent for investment up to $25,000.	
10. Phased integration of the corporate and individual income taxes now imposed on corporate dividends.	10. § 5, exclusion from taxable income of amounts received by individuals as dividends from corporations.	
11. Broadened Stock Ownership Plan—BSOP, limited to common stock in corporations but allowing individual and employer plans.	11. § 3, tax credits for qualified savings and investments.	11. § 3 of the Jobs Creation Act allows tax credits for a broader range of investment opportunities, incl. common stocks & bonds, savings, cash surrender values of insurance, mutuals; title III of the initial Jobs Creation Act, H.R. 4906, provided for Employee Stock Ownership Plan—ESOP—financing but was deleted from subsequent texts to conform to "phase I" format in House tax reform deliberations.
12. No provision.	12. § 7, deferral of tax on capital gain from sale of small business if gain is reinvested in another small business in 1-yr. qualifying period.	
13. Estate tax reform for preservation of closely held small business and family farms.	13. § 8, identical provision.	13. Five year deferral, 20-year payment period after deferral, and a lower rate of interest on the amount owed.
14. No provision.	14. § 4, increases is ceiling levels for individual retirement savings, retirement accounts, and retirement bonds.	
15. No provision.	15. § 6, exclusion of first $1,000 of capital gain in each tax year.	
16. No provision.	16. § 15, alternative amortization, 1-yr. write-off, for pollution control facilities.	
17. No provision.	17. § 16, increase industrial development bond issue ceiling from $1 million to $10 million for interest exclusion purposes.	

SUPPORT MOUNTS FOR ENACTMENT OF THE JOBS CREATION ACT

The realizations, first, that real jobs and real increases in wages can come about only in and through the private sector of the economy, and, second, of what the probable economic consequences and effects of the Jobs Creation Act would be, once enacted, has led to steadily growing support for such enactment.

This is not a partisan issue—Democrats and Republicans are its cosponsors.

This is not an ideological issue—liberals, moderates, and conservatives are its cosponsors.

This is not a sectional issue—support for the bill has come from every section of the country.

This support has also been both within and outside of the Congress. As I have indicated earlier, 124 Members of the House and Senate are now its cosponsors and that list grows almost every day. And, as I have also indicated earlier, support among the grassroots is mounting for its enactment too, and those who persist in supporting what we know will never work—such measures as the full employment bill—are out of step with that public sentiment in general and growing support for the Jobs Creation Act in particular.

Let me detail that support for a moment.

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[1] H.R. 13399, April 28, 1976.

The cosponsors of the Jobs Creation Act in its present and prior texts are as follows:

Mr. KEMP of New York.
Mr. ABDNOR of South Dakota.
Mr. ANDREWS of North Dakota.
Mr. ARCHER of Texas.
Mr. ARMSTRONG of Colorado.
Mr. ASHBROOK of Ohio.
Mr. BAFALIS of Florida.
Mr. BAUMAN of Maryland.
Mr. BEARD of Tennessee.
Mr. BRINKLEY of Georgia.
Mr. BROOMFIELD of Michigan.
Mr. BROWN of Ohio.
Mr. BROWN of Michigan.
Mr. BROYHILL of North Carolina.
Mr. BURGENER of California.
Mr. BURKE of Florida.
Mr. CARTER of Kentucky.
Mr. CEDERBERG of Michigan.
Mr. CHAPPELL of Florida.
Mr. CLANCY of Ohio.
Mr. DON H. CLAUSEN of California.
Mr. DEL CLAWSON of California.
Mr. CLEVELAND of New Hampshire.
Mr. COHEN of Maine.
Mr. COLLINS of Texas.
Mr. CONLAN of Arizona.
Mr. CRANE of Illinois.
Mr. DAN DANIEL of Virginia.
Mr. ROBERT W. DANIEL, Jr., of Virginia.
Mr. DAVIS of South Carolina.
Mr. DERWINSKI of Illinois.
Mr. DEVINE of Ohio.
Mr. DICKINSON of Alabama.
Mr. DUNCAN of Tennessee.
Mr. EDWARDS of Alabama.
Mr. EMERY of Maine.
Mr. ESCH of Michigan.
Mr. ESHLEMAN of Pennsylvania.
Mr. FINDLEY of Illinois.
Mr. FRENZEL of Minnesota.
Mr. FREY of Florida.
Mr. GILMAN of New York.
Mr. GOLDWATER of California.
Mr. GOODLING of Pennsylvania.
Mr. GRASSLEY of Iowa.
Mr. GUYER of Ohio.
Mr. HAGEDORN of Minnesota.
Mr. HAMMERSCHMIDT of Arkansas.
Mr. HANSEN of Idaho.
Mrs. HECKLER of Massachusetts.
Mr. HEINZ of Pennsylvania.
Mr. HILLIS of Indiana.
Mrs. HOLT of Maryland.
Mr. HUTCHINSON of Michigan.
Mr. HYDE of Illinois.
Mr. JOHNSON of Pennsylvania.
Mr. JOHNSON of Colorado.
Mr. KASTEN of Wisconsin.
Mr. KELLY of Florida.
Mr. KETCHUM of California.
Mr. KINDNESS of Ohio.
Mr. LAGOMARSINO of California.
Mr. LATTA of Ohio.
Mr. LENT of New York.
Mr. LOTT of Mississippi.
Mr. LUJAN of New Mexico.
Mr. MCCLORY of Illinois.
Mr. MCCOLLISTER of Nebraska.
Mr. MCDONALD of Georgia.
Mr. MADIGAN of Illinois.
Mr. MARTIN of North Carolina.
Mr. MATHIS of Georgia.
Mr. MICHEL of Illinois.
Mr. MILFORD of Texas.
Mr. MILLER of Ohio.
Mr. MONTGOMERY of Mississippi.
Mr. MOORE of Louisiana.
Mr. MOORHEAD of California.
Mr. MYERS of Indiana.
Mr. O'BRIEN of Illinois.
Mr. PAUL of Texas.
Mrs. PETTIS of California.
Mr. PRESSLER of South Dakota.
Mr. PRITCHARD of Washington.
Mr. QUIE of Minnesota.
Mr. QUILLEN of Tennessee.
Mr. RAILSBACK of Illinois.
Mr. ROBINSON of Virginia.
Mr. ROONEY of Pennsylvania.
Mr. ROUSSELOT of California.
Mr. RUNNELS of New Mexico.
Mr. SARASIN of Connecticut.
Mr. SCHULZE of Pennsylvania.
Mr. SHRIVER of Kansas.
Mr. SHUSTER of Pennsylvania.
Mr. SEBELIUS of Kansas.
Mr. SIKES of Florida.
Mrs. SMITH of Nebraska.
Mr. SPENCE of South Carolina.
Mr. STEELMAN of Texas.
Mr. STEIGER of Arizona.
Mr. STUCKEY of Georgia.
Mr. SYMMS of Idaho.
Mr. TALCOTT of California.
Mr. TAYLOR of Missouri.
Mr. THONE of Nebraska.
Mr. TREEN of Louisiana.
Mr. VANDER JAGT of Michigan.
Mr. WAGGONNER of Louisiana.
Mr. WAMPLER of Virginia.
Mr. WALSH of New York.
Mr. BOB WILSON of California.
Mr. WHITEHURST of Virginia.
Mr. WINN of Kansas.
Mr. YOUNG of Florida.
Mr. YOUNG of Alaska.

I believe there will be a substantial growth in the number of cosponsors of this measure as we approach House consideration of the full employment—Humphrey-Hawkins—bill, H.R. 50.

As Members become increasingly aware of the many severe problems with the full employment bill and of the existence and nature of alternatives, such as the Jobs Creation Act, I think we will see even more support for the Jobs Creation Act.

One thing that is buttressing that support is an awareness of what its enactment would mean to our constituencies in whose general interest we should act. The following table shows why there is this growing support behind the Jobs Creation Act:

PUBLIC SUPPORT FOR ENACTMENT OF THE JOBS CREATION ACT

The Jobs Creation Act, H.R. 12802	Individual taxpayers and consumers	Farmers	Small businesses	Credit unions	Corporations	Savings and loans, et cetera	Banks	Mutuals and investment companies	Life insurance and annuities	Industrial development agencies
§ 3 Tax credits for qualified savings and investments	×		×	×	×	×	×	×	×	
§ 4 Individual retirement accounts, savings, and bonds	×	×	×	×		×	×			
§ 5 Exclusion from gross income of amounts received by individuals as dividends from domestic corporations	×		×	×	×	×	×	×	×	
§ 6 Exclusion of 1st $1,000 of capital gain	×		×		×			×		
§ 7 Deferral of gain on sale or exchange of certain small business property	×		×							
§ 8 Extension of time for payment of estate tax where estate consists of interests in closely held business and farms	×	×	×			×	×			
§ 9 Reduction of corporate normal tax rate from 22- to 20-percent	×		×		×					
§ 10 Reduction of corporate surtax from 26- to 22-percent	×		×		×					
§ 11 Increase in corporate surtax exemption from $50,000 to $100,000	×		×		×					
§ 12 Increase in investment tax credit to 15-percent and make permanent at that level	×				×					
§ 13 Increase in class life variance for purpose of depreciation	×				×					
§ 14 Capital recovery allowances	×				×					
§ 15 Alternative amortization period of 1-yr for pollution control facilities	×				×					
§ 16 Increase in exemption from industrial development bond treatment	×				×					×

Legislation motivated by partisan or ideological motives often backfires, just as has the effort to use the tax system to redistribute income. Attempts to make some better off at the expense of others by redistributing the pie have clearly failed.

We must turn now to a policy of a bigger pie so that our productive capacity can catch up with the demands that are placed on it.

In place of a divisive program of envy, I recommend a more democratic program that focuses on making all of our citizens better off through a more rapidly growing economy that is more generous to all.

That program is the Jobs Creation Act.

Mr. BAUMAN. Mr. Speaker, the productive economic system that we know is threatened. It is threatened by Government actions which have been moving us toward a centrally planned economy, threatened by the well meaning but misguided with visions fixed on the image rather than the reality of the economic problems with which we suffer. In desiring to further goals all of us share, those of economic prosperity and social justice, these economic impressionists would dismantle the very free market system which has been the springboard for the technological and humanitarian advancements we enjoy today. They would sap the freedom and strength which have been the basis of our economic upturn, an upturn which has lately become more visible.

In recent months a cautious but steady easing of our economic woes has been apparent. The inflation rate last month was 1.7 percent, far below the 8.1 percent of March 1975; the rate of inflation for the year is 3.2 percent, contrasting sharply with the 9 percent of 1975. Equally important has been a continually decreasing rate of unemployment and a rise in capital investment. In an election year, many Government officials and office holders are eagerly claiming credit for turning around our slumping economy. But the plain truth is that this modest recovery is not the result of Federal programs and policies; it comes as the result of the actions of millions of private citizens who once again are ready and able to express their confidence in their economy.

Yet liberals in Congress cling to their worn-out remedies and persist in demanding legislation that will only interfere with the natural return to economic good health. The Humphrey-Hawkins "full employment" bill for example, trots out once again a proposal to spend many billions of tax dollars for so-called public service jobs "created" by the Federal Government and administered by a proportionally large bureaucracy. What such legislation ignores is the track record of similar attemps—relatively few jobs created, vast sums spent, with the jobs that were made available of short duration and dubious purpose.

In order to head off such ill-fated and expensive experiments in Federal largesse, I was pleased last year to join with other Members of Congress in coponsoring the Jobs Creation Act. This measure operates on the principle that long-term solutions to economic problems lie in the private sector. If businesses large and small are to have access to the funds that they will need to maintain facilities and expand into new factories and areas, they will need an estimated $3 trillion in the next 4 years alone. Sums for investment have traditionally come from the pockets of millions of people willing to invest their hard earned dollars. But Federal legislation has penalized this sort of investment, making it virtually a crime to make a profit. The result—a short supply of the dollars necessary for capital formation.

This shortage of supply is aggravated further by the huge deficits piled up by the Federal Government, deficits that force the Government into competition with private businesses for the dollars to borrow.

The Jobs Creation Act would make the desired changes in the tax system that would, among other things, reduce income taxes on small businesses and corporations, and implement tax breaks for such desired improvements as nonproductive pollution control equipment.

But this is far from legislation to aid special interests, for every American will benefit from actions to provide the funds for growth that this Nation needs so desperately. You do not need to be an economist to know that capital formation means funds for investment by businesses of all sizes and markets; it means increases in the size of existing plants and in the construction of new factories and businesses; it means new jobs. Above all, it means increased production levels for America—and this means real economic growth for the Nation and its people. There is nothing in this legislation that devotes millions of tax dollars to promote pet projects or "make work" programs, or that would increase the Federal debt and with it the rate of inflation. I leave such methods on the shelf where they belong, or in the liberals' bag of tricks. I look instead to the long haul, and the genuine promise of truly productive and permanent job, to the encouragement of savings and investment, to the stimulation of the home construction industry, to the assured continuity in family businesses and farms, and to the further reduction of unemployment—all possible with and through reduced dependency on Federal programs.

We can solve the real problems of our economy by relying less on our prejudices and impressions and more on our commonsense. The Jobs Creation Act is such a commonsense solution, a real solution which deserves quick passage.

Mr. Speaker, I want to add a special word of praise for the gentleman from New York (Mr. KEMP) who has taken the lead in promoting this legislation. He has rightfully attained a well-deserved reputation as one of the economic policy leaders in the House and I commend him for all his work.

Mr. ROUSSELOT. Mr. Speaker, I thank my colleague, the gentleman from New York (Mr. KEMP) for taking this time to once again focus the attention of the House on the issue of jobs creation and capital formation. Over 115 Members have cosponsored H.R. 12802, the Jobs Creation Act, and the administration is carefully studying the provisions of the legislation. An increasing number of our constituents are beginning to realize that jobs in the private sector are to be preferred to those developed by the Federal Government and paid for by the American taxpayer. JACK KEMP is to be commended for his tireless efforts to bring this issue to the House and to the public.

Mr. Speaker, we must seriously consider this jobs creation proposal which would restore stability to our economy and provide relief from inflation and recession. Americans are concerned about jobs. They are concerned about taxes and inflation. The Jobs Creation Act would substantially increase employment—real jobs in the private sector—by reducing the present tax bias against savings and investment. The Jobs Creation Act would lead to a reduction in taxation and a curbing of inflation by limiting the need for the Federal Government to enter the private money markets to usurp available dollars to finance the national debt or to request the Federal Reserve to increase the money supply. No other jobs creation measure—including the so-called Humphrey-Hawkins Full Employment Act—can make such a promise. The Members must be aware that the enactment of programs requiring huge Federal expenditures will only rekindle the fires of inflation and plunge us deeper into a recession from which we are just now beginning to emerge.

It takes capital to create jobs—about $45,000 per job. In the future, this country is going to require a lot of capital to provide jobs for the 50 million people entering the job market by the end of this century. The best estimates show that we will be about $1.5 trillion short. The Jobs Creation Act would provide a solution to this capital shortage by increasing incentives for small businesses and large corporations alike to invest in new plants, production growth, and job expansion. There is no question that private enterprise is the most effective and efficient mechanism for filling the needs of a growing economy. I urge my colleagues to seriously consider the Jobs Creation Act as a viable measure for the strengthening and bolstering of our Nation's economy. Capital incentive is not a dirty word to most Americans—they understand that you do not get something for nothing. Private enterprise will provide the jobs and growth we need, but only if the Federal Government removes itself from competition with the free marketplace.

At this point in the RECORD, I would like to insert an editorial which appeared in the June 22, 1975, issue of the Los Angeles Times which deals with the need for capital incentive. And I would once again wish to congratulate my friend, JACK KEMP, for his worthwhile and unceasing efforts in this regard.

RECOVERY NEEDS CAPITAL INCENTIVE

There is reason to hope that the recession is bottoming out, and that the economy is ready to begin growing again. The upturn may be fleeting, however, unless American business has the wherewithal to make the investments for more productive machinery and equipment which are necessary for sustained, job-creating growth.

The need to assure adequate capital formation in the decade ahead must be a paramount consideration in the tax revision legislation which Congress is expected to enact late this year or early in 1976. Fortunately, this fact is recognized by influential members of Congress as well as by the Administration.

The United States reinvests a far smaller share of its national income in new plant and equipment than any other industrialized country in the world. Administration economists, backed by most of their brethren outside government, say it is no coincidence that this country's advantage in worker productivity has been slowly but surely eroding.

Looking to the future, the Commerce Department estimates that the U.S. economy will require more than $4 trillion in investment capital during the next decade. There is widespread concern that there will be a capital gap of serious dimension. And to the degree such a gap develops, the American people will pay a price in homes and plants unbuilt, jobs not created and paychecks thus unspent on cars, clothing, appliances and other purchases which keep the economy going.

Corporations get some of the money for capital investments from sale of stock, and some from bond issues or other forms of borrowing. But the major source is profits. And while profits have seemed high in straight dollar terms, the fact is that the proportion of the nation's wealth going into profits has steadily declined for the last 25 years. Two particular changes are needed in the tax laws. Incentives are needed to encourage more Americans to save more, thereby providing funds which find their way into capital investment. And provisions are needed to enable corporations to keep a greater share of before-tax profits.

The House Ways and Means Committee has announced that it expects to begin hearings July 8 into tax reform proposals, and to have a bill ready for action by the full House in November.

The committee is expected to consider proposals to make permanent the increase in the investment tax credit which was enacted this year, to allow faster depreciation of capital equipment and to permit corporations to deduct as an expense the dividends paid out to stockholders. There are also proposals to ease certain aspects of the capital gains tax, and to allow stockholders a tax exemption on reinvested dividends.

The practical, political difficulty is in accomplishing the valid purpose of such legislation without eroding the principles of tax justice which lie, or should lie, at the heart of the American democratic system. In short, the revisions must not have the effect of reducing the relative tax burden on the wealthy while increasing it for everybody else.

Thus Congress should tighten the existing minimum tax provisions which are aimed at seeing that upper-income Americans pay a reasonable share of their incomes to the tax collectors, no matter what deductions and exclusions they are otherwise entitled to.

Efforts also should be made to broaden the base from which investment-feeding savings are drawn. There are proposals, for example, to increase the dividends exclusion from $100 to $500 or more, and to apply the exclusion to interest from savings accounts as well as dividends.

There may be a temptation for Congress to concentrate on soak-the-rich closing of tax loopholes and new tax cuts for low- and middle-income citizens without doing anything real about the need to encourage capital formation. That would be a distinct disservice to Americans of all income brackets.

Mr. DON H. CLAUSEN. Mr. Speaker, I must highly commend my colleague from New York (Mr. KEMP) for his innovative and persistent efforts in bringing the Jobs Creation Act to the attention of the American public. His idea is so simple it is brilliant—it removes and lessens the present disincentives to save that are found in our tax laws. By encouraging increased savings and, correspondingly, increased investments we will feel the immediate effect of stimulated business activity, an increased demand for workers, an increase in real purchasing power by these workers and a new continuity for family businesses and farming operations.

We in the Public Works and Transportation Committee have long supported legislation which encourages the Economic Development Administration and through this we have not only greatly expanded the creation of jobs in the private sector but we have concentrated our efforts in "pockets of poverty."

Through the Jobs Creation Act we would also be carrying out this mandate of creating new meaningful jobs in the private sector. It is abundantly clear that if we continue to expand the Federal budget to accommodate expanding programs we will be placing the Government squarely in competition with the private sector. And by expanding these Federal programs we lose the "multiplier effect"—which is inherent in private sector jobs. That is, funds channeled to the private sector create not only jobs that last but they create an economic base and expansion of the tax base. These type of tax-generating jobs are the nucleus of our economic freedoms and the real creators of our economic growth.

History is a great teacher. It has shown us that in the 1960's our productivity growth and economic improvement ranked behind every other major industrialized nation. We also had the worst record of capital investment. As others were busy channeling their resources into capital investment and acquiring more modern plants and equipment, we lost our competitive edge in world markets. And the logical consequence then happened—we began to lose jobs in our work force.

It is through this type of government oriented economic policy that the problems of today have arisen and the suggestions that we further depend on these Government policies will only bring us that much closer to a totally socialized and subsidized society. This is certainly not the path we should be following as the freest Nation in the world. Our productivity and standard of living have allowed us to be a Nation of compassion and humanity and to enjoy freedoms unheard of in other parts of the world. It is important that we not forget what brought us to this point in history and moreover, it is imperative that we reinstitute a strong economic policy which encourages the creation of new jobs in the private sector.

Mr. KETCHUM. Mr. Speaker, I would first like to commend my friend, Congressman KEMP, for calling this special order today on the subject of capital formation. Even more important, however, I commend him for the introduction of the Jobs Creation Act, an omnibus measure which would not only alleviate the capital shortage looming ahead of us, but would put millions of Americans back to work. To my mind, the provisions of the Jobs Creation Act are among the most important that have been introduced in this, or any previous, Congress. I am proud to be identified with this legislation.

As a member of the Committee on Ways and Means, I am all too familiar with what passes for tax reform legislation in this Congress. To the best of my knowledge, it consists of squeezing every possible dime out of the productive sector, and making it well-nigh impossible for business to expand, with the addition of a cosmetic reduction in individual income taxes to sweeten the pot. The egregiously misnamed Tax Reform Act of 1975, passed by Ways and Means and by this House, stands as a monument to this concept of tax reform. Had the House deliberately set out to come up with the wrong solutions to our economic problems, it could not have done a better job.

We are in an economic mess because Government has been spending too much money; because Government has siphoned off too much capital from the private sector; because Government has become the employer of "first resort," rather than the citizen's last hope. Simply put, we have turned away from nearly every principle that traditionally brought us economic growth and full employment.

We must turn away from Government dominance, in the marketplace, and depend once again upon private industry to employ our citizens and move our economy. The Jobs Creation Act is an important step in that direction.

In the next decade, the labor force will grow by 15 million persons, according to Secretary of the Treasury Simon. There are 3 million citizens currently unemployed who must be added to that sum. These people can be put to work by either the Government, or by the private sector. The real debate on the economy is: "Who shall be the employer?"

Critics of the approach taken by the Jobs Creation Act hold for dear life onto the concept of tax expenditures. They argue that by extending tax credits to business, the Treasury loses far too much money. Although they concede that the result of these credits and incentives is jobs, they believe it would be more equitable to have the jobs provided through direct appropriations of public service employment.

There is a colossal error in this train of thought, which is the failure to look beyond the initial Treasury loss of the Jobs Creation Act to its secondary and tertiary impacts. Creation of real, productive jobs in the private sector and an increase in business expansion will end up bringing in much more money to the Treasury than previously. Estimates are that the Jobs Creation Act would bring in $25.2 billion in additional revenues to the Treasury within 3 years of enactment. Public service jobs would conversely, continue to add to our deficit and our economic miseries.

I could speak on the specifics of the bill for some time, but the point I want to impress on my colleagues today is the need to allow private enterprise to do what it does best: Employ our citizens and create economic growth. The only alternative is the type of government intervention which brought us to double-digit inflation, and double-digit unemployment.

Sensible tax reform would reduce the bias against investment, and saving inherent in the current IRS Code. It would reduce the excessive tax burden on small businesses and farms. It would provide tax relief for Government-mandated environmental and safety costs. Sensible tax reform can put America back to work and create a healthy business climate. Sensible tax reform is the Jobs Creation Act, and I commend it to my colleagues for enactment.

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, our Nation presently walks a tightrope path to a sound, secure, sustained economic recovery. Our gross national product has grown at a strong 7.5 percent in the first quarter, while inflation, based upon GNP, registered its most modest increase since 1972. Industrial production rose 0.7 percent in January, the wholesale price index remained unchanged, and business inventories—a prime indication of the economy's pace—had dropped $526 million. Even unemployment, the single gravest challenge before the economy today, has begun to abate.

But, as too often the case, the Conress will apparently lead a horse to water only to proceed to drown it. The majority of the Members of the House as well as the Senate appear prepared to endorse still more measures that involve the massive expenditures of billions of Federal tax dollars in Government sponsored make-work. While I can appreciate the good intentions that spawn that kind of short sightedness, the fact remains that Government make-work is expensive for the taxpayer, creates inflationary pressures upon the consumer, and fails to help those most in need. It is simply ineffective and inequitable.

A classic case must be H.R. 50 and S. 50, the so-called Equal Opportunity and Full Employment Act. Its sponsors envision that it will "guarantee" employment to every willing and able adult. It bestows upon the President the task of reducing unemployment to 3 percent or less within 18 months, an ordeal which the committee summary estimates should cost $15 billion—"or whatever he (the President) deems to be required." That sum, incidentally, puts us in the range of Norway's entire gross national product.

One should at least ask where, outside of the Treasury, this simplistic scheme will first impact. It certainly will not be the chronic unemployed, the untrained, the victims of employment discrimination. The Labor Department has revealed, in the case of those now employed under title VI of the Comprehensive Employment and Training Act, that 72 percent are white, more than 70 percent are high school graduates, and not even half are "economically disadvantaged."

Moreover, as most of us acknowledge in our sober moments, this sort of Federal employment rampage inevitably results in some good degree of displacement—the financing of existing State and local positions with Federal funds, rather than the creation of additional jobs. Short-run displacement approximates 50 percent in many programs, while long-run displacement may approach 90 percent. In other words, for every dollar of Federal employment stimulus, State and local governments will reduce their own expenditures in those categories by anywhere from 60 to 90 percent.

In my own State, a report by the Governor's manpower planning council revealed that only 40 percent of Virginia residents in current Federal job programs are economically disadvantaged. The funds used from these programs have helped to pay for an assistant to a Virginia cabinet member and an assistant county prosecutor. This is certainly not to say that the money was misused or wasted, but we must admit that paying the salaries of high-level executives will not help most unemployed people.

As the staff director of the Governor's manpower planning council stated, "It's hard to tell what Congress intended."

Finally, Mr. Speaker, I hardly need point out what guaranteed employment will do to wage demands and price levels

My own district newspapers, I am fortunate to say, are not mesmerized by this sort of fiscal sleight of hand. They uniformly realize, in the words of the Petersburg Progress Index, that massive expenditures for public service jobs could "Rekindle inflationary pressures which, for the moment, are dormant."

The Richmond Times-Dispatch, likewise, labeled one public service jobs bill passed by this Chamber a "cruel fraud," pointing to the high cost and limited relief it would really provide.

The Norfolk Ledger-Star added, in underscoring the real solution to our employment problems, that "Jobs—solid productive jobs—are created only by a healthy, expanding private business sector."

There is, then, an alternative. That alternative, an escape from the tired and worn formula of Government make-work, is the Jobs Creation Act. With over 100 cosponsors thus far, this legislation would finally steer our Federal resources in the direction of real, lasting, taxpaying, productive jobs. It would not require the massive expenditures of billions of tax dollars, but would rely on tax incentives for individuals and businesses, incentives leading to increased industrial and business production with a corresponding increase in new jobs—but without renewed inflation.

The Jobs Creation Act would—

Allow exclusion from gross income of both qualified savings and investments made during a tax year of up to $1,000, or $2,000 on a joint return;

Eliminate the present system of double taxation of common dividends;

Grant a $1,000 exclusion from capital gains for each capital transaction qualifying;

Grant an extension of time for payment of estate taxes where the estate consists largely of small business interests;

Increase the estate tax exemption for family farming operations to $200,000;

Amend the corporate normal tax rate and increase the corporate surtax exemption, including provisions for reduced taxes for small business, to give an effective corporate income tax reduction of about 6 percent;

Increase the investment tax credit 15 percent and make it permanent—this is badly needed for long-term business planning;

Allow taxable year price level adjustments in property or alternatively increases in class life variances for purposes of depreciation—increasing the ADR range from 20 to 40;

Provide for a complete writeoff in 1 year of required but nonproductive pollution control facilities and equipment; and,

Provide for employee stock ownership plan financing.

Everyone wishes for full employment. The question is whether or not the Congress will eventually choose a careful and rational policy that benefits all Americans.

Mr. ARMSTRONG. Mr. Speaker, I would like to thank the distinguished gentleman from New York (Mr. KEMP) for his efforts in putting together this discussion.

In this time of make work jobs and public employment, many Members of Congress seem to have forgotten a few basic truths. It takes productive investment to create jobs. As a matter of cold, hard fact, today between 30,000 and 60,000 investment dollars are required to create each permanent new job.

With so many Americans out of work new jobs are necessary—and will be created. But public service jobs tax productive citizens, contribute to inflationary pressures, and add little or no productive capacity to the economy. On the other hand, jobs created through new capital formation are permanent and increase the real income of Americans rather than merely spreading around the existing income with taxes and transfer payments.

Today 10 million Americans are unemployed. To reduce real unemployment to even a 5-percent level requires the creation of almost 7 million jobs in the next few years and about 2 million jobs a year for the next 10 years. Such job creation will require more than half a trillion dollars in additional capital formation.

There has been no increase in real capital formation since 1970. The dollar figures have increased, but real capital investment has not, and the number of new jobs has not kept pace with the number of new labor force entrants. So unemployment has soared.

In the past 5 years, business borrowing has doubled, and the Federal debt held by the public has almost doubled. This strain on the loan markets has not only increased interest rates, but effectively preempted smaller firms from obtaining funds for expansion through borrowing.

Because of existing tax law and economic conditions, moreover, the larger businesses, according to the research department of the New York Stock Exchange, have become more and more dependent on borrowed capital for expansion. In 1965, the listed corporations obtained 35 percent of their new capital stock through borrowing. By 1974, 85 percent of equity capital requirements were fulfilled through borrowed funds.

This situation is scarcely healthy, nor economically sound. Smaller firms cannot generate capital without borrowing, and the debt market is effectively closed to them by prohibitively high interest rates or by the favored position occupied by large corporate and government borrowers.

Large corporations are finding it difficult to raise internal capital and expensive to borrow. Businesses of all sizes are finding it difficult to interest new investors at a reasonable cost.

And since inflation pushes middle and upper income workers into higher and higher tax brackets, they have less and less money to save and invest—and less and less economic incentive to do so, since capital gains and income taxes on dividends become more and more confiscatory under inflationary conditions.

The results are all too clear. Real capital formation and investment have declined; fewer new jobs are available; fewer new businesses are formed; business failures have increased; and paradoxically, more capital is required to start a new business.

It is past time for more make-work programs, past time for more and more taxes and Federal spending. What made the industrial might of the United States was not Government programs and spending, but private capital.

We need an approach that will revitalize our capital structure. That is exactly what the Jobs Creation Act will do—by making investment, saving, and jobs creation more attractive to all Americans.

The United States has the lowest rate of capital formation of any non-Communist industrialized country in the world and provides less public and private incentive to capital creation than any industralized country except Great Britain.

The United States also has the highest unemployment rate in the industralized world—even after adjusting the standards for our more liberal definitions.

The Jobs Creation Act would solve these problems and make investment more attractive by eliminating the double taxation of dividends, by creating a permanently higher investment tax credit, and by a number of other tax reforms. In addition, this legislation will help revitalize small family businesses and farms by updating the estate tax exemption to $200,000 to compensate for the 30 years of inflation since the original enactment of the $60,000 exemption.

All in all, I believe the approach of the Jobs Creation Act is not only praiseworthy, but vital if we are to provide meaningful and productive jobs for Americans in the years to come.

In closing, I would again like to congratulate my colleague from New York for his continuing efforts to reform the capital formation structure that is the true basis for full employment in a free society.

Mr. DICKINSON. Mr. Speaker, there has been a lot of talk during the 94th Congress about unemployment, but the only solutions the powers that be are willing to consider are really nonsolutions and campaign gimmicks. Many Members are insisting that the way to solve the unemployment problem is to create public sector make-work jobs. In my opinion, we may as well let people continue to collect unemployment compensation as collect tax dollars for doing unnecessary tasks. At least that way they could spend their free time growing a vegetable garden to help offset their grocery bills.

There has been an equal amount of lip service given to tax reform during this Congress, but once again we find that the reforms are only cosmetic surgery on the Tax Code, not real reform. There have been no serious efforts made to revise the tax structure in such a way as to give people an incentive to invest in their own future and the future of this Nation.

There is one piece of legislation which could create that incentive, however, at the same time it is creating productive jobs, and as a cosponsor of that bill, the Jobs Creation Act, I urge my colleagues to take positive action on the measure. This bill provides the means for reduced taxes, increased savings and investment, reduced unemployment and increased revenues. It does not create an extra layer of bureaucracy at any level of government; nor does it create budget deficits with their accompanying rounds of inflation. In short, this bill is what this country needs to get out of the slump and restore the productive economic atmosphere which has afforded our citizens the highest standard of living in the history of mankind.

The Jobs Creation Act is not just another hair-brained scheme to confuse the public. It was written over 2 years ago and has been carefully scrutinized, reformed and polished since that time. It has been analyzed by a reputable economic analysis consulting firm and found to be a sound economic solution to the capital formation problem facing this country. It has over a hundred supporters in the Congress to date.

More importantly to the American people, the Jobs Creation Act is the only viable alternative that has been offered to the numerous proposals which would take economic decisions out of the hands of the people and place them in the hands of Government bureaucrats. These proposals which are offered as a solution to the unemployment problem are, in fact, a means of instituting economic planning at the Federal level and destroying the free market principles which have stood this country in good stead for 200 years.

The Jobs Creation Act, on the other hand, will give our citizens the opportunity to earn a living in a productive job, the incentive to save and invest their money and the ability to continue to make their own decisions about how they spend their money. Economically, this bill makes good sense; philosophically, it is the only way we can preserve our economic freedom which is inseparable from our personal freedom.

Mr. GOODLING. Mr. Speaker, one issue which reappears in every discussion of the economic recovery is the "acceptable" level of unemployment. To arrive at what is considered a reasonable level of unemployment, I believe that it is important to understand the components of the work force who are unemployed, and what that unemployment means to their own personal well-being.

One important point which we often tend to forget in this discussion is that those who are unemployed are often better off financially than those who are employed.

We must realize, too, that our job creating ability is in good shape in terms of past recessions. The current recovery is producing jobs faster than all but one of the post-World War II recoveries. That one recovery, in 1949, was aided by the gearing up for the Korean war.

If we follow our job creating ability into the future, we find an encouraging outlook. If we use the figure of 4 percent for what some term "full employment," we find that at the present time we have 2.5 million people out of work. Add to this figure, the additional 4 million people who will be in the labor force by 1980, and we find that we will need 6 million jobs added to our present system to have a full employment level. If our job producing ability continues at the present level, we will meet this goal. If we want to surpass this full employment level we will have to have additional incentive to create jobs.

Even though the number of jobs which we are producing is high in terms of past recoveries, our current labor force has two components which have been difficult to accommodate. They are: Women and the results of the baby boom.

As is obvious to everyone, there is an increasing number of women in our current labor force. This has occurred not only because of changing attitudes about women in the working place, but also because many women have been forced back to work for purely financial reasons. In some situations, high inflation rates forced women to supplement their family income. In many other unfortunate cases, our high divorce rate has left many women with no other choice than to go back to work, or to work for the first time. Some reduction in the inflation rate may take the pressure off some family finances so that those women currently in the labor force strictly for supplementary income purposes can return to their present jobs of homemakers. The bulk of the women, will of course, remain in the labor force.

The baby boom which occurred after World War II is a "numbers" problem which I had to deal with until recent years in my profession as an educator. Now these young adults are out in the work force in record numbers and many are overeducated for the jobs available. Even with the addition of thousands of makeshift public works or service jobs we would continue to see a high level of underemployment—employment at a level under the capability of the worker—among this sizeable group. Their job mobility is as high as their job dissatisfaction. The alternative of periodic unemployment—while they receive unemployment benefits—is often more attractive than stability in a job for which the person is overqualified and is bored.

The attractiveness of unemployment compensation over the acceptance of a job which is below a person's goal, is an issue which needs to be addressed by any person seriously analyzing unemployment statistics. There is little room for doubt that the current system of unemployment compensation increases the rate and duration of unemployment. The amount of this increase has been in dispute, but most economists agree that it does contribute to an increase in the unemployment figures.

In an appearance before the Joint Economic Committee, Martin Feldstein, a Harvard economist, stated that the present form of unemployment insurance may contribute 1.25 percent to the permanent rate of unemployment. This is not to say that I feel we should do away with the unemployment insurance system because it has the effect of increasing the rate and duration of unemployment. But we should face up to the reality that by giving an unemployed person an alternative to taking jobs which he or she finds unacceptable, we add significantly to those who are counted in the unemployment statistics.

In addition to his comment upon the unemployment insurance system, Mr. Feldstein has addressed the current structure of unemployment in a paper issued by the Harvard Institute of Economic Research. In that paper he concludes:

> The current structure of unemployment in the American Economy is not compatible with the traditional view of a hard core of unemployed who are unable to find jobs. Even with the high unemployment rate of 1974, the durations of unemployment were short, job losers accounted for less than half of unemployment, and quit rates generally exceeded layoffs.

An acceptable rate of unemployment is viewed by some to be 1 percent, by others to be 3 percent, and by many to be 4 percent. A good number of people, including myself, are skeptical that any figure for an across-the-board percentage is acceptable no matter what it is. Various groups experience different unemployment levels and by combining them all into one group we do them a great disservice by stating one full employment level guideline.

I am sure that we can make improvements in each category, and the Jobs Creation Act is a step in the right direction. Private industry can produce more of the needed jobs if the incentives are right. I am the first to say that this bill is not a cure-all for our economic problems, nor will it eradicate unemployment altogether. However, I do believe that it will go much further if implemented to solve our unemployment problems than will the promises set out by those who are promising a job to every person who wants one.

If one looks back at the record of the public works jobs after the Depression, one would see that the unemployment level in 1931 was 15.9 percent and after sinking millions of dollars into public service jobs, the unemployment rate rose to 17.2 percent in 1938. I hope that we do not make the same mistake and increase our own unemployment rate by adding billions this time around for public service jobs.

Mr. KASTEN. Mr. Speaker, my distinguished colleague from New York, Mr. KEMP, has requested a special order today to discuss one of the most vital issues facing this Congress—creation of jobs and increased productivity through free enterprise. At a time when so many offer only more Government programs and controls, I have cosponsored the Jobs Creation Act of 1975—H.R. 7241.

This important piece of legislation will create jobs in the private sector of the economy without reliance on federally funded grant and loan programs. The major provisions of the act would encourage additional savings and investments by individuals, stimulate home construction and plant expansion, cause major new equipment purchases, assure an increase in real purchasing power, promote the continuity of family businesses and farming operations, and provide incentives for people to purchase stock.

CAPITAL AND ECONOMIC WELL-BEING

Mr. Speaker, it has been recognized since the days of Adam Smith, that in order for a society to grow and prosper, it must accumulate capital and direct it into productive investment. The main source of our Nation's great prosperity has been our willingness and ability to produce investment capital.

THE BASIC THEORY

According to Dr. Charls Walker, as businesses adjust to a decline in their return on investment, they have less to allocate to capital formation. As the rate of capital formation declines, the ratio between capital investment and labor becomes imbalanced—resulting in a diminished rate of productivity. As productivity falls, real wages and real economic growth also decline—thus reducing the ability of the free enterprise system to create jobs.

A capital shortage will sabotage our Nation's efforts to sustain the rate of real economic growth necessary to create jobs for our growing work force. A downturn will not only reduce employment opportunity among the firms which survive, but will also mean that many jobs will be permanently lost as marginal and smaller companies collapse because they cannot find the capital they need.

Quite simply, Mr. Speaker, when we are talking about capital formation, we are really talking jobs. To create jobs, we must promote capital formation.

FOREIGN COMPETITION

The close relationship between capital investment, economic growth and productivity has been well documented. However, since 1960, the United States has had the lowest level of capital investment among its major competitor countries. Only the United Kingdom has shown a rate of productivity lower than that of the United States. Japan's rate has been triple our own. Almost all other nations give more favorable tax treatment to capital investment than the United States. And in today's highly mechanized world, productive investment is the keystone to productivity. If, through underinvestment, we lost the ability to compete effectively with other industrialized nations, we will find ourselves in an intolerable situation. Unless changes are made, we will suffer a further loss of market and jobs to competitor countries, and a decline of our economic, political, and military position.

While most of the European countries and Japan have been rapidly increasing their capital investment per employee ratio, our capital to labor ratio for new workers is declining. Professor Paul W. McCracken, former Chairman of the Council of Economic Advisers, has concluded that the amount of nonresidential capital formation per employee added to the labor force during the 1970's has declined by 22 percent from the levels reported in the 1956 to 1966 decade. And according to Dr. Charles Walker, chairman of the American Council for Capital Formation, the estimated pretax return on invested capital of nonfinancial corporations has declined from about 14 percent in 1967 to about 8 percent in 1974. Obviously, the shortage of capital in the United States during this period caused foreign goods to become more attractive in price with a resultant loss of jobs and increase in the balance of trade deficit.

THE PRESENT SITUATION

The U.S. Treasury estimates that to reach full employment we will need to create almost 20 million new jobs by 1985—7 million more than we created during the past decade. Dr. Henry Wallich, of the Federal Reserve Board, and others have concluded that as a result of inadequate past investment, the United States is already experiencing an overall shortage of capital with respect to jobs. Under this condition, which we have experienced in the recent past, there are not enough jobs to provide full employment even when industry is operating close to capacity. Simply stated, there has not been enough capital available to keep labor occupied. And when capital capacity falls short of labor force capacity, labor should have as much interest in remedying the situation as business.

THE LONG-TERM PROBLEM

Serious studies of our long-term capital outlook, by the Brookings Institution, Data Resources, Inc., the U.S. Department of Commerce, and others, all agree that the demand for capital in the years ahead will be increasing at a much greater rate than we have experienced in the recent past. By the best estimates available, the United States will need the incredible sum of $4.5 trillion in new capital funds in the next 10 years—three times the $1.5 trillion of the past decade. The Department of Commerce has concluded that private fixed investment must increase from the 10.4 percent of GNP of the 1965–74 period to 12 percent of GNP between now and 1980, if we are to have capital stock sufficient to promote full employment, control pollution, maximize development of our domestic energy resources.

ADDITIONAL WAYS TO INCREASE CAPITAL FORMATION AND CREATE JOBS

There are many ways to create jobs. I believe that an affirmative policy on capital formation is the best method and the most beneficial.

In addition to the proposals included in the Jobs Creation Act, there are various other means of lowering unemployment through capital formation which I support. I believe, Mr. Speaker, that we should allow corporations to "catch up" by depreciating assets at a rate which reflects the impact of inflation rather than the original cost of the asset. Our taxes on capital gains are among the highest in the world, and I propose taxing a smaller part of the gain the longer an asset is held. Such an approach would help free locked-in capital and encourage new investment. We should provide tax incentives for stock ownership by allowing taxpayers to defer tax payments or providing for tax credits for income invested in common stocks up to some limit. And we should defer personal taxes on corporate dividends reinvested in the same business.

Each of these measures would increase the capital available for job creation—one of the most difficult challenges facing our Nation.

GENERAL LEAVE

Mr. **KEMP**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of my special order today.

The **SPEAKER** pro tempore (Mr. DANIELSON). Is there objection to the request of the gentleman from New York?

There was no objection.

THE NEED TO PROVIDE ADEQUATE FUNDING FOR SOLAR ENERGY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Vermont (Mr. JEFFORDS) is recognized for 30 minutes.

Mr. **JEFFORDS**. Mr. Speaker, I and a number of my colleagues intend to offer an amendment to the fiscal year 1977 ERDA authorization measure (H.R. 12113) to increase funding for solar energy technologies by $116.2 million. This increment is absoutely vital to maximize the potential these promising technologies have to help alleviate our energy crisis at an optimum pace. Added to the $229.2 million reported from the Science and Technology Committee, the total nonnuclear energy figure would then be $345.4 million.

This amendment has two broad purposes:

First. To develop a momentum in the solar programs—particularly photovoltaics and solar thermal—which wil bring lower cost solar energy, available on a more widespread basis, at a pace which it is clear the technology can now sustain.

Second. To elevate the funding levels to match policy objectives already announced by the administration; that is, to commit the Nation to solar development in the same way as the Nation is now committed to the breeder reactor.

The goal of this amendment is to demonstrate the viability of this renewable energy option by the year 1985. The present program, unfortunately, according to the consultant who prepared the national solar energy evaluation for the Office of Technology Assessment, Mr. Dan Ahern, is a program which "may not even be able to prove itself by the year 2000, simply because of the severe cuts in funding."

Information from reliable industry and administration officials, as well as knowledgeable independent authorities has convinced us that the technologies can effectively utilize this additional funding. It is significant that the original ERDA branch chief requests, from the persons most knowledgeable about the practical capacity to use the funds effectively, totalled $471.2 million, 25 percent higher than the figure we propose.

I am proposing increases in the following areas:

First. Photovoltaics—an increase of $47.9 million, from $32.1 to $81 million, equallying the original request of the photovoltaic branch in ERDA.

Second. Solar thermal—an increase of $27 million, from $3 to $65 still considerably below the $1 million requested by the branch.

Third. Wind—an increase of $12.8 million, from $16 to $28.8 million, which is $6.2 million below the branch request.

Fourth. Construction items—an increase of $25 million, from $15 to $40 million, representing an additional seven important projects in various technologies, and still $4 million below branch request.

Fifth. Reports and additional staffing—$2.5 million to provide the additional staffing necessary to handle the increased funding and to provide reports called for by the Office of Technology Assessment in its evaluation of the ERDA program.

The detailed breakdown is as follows:

I. PHOTOVOLTAICS

The potentiality for low-cost production of electricity via photovoltaic technologies is promising indeed. A recent program analysis developed by the highly-respected jet propulsion laboratory indicates that there are three very attractive photovoltaic technologies which could be economically competitive with all other energy sources by 1985 for generation of electricity at any scale. This, however, can only be achieved by reinstating the $81 million originally requested by the photovoltaic branch in ERDA, and not with the $32 million presently in the authorization bill. If the present figure is allowed to stand, such promising technologies will be stretched out many years and commercial markets which could be galvanized with the increased funds will be greatly reduced.

For the information of my colleagues, I here insert the major portions of the JPL paper, completed in April 1975:

PHOTOVOLTAIC CONVERSION PROGRAM—BACKGROUND AND RATIONALE FOR THE NEW 10-YEAR PLAN

I. BACKGROUND

Four key events that have come to light during the past month have served to trigger the formulation of a completely revised, more aggressive 10-year photovoltaic conversion plan. These are:

1. Texas Instruments' "Breakthrough"—

The first is Texas Instruments' assertion that, with their recent "breakthrough" on less expensive solar-grade silicon and the high probability that they can reduce kerf losses by recycling silicon kerf in the current state-of-the-art solar-cell fabrication process, they now can predict, "with assurance," that: (1) the cost of mass-producing silicon solar arrays can be reduced, (2) the ERDA program goal of 500 MW/year at an array price of 50¢/watt can be met by 1985. Item (2) is based on the assumption that the well-established 80% learning curve that T.I. (and others) routinely use for their market projections will be maintained from 1979 through 1985, as illustrated in Figure 1.

This assertion enhances the possibility of a steady growth in the availability of improved-technology, lower-cost solar arrays. This, in turn, places less reliance on the hoped-for future breakthroughs and the relatively slow bringing-on-line of unconventional, large-scale ribbon (or other) low-cost silicon solar array plants (in the 1983 to 1984 time period) and allows for continual descreases in cost as the increases in the solar-cell production capacity are achieved.

2. Mobil-Tyco 65-Foot Ribbon—

The second event was the recent announcement by Mobil-Tyco that they have now achieved a continuous growth of 65 feet of silicon ribbon, and expect to have 100 feet or more of continuous growth by late Spring (as soon as new equipment is brought on line). This meets a significant milestone in their overcoming the critical die-degradation problem, and serves to provide further confidence for the ultimate success of the overall photovoltaic conversion program goals.

3. DOD Interest in Solar-Cell Applications—

The foremost event, however, is the interest that DOD has recently expressed in applying photovoltaic conversion technology to promote energy "self-sufficiency" in their remote military bases. This opens an entirely new and potentially quite significant early market for the first generations of improved terrestrial solar cells.

By considering only the prices now being paid for energy at some remote sites, DOD has already projected an annual market of 100 KW for photovoltaic systems at an array price of 400 mils/kWh (or about $4.50/peak watt), and of more than 5 MW when the price drops below 200 mils/kWh (or about $2.25/peak watt). These prices do not include the "added-value" (that DOD is now in the process of determining) that reflects the advantage of achieving energy self-sufficiency on such bases.

Most significantly, DoD has expressed its desire to cooperate fully with ERDA in this effort. They have already indicated their willingness to publish their "price lists" for photovoltaic applications (to serve as a free market incentive) and their interest in having ERDA develop a sound testing and demonstration program on DoD bases to establish the effectiveness of photovoltaic power systems. This would begin in FY 76 with a blend of applications totaling 75 kW, to be designed, procured, tested, monitored and funded within the ERDA photovoltaic conversion program. Based on the success of these initial demonstrations, DoD would then, starting in FY 77, annually order progressively larger quantities of improved-technology cells through the program, at a buying-rate that could exceed 50 MW annually as prices drop below $1/peak watt.

4. Projected Solar-Array Market Conditions—Detailed discussions with representatives from both the solar-cell and the semiconductor industries have shown general agreement on the projected market-growth factors for solar cells. Without government assistance, the solar-cell market is projected to follow a 1.8 annual growth rate. Starting with the anticipated 100 kW terrestrial market in 1975, this gives an annual cell production rate of about 36 MW in 1985 under prevailing free-market conditions, as shown in Figure 2.

On the other hand, to achieve the 500 MW annual production-rate goal of the ERDA program in an orderly fashion within 10 years, an annual market growth rate (in terms of total power produced) of slightly less than 3 is required. Interestingly, the growth rate predicted by Texas Instruments from their 80% learning curve for the 1979 to 1985 time period proves to be almost identical to a factor of 3 annual production growth rate for that period.

Several industry sources have said that if such a production growth rate (i.e., 3X) were assured to them by a Federal program, they would have little difficulty in attracting the private capital needed to achieve the necessary industrial expansion to meet the 1985 near-term ERDA program goals.

II. RATIONALE

In light of the preceding background considerations, the proposed photovoltaic conversion plan represents an aggressive RD&D effort that strives: (1) To insure achievement of a solar array cost of less than $2 per peak watt by 1979; and (2) To establish the desired 80% "learning-curve" growth beyond that point by establishing an early Government market for solar cells that gradually tapers off as the free-enterprise system takes hold.

This plan is based upon an initial (FY 76) ERDA buy of 75 kW of solar arrays at an anticipated price at $10 to $15 per peak watt, to be applied to an early blend of experiments and demonstrations on remote DoD bases. This purchase, coupled with the projected 180 kW of free-market arrays would establish the first step toward the desired factor of 3 growth.

In FY 77, a total government buy of about 325 kW would be shared between ERDA and DoD, and applied to both civilian and military applications. All subsequent ERDA array procurements would then be directed toward civilian demonstration systems, building up to a 11 MW demonstration in 1983. DoD would continue to buy arrays at increasingly large rates during this period, ultimately approaching purchases in the neighborhood of 60 MW annually to meet their energy self-sufficiency needs.

The major planning milestones for the near-term (FY 76 to 85) segment of this program are given in Figure 3, while the projected impact of the program is included in Figure 2. Figures 4 and 5 give the detailed program budget and solar-cell production schedule, respectively.

The key result of the proposed program (as shown in Figure 2) is that the total annual solar-array-production rate is projected to follow the desired factor of 3 growth rate from 1979 to 1985. This is based primarily on the impact of the combined ERDA and DoD (i.e., total government) array purchase schedule also shown on that graph. The near-term program goal of 500 MW/year (at less than 50¢/peak watt) is seen to be achievable as early as 1983 to 1984.

The existing photovoltaic conversion program, in comparison, can be shown to lead to only a relatively minor increment in the projected "free-market" curve of Figure 2 during the first nine years of the near-term (1975 to 1984) period. In particular, the 200 kW-array purchase planned for FY 78 would increase the projected production rate for that year from 585 kW to 785 kW. The two other 200 kW purchases (in FY 81 and 83), however, would be insignificant in comparison to the MW production rates for those years projected by the existing free-market curve. Thus, the thrust of the existing kW order would be apparent only during FY 85, when the large-scale silicon array plants are planned to be brought online to meet the present 500 MY/year, FY 85 program goal.

The more aggressive RD&D program now being proposed has a projected 10-year budget of $1,043M (in FY 75$),* in comparison to the $816.2M 10-year plan submitted to OMB last June. This represents a 27.8% increase over the existing plan.

Finally, it should be noted that other (outside) factors, such as FEA's expressed interest in establishing tax (and other) incentives to promote the acceptance of solar energy systems, have not been considered in the market projections for the impact of this RD&D program plan.

PLANNING MILESTONES FOR SOLAR PHOTOVOLTAIC CONVERSION PROGRAM

	Fiscal year—										
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
1. Systems and applications:											
Engineering and analysis			Preliminary design speculation.		Detail design speculation.						
Demonstrations		75 kilowatts	300 kilowatts	500 kilowatts	1 megawatt	2 megawatts	4 megawatts	7 megawatts	11 megawatts		
2 Low-cost silicon arrays:											
Technical development					$5,000/kW established.	$500/kW feasibility demonstrated		$2,000/kW established		$1,000/kW established.	$500/kW established.
Large-scale production		75 kilowatts delivered.	150 kilowatts delivered.	250 kilowatts delivered.	500 kilowatts delivered.	1 megawatt delivered.	2 megawatts delivered.	3 megawatts delivered.	4 megawatts delivered.		
3. Concentrator systems											$250/kW established.
4. Test and standards		Test facility operations.			Solar cell performance speculation.						
5. Research and development						10 percent effective thin-film demonstration					$100 to $300/kW thin film feasibility demonstration.
6. Storage and power conditioning.			Evaluation tasks initiative.	Preliminary subsystem tests.	Cand. subsystem selected.		Develop and proto-test complete.		Hardware developed.		
7. Assignment of goals						Plant ownership determination.					

FIG. 4

REVISED SOLAR PHOTOVOLTAIC CONVERSION PROGRAM

[Fiscal year 1977 dollars per plant escalated]

	1975	1976	Transition	1977	1978	1979	1980	1981	Subtotal	Run-on to fiscal year 1985	Fiscal year 1975–85 total
I. Systems and applications:											
Eng. and anal	1.2	3.0	0.8	7.0	9.0	9.0	6.0	6.0	42.0	24.0	66.0
Demonstrator		3.4	.9	7.8	1.2	11.2	22.4	22.4	79.3	31.6	110.9
II. Si arrays:											
Technical development	3.0	12.0	3.0	38.7	5.4	56.7	80.0	112.8	351.6	286.8	638.4
Production	.5	5.6	1.8	5.6	5.6	5.6	11.2	11.2	47.1	15.4	62.5
III. Concen. systems	.3	1.0	.3	4.5	4.5	4.5	5.8	5.8	26.7	23.0	49.7
IV. Test and standards	.5	1.7	.4	4.5	4.5	3.5	3.5	3.5	2.1	13.8	35.9
V. R. & D	2.2	2.5	.6	6.0	14.0	14.0	12.5	12.5	64.3	50.0	114.3
VI. Stor. and power cond		1.0	.3	6.3	11.9	22.4	28.0	38.1	108.0	60.3	168.3
VII. Assess. of goals	.3	.3	.1	.6	.6	.6	.6	.6	3.7	2.4	6.1
Total	8.0	30.5	8.2	81.0	106.7	127.5	170.0	212.9	744.8	507.3	[1] 1,252.1

[1] Represents 27.8 percent increase over present SPC program.

It is clear from the "milestones" chart that silicon arrays, concentration systems, and thin-film research all have the potential of producing electricity by 1985 at prices competitive with all other energy sources.

The present level of funding will cause slippage in these milestones by 1 to 3 years, according to Mr. Ahearn. If this level of funding remains relatively the same over the next few years, the economics predicted that the JPL paper will obviously slip seriously into the 1990's, rather than provide probable viable options in 1985. Mr. Ahearn estimates the slippage would be at least 15 years.

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*This figure follows from the $1,252.1M budget plan (in FY 77 $), and the 20% inflation factor used for converting from FY 75 $ to FY 77 $.

An industry panel testifying before the Joint Economic Committee on April 5 indicated that the additional money proposed by this amendment and similar legislation on the Senate side was badly needed. There was considerable emphasis of the need for the Federal Government to stimulate market development by levels of funding sufficiently high to convince industry that we are serious about our commitment to solar energy. One representative indicated that $60 million for research, systems demonstration, and market development for cadmium materials and other materials alone "might not be enough," indicating also that megawatt quantities of these materials "at attractive prices can be achieved and delivered starting late in fiscal year 1977." A representative from Mobil-Tyco said silicon ribbon solar cells could be cost competitive for production of electricity within 7 years.

There was considerable comment that ERDA was "grossly understaffed" and that the operation was "pretty much one horse. But if you are interested in the probability of success, betting on more than one horse is the best way to come out a winner."

To be specific, the industry panel agreed that the level "of funding ought to be restored to $60 million"—this is the outlay figure which is equivalent to $81 million in budget authority.

Informed observers suggest the following breakdown of the $32.1 million additional funding for photovoltaics:

First, $10 million authority for the following items:

Increased efforts to reduce the cost of silicon raw materials down by a factor of six;

Additional funds to drive down the cost of single silicon crystal sheet;

There is now one program looking at encapsulated materials of at least a 20-year lifetime; at least one more parallel effort with another company involved is needed; and

In the automated array area, there are now paper studies, and they need to be turned into experimental programs as soon as possible. At the committee level of funding, only one experimental program would be possible, but a number more are possible and needed.

Second, $20 million authority for market development. There is now only about $5 million to generate application studies, experiments and demonstrations. These will help generate early markets, but need to be doing much more. Instead of 5 to 6 applications, we should be looking to upward of 20 applications, and therefore earlier acceptance of Photovoltaics by users.

Third, $15 million for the long-range program to reduce the economics of new materials. There is $5 million now allocated, but the additional money could be very effectively used now, especially for thin film devices such as cadmium sulfide, gallium arsenide, cuprous oxide and other exotic materials.

Fourth, $3 to $4 million to expedite systems analysis activities and concentration work.

II. SOLAR THERMAL

Similar comments were made in the April 5 Joint Economic Committee hearing on the solar thermal program. An increase to the level we propose was termed "critical." The additional $27 million can be used for the following areas:

First, $9 million for the central receiver project should be accelerated by funding the development of lower cost heliostats, structures and controls. This also includes the development and demonstration of improved thermal storage systems and turbines;

Second, $5 million for studies and demonstrations projects for total energy residential systems—100 homes, for power systems for small towns—10 megawatts and below, and industrial parks;

Third, $4 million reinstated for irrigation pumping systems, engines and storage systems in the 50 KW range. Such systems without storage are in operation in Mexico and North Africa, marketed by Renault; we have no comparable industry whatsoever, nor demonstration program. The market is very large: Much of the southwest's irrigation is pumped by natural gas and that energy source is becoming rapidly interruptible; replaceable pumps on American oil fields number in the hundreds of thousands as well;

Fourth, $5 million to reinstate funding for total energy systems to conform to original timetable; for architect and engineering solicitation and conceptual design oriented around the usage of waste heat from a solar thermal electric plant;

Fifth, $4 million for competitive designs for alternative concepts to the Central Receiver, such as parabolic troughs, concentrating collectors and fixed mirror distributed foci directed toward central station power generation. This is to introduce parallel concepts into central station power generation, whereas the present program puts all our eggs into the concept of the Central Receiver.

III. WIND

The branch chiefs requested $35 million, which was cut to $28.8 at the division level and further to $16 by OMB. The House committee left the OMB figure intact, which has the effect, according to the Division Director, Mr. H. Marvin, of "an overall program slowdown." He said:

> It delays for 1 year the design and construction of large wind machines for modest wind zones, defers initiating the 10 MW pilot plant for a year and will require that other large scale wind system projects be stretched out with less planned overlap. Parallel projects in technology development and advanced concepts research will also be deferred by about 1 year.

Projects for small wind machines for farm and agricultural use were cut entirely. If the present level of funding is maintained in the future, the potential to develop wind energy for a variety of uses and at a variety of scales has been placed in serious jeopardy.

We thus propose to reinstate the division level of funding, as follows:

First, $7.5 million, of which $2.6 million is to be devoted to the development of a 5–20 KW system, suitable for heating agricultural facilities and $4.9 million for the development of 100 KW systems—1–2 horsepower—for irrigation usages.

Second, $3.5 million for the development of modest wind zones-utility size machines. The present program has been limited to megawatt machines for high wind zones. This is a relatively restricted market. Adding more modest zone machines allows for applications to a much wider geographical spread.

Third, $1.8 million for the development of pilot plant, in which a windmill farm is associated with a utility to demonstrate that large-scale power systems can be effectively supplemented with wind power. The $1.8 million would be devoted to planning and components, and the funding increased in the next 2 fiscal years for full development of this concept.

The effect of these additions would be to stimulate new industry interest in wind, and particularly utility interest; it would also allow for more competitiveness within industry for ERDA contracts.

In addition, it would reinstate funding for agricultural areas which has been eliminated in wind in the same way it was eliminated in solar thermal. A combination of the reinstated funding in wind and solar thermal would place a better balance in our funding as between central and decentralized systems, giving more appropriate attention to our rural areas.

IV. CONSTRUCTION ITEMS

First, $2.5 million for 77–2–C—Solar thermal electric demonstration powerplant for agricultural use, 5 megawatts—baseline studies. This project is to develop and demonstrate the feasibility of using solar energy to provide electricity to meet agricultural needs—it would demonstrate the application of solar energy to replace scarce natural gas and propane. It would have direct applicability to the southwestern irrigation problem, midwestern cattle and farming problems, would be applicable in eastern and southern agricultural areas as well.

Second, $4.0 million for 76–2–C—total energy demonstration facility, 1 megawatt electric, 10 megawatts thermal. This project is to develop and demonstrate the first full system capability for a solar thermal total energy system to provide for generation of electricity, space heating, air-conditioning and hot water, with potential applicability to industrial and community load centers.

Third, $2.5 million for 77–2–A. Solar thermal demonstration powerplant for a small community, electric cooperative or municipal utility—5 megawatt—baseline design study. To demonstrate the ability of such a system to meet the needs of small communities. It will be integrated into an existing electrical grid network to serve as a prototype test system for interconnect and switching.

Fourth, $4 million for 77–2–B. Solar electric hybrid—photovoltaic coal—demonstration powerplant, 10 megawatts—baseline design studies and utility interconnect studies. This project is to develop and demonstrate the technical and economic feasibility of using solar technology in conjunction with conventional powerplant technology.

Fifth, $5 million for 76–2–B. A 10-megawatt central receiver powerplant. To design, build, and operate a 10-megawatt water/steam central receiver pilot plant. This will be the prototype for ultimate development of large 100–1,000 megawatt central station plants for use by major utilities. There is some indication that some funding was intended in the solar thermal portion of the committee budget for this project, but, since the committee did not provide a line-item breakdown and since this project was not placed in the construction section of the bill, there is no assurance the project will go forward. Therefore, we regard it as prudent to spell out its mandate in the construction section as a line item.

Sixth, $3 million for 77–2–D. A 5-megawatt distributed collector receiver solar thermal test facility. This project is to provide a test facility having the capability of testing various types of distributed collector systems.

Seventh, $4 million for 77–2–E. A 10-megawatt wind electric test facility—baseline design study. The project is to design, build, and demonstrate a 10-megawatt wind electric pilot plant and test facility. It will be the world's largest wind electric generating system and will permit the thorough evaluation of technical and economic feasibility of multi-megawatt wind system operation.

Small business set-aside. Twenty percent of the funding is mandated to go to small business. As has been well documented by Congressman Mottl and Senator McIntyre, small business in the United States has played a disproportionately large role in the invention of important technologies in this century. A 1967 report by the U.S. Panel on Invention and Innovation of the Department of Commerce concluded that:

First, small firms and independent inventors are better innovators than large firms; and

Second, most innovations occur outside the industry being changed. A recent University of Maryland study showed that small firms and independent inventors provided over two-thirds of the major inventions between 1946 and 1955. Yet, in the new solar field, over 70 percent of Federal R. & D. funds to profit-making corporations was awarded during the last 2 years to companies ranking among the 200 largest in the Nation. Less than 6 percent went to small firms.

The administration has, on numerous occasions, indicated it holds the potential for solar energy in high regard. The original Project Independence Report stated that—

> A reasonable extrapolation of solar energy system capabilities shows that solar energy could contribute from 15 to 30 percent of the Nation's total energy requirements about the turn of the century.

The FEA's solar energy office estimates that under an "accelerated funding program" about 10 percent of the total national energy demand could be met by solar means by the year 1990.

Mr. Speaker, these estimates are startling. We have dedicated very large amounts of funds during the last 20 years to nuclear energy and today only about 2 percent of our total energy demand is met by nuclear. We have spent over $4 billion for nuclear energy, excluding weapons applications, alone. Now we are told that we could achieve five times that result with solar in less time, that is, 15 years. I would say that an accelerated funding program for solar is certainly cost-effective in light of this raw aggregate data.

LET US NOT DENY VETERANS A COST-OF-LIVING INCREASE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. Heckler) is recognized for 5 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, I acknowledge the need for Federal budgetary restraint, as we set legislative priorities through the budgetary process. As a member of the Committee on Veterans' Affairs, I stressed fiscal responsibility throughout the committee's deliberations on the budget and reiterate its importance today.

However, I believe that support of essential veterans' programs is well within the bounds of fiscal responsibility. With stress on the word "essential," I cite cost-of-living increases in veterans' pension, compensation, and education benefits.

Mr. Speaker, these increases are in line with the inflated costs which veterans, their dependents, and their survivors must pay. If the increases are not approved, the purchasing power of these persons will be eroded.

For example, those drawing pensions for non-service-connected disabilities received an 8-percent increase in benefits on January 1. If funds are not included in the fiscal 1977 budget, these pensioners will have their checks reduced effective October 1. Is it fiscally responsible to penalize these disabled veterans, many of whom are elderly persons who rely upon their pension benefits as their major source of income? I believe that cutting off this cost-of-living increase would be an irresponsible act on the part of this body.

For another example, veterans receiving disability compensation and survivors getting dependency and indemnity compensation last received an increase on August 1, 1975. During this calendar year, we can expect the cost of living to rise by about 6 percent. If funds are not authorized in this budget, the Committee on Veterans' Affairs will be hampered from holding hearings on the compensation program, determining what cost-of-living increase is necessary, and recommending such an increase to the full House. Is it fiscally responsible to deny disabled veterans and their survivors an equitable cost-of-living increase? I believe that such a denial would be an irresponsible act.

Therefore, I urge my colleagues to restore the $1.2 billion in authorizing funds for cost-of-living increases which the Committee on Veterans' Affairs recommended to the Budget Committee. To do otherwise would be to place the brunt of inflation on the veterans of this Nation—those who, in view of their sacrifices, least deserve to bear such a burden.

LEGISLATION TO REVERSE RECENT TREASURY DEPARTMENT DECISION TO TAX ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP PROGRAM SCHOLARSHIPS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Bob Wilson) is recognized for 5 minutes.

Mr. BOB WILSON. Mr. Speaker, I am today introducing legislation to reverse a recent Treasury Department decision that scholarships for students enrolled in the Armed Forces health professions scholarship program are taxable.

We are today at a crossroads in terms of medical care for military families. With the end of the draft, the services have faced a difficult task in trying to attract and retain high quality medical personnel. In an effort to make the pay of military doctors more competitive with the private sector, special bonuses have been enacted. Under the able and dedicated leadership of Congressman F. Edward Hébert, we created the Uniformed Services University of the Health Sciences to train new military doctors. In addition, Congress established the Armed Forces health professions scholarship program. I understand that several of the services will be relying heavily on the new doctors produced by this scholarship program, particularly as the last of the draftees leave in the next few years.

In recent years, Congress, through the annual Department of Defense appropriations bill, has required the services to cut back on the use of CHAMPUS and to rely more heavily of military medical facilities. At this same time, the supply of military doctors at these facilities has been shrinking. The shortage in the years ahead could reach crisis proportions unless we generate a new source of doctors. This is the reason for the Armed Forces health professions scholarship program. Taxation of these scholarships is both illogical and highly counterproductive to the recruitment of new doctors for the military services.

These scholarships were exempted from taxation on a temporary basis for calendar years 1973, 1974, and 1975. That legislative authority has now expired. As a result, I am today introducing a bill to make these stipends exempt from taxation on a permanent basis beginning with calendar year 1976. I urge the House Ways and Means and Senate Finance Committees to act expeditiously as possible on this bill.

"FINAL DAYS" HITS RAW NERVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. Cotter) is recognized for 5 minutes.

Mr. COTTER. Mr. Speaker, I would like to take this opportunity to insert into the Record an excellent article by Bob Waters, a correspondent for the Hartford Courant, on the subject of "The Final Days":

"Final Days" Hits Raw Nerve

(By Robert Waters)

Washington.—In the words of one Washington Post writer, the latest Woodstein opus, "The Final Days," has struck a raw nerve.

The Post has been swamped with angry mail since its decision a couple of weeks ago to reprint on page one—excerpts from the certain-best seller by reporters Bob Woodward and Carl Bernstein.

Along with the excerpts, the newspaper also published a beautifully written critique and summary of the book by Haynes Johnson.

Ever since then, angry letters—some of them from charter members of the "I Hate Nixon Club"—have been taking the paper to task.

The thrust of most of the complaints was summed up by the Post's ombudsman, Associate Editor Charles B. Seib: ". . . there is a growing impatience with the press's lack of concern for personal privacy and that undefinable thing we call taste."

Some of the specific complaints about the book centered on its references to the drinking and personal lives of Richard and Pat Nixon.

Others were directed to the book's description of an incident in which the then-President invited Secretary of State Henry Kissinger to pray with him.

Up to now, there have been surprisingly few hard challenges to the accuracy of the events described by Woodward and Bernstein. Even some of the denials—when carefully read—contain a circa 1973 White House flavor.

But all in all, the public's reaction seems to boil down to: Why can't you leave the poor guy alone?

As a bystander and sometimes chronicler of the Watergate era, I must confess that I share some of the concerns of the critics. It isn't difficult at all to feel sympathy toward Mrs. Nixon and other Nixon-innocents around the erstwhile President.

The obvious invasion of privacy has certainly caused them undeserved suffering.

But I must also confess that it is difficult to feel sorry for our disgraced President.

Over and above the obvious betrayal of the Constitution that he visited upon the nation, the book can be justified on two grounds.

It should end forever the lurking suspicion that Nixon—somehow and sometime—envisions a return to public life. His ill-timed China visit earlier this year makes it abundantly clear that Nixon still sees himself as a credible official who is only temporarily out of favor—ala Herbert Hoover.

It is vitally important to history that we have as many contemporary accounts of the downfall of this strange man as possible. It is conceivable that Woodward and Bernstein have erred in some of their accounts. If so, these errors will be out sooner or later. But, as history, the book has obvious advantages to offer when compared to such forthcoming efforts as Nixon's own memoirs.

Seib's analysis of the angry public reaction to the book concluded that it "may be too much too soon for many people."

This is probably as good an explanation as any. It was only within the past few years, for example, that we were told that the god-like Franklin D. Roosevelt had a mistress.

There was no great public outroar about this revelation.

As long as all principals have gone to their just rewards, the American public seems much more receptive to the truth about the men it elects to the White House.

This compassion is largely due to the fundamental streak of decency that marks most Americans.

But the outcry against the Woodward-Bernstein book raises the question of whether Richard Nixon deserves such compassion.

He has accepted a Presidential pardon, which act can be construed as admitting crimes while he was in the White House. But he hasn't yet offered a simple apology to the same American people who twice elected him President.

A WATERSHED MOMENT FOR UNITED STATES-AFRICA RELATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Rangel) is recognized for 5 minutes.

Mr. RANGEL. Mr. Speaker, Secretary of State Kissinger's ongoing visit to several nations of the African continent comes at a watershed moment for the United States in the development of an African policy. The gravity of this situation has now become clear, not only because of the dramatic struggle in Angola and the growing liberation movements of Zimbabwe—Rhodesia, and Namibia—Southwest Africa, but also because of the continuing economic and technological needs of developing nations elsewhere in Africa.

It is clear that the United States has lacked a coherent African policy—not to mention a firm commitment to the continent's developing nations—for far too long. Secretary Kissinger's trip signals an opportune moment to correct this diplomatic myopia, and indeed the Secretary has made some encouraging remarks in his public statements this week. But this rhetoric must be accompanied by a commitment to the independence and self-determination of all African people.

Such a commitment will, of course, require our vocal support for popular rule in countries still under racist minority regimes, but that alone is not enough. We must be prepared to act decisively if the minority regimes do not move immediately toward establishing egalitarian rule. If we remain passive in the face of continued repression, we will lend implicit support to the existing rulers; as a result, we will surely lose the confidence of the African people, and deservedly so. Our moral duty is to support the cause of popular rule in all of Africa, to take appropriate and effective action to make that goal a reality, and to join in partnership with the continent's developing nations to help them overcome economic and political dependence and instability.

A lucid and persuasive analysis of the challenges we face in forging our African policy was made recently by the Most Reverend James S. Rausch, the general secretary of the United States Catholic Conference. In an open letter to Secretary Kissinger, Father Rausch clearly sets forth the steps the United States must be prepared to take to fulfill our moral commitments. For the benefit of my colleagues, I would like to insert Father Rausch's letter into the Record at this point:

April 7, 1976.

Hon. Henry A. Kissinger,
Secretary of State, Department of State,
Washington, D.C.

Dear Mr. Secretary: In view of recent events on the African continent, which threatens to become a battlefield on which great powers confront each other, I feel compelled to express to you my views on American policy vis-a-vis Africa. As you have frequently stated in your public remarks, the attitude assumed by the United States is of critical importance to the development of events in Africa, and to the prospect of global peace as well.

In my view, it would be a great mistake for us to view events of the African continent only in terms of a balance of power and influence against the U.S.S.R. It is certainly true that an essential element of communism is a compulsion to spread itself; both the U.S.S.R. and the Peoples Republic of China (P.R.C.) have been active in several African nations. Their motives have been, at least in part, competing with each other, and the establishing of their respective ideologies whenever and wherever the situation was suitable.

One lesson seems clear from the African experience: even when African nations speak of adopting a socialistic economic system, they are not proclaiming loyalty to the U.S.S.R. or to the P.R.C. Still less are they desirous of becoming satellites or clients of these or any other nations. The record of failure of both the Russians and the Chinese in this regard serves as a warning that the United States, likewise, will not be able to dominate African nations.

As we know, most of these nations have achieved their independence within the past twenty years, some of them only after struggle and bloodshed. None of them is anxious to give up that political independence; all are concerned to establish it more firmly by achieving economic independence and stability. To do this, they must overcome the handicaps resulting from a colonial economic system; they need cooperation and assistance from more prosperous nations. The urgency of these needs in nations suffering from hunger, poverty and illiteracy makes them willing to accept assistance on favorable terms from any quarter—communist, democratic, non-aligned. For the United States to be of assistance in attaining these objectives would be of lasting value to African nations, and to the United States itself, and a significant contribution to world peace.

This last point follows, I believe, because African nations should not be seen merely as beggars or beneficiaries; most of the continent is richly endowed with potential resources, the development of which will be of value to the United States and other industrial nations. One thinks particularly of minerals, whose presence in Africa is known, but whose utilization has scarcely begun.

All of this indicates that Americans should deal with African nations primarily in terms of African objectives and African needs, not as appendages to the superpowers' struggle. Inevitably the global balance of power and influence will affect certain decisions and tactics. Our African policy, however, should not regard these countries as pawns in a larger struggle.

Such a policy is of particular relevance where Southern Africa is concerned, and I feel that it is appropriate to address some specific aspects of the problems in that area. The selection of the Republic of South Africa and Rhodesia as targets for comments here does not imply that I am unaware of, or condone, gross violations of human rights and social justice elsewhere on the African continent.

Nevertheless, the paramount fact is that the two governments involved, the Republic of South Africa (R.S.A.) and Rhodesia, have been almost universally condemned by other nations, including our own. This condemnation is based on moral grounds, not political concerns alone. Hence one finds unanimity among Communist and non-Communist alike in refusing to recognize the white settler government in Rhodesia. Hence, also the universal demand that the R.S.A. remove itself from control of Namibia, which it has held in defiance of the United Nations and the World Court for nearly ten years. And, finally, in the R.S.A. itself, its policy of apartheid has evoked protests and reprobation from almost every other government in the world.

The second fundamental fact that we Americans are called to accept is the high priority given by African nations to the liberation of the black majorities in the R.S.A., Rhodesia, and Namibia. Only a few years ago, U.S. policymakers predicted stability for the white regimes in Southern Africa for the foreseeable future, despite the evident movement over several decades all over the continent for decolonization and liberation. Their foresight, which was the foundation of a "tilt" toward support of the minority regimes in U.S. policy, was shattered by the withdrawal last year of Portugal from Mozambique and Angola. Now the two governments of these countries, along with the governments of many other African nations, have proclaimed their intention to work toward majority governments in the three nations still under minority control.

Admittedly, acceptance by the United States of this priority and this goal is made difficult because of the intervention in Angola of money and military equipment from the U.S.S.R. and of fighting forces from Cuba. Americans do not view with favor ether an expansion of the Russian sphere of influence, or any threat to European and American security which may be posed by communist influence in Southern Africa. Nevertheless, these views which are supported by many informed Americans must not gull us into support, covert or open, of the regimes in the Republic of South Africa or Rhodesia. My reasons for drawing this conclusion are these:

1. Giving support would amount to connivance in, and approval of, the morally unjust and reprehensible systems which prevail in these countries. No amount of denials would outweigh the evidence provided by U.S. support. In the view of the African nations, the continued repression in Southern Africa is far more blameworthy than any intervention by the U.S.S.R. or Cuba.

2. The long-run future of U.S. relations with African nations may depend heavily on our present stance vis-a-vis the R.S.A. and Rhodesia. African leaders have stated this openly; it is our own mistake if we ignore the warnings.

3. The liberation movements are legitimate expressions of the peoples' desire for human rights, as was the movement toward American independence two hundred years ago. The United States has the possibility of regaining respect and leadership in the non-aligned nations, if it were to support efforts toward freedom; and, on the contrary, it loses respect and potential for leadership when it supports, even passively, oppressive regimes.

To be more specific, it would seem highly important that the Administration take the following measures immediately:

1. Urge the Congress to provide economic support to Zambia and Mozambique. Both are nations whose people stand to suffer severely for their refusal to do business with Rhodesia. Zambia is already regarded as a nation with a responsible government, friendly to the United States; assistance to Mozambique might be seen as an appropriate act in justice to implement the U.N. sanctions against Rhodesia, and would offer Mozambique's government an alternative to dependence on help from communist nations.

2. Give unequivocal assurance to the governments of Rhodesia and the Republic of South Africa that they can expect no U.S. assistance—military, economic, or even moral support—until the black majorities have been brought into full participation in the respective governments.

3. Urge the Congress to repeal the Byrd Amendment, which allows the importation of chrome ore from Rhodesia. Such importation puts the United States in violation of the economic sanctions against Rhodesia and, in the eyes of Africans, indicates insincerity in the statements our government may make about justice for black Rhodesians.

4. Use every available means to restrict and discourage U.S. business and investment in Rhodesia, Namibia, and the Republic of South Africa. Most especially, present restrictions on the Import-Export Bank regarding transactions involving South Africa should not be relaxed in any way.

5. Make clear to the governments of African nations, those existing now, and those who may come into being through changes in Southern Africa, that the U.S. government and U.S. firms doing business there, will not engage in attempts to destabilize governments, to corrupt officials by bribery, or to interfere in the elective processes.

While it is clearly necessary that substantial movement toward majority government is immeditely imperative, being already long overdue, it is also necessary that the rights of the white minority in Rhodesia, Namibia, and R.S.A. be respected. They, too, are citizens, and can be expected to make valuable contributions to the future development of just and prosperous societies in their respective countries. The United States government would do well to assure both black and white citizens of its support of such development, and to seek the support of other nations for them in the difficult but inevitable period of transition.

All of these steps together would proclaim to the world that the United States intends, in this bicentennial year, to put the weight of its influence on the side of freedom rather than repression in Southern Africa. They would indicate to other African nations that American indifference to, or neglect of, African aspirations, is at an end. They might also have the additional good effect of warning other nations where political oppression prevails, that the United States still has values which transcend political, military, and economic interests. Additionally, and perhaps of greater importance in the long run, African nations would have concrete evidence that the United States respects and supports them in their concerns for independence, development, and freedom.

Because of the public interest in these matters, I plan to make the substance of this letter public. I will be grateful to receive any comments you may care to make.

Sincerely yours,
Most Reverend JAMES S. RAUSCH,
General Secretary.

GREAT LAKES WATER LEVELS STILL "NORMAL"—2 FEET OVER AVERAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, for more than 4 years now I have badgered, cajoled, and pressured every agency and person I could to take some action to eliminate or reduce the extraordinary fluctuations in the water levels of the Great Lakes. My Great Lakes congressional colleagues have made similar attempts to provide their constituents with some manner of relief from the enormous losses wrought by high water erosion.

Most of my efforts have been directed to the Canadian-American International Joint Commission—IJC. In 1963, after several years of extremely low Great Lakes water levels, the Commission initiated a comprehensive study to determine if there were practical ways to regulate lake flows so that the abnormally high and low water levels could at least be reduced.

That study, Mr. Speaker, although it was an extremely complex and technical subject, took almost ten years to complete. I do not think that it would have completed even in that large amount of time, however, if it had not been for constant badgering of the Commission by justifiably impatient critics—including myself.

The completed study recommended several possible water regulation plans—some simply changed water flows at existing manmade control points, like Lake Superior and Lake Ontario; others offered degrees of additional manmade regulation—ranging from a mid-river island canal near Buffalo, N.Y., that would increase flow out of Lake Erie, thus aiding all the upstream Great Lakes, to a whole series of dams, diversions and locks between Lakes Huron and Erie. All of the plans, with differing costs and benefits, basically sought to increase man's ability to regulate lake levels by enabling us to remove water faster, or hold it longer, in the individual Great Lakes.

Mr. Speaker, although the higher water levels experienced on the Great Lakes in 1972 have declined, all of the Lakes today remain drastically higher than their "long term averages"—the best index of comparison. According to the Monthly Bulletin of Great Lakes Levels—now published by the Army Corps of Engineers—all of the Great Lakes were above their long term averages at the end of February. Lake Michigan-Huron—treated as a single lake because of the width of their connection—was 18 inches above long term averages. Lake St. Clair was 28 inches above long term averages. Lake Erie was 24 inches above long term averages. Lakes Superior and Ontario—the only Lakes capable of controlling their outflows, were both within about a half of a foot of long term averages.

It is very clear, Mr. Speaker, that water levels of the Great Lakes remain a serious problem. My district, for instance, has suffered extreme damages to land and dwellings because of the slow and unstoppable encroachment of high water erosion. Sand beaches that previously broke the power of wind driven waves are now covered with several feet of water. There are no longer any natural barriers to absorb the tremendous forces of storm-driven waves. Expensive manmade barriers of steel and concrete and rock are reduced to rubble in an amazingly short time.

My district has already lost too many homes. Too many more are presently perched precariously on the edges of Lake Erie bluffs—abandoned and only needing one more lake storm to start their slide to the water below.

Mr. Speaker, after the International Joint Commission finally finished the 10-year water level study, the alternative regulation plans were published and made available to the public. Great pains were taken to allow for public comment—the Commission went on the road to take the alternatives to both the people of Canada and the United States and to solicit their views and feelings on the matter.

That was in the fall of 1974. This is the spring of 1976. Nothing more has been done.

Mr. Speaker, I have asked time and time again for a timetable that my constituents might look to in the way of implementation of an alternative regulation plan. At this stage we are not particular—if the plan removes any of the 24 inches of excess water in Lake Erie, we will probably support it, but we want something to be done.

Last spring we were told that last summer would see a decision forthcoming. Last summer we were told the decision would be made last fall. Now we are told the decision will be this summer.

Mr. Speaker, the people in my district and I are frustrated, to say the least. We want to see some action taken immediately.

To document some of the exchanges I have had with the International Joint Commission, I would like to include several of the more recent letters between my office and the Chairman of the American Section of the International Joint Commission:

April 17, 1975.

Hon. Henry Smith,
Commissioner, International Joint Commission, Washington, D.C.

Dear Henry: As I am sure you are aware; Spring has brought the annual high winds and storm driven waters that severely erode the Great Lakes shorelines. My district in particular has received many poignant requests for loan assistance to build shoreline protection, frustrated criticism of government agencies, and pleas for some final solution to the high water levels of the Great Lakes.

As you may be aware, before your appointment, the Commission held public hearings on several plans to alter the manmade regulation of the lakes as a method of decreasing or at least stabilizing water levels. I have been advised that the Commission will not make a final decision on which of the plans to use until June.

I urge the Commission to do everything possible to speed up that decision. If a plan can be agreed upon soon, construction can begin this summer. I am particularly hopeful that this Commission will decide to use the Black Rock Lock Canal alternative which was addressed by several of the plans. That diversion could begin soon if a decision is reached quickly.

I am anxious to help you in any way possible. Please advise me of your timetable and thoughts on this matter.

Sincerely yours,
Charles A. Vanik,
Member of Congress.

International Joint Commission,
United States and Canada,
Washington, D.C., May 9, 1975.
Hon. Charles A. Vanik,
U.S. House of Representatives,
Washington, D.C.

Dear Charles: This is in reply to your letter of April 17 concerning the high water levels of the Great Lakes. As you may know, the Commission is presently engaged in making a final report on the Great Lakes Levels to the two Governments.

I agree completely with your suggestion that the Commission should proceed on a priority basis in preparing its report on the feasibility of further regulation of the Great Lakes. We are proceeding on such a basis. The full Commission met this week and discussed the issues in depth. We agreed on general instructions and guidance to the drafters of the Commission's report to the two Governments. We expect to review draft conclusions and recommendations in mid-June, following which the preparation of the complete report will be expedited.

I am sure you can appreciate that I am not free to discuss the substance of the Commission's recommendations prior to submittal of our report to the Governments and its public release by the Governments. However, I can assure you that I will do everything possible to make the release date as early as possible.

Sincerely,
Henry P. Smith III,
Chairman, U.S. Section.

House of Representatives,
Washington, D.C., August 12, 1975.
Hon. Henry P. Smith,
Chairman, American Section, International Joint Commission, Washington, D.C.

Dear Mr. Chairman: I just received a copy of the monthly bulletin on Great Lakes water levels that is issued by the Corps of Engineers and the National Oceanic and Atmospheric Administration. I was heartened to see that all of the Lakes are still on a very gradual decline.

In particular, I was interested to see that Lake Ontario is again below its long term average while the three middle, unregulated Lakes are above the long term average.

Last year, after ten years of study on plans to regulate the levels of the Great Lakes, a half dozen technical proposals were advanced. If one of the regulation plans incorporating alteration of the Niagara River were to be implemented, the high waters on the upper lakes could pass through more quickly. In this way, the relative lows of Lake Ontario could be taken advantage of without jeopardizing property or lake interests.

Specifically, I would like to urge you, as I did in my testimony submitted to the Commission last November, to select one of the alternative regulation plans which would include the use of the Black Rock Lock Canal to increase the flow through the Niagara River (SEO–42P or related plans). Although the Commission held hearings on all of the alternative proposals last fall and winter, we have not yet received a decision on this matter which is, as you know, of vital importance to thousands of Great Lakes area property owners.

If action is not taken in the near future, I fear that the decline in water levels will permit authorities to become lax in working toward long-term regulation of the Lakes. While water levels may be on the decline at the present time, we have no way of knowing whether the next several years will bring extremely low water levels or extremely high water levels back to the Lakes. I am sure you are aware of the disaster and misfortune that such extreme fluctuations in water levels could bring.

Therefore, I urgently request that you and the Commission select an alternative plan, preferably one that increases Niagara River flow, as soon as possible. Since construction of some of the alternatives may take as long as two years, we cannot wait. We must begin work now to avoid the personal tragedy and loss so many have already experienced. I urge the Commission's immediate action on alternative regulation plans. A summary of your timetable would be most appreciated.

Sincerely yours,
Charles A. Vanik,
Member of Congress.

International Joint Commission,
United States and Canada,
Washington, D.C., September 4, 1975.
Hon. Charles A. Vanik,
U.S. House of Representatives,
Washington, D.C.

Dear Charlie: Sorry to be late in replying to your August 12 letter concerning Lake Erie Regulation, but I have just returned from a two week get-acquainted visit to a number of rather active Commission projects in Minnesota and North Dakota.

I most certainly agree with you that it is heartening to see the continuing decline, albeit gradual, in Great Lakes water levels.

The Commission is completing its review of the voluminous testimony received at our public hearings last fall. Discussions on the issues involved in further lake regulation and the recommendations which we will present to Governments concerning these issues is well underway. We hope to complete our report and submit it to Governments this calendar year.

The matter of Lake Erie Regulation is a paramount subject in our discussions and it is, I can assure you, being accorded very careful consideration.

Sincerely,
Henry P. Smith III,
Chairman, U.S. Section.

March 24, 1976.

Hon. Henry Smith,
Chairman, American Section,
International Joint Commission,
Washington, D.C.

Dear Mr. Chairman: As you know, I have been concerned over the water levels on the Great Lakes for some time now.

According to the latest statistics available, by the end of February each of the five Great Lakes was at least five inches above long term averages. Although Lake Superior and Lake Ontario are both within six inches of their long-term averages, the "middle lakes", Michigan, Huron, St. Clair, and Erie, are all at least a foot and a half above their averages.

As you know, the International Joint Commission went to great lengths to study the problem of fluctuating water levels on the Great Lakes and finally proposed a series of alternatives in 1974. After much public reaction and extensive hearings by the Commission to allow public comments on their alternatives, no decision has been made. Those hearings, in later 1974, were the last word that the public has had concerning a solution to the problem that causes untold grief and damage on Great Lakes shorelines.

I would very much appreciate knowing what you expect in the way of a timetable for implementation of one of the alternatives that the ten-year study produced. Great Lakes riparian interests are obviously anxious for some word on which alternative regulations projects will begin, and when.

Sincerely yours,
Charles A. Vanik,
Member of Congress.

INTERNATIONAL JOINT COMMISSION,
UNITED STATES AND CANADA
Washington, D.C., April 19, 1976.
Hon. CHARLES A. VANIK,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. VANIK: This is in reply to your letter of March 24, 1976 concerning the Great Lakes Water Level Reference.

The Commission has completed its report to United States and Canadian Governments on the Reference. The report will be forwarded to the Governments as soon as the typing of the final draft is completed. We expect that the Governments will release the report for public distribution when sufficient copies are received from the printer.

I regret that I cannot speak to the Commission's conclusions and recommendations prior to the public release of the report by the Governments. However, a copy of the report will be furnished to you as soon as it is available for distribution.

Sincerely yours,
HENRY P. SMITH III,
Chairman, U.S. Section.

Mr. Speaker, despite the Commission's assurances that they shared my concern, that they agreed that consideration should proceed on a "priority" basis, and that the complete report to governments would be "expedited," the situation today is apparently the same as it was exactly 1 year ago: there is nothing for the public to look forward to but more destruction and property loss.

Mr. Speaker, another reason I wanted to include my correspondence with the IJC is that at a meeting on March 7 of the Conference of Great Lakes Congressmen, we heard several people say that the IJC, on one hand, and the Corps of Engineers on the other hand, did not feel any congressional pressure to act quickly on the Great Lakes water levels problem. Mr. Speaker, that is preposterous. Apparently the Commission has stopped reading their mail.

I cannot stress strongly enough, Mr. Speaker, that the people of the Great Lakes have had it with high water levels. They expect, like their Great Lakes Congressmen, some immediate action. I hope it will be forthcoming.

THE U.S. COMMITMENT TO MAJORITY RULE IN SOUTHERN AFRICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 5 minutes.

Mr. BINGHAM. Mr. Speaker, I and many of my colleagues were very pleased by Secretary Henry Kissinger's speech yesterday in Zambia, in which he alined the United States with the principles of racial justice and majority rule in southern Africa. This major policy statement spells out precisely and clearly our Government's determination to help bring about majority rule promptly in Rhodesia and Namibia. The Secretary pledged our support for Britain's efforts to persuade the white minority regime in Rhodesia that it has to move rapidly and vigorously to implement these principles. He has also pledged the administration's support for repealing the Byrd amendment, which prevents the United States from fulfilling its obligations under international law to mandatory economic sanctions against Rhodesia. Combined with the Secretary's renunciation of any diplomatic or material help to Rhodesia at any stage in its conflict with African liberation movements, and his promise of economic assistance to Rhodesia's neighboring states, his speech was a convincing and welcome demonstration that the United States will now take concrete and forceful action in southern Africa. In doing so he will hopefully avoid a situation in which the Soviet Union would appear to be the only major power committed to supporting majority rule in southern Africa.

The Secretary's speech comes very late in the game, and it is regrettably devoid of the kinds of specific proposals for action which I and many other Members would like to see the United States take to give real effect to the declarations of principle which have so often been enunciated.

So it may be that the Secretary's effort is a case of "too little too late," but I truly hope this is not the case, and it need not be so if the speech is now followed up vigorously by the administration as a whole. A first step would be for the White House to call for prompt congressional reconsideration of the question of Byrd amendment repeal, coupled with assurances that in the next round in the House the President will make the personal efforts to win votes for the administration's position that have been so notably missing in the past.

WE SHOULD SUPPORT THE PRESIDENT ON THE ISSUE OF THE PANAMA CANAL

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I would like to voice my strong support for the administration's open and sincere efforts to renegotiate the Panama Canal Treaty. Unfortunately, the President's position on Panama is being undercut by jingoistic campaign rhetoric. At this time it is the responsibility of those of us who support President Ford's Panama stance to speak up in his defense. I so often disagree with the administration's foreign policy that when I am in accord, I feel compelled to state so publicly.

In 1974, the Commission on United States-Latin American Relations, chaired by Sol Linowitz, urged a full-scale reevaluation of our Latin American foreign policy in its report, "The Americas is a Changing World." The report's well-reasoned analysis of the Panama Canal issue accurately reflects my thinking on the matter and I am appending that excerpt of the report for the information of my colleagues:

PANAMA AND THE PANAMA CANAL

The terms of the 1903 treaty between the United States and Panama are a constant source of friction between the two countries and increasingly have come to be viewed by other Latin Americans as symbolic of a distasteful bygone era in American diplomacy.

The treaty ceded perpetual control—"as if it were sovereign"—over five hundred square miles of Panamanian territory to the United States. It effectively made the Canal Zone a "state within a state," an American community administered by the U.S. government in the middle of Panama. In its present form, the Zone is viewed by Panamanians of all political persuasions as an undesired colonial enclave and an affront to Panama's national dignity.

In the ten-mile wide Zone, which bisects Panama, the United States maintains courts and police which enforce U.S. laws on Panamanians as well as North Americans. The United States, through a military governor, operates nearly all commercial enterprises in the Zone, controls large tracts of unused land and manages virtually all the deepwater port facilities in Panama as part of the maintenance and operation of the Canal. It maintains substantial military facilties in the Zone, including the U.S. Southern Command.

Given present day international realities, the Canal Zone is an anachronism. Panama is determined, by altering the 1903 treaty, to gain jurisdiction over its own territory and to obtain a greater share of the direct benefits from its most important national resource—its geography. The Commission believes that reaching an equitable new agreement with Panama regarding the Canal would serve U.S. interests not only in Panama but throughout Latin America by removing one of the last vestiges of Big Stick diplomacy.

Since 1964, the United States has recognized the desirability of establishing a relationship which both protects important U.S. interests and is consistent with Panamanian sovereignty in a hemisphere of independent nations. On February 7, 1974, Secretary of State Kissinger committed the United States to the prompt negotiation of a new Canal treaty based on a Statement of Principles agreed to with the Panamanian Foreign Minister.

The Commission believes those principles accommodate the basic interests of both nations. Under them, the United States could continue to use the land and facilities necessary to operate the Canal, while Panama would receive jurisdiction over its territory, a more equitable share of the benefits produced by the Canal, and growing participation in the operation and defense of the Canal. A new treaty, of fixed duration, also would permit the facility to be enlarged as needed.

Perpetual U.S. control of the Canal and total jurisdiction over the territory of the Canal Zone is not necessary either to keep the facility operating or to protect other United States interests.

On the contrary, maintaining the status quo could mean greater jeopardy to U.S. interests, not only in Panama but also throughout the hemisphere. It is possible to conceive of a time when the United States might ultimately be required to defend its position in Panama by the use of force in the midst of a hostile population and in the face of universal condemnation by the region and the world.

The lack of international sympathy for maintaining the status quo has been demonstrated in a variety of forums, including the United Nations and the Organization of American States.

The United States and Panama share positive interests in the Canal, and the negotiation of a new treaty offers an opportunity to solidify that commonality of interest. The Canal is important economically and strategically but less and less so as changes occur in patterns of world commerce and in the technologies of shipping and weaponry. The utility of the Canal in the future may well depend on expansion of its capacity, which can only be accomplished with Panama's cooperation.

The Commission realizes there are formidable obstacles to the negotiation and ratification by the Senate of a new treaty. The issue is an emotional one, often badly misunderstood in the United States; the U.S. government must do a better job than it has in the past of fostering a public awareness of the actual issues involved. And it must help Panamanian leaders to understand that confrontation tactics for domestic political purposes will not create a sympathetic understanding of Panama's position in the United States.

RECOMMENDATIONS

6. We strongly support the signing and ratification of the new Panama Canal treaty based on the Statement of Principles accepted by both countries on February 6, 1974. Any arrangement should in fairness take into account the interests of U.S. citizens in the Canal Zone.

FINANCIAL DISCLOSURE STATEMENT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I am submitting today my complete net worth statement for publication in the Congressional Record. I also have submitted this statement as part of my financial disclosure report filed with the House Committee on Standards of Official Conduct and have asked that the statement be made available in its entirety for inspection by the public. Since coming to Congress in 1969, I have filed a net worth statement with the House every year and made it public. On December 31, 1969, my net worth was $54,867. My net worth on December 31, 1975, was $61,919.75. I have filed an annual net worth statement simply because I believe constituents have a right to know about their Congressman's income, stockholdings, and liabilities.

My 1975 Federal income tax return is also available to the public as it is included in the financial disclosure statement submitted to the Committee on Standards of Official Conduct. For the calendar year 1975 I paid $7,637 in Federal income tax; $2,692 to the State of New York; and $631 to the city of New York.

My net worth statement follows:

Statement of Net Worth of Hon. Edward I. Koch, December 31, 1975

Olshan & Olshan,
Washington, D.C., April 6, 1976.

Hon. Edward I. Koch,
U.S. House of Representatives,
Washington, D.C.

Dear Congressman Koch: In accordance with your request we submit herewith your statement of net worth as of December 31, 1975.

Cash in checking and savings accounts was obtained from the reconciled yearend bank statement and savings passbooks and confirmed directly with the banks.

Amounts due from brokerage accounts were obtained from year-end brokerage statements.

Amounts due from the House of Representatives represent the December 1975 gross salary paid January 2, 1976.

Marketable securities owned were obtained from year-end brokerage reports computed as of the close of business on December 31, 1975.

Cash surrender value of your $5,000 paid-up life insurance policy with the Veterans Administration and your $15,000 straight life insurance policies with the Mutual Benefit Life Insurance Company were confirmed directly with the insurers.

Amounts due from and payable to the federal, state and city income tax authorities are based on your 1975 income tax returns.

No recognition was given to the value of your personal effects or household furniture because it was not practical to obtain appraisals.

In our opinion this statement presents fairly your net worth as of December 31, 1975.

Yours truly,
Robert M. Olshan,
Certified Public Accountant.

Honorable Edward I. Koch Statement of Net Worth, Dec. 31, 1975

ASSETS

Cash in checking and savings accounts:	
Sergeant at Arms—checking	$863.46
Seamen's Bank for Savings	8,751.58
Seamen's Bank for Savings	2,010.25
Total cash in checking and savings accounts	11,625.29
Salary due from House of Representatives	3,716.66
Due from brokerage account—Goldman, Sachs & Co	34.93
Marketable securities (see schedule)	30,662.39
Cash surrender value of life insurance policies:	
Mutual Benefit Life Insurance Co. (includes dividend accumulation)	6,931.49
Mutual Benefit Life Insurance Co. (includes dividend accumulation)	3,714.76
Veterans' Administration	2,833.95
Total cash surrender value of life insurance policies	13,480.20
1975 Federal income tax refund receivable	3,809.00
Total assets	63,328.47

LIABILITIES AND NET WORTH

Trade accounts payable	415.72
1975 New York State and city income taxes payable	993.00
Hon. Edward I. Koch, net worth	61,919.75
Total liabilities and net worth	63,328.47

HONORABLE EDWARD I. KOCH—SCHEDULE OF MARKETABLE SECURITIES, DEC. 31, 1975

		Dec. 31, 1975	
Number of shares	Company	FMV per share	FMV
500	Brass-Craft Manufacturing Co.	$11.25	$5,625.00
1030.206	Dreyfuss Liquid Asset	[1] 10.03	10,332.97
850	Intercraft Industries Corp	8.50	7,225.00
376	T. Rowe Price Growth Stock Fund.	[1] 10.19	3,831.44
367	Rowe Price New Era Fund	[1] 9.94	3,647.98
	Total marketable securities		30,662.39

[1] Net asset value.

SPANISH BASES TREATY

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, I am today introducing in behalf of myself and Mr. Winn, the ranking member of the Subcommittee on International Political and Military Affairs, which I have the honor to chair, House Joint Resolution 927 which would authorize implementation of the Treaty of Friendship and Cooperation between the United States and Spain which has been submitted to the Senate for its advice and consent. The resolution would also provide authority for appropriation of funds required to carry out the treaty.

Our distinguished colleagues, the gentleman from Wisconsin (Mr. Zablocki) and Chairman Thomas Morgan, have done a great service to the House in calling to the attention of the members of the Committee on International Relations, the Senate, and the Executive the necessity for protecting the prerogatives of the House with respect to this treaty. The role of the House with respect to treaties has been the subject of debate from the earliest days of the Republic. I share the conviction that whenever a treaty involves the provision of funds, the House must be involved pursuant to the power of the purse as embodied in article I, section 8 of the Constitution and that such involvement should include specific action by the House both in the authorization and appropriation process. House Joint Resolution 927 would give the House the opportunity both to protect its full rights with respect to the power of the purse and to consider the merits of the provisions of the treaty.

The text of the resolution reads as follows:

H.J. Res. 927

Joint resolution to authorize the President to implement the provisions of the Treaty of Friendship and Cooperation between the United States and Spain, signed at Madrid on January 24, 1976

Whereas on January 24, 1976, there was signed on behalf of the United States and Spain a Treaty of Friendship and Cooperation between the two countries;

Whereas that Treaty has been submitted to the Senate for the advice and consent of the Senate to its ratification;

Whereas that Treaty, including its Supplementary Agreements and the exchanges of notes related to those Supplementary Agreements, provides for certain undertakings by the United States which are of concern to the Congress as a whole; and

Whereas it is particularly appropriate, in view of the relationship of certain of these undertakings to the power of the purse, for the House of Representatives to participate in their approval: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized to implement the provisions of the Treaty of Friendship and Cooperation between the United States of America and Spain, signed at Madrid, January 24, 1976, including its Supplementary Agreements and the exchanges of notes related to those Supplementary Agreements.

Sec. 2. (a) There are authorized to be appropriated such sums as may be required by the Supplementary Agreements and the exchanges of notes related thereto, referred to in the first section of this joint resolution, for the purpose of carrying out the programs and activities provided for in such Agreements and exchanges of notes.

(b)(1) Except as provided in paragraph (2), foreign assistance and sales programs and activities carried out with funds made available under subsection (a) of this section shall be conducted in accordance with provisions of law applicable to foreign assistance and military sales programs of the United States, except that section 620(m) of the Foreign Assistance Act of 1961 shall not apply with respect to such programs and activities.

(2) In carrying out the provisions of article VI of Supplementary Agreement Number Seven (relating to modernizing, semi-automating, and maintaining the aircraft control and warning network in Spain), the United States contribution of not to exceed $50,000,000 shall be financed from Department of Defense appropriations and shall not be subject to provisions of law applicable to foreign assistance and military sales programs of the United States.

(c) Ths joint resolution satisfies the requirements of section 7307 of title 10 of the United States Code with respect to the transfer of naval vessels pursuant to Supplementary Agreement Number Seven.

SEC. 3. In carrying out the provisions of article X of Supplementary Agreement Number Seven (relating to lease and purchase of aircraft), the President is authorized to apply the proceeds from the lease of aircraft to Spain under that article to the purchase of aircraft for the purposes of that article without regard to the provisions of section 2667 of title 10 of the United States Code or any comparable provisions of law.

SEC. 4. The authorties contained in this joint resolution shall become effective only upon ratification of the Treaty of Friendship and Cooperation described in the first section and shall continue in effect only so long as that treaty remains in force.

EMERGENCY JOBS PROGRAMS STOPGAP EXTENSION

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, H.R. 12987, the emergency jobs programs stopgap extension bill, will shortly come before the House of Representatives. The bill will extend the authorization for title VI of the Comprehensive Employment and Training Act—CETA—through September 30, 1976.

I want to point out to my colleagues that the recently enacted emergency appropriations measure, Public Law 94–266, appropriates funds for title II areas under CETA. This appropriation is not applicable to title VI areas which do not also meet the qualifications of title II. Title II areas are defined in the CETA statute as areas which have unemployment rates equal to or in excess of 6.5 percent for 3 consecutive months. Therefore, 15 prime sponsors—States, counties, and cities—which are exclusively title VI areas, are not eligible for funds under the emergency appropriations measure.

Further, 109 prime sponsors, or 25 percent of all CETA prime sponsors contain some areas which do not qualify for title II assistance. This means that those ineligible areas are, or shortly will be, running out of funds for public service jobs.

I call my colleagues' attention to the following list of 109 prime sponsor areas who have public service jobholders under CETA title VI who do not reside in title II substantial unemployment areas and therefore would not be eligible to continue in public service employment under title II.

Areas marked with an asterisk are totally title VI areas and are completely ineligible for title II funds:

NEW JERSEY

Morris County.
Mercer County.
Somerset County.

NEW YORK

Nassau County Consortium.
Dutchess County.
Monroe/Rochester.
Onondaga County.

MARYLAND

Montgomery County.*
Prince Georges County.

PENNSYLVANIA

Susquehanna Consortium.
Chester County.
Montgomery County.
Berks County.
Franklin County.

VIRGINIA

Richmond area.
Henrico County Consortium.*
Arlington County.
Fairfax County.*
Prince William County.
Alexandria City.*

ALABAMA

Birmingham Consortium.
Mobile Consortium.
Montgomery Consortium.
Tuscaloosa County.

KENTUCKY

Louisville Consortium.
The Blue Grass Manpower Consortium.

MISSISSIPPI

Jackson Consortium.

NORTH CAROLINA

Wake County.*
Durham Consortium.

TENNESSEE

Balance of Hamilton County.
Nashville/Davison.
Sullivan County.*
Knoxville Consortium.
Memphis Consortium.

CHICAGO

Cook County.
Du Page County.
Kane County.
Rock Island County.
Tazewell County.
Champaigne County Consortium.
Sangamon County Consortium.
Peoria Consortium.
McLean County.

INDIANA

Hammond.
Lake County.
Tippecanoe County.
Vigo County.

MINNESOTA

Dakota County.
Ramsey County.
Balance of Minnesota.

OHIO

Hamilton County.
Columbus Consortium.
Greene County.

WISCONSIN

Outagamie County.
Madison-Dane Consortium.
Wow Consortium (Waukesha County, Ozaukee County, Washington County).
Winne-Fond Consortium.
Trico Cetac.

LOUISIANA

Baton Rouge.
Lafayette Parish.
Jefferson Parish.

OKLAHOMA

Comanche County.
Oklahoma County.*
Oklahoma City Consortium.
Tulsa Consortium.
Balance of Oklahoma.

TEXAS

The Panhandle Consortium.
The Capital Area Consortium.*
Coastal Bend Consortium.
Dallas City.
Dallas County.*
Fort Worth Consortium.
Tarrant County.
Galveston County.*
Houston.
Harris County.*
Central Texas Consortium.
North Texas Planning Consortium.*
Balance of Texas.
Brazoria County Consortium.*

IOWA

The Central Iowa Consortium.
Linn County Consortium.
Blackhawk County.
Woodbury County.
Scott County.
Balance of Iowa.

KANSAS

Topeka.
Johnson County Consortium.*
Wichita City.
Balance of Kansas.

MISSOURI

Independence.
St. Louis County.
Balance of Missouri.

NEBRASKA

Lincoln City.
Balance of Nebraska.

COLORADO

Arapahoe County.
Jefferson County.
Colorado Springs Consortium.
Denver City/County.
Balance Adams County.
Boulder City.
Pueblo County.
Balance of Colorado.
Larimer County.
Weld County.

NORTH DAKOTA

Balance of North Dakota.

SOUTH DAKOTA

Balance of South Dakota.

WYOMING

Balance of Wyoming.

CALIFORNIA

San Mateo County.

CONFERENCE REPORT ON S. 3065

Mr. HAYS of Ohio submitted the following conference report and statement on the bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 1057)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

SHORT TITLE

SECTION. 1. This Act may be cited as the "Federal Election Campaign Act Amendments of 1976".

TITLE I—AMENDMENTS TO FEDERAL ELECTION CAMPAIGN ACT OF 1971

FEDERAL ELECTION COMMISSION MEMBERSHIP

SEC. 101. (a) (1) The second sentence of section 309(a) (1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(a) (1)), as redesignated by section 105 (hereinafter in this Act referred to as the "Act"), is amended to read as follows: "The Commission is composed of the Secretary of the Senate and the Clerk of the House of Representatives, ex officio and without the right to vote, and 6 members appointed by the President of the United States, by and with the advice and consent of the Senate.".

(2) The last sentence of section 309(a) (1) of the Act (2 U.S.C. 437c(a) (1)), as redesignated by section 105, is amended to read as follows: "No more than 3 members of the Commission appointed under this paragraph may be affiliated with the same political party.".

(b) Section 309(a) (2) of the Act (2 U.S.C. 437c(a) (2)), as redesignated by section 105, is amended to read as follows:

"(2) (A) Members of the Commission shall serve for terms of 6 years, except that of the members first appointed—

"(i) two of the members, not affiliated with the same political party, shall be appointed for terms ending on April 30, 1977;

"(ii) two of the members, not affiliated with the same political party, shall be appointed for terms ending on April 30, 1979; and

"(iii) two of the members, not affiliated with the same political party, shall be appointed for terms ending on April 30, 1981.

"(B) A member of the Commission may serve on the Commission after the expiration of his term until his successor has taken office as a member of the Commission.

"(C) An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds.

"(D) Any vacancy occurring in the membership of the Commission shall be filled in the same manner as in the case of the original appointment.".

(c) (1) Section 309(a) (3) of the Act (2 U.S.C. 437c(a) (3)), as redesignated by section 105, is amended by adding at the end thereof the following new sentences: "Members of the Commission shall not engage in any other business, vocation, or employment. Any individual who is engaging in any other business, vocation, or employment at the time such individual begins to serve as a member of the Commission shall terminate or liquidate such activity no later than 1 year after beginning to serve as such a member.".

(2) Section 309(b) of the Act (2 U.S.C. 437c(b)), as redesignated by section 105, is amended to read as follows:

"(b) (1) The Commission shall administer, seek to obtain compliance with, and formulate policy with respect to, this Act and chapter 95 and chapter 96 of the Internal Revenue Code of 1954. The Commission shall have exclusive primary jurisdiction with respect to the civil enforcement of such provisions.

"(2) Nothing in this Act shall be construed to limit, restrict, or diminish any investigatory, informational, oversight, supervisory, or disciplinary authority or function of the Congress or any committee of the Congress with respect to elections for Federal office.".

(2) The first sentence of section 309(c) of the Act (2 U.S.C. 437c(c)), as redesignated by section 105, is amended by inserting immediately before the period at the end thereof the following: ", except that the affirmative vote of 4 members of the Commission shall be required in order for the Commission to establish guidelines for compliance with the provisions of this Act or with chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or for the Commission to take any action in accordance with paragraph (6), (7), (8), or (10) of section 310(a)".

(d) The last sentence of section 309(f) (1) of the Act (2 U.S.C. 437c(f) (1)), as redesignated by section 105, is amended by inserting immediately before the period the following: "without regard to the provisions of title 5, United States Code, governing appointments in the competitive service".

(e) (1) The President shall appoint members of the Federal Election Commission under section 309(a) of the Act (2 U.S.C. 437c(a)), as redesignated by section 105 and as amended by this section, as soon as practicable after the date of the enactment of this Act.

(2) The first appointments made by the President under section 309(a) of the Act (2 U.S.C. 437c(a)), as redesignated by section 105 and as amended by this section, shall not be considered to be appointments to fill the unexpired terms of members serving on the Federal Election Commission on the date of the enactment of this Act.

(3) Members serving on the Federal Election Commission on the date of the enactment of this Act may continue to serve as such members until new members are appointed and qualified under section 309(a) of the Act (2 U.S.C. 437c(a)), as redesignated by section 105 and as amended by this section, except that until appointed and qualified under this Act, members serving on such Commission on such date of enactment may, beginning on March 23, 1976, exercise only such powers and functions as may be consistent with the determinations of the Supreme Court of the United States in Buckley et al. against Valeo, Secretary of the United States Senate, et al. (numbered 75–436, 75–437) January 30, 1976.

(f) The provisions of section 309(a) (3) of the Act (2 U.S.C. 437c(3)), as redesignated by section 105, which prohibit any individual from being appointed as a member of the Federal Election Commission who is, at the time of his appointment, an elected or appointed officer or employee of the executive, legislative or judicial branch of the Federal Government, shall not apply in the case of any individual serving as a member of such Commission on the date of the enactment of this Act.

(g) (1) All personnel, liabilities, contracts, property, and records determined by the Director of the Office of Management and Budget to be employed, held, or used primarily in connection with the functions of the Federal Election Commission under title III of the Act as such title existed on January 1, 1976, or under any other provision of law, are transferred to such Commission as constituted under the amendments made by this Act to the Federal Election Campaign Act of 1971.

(2) (A) Except as provided in subparagraph (B), personnel engaged in functions transferred under paragraph (1) shall be transferred in accordance with applicable laws and regulations relating to the transfer of functions.

(B) The transfer of personnel pursuant to paragraph (1) shall be without reduction in classification or compensation for 1 year after such transfer.

(3) All laws relating to the functions transferred under this Act shall, insofar as such laws are applicable and not amended by this Act, remain in full force and effect. All orders, determinations, rules, and opinions made, issued, or granted by the Federal Election Commission before its reconstitution under the amendments made by this Act which are in effect at the time of the transfer provided by paragraph (1), and which are consistent with the amendments made by this Act, shall continue in effect to the same extent as if such transfer had not occurred. Any rule or regulation proposed by such Commission before the date of the enactment of this Act shall be prescribed by such Commission only if, after such date of enactment, the rule or regulation is submitted to the Senate or the House of Representatives, as the case may be, in accordance with the provisions of section 315(c) of the Act (as redesignated by section 105), and it is not disapproved by the appropriate House of the Congress.

(4) The provisions of this Act shall not affect any proceeding pending before the Federal Election Commission on the date of the enactment of this Act.

(5) No suit, action, or other proceeding commenced by or against the Federal Election Commission or any officer or employee thereof acting in his official capacity shall abate by reason of the transfer made under paragraph (1). The court before which such suit, action, or other proceeding is pending may, on motion or supplemental petition filed at any time within 12 months after the date of the enactment of this Act, allow such suit, action, or other proceeding to be maintained against the Federal Election Commission if the party making the motion or filing the petition shows a necessity for the survival of the suit, action, or other proceeding to obtain a settlement of the question involved.

(6) Any reference in any other Federal law to the Federal Election Commission, or to any member or employee thereof, as such Commission existed under the Federal Election Campaign Act of 1971 before its amendment by this Act shall be held and considered to refer to the Federal Election Commission, or the members or employees thereof, as such Commission exists under the Federal Election Campaign Act of 1971 as amended by this Act.

CHANGES IN DEFINITIONS

Sec. 102. (a) Section 301(a) (2) of the Act (2 U.S.C. 431(a) (2)) is amended by striking out "held to" and inserting in lieu thereof "which has authority to".

(b) Section 301(e) (2) of the Act (2 U.S.C. 431(e) (2)) is amended by inserting "written" immediately before "contract" and by striking out "expressed or implied,".

(c) Section 301(e) (4) of the Act (2 U.S.C. 431(e) (4)) is amended by inserting after "purpose" the following: ", except that this paragraph shall not apply in the case of legal or accounting services rendered to or on behalf of the national committee of a political party (unless the person paying for such services is a person other than the regular employer of the individual rendering such services), other than services attributable to activities which directly further the election of a designated candidate or candidates to Federal office, nor shall this paragraph apply in the case of legal or accounting services rendered to or on behalf of a candidate or political committee solely for the purpose of ensuring compliance with the provisions of this Act or chapter 95 or chapter 96 of the Internal Revenue Code of 1954 (unless the person paying for such services is a person other than the regular employer of the individual rendering such services), but amounts paid or incurred for such legal or accounting services shall be reported in accordance with the requirements of section 304(b)".

(d) Section 301(e) (5) of the Act (2 U.S.C. 431(e) (5)) is amended—

(1) by striking out "or" at the end of clause (E); and

(2) by inserting after clause (F) the following new clauses:

"(G) a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business, but such loans—

"(i) shall be reported in accordance with the requirements of section 304(b); and

"(ii) shall be considered a loan by each endorser or grantor, in that proportion of the unpaid balance thereof that each endorser or guarantor bears to the total number of endorsers or guarantors;

"(H) a gift, subscription, loan, advance, or deposit of money or anything of value to a national committee of a political party or a State committee of a political party which is specifically designated for the purpose of defraying any cost incurred with respect to the construction or purchase of any office facility which is not acquired for the purpose of influencing the election of any candidate in any particular election for Federal office, except that any such gift, subscription, loan, advance, or deposit of money or anything of value, and any such cost, shall be reported in accordance with section 304(b); or

"(I) any honorarium (within the meaning of section 328);".

(e) Section 301(e)(5) of the Act (2 U.S.C. 431(e)(5)), as amended by subsection (d), is amended by striking out "individual" where it appears after clause (I) and inserting in lieu thereof "person".

(f) Section 301(f)(4) of the Act (2 U.S.C. 431(f)(4)) is amended—

(1) by inserting before the semicolon in clause (C) the following: ", except that the costs incurred by a membership organization, including a labor organization, or by a corporation, directly attributable to a communication expressly advocating the election or defeat of a clearly identified candidate (other than a communication primarily devoted to subjects other than the express advocacy of the election or defeat of a clearly identified candidate) shall, if those costs exceed $2,000 per election, be reported to the Commission";

(2) by striking out "or" at the end of clause (F) and at the end of clause (G); and

(3) by inserting immediately after clause (H) the following new clauses:

"(I) any costs incurred by a candidate in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate in excess of an amount equal to 20 percent of the expenditure limitation applicable to such candidate under section 320(b), but all such costs shall be reported in accordance with section 304(b);

"(J) the payment, by any person other than a candidate or political committee, of compensation for legal or accounting services rendered to or on behalf of the national committee of a political party (unless the person paying for such services is a person other than the regular employer of the individual rendering such services), other than services attributable to activities which directly further the election of a designated candidate or candidates to Federal office, or the payment for legal or accounting services rendered to or on behalf of a candidate or political committee solely for the purpose of ensuring compliance with the provisions of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954 (unless the person paying for such services is a person other than the regular employer of the individual rendering such services), but amounts paid or incurred for such legal or accounting services shall be reported under section 304(b); or

"(K) a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business, but such loan shall be reported in accordance with section 304(b);".

(g) Section 301 of the Act (2 U.S.C. 431) is amended—

(1) by striking out "and" at the end of paragraph (m);

(2) by striking out the period at the end of paragraph (n) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(o) 'Act' means the Federal Election Campaign Act of 1971 as amended by the Federal Election Campaign Act Amendments of 1974 and the Federal Election Campaign Act Amendments of 1976;

"(p) 'independent expenditure' means an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate or any authorized committee or agent of such candidate and which is not made in concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate; and

"(q) 'clearly identified' means that (1) the name of the candidate appears; (2) a photograph or drawing of the candidate appears; or (3) the identity of the candidate is apparent by unambiguous reference.".

ORGANIZATION OF POLITICAL COMMITTEES

SEC. 103. (a) Section 302(b) of the Act (2 U.S.C. 432(b)) is amended by striking out "$10" and inserting in lieu thereof "$50".

(b) Section 302(c)(2) of the Act (2 U.S.C. 432(c)(2)) is amended by striking out "$10" and inserting in lieu thereof "$50".

(c) Section 302 of the Act (2 U.S.C. 432) is amended by striking out subsection (e) and by redesignating subsection (f) as subsection (e).

(d) Section 302(e)(1) of the Act, as redesignated by subsection (c), is amended by adding at the end thereof the following new sentence: "Any occasional, isolated, or incidental support of a candidate shall not be construed as support of such candidate for purposes of the preceding sentence.".

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 104. (a) Section 304(a)(1) of the Act (2 U.S.C. 434(a)(1)) is amended by adding at the end of subparagraph (C) the following new sentence: "In any year in which a candidate is not on the ballot for election to Federal office such candidate and his authorized committees shall only be required to file such reports not later than the tenth day following the close of any calendar quarter in which the candidate and his authorized committees received contributions or made expenditures, or both, the total amount of which, taken together, exceed $5,000, and such reports shall be complete as of the close of such calendar quarter; except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under subparagraph (B) shall be filed as provided in such subparagraph.".

(b) Section 304(a)(2) of the Act (2 U.S.C. 434(a)(2)) is amended to read as follows:

"(2) Each treasurer of a political committee authorized by a candidate to raise contributions or make expenditures on his behalf, other than the candidate's principal campaign committee, shall file the reports required under this section with the candidate's principal campaign committee.".

(c) Section 304(b) of the Act (2 U.S.C. 434(b)) is amended—

(1) by striking out "and" at the end of paragraph (12);

(2) by redesignating paragraph (13) as paragraph (14);

(3) by inserting immediately after paragraph (12) the following new paragraph:

"(13) in the case of an independent expenditure in excess of $100 by a political committee, other than an authorized committee of a candidate, expressly advocating the election or defeat of a clearly identified candidate, through a separate schedule (A) any information required by paragraph (9), stated in a manner which indicates whether the independent expenditure involved is in support of, or in opposition to, a candidate; and (B) under penalty of perjury, a certification whether such independent expenditure is made in cooperation, consultation, or concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate; and"; and

(4) by adding at the end thereof the following new sentence:

"When committee treasurers and candidates show that best efforts have been used to obtain and submit the information required by this subsection, they shall be deemed to be in compliance with this subsection.".

(d) Section 304(e) of the Act (2 U.S.C. 434(e)) is amended to read as follows:

"(e)(1) Every person (other than a political committee or candidate) who makes contributions or independent expenditures expressly advocating the election or defeat of a clearly identified candidate, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 during a calendar year shall file with the Commission, on a form prepared by the Commission, a statement containing the information required of a person who makes a contribution in excess of $100 to a candidate or political committee and the information required of a candidate or political committee receiving such a contribution.

"(2) Statements required by this subsection shall be filed on the dates on which reports by political committees are filed. Such statements shall include (A) the information required by subsection (b)(9), stated in a manner indicating whether the contribution or independent expenditure is in support of, or opposition to, the candidate; and (B) under penalty of perjury, a certification whether such independent expenditure is made in cooperation, consultation, or concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate. Any independent expenditure, including those described in subsection (b)(13), of $1,000 or more made after the fifteenth day, but more than 24 hours, before any election shall be reported within 24 hours of such independent expenditure.

"(3) The Commission shall be responsible for expeditiously preparing indices which set forth, on a candidate-by-candidate basis, all expenditures separately, including those reported under subsection (b)(13), made with respect to each candidate, as reported under this subsection, and for periodically issuing such indices on a timely pre-election basis.".

REPORTS BY CERTAIN PERSONS

SEC. 105. Title III of the Act (2 U.S.C. 431 et seq.) is amended by striking out section 308 thereof (2 U.S.C. 437a) and by redesignating section 309 through section 321 as section 308 through section 320, respectively.

CAMPAIGN DEPOSITORIES

SEC. 106. The second sentence of section 308(a)(1) of the Act (2 U.S.C. 437b(a)(1)), as redesignated by section 105, is amended by striking out "a checking account" and inserting in lieu thereof the following: "a single checking account and such other accounts as the committee determines to maintain at its discretion".

POWERS OF COMMISSION

SEC. 107. (a) Section 310(a) of the Act (2 U.S.C. 437d(a)), as redesignated by section 105, is amended—

(1) in paragraph (8) thereof, by inserting "develop such prescribed forms and to" immediately before "make", and by inserting immediately after "Act" the following: "and

chapter 95 and chapter 96 of the Internal Revenue Code of 1954";

(2) in paragraph (9) thereof, by striking out "and sections 608" and all that follows through "States Code;" and inserting in lieu thereof "and chapter 95 and chapter 96 of the Internal Revenue Code of 1954; and"; and

(3) by striking out paragraph (10) and redesignating paragraph (11) as paragraph (10).

(b)(1) Section 310(a)(6) of the Act (2 U.S.C. 437d(a)(6)), as redesignated by section 105, is amended to read as follows:

"(6) to initiate (through civil actions for injunctive, declaratory, or other appropriate relief), defend (in the case of any civil action brought under section 313(a)(9)), or appeal any civil action in the name of the Commission for the purpose of enforcing the provisions of this Act and chapter 95 and chapter 96 of the Internal Revenue Code of 1954, through its general counsel;".

(2) Section 310 of the Act (2 U.S.C. 437d), as redesignated by section 105, is amended by adding at the end thereof the following new subsection:

"(e) Except as provided in section 313(a)(9), the power of the Commission to initiate civil actions under subsection (a)(6) shall be the exclusive civil remedy for the enforcement of the provisions of this Act.".

ADVISORY OPINIONS

SEC. 108. (a) Section 312(a) of the Act and section 312(b) of the Act (2 U.S.C. 437f(a), 437f(b)), as redesignated by section 105, are amended to read as follows:

"SEC. 312. (a) The Commission shall render an advisory opinion, in writing, within a reasonable time in response to a written request by any individual holding Federal office, any candidate for Federal office, any political committee, or the national committee of any political party concerning the application of a general rule of law stated in the Act as chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or a general rule of law prescribed as a rule or regulation by the Commission, to a specific factual situation. Any such general rule of law not stated in the Act or in chapter 95 or chapter 96 of the Internal Revenue Code of 1954 may be initially proposed by the Commission only as a rule or regulation pursuant to the procedures established by section 315(c). No opinion of an advisory nature may be issued by the Commission or any of its employees except in accordance with the provisions of this section.

"(b)(1) Notwithstanding any other provision of law, any person who relies upon any provision or finding of an advisory opinion in accordance with the provisions of paragraph (2) and who acts in good faith in accordance with the provisions and findings of such advisory opinion shall not, as a result of any such act, be subject to any sanction provided by this Act or by chapter 95 or chapter 96 of the Internal Revenue Code of 1954.

"(2) Any advisory opinion rendered by the Commission under subsection (a) may be relied upon by (A) any person involved in the specific transaction or activity with respect to which such advisory opinion is rendered; and (B) any person involved in any specific transaction or activity which is indistinguishable in all its material aspects from the transaction or activity with respect to which such advisory opinion is rendered.".

(b) The Commission shall, no later than 90 days after the date of the enactment of this Act, conform the advisory opinions issued before such date of enactment to the requirements established by section 312 (a) of the Act, as amended by subsection (a) of this section. The provisions of section 312(b) of the Act, as amended by subsection (a) of this section, shall apply with respect to all advisory opinions issued before the date of the enactment of this Act as conformed to meet the requirements of section 312(a) of the Act, as amended by subsection (a) of this section.

ENFORCEMENT

SEC. 109. Section 313 of the Act (2 U.S.C. 437g), as redesignated by section 105, is amended to read as follows:

"ENFORCEMENT

"SEC. 313. (a)(1) Any person who believes a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954 has occurred may file a complaint with the Commission. Such complaint shall be in writing, shall be signed and sworn to by the person filing such complaint, and shall be notarized. Any person filing such a complaint shall be subject to the provisions of section 1001 of title 18, United States Code. The Commission may not conduct any investigation under this section, or take any other action under this section, solely on the basis of a complaint of a person whose identity is not disclosed to the Commission.

"(2) The Commission, upon receiving a complaint under paragraph (1), and if it has reason to believe that any person has committed a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or, if the Commission, on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, has reason to believe that such a violation has occurred, shall notify the person involved of such alleged violation and shall make an investigation of such alleged violation in accordance with the provisions of this section.

"(3)(A) Any investigation under paragraph (2) shall be conducted expeditiously and shall include an investigation, conducted in accordance with the provisions of this section, of reports and statements filed by any complainant under this title, if such complainant is a candidate.

"(B) Any notification or investigation made under paragraph (2) shall not be made public by the Commission or by any person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

"(4) The Commission shall afford any person who receives notice of an alleged violation under paragraph (2) a reasonable opportunity to demonstrate that no action should be taken against such person by the Commission under this Act.

"(5)(A) If the Commission determines that there is reasonable cause to believe that any person has committed or is about to commit a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, the Commission shall make every endeavor for a period of not less than 30 days to correct or prevent such violation by informal methods of conference, conciliation, and persuasion, and to enter into a conciliation agreement with the person involved, except that, if the Commission has reasonable cause to believe that—

"(i) any person has failed to file a report required to be filed under section 304(a)(1)(C) for the calendar quarter occurring immediately before the date of a general election;

"(ii) any person has failed to file a report required to be filed no later than 10 days before an election; or

"(iii) on the basis of a complaint filed less than 45 days but more than 10 days before an election, any person has committed a knowing and willful violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954;

the Commission shall make every effort, for a period of not less than one-half the number of days between the date upon which the Commission determines there is reasonable cause to believe such a violation has occurred and the date of the election involved, to correct or prevent such violation by informal methods of conference, conciliation, and persuasion, and to enter into a conciliation agreement with the person involved. A conciliation agreement, unless violated, shall constitute a complete bar to any further action by the Commission, including the bringing of a civil proceeding under subparagraph (B).

"(B) If the Commission is unable to correct or prevent any such violation by such informal methods, the Commission may, if the Commission determines there is probable cause to believe that a violation has occurred or is about to occur, institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order, including a civil penalty which does not exceed the greater of $5,000 or an amount equal to the amount of any contribution or expenditure involved in such violation, in the district court of the United States for the district in which the person against whom such action is brought is found, resides, or transacts business.

"(C) In any civil action instituted by the Commission under subparagraph (B), the court may grant a permanent or temporary injunction, restraining order, or other order, including a civil penalty which does not exceed the greater of $5,000 or an amount equal to the amount of any contribution or expenditure involved in such violation, upon a proper showing that the person involved has engaged or is about to engage in a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954.

"(D) If the Commission determines that there is probably cause to believe that a knowing and willful violation subject to and as defined in section 329, or a knowing and willful violation of a provision of chapter 95 or chapter 96 of the Internal Revenue Code of 1954 has occurred or is about to occur, it may refer such apparent violation to the Attorney General of the United States without regard to any limitation set forth in subparagraph (A).

"(6)(A) If the Commission believes that there is clear and convincing proof that a knowing and willful violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, has been committed, a conciliation agreement entered into by the Commission under paragraph (5)(A) may include a requirement that the person involved in such conciliation agreement shall pay a civil penalty which shall not exceed the greater of (i) $10,000; or (ii) an amount equal to 200 percent of the amount of any contribution or expenditure involved in such violation.

"(B) If the Commission believes that a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954 has been committed, a conciliation agreement entered into by the Commission under paragraph (5)(A) may include a requirement that the person involved in such conciliation agreement shall pay a civil penalty which does not exceed the greater of (i) $5,000; or (ii) an amount equal to the amount of the contribution or expendiure involved in such violation.

"(C) The Commission shall make available to the public (i) the results of any conciliation attempt, including any conciliation agreement entered into by the Commission; and (ii) any determination by the Commission that no violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954 has occurred.

(7) In any civil action for relief instituted by the Commission under paragraph (5), if the court determines that the Commission has established through clear and convincing proof that the person involved in such civil action has committed a knowing and willful violation of this Act or of chapter 95

or chapter 96 of the Internal Revenue Code of 1954, the court may impose a civil penalty of not more than the greater of (A) $10,000; or (B) an amount equal to 200 percent of the contribution or expenditure involved in such violation. In any case in which such person has entered into a conciliation agreement with the Commission under paragraph (5) (A), the Commission may institute a civil action for relief under paragraph (5) if it believes that such person has violated any provision of such conciliation agreement. In order for the Commission to obtain relief in any such civil action, it shall be sufficient for the Commission to establish that such person has violated, in whole or in part, any requirement of such conciliation agreement.

"(8) In any action brought under paragraph (5) or paragraph (7), subpenas for witnesses who are required to attend a United States district court may run into any other district.

"(9) (A) Any party aggrieved by an order of the Commission dismissing a complaint filed by such party under paragraph (1), or by a failure on the part of the Commission to act on such complaint in accordance with the provisions of this section within 90 days after the filing of such complaint, may file a petition with the United States District Court for the District of Columbia.

"(B) The filing of any petition under subparagraph (A) shall be made—

"(i) in the case of the dismissal of a complaint by the Commission, no later than 60 days after such dismissal; or

"(ii) in the case of a failure on the part of the Commission to act on such complaint, no later than 60 days after the 90-day period specified in subparagraph (A).

"(C) In any proceeding under this paragraph the court may declare that the dismissal of the complaint or the action, or the failure to act, is contrary to law and may direct the Commission to proceed in conformity with such declaration within 30 days, failing which the complainant may bring in his own name a civil action to remedy the violation involved in the original complaint.

"(10) The judgment of the district court may be appealed to the court of appeals and the judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(11) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection or under section 314).

"(12) If the Commission determines after an investigation that any person has violated an order of the court entered in a proceeding brought under paragraph (5) it may petition the court for an order to adjudicate such person in civil contempt, except that if it believes the violation to be knowing and willful it may petition the court for an order to adjudicate such person in criminal contempt.

"(b) In any case in which the Commission refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Commission with respect to any action taken by the Attorney General regarding such apparent violation. Each report shall be transmitted no later than 60 days after the date the Commission refers any apparent violation, and at the close of every 30-day period thereafter until there is final disposition of such apparent violation. The Commission may from time to time prepare and publish reports on the status of such referrals.

"(c) Any member of the Commission, any employee of the Commission, or any other person who violates the provisions of subsection (a) (3) (B) shall be fined not more than $2,000. Any such member, employee, or other person who knowingly and willfully violates the provisions of subsection (a) (3) (B) shall be fined not more than $5,000.".

DUTIES OF COMMISSION

SEC. 110. (a) (1) Section 315(a) (6) of the Act (2 U.S.C. 438(a) (6)), as redesignated by section 105, is amended by inserting immediately before the semicolon at the end thereof the following: ", and to compile and maintain a separate cumulative index of reports and statements filed with it by political committees supporting more than one candidate, which shall include a listing of the date of the registration of any such political committee and the date upon which any such political committee qualifies to make expenditures under section 320(a) (2), and which shall be revised on the same basis and at the same time as the other cumulative indices required under this paragraph".

(2) Section 315(a) (8) of the Act (2 U.S.C. 438(a) (8)), as redesignated by section 105, is amended by inserting immediately before the semicolon at the end thereof the following: ", and to give priority to auditing and field investigating of the verification for, and the receipt and use of, any payments received by a candidate under chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(b) Section 315(c) of the Act (2 U.S.C. 438 (c)), as redesignated by section 105, is amended—

(1) by inserting immediately after the second sentence of paragraph (2) the following new sentences: "Whenever a committee of the House of Representatives reports any resolution relating to any such rule or regulation, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to."; and

(2) by adding the following new paragraph at the end thereof:

"(5) for purposes of this subsection, the term 'rule or regulation' means a provision or series of interrelated provisions stating a single separable rule of law.".

ADDITIONAL ENFORCEMENT AUTHORITY

SEC. 111. Section 407 of the Act (2 U.S.C. 456) is repealed.

CONTRIBUTION AND EXPENDITURE LIMITATIONS; OTHER LIMITATIONS

SEC. 112. Title III of the Act (2 U.S.C. 431–441) is amended—

(1) by striking out section 320 (2 U.S.C. 441), as redesignated by section 105; and

(2) by inserting immediately after section 319 (2 U.S.C. 439c), as redesignated by section 105, the following new sections:

"LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

"SEC. 320. (a) (1) No person shall make contributions—

"(A) to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed $1,000;

"(B) to the political committees established and maintained by a national political party, which are not the authorized political committees of any candidate, in any calendar year which, in the aggregate, exceed $20,000; or

"(C) to any other political committee in any calendar year which, in the aggregate, exceed $5,000.

"(2) No multicandidate political committee shall make contributions—

"(A) to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceeds $5,000;

"(B) to the political committees established and maintained by a national political party, which are not the authorized political committees of any candidate, in any calendar year which, in the aggregate, exceed $15,000; or

"(C) to any other political committee in any calendar year which, in the aggregate, exceed $5,000.

"(3) No individual shall make contributions aggregating more than $25,000 in any calendar year. For purposes of this paragraph, any contribution made to a candidate in a year other than the calendar year in which the election is held with respect to which such contribution is made, is considered to be made during the calendar year in which such election is held.

"(4) The limitations on contributions contained in paragraphs (1) and (2) do not apply to transfers between and among political committees which are national, State, district, or local committees (including any subordinate committee thereof) of the same political party. For purposes of paragraph (2), the term 'multicandidate political committee' means a political committee which has been registered under section 303 for a period of not less than 6 months, which has received contributions from more than 50 persons, and, except for any State political party organization, has made contributions to 5 or more candidates for Federal office.

"(5) For purposes of the limitations provided by paragraph (1) and paragraph (2), all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any other person, or by any group of such persons, shall be considered to have been made by a single political committee, except that (A) nothing in this sentence shall limit transfers between political committees of funds raised through joint fundraising efforts; (B) for purposes of the limitations provided by paragraph (1) and paragraph (2), all contributions made by a single political committee established or financed or maintained or controlled by a national committee of a political party and by a single political committee established or financed or maintained or controlled by a State committee of a political party shall not be considered to have been made by a single political committee; and (C) nothing in this section shall limit the transfer of funds between the principal campaign committee of a candidate seeking nomination or election to a Federal office and the principal campaign committee of that candidate for nomination or election to another Federal office if (i) such transfer is not made when the candidate is actively seeking nomination or election to both such offices; (ii) the limitations contained in this Act on contributions by persons are not exceeded by such transfer; and (iii) the candidate has not elected to receive any funds under chapter 95 or chapter 96 of the Internal Revenue Code of 1954. In any case in which a corporation and any of its subsidiaries, branches, divisions, departments, or local units, or a labor organization and any of its subsidiaries, branches, divisions, departments, or local units establish or finance or maintain or control more than one separate segregated fund, all such separate segregated funds shall be treated as a single separate segregated fund for purposes of the limitations provided by paragraph (1) and paragraph (2).

"(6) The limitations on contributions to a candidate imposed by paragraphs (1) and (2) of this subsection shall apply separately with respect to each election, except that all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.

"(7) For purposes of this subsection—

"(A) contributions to a named candidate made to any political committee authorized by such candidate to accept contributions on his behalf shall be considered to be contributions made to such candidate;

"(B) (i) expenditures made by any person in cooperation, consultation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees, or their agents, shall be considered to be a contribution to such candidate;

"(ii) the financing by any person of the dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign materials prepared by the candidate, his campaign committees, or their authorized agents shall be considered to be an expenditure for purposes of this paragraph; and

"(C) contributions made to or for the benefit of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be contributions made to or for the benefit of the candidate of such party for election to the office of President of the United States.

"(8) For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. The intermediary or conduit shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient.

"(b) (1) No candidate for the office of President of the United States who is eligible under section 9003 of the Internal Revenue Code of 1954 (relating to condition for eligibility for payments) or under section 9033 of the Internal Revenue Code of 1954 (relating to eligibility for payments) to receive payments from the Secretary of the Treasury may make expenditures in excess of—

"(A) $10,000,000, in the case of a campaign for nomination for election to such office, except the aggregate of expenditures under this subparagraph in any one State shall not exceed the greater of 16 cents multiplied by the voting age population of the State (as certified under subsection (e)), or $200,000; or

"(B) $20,000,000 in the case of a campaign for election to such office.

"(2) For purposes of this subsection—

"(A) expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States; and

"(B) an expenditure is made on behalf of a candidate, including a vice presidential candidate, if it is made by—

"(i) an authorized committee or any other agent of the candidate for purposes of making any expenditure; or

"(ii) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate, to make the expenditure.

"(c) (1) At the beginning of each calendar year (commencing in 1976), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Commission and publish in the Federal Register the percent difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period. Each limitation established by subsection (b) and subsection (d) shall be increased by such percent difference. Each amount so increased shall be the amount in effect for such calendar year.

"(2) For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"(B) the term 'base period' means the calendar year 1974.

"(d) (1) Notwithstanding any other provision of law with respect to limitations on expenditures or limitations on contributions, the national committee of a political party and a State committee of a political party, including any subordinate committee of a State committee, may make expenditures in connection with the general election campaign of candidates for Federal office, subject to the limitations contained in paragraphs (2) and (3) of this subsection.

"(2) The national committee of a political party may not make any expenditure in connection with the general election campaign of any candidate for President of the United States who is affiliated with such party which exceeds an amount equal to 2 cents multiplied by the voting age population of the United States (as certified under subsection (e)). Any expenditure under this paragraph shall be in addition to any expenditure by a national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States.

"(3) The national committee of a political party, or a State committee of a political party, including any subordinate committee of a State committee, may not make any expenditure in connection with the general election campaign of a candidate for Federal office in a State who is affiliated with such party which exceeds—

"(A) in the case of a candidate for election to the office of Senator, or of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 2 cents multiplied by the voting age population of the State (as certified under subsection (e)); or

"(ii) $20,000; and

"(B) in the case of a candidate for election to the office of Representative, Delegate, or Resident Commissioner in any other State, $10,000.

"(e) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, 18 years of age or older.

"(f) No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section. No officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate, or knowingly make any expenditure on behalf of a candidate, in violation of any limitation imposed on contributions and expenditures under this section.

"(g) The Commission shall prescribe rules under which any expenditure by a candidate for presidential nomination for use in 2 or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(h) Notwithstanding any other provision of this Act, amounts totaling not more than $17,500 may be contributed to a candidate for nomination for election, or for election, to the United States Senate during the year in which an election is held in which he is such a candidate, by the Republican or Democratic Senatorial Campaign Committee, or the national committee of a political party, or any combination of such committees.

"CONTRIBUTIONS OR EXPENDITURES BY NATIONAL BANKS, CORPORATIONS, OR LABOR ORGANIZATIONS

"SEC. 321. (a) It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, or for any corporation whatever, or any labor organization, to make a contribution or expenditure in connection with any election at which presidential and vice presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to, Congress are to be voted for, or in connection with any primary election or political convention or caucus held to select candidates for any of the foregoing offices, or for any candidate, political committee, or other person knowingly to accept or receive any contribution prohibited by this section, or any officer or any director of any corporation or any national bank or any officer of any labor organization to consent to any contribution or expenditure by the corporation, national bank, or labor organization, as the case may be, prohibited by this section.

"(b) (1) For purposes of this section the term 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

"(2) For purposes of this section and section 12(h) of the Public Utility Holding Company Act (15 U.S.C. 79l(h)), the term 'contribution or expenditure' shall include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business) to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section, but shall not include (A) communications by a corporation to its stockholders and executive or administrative personnel and their families or by a labor organization to its members and their families on any subject; (B) nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and executive or administrative personnel and their families, or by a labor organization aimed at its members and their families; and (C) the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation, labor organization, membership organization, cooperative, or corporation without capital stock.

"(3) It shall be unlawful—

"(A) for such a fund to make a contribution or expenditure by utilizing money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination, or financial reprisal; or by dues, fees, or other moneys required as a condition of membership in a labor organization or as a condition of employment, or by moneys obtained in any commericial transaction;

"(B) for any person soliciting an employee for a contribution to such a fund to fail to inform such employee of the political purposes of such fund at the time of such solicitation; and

"(C) for any person soliciting an employee for a contribution to such a fund to fail to inform such employee, at the time of such solicitation, of his right to refuse to so contribute without any reprisal.

"(4)(A) Except as provided in subparagraphs (B), (C), and (D), it shall be unlawful—

"(i) for a corporation, or a separate segregated fund established by a corporation, to solicit contributions to such a fund from any person other than its stockholders and their families and its executive or administrative personnel and their families, and

"(ii) for a labor organization, or a separate segregated fund established by a labor organization, to solicit contributions to such a fund from any person other than its members and their families.

"(B) It shall not be unlawful under this section for a corporation, a labor organization, or a separate segregated fund established by such corporation or such labor organization, to make 2 written solicitations for contributions during the calendar year from any stockholder, executive or administrative personnel, or employee of a corporation or the families of such persons. A solicitation under this subparagraph may be made only by mail addressed to stockholders, executive or administrative personnel, or employees at their residence and shall be so designed that the corporation, labor organization, or separate segregated fund conducting such solicitation cannot determine who makes a contribution of $50 or less as a result of such solicitation and who does not make such a contribution.

"(C) This paragraph shall not prevent a membership organization, cooperative, or corporation without capital stock, or a separate segregated fund established by a membership organization, cooperative, or corporation without capital stock, from soliciting contributions to such a fund from members of such organization, cooperative, or corporation without capital stock.

"(D) This paragraph shall not prevent a trade association or a separate segregated fund established by a trade association from soliciting contributions from the stockholders and executive or administrative personnel of the member corporations of such trade association and the families of such stockholders or personnel to the extent that such solicitation of such stockholders and personnel, and their families, has been separately and specifically approved by the member corporation involved, and such member corporation does not approve any such solicitation by more than one such trade association in any calendar year.

"(5) Notwithstanding any other law, any method of soliciting voluntary contributions or of facilitating the making of voluntary contributions to a separate segregated fund established by a corporation, permitted by law to corporations with regard to stockholders and executive or administrative personnel, shall also be permitted to labor organizations with regard to their members.

"(6) Any corporation, including its subsidiaries, branches, divisions, and affiliates, that utilizes a method of soliciting voluntary contributions or facilitating the making of voluntary contributions, shall make available such method, on written request and at a cost sufficient only to reimburse the corporation for the expenses incurred thereby, to a labor organization representing any members working for such corporation, its subsidiaries, branches, divisions, and affiliates.

"(7) For purposes of this section, the term 'executive or administrative personnel' means individuals employed by a corporation who are paid on a salary, rather than hourly, basis and who have policymaking, managerial, professional, or supervisory responsibilities.

"CONTRIBUTIONS BY GOVERNMENT CONTRACTORS

"SEC. 322. (a) It shall be unlawful for any person—

"(1) who enters into any contract with the United States or any department or agency thereof either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, at any time between the commencement of negotiations for and the later of (A) the completion of performance under; or (B) the termination of negotiations for, such contract or furnishing of material, supplies, equipment, land, or buildings, directly or indirectly to make any contribution of money or other things of value, or to promise expressly or impliedly to make any such contribution to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

"(2) knowingly to solicit any such contribution from any such person for any such purpose during any such period.

"(b) This section does not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by any corporation, labor organization, membership organization, cooperative, or corporation without capital stock for the purpose of influencing the nomination for election, or election, of any person to Federal office, unless the provisions of section 321 prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, such fund. Each specific prohibition, allowance, and duty applicable to a corporation, labor organization, or separate segregated fund under section 321 applies to a corporation, labor organization, or separate segregated fund to which this subsection applies.

"(c) For purposes of this section, the term 'labor organization' has the meaning given it by section 321(b)(1).

"PUBLICATION OR DISTRIBUTION OF POLITICAL STATEMENTS

"SEC. 323. Whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication—

"(1) if authorized by a candidate, his authorized political committees, or their agents, shall clearly and conspicuously, in accordance with regulations prescribed by the Commission, state that the communication has been authorized; or

"(2) if not authorized by a candidate, his authorized political committees, or their agents, shall clearly and conspicuously, in accordance with regulations prescribed by the Commission, state that the communication is not authorized by any candidate, and state the name of the person who made or financed the expenditure for the communication, including, in the case of a political committee, the name of any affiliated or connected organization required to be disclosed under section 303(b)(2).

"CONTRIBUTIONS BY FOREIGN NATIONALS

"SEC. 324. (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

"(b) As used in this section, the term 'foreign national' means—

"(1) a foreign principal, as such term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term 'foreign national' shall not include any individual who is a citizen of the United States; or

"(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)).

"PROHIBITION OF CONTRIBUTIONS IN NAME OF ANOTHER

"SEC. 325. No person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

"LIMITATION ON CONTRIBUTION OF CURRENCY

"SEC. 326. No person shall make contributions of currency of the United States or currency of any foreign country to or for the benefit of any candidate which, in the aggregate, exceed $100, with respect to any campaign of such candidate for nomination for election, or for election, to Federal office.

"FRAUDULENT MISREPRESENTATION OF CAMPAIGN AUTHORITY

"SEC. 327. No person who is a candidate for Federal office or an employee or agent of such a candidate shall—

"(1) fraudulently misrepresent himself or any committee or organization under his control as speaking or writing or otherwise acting for or on behalf of any other candidate or political party or employee or agent thereof on a matter which is damaging to such other candidate or political party or employee or agent thereof; or

"(2) willfully and knowingly participate in or conspire to participate in any plan, scheme, or design to violate paragraph (1).

"ACCEPTANCE OF EXCESSIVE HONORARIUMS

"SEC. 328. No person while an elected or appointed officer or employee of any branch of the Federal Government shall accept—

"(1) any honorarium of more than $2,000 (excluding amounts accepted for actual travel and subsistence expenses for such person and his spouse or an aide to such person, and excluding amounts paid or incurred for any agents' fees or commissions) for any appearance, speech, or article; or

"(2) honorariums (not prohibited by paragraph (1) of this section) aggregating more than $25,000 in any calendar year.

"PENALTY FOR VIOLATIONS

"SEC. 329. (a) Any person, following the date of the enactment of this section, who knowingly and willfully commits a violation of any provision or provisions of this Act which involves the making, receiving, or reporting of any contribution or expenditure having a value in the aggregate of $1,000 or more during a calendar year shall be fined in an amount which does not exceed the greater of $25,000 or 300 percent of the amount of any contribution or expenditure involved in such violation, imprisoned for not more than 1 year, or both. In the case of a knowing and willful violation of section 321(b)(3), including such a violation of the provisions of such section as applicable through section 322(b), of section 325, or of section 326, the penalties set forth in this section shall apply to a violation involving an amount having a value in the aggregate of $250 or more during a calendar year. In the case of a knowing and willful violation of section 327, the penalties set forth in this section shall apply without regard to whether the making, receiving, or reporting of a contribution or expenditure of $1,000 or more is involved.

"(b) A defendant in any criminal action brought for the violation of a provision of this Act, or of a provision of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, may introduce as evidence of his lack of knowledge of or intent to commit the offense for which the action was brought a conciliation agreement entered into between the defendant and the Commission under section 313 which specifically deals with the act or failure to act constituting such offense and which is still in effect.

"(c) In any criminal action brought for a violation of a provision of this Act, or of a provision of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, the court before which such action is brought shall take into account, in weighing the seriousness of the offense and in considering the appropriateness of the penalty to be imposed if the defendant is found guilty, whether—

"(1) the specific act or failure to act which constitutes the offense for which the action was brought is the subject of a conciliation agreement entered into between the defendant and the Commission under section 313;

"(2) the conciliation agreement is in effect; and

"(3) the defendant is, with respect to the violation involved, in compliance with the conciliation agreement.".

AUTHORIZATION OF APPROPRIATIONS

SEC. 113. Section 319 of the Act (2 U.S.C. 439c), as redesignated by section 105, is amended by adding at the end thereof the following sentence: "There are authorized to be appropriated to the Commission $6,000,000 for the fiscal year ending June 30, 1976, $1,500,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $6,000,000 for the fiscal year ending September 30, 1977.".

SAVINGS PROVISION

SEC. 114. Except as otherwise provided by this Act, the repeal by this Act of any section or penalty shall not have the effect of releasing or extinguishing any penalty, forfeiture, or liability incurred under such section or penalty, and such section or penalty shall be treated as remaining in force for the purpose of sustaining any proper action or prosecution for the enforcement of any penalty, forfeiture, or liability.

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 115. (a) Section 306(d) of the Act (2 U.S.C. 436(d)) is amended by inserting immediately after "304(a)(1)(C)," the following: "304(c),".

(b) Section 310(a)(7) of the Act (2 U.S.C. 437d(a)(7)), as redesignated by section 105, is amended by striking out "313" and inserting in lieu thereof "312".

(c)(1) Section 9002(3) of the Internal Revenue Code of 1954 (defining Commission) is amended by striking out "310(a)(1)" and inserting in lieu thereof "309(a)(1)".

(2) Section 9032(3) of the Internal Revenue Code of 1954 (defining Commission) is amended by striking out "310(a)(1)" and inserting in lieu thereof "309(a)(1)".

(d)(1) Section 301(e)(5)(F) of the Act (2 U.S.C. 431(e)(5)(F)) is amended by striking out "the last paragraph of section 610 of title 18, United States Code" and inserting in lieu thereof "section 321(b)".

(2) Section 301(f)(4)(H) of the Act (2 U.S.C. 431(f)(4)(H)) is amended by striking out "the last paragraph of section 610 of title 18, United States Code" and inserting in lieu thereof "section 321(b)".

(e) Section 314(a) of the Act (2 U.S.C. 437h(a)), as redesignated by section 105, is amended by striking out "or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code" in the first sentence of such subsection and by striking out "or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code," in the second sentence of such subsection.

(f)(1) Section 406(a) of the Act (2 U.S.C. 455(a)) is amended by striking out "or section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code".

(2) Section 406(b) of the Act (2 U.S.C. 455(b)) is amended by striking out "or section 608, 610, 611, or 613 of title 18, United States Code,".

(g) Section 591 of title 18, United States Code, as amended by section 202(c), is amended—

(1) by striking out "608(c) of this title" in paragraph (f)(4)(I) and inserting in lieu thereof "section 320(b) of the Federal Election Campaign Act of 1971";

(2) by striking out "by section 608(b)(2) of this title" in paragraph (f)(4)(J) and inserting in lieu thereof "under section 320(a)(2) of the Federal Election Campaign Act of 1971"; and

(3) by striking out "310(a)" in paragraph (k) and inserting in in lieu thereof "309(a)".

(h) Section 301(n) of the Act (2 U.S.C. 431 (n)) is amended by striking out "302(f)(1)" and inserting in lieu thereof "302(e)(1)".

(i) The third sentence of section 308(a)(1) of the Act (2 U.S.C. 437b(a)(1)), as redesignated by section 105, is amended by striking out "97" and inserting in lieu thereof "96".

TITLE II—AMENDMENTS TO TITLE 18, UNITED STATES CODE

REPEAL OF CERTAIN PROVISIONS

SEC. 201. (a) Chapter 29 of title 18, United States Code, is amended by striking out sections 608, 610, 611, 612, 613, 614, 615, 616, and 617.

(b) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the items relating to sections 608, 610, 611, 612, 613, 614, 615, 616, and 617.

CHANGES IN DEFINITIONS

SEC. 202. (a) Section 591 of title 18, United States Code, is amended by striking out "602, 608, 610, 611, 614, 615, and 617" and inserting in lieu thereof "and 602".

(b) Section 591(e)(4) of title 18, United States Code, is amended by inserting immediately before the semicolon the following: ", except that this paragraph shall not apply in the case of legal or accounting services rendered to or on behalf of the national committee of a political party (unless the person paying for such services is a person other than the regular employer of the individual rendering such services), other than services attributable to activities which directly further the election of a designated candidate or candidates to Federal office, nor shall this paragraph apply in the case of legal or accounting services rendered to or on behalf of a candidate or political committee solely for the purpose of ensuring compliance with the provisions of the Federal Election Campaign Act of 1971 or chapter 95 or chapter 96 of the Internal Revenue Code of 1954 (unless the person paying for such services is a person other than the regular employer of the individual rendering such services), but amounts paid or incurred for such legal or accounting services shall be reported in accordance with the requirements of section 904(b) of the Federal Election Campaign Act of 1971".

(c) Section 591(f)(4) of title 18, United States Code, is amended—

(1) by redesignating clause (F) through clause (I) as clause (G) through clause (J), respectively; and

(2) by inserting immediately after clause (E) the following new clause:

"(F) the payment, by any person other than a candidate or political committee, of compensation for legal or accounting services rendered to or on behalf of the national committee of a political party (unless the person paying for such services is a person other than the regular employer of the individual rendering such services), other than services attributable to activities which directly further the election of a designated candidate or candidates to Federal office, or the payment for legal or accounting services rendered to or on behalf of a candidate or political committee solely for the purpose of ensuring compliance with the provisions of the Federal Election Campaign Act of 1971 or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954 (unless the person paying for such services is a person other than the regular employer of the individual rendering such services), but amounts paid or incurred for such legal or accounting services shall be reported under section 304(b) of the Federal Election Campaign Act of 1971;".

TITLE III—AMENDMENTS TO INTERNAL REVENUE CODE OF 1954

ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS

SEC. 301. (a) Section 9004 of the Internal Revenue Code of 1954 (relating to entitlement of eligible candidates to payments) is amended by adding at the end thereof the following new subsections:

"(d) EXPENDITURES FROM PERSONAL FUNDS.—In order to be eligible to receive any payment under section 9006, the candidate of a major, minor, or new party in an election for the office of President shall certify to the Commission, under penalty of perjury, that such candidate will not knowingly make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for election to the office of President in excess of, in the aggregate, $50,000. For purposes of this subsection, expenditures from personal funds made by a candidate of a major, minor, or new party for the office of Vice President shall be considered to be expenditures by the candidate of such party for the office of President.

"(e) DEFINITION OF IMMEDIATE FAMILY.—For purposes of subsection (d), the term 'immediate family' means a candidate's spouse, and any child, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate, and the spouses of such persons.".

(b) For purposes of applying section 9004(d) of the Internal Revenue Code of 1954, as added by subsection (a), expenditures made by an individual after January 29, 1976, and before the date of the enactment of this Act shall not be taken into account.

PAYMENTS TO ELIGIBLE CANDIDATES; INSUFFICIENT AMOUNTS IN FUND

SEC. 302. (a) Section 9006 of the Internal Revenue Code of 1954 (relating to payments to eligible candidates) is amended by striking out subsection (b) thereof and by redesignating subsection (c) and subsection (d) as subsection (b) and subsection (c), respectively.

(b) Section 9006(c) of the Internal Revenue Code of 1954 (relating to insufficient amounts in fund), as redesignated by subsection (a), is amended by adding at the end thereof the following new sentence: "In any case in which the Secretary or his delegate determines that there are insufficient moneys in the fund to make payments under subsection (b), section 9008(b)(3), and section 9037(b), moneys shall not be made available from any other source for the purpose of making such payments.".

PROVISION OF LEGAL OR ACCOUNTING SERVICES

SEC. 303. Section 9008(d) of the Internal Revenue Code of 1954 (relating to limitation of expenditures) is amended by adding at the end thereof the following new paragraph:

"(4) PROVISION OF LEGAL OR ACCOUNTING SERVICES.—For purposes of this section, the payment, by any person other than the national committee of a politcial party (unless the person paying for such services is a person other than the regular employer of the individual rendering such services) of compensation to any individual for legal or accounting services rendered to or on behalf of the national committee of a political party shall not be treated as an expenditure made by or on behalf of such committee with respect to its limitations on presidential nominating convention expenses.".

REVIEW OF REGULATIONS

SEC. 304. (a) Section 9009(c) of the Internal Revenue Code of 1954 (relating to review of regulations) is amended—

(1) in paragraph (2) thereof, by inserting immediately after the first sentence thereof the following new sentences: "Whenever a committee of the House of Representatives reports any resolution relating to any such rule or regulation, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to."; and

(2) by adding at the end thereof the following new paragraph:

"(4) For purposes of this subsection, the term 'rule or regulation' means a provision or series of interrelated provisions stating a single separable rule of law.".

(b) Section 9039(c) of the Internal Revenue Code of 1954 (relating to review of regulations) is amended—

(1) in paragraph (2) thereof, by inserting immediately after the first sentence thereof the following new sentences: "Whenever a committee of the House of Representatives reports any resolution relating to any such rule or regulation, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to."; and

(2) by adding at the end thereof the following new paragraph:

"(4) For purposes of this subsection, the term 'rule or regulation' means a provision or series of interrelated provisions stating a single separable rule of law.".

QUALIFIED CAMPAIGN EXPENSE LIMITATION

SEC. 305. (a) Section 9035 of the Internal Revenue Code of 1954 (relating to qualified campaign expense limitation) is amended—

(1) in the heading thereof, by striking out "LIMITATION" and inserting in lieu thereof "LIMITATIONS";

(2) by inserting "(a) EXPENDITURE LIMITATIONS.—" immediately before "No candidate";

(3) by inserting immediately after "States Code" the following: ", and no candidate shall knowingly make expenditures from his personal funds" or the personal funds of his immediate family, in connection with his campaign for nomination for election to the office of President in excess of, in the aggregate, $50,000"; and

(4) by adding at the end thereof the following new subsection:

"(b) DEFINITION OF IMMEDIATE FAMILY.—For purposes of this section, the term 'immediate family' means a candidate's spouse, and any child, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate, and the spouses of such persons.".

(b) The table of sections for chapter 96 of the Internal Revenue Code of 1954 is amended by striking out the item relating to section 9035 and inserting in lieu thereof the following new item:

"Sec. 9035. Qualified campaign expense limitations.".

(c) Section 9033(b)(1) of the Internal Revenue Code of 1954 (relating to expense limitation; declaration of intent; minimum contributions) is amended by striking out "limitation" and inserting in lieu thereof "limitations".

(d) For purposes of applying section 9035 (a) of the Internal Revenue Code of 1954, as amended by subsection (a), expenditures made by an individual after January 29, 1976, and before the date of the enactment of this Act shall not be taken into account.

RETURN OF FEDERAL MATCHING PAYMENTS

SEC. 306. (a)(1) Section 9002(2) of the Internal Revenue Code of 1954 (defining candidate) is amended by adding at the end thereof the following new sentence: "The term 'candidate' shall not include any individual who has ceased actively to seek election to the office of President of the United States or to the office of Vice President of the United States, in more than one State.".

(2) Section 9003 of the Internal Revenue Code of 1954 (relating to condition for eligibility for payments) is amended by adding at the end thereof the following new subsection:

"(d) WITHDRAWAL BY CANDIDATE.—In any case in which an individual ceases to be a candidate as a result of the operation of the last sentence of section 9002(2), such individual—

"(1) shall no longer be eligible to receive any payments under section 9006, except that such individual shall be eligible to receive payments under such section to defray qualified campaign expenses incurred while actively seeking election to the office of President of the United States or to the office of Vice President of the United States in more than one State; and

"(2) shall pay to the Secretary or his delegate, as soon as practicable after the date upon which such individual ceases to be a candidate, an amount equal to the amount of payments received by such individual under section 9006 which are not used to defray qualified campaign expenses.".

(b)(1) Section 9032(2) of the Internal Revenue Code of 1954 (defining candidate) is amended by adding at the end thereof the following new sentence: "The term 'candidate' shall not include any individual who is not actively conducting campaigns in more than one State in connection with seeking nomination for election to be President of the United States.".

(2) Section 9033 of the Internal Revenue Code of 1954 (relating to eligibility for payments) is amended by adding at the end thereof the following new subsection:

"(c) TERMINATION OF PAYMENTS.—

"(1) GENERAL RULE.—Except as provided by paragraph (2), no payment shall be made to any individual under section 9037—

"(A) if such individual ceases to be a candidate as a result of the operation of the last sentence of section 9032(2); or

"(B) more than 30 days after the date of the second consecutive primary election in which such individual receives less than 10 percent of the number of votes cast for all candidates of the same party for the same office in such primary election, if such individual permitted or authorized the appearance of his name on the ballot, unless such individual certifies to the Commission that he will not be an active candidate in the primary involved.

"(2) QUALIFIED CAMPAIGN EXPENSES; PAYMENTS TO SECRETARY.—Any candidate who is ineligible under paragraph (1) to receive any payments under section 9037 shall be eligible to continue to receive payments under section 9037 to defray qualified campaign expenses incurred before the date upon which such candidate becomes ineligible under paragraph (1).

"(3) CALCULATION OF VOTING PERCENTAGE.—For purposes of paragraph (1)(B), if the primary elections involved are held in more than one State on the same date, a candidate shall be treated as receiving that percentage of the votes on such date which he received in the primary election conducted on such date in which he received the greatest percentage vote.

"(4) REESTABLISHMENT OF ELIGIBILITY.—

"(A) In any case in which an individual is ineligible to receive payments under section 9037 as a result of the operation of paragraph (1)(A), the Commission may subsequently determine that such individual is a candidate upon a finding that such individual is actively seeking election to the office of President of the United States in more than one State. The Commission shall make such determination without requiring such individual to reestablish his eligibility to receive payments under subsection (a).

"(B) Notwithstanding the provisions of paragraph (1)(B), a candidate whose payments have been terminated under paragraph (1)(B) may again receive payments (including amounts he would have received but for paragraph (1)(B)) if he receives 20 percent or more of the total number of votes cast for candidates of the same party in a primary election held after the date on which the election was held which was the basis for terminating payments to him.".

(c) The amendments made by this section shall take effect on the date of the enactment of this Act.

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 307. (a) Section 9008(b)(5) of the Internal Revenue Code of 1954 (relating to adjustment of entitlements) is amended—

(1) by striking out "section 608(c) and and section 608(f) of title 18, United States Code," and inserting in lieu thereof "section 320(b) and section 320(d) of the Federal Election Campaign Act of 1971"; and

(2) by striking out "section 608(d) of such title" and inserting in lieu thereof "section 320(c) of such Act".

(b) Section 9034(b) of the Internal Revenue Code of 1954 (relating to limitations) is amended by striking out "section 608(c)(1)(A) of title 18, United States Code," and inserting in lieu thereof "section 320(b)(1)(A) of the Federal Election Campaign Act of 1971".

(c) Section 9035(a) of the Internal Revenue Code of 1954 (relating to expenditure limitations), as redesignated by section 305 (a), is amended by striking out "section 608 (c)(1)(A) of title 18, United States Code" and inserting in lieu thereof "section 320(b) (1)(A) of the Federal Election Campaign Act of 1971".

(d) Section 9004(a)(1) of the Internal Revenue Code of 1954 (relating to entitlements of eligible candidates to payments) is amended by striking out "608(c)(1)(B) of title 18, United States Code" and inserting in lieu thereof "320(b)(1)(B) of the Federal Election Campaign Act of 1971".

(e) Section 9007(b)(3) of the Internal Revenue Code of 1954 (relating to repayments) is amended by striking out "9006(d)" and inserting in lieu thereof "9006(c)".

(f) Section 9012(b)(1) of the Internal Revenue Code of 1954 (relating to contributions) is amended by striking out "9006 (d)" and inserting in lieu thereof "9006(c)".

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the Senate bill and agree to the same.

And the House agree to the same.

Wayne L. Hays,
John H. Dent,
John Brademas,
Dawson Mathis,
Mendel J. Davis,
Charles E. Wiggins,
Managers on the Part of the House.
Howard W. Cannon,
Claiborne Pell,
Robert C. Byrd,
Hugh Scott,
Mark O. Hatfield,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

The Senate bill, the House amendment, and the conference substitute provide that this legislation may be cited as the "Federal Election Campaign Act Amendments of 1976".

AMENDMENTS TO FEDERAL ELECTION CAMPAIGN ACT OF 1971

Federal Election Commission membership

Senate bill

Section 101 of the Senate bill amended the Federal Election Campaign Act of 1971 (hereinafter in this statement referred to as the "Act") to provide that the Federal Election Commission (hereinafter in this statement referred to as the "Commission") is to consist of the Secretary of the Senate, the Clerk of the House, both ex officio and without the right to vote, and 8 members appointed by the President by and with the advice and consent of the Senate. No more than 3 members of the Commission at any time may be affiliated with the same political party, and at least 2 members shall not be affiliated with any party.

The bill provided for 8-year terms for members with the terms of 2 members, not affiliated with the same political party, expiring every 2 years, beginning in 1977, so that members are not reappointed in an election year. Vacancies are filled only for the remainder of the term during which the vacancy occurred. Reappointment is to be made in the same manner as the appointment.

Section 101(c)(1) provided that the Commission has exclusive and primary jurisdiction with respect to the civil enforcement of the Federal Election Campaign Act and of the provisions of the Internal Revenue Code of 1954 relating to the public financing of presidential elections. This section also recited a reservation of congressional prerogatives reserved to the Congress under the Constitution.

Section 101(c)(2) provided that the Commission may not establish guidelines, initiate civil actions, render advisory opinions, make regulations, conduct investigations, or report apparent violations of law without an affirmative vote of 5 members of the Commission.

Section 101(d) of the Senate bill exempted Commission staff appointments from the provisions of title 5, United States Code, relating to the competitive service, classification, and General Schedule pay rates. This provision maintained the present exempt status of Commission appointments.

Section 101(e) related to the appointment of new members. It urged the expeditious appointment of new members, provided that the first appointments to the new Commission are not appointments to fill unexpired terms, provided that the terms of all the present members end when a majority of the new members are appointed and qualified, and gave statutory recognition to the limited power of the reconstituted Commission under the decision of the Supreme Court in *Buckley* v. *Valeo* (Nos. 75-436, 75-437, January 30, 1976).

Section 101(f) permitted the present members to be appointed to the new Commission by waiving the prohibition against the appointment of individuals to the Commission presently holding Federal office.

Section 101(g) of the Senate bill was designed to facilitate the transition between the Commisison as presently constituted and the Commission as reconstituted by the Senate bill by providing for the transfer of personnel, liabilities, contracts, property, and records employed, held, or used primarily in connection with the functions of the Commission as presently constituted. It provided that the transfer of personnel from the old Commission to the new Commission would be without reduction in classification or compensation for one year after such transfer. Thus, no person's salary or position would be reduced solely because of the transfer. This provision does not bar a dismissal or reduction in salary by the Commission for reasons other than the transfer. This section also preserved all actions, suits, and other proceedings commenced by or against the Commission or any officer or employee thereof acting in his official capacity. It also preserved all orders, determinations, rules, advisory opinions, and opinions of counsel made, issued, or granted by the Commission before its reconstitution.

House amendment

Section 101(a)(1) amended section 309 (a)(1) of the Act, as so redesignated by section 105 of the House amendment, to provide that the Commission is composed of the Secretary of the Senate and the Clerk of the House of Representatives ex officio and without the right to vote, and 6 members appointed by the President of the United States, by and with the advice and consent of the Senate.

Section 101(a)(2) amended section 309(a) (1) of the Act, as so redesignated by section 105 of the House amendment, to provide that no more than 3 members of the Commission appointed by the President may be affiliated with the same political party.

Section 101(b) amended section 309(a) of the Act, as so redesignated by section 105, by rewriting paragraph (2). Section 309(a) (2)(A) provides that members of the Commission shall serve for terms of 6 years, except that members first appointed shall serve for staggered terms as designated by the President. In making such designations, the President may not appoint an individual affiliated with any political party for a term which expires 1 year after the term of another member affiliated with the same political party.

Section 309(a)(2)(B) provides that a member of the Commission may serve after the expiration of his term until his successor has taken office.

Section 309(a)(2)(C) provides that an individual appointed to fill a vacancy occurring other than by the expiration of a term of office may be appointed only for the unexpired term of the member he succeeds.

Section 309(a)(2)(D) provides that a vacancy in the Commission shall be filled in the same manner as the original appointment.

Section 101(c)(1) amended section 309(a) (3) of the Act, as so redesignated by section 105 of the House amendment, to provide that members of the Commission shall not engage in any other business, vocation, or employment. Members are given 1 year to terminate or liquidate any such activities.

Section 101(c)(2) amended section 309 of the Act, as so redesignated by section 105 of the House amendment, by rewriting subsection (b). Section 309(b)(1) requires the Commission to administer and formulate policy regarding the Act and chapter 95 and chapter 96 of the Internal Revenue Code of 1954. The Commission is given exclusive primary jurisdiction regarding the civil enforcement of such provisions.

Section 309(b)(2) provides that the provisions of the Act do not limit, restrict, or diminish any investigatory, informational, oversight, supervisory, or disciplinary authority or function of the Congress or any committee of the Congress regarding elections to Federal office.

Section 101(c)(3) of the House amendment amended section 309(c) of the Act, as so redesignated by section 105 of the House amendment, to require an affirmative vote of 4 members of the Commission in order for the Commission to establish guidelines for compliance with the Act or with chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or for the Commission to take any action under (1) section 310(a)(6) of the Act, as so redesignated by section 105 of the House amendment, relating to the initiation of civil actions; (2) section 310(a)(7) of the Act, relating to the rendering of advisory opinions; (3) section 310(a)(8) of the Act, relating to prescribing forms and to rule-making authority; or (4) section 310(a)(10) of the Act, relating to investigations and hearings.

Section 101(d)(1) provided that the President shall appoint members of the Commission as soon as practicable after the date of the enactment of the House amendment. Subsection (d)(2) provided that the first appointments made by the President shall not be considered appointments to fill the unexpired terms of members serving on the Commission on the date of the enactment of the House amendment.

Subsection (d)(3) provided that members of the Commission serving on the date of the enactment of the House amendment may continue to serve as such members until members are appointed and qualified under section 309(a) of the Act, as amended by the House amendment, except that, beginning on March 1, 1976, they may exercise only such powers and functions as may be consistent with the determinations of the Supreme Court of the United States in *Buckley* v. *Valeo*.

Section 101(e) provided that members serving on the Commission on the date of the enactment of the House amendment shall not be subject to the provisions of section 309(a)(3) of the Act, as so redesignated by section 105 of the House amendment, which prohibit any member of the Commission from being an elected or appointed officer or employee of any branch of the Federal Government.

Conference substitute

The conference substitute is the same as the House amendment, except as follows:

1. The provision relating to the staggered

terms for members of the Commission first appointed is the same as the Senate bill, except that the provision relating to the expiration of terms on April 30, 1983, is omitted from the conference substitute.

2. With regard to the provision relating to members of the Commission engaging in any other business, vocation, or employment, the conferees agree that the requirement is intended to apply to members who devote a substantial portion of their time to such business, vocation, or employment activities. The conferees, however, do not intend the requirement to apply to the operation of a farm, for example, if a substantial portion of time is not devoted to such operation. The conferees further agree that the members of the Commission are expected to engage in their service on the Commission on a full-time basis, in order to prevent any conflicts of interest on the part of such members. It is the expectation of the conferees, for example, that members of the Commission would not participate in full-time law practices while serving on the Commission. The purpose of the 1-year period included in the conference substitute is to give members an opportunity to liquidate participation in such business, vocation, or employment activities.

3. The conference substitute provides that personnel of the Commission may be appointed without regard to the provisions of title 5, United States Code, relating to the competitive service. Such personnel, however, are made subject to the classification and pay provisions of title 5, United States Code. The conferees agree that the Commission, in transmitting its budget requests to the Congress, would be required to include information relating to the number of persons employed by the Commission, the job descriptions of such persons, and grade classification assigned to such persons for congressional review.

4. The conference substitute changes the provision of the House amendment relating to the authority of current members of the Commission to continue to serve on the Commission. The conference substitute clarifies that this provision will continue the authority of such current members until new members of the Commission are appointed and qualified. The conference substitute also provides that such current members may exercise only such powers and functions as may be consistent with *Buckley* v. *Valeo* beginning on March 23, 1976, rather than on March 1, 1976, as provided by the House amendment. The conference substitute makes such change in the date in order to conform to the extension granted by the Supreme Court regarding the expiration of the authority of the Commission to perform executive functions.

5. The conference substitute adopts the transfer provisions of the Senate bill except that the orders, determinations, rules, and opinions of the Commission made before its reconstitution under the amendments made by the conference substitute remain in effect if they are consistent with such amendments. The conferees agree that if any portion of an order, determination, rule, or opinion of the Commission is invalid under such amendments, the Commission must conform such portion to such amendments as required under section 108(b) of the conference substitute. The conference substitute also provides that any rule or regulation proposed by the Commission before the amendments made by the conference substitute take effect must be submitted to the Congress under the procedures described in section 315 of the Act, as added by the conference substitute.

6. Regarding the provision of the conference substitute which gives the Commission exclusive primary jurisdiction with respect to the civil enforcement of Federal election laws, the conferees agree with the discussion of the term "exclusive primary jurisdiction" included in the report of the Committee on House Administration (see page 4 of House Report No. 94-917).

CHANGES IN DEFINITIONS IN FEDERAL ELECTION CAMPAIGN ACT OF 1971

A. Election

Senate bill

Section 102(a) of the bill amended the definition of "election" in section 301(a)(2) of the Act (2 U.S.C. 431(a)(2)), relating to nominating conventions and caucuses, by changing "held to nominate a candidate" in present law to "which has authority to nominate a candidate.".

House amendment

Section 102(a) of the House amendment amended section 301(a)(2) of the Act to provide that the term "election" includes any caucus or convention of a political party which has authority to nominate a candidate.

Conference substitute

The conference substitute is the same as the House amendment and the Senate bill.

B. Contribution

Senate bill

Section 102(b) of the Senate bill amended the definition of "contribution" in section 301(e)(2) of the Act (2 U.S.C. 431(e)(2)) where it says "contribution means a contract, promise, or agreement, expressed or implied, whether or not legally enforceable, to make a contribution" by inserting the word "written" before the word "contract".

Section 102(c) amended the definition of "contribution" to exclude legal and accounting services rendered to or on behalf of the national committee of a political party (unless the person paying for such services is a person other than the employer of the individual rendering such services) which do not directly further the candidacy of a particular candidate. Also excluded are such services rendered to or on behalf of any candidate or political committee for the purpose of complying with the requirements of the Act and chapters 95 and 96 of the Internal Revenue Code of 1954 (unless the person paying for such services is a person other than the employer of the individual rendering such services). The section requires the latter amounts paid or incurred to be reported and disclosed but permits them to be ignored in determining contribution and expenditure limitations.

Section 102(d) transferred from section 591(e)(1) of title 18, United States Code, the exception from the definition of contribution, for limitation purposes, a loan of money by a bank in the ordinary course of business. Such a loan would be required to be reported, however, as in existing law. Section 102(f)(3) did the same with respect to the definition of expenditure.

The Senate bill also provided that the $500 ceiling on activities under section 301(e)(5) of the Act would apply to activities by any person, rather than by any individual. The effect of this amendment would be to include partnerships, committees, associations, corporations, labor organizations, and other organizations or groups, as well as individuals, under the terms of the provision.

House amendment

Section 102(b) amended section 301(e)(2) of the Act to provide that a contract, promise, or agreement to make a contribution must be in writing in order to be considered a contribution. The House amendment also struck the phrase "expressed or implied" from section 301(e)(2), in order to conform to the requirement that the agreement be in writing.

Section 102(c)(1) amended section 301(e)(4) of the Act to provide that the definition of contribution shall not apply to (1) legal or accounting services rendered to or on behalf of the national committee of a political party, other than legal or accounting services attributable to any activity which directly furthers the election of a designated candidate for Federal office; or (2) legal or accounting services rendered to or on behalf of a candidate or political committee for the sole purpose of ensuring compliance with the Act, chapter 29 of title 18, United States Code, or chapter 95 or chapter 96 of the Internal Revenue Code of 1954.

Subsection (c)(2) added a new clause (G) to section 301(e)(5) of the Act, Clause (G) provides that the term contribution shall not include a gift, subscription, loan, advance, or deposit of money or anything of value to a national committee or a State committee of a political party which is for the sole purpose of defraying any cost incurred for the construction or purchase of any office facility which is not acquired for the purpose of influencing the election of any candidate in any particular election for Federal office. Clause (G) requires that any such gift, subscription, loan, advance, or deposit of money or anything of value, and any such cost, must be reported in accordance with section 304(b) of the Act.

Conference substitute

The conference substitute is the same as the House amendment, except as follows:

1. The conference substitute includes a modified version of the provision of the Senate bill which provides that legal or accounting services are considered contributions if the person paying for the services is a person other than the "regular" employer of the individual rendering the services.

2. The conference substitute follows the Senate bill in requiring the reporting of such services when they are rendered to a candidate.

3. The conference substitute includes the amendment made by the Senate bill exempting bank loans made in the regular course of business from the definition of contributions except for reporting purposes.

4. The conference substitute includes the amendment made by the Senate bill to the limitation on certain exempt activities by individuals so that limit would apply to all persons rather than just to individuals.

5. The conference substitute provides that the term "contribution" does not include any honorarium within the meaning of section 328 of the Act, as amended by the conference substitute.

C. Expenditure

Senate bill

Section 102(f) amended the definition of "expenditure" to exclude certain fund-raising costs and payments for legal and accounting services (under the circumstances discussed above). The exclusion of some fund-raising costs for purposes of the limits on expenditures by publicly financed presidential candidates conforms to present law and was made necessary by the transfer of the provisions setting forth those limits to the Act. Section 102(f) also excluded from the definition of "expenditure for limitation purposes partisan activity designed to encourage individuals to register to vote, or to vote, conducted by the national committee of a political party, or a subordinate committee thereof, or the State committee of a national party. Such activity would, however, be required to be reported.

House amendment

Section 102(d)(1) amended section 301(f)(4) of the Act by adding a new clause (I). Clause (I) provides that the term "expenditure" does not include any costs incurred by a candidate in connection with any solicitation of contributions by the candidate. Clause (I) does not apply, however, to costs incurred by a candidate in excess of an amount equal to 20 percent of the applicable expenditure limitation under section 320(b) of the Act. All costs incurred by a candidate in connection with the solicitation of contributions shall be reported in accordance with section 304(b).

Subsection (d)(2) amended section 301 (f)(4) of the Act by adding a new clause (F). Clause (F) provides that the term "expenditure" does not include the payment, by any person other than a candidate or a political committee, of compensation for (1) legal or accounting services rendered to or on behalf of the national committee of a political party, other than legal or accounting services attributable to any activity which directly furthers the election of a designated candidate for Federal office; or (2) legal or accounting services rendered to or on behalf of a candidate or political committee for the sole purpose of ensuring compliance with the Act, chapter 29 of title 18, United States Code, or chapter 95 or chapter 96 of the Internal Revenue Code of 1954.

Conference substitute

The conference substitute is the same as the Senate bill, except that (1) the provision of the Senate bill relating to legal or accounting services is modified by the conference substitute to provide that legal or accounting services are considered expenditures if the person paying for the services is a person other than the "regular" employer of the individual rendering the services; and (2) the exclusion for partisan registration and get-out-the-vote activity is not retained in the conference substitute, resulting in no change in existing law.

D. Other definitions

Senate bill

Section 102(g) of the Senate bill amended section 301 of the Act to define the term "Act" to mean the Federal Election Campaign Act of 1971, as amended by the Federal Election Campaign Act Amendments of 1974 and the Federal Election Campaign Act Amendments of 1976.

House amendment

Section 102(e) amended section 301 of the Act by adding the following new definitions:

1. The term "Act" was defined to mean the Federal Election Campaign Act of 1971, as amended by the Federal Election Campaign Act Amendments of 1974 and the Federal Election Campaign Act Amendments of 1976.

2. The term "independent expenditure" was defined to mean any expenditure by a person which expressly advocates the election or defeat of a clearly identified candidate, which is made without cooperation or consultation with any candidate, or any authorized committee or agent of the candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of the candidate.

3. The term "clearly identified" was defined to mean (a) the name of the candidate involved appears; (b) a photograph or drawing of the candidate appears; or (c) the identity of the candidate is apparent by unambiguous reference.

Conference substitute

The conference substitute is the same as the House amendment. The conferees agree, with respect to the definition of the term "independent expenditure", that advocacy of the election or defeat of a candidate or a general request for assistance in a speech to a group of persons by itself should not be considered to be a "suggestion" that such persons make an expenditure to further such election or defeat. The definition of the term "independent expenditure" in the conference substitute is intended to be consistent with the discussion of independent political expenditures which was included in *Buckley* v. *Valeo*.

ORGANIZATION OF POLITICAL COMMITTEES

Senate bill

Subsections (a) and (b) of section 103 of the Senate bill amended section 302 of the Act (2 U.S.C. 432(b)) to reduce the accounting and recordkeeping requirements applicable to political committees by requiring that records be kept only on contributions in excess of $100, instead of in excess of $10.

Section 103(c) struck out section 302(e) of the Act (2 U.S.C. 432(e)) which requires that notice of unauthorized activities by political committees be disclosed on the literature and advertisements circulated by those committees. The subject is covered by a new section 323 of the Act added by section 110 of the Senate bill.

House Amendment

Section 103 of the House amendment amended section 302 of the Act by striking out subsection (e), relating to a requirement that political committees raising contributions or making expenditures on behalf of a candidate without being authorized to do so by the candidate must indicate this lack of authority on any campaign literature and campaign advertisements. Section 323 of the Act, as added by the House amendment, contains a similar provision.

Conference substitute

The conference substitute is the same as the Senate bill except that the conference substitute changes the recordkeeping requirements so that political committees must keep records only for contributions of $50 or more.

The conferees agree that where a political committee is not required to record the identity of the contributor of a particular contribution, and it does not do so, and if, as a result, such committee has no knowledge that this particular contribution, when aggregated with other contributions from the same contributor, amounts to over $100, the committee is not required to report the identity of such contributor under section 304 of the Act. If, however, a committee has knowledge of a contribution, the full reporting requirements of section 304 of the Act must be complied with.

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

Senate bill

Section 104(a) of the Senate bill amended the reporting and disclosure provisions of section 304(a)(1) of the Act (2 U.S.C. 434(a)(1)) to provide that, in nonelection years, a candidate and his authorized committees must file quarterly reports only for quarters in which an aggregate of more than $5,000 in contributions, expenditures, or a combination thereof is received or spent. This provision does not affect the obligation to file year-end reports in nonelection years.

Section 104(b) amended section 304(a)(2) of the Act (2 U.S.C. 434(a)(2)) to require that only political committees authorized by a candidate must file their reports with the candidate's principal campaign committee.

Section 104(c) amended section 304(b) of the Act—

(1) to add a new requirement that political committees which are not authorized candidates' committees which make expenditures in excess of $100 to advocate expressly the election or defeat of a clearly identified candidate report to the Commission whether the expenditure was intended to advocate the election or the defeat of a candidate and to certify to the Commission, under penalty of perjury, that the expenditure was not made in cooperation, consultation, or concert with a candidate's campaign nor was it made in response to a request or suggestion by the candidate of his agent; and

(2) to provide that when committee treasurers and candidates show that best efforts have been used to comply with the reporting requirements the treasurers and candidates are considered to have complied with the requirements of the Act.

Section 104(d) amended section 304(e) of the Act—

(1) to conform the independent expenditure reporting requirement contained in that subsection to the requirements of the Constitution set forth in *Buckley* v. *Valeo* with respect to the express advocacy of election or defeat of clearly identified candidates;

(2) to require corporations, labor organizations, and membership organizations which spend more than $1,000 per candidate per election to advocate the election or defeat of a clearly identified candidate in communications with their stockholders or members or their families to report the expenditures to the Commission;

(3) to require a person whose contributions exceed a total of $100 during the calendar year to a separate segregated fund as a result of the special twice yearly solicitation by mail permitted under section 321 of the Act (as amended by the Senate bill) to notify the recipient when the total amount of his contributions exceeds $100; and

(4) to require the Commission to prepare and periodically issue indices of expenditures reported under section 304(e) on a candidate-by-candidate basis.

House amendment

Section 104(a) amended section 304(a)(1)(C) of the Act to provide that in any year in which a candidate is not on the ballot for election to Federal office, the candidate and his authorized committees must file a report not later than the tenth day after the close of any calendar quarter in which the candidate and his authorized committees received contributions or made expenditures which aggregate a total of more than $10,000. Each report must be complete as of the close of the calendar quarter, except that any report which must be filed after December 31 of any calendar year in which a report must be filed under section 304(a)(1)(B) shall be filed as provided in section 304(a)(1)(B).

Section 104(b) amended section 304(a) of the Act by rewriting paragraph (2). Paragraph (2) provides that each treasurer of a political committee authorized by a candidate to raise contributions or make expenditures on behalf of the candidate, other than the principal campaign committee of the candidate, must file reports with the principal campaign committee of the candidate (rather than with the Commission).

Section 104(c) amended section 304(b) of the Act by adding a new paragraph (13). Paragraph (13) requires each report to include, in the case of an independent expenditure in excess of $100 by a political committee, other than an authorized committee of a candidate, expressly advocating the election or defeat of a clearly identified candidate, through a separate schedule (1) any information required by section 304(b)(9), stated in a manner which indicates whether the independent expenditure is in support of, or in opposition to, a candidate; and (2) under penalty of perjury, certification whether the independent expenditure is made in cooperation, consultation, or concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of the candidate. If such expenditure is made with such cooperation, consultation, or concert, or as a result of such request or suggestion, it no longer would qualify as an independent expenditure.

Section 104(d) amended section 304 of the Act by rewriting subsection (e). Subsection (e)(1) requires every person (other than a political committee or a candidate) who makes independent expenditures of more than $100 in a calendar year to file a statement with the Commission containing the information required of a person who makes contributions of more than $100 to a candidate or political committee and the information required of a candidate or political committee receiving such a contribution.

Subsection (e)(2) provides that statements required by subsection (e) must be filed on dates for the filing of reports by political committees. The statements must include (1) the information required by section 304(b)(9), stated in a manner which indicates whether the contribution or independent expenditure is in support of, or in opposition to, a candidate; and (2) under penalty of perjury, certification whether the independent expenditure is made in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate or any authorized committee or agent of the candidate.

Any independent expenditure, including independent expenditures described in section 304(b)(13), of $1,000 or more which is made after the fifteenth day, but more than 24 hours, before any election must be reported within 24 hours of the independent expenditure.

Subsection (e)(3) requires the Commission to prepare indices regarding expenditures made with respect to each candidate. The indices must be issued on a timely pre-election basis.

Conference substitute

The conference substitute is the same as the House amendment, except as follows:

1. With respect to quarterly reports in non-election years, the conference substitute is the same as the Senate bill.

2. The conference substitute replaces the provision of the Senate bill relating to corporations, labor organizations, and other membership organizations issuing communications to their stockholders and members with an amendment to section 301(f)(4)(C) of the Act which—

(a) requires reporting of such communications devoted to express advocacy of the election or defeat of a clearly identified candidate;

(b) provides that the cost of a communication will not be reportable if the communication is primarily devoted to subjects other than the advocacy of the election or defeat of a candidate; and

(c) applies only to costs which exceed $2,000 per election.

With respect to determining whether a communication is covered by this provision, the conferees intend that communications dealing primarily with subjects other than the express advocacy of the election or defeat of a candidate would not be covered. An editorial advocating the election or defeat of a candidate which appears in a regularly published newsletter which deals primarily with other subjects would not be a covered communication. This exclusion is designed to eliminate the difficult allocation problems that would otherwise have been presented. For the same reason, the conference substitute requires the reporting only of costs directly attributable to the express advocacy of the election or defeat of a candidate. The paper, stamps, etc., for a mimeographed covered communication would be reportable but not a share of the membership organization's building, mimeograph machine, etc., expenses.

The distribution of a reprint of the type of editorial described above would be a covered communication. Further, a special edition of a newsletter which primarily advocates the election or defeat of candidates would not be exempt from reporting.

The conferees also intend that the $2,000 limit on excluded communications would apply without regard to the number of candidates mentioned in the communication. If, for example, a communication refers to 3 candidates and the cost of the communication is $3,000, the person making the communication would not be permitted to allocate the cost on the basis of the number of candidates mentioned in the communication. Since the communication cost more than $2,000 it would be reported regardless of the number of candidates mentioned in the communication.

3. The conference substitute includes the provision of the Senate bill which stated that political committee treasurers and candidates would be considered to be in compliance with reporting requirements if they demonstrate that their best efforts have been used to obtain required information.

REPORTS BY CERTAIN PERSONS

Senate bill

Section 105 of the Senate bill amended title III of the Act by striking out section 308, relating to reports by certain persons.

House amendment

Section 105 of the House amendment amended title III of the Act by striking out section 308, relating to reports by certain persons.

Conference substitute

The conference substitute is the same as the House amendment and the Senate bill.

CAMPAIGN DEPOSITORIES

Senate bill

No provision.

House amendment

Section 106 amended section 308(a)(1) of the Act, as so redesignated by section 105 of the House amendment, to provide that it is within the discretion of political committees to maintain one or more checking accounts at banks which they designate as campaign depositories.

Conference substitute

The conference substitute is the same as the House amendment, except that it provides that political committees may maintain a single checking account and such other accounts as they may desire at banks which they designate as campaign depositories. It is the intent of the conferees that the term "such other accounts", as it appears in the conference substitute, includes checking accounts, savings accounts, certificates of deposit, and other accounts.

POWERS OF COMMISSION

Senate bill

Section 106 of the Senate bill amended section 310 of the Act (2 U.S.C. 437d) and added to the Commission's powers of authority to formulate general policy, prescribe forms and regulations, the power to bring civil actions to enforce the provisions of the Internal Revenue Code of 1954 relating to public financing of presidential elections. This section also provides that, with the exception of actions brought by an individual aggrieved by an action by the Commission, the power of the Commission to initiate civil actions is the exclusive civil remedy for the enforcement of the provisions of the Act.

House amendment

Section 107(a) amended section 310(a) of the Act, as so redesignated by section 105 of the House amendment, by combining paragraph (10) with paragraph (8). Paragraph (10) relates to the authority of the Commission to develop forms for the filing of reports.

Section 107(b)(1) amended section 310 (a) of the Act, as so redesignated by section 105 of the House amendment, by rewriting paragraph (6). Paragraph (6) gives the Commission authority to initiate, defend, and appeal civil actions.

Subsection (b)(2) amended section 310 of the Act, as so redesignated by section 105 of the House amendment, by adding a new subsection (e) which provides that the civil action authority of the Commission is the exclusive civil remedy for enforcing the Act, except for actions which may be brought under section 313(a)(9) of the Act, as added by the House amendment.

Conference substitute

The conference substitute is the same as the House amendment and the Senate bill.

ADVISORY OPINIONS

Senate bill

No provision.

House amendment

Section 108(a) amended section 312 of the Act, as so redesignated by section 105 of the House amendment, by rewriting subsection (a). Subsection (a) provides that the Commission shall render a written advisory opinion upon the written request of any individual holding a Federal office, any candidate for Federal office, any political committee, or any national committee of a political party. Any such advisory opinion must be rendered within a reasonable time after the request is made and shall indicate whether a specific transaction or activity would constitute a violation of the Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954. Subsection (a) prohibits the Commission or any of its employees from issuing any advisory opinion except in accordance with the provisions of section 312.

Section 108(b) amended section 312 of the Act, as so redesignated by section 105, by rewriting subsection (b). Subsection (b)(1) provides that any person who relies on an advisory opinion and who acts in good faith in accordance with the advisory opinion may not be penalized under the Act or under chapter 95 or chapter 96 of the Internal Revenue Code of 1954 as the result of any such action.

Subsection (b)(2) provides that an advisory opinion may be relied upon by (1) any person involved in the transaction or activity with respect to which the advisory opinion is rendered; and (2) any person involved in any similar transaction or activity.

The Commission is required to transmit to the Congress proposed rules and regulations based on an advisory opinion of general applicability if the transaction or activity involved is not already covered by any rule or regulation of the Commission. Any rule or regulation which the Commission proposes under subsection (b) is subject to the congressional review procedures of section 315(c) of the Act.

Section 108(c) made a conforming amendment to section 315(c)(1) of the Act.

Section 108(d) provided that the amendments made by section 108 apply to any advisory opinion rendered by the Commission after October 15, 1974.

Conference substitute

The conference substitute is the same as the House amendment, except as follows:

1. The conference substitute provides that an advisory opinion shall relate to the application of a general rule of law which is stated in the Act or chapter 95 or 96 of the Internal Revenue Code of 1954, or which already has been prescribed as a rule or regulation, to a specific fact situation.

2. The conference substitute provides that general rules of law may be initially proposed by the Commission only as rules and regulations subject to congressional review and disapproval and not through the advisory opinion procedure.

3. Thus, under the conference substitute, if the request for an advisory opinion does not state a specific fact situation and if such request would necessarily require the Commission to state a general rule of law which is not set forth in a prescribed rule or regula-

tion, the Commission could not issue the opinion requested.

4. While the rules just stated govern all opinions of an advisory nature, these provisions do not preclude the distribution by the Commission of other information consistent with the Act.

5. The conference substitute provides that a person involved in a transaction or activity other than a transaction or activity with respect to which an advisory opinion has been rendered may rely upon such advisory opinion only if the transaction or activity in which such person is involved is indistinguishable in all its material aspects from the transaction or activity with respect to which the advisory opinion was rendered.

6. The provision of the House amendment which required the Commission to submit advisory opinions of general applicability to the Congress as proposed rules and regulations is not included in the conference substitute.

7. The provision of the House amendment which made the amendments applicable to any advisory opinion rendered after October 15, 1974, is not included in the conference substitute. Section 101(g)(3) of the conference substitute requires that advisory opinions in effect on the date of the enactment of the conference substitute must be conformed to amendments made by the conference substitute. (See the discussion of section 101(g)(3) of the conference substitute in this statement.)

8. The conference substitute provides that the Commission shall, no later than 90 days after the date of the enactment of the conference substitute, conform advisory opinions in effect before such effective date to the requirements established by the amendments made by the conference substitute. The provisions of section 312(b) of the Act, as added by the conference substitute, relating to good faith reliance upon advisory opinions, will apply to advisory opinions in effect before the date of the enactment of the conference substitute after such advisory opinions have been conformed in accordance with the requirements of the conference substitute.

ENFORCEMENT

Senate bill

Section 107 of the Senate bill amended the enforcement provisions of section 313 of the Act (2 U.S.C. 437g). Under the amendments made by section 107 of the Senate bill the Commission can investigate a complaint only if the complaint is signed and sworn to by the person filing the complaint and the complaint is notarized. The Commission may not conduct any investigation solely on the basis of an anonymous complaint. The Commission must conduct all investigations expeditiously and afford the person who receives notice of the investigation a reasonable opportunity to show that no action should be taken against such person by the Commission.

If, after investigation, the Commission determines that there is reason to believe a violation of the Act or of the public financing provisions of the Internal Revenue Code of 1954 has been committed, or is about to be committed, it is required to make every endeavor to correct or prevent the violation by informal methods prior to instituting any civil action.

If the Commission enters into a conciliation agreement with a person, it is prohibited from bringing a civil action or recommending prosecution to the Justice Department with respect to that violation as long as the conciliation agreement is not violated. If the Commission is unable to correct the violation informally, it is authorized to bring a civil action. The Commission may refer a violation directly to the Attorney General without going through the voluntary compliance procedure if it determines there is probable cause to believe that a knowing and willful violation involving the making, receiving, or reporting of any contribution or expenditure having a value in the aggregate of $1,000 or more in any calendar year has occurred or that a knowing and willful violation of the public financing provisions of the Internal Revenue Code has occurred.

The Commission is authorized, as part of a conciliation agreement, to require that a person pay a civil penalty of $10,000 or 3 times the amount involved, whichever is greater, when it believes there is clear and convincing proof that a knowing and willful violation has occurred. The Commission is further authorized to require the payment of a civil penalty which does not exceed the greater of $5,000 or an amount equal to the amount of the contribution or expenditure involved if it believes a violation has been committed.

The Commission is required to make public the results of any conciliation attempt as well as the provisions of any conciliation agreement.

In any civil action brought by the Commission where the Commission establishes through clear and convincing proof that the person involved in the action committed a knowing and willful violation of law, the court is authorized to impose a civil penalty of $10,000 or 3 times the amount of the contribution or expenditure involved, whichever is greater. The court is also authorized to impose a civil penalty which does not exceed the greater of $5,000 or an amount equal to the amount of any contribution or expenditure involved where the violation is not a knowing and willful violation. The Commission may institute a civil action if it believes there has been a violation of any provision of a conciliation agreement.

A person aggrieved by the Commission's dismissal of his complaint, or by the Commission's failure to act on the complaint within 90 days after it was filed, may petition the United States District Court for the District of Columbia for relief. The petition must be filed with the court within 60 days after the dismissal of the complaint or within 60 days after the end of the 90-day period during which no action was taken. The court may direct the Commission to proceed on the complaint within 30 days after the court's decision. If the Commission fails to take action within that period, the complainant may bring an action to remedy the violation complained of.

House amendment

Section 109 of the House amendment amended title III of the Act by rewriting section 313, as so redesignated by section 105 of the House amendment.

Section 313(a)(1) permits any person who believes that the Act or chapter 95 or chapter 96 of the Internal Revenue Code of 1954 has been violated to file a written complaint with the Commission. The complaint must be notarized and signed and sworn to by the person filing the complaint. The person shall be subject to the provisions of section 1001 of title 18, United States Code (relating to false or fraudulent statements).

The Commission is prohibited from conducting any investigation, or taking any other action, solely on the basis of an anonymous complaint.

Subsection (a)(2) provides that, if the Commission has reasonable cause to believe that a person has violated the Act or chapter 95 or chapter 96 of the Internal Revenue Code of 1954, the Commission is required to notify the person and to conduct an investigation of the violation.

Subsection (a)(3) requires the Commissions to conduct any investigation expeditiously and to include in the investigation an additional investigation of any reports and statements filed with the Commission by the complainant involved, if the complainant is a candidate for Federal office. Subsection (a)(3) prohibits the Commission and any person from making public any investigation or any notification made under subsection (a)(2) without the written consent of the person receiving the notification or the person under investigation.

Subsection (a)(4) requires the Commission, upon request, to permit any person who receives notification under subsection (a)(2) to demonstrate that the Commission should not take any action against such person under the Act.

Subsection (a)(5) requires the Commission to seek to correct or prevent any violation of the Act by informal methods of conference, conciliation, and persuasion during the 30-day period after the Commission determines there is reasonable cause to believe that a violation has occurred or is about to occur. The Commission also is required to seek to enter into a conciliation agreement with the person involved in such violation. If, however, the Commission has reasonable cause to believe that—

(1) a person has failed to file a report required under section 304(a)(1)(C) of the Act for the calendar quarter ending immediately before the date of a general election;

(2) a person has failed to file a report required to be filed no later than 10 days before an election; or

(3) on the basis of a complaint filed less than 45 days but more than 10 days before an election, a person has committed a knowing and willful violation of the Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954;

the Commission shall seek to informally correct the violation and to enter into a conciliation agreement with the person involved for a period of not less than one-half the number of days between the date upon which the Commission determines that there is reasonable cause to believe a violation has occurred and the date of the election involved.

Any conciliation agreement entered into by the Commission and a person involved in a violation shall constitute a complete bar to any further action by the Commission, unless the person involved violates the conciliation agreement.

Subsection (a)(5) also provides that the Commission may institute a civil action for relief if the Commission is unable to correct or prevent a violation by informal methods and if the Commission determines there is probable cause to believe that the violation has occurred or is about to occur. The relief sought in any civil action may include a permanent or temporary injunction, restraining order, or any other appropriate order, including a civil penalty which does not exceed the greater of $5,000 or an amount equal to the amount of any contribution or expenditure involved in the violation. The civil action may be brought in the district court of the United States for the district in which the person against whom the action is brought is found, resides, or transacts business.

The court involved shall grant the relief sought by the Commission in a civil action brought by the Commission upon a proper showing that the person involved has engaged or is about to engage in a violation of the Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954.

Subsection (a)(5) also permits the Commission to refer an apparent violation to the Attorney General of the United States if the Commission determines that there is probable cause to believe that a knowing and willful violation subject to and as defined in section 328 of the Act has occurred or is about to occur. In order for such a referral to be made, the violation or violations must involve the making, receiving, or reporting of any contribution or expenditure having a value, in the aggregate, of $1,000 or more during a calendar year. The Commission is not required to engage in any informal conciliation efforts before making any such referral.

Subsection (a)(6) permits the Commission to include a civil penalty in a conciliation agreement if the Commission believes that there is clear and convincing proof that a knowing and willful violation of the Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954 has occurred. The civil penalty may not exceed the greater of (1) $10,000; or (2) an amount equal to 200 percent of the amount of any contribution or expenditure involved in the violation. If the Commission believes that a violation has occurred which is not a knowing and willful violation, the conciliation agreement may require the person involved to pay a civil penalty which does not exceed the greater of (1) $5,000; or (2) an amount equal to the amount of the contribution or expenditure involved in the violation.

Subsection (a)(6) also requires the Commission to make available to the public (1) the results of any conciliation efforts made by the Commission, including any conciliation agreement entered into by the Commission; and (2) any determination by the Commission that a person has not committed a violation of the Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954.

Subsection (a)(7) permits a court to impose a civil penalty greater than that permitted by subsection (a)(5) in any civil action for relief brought by the Commission if the court determines that there is clear and convincing proof that a person has committed a knowing and willful violation of the Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954. The civil penalty may not exceed the greater of (1) $10,000; or (2) an amount equal to 200 percent of the contribution or expenditure involved in the violation.

In any case in which a person against whom the court imposes a civil penalty has entered into a conciliation agreement with the Commission, the Commission may bring a civil action if it believes that the person has violated the conciliation agreement. The Commission may obtain relief if it establishes that the person has violated, in whole or in part, any requirement of the conciliation agreement.

Subsection (a)(8) provides that subpenas for witnesses in civil actions in any United States district court may run into any other district.

Subsection (a)(9) permits any party to file a petition with the United States District Court for the District of Columbia if the party is aggrieved by an order of the Commission dismissing a complaint filed by the party or by a failure on the part of the Commission to act on the complaint within 90 days after the complaint is filed. The petition must be filed (1) in the case of a dismissal by the Commission, no later than 60 days after the dismissal; or (2) in the case of a failure on the part of the Commission to act on the complaint, no later than 60 days after the initial 90-day period.

The court may declare that the dismissal or failure to act is contrary to law and may direct the Commission to take any action consistent with the declaration no later than 30 days after the court makes the declaration. If the Commission fails to act during the 30-day period, the party who filed the original complaint may bring in his own name a civil action to remedy the violation involved.

Subsection (a)(10) provides that any judgment of a district court may be appealed to the court of appeals. Any judgment of a court of appeals which affirms or sets aside, in whole or in part, any order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

Subsection (a)(11) provides that any action brought under subsection (a) shall be advanced on the docket of the court involved and put ahead of all other actions, other than actions brought under subsection (a) or under section 314.

Subsection (a)(12) permits the Commission to petition a court for an order to adjudicate a person in civil contempt if the Commission determines after an investigation that the person has violated an order of the court entered in a proceeding brought under subsection (a)(5). If the Commission believes that the violation is a knowing and willful violation, the Commission may petition the court for an order to adjudicate the person in criminal contempt.

Section 313(b) requires the Attorney General to report to the Commission regarding apparent violations referred to the Attorney General by the Commission. The reports must be transmitted to the Commission no later than 60 days after the date of the referral, and at the close of every 30-day period thereafter until there is final disposition. The Commission may from time to time prepare and publish reports relating to the status of such referrals.

Section 313(c) imposes a penalty against any member of the Commission, any employee of the Commission, or any other person who reveals the identity of any person under investigation in violation of section 313(a)(3)(B). Any such member, employee, or other person is subject to a fine of not more than $2,000 for any such violation. If the violation is knowing and willful the maximum fine is $5,000.

Conference substitute

The conference substitute is the same as the House amendment, except as follows:

1. The conference substitute provides that the Commission may investigate a violation only if it receives a properly verified complaint and it has reason to believe a violation has occurred, or if the Commission, based on information obtained in the normal course of carrying out its duties under the Act, has reason to believe a violation has occurred. The conferees agree that any person, including a member or employee of the Commission, may file a verified complaint, and agree also that the Commission may not react solely to an anonymous source for the purpose of instituting an investigation of an alleged violation of the Act or of chapter 95 or 96 of the Internal Revenue Code of 1954.

2. The conference substitute follows the Senate bill with respect to affording a person against whom a complaint has been made an opportunity to show that no action should be taken.

3. The conferees agree that if the Commission reaches an agreement with any person regarding an alleged violation, such agreement should be made available to the public immediately so that the 30-day conciliation period, otherwise required by the Act, is immediately terminated.

4. The conference substitute makes the referral procedures for knowing and willful violations applicable to violations of chapters 95 and 96 of the Internal Revenue Code of 1954.

5. The conferees agree that a conciliation agreement shall be a complete bar to any further action by the Commission only with respect to any violation which is a subject of the conciliation agreement.

6. The conferees' intent is that a violation within the meaning of section 313(c) occurs when publicity is given to a pending investigation, but does not occur when actions taken in carrying out an investigation lead to public awareness of the investigation.

CONVERSION OF CONTRIBUTIONS TO PERSONAL USE

Senate bill

Section 107A of the Senate bill amended section 317 of the Act to provide that excess contributions received by a candidate, and amounts contributed to an individual to support his activities as a Federal office holder, which, under existing law, may be used for certain purposes, may not be converted to any personal use.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the House amendment, resulting in no change in existing law.

DUTIES OF COMMISSION

Senate bill

Section 108(a) of the Senate bill amended section 315(a)(6) of the Act to require the Commission to maintain a separate cumulative index of multicandidate political committee reports and statements to enable the public to determine which political committees are qualified to make $5,000 contributions to candidates or their authorized committees.

Section 108(b) amended present law to provide for a 15-legislative-day or 30-calendar-day period, whichever is later, during which a proposed rule or regulation must be disapproved, as set forth in 2 U.S.C. 438(c)(2).

House amendment

Section 110(a)(1) amended section 315(a)(6) of the Act, as so redesignated by section 105 of the House amendment, to require the Commission to compile and maintain a separate cumulative index of reports and statements filed by the political committees supporting more than one candidate. The index must include a listing of the date of registration of such political committees and the date upon which such political committees qualify to make expenditures under section 320(a)(2) of the Act. The Commission was required to revise the index on the same basis and at the same time as other cumulative indices required under section 315(a)(6).

Section 110(a)(2) amended section 315(a)(8) of the Act to require the Commission to give priority to auditing and conducting field investigations requiring the verification for, and the receipt and use of, any payments received by a candidate under chapter 95 or chapter 96 of the Internal Revenue Code of 1954.

Section 110(b) amended section 315(c)(2) of the Act to provide that the Congress may disapprove proposed rules and regulations of the Commission in whole or in part. The amendment also provided that, whenever a committee of the House of Representatives reports any resolution relating to a proposed rule or regulation of the Commission, it is in order at any time (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to. Although the motion to proceed to the consideration of the resolution is not debatable, debate may be conducted with respect to the contents of the resolution.

Section 110(c) amended section 315 of the Act by adding a new subsection (e). Subsection (e) provides that, in any civil or criminal proceeding to enforce the Act or chapter 95 or chapter 96 of the Internal Revenue Code of 1954, no rule, regulation, guideline, advisory opinion, opinion of counsel, or any other pronouncement by the Commission or by any member, officer, or employee of the Commission may be used against the person against whom the proceeding is brought. No such rule, regulation, guideline, advisory opinion, opinion of counsel, or other pronouncement (1) shall have the force of law; (2) may be used to create any presumption of violation or of criminal intent; (3) shall be admissible in evidence against the person involved; or (4) may be used in any other manner. The provisions of subsection (e) do not apply to any rule or regulation of the Commission which takes effect under section 315(c).

Conference substitute

The conference substitute is the same as the House amendment, except as follows:

1. The conference substitute provides that, for purposes of reviewing regulations proposed by the Commission, the Congress may disapprove any provision or series of interrelated provisions which states a single separable rule of law.

The conferees agree that this provision does not give the Congress the power to revise proposed regulations by disapproving a particular word, phrase, or sentence, but only gives each House of the Congress the power to determine which proposed regulations of the Commission constitute distinct regulations which can only be disapproved in whole. This provision is intended to permit disapproval of discrete self-contained sections or subdivisions of proposed regulations and is not intended to permit the rewriting of regulations by piecemeal changes.

2. The conference substitute does not include the provision in the House amendment which makes rules, regulations, guidelines, advisory opinions, opinions of counsel, and other Commission pronouncements inapplicable in any civil or criminal proceeding, thereby resulting in no change in existing law.

ADDITIONAL ENFORCEMENT AUTHORITY

Senate bill

Section 109 of the Senate bill repealed section 407 of the Act, relating to additional enforcement authority.

House amendment

Section 111 amended section 407(a) of the Act to establish conciliation procedures regarding the enforcement of section 407. The amendment provided that, if a candidate for Federal office fails to file a report required by title III of the Act, the Commission shall (1) make every effort for a period of not less than 30 days to correct the failure by informal methods of conference, conciliation, and persuasion; or (2) in the case of any failure to file which occurs less than 45 days before the date of an election, make every effort to correct the failure by informal methods for a period of not less than one-half the number of days between the date of the failure and the date of the election.

Conference substitute

The conference substitute is the same as the Senate bill.

MASS MAILINGS AS FRANKED MAIL

Senate bill

Section 110 of the Senate bill amended section 318 of the Act, as redesignated by section 105 of the Senate bill, to provide that Members of the Congress are prohibited from mailing as franked mail any general mass mailing less than 60 days before an election. The term "general mass mailing" was defined to mean newsletters and similar mailings of more than 500 pieces with similar content mailed at the same time or different times.

Section 501 of the Senate bill amended section 3210(a)(5)(D) of title 39, United States Code, to change the 28-day provision relating to franked mass mailings before an election to 60 days.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the House amendment, resulting in no change in existing law.

CONTRIBUTION AND EXPENDITURE LIMITATIONS; OTHER PROHIBITIONS; PENALTIES

A. Limitations on contributions and expenditures

Senate bill

Section 110 of the Senate bill added a new section 320 to the Act relating to limitations on contributions and expenditures. The text of this section is substantially similar to the provisions presently contained in section 608 of title 18, United States Code, which is transferred to the Act by this section, with some changes in the law to provide additional limitations on certain contributions by persons and by political committees.

(1) A person (as defined in the Act), including a political committee which does not qualify for the $5,000 contribution limit as a multicandidate political committee, may not contribute more than $1,000 per election to any candidate for Federal office. As under present law, earmarked contributions, and contributions made to a candidate's authorized political committees, are considered to be contributions to that candidate rather than contributions to that committee. A person also may not make contributions to any political committee established and maintained by a political party, which is not the authorized political committee of any candidate, which in the aggregate exceed $25,000 in a calendar year. A person is further prohibited from making contributions to any other political committee which in the aggregate exceed $5,000 in a calendar year.

(2) A political committee which has been registered as such for at least 6 months, which has received contributions from more than 50 persons, and which has made contributions to 5 or more candidates for Federal office, defined as a "multicandidate political committee", may contribute a total of $5,000 to a Federal candidate and his authorized political committee in any election campaign. A multicandidate political committee may not make contributions to any political committee established and maintained by a political party, which is not the authorized committee of any candidate, which in the aggregate exceed $25,000 in a calendar year. A multicandidate political committee is further prohibited from making contributions to any other political committee which in the aggregate exceed $10,000 in a calendar year. (The above limitations on contributions by multicandidate political committees do not apply to transfers between and among political committees which are National, State, district, or local committees of the same political party.)

(3) The section contains a provision establishing a rule which treats, for purposes of the foregoing limitations, as a single political committee, all political committees which are established, financed, maintained, or controlled by a single person or group of persons. This rule, however, does not apply to transfers of funds between political committees raised in joint fundraising efforts. It would also not apply so that contributions made by a political party through a single national committee and contributions by that party through a single State committee in each State are treated as having been made by a single political committee. The above rule, which is intended to curtail the vertical proliferation of political committee contributions, would not preclude, however, a political committee of a national organization from contributing to a candidate or committee merely because of its affiliation with a national multicandidate political committee which has made the maximum contribution it is permitted to make to a candidate or a committee.

(4) As in existing law, an individual may not make contributions totaling more than $25,000 during any calendar year.

(5) This section also establishes rules for determining when a contribution made to a political committee is considered to be a contribution to a candidate, and when certain expenditures shall be considered to be contributions to a candidate, and subject to the limitations of the Act.

(6) The remaining provisions of this section transfer into the Act those provisions of 18 U.S.C. 608 which imposed expenditure limitations on presidential candidates, conditioning their application, in accordance with the Supreme Court's decision in *Buckley* v. *Valeo*, upon the acceptance of public financing. The expenditure limitations on national and State committees of political parties in 18 U.S.C. 608(f) are also transferred into the Act.

(7) A final provision in new section 320 of the Act permits the Republican or Democratic Senatorial Campaign Committee, or the national committee of a political party, or any combination of such committees, notwithstanding any other provision of the Act, to contribute amounts totaling not more than $20,000 to a candidate for nomination for election, or for election, to the United States Senate during the year in which an election is held in which he is such a candidate.

House amendment

Section 112(a) amended title III of the Act by striking out section 320, as so redesignated by section 105 of the House amendment, and by adding new sections 320 through 328.

Section 320(a)(1) prohibits any person from making contributions (1) to any candidate in connection with any election for Federal office which, in the aggregate, exceed $1,000; or (2) to any political committee in any calendar year which exceed, in the aggregate, $1,000.

Subsection (a)(2) prohibits any political committee (other than a principal campaign committee) from making contributions to (1) any candidate in connection with any election for Federal office which, in the aggregate, exceed $5,000; or (2) any political committee in any calendar year which, in the aggregate, exceed $5,000. Contributions by the national committee of a political party serving as the principal campaign committee of a presidential candidate may not exceed the limitation described in the preceding sentence with respect to any other candidate for Federal office.

The term "political committee" was defined to mean an organization which (1) is registered as a political committee under section 303 of the Act for a period of not less than 6 months; (2) has received contributions from more than 50 persons; and (3) except for any State political party organization, has made contributions to 5 or more candidates for Federal office.

Subsection (a)(2) also provides that, for purposes of the limitations provided by subsection (a)(1) and subsection (a)(2), all contributions made by political committees which are established, financed, maintained, or controlled by any corporation, labor organization, or any other person (including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any other person), or by any group of such persons, shall be considered to have been made by a single political committee, except that (1) the amendment made by the House amendment does not limit transfers between political committees of funds raised through joint fundraising efforts; and (2) for purposes of the limitations provided by subsection (a)(1) and subsection (a)(2), all contributions made by a single political committee which is established, financed, maintained, or controlled by a national committee of a political party and by a single political committee established, financed, maintained, or controlled by the State committee of a political party, shall not be considered to have been made by a single political committee.

Subsection (a) (2) also provides that, in any case in which a corporation and any of its subsidiaries, branches, divisions, departments, or local units, or a labor organization and any of its subsidiaries, branches, divisions, departments, or local units establish, finance, maintain, or control more than one separate segregated fund, all such funds shall be treated as a single separate segregated fund for purposes of the limitations provided by subsection (a) (1) and subsection (a) (2).

Subsection (a) (3) prohibits any individual from making contributions which, in the aggregate, exceed $25,000 in any calendar year. Any contribution which is made to a candidate in a year other than the calendar year in which the election involved is held, is considered to be made during the calendar year in which the election is held.

Subsection (a) (4) provides that (1) any contribution to a named candidate which is made to any political committee authorized by the candidate to accept contributions on behalf of the candidate shall be considered to be contributions made to the candidate; (2) any expenditure which is made by any person in cooperation, consultation, or concert, with, or at the request or suggestion of, a candidate or any authorized political committee or agent of the candidate shall be considered to be a contribution to the candidate; (3) any expenditure to finance publication of any campaign broadcast or any other campaign materials prepared by a candidate or any authorized political committee or agency of the candidate shall be considered to be a contribution to that candidate; and (4) contributions made to a vice presidential nominee shall be considered to be contributions to the presidential nominee of the party involved.

Subsection (a) (5) provides that the contribution limitations established by subsection (a) (1) and subsection (a) (2) shall apply separately to each election, except that all elections in any calendar year for the office of President (except a general election for such office) shall be considered to be one election.

Subsection (a) (6) provides that all contributions made by a person on behalf of a particular candidate, including contributions which are earmarked or directed through an intermediary or conduit to such candidate, shall be treated as contributions from the person involved to the candidate. The intermediary or conduit is required to report the original source of the contribution and the intended recipient of the contribution to the Commission and to report the original source of the contribution to the intended recipient. This provision is identical to existing law.

Section 320(b) (1) prohibits any candidate for the office of President who has established his eligibility to receive payments under section 9003 of the Internal Revenue Code of 1954 or under section 9033 of the Internal Revenue Code of 1954 from making expenditures in excess of (1) $10,000,000, in the case of a campaign for nomination for election to the office of President; or (2) $20,000,000 in the case of a campaign for election to the office of President. In the case of campaigns for nomination, the aggregate of expenditures in any one State may not exceed twice the greater of (1) 8 cents multiplied by the voting age population of the State; or (2) $100,000.

Subsection (b) (2) provides that (1) expenditures made by a vice-presidential nominee shall be considered to be expenditures made by the presidential nominee of the same political party; and (2) an expenditure is made on behalf of a candidate if it is made by (A) a committee or agent of the candidate authorized to make expenditures; or (B) any person authorized or requested by the candidate or an authorized committee or agent of the candidate to make the expenditure involved.

Section 320(c) (1) provides that, at the beginning of each calendar year (beginning in 1976), as there become available necessary data from the Bureau of Labor Statistics, the Secretary of Labor shall certify to the Commission the percentage difference between the price index from the 12-month period preceding the calendar year and the price index for the base period. The term "price index" is defined to mean the average over a calendar year of the Consumer Price Index (all items—United States city average), and the term "base period" is defined to mean the calendar year 1974. Each limitation established by section 320(b) and section 320(d) shall be increased by such percentage difference.

Section 320(d) (1) provides that the national committee of a political party and a State committee of a political party, including any subordinate committee of a State committee may make expenditures in connection with the general election campaign of candidates for Federal office.

Subsection (d) (2) provides that the national committee of a political party may not make expenditures in connection with the general election campaign of a candidate for the office of President which exceed an amount equal to 2 cents multiplied by the voting age population of the United States. Any expenditures under subsection (d) (2) are considered as an addition to expenditures by a national committee of a political party which is serving as the principal campaign committee of a candidate for the office of President.

Subsection (d) (3) provides that the national committee of a political party and that the State committee of a political party, including any subordinate committee of a State committee, may each make expenditures in connection with the general election campaign of a candidate for Federal office in any State which do not exceed (1) in the case of candidates for election to the office of Senator (or of Representative from a State which is entitled to only one Representative), the greater of (A) 2 cents multiplied by the voting age population of the State; or (B) $20,000; and (2) in the case of a candidate for election to the office of Representative, Delegate, or Resident Commissioner in any other State, $10,000.

Section 320(e) requires the Secretary of Commerce, during the first week of January 1975, and each subsequent year, to certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district, as of the first day of July next preceding the date of certification. The term "voting age population" was defined to mean resident population, 18 years of age or older.

Section 320(f) prohibits candidates and political committees from knowingly accepting any contribution or knowingly making any expenditure in violation of section 320. Subsection (f) also prohibits any officer or employee of a political committee from knowingly accepting a contribution made to a candidate, or knowingly making an expenditure on behalf of a candidate in violation of section 320.

Section 320(g) requires the Commission to prescribe rules under which expenditures by a candidate for presidential nomination for use in 2 or more States shall be attributed to the expenditure limits of such candidate in each State involved. The attribution shall be based on the voting age population in each State which can reasonably be expected to be influenced by the expenditures.

Conference substitute

The conference substitute is the same as the Senate bill with regard to limitations on contributions by any person and by any multicandidate political committee, except as follows:

1. Each person may contribute not more than $20,000 in a calendar year to the political committees established and maintained by a national political party and which are not authorized political committees of candidates.

2. A multicandidate political committee may contribute only $15,000 in a calendar year to the political committees established and maintained by a national political party (other than authorized candidates' committees) and $5,000 in a calendar year to any other political committee.

The conferees' decision to impose more precisely defined limitations on the amount an individual may contribute to a political committee, other than a candidate's committees, and to impose new limits on the amount a person or a multicandidate committee may contribute to a political committee, other than candidates' committees, is predicated on the following considerations: first, these limits restrict the opportunity to circumvent the $1,000 and $5,000 limits on contributions to a candidate; second, these limits serve to assure that candidates' reports reveal the root source of the contributions the candidate has received; and third, these limitations minimize the adverse impact on the statutory scheme caused by political committees that appear to be separate entities pursuing their own ends, but are actually a means for advancing a candidate's campaign. The conferees also determined that it is appropriate to set a higher limit on contributions from persons to political committees of national political parties in order to allow the political parties to fulfill their unique role in the political process. In this connection, the term "political committee established or maintained by a national political party" includes the Senate and House Campaign Committees.

The conferees also agree that the same limitations on contributions that apply to a candidate shall also apply to a committee making expenditures solely on behalf of such candidate.

The conference substitute is the same as the provision of the House amendment which states that segregated funds established or controlled by a corporation and its subsidiaries or by a labor organization and its local organizations are considered to be one segregated fund.

The anti-proliferation rules established by the conference substitute are intended to prevent corporations, labor organizations, or other persons or groups of persons from evading the contribution limits of the conference substitute. Such rules are described as follows:

1. All of the political committees set up by a single corporation and its subsidiaries are treated as a single political committee.

2. All of the political committees set up by a single international union and its local unions are treated as a single political committee.

3. All of the political committees set up by the AFL–CIO and all its State and local central bodies are treated as a single political committee.

4. All the political committees established by the Chamber of Commerce and its State and local Chambers are treated as a single political committee.

5. The anti-proliferation rules stated also apply in the case of multiple committees established by a group of persons.

These anti-proliferation rules, however, permit political committees which solicit contributions in their joint names, and on the understanding that the money collected through that joint fundraising effort will be divided among the participating committees, to make such a division. In addition, for the purpose of these rules, contributions to a candidate or to a political committee by the political committees of a national committee of a political party or by the political committees of a State committee of a political party are treated separately and are not regarded as contributions by one committee.

The conference substitute provides that the limitations on contributions under section 320 do not limit transfer of funds between the principal campaign committee of a candidate for nomination or election to a Federal office and the principal campaign committee of the same candidate for nomination or election to another Federal office if the transfer is not made when the candidate is actively seeking nomination or election to both such offices, the transfer would not result in a violation, for any person who has contributed to both such committees, of the limitations on contributions by a person to such a principal campaign committee, and the candidate has not accepted any public campaign financing funds.

The conference substitute is the same as the House amendment with regard to applying contribution limitations to each separate election.

The conference substitute is the same as the House amendment and the Senate bill with regard to an overall limitation of $25,000 on contributions by an individual in a calendar year and with regard to defining "contribution".

This definition distinguishes between independent expressions of an individual's views and the use of an individual's resources to aid a candidate in a manner indistinguishable in substance from the direct payment of cash to a candidate.

The conference substitute is the same as the House amendment and the Senate bill with regard to contributions made through intermediaries.

The conference substitute is the same as the House amendment and the Senate bill regarding limitations on expenditures by a candidate who is eligible to receive public campaign financing funds, except that the conference substitute uses the language of the Senate bill with regard to the eligibility requirement.

The conference substitute is the same as the House amendment and the Senate bill with regard to political party expenditures on behalf of the party's candidates. This limited permission allows the political parties to make contributions in kind by spending money for certain functions to aid the individual candidates who represent the party during the election process. Thus, but for this subsection, these expenditures would be covered by the contribution limitations stated in subsections (a)(1) and (a)(2) of this provision.

The conference substitute is the same as the Senate bill with regard to contributions by the Republican or Democratic senatorial campaign committee, except that the amount of such contributions is limited to $17,500 per candidate.

It is the conferees' intent that the additional calendar year contribution limitations imposed by section 320 of the Act shall apply in the first instance to the period beginning on the date of the enactment of the conference substitute and extending through December 31, 1976. Thereafter, of course, the term "calendar year" will be accorded its normal meaning.

B. Contributions or expenditures by national banks, corporations, or labor organizations

Senate bill

Section 610 of title 18, United States Code, prohibiting contributions by corporations and labor organizations, was transferred by the Senate bill from title 18 to the Act as new section 321 of the Act. The following changes from existing law are noted:

(1) The penalty provisions are removed from the section and replaced by a general penalty provision contained in a new section 328 of the Act which includes a separate provision making it a felony to violate the anti-coercion provisions of this section. Violations of this section would also be subject to the civil enforcement powers of the Commission and the courts under the Senate bill.

(2) Corporations are prohibited from soliciting contributions from persons who are not stockholders, executive or administrative personnel, or the families of such persons, and labor organizations are prohibited from soliciting contributions from persons other than members of the organization and their families. The term "executive or administrative personnel" is defined as individuals who are paid by salary rather than on an hourly basis, and who have policymaking or supervisory responsibilities. The term "stockholder" is defined to include any individual who has a legal, vested, or beneficial interest in stock, including, but not limited to, employees of a corporation who participate in a stock bonus, stock option, or employee stock ownership plan.

(3) Corporations, labor organizations, or separate segregated funds of such corporation or labor organization may in addition to (2) above, make 2 written solicitations for contributions during a calendar year from any stockholder, officer, or employee of a corporation or the families of such persons. Such solicitations may be made only by mail to such person's residence and designed so that the corporation, labor organization, or separate segregated fund conducting such solicitation cannot determine who makes a contribution as a result of such solicitation and who does not

(4) A membership organization, cooperative, or corporation without capital stock or a separate segregated fund established by such organizations may solicit contributions to such a fund from members of such organization, cooperative, or corporation without capital stock.

(5) Any method of soliciting voluntary contributions or of facilitating the making of voluntary contributions to a separate segregated fund permitted to corporations shall also be permitted to labor organizations.

(6) A corporation which uses any particular method for soliciting or facilitating the making of voluntary contributions to a separate segregated fund is required to make that method available to a labor organization representing employees of that corporation upon written request and at a cost sufficient only to reimburse the corporation for the expenses incurred thereby.

House amendment

Section 321(a) of the Act, as added by the House amendment, makes it unlawful for any national bank or any Federal corporation to make any contribution or expenditure in connection with (1) any election to any political office; or (2) any primary election or political convention or caucus held to select candidates for any political office. Subsection (a) also prohibits any corporation or labor organization from making a contribution or expenditure in connection with (1) any general election for Federal office; or (2) any primary election or political convention or caucus held to select candidates for any Federal office.

Subsection (a) also prohibits any candidate, political committee, or other person from knowingly accepting or receiving any contribution which is prohibited by section 321. It is also unlawful for any officer or director of a corporation or national bank, or any officer of a labor organization, to consent to any contribution or expenditure which is prohibited by section 321.

Section 321(b)(1) defines the term "labor organization" to mean any organization or any agency or employee representation committee or plan in which employees participate and which exists for the purpose of dealing with employers regarding grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

Subsection (b)(2) defines the term "contribution or expenditure" to include any payment or other distribution of money, services, or anything of value (except a lawful loan by a national or State bank in the ordinary course of business) to any candidate, campaign committee, or political party or organization, in connection with any election to any Federal office.

Such term, however, does not include—

(1) communications on any subject by a corporation to its stockholders and executive officers and their families, or by a labor organization to its members and their families;

(2) nonpartisan registration and voting campaigns conducted by a corporation with respect to its stockholders and its executive officers and their families, or by a labor organization with respect to its members and their families; and

(3) the establishment, administration, and solicitation of contributions to a separate segregated fund to be used for political purposes by a corporation or labor organization, except that—

(A) it is unlawful for such a fund to make a contribution or expenditure through the use of money or anything of value secured by (i) physical force; (ii) job discrimination; (iii) financial reprisal; (iv) the threat of force, job discrimination, or financial reprisals; (v) dues, fees, or other moneys required as a condition of membership in a labor organization or as a condition of employment; or (vi) moneys obtained in any commercial transaction;

(B) it is unlawful for a corporation or a separate segregated fund established by a corporation to solicit contributions from any person other than stockholders and executive officers of such corporation and their families, for an incorporated trade association or a separate segregated fund established by such an association to solicit contributions from any person other than the stockholders and executive officers of the member corporations of such trade association and the families of stockholders and executive officers (to the extent that any such solicitation has been separately and specifically approved by the member corporation involved, and such member corporation has not approved any such solicitation by more than one such trade association in any calendar year), or for a labor organization or a separate segregated fund established by a labor organization to solicit contributions from any person other than the members of the labor organization and their families;

(C) any method of soliciting voluntary contributions, or of facilitating the making of voluntary contributions, to a separate segregated fund established by a corporation which may be used by a corporation also may be used by labor organizations; and

(D) a corporation which uses a method of soliciting voluntary contributions or facilitating the making of voluntary contributions shall make such method available to a labor organization representing any members who work for the corporation, upon written request by the labor organization.

The House amendment was intended to acknowledge the use by corporations of various methods, such as check-off systems, to solicit voluntary contributions or to facilitate the making of such contributions to separate segregated political funds. If a corporation uses such a method, the House amendment extended the same right to labor organizations. The House amendment, however, also would permit a corporation to allow a labor organization to use a method even though the corporation has chosen not to use such method. The House amendment also intended to authorize such methods notwithstanding any other provision of law.

In any instance in which a corporation uses a method (such as the use of computer data) to solicit voluntary contributions or to facilitate the making of contributions to separate segregated political funds, the House amendment also was intended to require that the corporation make such method available to a labor organization if the labor organization represents members who work for the corporation, and the labor organization makes a written request for the use of the method involved. The labor organization would be required to reimburse the corporation for any expense incurred in connection with the use of the method by the labor organization.

Subsection (b)(3) defines the term "executive officer" to mean an individual employed by a corporation who is paid on a salary rather than an hourly basis and who has policymaking or supervisory responsibilities.

Conference substitute

The conference substitute is the same as the House amendment, except as follows:

1. The conference substitute follows the Senate bill in applying the definition of the term "contribution or expenditure" contained in section 321 to section 791(h) of the Public Utility Holding Company Act.

2. The conference substitute follows the Senate bill in using the term "executive or administrative personnel" throughout section 321 rather than "executive officer". The conference substitute defines that term to mean an employee who is paid on a salary, rather than hourly, basis and who has policymaking, managerial, professional, or supervisory responsibilities. The term "executive or administrative personnel" is intended to include the individuals who run the corporation's business, such as officers, other executives, and plant, division, and section managers, as well as individuals following the recognized professions, such as lawyers and engineers, who have not chosen to separate themselves from management by choosing a bargaining representative; but is not intended to include professionals who are members of a labor organization, or foremen who have direct supervision over hourly employees, or other lower level supervisors such as "strawbosses".

3. The conference substitute follows the Senate bill in requiring that when a corporation solicits its executive and administrative personnel as permitted by subsection (b)(4)(B), for a contribution to a separate segregated fund, the employee being solicited must be informed at the time of the solicitation of the political purposes of the fund and that he may refuse to contribute.

4. The conference substitute follows the Senate bill in permitting under certain circumstances written solicitations by corporations and labor organizations of stockholders, executive or administrative personnel, members of labor organizations, and other employees (and their families) of a corporation. It is the conferees' intent that in order to assure the anonymity of those who do not wish to respond or who wish to respond with a small contribution the mail solicitations shall be conducted so that an independent third person, who acts as fiduciary for the separate segregated fund, receives the return envelopes, keeps the necessary records, and provides the fund only with information as to the identity of individuals who make a single contribution of over $50 or multiple contributions that aggregate more than $100. The conference substitute follows the House amendment with regard to the solicitation by a trade association of stockholders and executive or administrative personnel (and their families) of a member corporation of such trade association. The conference substitute contains the provision of the Senate bill permitting a membership organization, cooperative, or corporation without capital stock, or a separate segregated fund established by such organizations, to solicit contributions to such a fund from members of such organization, cooperative, or corporation without capital stock. In light of the fact that subsection (b)(4)(D) governs solicitations by a trade association of the stockholders and executive or administrative personnel of a member corporation, the term "membership organization" in subsection (b)(4)(C) is not intended to include a trade association which is made up of corporations.

The conferees' intent is also noted with regard to the following additional points:

1. Subparagraphs (B) and (C) of section 301(f)(4), and subparagraphs (A) and (B) of section 321(b)(2), which were added to the law at different times, overlap in that both make exceptions to the term "expenditure" for internal communications and for nonpartisan registration and get-out-the-vote activity. The dual reference to internal communications is intended to permit corporations to write, or call, or address their stockholders and executive or administrative personnel and their families (and unions to reach their members and their families in the same ways), to communicate a partisan or nonpartisan political message, subject only to the reporting requirement added by the conference substitute and already discussed. (The conferees agree that section 301(f)(4)(C), as amended by the conference substitute, makes reporting requirements applicable to certain communications which are not expenditures under this section but which expressly advocate the election or defeat of a clearly identified candidate.) The conferees' intent with regard to the interrelationship between sections 301(f)(4)(B) and 321(b)(2)(B) which permit such activities as assisting eligible voters to register and to get to the polls, so long as these services are made available without regard to the voter's political preference, is the following: these provisions should be read together to permit corporations both to take part in nonpartisan registration and get-out-the-vote activities that are not restricted to stockholders and executive or administrative personnel, if such activities are jointly sponsored by the corporation and an organization that does not endorse candidates and are conducted by that organization; and to permit corporations, on their own, to engage in such activities restricted to executive or administrative personnel and stockholders and their families. The same rule, of course, applies to labor organizations.

2. With regard to subparagraphs (B) and (C) of section 321(b)(3), which provide certain protections to employees solicited by their employer, it is intended that the general rule inherent in the plan of the entire section—that unions insofar as they are employers, stand in the same shoes as corporations—shall apply. In addition, while the conference substitute permits corporations in connection with an overall solicitation of stockholders to solicit employee-stockholders, such a solicitation would, of course, have to be in conformity with the requirements of subparagraphs (B) and (C) of section 321(b)(3). The same rule, of course, applies to labor organizations in the solicitation of their members.

3. The conferees agree that subsections (b)(4)(B) and (b)(6), taken together, require a corporation to make available to the labor organization any method utilized by such corporation to make the written solicitation of employees and of stockholders who are not employees. However, if the corporation does not desire to relinquish or disclose to the labor organization the names and addresses of individuals to be solicited, it is the conferees' intent that an independent mailing service shall be retained to make the mailing for both the corporation and the labor organization. Finally, it is intended that in a situation in which there are several labor organizations, rather than one, with members at a single corporation, the unions as a group shall have no greater right to make solicitations than a single union would. It is the conferees' intent that corporations and labor organizations are entitled to utilize such method solely for a mail solicitation for contributions to their separate segregated fund and not for any other purpose.

4. Subsection (b)(5), as opposed to (b)(6), merely eliminates any legal impediment to the use by a labor organization of any method permitted by law to a corporation with regard to the solicitation of its stockholders and executive or administrative personnel, or with regard to facilitating the making of contributions by stockholders and executive and administrative personnel, and does not automatically make such methods available to unions.

5. The conference substitute does not define the term "stockholder". It is intended that in this regard the normal concepts of corporate law shall be controlling.

C. Contributions by Government contractors

Senate bill

The prohibitions against contributions by government contractors contained in 18 U.S.C. 611 were transferred to the Act as new section 322, absent the existing penalty provisions, which are replaced by the penalty and enforcement provisions under new sections 313 and 328 of the Act. Each specific prohibition, allowance, and duty applicable to a corporation, labor organization, or separate segregated fund under section 321 is made applicable to a corporation, labor organization, or separate segregated fund to which section 322(b) applies.

House amendment

Section 322(a) of the Act, as added by the House amendment, makes it unlawful for any person who enters into certain contracts with the United States to make any contribution, or to promise to make any contribution, to any political party, committee, or candidate for public office, or to any person for any political purpose or use, or to solicit any such contribution from any such person. The prohibition applies during the period beginning on the date of the commencement of negotiations for the contract involved and ending on the later of (1) the completion of performance under the contract; or (2) the termination of negotiations for the contract.

The prohibition applies with respect to any contract with the United States or any department or agency of the United States for (1) the performance of personal services; (2) furnishing any materials, supplies, or equipment; or (3) selling any land or building. The prohibition, however, applies only if payment under the contract is to be made in whole or in part from funds appropriated by the Congress.

Section 322(b) provides that section 322 does not prohibit the operation of a separate segregated fund by a corporation or labor organization for the purpose of influencing the nomination for election, or election, of any person to Federal office, unless the provisions of section 321 prohibit the operation of such fund.

Section 322(c) defines the term "labor organizations" by giving it the same meaning as in section 321.

Conference substitute

The conference substitute is the same as the Senate bill, except the conference substitute makes it clear that the provisions of section 322(c) of the Act, as added by the conference substitute, also apply to membership organizations, cooperatives, and corporations without capital stock.

D. Publication or distribution of political statements

Senate bill

Section 323 of the Act, as added by the Senate bill, provides that, whenever a person makes an expenditure to finance a communication which advocates the election or defeat of a clearly identified candidate through a broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or other type of general public political advertising, such communication (1) if authorized by a candidate or an authorized political committee or agent of a candidate, shall state that such communication has been so authorized; or (2) if not authorized by a candidate, or an authorized political committee or agent of a candidate, shall state (A) that the communication is not so authorized; and (B) the name of the person making or financing the expenditure for the communication, including (in the case of a political committee) the name of any affiliated organization as stated in section 303 (b) (2) of the Act.

House amendment

Section 323 of the Act, as added by the House amendment, provides that, whenever a person makes an expenditure to finance a communication which advocates the election or defeat of a clearly identified candidate through a broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or other type of general public political advertising, such communication (1) if authorized by a candidate or an authorized political committee or agent of a candidate, shall state that such communication has been so authorized; or (2) if not authorized by a candidate, or an authorized political committee or agent of a candidate, shall state (A) that the communication is not so authorized; and (B) the name of the person making or financing the expenditure for the communication, including (in the case of a political committee) the name of any affiliated organization as stated in section 303(b) (2) of the Act.

Conference substitute

The conference substitute is the same as the House amendment and the Senate bill.

E. Contributions by foreign nationals

Senate bill

Section 324(a) of the Act, as added by the Senate bill, makes it unlawful for a foreign national to make any contribution in connection with (1) any election to any political office; or (2) any primary election, convention, or caucus held to select candidates for any political office. It is also unlawful for any person to solicit, accept, or receive any such contribution from a foreign national.

Section 324(b) defines the term "foreign national" to mean (1) a foreign principal, as defined by section 1(b) of the Foreign Agents Registration Act of 1938, except that the term "foreign national" does not include any individual who is a citizen of the United States; or (2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a) (20) of the Immigration and Nationality Act.

Section 324 incorporates the provisions of 18 U.S.C. 613, replacing the criminal penalties under section 613 with the penalty and enforcement provisions under sections 313 and 328 of the Act, as added by the Senate bill.

House amendment

Section 324(a) of the Act, as added by the House amendment, makes it unlawful for a foreign national to make any contribution in connection with (1) any election to any political office; or (2) any primary election, convention, or caucus held to select candidates for any political office. It is also unlawful for any person to solicit, accept, or receive any such contribution from a foreign national.

Section 324(b) defines the term "foreign national" to mean (1) a foreign principal, as defined by section 1(b) of the Foreign Agents Registration Act of 1938, except that the term "foreign national" does not include any individual who is a citizen of the United States; or (2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a) (20) of the Immigration and Nationality Act.

Section 324 is the same as section 613 of title 18, United States Code, except that the penalties were omitted in order to conform with section 328 of the Act. The House amendment eliminated section 613 of title 18, United States Code.

Conference substitute

The conference substitute is the same as the House amendment and the Senate bill.

F. Prohibition of contributions in name of another

Senate bill

Section 325 of the Act, as added by the Senate bill, prohibits any person from (1) making a contribution in the name of another person; (2) knowingly permitting his name to be used to make such a contribution; and (3) knowingly accepting a contribution made by one person in the name of another person.

Section 325 incorporates the provisions of 18 U.S.C. 614, replacing the criminal penalties under section 614 with the penalty and enforcement provisions under sections 313 and 328 of the Act, as added by the Senate bill.

House amendment

Section 325 of the Act, as added by the House amendment, prohibits any person from (1) making a contribution in the name of another person; (2) knowingly permitting his name to be used to make such a contribution; and (3) knowingly accepting a contribution made by one person in the name of another person.

Section 325 is the same as section 614 of title 18, United States Code, except that the penalties were omitted in order to conform with section 328 of the Act. The House amendment eliminated section 614 of title 18, United States Code.

Conference substitute

The conference substitute is the same as the House amendment and the Senate bill.

G. Limitation on contributions of currency

Senate bill

Section 326 of the Act, as added by the Senate bill, incorporates the provisions of 18 U.S.C. 615 (relating to the prohibition of contributions in currency in excess of $100) replacing the criminal penalties contained in section 615 with the penalty and enforcement provisions under sections 313 and 328 of the Act, as added by the Senate bill.

House amendment

Section 326(a) of the Act, as added by the House amendment, prohibits any person from making contributions of currency of the United States or of any foreign country to any candidate which, in the aggregate, exceed $100, with respect to any campaign of the candidate for nomination for election, or for election, to Federal office.

Section 326(b) provides that any person who knowingly and willfully violates section 326 shall be fined in an amount which does not exceed the greater of $25,000 or 300 percent of the amount of the contribution involved, imprisoned for not more than 1 year, or both.

Conference substitute

The conference substitute is the same as the Senate bill.

H. Acceptance of excessive honorariums

Senate bill

The Senate bill eliminated provisions relating to the acceptance of excessive honorariums.

House amendment

Section 327 of the Act, as added by the House amendment, prohibits any person who is an elected or appointed officer or employee of any branch of the Federal Government from accepting (1) any honorarium of more than $1,000 (excluding amounts accepted for actual travel and subsistence expenses) for any appearance, speech, or article; or (2) honorariums aggregating more than $15,000 in any calendar year.

Section 327 is the same as section 616 of title 18, United States Code, except that the penalties were omitted in order to conform with section 328 of the Act. The House amendment eliminated section 616 of title 18, United States Code.

Conference substitute

The conference substitute is the same as the House amendment, except as follows:

1. The limitation on an honorarium for any appearance, speech, or article is $2,000.
2. The limitation on the total amount of honorarium in any calendar year is $25,000.
3. The conference substitute provides that, in calculating the amount of an honorarium, actual travel and subsistence expenses for the spouse of the person involved, or an aide of such person, shall not be included. Any amount paid or incurred for agents' fees or commissions also shall not be included

I. Fraudulent misrepresentation of campaign authority

Senate bill

Section 327 of the Act, as added by the Senate bill, incorporates the provisions of 18 U.S.C. 617 (relating to the prohibition of fraudulent misrepresentation of campaign authority), replacing the criminal penalties contained in section 617 with the penalty and enforcement provisions under sections 313 and 328 of the Act, as added by the Senate bill.

House amendment

Section 112(b) of the House amendment amended title III of the Act by adding a new section 316. Section 316 prohibits any candidate for Federal office, or any employee or agent of the candidate from (1) fraudulently misrepresenting himself (or any committee or organization under his control) as acting for or on behalf of any other candidate or political party regarding a matter which is damaging to such other candidate or political party; or (2) participating in, or conspiring to participate in, any plan to violate section 316.

Section 316 is substantially the same as section 617 of title 18, United States Code, except that the penalties were omitted in order to conform with section 328 of the Act. The House amendment eliminated section 617 of title 18, United States Code.

Conference substitute

The conference substitute is the same as the Senate bill.

J. Penalty for violations

Senate bill

Section 328 of the Act, as added by the Senate bill, provides that, upon enactment of the bill, a knowing and willful violation of the Act, as amended, which involves the making, receiving, or reporting of any contribution or expenditure having a value in the aggregate of $1,000 or more in any calendar year is punishable by a fine not in excess of $25,000 or 3 times the amount involved, whichever is greater, and imprisonment for not more than 1 year, or both the fine and imprisonment. In the case of a knowing and willful violation of section 325 or 326, the above penalties shall apply to a violation involving an amount having a value in the aggregate of $250 or more during a calendar year. In the case of a knowing and willful violation of section 327, the penalties of this section 328 shall apply without regard to whether the making, receiving, or reporting of a contribution of $1,000 or more was involved.

In addition, a willful and knowing violation of section 321(b)(2) of the Act, as added by the Senate bill (involving coercion or undue influence by corporations or labor organizations), is punishable by a fine of not more than $50,000, imprisonment for not more than 2 years, or both.

Section 328(b) provides that in any criminal action brought for a violation of a provision of the Act, as amended, or of the public financing provisions of the Internal Revenue Code that the defendant may introduce as evidence of his lack of knowledge or intent to commit the offense a conciliation agreement entered into with the Commission which is still in effect and being complied with. Such a conciliation agreement is also required to be taken into account in weighing the seriousness of the offense and in considering the seriousness of the penalty to be imposed if the defendant is found guilty.

House amendment

Section 328 of the Act, as added by the House amendment, provides that any person who knowingly and willfully violates any provision or provisions of the Act (other than section 326) which involves the making, receiving, or reporting of any contribution or expenditure having a value, in the aggregate of $1,000, or more during any calendar year shall be fined in an amount which does not exceed the greater of $25,000 or 300 percent of the amount of the contribution or expenditure involved, imprisoned for not more than 1 year, or both.

Conference substitute

The conference substitute is the same as the Senate bill, except that the penalty is the same for all knowing and willful violations of the Act and such penalty applies to a violation of section 321(b)(3) only if an amount of $250 or more in a calendar year is involved.

Savings provision relating to repealed provisions

Senate bill

Section 112 of the Senate bill provided that the repeal by the Senate bill of any section or penalty does not release or extinguish any penalty, forfeiture, or liability incurred under such penalty or section.

House amendment

Section 113 of the House amendment amended title III of the Act by adding a new section 329. Section 329 provides that the repeal by the House amendment of any provision or penalty shall not have the effect of releasing or extinguishing any penalty, forfeiture, or liability incurred under the provision or penalty. The provision or penalty shall be treated as remaining in force for the purpose of sustaining any action or prosecution for the enforcement of the penalty, forfeiture, or liability.

Conference substitute

The conference substitute is the same as the Senate bill.

Principal campaign committees

Senate bill

No provision.

House amendment

Section 114 of the House amendment amended section 302(f) of the Act to provide that, with respect to the designation of political committees as principal campaign committees, any occasional, isolated, or incidental support of a candidate shall not be construed as support of such candidate for purposes of section 302.

Conference substitute

The conference substitute is the same as the House amendment.

Authorization of appropriations

Senate bill

Section 111 of the Senate bill provided an authorization of $8,000,000 for fiscal year 1976, $2,000,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $8,000,000 for fiscal year 1977.

House amendment

No provision.

Conference substitute

The conference substitute provides an authorization of $6,000,000 for fiscal year 1976, $1,500,000 for the transition period, and $6,000,000 for fiscal year 1977.

Technical and conforming amendments

The Senate bill and the House amendment included various technical and conforming amendments to the Act. These amendments are incorporated in the conference substitute.

AMENDMENTS TO TITLE 18, UNITED STATES CODE

Repeal of certain provisions

Senater bill

Section 201(a) of the Senate bill amended chapter 29 of title 18, United States Code, by striking out section 608 (relating to limitations on contributions and expenditures), 610 (relating to contributions or expenditures by national banks, corporations, or labor organizations), 611 (relating to contributions by Government contractors), 612 (relating to publication or distribution of political statements), 613 (relating to contributions by foregin nationals), 614 (relating to prohibition of contributions in name of another), 615 (relating to limitations on contributions of currency), 616 (relating to acceptance of excessive honorariums), and 617 (relating to fraudulent misrepresentation of campaign authority).

Section 201(b) made conforming amendments to the table of sections for chapter 29 of title 18, United States Code.

House amendment

Section 201(a) of the House amendment amended chapter 29 of title 18, United States Code, by striking out section 608 (relating to limitations on contributions and expenditures), 610 (relating to contributions or expenditures by national banks, corporations, or labor organizations), 611 (relating to contributions by Government contractors), 612 (relating to publication or distribution of political statements), 613 (relating to contributions by foreign nationals), 614 (relating to prohibition of contributions in name of another), 615 (relating to limitations on contributions of currency), 616 (relating to acceptance of excessive honorariums), and 617 (relating to fraudulent misrepresentation of campaign authority).

Section 201(b) made conforming amendments to the table of sections for chapter 29 of title 18, United States Code.

Conference substitute

The conference substitute is the same as the House amendment and the Senate bill.

Changes in definitions

Senate bill

No provision.

House amendment

Section 202(a) of the House amendment made a conforming amendment to section 591 of title 18, United States Code, based upon the amendment made by section 201(a) of the House amendment.

Section 202(b) amended section 591(e)(4) of title 18, United States Code, to provide that the term "contribution" does not apply (1) in the case of any legal or accounting services rendered to the national committee of a political party, other than any such services attributable to any activity which directly furthers the election of any designated candidate to Federal office; or (2) in the case of any legal or accounting services rendered to a candidate or political committee solely for the purpose of ensuring compliance with the Act, chapter 29 of title 18, United States Code, or chapter 95 or chapter 96 of the Internal Revenue Code of 1954.

Section 202(c) amended section 591(f)(4) of title 18, United States Code, to provide that the term "expenditure" does not include the payment, by any person other than a candidate or political committee, of compensation for legal or accounting services rendered (1) to the national committee of a political party, other than services attributable to activities which further the election of a designated candidate to Federal office; or (2) to a candidate or political committee solely for the purpose of ensuring compliance with the Act, chapter 29 of title 18, United States Code, or chapter 95 or chapter 96 of the Internal Revenue Code of 1954.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute includes a modified version of the provision of the Senate bill which provides that legal or accounting services are considered contributions if the person paying for the services is a person other than the "regular" employer of the individual rendering the services. The conference substitute includes this provision of the Senate bill with respect to the definition of the terms "contribution" and "expenditure" in section 301 of the Act and in section 591 of title 18, United States Code.

AMENDMENTS TO INTERNAL REVENUE CODE OF 1954

Entitlement of eligible candidates to payments

Senate bill

Section 301 of the Senate bill amended the public financing provisions of the Internal Revenue Code of 1954 by prohibiting a presidential candidate who accepts public funds from expending more than $50,000 from his own personal funds or the funds of his immediate family in connection with his campaign. The term "immediate family" was defined to mean a candidate's spouse, and any child, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate, and the spouses of such persons. Expenditures made by an individual after January 29, 1976, and before the date of enactment of the Senate bill shall not be taken into account in applying the limitation under such Code.

House amendment

Section 301 of the House amendment amended section 9004 of the Internal Revenue Code of 1954 by adding new subsections (d) and (e). Subsection (d) provides that, in order to be eligible to receive payments under section 9006, a candidate of a major, minor, or new party for election to the office of President must certify to the Commission that the candidate will not knowingly make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for election to the office of President, in excess of an aggregate amount of $50,000. Expenditures made by a vice presidential nominee shall be considered to be expenditures made by the presidential nominee of the same political party.

Subsection (e) defines the term "immediate family" to mean the spouse of a candidate, and any child, parent, grandparent, brother, or sister of the candidate, and the spouses of such persons.

Section 306(a) amended section 9035 of the Internal Revenue Code of 1954 to provide that any candidate seeking Federal matching funds in connection with a campaign for nomination for election to the office of President may not knowingly make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign which exceed an aggregate amount of $50,000. Section 306(a) also amended section 9035 of the Internal Revenue Code of 1954 by adding a new subsection (b) which defines the term "immediate family" to mean the spouse of a candidate, and any child, parent, grandparent, brother, or sister of the candidate, and the spouses of such persons.

Section 306(b) made a conforming amendment to the table of sections for chapter 96 of the Internal Revenue Code of 1954.

Conference substitute

The conference substitute is the same as the House amendment, except as follows:

1. The conference substitute follows the Senate bill with respect to the definition of the term "immediate family". The conference substitute does not in any way disturb the $1,000 contribution limit applicable to all individuals, including the immediate family of a candidate.

2. The conference substitute includes the provision of the Senate bill which states that expenditures made by an individual after January 29, 1976, and before the date of the enactment of the conference substitute, shall not be taken into account in applying the limitation regarding the expenditure of personal funds.

Deposits in Presidential election campaign fund

Senate bill

Section 302 of the bill amended section 9006 of the Internal Revenue Code of 1954 by striking out subsection (b). Subsection (b) provides that any moneys remaining in the Presidential Election Campaign Fund after a presidential election shall be transferred to the general fund of the Treasury.

House amendment

Section 302(a) of the House amendment amended section 9006 of the Internal Revenue Code of 1954 by striking out subsection (b). Subsection (b) provides that any moneys remaining in the Presidential Election Campaign Fund after a presidential election shall be transferred to the general fund of the Treasury.

Conference substitute

The conference substitute is the same as House amendment and the Senate bill.

Insufficient amounts in Presidential election campaign fund

Senate bill

No provision.

House amendment

Section 302(b) of the House amendment amended section 9006(c) of the Internal Revenue Code of 1954, as so redesignated by section 302(a) of the House amendment, to provide that, in any case in which the Secretary of the Treasury determines that there are not sufficient moneys in the Presidential Election Campaign Fund to make payments under section 9006(b), section 9008(b)(3), and section 9037(b) of the Internal Revenue Code of 1954, moneys shall not be made available from any other source for the purpose of making payments.

Conference substitute

The conference substitute is the same as the House amendment.

Provision of legal or accounting services

Senate bill

The Senate bill provided that payment for legal or accounting services shall not be treated as an expenditure by the national committee of a political party in connection with its presidential nominating convention unless the person paying for such services is a person other than the employer of the individual rendering the services.

House amendment

Section 303 of the House amendment amended section 9008(d) of the Internal Revenue Code of 1954 by adding a new paragraph (4). Paragraph (4) provides that any payment by a person other than the national committee of a political party of compensation to any person for legal or accounting services rendered to the national committee of a political party shall not be treated as an expenditure made by the national committee with respect to the presidential nominating convention of the political party involved.

Conference substitute

The conference substitute includes a modified version of the Senate bill which provides that legal or accounting services are considered contributions if the person paying for the services is a person other than the "regular" employer of the individual rendering the services.

Review of regulations

Senate bill

Section 303 of the bill amended the public financing provisions of the Internal Revenue Code of 1954 relating to congressional review of regulations promulgated under such provisions, to provide for a 15-legislative-day or 30-calendar-day period, whichever is later, during which a proposed rule or regulation can be disapproved.

House amendment

Section 304(a) of the House amendment amended section 9009(c)(2) of the Internal Revenue Code of 1954 to provide that the Congress may disapprove proposed rules and regulations of the Commission in whole or in part. The amendment also provided that, whenever a committee of the House of Representatives reports any resolution relating to a proposed rule or regulation of the Commission, it is in order at any time (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to. Although the motion to proceed to the consideration of the resolution is not debatable, debate may be conducted with respect to the contents of the resolution.

Section 304(b) made an identical amendment to section 9039(c)(2) of the Internal Revenue Code of 1954.

Conference substitute

The conference substitute is the same as the House amendment, except as follows:

The conference substitute provides that, for the purposes of reviewing regulations proposed by the Commission, the Congress may disapprove any provision or series of interrelated provisions which states a single separable rule of law.

The conferees agree that this provision does not give the Congress the power to revise proposed regulations by disapproving a particular word, phrase, or sentence, but only gives each House of the Congress the power to determine which proposed regulations of the Commission constitute distinct regulations which can only be disapproved in whole. This provision is intended to permit disapproval of discrete self-contained sections or subdivisions of proposed regulations and is not intended to permit the rewriting of regulations by piecemeal changes.

Return of Federal funds

Senate bill

Section 306 of the Senate bill amended section 9037 of the Internal Revenue Code of 1954 to provide that a candidate receiving Federal matching funds in connection with his presidential primary campaign may not continue to receive matching funds if he fails to receive 10 percent or more of the votes cast in 2 consecutive primaries. The Senate bill provided that the eligibility of a candidate to receive matching funds may be reinstated if the candidate receives 20 percent or more of the votes cast in a presidential primary held after the candidate's payments were terminated.

The Senate bill provided that this provision would take effect on the date of the enactment of the Senate bill.

House amendment

Section 307(a)(1) of the House amendment amended section 9002(2) of the Internal Revenue Code of 1954 to provide that the term "candidate" does not include any individual who has ceased actively to seek election to the office of President or to the office of Vice President in more than one State.

Section 307(a)(2) amended section 9003 of the Internal Revenue Code of 1954 by adding a new subsection (d). Subsection (d) provides that, in any case in which an individual ceases to be a candidate for the office of President or Vice President as a result of the operation of the last sentence of section 9002(2) of the Internal Revenue Code of 1954 (which is added by the amendment made by section 307(a)(1) of the House amendment), such individual (1) shall no longer be eligible to receive any Federal payments; and (2) shall pay to the Secretary of the Treasury, as soon as practicable after the date upon which the individual ceases to be a candidate, an amount equal to the amount of payments received by the individual which are not used to defray qualified campaign expenses.

Section 307(b) made amendments to section 9032(2) of the Internal Revenue Code of 1954 and to section 9033 of such Code which are substantially similar to the amendments made by section 307(a). The amendments made by section 307(b) relate to the receipt of Federal matching payments in presidential primary elections.

Conference substitute

The conference substitute includes both the provisions of the House amendment and the Senate bill. The conference substitute provides that an individual who has ceased to be an active candidate, or an individual who is ineligible to receive payments because he has failed to receive at least 10 percent of the votes cast in 2 consecutive primaries, may continue to receive Federal payments only in order to defray qualified campaign expenses which were incurred while such individual was a candidate.

The conference substitute also provides that an individual who becomes ineligible to receive matching payments under section 9033(c)(1)(A) of the Internal Revenue Code of 1954, as added by the conference substitute, subsequently may reestablish his eligibility to receive such payments. The Commission is given authority to determine that any such individual is a candidate upon a finding that such individual is actively seeking election to the office of President of the United States in more than one State. The Commission is required to make such determination without requiring such individual to resubmit written agreements under section 9033(a) of the Internal Revenue Code of 1954.

The conferees agree that the provision of the conference substitute relating to the ineligibility of inactive candidates to receive matching payments is intended to provide that a candidate will remain eligible for such payments only so long as he mantains a good faith, multistate campaign for nomination for election, or for election, to the office of President. A candidate should not be considered to be actively seeking nomination or election if he curtails his campaign activities to such an extent that it is reasonable to conclude that he no longer intends to engage in activity necessary to secure the nomination or win the election involved.

Technical and conforming amendments

The Senate bill and the House amendment made various technical and conforming amendments to the Internal Revenue Code of 1954. The conference substitute incorporates these technical and conforming amendments.

OTHER PROVISIONS

Commission to study Presidential nominating process

Senate bill

The Senate bill established a Bicentennial Commission on Presidential Nominations to review the manner in which presidential primary elections are conducted, and to report to the Congress its findings.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the House amendment resulting in no change in existing law.

Financial disclosure of Federal officers and employees

Senate bill

The Senate bill provided that any Federal officer or employee receiving compensation at a gross annual rate exceeding $25,000, and any candidate for Federal office, must file financial disclosure reports to the Comptroller General of the United States. The Senate bill provided that the financial disclosure statement must include (1) an indication of the net worth of the person making the filing; (2) a statement of the assets and liabilities of such person; and (3) a statement of income identifying each source of income (or a copy of such person's Federal income tax statement).

House amendment

No provision.

Conference substitute

The conference substitute is the same as the House amendment, resulting in no change in existing law.

Wayne L. Hays,
John H. Dent,
John Brademas,
Dawson Mathis,
Mendel J. Davis,
Charles E. Wiggins,
Managers on the Part of the House.
Howard W. Cannon,
Claiborne Pell,
Robert C. Byrd,
Hugh Scott,
Mark O. Hatfield,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. Pettis) to revise and extend their remarks and include extraneous matters:)

Mr. Peyser, for 1 hour, on April 29.

Mr. Jeffords, for 30 minutes, today.

Mrs. Heckler of Massachusetts, for 5 minutes, today.

Mr. Bob Wilson, for 5 minutes, today.

Mr. Miller of Ohio, for 10 minutes today.

(The following Members (at the request of Mr. Dodd) to revise and extend their remarks and include extraneous material:)

Mr. Cotter, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Rangel, for 5 minutes, today.

Mr. Vanik, for 10 minutes, today.

Mr. Bingham, for 5 minutes, today.

Mr. Dodd, for 5 minutes, today.

Ms. Abzug, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. Pettis) and to include extraneous matter:)

Mr. Findley.

Mr. Don H. Clausen.

Mr. Young of Alaska.

Mr. Anderson of Illinois in two instances.

Mr. Wiggins.

Mr. Walsh.

Mr. Vander Jagt in two instances.

Mr. Miller of Ohio in four instances.

Mr. Abdnor.

Mr. Gilman in two instances.

Mr. Harsha.

Mr. Taylor of Missouri in two instances.

Mr. Schulze.

Mr. Esch.

Mr. Moore.

Mr. Derwinski in two instances.

Mr. Gradison.

Mr. Skubitz.

(The following Members (at the request of Mr. Dodd), and to include extraneous matter:)

Mr. Burke of Massachusetts in two instances.

Mr. Carr.

Mr. Moorhead of Pennsylvania in two instances.

Mrs. Mink.

Mr. Fraser.

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Rees.

Mr. Baucus.

Mr. Carney in four instances.

Mr. Kastenmeier.

Mr. Seiberling in 10 instances.

Mrs. Spellman.

Mr. Solarz.

Mrs. Meyner.

Mrs. Schroeder.

Mr. Runnels.

Mr. Bonker.

Mr. Dent in two instances.

Mr. Eilberg in five instances.

Mr. Bedell.

Ms. Jordan.

Mr. Byron.

Mr. Russo in two instances.

Mr. Moakley in two instances.

Mr. de Lugo.

Mr. Brodhead.

Mr. Fisher.

Mr. Teague.

Mr. McDonald of Georgia in four instances.

Mr. Alexander.

Mr. Lloyd of California.

Mr. Florio.

Mr. Vanik.

Mr. Brown of California in 10 instances.

Mr. Stark in 10 instances.

Mr. Breckinridge.

Mr. Wright.

Mr. Patten.

Mr. Lehman.

Mr. Young of Georgia.

Mr. Ryan.

Mrs. Burke of California.

Mr. Matsunaga.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1526. An act to make additional funds available for purposes of certain public lands in northern Minnesota, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2004. An act to eliminate a restriction on use of certain lands patented to the city of Hobart, Kiowa County, Okla.; to the Committee on Interior and Insular Affairs.

S. 3295. An act to extend the authorization for annual contributions under the U.S. Housing Act of 1937, to extend certain housing programs under the National Housing Act, and for other purposes; to the Committee on Banking, Currency and Housing.

S. Con. Res. 112. Concurrent resolution relating to Fair Housing Month; to the Committee on Post Office and Civil Service.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 12226. An act to amend further the Peace Corps Act.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on April 27, 1976 present to the President, for his approval, a bill of the House of the following title:

H.R. 8235. An act to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

ADJOURNMENT

Mr. DODD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 18 minutes p.m.), the House adjourned until Thursday, April 29, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3129. A letter from the President of the United States, transmitting a budget amendment for fiscal year 1977 for foreign assistance (H. Doc. No. 94–477); to the Committee on Appropriations and ordered to be printed.

3130. A letter from the President of the United States, transmitting a budget amendment for fiscal year 1977 involving a decrease in the amount requested for the Department of the Interior (H. Doc. No. 94–478); to the Committee on Appropriations and ordered to be printed.

3131. A letter from the President of the United States, transmitting additional fiscal year 1976 and transition quarter appropriation language and amended 1977 appropriation language for the Nuclear Regulatory Commission (H. Doc. No. 94–479); to the Committee on Appropriations and ordered to be printed.

3132. A letter from the chairman, Student Loan Marketing Association, transmitting the annual report of the organization for calendar year 1975, pursuant to section 439 (n) of Public Law 92–318; to the Committee on Education and Labor.

3133. A letter from the Assistant Secretary for Administration and Management, Department of Health, Education, and Welfare, transmitting notice of two proposed new systems of records for the Department, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3134. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Navy to offer to sell certain defense articles to Israel (transmittal No. 76–46), pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

3135. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Air Force to offer to amend its sale of certain defense services to Iran (transmittal No. 76–50), pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

3136. A letter from the Executive Director, Council on International Economic Policy, Executive Office of the President, transmitting a draft of proposed legislation to authorize appropriations for carrying out the provisions of the International Economic Policy Act of 1972, as amended, and for other purposes; to the Committee on International Relations.

3137. A letter from the Secretary of Health, Education, and Welfare, transmitting a resolution adopted by the National Advisory Council on Health Professions Education concerning the administration of health manpower grant proposals; to the Committee on Interstate and Foreign Commerce.

3138. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on Petit Anse, Tigre, and Carlin Bayous, La. (H. Doc. No. 94–480); to the Committee on Public Works and Transportation and ordered to be printed with illustrations.

3139. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on Jonesport Harbor, Maine (H. Doc. No. 94–481); to the Committee on Public Works and Transportation and ordered to be printed with illustrations.

3140. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on Wyoming Valley, Pa. (H. Doc. No. 94–482); to the Committee on Public Works and Transportation and ordered to be printed with illustrations.

3141. A letter from the Deputy Secretary of Transportation, transmitting a draft of proposed legislation to extend and expand the authority of the Secretary of Transportation to provide insurance and reinsurance to air carriers under title XIII of the Federal Aviation Act of 1958, as amended, and for other purposes; to the Committee on Public Works and Transportation.

RECEIVED FROM THE COMPTROLLER GENERAL

3142. A letter from the Comptroller General of the United States, transmitting a report on the impact of foreign direct investments in North and South Carolina; jointly, to the Committees on Government Operations, Interstate and Foreign Commerce, and International Relations.

3143. A letter from the Comptroller General of the United States, transmitting a report on the Bureau of Prisons' construction program; jointly, to the Committees on Government Operations, the Judiciary, and Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ZABLOCKI: Committee on International Relations. House Concurrent Resolution 570. Concurrent resolution with respect to certain arms control and disarmament negotiations; with amendment (Rept. No. 94–1051). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 1164. Resolution permitting all committees of the House to sit during the 5-minute rule until May 16, 1976 (Rept. No. 94–1052). Referred to the House Calendar.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 5523. A bill to improve the administration of fish and wildlife programs, and for other purposes; with amendment (Rept. No. 94–1053). Referred to the Committee of the Whole House on the State of the Union.

Mr. SISK: Committee on Rules. House Resolution 1165. Resolution providing for the consideration of H.R. 8410. A bill to amend the Packers and Stockyards Act of 1921, as amended, and for other purposes (Rept. No. 94–1054). Referred to the House Calendar.

Mr. YOUNG of Georgia: Committee on Rules. House Resolution 1166. Resolution providing for the consideration of H.R. 9043. A bill to authorize employees and agencies of the Government of the United States to experiment with flexible and compressed work schedules as alternatives to present work schedules (Rept. No. 94–1055). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 1167. Resolution providing for the consideration of H.R. 12384. A bill to authorize certain construction at military installations and for other purposes (Rept. No. 94–1056). Referred to the House Calendar.

Mr. HAYS of Ohio: Committee of Conference. Conference report on S. 3065 (Rept. No. 94–1057). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of North Dakota:

H.R. 13357. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BIAGGI:

H.R. 13358. A bill to provide for the issuance of a commemorative postage stamp in honor of Antonio Meucci; to the Committee on Post Office and Civil Service.

By Mr. de LUGO (for himself, Mr. Phillip Burton, Mr. Don H. Clausen, Mr. Taylor of North Carolina, Mr. Meeds, Mr. Kastenmeier, Mr. Stephens, Mrs. Mink, Mr. Lagomarsino, Mr. Miller of California, Mr. Benitez, Mr. Won Pat, Mr. Eckhardt, and Mr. Weaver):

H.R. 13359. A bill to authorize loan funds for the Government of the Virgin Islands and for other purposes; to the Committe on Interior and Insular Affairs.

By Mr. DON H. CLAUSEN (for himself, Mr. Lagomarsino, and Mr. Skubitz):

H.R. 13360. A bill to authorize loan funds for the Government of the Virgin Islands and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BRINKLEY:

H.R. 13361. A bill to amend section 1448 of title 10, United States Code, to provide survivor benefits in case of death of certain members or former members of the Armed Forces who die before becoming entitled to retired pay for non-Regular service, and for other purposes; to the Committee on Armed Services.

H.R. 13362. A bill to amend the Internal Revenue Code of 1954 to modify the charitable distribution requirements imposed upon foundations; to the Committee on Ways and Means.

H.R. 13363. A bill to amend the Internal Revenue Code of 1954 to provide that members of a Reserve component of the Armed Forces will not be disqualified from taking the deduction for retirement savings because of their participation in the Armed Forces retirement system; to the Committee on Ways and Means.

H.R. 13364. A bill to amend section 4940 of the Internal Revenue Code of 1954 to change the excise tax on the investment income of private foundations from 4 percent to 2 percent; to the Committee on Ways and Means.

By Mr. BRINKLEY (for himself, Mr. Allen, Mr. Andrews of North Dakota, Mr. Bevill, Mr. Boland, Mr. Burgener, Mr. Chappell, Mr. Davis, Mr. Dodd, Mr. Downey of New York, Mr. Duncan of Tennessee, Mr. Eilberg, Mr. Hughes, Mr. Lagomarsino, Mr. Mitchell of New York, Mr. Ottinger, Mr. Perkins, Mr. Railsback, Mr. Roe, Mr. Rose, Mr. Simon, and Mr. Treen):

H.R. 13365. A bill to incorporate the Gold Star Wives of America; to the Committee on the Judiciary.

By Mr. BRINKLEY (for himself, Mr. Whitehurst, Mr. Wolff, Mr. Wright, Mr. Young of Florida, Mr. Jones of North Carolina, and Mr. Waggonner):

H.R. 13366. A bill to incorporate the Gold Star Wives of America; to the Committee on the Judiciary.

By Mr. FOUNTAIN (for himself, Mr. Fuqua, Mr. Levitas, Mr. Wydler, Mr. Brown of Ohio, Mr. Steelman, and Mr. Horton):

H.R. 13367. A bill to extend and amend the State and Local Fiscal Assistance Act of 1972, and for other purposes; to the Committee on Government Operations.

By Mrs. HOLT:

H.R. 13368. A bill to repeal section 3108 of title 5, United States Code, which prohibits the employment by the United States and the District of Columbia of individuals employed by detective agencies; to the Committee on Post Office and Civil Service.

By Mr. McKAY (for himself and Mr. Howe):

H.R. 13369. A bill to authorize appropriations for the Uintah Unit, Central Utah project, Utah, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MITCHELL of New York:

H.R. 13370. A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, and for other purposes; to the Committee on Rules.

By Mr. MOAKLEY (for himself, Mr. Badillo, Mr. Boland, Mr. Burgener, Mr. Downey of New York, Mr. Edgar, Mr. Haley, Mr. Hughes, Mr. Jenrette, Mr. Krebs, Mr. Lehman, Mr. Lott, Mr. Mazzoli, Mr. McCloskey, Mr. Ottinger, Mr. Rodino, Mr. Stratton, Mr. Van Deerlin, and Mr. Weaver):

H.R. 13371. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit and to allow a deduction with respect to expenditures for residential solar energy equipment; to the Committee on Ways and Means.

By Mr. NEAL (for himself, Mr. Andrews of North Carolina, Mr. Broyhill, Mr. Fountain Mr. Hefner, Mr. Henderson, Mr. Jones of North Carolina, Mr. Martin, Mr. Preyer, Mr. Rose, Mr. Taylor of North Carolina, Mr. Fisher, Mr. Harris, Mr. Hechler of West Virginia, and Mr. Whitehurst):

H.R. 13372. A bill to amend the Wild and Scenic Rivers Act (82 Stat. 906; 16 U.S.C. 1271) and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. NICHOLS:

H.R. 13373. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. OBERSTAR:

H.R. 13374. A bill to establish the Minnesota River Valley National Wildlife Refuge, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. POAGE:

H.R. 13375. A bill to reform the food stamp program by strengthening various provisions related to eligibility and benefits improving the nutritional focus of the program, increasing the financial participation of State and local agencies in the provision of food stamp benefits, and for other purposes; to the Committee on Agriculture.

By Mr. RODINO (for himself, Mr. Broyhill, Mr. Carter, Mr. Downey of New York, Mr. Frenzel, Mr. Hannaford, Mr. Hughes, Mr. Hungate, Mr. Kemp, Mr. Mazzoli Mr. Melcher, Mr. Mineta, Mr. Patterson of California, Mr. Pike, Mr. Sisk, Mr. Tsongas, Mr. Won Pat, Mr. Andrews of North Dakota, Mr. Hyde, and Mr. Duncan of Oregon):

H.R. 13376. A bill to amend title 18, United States Code, to authorize applications for a court order approving the use of electronic surveillance to obtain foreign intelligence information; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 13377. A bill to increase the protection of consumers by reducing permissible deviations in the manufacture of articles made in whole or in part in gold; to the Committee on Interstate and Foreign Commerce.

By Mr. SIKES (for himself, Mr. Bafalis, Mr. Bevill, Mr. Broyhill, Mr. Chappell, Mr. Cleveland, Mr. Edgar, Mr. Frey, Mr. Fuqua, Mr. Ginn, Mr. Kindness, Mr. Simon, Mr. Waggonner, and Mr. Young of Florida):

H.R. 13378. A bill establishing a joint congressional committee to study existing national forest policy and to make recommendations to Congress with respect to the establishment of national forest policy; to the Committee on Rules.

By Mr. SKUBITZ (for himself and Mr. Sebelius):

H.R. 13379. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. SULLIVAN:

H.R. 13380. A bill to amend the Central, Western, and South Pacific Fisheries Development Act to extend the appropriation authorization through fiscal year 1979, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. TEAGUE:

H.R. 13381. A bill to amend title 18, United States Code, to permit banks to deposit mailable matter in letter boxes; to the Committee on Post Office and Civil Service.

By Mr. VANDER JAGT:

H.R. 13382. A bill to authorize the Secretary of Agriculture to make financial assistance available to agricultural producers who suffer losses as the result of having their agricultural commodities or livestock contaminated by toxic chemicals dangerous to the public health, or whose agricultural commodities or livestock have been contaminated so as to adversely affect the economic viability of the farming operation; to the Committee on Agriculture.

By Mr. WAMPLER:

H.R. 13383. A bill to amend title 38, United States Code, to provide a 13-year delimiting period for the pursuit of educational programs by veterans; to entitle certain veterans to 45 months of educational assistance, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BOB WILSON:

H.R. 13384. A bill to amend the Internal Revenue Code of 1954 to exempt from taxation amounts received under certain scholarship programs; to the Committee on Ways and Means.

By Mr. WYDLER:

H.R. 13385. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNG of Alaska:

H.R. 13386. A bill to authorize appropriations for the repair of highways in the State of Alaska and for other purposes; to the Committee on Public Works and Transportation.

By Mr. CHAPPELL (for himself, Mr. Cohen, Mr. Kemp, Mr. Bennett, Mr. Slack, Mr. Murtha, Mr. Mann, Mr. Montgomery, Mr. McFall, and Mr. Ichord):

H.R. 13387. A bill to amend title 10, United States Code, to provide a new Assistant Secretary of Defense for Reserve Affairs and to change the existing position of Assistant Secretary of Defense for Manpower and Reserve Affairs to Assistant Secretary of Defense for Manpower; to the Committee on Armed Services.

By Mr. CHAPPELL:

H.R. 13388. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DRINAN:

H.R. 13389. A bill to require the Secretary of Labor to establish a pilot program for the provision of guaranteed employment opportunities in selected counties of the United States; to the Committee on Education and Labor.

By Mr. DRINAN (for himself, Mr. AuCoin, Mrs. Heckler of Massachusetts, and Mr. Scheuer):

H.R. 13390. A bill to conserve the use of energy in residential housing, commercial and public buildings, and industrial plants through federally supported State energy conservation implementation programs, and to establish an Energy Conservation Extension Service; jointly, to the Committees on Banking, Currency and Housing, and Science and Technology.

By Mr. DRINAN (for himself, Mr. Anderson of California, Mr. Lundine, Mr. Patterson of California, and Ms. Schroeder):

H.R. 13391. A bill to amend the Solid Waste Disposal Act to encourage research, development, and implementation of energy and resource recovery from solid waste, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, and Science and Technology.

By Mr. ESCH:

H.R. 13392. A bill to clarify the jurisdiction of certain courts with respect to public schools, and for other purposes; to the Committee on the Judiciary.

By Mr. FLOWERS:

H.R. 13393. A bill to give the Comptroller General of the United States the authority to prescribe the monetary limitation for waiver of claim actions by the heads of agencies and Secretaries of Departments; to the Committee on the Judiciary.

By Mr. FORSYTHE (for himself, Mr. Mollohan, and Mrs. Spellman):

H.R. 13394. A bill to amend title 37, United States Code, so as to extend from 1 to 3 years the period that a member of the uniformed services has following his retirement to select his home for purposes of travel and transportation allowances under such title, and for other purposes; to the Committee on Armed Services.

By Mr. FORSYTHE (for himself and Mr. Bennett):

H.R. 13395. A bill to incorporate the Gold Star Wives of America; to the Committee on the Judiciary.

By Mr. GREEN (for himself and Mr. Conable):

H.R. 13396. A bill to authorize appropriations to the International Trade Commission for fiscal year 1977, to provide for greater efficiency in the administration of such Commission, and to provide for the continuation of certain reports by such Commission regarding synthetic organic chemicals; to the Committee on Ways and Means.

By Mr. HECHLER of West Virginia:

H.R. 13397. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; to the Committee on Ways and Means.

H.R. 13398. A bill to amend part B of title XI of the Social Security Act to assure appropriate participation by optometrists in the peer review and related activities authorized under such part; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. KEMP (for himself, Mr. Abdnor, Mr. Andrews of North Dakota, Mr. Bafalis, Mr. Brown of Michigan, Mr. Broyhill, Mr. Burke of Florida, Mr. Cederberg, Mr. Frey, Mr. Hammerschmidt, Mr. Johnson of Colorado, Mr. Kelly, Mr. Paul, Mr. Pritchard, Mr. Rooney, Mr. Shriver, Mr. Young of Florida, Mr. Bob Wilson, Mr. Dan Daniel, Mr. Wampler, and Mr. Chappell):

H.R. 13399. A bill to accelerate the formation and accumulation of the investment capital required to expand both job opportunities and productivity in the private sector of the economy; to the Committee on Ways and Means.

By Mr. LEHMAN:

H.R. 13400. A bill to provide for annual adjustments in monthly monetary benefits administered by the Veterans' Administration, according to changes in the Consumer Price Index; to the *Committee* on Veterans' Affairs.

By Mr. LEVITAS:

H.R. 13401. A bill to amend the Small Business Act to provide that determinations by the administration of the reasonable assurance of repayment of prospective loans be made on a case-by-case basis and to clarify the eligibility of small business homebuilding firms for assistance under the Small Business Act; to the Committee on Small Business.

H.R. 13402. A bill to amend the Tariff Schedules of the United States to repeal the special tariff treatment accorded to articles assembled abroad with components produced in the United States to the Committee on Ways and Means.

By Mr. MANN:

H.R. 13403. A bill to amend title 23 of the District of Columbia Code with respect to the release or other disposition prior to trial of persons charged with criminal offense; to the Committee on the District of Columbia.

By Mr. MOAKLEY:

H.R. 13404. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes; to the Committee on the District of Columbia.

By Mr. PEYSER:

H.R. 13405. A bill to increase from 10 to 15 years the period during which veterans and certain wives and widows of veterans are eligible for educational assistance; to the Committee on Veterans' Affairs.

By Mr. RICHMOND:

H.R. 13406. A bill to provide employment, education-related, and recreational opportunities through the creation of manpower programs for our Nation's youth; and to assure maximum participation of the economically disadvantaged and the unemployed; to the Committee on Education and Labor.

By Mr. RINALDO:

H.R. 13407. A bill to establish improved programs for the benefit of producers and consumers of peanuts; to the Committee on Agriculture.

By Mr. ROSE:

H.R. 13408. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to require that, to the maximum extent practicable, private trade channels be used to carry out title II of such act; to the Committee on International Relations.

By Mr. RUNNELS (for himself, Mr. Udall, Mr. Lehman, Mr. Downing of Virginia, Mr. Lujan, Mr. Whitehurst, Mr. Krebs, Mr. Roe, Mr. Hughes, Mr. Bedell, Mr. Mazzoli, Mr. Simon, Mr. LaFalce, Mr. Hannaford, Mr. Fascell, Mr. Murphy of New York, Mr. Hillis, Mr. Beard of Rhode Island, Mr. Neal, Mr. Vigorito, Mr. Fithian, Mr. Harrington, Mr. Edwards of California, Mr. Stark, and Mr. Jeffords):

H.R. 13409. A bill to create within the Energy Research and Development Administration the position of Assistant Administrator for Solar and Geothermal Energy and Conservation, and for other purposes; to the Committee on Science and Technology.

By Mr. RUNNELS (for himself, Mr. Udall, Mr. Richmond, Mr. Hayes of Indiana, Mr. Badillo, Mr. Dominick V. Daniels, Mr. Sisk, Mr. Moorhead of Pennsylvania, Mr. Sarasin, Mr. Corman, Mr. Weaver, and Mr. Studds):

H.R. 13410. A bill to create within the Energy Research and Development Administration the position of Assistant Administrator for Solar and Geothermal Energy and Conservation, and for other purposes; to the Committee on Science and Technology.

By Mr. SCHULZE (for himself and Mr. Robinson):

H.R. 13411. A bill to provide for the burial at the Arlington Memorial Amphitheatre, Arlington National Cemetery, Va., of the remains of an unknown American soldier who lost his life in the American Revolutionary War; to the Committee on Veterans' Affairs.

By Mr. UDALL:

H.R. 13412. A bill to provide a special program for financial assistance to Opportunities Industrialization Centers in order to provide 1 million new jobs and job training opportunities, and for other purposes; to the Committee on Education and Labor.

By Mr. WALSH:

H.R. 13413. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FASCELL (for himself and Mr. Winn):

H.J. Res. 927. Joint resolution to authorize the President to implement the provisions of the Treaty of Friendship and Cooperation between the United States and Spain, signed at Madrid on January 24, 1976; to the Committee on International Relations.

By Mr. FORSYTHE (for himself, Mr. Duncan of Oregon, Mr. Beard of Rhode Island, Mr. Patterson of California, and Mr. Badillo):

H.J. Res. 928. Joint resolution designating the week beginning on May 2, 1976, as National Vandalism Prevention Week; to the Committee on Post Office and Civil Service.

By Mr. GOODLING (for himself, Mr. Emery, Mrs. Fenwick, Mr. Holland, Mr. Hyde, Mr. Krebs, and Mr. Mazzoli):

H.J. Res. 929. Joint resolution proposing an amendment to the Constitution providing for a 4-year term for Members of the House of Representatives; to the Committee on the Judiciary.

By Mr. WINN (for himself, Mr. Bedell, Mr. Risenhoover, Mr. Mezvinsky, Mr. Simon, Mr. Ottinger, Mr. Beard of Rhode Island, Mr. Howe, Mr. Pressler, Mr. Archer, Mr. Krueger, Mr. Hammerschmidt, Mr. Lagomarsino, Mr. Hansen, Mr. Steelman, Mr. Sarbanes, Mr. Flood, Mr. McCloskey, Mr. Leggett, and Mr. Dan Daniel):

H.J. Res. 930. Joint resolution authorizing and requesting the President to issue a proclamation designating the 7 calendar days commencing on April 30 of each year as National Beta Sigma Phi Week; to the Committee on Post Office and Civil Service.

By Mr. MITCHELL of New York:

H. Con. Res. 621. Concurrent resolution with respect to post office closings; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENITEZ:

H.R. 13414. A bill for the relief of Guillermo Rivera Rivera; to the Committee on the Judiciary.

By Mr. FISH:

H.R. 13415. A bill for the relief of Louis Rizzo; to the Committee on the Judiciary.

By Mr. LUJAN:

H.R. 13416. A bill for the relief of Sammy H. Marr; to the Committee on the Judiciary.

By Mr. RIEGLE:

H.R. 13417. A bill for the relief of Dae Ho Park and Maria Park; to the Committee on the Judiciary.

By Mr. TSONGAS:

H.R. 13418. A bill for the relief of Josep Rocha, Mrs. Maria Rocha, Carlos Alberto Rocha, Maria Fatima Rocha, Arlindo Mends Rocha, Luisa Maria Rocha, and Jose Manuel Rocha; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H. Con. Res. 611

By Mr. OTTINGER:

Page 1, line 11, strike "$452,261,000,000" and insert in lieu thereof, $452,461,000,000";

Page 2, line 2, strike "$413,625,000,000" and insert in lieu thereof, "$414,325,000,000";

Page 2, line 5, strike "$50,625,000,000" and insert in lieu thereof, "$51,325,000,000";

Page 3, line 22, strike "$39,250,000,000." and insert in lieu thereof, "$39,450,000,000.";

Page 3, line 23, strike "$38,200,000,000." and insert in lieu thereof, "$38,900,000,000.".

H.R. 12234

By Mr. SKUBITZ:

Page 2, lines 7 and 8, strike the figures "625,000,000" and "800,000,000" and insert in lieu thereof the figures "500,000,000" and "600,000,000" respectively.

Page 2, line 22 through page 3, line 11, strike all of paragraph (5).

H.R. 12384

By Mrs. HECKLER of Massachusetts:

Page 40, after line 19, insert the following new section:

"SEC. 611. None of the funds authorized for appropriation in this Act shall be available for the planning or implementation of any transfer, consolidation or reduction in force of the Army Security Agency Training Center and School within the Army or with programs of any other military service."

Redesignate the succeeding sections serially.

H.R. 12987

By Ms. ABZUG:

Page 2, line 2, immediately after "Sec. 601." insert "(a)".

Page 2, line 7, strike out the quotation marks and the period which follows them.

Page 2, immediately after line 7, insert the following:

"(b)(1) Of the sum appropriated for any fiscal year or other period for carrying out this title, not less than one percent of such sums shall be allotted, without regard to section 603, among eligible applicants for public service employment programs which are eligible for financial assistance under this title and which are designed to provide transitional employment for unemployed and underemployed artists in public service jobs which the Chairman of the National Endowment for the Arts determines provide needed productions in the arts.

"(2) For the purposes of this subsection:

"(A) The term 'artist' means an individual who is determined by the Chairman of the National Endoment for the Arts—

"(i) to be normally employed in the production of any one or more of the arts, or

"(ii) to be an individual of recognized artistic ability.

"(B) The terms 'arts' and 'production' have the same meanings as such terms have in the National Foundation on the Arts and Humanities Act of 1965.".

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the CONGRESSIONAL RECORD of April 27, 1976, page 11443:

H.R. 13031. April 5, 1976. Science and Technology. Authorizes the Administrator of the Energy Research and Development Administration to offer financial assistance for the establishment of State energy research, development, and demonstration institutes. Authorizes financial assistance for specified energy research projects of such institutes.

Directs the Administrator to establish a plan, subject to Congressional review, for the establishment of a Cooperative Energy Conservation Extension Service.

H.R. 13032. April 5, 1976. Interstate and Foreign Commerce. Amends the Federal Power Act to establish an Office of Federal Participation in the Federal Power Commission in order to assist and reimburse public participants in proceedings before the Commission.

H.R. 13033. April 5, 1976. Ways and Means. Amends the Tariff Schedules of the United States to permit duty-free importation of articles for the National Railroad Passenger Corporation if: (1) required for the research, development, operation, or improvement of such service; and (2) such articles are not readily available from domestic sources; and (3) such articles are certified by the Board of Directors to the United States Customs Service as being within the foregoing criteria. Sets forth procedures for the disposition of goods admitted under this exemption from customs duty; which do not meet the required criteria.

H.R. 13034. April 5, 1976. Ways and Means. Amends the Tariff Act of 1930 to direct the Secretary of the Treasury and the Attorney General to establish en route customs and immigration inspection procedures aboard moving trains operated in international inter-city rail passenger service between contiguous countries. Directs that such procedures shall not delay scheduled transit and the cost of such inspection shall be borne by the United States without reimbursement.

H.R. 13035. April 5, 1976. Merchant Marine and Fisheries. Amends the Naional Sea Grant College and Program Act of 1966 by authorizing additional appropriations. Authorizes the Secretary of Commerce to further the exploration, conservation, and management of marine resources in the United States and elsewhere.

H.R. 13036. April 5, 1976. Ways and Means. Imposes a tax, under the Internal Revenue Code, upon the extraction of coal by any person from any place within the United States at the rate of one cent per ton of coal extracted.

Directs the Secretary of the Interior to establish a program of compensation for damage caused by coal mine subsidence. Stipulates that such compensation shall be paid out of an account established in the Treasury consisting of amounts credited from the excise tax on the extraction of coal.

H.R. 13037. April 5, 1976. Merchant Marine and Fisheries. Directs the Secretary of the Interior to make a comprehensive study of the wolf for the purpose of developing adequate conservation measures.

Establishes a moratorium on all large-scale killing of wolves pending the results of such study.

H.R. 13038. April 5, 1976. Interior and Insular Affairs; Merchant Marine and Fisheries. Authorizes the Secretary of the Interior and the Secretary of Agriculture to sell, donate, or otherwise dispose of excess wild free-roaming horses and burros on public lands. Establishes procedures to be followed to insure humane treatment of such animals.

Authorizes the use of aircraft and motorized vehicles on public lands in a manner consistent with the purposes of this Act and other wildlife management statutes.

H.R. 13039. April 5, 1976. Veterans' Affairs. Allows an eligible veteran who is pursuing a program of education at the close of the ten-year delimiting period to continue to receive educational assistance in specified circumstances.

H.R. 13040. April 5, 1976. Education and Labor. Sets forth regulations governing employee welfare or pension benefits plans established or maintained by State or local government entities. Authorizes the Secretary of Labor to enforce the provisions of this Act.

H.R. 13041. April 5, 1976. Agriculture. Directs the Secretary of Agriculture to make loans available to agricultural producers who suffer losses as a result of having their agricultural commodities or livestock quarantined or condemned because such commodities or livestock have been found to contain toxic chemicals dangerous to the public health.

H.R. 13042. April 5, 1976. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States arising from the loss of personal property in a fire at a warehouse of a storage company under Government contract.

H.R. 13043. April 5, 1976. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 13044. April 6, 1976. Agriculture. Directs the Secretary of Agriculture to establish standards governing timber sales in national forests consistent with multiple use-sustained yield principles. Requires consideration of environmental, biological, engineering, and economic factors prior to large timber sales.

Requires the imposition of limits on clear-cutting, cutting of unmarked trees, and cutting of immature trees in national forests. Requires the preparation of management plans for the national forests.

H.R. 13045. April 6, 1976. Ways and Means. Amends the Internal Revenue Code to revise the amount of a contribution of ordinary income property which may be deducted from gross income, where the contribution is used by the tax-exempt donee in a function which is related to its basis as a tax-exempt organization.

H.R. 13046. April 6, 1976. Interstate and Foreign Commerce; Science and Technology. Amends the solid Waste Disposal Act to expand research and development programs and to authorize the Administrator of the Environmental Protection Agency to make grants and guarantee loans for energy and resource recovery pilot plant and demonstration programs.

Includes provisions for grants and assistance to State, local, and interstate solid waste management and resource recovery programs.

H.R. 13047. April 6, 1976. Interstate and Foreign Commerce; Science and Technology. Amends the Solid Waste Disposal Act to expand research and development programs and to authorize the Administrator of the Environmental Protection Agency to make grants and guarantee loans for energy and resource recovery pilot plant and demonstration programs.

Includes provisions for grants and assistance to State, local, and interstate solid waste management and resources recovery programs.

H.R. 13048. April 6, 1976. Interstate and Foreign Commerce; Science and Technology. Amends the Solid Waste Disposal Act to expand research and development programs and to authorize the Administrator of the Environmental Protection Agency to make grants and guarantee loans for energy and resource recovery pilot plant and demonstration programs.

Includes provisions for grants and assistance to State, local, and interstate solid waste management and resource recovery programs.

H.R. 13049. April 6, 1976. Interstate and Foreign Commerce; Science and Technology. Amends the Solid Waste Disposal Act to expand research and development programs and to authorize the Administrator of the Environmental Protection Agency to make grants and guarantee loans for energy and resource recovery pilot plant and demontration programs.

Includes provisions for grants and assistance to State, local, and interstate solid waste management and resources recovery programs.

H.R. 13050. April 6, 1976. Veterans' Affairs. Entitles any veteran who is discharged or released from active duty by reason of hardship to 36 months of educational assistance.

H.R. 13051. April 6, 1976. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to establish a National Diabetes Advisory Board to insure the implementation of a long-range plant to combat diabetes. Authorizes the Secretary to make grants to scientists who have shown productivity in diabetes research for the purpose of continuing such research. Authorizes, under the Public Health Service

Act, the appropriation of specified sums for the purposes of making grants to centers for research and training in diabetic related disorders.

H.R. 13052. April 6, 1976. Veterans' Affairs. Stipulates that recipients of veterans' pensions and compensation shall not have the amount of such pension or compensation reduced because of specified increases in monthly social security benefits.

H.R. 13053. April 6, 1976. Armed Services. Authorizes the President to sell one destroyer to the Government of Peru.

H.R. 13054. April 6, 1976. Armed Services. Authorizes the Administrator of General Services to dispose of approximately 10,000 short tons of antimony now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act and the supplemental stockpile established pursuant to the Agricultural Trade Development and Assistance Act of 1954.

H.R. 13055. April 6, 1976. Armed Services. Authorizes the Administrator of General Services to dispose of approximately 8,500,000 carats of industrial diamonds now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act and the supplemental stockpile established pursuant to the Agricultural Trade Development and Assistance Act of 1954.

H.R. 13056. April 6, 1976. Armed Services. Authorizes the Administrator of General Services to dispose of approximately 28,000 long tons of tin now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act and the supplemental stockpile established pursuant to the Agricultural Trade Development and Assistance Act of 1954.

H.R. 13057. April 6, 1976. Armed Services. Authorizes the Administrator of General Services to dispose of approximately 118,000,000 troy ounces of silver now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act.

H.R. 13058. April 6, 1976. Agriculture. Amend the Forest and Rangeland Renewable Resources Planning Act of 1974 to direct the Secretary of Agriculture to include in the Renewable Resource Program, national program recommendations which take into account specified policy objectives.

Requires the Secretary to provide for public participation in the formulation and review of proposed land management plans and to promulgate regulations for their development and revision.

Revises provisions relating to sale of timber found on National Forest Service lands.

H.R. 13059. April 6, 1976. Interior and Insular Affairs. Sets forth provisions regulating inheritance of trust or restricted lands on the Umatilla Indian Reservation, Oregon.

H.R. 13060. April 6, 1976. Ways and Means. Authorizes a taxpayer, under the Internal Revenue Code, to use a reduced amortization period in computing the tax deduction on any qualifying facility or qualifying equipment in a high unemployment area.

H.R. 13061. April 6, 1976. Ways and Means. Amends the Internal Revenue Code to increase the percentage standard deduction to an amount equal to 20 percent of adjusted gross income but not to exceed (1) $3,000 in the case of a joint return or a surviving spouse, (2) $2,500 in the case of an unmarried individual, or (3) $1,500 in the case of a married individual filing a separate return.

H.R. 13062. April 6, 1976. Ways and Means. Amends the Old-Age, Survivors, and Disability Insurance program of the Social Security Act to prohibit the reduction of an individual's old-age insurance benefits because of outside earnings of an individual from either wages or self-employment.

H.R. 13063. April 6, 1976. House Administration. Directs the Secretary of the Interior to select an appropriate site in the District of Columbia for the erection of a statue of Bernardo de Galvez.

H.R. 13064. April 6, 1976. Interstate and Foreign Commerce. Allows the Federal Communications Commission to authorize any retail dealer selling, citizen's band radio transmitters to issues a conditional license complete with call number.

H.R. 13065 April 6, 1976. Ways and Means. Amends the Internal Revenue Code to (1) provide graduated investment credit rates; (2) establish graduated corporate income tax rates; (3) increase the corporate surtax rate and surtax exemption; (4) authorize the election of nonrecognition of gain on the sale or exchange of qualified small business property to the extent that the amount realized is reinvested in like property; and (5) allow the executor of estate to elect to pay the estate tax in installments if the value of an interest in a closely held business exceeds 35 percent of the value of the gross estate or 50 percent of the value of the taxable estate.

H.R. 13066. April 6, 1976. Rules. Requires review of Federal programs to determine if they warrant continuation. Requires the President to conduct such review of the programs covered by the annual budget. Requires Congress to make such review every four years.

Requires that all rules proposed by any Federal agency be submitted to Congress for approval.

H.R. 13067. April 6, 1976. Interior and Insular Affairs. Designates a segment of the Obed River, segments of two of its tributaries, and a segment of the Emory River, Tennessee, as a component of the national wild and scenic river system.

Designates another segment of the Emory River, Tennessee, as a potential addition to the national wild and scenic river system.

H.R. 13068. April 6, 1976. Post Office and Civil Service. Directs the Secretary of Commerce, in making agricultural censuses, to use the statistical method known as sampling.

H.R. 13069. April 6, 1976. Ways and Means. Amends the Emergency Compensation and Special Unemployment Assistance Extension Act to extend for one year and increase the authorization for making loans to the unemployment fund of the Virgin Islands.

H.R. 13070. April 6, 1976. Ways and Means. Extends and increases the authorization for making loans to the unemployment fund of the Virgin Islands under the Emergency Compensation and Special Unemployment Assistance Extension Act of 1975.

H.R. 13071. April 6, 1976. Ways and Means. Amends the Emergency Jobs and Unemployment Assistance Act to extend the special unemployment assistance program for one year.

H.R. 13072. April 6, 1976. Ways and Means. Amends the Emergency Unemployment Compensation Act of 1974 to extend the program authorized by that Act. Revises the trigger provisions for initiating Federal assistance. Sets forth a formula for determining the amount of Federal assistance available to individual accounts.

H.R. 13073. April 6, 1976. Ways and Means. Amends the Emergency Unemployment Compensation Act of 1974 to extend the unemployment compensation program for one year.

H.R. 13074. April 6, 1976. Ways and Means. Amends the Emergency Unemployment Compensation Act of 1974 to permit the use of area triggers within States to determine the payment of Federal emergency unemployment compensation benefits.

H.R. 13075. April 6, 1976. Judiciary. Relieves a certain individual of liability to the United States for a specified sum arising from a tax deficiency assessed against such individual by the Internal Revenue Service.

H.R. 13076. April 6, 1976. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 13077. April 7, 1976. Banking, Currency and Housing. Provides statutory authority for Federal banking agencies relating to financial institutions, competition among such institutions, and the flow of funds for mortgage credit.

Amends the Federal Credit Union Act to establish the National Credit Union Administration and the National Credit Union Administration Discount Fund.

Establishes the Deposit Interest Rate Control Committee.

Amends the Home Owners' Loan Act to direct the Home Loan Bank Board to cause Federal Savings and Loan Associations to become primarily long-term residential mortgage lenders.

H.R. 13078. April 7, 1976. Public Works and Transportation. Amends the Federal Water Pollution Control Act to authorize the Administrator of the Environmental Protection Agency to approve user charge systems based upon ad valorem taxation if specified requirements are satisfied.

H.R. 13079. April 7, 1976. Interstate and Foreign Commerce. Prescribes minimum national standards for utility rate structures in order to alleviate burdens imposed on low-income consumers. Establishes requirements for full evidentiary hearings on proposed rate increases, with adequate representation of consumer interests.

Establishes an Electric Utility Ratemaking Assistance Office within the Federal Energy Administration to provide assistance with respect to ratemaking procedures.

Amends the Federal Power Act to require utilities to comply with standards designed to assure a reliable supply of electric energy.

Authorizes appropriations for grants to State regulatory authorities. Establishes procedures for planning and coordination in the siting of bulk power facilities.

H.R. 13080. April 7, 1976. Ways and Means; Interstate and Foreign Commerce. Amends the medicare and medicaid and specified other programs of the Social Security Act: (1) to establish more efficient methods for determining the cost of services furnished under such programs; (2) to insure prompt and accurate determinations of eligibility under such programs; (3) to increase services for which reimbursement will be made; and (4) to establish procedures designed to prevent excess reimbursement for services provided under such programs.

H.R. 13081. April 7, 1976. Interior and Insular Affairs. Directs the Secretary of the Interior to convey by quit-claim deed to the present owners of record all phosphate interest of the United States in specified lands in Polk County, Florida.

H.R. 13082. April 7, 1976. House Administration. Provides that the Secretary of the Interior shall permit the National Committee of American Airmen Rescued by General Mihailovich to construct and maintain a monument, within the District of Columbia, to General Draza Mihailovich.

H.R. 13083. April 7, 1976. Ways and Means. Amends the Medicare program of the Social Security Act to authorize payment under the supplementary medical insurance program for specified diagnostic tests and physical examinations given for the detection of breast cancer.

H.R. 13084. April 7, 1976. Interstate and Foreign Commerce. Establishes a Federal Regulatory Agency Review Commission to conduct a comprehensive study and make recommendations to Congress with respect to the structures, policies, practices, regulations, and controlling statutes of Federal regulatory agencies.

H.R. 13085. April 7, 1976. Interstate and Foreign Commerce. Reaffirms the intent of

Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13086. April 7, 1976. Ways and Means. Amends the Tariff Schedules of the United States to require proof of automobile property and personal liability insurance on automobiles imported for the personal use of nonresidents and foreign government personnel, in an amount equal to the minimum insurance requirements in those States in which the vehicle will be operated.

Directs the Secretary of the Treasury to forward certain identifying information on such vehicles to the Secretary of Transportation who shall forward such information to the appropriate State agency responsible for motor vehicle registration.

H.R. 13087. April 7, 1976. Public Works and Transportation. Amends the Federal Water Pollution Control Act to require the United States to pay the entire cost of lateral sewer connections between federally-assisted collection systems and single-family residences of low-income elderly persons age 65 or older.

H.R. 13088. April 7, 1976. Science and Technology. Authorizes the Administrator of the Energy Research and Development Administration to offer financial assistance for the establishment of State energy research, development, and demonstration institutes. Authorizes financial assistance for specified energy research projects of such institutes.

Directs the Administrator to establish a plan, subject to Congressional review, for the establishment of a Cooperative Energy Conservation Extension Service.

H.R. 13089. April 7, 1976. Interstate and Foreign Commerce. Amends the Uniform Time Act of 1966 with respect to the period of daylight savings time.

Exempts from such act any State or a part of any State which has enacted a State law exempting it from such provisions.

Requires the Federal Communications Commission to make adjustments with respect to hours of operation of daytime standard amplitude modulation broadcast stations.

EXTENSIONS OF REMARKS

SECRETARY KISSINGER IN AFRICA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. RANGEL. Mr. Speaker, Secretary of State Kissinger's remarks in Zambia yesterday regarding our Nation's policy toward Africa have been played prominently on this morning's front pages and analyzed in some depth in many editorials. I believe today's New York Times editorial on the subject puts Secretary Kissinger's address in proper perspective, and I would like to bring it to the attention of my colleagues at this time:

MR. KISSINGER IN AFRICA . . .

In the major policy address of his first southern African tour, Secretary of State Kissinger has gone far to restore the traditional American commitment to self-determination, majority rule, racial equality and human rights. Speaking in Zambia, Mr. Kissinger said with force and clarity a great many things President Kaunda and other African leaders have long been waiting to hear convincingly from the United States Government.

On the most explosive problems of a rapidly changing subcontinent, the Secretary was emphatic: The United States is "wholly committed to help bring about a rapid, just and African solution" in Rhodesia; it will urge South Africa to fix a timetable for self-determination in Namibia, under United Nations supervision and with participation by African groups now banned there; and insist on the end of apartheid in South Africa.

For the first time, Mr. Kissinger avowed support "in the strongest terms" for Britain's recent proposals for negotiations leading to African majority rule in Rhodesia within two years. He seemed especially determined to quash any hopes of Rhodesia's white regime for American support "at any stage in its conflict with African states or African liberation movements." On the contrary, he said, "it will face our unrelenting opposition until a negotiated settlement is achieved."

As part of that opposition, he promised that the Administration would again this year urge Congress to repeal the Byrd amendment, which authorized importation of Rhodesian chrome in violation of the United Nations sanctions against the Salisbury regime for which the United States voted. He also disclosed a $12.5 million aid program for Mozambique and promised help for other countries bordering Rhodesia whose economies would suffer if they enforced the U.N. sanctions and closed their frontiers.

. . . A FORWARD POLICY

These are major strides forward for an American policy on southern Africa that has seemed for the last seven years to favor in many ways the bolstering of white supremacy, for all the official statements to the contrary. And on this occasion, Mr. Kissinger did not try, as he had during Angola's civil war, to frighten the Africans with the specter of Soviet hegemony. He confined himself to a brief warning against any outside interference in Africa or the pursuit of "bloc policies."

It is already evident, from Mr. Kissinger's receptions in Kenya, Tanzania and Zambia, that African leaders are still prepared to cooperate with the United States if it supports their prime objective of majority rule in southern Africa. They will understandably be looking for a prompt follow-through on his Lusaka commitments, especially for action on such matters as repeal of the Byrd amendment, and for the detailing of proposals for aid and conditions of trade promised for the United Nations Conference on Trade and Development in May.

But Mr. Kissinger has made an impressive if belated attempt to atone for past American blunders in Africa—some of his making—and to establish a climate for mutually advantageous relations with a part of the world that the United States can no longer ignore in safety.

THE HONORABLE WILLIAM B. COBB, U.S. JUDGE IN BANKRUPTCY, HAWAII

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mrs. MINK. Mr. Speaker, at the end of April 1976, the Honorable William B. Cobb, U.S. judge in bankruptcy for the Federal district of Hawaii, will be retiring from the bench after 14 years of dedicated service. Judge Cobb served Hawaii well in this capacity, but more importantly, I would like to share with my colleagues a glimpse of his total life—not only to the "Aloha State," but to our country as a whole.

Judge Cobb was born in Kansas in 1894, shortly after which, his family migrated to Wyoming where he earned a bachelor of arts degree in 1916 from the University of Wyoming. During World War I, he served with the American Expeditionary Forces in Belgium and France. An accomplished cavalryman and trained in gunnery, he left the service after 2 years as a first lieutenant in the field artillery.

At the end of the war in 1919, Judge Cobb served as an administrative officer of a food mission sent by Herbert Hoover to relieve the Russians during the civil war there. Upon completion of this task, Judge Cobb returned to the west where he secured a law degree from the University of Kansas. This was followed by 20 years of law practice and active participation in politics in the Casper, Wyo., area. He served five terms as a member of the Wyoming State Legislature, rising to the chairmanship of the committee on finance and later to majority leader.

Judge Cobb came to Hawaii in the fall of 1941, and, for all purposes, never left. His hope was to continue his law practice in the islands, but instead, World War II came and he was called on to serve as aide-de-camp to Gen. Delos C. Emmons, the Military Governor of Hawaii. It was largely through his efforts and successful argument that mass internment of Hawaii's Japanese population did not become a reality. Again through Judge Cobb's persistent and diligent efforts, the formation of the famed 442d Regimental Combat Team, the "Go for Broke" regiment, became a possibility. He was later transferred to the mainland where one of his initial assignments was in the sensitive and delicate processing of release papers for some 125,000 people interned on the west coast. He served with General Emmons in various assignments in North Africa and Alaska returning to Hawaii in 1945 when he received an appointment as the Territory's surplus property officer.

Finally, in 1947, Judge Cobb began his law practice in Honolulu. However, his inherent love for politics led him to participate actively in the political life within our island community. In 1950, he ran for the Office of Delegate to Congress. Although unsuccessful in his bid, it resulted in the closest race for that office by a Democrat up to that period.

Then in 1962, President John F. Kennedy saw fit to call upon William B. Cobb to serve as judge in bankruptcy for the Federal district of Hawaii. Because of his reputation as a man of integrity and fair play, Judge Cobb has also been continually called upon to serve as an arbitrator in labor-management disputes.

For those engaged in Hawaiian politics, Judge Cobb is often referred to as one of the "Grand Old Men" of the Democratic Party. His wife, Lee Ann, and children, Stephanie and the Honorable Steve Cobb, State Representative for the Eighth District in Hawaii, can all be immensely proud of the accomplishments of Judge William B. Cobb, husband, father, and dedicated public servant to the people of Hawaii.

Mr. Speaker, I, for one, feel very privileged to call Judge Cobb a friend, not only because of his excellent record as judge or his active participation in the political arena, but more so for his courageous stand during what might be referred to as Hawaii's darkest hour to insure equality, justice, and fair play for all persons regardless of race or creed. The man from Wyoming who came to Hawaii to stay will never be forgotten for the role he played in 1941.

THE WILDLIFE OF OUR FORESTS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. BROWN of California. Mr. Speaker, an article that I would like to insert into the RECORD today really needs no introduction. It stands alone as one of the best summaries of the effects of forest management practices on wildlife that I have chanced upon in my research on the complex subject of silviculture.

The impact of even-aged timber practices on the availability of food and appropriate habitat conditions for the diverse wildlife of our forests is a matter of growing concern to many forest and wildlife experts. George James, head of the Southeastern Forest Experiment Station in Clemson, S.C., pointed out in a statement on this subject:

> While plantations are a very efficient way to optimize wood and fiber production, they are often low in productivity for other resources and values, as are stands of pure, natural pine. Most pine plantations and pure pine stands are scenically sterile and monotonous and lack the vegetative diversity to provide optimum wildlife habitat, at least at certain stages in their development. Consequently, there is concern over the rate of plantation establishment, the extent to which even-aged pine stands are replacing other forest types (particularly hardwoods), and the impacts of even-aged management on game and nongame species of wildlife throughout the south. ("Even-Aged Management—Conversion Rate of Hardwood to Pine in the Forest of Southeastern United States")

The many side effects of our forest management policy, both now and in the future, must be studied closely. We must not overlook the information available to us, such as in the following article by Mr. Speake, in our approaching decisions which will guide the priorities and practices of our Forest Service in their management of our public forests.

I ask my colleagues to read this article and carefully deliberate its many points of concern:

EVEN-AGED FOREST MANAGEMENT—EFFECT ON WILDLIFE SPECIES

(By Dan W. Speake)[1]

We are all concerned about effects of forest management programs on wildlife. These effects depend upon many factors and are related to the habitat needs of various species. Wildlife habitats in forests are made up of one or more stages of plant succession which may or may not be combined into patterns creating suitable conditions for a wide variety of species.

The five basic successional stages are: (1) openings dominated by herbaceous vegetation, (2) areas dominated by woody brush or timber in the sappling stage, (3) pole stage timber stands, (4) intermediate forest stands, and (5) mature or over-mature forest stands. When wildlife management is being carried out their individual importance and distribution within a given area will vary depending on the species or group of species being favored.

Mature or over-mature stands are of great aesthetic interest, basic ecological interest, and they provide conditions essential to some plants and animals that may become rare in intensively managed forests on short rotations. They are the most productive types for mast, especially acorns. This fact is one of the main reasons that long timber rotations are much preferred by southern wildlife managers. The other 4 stages of plant succession comprising wildlife habitat are created under management by cutting, site preparation, burning, manipulation of rotations or by permanent openings. Poles stage stands are not essential to many species of wildlife but they are used for cover and in a dynamic forest system such stands will naturally occur.

Forests that are managed on an even-aged system are characterized by stages of plant succession occuring in blocks. The blocks can be small enough and their shapes and interspersion complex enough to provide excellent wildlife habitat provided wildlife needs are known and considered in the planning stage. On the other hand, even-aged forest management often produces large blocks of successional stages or artificial plantings that are very poor habitats for the majority of endemic birds, mammals and reptiles.

The key idea in forest wildlife management is diversity in the habitat. An abundance of research has shown this. Forest game and most other non-migratory forest wildlife species often thrive in high numbers in situations where all their needs can be met within a short distance. The distance depends on the normal home range or annual range size of the various species. This is known for some species, not known for most. For instance, the average home range size for our southern deer is around 200 acres, and the annual range for turkeys is about 1,000 acres. Within the annual range of a turkey, seasonal range shifts occur. Openings with herbaceous vegetation are essential, a mid-story of fruit and mast producing trees and shrubs is essential, and mature hardwoods for mast production are likewise necessary. Fruit or mast production of important plant species will fail in some years, so a variety of species must be present to carry high wildlife populations.

One of the most serious wildlife problems that can develop with even-aged forest management can be excessively large clearcuts that result in the loss of edge effect and the poor distribution of habitat elements. Shape of clearcuts is just as important. Long narrow units are very acceptable and could be large but less linear units of large size are undesirable.

Another serious problem can be that too much area will be put into short rotations. When short rotation even-aged pine forestry is carried out with regeneration occurring on large (one or two square mile) blocks, much of the wildlife is apt to be eliminated or greatly reduced in number. It is true that clearcuts create quail habitat and good conditions for plants and animals that are favored in early stages of succession. It is also true that an abundance of deer food is produced on many clearcut areas. But these benefits are temporary. Within about ten years following planting, the canopy of young trees can be expected to close, and until thinning and/or burning, this clearcut is of little use except as cover to game and many other species of wildlife. At the rate some of the all-aged forests are being converted to planted pines, it doesn't take much imagination to see that essential components of wildlife habitat could be eliminated from large blocks of land in a relatively short time. It is not uncommon to see square or rectangular clearcuts of several hundred acres being created in adjoining blocks in successive years. When this happens, hardwoods of mast producing size are virtually eliminated over large tracts. Under current plans for short rotations of pine stands, it is difficult to see how mast and fruit will be provided for many species that require these foods.

In contrast to short rotations, sawlog rotations of 80–100 years are easier to manage from the wildlife standpoint because, at any one time, a much larger percentage of the forest is in older trees capable of mass production and there is time for a productive midstory to develop. Controlled burning can also be used more effectively in older pine stands to produce and rejuvenate forage, fruit and seed producers in the understory. With long rotations, relatively small stand sizes and retention of hardwoods where they grow well even-aged forest management can be good wildlife management. It is primarily a question of when, where, how and how much.

In the management of even-aged pine forests for wildlife, controlled burning is almost an indispensable tool but foresters and wildlife managers are now apprehensive about the possibilities of restrictions on controlled burning in view of the air pollution problem.

Considerable know-how is available about the needs of game species so that reasonably accurate predictions can be made regarding impacts of forestry practices. Management practices can be recommended which will improve game habitat.

More attention should be given to non-game species so that factors affecting their population sizes and distribution will be better understood. Of course, this means that new funds will have to be located and used to support research and management. It is a mistake to assume that the hunting public is interested in wildlife only for hunting purposes. This group and their funds are doing a great deal for non-game species as well as game species by preserving lands in a relatively wild condition and by investigations and actions taken for the benefit of endangered species. The Fish and Wildlife Service is devoting more of its resources to the area of endangered and non-game species. The Forest Service is now preparing sections in their wildlife habitat management handbook on habitat management for non-game and rare and endangered species. The Southeastern Section of the Wildlife Society is establishing regional lists of endangered species, threatened species and species of special concern. The current status of all these animals will be described in published form in the near future and it is likely that investigations and possibly management actions will be stimulated. We're seeing more and more non-game wildlife research projects at the various Cooperative Wildlife Research Units, Universities and within State Natural Resource Agencies. All of these investigations will improve our basic knowledge upon which forest management decisions must be based.

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[1] Leader, Alabama Cooperative Wildlife Research Unit, Auburn University, Auburn, Alabama. Presented at the Southeastern Regional Conference of the National Audobon Society, November 1–3, 1974.

In some areas, give and take between wildlife people, concerned citizens, naturalist groups and foresters has resulted in progress toward correcting some of the worst abuses of the even-aged system. For example, the Alabama Forest Products Association Executive Committee recommended the following "cutting practices" to its membership in 1971:

(a) Areas to be harvested by the clearcutting system should be kept as small and as narrow as economically practical. Large, wide clearcuts should be avoided.

(b) Clearcutting should not be employed on an area adjacent to lands recently harvested by this method. The lapse of time should be sufficient for the newly established forest growth to present a pleasing appearance and afford game cover.

(c) Hardwood types should be left along stream beds and drains and managed as hardwoods. Clumps of hardwood trees, including den trees and good food-producing trees, should be left in other areas.

(d) The forested area along stream beds should not be clearcut but managed as uneven-aged forest.

(e) Forested strips should be left along highways for their aesthetic value until such time as harvested areas behind them are tall enough for their removal.

(f) Control burn in natural and planted stands every three to five years or as often as is practical.

(g) Streams should be kept clear of tops.

It remains to be seen how well these recommendations will be followed by large industrial forest owners. We can only hope that the trend towards short rotation pine monoculture will not continue as it has in the recent past.

ARAB ECONOMIC BOYCOTT

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. EILBERG. Mr. Speaker, the Subcommittee on Monopolies and Commercial Law of the Judiciary Committee is currently considering legislation to deal with the demands of Arab countries that U.S. firms join an economic boycott of Israel and Jewish-owned or operated companies.

This boycott represents the worst aspects of international anti-Semitism, and it should be fought and rejected by all firms which are asked to comply with its restrictions.

At this time I enter into the RECORD a statement issued by the Pennsylvania, West Virginia, Delaware regional office of the Anti-Defamation League of B'nai B'rith about the testimony presented by the ADL at the hearings on this problem:

ARAB ECONOMIC BOYCOTT

The Anti-Defamation League of B'nai B'rith testified on April 8 before the House of Representatives Subcommittee on Monopolies and Commercial Law of the Committee of the Judiciary, chaired by Peter W. Rodino, Jr. The ADL presented its views on legislation currently before the Subcommittee to deal with foreign boycott practices, and on the dangers inherent in the situations which have prompted the introduction of these measures, according to S. Regen Ginsburg, Esq., Chairman of the Metropolitan Philadelphia ADL Advisory Board.

Mr. Ginsburg said that the Anti-Defamation League's statement to the Subcommittee was presented by David A. Brody, Washington representative for the League. The ADL spokesman told Rodino, "We support Congresswoman Holtzman's bill H.R. 12383 because we feel that it is necessary for the defense of our American constitutional principles and traditions, and to halt a continuing subversion of American public policy.

"We do not oppose Arab-American trade and commerce. Indeed, we favor it as a means of helping the American economy. Such trade is especially crucial because of the vast accumulation of petrodollars by the Arabs and the need, therefore, to balance our international payments."

The Anti-Defamation League stressed in its statement to the House Subcommittee, Mr. Ginsburg said, "What we do oppose is the use of economic power to force American firms to make private business decisions based upon, and designed to further, the aims and objectives of foreign powers. That these aims have as a substantial component a vicious anti-Semitism only makes such coercion all the more reprehensible.

"The Arab boycott must be seen as multidimensional—the prohibitions against American contractors or subcontractors doing business with Israel are intertwined with overt and covert religious discrimination in various forms against American Jews.

"And one of the most obnoxious aspects of the boycott is that which requires one American firm to police the boycott by refusing to deal with subcontractors—other American firms—who trade with Israel."

The Anti-Defamation League in its statement said that H.R. 12383 would go far toward eliminating these grave violations of American principles and policy. The Anti-Defamation League's statement outlined the Arab boycott's genesis and history as follows:

The Arab League, since 1945, even before the creation of the State of Israel, has carried on a worldwide economic, military, political and psychological campaign aimed initially at preventing the advent of the State of Israel and since 1948 aimed at destroying that nation. The cornerstone of the Arab League's efforts aimed at the economic strangulation of Israel is the imposition of a worldwide boycott and system of restrictive trade practices directed against all Americans—Jewish and non-Jewish—who trade with and/or otherwise support the Jewish state.

At first, the Arab League merely sought to prevent its own nations from importing Israeli goods. But in 1950, it broadened its boycott to include third persons by blacklisting ships transporting goods or people to the State of Israel. Another step backward was taken in 1955 with the organization of the central boycott office in Damascus. Formal regulations were adopted and each member state organized its own local boycott office with its own boycott regulations. Today, there are variations in the local regulations and in the interpretation of the boycott rules by the member states. Some of the decisions of these nations are, to say the least, capricious and some are absurd.

The Arab boycott regulations apply to all individuals and companies that trade with or otherwise support Israel. As part of the Arab League's restrictive trade practices and boycott, any firm or individual on the blacklist of the Arab League is prohibited from doing business with or in any nation of the Arab world. Further, any firm or individual which itself does business with such blacklisted firm or individual may be barred from doing business with or in any Arab nation.

Arab boycott restrictions also often apply to companies which have Jewish directors or other Jewish connections, or which are "Zionist-controlled." *Fortune* magazine has commented that the "sweeping, convenient, and highly dubious" terms give the Arabs "freedom to blacklist almost at will" and American firms, wishing to do business with the Arab world have responded to the capricious and arbitrary nature of the boycott by eliminating their Jewish directors or at least removing their names from their letterheads.

"While the effectiveness of the Arab boycott may have been, in the past, somewhat questionable," ADL's Washington representative, David Brody, told the Subcommittee, "it certainly is a factor now. *It is a factor* because of the recent huge increase in the money available to Arab governments to enforce their political, economic and religious predilections. Every year that goes by without the cracking of the OPEC cartel by the industrial countries will swell that petrodollar surplus to even more incredible levels.

"The restrictive trade practices and boycott of the Arab League practiced within the United States are so pervasive as to adversely affect thousands of firms and individuals in this country. Senator Abraham Ribicoff recently stated [Congressional Record, March 15, 1976]: 'The best estimates are that today as many as 3,000 American companies are boycotting 2,000 firms that have been blacklisted *by the boycott.*'

"The Director of the Memphis office of the Department of Commerce has announced that Arab boycott requests of Memphis-area companies have become so voluminous recently that the Department has scheduled a special seminar for exporters and others there this month," Mr. Brody stated.

"And significantly, The New York Times, on April 4, 1976, reported that a 20-country Arab group, meeting in Alexandria for a 10-day conference, formally removed from the boycott list 43 companies that had stopped doing business with Israel," the ADL official noted. "It had earlier been reported that the conference had considered the applications of some 80 foreign firms to be removed from the office's blacklist. These firms, said the Christian Science Monitor on March 25, had 'submitted documents proving they had ceased trading in Israel.'

"The Arab boycott, its mischievous blacklist and its by-product of coercion, are obviously alive and well, and living in our midst.

"It is explicit United States policy under existing law to oppose boycotts of friendly nations. This policy is stated in the Export Administration Act. Unfortunately, the Act merely encourages and requests American business firms not to comply with boycott restrictions. There is no penalty if an American business does comply. H.R. 12383 would fill this void by imposing penalties.

"The statutory scheme of H.R. 12383 would do the following: In simple terms, as applied to the Arab boycott, it would make it unlawful for a business enterprise to coerce, by economic means, a U.S. company to cause it to discriminate against Jews in its business dealings or to refrain from doing business with companies doing business with Israel. It would also make it unlawful for any company to yield to such coercive demands.

"The reach of the Administration bill, H.R. 11488, is limited to discriminatory boycott requests and it does not deal with the boycott of Israel. Moreover, it only penalizes the coercer, and not the person who goes along with the discriminatory demands," Mr. Brody pointed out to the Subcommittee.

"H.R. 12383 would not only make it unlawful to coerce another into compliance with a boycott request, but would make it unlawful to give into such economic pressure. We believe that to be effective, a law must provide penalties for both types of conduct. The coercee is, in fact, a key figure in the usual type of boycott-tainted transaction—where the American contractor or subcontractor is required, if he wants to do business in the Arab world, to certify that he is not on the Arab blacklist or that he will act consistently with Arab boycott regulations. Sanctions against the coercee are necessary particularly where the American firm is directly being coerced not by another American firm but by a foreign government, which would be immune to United States jurisdiction.

"This provision is most important because it would enable the intended objects of coercion to stand up against the boycott. Indeed, various banks and exporting firms have been told the ADL that they would welcome legislation enabling them to ignore the boycott. For example, two companies which ADL publicly cited in March as having submitted to Arab boycott restrictions have, as of this past Tuesday, April 5th, issued statements in support of federal legislation prohibiting this practice. These are two corporations, both with large business transactions in the Arab world—General Mills, Inc. and The Pillsbury Company.

"In conclusion," Mr. Brody told the Subcommittee, "what is needed now is strong and effective legislation prohibiting the coercion of American business into participation in the Arab boycott. The Anti-Defamation League believes the Holtzman bill (H.R. 12383) would accomplish that objective."

"UNREASONABLE, UNSCIENTIFIC" EPA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. McDONALD of Georgia. Mr. Speaker, there are many complaints aired these days about "big Government." One of the complaints we have to deal with here in Congress in representing people from the various parts of the country is that various Government agencies act as judge and jury in matters relating to their charter. Such a case was recently brought to my attention as regards the EPA. The matter was very well put by Dr. Leonard J. Goldwater, of Durham, N.C., in a letter to the editor of the New York Times, which appeared in its March 1, 1976 edition:

"UNREASONABLE, UNSCIENTIFIC" EPA

To the Editor:

The Feb. 17 order of Environmental Protection Agency Administrator Russell E. Train banning most uses of phenylmercurial pesticides is another egregious example of the arbitrary, unreasonable, unscientific manner in which the agency and its Administrator are operating.

Having participated in the case as *amicus curiae* and, toward the end of the hearing, as expert witness under subpoena, I am thoroughly familiar with the contents of the 4,466 pages of transcript and the 750 exhibits which constitute the record. It is of interest that the proceedings were initiated on March 22, 1972, thus taking close to four years for completion. The cost in dollars, time and effort is incalculable.

On Dec. 12, 1975, the E.P.A. administrative law judge who conducted the hearing issued an initial decision showing impressive scholarship, reasonableness and scientific validity. My faith in "the system" was temporarily restored—only to be dashed once more by Mr. Train's almost total reversal of his agency's own judge. This example is no isolated instance of the way in which E.P.A. conducts its affairs. It seems to me that it is high time for corrective action if the credibility and hence the effectiveness of the environmental control movement is to survive.

As a physician, I have been trained in the arts of diagnosis and treatment. In my opinion, the present "illness" of E.P.A. and some other U.S. agencies is due in major part to a violation of some of the basic concepts of our Constitution, particularly, Articles I, II and III, which define the separation of legislative, executive and judicial functions. Although sanctioned to some degree by law, the regulatory agencies have more and more assummed all three: They set up regulations, enforce them and judge their validity. Such a concentration of power is certainly contrary to American tradition, if not at odds with the Constitution.

I propose as at least a partial remedy for the malady a return to constitutional principles. I would, for example, limit the authority of E.P.A. to enforcement. Standards and regulations should be promulgated by a body completely insulated from politics and from the policing group, and supported by the ablest available technical advisers.

Judicial responsibility should be vested altogether in the Federal courts, which now hear appeals from agency rulings. If nothing else, the latter would eliminate the costly, time-consuming charade of the present "system." And if, as in the case of the mercurial pesticides, the administrator can arbitrarily overturn the findings of the agency's own judge, the entire judicial function becomes an empty mockery.

LEONARD J. GOLDWATER, M.D.

DURHAM, N.C., *February 21, 1976.*

MISS PAULINE CLEMENT OF CAMPBELL, OHIO, RETIRES WITH 29 YEARS AS CITY FINANCE OFFICER

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. CARNEY. Mr. Speaker, I am pleased to announce that Miss Pauline Clement retired on April 1, 1976, after 29 years with the city of Campbell's Department of Finance.

Miss Clement is a longtime friend of mine and has provided many years of dedicated service to the Campbell community. During her career, she served 14 years as deputy auditor and 5 years as city auditor. In 1966, Miss Clement was appointed finance director for the city of Campbell, a post she held until her retirement.

In addition to her official duties, Miss Clement has for many years been active in local politics. Currently, Miss Clement is president of the Campbell Ladies Democratic Club; and is also a member of the Mahoning County Democratic Federated Presidents Club and the Federated Democratic Club of Ohio.

I want to personally commend Miss Clement for her long and distinguished career, and to wish her the very best of luck in her retirement. I hope that she will now have the opportunity to carry out her plans for traveling and spending more time with relatives and friends. For the consideration of my colleagues, I am inserting an article from the Struthers-Campbell-Lowellville Journal for Thursday, April 15, 1976, which describes Miss Clement's many years of public service to the Campbell community.

The article follows:

PAULINE CLEMENT RETIRES WITH 29 YEARS AS FINANCE OFFICER

CAMPBELL.—Pauline V. Clement, of 102 Rosary Drive, has retired after 29 years with the city's finance department.

The former Finance Director, whose retirement became effective April 1st, has served with five Campbell mayors. Miss Clement was appointed as deputy auditor January 1, 1947, during the mayoral terms of Anthony F. Pacella and Michael J. Kovach. In 1960, she was elected city auditor and worked with former Mayor Joseph A. Vrabel through 1965. On Jan. 1, 1966, former Mayor Rocco F. Mico appointed Miss Clement as Finance Director through 1975. Miss Clement held her position for the first three months of 1976 under Campbell's newly elected mayor, Michael J. Katula, Jr.

A member of St. Lucy Church, Miss Clement has served as president of the Infant Guild, is a member of the Italian-American League, she presidents the Campbell Ladies Democratic Club and holds membership with the Mahoning County Democratic Federated Presidents Club and Federated Democratic Club of Ohio.

City Council, on April 7th, passed a resolution of commendation, honoring Miss Clement for "her many years of faithful, dedicated and devoted service to the citizens of Campbell."

With her retirement, Miss Clement says she looks forward to traveling and spending more time with relatives and friends.

CALVERTON BICENTENNIAL CEREMONY

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mrs. SPELLMAN. Mr. Speaker, recently, I attended a most enjoyable Bicentennial ceremony in the Calverton Community of Prince Georges and Montgomery Counties in Maryland.

The Reverend Charles A. Casey, the pastor of Calverton Baptist Church, offered the invocation at the beginning of the program. I was enormously impressed by Reverend Casey's having fully captured the true spirit and meaning of the Nation's celebration. This is indeed, as he so eloquently stated, a time for soul searching as well as a time for soul stirring—a time for rededication and commitment. I would like to share those remarks with my colleagues in the Congress and with all who will be fortunate enough to read these words.

INVOCATION BY CHARLES A. CASEY, PASTOR, CALVERTON BAPTIST CHURCH, PRESIDENT, BAPTIST CONVENTION OF MARYLAND

Our Father and our God, we pause to invoke your blessing on this hour. May it be a time of rededication and committment, a time of soul-searching and a time for soul-stirring.

Rekindle in us the passion for justice, the fervor of spirit, the strength of commitment, and the faith in Almighty God which characterized our founding fathers.

Show us our place in the continuing struggle for freedom. Show us our responsibilities as well as our privileges. Awaken in us the patriotism that has long lain dormant within the heart and soul of so many across our land. Unite us in a common enterprise in our own day that would leave a brilliant chapter in the pages of history that is like to that of our forebearers.

We give thanks today for this great land

and the people who comprise it. You brought our forefathers into a land of milk and honey. They have passed on to us a lofty and noble heritage. We thank you for the enthusiasm of youth and the wisdom of our senior citizens, and the faithful toil of those who labor for their daily bread.

We give thanks for the freedom which we enjoy, and ask your forgiveness for so often taking it for granted.

We give thanks for men and women from Lexington and Concord to Europe and the Far East who have guarded well our liberties and so often have been called upon to pay the supreme price.

Bless, we pray, the elected leaders of our country at each level of leadership. Lead them by divine wisdom and sovereign power.

Bless each who has a part in this time of celebration today. Impart to each the words, the spirit, and the vitality to move us at the core of our being.

We look unto you, the God of our fathers, for direction, for understanding, and for wisdom, in the name of our Lord and Saviour, Jesus Christ.

Amen.

U.S.S. "WASP"

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to bring to my colleagues' attention the final reunion of the U.S.S. *Wasp* before her decommission and retirement.

The *Wasp* has enjoyed a very colorful career in the past, and I would like to take a few moments to mention some of her more notable exploits. First of all, the name *Wasp* has a long history stretching all the way back to the U.S. Revolution when a fighting ship, *Wasp*, helped oppose the British attack on Pennsylvania. The second *Wasp* fought in the War of 1812, as did the third which captured 15 British ships. Another vessel was christened *Wasp* during the time of the Civil War and was used as a dispatch and special service vessel. The fifth ship was used during the Spanish-American War, and the sixth saw extensive action in the Second World War before she was damaged beyond repair in 1942. It was shortly after this, that the final *Wasp* was completed and certified ready for duty.

The seventh *Wasp* was launched in 1943 in Quincy, Mass. She saw action almost immediately and was soon providing the aid against Japan that was to prove decisive in our war effort. The war record of the *Wasp* speaks for itself; 411 enemy aircraft destroyed on the ground, 246 aircraft shot down, 114 enemy ships sunk, and 357 ships damaged.

After the war, the carrier *Wasp* was used in the man-in-space program, and, in that capacity, participated in five Gemini recoveries. Such a career is indeed one which her crew can be greatly proud of. As a fitting send off for this fine ship, her old crew has organized a reunion to be held in Kansas City, Mo. on June 18–19, at the Crown Center. Among the crew members involved in the reunion is a constituent of mine, Allyn Gordon of Milton who served on the *Wasp* during the war. He was present when the *Wasp* was commissioned on November 24, 1973, and it is fitting that he be present at her decommission this June. Such a fine ship's retirement should not go unnoticed.

RESOURCE RECOVERY

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, it is encouraging that one of our major unsolved environmental problems, which had been literally buried up until now, is at long last the focus of innovative solutions. I am referring to the problem of municipal solid waste. It is a problem which can be converted into a solution of energy and materials recovery. Recently the Conservation, Energy, and Natural Resources Subcommittee held 4 days of hearings to examine the potential of resource recovery, especially energy recovery, in what had heretofore been considered simply a nuisance—municipal trash and garbage.

The city of Pittsburgh, Pa., is now considering that potential. I insert here a recent article from the Pittsburgh Press, which examines that prospect:

GARBAGE-FED DYNAMO PLANNED HERE—A HIT IN BOSTON

(By David Warner)

BOSTON.—Just north of here, there's picture-pretty town called Saugus with some 25,000 people—and a garbage-gulping giant which creates power.

The giant, first of its kind in the nation, is similar to a plant now being proposed for Pittsburgh.

Based on interviews in the area, all is well between the residents and the giant.

Nobody interviewed had any major complaints of smoke or pollution about the garbage-burning plant. One woman, in fact, said she didn't even know it existed.

One resident who does know it exists is Maurice F. Cunningham, Saugus town manager, whose office is located in the 101-year-old town hall a couple of miles from what's known here as the RESCO plant.

Cunningham smiles a lot when he talks about the plant. He figures RESCO is going to end up paying his town $1 million in taxes each year, compared to the $87,000 the town used to get from a rubbish dump.

RESCO is an acronym for Refuse-Energy Systems Co., which is a joint project of Wheelabrator-Frye Inc., and a local contractor, M. DeMatteo Construction Co.

It's Wheelabrator, a company based in Hampton, N.H., which wants to build a similar plant in Pittsburgh at an estimated cost of $45 million to $50 million. The Saugus plant cost about $40 million.

It's a private plant, and involves no public money, thus, it pays taxes.

"Not the smallest attraction of this thing to Bruce and Pete is that it pays taxes," said Wheelabrator's national sales manager Timothy P. Ahlstrom.

He was referring to Pittsburgh Mayor Pete Flaherty and his executive secretary. Bruce D. Campbell.

Wheelabrator has a contract with Pittsburgh's Duquesne Light Co. to buy power from the proposed Pittsburgh plant, and city officials are waiting to see how Saugus turns out before giving Wheelabrator the final okay.

Meanwhile, in Saugus, some 150 to 175 trucks a day from 11 communities are dumping their garbage at the RESCO plant.

It's located in a salt-marsh area, near where a troublesome landfill operation was located.

It's a big building—110 feet high, with a 175-foot smokestack.

There's enough indoor storage space for 7,000 tons of garbage in a huge bin, into which the trucks dump.

The technical process is fairly simple: Cranes lift the trash from the bin and put it into one of two incinerators.

Ahlstrom says the heat in the incinerators reaches 2,000 degrees Fahrenheit.

The burning refuse is moved by a series of grates, so that air, sucked in by fans, can aid combustion.

The burning trash creates steam by heating water in a series of pipes.

Smoke is screened by an electrostatic precipitator, which the company says, removes 99 per cent of the solid matter from the smoke.

The system, said Wheelabrator President Michael D. Dingham in a pamphlet, "is totally odorless and virtually pollution free."

A visit to the plant tended to confirm that claim.

In Saugus, the steam is shipped by pipe to a nearby General Electric plant, across the Saugus River, in Lynn, Mass.

The plant employs 13,000 people, who make jet engines and steam turbines.

GE uses the steam for generating its own electricity for in-plant use, as well as for heating and cooling and to test equipment.

Ahlstrom says the RESCO plant is now providing about 50 to 60 per cent of —— million to 17 million gallons of fuel oil per year.

In Pittsburgh, the major difference would be that Wheelabrator would have its own electricity-producing equipment, thus, would ship power, not steam, to Duquesne Light.

The burning garbage does not have to be mixed with an outside fuel, although oil is used to start the furnaces.

Saugus is now burning less than its goal—it's only been going since last December. Some 800 to 900 tons of refuse per day are now being burned, compared to a plant capacity of 1,500 tons, and a desired "normal operation" of 1,200 tons daily.

By the time the trash goes through the incinerator, it's reduced to 5 per cent of its original volume.

The company says what's left can be used for aggregate for road asphalt, or cement blocks, and iron and steel which is culled can be re-sold for scrap.

"The goal of a plant like this is to use everything," says Ahlstrom.

What's all this cost the communities which dump there?

Most of the 11 municipalities pay $13 per ton, which is more than they were paying to use the landfill which was located near the plant.

Boston, about eight miles away, dumps about one-quarter of its trash here because RESCO was low bidder in a recent competition. Boston pays $14.20 per ton.

However, Ahlstrom says the Pittsburgh price would probably be lower because the company expects to get more money from Duquesne Light than it does from GE here.

Also, he says, the company would have a commitment from Pittsburgh for its 700 tons of garbage per day. The company hopes suburban communities would then join the city.

"Ten dollars a ton is probably a good ballpark figure," says Ahlstrom of the Pittsburgh proposal.

That compares to the $8.03 per ton Pittsburgh now pays to dump in a landfill.

Ahlstrom says, though, that while landfill operations have been increasing prices at about the same pace as the cost of living, the Saugus contracts stipulate that the cost can not go up any more than one-half the cost of living.

(Pittsburgh's landfill costs, per ton, were $6.54 in 1974; $7.65 in 1975 and $7.88 for the first part of this year.)

Moreover, says Ahlstrum of the Pittsburgh plant, "It will look a lot different. This (Saugus) is in an industrial setting, and it really doesn't matter what it looks like."

The Pittsburgh facility, would be covered so that various pipes and machinery are not visible from the outside.

Ahlstrom says a site has not yet been picked in Pittsburgh.

It's likely the Pittsburgh operation will use transfer stations, he said.

Saugus manager Cunningham says his community paid no dumping fees when the DeMatteo dump was in existence.

Now, the town is paying $13 per ton, and he's happy about it. He figures the $1 million in taxes will be four or five times the dumping charge total.

But what about the other towns?

Stephen Lewis, of a firm called the Mitre Corp., of Bedford, Mass., a nonprofit engineering consulting organization helped several of the communities get information about RESCO to negotiate prices.

"It did not appear to us that anybody was being ripped off," concluded Lewis.

Most of the communities were paying between $7 to $9 per ton to dump at the old landfill, he reported.

He used the town of Malden as an example, Malden had been paying $5.19 per ton to dump at the landfill.

But even though the community is now paying $13 per ton, it saves money, he said.

There are several reasons. For one thing, Malden, like many other area communities, had to have separate collections for garbage (foodstuffs) and other trash.

The garbage was collected and ended up with pig farmers, and the trash was dumped at the landfill.

Now, there's only one collection, because RESCO takes it all.

Secondly, trucks carrying rubbish to the old landfill took 30 to 40 minutes to unload, and, at that, were breaking down frequently because of the rough terrain.

Now they can unload in seven minutes, Lewis said, and the road is smooth.

Thus Malden, he reported, was spending about $950,000 to collect garbage and rubbish, and dispose of it. The community is now spending about $900,000 per year, he said.

How about pollution?

Saugus manager Cunningham says he's had no complaints from his residents. In fact, he's hoping RESCO will expand someday, so new industry can be attracted by available power. The Saugus plant was observed by a visitor on two recent days—one sunny, clear and breezy, and the other overcast and breezy.

The stack at RESCO at times gave forth a white, steam-like substance that disappeared quickly.

Periodically, on the second day, darker gray-black smoke came from the stack for short periods.

The stack was not exactly belching smoke—it was more of a small burp.

Robert Donaldson is the chief of the incinerator section of the Division of Air Quality Control, Department of Environmental Quality Engineering, for the state of Massachusetts.

He says his agency approved of the RESCO plant being built. But, he added, tests have not been run yet to see if the plant is in fact meeting air quality standards.

He expects that will be done before the end of this month.

However, he added, "There has been some preliminary testing and it looks pretty good."

He described the air pollution controls at the plant as "proven technology."

So far, he reports, his agency has had no complaints about smells from the plant.

But, he points out, it has been cold since the plant opened.

"We'll have to see what happens when people start opening their windows," he says.

In fact, it looks like the only people who might complain about RESCO are the pig farmers.

Cunningham reports that a local restaurant used to pay to have its garbage hauled away so the pigs could be fed. Now, the pig farmer pays the restaurant for the privilege of taking the stuff away.

CONGRESS' BUDGET

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. FLORIO. Mr. Speaker, the 94th Congress has attempted to return control of spending by the Government, and to more fully control national economic policy by implementing a new congressional budget process. Though there are always inherrent problems in a task of this magnitude, I think the prevailing thought is that it will produce firmer congressional budgetary control.

I would like to bring to the attention of my colleagues a very thoughtful editorial comment on this subject from the Washington Post which should be of interest to all:

CONGRESS' BUDGET

The two congressional budget committees have now finished the first half of their job, and the performance so far is a remarkable success. They have skillfully revised the budget that President Ford sent them last January, and their versions are better suited to the country's requirements than the original. It still remains to be seen whether a collection of people as diverse as Congress has the will and discipline to sustain this exercise. But it is off to an encouraging start.

Keep it in mind that Congress has fundamentally changed its rules for handling the money bills. It used to control spending item by item, with little direct influence over national economic policy. But under the rules enacted two years ago and going fully into effect this year, budget committees draw up resolutions setting maximums for spending and minimums for revenue. That is the point at which the process has now arrived. The Senate resolution is on the floor, and the House will vote on its very similar resolution toward the end of the month. When both houses settle on an agreed version, it is binding on all tax and appropriation bills.

After all the appropriation bills are passed this summer—and there is now a deadline, another break with tradition—Congress will vote on a final reconciliation of its budget figures. That, as it happens, will take place in late September at the height of the presidential election campaign.

Congress is challenging Mr. Ford mainly on jobs, social benefits and taxes. The two resolutions indicate that its budget will be somewhat larger—around $413 billion for the year beginning next October—that Mr. Ford's $395 billion. But Mr. Ford's budget is tight enough to constitute a real risk to continued recovery from the recession. The congressional budget committees have judged, correctly, that they can let spending go up a few notches to push the economy harder toward growth, without incurring any serious penalty in added inflation. As for public service jobs, of which there are now more than 300,000, the President wants to phase them out. The congressional budget would clearly continue them.

But while the congressional budget total will be larger than Mr. Ford's target, it will not be a great deal larger. Congress remains very sensitive to voters' fears of inflation. One way to judge the size of next year's budget is to compare it with this year's programs, expanded to cover inflation and population growth. With those adjustments, present policy extended into next year would mean a budget about $12 billion more than the congressional resolutions provide. The budget committees have done some cutting. Part of that cut comes from limiting federal employees' cost-of-living raises to 5 percent—a point on which there is no difference between the administration and the two budget committees. But another part of the cut comes from real reductions in some benefits. Rep. Brock Adams (D-Wash.), chairman of the House Budget Committee, argues that it is now necessary to begin weeding out the excesses in the past decade's great wave of social programs, and to swing the federal budget back toward balance and even surpluses. Otherwise, he points out, the country will never have the money for the expensive new programs that it needs—for example, comprehensive health insurance.

Mr. Ford stands for a tightly restrictive budget and a $10 billion income tax cut this year. The Democrats in Congress, supporting a less restrictive budget, have already made it clear that there will be no further tax cut this year below present levels. But the President also wanted a stiff increase (after the election) in Social Security payroll taxes. Again the Democrats refused even to consider it. With unemployment still very high, it's a notably poor time to step up the country's most regressive tax.

But there are points on which Congress has evidently decided not to challenge the President at all. The most significant is, of course, defense. From the late 1960s until last year, defense spending had been declining in real terms—that is, in dollars adjusted for inflation. For a number of reasons, most of the Democrats have decided to go along with the President on defense. The budget committees would make only token cuts on defense; the Senate committee would reduce the President's request barely two-tenths of one percent.

The defense issue illustrates the difficulties that the congressional leadership will encounter as it struggles over the next month to get the budget resolutions passed. At one point this month it was not clear that Mr. Adams would even have enough votes to get a resolution reported out of his committee. A couple of the Democrats were outraged by its refusal to cut defense spending. and refused to support the majority. At the same time the fiscal conservatives would have nothing to do with the resolution because, on the social benefits, it overran Mr. Ford's limits. At length Mr. Adams got it out by 14 votes to 10, a rather narrow margin that foreshadows similar fragmentation on the House floor.

It is by no means a sure thing that this brave experiment in congressional responsibility will succeed. Congress may well rebel against this severe burden, and fall back to the older custom of piecemeal appropriations. That would return the whole power of budget-making and economic strategy to the President. But experience has shown that this power, like most others, is used most wisely when it is shared.

200 YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago, on April 26, 1776, the Continental

Congress raised the pay of Washington's aides-de-camp from $33 to $40 a month each. Three days earlier Washington had written to Congress urging that body to increase the pay of his aides. Washington wrote,

> No person wishes more to save money to the public than I do; nor no person has aim'd more at it; but there are some cases in which parsimony may be ill placed; and this I take to be one. Aide de Camps are persons in whom entire Confidence must be placed. It requires men of Abilities to execute the duties with propriety and dispatch, where there is such a multiplicity of business as must attend the Commander in Chief of such an Army as ours; and persuaded I am, that nothing but the zeal of those Gentlemen who live with me and act in this capacity, for the great American Cause and personal attachment to me, has induced them to undergo the trouble and confinement they have experienced since they became members of my Family.

THE FOREIGN AID BILL—AND THE ROLE OF CONGRESS

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. BONKER. Mr. Speaker, I am dismayed that, according to this morning's press, the President is considering a veto of the foreign aid authorization bill. In my judgment, it is a good bill and one that represents many months of dedicated committee work and political consensus.

The reason cited by the President for a possible veto is concern that the "act would unduly restrict his powers." Congress has attempted to provide some broad policy guidelines in the conduct of foreign policy which clearly it has every right to do. Mr. Ford was quoted as saying the authorization bill amounts to "a congressional invasion" of the executive branch's authority. In this post-Watergate period of concern about Presidential authority and excessive power, the President has demonstrated once again that we need to make the two branches of Government truly equal.

The press report follows:

FORD INDICATES HE MAY VETO BILL ON FOREIGN AID

(By Bernard Gwertzman)

> WASHINGTON, April 27.—President Ford, in a surprise move, told several Republican Congressional leaders this morning that he was inclined to veto a pending foreign aid authorization bill because of concern the act would unduly restrict his powers.
>
> The $4 billion measure, which includes a $3 billion Middle East package, mostly for Israel, has gone through a Senate-House conference and was due to be routinely approved by both houses this week and sent to the White House for Mr. Ford's signature.
>
> According to the participants in a breakfast meeting with Mr. Ford, the President expressed concern over a number of policy provisions written into the authorization bill.
>
> During the preceding months of debate on the legislation, the Administration argued against some of these provisions and was able to soften some of them considerably. Until today there never was any threat of a veto.
>
> Mr. Ford's concern was not related to the issue of additional aid to Israel, which has been a focus of attention. Both the House and Senate conferees voted an additional $550 million for Israel in the three-month period between the old and new fiscal years, but the House has not approved that sum in the pending $5.6 billion appropriation bill.
>
> A compromise on that question, allowing Israel $375 million in military loans, is under consideration.
>
> According to the Senate Republican leader, Hugh Scott of Pennsylvania, Mr. Ford believes that the authorization bill amounts to "a Congressional invasion" of the executive branch's authority.
>
> He said that "there is a good chance" Mr. Ford will veto the bill.
>
> "One of the points he made was that he is definitely considering vetoing it and he was asking for a reaction," said William S. Broomfield of Michigan, the ranking Republican on the House International Relations Committee.
>
> Mr. Ford gave a long list of his grievances to the participants. The list cited the following objectionable features in the bill: the right of Congress by concurrent resolution to block any military sale of over $25 million; to set up machinery to prohibit aid to countries violating human rights; to prevent transfers from one country to another; to limit total arms sales to $9 billion in a year; to block aid programs to countries that discriminate against Jews and others, and to phase out the military grant program and to close down military assistance missions.
>
> The apparent decision by Mr. Ford to veto the aid bill came as a major surprise to Senator Hubert H. Humphrey, Democrat of Minnesota, whose subcommittee of the Foreign Relations Committee had gotten the bill through and ready for final action. He said that his committee would block any further legislation for the next fiscal year until the current authorization measure was approved.
>
> A veto would have a major effect on the Middle East aid package, particularly on aid to Israel, which would be authorized to receive $2.2 billion for the fiscal year ending June 30. Until an authorization bill is passed, Israel can only receive money on the basis of last year's $600 million aid bill.

DR. WILLIAM M. LANNIK

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. CARR. Mr. Speaker, I rise to make special note of a generous educational contribution by a citizen of New York to a community college in the Sixth District of Michigan.

Dr. William M. Lannik, of Merrick, Long Island, N.Y., because of his creative foresight and dedication to the preservation of our heritage, has enriched the lives of thousands of individuals and broadened the horizons of students of all ages, by donating a large portion of his collection of pre-Columbian art to Jackson Community College.

Dr. Lannik, a graduate of Jackson Community College and a practicing physician, is director of the Foundation for the Study of Primitive Culture, New York, which was established in 1964 for the purposes of collecting, preserving, and exhibiting the art and artifacts of our early heritage.

These rare clay pieces of art date from the beginning of the pre-Columbian period in about 1500 B.C. to its end in about 1519 A.D.

Most of the pieces belonging to the foundation were originally part of the personal collection of Dr. Lannik. Thus each piece has held an important place in the Lannik home.

Dr. Lannik had the foresight to recognize the educational usefulness, historic impact, and aesthetic value of these pieces, and thus unselfishly donated them to Jackson Community College. His hope that the collection will give viewers a special look into the past, and a new appreciation of their heritage, is being realized as visitors see and read about this rare and delightful exhibition of nearly 250 pieces of pre-Columbian artifacts.

THE FREELOADERS' GAME PLAN

HON. HAROLD RUNNELS

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. RUNNELS. Mr. Speaker, as a representative of a State that is rich in natural energy resources, I am perplexed at what this Congress has been doing in the guise of leaders attempting to solve our energy problems.

The Congress first did away with the oil depletion allowance. Then they adopted the so-called comprehensive energy bill. This essentially rolled back the price of domestic crude oil to what I feel is below a reasonable rate of return for the industry. One of their most recent actions included the failure to pass the deregulation bill. All this, in my opinion, has done nothing but dissuade the oil industry from further exploration of domestic crude.

We are no closer today than we were a year ago in making this country less dependent on the OPEC's for much needed oil. Instead, we continue to fall further prey to a group of countries that has already proven who heads the controls on energy.

What perturbs me now is that Congress is bent upon breaking up the major oil companies. This, in my opinion, strikes a hard blow, not only at the oil industry, but at our free enterprise system.

Last month, Mr. James E. Hara, president of Skelly Oil Co., appeared before the railroad commission of Texas annual statewide oil and gas hearing in Austin, Tex.

At that hearing, Mr. Hara pointed out the seriousness of our energy predicament and the worsening effects it could have if Congress does not come to grips with the situation.

I would like to insert his remarks in the CONGRESSIONAL RECORD and hope that my colleagues will take heed to what Mr. Hara is trying to say:

THE FREELOADERS' GAME PLAN—"LET'S NATIONALIZE OIL AND GAS"

(By James E. Hara)

> Chairman Ramsey, Judge Langdon and Commissioner Wallace: My name is James Hara, President of Skelly Oil Company, Tulsa, Oklahoma. I appreciate this opportunity to be here today, to thank each of you gentlement personally for your outstanding and

continuing efforts and contributions toward giving all of the citizens of the United States a better understanding of the serious energy problems our country faces.

These are not new problems, as you well know. They have been building up for at least two decades, probably since 1954 when the Supreme Court forced federal jurisdiction over the well-head price of gas committed to interstate commerce. And the members of this Commission, as well as many others of us in the industry, have been trying over the years to alert the citizens and their congressmen to the extremely dangerous consequences that result from a declining proved energy base.

As our nation celebrates its bicentennial year, our oil and gas industry can be justifiably proud of the contribution it has made to the progress of the United States. Our country was built on hydrocarbon energy. Nowhere in history is it possible to find a nation with as high a standard of living—a way of life made possible largely by abundant oil and gas resources. And these resources were at bargain-basement prices, at least until shortly after the Arab embargo when our country began to pay heavily for the steadily increasing imports of foreign oil.

Texas, as we all know, has been the major supplier of hydrocarbon energy for the wheels of this country's progress. And today, the Southwest and the South have 65 percent of our nation's known crude oil reserves, 76 percent of our known natural gas and 52 percent of our known coal reserves. These are important and essential percentage figures to remember.

Unfortunately, as I see it, this simple but basic fact seems now to be the root of another War Between the States, except this time the South and Southwest do not even have the benefit of muskets.

Our energy-have-not states, the Eastern and Northern states, or at least most of their elected officials, seem determined to defy all standards of fair play and due process and to nationalize the oil and gas industry. And why not? If you have nothing yourself, why not reach out and nationalize the property of others? That way you can come into your so-called "fair share" of someone else's assets.

It reminds me of the rancher or farmer whose land is a quarter of a mile or so off the flank of the structure. Why not unitize? Why not force-pool? That way he will be able to dip his straw, rather nefariously, into someone else's soda.

Now, our energy-have-not congressmen, and their staffs, seem determined to accomplish their ill-conceived objective. They have already succeeded in virtually eliminating the depletion allowance, although leaving it intact on more than 100 other minerals, none of which is as risky and difficult to find and produce as crude oil and natural gas. That measure alone—taking away percentage depletion—diverted to the federal government in 1975 approximately $2 billion of our industry's capital that could have been expended to improve our country's energy independence. Skelly's share of that increase in taxes, and we are at best only a medium-sized domestic oil and gas producer, was $18.6 million right off the bottom line last year.

For the prior five years, and even for the prior 10 years, our high-risk capital-intensive industry as a whole showed a return on total assets averaging 6.2 percent, a shade less than the return on total assets for all—and far less risky—U.S. manufacturing operations. This comparison of rates of return definitely shows that our industry is extremely competitive. It puts the "Big Lie" to the trumped-up charge that our industry earnings are excessive, and even "obscene."

But no, our energy-have-not congressmen are not content with that comparison. They have now succeeded in rolling back the price of domestic crude oil to below a reasonable rate of return, certainly below replacement cost. And they will also try to keep the price of natural gas well below realistic levels—by equivalent BTU content or any other measure. Chief Justice Marshall of the U.S. Supreme Court, in a landmark case many years ago, very wisely observed "The power to tax involves the power to destroy." As we all know, or should know, it also follows that "The power to control price is the power to destroy."

Our energy-have-not congressmen now further propose to have our federal government step in and control intrastate gas, in addition to interstate gas, and they ever so slyly refer to oil and gas as a "national resource"—a very slight change of verbiage from "natural resource." Certainly oil and gas is a national resource, but it is also a natural resource belonging to the states and property owners under whose lands it is located, just like any other mineral.

And now, they also propose to dismember the petroleum industry—divestiture, they call it—chop it up into various segments to further cripple and eventually destroy free enterprise in one of the great, dedicated, and hardworking industrial institutions of our country, namely, the oil and gas industry. And all to the end of ultimately nationalizing oil and gas reserves that rightfully belong to the Southwest and the South.

Let us make no mistake. The conflict of which I speak is generally softpedalled as many of our leaders in all walks of life pussy-foot around in the apparent hope that not calling it by name will make it vanish.

We in the energy industry are in the forefront for the battle of the nationalization of American business. And for openers, the energy-have-not sections of this country, or at least most of their elected officials, are determined that the energy producers shall be nationalized. Of course, that will be a giant step toward the nationalization of all industry—whether it be steel next, then automotive, and what have you.

Countless politicians, bureaucrats and members of the academia and of the news media have made it clear, at least to me and many of my associates, that their ultimate objective is the destruction of the free enterprise system. So we, as representatives of the industry, must speak up aggressively for not only the oil and gas industry, but for our free enterprise system wherever it is attacked.

This, in essence, is the problem. I am not sure what the complete answer is. But I do know that to fight for principles and perhaps lose, is better than not to fight the banditos and the assorted jackals and hyenas at all.

One hundred and forty years ago this month, the rallying cry in these parts was "Remember the Alamo." If we do not effectively generate opposition to nationalization now, not many years ahead no one will be able to "Remember Free Enterprise."

Again, thank you very much for the opportunity to be here today.

19TH ANNUAL NIXA SUCKER DAY

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. TAYLOR of Missouri. Mr. Speaker, P. T. Barnum was right, there is one born every minute. In fact during spawning season there is about 100 born every minute.

Let me make it clear that I am not talking about people, although the many years I have spent on the face of this Earth have convinced me that there are many individuals who fall in that category.

I am talking about the nixa sucker. That aquatic, water breathing, fin-bedecked creature that inhabits the clear free-flowing James River deep in the heart of the Missouri Ozarks.

When those critters are pulled from their natural habitat by expert practitioners of the art of pole handling, then placed carefully in the huge black pots filled with hot sizzling lard that line the main thoroughfare of one of the principal cities of Christian County, and are cooked to a golden, crunchy brown by some of the finest chefs in the land, and complimented by gobs of baked beans and fried potatoes, you will experience some of the best eating you have ever thrown your lip around.

My friend, Finis Gold, president of the 19th Annual Sucker Day has asked me to invite all within the sound of my voice to be present in Nixa, Mo., the afternoon of May 7, for the big cookout and parade.

I guarantee that you will find warm hospitality, good people, and enough food to fight off the pangs of hunger until next year's event.

ESTONIA, LATVIA, AND LITHUANIA

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. HUGHES. Mr. Speaker, the coming of spring always brings with it a sense of freshness and hope. Just as we all share a little of that feeling this spring, so too, the Baltic peoples of Estonia, Latvia, and Lithuania were hopeful in the spring of 1918.

These nations had just reestablished their independence, in the wake of self-determination all over Europe. They possessed a long and proud history and rejoiced over their newly won independence.

Today would be a happier day and the world would be a freer world if this were still the case. But Soviet Russia brutally annexed these nations in 1940, and they have remained captive ever since.

Although the events of the past 36 years have subjugated the independence of these nations, it has not diminished their love of freedom. In its dealings with Russia, the United States must insist on the resumption of religious freedom and human rights in order that Estonia, Latvia, and Lithuania may once again enjoy the benefits of free nations.

I would like to share with my colleagues a resolution passed by the United Committee of Lithuanian Americans of the Lithuanian American Community of New Jersey. Although Lithuanian Americans adopted this resolution, I believe that many Americans of Estonian and Latvian descent also share many of these sentiments:

RESOLUTION

(United Committee of Lithuanian-Americans in conjunction with numerous meetings held during February, 1976 in New Jersey, to commemorate the 58th anniversary of the reestablishment of the independent state of

Lithuania on February 16, 1918, unanimously adopt the following resolution:

Whereas in 1918 the independent states of Lithuania, as well as Estonia and Latvia, were reestablished by the free exercise of the right of self-determination by the Baltic people; and

Whereas by the Peace Treaty of July 12, 1920 Soviet Russia officially recognized the sovereignty and independence of the Baltic Nations and voluntarily renounced forever all rights and claims by Russia over the Baltic soil and people; and

Whereas until 1940 Lithuania was a sovereign nation, a member of the League of Nations and a signatore of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17, 1940 invaded and occupied Lithuania, and subsequently, forcibly annexed the Lithuanian Nation into Soviet Union; and

Whereas the Soviet Union continues to conduct a policy of colonization, Russification, ethnic dilution and religious and political persecution; and

Whereas the United States Government maintains diplomatic relations with the governments of the Free Republics of Estonia, Latvia, and Lithuania and consistently has refused to recognize the unlawful occupation and forced incorporation of these freedom loving countries into the Soviet Union; now therefore be it

Resolved, that we urge the United States Congress to enact Bills S. 2679 and H.R. 9466 which would establish a commission to monitor the acts of the signatories which reflect compliance with the articles of the Final Act of the Conference on Security and Cooperation in Europe, with particular regard to the provisions relating to Cooperation in Humanitarian Fields; and further

Resolved, that we urge the United States Congress to enact H. Con. Res. 368 which was introduced by Rep. Alphonzo Bell, or similar legislation which calls for full freedom and independence for Estonia, Latvia, and Lithuania.

REPEAL OF EXCISE TAX ON TRUCK CHASSIS, BODIES, PARTS, AND ACCESSORIES

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. ESCH. Mr. Speaker, I was pleased to testify at the Senate Finance Committee hearing on April 6 concerning the repeal of the Federal excise tax on the manufacturers of truck chassis, bodies, parts, and accessories. These manufacturing industries have severe economic problems which would be mitigated in part by the removal of this outdated tax.

I have sponsored H.R. 4370 to repeal this tax. Not only is the tax a burden, but the cost of compliance is also great. This is clearly demonstrated by the remarks of James Hackney on behalf of the Truck Body and Equipment Association. For this reason I insert the full text of Mr. Hackney's testimony before the Finance Committee to be printed in the RECORD:

TESTIMONY BY JAMES HACKNEY

Mr. Chairman and members of the Committee, my name is James Hackney and I am Chairman of the Taxation Committee of the Truck Body and Equipment Association. TBEA is a nationwide organization of manufacturers, distributors, and dealers of truck bodies, bus bodies, fire engine bodies and equipment, parts, and accessories used in connection with these items. All of these items at the present time are subject to the federal manufacturers excise tax imposed by Section 4061 of the Internal Revenue Code of 1954. Truck bodies and chassis are taxed at a 10% rate and parts and accessories at 8%. The members of the Association believe that it is time for the excise tax to be repealed or, at the very least, certain provisions of the Internal Revenue Code involving the tax should be amended to eliminate certain inequities in the tax which put some members of our industry at a competitive disadvantage with respect to others.

The manufacturers excise tax on truck bodies, chassis, parts and accessories is the last excise tax on vehicles. In 1971 the excise tax was removed from automobiles because of high unemployment in the industry and a desire to alleviate the problems of a recession-weakened industry. Virtually the same situation that existed at that time in the automobile industry now exists in the truck industry. Our industry is now in the midst of a general recession and is faring far worse than industry as a whole.

Heavy duty truck sales in 1975 were 37% lower than sales in 1974. Truck-trailer manufacturing was off an alarming 77% during the first ten months of 1975 from the already low 1974 levels. Plants for the manufacture of truck bodies and chassis have been closed all over the country, including the states of Tennessee, Missouri, Oregon, Indiana, California, New York, Kentucky, and Michigan. Chrysler has ceased producing heavy trucks and Mack and General Motors have reduced their production. At least one major truck manufacturer, Diamond Reo, is bankrupt. Unemployment is much higher in the industry than in the economy at large.

The repeal of the 10% tax on truck bodies and chassis and the 8% tax on parts and accessories would affect more than 800,000 automotive-related businesses in an industry which accounts for 1/6 of the entire gross national product. Repeal would not only reduce inflation in the cost of trucks and trailers, but would be passed along to the consumer in the reduced cost of all those everyday items which are transported to market by truck.

The manufacturers excise tax is an extremely regressive tax. The tax is passed on to every consumer in the price of the goods he buys and falls equally on the poor and the well-to-do. Repeal will put more dollars in the hands of the consumer to help keep the economy moving.

A more detailed discussion of the economic effects of repeal may be found in a study conducted in 1975 by Rinfret-Boston Associates. Copies of this study have been made available to members of the Committee and their staffs.

The truck excise tax is supported by some as a user tax allocating the cost of maintaining the national system of highways on those persons and companies which use the highways. As a user tax the truck excise is arbitrary and inefficient, since it is imposed at a flat rate irrespective of the vehicle's use of the roads. It is imposed at the same rate on a truck which is demolished in an accident the day after its sale as on a truck which may use the highway for years.

The tax is incredibly cumbersome to administer. Its complexity imposes on manufacturers and the government costs far out of proportion to the revenue which it produces. This added cost is again passed along to the consumer in the price of the goods which he purchases that are transported by truck. Unlike the true user fees, taxes on gasoline and diesel fuel, the manufacturers tax is not a simple one to assess and collect. Innumerable variables in the base to which the tax rate is to be imposed, the person to be taxed and the use to which the taxed item is to be put, make it infinitely more difficult to administer than a simple sales tax or a tax on gas and oil.

The revenue effects of repeal would be just over $500,000,000 in the first year, and approximately half that after 1977, when the rate of tax is to be reduced to 5% under present law. The reduction would stimulate sales and increase production, thus increasing the revenue from other highway taxes and the income tax. When that $500,000,000 revenue loss is reduced by an increased income and highway tax revenues and the administrative savings at the Internal Revenue Service, it should be very slight indeed.

In 1974 the Highway Trust Fund received $6,675,000,000 in revenue and disbursed $4,576,000,000. Had the excise tax on truck chassis and bodies been repealed at that time, the fund would still have had a $400,000,000 surplus for the year. The Trust's annual surpluses have accumulated to a figure exceeding $11,000,000 in its reserve fund, and President Ford has suggested that 2 cents of the Federal tax on a gallon of gasoline be remitted to the general fund and 1 cent to the States because the Highway Trust Fund has more money than it needs. It is clear that at this time and in the foreseeable future, the Fund has no need for the revenues raised by the truck excise tax.

For these reasons, we urge this committee to adopt a provision repealing the manufacturers excise tax on truck bodies, chassis and equipment. Moreover, we feel that the administrative complexity of the tax also compels repeal. There are over 2,000 I.R.S. rulings outstanding concerning the excise tax. These rulings are not published by the Internal Revenue Service and are often in conflict with each other. This not only illustrates the complexity of the statute and the difficulty with which its applied, but also leads to discrimination in favor of those with favorable rulings vis a vis those with unfavorable rulings or no ruling at all. I would like to describe several situations which are illustrative of inequities in the imposition of the tax and the administrative burdens it imposes on the IRS and the industry alike.

One of the problems with the tax is establishing the tax base to which the tax rate is to be applied to arrive at the tax. The original intent of the tax was to tax all of the items at the price at which they would be sold by a manufacturer to a wholesale distributor. But as the tax is imposed by the Code and administered by the Internal Revenue Service different excise tax bases are established for identical taxable articles, depending on who sells them. This creates disparlies in price between competitors at the same level of distribution. If a taxpayer purchases a truck body from one manufacturer and a hoist from another and assembles them for sale to a consumer, the tax base will be his sales price to the consumer, because the Internal Revenue Service will consider him to be a manufacturer of a taxable article. The tax base will thus include the taxpayer's cost of assembling and marketing the item at a higher level of distribution, as well as his markup. If another taxpayer, purchases an identical truck body and hoist from a single manufacturer, the tax will be paid by the original manufacturer on his selling price and no further tax will be due from the distributor.

This treatment obviously places the manufacturer of only one product at a competitive disadvantage. What is more, it is an extremely difficult policy to apply. Thousands of hours of work are expended annually by Internal Revenue Service agents and attorneys, company executives and accountants, and legal counsel in determining just which operations constitute further manufacture and which constitute the tax-exempt installation of a body on a chassis. This is time which produces little revenue and which could be more productively used by government and taxpayer alike.

The application of the further manufacture rule can also lead to the imposition of the tax at an effective rate far exceeding 10%. The following calculation is an actual case, involving the assessment of a tax on the ultimate consumer who obtained the installation of a tag axle on a previously purchased truck chassis.

Chassis purchased	$21,500.00
Tag axle installed	2,500.00
State tax	100.00
Total	24,100.00
Because the user held title to the chassis he was classed as a manufacturer and since the IRS presumes that manufacturers do not manufacture without adding profit, the IRS agent added 10%	2,410.00
New tax base	26,510.00
10 percent FET	2,651.00
Credits:	
Tax paid by chassis manufacturer	1,600.00
Tax paid by tag axle installer	53.00
	1,653.00
Total	998.00

The user is liable for an additional $998.00 of tax on a $2,500 purchase. If he had bought the tag axle from the seller of the chassis, his tax would have been $250.00, for a savings of about $748.00.

This is an actual case and the IRS Agent did nothing more than his job. He was right according to the law.

The above example is applicable for any truck equipment, including liftgates, cranes, chassis modification, and so on. The tax is discriminatory and creates an unfair competitive advantage that the truck equipment distributor has no way of combating unless the tax is repealed.

Since the original purpose of the manufacturers excise tax was to tax a product at the price at which it is sold by a manufacturer to a wholesale distributor, the statute allows the use of a constructive sales price as the tax base on sales by a manufacturer to the ultimate consumer. If a manufacturer sells a taxable truck body to a retailer, however, rather than to the ultimate consumer, the Internal Revenue Code dictates that his tax base is the sales price to the retailer. Due to the increased cost of selling to retailers as opposed to wholesale distributors (practically the same as the cost of selling at retail), the tax base of such a manufacturer will be higher than that of a manufacturer who sells to distributors, and higher than the manufacturers selling at retail who is allowed to use a constructive sales price. Again, there is no valid economic reason for the distinction, and it results in extensive and unnecessary conflict and litigation.

The Internal Revenue Service allows manufacturers who do not normally sell at wholesale to use a constructive sales price equal to 75% of the manufacturer's price at retail. If the tax base computed in this fashion is less than the manufacturer's cost, however, the manufacturer is required by the Internal Revenue Service to use as his tax base his cost for the item sold, or in some cases, cost plus ten percent. This is clearly anticompetitive, as it discriminates against the manufacturer whose costs are high, such as a manufacturer in the process of expansion, who has a higher debt load than his competitors. The excise base should have no relation to the taxpayer's cost since it is supposed to represent the price at which the manufacturer customarily sells the item to a wholesale distributor. Cost has no relevance to this price. The application of this concept, too, has resulted in much conflict. Additionally, it is very difficult to establish cost, particularly the allocation of overhead to particular products, again resulting in much unnecessary and unproductive work for the Internal Revenue Service and the taxpayer alike.

In closing, we reiterate that the only real solution to the economic and administrative burdens of the tax is to repeal it entirely. Repeal would strengthen the industry, reduce unemployment and help to minimize inflation, all at an acceptabe cost in loss of revenue. It would remove a source of competitive discrimination and free IRS personnel to deal with the more productive taxes. The tax was enacted as a wartime measure and has outlived the need for which it was adopted. The Congress removed the tax on passenger automobiles in 1971, and the House of Representatives has passed and sent to the Senate an energy bill which would remove those on intercity buses and radial tires in this session. The time has come to eliminate all such taxes.

END THE FEDERAL ENERGY ADMINISTRATION

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mrs. SCHROEDER. Mr. Speaker, I am pleased that Congressman **Floyd Fithian** has joined in the effort to let the Federal Energy Administration die a deserved death on June 30. On April 14, he gave testimony before the Energy and Power Subcommittee urging the end of the FEA. His testimony is as follows:

Testimony of the Honorable Floyd Fithian Before the Energy and Power Subcommittee of the House Interstate and Foreign Commerce Committee

Mr. Chairman, Members of the Committee, thank you very much for giving me this opportunity to testify before you on H.R. 12169, the important matter of renewal of the Federal Energy Administration. I know you are very busy, so I will get right to the point.

The basic question before the Committee today is whether FEA should continue. It was chartered as a temporary agency to meet an emergency situation. The crisis has eased. We no longer face an immediate oil shortage; in fact, the Wall Street Journal reports that the Middle Eastern countries have produced a surplus of crude oil, more than the major oil companies are willing to buy. The threat of rationing has dissipated. Yet, the FEA is asking to become a permanent addition to the landscape of Washington bureaucracies. This year it is asking for a budget three times that of last year. It is asking for an increase of personnel of nearly 20%. One by one, however, its functions have been subsumed by other agencies. The major responsibility delegated to it by Congress is the oversight of the phase-out of oil price controls. These will be gone, by law, in 40 months. Does this alone justify FEA continuance? I think not.

A short history is in order.

The Federal Energy Administration Act of 1974 (P.L. 93–275) clearly stated that the FEA was to be a temporary agency. It created itself by borrowing from other established departments. The Interior Department furnished the Offices of Petroleum Allocation, Energy Conservation, Energy Data and Analysis, and Oil and Gas. The Energy Division came from the Cost of Living Council. The FEA borrowed freely from the Treasury Department to set up its regulatory sections. This borrowing enabled the FEA to mushroom from a few staffers to a total today of about 3,400 employees.

As the oil crisis eased, the FEA seemed to change direction. With less to do analytically, it turned to self-promotion for survival. At present the FEA boasts a staff of 112 publicity experts who run a computerized operation costing the taxpayer $3.5 million per year. It cranks out press releases, film spots, pamphlets, and books. One of the publications, The Natural Gas Story, was issued just at a time when the question of natural gas deregulation was being debated on the floor of the House. This story, calling for deregulation, was so political that Judge John Sirica, in a suit brought by the American Public Gas Association and the American Consumer Federation last December, found that it violated the law which prohibits federal agencies from using federal money to influence Members of Congress on legislation. His opinion concluded that, "the FEA's intent in writing and distributing copies of this booklet (The Natural Gas Story) has been, at least in part, to influence Congress, however indirectly, to pass deregulation legislation, and this constitutes a violation of the statute. . ."

There is little real support for the FEA. Even though the FEA is a perfect example of the revolving door between an agency and the industry it is supposed to regulate, oil companies have little regard for this agency. (A report of the GAO, dated July 26, 1975, showed that the FEA employed 65 workers rated GS–13 and above who had ties with the oil companies.) While this is not a violation of the law, (18 U.S.C. 207), it is symptomatic of the problem of the regulator and those who are to be regulated that is of increasing importance today. It is a problem to be studied in its own right.

The major oil companies dislike the FEA even though it has consistently been a spokesman for these firms in the federal government. The major oil companies have benefitted from the FEA, but they do not like it. They, of course, would prefer no regulation at all.

The smaller oil companies do not care for the FEA because, although they derive some benefit from Special Rule #6 which exempts them from the entitlement program, the FEA has consistently ruled in favor of the major firms.

Consumer groups also do not care for the FEA. Agency pronouncements and rulings have consistently favored the major oil companies to the detriment of the individual. FEA has never attempted to hide its big oil bias. While helping the major firms by legitimizing high oil prices, its tips to the consumer involve taking a timer into the shower to conserve hot water by being made aware of the time.

Any agency which can unite in opposition such critics as the American Petroleum Institute and Ralph Nader certainly deserves close and careful scrutiny.

If we in the Congress refuse to renew the FEA, will American energy policy falter? The answer is no. In the calmer days following the winter of 1973 other agencies were created to be permanently involved in the energy field. The Energy Research and Development Administration (ERDA), established in 1974, has offices dealing with Fossil, Nuclear, Solar, Geothermal, and Advanced Energy Systems. It employs 8,000 government and 100,000 private contract workers. Its projected budget for fiscal 1977 is just over $6 billion. The Nuclear Regulatory Agency, also established in 1974, employs 250 workers and it has a budget of $277 million for FY77. Finally, the long established Federal Power Commission has jurisdiction over natural gas dating back to its inception in 1920. The U.S. government has 21 separate offices, departments, and agencies dealing with energy in addition to the FEA. I might add that the FEA chartering law also included sections dealing with the reversion of functions when the agency ended. The law also makes allowances for new functions to be delegated to the appropriate spot in the bureaucracy as determined by OMB.

Ending the FEA can only help. It has no major supporters except itself. Although it is legally charged with regulation, it has neglected this for gigantic efforts at propagandizing and self-promotion. The FEA is attempting to legitimize itself by making the taxpayer believe an energy crisis exists and only the FEA is equipped to deal with it. Their books, pamphlets, polls, surveys, and speeches all have this point at their base. Their solution to the problem is to raise oil prices. This benefits only the oil companies.

This is an opportunity to save $440 million in taxpayers' money. By ending the FEA we have a chance to prove that Congress does care about the size of the federal government and is aware of the horrors of a spreading, entrenching bureaucracy. The people across this country have spoken out against the burgeoning growth of the bureaucracy. It is now time for Congress to act by letting this part of that bureaucracy die. There may be other areas in which we can and should act to trim off bureaucratic barnacles which impede the functioning of the ship of state. But the opportunity immediately at hand is to kill the FEA. I urge this committee to recommend against Congressional resuscitation.

In conclusion, this is not a Democratic issue, nor is it a Republican issue. The bipartisanship of its nature is obvious. We all have a stake in this. Treasury Secretary William Simon, the first FEA administrator, said in a recent interview that the FEA was a "potential monster." It is time to rid ourselves of this monster.

THE GOOD NEWS OF SPRING

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. BURKE of Massachusetts. Mr. Speaker, an article appeared in this week's edition of Time magazine, which I would like to call to the attention of my colleagues. The article gives ample evidence of the upsurge in home and community gardening in this country. It indicates that 51 percent of American households will have a vegetable garden this year. In addition, thousands of community garden plots will be planted by the elderly, the poor, and by civic organizations. These efforts will make a significant contribution to meeting our food demands, and holding the line on inflation.

In light of the fact that more people will go to their gardens this year than to the voting polls, I thought my colleagues might want to be advised of the progress of the back-to-the-soil movement. The Time magazine article gives a clear indication of the directions which our citizens wish to pursue and, as my colleagues well know, I am hopeful that this Congress can encourage such worthwhile pursuits.

A copy of the Time magazine article follows:

POTS, PLOTS AND THE GOOD NEWS OF SPRING

A capricious spring surprised and bestirred much of the nation last week. While New York City's skyscrapers shimmered in 96° heat, the highest temperature ever recorded there in April, Floridians endured an unseemly chill and tornadoes skipped across Oklahoma and Texas. Heavy rains deluged Texas, Oklahoma and western Kansas—but too late to save the drought-stricken winter wheat crop, whose scraggly remains have been plowed under. Residents of heavily evacuated Minot, N. Dak., breathed easier as their earthen dams continued to hold against the crested Souris River, but 400,000 acres were flooded, dampening the area's harvest hopes for another season. At week's end most of America shifted to Daylight Saving Time, the better to enjoy, or rue, whatever nature has in store.

If the meteorological vagaries commanded unusual attention, part of the explanation may have been that in many other respects the news was exceptionally good. In a Voice of America discussion beamed overseas, such panelists as Columnist Charles Bartlett and Political Demographer Richard Scammon were startled by their unwonted optimism about America's future. For the first time in a long time, the panelists later agreed, they had been talking about the country in terms that were almost totally positive. How come? asked the program's moderator. Scammon replied that, though a great many problems remained to be solved and though there were still far too many sick and deprived people, the U.S. is in extremely good shape. To be sure, Scammon is known as a glandular optimist, but the daily headlines largely supported his thesis.

The economic recovery continued to accelerate as first-quarter statistics showed an annual increase of 7.5% in the gross national product. Almost as heartening, the annual inflation rate declined to 3.7%, and although it is expected to creep up to perhaps 6%, it is still a far cry from the 9.7% rate reached in 1974. Detroit was forecasting a 10.5 million car year, the second best best ever. Profits were up, retail sales were high, and even the long depressed housing industry was on the rise again. Unemployment remained at an unacceptable 7.5%, but this was a promising drop from the 8.9% high of last May.

NUDGING NATURE

On another level, many Americans were working shorter hours and looking for something new and personally satisfying to do in their leisure hours. Astonishing numbers of them seemed to be finding it in an almost atavistic yearning to grub in the dirt, sow seeds, nudge nature with fertilizer, watch wondrous things grow, then literally taste the fruits—and vegetables—of their loving labors at their own tables. Home gardening of all kinds, but most especially for eating, is booming in the U.S. The growing zest for growing things got its biggest boost in 1974 from the recession, climbing food prices and the stay-at-home gasoline shortage. But the continuing splurge in backyard plots and apartment window boxes this spring proves that the back-to-the-soil trend is no mere fad. The U.S. Department of Agriculture estimates that this summer, for the first time since the flourishing victory gardens of World War II, a majority of American households—some 37 million, or 51%—will be tending some kind of vegetable garden.

"America has never been a great gardening country," says Gardening Author Derek Fell. "But now all that's changing." Declares William MacDowell, president of W. Atlee Burpee Co.: "People are getting frustrated with all the frivolities of life. They want something more basic." Observed San Diego Garden Store Owner Joan Klindt: "You can't live in concrete all your life. Every day I hear people saying things like 'Oh, I don't watch that TV program any more. I'm working out in the yard.' "

Suppliers cannot keep up with the demand. "I've been out of orange trees for two months, also lemons and kumquats," says Miami Nurseryman Mark Ancet. "It's just gung-ho," notes Al Muller, at a Wilmette, Ill., nursery. "We're running out of Bibb lettuce, celery, carrots, and we can't get new supplies." In New England, the Finast supermarkets find 40-lb. bags of cow manure (at $1.99 a bag) selling at record rates.

The new greening of America takes many forms. Amid the hills surrounding San Francisco, homeowners often plant tomatoes, lettuce, celery, carrots, onions and radishes in wooden tubs on sun decks. Raspberry plants and apple trees for backyards are big sellers in Portland. During the hot summer, Miami area gardeners turn to black-eyed peas and watermelons. Dick and Hope McKim of Miami even converted their swimming pool into a garden, filling it with layers of rock and sand, then topsoil. Says Mrs. McKim: "Now instead of the pool costing us $50 a month to maintain, we eat out of it.

Community garden projects, often subsidized with federal funds on state or city land, have more hopeful planters and renters than available plots. Low-income families are often given priority, since the savings on food bills from a 15-ft. by 25-ft. garden can reach $250 a year. Atlanta has 150 acres, divided into 20-ft. by 30-ft. plots, scattered in its metropolitan area in a program that will reach an estimated 8,000 people this year. In Louisville, one government-sponsored garden project leased 175 of its 250 plots in just two hours on opening day. For $20 a season, more luxurious Louisville sharecroppers get 40-ft. by 100-ft. lots and the comforts of telephones, electric outlets and portotoilets.

INSTANT TOMATOES

All this does not mean that Americans are no longer enthralled by gadgets and gimmickry. More than 20,000 Rotocrop "Accelerator" compost bins were sold last year at about $40 each, and sales are expected to more than double this year. The bin is merely a 3-ft.-high plastic cylinder, specially ventilated for turning garden and kitchen wastes quickly into compost. Students at the University of Miami enjoy almost instant tomatoes hydroponically grown by pouring liquid fertilizer into baskets filed with wood shavings outside their dorm windows. "Tomato rings"—wire-mesh cages about 4 ft. wide and 6 ft. high containing beds of grass clippings, table scraps and leaves—are popular for growing a variety of vegetables.

Such shortcuts do not seem to diminish the satisfactions. "There is tremendous excitement in putting seeds in the ground—little pieces of nothing in the earth—and seeing them grow," declares Harold Field, a retired editor and enthusiastic gardener in New York's Westchester County. "It defies description. It's almost magical." The rising interest in pots, plots and window boxes is, indeed, a healthy trend in a mechanized society. Millions of Americans work at jobs that rarely encompass more than a step in a production sequence or a repetition of services. And they work indoors, besides. For these millions, the meshing of one's hand with nature's rhythms and whimsies to produce a delicious melon or a crunchy celery stalk is proving to be a renewing experience.

AUSTRALIAN NATIONAL LACROSSE TEAM WELCOMED

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. WALSH. Mr. Speaker, it is with great pride that the citizens of central New York welcomed the Australian national lacrosse team to our area April 21–24. This young, exciting team from one of our closest allies has toured our country with distinction over the past few weeks and now has departed for their homeland.

While in upstate New York, they played the national college division champion team from Cortland State. It was indeed a very exciting contest thoroughly enjoyed by all in attendance. The sportsmanship of both teams was outstanding and in particular, I would like to recognize the coach of the Australian team, Mr. John Forrester. It is always a pleasure to have visitors come from another country and when they leave it is nice to recognize the fact that their presence was appreciated by all.

NATIONAL GOVERNORS' CONFERENCE ENDORSES LOAN GUARANTEES FOR NEW ENERGY TECHNOLOGY DEMONSTRATIONS

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. TEAGUE. Mr. Speaker, the national Governors' Conference has come out in strong support of loan guarantees for the synthetic fuel demonstration projects outlined in H.R. 12112, the amendment to the Federal Nonnuclear Energy Research and Development Act. Representing the Governors' Conference, Thomas Salmon, Governor of Vermont, testified before the House Committee on Science and Technology.

Governor Salmon began by stating:

> . . . a number of my colleagues and I testified before this Committee's Fossil Fuels Subcommittee last October, with respect to key provisions necessary for a successful synthetic fuels program. Although we are here again to address many of the same provisions, I would be remiss if I did not commend this Committee for incorporating a number of our most important concerns in H.R. 12112.

In its efforts to review H.R. 12112 with the careful consideration needed for such important and far-reaching proposals the National Governors' Conference created a task force under the auspices of its Natural Resources and Environmental Management Committee which Governor Salmon chairs.

In his testimony Governor Salmon offered several conclusions of the task force's review. Pre-eminent among them was the absolute necessity of demonstrating commercial feasibility of synthetic gas and petrolum production in light of the present decline in our domestic fuel production. The critical point, he feels, was reached this February when, for the first time in U.S. history, we imported more oil than we produced. The Governors' task force fully supports the loan guarantee program because they consider it part of the Federal Government's responsibility to assure that new technologies are tested and refined before being placed in full-scale commercial operation. The loan guarantee provides a logical avenue to attract capital which would not be readily available for these demonstration facilities. When these new technologies have proven commercially viable then it becomes the responsibility of the private sector to take over total production of these new energy forms.

The testimony further elaborated that the traditional forms of technological evolution progressed to the commercial stage only after painstaking development in laboratories where it was perfected to a point acceptable for commercial use.

This new synthetic fuels legislation propels us into a new era in technological research where the time between the first generation technological stage to the demonstration stage is much shorter. Our energy shortage and subsequent escalation of imports necessitates the speeding of this process, but should we succeed in this accelerated process we will reap enormous benefits. Governor Salmon reminds us that approval of the loan guarantee program should not be interpreted as approval of a Federal program of price supports or regulatory modification for cost of service.

The task force is in total agreement with the principle and language of section 17(e) of the legislation which states.

> As soon as the Administrator knows the geographic location of a proposed facility for which a guarantee or a commitment to guarantee is sought under this section, he shall inform the Governor of the state, and officials of each political subdivision and Indian tribe, as appropriate, in which the facility would be located or which would be impacted by such facility . . ."

The Governors consider their involvement in the decisionmaking process paramount to the success of any project proposed within their States. Their intimate knowledge and concern for their population's health, safety and prosperity are vital considerations if there is to be compatibility between the projects' goals and the goals and needs of the citizens. A close working relationship between the State and Federal Government as well as the industrial developer and the community where a project will be located will insure that success of a project goal will not be achieved at the expense of the citizens and their community.

In a later letter to the Committee, Governor Salmon stated,

> The Governors believe that synthetic fuel development will inevitably be achieved. However, unless greater risks are assumed, such development will be slow and incremental. The Nation's need to accelerate development warrants the Federal Government to assume a portion of those risks. The acceleration in research, development and demonstration would reflect the urgencies of the inbalance between America's need for energy and its secure supply. Accordingly, we support the thrust of this bill. The amendments we seek would avert or reduce potential inequities or unfair burdens. They do not go to the public policy question of whether public investment in accelerating technological evolution is a legitimate activity. On that question, the Governors' committee is unanimous that it does.

The Governors of this country have expressed through Governor Salmon their desire to assist the Congress and the Administration in any way possible in their efforts to achieve the nation's energy goals.

LET US NOT FORGET THE CAPTIVE PEOPLE OF THE WORLD

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. BIAGGI. Mr. Speaker, as we in this Nation celebrate 200 years of freedom, we are constantly reminded of the plight of the millions of captive peoples of the world. Many of these individuals have not spent 1 day of freedom in their entire lives. One example is Czechoslovakia, a nation which sought to loosen the stranglehold of the Soviet Union during the late 1960's but were crushed back into submission by the Soviet Union in an invasion which shocked the world with its savagery.

Eight years later life in Czechoslovakia seems to fit the traditional Communist mode. Lack of freedom, hard economic times. The most recent edition of the Council of Free Czechoslovakia discussed the religious persecution policies in Czechoslovakia particularly against the Jewish people. A reading of these two articles will show the severity of the problem.

During 1976, this nation should rededicate itself in support of the struggle for freedom among the captive nations of the world. Let us not resign ourselves to the present alinement of Eastern Europe but instead fight to give the people of this region the right to choose their form of government. This is one cause we should not abandon.

I am pleased to insert the following two articles; Religious Oppression in Czechoslovakia, and Liquidation of Jewish Religious Communities. I would also like to thank Mr. Jiri Horak, chairman of the government department at Manhattan College, and Secretary of the Council of Free Czechoslovakia for bringing these articles to my attention. I congratulate him and all other members of the council. Their cause is just and the people of Czechoslovakia are grateful for their efforts.

The articles follow:

RELIGIOUS OPPRESSION IN CZECHOSLOVAKIA

During the last three years the persecution of churches and religious societies in Czechoslovakia has deepened to such an extent that informed observers speak of quiet liquidation of spiritual and religious life in the country. The daily press and the so-called professional journals in Czechoslovakia publish an ever increasing number of articles denouncing religious worship and different churches as an expression of primitive attitudes, antithetical to scientific knowledge, obstructing the road toward happiness, and undermining the principles of socialism.

Systematically planned anti-religious propaganda is conducted under the direct control of Moscow and is based on the most recent Soviet experiences. The Czechoslovak Government established new centers for the teaching of so-called scientific atheism with Soviet lecturers.

It is characteristic for the communist system whose constitution incidentally guarantees the freedom of religious expression that religious journals are not allowed to defend religious faith or to dispute the so-called scientific anti-religious approach.

The present anti-religious policies of the

Czechoslovak Government and of the Communist Party of Czechoslovakia pursue the following course:

(1) In spite of great popular interest, churches and religious societies are allowed no independent publishing activity. All such activity finds itself under strict governmental control. Moreover, all decisions of the governmental institutions in charge of religious and church affairs are taken without the participation of church representatives. Import of religious books and journals is prohibited. All contact of religious organizations with abroad is controlled by the regime. These controls apply to the participation of Czechoslovak delegates to the World Council of Churches and its organs.

(2) The Czechoslovak regime makes difficult, if not impossible, the pastoral work of priests, especially of those who are most dedicated to their vocation. The most talented among them are simply deprived of the right to serve their church. Czechoslovak bishops and other church functionaries, to the extent to which they are allowed to occupy their posts at all, are also hindered in the performance of their functions. This persecution takes place without being publicized and it is, therefore, virtually impossible to ascertain how many priests have been sentenced and imprisoned. The government has also drastically reduced the opportunity for the education of new priests, while at the same time systematically forcing into retirement all the priests who have reached the age of sixty. As a consequence of these measures, the number of parishes and congregations without a priest or a spiritual administrator keeps constantly growing.

(3) Religious orders have been brutally suppressed and during the recent period their members were allowed to serve only in those health and social welfare institutions in which as a rule the lay workers refuse to work.

(4) The Czechoslovak government discriminates severely against all active Christians. It persecutes those parents who attempt to provide their children with religious instruction, and children who have received religious education are as a rule excluded from access to institutions of higher learning.

The Czechoslovak government has engaged in all those measures in order to liquidate religious life in our country in a manner that would not provoke too much criticism abroad. It is well known that on their visits abroad the representatives of different churches in Czechoslovakia do not speak of this state of affairs and of the conditions under which they have to work in their country. They cover up for the regime and may even praise its attitude toward religious life in Czechoslovakia in order to save for themselves the minimum opportunity for contact with their fellow believers in foreign lands.

The Czechoslovak regime which tries to eliminate the churches and religion from public life denies that religion plays any social function. On the other hand, however, it forces the clergymen of all denominations to support all domestic and foreign policy goals of the Czechoslovak Government. The Government was instrumental in establishing an organization called Pacem in Terris composed of the so-called patriotic Catholic priests. As far as Protestant ministers are concerned, the Government created the so-called ecumenical committees which are a member organization of the Czechoslovak Protestants in the so-called World Christian Peace Conference whose seat is in Prague.

At the meetings of the Pacem in Terris Association and of ecumenical committees the clergymen approve various resolutions expressing support and loyalty for the regime and under a disguise of the protection of world peace pass resolutions in support of Soviet foreign policy. These religious organizations, either Catholic or Protestant, have nothing in common with the goals and mission of churches. The activities of these organizations serve as a means to have clergymen occupied and to keep them away from their pastoral duties.

Religious freedom is internationally recognized as one of the basic human freedoms and the freedom of conscience and worship is one of the basic human rights. From that reason they have been incorporated into all international documents—the U.N. Charter, Human Rights Charter, etc. However, in spite of the fact that these freedoms or rights to religious life are considered as something quite natural, we find little indication that the Western powers and their religious organizations are upset over the violation of these rights in Eastern Europe. To state it briefly, one has an impression that the violation of these freedoms and rights was not considered as an international issue. Only recently, at a Helsinki Conference last summer, a certain change took place: freedom of religion and freedom of conscience were stressed as basic human rights. And this step has changed the situation also for the defense of religion in Czechoslovakia. While until now the Czechoslovak religious representatives were not in favor of having various international gatherings pass resolutions in defense of religion because of fear that the reaction of the Czechoslovak regime would be to tighten the screw, such an apprehension on the part of religious leaders in Czechoslovakia is valid no more. The West and the world's religious institutions have an obligation to demand from the government of East European countries observation of the provisions of the Final Act of Helsinki concerning the respect for religious life. Below we are reprinting the pertinent part of the Final Act.

The purpose of this article and of this issue is to call the attention of all the people to the existence of religious oppression in Czechoslovakia. Our aim is to generate enough interest in the situation in Czechoslovakia in order to help the believers in that country in their difficult and uneven struggle for securing the respect of the regime for that to which they are entitled. We trust that we will receive understanding for this help among the readers.

Liquidation of Jewish Religious Communities

The present religious persecution concerns also the Jewish religious communities, although only in a restricted way, because the Jews had already been subjected to a severe persecution during the Nazi occupation of Czechoslovakia in the spring of 1939. Numerous reports are reaching us from Prague indicating that Judaism, which had played a highly significant role in the intellectual and cultural life of the Republic before 1938, may completely disappear within the next twenty years. Works by such important authors as Kafka, Werfel, Brod, Kisch, Langer, Torberg, Wechsberger, Polácek, Bass and Vámòs will become unknown in the country.

At the time of the 1930 census, 254,288 Jews in the religious sense ("practicing Jews") were living on the territory of present-day Czechoslovakia (see *Statistical Yearbook*, 1938). The 102,542 Jews who had lived in Ruthenia at that time, and their losses, are left out of the scope of this discussion, since that part of prewar Czechoslovakia became part of Hungary in March 1939 and was annexed by the Soviet Union in 1945. Out of the more than a quarter million Jews on present Czechoslovak territory, about 135,000 perished as a result of the Nazi extermination policy: over 77,000 in Bohemia and Moravia, and more than 57,000 in Slovakia (see, e.g., Pravda, 9 December 1960, and Kulturny Zivot, 10 December 1960).

After World War II, thousands of Jews returned to liberated Czechoslovakia. They were the survivors of Nazi concentration camps, prewar civilian émigrés, as well as thousands of Jews who had served with the Czechoslovak armed units in East and West. Thus, in 1946, the number of Jews in Czechoslovakia was estimated at some 55,000 (Jerusalem Post, 13 August 1967). This situation did not last long, however. Many of the repatriated Jews were soon dissatisfied with the conditions they found upon return.

Thus, a trickle of Jewish *émigrés again* began to flow West or to Palestine as early as 1946, to join those tens of thousands who had emigrated in 1938–1939 and never returned. Many of the émigrés, as well as many of those who had remained in Czechoslovakia, discarded the Jewish faith and attempted one or another form of assimilation.

Figures on legal and, especially, illegal Jewish emigration after 1945 are hard to come by. It appears that, from the end of World War II up to August 1947, some 5,000 Jews had emigrated, half of them to Palestine and 15,689 in 1949, when legal emigration from Czechoslovakia was stopped.

Simultaneously, persons of Jewish origin continued to emigrate to other Western countries. After the communist take-over, everything except personal effects had to be left behind, and emigration fees of up to 50,000 Kcs had to be paid to get emigration permits. For those who were emigrating from Czechoslovakia for the second time, the involved bureaucratic procedures were reminiscent of the emigration scenery from the Protectorate of Bohemia and Moravia in 1939. Jewish emigration to the West gathered after February 1948, until this avenue was closed for all practical purposes in late 1949.

In view of the fact that less than 20,000 Jews remained in Czechoslovakia after 1949, it may seem surprising that the authorities deemed it necessary to pursue not only aggressive anti-Zionist propaganda but often thinly camouflaged anti-Semitic policies as well. Latent popular anti-Semitism apart, such behavior was obviously a product of Stalin's virulent anti-Jewish and anti-cosmopolitan feelings in the last years of the Soviet dictator's life. Popular anti-Semitism was further nourished and methodically reinforced by regime propaganda through the circumstance that Slansky, Reicin, Geminder, and other prominent communists sentenced to death in 1952 were of Jewish origin; those unpopular figures were conveniently blamed for the many negative aspects of life under totalitarian socialism of those times. The official anti-Semitism of the regime relaxed but never disappeared in subsequent years—a phenomenon which was caused by more factors than the pro-Arab stance of the regime's foreign policy alone.

1968 and After. The last—and final—mass Jewish exodus took place after the 1968 invasion. By then not only Jewish anticommunists and apolitical people but also communists who had become disillusioned decided to leave the country. A large percentage of this new Jewish emigration was made up of intellectuals, professionals, physicians, economists, and others. The total number of Jews who escaped after the August 1968 invasion was estimated at 4,000 to 4,500 people (see, e.g., UPI release, 15 December 1970). Now the practicing Jewish community in Czechoslovakia consists of only 5,000 people, of whom some 1,200 live in Prague (see Malcolm Browne writing from Prague, International Herald Tribune, 25 August 1975.)

There is no pressure from the few remaining Jews to emigrate; there are no appeals to the West; no underground journals.

Most of the rest are old people, pensioners who do not want to leave to face an uncertain future. Still, the community is closely watched, and its members know it. A prominent member is believed to be an informer of the Ministry of the Interior, a fact which cannot but reinforce the general apathy of the religious community.

In spite of the steady diminution of the Jewish community in Czechoslovakia, the authorities have never allowed it unhindered development. Not only did the State Security Service have its informer within the Council of Jews, but any genuine defense of Jewish interests or even an assertion of simple historical truth evoked regime reprisals.

Jewish religious life proper was a reflection of the situation sketched above, aggravated, of course, by the general atheistic stance of the regime, which "permits" churches more for optical than for substantial purposes, trying to use them for its own ends. Since Czechoslovakia's Chief Rabbi, Dr. Richard Feder, a person of authority, died at the age of 95 on 18 November 1970, there has been no successor in the top religious office. Thomas E. Salamon, who had been trained at the Budapest Rabbinical Seminary and was supposed to have taken over rabbinical duties in Czechoslovakia, remained in London after the invasion (Newsletter, February 1973). A study of the Czechoslovak Jewish monthly Vestnik Zidovskych Nabozenskych Obci v Ceskoslovensku shows that rudiments of Jewish religious life are still in existence in a number of Czech and Slovak towns, but this appears to be more out of tradition, habit, and the need for togetherness than out of genuine religious feeling, to say nothing of hope.

Under these circumstances, Jewish religious life in Czechoslovakia is doomed within a generation.

A MORAL BASIS FOR THE FREE ENTERPRISE SYSTEM

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. MOORE. Mr. Speaker, I strongly believe that the free enterprise system is in great jeopardy in this county today. Never have I seen people so mistrustful of business, the right to make a profit, and even the existence of private enterprise. Some people believe the Government can do a better job of producing goods and services than private enterprise. Congress and the bureaucracy has far too often agreed by passing new laws and regulations with an ever-increasing stifling effect of the free enterprise system. The Government cannot produce, but can only take away from producers. The free enterprise system can and will provide all our people with the goods and services they need and want if it is allowed to exist.

Notwithstanding this economic factor, there is also a moral basis to allow a man to rise to the height of his talents and ambitions and to enjoy the fruits of his labors. A recent editorial appeared in the State Times newspaper in Baton Rouge, La., on Friday, April 16, 1976, which discusses seven important points establishing the moral basis for the free enterprise system. I believe this editorial is worthy of the attention of all of us:

MORAL BASIS

Throughout the world the system called free enterprise, which means capitalism, continues under heavy attack.

Much has been said and much written in defense of the system, but most of this has dealt with the mechanical aspects and the material rewards which the system offers as compared with all other systems which have been tried—and proven dismal failures both for the individual and the societies in which they have been tried, with the notable exception of the brutal elite which controls the apparatus.

Considerable is being made these days about the moral aspects and the quality of our life, and this is especially so among the younger of us.

There is a moral basis for capitalism and it undergirds the system which has been so good to us materially. Robert LeFevre, noted lecturer and author, has propounded seven points on the subject. Paul A. Belknap, a highly successful industrialist, dwelt on all seven recently and noted that while the basic proposition is unprovable in the normal meaning of that word, grant the proposition and the rest follows in logical order.

First, each man has a right to live. This is unprovable but it is fully credible and the alternative is abolition of all government, religion and rules of conduct, allowing man to slaughter himself.

Second, a man has a right to try to sustain his life. This is, to be sure, an individual right the exercise of which may not impair the rights of others.

Third, a man has a right to the produce of his labors. This includes the right to obtain honestly by an exchange process (wages for work, for instance) the property he wants in any amount since he has the right to determine his own level for a satisfactory life.

Fourth, a man has a right to consume that which is his. Man is a converter of one thing into another, and he also is a destroyer. These actions are controlled in society by erecting boundaries. The boundary is the first restriction found necessary by man, so morals are related to property. Immorality begins at the point where trespassing on someone's property rights occurs. The boundary concept is a principle which cannot be compromised if full freedom and both personal and civic morality are to be maintained.

Fifth, man has a right not to consume. This means he has a right to save, a necessary action if a man is to sustain himself in the vintage years when he no longer is able to work.

Sixth, in this nation a man has a right to exercise all the personal liberties set forth for him in the Constitution; and the right to invest his property holdings, which may be the only way he can sustain himself in his old age.

Seventh and therefore, a man has a right to be a capitalist, the right to own property and be secure in its retention, and a right to the profits from his own investments. This right to own property and be secure in the ownership is the most basic of all the civil rights ever catalogued.

Given this sound, moral basis for capitalism, no apology is needed for it. No apology is needed for the great success it has brought to America. This land has earned this success and in the doing has set an example for the rest of the world.

SEWAGE, SLUDGE, AND "THE LIVING FILTER"

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, as chairman of the Conservation, Energy and Natural Resources Subcommittee of the House Committee on Government Operations, I am well aware of the many problems which communities face on the treatment and disposal of sewage effluent and sludge.

Actually, these wastes may be a valuable resource to the Nation if they are utilized in that perspective. I invite the attention of my colleagues to an article which appeared in the May 1976 issue of Water Research in Action, which is published monthly at Texas A. & M. University:

THE LIVING FILTER

(By Claire H. Sink)

Before it all began, who would have predicted that grasses and trees would grow in a mound of coal mine refuse, or that crop and forest yields would increase dramatically with sewage effluent irrigation?

Yet such are the benefits of recycling the effluent through land application. Further, it recharges the groundwater supply and makes it possible to stop dumping wastewater into streams.

The Wastewater Renovation and Conservation Project was initiated at Pennsylvania State University by the Institute for Research on Land and Water Resources in 1962. It has provided many answers to many questions, but there is much left to investigate: 1) public health implications, 2) engineering aspects, 3) biological-hydrological considerations, 4) wildlife and animal environmental responses, 5) economics of land application systems, and 6) sludge application technologies.

The interdisciplinary research team consisting of agricultural, civil, and sanitary engineers, agronomists, foresters, geologists, ecologists, microbiologists, biochemists and zoologists has investigated the feasibility and environmental impacts of disposing treated municipal wastewater on the land through spray irrigation. From these investigations the "living filter concept" evolved and now is more-or-less synonymous with the idea of spray irrigation of municipal wastewater.

LIVING FILTER CONCEPT

Research was initiated because dilution of wastewater in streams and lakes is no longer satisfactory—partly because many wastes alter the balance of life in the stream or lake, and partly because the abundance of nutrients in the wastes causes excessive growth of aquatic weeds, affecting the aesthetic and recreational value of the body of water.

The need to find methods for disposal of wastes other than by emptying them into streams, lakes, and oceans; the desire to conserve the nutrients by growing useful vegetation rather than aquatic weeds; and the urgency of replenishing the groundwater supply by recharge of the renovated wastewater led to a consideration of the feasibility study.

Research results indicate that wastewater can be adequately renovated by the biosystem—soil, microorganisms, and vegetation—and become high quality water to be recharged to the ground water reservoir. A complex combination of natural processes occurs, including uptake of nutrients by plants, metabolic activity of microorganisms, physical and chemical phenomena, and dilution in groundwater. The living filter was able to remove 100 percent of the phosphorous initially present in the effluent. From 1963 through 1966, it was proved that spraying sewage effluent on the land will adequately purify wastewater before it trickles into the groundwater reservoir.

Crops, trees, and other vegetation irrigated with sewage effluent grew much faster than on nonirrigated control plots. Agronomy and forestry test areas have shown remarkable growth compared to adjacent areas. Yields of hay, for example, increased more than 300 percent over crops not receiving the effluent.

Corn production has increased 100 percent, and oats production increased nearly 50 percent. Hardwood and evergreen forests also showed exceptional growth rates. Foresters report that small white spruce trees grew as if they were in the warm climate of Georgia or Florida, climbing approximately three feet a year. And this was during the time of extreme drought in the Northeast.

At present there are about 75 operating spray irrigation systems in Pennsylvania, with 10 to 20 in the works. Most are operated by industries or small residential areas like trailer parks.

SPOILS BANK REVEGETATION

Several projects within this program are directed at revegetating bituminous and anthracite spoil material and determining the effects of long-term application on the physical properties of the soil. In one research effort, now in its third phase, researchers are attempting to use treated municipal wastewater and sludge to revegetate bituminous coal mining spoils, where seedlings were planted in highly acid spoil bank material.

A successful pilot study begun at Penn State in 1968 on bituminous spoil banks led Institute researchers to similar success on anthracite culm banks. Presently the research work is focused on revegetating a burned anthracite culm bank on-site at Scranton in northeastern Pennsylvania. The survival and growth responses of selected tree, grass and legume species has been outstanding.

Success in these experiments could contribute to resolution of the national debate over whether strip mining should be expanded in the race for energy independence. Environmentalists claim that stripping would leave permanent scars on the landscape.

"Not necessarily," say the Penn State researchers. "If this technique can rejuvenate strip mine spoil and anthracite refuse, in one season, it should permit rapid restoration of any soil this side of the moon, and especially on lands in the eastern U.S., where natural precipitation enhances reclamation." Strip mine spoils and anthracite refuse are among the worst soils in the world. Huge heaps of black coal waste dominate the landscape at Scranton and other Appalachian communities.

This technique offers a triple-edged boon to communities all over the country now faced with stiff regulations governing the disposal of effluent and sludge. For example, the results of this research will be most applicable in the 14 states where the nation's coal fields are located. Yet, similar problems are created by strip mining activities in some of the western states.

Although additional research continues, the initial goals of land disposal of wastewater have been achieved, and the basic techniques developed on the project have been adapted by some communities and by several American industries.

EDUCATION: PRESENT PRIORITIES FOR FUTURE ACTION

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mrs. MEYNER. Mr. Speaker, Mr. William Shannon of the New York Times relates that a certain educator early in this century argued against teaching mathematics to girls saying: "Where does trigonometry apply in a good woman's life? Will it contribute anything toward peace, happiness, and contentment in the home? Will it bake the bread, sew on any buttons, or rock any cradles?"

Though this is by no means the prevailing attitude today, it continues to be essential to raise the questions: How much progress has been made in American education? How much remains to be done?

In the fall of 1974, 62.2 million Americans were involved in the business of learning; 58.9 million students and 3.3 million teachers, superintendents, and staff members interacted daily in the art of education. Total per pupil expenditures of public elementary and secondary schools had risen from $54 in 1920 to $1,116 in 1974, while the total Federal expenditure for education was reported to have risen from 3.3 percent in 1930 to 8 percent in 1974 of the gross national product.

But the question of where we have been is considerably easier to answer than where we are going. While progress made since early this century is significant, the emphasis on education seems to have dwindled to a grudging status quo. Note, for example, that the actual Federal outlays for education in 1976 totaled approximately $8.1 billion—considerably less than the 8 percent of the GNP figure reported in 1974. The current administration's budget for 1977 proposes to cut this amount back to $7.6 billion.

Underemphasis on education has been a hallmark of the Ford administration and a major reason for the stymied progress of educational incentives. In the 1975 session, Congress proposed educational plans and the President disposed of them. One such proposal, the National School Lunch Act, realized the correlation between nutrition and educational development. Through it, Congress had hoped to supplement schoolchildren's hot lunches and to provide adequate nutrition during school hours that all families could afford. In overriding the President's veto, Congress enacted a program that acknowledged the health of students as a sound investment.

When Congress proposed a rational, fiscally responsible education appropriations bill, President Ford vetoed the measure, citing an "inflationary" 1.7 percent increase over the previous year's appropriation. Among the programs placed in jeopardy by the veto were $487.5 million for the disadvantaged, increased Federal impact aid, and emergency school aid—the very programs that New Jersey needs most. Much to its credit, the House of Representatives overrode the veto with only 41 Members disagreeing.

Education should not, however, be a partisan issue. Legislatures on all levels can and must serve notice that education is a priority that requires strong commitment and support from all parties and factions. Congress, for one, has taken many positive actions over the past year. The Education for All Handicapped Children Act, the increased level of funding for basic educational opportunity grants, and the passage of grants to States for Indochina refugees' education are testaments to the 94th Congress commitment to education.

If I may, Mr. Speaker, some of my personal efforts for education include:

Cosponsorship of House Joint Resolution 452, declaring "National Autistic Children's Week,"

H.R. 4352, to grant child care centers status as educational institutions and to assist in raising necessary capital for programs, and

H.R. 8855, authorizing the U.S. Commissioner of Education to make grants to colleges and universities for the operation of internship programs in the offices of elected officials on the local, State, and Federal levels.

When I ran for election to Congress in 1974, I made a pledge to my constituents to work for better educational facilities and programs. May I modestly say that my 100 percent National Education Association rating on my voting record indicates at least an honest effort to achieve those goals.

But, Mr. Speaker, this is not the time for complacency. Studies show that scholastic aptitude test scores have been declining steadily and, in 1975, reached new lows:

Year	Number of students (in thousands)	(SAT scores)	
		Verbal	Math
1970	1,138	460	488
1971	1,116	455	488
1972	1,023	453	484
1973	1,015	445	481
1974	985	444	480
1975	996	434	472

While this demonstrates the need for a general increase in emphasis on education, it dramatizes even more clearly the need to address already underproductive target areas.

Women and homemakers are but one group in critical need of training and education. Other areas of development and experimentation should include special education and optional programs for the exceptional and the disadvantaged child, individual and eventual "mainstreaming" techniques for handicapped children to increase access to the regular classroom, bilingual education, and beefed-up financial loan and aid programs to combat rising costs of higher education.

Furthermore, we all—educators, legislators, parents, students—should be asking questions and searching diligently for improvements in education. Here are some thoughts:

Should students be grouped into "classrooms" defined by four walls? Can we not individualize instruction in and out of "schools" to emphasize personal experience rather than rote absorption?

Can parents, with professional guidance, continue and augment the educational process after school hours?

Can "dropouts" translate experience into actual scholastic credit?

Can the Government assist in raising the teacher-pupil ratio rather than insisting on cutbacks in services and overcrowding the classrooms?

Such future thinking is necessary for present direction.

Tryon Edwards once noted that:

> The fate of empires depends on the education of youth.

Mr. Speaker, as long as I am in public office, this American "empire" will not perish for want of a champion of vital educational programs.

OUR HERITAGE, OUR FUTURE—1776–1976

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. GILMAN. Mr. Speaker, last year I shared with my colleagues the inspirational literary work of the young people of the 26th Congressional District of New York who participated in the Bicentennial Essay Contest on good government. Again, the graduating high school seniors in my congressional district have outdone themselves in portraying their belief, their ideals, and their hopes for the future which they will build.

Mr. Speaker, these essays reveal the deep pride and enthusiasm that these young people have for the future of our country. Since I believe that they deserve to be widely read, I would like to offer the following winning essays at this time for review by my colleagues. At another time, I will present the essays which were awarded honorable mention in our competition:

First Place—Our Heritage, Our Future—1776–1976

(By Mary Lynn Thomson, Cornwall Central High School, Spruce Drive, Mountainville, N.Y. 10953)

The evolution of America is truly unique. Most nations are structured around a single person; but America is really an assemblage of peoples, based on a dream of freedom and a suitable condition of existence that was cradled by men and women of many tongues and customs. "The Land of Plenty" drew millions to its shores who recognized hard work as the way to success. Our forefathers realized that anything worthwhile must come as a result of diligence and calculated effort.

An exceptional mixing of peoples and religions, high expectations, an untouched land, and a new republican form of government inspired and motivated our ancestors to build the foundation for our country. A new kind of person, the American, emanated from these ideals—an individual who, through toil and exchange, eventually became a small part of a world power. The ideas of our founding fathers are instilled in all of us today; we have an unending search for new frontiers, a desire for challenge that keeps us active all the time.

Our constitution, drawn up almost two hundred years ago, assures us the "unalienable rights" of "life, liberty, and the pursuit of happiness." These dreams, these goals, brought the American people together to transform the vast wilderness into the most prosperous country in the world. Our forefathers' "Great American Dream" has yet to be wholly accomplished. Few dreams ever come true in their entirety. If they all did, we'd have no cause to pursue them or strive to fulfill new dreams.

Second Place—Our Heritage, Our Future—1776–1976

(By Rachel D. Schwartz, Clarkstown High School North, 17 Sandusky Trail, New City, N.Y. 10956)

Two hundred years ago a child was born, and her parents named her America. As most children do, America started to crawl, learned to stand, and then to walk. She was also beginning to speak. How proud her parents were! When America spoke others stopped to listen to her.

As she grew she made mistakes common to all children. She had fights with friends and acquaintances, and made pacts she rarely kept. Early in the twentieth century America allowed herself to be pushed into the Spanish-American War by letting herself be influenced by yellow journalism and the supposed threat of manifest destiny—a war which needn't have been.

From almost the beginning of her development, she made and broke treaty after treaty with the Indians. But with parental patience and guidance, America learned from her mistakes and endeavored to correct them.

America's life was not entirely made up of mistakes. She shined quite a bit, too. She came from a close-knit family of people who supported each other.

During the Revolutionary War when the tea was being taxed, the people rallied together to boycott the tea. When man sent fellow men to the Moon, all of the family of America sat breathlessly awaiting the outcome.

Judging by America's past, her varied experiences both political and technological, her future can only be one of sorrows and joys, the accomplishments and defeats a child meets in its lifetime. America's joys may be a little more than some, and her accomplishments a little greater than others, but that's because she is . . . America.

Third Place—Our Heritage, Our Future—1776–1976

(By Ralph M. Greggs, Valley Central High School, 24 Windwood Drive, Newburgh, N.Y. 12550)

In the American Revolutionary Era, Ede's and Gill's Boston Gazette played an important role in rallying Americans to fight for their independence. It was through the newspaper, The Boston Gazette, that Samuel Adams spread his arguments for justifying the American Revolution. The Boston Gazette was so adamant in its policy favoring the Americans in the revolution that British authorities tried to silence it. This pressure from the British forced Ede and Gill to literally go underground. However, the staunchly patriotic editors continued to produce editions of their weekly paper from some Boston basement. Although the names Ede and Gill are relatively unknown outside the circle of early American historians, these men deserve recognition, recognition for their journalistic endeavors which carried the message of the Revolution to the masses; recognition for their heroic stand against the injustices committed by the British Government.

As did the journalists of the American Revolutionary Era, today's journalists have to ward off the attempts of government to infringe upon their Constitutional rights. We must follow the example set by these journalists: refusal to accept the government's infringing upon a persons rights. As in the case of Daniel Schorr, the House of Representatives mustn't be allowed to misrepresent their constituents by punishing Mr. Schorr for releasing documents concerning the actions of government, actions the citizen has a right to be informed of. If the House were to try to reprimand Daniel Schorr, not only would it be a violation of Mr. Schorr's right to freedom of speech, but also to the freedom of speech guaranteed to American citizens by our Constitution. If men like Daniel Schorr cannot report or release news to the public, who will? Certainly we cannot depend on our government to report without bias on its own actions.

Self-analysis is an extremely difficult task. Journalists must be allowed to go on reporting the news, unhindered by governmental pressure. We must note that it is the journalists, by exposing the faults of our government, who strengthen the foundation of the government we live under.

THE BOMBING PAUSE: FORMULA FOR FAILURE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. McDONALD of Georgia. Mr. Speaker, there were many reasons we failed to achieve the objectives of the United States in Vietnam and they have been written about and rewritten. One of the most foolish things we ever did during the course of the conflict was the so-called bombing pause. Almost any undergraduate student who has taken a course in the nature of the Communist state could have told our leaders what effect that action would have. However, our leaders heeded the shrill cries of the doomsayers and the left wing and capitulated. Gen. Wallace M. Greene, former Commandant of the U.S. Marine Corps, has outlined in an article in Air Force Magazine for April 1976, just how this disastrous scenario was carried out. The article follows:

The Bombing "Pause"; Formula for Failure

(By Gen. Wallace M. Greene, USMC (Ret.) Former Commandant, US Marine Corps)

(Note.—In late December 1965, President Johnson decided, on the advice of his civilian counselors, to extend the Christmas cease-fire to a bombing "pause" that would continue through January 31, 1966. A former member of the Joint Chiefs of Staff reveals how the decision was made, against the recommendations of the Chiefs and without their participation in the final deliberations.)

On November 23, 1965, the Associated Press reported, "North Vietnam's President Ho Chi Minh has blasted speculation that the Communists might be willing to go to the negotiations table without a prior withdrawal of US troops from Vietnam."

In a letter to Dr. Linus Pauling, Nobel Prize winner in physics and peace, Ho was quoted by the China News Agency as saying, "The South Vietnamese people will not bow down to the invaders. The US government has been clamoring that it does not intend to expand the war and is ready to negotiate."

The US government was in fact ready and eager to negotiate. President Johnson was faced with the prospect, by mid-January 1966, of having to announce to his public the necessity for a large-scale reinforcement in Vietnam. Defense budget increases would probably amount to $25 billion. The result might well be higher taxes, controls on the economy, the danger of inflation, and the demise of the Great Society.

This would indeed be "bitter tea" to serve to the American people. By the end of 1965, they had little stomach left for the war. They had not been told enough about their country's involvement in the conflict and what the national stakes in its outcome really were. A Harris poll showed that seventy-three percent of the people favored a renewed effort for a case-fire; fifty-nine percent wanted a bombing pause; sixty-one percent called for increased bombing effort if a cease-fire or pause failed to elicit interest from the other side. These attitudes clearly indicated that a solid preparation of the American people was going to be necessary to ensure that they would be willing to make major sacrifices. The Administration did not really expect Hanoi to respond in any significant way to an offer to bargain. But it was necessary, for political purposes, to make it crystal-clear to our citizens and to our friends and allies where the responsibility would lie for a continuation of the war. The US wanted to settle.

PRELUDE TO THE BOMBING "PAUSE"

According to Jack Valenti's account in his recent book, *A Very Human President*, it was on December 18, 1965, as a conclusion to several meetings with his civilian advisers, meetings to which the Joint Chiefs and even the Chairman were not invited, that President Johnson finally decided to execute a "pause" in bombing operations.

In the meetings with Mr. Johnson that led to this decision, Valenti reports that Secretary of State Dean Rsuk had favored a pause although Rusk had said that he gave it only a one-in-twenty chance of success—even with possible assistance from the Russians. Secretary of Defense Robert S. McNamara, when he had sensed the President's inclination, had quickly switched from his initial position of "increase bombing—step up our attack" to one in which he assured the President that he could take on the recalcitrant Chiefs and impose any decision on them. George Ball was, as he had always been, adamantly opposed to further bombing of North Vietnam; McGeorge Bundy was for the "pause" and so were Alexis Johnson and Jack Valenti. Abe Fortas was more concerned about the aftermath of possible failure; Clark Clifford doubted success at this time and was convinced that Hanoi would bargain only if Ho Chi Minh believed that they were not winning the war—and we were certainly not at that stage.

It is interesting to note at this point that on December 17, the day before the decision was made, the President had sent for Gen. Earle Wheeler, then Chairman of the Joint Chiefs of Staff. The Chairman spent an hour with Mr. Johnson during which they reviewed the whole situation. The President appeared to be greatly worried, and discussed his problems in considerable detail. General Wheeler again voiced his objections and those of the Chiefs to any "pause." The President then asked him to think about it some more and, "If you have any further thoughts on the subject—that it would be alarming or dangerous to continue a pause from Christmas through Tet—communicate with me at once."

General Wheeler pointed out that he was about to depart for the Far East and the question was how to communicate. The Chairman suggested to the President that he, Wheeler, use a "back-channel" to the Director of the Joint Staff, Gen. Andrew Goodpaster, who would then pass the message on to the President. Johnson agreed to this, saying that he would see Goodpaster at once anytime there was a message from him. It was clear, therefore, that this was to be a very private exchange with the President.

The Chairman did not report this arrangement to the Joint Chiefs until January 6, 1966, following his return from Saigon when he found himself faced with the disturbed and angry Chiefs.

General Wheeler told the Chiefs that while he was in Tokyo. Goodpaster had called him at 0130 in the morning (December 19, 1965) and had told him that the President wanted him to go immediately to Saigon. There he was to relate to Ambassador Henry Cabot Lodge and Gen. William Westmoreland the details of the conference he had had with the President on December 17. After having discussed the matter with Lodge and Westmoreland, he was to send back their comments. Goodpaster again conveyed the requirement for complete secrecy.

In a reply to Goodpaster, General Wheeler pointed out that Lt. Gen. Maurice A. Preston, Commander of Fifth Air Force, was having a dinner party for him that night and that the quickest way to ensure a great deal of publicity and speculation would be for Wheeler to have to forego the social occasion. The result was that he was authorized to delay until after the party and then to proceed directly to Saigon.

In Saigon, the Chairman conferred with Lodge and Westmoreland as directed, and the result was a message to Goodpaster for the President in which all three principals vehemently opposed a "pause."

THE CHIEFS' VIEW REJECTED

Twenty-four hours after this "back-channel" cable had been sent, Wheeler received another telephone call from Goodpaster who said that he had just come from a long meeting at the White House and that there would be no extension of the Christmas cease-fire. Wheeler, Lodge, and Westmoreland were extremely happy to hear this but their euphoria was abruptly dashed on Christmas Day when another message was received, this time ostensibly from the Joint Chiefs, announcing a "pause" to extend the Christmas cease-fire through Tet (January 31).

Again it is of particular interest to note that this cable from the Joint Chiefs had actually been written within the office of the Secretary of Defense. Cyrus Vance, the Deputy Secretary, had presented it to the Acting Chairman of the Joint Chiefs, Gen. J. P. McConnell, USAF, for signature and release. Since this order did not reflect the views of the Chiefs, McConnell quickly refused to sign the dispatch. Subsequently, the message was signed and released by Vance but with the JCS nearing retained!

General McConnell had wanted to go with Vance to the President about this message, its contents, and McConnell's action; but Vance demurred, saying that the President had already made up his mind.

General Wheeler told the Chiefs that he had left Saigon for Bangkok the same day and while en route had drafted another message for the President wherein he again took issue with the decision.

The Chairman, along with Westmoreland and Adm. U. S. G. Sharp, CINCPAC, had also received a message from retired Gen. Maxwell Taylor advocating a prolonged bombing "pause" in order to expose, once and for all, the futility of letting up pressures on the enemy. It would be a worthwhile exercise despite the military disadvantages, said Taylor.

General Wheeler told the Chiefs he had assumed that, if the subject of a "pause" should come up in Washington while he was away, the usual and normal procedures would have made his views available to the Chiefs. But his private arrangement with the President had been unusual and abnormal. As a result, the Chiefs had not seen the exchange of messages for nine days, although they were being passed to the White House and Secretary of Defense by the Director of the Joint Staff.

This, then, was how the Christmas cease-fire of thirty hours gradually, deviously, and inexorably grew into the great bombing pause of thirty-seven days in Southeast Asia in 1935-66. Bombing of North Vietnam (Rolling Thunder) was prohibited, as were similar B-52 operations (Arc Light) against the enemy in South Vietnam. Bombing in Laos was permitted, but could not be mounted from bases in South Vietnam. And it was emphasized that, regardless of small incidents, our forces would not be the first to renew the fighting. Only normal security patrols and actions for self-defense were authorized.

In actuality, the Christmas truce was allowed to slide over into December 26 and 27 without anything further being done about its extension. On December 28, President Johnson finally decided to defer resumption of the bombing for several more days—possibly into the following week. No formal announcement of this was to be made. Air, ground, and sea operations in South Vietnam would continue or be resumed as well as air activity over Laos. Key Communist governments, as well as the North Vietnam (DRV) consul-general in Rangoon, were being notified of the US offer to negotiate. The United States wanted to ensure that the message reached Hanoi.

CONTINUED JCS OPPOSITION

During the morning of the same day (December 28), members of the Joint Chiefs made representations to the Acting Secretary of Defense, Mr. Vance, strongly objecting to the fact that the Chiefs had not been included in the deliberations concerning the "pause." Mr. Vance assured them that all echelons above the Joint Chiefs, including the President, had been advised of the views of the Chiefs, and those of Admiral Sharp and of General Westmoreland.

Adm. David McDonald, Chief of Naval Operations (remember Admiral Sharp's Rolling Thunder bombing attacks had been stopped during the "pause"), was still not satisfied. That afternoon, when he learned that Secretary of Defense McNamara had returned from a long weekend vacation, he visited McNamara in his office and again made known his own views and those of the other Chiefs. As a result of this protest, the Defense Secretary repeated the assurances Mr. Vance had given that morning. He also gave Admiral McDonald a copy of a dispatch that had gone out from the State Department to Saigon and said that the rest of the dispatch traffic the Chiefs had not seen would be distributed to them immediately.

By December 29, the JCS were worrying about the proposals for a stand-down over Tet. They reviewed the results of the Christmas cease-fire and its extension and concluded that no advantage, military or political, had resulted. In fact, a number or major disadvantages had been seen. The cease-fire proposal by the Viet Cong, to last for twelve hours at Christmas, had not developed as we had expected and hoped. There had been numerous significant violations of their own cease-fire by the Viet Cong. Numerous killed and wounded on both sides had resulted. The Viet Cong had enjoyed complete freedom of movement. Cessation of air operations and artillery fire had increased the vulnerability of our security patrols to guerrilla attacks. Enemy airfields had been left unobserved for forty-eight hours. Overflights of North and South Vietnam were halted, severely hampering operations in Laos. Enemy infiltration of men and supplies across the DMZ, unrestricted logistic buildup, and unhindered repair of roads and railroads by the enemy had resulted. Equally bad, there had been a distinct psychological letdown among our forces and a reduction in alertness. Therefore, it was considered that a stand-down of similar scope during Tet was undesirable.

So incensed was Admiral Sharp over the continued prohibition of his Rolling Thunder bombing operations that he messaged the Joint Chiefs that "The Armed Forces of the US should not be required to fight with one arm tied behind their backs!"

M'NAMARA MEETS WITH THE CHIEFS

That same day, the Secretary of Defense, apparently feeling that the Chiefs might be getting out of hand, called a special conference at which he told them that the increased budget, higher expenditures, rising deployment of US troops, and the lack of public support for the operations in Vietnam had led to the decision to extend the bombing "pause." He had recommended this to the President, he said, on November 7 and 30.

And then, as a sop to the Chiefs, he continued saying that one of the greatest dangers of the "pause" would be how to get out of it—to avoid being mousetrapped by the Communists. There is no question but that we must continue to escalate our military forces in South Vietnam, he said. There will be air action over North Vietnam in 1966 if we continue escalating as planned. Haiphong Harbor must be mined, too—around March 1966. The Chinese Communists have moved planes to South China to meet our bombing threat. There must be a very substantial escalation during '66 if no settlement comes from the "pause." We had better prepare to do this after the "pause" if there are no peace terms. The US effort during the "pause" will stop the Soviets to some degree from responding militarily against the US if we eventually escalate. Soviet emissary Alexander Shelepin's current visit to Hanoi has no relation to the "pause." The visit was arranged before the stand-down commenced (Moscow, on December 28, had announced the approaching visit to Hanoi of Shelepin, a member of the Soviet Presidium. Speculation immediately arose—whether the Russians were timing the trip to pressure the DRV to accept President Johnson's offer to negotiate). The Secreary continued, saying that the US would also benefit immeasurably by showing the US public what we had tried to do during the "pause." This action would likewise have a beneficial effect on the opinions of the other countries of the West.

Although no one had talked with the Secretary, Eric Sevareid reported that McNamara had twice torpedoed attempts at negotiation. This article had done irreparable damage, the Secretary announced bitterly.

We must direct our primary effort toward the situation in South Vietnam. We are not making the progress we expected six months ago, the Secretary said.

There now ensued a period of great activity on the part of the US. Presidential emissaries commenced to scurry about the world giving briefings to the leaders in more than eighty countries—including the Pope. They were being told that President Johnson desired to continue the "pause" and to negotiate an end to the war. It was emphasized that, if the DRV and Viet Cong didn't accept the offer, the blame for the resulting expanded warfare would lie at their door. There was no doubt that the President was desperately seeking a settlement or hoping to establish a suitable environment for escalation of the US effort. In spite of this massive attempt to end the war by negotiation, it became clear by the end of Tet that Ho Chi Minh had no intention of accepting our bid. In fact, he did not even deign to reply directly to President Johnson's offer or to worldwide approaches.

WHY THE "PAUSE" FAILED

The reasons for this disturbing failure were several. Viewed from the Communist side, it did not appear that the US was willing to bring anything worth trading to a bargaining table—certainly not the complete withdrawal of US forces, which Ho had demanded as a prerequisite for even talking. The US had also indicated that it would not accept the four basic bargaining points of North Vietnam or the five demands of the Viet Cong. As for the Communist side, it would not discuss the fourteen-point position of the Americans.

Furthermore, it was clear that US offensive operations had been so hampered by political restrictions and leadership timidity that military action by the Communist side had not yet been seriously affected. Not enough pressure by bombing and mining of North Vietnam had been exerted to convince Ho Chi Minh that he was losing the war. In fact, he was convinced that he was winning—so let the US meet his terms! This position meant more face throuhgout Asia and increased support from anti-war advocates in the West.

In retrospect—Monday morning quarterbacking—we can now clearly see what was evident to the Joint Chiefs from the beginning. The US bombing and air war against the enemy had been crippled by political considerations in the selection of targets, by the piecemeal commitment of forces (McNamara called it "flexible response"), and by plain timidity on the part of our civilian leaders in the use of bombing to bring about a victory for our side. First of all, these leaders were afraid of what Red China and the Soviet Union might do. And they displayed a gross ignorance of how to employ the tools of war in the extension of foreign policy. Although many were so-called "intellectuals" or "old school tie boys," they had not learned from history, either.

What was equally serious was President Johnson's failure to properly and adequately inform the American people and their Congress as to our national stakes in Southeast Asia and why we had committed forces to South Vietnam. This fact was reflected in the media polls and was brought to focus in the failure of the bombing "pause" to produce desired results.

The President and his staff had not consulted with nor kept the Joint Chiefs properly informed of their plans and decision for a "pause."

President Johnson failed to heed the recommendations of his military advisers in Washington, Honolulu, and Saigon. He did not accept the advice of his own ambassador in Saigon. Astute in domestic politics, expert in the manipulation of congressmen and voters on local issues, secretive to an excess, wary, cautious, and essentially a "loner," with a vast gap in his grasp of international politics, and surrounded by key civilian advisers as inexperienced, for the most part, as he was, the President would have brought to any conference table a very poor poker hand, indeed. His adversaries sensed this and, consequently, wouldn't even take a seat.

Thus, the great bombing "pause" of the winter of 1965–66 resulted in a miserable failure for the US and greatly increased the danger to our efforts in Vietnam.

By January 29, President Johnson realized the full extent of this disaster and had made up his mind to resume bombing. Twenty-five senators were urging him not to do so, but Air Force reconnaissance had revealed large enemy convoys of men, ammunition, and supplies streaming southward with impunity, during broad daylight, to cross the border into South Vietnam. With complete freedom from attack, herculean efforts were being made by the North Vietnamese to repair roads, bridges, and rail lines in evident preparation for further operations. The President knew what this threat meant to our forces below the DMZ, and he had the courage to make the unpalatable decision to end the "pause" and to start bombing again.

Much later, after retiring to his ranch in Texas, the former President, discussing the US failure in Vietnam with a visiting general officer, said that, looking back, he had made two serious errors in his treatment of the problem. First—he had not kept the American people adequately informed regarding our involvement in Southest Asia and what the national security stakes there really were. Lack of information by the public had led to lack of support of the President. Secondly—he had not consulted with and relied upon the Joint Chiefs of Staff for military advice as much as he should have.

THE RETIREMENT OF MR. JUSTICE WILLIAM O. DOUGLAS

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. KASTENMEIER. Mr. Speaker, it is with great personal regret that I note the retirement of William O. Douglas. In every era there are a few men and women whose personal impact on public policy has extraordinary proportion both during their careers and long after their retirements. William Douglas is such a person, and as chairman of the House Judiciary Subcommittee on Civil Liberties I have long benefited from his example, vision and ability to grasp the need for an activist judiciary and legislature.

More than any Supreme Court Justice in the history of the Nation, William Douglas has decried the slow but steady shift of power from the Congress and the courts to the executive. He did much personally to stem this tide. Indeed, during much of his tenure on the Supreme Court, the longest of any Justice in our history, the Court was able to grapple successfully with creeping executive authority. Through a good measure of Douglas' influence the Court entered the fray over public policy on a number of the most disturbing issues of the day: environmental protection, antitrust action, executive impoundment of appropriated funds, the measure of process due to defendants in criminal cases, and most importantly the protection of first and fourth amendment freedoms.

In my view Douglas' most visionary and compelling efforts were made in this last area—the protection of the citizenry's rights to privacy, association, travel, security in one's house and papers, and political beliefs. In his successful opinions and his powerful dissents Douglas has and will continue to shape the struggle between the citizen and his government for maintenance of individual freedoms.

In his famous majority decisions in Griswold against Connecticut—1965, the landmark birth control case, Douglas set new parameters to the debate of what is perhaps best called freedom of the person.

In his dissent in a Smith Act case, Dennis against United States—1951, Douglas refused to subjugate the first amendment freedom of speech to the hysteria of the cold war. Although an anti-Communist, Douglas always maintained that writing, speaking, and teaching of political views were protected by the Constitution. In that dissent, which we will learn from for generations, he said:

> Full and free discussion has indeed been the first article of our faith. We have founded our political system on it. It has been the safeguard of every religious, political, philosophical, economic, and racial group amongst us. We have counted on it to keep up from embracing what is cheap and false; we have trusted the common sense of our people to choose the doctrine true to our genius and to reject the rest. This has been the one single outstanding tenet that has made our institutions the symbol of freedom and equality. We have deemed it more costly to liberty to supress a despised minority than to let them vent their spleen. We have wanted a land where our people can be exposed to all the diverse creeds and cultures of the world.

In his concurrent view in Aptheken against Secretary of State—1964, in which the portion of the Subversive Activities Control Board Act of 1950 denying passports to so-called subversives was held unconstitutional, Douglas expands the majority opinion with a pithy statement of the freedom of travel. He said that freedom of movement is related to the right to assembly and to the right to association and that absent war he saw no way to constitutionally keep a citizen from traveling within or without the country, unless there is a power to detain him, "And no authority to detain exists except under extreme conditions, for example, unless he has been convicted of a crime or unless there is probable cause for issuing a warrant of arrest by standards of the Fourth Amendment."

In the historic Mapp against Ohio case—1961, the court helc that the fourth amendment's application to the States was given meaning only if material seized in an unreasonable search is excluded from use in any criminal proceeding. Douglas' concurrent opinion shows us once again that the gentleman from Washington was ever vigilant in behalf of the rights of the public when confronted by "the casual arrogance of those who have the untrammeled power to invade one's home and to seize one's person."

This catalog of cases could go on and on. I have only touched on a few of hundreds of illustrations of Mr. Justice Douglas' unique sensitivity to the struggle for individual privacy and freedom. We have all learned much from this thoughtful man, and I know that generations of Americans and freedom-loving people the world around will find strength and hope in his words.

I wish him the best of luck and happiness in his many years to come and know that he will continue to be a model and a teacher for us all.

NEW PUBLICATION ON SEX DISCRIMINATION IN THE PUBLIC SECTOR

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. FRASER. Mr. Speaker, I would like to call your attention to an excellent new publication entitled "The Forgotten Five Million: Women in Public Employment—A Guide to Eliminating Sex Discrimination" by Catherine Samuels. The book was a project of the Women's Action Alliance and does a thorough and enlightening job of documenting sex-related inequities in the public sector, as well as offering useful information on how to know when you're being discriminated against, how to document cases of sex discrimination and what legal remedies are available. It also has sections on implementation of affirmative action and how to build organizations of women to fight sex discrimination in public jobs. The following are excerpts from the book:

> Female and male employment patterns reflect de facto job segregation. Most jobs in Government have been stereotyped as either "men's jobs" or "women's jobs." Most women work with other women.
>
> In New York City Government, where women are 42% of the total work force, they are 94% of the nurses, 81% of the clericals and 61% of the teachers.
>
> Men, on the other hand, hold all of the laborer and craftsmen jobs, and are 98% of the engineers, 94% of the architects, and 91% of the attorneys . . .
>
> In California State Government, where women are 37.7% of the work force, they represent 87.6% of all clerical jobs compared to 2.3% of crafts, trades, semi-skilled and laborer jobs. Also, women hold 15.3% of administrative positions . . .
>
> Jobs held primarily by women have more limited promotional possibilities than "men's jobs." Job ladders for women's jobs are often dead-ended.
>
> In the Boston Assessing Department, where a majority of employees are female, women do not hold the job of Assistant Assessor. Because such a job is a prerequisite for promotion to higher level positions, the absence of women from that position bars them from all policy-making jobs.
>
> In New York, there are virtually no promotional opportunities for females in custodial work. After one year's experience in the title of Custodial Assistant, women can be promoted to Senior Custodial Assistant with a raise of $150. This is the first and last promotional possibility in that job.
>
> However, after two years experience, men can be promoted to Junior Building Custodian with a raise of $900 a year, and then to Senior Building Custodian where they receive $9,750 to $12,650 . . .
>
> Women are almost entirely absent from the top positions in Government. Management and administration have been "men's jobs."
>
> In New Jersey, there are no women holding Commissioner titles (which are appointed by the Governor). Of the 24 Assistant Commissioners, none are women. Of the management and middle management job categories of Commissioner, Assistant Commissioner, Director, Assistant Director, Deputy Director, and Chief, only 14% are women.
>
> In Dallas, only 1 of the City's 35 departments is headed by a woman—the Library.
>
> The average women worker earns less than the average male worker, even in job areas where women predominate (such as education).
>
> In Montgomery County (Maryland), in every occupational group (including Clerical), the median pay grade for women is 1-4 grades lower than the median for men.
>
> In California, the average monthly salary for women is $775 compared to $1,128 for men.
>
> Women participate in fewer training programs than men. Most of the programs for women aim to improve their performance in their present job and not to prepare them for promotion.
>
> In Boston, the only training for office workers organized by a Federal Agency (U.S. Civil Service Commission) aimed to help the secretary "to see her role as an adjunct to the management team." Courses included: "Techniques for Self-Improvement" and "Tips on Grooming and Personal Poise."
>
> On the other hand, men in predominantly male municipal jobs (such as police, fire, paraprofessional engineers) regularly participated in educational programs that lead to bachelor's or technical associate degrees.
>
> In New Jersey and in Boston, Executive Development programs are available only to those already in supervisory and management positions, areas where women are severely underrepresented.
>
> Most governments have differential policies based on sex in pension, maternity, health insurance, and other fringe benefits.
>
> In New York and New Jersey, women pay more than men (making the same salary) into the pension fund and receive back less.
>
> In New York, health insurance (Blue Cross) usually pays full hospital costs for 21 days for surgery or a heart attack, but will only pay a total of $80 for childbirth.
>
> In the Dallas County Clerk's Office, a woman is not allowed to return to work until six months after childbirth; also "concrete evidence" that a child is being cared for is requested before the mother is permitted to return.
>
> State and local governments in this country are dependent upon more than five million women who make up our public work force. Representing 50% of all municipal employees and 43% of all state employees, women make an important contribution to the welfare of their states, cities and towns. In return for their contribution, women are segregated into dead-end jobs, concentrated in the lowest paying job categories, passed over for promotion, denied many of the benefits men enjoy, and even paid less for jobs requiring as much, if not more, skill than comparable jobs for men. Instead of leading the country out of the mire of sex discrimination, governments are a prime offender—and our taxes pay to subsidize discriminatory practices.
>
> These facts assume more global significance when we realize that the vast majority of women employed by governments—as is true for all working women—depend on their jobs to support themselves and their families. Limited job opportunities and concentration in low paying jobs translate into poverty and deprivation. At a time when 22% of all households heads are women, when millions of families are dependent upon two incomes in order to stay above the poverty level, when women with children make up the largest group of welfare recipients, when families headed by single females are 5 times more likely to have incomes below the poverty level, when the unemployment rate for women over twenty years old is 8.1% (compared to 6% for men)—in times such as these, we must see that equal employment for women is a matter of survival.
>
> However, the plight of these five million women has been largely ignored. It was not until March, 1972, when Title VII of the Civil Rights Act of 1964 was extended to cover state and local governments, that these five million women received the simple legislation protection enjoyed by their counterparts in private employment. Until now, no major efforts had been made to document or analyze the problems. No major (or even minor) thrust has been developed by antidiscrimination agencies to enforce the law. No large-scale educational campaigns have been designed to make publicly employed women aware of their rights or employers of their responsibilities. And little energy has gone into

developing workable remedies which suit the special problems of government employment. Clearly, this issue has not been considered a priority by legislators, enforcement agencies, public officials, funding sources, public advocacy groups or even women's groups.

ARKANSAN SELECTED ASSOCIATED GENERAL CONTRACTORS PRESIDENT

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. ALEXANDER. Mr. Speaker, AGC's new president, Ben M. Hogan of Little Rock, Ark., in addition to his many contributions to the construction industry, is a leading citizen of Arkansas, having contributed much time and effort toward the betterment of our State.

AGC could have made no better choice to head its organization than Ben Hogan. The April edition of Constructor, the monthly magazine of Associated General Contractors, includes an interview with Hogan about his 25 years in the construction industry. I believe the interview reveals much about the problems that confront the construction industry today, as well as the industry's views on legislation before us. I believe it will be of interest to my colleagues:

BEN M. HOGAN, A PRESIDENTIAL PORTRAIT

AGC's new President, Ben M. Hogan, has been actively pursuing a construction career for 25 years. The Ben M. Hogan Company, Inc., is headquartered in Little Rock, Arkansas, and was founded in 1921 by Mr. Hogan's father. Mr. Hogan became president of the firm in 1964 following his father's death. Today the firm is primarily engaged in highway work with an annual business volume of $16–18 million. He also has retail operations selling asphalt and crushed stone.

Mr. Hogan is active in civic affairs and has given much of his time and effort to the city of Little Rock and the state of Arkansas. He has served as a delegate to the state's Constitutional Convention, as a member of the board of the Arkansas Orchestra Society and as chairman of the state Game and Fish Commission. He is a director of a Little Rock bank and a savings and loan association and has served as president of the local Boy Scout Council.

Active in AGC affairs for many years, Mr. Hogan was president of the Arkansas Chapter in 1962 when it won the Membership Award. He has also served as chairman of the Arkansas AGC Highway Committee and as a member of the Mississippi Flood Control Branch.

His service to the National AGC includes his recent post as Senior Vice President as well as his work on the executive transportation policy, open shop, Federal Highway Administration, legislative, contract forms and specifications, and labor committees. Of all his assignments to date, he is most proud of his work with the AASHTO–ARBA–AGC Joint Committee, on which he served as chairman.

In the belief that a man can best be known by his own actions and words, Constructor recently spent an afternoon interviewing Ben Hogan. We began our conversation by asking him if the construction life still holds the same allure for him that it did when he chose it as a career.

HOGAN. I've been working in construction since I was 13 years old. I worked summers during school vacations, first as a mechanic's helper and later as a field office manager. When the time came for me to assume command of the firm, I had some experience in most every facet of our operations. Sure, times have changed and my perspectives on this life changed accordingly, but I still derive a great deal of pleasure out of being a general contractor.

CONSTRUCTOR. What effect has the current economic situation with inflation and recession had on your company?

HOGAN. We're not starving, but our work load is well below what we would like it to be. The completion of the Interstate system in Arkansas cut deeply into our profit picture. We hit our peak in the 1971–72 season. Inflation and recession have certainly been factors contributing to our downturn, but the Interstate completion is without doubt the largest single factor.

CONSTRUCTOR. What is your business outlook for this year?

HOGAN. In my opinion, the outlook for highway contractors across the country is not good. This year is not likely to be any better than 1975, in fact it could be worse. The recession is going to be with us for quite a while yet. Most important is the fact that the government is spending less on highways.

CONSTRUCTOR. Is the so-called "governmental inactivity" having an adverse effect on highway contractors?

HOGAN. Yes, at both the Federal and local levels. The government is spending about the same amount of money on highways, but $7 billion now buys what $5 billion or so used to buy. The result is a terrific amount of overcapacity among highway contractors. Spending on road work at both the federal and local levels is failing to keep pace with inflation. A big reason why this year is destined to be no better than last year is the fact that the federal government released $2 billion in impounded funds last year, it doesn't have to release this year.

You only have to read the newspapers to know that local governments are not doing a lot of road work. The voters are seemingly united on at least one idea—they want to cut government spending or at least hold the line. One thing that would help us all would be some magical way to convince the voters that the highway proposals are for roads that are needed and are necessary. The same people who rush out to vote against highway building proposals probably get tied up in traffic the following morning and complain about the congestion. Some of the same folks who write to complain about potholes and the need for resurfacing of roads will make a special effort to vote against money that is needed for just that work. We need to change that type of thinking.

CONSTRUCTOR. Has the present downturn in work meant more losing jobs than usual?

HOGAN. No, I wouldn't say that. We haven't had any losers in awhile. Back in 1972–73, we had more than our fair share of losers. Part of the reason was the extreme inflation of that period, but most of the losses were due to extraordinarily bad weather. In a given year, Arkansas can expect 45 inches of rain; that particular season we saw something on the order of 78 inches. Any highway contractor can tell you what weather like that does to his profit picture.

CONSTRUCTOR. How would you describe your bidding philosophy?

HOGAN. Put very simply, we bid the market. Anybody in this business knows that when the market is good, you bid with the idea of beating the competition but also getting the maximum you can out of the job. We've been largely successful at doing just that. We've never bid with the intention of losing money on a job; but, of course, that's happened from time to time.

CONSTRUCTOR. Your firm owns sideline operations selling crushed stone and asphalt. How's that business doing and are you looking at any other forms of diversification?

HOGAN. The sideline business is doing well and we're expecting an even better year in 1976. We are looking at other diversifications; studying the utilities and building fields. We've given some thought to overseas work, primarily in Saudi Arabia. We haven't given sufficient thought to any of these areas to know as yet which way we want to jump. We're also giving some thought to going completely outside the construction area.

CONSTRUCTOR. What other businesses might appeal to you? What characteristics are you looking for?

HOGAN. We have a number of things under consideration. Basically, we're looking for something which is not capital-intensive, which will show a good return on investment and will not be subject to government whims. We'd prefer to stay with something that is construction-related because that's where we have our expertise.

CONSTRUCTOR. What's your opinion of the Highway Trust Fund? Would you favor using money out of the Fund for mass transit work?

HOGAN. Naturally, I am very much in favor of the Highway Trust Fund. It is an outstanding success and one of the better ideas ever to come out of Congress. I am not dead set against using some of the money out of the Fund for mass transit work. It might not be such a bad idea. After all, when you're talking mass transit, you're usually talking buses and thus road work. Trust funds are all right to build roads for mass transit, but that is all.

I do think that the majority of mass transit work should be paid out of the government's general funds. Eventually, I would like to see a Mass Transit Fund established on a basis similar to the Highway Trust Fund. Highway users pay for their mode of transportation, mass transit users should do likewise.

CONSTRUCTOR. How much influence is the Common Situs Picketing battle going to have on labor negotiations this year?

HOGAN. I think the Common Situs issue will have virtually no impact whatsoever at the local level. Local market conditions are going to be the key factors—the overriding concerns at the bargaining tables. Common Situs was a national issue. There's no denying that it has caused a great deal of friction between management and labor at the national level. But the impact at the local level will be marginal, if there is any impact at all.

CONSTRUCTOR. Do you see the Common Situs issue as an on-going wedge between management and labor at the national level?

HOGAN. No, I don't. I would not care to speculate on how long it will take things to cool off, but I do know that time helps heal wounds. You have to realize that there are mature, responsible, and earnest people on both sides of the fence. We all realize that there are too many pressing, urgent issues that need our mutual attention and our mutual cooperation—we cannot go on fighting old wars. For example, we need to be working together right now to free some appropriations in Congress and to break the log jam of those unspent funds. Construction workers and contractors alike need the work.

CONSTRUCTOR. Along a similar line, what are your thoughts on repealing the Davis-Bacon Act?

HOGAN. Given the pro-labor stance of the present Congress, I can't see investing any major effort in having the Davis-Bacon Act repealed. The odds on doing that were long at best; after the Common Situs fight, the likelihood is even more remote.

CONSTRUCTOR. Are you saying we should forget about it?

HOGAN. No, I am saying that there shouldn't be any maximum effort put forth. If legislation is introduced to repeal the Act, we should lend it our support. I emphasize that I think chances for repeal are all but nonexistent.

Constructor. Some people have argued that Davis-Bacon works to the advantage of the union contractor. Do you see any validity in that argument?

Hogan. Even if I happened to be a contractor operating under collective bargaining agreements, I would still be in favor of repealing Davis-Bacon. In theory, if not always in practice, Davis-Bacon rates are supposed to correlate with prevailing area wages. If you have a concentration of union labor in an area it is possible that non-union contractors might have to pay higher than normal wages if they take on government work and thus become subject to Davis-Bacon rates. In theory, at least, the union contractors are already paying whatever the prevailing rates may be.

The main thing I have against Davis-Bacon is that it adds an artificial cost factor that in the long run helps no one. More and more money is being spent on less and less construction. It's just about that simple and Davis-Bacon isn't helping the situation one bit.

Constructor. In our December 1974 interview with past President Matich, he expressed the opinion that open shop construction was on the rise and was a growing trend. Are your views similar to his?

Hogan. Yes, definitely. Open shop contractors are making inroads in areas once the exclusive domain of union contractors. More and more union contractors are forming double-breasted operations. I see no hint that this trend is changing; if anything the movement is accelerating.

It's all the result of one basic fact: construction purchasers are looking for the best buy for their money. In doing so, more and more construction purchasers are turning to the open shop contractors. This is why I think the local market condition will be the single most important factor at the bargaining table this year. If union labor wages get too high, construction purchasers will start looking for alternative ways to get their projects built. Obviously, the unions don't want to see their members lose work to open shop competition.

Constructor. Going from labor to management as a whole, what's your current evaluation of the National Construction Industry Council (NCIC)? Are we headed toward the goal of a "single voice"?

Hogan. The one fault I find with NCIC is not really a fault of the organization at all. I only wish that we had the organization many years ago. If we had an NCIC dating back 30–40 years, construction management might be much better off today. I admit that I was skeptical when I took on the assignment to the NCIC. I had a wait-and-see attitude. I do believe that NCIC is making progress, and I am encouraged. Recent position papers show that NCIC is moving toward the "single voice" concept. Obviously, we aren't going to reach that goal overnight. The goal, if in fact it becomes a reality, is a long way down the road. But progress is most assuredly being made.

Constructor. Turning to internal affairs; what do you characterize as the major changes you've witnessed in AGC?

Hogan. I think maturity is the common denominator for anything and everything connected with the present AGC. This isn't to say we used to be juvenile, it is to say that professionalism is a hallmark in everything we as an association do. We're maturing and we're doing it without turning mellow—the Common Situs issue showed there's plenty of spunk in this organization—what's more, there's plenty of thought behind the scenes.

Constructor. Do you view this year as an especially auspicious time to be the President of AGC?

Hogan. At this point, I would have to say that the coming year should be a relatively quiet year for AGC. Of course, I would have told you the same thing last year—then came the Common Situs fight. I am not coming into office with any catch phrases or grand schemes. If you're looking for a "New Frontier" slogan and a "Great Society" program, you'll have to look somewhere else. My initial efforts will be directed toward keeping those things set in motion by my predecessors on an even and steady course.

Constructor. What do you see as the major challenge confronting AGC this year?

Hogan. I think the main challenge confronting us is the same one facing American business in general. We have to organize ourselves so as to have political power and punch equal to that of unionized labor. The legislative efforts put forth by AGC have been very good. I want to see these efforts grow. I want to see a marked increase in political clout from this organization in particular and the construction industry's management in general.

Constructor. Beyond being President of AGC, what ambitions do you still harbor? What would you like to be doing 10 or 15 years hence?

Hogan. I'd like to be sitting down in Little Rock, Arkansas as head of a very successful general contracting firm.

Constructor. Realizing your activity in the Arkansas political system and your concern with political impact at the national level, do you see a future in politics for yourself?

Hogan. As you know, I once ran for office as a delegate to the state Constitutional Convention. I was elected, but that's the only political office I have ever sought. I have been politically active in Arkansas and I've been privileged to be friends with some of the state's political leaders. Yes, I have given some thought to running for office on my own. Someday, I just might do it. Washington has no appeal to me, but I might consider entering a race to be a State Senator from Little Rock or Governor of Arkansas.

I've seen too many contractors who haven't collected the final payment on a project or gotten their retainers released because they didn't realize the true impact of the relationship between the effort required to finalize, and the damage that was being caused to their overall financial position.

REVIEWING THE JOB

One of the greatest failings of the industry, I believe, is an almost universal practice on the part of contractors not to review a project after it's complete. Estimators and office staff are usually "too busy" bidding other work and the field staff are out, hopefully, constructing other projects. You should review every project when it's finished, no matter how small, preferably in a brainstorming session with people that estimated it, brought it out, and had to build it—if "the people" are all one and the same person, he should still sit down and review the documentations and the history of the project. This review can serve many purposes and it must be done as coldly and as objectively as possible with the aim of learning and improving without in any way "blaming."

I have found in many cases that an after completion review not only points out weaknesses and highlights areas that require special care on new and ongoing projects, it points out extra work that may not have been picked up during the project itself, and if properly claimed for, will more than pay for the review of a project.

Chances are that none of the things I've written about, by themselves, are the sole causes of any contractor failing. Any one of them alone can be the straw that breaks the camel's back or an indication of the first step along the road to ruin. I think that you always have to be on the lookout for each of them and avoid them. When you see one of the danger signals on the horizon, however, you must recognize it and take corrective measures to minimize its effect and eliminate it in the future.

SOCIAL SECURITY REFORM: A PROPOSAL

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. BRODHEAD. Mr. Speaker, I wish to share with my colleagues my testimony before the Social Security Subcommittee. In it, I offer a solution for the current financial problems of the social security system and a plan for more equitable financing and benefits as well:

Social Security Reform: A Proposal

(By Representative William M. Brodhead, 17th District, Mich.)

A great many Americans are deeply concerned about the Social Security system because of announcements by public officials that the Social Security trust fund is "perilously low" or near "complete exhaustion." Adding to the malaise are news stories to the effect that many local governments are planning to opt out of the system in favor of private retirement plans.

Too many people who should know better are crying wolf. The system has its problems, but benefits aren't going to stop and Social Security isn't going bankrupt. The government's ability to pay out Social Security benefits rests on the federal government's power to tax the earnings of workers and on the ability of workers to pay those taxes. Thus, Social Security is as safe as America—as strong as the power of the federal government and as rich as the American economy.

Social Security is probably the largest single program ever developed by any government anywhere. The system's revenues in 1975 totaled $63 billion, making Social Security the second largest source of federal government income, exceeded only by the income tax. This year Social Security will provide support for over 32 million people—or one out of every seven Americans. Ten million senior citizens will have some of their medical expenses paid by the Social Security-funded Medicare program.

Compared with 60 percent participation in Social Security in 1936 when President Franklin Roosevelt signed the original Social Security bill, the system today covers 90 percent of all American workers. The coverage itself has been gradually expanded to include old age, survivors, disability, and most recently, medical insurance. Benefits have increased steadily in recent years, and benefit levels are now tied by law to the cost of living; thus, they increase automatically as prices go up.

The Social Security system today has three principal problems. First, the tax to finance the system is unfairly burdensome to millions of workers. Second, the system is currently operating at a deficit and greater deficits are predicted for the future; and, third, benefit levels are inadequate for many recipients. Let us look at each of these problems in turn and then look at proposed solutions.

THE TAX PROBLEM

Since its inception, Social Security has been financed by a payroll tax. This tax (called FICA) is the most regressive of all federal taxes; that is, it takes a larger percentage of the income of lower paid workers than it does from higher paid ones.

There are several reasons for this: First, the tax is levied on every dollar a low-paid worker earns, since there are no exemptions or deductions for such items as family size and medical expenses. Second, the payroll tax is levied only against wages; investment income is totally free from the payroll tax. Third, the rate itself is a flat 5.85 percent, and there is a limit (currently $15,300) on how much income is taxed. The result of these factors is that the effective tax rate declines as a worker's wages rise beyond $15,300. For example, the rate for a person who earns $5,000 is 5.85 percent; those who earn $25,000 contribute 4.05 percent of their income, and those earning $50,000 pay only 1.4 percent.

The unfairness of the tax has been magnified as the rate has increased from 1 percent each on employer and employee in 1936 (a total of $60 per year) to 5.85 percent per year today (a total of $1,790.10). The Social Security tax is so high that millions of people pay more in Social Security (FICA) tax than they pay in federal income tax. Even low-paid workers who are officially classified as living in poverty and exempted from federal income tax still must pay several hundred dollars per year in Social Security tax. Many of these same workers are entitled to benefits from such federally-funded programs as food stamps and medicaid. Thus, the federal government is taking away money from the working poor with one hand and giving it back with the other. The answer to this problem is to find a fairer means of raising revenue for the Social Security system.

THE DEFICIT PROBLEM

The original idea behind Social Security was that the government would set aside a part of a worker's earnings for his use in later years. Benefits as an "earned right" appeal to the great majority of Americans, and the concept has provided the program with a broad base of support. Actually, Social Security is financed on a yearly basis; that is, taxes collected in any year are used to pay benefits in that same year.

For example, in 1975 Social Security collected $60 billion in taxes and paid out $63 billion in benefits. Social Security, therefore, is really a direct transfer of funds from those who work to those who do not, from the younger working generation to the elderly, the ill, and the disabled.

The Social Security trust fund is merely a contingency fund which currently contains approximately enough money (about $40 billion) to pay benefits for about two-thirds of a year. This trust fund is invested in government bonds where it currently earns 6.7 percent a year in interest. So invested, this fund provides the largest single source of credit for the national debt.

In 1975, the Social Security Administration was forced to dip into this trust fund for an unprecedented $3 billion, to make up the difference between money coming in and benefit payments going out. Next year, it is projected that $6 billion will have to be withdrawn from the trust fund.

This short-term deficit is largely due to our current economic problems: it has been brought on by the dual pressures of inflation and recession. Because Congress enacted an automatic cost-of-living increase in Social Security, benefits have gone up every year. At the same time, revenues have been eroded by high unemployment, since millions of Americans are out of work and are, therefore, not paying payroll taxes. The twin pressures of inflation and unemployment have caused benefit payments to outrun revenues, and brought about the need to dip into the trust fund. This problem will partly solve itself as the economy bounces back and more people go back to work.

There is also a long-run financing problem, since projections show that the system is likely to face even greater deficits around the turn of the century. At that time, a relatively smaller number of workers will have to provide benefits for a relatively larger retired population. The reason for this is that a high birth rate in the 1940's and 1950's has been followed by a low birth rate in the 1960's and 1970's. Today, there are about three workers for every retiree: as this century ends, this ratio may drop for a time to two to one.

Another reason for this long-term deficit is a flaw in the Social Security benefit formula. The formula inadvertently makes a double correction for inflation for those workers who have not yet retired. This would result in large numbers of future retirees receiving monthly benefits which actually exceed their highest monthly pay. Clearly, Congress never intended this, and this formula should be revised. This change (called "decoupling") would decrease the projected long-term deficit by 50 percent. The other half of this deficit must be met by finding a new source of revenue.

THE BENEFIT PROBLEM

Despite recent benefit increases, Social Security benefit payments still are less than what the federal government itself says is a poverty level. The average payment to a single individual in 1975 equalled only $2,258; the average payment to a couple was $3,744. In addition, Social Security provides relatively low returns to women who have worked all their lives and contributed to the system. These benefit levels and inequities must be viewed in light of the fact that more than half of all Social Security recipients have no other income whatsoever.

To increase the adequacy of Social Security benefits, I believe we should raise the minimum benefit floor for all Social Security recipients. Today, the minimum benefit for a single retiree is $1,216 per year, and for a married couple it is $1,825 per year. I would raise these amounts substantially. In addition, I would increase benefits for those living in areas where the cost of living exceeds the national average. These increases would not be as costly as they might seem, since millions of senior citizens are currently receiving benefits from other federally-financed welfare programs to supplement their Social Security checks. The SSI program alone has 2.3 million Social Security beneficiaries among its recipients, at a cost of billions of dollars per year. Increasing Social Security benefits for those who have no other income would bring about additional security for millions of elderly and would keep them from having to go hat-in-hand from agency to agency to get the money they need in order to live. It would also bring greater efficiency to the system and save many millions in administrative costs. On balance, however, raising minimum benefit levels would bring about substantial additional costs, and these costs could only be paid by finding a new source of revenue.

ALTERNATIVES FOR PRODUCING ADDITIONAL REVENUE

To address the system's financial problems, President Ford has proposed that Congress increase the payroll tax from 5.85 percent to 6.15 percent for both employers and employees, begining in January, 1977. It is contended that this would cover the deficit the system is presently incurring and would produce a small surplus in the next few years.

Though this plan would produce additional revenues, its primary burden would be placed on the already over-taxed low and middle income wage earners. Thus, the unfairness of the payroll tax would be increased. This proposal would also place additional burdens on business and would penalize workers by making less funds available for future wage increases. In attempting to solve the system's short-term financial problems, the Administration proposal would deepen the injustices of the present payroll tax.

Another proposal for finding additional revenue is to raise the amount of an individual's income on which the payroll tax is levied each year. Raising this limit would provide revenues from those better able to contribute and thus reduce the regressiveness of the payroll tax. Specifically, an increase from taxing the first $15,300 in earnings to taxing the first $25,000 would increase yearly income by about $7 billion—more than enough to cover expected expenditures in the near future.

There are two problems with this approach. First, it would mean a substantial tax increase for millions of middle income workers who are already heavily taxed. Second, the Social Security system would incur additional obligations in the future since benefits are based on the amount of income which is taxed. In the long run, these obligations would be about equal to the revenue produced by the tax increases. Thus, it would not help solve the system's long-term financing problem. It would not increase the fairness of the system since it would pay out virtually all of these increased revenues to higher paid workers who are presumably more able than lower paid workers to set aside money for their retirement. While this approach is more equitable than the tax rate increase suggested by the President, it is really not an answer to the problems of financing and fairness.

MAKING THE SYSTEM OPTIONAL

Many people urge that persons who do not want to participate in Social Security should have the option of investing the money which they now pay in Social Secuity payroll tax in stocks, bonds, private insurance policies or other pension programs. These investments, they claim, would provide a better return than does Social Security.

In any individual case, it is impossible to say whether these claims are true or not. Just as in an insurance system, millions of those who pay into Social Security get back less than they paid—while millions of others get back a lot more than they paid. How much a person receives in benefits depends on how long he lives and how good his health is.

Even if it could be shown that millions of Americans would be better off with a private pension plan than with Social Security, those who advocate making the system optional miss a fundamental point. Social Security is not an insurance system which provides limited coverage to a select few. It is rather a comprehensive system designed to provide protection for *virtually every American* citizen against the risk of disability, death of the family wage-earner, and poverty and illness in old age. As such, it cannot be compared with a private insurance or pension program—there never has been, nor could there be, any private system as complex and comprehensive.

Making the system voluntary would mean its eventual death. This would happen because those who are able to finance their own retirement or who have already earned Social Security or other benefits would drop out, leaving the system with virtually all of its liabilities and few of its assets. Under a voluntary system, Social Security would fall well short of being able to meet its obligations to current retirees and to current workers who have already earned benefits. Making the system voluntary creates many more problems than it solves, and these new problems would have to be solved by federal tax dollars.

MAKING THE SOCIAL SECURITY A STRICT INSURANCE SYSTEM

Some critics contend that political pressures over the years have so expanded eligibility and benefits that Social Security has become a different kind of program than was originally intended. A few of these critics even claim that these expansions have made the program unworkable.

They advocate converting Social Security into a strict insurance system. Specifically, this would mean eliminating the comparatively higher benefits paid to those at the lower end of the income scale; eliminating cost-of-living increases; and reducing the scope of coverage and the number of persons eligible for disability, survivors', and medical insurance.

A strict insurance system would reduce or eliminate benefits for many people who are today eligible for Social Security. The congenitally ill, the disabled, widows or divorcees entering the job market at middle age would be unable to obtain insurance and in the event of death, disability or old age these persons would be cast into the welfare system. This would create additional costs in this already swollen and over-burdened system and would prevent many who could pay their own way from doing so.

By the political decision-making process, these people have been brought into the Social Security system. While their inclusion has solved a number of problems, it has created some inequities. I believe that the political process can bring about a resolution of these inequities.

Those who regard political control of Social Security as a weakness ignore the very positive benefits of a flexible and responsive system. No plan, regardless of how thorough or comprehensive, can anticipate all possible future problems. The fact that Social Security is controlled by elected representatives encourages adaptation to such problems and responsiveness to new needs. The changing role of women, advances in medicine resulting in increased life expectancy, and steep rises in inflation are only a few of the changes to which Social Security has successfully responded. No strict insurance system could so readily adapt to changing social conditions and resulting human needs.

USE OF GENERAL REVENUES

The use of general tax revenues offers the best solution to the three problems of the Social Security system mentioned above—the tax problem, the benefit problem, and the deficit problem.

It solves the tax problem by making it possible not only to halt further increases in FICA tax but to provide reductions in that unfair tax. This would provide important tax relief for low and middle income workers. Another benefit would be to encourage additional hiring. A reduction in the payroll tax for both employers and employees would provide tax relief to industry for the creation of more jobs. These in turn would provide additional federal revenue to finance Social Security. I would propose a phased-in use of general tax revenues with a goal of paying one-third of the system's cost from this source within the next seven to 10 years.

I believe that this could be done without new taxes and without substantially increasing the federal government's debt. To understand how, look at the pattern of the last 10 years. We have seen substantial *reductions* in federal income tax rates and substantial *increases* in the Social Security tax rate. By eliminating a good part of *future* income tax reductions we could gradually lower the Social Security tax. In recent years, the trend has been to lower the progressive income tax and increase the regressive Social Security tax. I am proposing to keep the federal income tax rates relatively level and to substantially lower the Social Security tax. The effect of these changes would be tax relief for the low-paid worker, no increases for the middle and upper income worker, and the overall impact of federal taxes will be fairer.

This proposal also offers the best chance of solving the deficit problem since it ties the fate of the Social Security system to the most prolific money raiser ever devised by any government anywhere—the federal income tax. Use of general revenues is also the most sensible solution to the benefits problem since it would put the funding for the aspect of Social Security which is in fact welfare in the same place as the funding for all other federal government welfare programs. It would tend to unify and simplify both the collection and the disbursing of money for these programs.

CONCLUSION

Forty years ago, the hope behind the Social Security system was that it would save the elderly from poverty. Despite the tremendous growth of the Social Security program, this hope has not yet been realized.

This does not mean that the Social Security system is a failure; it has enriched the lives of untold millions of Americans and rescued many millions more from poverty. Because of changing social and economic conditions, changes in Social Security are needed. These changes must be approached with a solid understanding of what Social Security is today and with some deliberate decisions about what we wish the system to become. We must not let yesterday's ideas about Social Security stand in the way of changes needed to make Social Security a fair and workable system to guarantee a decent standard of living for all of the elderly.

PERSONAL FINANCIAL STATEMENT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. LEHMAN. Mr. Speaker, in the interests of clarity, I am including in the RECORD a revised personal financial statement for 1976 for my wife, Joan, and myself:

PERSONAL FINANCIAL STATEMENT

(As of March 31, 1976)

ASSETS

Cash, $24,856.
U.S. Government Securities, $10,000.
Israel Bonds, $1,000.

Loans and Notes Receivable

William Lehman Leasing, $50,000, Working Capital Loan.

William Lehman, Jr., $165,000 Purchase William Lehman Buick Stock.

Stocks and Securities

1,050 Preferred William Lehman Buick, present market value $105,000.

100 Common William Lehman Buick, present market value $188,075.

44.5 Common William Lehman Used Cars, present market value $35,416.

Real Estate

Condominium, present market value $55,900, less lien $43,700, net $12,200.

Studio, present market value $25,000, less lien $7,571, net $17,429.

Total assets, $660,247.

LIABILITIES

Notes payable

William Lehman Buick, $59,254.
William Lehman Used Cars, Inc. $66,820.
Time Credit Co., $13,000.
Estate of Corrine Lehman, $88,800.
S.E. First National Bank, $26,000.
Liens on real estate, $51,271 (see above).
Total liabilities, $305,145.
Net Worth: $355,102.

DAY CARE VETO OVERRIDE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. STARK. Mr. Speaker, when the House considers overriding the President's veto of H.R. 9803 next week, the Day Care Services Act, I would like my colleagues to be aware of the consequences of their action: without this bill, day care costs are going to go up. Without Federal assistance, day care centers around the country are going to be faced with meeting Federal standards without the necessary resources. Not only will some centers be forced to close, States in some cases will be fined back penalties by the Federal Government for failure to meet existing standards. These penalties will be a severe burden to the States, and resultant cutbacks in social services will have the effect of increasing welfare burdens. In the end, the Federal Government will be paying the price.

Day care has been proven to be a cost-effective Federal assistance effort where others have failed. Whatever policy changes we envision in public assistance, day care is not something we should forsake. It works now. Unless we override this veto, we will be paying for this mistake for years to come.

Our colleague, SHIRLEY CHISHOLM, presented these arguments far more eloquently than I in a recent Wall Street Journal column. I urge my colleagues to heed her words before making this vote:

[From the Wall Street Journal, Apr. 26, 1976]

THE DAY CARE DILEMMA

(By SHIRLEY CHISHOLM)

Economists who evaluate the governmental costs of social welfare programs present varied analyses of both the cost effectiveness and the residual potential of such programs as AFDC, Medicaid and food stamps. There is, in my opinion, widespread acceptance that some public monies must be applied to the problems of the poor and the near-poor in this country. The debate surrounding these "people programs" centers on how much should we spend, and what do we expect to get in return.

Should we measure the success of social welfare programs by how many low-income families enter the middle class? Or, should we acknowledge that we will always have low-income unemployables whose livelihood must depend upon government subsidies? I contend that those of us engaged in this debate have not adequately solved this dilemma, nor have we found meaningful ways to accommodate an economy which, even in the most prosperous of times, defines "full employment" as 4% unemployed.

I have long been an advocate for federal support of many of these life-sustaining programs for reasons other than the monetary return to society. But, the current administration has sought to make the poor the most expendable during the current recession, arguing that we must cut health, education and social services budgets because we can no longer "afford" them. Because of the lack of persuasion those human arguments seem to have, given the current national mood of fiscal conservatism, I have found myself justifying social service outlays on a cost-effective basis.

These programs are defensible because they contain a savings potential—if we administer them properly and fund them adequately.

A LACK OF UNDERSTANDING

Yet, for all the preponderance with tax savings, there is a basic lack of understanding of the economics of welfare among some of my own colleagues and, especially, the current administration. Nowhere has that been more evident than in the day care crisis now brewing. And President Ford, by vetoing the Day Care Services Act earlier this month, made a decision that is not only politically unwise, but financially unsound. For without this legislation, we are guaranteed retroactive financial penalties imposed on state budgets, increased welfare costs, and more unemployment.

More than any other social welfare program, day care is tied directly and specifically to the labor market. Through provisions of Title 20 of the Social Security Act, we subsidize the child care women need in order to participate in the labor market. A large percentage of the children enrolled in these centers are from families which have long histories of welfare dependency but which are now entering the middle class because of the availability of child care facilities.

There has been only a modest commitment on the part of the government to provide this necessary program, despite the fact that the need is escalating because of the changing nature of the American family. The social portrait of the nuclear family in which the father is the breadwinner and the mother remains at home happily tending the kids might be the idyllic vision of family life represented on television and in our literature. But that view is far from reality.

In the past decade, for example, the number of single-parent households increased 10 times more than two-parent families. This translates into a national situation in which one in every seven children is raised in a family in which the father—because of death, divorce, separation or out-of-wedlock births—is absent. Most of these families are headed by women, and a large percentage fall below the poverty line.

It is this group, then, which stands to benefit from day care expenditures, since the dual role of caring for children while providing their financial support falls to these women. With subsidized day care, they can be assured that their children are cared for and can join the labor market and become taxpaying citizens. Without it, they find that their best option is to collect welfare and care for their children themselves.

The availability of day care has resulted in transferring thousands of women from welfare rolls into fulltime jobs, and of cutting the cost of welfare in the process. Now, because of a series of events, day care programs may be severely curtailed and the women who have been able to utilize child care will be forced back onto the welfare rolls.

The emergency is one of a budgetary nature. In 1972, President Nixon imposed a ceiling on federal spending for day care which has not been amended to accommodate the growing costs of personnel, facility maintenance and nutritional costs. Thus, federally-supported centers have been operating on budgets fixed four years ago.

In 1974, Congress attempted to improve the quality of day care by mandating that day care centers comply with their own state health and safety codes, and that they adhere to federally-established staff ratio requirements. But Congress did not make funds available in order to let states come into compliance with these requirements. And so the attempt to upgrade these child care facilities actually created a mechanism through which a good portion of day care centers could be closed down—since centers out of compliance with federal guidelines stand to lose their funding.

Last fall, faced with that predicament, Congress suspended the enforcement of staff ratio requirements on the assumption that these federal requirements were the ones centers were not complying with. A state-by-state survey conducted by the Senate however, provided some surprising results. The Senate survey found that most states were close to compliance with staffing requirements, but were in need of funds to meet health, safety and nutritional standards—regulations which had not been suspended.

Senators Long of Louisiana and Mondale of Minnesota co-authored legislation which would remedy the problem. Their bill, the Day Care Services Act (H.R. 9803), was designed to provide the monies the states reported that they needed in order to bring their centers into compliance with federal requirements.

Since the operation of day care is linked to work availability and incentives, Long and Mondale included a provision which allows states to hire welfare mothers for those staff positions which were open. They correctly assessed that this would result in additional savings to state and local governments by decreasing welfare outlays.

THE EFFECT OF THE VETO

Since the President vetoed this bill, however, we can expect welfare costs to soar. In some states half the day care centers with Title 20 enrollments will be closed. The state of Illinois, where HEW auditors are right now, reports that of the 40,000 children now being served by this program, 35,000 will no longer have facilities available.

In addition, states will be assessed penalties totaling their operating budget for each month they are out of compliance with any one regulation. Thus, if a program is found in violation of health standards in June of 1976, that center will not only be closed, but the state can be fined by the federal government penalties back to October 1975, and will be forced to pay money already spent. For states out of compliance with staff ratio requirements, fines will be imposed back to February, 1976, the date the suspension of these requirements was lifted.

The cost of back penalties to the states is enough to cripple their social service budgets for some time to come. Add to this the number of women who will return to welfare because they will have no place for their children to go, and it is obvious that we will be facing a crisis of major proportions at a time when we are supposed to be embarking on plans for economic recovery.

If there is any one program that is a proven cost-effective investment into the lives and welfare of our lower-income families it is day care; more than any other program, day care provides the impetus for women to break the devastating cycle of poverty which has relegated them and their children to lives of despair. Whatever our national objectives for welfare spending are, we can count on day care to provide a direct monetary return and, at the same time, enhance the quality of life for our greatest natural resource—our children.

Obviously, the need for day care will not go away. Our current economic difficulties have forced more women—many from middle-income families—to look for day care, since they must now work to supplement incomes rendered inadequate by the spiraling cost of living. Yet, with his veto. President Ford has eliminated that possibility for these families.

I am certain that many state offices share my concern for the day care program; governors know that, unless this veto is overridden when Congress resumes after the Easter recess, they will face nearly insurmountable fiscal problems. President Ford and his economic advisers have been advocating a posture which is supposed to bring us out of the worst economic crisis in 40 years. Yet, by his action on this bill, he missed an obvious opportunity to relieve the welfare rolls, decrease unemployment, and help two million of our most needy youngsters in the process.

LITTLE LEAGUE DAY

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. RUSSO. Mr. Speaker, the simple pleasures of life and the continuity provided by traditions are essentials for our well-being these days if we are to withstand the onslaught of constant change and challenges to our routines and lifestyles.

So along with welcoming spring, I enthusiastically welcome the opening of another Little League baseball season. Having now gained the stature generally reserved for the big guys in the majors, Little League can be mentioned right along with mom and apple pie as a staple of our culture. It blossoms in the spring as predictably as daffodils and spring fever.

I applaud the young people participating in Little League and commend its supporters because of the significant contribution Little League makes to the healthy development of youth. It provides a necessary sense of accomplishment and the discipline of physical challenge along with teaching first hand the requirements of teamwork and the spirit of competitiveness.

This Sunday, May 2, is Little League Day in Illinois as the West Lawn Little League officially begins its season, starting with a parade in Chicago prior to the first pitch in Marian Fathers' Field.

This is a tradition begun in 1969 when then Gov. Richard Ogilvie first noted the West Lawn opening as the official day of recognition for the Little League, and each year since the Governor has so proclaimed the day. Responsible for this special recognition for the West Lawn Little League are former president of the West Lawn League, Gregory Serratore and Mrs. Dolores Giannini, a supporter of the league. They were likewise instrumental in 1969 in getting Mayor Richard J. Daley to similarly proclaim the opening day of the season—the first Sunday in May—as Little League Day.

Competition for the West Lawn Little League began back in 1958 on fields loaned through the kindness of the Marian Fathers. The boys have now played on the fields for 17 consecutive years and this year marks their 18th year. Growing from its small beginning as a five-team league, West Lawn is presently a major league. Little League composed of six PeeWee's with 84 boys, eight minor teams with 128 boys, eight major terms with 120 boys, seven senior league teams with 105 boys, and one big league team with 18 boys.

The league has proved itself outstanding in tournament competition, winning the district title 10 of its 17 years, winning sectional titles in 1968, 1972, and 1973, and winning the State titles in 1968 and 1972. West Lawn finished second in 1968 in the northern region, comprised of 13 States; came in second in 1972 in the Central region, and in 1973 second in the State tournament.

I am sure my colleagues will join me in commemorating Little League Day in Illinois and in wishing the West Lawn Little League another successful season.

A TIME FOR CAUTION

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. DERWINSKI. Mr. Speaker, tomorrow is the day we separate the men from the boys. Those who are for freedom from coercion for Federal employees will vote to sustain the President's veto of H.R. 8617.

The Catholic Standard published a great editorial on Thursday, November 13, 1975, which is still pertinent and valid, and I want to bring it to the attention of the Members:

> A TIME FOR CAUTION
>
> The move to repeal the Hatch Act is, we believe, loaded with boobytraps and should be made only after a referendum of government workers clearly indicates their support of such a repeal.
>
> The Hatch Act forbids federal and District government employees from running or office or working on behalf of a party-backed candidate. The Act was passed in 1939 and has been upheld in court. The main argument put forward for repealing it is that it makes second-class citizens of government workers by denying them some rights enjoyed by others.
>
> There's no disputing the fact that government workers do give up certain rights. But our primary reason for being wary about repealing the Hatch Act is that it protects government workers from exploitation. The abuses that led to passage of the Hatch Act seem to us to be lurking over the horizon, waiting to reappear.
>
> Those who work for the government are civil servants. They serve the public. Their jobs and their advancement or lack of it should not be tied in with their willingness or unwillingness to work for or contribute money to a colleague or superior who's campaigning for office.
>
> Proponents of the legislation to repeal the Act assure us that there are built-in protections to avoid abuses. But we all know, or should know by now, that in government circles what starts out as optional all too often becomes mandatory. A government worker could be told that just because his or her superior is running for office, there's really no obligation for said worker to support the superior or contribute to the campaign treasury. Of course, it's true that nearly everybody else in the office is also a campaign worker, but don't let that influence you . . .
>
> If you think that won't happen, then you're more optimistic about political campaigns than we are. In our view, the courts almost certainly would be glutted with cases charging intimidation or coercion. And in many, many more instances a government worker would never know—not for certain—whether he or she was, for example, passed over for promotion because of a failure to be a campaign workhorse.
>
> Government workers are the ones who will be affected by this very serious legislation. It seems to us that simple justice demands that their views on this issue be unmistakably clear.

RETIREMENT OF MR. RALPH BREDENBERG

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. RYAN. Mr. Speaker, on the evening of May 1 the students of Capuchino High School in San Bruno, Calif. will be paying special tribute to Mr. Ralph Bredenberg, director of the Capuchino High Marching Band, on the occasion of his retirement from that school.

Mr. Bredenberg has served the San Mateo Unified High School District since 1951 and is a native of Turlock, Calif. He had many years of musical experience before coming to Capuchino High School including serving as director of the 525th U.S. Air Force Band at Sheppard Field, Tex., and director of the community band in Chowchilla, Calif. In an effort to broaden his knowledge and thereby enrich the learning of his students, Mr. Bredenberg in 1970–71 traveled in the United States and abroad in order to familiarize himself with the musical programs of various schools.

From a personal standpoint, Mr. Bredenberg's retirement is a kind of milestone for me. Mr. B.," as he is known to all of his friends and to his students, began teaching at Capuchino High School shortly before I came to that school as a teacher in 1951. Ralph Bredenberg and I became professional colleagues and good friends during the 10 years we were together at Capuchino. Certainly one of the most memorable events in his life and in mine, too, was the year that the Capuchino High School Band represented the entire State of California in the Kennedy inauguration celebration on January 20. 1961. No one who was present on that occasion can forget the sight of 128 young men and women marching up Pennsylvania Avenue in the bitter cold of that afternoon. The quality of the band on that occasion is simply the standard which Mr. "B." has always insisted upon in his work throughout his entire professional career. His band also participated in the Tournament of Roses Parade in 1966. On several occasions the band has appeared in Disney parades and received awards and special recognition for their outstanding abilities.

In addition, they have received a multitude of awards for their participation in numerous State and local competitions and special events.

Certainly, Mr. Ralph Bredenberg has played an important role in the lives of many of the students at Capuchino High School. Not only has he trained thousands of young men and women to be accomplished musicians, but he has educated a whole generation of young Americans in the concept of excellence in themselves. I know of few men in my life who were as meticulous and as demanding in performance as Mr. Bredenberg. It was easy for him to do so because he applied the same standards first to himself. While he certainly deserves a pleasant retirement, he is one of those men whose absence from daily classes will be a significant loss to the parents and children living in the area of Capuchino High School. He also has my own sincere best wishes for a satisfying life in this change in his career.

MR. LLOYD HOLMLIN

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. RUSSO. Mr. Speaker, many events worth noting are somehow tinged with both joy and sorrow. Such is the occasion of the retirement party for an unselfish and dedicated community leader.

On May 5 in Blue Island, Ill. a banquet will be held to honor the retiring executive secretary of the Blue Island Chamber of Commerce Mr. Lloyd Holmlin. It will be an evening of festive high spirits, I am sure, as memories are shared and anecdotes recalled. But what a sense of loss the organization and its members suffer when one of such talent and capacity for giving withdraws from an active leadership position. As one of his friends remarked:

> The loss of this dynamic man to our Chamber is indeed bad news for us.

Mr. Holmlin was an original founder of the Blue Island Chamber and has served as executive secretary for 25 years. Now, he can look with satisfaction on how his organization has grown and take special pride in the role he played in shaping this fine community-spirited group.

From the smallest of beginnings, the group has grown to an active community organization with 300-paid memberships, placing it among the most successful in the State of Illinois. It is one of only two chambers in the greater Chicago metropolitan area that is an associate office of the U.S. Department of Commerce, making it eligible for all that Department's publications and resulting in a fine library for its members.

As is often the case with our ablest community contributors, Lloyd has not limited himself to one arena of activity. His presence has been felt throughout the area through his involvement in numerous community organizations.

He is a member and has held office in the Masonic Lodge 716, Elks Lodge 1331, Grace United Methodist Church Men's Club, Blue Island Lions, Blue Island Planning Commission, Friends of the Blue Island Library, Blue Island Historical Society, the Association of People, and the Blue Island Deacons Club.

Clearly, here is a person of generous spirit and warmth, and I know my colleagues join with me in commending him for his accomplishments and contributions and in wishing him well-deserved happiness in the future.

FORD MADE THE RIGHT DECISION ON TRADE

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. FINDLEY. Mr. Speaker, the American consumer should applaud the President's decision to keep the trade doors open. Mr. Ford's refusal to recommend tariffs on shoe imports will save the consumer dollars at the shoe store. It will preserve the consumer's right to choose from a selection of both American and foreign produced products at a comfortable price.

The policy signal sent to our trading partners was positive for the American farmer. He is dependent on the marketplace both at home and abroad for a fair price for his product. The President's decision sets a positive policy position for the trade negotiations.

If we expect fair treatment from our trading partners, we must treat them as we would want them to treat us. Erecting tariff and quota barriers is not the way to proceed. As a recent Washington Post editorial points out, the President rightfully rejected the protectionist route in the shoe case.

An editorial supporting the President's decision from the April 22, 1976 Washington Post follows:

The Right Decision on Trade

President Ford faced an extremely uncomfortable choice in the shoe tariff case. He answered it exactly the right way. Otherwise all of us would very shortly have found ourselves paying more for shoes. Mr. Ford and his special trade representative, Frederick B. Dent, are entitled to great credit for a decision that constitutes both good economic policy at home and good foreign policy in the world. The decision has been greeted with the ritual shrieking and fist-shaking by those senators and congressmen whose constituents work in shoe factories. But the tariffs they sought would have given the small shoe companies very little real protection—and that little bit would have been purchased at inordinate cost to American consumers.

Over the years the volume of shoes imported into this country has risen substantially. One reason is the repeated failure of a good many American manufacturers to meet new fashions as rapidly as their foreign competitors do. The American manufacturers and the unions demanded government protection, and took their case to the International Trade Commission. The six-member commission split three ways in its recommendations to the President. That left Mr. Ford, in the midst of an election campaign, with a large question to answer.

Trade policy illustrates one of the perennial perplexities of democracy. The narrow interest is always the most vehement and the most energetic. The broad national interest may be far more substantial, as it was in this instance, but it is thinly spread over 215 million people of whom very few are even aware that it exists. Companies in trouble also tend to exaggerate grossly the share of their misfortune that is owed to imports. It is always easier to blame the foreigners for lost sales, rather than other causes lying closer to home. The government then finds itself dealing with a hotly emotional campaign to "save jobs" from foreign invasion, when it knows perfectly well that—again, as in the shoe case—no tariff is going to rescue the small and declining American manufacturers. The narrow interest lies in the preservation of markets, businesses and employment, which lends itself to flag-waving. The national interest is expressed only in the abstractions of foreign policy and the inflation statistics.

In the shoe case, the ferocious tariffs that three of the trade commissioners proposed, and that the industry wanted, would have cost American consumers several billion dollars a year. The impact on the inflation rate would have been severe. The tariffs would also have cut down sharply on the range of styles available to the buyer. Here Mr. Ford's decision was made a little less difficult, in political terms, by the emergence of an effective and well-heeled counterlobby of shoe retailers, who accurately argued that the tariffs might endanger as many jobs in the stores as they tried to preserve in the factories. At the same time the tariffs would have had a drastic effect abroad. The largest exporter of shoes to the United States is Italy, whose economy is already in a profound recession that may shortly bring the Communist Party into office there.

Even if this country had been prepared to bear all these different kinds of costs, it is extremely questionable that the tariffs would actually have helped many working people. Even the International Trade Commission doubted that protection could have done much for the small companies. As for the big ones, they have evidently been competing quite successfully with the imports.

Mr. Ford has decided two major international trade cases in the past several weeks. Of the two, the specialty steel issue involved much less money directly. But perhaps it cast the longer shadow, since the outcome there may turn into a precedent for the steel industry as a whole. The International Trade Commission had recommended quota protection for the specialty steel makers. Mr. Ford instead is going to try to negotiate import limits with the countries that ship steel here. It is an anticompetitive market-sharing strategy, and a bad choice. Regarding shoes, in contrast, Mr. Ford has gone the other way and welcomed the expansion of trade. To those who may be pushed out of business, he offers exactly the right remedy: adjustment assistance.

For individual workers, this assistance means better unemployment compensation, job retraining and perhaps even help in relocating. For firms, it can mean technical and financial aid to modernize or to switch into other products. Rather than trying to keep sinking enterprises afloat indefinitely at the expense of the consumer, it is vastly better to use public money to help both employees and employers escape from obsolete and declining business into more promising ventures.

On trade Mr. Ford is batting .500 so far this season. For an election year, that's not so bad.

APOLOGY FOR ERROR

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. DENT. Mr. Speaker, on April 1, 1976, during the consideration of H.R. 12406, I made some remarks concerning a group which identifies itself with the acronym "TRIM." At that time I identified this organization as a political arm of the right to work movement. Subsequent to that time I received correspondence from the National Right To Work Committee informing me that they had no knowledge of the existence of such a group. I regret having made these misinformed comments, and I wish to apologize to the members of the right to work movement for this error.

THE BEST WAY TOWARD NEW JOBS

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. VANDER JAGT. Mr. Speaker, I am pleased to add my fullest support in behalf of those speakers in recent days here in the House advocating passage of the Jobs Creation Act, H.R. 12802, and the need for capital formation in general. I have been an enthusiastic cosponsor of this legislation which could have such good and profound implications for the economic well-being of our country.

As the principal mover of this legislation—Congressman Jack Kemp—has indicated previously, we now have 103 cosponsors of the Jobs Creation Act. I, of course, have been included on the identical measure, H.R. 8054 introduced nearly a year ago, June 19, 1975.

In my position as a member of the House Committee on Ways and Means, there have been many opportunities during debate on tax reform and other related issues to become totally convinced that the future of this Nation is severely threatened from within unless we recognize and meet the challenges to our free enterprise system. Basically, we have chosen in recent years to ignore the most fundamental economic concepts and have allowed mindless, harmful political considerations to determine the direction of Federal Government programs having the ostensible purpose of providing job opportunities for the unemployed. Such Federal job palliatives have done no more than provide temporary positions for a very limited number of people at a terribly high cost to the taxpayer. I do not mean to suggest that jobs for the unemployed are unimportant. They are very important. We cannot ever be satisfied with high unemployment rates in this country. But at the same time we cannot afford to create unproductive temporary jobs. The funds, for which, are simply an income transfer and a drain on the capital base which could provide long-lasting jobs adding to the real wealth of the Nation.

It is time the public understood that real wealth can be produced only from savings. The farmer produces no crop unless he secures seed from the previous year. The manufacturer does not add to his machinery stock unless he retains earnings from the previous year. Savings are necessary by some if loans are to be made to others for new homes. Nations whose savings and reinvestment rates are the highest have experienced the most substantial economic growth over the years.

This legislation very effectively encourages savings and investment. It does so in a number of ways. First, it provides tax credits for qualified savings and investments. Second, it enlarges the dollar amount for individual retirement accounts, savings, and bonds. Third, it excludes from gross income of individuals the dividends received from private corporations. Fourth, it excludes from taxable income the first $1,000 of capital gains. Fifth, it reduces the corporate income tax rate from 22 to 20 percent and the corporate surtax from 26 to 22 percent. Sixth, it increases the corporate surtax exemption on a permanent basis to $100,000 from $25,000. Seventh, it increases the asset depreciation range from 20 to 40 percent. Eighth, it provides for a new alternative method of accelerating capital recovery. Ninth, it provides for a 1-year writeoff of mandated pollution control facilities. Tenth, the estate tax exemption for small businesses and family farms has been increased from $60,000 to $200,000 with a 5-year deferral, 20-year payment period after deferral and lower rate of interest. Eleventh, the investment tax credit would be 25 percent for businesses with income up to $25,000, 20 percent up to $50,000 and 15 percent above $50,000. Twelfth, capital gains on the sale of small businesses would be deferred if those gains were reinvested in other small businesses. Thirteenth, Industrial Development Agency bond interest exemption would increase from issues of $1 million to issues of $10 million.

All of these benefits would be job stimulative. They would stimulate jobs of a productive nature. These jobs would be created out of savings and not from income transfers. In both the short and long term these benefits will contribute to the economic well-being of the Nation. I urge all other Members of the House to support this legislation. I say let us get on with the job at hand; let us be productive and constructive right here in Congress; let us pass a bill that best serves the unemployed of our country who seek a decent job; let us enact H.R. 12802.

UNITED VETERANS COUNCIL OF PHILADELPHIA SUPPORTS LITHUANIAN INDEPENDENCE

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. EILBERG. Mr. Speaker, the United Veterans Council of Philadelphia recently adopted a resolution indicating their interest in the continued U.S. policy of nonrecognition of the occupation of Lithuania by the Soviet Union. The resolution was submitted by Leo R. Bura, who is of Lithuanian descent and commander of the Federal Employees Veterans Association.

The resolution adopted:

Be it resolved that on the occasion of Lithuanian Independence Day, the 16th of February, we declare our continuing opposition to the occupation and enslavement of the Lithuanian people by the Soviet Union.

We urge the Government of the United States to continue the policy of non-recognition of the occupation of Lithuania in the Soviet Union, and we also express our sincere hope that the day will come when the Lithuanian people will be free from Soviet occupation.

Mr. Speaker, I am proud to note that the House of Representatives continues to support efforts leading to the freedom of the Lithuanian people. On December 2, 1975, the House passed H.R. 864 on behalf of all three Baltic States, Estonia, Latvia, and Lithuania.

THE FORGOTTEN CITIZEN

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. CHAPPELL. Mr. Speaker, those of us who are concerned about the apparent attempt by State Department officials to negotiate away the interests of the United States in the Panama Canal will be interested in an article by James Nelson Goodsell which appeared in the Christian Science Monitor. The American citizens who live in the Canal Zone and work on the Canal are vitally concerned about the negotiations and many of them feel, as I do, that the United States cannot compromise its position there. Mr. Speaker, I insert this article into the RECORD. The article follows:

AMERICA'S "FORGOTTEN" CITIZENS IN THE PANAMA CANAL ZONE

(By James Nelson Goodsell)

BALBOA HEIGHTS, CANAL ZONE.—Beseiged by Panama, neglected by Washington—that is how American residents of the Panama Canal Zone see themselves.

The Zonian, as the Canal Zone resident is called, is apprehensive about current Panama-U.S. negotiations over a new treaty to control the Panama Canal. He feels like the forgotten figure in the negotiations.

"We don't know what is going on," commented a woman in a Canal Zone supermarket. "My husband comes home at night and he wonders whether he'll have a job tomorrow. You know how those diplomats are."

She was referring to U.S. Ambassador Ellsworth Bunker, head of the U.S. negotiating team.

Other women in the supermarket made similar comments, and all preferred not to be identified. "It might hurt my husband's job," one said.

But there are spokesmen who do identify themselves. One is Douglas C. Schmidt, president of the residents' civic council on the Pacific side of the canal.

"We feel this [negotiation] is a kind of giveaway program," he said. Most Zonians are not convinced that Panama should gain control of the canal, he said, or that substantial changes in the control and structure of the Canal Zone itself should be negotiated.

He elaborated, "We are concerned about the future of the Panama Canal. Many residents feel that we built it, and therefore we ought to stay here and operate it." Most of the residents are U.S. citizens.

Mr. Schmidt is worried about what he sees as a lack of information on the treaty talks. United States Embassy personnel in Panama City have come into the Canal Zone to talk with residents, but their visits have not been entirely satisfactory in the view of the Zonians.

"You've got to realize," Mr. Schmidt said during an interview, "that many of us were born here. Our parents, maybe even our grandparents, worked on the canal before us. We went away to school, as I did, and then came back to find our own jobs here. This was home when we were growing; it is home now."

Job security concerns Zonians. Will a new treaty afford them job security? Will such a treaty provide for retirement benefits? What of home leave? What about advancement in jobs, in salaries, in quarters?

"These questions just aren't being answered," Mr. Schmidt said. "Maybe the negotiators don't know. But we sometimes feel we aren't being listened to when we raise these issues."

Mr. Schmidt says he has talked with Ambassador Bunker, others on the negotiating team, and people from the U.S. Embassy in Panama City.

HOUSE CONCURRENT RESOLUTION 611 AND VETERANS BENEFITS

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. BEDELL. Mr. Speaker, we are here today to consider House Concurrent Resolution 611 which for the first time allows the House to rationally consider in total the moneys and separate programs for which we must eventually vote. Moreover, it allows those of us in the Congress the opportunity to place an overall sense of priorities on the directions such step-by-step decisions will lead us toward.

One such priority which I believe we must firmly establish is that those receiving veterans benefits have a right to receive the full value of such benefits. Inflation caused decimation of veterans disability compensation, veterans pensions and education benefits under the GI bill is in fact a retraction of past commitments made by this Government, if left uncorrected.

Unfortunately, the President neglected to include such necessary cost-of-living increases when he submitted his original fiscal year 1977 budget proposal to the Congress. Nor did he see fit to include such increases in the revised budget message which he also submitted.

I propose that we do not join in that act of neglect by failing to provide the men and women who have already sacrificed to serve this Nation in times of greatest stress, the means for keeping pace with today's rising costs.

House Concurrent Resolution 611 represents a most promising experiment by the Congress to impose upon itself the discipline of fiscal responsibility. A guarantee of the continuing quality of veterans benefits, undiminished by inflation, is essential if we are to be morally responsible as well.

At the very least, in the name of fairness, we must provide allowance for cost-of-living increases for these important programs in the fiscal year 1977 budget.

TREE AND STAND DEVELOPMENT—THE LOBLOLLY PINE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. BROWN of California. Mr. Speaker, terms often mentioned in connection with forest management are "rotation cycle," "allowable cut" and "maturity." The calculation of a tree's or a stand of trees point of maturity, where production of wood fiber has reached a plateau or begun to decline, is dependent on adequate knowledge of each species rotation cycle—the cycle from the seedling stage to death—and the decision that a tree or a stand of trees has reached the point of allowable cut is based on the determination of its maturity.

Such calculations are complicated to the layman and so I would like to include in the RECORD today an article entitled "The Mineral Cycle in Forest Stands" by G. L. Switzer, L. E. Nelson and W. H. Smith. It summarizes the nutrient cycle of the loblolly pine and clarified the connection between this flow of nutrients and the development of trees and stands of trees.

The article follows:

THE MINERAL CYCLE IN FOREST STANDS[1]

(By G. L. Switzer and L. E. Nelson and W. H. Smith)

The pathways of nutrients from soil through living systems and return is commonly designated the nutrient cycle. The gross characterization of such cycles within the biosphere and ecosystems is common knowledge but in reality the interchange is complex and involves many and varied subordinate cycles. For example, in forest ecosystems it is easy to see that nutrients associated with the annual turnover of the foliar fraction go through shorter cycles than those associated with woody tissues which depend upon the death and decay of the tree, or parts of it, before returning to the substrate. Another example of the complexity of the interchange of nutrients is the fact that the cycles are not within closed systems; nutrients are added and lost (Ovington, 1965; Rickerk and Gessel, 1965; Bormann and Likens, 1967; Bazilevic and Rodin, 1966).

A discussion of these complexities could continue at length; suffice it to say that students of nutrient cycles usually give a lifetime to it and nearly always involve a number of colleagues (Remezov, 1956). Thus, much of what is discussed in this paper can be no more than general and you should be aware that the bulk of this 3-day program is related, in detail or superficially, to specifics of mineral cycles.

The intent of this short paper is to illustrate some of the fundamental aspects of the subject. Comprehensive literature reviews of nutrient cycling are available elsewhere.

DYNAMICS OF TREES AND STANDS

Since mineral circulation is closely linked to dry matter production and accumulations of the biomass, initially it seems appropriate to consider some of the salient aspects of the dynamics of tree and stand development and then conclude with the associated nutrient cycling.

Tree Development—Tree developmental rates are inherently different. We are all aware of this and the practical consequences. Sharp contrasts in tree development are shown in the comparisons of loblolly pine (*Pinus taeda*), a ubiquitous conifer of warm-temperate regions of the southeastern United States and birch (*Betula spp.*), deciduous trees of cool to cold temperate regions. The differences of note here are both the rate and the magnitudes associated with time. For example, it takes a birch tree 55 years to reach a total weight comparable to a 10-year-old loblolly pine. Obviously, loblolly pine has a more rapid rate of growth and a greater potential for dry matter production. It is also important to note that development in all dimensions is continuous for both.

Stand Development—Comparable patterns of development in practically all stand characteristics can be seen with these apparently different species. The difference between them is in time—time required to achieve and pass through a development stage being shorter for loblolly than for birch. Thus, as we have already noted for the development of individual trees, there are inherent species differences. In fact, we recognize differences in rates and magnitudes of development for a species by our classifications of site productivity.

However, as noted, comparable patterns of development are present. One of the striking common aspects of stand development common to all species, which has significance in the nutrient cycles, is the change with time in the relative distribution of accumulated dry matter among the stand parts. The foliage reaches a maximum early in the life of the stand—around 25 years for loblolly—and then remains fairly constant (*ca.* 3-4000 kg/ha.). In contrast, the maximum levels of stem and branchwood are reached about 20 years later and are considerably larger. Thus, the relative proportions of the stand parts change considerably as the stand develops. These changes, which are also reflected in the ratio of foliar to support structure, affect the relative importance of the stand parts in the nutrient cycle and undoubtedly have broader biological significance.

Accompanying the changes in the distribution of dry matter (biomass) during stand development is a change in the stand population. A relatively rapid decline occurs during the period of foliage accumulation, while relative constancy is approached during the period of stem and branchwood maxima. The similarities are further amplified by the fact that the populations of the two species approach equality.

Foresters use the terms *current annual increment* and *mean annual increment* to express rates of growth. Current annual increment is the amount of growth that has taken place in one year, while mean annual growth is the average rate of growth over the life of a stand. The former is useful in pinpointing the period of most active growth; the latter is useful for economic analyses. The rates of growth are different for the various parts of the loblolly pine stand and the maximum rates for all parts occur before 30 years. Maximum rates of growth, as indicated by current annual increment, occur earliest in the crown components—the foliage and branches—which are the largest nutrient sinks during this period of development. Current annual increments decline sharply after this formative period, particularly for stems and branches, while rates of foliage production tend to become constant. These data indicate that growth (and nutrient demands) is greatest during the early or formative years of the stand and may have implications regarding fertilization.

The preemption of old-field habitats by plantations or natural stands is a common phenomenon of management and natural succession. The change in vegetation on such habitats—from grassland to forest—is a broadly significant period in stand development. This period of development for loblolly pine plantations is characterized by a rapid change in vegetation dominance and accumulation of dead and decaying organic matter on the soil surface. For example, at planting the site is dominated by grasses and herbs, but within seven years trees dominate the site and dry matter is accumulating at a rapid rate in both the trees and the surface organic matter. As will be noted later, these changes are accompanied by significant shifts in the pathways and quantities of nutrients within the system. Also of significance here is the apparent rapid approach toward equilibrium of the surface organic material and the fact that it closely follows the pattern of accumulation of stand foliar mass.

Comparison of tree and stand development—In concluding this discussion of stand and tree dynamics, it is important to note a significant difference in their development. Our concept of production, or stand growth, is in terms of fixed areas. As a result of this limitation of occupancy, net production or accumulation in stands reaches equilibrium much earlier than that of individual trees which necessarily occupy larger areas as they increase in size. This essential difference is reflected in the accretion of dry matter within comparable stand and tree parts. The foliar and stem fraction of stands to tends to equilibrium after approximately 20 and 50 years, respectively, while that of individual trees continues through the extent of our data. The significance of this difference is recognized in silvicultural practice and is important to keep in mind when contemplating and evaluating stand or tree fertilization.

On the basis of comparative development of productive and support tissue, the chief differences between stand and tree development are in the initial three decades. During this interval the differences in the foliage-stem ratios of the tree and the stand are greatest, while afterward they are essentially the same.

NUTRIENT CYCLING

With this brief refresher of stand and tree development and the reminder that nutrient accumulation, distribution, and cycling within the ecosystem closely parallel that of dry matter, let us take a look at some aspects of nutrient cycling. Because of limitations of time and space, N will be used to illustrate the principles involved.

Accumulation of macronutrients in the standing biomass—During the first 30 years, the quantities of nutrients are accumulated in the order, $N>K>Ca>Mg>P>S>$, while during the remaining 30 years there are some changes in the accumulation and the order becomes $N>Ca>K>Mg>S>P$. The rates of uptake of all nutrients are greatest during the early life of the stand and by age 45 nutrition is mostly a matter of cycling. The maximum rates of uptake of N occurs during the first 10 years of stand life, of P and K during the second decade, and of Ca, Mg, and S during the third decade. Uptake of N, P, and K more closely follows canopy development, while that of Ca, Mg, and S follows stem dry matter accumulation. A large fraction of the N, P, and K is apparently translocated, both within the biomass and within all parts of the system, while a large fraction of the Ca, Mg, and S is immobilized in the woody parts of the tree. Thus, there appear to be differences in the rates of cycling of the various nutrients.

Total N content of trees and stands—The total amount of N contained in a tree increases with age; the rate of accumulation within the different parts of a tree is highest for the stems, lowest for the foliage, and intermediate for the branches. This results in a relatively high proportion of the N in the foliage early in the life of the tree and a smaller proportion as the tree matures.

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[1] Journal Contribution No. 1535. Miss. Agr. Exp. Station.

The maximum accumulation of N in the foliage occurs early in the life of the stand and then decreases slightly. In contrast, accumulation in branches and stems continues until late in the life of the stand, when the rate diminishes. Tissue concentrations exhibit little change with stand age. Thus, the patterns of nutrient accumulation are mainly reflections of both dry matter accumulation and changes in the relative distribution among the tree and stand parts.

The accumulation of nutrients by agronomic crops is known to be associated with the stage of plant and stand development. Similarly, accumulation of nutrients by the tree portion of a forest ecosystem is modified by the stage of tree development and the composition of the competing flora on the site. Nitrogen accumulation patterns are similar to dry matter accretion patterns and thus N in the system shifts from the herbaceous plants to the stand fractions during development. For example, at establishment, 75 kg is contained in the herbaceous materials and five years later 75 kg is still in the flora but in different plant materials. Shortly after crown closure, at about 7 years, N accumulation in the trees and surface organic matter increases sharply. This rapid accretion continues until about 20 years and reaches a total of ca. 220 kg in the aboveground portion of the ecosystem. Over the same period soil N increased by 1200 kg/ha, the bulk of which occurred during the period of maximum surface organic matter accumulations. The annual increase of N in the ecosystem during the 20-year period was 70 kg/ha.

The general impression is that the quantities within the various fractions of the ecosystems are comparable. An exception is in the quantities accumulated in the forest floor. This difference would be expected from the climatic differences between the sites.

Within the loblolly pine ecosystems at 20 years is some 2300 kg of N, of which only 20% is in the organic fraction; in fact the trees contain only 13% (300 kg). Thus, about eight times more N is contained and cycling in the entire ecosystem than is contained within the trees. It is interesting to note that essentially the same relationship exists in the Corsican pine ecosystem.

Annual N circulation—The total N requirements of the stand for new tissues (additions and replacements) is *ca.* 70/kg/ha of which 38 kg comes from the soil. The remainder of the N is translocated from tree parts—chiefly foliage—prior to loss as litter materials. The lost materials contain about 30 kg of N; thus, uptake less that returned in litter equals accumlation within the trees—at this age, some 8 kg/ha.

Thus, the quantity of N cycling within the system is *ca.* 9 times (70 vs 8) greater than the quantity being immobilized within the standing trees. Other portions of the system, the forest floor etc., also incorporate large quantities of N; thus, there must be considerable N within the system to satisfy the relatively small immobilization within the trees.

An additional significant point regarding quantitative aspects of the annual cycle is the amount of nutrients involved in translocation wholly within the sanding biomass—in this case estimated as same 30 kg of N/ha. This N, involved in an internal cycle, is translocated from the older foliage prior to abscission and utilized in the production of new tissues. This internal cycling is probably just as significant in deciduous species.

Differences chiefly involve the quantities. For, example, during the fifth year of development of a loblolly pine plantation (Smith, 1965) the difference in uptake and return of N is 20 kg/ha. At the same time, uptake and return of N by herbaceous plants is 25 kg/ha. Similarly we know that as stands differentiate and approach maturity, uptake by the understory and other plants of the succession becomes significant.

CONCLUSION

The principles presented here with examples from a loblolly pine ecosystem are intended to emphasize the importance of the ecosystem concept and the dynamic processes involved in the conversion of nutrients and energy by a forest (trees and stands)—not only in terms of harvestable timber but in the broadest terms of benefit to man. The forester must have a better grasp of the dynamic processes of the ecosystem for an understanding and full employment of such silvicultural manipulations as fertilization that are available.

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BILL RUSSELL PRESENTS THE PAINTINGS OF PHOEBE

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mrs. BURKE of California. Mr. Speaker, Bill Russell, general manager and head coach of the Seattle Super Sonics presented the paintings of Los Angeles business executive Phoebe Beasley. The one woman show opened with an invitational showing on Tuesday, March 16, 1976. The exhibit was presented to the public from March 18 to April 6 at the Polly Friedlander Gallery in Poineer Square, Seattle, Wash.

Ms. Beasley, an account executive at KFI radio, authors her paintings in "Phoebe." She began her art career in her hometown of Cleveland, Ohio, where she attended Cleveland Institute of Art while she was enrolled at John Adams High School. Phoebe majored in painting at Ohio University in Athens, Ohio. She received her bachelor of fine arts in 1965 and taught high school art for 4 years. Her work has most often been exhibited at the renowned Karamu Galley in Cleveland.

Since Phoebe's arrival in Los Angeles in 1969, she has continued to study, paint and sell her work. She enrolled in Art Center School of Design, and has painted for several years under the guidance of Prof. Paul Souza of Art Center.

Ms. Beasley's paintings have a textured quality. She mixes paper and pictures along with paint, pen and ink, even pencil in her paintings.

Much of Phoebe's work has been commissioned. This included works in the collection of Mr. and Mrs. William A. Burke of Los Angeles and an extensive collection owned by the Seattle show's sponsor, Bill Russell.

SPACE SPINOFFS AID MAN

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. TEAGUE. Mr. Speaker, Mr. Jon Donnelly of the Richmond News Leader wrote an interesting article dealing with space spinoffs and how they are contributing to contemporary society. I am convinced that the technology transfers have more than paid for the cost of the space program and I urge my colleagues to read this interesting article:

SPACE SPINOFFS AID MAN

(By Jon Donnelly)

It's difficult to imagine a more diverse group than an astronaut, a heart disease victim, a businessman, a housewife, an environmentalist and a hang glider enthusiast.

A bond, however, does exist, according to the National Aeronautics and Space Administration. Each category of person, NASA says, has benefited significantly from the nation's space program.

In a 104-page document called "Spinoff 1976, A Bicentennial Report," the space agency summarizes its program to transfer space-developed technology and expertise into other areas of national life.

These technology transfers, NASA says, "are all around us" and "have more than paid for the cost of space missions."

Examples cited include cardiac pacemakers for heart disease victims; sophisticated computers for businessmen; labor-saving devices for housewives; improved resource conservation for environmentalists and the basic design of hang gliders, which are growing in popularity.

AGENCY'S ROLE

While claiming a share of the credit for technological benefits, NASA notes its mission has been "civilian from the start."

From its creation in 1958, the agency's role has been to provide "the most effective utilization of the scientific and engineering resources" of the nation.

At the same time, "we believe that much more can be done to improve the transfer process, and are dedicated to making it happen," the Bicentennial report says.

If the space program's advances during its 19-year history had been limited to space alone, the multibillion-dollar cost still would be justified, NASA says.

The challenge of putting a man on the moon stimulated the nation, enhanced the economy and contributed to man's knowledge of the earth and the universe, the report says.

Closer to home are the thousands of satellites that have been launched. At the beginning of this year, 375 of the 750 units orbiting earth were put there by the U.S.

Among the jobs done by these satellites, the report says, is monitoring weather conditions, providing a worldwide communications system, improving air and sea navigation and helping in conservation.

TECHNOLOGICAL AID

But space technology spinoff has extended beyond those levels, the NASA report says.

At least 75 nations are receiving technological aid that can be traced to the space program. The aid ranges from improved medical treatment to better farming equipment and techniques, to increased industrial productivity.

In the field of medicine, the best known space spinoff probably is the cardiac pacemaker, "an outgrowth of miniaturized solid-state circuitry developed for spacecraft," according to NASA.

Following close on the original heart stimulator is a unit that is rechargeable through the skin and that eliminates the need for repeated surgery.

Paramedics equipped with emergency units called "Telecare" are able to bring vital cardiopulmonary facilities to the scene of heart attacks.

The unit is a spinoff of the Skylab program, says the report. It also has been incorporated into a new cardio-alert program in which a heart attack victim's data is transmitted electronically from the scene to a hospital's coronary care unit.

Other medical spinoffs from space, NASA notes, include new electrodes used in electrocardiograms and other hospital instruments; the use of high frequency sound as a possible replacement for potentially harmful X-rays, and technology which now allows doctors to fight cancer by being able to freeze disease-fighting blood cells and bone marrow.

Other areas of life have benefited in comparable measure, according to NASA, which says the computer industry "is probably the greatest nonaerospace spinoff from space technology."

Computers and calculators have "increased productivity throughout the world" in virtually all businesses and industry, NASA says.

Touching the home are such space-age innovations as integrated circuits used in most appliances, quartz crystal clocks and watches and energy-saving heating and cooling units.

Environmentalists, the NASA report says, can look to space technology spinoffs that already are locating and protecting earth's natural resources, warning of destructive storms and fires and analyzing and helping to improve the quality of air and water.

And if man's environment is being aided by space technology, so too are many items involved in his recreational pursuits, NASA says.

Materials developed for use in insulating satellites and spacesuits have been applied to sportmen's outdoor clothing and equipment. A composite material considered for use in the upcoming space shuttle program is being incorporated into golf clubs and reportedly results in easier swings and better control, according to NASA.

And not to be forgotten is the popular hang glider, which was designed as a possible means of recovering spacecraft. NASA credits the design to Francis Rogallo who, at the time, was based at Langley Research Center in Hampton.

AMENDMENTS TO BE OFFERED TO H.R. 12234

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. SKUBITZ. Mr. Speaker, when the House considers H.R. 12234, to amend the land and water conservation fund, tomorrow, I will offer two amendments which, if passed, may save the bill from a likely veto.

The first amendment I intend to offer is supported by my friend and colleague, the chairman of the Subcommittee on National Parks, ROY TAYLOR, who has worked very hard on this bill. The amendment would cut the ultimate annual increase in authorization for the land and water conservation fund from $800 to $600 million. Even this lower figure is twice the size of the current LWCF annual authorization. The full text of the amendment is:

On page 2, lines 7 and 8, strike the figures "625,000,000" and "800,000,000" and insert in lieu thereof the figures "500,000,000" and "600,000,000" respectively.

What H.R. 12234 does without this amendment is authorize annual incremental increases in the land and water conservation fund according to this scale: $300 million in fiscal year 1977; $450 million in fiscal year 1978; $625 million in fiscal year 1979; $800 million in fiscal year 1980; and $800 million in each fiscal year thereafter through fiscal year 1989.

If my amendment passes, the LWCF will be increased according to the following scale: $300 million in fiscal year 1977; $450 million in fiscal year 1978; $500 million in fiscal year 1979; $600 million in fiscal year 1980; and $600 million in each fiscal year thereafter through fiscal year 1989.

You will note that both the bill as written and my amendment do not increase the LWCF in fiscal year 1977. This has been done deliberately in order to "ease" the increases into the administration's budget plans for the future. There is no increase recommended in authorized outlays for the President's budget in fiscal year 1977 for the LWCF.

I hope my colleagues will see the wisdom in cutting back on the ultimate authorization level by $200 million. I admit that I, too, am tempted to want even more funds from the offshore drilling receipts in order to promote parks and recreation. But the hard fact is that these dollars will have to be made up with either increased taxes or more deficit spending. By asking for so much so soon for the LWCF, we jeopardize the entire bill to a veto. I am not certain that even the $600 million will be acceptable to the President, but it is far more reasonable than the $1 billion already passed by the Senate for next fiscal year.

The second amendment I will offer simply strikes out the meddlesome changes which the bill would make to the current distribution formula. This formula is used by the Secretary of Interior to distribute that portion of the LWCF which belongs to the States. If H.R. 12234's changes in this formula are passed into law, 36 less populous States will give up a portion of their share to 14 more populous States. The current formula, based on need, has served us well and should continue. When creating parks and recreation areas, need is usually more a function of open spaces, scenic beauty, and natural wilderness than it is population density. For a quick and easy reference to the "winners" and "losers" under the formula change, I am including for the RECORD a statistical reference chart:

36 STATES LOSE; 14 STATES GAIN UNDER H.R. 12234 FORMULA CHANGE

States	Current formula, fiscal year			New formula, fiscal year			Difference between current formula and H.R. 12234 (3-yr period)
	1978	1979	1980	1978	1979	1980	
Alabama	$4, 410, 450	$6, 125, 625	$7, 840, 800	$4, 380, 450	$5, 990, 625	$7, 880, 800	−$205, 000
Alaska	2, 342, 250	3, 253, 125	4, 164, 000	2, 229, 450	2, 745, 525	3, 261, 600	−1, 522, 800
Arizona	3, 470, 850	4, 819, 625	6, 170, 400	3, 403, 950	4, 519, 575	5, 635, 200	−902, 150
Arkansas	3, 190, 050	4, 435, 625	5, 671, 200	3, 110, 250	4, 071, 525	5, 032, 800	−1, 032, 300
California	18, 701, 550	25, 974, 375	33, 247, 200	19, 258, 650	28, 481, 325	37, 704, 000	+7, 520, 850
Colorado	3, 762, 450	5, 225, 625	6, 688, 800	3, 707, 250	4, 977, 225	6, 247, 200	−745, 200
Connecticut	4, 518, 450	6, 275, 625	8, 032, 800	4, 494, 450	6, 167, 625	7, 840, 800	−324, 000
Delaware	2, 560, 950	3, 556, 875	4, 552, 800	2, 457, 150	3, 089, 775	3, 722, 400	−1, 401, 300
Florida	7, 396, 650	10, 273, 125	13, 149, 600	7, 489, 650	10, 691, 625	13, 893, 600	+1, 255, 500
Georgia	5, 032, 800	6, 990, 000	8, 947, 200	5, 027, 100	6, 964, 350	8, 901, 600	−76, 950
Hawaii	2, 756, 700	3, 828, 750	4, 900, 800	2, 661, 000	3, 398, 100	4, 135, 200	−1, 291, 950
Idaho	2, 497, 500	3, 468, 750	4, 440, 000	2, 390, 400	2, 986, 800	3, 583, 200	−1, 445, 850
Illinois	10, 683, 900	14, 538, 750	18, 993, 600	10, 910, 400	15, 858, 000	20, 805, 000	+3, 357, 150
Indiana	5, 699, 700	7, 916, 250	10, 132, 800	5, 721, 900	8, 016, 150	10, 310, 400	+299, 700
Iowa	3, 742, 200	5, 197, 500	6, 652, 800	3, 684, 300	4, 936, 950	6, 189, 600	−781, 650
Kansas	3, 488, 400	4, 845, 000	6, 201, 600	3, 420, 900	4, 541, 250	5, 661, 600	−911, 250
Kentucky	4, 024, 350	5, 589, 375	7, 154, 400	3, 977, 850	5, 380, 125	6, 782, 400	−627, 750
Louisiana	4, 579, 200	6, 360, 200	8, 140, 800	4, 556, 100	6, 256, 050	7, 956, 000	−312, 050
Maine	2, 650, 050	3, 680, 625	4, 711, 200	2, 548, 950	3, 225, 675	3, 902, 400	−1, 364, 850
Maryland	5, 244, 750	7, 284, 375	9, 324, 000	5, 250, 450	7, 310, 025	9, 369, 600	+76, 950
Massachusetts	6, 650, 100	9, 236, 260	11, 822, 400	6, 713, 100	9, 519, 750	12, 326, 400	+850, 490
Michigan	8, 897, 850	12, 358, 125	15, 818, 400	9, 051, 450	13, 049, 325	17, 047, 200	+2, 073, 600
Minnesota	4, 671, 000	6, 487, 500	8, 304, 000	4, 651, 500	6, 399, 750	8, 148, 000	−263, 250

States	Current formula, fiscal year			New formula, fiscal year			Difference between current formula and H.R. 12234 (3-yr period)
	1978	1979	1980	1978	1979	1980	
Mississippi	3, 217, 050	4, 468, 125	5, 719, 200	3, 137, 550	4, 110, 375	5, 083, 200	−1, 073, 250
Missouri	5, 395, 950	7, 494, 375	9, 592, 800	5, 406, 150	7, 540, 275	9, 674, 400	+137, 700
Montana	2, 516, 400	3, 495, 000	4, 473, 600	2, 410, 200	3, 017, 100	3, 624, 000	−1, 433, 700
Nebraska	3, 040, 200	4, 222, 500	5, 404, 800	2, 955, 000	3, 839, 100	4, 723, 200	−1, 150, 200
Nevada	2, 536, 650	3, 523, 125	4, 509, 600	2, 431, 950	3, 051, 975	3, 672, 000	−1, 413, 450
New Hampshire	2, 546, 100	3, 536, 250	4, 526, 400	2, 441, 100	3, 063, 750	3, 686, 400	−1, 417, 500
New Jersey	8, 043, 300	11, 171, 250	14, 299, 200	8, 163, 900	11, 713, 950	15, 264, 000	+1, 628, 100
New Mexico	2, 705, 400	3, 757, 500	4, 809, 600	2, 606, 700	3, 313, 350	4, 020, 000	−1, 332, 450
New York	16, 848, 000	23, 400, 000	29, 952, 000	17, 327, 700	25, 558, 650	33, 789, 600	+6, 475, 950
North Carolina	5, 119, 200	7, 110, 000	9, 100, 800	5, 115, 900	7, 095, 150	9, 074, 400	−44, 550
North Dakota	2, 436, 750	3, 384, 375	4, 332, 000	2, 327, 250	2, 891, 625	3, 456, 000	−1, 478, 250
Ohio	10, 242, 450	14, 225, 625	18, 208, 800	10, 450, 650	15, 162, 525	19, 874, 400	+2, 810, 700
Oklahoma	3, 765, 150	5, 229, 375	6, 693, 600	3, 709, 050	4, 976, 925	6, 244, 800	−757, 350
Oregon	3, 578, 850	4, 970, 625	6, 362, 400	3, 515, 850	4, 687, 125	5, 858, 400	−850, 500
Pennsylvania	11, 221, 200	15, 585, 000	19, 948, 800	11, 469, 600	16, 702, 800	21, 936, 000	+3, 353, 400
Rhode Island	2, 910, 600	4, 042, 500	5, 174, 400	2, 821, 200	3, 640, 200	4, 459, 200	−1, 206, 900
South Carolina	3, 734, 100	5, 186, 250	6, 638, 400	3, 676, 500	4, 927, 050	6, 177, 600	−777, 600
South Dakota	2, 466, 450	3, 425, 625	4, 384, 800	2, 358, 150	2, 938, 275	3, 518, 400	−1, 462, 050
Tennessee	4, 596, 750	6, 384, 375	8, 172, 000	4, 573, 650	6, 280, 425	7, 987, 200	−311, 850
Texas	10, 469, 050	14, 555, 625	18, 631, 200	10, 697, 250	15, 533, 025	20, 368, 800	+2, 943, 200
Utah	2, 937, 850	4, 103, 125	5, 258, 400	2, 870, 250	3, 716, 925	4, 557, 600	−1, 154, 600
Vermont	2, 338, 200	3, 247, 500	4, 156, 800	2, 224, 800	2, 737, 200	3, 249, 600	−1, 530, 900
Virginia	5, 312, 250	7, 378, 125	9, 444, 000	5, 318, 850	7, 407, 825	9, 496, 800	+89, 100
Washington	4, 637, 500	4, 460, 750	8, 280, 000	4, 638, 600	6, 383, 700	8, 128, 800	−227, 150
West Virginia	3, 145, 500	4, 368, 750	5, 592, 000	3, 064, 200	4, 002, 900	4, 941, 600	−1, 097, 550
Wisconsin	5, 081, 400	7, 057, 500	9, 033, 600	5, 078, 400	7, 044, 000	9, 009, 600	−40, 500
Wyoming	2, 289, 600	3, 180, 000	4, 070, 400	2, 174, 400	2, 661, 600	3, 148, 800	−1, 555, 200
District of Columbia	650, 700	903, 760	1, 156, 800	677, 400	1, 023, 900	1, 370, 400	+360, 440
Puerto Rico	1, 629, 450	2, 263, 125	2, 896, 800	1, 693, 950	2, 553, 375	3, 412, 800	+870, 750
Virgin Islands	24, 500	33, 750	43, 200	25, 200	37, 800	50, 400	+11, 950
Guam	32, 400	45, 000	57, 600	33, 600	50, 400	67, 200	+16, 200
American Samoa	8, 100	11, 250	14, 400	8, 400	12, 600	16, 800	+4, 050
Contingency	13, 500, 000	18, 750, 000	24, 000, 000	13, 500, 000	18, 750, 000	24, 000, 000	
Total	270, 000, 000	375, 000, 000	480, 000, 000	270, 000, 000	375, 000, 000	480, 000, 000	

JOSEPH M. HARP

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. BYRON. Mr. Speaker, recently Joseph M. Harp was honored for his 50 years with the Hagerstown Morning Herald in Hagerstown, Md. His career with that newspaper has spanned several generations, and Joe Harp's name has become synonymous in Hagerstown with the journalism profession.

On Monday, March 29, 1976, the Morning Herald in a full-page article honored its well-known executive editor. That article ended with this tribute, which I would like to share with my colleagues:

Harp was a believer all along in the importance of keeping news stories down to a reasonable size. While he was a reporter, his stories always conveyed essential facts without the repetitious trimmings that some journalists applied to attempt to make the story appear bigger than it should be.

When he became editor, he applied the same philosophy of fat-trimming to the AP news published in the Herald. Stories which had once sprawled over much of the first page and continued inside were cut down to more readable dimensions.

Harp rose from his starting role of cub reporter to that of city editor and assistant editor on the Herald, during Baylor's long tenure as editor. Late in the 1940's, Baylor was named general manager of the Herald-Mail Company.

Harp succeeded him as editor of the Herald, holding that title for more than two decades. Around the start of 1973, he was named executive editor of both the Herald and Mail.

But even after he took on his new front office post, Harp continued to keep his hand in at actual editing, by handling the Herald's editorial page for a year or two longer. He also continued to function in one highly specialized task left over from his days as a reporter, chronicling divorce suits as they were filed in circuit court.

Amid all the tributes and recollections which have been created by his 50th anniversary on the job, one fact seems to have escaped everyone. It's quite possible that nobody will ever equal in the future Harp's record for actual time spent on the job as a newspaper journalist in Hagerstown.

It's doubtful if many local journalists will achieve a 50th anniversary in the future, because most of them don't begin full-time employment until they're college graduates and normal retirement comes a little more than 40 years later. It would require at least 60 years on the job, under today's working schedules, for a future journalist to give as much of his time to Hagerstown newspapers as Harp has accomplished in five decades.

VOTES MISSED BY REPRESENTATIVE JORDAN

HON. BARBARA JORDAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Ms. JORDAN. Mr. Speaker, on April 13, 1976 I was necessarily absent from the floor. Consequently I missed two recorded votes. Had I been present I would have voted as follows:

Rollcall No. 196: Motion to discharge the Committee on Interstate and Foreign Commerce from consideration of House Resolution 1135, relating to exempting residual fuel oil from price regulations. House vote, 109–272. Jordan vote, no.

Rollcall No. 197: Motion to recommit the conference report on S. 644, Consumer Product Safety Commission Improvement Act. House vote, 177–192. Jordan vote, no.

PHILADELPHIA ASSOCIATION OF RETARDED CITIZENS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. EILBERG. Mr. Speaker, recently I had the honor of addressing a "town meeting" sponsored by the Philadelphia Association of Retarded Citizens.

The purpose of this meeting was to acquaint persons interested in the welfare of retarded children and adults with government programs at all levels, and there was an extensive period for questions from the audience to a panel of experts.

At this time, I enter into the RECORD a summary of the meeting:

PARC'S TOWN MEETING

In the best tradition of a town meeting, audience participants, including many parents, let government and other officials know what they were thinking at the event sponsored by the Philadelphia Association for Retarded Citizens, PARC, February 12 in Northeast Philadelphia. Distinguished panel members responded, sharing their concerns, problems and opinions.

Panel members included Wilbur Hobbs, deputy secretary of the southeastern region, Department of Public Welfare; Dr. Leon Soffer, deputy health commissioner, Philadelphia's Office of Mental Health and Mental Retardation; Dr. Marechal-Neil E. Young, associate superintendent, School District of Philadelphia; Mrs. Rae Lifschutz, a parent of a child who is retarded, vice president of the Philadelphia Association for Retarded Citizens, and mental retardation specialist, Benjamin Rush Center for Mental Health and Mental Retardation; Peter P. Polloni, executive director, Pennsylvania Association for Retarded Citizens and Alex Guidotti, director, PARC Developmental Center. Bernard E. Featherman, president of PARC, presided and

Bonni Zetick, chief of PARC's social services, moderated.

Joshua Eilberg, U.S. Representative to Congress, was the main speaker.

Many issues were raised by parents and other audience participants.

SLIDING FEE SCALE

The sliding fee scale of Title 20 of the Federal Social Services Program was a concern by two fathers.

One noted that his child was excluded from a preschool program because of his salary. "If you make a decent living, you can't put your children in the program, but if you go on welfare and don't pay any taxes, you get everything available," one father said.

Secretary Hobbs invited this individual to submit information in writing so that when the program regulations are reviewed, these factors could be taken into consideration.

Another father said he is discriminated against in the payments he makes to keep his child in preschool day care. He noted that he holds two jobs and has to make higher payments because he works longer hours than average. PARC offered to review his pay stubs because payments are based on a representative pay stub.

Title 20 program is a Federal program governed by regulations from Washington and Harrisburg.

PRESERVING THE HOME

The right of a parent to allow their home to be used for their offspring after the death of the parent was the subject of another inquiry. The father asked if there was a law which would permit him to will his home to the State, and let the State take care of the children there until the death of the children. "Am I wrong in what I'm asking for?"

Mr. Polloni responded, "No I don't think you are wrong at all. And I think we are moving more and more in the direction of these types of alternatives. I am sure that Mr. Soffer and others in the base service units and associations would be delighted to sit down and talk to you on that kind of alternative. I think you are right on target for suggesting this."

ADMINISTRATIVE BUDGET CUTS

One audience participant, complaining that "children in the community have very little from the base service units due to continual cuts", asked Dr. Soffer to comment on her understanding "that again this year we are going to suffer more cuts. I must ask why it is that totally and always these cuts start where the children in the services are." She noted that "we can do with less administrators and more services in the community" and asked Dr. Soffer if cuts were going to start in his office.

Dr. Soffer noted that his office instituted a cut at the beginning of the year. "We have had a freeze on the number of positions which we were authorized to fill. We did not fill these because we were aware of the potential that was developing . . . I feel that my office is minimally staffed to provide supervision and monitoring functions that are my responsibility under law." He noted that children would not be discriminated against in cuts if funds are lacking.

JUDGING SPEECH THERAPY NEEDS

Shortages of speech therapists was the basis of another audience inquiry. In response, Dr. Young said that more speech therapists have been requested in the school budget. The audience member, in advocating more individual therapy, was advised by Dr. Martin Bordman, assistant director for speech and hearing impaired, Philadelphia school system, that group therapy is effective in many instances. He did acknowledge that it was the speech therapist in a given school who determined if the child needed group or individual therapy.

WHY THE CITY TURN BACK FUNDS TO THE STATE

In response to an audience member who asked why the city turns back funds to the state, Dr. Soffer responded, "We return money for the very simple reason that by the time the program gets started sometimes it is late into the year. Quite frequently what happens is that in the last two months of the fiscal year, May and June, you may be suddenly notified by the state that you now have $100,000 to spend. And there is no way you can spend that money on an annualized basis, you are forced to turn it back."

Dr. Soffer explained that, "Programs are funded for the total cost of the year. If you have $120,000, you spend it at the rate of $10,000 per month. If the program starts up in the middle of the year and you were to spend that money in six months, you are spending $20,000 a month and your annualized cost for the next year is $240,000. There is no assurance that you are going to get that money from the state. You are bound to expend at the level at which you are funded."

A PROPOSAL TO THE LAPSED FUNDS IN THE NEXT YEAR

"Why can't the money be returned and used the following fiscal year?" was the follow-up question from the audience.

Dr. Soffer explained that "The state does not permit you to carry money over. If you wind up with a surplus at the end of the year, the state applies this against your allocation for the next year. So they deduct it. We have a number of times requested that we be permitted to use these funds within the programs they were designed for to either expand them or even create new programs. But I suppose the state has its fiscal problems. It's nice to be on this side of the fence for a change and not on that side."

Mr. Hobbs said, "I think in essence Dr. Soffer does describe an administrative headache for the local government and for the region, however, there are other factors that do relate to this. Some of the final allocations for this year can't be made until the books are closed on last year's expenditures. If you are going to be a good steward, you really want to know what your final figure is. Even though someone might tell you we think we are going to have this much, you are not going to spend at that level until you see you have that much and that might be six months later with only six months left in the year to spend."

"Dr. Soffer has made me very much aware very recently of these problems. We are both trying to raise this issue to see if something can be done differently in the coming year."

Prior to the audience discussion each of the panelist made brief introductory remarks as suggested by the following.

DR. HOBBS LOOKS AT THE DOLLAR FLOW

In zeroing in on the funding situation, Dr. Hobbs said, "We take a very pessimistic view that there may not be more new dollars so we've got to look very concretely how we begin to have these dollars follow the citizen from the institution into the community." He said, "The current funding mechanism does not enable us to move that money and have it follow the patient, the citizen, into the community.

"We are concerned at how do we balance the dollars that are available to stimulate the development of community alternatives and at the same time continue to provide quality care for those who should remain in institutional settings."

In reporting on attempts in improved care, Mr. Hobbs noted that the regional office has convened two staff groups to review and find appropriate services for the more difficult cases involving children and adults. "One is composed of representatives of all the State institutional services to review the needs of the persons who are institutionalized by default rather than as a result of treatment of choice. The other group is the Children and Youth Advocacy Council (CYAC), a regional interdisciplinary staff group with representatives from all program areas: mental health, mental retardation, child welfare, etc. The purpose is to find solutions for specific problem youngsters in the least restrictive alternative for care."

DR. SOFFER SPEAKS OUT ON COMMUNITY LIVING ARRANGEMENTS

Dr. Soffer in assessing the development of community living arrangements as an alternative to institutionalization said that he is convinced that, "The family living arrangements as these are developing in Philadelphia are infinitely better than permitting some persons to reside in large institutions."

He warned, however, that, "Community living arrangements can become 'mini' institutions and even worse than institutions unless there is adequate State funding and a parallel development of homes and supportive services in the community such as recreation, socialization and work opportunities.

"The whole thing must be put together and function as a total complex. If it is not, then you have people living in houses shut off from the world and from its opportunities."

DR. YOUNG AND SCHOOL'S COMMITMENT TO RIGHT TO EDUCATION

"Our goals," said Dr. Young, "in implementation of right to education are to see for you and with you full compliance with all of the aspects of the consent decree and the regulations as they are developed and put forth by our State department of special education and all of the active groups concerned with our mentally retarded children. I refer here to the group that are school age.

"In connection with the importance of fulfillment of goals I would like to state briefly that we are particularly concerned that identification be complete. We are seeking as close to 100 percent identification as we can achieve. And as our very distinguished Congressman has indicated, expanded programs for the handicapped are largely dependent upon the number of children properly identified. Secondly, we are very concerned that there be proper evaluation and we are well approaching the rapid evaluation of the children once identified.

"We have problems, as you know, with the amount of psychological services but we have decidedly a goal for proper evaluation of all and necessary re-evaluations as well. There is not point in identifying or evaluating unless there is prompt and appropriate placement....

"Certainly we look to resources that have been indicated to you this evening for assistance with this.

"We are concerned that parents be importantly involved. Our Local Task Force on Right to Education, on which now sit very important members from PARC and other agencies, is extremely valuable as are the number of parent volunteers out there working with our staff. I saw them in classes just yesterday, helping our people to provide quality service.

"And finally we really mean to communicate with you the people. We have been so much involved in doing the job that we have not had the opportunity to have as many communicative means employed as we would wish. We intend to have more frequent and thorough use of all the media."

PARENT URGES INVOLVEMENT

Mrs. Lifschutz decided to speak from her role as a parent. "I see many parents here tonight, some very dear friends. We have cried together. We have laughed together. We dreamt together. We worried and anquished and leaned on one another for support and we learned that we are not alone with our problems. Many of us are involved in PARC. If you are not, I urge that you become actively involved. As a community activist along with quite a number of people here tonight who helped develop mental retardation services in two areas in the Northeast, I urge those of you who are not involved with the mental retardation committees associated with the center and the base service units in the area, please get involved.

"As a staff member, I know the concerns of the parents. Your concern is my concern as a parent of a retarded child. I am worried about the same things that you are. Many times I have said, 'Dear God, let me live one day longer than my child.' I urge you gentlemen who have spoken so eloquently here tonight, please all these wonderful promises and thoughts, let them happen in our lifetime."

GRASSROOTS STRENGTH EXISTS

Mr. Polloni, said, "I think it is very important that we are here this evening affecting government. Congressman Eilberg has reported . . . the results of legislation and the resulting array of services to the mentally retarded.

"It's good to know we have a friend in Congress. We have many friends in Congress. It is important to continue to nurture these relationships and to understand the importance of their commitment and their input into what is formulated into legislation.

"Legislation is not accidental. You as members of a grassroots organization affect what is happening in state government and through your state association." He was referring to memberships in associations for retarded citizens. "Also at a national level," he continued, "we have a very effective staff in Washington and very effective volunteers who travel to Washington and work with the staff of these congressmen to bring about, for example, the language of the education act, and the developmental disabilities act. They are the implementors of what is going to happen in our states in the future."

Representative Joshua Eilberg traced the recent history of Federal legislative developments in the retardation field.

TRAGEDY IN ST. THOMAS

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. DE LUGO. Mr. Speaker, Virgin Islanders today are stunned and deeply shocked by the crash of an American Airlines 727 jet last Tuesday, April 27, 1976, at the Harry S. Truman Airport in St. Thomas. Early reports indicate a frightful loss of life and personal injuries to passengers on this flight, many of whom were coming to St. Thomas to celebrate Carnival.

As is the human experience at times like this, there are no words adequate to describe the horror of this accident; no adjectives to express the suddenness with which violent death descended on these passengers and on a people so accustomed to enjoying the beauty and serenity of our islands; no language to communicate the helplessness, and in too many cases, the hopelessness of families and friends awaiting information about their loved ones. There is simply islandwide trauma and disbelief.

It is also the frequent human experience in such disasters that the emergency reaction of the community is swift and lifesaving. Both organized rescue units and local citizens of St. Thomas rushed immediately to aid survivors. It was as if the people of St. Thomas mobilized as one, not only to draw mutual strength in their rescue efforts, but also to jointly share the human tragedy that was unfolding before them and to succor those still living and those in deep grief.

The magnitude of this crash speaks far louder than any words. For those whom the good Lord permitted to survive, we offer a prayer of gratitude; for those who perished, we offer a prayer for eternal peace. And to their families and friends we offer a deep and sincere sharing in their mourning and loss.

STATEMENT ON H.R. 12438, FISCAL YEAR 1977 DEFENSE AUTHORIZATION BILL

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. FISHER. Mr. Speaker, the defense authorization bill (H.R. 12438) containing some $33.3 billion for major weapons procurement and other weapons research, development, testing, and evaluation was considered in depth on April 8 and 9 by the House of Representatives. This first of several defense authorization bills for fiscal year 1977, the total of which is expected to exceed $100 billion, provided the opportunity for careful thought and debate not only on the specifics contained in this bill but on the whole scale and trend in future defense outlays for the country. Therefore, the vote had more significance even than the amount of authorized funds involved.

I voted for final passage of the measure which carried $33.3 billion in authorization, but found myself supporting some of the amendments offered and opposing others. In the main, my votes were guided by a growing conviction that national defense during the next year, and perhaps several years, ought to command a somewhat larger fraction of total Government outlays than they have in recent years. Actually the percent of the Federal budget going to defense and defense-related programs has been declining for at least the past two decades, and declining rather sharply. Twenty years ago defense outlays constituted 54 percent of Federal expenditure budget; in fiscal year 1976 they are expected to come to 25 percent. Numerous other programs of Government, especially the income supporting programs, have increased their proportionate share of the Federal budget so that total Federal outlays, with appropriate allowance for effects of the economic cycles, have remained at a more or less constant 20 or so percent of a growing gross national product.

In view of heightening international tensions and the growing uncertainties regarding the international policies of the Soviet Union. I have come reluctantly to the conclusion that some measured and careful reversal of the downward trend in defense authorizations and expenditures has become necessary. It would be nice if improvements in our defense position could be achieved entirely by increasing the efficiency of military programs. While, of course, we should strive mightily in this direction, it is unlikely that we can do what I believe is necessary entirely in this way.

Further, I do believe that the path toward reduction in armaments and eventually a confidence in world peace can now be pursued more effectively if defense preparations in this country are increased along certain lines. I wish it were otherwise, but I do not believe that it is.

During the debate on the defense authorization bill, a number of significant amendments were acted on. I voted against deferring further authorization of procurement of production models of the B-1 bomber, against reduction in overseas troop commitments, and against a delay in testing maneuverable reentry vehicles—MARV—over land. At the same time I voted for short-term postponement of two other procurement programs until further tests and analyses have been completed. I believe my votes on amendments were consistent with the general approach set out in earlier paragraphs.

INQUIRY SAYS PRIVATE A-PLANT WILL SOAK ELECTRICITY USERS

HON. WILLIAM H. HARSHA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. HARSHA. Mr. Speaker, as of August of last year, there were approximately 54 nuclear powerplants licensed to operate and another 187 plants under construction, on order, or announced. By the year 1985, approximately 200 nuclear powerplants should be in operation and as the years go by, that figure would rise significantly. An additional increment of 9 million separative work units—SWU—will be required to fuel these nuclear powerplants by 1983, and 18 months later, an additional increment of 6 million SWU will be required annually for the indefinite future.

To date, approximately $2 billion in revenues have been received by the Federal Government under contracts with utilities, almost repaying investment in that portion of the original facilities allocation to nuclear fuel production. The Energy Research and Development Administration estimates that between now and 1990, net revenue from existing plants and additional capacity could amount to $9.3 billion. Within about 4 years, the outlays for capacity expansion through an add-on to the present Government-owned facility at Portsmouth, Ohio, would be liquidated by income from the sales of the enriched uranium which would be produced.

The administration has recommended a plan for private entry into this field which "a key Government official" told an Associated Press reporter, would cost taxpayers up to $1 billion to launch. This plan would cause electric utilities to pay 34 percent more for atomic fuel to support the private operation, which would bring neither private enterprise nor competition into the uranium enrichment field.

A recent article in the Chillicothe Gazette points out the drawbacks to this plan which is backed by the administration. At this time, I would like to share with my colleagues this article about one of the most urgent problems facing this Congress:

INQUIRY SAYS PRIVATE A-PLANT WILL SOAK ELECTRICITY USERS

(By Stan Benjamin)

WASHINGTON.—After 30 years of nonprofit uranium enrichment by a government monopoly, the Ford administration is promoting a private enrichment venture requiring so much federal support that nuclear fuel costs would rise some $700 million a year or 34 per cent.

Electricity consumers would pay the bill.

Administration officials say a private plant, planned for Dothan, Ala., would avoid some $2.8 billion of taxpayer investment for the alternative, a new government plant at Portsmouth, Ohio, and would "pave the way" for private enterprise and competition.

But, in an Associated Press investigation, a key government official conceded that the taxpayers would have to invest up to $1 billion to launch the private project; that electric utilities wolud pay 34 per cent more for atomic fuel to support the private operation; and that the project alone would bring neither private enterprise nor competition into uranium enrichment.

The investigation also shows that a new government plan could bring the U.S. Treasury more money than the taxes and royalties from a private plant and yet at the same time charge consumers less.

The U.S. Energy Research and Development Administration (ERDA) is expanding the three existing government plants at Oak Ridge, Tenn.; Paducah, Ky., and Portsmouth.

There is general agreement that a fourth plant is needed but disagreement whether it should be a Portsmouth "add-on" or the private plant proposed by Uranium Enrichment Associates (UEA), a partnership of Bechtel Corp., Goodyear Tire and Rubber Co. and The Williams Companies, an oil-fertilizer-steel conglomerate.

ERDA, which concluded a year ago that the UEA proposal "does not achieve most goals of private enrichment," now is pushing it.

The UEA plant would use time-tested government technology and produce the same amount of uranium enrichment as a government "add-on" at roughly the same production cost, says ERDA.

But there the resemblance stops.

ERDA officials admit the UEA project would:

Require government guarantees that the plant would work.

Require the government to buy and stockpile a large chunk of UEA's early production to keep the plant operating at full capacity.

Charge higher prices and require the government to raise its own prices to persuade customers to deal with UEA.

Collect production costs plus aftertax profits of 15 per cent on equity investment, providing little incentive to restrain costs in a project whose chief contractors would be UEA partners Bechtel and Goodyear.

Require close government supervision of UEA-cost-control to protect both the taxpayer and the consumer.

Drain 60 per cent of UEA's profits and interest payments out of the U.S. economy to anticipated foreign investors and lenders.

And expose the government to the risk of having to take over a floundering, half-finished project if UEA can't complete it.

ERDA strongly supported an administration bill, the proposed "Nuclear Fuel Assurance Act," to make all this possible.

The congressional Joint Committee on Atomic Energy recently completed hearings on it and received a report by the General Accounting Office urging government construction of the next uranium enrichment plant.

"The proposal of Uranium Enrichment Associates," said the GAO, "is not acceptable."

ERDA Administrator Robert C. Seamans Jr. expressed the same view to President Ford and Budget Director James T. Lynn a year ago. After ERDA officials met with representatives of the Office of Management and Budget, the Federal Energy Administration, UEA and the White House, however, Seamans changed his mind.

Two of former President Richard M. Nixon's budget directors, George P. Shultz and Caspar W. Weinberger, are directors of Bechtel Corp., a large construction firm whose stock is owned only by the Bechtel family and the corporate officers.

These Bechtel stockholders stand to reap some $26 million a year in profits from the UEA project if no additional U.S. partners are brought into the deal and perhaps even more since UEA plans to award Bechtel the contract, worth an estimated $250 million, to build the plant.

Another UEA partner Goodyear, which operates the government's Portsmouth plant under contract, also is slated to operate the proposed UEA plant.

Thus Bechtel and Goodyear would assure themselves of lucrative construction and operating contracts for the plant, without the competitive bidding that would select contractors for a government plant.

Sen. John O. Pastore, D-R.I., chairman of the joint committee, said during its hearings that the proposal seemed to guarantee UEA a profit and might amount to "another big giveaway program."

Ford administration witnesses—Seamans, Lynn, FEA Administrator Frank G. Zarb, Economic Adviser Paul W. MacAvoy and Asst. Atty. Gen. Thomas S. Kauper—argued in favor of the UEA project and said it would save taxpayers some $2.8 billion, the cost of a new government plant.

But Jarvis L. Schwennesen, ERDA's assistant director for uranium enrichment and head of a government task force on the UEA proposal, admitted in a recent interview that the "saving" may be a billion dollars less than advertised.

In the enrichment program, the government does not sell uranium to atomic power utilities; they have to bring their own. The government charges them for making their uranium suitable for atomic fuel by "enriching" it. That means concentrating one kind of uranium, U-235, and separating out its near-twin, U-238.

UEA's proposal requests "a commitment that USG (the U.S. government) will purchase from UEA enriching service up to six million SWUs (enrichment units)" to help the private plant get started.

Schwennesen said the U.S. Treasury would have to lay out up to $1 billion for these support purchases and stockpile this enriched uranium up to 10 years.

Interest lost by the Treasury on that outlay could total $358 million or more, which ERDA would have to charge its own customers, he said.

Meanwhile uranium enrichment could not remain nonprofit as it is now.

Administration documents estimate that UEA would pay some $70 million a year in taxes and royalties and collect other $79 million as its 15 percent profit, thus charging customers some $149 million more than an alternative nonprofit government plant.

To do this, UEA estimates, it would charge $85 per enrichment unit, compared with the government's average price of $54 at its three existing, lowercost plants.

Because the government plants are fully committed and could not take on potential UEA customers, there would be no competition between them, said Schwennesen. As UEA chairman Jerome W. Komes testified, "You are sold out, and we are the only store open in town."

But continuation of the government's low, nonprofit prices, Schwennesen said, would make atomic utilities balk at paying UEA's higher price. So ERDA has asked Congress to abandon nonprofit operation and to authorize "commercial" pricing which, the bill specifies, "will not discourage" private enrichment plants.

ERDA proposed a $76 support price which would cost the government's enrichment customers and, eventually, their electricity consumers an additional $510 million a year.

REFORMING THE RAPE LAWS AT THE FEDERAL LEVEL

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. MOAKLEY. Mr. Speaker, I have introduced legislation which is designed to revise chapter 99 of title 18 of the United States Code.

H.R. 13237 calls for the reform of sexual assault laws which come under the special maritime and territorial jurisdiction of the United States.

Forty-nine Members have joined with me in this effort, which is intended to serve as a model for reform of existing State laws. I have also requested comments from numerous groups. The response to this legislation has been overwhelming. It is evident that the bill has evoked a great deal of interest in those contacted.

I would like to share with my colleagues these responses. The following is a letter I received from Carol A. Bonosaro, Director of the Women's Rights Program at the U.S. Commission on Civil Rights. This letter is the first of a series of related letters which I hope to offer in the CONGRESSIONAL RECORD in the near future. It follows:

U.S. COMMISSION ON CIVIL RIGHTS,
Washington, D.C., April 22, 1976.

Hon. JOHN JOSEPH MOAKLEY,
238 Cannon House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE MOAKLEY: Thank you for your letter of March 31, 1976, in which you request my views regarding the legislation which you have introduced to reform Federal laws concerning rape. I am delighted that you have committed your efforts to rape law reform, and am gratified to have the opportunity to offer my comments on the proposed legislation.

In general, I believe that passage of H.R. 12433 will do a great deal to eliminate discriminatory and oppressive treatment of the female victims of rape in the jurisdictions which it covers. I am especially pleased that "§ 2031. (9) Definitions" acknowledges both that the threat of physical violence (in addition to the threat of penetration) or retaliation in itself constitutes "force or coercion", and that there is a potential for sexual assault within a medical context. Further, the expanded definition of "penetration" effectively covers those types of sexual assault which have not previously been included in definitions of rape which are restricted to vaginal penetration. Finally, I am pleased to note the inclusion, in the definition of "personal injury", of both mental anguish and bodily injury (including pregnancy and disease) as these consequences all may be equally destructive and damaging to the victim of sexual assault. The definition of "sexual contact" (§ 2031(7)), however, should make clear that "touching" which "can be reasonably construed as being for the purpose of sexual arousal or gratification" refers to the "arousal or gratification" of the actor, not the victim. In fact, such "touching" most often would be for the purpose of both physical and psychological violation of the victim and preparation for sexual attack.

With regard to "§ 2032 Sexual assault", I question whether part (c) (3) does, in fact represent one of the "circumstances which *aggravate* an offense" (italics mine); rather, the use of "force or coercion to accomplish the sexual penetration or sexual contact" is basic to the definition of sexual assault. If the victim does not consent (as described in § 2032(a)), force or coercion, by definition, has been used, in some form (as defined in § 2031(9)).

I wholeheartedly support the provisions of "§2034. Procedure for medical examination of victims of certain offenses under this chapter." Pelvic examinations of female rape victims ought never to be performed in the presence of male non-medical personnel (i.e., police officers). Such situations violated victims' right to privacy and have caused untold suffering, embarrassment, and humiliation to rape victims already traumatized by violent sexual attack. Assuring these women of the presence of sensitive, concerned female police officers during medical examinations (which are frequently quite painful) will be an important step in improving treatment of rape victims; the knowledge that hospital treatment (by medical personnel and police officers) will be less distressing and painful may, in fact, encourage more victims of sexual assault to report the crime without fear of further unnecessary suffering and harassment. Extensive affirmative efforts should be made, in the implementation of this provision, to provide for sufficient numbers of female (as well as male) physicians to perform the examinations, as §2034 suggests.

Finally, "§2035. Evidence of prior sexual activity of victim" will rectify one of the glaring inequities in adjudication of rape cases, and one of the primary deterrents to reporting of the crime by victims, by prohibiting introduction of information regarding the victim's prior sexual conduct as evidence of her "precipitation" of the crime. The provision for protection of the victim's right to privacy is crucial. However, in order to provide for equitable treatment of both the victim and the alleged offender, the same provisions for admission of evidence regarding the offender's prior sexual conduct, as well as information regarding any prior arrests for sexual assault, should also be explicitly included in §2035. Thus, such information (which is currently inadmissible in most rape codes) could be admitted into evidence after an in camera hearing determined that such evidence is relevant and material to the case. However, §2035 should explicitly state that information regarding prior convictions for sexual assault should be admitted as relevant and material evidence.

As you may know, the Commission is currently conducting a study of sexual assault and will be making its findings and recommendations available to the President and Congress in the future.

If I, or the staff of the Women's Rights Program Unit, can be of any further assistance to you in this very important work, please contact me again (254-8127).

Sincerely,

CAROL A. BONOSARO,
Director, Women's Rights Program Unit.

THE WARSAW GHETTO: THE NEED TO REMEMBER

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. SOLARZ. Mr. Speaker, April 27 marks the anniversary of the end of the uprising of the Warsaw Ghetto. Thirty-four years ago on that day, the heroic efforts of the freedom fighters were crushed by the military might of the Nazi war machine, and the forces of evil were unleashed to work their will on those who remained trapped in the ghetto. On that day the world witnessed one of the most courageous struggles in history, as it was experiencing the most barbaric assault of the modern epoch.

To commemorate that day, an article by Terrence Des Pres appeared in the New York Times. In his poignant article, Mr. Des Pres describes the feelings of those who have studied the Holocaust and concludes that:

> If we are to meet our present problems in humanely creative ways, we need most urgently to come to terms with our terrible past.

I could not agree with these sentiments any stronger. That is why when the bill reauthorizing the National Institute of Education reaches the House floor, I will be offering an amendment authorizing the Institute to develop and disseminate to local elementary and secondary schools a curriculum on "man's inhumanity to man" which would examine the periods of history in which the forces of hatred have been allowed to dominate.

As Mr. Des Pres points out, courses on the Holocaust have had a profoundly salutary effect on those who have participated in them. Unfortunately, these courses have only reached an exceedingly small percentage of our population. If we are to both honor the memory of the dead and insure the future of the living, we should make sure that as many people as possible are sensitized to the potential consequences of racial, religious, or ethnic hatreds.

Mr. Speaker with your permission I would now like to insert in the RECORD Mr. Des Pres' article:

[From the New York Times, Apr. 27, 1976]

LESSONS OF THE HOLOCAUST

(By Terrence Des Pres)

HAMILTON, N.Y.—Without doubt there is an upsurge of interest in the holocaust. We see it in novels, in films, in news articles and even on popular television programs. Most significantly, we see it in the increasing number of college courses, dozens of them in schools throughout the land, that focus on this subject.

There is a demand for such knowledge, a demand on the part of the students themselves, as if Erik Erikson's remark—that children live out the secret wishes of the parents—were indeed the truth of what is happening.

For the generation that lived through the war, for the men and women who suffered loss of family and friends on the battlefields or in the death camps, there was only naked hurt and a traumatic reaction that made any effort to confront the evil of the concentration camps a task beyond human resource.

Yet if we are to meet our present problems in humanly creative ways, we need most urgently to come to livable terms with our terrible past. And judging from the proliferation of holocaust courses, and also from my own experience in the classroom, a generation of young adults has arrived, Jewish and non-Jewish alike, who are now prepared to face the worst.

The question Why? will naturally persist. Why teach such stuff? Why enroll in such a course? Why, amid the quiet splendor of these upstate hills, allow such darkness to invade one's soul when, ostensibly, no good can come of it? And certainly, if by good we mean answers and rational explanation, if we mean atonement and redemption, then there is nothing to be gained by knowing the facts of the death camps.

Yet as if by miracle, this spring there are 141 students in "Literature of the Holocaust" at Colgate. The room is filled with an intensity of concern I am tempted to describe as religious. And for all their shock and depression and, yes, also their tears, what emerges finally are things so finely human, things so clearly good and life-enhancing, that the danger we run and the damage we share in meditation on the holocaust seem not too high a price to pay.

For Jewish students there comes a renewal of heritage and pride, and the gap between themselves and their relatives closes as their sense of family deepens: "During vacation I did a lot of checking on who come from where."

A new appreciation of the problems of Israel comes to everyone; and again, for Jews and non-Jews, a sharpening of moral discernment, a release of ethical energies, a keener sense of prejudice and injustice.

A disregard for small irritations develops, the outcome of a constant, involuntary comparison between one's own suffering and the massive pain of the camps, with a resulting decline in self-indulgence: "Sometimes I catch myself complaining and then I think, well, why don't you shut up and drink your watery cabbage soup."

Also a broader, more sensitive care for others, accompanied by the feeling that personal relationships are supremely valuable—"little things, like meeting someone on the street and having a nice time talking, or seeing a person extend himself for another person."

There comes, too, a new lucidity about "the basics," and the real risk of all this is openly accepted: "What confuses me is whether knowledge of these events should make me rejoice that I am alive and aware of my good fortune, or whether the immense cruelty and destruction of the camps will ultimately undermine my faith in mankind."

For most, their own good luck, the simple facts of time and place, come to be "almost a miracle." Their lives, once taken for granted, now seem priceless gifts. And as odd as this must sound, for many of these young people there comes at last a small fierce joy.

"I am happy," says one student, "more appreciative of the great fortune I've had to be given this specific life to live."

Or as another said: "I was out in the snow running and singing and I yelled out at the top of my lungs, I'm alive—and I love it."

Or finally, in full knowledge of how terrible life can become: "Something is making living feel a whole lot better."

TRIBUTE TO MR. JUSTICE WILLIAM O. DOUGLAS

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. REES. Mr. Speaker, William Douglas' departure from the Supreme Court marks the conclusion of a prolific, controversial, and libertarian judicial career. His impact on constitutional jurisprudence, during his 36½-year term, can be equated to the impression that Holmes and Brandeis made on the Court; and, like his predecessors, he will be sorely missed.

Although many Americans did not appreciate the views and lifestyle of William Douglas, each has indirectly benefited from Douglas' staunch defense of their civil liberties. Predominantly manifesting his views through dissent, Douglas established himself as an advocate for the preservation of rights granted by the first amendment. The first amendment, or as Douglas wrote, "the autonomous control over the development and expression of one's intellect, interest, tastes, and personality," must be protected for each and every American, barring discrimination against one's sex, race, nationality, wealth, or political views. He was vigilant in his belief that free speech and assembly should be protected even for those whose ideas were unpopular. Douglas opposed Government action that mitigated the freedom of extremists or "miserable merchants of unwanted ideas," and his work on the Court chiefly examined these new areas of personal liberty.

William Douglas promoted the use of the equal protection clause of the 14th amendment to end the discrimination prevalent in our society. He wrote that "our conclusion is founded not on what we think Government policy should be, but on what the equal protection clause requires." In opposing the poll tax, he believed that "wealth, like race, creed, or color, is not germane to one's ability to participate intelligently in the electoral process."

He has incorporated provisions from the equal protection clause to voice his views against the inequities of big business. "Power that controls the economy should be in the hands of the elected representatives of the people, not in the hands of an industrial oligarchy." Certainly Douglas' place in history will rest on his conviction that the rights of the 1st and 14th amendments, central to the protection of our civil liberties, must never be circumvented, moderated, or destroyed in any circumstance. This dogmatic view toward equality reached its peak when he ruled on obscenity. He said:

> I have consistently dissented not because, as frequently charged, I relish obscenity. I have dissented before and now because I think the First Amendment bars all kind of censorship. What can be done to literature under the banner of obscenity can be done to other parts of the spectrum of ideas when the partisan or majoritarian demands mount and propagandists start disclaiming the law.

His adamant views in the protection of civil liberties also can be seen in his attempts to preserve the environment. He applied the spirit of the equal protection clause to predicate his argument on the need for conservation. His well-publicized explorations of the wilderness supplemented his fear that man has begun the deterioration of his environment, and Douglas assisted in many efforts to preserve our surroundings.

The life of William Douglas, as the Justice and the man, has validated Shakespeare's axiom that "Some men are born great; some achieve greatness; and some have greatness thrust upon them."

WITH TOWNS LIKE FAITH, THERE IS HOPE FOR ALL

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. ABDNOR. Mr. Speaker, as a Member of Congress from the Second District of South Dakota who has done his share of hollering about Federal spending, I am delighted and proud to tell you about Faith, a city of some 600 souls on Highway 212 on the northern border of Meade County. Faith claims to be the "Prairie Oasis," and with the nearest communities of a thousand or more at least 60 miles distant, it not only is an oasis, but does a fine job of living up to its claims.

People around Faith also like to be called conservative, and they prove this by their actions. A few years ago when the school needed a new gymnasium, the taxpayers were not called on to foot another bond issue, the Faith High School Alumni Association got together and raised the funds.

A big event every summer for the last half century has been the Faith Stock Show and Rodeo. For 3 days every summer Faith bustles with thousands. The grandstand at the rodeo grounds has been showing its age in recent years and the board of directors has been looking for ways and means of replacing it. Hearing recommendations to find out what could be gotten in the way of Federal grants, they found out and they did not like it. With reports that Faith was spurning the Feds, the Associated Press told a reporter to find out what was happening. I would like to share his report with my colleagues:

FAITH REJECTS BIG GRANT AND GOES OWN WAY

(By James W. Kofski)

FAITH.—Mayor Ron Bachman of Faith says the local stock show board has turned down a $250,000 federal grant for a new grandstand at the Faith Stock Show and Rodeo grounds.

"There's just too much doggone wasted money," he said.

"They just decided to ditch the whole thing and do it the way we usually do things in Faith—on our own.

"We thought it would be a good deal for the town because we would get quite a lot of government aid," he said Friday in a telephone interview. "We thought we could really improve our fairgrounds.

"But when they got to hashing it over, they decided there's just too much wasted money. Twenty per cent we had to come up with—on a $250,000 grant, that would be $50,000—and it seemed like the architectural outfit was going to get about $30,000.

"We felt if we had to put $50,000 into it, we had better just go ahead and do it the way we wanted to do it and make it more of a local deal rather than using government money."

Bachman said the board, comprising of about 20 members, reached its unanimous decision at a meeting Thursday night.

"We're basically a bunch of conservatives out here," said Don King, vice president of the Faith Stock Show and Rodeo. "We were talking about $250,000 against $50,000 for us. But the $50,000 that we would need to raise to cover this is about what we would need anyway.

"When the dust would have settled, we were to get $87,000 worth of material," King said. "The rest was for labor, administration. This was what spooked us out—that there could be so much labor and administration.

"If we're only going to get $87,000 worth of material, why shouldn't we take the $50,000 that we're going to have to borrow and pay back anyway, and put it up ourselves with volunteer labor?

"That's the way we've always done it and the reason it's always worked," he added, "with volunteer labor."

"You buy a couple thousand dollars worth of lumber and spend $18,000 to put it up," Bachman said.

King noted an $18,000 item for demolition of the present 50-year-old grandstand and said, "One committee member offered to tear it down for $500.

"We'd been working on the idea for three or four years, planning, scrounging, making applications to try to get this money," King added. "And when we finally get involved in the thing, we find out what a rotten mess it is. It's terrible.

"I would say it's pretty unique that a little pumpkin row town like this would turn down a quarter-million-dollar grant," King said of the 600-person community. "But it's got to start someplace. We've got to start refusing these grants and turning them back."

"It's got to quit," he added. "There isn't going to be a U. S. of A. for our kids and our grand kids if we don't. They're going to be broke.

"We're going to raise our own money any way we can, or go to the bank and borrow it. We'll build it with volunteer labor and pay it back with the sweat of our brows."

THE PLIGHT OF LEONID REINES

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. PATTEN. Mr. Speaker, one of my constituents from Highland Park, N.J., has contacted me, expressing her concern over the plight of one of her relatives in the Soviet Union, Leonid Shmuelevich Reines. He and his family have tried without success to emigrate from the Soviet Union since June of 1973. For nearly 3 years, they have faced an increasingly oppressive atmosphere.

Today, I would like to share some facts about Mr. Reines with my colleagues with the hope that bringing attention to his plight through the CONGRESSIONAL RECORD will assist in expediting his application:

LEONID SHMUELEVICH REINES

Liteiny Prospect 43, apt. 44, Leningrad 192104, RSFSR, USSR, Telephone: 725717, Born: August 17, 1934.

Profession: Metallurgical engineer.

Applied to leave for Israel: June 1973, lost job immediately. Was made to work in funeral home; lost that job on January 21, 1975. Refused on Jan. 2, 1974, Reapplied in June, 1975. Refused on October 10, 1975.

Wife: Elizaveta Chazkelevna, born January 10, 1937, mechanical engineer, now receptionist.

Daughters: Lubasha, born October 16, 1960; Julia, born January 29, 1972.

Leonid's mother: Jenaida Markovna Reines born July 21, 1902, was English teacher, now retired. Leonid's father died in 1970.

The exit application was made for all listed above. When Leonid applied, all the 2000 copies of a book on metallurgy he co-authored were recalled and his name blotted out from each copy. The refusal was on the grounds he had access to "secrets"; in a personal conversation in Leningrad with SSSJ's national coordinator, Reines asserted that all work he has done was open and published.

Reines has many relatives in the United States who are working on his behalf.

AGRICULTURE IN ALASKA

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. YOUNG of Alaska. Mr. Speaker, in discussing the future of American agriculture, it is possible to overlook the potential for development of this industry in Alaska. Recently, the Alaska State Legislature unanimously adopted a resolution which outlined a far-reaching agriculture policy for the State. One section of the resolution which should be underscored at this time is the request that 17 million acres of tillable lands, plus 10 million acres of grazing lands be taken out of D-2 classification and set aside for agriculture.

I commend this resolution to the Members as being representative of the discussions now taking place in Alaska regarding D-2 national interest lands. As the Congress continues to exercise its responsibilities under the Alaska Native Claims Settlement Act of 1971, I hope that such recommendations from Alaskans will be thoughtfully considered by Members of this body. Clearly, recognition of the multiple use principle of land management in Alaska will serve the future best interests of Alaska and this Nation.

The resolution follows:

SENATE CONCURRENT RESOLUTION NO. 77

"Be it Resolved by the Legislature of the State of Alaska:

"Whereas without a state policy, boldly set out and strongly backed by the people, the Legislature, and the Executive, little can or will be done to establish agriculture in Alaska as an economically worthwhile endeavor; and

"Whereas a sound and sustained agricultural production, processing and marketing industry is necessary to the healthy economic life and future well-being of Alaska; and

"Whereas no geographic entity has ever attained lasting greatness through extractive resource production alone; and

"Whereas the agricultural potential of the Great Land is perhaps its single most significant prospect for a stable future—a point clearly and emphatically made in three federal-state university studies: (1) 'Development of New Lands in Matanuska-Susitna Borough', 1970; (2) 'Irrigation Potentials, Tanana River Valley, Alaska', 1972; and (3) 'Alaska's Agricultural Potential', 1974; and

"Whereas, given any one of many possible natural disasters—prolonged drought, floods, virulent disease among plants and animals, extreme climatic change, unpredictable weather in the continental United States—Alaska, because it is at the end of the nation's food system, would suffer the most direct and immediate impact; and

"Whereas Alaska is known to have at least 17.5 million acres of tillable land, plus at least 10 million more acres of conventional grazing land for potential agricultural use, as well as 100 million acres of land suitable for reindeer and musk-ox grazing; and

"Whereas in the past there has been a lack of coordination of government programs and policies regarding agriculture; and

"Whereas Alaska now produces less than five per cent of the food it consumes annually, agriculture, as a resource management tool, could provide a much larger percentage of the state's basic consumer needs in food, fiber, industrial raw materials, and aesthetic products at a reasonable price;

Be it Resolved by the Alaska State Legislature, That the State of Alaska hereby commits itself to an agricultural policy that encourages and promotes wise use of its agricultural base, including, but not limited to the following courses of action:

"(1) The state shall promptly determine how best to make available land for agricultural use.

"(2) The state shall encourage agricultural production, processing, and marketing through identification and use of massive amounts of potentially recyclable waste energy.

"(3) In connection with the commitment of 'in kind' state royalties of oil and gas, provision shall be made for the production of reasonably priced fertilizer and fuel for local Alaska use.

"(4) The state shall demand that all land identified in 'Alaska's Agricultural Potential', 1974, as having tillable agriculture potential be removed from D-2 classification, and, in the national interest, be set aside for future agricultural production.

"(5) The state shall actively encourage the production of phosphate, limestone, and fish meal resources in Alaska for use in agricultural production.

"(6) The state shall actively assist in the establishment and financing of agriculture processing plants in key agricultural areas of the state to encourage local farm production.

"(7) The state agencies shall work closely with private land owners, native regional corporations, village corporations, and other management organizations to stimulate agricultural production, processing and marketing.

"(8) The Legislature, in cooperation with the Governor, shall establish a task force, composed of representatives of agriculture, business and consumer interests, which shall be responsible for the study of legislative options for implementing the policies enunciated in this resolution."

FUEL ADJUSTMENT GOUGE BY POWER COMPANIES RESULTS IN COURT ORDER DIRECTING $203 MILLION REFUND

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. EVINS of Tennessee. Mr. Speaker, the so-called "fuel cost adjustment clause" which has been widely used by private and public utility companies to increase consumer electric bills has come under increasingly heavy attack.

The Committee on Interstate and Foreign Commerce is considering proposed legislation designed to hold the line on such utility rate increases.

Congressional hearings have found evidence of overcharges by utilities through the use of the "fuel cost adjustment charge" which is added to electric bills by many utilities throughout the country as an additional charge, purportedly based on increased fuel costs.

More recently, the California Public Utilities Commission this week ordered a $203 million refund to be credited to customers and users over the next 3 years by Pacific Gas and Electric Co. and Southern California Edison Co.

The Commission held that these two utilities had been collecting excessive amounts from customers for the past 4 years through the use of the "fuel adjustment" device.

The California Commission also ordered the utilities to stop basing "fuel adjustments" on predicted costs—but rather to base such charges on actual costs incurred.

One Commissioner commented:

> This decision should end the practice of phantom fuel charges and rate hikes without hearings . . . for years fuel offsets were granted on a fictional basis.

The fuel adjustment device is used by a number of private and public utilities throughout the Nation, including the Tennessee Valley Authority.

Because of the interest of my colleagues and the American people in this most important matter, I place in the RECORD herewith an article from the Wall Street Journal concerning the recent California refund ruling.

The article follows:

TWO BIG CALIFORNIA UTILITIES ARE ORDERED TO REPAY $203 MILLION FUEL-COST FUNDS

SAN FRANCISCO.—The California Public Utilities Commission ordered a $203 million refund to be paid over the next three years to customers of Pacific Gas & Electric Co. and Southern California Edison Co.

In a three-to-two opinion, the agency said the money would have to be paid back because of excessive fuel cost-adjustment funds collected by the utilities for electricity over the past four years.

The commission also ordered that in the future any fuel adjustment rate increases must be based on the actual recorded expense for the fuel rather than on a forecast of what the fuel is expected to cost.

PAYMENT WITH INTEREST

Pacific G&E customers will receive about $63 million in credits and Southern California Edison customers will get about $140 million. These overcollections, along with 7% interest, will be paid over the next three years in the form of credits to offset future fuel-cost increases.

This means the individual utility customer won't actually get a refund check or have money deducted from his bill. Instead, when the utilities apply for future fuel-rate increases, they will get only part of the requested increase, not the full amount.

The average Pacific G&E customer over the three years will receive a benefit of $7.65 and the average Southern California Edison customer will receive about $16.60.

Commissioner Leonard Ross, who voted for the order, said the decision was a long overdue correction of a system that had allowed the utilities to collect more for the fuel than they actually spent.

"For years," Mr. Ross said, "fuel offsets were granted on a fictional basis. The commission staff, usually without public hearing, estimated how much cheap hydroelectric power would be available to the utilities and how much expensive fuel oil they would have to burn. Then, if the rains were heavier than expected, the utilities got to keep the extra profits while the customer kept paying for fuel oil which was never burned. This decision should end the practice of phantom fuel charges and rate hikes without hearings."

DISSENTING OPINION

A dissent was written by Vernon L. Sturgeon and William Symons Jr. in which they called the decision "not only shortsighted but one-eyed." They said that "while we can concur in the revision of the fuel-cost-adjustment clause from a forecast basis to a recorded basis, we dissent when the majority decides to exceed the law to order refunds.

"In ordering immense refunds by Pacific G&E and Southern California Edison, immedidate payouts will result, always popular in the short term, but the utilities' financial ability for the long-haul work of providing electricity is unfairly impaired."

In Rosemead, Calif., Southern California Edison said the commission's action was "unlawful because all monies collected were under approved tariffs lawfully authorized" by the commission. The company said it hasn't exceeded its commission-authorized earnings levels for the period under question.

The utility claimed the action will ultimately be to the disadvantage of customers if it isn't overruled. To do so, it said, it will seek a rehearing and, if necessary, a review by the state supreme court. If left unchallenged, the company said, the decision "could seriously affect the financial standing of the company."

The decision constitutes retroactive ratemaking, which the courts have consistently held to be unlawful, the utility maintained.

"The new system, if not changed, would require Edison to base its fuel costs on its fuel consumption over the past 12 months," said E. A. Myers Jr., a vice president. "This is like asking a housewife to plan her grocery budget for a growing family by using last year's levels of food consumption."

HENRY B. GONZALEZ ZEROS IN ON CRITICAL DEFENSE ISSUE

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. WRIGHT. Mr. Speaker, in a recent speech at Kelly Air Force Base, our friend and colleague, the Honorable HENRY B. GONZALEZ of Texas, focused precisely on what should be the central issue in consideration of the U.S. Defense Establishment.

There are some in Congress who busily peck away at such marginal areas of military concern as the number of cars used by generals, while ignoring the larger, truly critical questions of defense.

Mr. GONZALEZ by contrast burns through to the central, compelling questions of a military program sufficient to carry out our worldwide political commitments.

Appropriately, Mr. GONZALEZ's penetrating insights were offered in a speech marking a genuinely historic occasion—the first dining out ceremony ever held for enlisted personnel at Kelly AFB.

In the thought that our colleagues would be interested in Mr. GONZALEZ's remarks, I insert them in the RECORD:

REMARKS OF HON. HENRY B. GONZALEZ AT ENLISTED DINING OUT, KELLY AIR FORCE BASE, TEX., MARCH 20, 1976

Sergeant Walton, General Kelly, General Burns, Colonel Taylor, Sergeant Echols, Sergeant Madonna, your Compatriots, and Friends!

Let me thank you for the pleasure, honor and privilege of joining you in this, the first base-wide enlisted Dining Out at Kelly! I hope that this will be the first in a long series of such evenings, and I take great pride in the honor you have given me in addressing this first Dining Out.

We are celebrating this year the 200th Anniversary of our Declaration of Independence, and it is fitting that you have chosen to make the theme of this evening the history and heritage of Kelly Air Force Base. But we are not only celebrating the past—we are looking toward the future. And just as the future of the Revolution was uncertain 200 years ago, so is the future of America today.

The few men who propelled America into its Revolution could not have known the future that lay ahead of them; and they could never have dreamed of the mighty power that they unlocked, in giving this country its independent beginning. Nor could the fliers at Camp Kelly in 1917 have known what lay ahead. Who among them could have envisioned that little, dusty country pasture for what it is today—a City in itself, a complex industrial establishment with worldwide responsibilities, entrusted with the care and keeping of aircraft of a size and power that no mind could conceive of, from the cockpit of an old Curtiss trainer.

Military aviation started in San Antonio, for all practical purposes. This base is the oldest continuously used base in the Air Force; it is named for the first American military aviator to be killed, in an accident that occurred at Fort Sam Houston. Here at Kelly, at Brooks, at Randolph, the United States Air Force first "slipped the surly bonds of Earth," in the words of the poet.

To those of us who were born in San Antonio, this is still Kelly Field, even though it has had another official name since 1948. To young airmen, Kelly is an overwhelming repair center and logistics base; but to those who know the Air Force, it is still Kelly Field, still at the heart of military aviation. There has never been a single new step in military aviation that did not have at least some origin here at Kelly; nothing can separate this place from the beginnings, growth and complete maturity of the United States Air Force.

Our national revolution was not made by people who looked backward; and Kelly Air Force Base was not made by people who focused on the past. Our revolutionary fathers had an appreciation of the past, but were not its captives. Neither can we be. From the past, we can learn of accomplishments and mistakes; we can understand something of how we came to be where we are; and we can understand something of how we should conduct ourselves in the future. But nothing in the past can give us the assured answers for the problems we have today; for that, we have only our own instincts and intelligence to guide us; we have only our own values and courage to sustain us, in the same way that the American revolutionaries did, and the same as every airman has. It is good that we know and honor the past; by knowing what others before us have done, we can understand what is possible for us to do.

And we have much to do.

Kelly has seen many cycles of war and peace: it saw the disillusionment of the 'twenties, and the awesome threat of the 'thirties, and the growth and maturity of American air power in the 'forties and 'fifties. It has lived through the time when America had almost no air power, to a time when we relied almost exclusively on it; and now it is seeing a time when air power is again doubted, called into question, attacked as wasteful—and cut back. We are living in a period when America is unsure of its commitments, uncertain of its abilities, and seemingly unaware of the extent and nature of the military threat against us.

No responsible observer of military affairs today will deny that our military power is waning, and that our capacity to win a major war is questionable. Yet we hesitate to make the commitment to build our strength. We debate whether this or that weapon is really needed; some members of the House and Senate make headlines by quibbling over this or that so-called wasteful military benefit; and our Secretary of State time and again is forced to issue empty threats; next time, he says, we will not tolerate subversion or outright aggression. Next time.

The truth is that our military power is nowhere near as great as our political commitments. We are faced with the necessity of making a choice: do we reduce our commitments or do we increase our military strength?

If we keep our existing commitments, we must be prepared to build a stronger military force to back them up. It means nothing to have a commitment to defend Europe or the East, if we do not have the means to do that with. It means nothing to say that we will not tolerate aggression in Africa if we are not willing and prepared to provide the means for defense against it. An empty commitment is worse than none at all; no one is fooled by an empty munitions chest. No amount of bluster, and no amount of personal courage, helps very much in combat against an enemy with superior equipment or skill. It is better not to enter the arena at all than to enter with less than the means to win.

There is nothing startling about any of this. Yet, we seem unwilling to recognize that our military forces must be equal to our commitments. The President wants to cut the budget; and he is so determined to do this that he fires the Secretary of Defense, who points out that our forces simply will not cover our commitments. Some members of Congress, and especially a certain Senator from Wisconsin, mount constant attacks on the Department of Defense—always harping on this or that marginal question, but never asking the only one that matters: do our forces cover our commitments?

These critics do not question our commitments abroad; and in fact, they insist on keeping those commitments. They see the United States as a world leader, as the protector of Europe, and as the defender of the forces of freedom everywhere. And yet, they would have a defense structure that could only serve as a defense for our national territory—and could in no way meet the requirements of the world mission that they want this country to play.

It is begging the question to put the defense debate in any other way than this. Any member of Congress who has doubts about a weapons system is entitled to those doubts; but that same member ought to ask why the system is needed, as well as how much it will cost. If we have obligations and commitments to provide logistics support to the Middle East, that is why we need a C–5 aircraft—and not because it happens to be a big airplane. We need that kind of aircraft because of the commitment, not because it is a big airplane.

If we have defense commitments in Europe, and we do, then we have to have people in that part of the world, and we have to have the ways and means to provide them supply and replacement—first, to sustain our position, and second, to win in a conflict. That is why we need a big logistics base; not because we want a big payroll, but because we have a big commitment.

If we have a commitment that requires long-range aerial resupply, we have to have the aircraft to do that with, and the bases to match. If we do not have the bases to provide refueling, we have to modify our available aircraft to meet that exigency, or buy new ones that don't need refueling.

The whole basis of defense planning depends as much on what we want to do in the world as on what we fear from those forces that oppose us. But the tragedy of today's debate on military policy is that this goes unrecognized. We can talk all we want to about the tooth-to-tail ratio, and about the cost of the general officers' mess in the Pentagon, and about this or that military cost—but none of it means anything unless the debate starts with the question of what our obligations are, and what we need to meet those obligations. To say it bluntly, if you are playing a game of poker, you start by counting your chips, and measuring your chips against the strength of your hand. Some hands you can bet; some you can't, and some you pass by—but whether you have any options at all, depends on the number of chips you have. Our defense establishment is our stack of chips; if we don't have them, we are limited in the options that we can exercise.

This is why it is a terrible mistake for the critics of defense spending to harp away on commissary privileges, or on any number of questions that are marginal to the real issue. Attacks on commissary privileges cannot really affect the fundamental size of the defense budget; the commissary is a benefit, and attacking it can only drive down military morale, not affect the factors that make the defense budget what it is.

Those who want to cut down national defense spending ought not be concentrating on the cost of the Pentagon Mess, or on what kind of cars generals drive, or on how many aides they are entitled to—those things are not the bulk of defense spending, nor even an appreciable portion of it. The cost of military spending is determined by our commitments—that, and very little else. Those who want to really cut spending should be talking about whether or not we should pull out of commitments—not whether enlisted people should or should not get a small subsidy on their groceries.

The commissary stores cost about a quarter of a billion dollars a year. Cutting those stores out entirely won't really make any difference in the defense budget.

Military pay increases cost a lot of money—but holding down pay below a decent level does not really affect the size of the defense budget.

Adequate medical care for military personnel costs a lot of money, seen alone, but cutting out medical benefits does not really affect the defense budget, not in any meaningful sense. What does?

It is the numbers of people that we have to have in the military services that really determines the cost of running those services. If we cut a million people out of the military budget, that really does affect the budget, far more than fiddling around with this or that little benefit. But the cost cutters don't want to talk about that; they don't want to cut down our role in the world at all, they say. But if they really do want to change the budget, that is the only real option we have.

It costs a quarter billion or so to run the commissary system. It costs 45 billion to run our forces in Europe. Those who want to really change the Pentagon budget don't talk about abandoning Europe, though.

It costs us ten times as much to support our commitments in the Middle East as it does to run the commissary system—if the critics of the defense budget want to talk about cost, let them talk about whether we should have that commitment.

It costs us tens of billions of dollars to maintain bases and forces throughout the Pacific. Let the critics talk about those commitments.

We could, clearly, cut the military budget by forty or fifty per cent, if we scaled down our commitments solely to the defense of our national territory. But can our country survive just by doing that? Can we maintain our lines of supply for raw materials, around the world, just by defending these shores alone, and leaving dozens of smaller and weaker countries to fend off the aggressive actions of the Soviet and Chinese blocs? How long would this country survive in such a world?

But the critics do not want to talk about changing our mission; they merely play a variety of games with the military, and talk about waste. They only throw sand in the gears, and question the integrity and ability of those very forces sworn to defend them.

This is a watershed year for defense policy. The decisions that are made this year on the military budget will determine for a decade to come whether or not we are going to cover our international commitments. That being the case, I am profoundly disturbed that the debate is being carried on this year the same as in years past—not about the cost of meeting our present obligations, but about whether we should pay an enlisted member enough to stay off of food stamps.

The real determinant of cost is not whether you are given a reasonable amount of pay, or given the full range of benefits that you were promised and have a right to expect. The real determinant is in the bets we have on the world table. It is those bets that cause us to calculate the type and size of forces we must have; it is those bets that determine the kind of weapons we need, and how many of them; it is those things that determine what the cost will be.

We cannot forever peck away at the margins of defense, and not consider the effects of this on our ability to do what we have promised to do. We have to decide, this year, at long last, whether we are going to continue our commitments, or scale them back. There is no more fat to cut from the military budget of this country. You know it and I know it. Secretary Schlesinger knew it, but apparently the President did not believe it. The Senator from Wisconsin, and other defense critics, ought to know this as well—but do they?

Those of us who believe in the necessity of American leadership, and who believe that this country has a role to play in the world whether we want it or not, have a difficult task, in a time when everyone argues that it costs too much.

It costs a great deal. Liberty and freedom were never cheap. Leadership is not easy. Commitment does not come without courage and a willingness to sacrifice. The question for us, on the eve of our national bicentennial, is whether we have the same vision and courage that our forefathers did. They lived in an uncertain time; they did not have national unanimity; they had no assurance that they could win independence; they did not even know how to organize and pay for the military forces that they had to have. They did not have certain glory ahead of them.

Neither do we. We do not have an assured and certain future. We cannot be certain that we are always right. Leadership involves costs and risks. We have to be prepared to take risks, and pay costs. Whether we want to do this or not, it will happen.

In this world, doing nothing is also a risk. Doing nothing in Europe and the Pacific is just as dangerous—and probably more dangerous—than being prepared to act. For this is a world in which powers move, not of our accord alone, but of the motivations, the needs and the calculations of others as well as ourselves. We are inescapably part of the world; we either guide our own destiny or others will guide it for us.

The question we face today as a nation is the same as it was 200 years ago—who will be masters over us—ourselves, or some foreign power?

FEDERAL ASSISTANCE NEEDED TO EASE PBB CRISIS

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. VANDER JAGT. Mr. Speaker, in March 1975, I joined with two of my Michigan coleagues, Congressman Al Cederberg and Phil Ruppe, in introducing legislation to provide compensation from the Federal Government to farmers who could not sell their livestock or crops because of Polybrominated Biphenyl—PBB—contamination and who did not receive compensation for such losses from insurance or other sources. Unfortunately, no action has been taken by the Congress on that legislation. However, the Senate has recently passed legislation which would provide loans to farmers whose livestock or crops have been condemned or quarantined because of contamination by toxic substances. Potentially of some assistance to farmers affected by such disasters as the PBB situation in Michigan, the legislation does not yet meet the problem of farmers who are unable to recover under insurance claims for losses suffered because of contamination, but whose livestock or crops are not condemned or quarantined. As a consequence I have today introduced legislation which would amend the Senate-passed bill and which would provide Federal assistance to those farmers who would otherwise be faced with serious financial loss.

Several newspaper editorials have appeared in the past few days on this very difficult and painful problem which spell out in detail the need for congressional action. I believe the Members of the House will find them of considerable value. They include an editorial from the April 22, 1976, edition of the Detroit News, entitled "Seeking the Facts on PBB Disaster," and the editorial "Ban PBB-Contaminated Food—Now!" from the April 22, 1976, edition of the Muskegon Chronicle, Muskegon, Mich. Those editorials follow:

SEEKING THE FACTS ON PBB DISASTER

By appointing six prestigious scientists to analyze the effects of the PBB disaster on Michigan agriculture, Gov. Milliken has taken an essential step toward ending the rumors, half-truths and emotionalism which have been beclouding this vital issue for months.

PBB, a fire-retardant chemical, was accidentally mixed with a quantity of farm feed almost three years ago and distributed to a number of farms.

It has since exacted a terrible toll. More than 25,000 cattle and hogs and 1.5 million chickens have been quarantined and destroyed and huge quantities of milk and eggs dumped after high levels of the chemical were discovered in the animals and their by-products.

But the controversy over possible long-range effects of the contamination continues and the longer it continues, the graver the PBB disaster could be for the health of Michigan residents and for the state's farm economy.

The major dispute now centers on what constitutes a permissible level of PBB. This level is now set by the Food and Drug Administration (FDA) at up to .3 parts per million PBB in meat, milk, poultry and eggs.

Since the mass PBB contamination lacks a scientific precedent, emotionalism, fear and conjecture have dominated the issue. Bills dealing with the PBB content, well intentioned but so far lacking sound scientific basis, threaten to inundate the Legislature.

Michigan farmers are sharply split. Some insist that the FDA-approved level of PBB is far too high. Some have testified before a congressional committee of mysterious illnesses afflicting their families, presumably the result of eating PBB-contaminated food. They insist that their consciences forbid marketing their farm products, even though those meet present FDA standards on PBB.

Other Michigan farmers insist that their families suffered no ill effects from eating beef and drinking milk from herds later destroyed because they far exceeded the PBB limit.

They argue that continued widespread publicity based on rumor and unproved fears could make all Michigan agricultural products suspect on the national market.

Milliken called it "an incredibly complex problem" in appointing six nationally recognized pathologists, toxicologists and doctors of veterinary medicine to the panel.

The importance of their future findings cannot be overestimated. If the effects of consumption of even a very limited amount of PBB are as dangerous to human health as some insist, the contamination must be rooted out, no matter what the cost in livestock and financial loss.

Conversely, if the panel finds the possible consequences have been exaggerated and that the problem is now under control, public confidence should be restored and the present atmosphere of rumor and emotion should end.

BAN PBB-CONTAMINATED FOOD—NOW

Gov. Milliken called this week for "an end to half-truths and rumors" about PBB contamination and its human health implications.

That is precisely the phrase he used one month earlier in calling for a subsequently aborted study of the situation, and we are just as far from hard facts now as then about what may well be the worst livestock contamination disaster in the nation's history.

This response has been totally inadequate. This state—and possibly, by now, other states—is confronted with a mass poisoning of its livestock, the threatened ruin of its meat industry, and the real possibility that the health of its residents is at peril.

This indecisive state government foot-dragging has been the pattern now for two years, and only this week, as we write, has a scientific advisory panel been set up to check out the human and animal health implications of PBB exposure.

During those two years more than 30,000 Michigan cattle, 6,000 hogs, 1,500 sheep, some 1.5 million chickens, at least 865 tons of feed, 18,000 pounds of cheese, 2,630 pounds of butter, 34,000 pounds of dry milk products, and nearly 5 million eggs have been destroyed.

Damages for livestock and poultry losses are estimated as high as $100 million and the end—plainly—is not in sight.

The destruction of poultry and livestock has generally been done under federal guidelines which require destroying any products containing more than three-tenths parts per million of PBB. Sale of products containing lesser amounts of PBB is permitted under the federal rules.

And such sales continue apace.

The problem is that there is no absolutely convincing data as yet to whether it is safe for humans to eat products containing ANY level of PBB.

There is a growing body of evidence that animals are sickening whose blood contains much lower levels of PBB—which was the case in the recent mass shooting of cattle on the Ottawa County farm of Gerald Woltjer—and in the period before contaminated herds were guaranteed thousands of Michigan farm families and their neighbors consumed PBB-contaminated milk, eggs and meat.

Many of these families have complained of illness brought on by this exposure.

The Michigan public also has been exposed to PBB-contaminated products, but to a much lesser degree than the farm families. The Michigan Department of Public Health says it hasn't found any syndrome or signs of human illness attributable to PBB, but this assessment is the subject of heated debate.

Science magazine reports that Walter D. Meester, clinical toxicologist at Blodgett Memorial Hospital in Grand Rapids, has sharply criticized the MDPD study, in part because 70 per cent of the persons in the control group had detectable levels of PBB in their blood.

Said *Science:* "Certainly there is a presumption, derived from the limited testing that has been done with laboratory animals, that PBB may be bad for you."

The magazine notes that DuPont several years ago dropped the idea of using PBB in the manufacture of flame-resistant garments after finding that the compound caused liver enlargement in rats.

Rat-feeding studies by state and federal agencies have shown, the magazine said, that both PBB and the more familiar contaminant, PCB, cause "dramatic alterations in normal biochemical and physiological processes," and that PBB is the more dangerous of the two.

It quoted a Food and Drug Administration official as reporting that "the weight of evidence at this time is that PBB caused greater responses at lower levels, and (its toxicity) may be up to five times (greater)."

These findings and others, no matter how tentative, are cause for the gravest concern. And we say here, with all the force we can muster, that the public health of this state—and perhaps of the country—demands an immediate ban on the sale and distribution of ANY animal feed or meat and poultry in ANY degree contaminated by PBB.

It may be months, conceivably years, before the state health studies result in definitive findings on the short and long-term health impact of PBB ingestion, and we disagree emphatically with Gov. Milliken's statement that "this question is far too important to be decided without a proper scientific analysis."

What is important is to take measures now to protect the public health against what is widely perceived to be a serious threat. If the studies prove the danger to have been exaggerated, so be it.

The hard fact is we don't know. And we don't believe a chance should be taken on the health of 8 million citizens. If the fears expressed prove well founded, we would not want to be answerable for that.

And we cannot believe the governor wants to accept that kind of responsibility.

If the federal government can agree on the need to spend more than $135 million for a mass national inoculation against swine flu—with no way of knowing whether a swine flu epidemic may eventuate—then we suggest there is no valid reason to hesitate one moment more to ban sales of PBB-contaminated meat and other products that testing clearly suggests "might be bad for humans."

Enough is known, however unscientifically, to establish that a very toxic chemical has been released into the environment, contaminating feed, livestock, soil and the food eaten by Michigan consumers.

It is known that PBB is highly stable—it doesn't break down easily, it persists. And there is cause for concern that it will contaminate plants and vegetables and, by leaching through the soil, the waters of our lakes and streams.

Reports of PBB contamination of livestock have come in from other states, notably Tennessee, and there is speculation that the organs and entrails of slaughtered Michigan livestock ground up and used in marketed animal feed, carry some amount of PBB residue which cattle in other states are ingesting.

We say this must stop. We say there must be a ban on sale and distribution of any meat, meat-filled feed or other products with any detectable level of PBB contamination. And we say the bills now before the Michigan Legislature are totally inadequate to provide the protection the public, under these circumstances, should receive.

Withholding contaminated meat or poultry from the market for 60 days is not enough. Labeling meat as PBB contaminated is not enough. And dropping the contamination "action level" from three-tenths parts per million to two-tenths is not enough.

The ban must be total. Nothing contaminated should reach the market. No one—absolutely no one—knows now whether ANY amount, any trace, of PBB is safe to consume. And until this is known no one should swallow any of it—any *more* of it.

This is a disaster, of course, for the farmers. And federal relief must speedily be made available. The losses involved are estimated as at least $97 million. And that will doubtless prove conservative. Federal farm loan programs don't meet this need, and they should be revamped.

That's the way we see it. What we have here could prove to be human tragedy of epic national proportions. Or it could prove to be no more than what it already is—one of the worst livestock poisoning incidents on record.

But whether or not, if an error is to be made, in God's name let us make it in favor of humans!

A PENNSYLVANIAN IN MINOT, N. DAK.

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. SCHULZE. Mr. Speaker, a major tragedy was averted in Minot, N. Dak., while this Congress was in recess. Floodwaters were threatening to do more than $70 million damage to this small town that has been ravaged by floodwaters several times in the past. Credit for saving this town could go to a man that was born in my district in 1934. James D. Ruyak was born in Pottstown, Pa. He received his college education at Davis and Elkins College in Elkins, W. Va. Currently he resides with his family in Hudson, Wis. He is working as a supervisory civil engineer with the St. Paul District of the Army Corps of Engineers where he is chief of the construction branch.

For 2 weeks he put in 16- to 18-hour days supervising the construction of 35 miles of levees and dikes along the Souris River. This was $3½ million worth of emergency flood protection. He also supervised hundreds of local volunteers in solving problems of erosion.

James Ruyak married a Pennsylvania girl. Barbara Ann Ruyak was born in Shillington. They have lived in Wisconsin for about 3 years. Prior to that he had been assigned to the Army Corps of Engineers District Office in Pittsburgh, Pa.

He is not alone in the efforts that were put forth in averting the disaster in Minot, but I am singling him out because he is a native son of the Fifth Congressional District of Pennsylvania. Col. Forrest T. Gay III, the District Engineer of the Army Corps of Engineers in the St. Paul District, had many others working on the project, 15 of these devoted to the technical aspects of the problem. My praise goes to them as well for a job well done.

As part of my remarks I include an article that appeared in the Pottstown Guardian, April 22, 1976:

LOCAL MAN SAVES CITY

When the people of Minot, N. Dak., count their blessings, the name of a former Pottstown man heads the list.

James Ruyak, Chief of diking construction in Minot for the Army Corps of Engineers, was credited the past week for saving the city from a devastating flood and it's the third time he provided such a dramatic effort.

Brother of George Ruyak, 1033 Pine St., the engineer appeared frequently on recent national TV news broadcasts as millions were told of the efforts to hold back the rising Souris River with earthen dikes.

Under Ruyak's direction, hundreds of volunteers, National Guardsmen and Air Force men raced to finish the dikes in order to save Minot.

Officials of the city said the water rising because of melting snow from the Saskatchewan hills and rain, could have flowed 6 to 14 feet deep through the downtown area had any of the dikes crumbled.

At the beginning of last week, the community officials were preparing for the worst. More than 12,000 persons were evacuated, schools were closed and city workers began shutting off gas supplies.

By Saturday, April 17, the flood waters came within 6 inches of the top of the elaborate dike system.

The Souris River already overflowed its banks in the ranch and farm area, flooding more than 400,000 acres.

Ruyak had little sleep by the time the river began receding Easter Sunday when skies began clearing. But the 35 miles of dikes held and Ruyak received praise and gratitude from thousands.

When the George Ruyak family called to speak to the brother and his wife Monday, they were told that in every Minot church Sunday, special prayers of thanks were given for the engineer.

James Ruyak also received a key to the city and five women crocheted an American flag afghan for him.

This wasn't the first time, community residents showed their appreciation to Ruyak, a resident of Hudson, Wisc., the past three years.

In 1975 when the city was facing a situation much like last week's event, Ruyak claimed victory against the threatening waters and the Minot Daily News ran a full page of photos and a story on his work, calling him the "flood fight general".

The page was sponsored by the city's business and professional men.

"After the first meeting everybody called him Jim. He was that kind of a guy. Friendly, Low key. Obliging," the reporter wrote.

The story told how he averaged less than three hours sleep a day in the first two weeks of the battle.

"Minot is grateful, Jim Ruyak, for your mighty accomplishment," the article continued and then announced, "The least we can do is say you're our Man of the Year."

Ruyak graduated from Pottstown High School in 1952 and then went into the Army. After his discharge he attended Davis and Elkins College, W. Va. and graduated in 1960.

Since he has been with the Army Corps of Engineers, he was field supervisor when the Kinzua Dam was built in Warren, Pa., and was assistant resident engineer for construction of the Hannibal Dam in Ohio.

He held the post of resident engineer for construction of the LeFarge Dam in Wisconsin and for three years has been chief of construction for six states including North Dakota.

For his efforts in Minot, he received the North Dakota State Award, the Navy Commodore Award and Minot named its highest street, one which overlooks the city, Ruyak Point. It was dedicated Feb. 12, 1976.

Each year on Feb. 12, Minot residents observe Jim Ruyak Day.

He and his wife, Barbara, who graduated from Pottstown Hospital School of Nursing, have four children, Beth, 15; Michelle, 13; Ann, 11 and Marc, 8.

POLISH CONSTITUTION DAY

HON. PAUL S. SARBANES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. SARBANES. Mr. Speaker, on May 3, people of Polish descent throughout the world will celebrate an important Polish national holiday—the Polish Third of May Constitution Day. May 3, 1791, is not perhaps as well known to Americans as July 4, 1776, but both dates symbolize the same ideals and the same passion for political freedom. On May 3, 1791, just 2 years after the adoption of the U.S. Constitution, the Polish people ratified a historic document which abolished class distinction, established absolute religious toleration, and declared equality of all citizens under the law. In so doing, the Polish people set an example for freedom-loving men and women of courageous commitment to human rights and individual freedom. It is fitting in our Bicentennial Year to pay tribute to the heroic dedication to liberty demonstrated throughout history by the Polish people and to gratefully acknowledge their innumerable contributions to this Nation's struggle for independence.

The 185th anniversary of the adoption of the Polish Constitution will be celebrated on Sunday, May 2, by the Polish American Congress, a national organization with chapters in all major cities in the United States. In Maryland, the anniversary will be marked by our distinguished Polish community at the Polish Home Hall in Baltimore.

A brave people long recognized for their chivalry and compassion, the Polish people have for generations struggled for liberty, a struggle which led them to carry on their national banner the noble motto "For Our Liberty and Yours." But theirs has been a tragic history, marred by partition and suppression.

The Polish people's quest for independence and freedom began in 964 when the North Slavic tribes united under the leadership of the Piast family to form the independent state of Polska with Prince Mieczyslaw as its first ruler. During the following three centuries, Poland was engaged in *repelling* aggression culminating in the invasion of Europe in 1250 by Genghis Khan. It was Poland that finally stopped the Mongol invasion and turned back the tide of barbarism.

During the bitter and divisive religious wars of the Reformation, Poland remained at peace. It proclaimed religious freedom and accepted thousands of victims of religious persecution.

Again in 1683, Poland rescued Europe from impending invasion. In that year, Vienna was besieged by half a million Turks. Pope Innocent XI called upon Poland's King Jan Sobieski to come to the defense of Vienna and Europe and on September 13, 1683, Sobieski led 40,000 gallant Polish troops in an attack on the Turks which routed the invaders.

The Polish people's indomitable spirit and their dedication to freedom culminated in the adoption of a new Constitution in 1791 whereby the people of Poland peacefully transformed their government from a monarchy to a democracy. The news of the new Polish Constitution evoked a jubilant echo in America. George Washington and other eminent Americans praised Poland's rebirth. John Paul Jones sent congratulations to Warsaw.

But the signing of the Constitution could not put a halt to the third partition of Poland by Russia, Prussia, and Austria, who feared the new-found power of the Polish people. Despite the heroic efforts of Thaddeus Kosciuszko, the great Polish patriot who served as a general in the American Revolutionary War, valiant Poland was overcome in 1795 by her predatory neighbors. The third partition of Poland made a dramatic impression in America, captured in the words of Noah Webster:

> When Poland was cut up into three slices, for the three adjoining monarchs, the most hideous outcry was raised by all lovers of freedom.

The partition made an end of Poland as an independent state, but not of the Polish spiritual life. The Polish people continued to assert and reassert their vitality by repeated insurrections until, in 1914–18, the power and the importance of the Polish nation became generally felt and recognized. In 1919, through the valiant efforts of Jan Paderewski, supported by President Woodrow Wilson, the Polish nation rose again to new political independence.

Enjoyment of this new freedom was brought to an end in 1939 with Hitler's invasion of Poland. For 6 weeks, the Polish people tenaciously resisted Nazi military might but finally succumbed to the inevitable when Russia invaded from the East, thereby placing Poland under attack on two fronts. Even so, Poland's brave sons fought on with the Allies in England, North Africa, Italy, France, Belgium and Germany.

The Polish people, subject throughout history to the growing aggressiveness and territorial greed of neighbors bent on subjugating their nation, never lost their devotion to freedom. This spirit found simultaneous expression in the lands where Poland's sons and daughters began life anew.

Just as the Polish people courageously sought their own freedom in 1791, so they have contributed to this Nation's struggle to create a free society since the earliest days of our colonial beginning. In 1608, almost 12 years before the Pilgrims landed at Plymouth Rock, Polish artisans arrived in Virginia's Jamestown, the oldest English colony in America. By the fall of that year they had built America's first glass factory. In a short time they were able to send England the first samples of their work—the first products of American industry. The first instance of the Polish bravery in the new land is recorded in 1609, when they saved the life of Captain Smith during an Indian ambush. In 1619, the first legislative assembly on the American Continent met at Jamestown. However, some of the inhabitants were denied the right of representation. Among the disenfranchised were the Poles, who decided to cease working in the glass and soap factories until the injustice was removed. Credited with the first victory for the cause of freedom on the continent, these polish artisans quickly won their voting rights.

America was to benefit again and again from the commitment to freedom of its citizens of Polish descent. We gratefully acknowledge the services of Thaddeus Kosciuszko, who rallied to the banner of our new-born country as it struggled for its independence. Jefferson wrote of Kosciuszko:

> He is a pure a son of liberty as I have ever known.

On October 13, 1783, Congress rewarded Kosciuszko with a brevet commission of brigadier general, as a token of their "high sense of his long, faithful, and meritorious service." In 1784, Kosciuszko returned to Poland and there was a courageous leader in the movement which created the Constitution of 1791. He distinguished himself in the Polish-Russian campaign of 1792 and 2 years later assumed the leadership of the heroic but unsuccessful Polish Insurrection.

General Casimir Pulaski was another celebrated officer who distinguished himself during the American Revolution. Animated by idealism but unsuccessful in his efforts to free Poland, he wanted to fight for liberty in the New World. He arrived in America in July 1777, and shortly thereafter was commissioned a brigadier general by the Continental Congress. During the spring and summer of 1778, General Pulaski came to our city of Baltimore to recruit and organize an independent corps of cavalry and infantry. Pulaski's Legion from Baltimore and neighboring areas served with distinction in South Carolina and Georgia and Pulaski himself gave his life for the cause of American freedom when he was shot and mortally wounded during the siege of Savannah.

The contributions which Polish Americans made to colonial settlement in America, in the war for independence, and in the struggle out of which our national unity was born would be repeated in each generation which followed. The determination and endurance demonstrated in the homeland found strong expression in America. At the turn of the century, Polish Americans could be found working in nearly every leading industry, in mining, steel and glass factories, in textile mills, clothing manufacturing, stockyards and packing houses, furniture factories, oil and sugar refineries, and in agriculture. They contributed significantly to the growth of American industry and strengthened American labor. Today, Americans of Polish descent number well over 10 million and the list of distinguished Polish Americans marks the ranks of every profession and walk of life. In government, Polish Americans have distinguished themselves as Senators and Congressmen, as Governors, mayors, jurists and countless other positions in Federal, State, and local government. Their range of artistic, literary, intellectual and social contributions has helped build our institutions and fulfill our national life. Above all they have always championed our Nation's freedom and honor.

In joining with Polish Americans throughout our land in commemorating the proud triumph in 1791 when Poland immortalized her people's love of freedom in a democratic constitution, let us recall that our national heritage is rich with the gifts of the Polish people and let us hope that the great rights contained in the Constitution of 1791 can again triumph in a free Poland.

"DIARIO OFICIAL" MEXICO, FEBRUARY 13, 1976

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. ANDERSON of California. Mr. Speaker, my fellow Members of Congress are well aware of my strong opposition to the United States establishing a 200-mile economic zone for the protection of coastal fisheries. Although the legislation expressly exempts highly migratory species from the 200-mile zone, tuna fishermen in my district fear that other nations will overlook this exception and will move to extend their jurisdiction to all fish located in their economic zones, whether coastal, anadromous, or highly migratory.

A perfect example of this was brought to my attention in a letter written by Mr. John J. Royal, executive secretary-treasurer of the Fisherman and Allied Workers' Union Local 33 ILWU, in San Pedro, Calif. Mr. Royal enclosed a copy of a translation of the Government of Mexico's Decree amending their Federal Law on Fisheries Development.

I urge my colleagues to read this "Diário Oficial" Decree, and consider carefully the concerns Mr. Royal points out in his letter:

FISHERMEN & ALLIED WORKERS' UNION,
LOCAL 33 I.L.W.U.,
San Pedro, Calif., April 12, 1976.

Hon. GLENN ANDERSON,
House of Representatives,
Washington, D.C.

DEAR GLENN: I am sending you a copy of a translation of the Diario Oficial of Mexico, dated February 6, 1976 which I just received. You may already have this in your possession, but am sending it to you just in case you don't.

As I read it over, it showed me very clearly what happens when countries, including the United States, take independent unilateral action on extended jurisdiction, prior to an agreement being reached or worked at during the Law of the Sea Conference. For example, I direct your attention to that portion of this document entitled "Department of Industry and Commerce", amendment of Article 37 of Federal Law on Fisheries Development.

They say, among many things which will make it almost impossible to live with VI—(a), (b) etc., our U.S. tuna vessels must employ at least 50% Mexican Nationals on their vessels before Mexico will sell them a license or permit to fish in their 200 mile economic zone, plus other requirements.

What the hell do we do with the 50% of U.S. fishermen that are supposedly to be fired or laid off to create employment for Mexican Nationals? What happens to our collective bargaining agreements between U.S. tuna boat owners and fishermen's unions of many long years? What happens to our members pension funding, their families hospital and medical plans, etc. I could go on and on, but it's not necessary as I feel I have made my point. I hope you can use this in your arguments as to why President Ford should veto H.R. 200.

Thank you for all the support you have given us in our battles over the years. You may count on continued support from all of us. Keep up the good work and once again thanks.

Sincerely yours,

JOHN J. ROYAL,
Executive Secretary-Treasurer.

[TRANSLATION]

DEPARTMENT OF STATE,
DIVISION OF LANGUAGE SERVICES,
Diario Oficial, Mexico, February 13, 1976.

DEPARTMENT OF INDUSTRY AND COMMERCE

Decree amending Article 37 of the Federal Law on Fisheries Development.

In the margin, a stamp of the National Seal, which reads: United Mexican States. Office of the President of the Republic.

I, Luis Echeverria Alvarez, Constitutional President of the United Mexican States, hereby make known to the inhabitants thereof:

That the Congress of the Union has sent to me the following

DECREE

The Congress of the United Mexican States decrees:

Amendment of Article 37 of the Federal Law on Fisheries Development.

Sole Article. Article 37 of the Federal Law on Fisheries Development is hereby amended to read as follows:

Article 37. Commercial fishing by foreign vessels in territorial waters and in the waters of the exclusive economic zone is hereby prohibited.

In exceptional cases, the Federal Executive, acting through the Department of Industry and Commerce, may grant permits to foreign fishing vessels for each trip, when the total allowable catch of a species exceeds the fishing capacity of national vessels.

Persons interested in obtaining such a permit shall submit an application to the Department of Industry and Commerce stating net tonnage of holds, type of vessel, and fishing gear; must present a National Fishing Registration Certificate; and shall agree to the following:

I. Not to unload their catch in national territory;

II. To leave the waters of the zone within the time limit set;

III. Not to engage in commercial fishing or hunting of marine mammals, of species reserved for fishery cooperatives, or species reserved for sport fishing, as indicated in Articles 40 and 10 of this law;

IV. The technology used in the fishing operations and in the industrial processing of catches made under these authorizations shall be made available to nationals on a completely gratuitous basis;

V. To make a cash deposit as a guaranty of compliance with the preceding obligations;

VI. The following rules must also be complied with in applying for permits to fish in territorial waters:

(a) At least 50% of the crew must be composed of Mexican nationals;

(b) The national crew must be hired in Mexican territory, with wages and benefits equal to those of the foreign crew when they are higher than national wages and benefits;

(c) The parties shall agree not to engage in commercial fishing of anchoveta and sardines;

(d) The parties shall agree not to take live sardine for bait in the zone prohibited by the Department of Industry and Commerce;

(e) The parties shall agree not to engage in commercial fishing in zones reserved under the terms of this law.

The Department of Industry and Commerce shall make decisions in accordance with national interests. If its decision is favorable, the party concerned must pay the taxes and fees prescribed by the tax provisions in force.

In granting exceptional permits, the department of Industry and Commerce shall give preference to foreign vessels from countries which grant equal conditions of reciprocity to Mexican vessels, and may exempt them from fulfillment of one or more of the requirements and conditions indicated above when national interests so justify.

TRANSITORY PROVISION

Sole Paragraph. This law shall enter into force at the same time as the additional eighth paragraph of Article 27 of the Constitution.

Mexico, D.F., December 26, 1975. Emilio M. González Parra, S. P. Luis del Toro Calero, D.P. Germán Corona del Rosal, S.S. Ma. Edwigis Vega Padilla, D.S.

In compliance with the provisions of Article 89(I) of the Political Constitution of the United Mexican States, and for purposes of its due publication and observance, I hereby issue this Decree at the Federal Executive's residence, Mexico City, Federal District, on Februnary 10, 1976. Luis Echeverria Alvarez. José Campillo Sáinz, Secretary of Industry and Commerce. Mario Moya Palencia, Secretary of Government.

THE BALANCE(S) OF POWER: II (ii)—A PANORAMIC PERSPECTIVE

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. BRECKINRIDGE. Mr. Speaker, continuing the overview of balance(s) of power that I began as a part of a series last month, I commend to my colleagues a careful, judicious appraisal by Barry M. Blechman, senior fellow and head of the defense analysis staff of the Brookings Institution. Mr. Blechman's appraisal appeared in the January 3–10, 1976, issue of New Republic magazine in an article entitled "Are the Soviets Ahead? Handicapping the Arms Race."

In his article, Mr. Blechman emphasizes that for the past dozen years the United States has been spending less and the Soviet Union has been spending more for military purposes. "Real" U.S. military spending has declined by about 20 percent in that period, while the same figure for the Soviet Union has increased 40 percent, according to the article—a 60-percent shift in preparedness as between offensive and defensive forces.

A change of this magnitude in the balance of power damages world stability and the prospects for peace. It places in jeopardy the American concept of liberty, the freedom of the West, and the independence of emerging nations.

Mr. Blechman's article follows:

The United States will spend almost twice as much for defense in the current fiscal year, 1976, as it did in 1964. But the increase is more apparent than real. After inflation is taken account of, and if parts of the budget (like pensions for retired military personnel) that contribute little to military capabilities are taken out of the calculation, quite a different trend emerges; real military spending has declined by about 20 percent in the past 12 years. This decline represents a major change in the nation's priorities. During the same 12-year period, U.S. defense expenditures fell from 8.3 percent of the gross national product and 43 percent of federal outlays, to about 5.8 percent of GNP and 25 percent of the federal budget.

Conversely U.S. intelligence agencies estimate that Soviet military spending has been increasing steadily. Assessments vary, but a good guess seems to be that Soviet defense spending has risen between three and four percent each year, for a cumulative real increase of perhaps 40 percent between 1964 and 1976. As a result there has been a marked change in relative U.S.-Soviet military spending. U.S. defense expenditures, which exceeded those of the Soviet Union by about 20 percent in 1964, are now only about 70 percent of the Soviet total.

The specific extent of the change in relative spending is a matter of dispute. The accuracy of the estimates and the methodology employed to get them have been challenged. But there is no doubt about the direction of the trend: the United States is spending less, and the Soviet Union is spending more; and that has been going on for about a dozen years.

Have these contrasting budgetary trends resulted in important changes in the military balance, or will they soon? And if the balance has been seriously affected, does that imply adverse consequences for US foreign policy and for maintaining a relatively stable international political system in the years ahead? On the first question, the facts are clear. There have been important changes—adverse ones. It is true that much of the additional Soviet spending was made necessary by the build-up on the Chinese border. While the United States shifted its military planning from buying forces sufficient to fight two major wars simultaneously to forces adequate for one war, the USSR saw a need to move in the opposite direction. Nonetheless, over the past 12 years, Soviet military capabilities, relative to those of the United States, have improved markedly in three important arenas.

The most dramatic change has occurred in the *strategic nuclear balance*, where the Soviet Union has moved from gross inferiority to rough parity. For example, in 1965, the US held roughly 7-to-1 edge in total equivalent megatonnage—the best static measure of the destructive potential of nuclear weapons. The ratio is now about 1.3-to-1 in favor of the Soviet Union and is likely to increase in the years ahead. The United States still retains a number of advantages in strategic nuclear capabilities. For example, the US lead in the number of independently targetable warheads is still about 3.5-to-1. But Soviet mastery of multiple warhead technology and other advances now emerging from its research program promise to close these remaining gaps during the next decade.

In Europe additional Soviet military spending has been used mainly to improve the quality of the forces deployed there. (The Soviet Union did add five divisions to its Eastern European deployment at the time of the Czech invasion, and has kept them there.) The Soviet military has introduced new kinds of weaponry, such as self-propelled artillery and mobile air defenses. It has increased the number of armored fighting vehicles assigned to each division, and generally has modernized its equipment. In the near future it seems likely that the main area for improvement will be the Soviet tactical air forces—the newest aircraft now entering the Soviet inventory are far more capable than their predecessors. Overall, while there has not been any sudden or dramatic shift in the military balance in Europe, many US and West European defense planners fear that NATO's conventional force posture is becoming increasingly less credible. Should these concerns be transmitted to political leaders—and there are some signs that such a process may be underway—it could raise serious problems for the alliance over time. At the recent NATO meetings, the Socialist governments of Western Europe seemed particularly apprehensive that a diminished American military presence might encourage the Soviets and further strain détente.

Finally *the naval balance*. Here the Soviets have been pursuing a steady program to improve the quality of their fleet. The Soviet navy does seem to have been designed mainly to counter the threats posed to the USSR by Western sea-based strike forces—aircraft carriers and strategic submarines. Moreover the United States retains significant advantages in naval power, notably in sea-based aviation. Nonetheless there has been a marked change in relative naval capabilities over the past 12 years that may have important implications for the future success of US foreign policy. While the USSR has not yet developed a large marine corps with amphibious ships and sea-based air power to back it up, the Soviets have the missile-equipped aircraft and submarines in some regions, like the Eastern Mediterranean, to make the United States think twice before intervening with its own forces.

Of what political significance is all this? Two schools of thought have developed. A "minimalist" discounts the political significance of these changes in the military balance, stressing three factors:

1.) The overriding deterrent effect of the risk of nuclear war. Awareness of the devastation that would accompany a major nuclear exchange has had a sobering effect on the behavior of the superpowers. The fear of nuclear war (even the fear of precipitating a situation in which the likelihood of nuclear war might increase) has caused both superpowers to behave prudently . . . most of the time. Insofar as nothing has happened that promises to end either superpower's ability to destroy the other, should the worst occur, a "minimalist" believes that this restraint is likely to continue. He thus can discount changes in the military balance—*and particularly those in the sector in which change* *has been most dramatic: the strategic nuclear balance.*

2.) Accommodation in Europe. Here the "minimalist" points mainly to the settlement of past disputes. So what if Soviet military capabilities in Europe are improving, what is there to fight about? The USSR has its buffer zone in Eastern Europe, legitimized at Helsinki this past summer. Germany has apparently given up any thoughts of unification. The Soviet Union has access to the West's capital, technology and food. Risk all that, and more? For what? Certainly not for the fulfillment of an old ideological dream.

3.) The relative insignificance of the superpowers' policies generally, and their armed forces specifically, in determining the course of world affairs. On this point, the "minimalist" emphasizes that for many reasons—nationalism, the global revolution in communications, economic interdependence, the nuclear standoff—crises come and go in world affairs with relatively little effective intervention by the superpowers. In effect, and with few exceptions, the outcomes of local conflicts seem to depend mainly on the relative strengths of local actors. Vietnam demonstrated that conclusively, the "minimalist" says. And if the proposition is not true, how then, for example, does one explain the erosion of the Soviet position in Egypt at precisely the time when Soviet military power in the region was most on the upswing? To the degree that the superpowers do have influence, this view continues, it is likely to depend far more on economic policies, on diplomacy, and on intangible factors like the personalities of their leaders and the wisdom of their policies, than on changes in the military balance.

A "maximalist," one who sees grave political significance in the shift in the military balance, probably finds little to quarrel with in these three points. He is far less sanguine about the future, however, believing as he does that the present fairly equable state of world affairs depends on deliberate policy choices by the USSR. In short, he believes that if things appear calm now, they are only so because the Soviet Union has chosen to keep them that way. And he believes that should the past 10-year trend in the military balance continue for much longer, there will be less restraint in Soviet behavior. The Soviet role in the October 1973 war in the Middle East may be a case in point, he argues. The lack of progress in the negotiations to formally control the military balance in Europe—the MBFR talks—may be another, and the blatant Soviet intervention in Angola a third.

Moreover the "maximalist" is more skeptical about nuclear restraint. If sufficient advantage accrues to the USSR in strategic power, he believes, it will be used, maybe not in a physical sense, but at least in direct support of Soviet policy through nuclear blackmail. Most of all, the "maximalist" sees the changing military balance as a symbol of changing wills. He interprets the United States' reluctance to spend more on defense as a sign of its weariness, its growing isolationism, its overriding preoccupation with individual pursuits. And he believes that military and political leaders in the Soviet Union interpret it in the same way. Conversely he views continuing increases in Soviet military spending as tangible evidence of ominous Soviet intentions, of the very restrictive interpretation that the Soviets place of détente, and of their continuing belief in the inevitability of conflict.

My own view falls somewhere between these two obviously caricatured extremes. Aggregate budgetary comparisons are not very meaningful; for one thing the approach rewards inefficiency. If both nations had precisely the same military capability, the less efficient military establishment would have the larger budget. Nor do I believe that the competition in strategic nuclear weapons is very significant. So long as our secure retaliatory capability is not in question, the maintenance of rough overall parity is quite sufficient to ensure that nuclear weapons do not play a role in the resolution of international conflict. Finally there is little reason to match Soviet involvement in remote corners of the globe. Neither Soviet adventures in Angola, nor the establishment of Soviet bases in Somalia, threaten important US interests. And in all likelihood, just as we so painfully learned in Southeast Asia, the cost of these forays to the Russians will soon exceed any possible benefit.

On the other hand there is nothing to be gained, and potentially much to be lost, by ignoring changes in the military balance. The Soviet military build-up has now passed the point where it could be attributed solely to their quest for equality. Nor can it any longer be lightly passed off as the price the political leadership has had to pay to the Soviet military for a relatively restrained foreign policy. And even if it could, one wonders how long the now expanded military would remain content.

The time has come to expect a sign from the USSR of its seriousness about reaching accommodations with the West—a tangible sign in the form of unilateral restraint in its military expansion. To the degree that there is a US-Soviet arms race today, the pace is set by the USSR. If the Soviets abhor such competition, as they say they do, it is up to Soviet leaders to give meaning to their words. In the absence of such a sign, I think that prudence alone would call for a response from the United States; a demonstration of willingness to compete in those areas most important to US-Soviet relations: Europe and the Middle East. It is not the United States' capacity to match pertinent advances in Soviet military capabilities that is in question; it is our will to do so. In light of the strident internal discord over Southeast Asia, the continuing imbroglio between Congress and the executive over foreign policy, the virtual paralysis of the presidency within the past few years, questioning should not be unexpected. Changes in the military balance in Europe and the Middle East only heighten these concerns, however. Pointed changes in the US defense budget and military posture might go a long way toward dispelling doubts.

Such a move need not imply an increase in the defense budget. There are sectors of US military spending in which further cuts could be made, sectors that still operate inefficiently or that still fund forces inappropriate for conflicts that are likely to be faced in the years ahead. Yet other sectors, *particularly those that finance conventional forces appropriate for European and Middle Eastern contingencies*, deserve new emphasis. Such moves should include a continuance, and an elaboration, of the changes in the US military posture in Europe prompted by the Nunn amendment and instituted by former Secretary of Defense James R. Schlesinger. And they should also include accelerated modernization schedules for certain kinds of military. hardware, as well as far-reaching reforms in the structure of some components of the armed forces.

It is only by demonstrating our ability to match *pertinent* advances in Soviet military capabilities within *realistic* budget ceilings, that Soviet leaders will come to understand the futility, and the dangers, of the present competition. And we can only attain that objective by reordering our military priorities so as to emphasize those forces that would be applicable in the contingencies likely to be encountered in the years ahead.

A TRIBUTE TO BILL COBB

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. MATSUNAGA. Mr. Speaker, Hawaii, as it was also true of our early Western territories, was given developmental impetus by Americans of vision, integrity, and energy. This pioneering spirit was brought to the Pacific islands in some cases by New Englanders, and in other cases by so-called "westerners" themselves. One who can be named as belonging to the latter group is the Honorable William B. Cobb, who, for the past 14 years, has served with great distinction as the one and only referee in bankruptcy of the U.S. District Court, District of Hawaii.

It was but a few weeks before December 7, 1941, that Hawaii first saw Bill Cobb, as he is known to all whose lives he has touched. A westerner, Bill had come to the Western territory of the United States—Hawaii—in search of new challenges and new fields on which to leave the Cobb imprint. When the war started, Bill was called to duty as an Army officer and served as aide-de-camp to Gen. Delos C. Emmons, Military Governor of Hawaii. But Bill's military service actually dates back to the First World War, and his family's participation in the development of the West is now a matter of recorded history in the States of Kansas, Wyoming, and Hawaii.

In Kansas, where Bill was born in 1894, his family gained prominence in public service. His grandfather, a Republican, won the nomination for Governor, which was then considered to be the equivalent of election, but passed away before he was formally elected and his term begun.

Bill Cobb earned his undergraduate degree at the University of Wyoming before joining the American Expeditionary Force in 1916 and serving the next 2 years in France and Belgium. Following the end of World War I, Bill, characteristically, before turning to personal interests, served on a U.S. Food Relief Mission to Russia.

After earning his law degree at the University of Kansas, Bill practiced law in Wyoming while serving five terms as a member of the Wyoming Legislature, rising to the post of majority leader.

Following his family's populist thinking, Bill became a Democrat while still living in Wyoming and after having served as Wyoming State chairman of the Republican Party. This change of political parties was just another bit of evidence of Bill's dynamic and progressive personal philosophy which, in my opinion, manifested itself in two other great events of his life, both of which occurred in Hawaii during World War II.

First, as aide-de-camp to the Military Governor of Hawaii, Bill argued successfully against mass internment of the entire Japanese population in the then territory of Hawaii.

Second, he was instrumental in helping to overcome official objections to the formation of the famed 442d regimental combat team, a fighting unit made up predominantly of Americans of Japanese ancestry, which later was to become the most decorated outfit in the annals of U.S. military history.

Mr. Speaker, despite this impressive biographical summary, from which I necessarily omitted many parts of Bill Cobb's lengthy and varied career as attorney, lawmaker, party official, military officer, relief worker, humanitarian, labor-management arbitrator, and bankruptcy judge, I think of him most fondly as "the boss."

After World War II, Bill Cobb returned to civilian life in Hawaii as the Regional Director of the Office of Surplus Property, Department of the Interior. He was my immediate superior, for I, as another newly-returned war veteran, was hired as Chief of the Veterans and Priority Division, War Assets Administration. From that time to the present, the bonds of our friendship have grown stronger with the passing years.

Mr. Speaker, in view of Bill Cobb's long period of service, the Hawaii State Legislature chose to honor him on the eve of his retirement as a bankruptcy judge. This took the form of a concurrent resolution which was adopted by both Houses of the State Legislature during the closing days of its 1976 season.

In order that my colleagues and others may know more about Bill Cobb, a great son of the west, I submit for inclusion in the RECORD the concurrent resolution of the Hawaii State Legislature.

[House of Representatives, Eighth Legislature, 1976, State of Hawaii]

HOUSE CONCURRENT RESOLUTION NO. 112

Expressing recognition, appreciation, and aloha to United States Judge in Bankruptcy: William B. Cobb.

Whereas, William B. Cobb, the United States Judge in Bankruptcy for the federal district of Hawaii since 1962 is retiring from the bench this month; and

Whereas, William B. Cobb was born in Kansas in 1894, his family migrating to Wyoming where he earned a bachelor of arts in 1916 at the University of Wyoming; and

Whereas, Cobb followed his family's tradition, established prior to the American Civil War, by joining the Republican Party, his first electoral efforts occurring in 1912 when he campaigned in Wyoming for the election of Theodore Roosevelt on the Bull Moose ticket; and

Whereas, Cobb served in the American Expeditionary Force during World War I, serving two years in France and Belgium; an accomplished cavalryman, trained in gunnery and left the service as a First Lieutenant in Field Artillery; and

Whereas, at the end of the War in 1919, Cobb served as an administrative officer of a food mission sent by Herbert Hoover to relieve the Russians during the Civil War there; and

Whereas, returning to the west, Cobb secured a law degree at the University of Kansas, he thereafter engaged in the practice of law in Casper, Wyoming, until 1941; and

Whereas, during the twenty years Mr. Cobb lived in Wyoming, he participated actively in the organizational and political life of that State, following a long tradition in his family of generations of lawyers:

His grandfather was nominated for Governor of Kansas by the Republican Party, the equivalent of election, passing away before his term could begin;

Mr. Cobb served five terms as a member of the Wyoming Legislature, rising to the chairmanship of the committee on finance and later to Majority Leader; and

Whereas, he culminated his service to the people of Wyoming as State Chairman of the Republican Party during the 1930's, then following the family's populist thinking, then prevalent in the plains states as a result of the Great Depression, he resigned and campaigned successfully for the re-election of Democratic United States Senator Joseph C. O'Mahoney—saying with a fondly remembered expression that his opponent "didn't even have cow-manure on his boots"; and

Whereas, in the fall of 1941 William Cobb migrated to Hawaii, barely having time to unpack before the War started, and, served as Aid-de-camp to General Delos C. Emmons, the Military Governor of Hawaii, during which time he argued successfully against the mass internment of the Territory's entire Japanese population; and

Whereas, he assisted General Emmons and then Colonel Chandler J. "Wooch" Fielder in three times seeking approval, with ultimate success, to authorize the orders for the formation of the famed 442nd Regimental Combat Team, forever known as the "Go for Broke" Regiment; and

Whereas, Cobb was transferred to the mainland, where one of his initial assignment was to oversee the processing of release papers of some 125,000 people interned from the West Coast; and

Whereas, in 1943, Cobb turned down a staff assignment and promotion in order to remain with General Emmons and was sent to North Africa, where he saw action with General Emmons, and in 1944 he was sent to the Alaskan command; and

Whereas, returning home in 1945, Cobb was appointed, and served two years, as the Territory's Surplus Property Officer during which time he had the foresight to hire another returning veteran, Spark M. Matsunaga, as one of his first employees; and

Whereas, from 1947 on, Cobb was finally able to practice law in Honolulu, this was at best intermittent for the ensuing fifteen years—long interruptions occurred almost annually due to his active participation in the nascent political life of the Territory. Among other endeavors, Mr. Cobb stood as the Democratic candidate for Delegate to Congress in 1950, resulting in the closest race for that office by a Democrat to that date; none of which particularly contributed to his health or to his practice of the law; and

Whereas, while William Cobb practiced law with Bernard Levinson in Honolulu, he saw his distinguished colleague named to the Circuit Court and then the State Supreme Court—and himself named in 1962 to serve as the United States Judge in Bankruptcy for the federal district of Hawaii by the Senior District Judge, Martin C. Pence, during the administration of John Kennedy; and

Whereas, his consistency, integrity, and fairness are recognized by his colleagues in that he has served as a labor-management arbitrator for over twenty-five years and is constantly in demand; and

Whereas, Judge Cobb has performed most judiciously as the Federal Judge in Bankruptcy for Hawaii, and has amassed a deserved and enviable list of formal and informal honors, among which:

The award of the Legion of Merit upon his final retirement with full honors as a Colonel in the Army of the United States;

His recognition as the eldest living former president of the Benevolent and Protective Order of Elks Lodge of Casper, Wyoming;

The recognition by the people of Wyoming in following his leadership and independent judgment in the re-election of Democratic Senator Joseph C. O'Mahoney;

The respect and recognition of the people of Hawaii he earned as manifested by the vote he drew for Delegate to Congress in 1950, thereby beginning the massive involvement, and change of political thinking, of the vast bulk of the electorate of these Islands; now, therefore,

Be it resolved by the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1976, the Senate concurring, that this Legislature, having reviewed this eighty-one year record of labor, judicious devotion, and independent thinking of Federal Bankruptcy Judge William B. Cobb of the Federal District Court for the District of Hawaii, is compelled to recognize his distinguished service, and therefore resolves that this body express its considered appreciation of, and its great Aloha for, the direct contribution of William B. Cobb to the peace and improvement of the lives of the citizens of Hawaii. More succinctly, this Legislature expresses the mahalo of the people of Hawaii to William B. Cobb as one of the Grand Old Men of the Democratic Party of Hawaii; and

Be it further resolved that certified copies of this Concurrent Resolution be transmitted to the Honorable William B. Cobb, Judge in Bankruptcy, the Federal District Court for the District of Hawaii; to his wife, Lee Ann Cobb; to his daughter, Stephanie M. Wood of Moose, Wyoming; to his son, the Honorable Steve Cobb, State Representative for Diamond Head to Aina Haina; to the Senior United States District Court Judge, Martin C. Pence; the Senior United States District Court Judge, C. Nils Tavares; the Chief United States District Court Judge, Samuel King; to the United States judge, Dick Yin Wong; to Justice Bernard Levinson (retired); to the Governor of Hawaii, George C. Ariyoshi; the President of the Hawaii Bar Association, C. Frederick Schutte; and to each of the members of the delegation to the Congress of the United States from Hawaii.

VETERANS AND THE COST OF LIVING

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. LEHMAN. Mr. Speaker, our consideration of the first concurrent resolution on the budget has raised a very disturbing question in my mind—the annual status of funds for cost of living increases for veterans' entitlement programs. Unlike a number of other federally financed benefit programs, veterans' programs such as compensation, pensions, and educational assistance are not tied by law to the cost of living, and benefits do not automatically increase when the cost of living goes up.

The administration has played a neat game with this unfortunate situation. The President's budget did not include any funds for veterans' increases this year, nor, indeed, were they included last year. When Congress, acting equitably toward veterans, votes as we did today to put the necessary funds into the budget, we are called to task for exceeding the President's budget request. Had the funds been there from the beginning, as they were for the nonveterans' benefit programs which are tied to the Consumer Price Index, this need not have happened. However, as the system operates now, veterans are held hostage by an administration looking for weapons to use against Congress.

There is a very simple remedy—Congress can pass legislation to index veterans' benefits to the Consumer Price Index, and take them out of the political arena. I am today introducing a bill to bring this about, and have written to the distinguished chairman of the Committee on Veterans' Affairs to request early consideration of and action on this proposal.

Our Nation's veterans have served us well, and many have suffered disability as a result of their service. It is our obligation and duty to see that their just compensation, richly deserved and authorized by Congress, is not used as a weapon in a game they have no part in. It is only right that our veterans be protected from unfair financial attack and assured that their benefits will reflect the costs of life in the Nation they have defended at great sacrifice.

Mr. Speaker, the text of my bill and my letter to Chairman ROBERTS follow:

H.R. 13400

A bill to provide for annual adjustments in monthly monetary benefits administered by the Veterans' Administration, according to changes in the Consumer Price Index

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 53 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 3111. Annual adjustment of benefit rates

"Annually, effective January 1, the Administrator shall increase or decrease, in an amount equal to the percentage by which the Bureau of Labor Statistics Consumer Price Index (all items, United States city average) increased or decreased since rates were last changed, the monthly rates of the following benefits: compensation, dependency and indemnity compensation, pension, subsistence allowance, educational assistance allowance, and special training allowance. Where the rate so determined involves a fraction of a dollar, the amount payable shall be fixed at the nearest dollar, with fifty cents being increased to the next higher dollar. In any case wherein a rate increase is indicated, however, the minimum increase shall be $1 per month.".

(b) The table of sections at the beginning of such chapter 53 is amended by adding at the end thereof the following:

"3111. Annual adjustment of benefit rates."

SEC. 2. Annually, effective January 1, the Administrator shall increase or decrease, in an amount equal to the percentage by which the Bureau of Labor Statistics Consumer Price Index (all items, United States city average) increased or decreased since rates were last changed, the monthly rates of pension payable under the first sentence of section 9(b) of the Veterans Pension Act of 1959. Where the rate so determined involves a fraction of a dollar, it shall be fixed at the nearest dollar, with fifty cents being increased to the next higher dollar. In any case wherein a rate increase is indicated, however, the minimum increase shall be $1 per month.

SEC. 3. This Act shall take effect on January 1, 1976.

APRIL 28, 1976.

Hon. RAY ROBERTS,
Chairman, Committee on Veterans' Affairs,
Washington, D.C.

DEAR RAY: I have today introduced a bill to provide that monthly monetary benefits administered by the Veterans' Administration be adjusted annually to reflect changes in the Consumer Price Index.

In neither of the last two budgets has the President requested funds to provide cost of living increases in veterans' benefits, although they are recognized, in the words of the Committee Report on the First Concurrent Resolution on the Budget, as equitable and inevitable. When Congress, with the recommendation of the Committee on Veterans' Affairs, and in fairness to our Nation's veterans, votes as we did today to include sufficient funds for cost of living increases for veterans, we are accused of overrunning the President's budget—a budget which should include these funds from the beginning. The simplest solution to this situation is to make such cost of living increases automatic, based on the Consumer Price Index.

I would like to urge you at this time to give your earliest consideration to this proposal, so our veterans may in future budgets be assured of equitable and fair benefit levels.

With thanks and best wishes, I am

Sincerely,

WILLIAM LEHMAN,
Member of Congress.

BICENTENNIAL DISRUPTIONS ARE PLANNED BY REVOLUTIONARY COMMUNIST PARTY, U.S.A.

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. McDONALD of Georgia. Mr. Speaker, the planning of Cuban-dominated U.S. revolutionaries which began last spring for Bicentennial disruptions in Philadelphia on July 4 has moved a rival Communist organization to plan their own activities in that city on the Fourth of July.

The Revolutionary Communist Party, U.S.A.—RCPUSA—formerly the Revolutionary Union—RU—is organizing its cadre and supporters for a July 4 Philadelphia demonstration. As its organizing vehicle, the RU/RCPUSA has formed a "July 4 Coalition" through its fronts and subsidiary organizations. The RCPUSA's July 4 Coalition consists of Vietnam veterans against the war—VVAW; the Unemployed Workers Organizing Committee—UWOC; and the Revolutionary Student Brigade—RSB, the RCPUSA's official youth arm.

The RCPUSA's July 4 Coalition should not be confused with the coalition of the same name organizing in January 1976, by the Cuban-controlled Puerto Rican Socialist Party—PSP; the Weather Underground's Prairie Fire Organizing Committee—PFOC; the National Lawyers Guild—NLG; the Communist Party, U.S.A.—CPUSA; and other groups.

The call for the RCPUSA's July 4 national demonstration was issued through Vietnam veterans against the war—VVAW—which has been an RU front since early 1974. The RCPUSA reported that VVAW held a national steering committee meeting in Chicago on February 14 and 15:

> Present were invited observers from other organizations, including the Unemployed Workers Organizing Committee, the Revolutionary Communists Party and Revolutionary Student Brigade. This opportunity was used for all four organizations to get together and from the July 4 Coalition.

The coalition call reads in part:

> As all know, the bosses and the politicians are having a big Bicentennial celebration and want everybody to come out July 4 to celebrate the first 200 years of this country.
>
> The owning class and their politicians all have a thousand things to say why we working people should go. * * * Constantly the "common interests" we have in the system is drummed out as they call on us to "rekindle the spirit of '76," make sacrifices, bite the bullet and produce more, so we can all get out of the present crisis.
>
> * * * to all this we say No, * * * It has been our hard work and labor that has built up all the wealth in this country. * * * But we've been robbed of all the fruit of our labor by that class of parasites that runs the government and all of society for their profits and luxury. * * * For 200 years our hard work and all it has produced has carried a small handful of bosses and enabled them to live in riches and luxury, * * *.
>
> Yes, fellow workers, we have worked and struggled hard for 200 years and what is our lot? Increasing crisis, in which want and misery lie heavily on our shoulders, unemployment is our constant companion, and once again the threat of war, even world war, hangs menacingly over our head. * * *
>
> We will be in Philly on July 4th, but not to celebrate this system that keeps us locked in their chain of profits. For on this day of their glorious celebration, the so-called high and mighty will be confronted by those they rob and rule. Thousands of workers, employed and unemployed, veterans, youth, students and many others will be coming together * * * to unite around the slogan and banner that truly reflects the sentiments of the American people toward the bosses and politicians, "We've carried the rich for 200 years. Let's get them off our backs."

The Revolutionary Communist Party has held local conferences for coalition cadre, and regional conferences in Cincinnati and Philadelphia during March. Two additional slogans have been raised, "Jobs or income now," and "We won't fight another rich man's war."

The RCP is apparently using the Bicentennial demonstration as the focus for its first big national demonstration as a formal Leninist party. The RU/RCPUSA's principal rival, the October League—OL—has had a central committee delegation in Communist China during March and April in preparation for its transformation into an official Communist Party—Mao Thought—later this year.

The RCPUSA, at the time of its October 1975 name change, dropped a large number of its members as having insufficient revolutionary talent. The RCP together with its Revolutionary Student Brigade, VVAW, and UWOC, would find it difficult to muster more than 700 to 900 people; but the record for violence of these tightly disciplined Maoists indicates they could pose a serious problem to public order in Philadelphia on July 4.

To aid in better understanding the threat posed by the RCPUSA and its fronts, some background information on the organization may be helpful:

The Revolutionary Union—RU—was formed in the San Francisco Bay area of California in the spring of 1969 by Maoist Communist members of Students for a Democratic Society—SDS—and others, many of whom had been active in the

Progressive Labor Party—PLP—originally a Maoist—and Stalinist—split from the Communist Party, before the PLP rejected Mao and the Red Chinese.

Founding and leading members of the RU included Robert Avakian, 33, son of "Old Left" National Lawyers Guild attorney and judge, Spurgeon Avakian; Leibel Bergman, 61, a Stalinist former CPUSA member who was active in PLP during its Maoist period; Barry Greenberg and his wife, Mary Lou Greenberg, both 36; Chris Milton, 25, who lived in the People's Republic of China for 3 years as a teenager and was a member of the Red Guards; Steve Hamilton, 32; and William Hinton, 57, a long-time resident in Red China who now in the United States is a leader of the U.S. China People's Friendship Association.

The RU/RCPUSA headquarters are in Chicago and it operates from Box 3486, Merchandise Mart, Chicago, Ill. 60654 (312/383-6683). Chapters exist in some 25 cities, including

P.O. Box 3541, Highland Park (Detroit), MI 48203.
P.O. Box 132, Iowa City, IA 52240.
P.O. Box 12245, Cincinnati, OH 45212.
P.O. Box 2537, Cleveland, OH 44112.
P.O. Box 2663, Madison, WI 53701.
P.O. Box 1754, Milwaukee, WI 53201.
P.O. Box 14452, Portland, OR 97214.
P.O. Box 3224, Seattle, WA 98114.
P.O. Box 3864, Los Angeles, CA 90051.
P.O. Box 7435, Spreckles, CA 93962 (Salinas Valley).
Box 291, 1230 Grant Avenue, San Francisco, CA 94133.
P.O. Box 9001, Denver, CO 80209.
P.O. Box 9036, Houston, TX 77011.
P.O. Box 1445, Birmingham, AL 35201.
P.O. Box 10743, Atlanta, GA 30310.
P.O. Box 1992, Baltimore, MD 21203.
P.O. Box 12109, Philadelphia, PA 19105.
P.O. Box 3203, Reading, PA 19604.
P.O. Box 2722, Trenton, NJ 08607.
P.O. Box 2253, New York, NY 10001.
P.O. Box 1183, Rochester, NY 14603.
P.O. Box 890, Ellicott Station, Buffalo, NY 14205.
P.O. Box 9165, Providence, RI 02940.
P.O. Box 427, Dorchester, MA 02122 (Boston area).

The RCP has continued to publish the monthly Revolution, formerly described on its masthead as the "national newspaper of the Revolutionary Union, a national Communist organization," but now characterized as the "Organ of the Central Committee of the Revolutionary Communist Party, U.S.A." Revolution is distributed for a $4 yearly subscription from RCP Publications, P.O. Box 3486, Merchandise Mart, Chicago, Ill. 60654.

The RCPUSA publishes the Worker in many local editions. The various Worker editions were previously called On the Line, The People's Voice, and so on. The RCP openly states that the Worker is its "local paper"; and each edition contains the following masthead statement:

> This paper exists to build the struggle of the working class against the capitalist system of exploitation and oppression. It puts forward the political line of the Revolutionary Communist Party, USA on the major questions and struggles facing the workers.
>
> The Worker for the [local area] is one of many such papers across the country. The staffs of these papers are made up of members and supporters of the RCP, USA.

Among the many local editions of the Worker are:

Birmingham Area, Box 2334, Birmingham, AL 35201.
Chicago-Gary Area, P.O. Box 17449, Chicago, IL 60617 (English & Spanish).
Maryland-D.C.-Virginia Area, P.O. Box 4449, Baltimore, MD 21223 and 309 Fleet Street, Baltimore, MD [301/563-1315].
Detroit and Southeast Michigan, 3136 E. Davidson, Detroit, MI 48212 [313/893-0523] (English and Arabic).
Cleveland, Northeast Ohio Area, P.O. Box 10520, Cleveland, OH 44110.
Southwest Ohio, P.O. Box 19304, Cincinnati, OH 45219. [513/542-7421].
Milwaukee Area, Box 08305, Milwaukee, WI 53208 (English & Spanish).

The RCPUSA states that it is "struggling to build and strengthen" the Unemployed Workers Organizing Committee—UWOC—which operates nationally from P.O. Box 3358, San Leandro, Calif. 94578. The UWOC claims some 28 chapters. Its membership is principally RCP cadre plus persons being recruited into the party.

Vietnam veterans against the war—VVAW—was captured by the Revolutionary Union in 1974. The non-RU activists and revolutionaries of VVAW broke with that organization because of the inflexibility of the RU line being promulgated by the VVAW leadership and the RU cadre in the chapters. VVAW publishes the Veteran from P.O. Box 20184, Chicago, Ill. 60620; and a new "Program of VVAW" is available for 25 cents at that address. In numbers VVAW is a shadow of its former self and serves virtually as the RCP's "male cadre club."

By far the most active of the RU/RCP subgroups is the Revolutionary Student Brigade—RSB. The RSB describes itself in the following terms:

> The Revolutionary Student Brigade is a national communist student organization, the student group of the Revolutionary Communist Party, USA. Our goal is to build a revolutionary movement among students and young people, one that will unite thousands in the struggle to bring down this rotten system of capitalism and replace it with a new society—socialism, the rule of the working class.

The REB was founded as the Attica Brigade by campus revolutionaries in New York City in 1972. The Attica Brigade was named after the rioters at the Attica Prison in New York, and from its founding attracted violence-prone revolutionaries who initiated violent confrontations with police on the Streets of New York and in Washington, D.C.

The Attica Brigade was infiltrated and captured by the Revolutionary Union, which adopted it as its official student group. Under strict Maoist discipline, the RSB has maintained its proclivity for violence, in much the same tradition as the Chinese red guards.

The RSB publishes a newspaper, Fight Back, from P.O. Box A3423, Chicago, Ill. 60690—nine issues a year.

In recent months, the Revolutionary Student Brigade has been involved in violent demonstrations at the New Jersey State capitol in Trenton and at the New York State capitol in Albany.

On February 19, 1976, the RSB cadre took advantage of a demonstration of some 5,000 students and teachers in Trenton who were protesting tuition raises and cuts in State college employees. The RSB claims chapters on four of the New Jersey State colleges—Trenton, Patterson, Jersey City, and Rutgers-Newark.

After 2 hours of speeches from student government representatives and members of the American Federation of Teachers, the small RSB contingent led a rush up the State capitol steps, claiming they were going to drag out Governor Byrne. A New Jersey State police canine unit stopped the RSB-led charge, and after a series of scuffles with the State police, the crowd dispersed.

It is noted that the RSB is angry about the "bad press" it received for this incident:

> They made it seem like the hundreds of students who seized the steps were just blind sheep who were tricked by the communists in the Brigade.

The Revolutionary Student Brigade is also upset because "the State police announced an 'intensive probe' of the RSB to scare students away from the Brigade and further struggle. They're being helped in this by leaders of the student government who recently offered to point out RSB members to the police." Any student government leaders so assisting the State police who are responsible for protecting the life of the Governor and State property should be commended.

An almost identical scenario occurred in Albany, N.Y., on March 16, 1976. Again, the RSB contingents were blocked from "bringing out the Governor" and some arrests were made.

Clearly the Revolutionary Communist Party, U.S.A. and its subsidiary organizations present a threat to public order not just on the Fourth of July in Philadelphia. The Maoist Communists, who follow the teaching of Marx, Lenin, Stalin, and Mao, and who owe their allegiance to Peking, pose a continuing threat to our internal security.

I urge my colleagues to call upon the chairman of the Judiciary Committee to fulfill his responsibility in the internal security area and assign investigatory staff to this problem.

YOUNGSTOWN STATE UNIVERSITY LIBRARY NAMED FOR THE LATE WILLIAM F. MAAG, JR.

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. CARNEY. Mr. Speaker, on Saturday, April 24, 1976, Youngstown State University dedicated its beautiful new $6 million library building to the late William F. Maag, Jr. Mr. Maag was the editor and publisher of the Youngstown Vindicator newspaper for many years.

In addition to his duties at the Vindicator, Mr. Maag devoted a good part of his life to the development of Youngstown State University, particularly the university library. The late Mr. Maag was a humanist in the best sense of the word. He loved people, he loved animals, and he loved the knowledge derived from books.

The new Maag Library will contain a

large collection of books, including a special rare book collection, to enrich the minds of some 14,200 students enrolled at Youngstown State University.

During the dedication ceremony, a magnificent life-size oil painting of the late Mr. William F. Maag, Jr., was unveiled. A gift of the Maag family, the portrait will hang inside the library's main entrance. The Right Reverend John Harris Burt, bishop of the Episcopal diocese of Ohio, delivered an inspirational address about the life and work of William F. Maag, Jr.

Mr. Speaker, the late William F. Maag, Jr., was the opinion leader of the Mahoning Valley for several decades, until his death in 1968. The new Youngstown State University Library, named in his honor, is a fitting tribute to the memory of this great man.

At this time, I would like to insert in the Record an account of the Maag Library dedication ceremony which appeared on the front page of the Vindicator on Sunday, April 25:

YSU Building Honors Vindicator Publisher—Maag Library Dedicated to "Rare Giant"

"It is appropriate that here on Wick Avenue, in the most pivotal spot on Youngstown State University land, this handsome building has been raised up and named in honor of one of the most pivotal and remarkable personalities who ever lived and served in this community."

With these words Saturday, the Rt. Rev. John Harris Burt, bishop of the Episcopal Diocese of Ohio, dedicated the $6 million William F. Maag Jr. Library of YSU. It is named for the late William F. Maag Jr., editor and publisher of The Vindicator, who devoted his adult life to the university and development of its library.

OIL PORTRAIT UNVEILED

Several hundred persons attended the dedication on the sixth floor of the new facility and watched the formal presentation of the building to the university and the unveiling of an oil portrait of Mr. Maag, which will hang inside the library's main entrance. It is the gift of Mr. Maag's family.

Bishop Burt's dedicatory address followed the welcome from Dr. John J. Coffelt, YSU president, who expressed the gratitude of the community to the area's legislators, who made possible not only the library but other new facilities of the growing state university.

Dr. Coffelt also paid tribute to his predecessors, Dr. Howard W. Jones, president from 1921 to 1966, and Dr. Albert Pugsley, president from 1966 to 1973. Dr. Jones attended the ceremonies.

PRESENTED BY BUCHANAN, SMITH

The building was formerly presented by architects C. Robert Buchanan and George T. Smith to William J. Lyden of the YSU board of trustees' building and property committee.

Mrs. Leonard J. Isroff, president of trustees, accepted the building, saying, "This key will do much more than open the door of this magnificent building. It will also open minds to the history of the past, to the realities of the present and to the dreams of the future."

Bishop Burt, a former rector of St. John's Episcopal Church here, said, "Those of us who had the privilege of knowing William F. Maag Jr. can guess with a good deal of accuracy that he would look with pleasure on what we are doing here today in his name.

"For, of all the citizens who helped to shape this community, he was a lover of books, par excellence. A humanist in the classic sense, his love of learning, yes of book, learning, was profound."

Bishop Burt recalled Mr. Maag's years at Harvard University, where he came under the influence of the great Irving Babbitt, and how that influence carried through into his entire life.

"From that early university pursuit in liberal arts, his sensitivity and fondness for the natural world was also deepened, his abhorrence of things wasteful or extravagant heightened, his insight into human needs sharpened, his religious sensitivity kindled," Bishop Burt said.

"In this world of rapid change and widespread doubt and instability, it is all too easy for society and even a city to forget such rare giants as William F. Maag and the spirit that molded him. But, by placing his name on this library, perhaps we have made it possible for student generations in future years to remember him and, more importantly, to remember the influences that shaped him," Bishop Burt said.

FOUGHT FOR CAUSES

He reviewed many of the causes, some unpopular in years past, Mr. Maag espoused for the good of the community saying that those concerned for moral values could learn much from his campaigns.

"Those willing to probe deeper into his life," Bishop Burt said, "will be touched by his love for children, his fondness for flowers, his passion to assure sanctuary for birds and to protect other forms of wildlife, making him a forerunner of much in the current ecological movement.

"Man of the past that he was, he was at once also a man ahead of his time."

IMMORTALIZED BY DEEDS

Bishop Burt recalled his sermon at Mr. Maag's funeral, in 1968, when he hazarded a guess. "I ventured to guess, not knowing that one day we would be dedicating this library to him, that the immortality that he would have valued most would be that found in the deeds and vision his life would inspire in others and in the proof that we would be faithful to the spirit he sought to infuse into the life of this city and nation."

Mrs. Isroff and William J. Brown, publisher of The Vindicator and nephew of Mr. Maag, unveiled the portrait. Brown said it was a happy occasion for the family and expressed their appreciation for the honor.

Mrs. Isroff said, "Marshall McCluen wrote that the medium is the message. The printed word served as Mr. Maag's primary medium. We, of the board of trustees of YSU, hope that this library, literally filled with millions of printed words, will stand as the tangible inspiration of Mr. Maag's message to the present and future students of this university and to all citizens of the Mahoning Valley."

Richard J. Owen, university librarian, announced that a special rare book collection room is being enlarged and refurbished as a gift to the university by Brown, his sister, Miss Elizabeth M. Brown, and The Vindicator.

Others speaking briefly were State Sen. Thomas E. Carney, Mayor Jack C. Hunter and William E. Brown, Jr., president of Student Government.

The student leader said. "Youngstown and the Mahoning Valley have many industrial complexes and thriving businesses. Yet on this 70-acre site on top of the hill, Youngstown produces one of its most important products of the future—the thinking, creative minds of YSU students. On behalf of those students, I thank you for this magnificent building, the core of the university and the catalyst for a better Mahoning Valley."

The Most Rev. James W. Malone, bishop of the Catholic Diocese of Youngstown, offered the invocation and Dr. Sidney M. Berkowitz, rabbi of Rodef Sholom Temple, the benediction. Bishop Burt was introduced by Dr. Joseph R. Lucas, professor of philosophy and religious studies at YSU.

LET'S SPEAK UP FOR AMERICA

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. TAYLOR of Missouri. Mr. Speaker, I am more than happy today to include in the Record an essay by Mr. Rick VanPelt a senior at Webb City High School in Missouri. It is entitled "Let's Speak Up for America on Her 200th Birthday." Rick's presentation of this fine work won him first place in his school's Bicentennial oratorical content as well as first place in Jasper County, Mo., Bicentennial event.

I think this essay is remarkable because in a day when we hear so much about what is wrong with America, this young man dares to say what is right with our country. In a very real sense he is making news. He realizes that after a steady diet of bad news, we have reached the point where bad news is no news and good news is real news.

I commend Rick for his good work. I am certain that his parents, Mr. and Mrs. Fred VanPelt, are justly proud.

It is indeed time somebody spoke up for America, and so I commend this essay for your reading:

Let's Speak Up for America on Her 200th Birthday

"Give me liberty or give me death!"—Patrick Henry.

"Equal rights for all . . . special privileges for none."—Thomas Jefferson.

"I was born an American; I will live an American; I shall die an American."—Daniel Webster.

"And that Government of the people, by the people, for the people, shall not perish from the earth."—Abraham Lincoln.

"All we have to fear is fear itself."—Franklin Roosevelt.

"And so my fellow Americans: Ask not what your country can do for you—ask what you can do for your country."—John F. Kennedy.

Can you think of any American today who would dare to stand up and speak such noble, courageous words about America?

Oh, but, I'm sure you have heard that America is just 3,615,122 square miles of littered concrete, polluted water, slums, shortages, crime and crisis.

In our time there are those short sighted pessimists who are snared in what President Ford has called a destructive kind of feeling. The President said. "We're condemning ourselves too much. We should be doing just the opposite."

James Carey, Washington Bureau Chief for the Copley News Service, reported that the repeated use of negatives—such as recession, slowdown, rollback, shortages, and unemployment can eventually influence and help bring on the very conditions the words describe. It would be logical to assume that the constant repetition of positive words—boom, prosperity, and abundance would turn this condition around and produce the opposite results.

The negative, pessimistic, critical view of America taken by so many newspapers, magazines, and television seem to have shaken our faith in our institutions, our nation, and even ourselves.

But, do Americans really think that things are lousy? Or is it because they are given a bum steer by a media who live by one rule: Good news is no news! Who speaks for the broad everyday march of American humanity striving toward a higher standard of living and a better way of life? Let's speak up for America on her 200th Birthday.

First, let's speak up for education in America. While the press dwelt on how our institutions weren't working, college enrollment in 1960 was more than 3½ million, and by 1973 it had reached 8.6 million, and it is estimated to exceed 10 million by 1980. Furthermore, about 60% of todays college students come from families in which the head of the household never completed one year of college. Among the blacks the figure goes to 80%. Indeed, in the 60's while people complained that the Great Society Programs weren't working, we built a new junior college every 11 days for decade!

Let's speak up about the income Americans have to spend. While the daily television news kept us informed about the devaluation of the dollar and the downward trend of the stock market, real family income, even after inflation, has doubled in a generation. Americans spend their money predominately for food, education, housing, health, and recreation; and they live in homes that are the envy of men all over the world.

Let's hear some praise for the more than 50 million Americans who are giving of their time for volunteer groups like Vista, Ace, and The National Center for a Voluntary Society. One New York official predicts that the 1970's will be remembered as the "Age of Voluntarism." It is really a return to American tradition of everybody pitching in to help one another.

Let's speak up for the most generous people in the world. Americans gave over $50 million dollars to charitable causes last year. Though plagued by unemployment in the automobile industry, the Detroit area pledged a record breaking 36.6 million dollars to its United Fund Campaign.

And let's not forget some praise for the millions of church members who still believe and teach our national motto, "In God We Trust."

Let's speak up for all the people, 25 million to be exact, who have given of their time to make America's Bicentennial Celebration a time to believe that Americans can cope with high inflation, with the energy shortage, or with political crisis. Hardships? Sacrifices? Challenges? Yes, but the United States has endured the problems of a free democracy for 200 years and will continue to do so in the future.

In his book, The Real America, Ben J. Wattenberg, concludes that while hand-wringers have been deploring the sad state of America, we have become the first and only massive middle-class society in history, something of a marvel in itself. And who do you suppose is the hero of this fascinating book? The President? No. The Congress? No. The Diplomats? No. The American people—smarter, wiser, calmer, shrewder, tougher, and more forgiving than their critics of the left and of the right.

Patrick? Daniel? Thomas? Abraham? I hope you are listening. We're not too good with words, and we do have a lot of problems, but, Gentlemen, after 200 years, I am free, I am free to report that the American Dream still lives.

Happy Birthday America!

BLIND STUDENT AT TEMPLE UNIVERSITY MEDICAL SCHOOL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. EILBERG. Mr. Speaker, 98 years ago Robert H. Babcock, who was blind, was admitted to the Chicago Medical College. He graduated and later wrote books about heart and lung diseases.

That was the last time an American medical school took the chance and admitted a qualified applicant who happened to be blind until the Temple University School of Medicine, in Philadelphia, agreed to accept David Hartman as the 181st student in a freshman class which normally numbers 180.

In the 2 years since Hartman was admitted he has shown the correctness of that decision and his story is a tribute to an individual with great personal strength and character and to the faculty and administrators who were willing to do what no other medical school in the country had attempted for almost a century.

At this time I enter into the RECORD a copy of an article from Science magazine about Hartman and his experience at Temple:

[From Science magazine, Mar. 26, 1976]

BLIND MEDICAL STUDENT: OVERCOMING PRECONCEPTIONS

David Hartman probably would have done very well for himself anyway, but, owing to a combination of circumstances, people, and his own character, he is emerging as perhaps a very significant individual.

Hartman, 26, is the first blind person to have been admitted to an American medical school in almost a century. He is now a senior at Temple University School of Medicine in Philadelphia and will graduate in May. He has completed, with only minor deviations, all the courses required of his sighted colleagues. He plans to be a psychiatrist, with special emphasis on the physical and psychological rehabiltiation of handicapped people.

Doctors who continue their practice after becoming blind are not unknown; Hartman even knows of a couple who continued their medical training after losing their sight. But starting from scratch without any vision is another matter, and there are few medical schools that will even consider letting in such a student. The last time it happened was reportedly in 1878, when Robert H. Babcock entered Chicago Medical College. Babcock learned anatomy by touch and went on to write books about heart and lung diseases.

While Hartman's success has helped fracture some preconceptions about the limitations of the blind, it by no means presages a deluge of blind entrants to medical school. "David is a unique person," says M. Prince Brigham, assistant dean for admissions at Temple. "For every David Hartman there are thousands [of talented blind people] who would find medical school so utterly and maddeningly frustrating" they would never make it. "He has . . . ego strength—a self-awareness sufficient to allow him to withstand some of the disappointments he faces." It all boils down, says Brigham, to his being "extremely mature."

Hartman says that some people to whom he reveals his calling conjure up visions of carnage in the operating room—which would seem to reflect a belief that anyone who is blind would have to be some sort of magician or superman to keep up. But Hartman, as he himself insists, is no genius. He is, however, well organized, realistic, determined, and intelligent. He has a kind and thoughtful presence, quite doctorly, and an appealing chuckle that gives one the impression he feels secure in his control over his life.

He has a fairly well developed philosophy, one of the major tenets of which is that everyone is handicapped in some way, usually less obviously so but often no less. Think, for example, "of a guy who just can't relate to people going into psychiatry."

Hartman emphasizes that his career really is a team effort, starting with a family determined to foster his independence and keep his horizons open. His teachers at college fully supported his ambitions. He is now teamed up with his wife Sheryl, whom he married in 1973 and who plans a teaching career once she gets her doctorate in educational psychology.

Hartman was born in Havertown, Pennsylvania, with congenitally deformed lenses. At the age of 8, what with added complications of glaucoma and detached retinas, he became totally blind. He spent 5 years in a school for the blind and then went on to Haverford High School and Gettysburg College,where—his determination to go into medicine already formed—he majored in biology. He successfully completed the lab work, substituting touch for sight, and graduated with slightly less than an A average. "He achieved the impossible at Gettysburg," says Brigham, so it did not seem irrational to give him the opportunity to continue doing so at Temple.

Temple, as it turned out, was the only medical school where this attitude prevailed. Hartman, ever the thorough planner, started probing medical schools during his junior year at college. He applied to ten of them his senior year and was interviewed at Temple, Pennsylvania Medical College, Harvard, and Yale. The others said they really didn't think it would be feasible to admit him, which hurt—"I felt my grade point averages and performance warranted at least an interview. They could have given me that courtesy." He was invited for an informal talk with a group of doctors at Yale, all of whom, he says, were very skeptical. "I walked out of there just ready to kill someone." Others who interviewed him grilled him extensively, particularly on how he planned to get through histology (microscopic study of tissues) and anatomy. Hartman had all his answers ready: he was quite capable of learning enough anatomy and he didn't, after all plan to be a surgeon; as for histology, he made the case that a conceptual grasp of the field was adequate for his purposes. Temple, according to medical school dean Roger Sevey, took the added step of bringing Hartman's application through the executive faculty (its policymaking group) "to make sure the faculty was committed to seeing this young man through." Once committed, the school decided to treat him as much as possible according to prevailing standards; they therefore did not elicit a promise that he would stick to psychiatry.

Hartman, whose father is a banker, is paying his own way, but Temple officials say he would have been eligible for financial aid like any other student. He was accepted on an experimental basis, as number 181 in the usual entering class of 180, which circumvented any dispute over whether he was occupying a place that might have gone to someone with a better chance of graduating.

Other than that, no special arrangements were made—Temple decided to play the whole thing by ear. None of the regular curriculum requirements were waived, although he has been excused from such things as x-ray reading.

The first 2 years were harrowing, complete with the night sweats common to beginning medical students. Lab work has required the development of various shortcuts and considerable help from fellow students and professors. With gross anatomy, Hartman found "I could touch almost everything"—he eschewed the rubber gloves worn by his classmates, so his probings were a race to learn the necessary before his fingertips became numb from formaldehyde. Histology required some finessing—most of his learning was conceptual, but he learned the shape of various nerve and cell formations with the aid of three-dimensional models and simple diagrams his teachers embossed on transparent paper with a ballpoint pen or stylus. He closely follows others through lab work. Once in physiology lab, he was invited to feel the artery pulsating in the throat of an unconscious dog with a tracheotomy. He didn't even have to see it for the experience to make him pass out. But he subsequently attacked the problem by performing a tracheotomy himself.

Having once had sight, Hartman is able to visualize a great deal, which gives him a significant advantage over a person born blind. His main problem is time. The first year was manageable, he says, but the second was "unbelievable" because of the prodigious amount of reading required. Hartman's original techniques was to tape-record all his lectures, play them over at home, and record summaries of them, which he then filed away. Replaying and summarizing a 1-hour lecture took about 2 hours. Finding himself swamped, Hartman, with the assistance of Brigham, developed the technique of whispering summaries of what was going on in lectures rather than taping them all. He has also switched to transforming his notes to Braille for easier accessibility. To get through his reading material he has relied on taped books—Recordings for the Blind has been of invaluable help, having put two 2000-page textbooks, on anatomy and surgery, on tape for him—and on fellow students who spend many hours a week, sometimes refusing pay, reading to him and explaining diagrams.

Hartman faced new kinds of challenges in his third year, which was devoted mainly to six 6-week clinical rotations in psychiatry, obstetrics and gynecology (where he helped deliver a baby), pediatrics (where he worried that he might drop a baby), general medicine, and surgery. With the last he spent a few hours a week assisting in the operating room, and most of the time in pre- and postoperative care. This year—"the only one where I have felt confident of graduating"—has been devoted to more clinical rotations, this time of his own selection, with the exception of 3 weeks in the emergency room. Things worked out all right there too, since most of the emergencies were medical rather than surgical. Hartman is confident of his ability to take histories and perform physical examinations—the only things he needs help with are ear, eye, and mouth inspections, and skin rashes; for the latter he relies on the patient's description. He laments the theft of a special blood pressure gauge which enabled him to read pressure the same way he tells time on his watch—flipping up the cover and feeling the needle and raised bumps for the numbers. Hartman feels competent to handle most diagnostic problems since there is "very seldom a single subtle abnormality" that blindness would prevent him from perceiving. "The unconscious patient is a problem," he concedes, since there isn't much to work with and inspection of the pupils is important.

Hartman has had to overcome reservations on the part of the clinical faculty, says Sevey—"a few on the clinical faculty have been unable to look beyond the fact of his blindness to the person . . . but most, even if initially skeptical, have become his advocate." Beryl Lawn, an internist he has worked with (and who, by the way, was trained at Temple after an accident that rendered her paraplegic), says that patients, with a few exceptions, have no problems with Hartman. In fact, she says, "they remark particularly on his patience and empathy." Some don't believe he is blind. For public appearances he dons a pair of $900 plastic eye caps that give him a direct and realistic gaze. Not all is sweetness and light, of course. Hartman says he asked one patient who struck him as particularly depressed if anything could be done to cheer him up. "Yeah, get lost," said the man. Hartman took this in stride, but the incident points up one overriding concern of the handicapped, particularly those who are blind or deaf, namely, How do I stack up? Lacking visual reference points that everyone else takes for granted, such a person must rely heavily on continuous feedback from every available source. With patients, there is always that uncomfortable fear that he might not be doing them any good, or that he is the only one benefitting from the encounter.

Hartman, who takes his exams orally, dictating answers to a professor, has given considerable thought to how he is evaluated. Students who scoff at grade systems probably haven't thought much about how important it is for a handicapped person to feel his grades reflect both an appraisal of him in relation to his capabilities and in relation to the achievements of his peers. "You've got to know where you fit in." Too much emphasis on the former makes the grades meaningless in the real world; too much on the latter is unrealistic and unfair.

Hartman and his wife live in a small apartment in Philadelphia. He helps around the house and, despite all the work, they find time to see friends and go to basketball and ice hockey games together. She takes the car to school and he takes the bus, moving around with the aid of a collapsible white cane. Sheri reads aloud for them both as well as for him—currently they are plowing through *The Cancer Ward*. Hartman studies in a small den crowded with dozens of volumes of a Braille medical dictionary and many stacks of tapes identified with Braille tabs. He has a Braille typewriter and an Opticon, an expensive newly developed instrument about the size of a small cassette tape recorder that translates printed words, through a lighted sensor, into little upraised brushes that give the shape of each letter. Hartman finds the Opticon of limited use because it is very slow going, but is thinking about better applications for it—such as reading electrocardiograms.

After years of arduous work and planning and "wondering how crazy I really was" to choose a medical career, the future is looking pretty good.

Although Hartman sees himself as "pretty much average in medical school" he is in the top 20 percent of his class. Asked why it took so long for a blind student to be admitted to medical school, he attributes it partly to society's increased interest in opportunity for all, partly to the change in medical education that permits a person to specialize early. Extensive knowledge about everything is no longer required and "they don't need that all-American completely physically healthy individual." Temple also deserves considerable credit. It was founded at the turn of the century with the aim of bringing a medical education to the working man and others to whom it was not usually available. Sevey says its admissions committee is the hardest working committee at the school, and Beryl Lawn says the people there are exceptionally nice, making a special effort "to take the whole person into account." Says Sheri Hartman, "If Temple hadn't been willing to take the risk, he'd be just another blind person in psychology."

Hartman, who's always planning and has fallback positions for everything, has his next 5 or 6 years tentatively mapped out. He wants to do two residencies, one in rehabilitative medicine, the other in psychiatry. His plan is to do 1 year in the former field ("I want to be sharp on physical diagnosis"), then take 2 or 3 years in psychiatry and return to rehabilitation, the idea being that you can't do rehabilitation in a psychiatric residency, but you can apply psychiatric training to a rehabilitation residency. So far he doesn't know much about psychiatry, having avoided it in the interests of getting as much physical medicine as possible under his belt. He hypothesizes, though, that people who are nervous about psychiatrists might feel more relaxed with him because they won't feel they are being psyched out at first glance.

Hartman sees himself as working in a hospital setting but is also interested in doing family therapy (which he says is particularly important for disabled people) and in improving services for the poor. He is also interested in developing new techniques for evaluating the effectiveness of therapy.

His career will obviously include education of the nonhandicapped as well, whose ability to relate to handicapped people is often hampered by preconceptions about their limitations. Hartman believes that he could very possibly be an internist if he chose, and he thinks some way might even be found in the future for a blind person to go into surgery. "I don't think anybody knows a blind or disabled person's limitations," says he. "There is no way a sighted person can tell me what I can or cannot do."—Constance Holden.

SENATE—*Thursday, April 29, 1976*

The Senate met at 12 o'clock noon and was called to order by Hon. Wendell H. Ford, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray:

O Thou who art from everlasting to everlasting, before whom the generations rise and pass away, amid all the uncertainties of this age make us sure of Thee—our Creator, Redeemer, Guide, and Judge. Grant that we may now be guided by Thy spirit and strengthened by Thy might. Make us grateful for past achievements. Spare us from craven recitals of past failures and from the debilitating memory of sins long forgiven. When the distant future is unclear give us clarity for each day's endeavors and faith in the Lord of all history. Give us a part in the moral and spiritual renewal of this age that the Republic may remain "one Nation under God" and bring light and healing and hope to all mankind.

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The **PRESIDING OFFICER.** The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., April 29, 1976.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WENDELL H. FORD, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. FORD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, April 28, 1976, be dispensed with.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Armed Services and the Select Committee To Study Governmental Operations With Respect to Intelligence Activities be authorized to meet during the session of the Senate today.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I also ask unanimous consent that all other committees may be authorized to meet until 1 p.m. or the end the morning hour, whichever comes later.

The **ACTING PRESIDENT** pro tempore. Without objection it is so ordered.

TRIBUTE TO KENNETH E. DAVIS AND TRACY MULLIN

Mr. HUGH SCOTT. Mr. President, I regret very much that I will be losing the services of two very valuable aides at the end of this week, both of whom are accepting very attractive offers in the real world outside where, I am sure, appreciation is equal to merit in these cases where the merit warrants the appreciation.

Mr. Ken Davis has been my administrative assistant in the minority leader's office, and I have also had the invaluable help of Miss Tracy Mullin, both for a considerable period of time.

My colleagues in the Senate know Mr. Davis well from his valuable and always willing cooperation in legislative matters. He has been very ably backstopped in these legislative matters and in the pursuit of the daily work of the Senate by Miss Mullin in the minority leader's office.

I am glad they are being offered a future career, each of them, which should be rewarding in every sense of the word, which offers its own challenges, which will give them the opportunity to build upon the experience they have gained. I think anyone who works for any Member of the Senate does gain the kind of experience which is not available to them elsewhere, and I will miss them.

I know that others who know them in the Senate, and on our side of the Senate, will miss them very much. I wish them both the greatest of success.

I would like very much for them to stay for a somewhat longer period. But when opportunity knocks at the door, I think it is well for the "knockees" to be alert and to take advantage of these opportunities when they come.

So, I do wish them success and happiness in their future careers. We will miss them very much.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I am happy to yield.

Mr. MANSFIELD. Mr. President, I wish to join with the distinguished Republican leader in expressing my personal regret at the coming loss of Ken Davis and Tracy Mullin. They have both served the Republican leadership and the Senate well.

While we regret their leaving us, we can understand the reasons therefor, and appreciate the opportunities which are offered to them. I express the hope that whoever succeeds them are as accommodating, cooperative, and understanding as Ken Davis and Tracy Mullin both have been. They will be missed.

Mr. HUGH SCOTT. I thank the distinguished majority leader.

Mr. GRIFFIN. Mr. President, will the distinguished minority leader yield to allow me to add a few words?

Mr. HUGH SCOTT. I am glad to yield.

Mr. GRIFFIN. Mr. President, the duties of the minority leadership and of the joint leadership often overlap and require that we work together closely. I want to indicate that, from my position as the minority whip, I have found Ken Davis and Miss Tracy Mullin to be very competent, dedicated, and cooperative people who have always gone the extra mile with our office and with every other office on the Hill. We have enjoyed working with them and will miss them very much.

I join the distinguished majority and minority leaders in extending best wishes to Mr. Davis and Miss Mullin in their future endeavors.

Mr. HUGH SCOTT. I thank my friend, the distinguished assistant minority leader.

I yield back the remainder of my time.

LEADERSHIP RESPONSE TO COMMUNICATION FROM SENATOR WEICKER

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, I am in receipt of a letter from our distinguished colleague, the Senator from Connecticut (Mr. WEICKER), and it is my understanding that the distinguished Republican leader has received a communication of a similar nature.

For the information of Senator WEICKER and the Senate, it is the intention of the joint leadership to call up the conference report on the Federal Election Commission as soon as possible after the House faces up to its responsibility on Monday next, as I understand the situation.

Personally I am unhappy that we have not been able to consider the conference report on FEC before this, but I am sure the reasons for not being able to do so are thoroughly understandable.

The Senate has also agreed to take up the Intelligence Oversight Committee matter on the 10th of next month, and it is my understanding that the assistant majority leader received permission from the Senate last night that it would be the pending order of business on that day, so that there is that assurance that this particular piece of legislation, S. 400, will be taken up at that time.

The distinguished Senator from Connecticut is also interested in Watergate reform and tax privacy legislation. He has urged the leadership to make every effort to guarantee a vote on final passage of these, as well as the other two proposals which I have already mentioned, before the July 4 recess.

It has always been the intention of the leadership to endeavor to do that and we will do our best to see that the wishes of the distinguished Senator from Connecticut are adhered to. But we can do nothing on Watergate reform and tax privacy legislation until those issues are reported out of committee. It is our hope that we will be able to dispose of all these matters well before the Fourth of July recess and we will jointly make every effort to do so.

Mr. HUGH SCOTT. If the distinguished majority leader will yield on that point. I have already assured the distinguished Senator from Connecticut (Mr. WEICKER) to the same effect, that the measures in which he is interested that are out of committee will be acted upon. We hope that those in committee will be promptly reported. I would like to see, as the distinguished majority leader has said, action before the July recess, and I think we are both anxious, on both sides of the aisle, to cooperate with the distinguished Senator from Connecticut.

I do want to stress the importance of the Federal Election Commission Act. I think that whatever we do, we should do very promptly here, and whatever the President does, he should do very promptly, so that the intent of Congress under the previous act with regard to matching funds legislation can be borne in mind and the effect of any action which would delay it should also be borne carefully in mind.

The conference report is, in my judgment, better than the Senate bill. It is infinitely better than the House bill. It still has its flaws.

It has one aspect which ought to be worth noting, and that is, it is not entirely satisfactory to either labor or management and, I suppose, the conference being made up as it was, it would not have been possible to achieve as an ideal.

But, certainly, progress was made and, certainly, serious and concerned efforts were devoted by the committees and by the conference, and there was no effort in the conference to delay this action whatsoever. Those who watched the open sessions of that conference should affirm, I think, that the conference, while it argued vigorously over many different points, did not indulge in any delaying tactics.

So the sooner we can act on this measure, the better.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING CHAIRMAN pro tempore. The Chair, on behalf of the Vice President, pursuant to Public Law 90-206, reappoints the following as members of the Commission on Executive, Legislative, and Judicial Salaries: Mr. Joseph Meglen, of Montana, and Mr. Bernard G. Segal, of Pennsylvania.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes.

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 12:15 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 644. An act to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes; and

S. 2662. An act to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. FORD).

At 2:15 p.m., a message from the House of Representatives delivered by Mr. Hackney announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10230) to establish a science and technology policy for the United States, to provide for scientific and technological advice and assistance to the President, to provide a comprehensive survey of ways and means for improving the Federal effort in scientific research and information handling, and in the use thereof, to amend the National Science Foundation Act of 1950, and for other purposes.

The message also announced that, on reconsideration by the House and two-thirds of the Members not having voted in the affirmative, the bill (H.R. 8617) to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes, returned by the President of the United States with his objections, failed of passage.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. FORD) laid before the Senate the following letters, which were referred as indicated:

Final Determination by the Indian Claims Commission

A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, a report to the Congress of its final determination relating to the case of the Seminole Indians of Florida and the Seminole Nation of Oklahoma against United States (with accompanying papers); to the Committee on Appropriations.

Report of the Secretary of Defense

A letter from the Secretary of Defense reporting, pursuant to law, on all actions to improve the combat proportion of U.S. forces in Europe; to the Committee on Armed Services.

Proposed Legislation by the Small Business Administration

A letter from the Administrator of Small Business transmitting a draft of proposed legislation to amend the Small Business Act (with accompanying papers); to the Committee on Banking, Housing and Urban Affairs.

Report of the Department of the Interior

A letter from the Assistant Secretary of the Interior transmitting, pursuant to law, a report on plans to computerize its Indian Loan System of Records (with an accompanying report); to the Committee on Government Operations.

Report of the Comptroller General

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Experimental Schools Program: Opportunities To Improve the Management of an Educational Research Program" (with an accompanying report); to the Committee on Government Operations.

Report of the Secretary of Commerce

A letter from the Secretary of Commerce transmitting, pursuant to law, a report on the special economic development and adjustment assistance program (with an accompanying report); to the Committee on Public Works.

Proposed Aid to Families With Dependent Children Amendment of 1976

A letter from the Under Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to improve and simplify the program of Aid to Families with Dependent Children (with accompanying papers); to the Committee on Finance.

Report of the Secretary of Commerce

A letter from the Secretary of Commerce transmitting the annual report of the Economic Development Corporation for the fiscal year 1975 (with an accompanying report); to the Committee on Public Works.

Report of the Department of the Army

A letter from the Assistant Secretary of the Army transmitting, pursuant to law, Appendix F of the report on the National Program of Inspection of Dams containing the Inventory of Dams (with accompanying papers); to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. Res. 435. A resolution authorizing supplemental expenditures by the Select Committee To Study Governmental Operations With Respect to Intelligence Activities for an inquiry and investigation relating to intelligence activities carried out by or on behalf of the Federal Government (Rept. No. 94-767).

By Mr. METCALF, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 2782. An act to provide for the reinstatement and validation of United States oil and gas lease numbered U-0140571, and for other purposes (Rept. No. 94-769).

H.R. 11876. An act to amend the Water Resources Planning Act (79 Stat. 244), as amended (Rept. No. 94-768).

By Mr. CANNON, from the Committee on Rules and Administration, with an amendment and an amendment to the title:

S. Res. 400. A resolution to establish a Standing Committee of the Senate on Intelligence Activities, and for other purposes (Rept. No. 94-770).

By Mr. JOHNSTON, from the Committee on Interior and Insular Affairs, with amendments:

S.J. Res. 126. A joint resolution consenting to an extension and renewal of the Interstate Compact to conserve oil and gas (Rept. No. 94-771).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. FORD, from the Committee on Commerce:

The following officers of the U.S. Coast Guard for promotion to the grade of rear admiral: Wayne E. Caldwell, Anthony F. Fugaro, Charles E. Larkin, Jr., Norman C. Venzke.

The following rear admiral of the U.S. Coast Guard to be Commander, Pacific Area, U.S. Coast Guard, with the grade of vice admiral while so serving: Rear Adm. Austin C. Wagner, Commander, Pacific Area.

Mr. FORD. Mr. President, as in executive session, from the Committee on Commerce, I also report favorably sundry nominations in the Coast Guard and in the National Oceanic and Atmospheric Administration which have previously appeared in the CONGRESSIONAL RECORD and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of April 9 and April 26, 1976, at the end of the Senate proceedings.)

By Mr. STENNIS, from the Committee on Armed Services:

Eugene V. McAuliffe, of Massachusetts, to be an Assistant Secretary of Defense.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. STENNIS. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nomination of Vice Adm. William D.

Houser, USN, for appointment to the grade of vice admiral on the retired list.

In addition, there are 22 in the Marine Corps for permanent appointment to the grade of lieutenant colonel and below—list beginning with Robert H. Starek. Also, there are 1,551 for permanent appointment to the grade of lieutenant colonel and below—list beginning with Ronald R. Ackerman. Since these names have already appeared in the Congressional Record and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record of April 9 and April 12, 1976, at the end of the Senate proceedings.)

By Mr. HUMPHREY, from the Committee on Foreign Relations, with three reservations and one declaration:

Executive O, 81st Congress, 1st session. International Convention on the Prevention and Punishment of the Crime of Genocide (Exec. Rept. No. 94–23).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that today, April 29, 1976, he presented to the President of the United States the following enrolled bills:

S. 644. An act to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes; and

S. 2662. An act to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BARTLETT (for himself Mr. Goldwater, and Mr. Tower):

S. 3341. A bill to abolish the Federal Energy Administration. Referred to the Committee on Government Operations.

By Mr. BARTLETT (for himself and Mr. Bellmon):

S. 3342. A bill to amend the Internal Revenue Code of 1954 to exempt certain organizations from private foundation status. Referred to the Committee on Finance.

By Mr. PEARSON:

S. 3343. A bill for the relief of Yuk Lam Tsui and his wife, Chung Lau Cheung, and his son, Sing Wah Tsui. Referred to the Committee on the Judiciary.

By Mr. CANNON (by request):

S. 3344. A bill to authorize the disposal of silver from the national stockpile;

S. 3345. A bill to authorize the disposal of tin from the national stockpile and the supplemental stockpile;

S. 3346. A bill to authorize the disposal of antimony from the national stockpile and the supplemental stockpile; and

S. 3347. A bill to authorize the disposal of industrial diamond stones from the national stockpile and the supplemental stockpile. Referred to the Committee on Armed Services.

By Mr. FORD:

S. 3348. A bill for the relief of Gertrude Ursula Chapman. Referred to the Committee on the Judiciary.

By Mr. MATHIAS (for himself and Mr. Tunney):

S. 3349. A bill to protect citizens' privacy rights with regard to bank records, credit records, telephone records, mail covers, service monitoring, and nonverbal communications. Referred to the Committee on the Judiciary.

By Mr. TUNNEY:

S. 3350. A bill to increase the efficiency with which materials are used in commerce by establishing a materials research and development program within the Department of Commerce, and for other purposes. Referred to the Committee on Commerce.

By Mr. SPARKMAN (by request):

S. 3351. A bill to authorize special agents of the Department of State to make arrests during the investigation of passport and visa law violations and to carry firearms. Referred to the Committee on Foreign Relations.

By Mr. DOMENICI:

S. 3352. A bill relating to the Tiwa Indian Pueblo of San Juan de Guadalupe, Tortugas, N. Mex. Referred to the Committee on Interior and Insular Affairs.

By Mr. ABOUREZK:

S. 3353. A bill to authorize the court of claims to review the Sioux Black Hills claim on the merits, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. BELLMON:

S. 3354. A bill to provide for the regular initiation of construction of the project for water quality control in the Arkansas-Red River Basin, Texas, Oklahoma, and Kansas. Referred to the Committee on Public Works;

S. 3355. A bill to provide for the initiation of construction of the remaining features within the Wichita River Basin to reduce natural salt pollution; and

S. 3356. A bill to provide for initiation of construction of the natural salt pollution control features required for Area IV of the Arkansas-Red River Basin, Texas, Oklahoma, and Kansas project, prior to the approval required by Section 201 of the Flood Control Act of 1970. Referred to the Committee on Public Works.

By Mr. JOHNSTON (by request):

S. 3357. A bill to authorize loan funds for the Government of the Virgin Islands, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MATHIAS:

S. 3358. A bill to amend the Administrative Procedure Act to allow affected parties a fair opportunity to comment upon notices of proposed rulemaking published in the Federal Register, to allow for the orderely extenstion of time for filing of comments and for the holding of hearings regarding contested matters, and to assure affected parties of full and fair opportunity to comment upon agency rulemaking. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BARTLETT (for himself, Mr. Goldwater, and Mr. Tower):

S. 3341. A bill to abolish the Federal Energy Administration. Referred to the Committee on Government Operations.

Mr. BARTLETT. Mr. President, I am introducing today legislation to abolish the Federal Energy Administration.

The FEA was originally set up as a temporary agency to deal with a temporary, emergency situation. This fact was widely recognized at the time by all persons involved, including Mr. Bill Simon, the first Administrator. FEA's authorization will expire June 30 of this year. My bill will disband the agency and transfer its functions to other departments within the Federal Government. In addition, my bill will prohibit any further expansion in FEA personnel beyond the number of existing on the first of this year. The FEA is an agency whose time has come and gone.

The embargo of late 1973 to early 1974 which provided the impetus for the FEA has long since subsided; there is no shortage of fuels other than a domestic shortage. The FEA has contributed very little to an expanded domestic supply; in fact, its recommended policies have contributed directly to a contraction in that supply.

For example, the FEA supported passage of the Energy Policy and Conservation Act of 1975. Since EPCA became law, domestic drilling activity has been on a continuous decline, dropping by about 18 percent. There are now fewer rigs active than at any time since mid-1974. The same is true with seismic activity which has declined continuously since mid-1974.

Since the embargo which precipitated formation of the FEA, our crude oil production has declined by about 1 million barrels per day and our natural gas production by 10 billion cubic feet per day.

The fact that 25 percent of available drilling rigs and seismic crews are standing idle, the fact that imports of petroleum recently exceeded domestic crude production, and the fact that our production continues to decline and shows no signs of even leveling off demonstrate how poorly the energy policies supported by Congress and the FEA have worked.

The major responsibility of the FFA is to administer a system of crude oil price and allocation controls, but these controls are scheduled to be phased out during 1979.

A common phenomenon of a Federal regulatory agency is that once established it tends to become an advocate of its regulations, expanding and extending authority and jurisdiction in order to proliferate itself. When one set of regulations becomes outdated or obsolete, new ones are proposed and supported so that the agency can continue to survive. We have seen this occur several times already during the short life of the FEA.

We have ample evidence of the FFA's expansion syndrome. The old Federal Energy Office under Mr. Bill Simon, now Secretary of the Treasury, had approximately 2,000 employees to administer its program. Just after the FEA Act became law in May 1974, there were 3,301 employees at the FEA. At the first of this year, the Agency had 3,470 employees. And it now requests a total of 4,130 for the remainder of fiscal year 1976. The FEA has doubled in size in less than 2 years.

My primary concern is that when the mandatory crude oil and allocation control program moves into standby status in 1979, the FEA will again be an advocate of continued controls.

To abolish the Agency now would avert this future problem.

The Senate Government Operations Committee is currently holding hearings on the extension of the Federal Energy Administration. I ask unanimous consent that my letter to Senator RIBICOFF, chairman of the Government Operations Committee, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
April 27, 1976.

Hon. ABRAHAM RIBICOFF,
Chairman, Committee on Government Operations, Washington, D.C.

DEAR ABE: As you know, your Government Operations Committee is currently conducting hearings on the extension of the Federal Energy Administration.

I shall soon introduce a bill which addresses this subject. My bill would abolish the Federal Energy Administration and transfer its functions to other departments and organizations within the Executive Branch.

I understand that your hearings will concern topics of a general nature relating to the functions of the FEA. I would therefore appreciate your adding my bill to those under consideration by your Committee.

If you would be kind enough to consider my bill, I would like to have the opportunity to testify briefly before your Committee and I shall be happy to be of any further assistance in this matter.

Sincerely,

DEWEY F. BARTLETT,
U.S. Senator.

Mr. BARTLETT. Mr. President, I also ask unanimous consent to have a statement prepared by the Senator from Texas (Mr. TOWER) printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR TOWER

I am pleased to join with my good friend and colleague from Oklahoma, Senator Bartlett, in introducing a bill which might well be described as "legislation for the relief of all energy users and energy producers in the United States".

More specifically, our bill has a three-fold purpose: First, to abolish the Federal Energy Administration; second, to transfer its functions to other existing Government agencies; and third, to prohibit further increases in FEA personnel levels beyond the number existing at the first of this year.

I think there is little doubt that two of the most urgent problems we confront today are energy and Federal regulation. If any one agency could best embody the traits which explain much of our present dilemma, FEA would be the prime nominee.

The FEA was created in early 1974, as an emergency means to deal with a specific situation which existed at that time. That situation was the Arab oil embargo of late 1973—early 1974, and the resulting lack of available fuel supplies. Similar to the now-defunct Cost of Living Council, FEA was set up to develop and implement a program of artificial controls designed to carry us through the embargo crisis and chart us on a course toward energy self-sufficiency.

What began, then, as a small temporary agency, has now mushroomed into a formidable agency of Federal regulation. Intended as a one-act play, FEA now supports a cast of thousands—3400 to be more specific. And estimates show that these employees receive a mean salary higher than any other Federal agency.

During its rapid and haphazard expansion, FEA has managed to inflict a staggering regulatory burden upon our energy sector. The paperwork generated by FEA actions is astounding, as is the number of rules, reports, proposed regulations, and so forth which emanate from the agency.

Many FEA activities, of course, have been mandated by congressional action. During FEA's existence, Congress has enacted over 40 energy-related laws, many of which require FEA to take certain actions. FEA's present responsibilities include the gathering of information concerning our national energy supply and demand, forecasting future energy needs, encouraging energy production and conservation, and developing regulations to enforce the current oil pricing provisions.

This latter operation is one which particularly concerns me. My staunch opposition to oil price controls is a matter of record here in the Senate, and the implementation of this act by FEA has done little to mitigate my fears.

Currently FEA's major remaining function, the petroleum allocation and pricing provisions are scheduled to revert to stand-by status in 1979. In my opinion, there is no need to encourage further controls by continuing their major advocate.

Along with a myriad of other regulations—some mandated by Congress and some self-generated—FEA has succeeded in accomplishing very little toward assuring energy independence. As a matter of fact, I think the net results of these activities have been more in the nature of sapping, rather than strengthening, domestic energy programs. Just a few weeks ago came the sobering news that this country is now, for the first time in our history, relying more on imports, rather than domestic fuel, for our daily requirements. Time and again as I travel through my own State of Texas, I see more rigs being stacked, and hear reports of further decreases in drilling activity. We can ill afford to continue exacerbating our energy needs.

While Congress must share in the blame for many of the policies enforced by FEA, we alone carry the responsibility for its continued existence. The present authorization for FEA expires on June 30. Congress would do a double service to the American people by letting this agency die.

First of all, we would be taking a positive step toward reversing some of the damaging trends in our energy policy. And secondly, we would demonstrate to the American people that there is some credibility behind all the rhetoric about cutting back on federal regulation.

Mr. President, the FEA was established during a time of crisis, a time which was more suited to such strong medicine. Like many potent drugs, a little goes a long way, and too much can be lethal. We no longer face an oil embargo. Our energy situation has not responded favorably to the constant ministrations of the FEA. And we have foisted yet another costly agency upon the American taxpayer.

FEA's prescription has run out. It should not be renewed.

By Mr. BARTLETT (for himself and Mr. BELLMON):

S. 3342. A bill to amend the Internal Revenue Code of 1954 to exempt certain organizations from private foundation status. Referred to the Committee on Finance.

SAND SPRINGS HOME

Mr. BARTLETT. Mr. President, I am introducing today a bill to amend the Internal Revenue Code of 1954 to exempt certain charitable organizations from the classification as a private foundation. This bill generally is a counterpart of H.R. 5815, introduced April 9, 1975, in the House.

The private foundation provisions of the Internal Revenue Code apply only to charitable organizations which are exempt from Federal income tax and to which contributions are deductible. A charitable organization is a private foundation unless it falls within one or more of the specific exceptions to that classification. Generally, an organization supported entirely by its endowment is treated as a private foundation unless it is a church, hospital, school, medical research organization, or a support organization for any one of the foregoing. Such organizations are classified as public charities rather than private foundations.

Additionally, a charitable organization, supported by its endowment which is operated, supervised or controlled by or in connection with a civic league or social welfare organization, or a labor, agricultural or horticultural organization, or a business league, chamber of commerce or board of trade is also excluded from private foundation classification.

This exemption means that a charitable organization, organized and operated to benefit, or assist any one or more of the public charities named above or of the other exempt organizations described above, will not be treated, as a private foundation and subject to the counterproductive 4-percent auditing tax. The justification for the exemption from private foundation classification for these types of endowed support organizations is the relationship between the parent organization and the support organization. That relationship insures that the support organization will be as responsive to the public interest as the parent organization itself is.

We see no need to differentiate between charities which are controlled by fraternal benefit societies and charities which are controlled by public charities, civic leagues, labor organizations, or trade associations. The element of public supervision and the element of public interest is essentially the same. Public interest supports this exception since these organizations generally are not grantmaking, family-controlled foundations in the usual sense of the word.

Additionally, they have generally not been created and are not operated on a discretionary basis and normally provide direct services or facilities for the benefit of the public such as operating an orphanage. This bill would extend the exemption from private foundation classification to support organizations which are public, fraternal societies, one of which provides insurance benefits for members and dependents while the other does not. In both cases, they are public in the sense that they are not controlled by a substantial donor or his family, but are responsive to their members.

The Treasury Department supports the enactment of this provision. Oral and written testimony was received on the provision during the general tax reform hearings in 1973 by the House Committee on Ways and Means. In the 93d Congress, it was approved by the Committee on Ways and Means, but adjournment of the 93d Congress precluded it being reported by the House. A written statement in support of the provision was furnished the Committee on Finance in April of this year.

This bill would assist any charitable organization operated, supervised or controlled by or in connection with a fraternal society.

For example, the bill would be of great assistance to the Sand Springs Home of Sand Springs, Okla. Sand Springs Home is an orphanage and widows' colony dating back to 1908 whose original endowment continues to provide all the necessary support for its charitable activities.

I urge my colleagues in the Senate Finance Committee to give this bill favorable consideration during their deliberation on tax reform.

By Mr. CANNON (by request):

S. 3344. A bill to authorize the disposal of silver from the national stockpile;

S. 3345. A bill to authorize the disposal of tin from the national stockpile and the supplemental stockpile;

S. 3346. A bill to authorize the disposal of antimony from the national stockpile and the supplemental stockpile; and

S. 3347. A bill to authorize the disposal of industrial diamond stones from the national stockpile and the supplemental stockpile. Referred to the Committee on Armed Services.

Mr. CANNON. Mr. President, by request, I introduce, for appropriate reference, the following bills:

To authorize the disposal of silver from the national stockpile.

To authorize the disposal of tin from the national stockpile and the supplemental stockpile.

To authorize the disposal of antimony from the national stockpile and the supplemental stockpile.

To authorize the disposal of industrial diamond stones from the national stockpile and the supplemental stockpile.

I ask unanimous consent that a letter of transmittal requesting consideration of these legislative proposals and explaining their purpose be printed in the RECORD.

There being no objection, the material were ordered to be printed in the RECORD, as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., March 26, 1976.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Transmitted herewith for referral to the appropriate committee is a draft bill that will authorize disposal of silver from the national stockpile.

The quantity of material for the draft bill has been determined to be excess to stockpile needs.

Disposal of the material may not be made without the express approval of Congress. Enactment of the bill will not require the expenditure of additional Federal funds. On the contrary, the sale of the material will bring money into the U.S. Treasury, and permit savings in the storage, maintenance, and protection of materials no longer needed for stockpiling purposes. We urge prompt introduction and enactment of the draft bill.

The Office of Management and Budget has advised that there are no objections to the submission of this legislative proposal to the Congress and that the enactment of the bill would be consistent with the President's program.

Sincerely,

JACK ECKERD,
Administrator.

A bill to authorize the disposal of silver from the national stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately one hundred eighteen million troy ounces of silver now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h). Such disposition may be made without regard to the requirements of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided,* That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

By Mr. MATHIAS (for himself and Mr. TUNNEY):

S. 3349. A bill to protect citizens' privacy rights with regard to bank records, credit records, telephone records, mail covers, service monitoring, and nonverbal communications. Referred to the Committee on the Judiciary.

Mr. MATHIAS. Mr. President, last week the Supreme Court rendered a decision which gives a very narrow interpretation of citizens' rights to privacy in their bank statements and records.

The Court in United States against Miller held that citizens' banking records are not their private papers so as to come under the protections of the fourth amendment. The court based its decision on the premise that citizens' bank records—checks, balances, loan data, and other information—belong to the bank and thus a citizen has no right to challenge in the courts—or even to be notified—when a Government agency seeks to obtain his or her records from the bank.

The fourth amendment provides that—

> The right of the people to be secure in their . . . papers and effects against unreasonable searches and seizures shall not be violated . . .

In the Miller case, the Court dealt a severe blow to those of us who had hoped for a definitive decision recognizing that the fourth amendment protects a citizens' bank records. The Miller decision has provoked an outpouring of criticism in the press and among the public. In recent days, the Washington Post and the Washington Star have spoken out eloquently on the need to assure the confidentiality of personal banking records. The need for Congress to enact legislation in this area is compelling when one considers the nature of the records maintained by banks. As I stated in introducing legislation in the past to protect the privacy of bank records:

> As all of us know, an individual's bank account is not just another collection of paper. It is extremely rich in details of the consumer's personal and political life. The information revealed by checks, other withdrawals or deposits mirror the activities of the account holder—the political causes he supports, the publication he subscribes, the debts he owes, the purchases he makes, the source of his income and so forth.
>
> Because information in bank accounts is so rich in details, it is quite understandably sought after by various government agencies and officials . . . the characteristics which make information contained in bank accounts useful to government agencies also mean that basic individual rights and liberties can be trampled by abuse of the information or of the process by which the information is obtained.

It is my firm belief that similar privacy interests attach to other types of personal papers, including telephone, credit, and medical records.

Fortunately, legislation is presently pending in both the House and Senate which will go far toward protecting against unjustified governmental invasions of personal privacy. In June 1975, I introduced the Bill of Rights Procedures Act, S. 1888, which would require a court order before any Federal agent could inspect or obtain records of bank, credit, telephone, medical, or other private transactions. Probable cause that a crime has been or is about to be committed must be demonstrated to the court before a warrant may be issued.

The Bill of Rights Procedures Act was introduced last session, in the other body by Representative CHARLES MOSHER of Ohio, long a supporter of citizens' right to privacy and a most able legislator.

I am pleased to report to you and our colleagues that the Bill of Rights Procedures Act (S. 1888, H.R. 214) is making substantial progress in the House. It is my hope that the Senate will keep pace with the House in support of this legislation.

Representative MOSHER has been very successful in shepherding the bill through that body. After 20 days of hearings and a very detailed and lengthy markup period, the House Judiciary Subcommittee on Court, Civil Liberties and the Administration of Justice favorably recommended H.R. 214 by a vote of 5 to 0. The full Judiciary Committee in the House is tentatively scheduled to consider H.R. 214 during the latter part of May.

Representative MOSHER and I are very grateful for the work on our bill that has been done by the House subcommittee. I wish to thank the Chairman, Representative ROBERT KASTENMEIER and the members of that panel for their careful and painstaking efforts.

To begin consideration in the Senate of the revised Bill of Rights Procedures Act, I am today introducing the text of the act as reported out by the House Subcommittee on Courts, Civil Liberties and the Administration of Justice. I ask my colleagues to look at this legislation as carefully as possible. It has been specifically endorsed during its consideration in the House by a broad range of organizations including the AFL–CIO, the American Express Co., the Bank of America, the Communications Workers of America, the House Republican Task Force on Privacy, and the National Association of Mutual Savings Banks. Some 70 Members of the House representing a bipartisan coalition have cosponsored the bill.

The bill I am introducing today would protect the privacy of a citizen's records held by banks, telephone companies, and credit card companies by permitting Federal agents to have access to these records only if they follow one of the following procedures:

First. Obtain the written, express consent of the customer;

Second. Serve a subpena or summons on the institution, with a copy to the customer. The information sought must be relevant to a legitimate law enforcement purpose and the customer is given the legal right to challenge the subpena; and

Third. Obtain a search warrant issued by a court.

These procedures in my view will serve to balance the privacy interests of citizens with the legitimate law enforcement needs of the Government.

In addition to these provisions, the bill I am introducing today establishes procedures when Federal officials seek to examine the outside envelopes of first-class mail, telephone company monitoring of calls for service quality, and the extension of existing wiretap law to telegraph and telex messages, computer data transmissions, and other nonverbal messages.

In view of the President's proposed legislation to establish a judicial warrant requirement for national security wiretaps, the portion of the original H.R. 214 dealing with national security wiretaps has been deleted from this revised bill. Congressman MOSHER expects the House Civil Liberties Subcommittee to give high priority to the President's legislation.

We need new laws, more comprehensive laws to protect the American public against unwarranted invasions of privacy by Government officials. The recently issued report and recommendations of the Senate Select Committee on Intelligence, on which I served, has underscored the need to insure the protections of the Constitution are fully enforced. I believe the Bill of Rights Procedures Act will go far in accomplishing this goal.

Mr. President, I ask unanimous consent that the text of the House subcommittee's version of the Bill of Rights Procedures Act be printed at this point in the RECORD, as well as a very able summary of that act prepared by Congressman MOSHER's office, and the editorials on the Supreme Court's decision which I referred to earlier in my remarks.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 3349

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Bill of Rights Procedures Act of 1976."

TITLE I—CONFIDENTIALITY OF FINANCIAL, TOLL, AND CREDIT RECORDS

DEFINITIONS

SECTION 1. For purposes of this Act:

(a) The term "financial institution" means—

(1) a bank or trust company organized under the laws of any State or of the United States;

(2) a savings and loan association or building and loan association, or homestead association organized under the laws of any State or of the United States;

(3) a credit union organized under the laws of any State or of the United States; and

(4) any other organization chartered under the banking laws of any State and subject to the supervision of the bank supervisory authorities of a State.

(b) The term "financial records" means any original or any copy of—

(1) any debit or credit to a customer's deposit or share account with a financial institution; or

(2) any record held by a financial institution containing information pertaining to a customer's relationship with the financial institution.

(c) The term "person" means an individual, partnership, corporation, association, trust, or any other legal entity organized under the laws of a State or the United States.

(d) The term "customer" means any person who is patronizing or has patronized a financial institution and who is utilizing or has utilized a service offered by that financial institution, or who is subscribing or has subscribed to the services of a communication common carrier, or who is utilizing or has utilized the services of a credit card issuer, or who is the subject of a consumer report assembled by a consumer reporting agency.

(e) The term "supervisory agency" means—

(1) the Federal Deposit Insurance Corporation;

(2) the Federal Savings and Loan Insurance Corporation;

(3) the Federal Home Loan Bank Board;

(4) the National Credit Union Administration;

(5) the Federal Reserve Board;

(6) the Comptroller of the Currency;

(7) the Federal Communications Commission.

(f) The term "communication common carrier" shall have the meaning given to "common carrier" in section 153(h) of title 47 of the United States Code.

(g) The term "toll records" means tickets, lists, or other detailed records of individual calls or messages, telegrams and similar messages, and messenger service charges, whether or not used as a basis for billing to customers.

(h) The term "credit card issuer" means any person which offers to the public any card, plate, coupon book, or other device which may be utilized in lieu of cash, check, or similar method of payment for the purpose of obtaining money, property, labor, or services.

(i) The term "consumer reporting agency" means any person which, for monetary fees, dues, or on a cooperative nonprofit basis regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information on consumers for the purpose of furnishing consumer reports to third persons, and which uses any means or facility of interstate commerce for the purpose of preparing or furnishing consumer reports as defined in the Fair Credit Reporting Act (Public Law 91–508, October 26, 1970, 84 Stat. 1136.).

(j) The term "credit records" means any record held by a credit card issuer which contains information pertaining to a customer's relationship with the credit card issuer or information relating to a customer contained in a consumer report assembled by a consumer reporting agency.

ACCESS TO RECORDS

SEC. 2. (a) No officer, employee, or agent of the United States, or any agency or department thereof, may obtain copies of, access to, or information contained in the financial records, toll records, or credit records of any customer in the possession of a financial institution, communication common carrier, credit card issuer, or consumer reporting agency unless the records are described with sufficient particularity to identify the information sought and:

(1) such customer has authorized such disclosure in accordance with section 4;

(2) such financial, toll or credit records are disclosed in response to an administrative subpoena or summons which meets the requirements of section 5;

(3) such financial, toll or credit records are disclosed in response to a search warrant which meets the requirements of section 6; or

(4) such financial, toll or credit records are disclosed in response to a judicial subpoena which meets the requirements of section 7.

(b) Any customer whose records are subpoenaed pursuant to this Act shall have standing to move to quash or to seek other relief.

RESTRICTIONS ON THE RELEASE OF RECORDS

SEC. 3. (a) No financial institution, communication common carrier, credit card issuer, or consumer reporting agency, or any officer, employee, or agent thereof, may provide to any officer, employee, or agent of the United States, or any agency or department thereof, copies of, access to, or the information contained in, the records of any customer except in accordance with the requirements of sections 4, 5, 6, and 7 of this title and section 604(3) (A) and (C) of the Fair Credit Reporting Act (Public Law 91–508, title VI, October 26, 1970, 84 Stat. 1136).

(b) This section shall not preclude a financial institution, communication common carrier, credit card issuer, or consumer reporting agency from notifying appropriate official of suspected violations of the criminal law: *Provided, however,* That any access to customer records shall be governed by sections 2 and 3(a) of this title.

CUSTOMER AUTHORIZATION

SEC. 4. (a) A customer may authorize disclosure under section (2)(a)(1) if he or those seeking disclosure furnish to the financial institution, communication common carrier, credit card issuer, or consumer reporting agency a signed and dated statement by which the customer—

(1) authorizes in writing such disclosure in accordance with this section, which authorization shall not exceed a period of one year;

(2) identifies the financial, toll or credit records which are authorized to be disclosed;

(3) specifies the agencies or authorities to which such records may be disclosed;

(4) states that he understands that he has the right at any time to revoke the authorization; and

(5) states that he understands that he has the right at any time to obtain from the financial institution, communication common carrier, credit card issuer, or consumer reporting agency a copy of the record of examinations.

(b) No such authorization shall be required as a condition of doing business with such financial institution.

(c) The financial institution, communication common carrier, credit card issuer, and consumer reporting agency shall keep a record of all examinations of the customer's records made pursuant to this section, including the identity of the person examining toll or credit records, the governmental agency or department which he represents, and a copy of the authorization.

ADMINISTRATIVE SUBPOENAS AND SUMMONSES

Sec. 5. An officer, employee, or agent of the United States, or any department or agency thereof, in accordance with section 2(a)(2) and as authorized by law, may obtain from a financial institution, communication common carrier, credit card issuer, or consumer reporting agency copies of, access to, or information contained in the financial, toll, or credit records of any customer pursuant to an administrative subpoena or summons issued by the agency or department if—

(1) such subpoena or summons is sought in order to obtain information relevant to a legitimate law enforcement purpose; and

(2) a copy of the subpoena or summons has been personally received by the customer or mailed to his last known address by registered or certified mail on the date on which the subpoena was served on the financial institution, communication common carrier, credit card issuer, or consumer reporting agency together with the following notice:

"Records or information concerning your transactions held by the organization named in the attached summons are being sought by this (agency or department) for the following purpose: If you desire that such records or information not be made available, you should immediately notify this agency or department (self-addressed and postage paid envelope envelope enclosed) in writing, signed, and dated. Otherwise, upon the expiration of eighteen days from the date of delivery or mailing of this notice, the records or information requested therein will be made available.";

(3) eighteen days have expired from the date of personal delivery or mailing of notice to the customer and within which time period neither the customer nor the financial institution, communication common carrier, credit card issuer, or consumer reporting agency has objected, in writing, to the record or information being made available; and

(4) concurrent with service of an administrative subpoena or summons a notice is provided to the financial institution, communication common carrier, credit card issuer, or consumer reporting agency stating the rights, obligations, and liabilities of such organization under this Act.

SEARCH WARRANTS

Sec. 6. An officer, employee, or agent of the United States or of any agency or department thereof, may obtain the financial, toll, or credit records of any customer, from a financial institution, communication common carrier, credit card issuer, or consumer reporting agency under section 2(a)(3), if he obtains a search warrant pursuant to the Federal Rules of Criminal Procedure or to applicable State law.

JUDICIAL SUBPOENAS

Sec. 7. (a) An officer, employee, agent, or authority of the United States or any agency or department thereof in accordance with section 2(a)(4), may request from a financial institution, communication common carrier, credit card issuer or consumer reporting agency copies of, access to, or information contained in, the financial, toll, or credit records of any customer pursuant to a judicial subpoena if—

(1) such subpoena is authorized by law and there is reason to believe that the subpoena will produce information relevant to a legitimate law enforcement purpose;

(2) a copy of the subpoena has been personally received by the customer or mailed to his last known address by registered or certified mail on the date on which the subpoena was served on the financial institution, communication common carrier, credit card issuer, or consumer reporting agency together with the following notice:

"Records of information concerning your transactions which are held by the organization named in the attached subpoena are being sought by this (agency or department or authority) for the following purpose: . If you desire that such records or information not be produced, you should within eighteen days apply to the court named in the subpoena to prohibit its enforcement. Otherwise, upon the expiration of eighteen days from the date of the delivery or mailing of this notice the records or information requested therein will be made available."; and

(3) eighteen days have expired from the date of personal delivery or mailing of notice to the customer within which period either the customer or the financial institution, communication common carrier, credit card issuer, or consumer reporting agency or both may move to quash such subpoena in the court named in the subpoena; and

(4) concurrent with service of a subpoena a notice is provided to the financial institution, communication common carrier, credit card issuer, or consumer reporting agency stating the rights, obligations, and liabilities of such organization under this Act.

(b) Upon application of an officer, employee, agent or authority of the United States, the court may grant such subpoena in accordance with subsection (a)(1) with a temporary delay of delivery or of mailing to the customer a copy of the subpoena and any notification of the existence of the subpoena, which delay shall not exceed ninety days following the date of issuance, if the court finds, on the basis of an affidavit or sworn testimony, that it has been affirmatively demonstrated that such notification would seriously jeopardize a continuing investigation of any of the criminal offenses listed in subsection (c). If the court so finds it shall enter an ex parte order granting the requested delay. Additional delays may be granted by the court upon application, but only in accordance with this subsection. The total period of time from service of the subpoena to notification of the customer shall not exceed one year, except if a judge of the Court of Appeals for the appropriate circuit finds on the basis of an affidavit or sworn testimony that there is probable cause to believe that a criminal offense listed in subsection (c) is being committed, has been committed, or is about to be committed, and that the records sought or made available pursuant to this Act are relevant to a continuing investigation of such offense; in which case such judge shall enter an ex parte order granting the requested delay. Such additional delays are not limited in number, but shall not exceed one hundred and eighty days each. Upon the expiration of the period of delay of notification of the customer the following notice shall be delivered or mailed to him along with a copy of the subpoena:

"Records or information concerning your transactions which are held by the organization named in the enclosed subpoena were supplied to the authority named in the subpoena on (date) . Notification was withheld pursuant to a determination by the court that such notice would seriously jeopardize an investigation concerning .".

(c) Delay of notification of issuance of a subpoena may be sought pursuant to subsection (b) if such subpoena is issued in regard to any of the following offenses: Title 18, United States Code, section 201 (bribery of public officials and witnesses), section 224 (bribery in sporting contests), subsections (d), (e), (f), (g), (h), or (i) of section 844 (unlawful use of explosives), section 1084 (transmission of wagering information), section 1503 (influencing or injuring an officer, juror, or witness generally), section 1510 (obstruction of criminal investigations), section 1511 (obstruction of State or local law enforcement), section 1751 (Presidential assassinations, kidnaping, and assault), section 1951 (interference with commerce by threats or violence), section 1952 (interstate and foreign travel or transportation in aid of racketeering enterprises), section 1954 (offer, acceptance, or solicitation to influence operations of employee benefit plan), section 1955 (prohibition of business enterprises of gambling), section 659 (theft from interstate shipment), section 664 (embezzlement from pension and welfare funds), sections 2314 and 2315 (interstate transportation of stolen property), section 1963 (violations with respect to rackeeter influenced and corrupt organizations) or section 351 (violations with respect to congressional assassination, kidnaping and assault), appendix, section 1202 (receipt, possession, or transportation of firearms); any offense punishable by imprisonment for more than one year under sections 2274 through 2277 of title 42, United States Code (relating to the enforcement of the Atomic Energy Act of 1954), or under title 18, United States Code, chapter 37 (relating to espionage), chapter 105 (relating to sabotage), chapter 115 (relating to treason), or chapter 102 (relating to riots); a violation of section 186 or section 501(c) of title 29, United States Code (dealing with restrictions on payments and loans to labor organizations), or any offense which involves murder, kidnaping, robbery, or extortion, and which is punishable under title 18, United States Code; any offense involving counterfeiting punishable under title 18, United States Code, sections 471, 472 or 473; any offense involving bankruptcy fraud or the manufacture, importation, receiving, concealment, buying, selling, or otherwise dealing in narcotic drugs, marihuana, or other dangerous drugs, punishable under any law of the United States; any offense including extortionate credit transactions under title 18, United States Code, sections 892, 893, or 894; or any conspiracy to commit any of the foregoing offenses.

(d) Within thirty days after the expiration of a delay (or each extension thereof) granted under subsection (b), the judge granting or denying the delay shall report to the Administrative Office of United States Courts—

(1) the fact that a delay or extension of delay was requested;

(2) the offense the investigation of which was the basis for the request for delay;

(3) the disposition of the request for delay;

(4) the total period of time for which notice had been previously withheld; and

(5) the identity of the investigative or law enforcement officer, authority or agency requesting the delay.

In April of each year the Director of the Administrative Office of the United States Courts shall transmit to the Congress a full and complete report concerning the number of applications for extension of delay and the number of extensions granted or denied during the preceding calendar year. Such report shall include a summary and analysis of the data required to be filed with the Administrative Office pursuant to this section. The director of the Administrative Office of the United States Courts is authorized to issue binding regulations dealing with the content and form of the reports required to be filed by this section.

ACCESS

Sec. 9. Copies of, or the information contained in, financial, toll, or credit records obtained pursuant to this Act shall not be used or retained in any form for any purpose other than the specific statutory purpose for which the information was originally obtained, nor shall such information or records be provided to any other Government department or agency or other person except where the transfer of such information is specifically authorized by statute.

EXCEPTIONS

Sec. 10. (a) Nothing in this title prohibits the dissemination of any financial, toll, or credit information which is not identified with or identifiable as being derived from the financial, toll, or credit records of a particular customer.

(b) Subject to the limitations of section 9, nothing in this title prohibits examination by or disclosure of records to any supervisory agency solely in the exercise of its supervisory function or the making of reports or returns required under the Internal Revenue Code of 1954.

JURISDICTION

Sec. 11. An action to enforce any provision of this title may be brought in any appropriate United States district court without regard to the amount in controversy, or in any other court of competent jurisdiction, within three years from the date on which the violation occurs or the date of discovery of such violation, which ever is later.

CIVIL REMEDIES

Sec. 12. Damages.—(a) Any person, financial institution, communication common carrier, credit card issuer, consumer reporting agency, or any officer, employee, or agent of a financial institution, communication common carrier, credit card issuer, consumer reporting agency, or of the United States Government or any agency or department thereof who knowingly obtains or discloses one or more financial, toll, or credit records in violation of this title is liable to the customer or other party to whom such records relate for—

(1) any actual damages sustained by the customer as a result of the disclosure,

(2) such punitive damages as the court may allow, where the violation is found to have been willful, and

(3) in the case of any successful action to enforce liability under this section, the cost of the action together with reasonable attorney's fees as determined by the court.

(b) Injunctive Relief.—In addition to any other remedy contained in this section or otherwise available, injunctive relief shall be available to any person aggrieved by a violation or threatened violation of this Act. In the event of any successful action, costs together with reasonable attorney's fees as determined by the court may be recovered.

TITLE III—MAIL COVERS

DEFINITION

Sec. 1. A mail cover is the procedure initiated at the request of a law enforcement authority by which a systematic record or inspection is made of any data appearing on the outside cover of any mail matter, including, but not limited to, the name and address of the sender, the place and date of postmarking, and the class of mail.

WHEN PERMITTED

Sec. 2. No mail cover shall be initiated—

(a) without the written authorization of the chief postal inspector, a regional chief postal inspector, or an inspector in charge of the United States Postal Service, except that if requested by the United States Attorney General the chief postal inspector shall authorize a mail cover pursuant to the requirements of this section; and

(b) unless the chief postal inspector, a regional chief postal inspector, an inspector in charge, or the United States Attorney General has good cause to believe, on the basis of an affidavit setting forth the specific reasons for the proposed mail cover and the facts on which the applicant relies, that such procedure is necessary in regard to a continuing investigation of the commission or attempted commission of a felony or is necessary to secure information in the interest of locating a fugitive; and

(c) unless the chief postal inspector, a regional chief postal inspector, or an inspector in charge has received a written request for such mail cover from the director or chief officer of an authority of a Federal, State, or local government one of whose primary functions is to investigate the commission or attempted commission of a felony, or unless the chief postal inspector, a regional chief postal inspector, or an inspector in charge has good cause to believe that the initiation of such mail cover is necessary to the investigation of the commission or attempted commission of a postal felony.

TIME PERIODS

Sec. 3. A mail cover may be conducted for a period of thirty days. Authorization for continuance of a mail cover for additional periods of thirty days may be obtained, but only in accordance with this title. In no event shall the total period of time for a mail cover exceed one year, unless a judge of a United States court finds on the basis of an affidavit or sworn testimony that the termination of such mail cover would seriously jeopardize a continuing investigation of the commission or attempted commission of a felony or of the location of a fugitive. If such judge so finds he may authorize the continuance of the mail cover for additional periods not exceeding one year each. In such event, the requesting authority shall make application for continuance of the mail cover for periods not exceeding thirty days pursuant to section 2.

EMERGENCY AUTHORIZATION

Sec. 4. If the chief postal inspector or a regional chief postal inspector has good cause to believe that a speedy initiation of a mail cover is necessary in regard to a continuing investigation of the commission or attempted commission of a felony, or of the location of a fugitive he may authorize such mail cover on the basis of an oral request from the director or chief officer of an authority of a Federal, State, or local government one of whose primary functions is to investigate the commission or attempted commission of a felony: *Provided*,

That such oral request is followed within forty-eight hours by a written request and supporting affidavit to the chief postal inspector or regional chief postal inspector who authorized the mail cover, and

That no record of any data received from such mail cover shall be made available to the requesting authority until such written request and supporting affidavit have been received and such mail cover has been approved pursuant to the requirements of section 2.

NOTICE

Sec. 5. Within a reasonable time, but not later than ninety days after the termination of the period for a mail cover, the chief postal inspector, regional chief postal inspector, or inspector in charge who authorized the mail cover, shall provide to the person whose mail is the subject of the mail cover a notice of the existence, dates, and purpose of such mail cover, except that such notice shall be waived if a judge of a United States court finds on the basis of an affidavit or sworn testimony that the notice of such mail cover would seriously jeopardize a continuing investigation of the commission or attempted commission of a felony or of the location of a fugitive.

RECORDS

Sec. 6. (a) All requests for mail covers, with records of action thereon, shall be within the custody of the chief postal inspector.

(b) The regional chief postal inspectors and the inspectors in charge shall submit a copy of each mail cover request received together with a report of any action thereon to the chief postal inspector.

(c) If the chief postal inspector determines that a mail cover was improperly initiated by a regional chief postal inspector or an inspector in charge, all data and records of information received from such mail cover shall be impounded and the requesting authority notified of the discontinuance of the mail cover and the reasons therefor.

(d) No file or record pertaining to a mail cover shall be retained for a period in excess of eight years.

REPORTING REQUIREMENT

Sec. 7. In April of each year the chief postal inspector shall transmit to the Congress a full and complete report for the immediately preceding year of—

(a) the number of requests for mail covers and the number of authorizations granted listed by each Postal Inspection Service division for which such authorizations were made;

(b) the identity of the law enforcement agencies making requests for mail covers listed by each Postal Inspection Service division for which such requests were made; and

(c) a list of the offenses for which mail cover requests were received listed by each Postal Inspection Service division for which such requests were made.

INJUNCTIVE RELIEF

Sec. 8. In addition to any other remedy contained in this title or otherwise available, injunctive relief shall be available to any person aggrieved by a violation or threatened violation of this title. In the event of any successful action, costs together with reasonable attorney's fees as determined by the court may be recovered.

TITLE III—AMENDMENTS TO CHAPTER 119, TITLE 18, UNITED STATES CODE

COMMUNICATION COMMON CARRIER PRACTICES

Section 1. (a) Section 2510 of title 18, United States Code, is amended by adding the following new definitions:

"(12) 'supervisory observing' means the interception by an officer, employee, or agent of a communication common carrier of any oral or wire communication of an officer, employee, or agent of such communication common carrier;

"(13) 'service observing' means any interception which is a necessary incident to the rendition of service, by a communication common carrier, of the voice content of a customer-to-customer oral or wire communication for purposes other than supervisory observing or protection against theft of service; and

"(14) 'protection against theft of service' means any action on the part of a communication common carrier the purpose of which is to protect such communication common carrier against a violation of section 1343 of title 18, United States Code (fraud by wire, radio, or television) or similar State statute.".

(b) Section 2511(2)(a)(i) of such title 18 is amended to read: "It shall not be unlawful for an officer, employee, or agent of a communication common carrier, acting in the official capacity of his employment, to engage in—

"(A) supervisory observing: *Provided*, That—

"(i) the officer, employee, or agent against whom such interception is directed has been given prior notice in writing of the likehood of such interception,

"(2) such interception is engaged in solely for the purposes of training or evaluation of employee performance,

"(3) such interception is engaged in solely on communication facilities which are clearly identified as being subject to possible interception, and

"(4) such interception involves no recording of the voice content of any communication;

"(B) service observing: *Provided*, That—

"(1) the interception of the voice content of any customer-to-customer oral or wire communication shall not exceed ten seconds without the imposition of an intercept announcement signal or other actual notice to the customer, and

"(2) such interception involves no recording of the voice content of any communication;

"(C) interception of any oral or wire communication for purposes of protection against theft of service: *Provided*, That—

"(1) such communication common carrier shall not intercept or record more than one hundred and twenty seconds of the voice content of any oral or wire communication intercepted in the interest of protection against theft of service.".

SUPERVISORY OBSERVING BY OTHER THAN COMMUNICATION COMMON CARRIERS

SEC. 2. Section 2516(2)(d) is amended by adding at the end thereof the following: Provided that no interception of any wire or oral communication by a person directed against an employee which is authorized by prior consent of such employee, shall be lawful under this chapter unless:

(i) such employee against whom such interception is directed has been given prior notice in writing of the likelihood of such interception, and

(ii) such interception is engaged in solely for the purpose of training or evaluation of employee performance, and

(iii) such interception is engaged in solely on communication facilities which are clearly identified as being subject to possible interception, and

(iv) such interception involves no recording on tape or wire or other comparable device of the voice content of any communication."

COURT ORDERED INTERCEPTIONS IN TOLL FRAUD CASES

SEC. 2. Section 2516(I)(c) of such title 18 is amended by deleting the semicolon and adding at the end thereof the following: ", section 1343 (fraud by wire, radio, or television):".

REPORTING REQUIREMENTS

SEC. 3. Section 2519 of such title 18 is amended by adding at the end thereof the following new subsection:

"(4) in January of each year, each communication common carrier shall report to the Federal Communications Commission concerning the interceptions made by it during the preceding calendar year for the protection of its service against theft of service, including a description of all such interceptions, the nature and frequency of the incriminating communications intercepted, the number of persons whose communications were intercepted, the total number of hours of recording of communications intercepted, and the average minutes of such recording for each communication intercepted. In April of each year the Chairman of the Federal Communications Commission shall transmit to Congress a full and complete report of the information received by the Commission pursuant to this subsection.".

POSSESSION OF DEVICE FOR THEFT OF SERVICE

SEC. 4. Sections 2512 and 2513 of such title 18, are amended to read as follows:

"§ 2512. Manufacture, distribution, possession, and advertising of wire or oral communication intercepting devices or devices for theft of service prohibited

"(1) Except as otherwise provided in this chapter, any person who willfully—

"(a) sends through the mail, or sends or carries in interstate or foreign commerce, any electronic, mechanical, or other device, knowing or having reason to know that the design of such device renders it primarily useful for the purpose of the surreptitious interception of wire or oral communications or the surreptitious theft of a communication common carrier's service;

"(b) manufactures, assembles, possesses, or sells any electronic, mechanical, or other device, knowing or having reason to know that the design of such device renders it primarily useful for the purpose of the surreptitious interception of wire or oral communications or the surreptitious theft of a communication common carrier's service, and that such device or any component thereof has been or will be sent through the mail or transported in interstate or foreign commerce; or

"(c) places in any newspaper, magazine, handbill, or other publication any advertisement of—

"(i) any electronic, mechanical, or other device knowing or having reason to know that the design of such device renders it primarily useful for the purpose of the surreptitious interception of wire or oral communications or the surreptitious theft of a communication common carrier's service; or

"(ii) any other electronic, mechanical, or other device, where such advertisement promotes the use of such device for the purpose of the surreptitious interception of wire or oral communications or the surreptitious theft of a communication common carrier's service,

knowing or having reason to know that such advertisement will be sent through the mail or transported in interstate or foreign commerce, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

"(2) It shall not be unlawful under this section for—

"(a) a common carrier or an officer agent, or employee of, or a person under contract with, a common carrier, in the normal course of the common carrier's business, or

"(b) an officer, agent, or employee of, or a person under contract with, the United States, a State, or a political subdivision thereof, in the normal course of the activities of the United States, a State or a political subdivision thereof, to:

Send through the mail, send or carry in interstate or foreign commerce, or manufacture, assemble, possess, or sell any electronic, mechanical, or other device knowing or having reason to know that the design of such device renders it primarily useful for the purpose of the surreptitious interception of wire or oral communications or the surreptitious theft of a communication common carrier's service.

"§ 2513. Confiscation of wire or oral communications intercepting devices or devices for theft of service

"Any electronic, mechanical, or other device used, sent, carried, manufactured, assembled, possessed, sold or advertised in violation of section 2511 or section 2512 of this chapter may be seized and forfeited to the United States. All provisions of law relating to (1) the seizure, summary and judicial forfeiture, and condemnation of vessels, vehicles, merchandise, and baggage for violations of the customs laws contained in title 19 of the United States Code, (2) the disposition of such vessels, vehicles, merchandise, and baggage or the proceeds from the sale thereof, (3) the remission or mitigation of such forfeiture, (4) the compromise of claims, and (5) the award of compensation to informers in respect of such forfeitures, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this section, insofar as applicable and not inconsistent with the provisions of this section; except that such duties as are imposed upon the collector of customs or any other person with respect to the seizure and forfeiture of vessels, vehicles, merchandise, and baggage under the provisions of the customs laws contained in title 19 of the United States Code shall be performed with respect to seizure and forfeiture of electronic, mechanical, or other intercepting devices or devices for the surreptitious theft of a communications common carrier's service under this section by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General.".

DEFINITION OF ORAL OR WIRE COMMUNICATION

SEC. 5. Section 2510(4) of such title 18 is amended by deleting "aural".

TITLE IV—PENALTIES

Whoever, being an officer, agent, or employee of the United States or any department or agency thereof willfully violates any provision of title I or II of this Act shall be fined not more than $1,000 or imprisoned not more than one year, or both.

TITLE V—CONGRESSIONAL SUBPOENAS

Nothing in this Act shall apply to subpoenas issued by the United States Congress.

H.R. 214—Bill of Rights Procedures Act

(As amended by the Subcommittee on Courts, Civil Liberties and the Administration of Justice)

BACKGROUND

First introduced in 1974 by Senator Charles Mathias (R-MD) and Representative Charles Mosher (R-OHIO). The Bill of Rights Procedures Act has a bipartisan group of 73 cosponsors in the House. The House Judiciary Subcommittee on Courts, Civil Liberties and the Administration of Justice held detailed hearings in 1975 and met for markup on more than 20 days. HR 214 was reported out of Subcommittee on April 2 by unanimous vote of the five members present.

SUMMARY

This bill deals with a wide range of circumstances where American citizens have good reason to expect protection of their privacy, but where federal law presently provides no statutory protection of the individual's presumed rights to privacy.

HR 214, as amended, would protect citizens' privacy rights with regard to: bank records; credit records; telephone records; mail covers; service monitoring; and nonverbal communications. The bill, as amended, does *not* address the issue of national security wiretapping.

This legislation would not prohibit any activity now considered to be legal. Rather, it would establish clear guidelines and procedures to be followed when there would be a lawful invasion of a citizen's privacy in any of the above-mentioned categories. And it establishes civil and criminal liabilities for those those who willfully intrude upon those rights to privacy.

PROVISIONS

The following is a brief outline of the provisions of HR 214, as amended. It is simplified, for clarity's sake. Keep in mind that there are presently no statutory federal restrictions on any of the activities addressed by this legislation.

TITLE 1—CONFIDENTIALITY OF RECORDS

This portion of HR 214 pertains to records kept by financial institutions, telephone companies and credit card issuers. Federal agents desiring access to records of an individual's transactions would have to first go through any one of these procedures:

(a) Obtain the written, express consent of the subject individual.

(b) Serve a subpoena or summons on the institution, with a copy to the customer. (The customer is given legal rights to challenge the subpoena).

(c) Obtain from the courts a search warrant.

The institution holding the records would be required to keep a list of all examinations of a customer's records made pursuant to this law. Also, there is a provision requiring that whenever a subpoena or summons is served on an institution, the firm must be informed of its rights and responsibilities and the customer must be notified of his/her right to challenge the proceding. Requirements for notice to the customer may be temporarily waived by court order in certain criminal investigation-related cases.

TITLE II—MAIL COVERS

Mail covers are the procedure in which a systematic record or inspection is made of information that appears on the outside of pieces of first class mail. HR 214, amended, incorporates many features that are now part of Postal Service internal guidelines.

The following provisions are made by HR 214:

(a) Mail covers may be conducted only for the following reasons:

1. Investigation of a felony offense.
2. Investigation of postal fraud.
3. Location of a fugitive.

(b) All authorizations must be in writing; authority to order a mail cover is limited to top officials of the Postal Inspector's office.

(c) Mail covers requested by the U.S. Attorney General shall be automatically granted.

(d) All requests must be supported by a signed affidavit and records must be kept of all requests and their disposition.

(e) After the conclusion of a mail cover (authorization must be renewed every 30 days), a notice must be given to the affected postal patron unless a federal court orders otherwise.

TITLE III—AMENDMENTS TO THE WIRETAP LAWS

A portion of this Title deals with telephone companies' practice of listening in on telephone communications in order to assure the quality of the service provided. In cases of customer-to-customer calls, the interception of voice communications cannot exceed 10 seconds unless a "beep tone" is sounded.

In the case of a company listening in on telephone conversations of its employees, the worker must be provided with written notice that his/her phone calls may be monitored and any phone that is subject to monitoring must be clearly identified as such. This provision applies to all corporations that engage in service monitoring.

Section 4 of this Title would outlaw so-called Blue Boxes and Black Boxes, devices used to cheat telephone companies out of long distance tolls.

Section 5 extends the protections of existing wiretap laws to cover non-aural communications. This will make it illegal to intercept without court order telegraph and telex messages, computer data transmissions and other non-verbal messages.

NATIONAL SECURITY WIRETAPPING

H.R. 214 originally contained proposed changes in the national security exemption in the wiretap laws. Congressman Mosher agreed to the deletion of this portion of the bill, with the understanding that consideration of the Administration's national security wiretapping legislation, H.R. 12750, would be given high priority by the Civil Liberties Subcommittee.

SUPPORT AND ENDORSEMENTS

H.R. 214 is cosponsored by a remarkable, bipartisan coalition that spans the political spectrum. It has been specifically endorsed by the following groups: the AFL–CIO; American Express Company; Bank of America; Communications Workers of America; House Republican Task Force on Privacy; National Association of Mutual Savings Banks; and the National Newspaper Association. A number of other organizations have indicated their informal support.

[From the Washington Star, Apr. 23, 1976]

PRIVACY AT THE BANK

No doubt about it—easy government access to personal banking records is, as Congress found when it wrote the 1970 Bank Secrecy Act, marvelously useful in "criminal, tax and regulatory investigations and proceedings." It facilitates the pursuit of white-collar crime—as we are reminded in "All The President's Men" by the tracing of the so-called "Dahlberg check" as a link between the Nixon re-election committee and the Watergate burglary.

One doesn't ordinarily think of the distilling of non-taxpaid whiskey as an exalted example of "white-collar" crime. But a whiskey tax case gave rise this week to an important Supreme Court pronouncement on the Bank Secrecy Act. The result, in our view, is a disturbing aggression against personal privacy.

Mitch Miller of Macon, Ga., a distiller in question, had his records at two Georgia banks subpoenaed and examined, without notice, by U.S. Treasury agents. The records showed he had rented a truck in which authorities had found a whiskey still and "raw material" for the making of whiskey; also that Mr. Miller had purchased "a quantity of sheet metal and metal pipe." Thus his private bank records linked him to a crime. He was indicted, tried and convicted; but the Fifth Circuit Court of Appeals threw out the conviction—justifiably, in our view—on Fourth Amendment grounds. The Supreme Court this week reinstated his conviction.

The line of reasoning pursued by Congress in passing the Bank Secrecy Act (which requires banks to retain records) and the casual investigative procedures ratified by Justice Powell's opinion in the Georgia case greatly diminish the privacy one may expect in bank transactions. The Court had already upheld the act itself. But in the earlier case it had said little concerning the control of investigative access to bank records. This week the Court spoke on the latter issue, and in our view spoke with scant consideration for inherent rights of privacy.

Indeed, Justice Powell's argument seems to us to dismiss common-sense notions of privacy almost cavalierly. The thrust of the argument is that bank transactions, however personal they may seem to us, are far more public than personal. Statements, balances checks, loan information, etc., are not the customer's private papers; they are "the business records of the banks." Checks "are not confidential communications but negotiable instruments to be used in commercial transactions." Moreover, "all the documents obtained (from Mr. Miller's Georgia banks) . . . contain only information voluntarily conveyed to the banks and exposed to their employees in the ordinary course of business"! The gist of Justice Powell's opinion seems, then, to be this: If you use a bank, use it at your own risk and be ready for the world—and the police and G-men and God knows who else who happens to be curious about your financial affairs—to know everything about your banking transactions. And expect no protection from the Fourth Amendment: its guarantees of security for "personal papers and effects" don't apply at the neighborhood bank.

The other side of the argument—to our minds a more appealing side than the Supreme Court majority perceived—was well stated in a recent opinion by the California Supreme Court:

"For all practical purposes," said that court, "the disclosure by individuals or business firms of their financial affairs to a bank is not entirely volitional, since it is impossible to participate in the economic life of contemporary society without maintaining a bank account. In the course of such dealings, a depositor reveals many aspects of his personal affairs, opinions, habits and associations. Indeed, the totality of bank records provides a virtual current biography."

Well said. And true. And since it is true, the use of search warrants, together with prior notice to a subject of investigation and his lawyers, seems more than a mere amenity. Otherwise, the way is open to every imaginable kind of fishing expedition into the financial affairs of any citizen with a bank account. In the words of the California Supreme Court, again, unregulated access to personal bank records "open the door to a vast and unlimited range of very real abuses of police power."

It is shocking that the law of the United States should now hold otherwise.

[From the Washington Post, Apr. 26, 1976]

THE NONPRIVACY OF BANK ACCOUNTS

The Supreme Court is continuing to interpret the right of privacy so narrowly as to give citizens little or no protection against governmental intrusion into many aspects of their everyday personal affairs. A notable example was the Court's 7-2 ruling on Wednesday that no constitutionally protected zone of privacy has been invaded when the government subpoenas records of a person's banking transactions from the bank.

The decision upheld the traditional view that the records of banks, like those of telephone companies, credit-card firms and other businesses, belong to the company, not the customer. Even though sensitive personal information is often involved, this approach gives the customer no right to intervene—or even to be notified—before the business opens up the records to a law-enforcement officer. In the case decided the other day, the citizen involved—who happened to be accused of operating an illegal still—claimed that his banks' compliance with federal subpoenas violated his expectation of privacy in dealing with the banks. A lower federal court had agreed, but the High Court did not.

The most disturbing aspect of this decision is the Court's refusal to recognize that banking involves any reasonable claims of confidentiality at all. Justice Lewis F. Powell Jr., for one, seems to have modified his views along the way to this result. In an earlier case upholding government recordkeeping rules, Justice Powell wrote, "Financial transactions can reveal much about a person's activities, associations and beliefs. At some point, governmental intrusion upon these areas would implicate legitimate expectations of privacy." The other day, however, Justice Powell wrote for the Court that checks and deposit slips "are not confidential communications but negotiable instruments" and "contain only information voluntarily conveyed to the banks and exposed to their employees in the ordinary course of business." Thus he concluded that no legitimate expectation of privacy is involved; on the contrary, any depositor "takes the risk" that a bank will share this information with the government.

That concept of the banking relationship is not, obviously, the one held by most bankers or most of their customers. The average citizen assumes that his transactions will be kept confidential, and that bank employees will use information about his accounts only for banking purposes. Even this limited disclosure is not entirely voluntary; as the California Supreme Court said recently, "it is impossible to participate in the economic life of contemporary society without maintaining a bank account." And it is precisely the "ordinary" kinds of personal business that should enjoy the most protection against improper or excessive scrutiny by government.

By refusing to acknowledge any legitimate confidentiality in this field, the Court has left the privacy of a wealth of detailed information about virtually all Americans entirely in the hands of the banks and other firms with which they deal. Many companies do regard this as a solemn trust; a growing number, for example, notify a customer when information about his account is demanded by the government. Others do not. Some do not even wait for proper subpoenas, but turn over information in response to the most casual request by law-enforcement officers. Thus individuals enjoy uneven protection at best, while the companies bear the burdens of trying to judge the propriety of official demands in cases they know little about.

Since the Court has refused to find any constitutional defect in this state of affairs, the remedy will have to come from Congress. After years of intermittent discussion, a House Judiciary subcommittee has recommended legislation that would insure citizens notice and a chance to challenge official demands for records of their dealings with financial institutions, telephone companies, credit-card issuers and the like. The notice requirement could be waived only if a judge found that advising the individual would seriously jeopardize the investigation of specified crimes. The bill (H.R. 214) ought to be passed. It would give force to the concept of confidentiality in everyday financial dealings which most people have been banking on, but which the high court has unaccountably failed to grasp.

By Mr. TUNNEY:

S. 3350. A bill to increase the efficiency with which materials are used in commerce by establishing a materials research and development program within the Department of Commerce, and for other purposes. Referred to the Committee on Commerce.

MATERIALS RESEARCH AND DEVELOPMENT ACT OF 1976

Mr. TUNNEY. Mr. President, today I am introducing the Materials Research and Development Act of 1976. Just 3 years ago, we began to pay the terrible price for our failure to acknowledge and act on the weaknesses of our energy policy of the 1950's and 1960's. That should have taught us that the leadtime for action on basic resources, skyrocketing prices, and allocations is measured in decades. As a nation, we represent only 7 percent of the world's population, but we consume 40 percent of the world's resources. We are totally or largely dependent on imports for our supply of several basic raw materials: chromium, nickel, rubber, aluminum, tin, cobalt, manganese, platinum, and zinc. Our imports of nonfuel raw materials continue to increase as demand increases and our domestic resources become depleted. One of the best long-term actions for reducing our vulnerability to insecure foreign sources and the economic shock of sudden price increases for materials is a well-conceived and balanced materials research and development program. The purpose of this bill is to fill the gaps in the existing materials R. & D. activities by establishing a materials research and development program, which focuses on the processing, design, and use stages of the materials cycle.

In 1974, the National Academy of Sciences reported in its COSMAT report—Committee on the Survey of Materials Science and Engineering—that in fiscal year 1971 the level of Federal funding for materials R. & D. was $260 million. Of that $260 million, $100 million was conducted by the Defense Department, another $82 million by the Atomic Energy Commission, some portion of which was obviously for military applications, and another $23 million for the National Aeronautics and Space Administration, leaving a little over $50 million for civilian materials R. & D. There are many studies indicating that this civilian materials R. & D. commitment is inadequate to meet the Nation's current and future material needs.

Thirty million dollars is provided for the materials research and development program in this bill, a small beginning to meet the gaps that exist. It would be placed in the Department of Commerce. The program would have the multiple objectives of reducing vulnerability to insecure foreign sources; increasing the efficiency of materials processing, including the reduction of energy consumption during materials processing; improving the durability, recyclability, and reusability of products; and improving productivity.

The 1973 National Commission on Materials Policy estimated that the costs of corrosion and wear are $30 billion per year. This is a heavy cost for consumers to bear. In light of this staggering burden, the Commission recommended that R. & D. be sponsored to improve resistance to corrosion and wear. Additionally, it recommended that the Department of Commerce be responsible for seeking ways to improve the recyclability of products and also work with industry to improve the efficiency of materials processing and the durability of products. Increasing the lifetime, recyclability, and reusability of products will also save energy as well as reducing the impact on the environment of disposal costs.

Technological innovations that improve efficiency in the processing and manufacturing of materials are the basis for increasing industrial productivity. As Secretary Richardson noted last week at a conference on technological innovation and economic development, other industrialized countries have been increasing their productivity in the last 15 years at a faster rate than our own, which has serious implications for the continued international competitiveness of American industry.

Thus, there are a variety of mutually supportive objectives of this bill, reducing our dependence on vulnerable foreign suppliers of raw materials, improving materials processing, conserving energy, reducing denigrating impacts on the environment, reducing costs to the consumer, and improving productivity.

In order for any of these multiple benefits to be realized, technologies developed under this program must be successfully commercialized. This requires industrial participation and cooperation. On the other hand, the Government should not fund research and development private industry would fund on its own. This bill carefully delineates those areas in the materials field where there is an appropriate role for Federal support of applied technology, that is, where major benefits will accrue to the public, but an individual firm would be unable to capture enough of those benefits for itself to warrant its investing in the necessary R. & D.

The patent section for this bill is substantially similar to the compromise patent section developed in the Energy Research and Development Act, with some changes which have been endorsed several times before by the Senate, for example, through passage of the automotive research and development bill.

The Senate Commerce Committee held hearings on the need for materials research and development in October 1974 and again in December 1975. This bill is based upon recommendations made at those hearings. Several witnesses including those on behalf of the Industrial Union Department of the AFL–CIO, the Society of Manufacturing Engineers, and the chairman of the 1974 COSMAT report gave a strong endorsement to the thrust of this materials R. & D. bill. Additionally, the General Accounting Office released a report at the hearings finding that Federal materials R. & D. funding in constant dollars is actually decreasing and should be supplemented.

Finally, I would like to emphasize that this bill does not preempt the National Commission on Supplies and Shortages, upon which I serve. It is well recognized that there is a serious gap in our materials R. & D. effort in the area of secondary processing, design, and fabrication. Furthermore, the Department of Commerce is the most logical place to put such a program since it can be coordinated with related efforts in the National Bureau of Standards and also can benefit from the extensive economic analyses of the manufacturing sector of the economy performed in that Department. Thus, there is already widespread recognition of what needs to be done for this particular portion of the materials problem.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3350

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Materials Research and Development Act of 1976".

Sec. 2. Declaration of Policy.

(a) Findings.—The Congress finds and declares the following:

(1) Continued high industrial productivity and maintenance of the high standard of living of the American people requires (A) efficient utilization of a wide variety of materials, and (B) the conservation and substitution of materials which are in short supply or as to that ore important to national or economic security and whose continued supply at reasonable prices is uncertain, particularly those materials for which the Nation is dependent on foreign sources.

(2) Materials utilization and conservation should be planned and carried out in a manner which is consistent with other national objectives, such as employment and price stability, energy conservation, and environmental protection.

(3) Research and development activities are necessary so that potential public benefits from the efficient utilization, conservation, and substitution of materials can be realized.

(4) The Federal Government must (A) increase its own activities in this area; and (B) encourage additional private support for such activities.

(b) PURPOSES.—It is therefore declared to be the purpose of the Congress in this Act to increase the efficiency with which existing materials resources are used in commerce by establishing an adequately-staffed and funded program for materials research and development in the Department of Commerce. This program shall be designed and administered to promote the efficient utilization and conservation of materials resources and the maximum practicable substitution of abundant resources for scarce or uncertain resources, in a manner consistent with other national objectives.

SEC. 3. DEFINITIONS.

As used in this Act, the term—

(1) "commerce" means trade, traffic, transportation, or commerce—

(A) between a place in a State and any place outside such State; or

(B) which affects trade, traffic, transportation, or commerce described in subparagraph (A);

(2) "Federal agency" means any department, agency, office, or other instrumentality within the executive branch of the Federal Government, and any independent agency or establishment of the Federal Government (including any Government corporation);

(3) "includes" and variants thereof should be read as if the phrase "but is not limited to" were also set forth;

(4) "material" refers to any material or natural resource which is utilized or is intended to be utilized in commerce for the production of goods, except that such term does not include any such material or resource when used for food or fuel;

(5) "program" means the materials research and development program established under section 4;

(6) "product life" means the length of time during which a durable good or structure is used, or capable of being used, for its intended purposes;

(7) "Secretary" means the Secretary of Commerce; and

(8) "substitution" or "substitute" refers to the substitution of one material for another; the substitution of one process of producing a durable good from a material for another process; or the substitution of one materials property function, or level of functions for another.

SEC. 4. MATERIALS RESEARCH AND DEVELOPMENT PROGRAM.

(e) ESTABLISHMENT.—The Secretary shall establish, within the Department of Commerce, a materials research and development program and shall make grants and contracts for research, development, and demonstration projects in accordance with the priorities and requirements set forth in this Act.

(b) PROGRAM SCOPE.—In furtherance of the program, the Secretary shall identify, support, and endeavor to create technologies of potentially broad applicability which will promote or facilitate more efficient utilization, conservation, and substitution of materials that are important to national or economic security, including technologies that—

(1) develop substitutes for materials whose continued supply at reasonable prices is uncertain;

(2) extend the product life of durable goods;

(3) reduce materials wastage through the improved design, fabrication, recyclability, and reusability of products;

(4) expand the opportunities for utilizing materials in abundant supply; and/or

(5) increase the efficiency of materials processing and manufacturing, including the reduction of energy consumption for materials processing.

(c) CRITERIA FOR ALLOCATING FUNDS.—In allocating funds for this program, the Secretary shall consider with respect to research, development, and demonstration projects or activities—

(1) the magnitude and significance of potential public benefits,

(2) the likelihood of technical success,

(3) the likelihood of successful commercial application, and

(4) the deficiency of existing private and Federal investment.

(d) COMMERCIAL APPLICATIONS OF TECHNOLOGIES.—In order to assure public benefits from the technologies identified, supported, and created by the programs, the Secretary shall (1) assess the effectiveness of the program in terms of the commercial use, or continued such use, by industry, of the research, development, or demonstrations funded under this Act; and (2) identify any impediments to successful commercial application of such technologies. With respect to such impediments, the Secretary shall consider measures likely to overcome such barriers, including—

(A) a requirement that potential users and producers of a proposed technology be involved during the development of such technology; and

(B) the support of cooperative research and development efforts between colleges and universities, Federal Government laboratories, nonprofit organizations, and industrial firms.

(e) UTILIZATION OF EXISTING CAPABILITIES.—To the extent practicable, the Secretary shall, to implement the program, utilize and coordinate the scientific, technical, and economic capabilities within the Department of Commerce, including those of the National Bureau of Standards, except that such Bureau shall not be primarily responsible for the administration of the program.

(f) CONGRESSIONAL REVIEW.—Within 180 days after the date of enactment of this Act, the Director of the Office of Technology Assessment shall commence an evaluation of this program to determine whether it meets the requirements set forth in this Act. In particular, such Director shall evaluate whether the technologies identified pursuant to subsection (b) will be supported and created in a manner in conformance with the requirements of subsections (c) and (d). Additionally, the Director shall evaluate whether existing capabilities of the Department of Commerce are being utilized in accordance with subsection (e). Such evaluation shall be delivered to the Congress not later than 1 year after enactment of this Act.

(g) ANNUAL REPORT.—Beginning 2 years after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress on or before January 1 of each year a comprehensive report on the administration of this program during the preceding fiscal year. Such report shall include a detailed account of (1) progress made toward realization of potential public benefits through this program, (2) funding needs for the technologies identified pursuant to subsection (b) and an assessment of how such needs are being met pursuant to the criteria of subsection (c), and (3) recommendations for further actions.

SEC. 5. CONTRACTS AND GRANTS.

(a) IN GENERAL.—(1) The Secretary shall, by contract or other agreement or by grant, initiate, continue, supplement, and maintain research, development, and demonstration projects or activities of the types referred to in section 4 so long as the objectives of such projects or activities are consistent with the priorities under section 7(b).

(2) The Secretary may enter into contracts with, and award grants to, any Federal agency, laboratory, university, nonprofit organization, industrial organization, public or private agency, institution, organization, corporation, partnership, or individual.

(b) CONSULTATION.—The Secretary, in the exercise of the Secretary's duties and responsibilities, shall establish procedures for periodic consultation with representatives of science, industry, and such other groups as may have special expertise in the area of materials research, development, and technology. The Secretary may establish an advisory panel or panels to review and make recommendations with respect to applications for contracts and grants under this section.

(c) PROCEDURE.—Each contract and grant under this section shall be made in accordance with such rules and regulations as the Secretary shall prescribe in accordance with the provisions of this section and with section 4. Each application for such a contract or grant shall be made in writing in such form and with such content and other submissions as the Secretary shall require. The Secretary shall review each application expeditiously.

(d) COST SHARING.—The Secretary shall, to the extent of available resources, share research and development costs with potential producers of a technology. Potential producers shall bear an increasing portion of such costs as projects toward commercial application.

(e) ENCOURAGEMENT OF SMALL BUSINESS.—The Secretary shall take steps to assure that small business concerns and qualified individuals will have realistic and adequate opportunities to participate in the program under this Act to the maximum extent possible.

(f) LIMITATIONS.—(1) In considering proposals for a contract or grant under this section, the Secretary shall be responsible for assuring that the objective of the project is consistent with environmental and energy conservation requirements and policies of the Federal Government.

(2) The Secretary shall not make contracts or grants for, or conduct or accelerate, any research and development which may duplicate, in whole or in substantial part, any project that has been sponsored by any other Federal agency. The Secretary shall consult with the heads of other Federal agencies performing materials research and development in order to coordinate their respective activities in areas of share concern.

SEC. 6. POWERS OF THE SECRETARY.

In addition to the powers specifically enumerated in any other provision of this Act, the Secretary may—

(1) appoint such attorneys, employees, agents, consultants, and other personnel as the Secretary deems necessary; define the duties of such personnel; determine the amount of compensation and other benefits for the services of such personnel; and pay them accordingly;

(2) procure temporary and intermittent

services to the same extent as is authorized under section 3109 of title 5, United States Code, but at rates not to exceed $150 a day for qualified experts;

(3) obtain the assistance of any department, agency, or instrumentality of the executive branch of the Federal Government upon written request, on a reimbursable basis or otherwise, identifying the assistance which the Secretary deems necessary to carry out any duty under this Act. Such assistance shall include the transfer of personnel (with their consent and without prejudice to their position and rating);

(4) enter into, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5), such contracts, leases, cooperative agreements, or other transactions, with any government agency or any person, as may be necessary in the conduct of such Secretary's duties under this Act; and

(5) purchase, lease, or otherwise acquire, improve, use, or deal in and with any property; sell, mortgage, lease, exchange, or otherwise dispose of any property or other assets; and accept gifts or donations of any property or services in aid of any purpose of this Act.

Sec. 8. Patents.

(a) Title to Inventions.—Whenever an invention is made or conceived during, in the course of, or as a con sequence of, activity conducted in accordance with or related to a contract made or entered into under this Act, title to such invention shall vest in the United States, if the Secretary determines that—

(1) the person who made the invention was employed or assigned to perform research or development work, and that the invention is related to the work such person was employed or assigned to perform, or that it was within the scope of such person's employment duties, whether or not the invention was made during working hours and whether or not the invention was made with a contribution from the Government; or

(2) the invention is related to the contract, or to the work or duties which the person who made the invention was employed or assigned to perform even though such person was not employed or assigned to perform research or development work, if the invention was made during working hours or if it was made with a contribution from the Government.

As used in this subsection, the term "contribution from the Government" includes the use of Government facilities, equipment, materials, allocated funds, information proprietary to the Government, or any services during working hours of Government employees. If patents are issued on such an invention the patents shall be issued to the United States, unless in particular circumstances the Secretary, in accordance with this section, waives all or any part of the rights of the United States.

(b) Report.—Each contract entered into by the Secretary under this Act with any person shall contain effective provisions requiring such person to furnish a prompt and written report to the Secretary with respect to any invention, discovery, improvement, or innovation which may be made in the course of, or as a consequence of, activity conducted in accordance with or related to such contract. Each such report shall contain accurate and complete technical information, in accordance with specifications of the Secretary.

(c) Waiver.—The Secretary may waive all or any part of the rights of the United States with respect to any invention or class of inventions which is made, or which may be made, by any person or class of persons in the course of, or as a consequence of, activity conducted in accordance with, or related to, any contract under this Act, pursuant to regulations prescribed by the Secretary in conformity with the provisions of this section, if the Secretary determines that the interests of the United States and of the general public would best be served by such a waiver. The Secretary shall maintain and periodically update a publicly available record of waiver determinations. In making such determinations, the Secretary shall strive to—

(1) make the benefits of the materials research and development program widely available to the public in the shortest practicable time;

(2) promote the commercial application of such inventions;

(3) encourage participation by private persons in the Secretary's materials research and development program; and

(4) foster competition and prevent undue market concentration, or the creation or maintenance of other situations inconsistent with the antitrust laws.

(d) Contract Waivers.—In determining whether it would best serve the interests of the United States and of the general public to grant such a waiver to a contractor, at the time a contract is entered into, the Secretary shall consider—

(1) the extent to which the participation of the contractor will expedite the attainment of the purposes of the program;

(2) the extent to which a waiver of all or any part of such rights in any or all fields of technology is needed to secure the participation of the particular contractor;

(3) the extent to which the contractor's commercial position may expedite commercial application of the research and development program results;

(4) the extent to which the Government has contributed to the field of technology to be funded under the contract;

(5) the purpose and nature of the contract, including the intended use of the results developed thereunder;

(6) the extent to which the contractor has made or will make substantial investment of financial resources or technology which were developed at the contractor's private expense which will directly benefit the work to be performed under the contract;

(7) the extent to which the field of technology to be funded under the contract has been developed at the contractor's private expense;

(8) the extent to which the Government intends to further develop, to the point of commercial application the results of the contract effort;

(9) the extent to which the contract objectives are concerned with the public health, public safety, or public welfare;

(10) the likely effect of the waiver on competition and market concentration; and

(11) the extent to which a contractor, which is a nonprofit educational institution, has a technology transfer capability and program which is approved by the Secretary as being consistent with the applicable policies of this subsection.

(e) Subsequent Waivers.—In determining whether it would best serve the interests of the United States and of the general public to grant such a waiver at a subsequent date to a contractor or to an inventor, with respect to an identified invention, the Secretary shall specifically consider (1) paragraphs (4) through (11) of subsection (d), as applied to each invention; (2) the extent to which such waiver is a reasonable and necessary incentive to call forth private risk capital for the development and commercial distribution of such invention; and (3) the extent to which the plans, intentions, and ability of the contractor or inventor are likely to result in expeditious commercial distribution of such invention.

(f) Reservation.—Whenever title to an invention is vested in the United States, a revocable or irrevocable, nonexclusive, and paid-up license for the practice of such invention throughout the world may be reserved to the contractor or to the inventor thereof. The rights to such an invention may be similarly reserved in any foreign country in which the United States has elected not to secure patent rights and in which such contractor or inventor elects to secure a patent, subject to the rights described in subsections (h) (2), (3), (6), and (7); except that each such a contractor or inventor shall, 3 years after the date, of issuance of such a patient, and at any time upon the specific request of the Secretary, submit the report specified in subsection (h) (1).

(g) Licenses.—(1) Subject to subsection (g) (2), the Secretary shall determine and promulgate regulations specifying the terms and conditions upon which licenses may be granted in any invention to which title is vested in the United States.

(2) Pursuant to paragraph (1) and after notice and an opportunity for a hearing, the Secretary may grant exclusive or partially exclusive licenses in any invention, if, and only if, the Secretary determines that—

(A) the proposed license would best serve the interests of the United States and of the general public, taking into account the applicant's intentions, plans, and capacity to bring such invention to practical or commercial applications;

(B) the desired practical or commercial applications of such invention have not been achieved, or are not likely expeditiously to be achieved, under any nonexclusive license which has been granted, or which may be granted, on such invention;

(C) exclusive or partially exclusive licensing is a reasonable and necessary incentive to make available the risk capital and other financing necessary to bring the invention to the point of practical or commercial applications; and

(D) the terms and scope of exclusivity of the proposed license are not substantially greater than are necessary to provide sufficient incentive for bringing such invention to the point of practical or commercial applications, and to provide the licensee with sufficient opportunity to recoup its costs and to earn a reasonable profit thereon: *Provided*, That the Secretary shall not grant such an exclusive or partially exclusive license if the Secretary determines that the grant of such a license will tend substantially to lessen competition or to result in undue concentration in any section of the country in any line of commerce to which the technology to be licensed relates. The Secretary shall maintain and periodically update a publicly available record of determinations concerning applications for and the grant of such licenses.

(h) Terms and Conditions.—Any waiver of rights, and any grant of an exclusive or partially exclusive license, shall contain such terms and conditions as the Secretary may determine to be appropriate for the protection of the interests of the United States and of the general public. Such terms and conditions may include, but need not be limited to—

(1) periodic written reports, at reasonable intervals and at any time when specifically requested by the Secretary, on the commercial use that is being made or is intended to be made of the invention involved;

(2) the right, at a minimum, of an irrevocable, nonexclusive, and paid-up license to make, use, and sell the invention involved throughout the world, by or on behalf of the United States (including any Government

agency) and by or on behalf of the States and their political subdivisions, unless the Secretary determines that it would not be in the public interest to acquire such a license for the States and their political subdivisions;

(3) the right in the United States to sublicense any foreign governments to make, use, and sell the invention involved, pursuant to any existing or future treaty or agreement, if the Secretary determines it would be in the national interest to acquire this right;

(4) the reservation in the United States of the rights to the invention involved in any country in which the contractor does not file an application for a patent within such times as the Secretary shall determine;

(5) the right in the Secretary to require the granting of a nonexclusive, exclusive, or partially exclusive license to a responsible applicant or applicants, upon terms reasonable under the circumstances (A) to the extent that the invention involved, or an application thereof, is required for public use by governmental regulations; (B) to the extent that it may be necessary to fulfill health, safety, or energy needs; or (C) for such other purposes as may be stipulated in the applicable agreement;

(6) the right in the Secretary to terminate the waiver or license involved, in whole or in part, unless the person who receives such waiver of rights or who is granted such license demonstrates to the satisfaction of the Secretary that such person has taken, or that such person will take, within a reasonable time thereafter, effective steps to accomplish substantial commercial application of the invention involved;

(7) the right in the Secretary, commencing 3 years after the grant of a license and 4 years after the effective date of a waiver of rights to an invention, to require the granting of a nonexclusive or partially exclusive license to any responsible applicant, upon terms reasonable under the circumstances, and the right in the Secretary, under appropriate circumstances, to terminate such a waiver or license, in whole or in part, following the filing of a petition with the Secretary, by an interested person, and after notice and an opportunity for a hearing—

(A) if the Secretary after providing an opportunity to the recipient of such waiver or license, and to any other interested person, to submit such relevant and material information as may be appropriate and after reviewing such information, determines that such waiver or license has tended substantially to lessen competition or to result in undue concentration in any section of the country in any line of commerce to which the technology relates; or

(B) unless the recipient of such waiver or license demonstrates to the satisfaction of the Secretary at such hearing that such recipient has taken, or that such recipient will take, within a reasonable time thereafter, effective steps to accomplish substantial commercial application of the invention involved.

(i) NOTICE.—The Secretary shall cause a notice to be published periodically, not less than once a year, in the Federal Register and in other appropriate publications, including the electronic media, advising the public of the right to have a hearing, as provided in subsection (h) (7), and of the availability of the records of determinations under this section.

(j) SMALL BUSINESS CONCERNS.—If the applicant for a waiver of rights to an invention or for a license is a small business concern as defined by regulations of the Small Business Administration, the Secretary shall consider and accord weight to such factor.

(k) OTHER LICENSES.—Whenever the Secretary, pursuant to such regulations as the Secretary shall prescribe, and upon the application by any person, determines that—

(1) a right under any patent, which is not otherwise reasonably available, is reasonably necessary, in furtherance of the policy of fostering expeditious commercial application of materials technologies, to the development, demonstration, or commercial application of any materials invention, process, or system; and

(2) there are no other reasonable methods to achieve such development, demonstration, or commercial application.

the Secretary shall so certify to an appropriate district court of the United States. The Secretary shall petition such court to order the owner and/or the exclusive licensee of such patent to grant a license thereunder at such reasonable royalty and on such reasonable and nondiscriminatory terms and conditions as the court shall determine. The court shall provide such patentee or exclusive licensee; or both, as appropriate, an opportunity for a hearing, including a de novo review of the determination of the Secretary. The appropriate district court shall be the district court for the judicial district in which the patentee or the exclusive licensee of such patent resides, does business, or is found.

(l) PROTECTION.—The Secretary is authorized to take all necessary and appropriate steps, which are suitable, to protect any invention or discovery to which the United States holds title. The Secretary shall require that any contractor or other person, who acquires rights to an invention under this section, protect such invention.

(m) DEFINITIONS.—As used in this section, the term—

(1) "contract" means any contract, grant, agreement, understanding, or other arrangement which involves any research and development work; the term includes any assignment, substitution of parties, or subcontract thereunder;

(2) "contractor" means any person who has a contract with, or on behalf of, the Secretary under this Act;

(3) "invention" means any invention or discovery, whether patented or unpatented; and

(4) "made", when used in relation to any invention, means the conception or first actual reduction to practice of such invention.

SEC. 8. RECORDS, AUDIT AND EXAMINATION.

(a) RECORDS.—Each recipient of financial assistance under this Act, whether in the form of grants, subgrants, contracts, subcontracts, or other arrangements, shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance was given or used, the amount of that portion of such total cost which was supplied by other sources, and such other records as will facilitate an effective audit.

(b) AUDIT AND EXAMINATION.—The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (a) of this section, have access for the purpose of audit and examination to any books, documents, papers, and records of such receipts which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the grants, subgrants, contracts, subcontracts, or other arrangements referred to in such subsection.

SEC. 9. AUTHORIZATION FOR APPROPRIATIONS.

There are authorized to be appropriated to carry out the purposes of this Act such sums as are necessary not to exceed $4,000,000 for the transitional quarter ending September 30, 1976, not to exceed $30,000,000 for the fiscal year ending September 30, 1977, and not to exceed $30,000,000 for the fiscal year 1978.

By Mr. SPARKMAN (by request):

S. 3351. A bill to authorize Special Agents of the Department of State to make arrests during the investigation of passport and visa law violations and to carry firearms. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request, I introduce for appropriate reference a bill to authorize special agents of the Department of State to make arrests during the investigation of passport and visa law violations and to carry firearms.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Assistant Secretary of State for Congressional Relations to the President of the Senate dated April 22, 1976.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 3351

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That special agents of the Department of State, designated by the Secretary of State, are authorized to serve warrants and subpenas issued under authority of the United States to enforce the provisions of sections 1542, 1543, 1544, 1545, and 1546 of title 18 United States Code, and to make arrests without warrant for violations of said sections, if committed in their presence, or if they have reasonable grounds to believe that the person to be arrested has committed or is committing a violation of said sections.

SEC. 2. In addition, special agents of the Department of State are authorized to carry firearms in accordance with such regulations as the Secretary of State may prescribe.

WASHINGTON, D.C.,
April 22, 1976.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft bill "To authorize Special Agents of the Department of State to make arrests during the investigation of passport and visa law violations and to carry firearms."

Special Agents of the Department of State are directly involved in enforcement of Sections 1542, 1543, 1544, 1545, and 1546 of Title 18, United States Code. The draft bill would empower the Special Agents to make warrantless arrests for violations of these sections committed in their presence or where they have reasonable grounds to believe that the person to be arrested has committed or is committing a violation of one of these sections. All of the above cited sections describe felony offenses.

The draft bill would also authorize the Special Agents to carry firearms in performance of their assigned law enforcement and security duties. At the present time, Special

Agents of the Department of State are authorized to make arrests and to carry firearms only in the course of protection of certain foreign dignitaries.

This proposed legislation is intended to provide the Special Agents with the authority necessary to enforce these criminal statutes efficiently and effectively, as well as to make available to them the means for self-protection in the performance of these law enforcement duties. In the past, the position of the Department of State was that the need for conferral of these additional law enforcement powers was unnecessary because the investigation of these cases were not considered dangerous and that the assistance of other Federal Agencies, whose Agents were invested with authority to make warrantless arrests and carry firearms, was made available to the Department of State on an as needed basis. However, in recent years, the personal safety of the Department of State Special Agents has been increasingly jeopardized in the enforcement of those sections for which violations are felonies. We are now finding that a substantial percentage of those cases of Passport and Visa Fraud involves individuals engaged in other dangerous criminal activity. For example, in New York City where a substantial part of passport/visa investigations are centered, several of the subjects of these investigations had homicide records, were armed, and/or involved in narcotics trafficking. We note that for the latter, the Drug Enforcement Administration's statistics indicate reasonable probabilities of the offenders being armed and dangerous. In addition, recent data from the Federal Bureau of Investigation indicates a continuing increase in assaults on Federal officers.

As a result, the Department finds that the absence of authority for its Special Agents to make arrests and to carry firearms in the investigation of these cases places these individuals in a now untenable situation in having to rely increasingly on the assistance of the U.S. Marshals Service to serve warrants of arrest obtained by this Department, as well as protect the Special Agents in the performance of these law enforcement responsibilities. The absence of these authorities, which enactment of this legislative proposal would remedy, is clearly inconsistent, and constitutes an unwarranted lack of parity, with the enforcement arm of the Immigration and Naturalization Service, with whom the Special Agents of the Office of Security of the Department of State frequently work closely with on matters of mutual interest.

Accordingly, the provisions of this proposed legislation will enable the Department of State to more effectively discharge its responsibility in the enforcement of passport and visa laws in providing authority to its Agents to make warrantless arrests for felony passport and visa violations committed in their presence or where they have reasonable grounds to believe such offenses have been committed.

It is not anticipated that the proposed legislation would require any additional manpower or funds.

Sincerely,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

By Mr. DOMENICI:

S. 3352. A bill relating to the Tiwa Indian Pueblo of San Juan de Guadalupe, Tortugas, N. Mex. Referred to the Committee on Interior and Insular Affairs.

TIWA INDIANS, NEW MEXICO

Mr. DOMENICI. Mr. President, I rise today to introduce legislation relating to the Tiwa Indian Pueblo of San Juan de Guadalupe, Tortugas, N. Mex.

I have received a petition of the Tigua Indians of Tortugas, N. Mex., for Federal recognition as an Indian tribe, and eligibility for Federal benefits based on Federal recognition. I am introducing this legislation in response to their request.

Tortugas is a village located in the Mesilla Valley of New Mexico, approximately three and a half miles south of Las Cruces. It includes two settlements—San Juan and Guadalupe—which comprise the Pueblo San Juan de Guadalupe. The Tigua—or Tiwa—Indians inhabiting Tortugas, and who comprise the Pueblo San Juan de Guadalupe, reportedly originated at the Isleta Pueblo south of Albuquerque before the arrival of the Spanish conquerors in the 16th century. During the pueblo revolt of 1680, the Isleta Tigua were removed by the Spanish to Ysleta del Sur, near what is now El Paso, Tex. The Isleta, N. Mex., pueblo though destroyed and abandoned during the revolt, was reinhabited approximately 20 years later, while a remnant of the Tigua remained at Ysleta del Sur. The Tortugas Tiguas probably migrated to Tortugas from Ysleta del Sur around 1850. They have never been a federally recognized tribe, nor have they received any of the Federal services provided to Indians because of their status as Indians.

Mr. President, I ask unanimous consent that a letter which I received from the Bureau of Indian Affairs, signed by the Commissioner of Indian Affairs, Morris Thompson, be printed in the RECORD. This letter more fully describes the situation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF INDIAN AFFAIRS,
Washington, D.C., March 12, 1975.

Hon. PETE V. DOMENICI,
United States Senate,
Washington, D.C.

DEAR SENATOR DOMENICI: Thank you for writing us concerning the request of Mr. Vicente Roybal that Federal recognition be extended to the Tiwa Indian Pueblo of San Juan de Guadalupe, Tortugas, New Mexico. The Department's Legislative Counsel will respond separately to your request for draft legislation extending Federal recognition to these people.

Federal recognition may be extended to these people only by enactment of legislation. The documentation and justification for such recognition would have to establish the merit and desire for recognition as descendants of Indians who in aboriginal times resided within the present limits of the United States. In this respect you will be interested in knowing that during 1973, Mr. Roybal and others instituted a suit in the United States District Court for the District of New Mexico seeking a declaration of entitlement to Federal services. A corporation by the name of Los Indigenas de Nuestra Senora de Guadalupe sought to intervene in that action asserting its ownership of the land whereon the Pueblo de Guadalupe is located and that since 1914 it has carried on religious traditions and a traditional form of government of the Tewa Indian Tribe in Dona Ana County, Mexico; that throughout that period the plaintiffs have attempted to gain control of the real estate and chattels of the corporation, necessitating it bringing a quiet title action to establish its possession and ownership.

The intervener traced its title to a patent issued February 8, 1907, by the United States in satisfaction of a Spanish grant claim recognized by the Court of Public Land Claims in an order issued by that court on April 4, 1902. Microfilm copies of records relating to the claim and grant are available in the National Archives and are that part of the court's records relating to the Dona Ana Claim.

The 1973 action was dismissed by the court on jurisdictional grounds, but it does appear that there is some question as to who actually represents the people living in San Juan de Guadalupe, Tortugas, New Mexico.

Sincerely yours,

MORRIS THOMPSON,
Commissioner of Indian Affairs.

By Mr. BELLMON:

S. 3354. A bill to provide for the regular initiation of construction of the project for water quality control in the Arkansas-Red River basin, Texas, Oklahoma, and Kansas. Referred to the Committee on Public Works;

S. 3355. A bill to provide for the initiation of construction of the remaining features within the Wichita River basin to reduce natural salt pollution; and

S. 3356. A bill to provide for initiation of construction of the natural salt pollution control features required for Area IV of the Arkansas-Red River basin, Texas, Oklahoma, and Kansas project, prior to the approval required by Section 201 of the Flood Control Act of 1970. Referred to the Committee on Public Works.

Mr. BELLMON. Mr. President, today I am introducing three bills to advance one of the most important water and environmental improvement projects in the country. My purpose is to provide the necessary legislative authority for the next and all remaining steps of the Arkansas-Red River basin chloride control projects.

As many members are aware, studies of the problems of natural salt pollution in these river basins have been underway since the early 1960's. Preliminary proposals for construction of certain control structures have been available since 1964. Initial projects were authorized in the Flood Control Act of 1966.

Subsequently, in the Flood Control Act of 1970 and the Water Resource Development Act of 1974, other authorizations were provided. Additional procedures were also required for executive branch approvals before initiating some projects. Fortunately, the overall project has now matured to the point where these restrictions are no longer necessary. After taking care of the specific projects encompassed by two of these bills, it will be possible to return to the customary approval entailed under section 201 of the Flood Control Act of 1970.

In the Red River Basin, structures and pipelines for the so-called Area VII and Area X in Texas on the Wichita River will, when completed, together with projects already underway essentially result in the desalination of Lake Texoma. This huge and vitally important body of water will then be available for beneficial use.

While the salt pollution sources are in

Texas, both Oklahoma and Texas share Lake Texoma. Downstream, both Arkansas and Louisiana will share in the benefits of clean-up of the Red River.

My second bill provides for the immediate initiation of construction of the control features required for Area IV on the Cimarron River in Oklahoma. The Cimarron River flows into Lake Keystone near Tulsa and subsequently into the Arkansas River.

Mr. President, in past years the projects on the Red River and the benefits of them have been discussed at length. The projects on the Arkansas, which were further behind timewise and still in the study stage, have not received the full attention their importance merits. While the project authorized by my second bill is of modest size and cost, approximately $13 million, it establishes the important principle of beginning construction on the Arkansas salt pollution control project.

Mr. President, let me give some indication of the magnitude of this problem. At Tulsa, Okla., one of our fastest growing major metropolitan centers, the average, daily load of salt in the Arkansas River is 15,600 tons. Imagine! To carry this much salt in railroad cars, each carrying 50 tons of salt, would require four unit trains per day, each with 100 cars. The water of one of the principal reservoirs in Oklahoma, Keystone, is not usable because of salt pollution. After completion of presently projected control structures on the Arkansas, the water in Keystone would be usable 98 percent of the time. The total cost would be only pennies per thousand gallons, while the cost of water from desalination plants is usually in the 50 cents to $1 range. The potential savings amount to millions of dollars each year.

Another indication of the benefits is that as measured in Little Rock, Ark., there would be usable water in the Arkansas River all the time, and less than 100 parts per million of chloride 98 percent of the time. Since the Arkansas River can yield up to 3 billion gallons of water per day at Little Rock, this is a project of immense importance.

Let me also speak personally. As a farmer in the Great Plains, I have a dream. I live on the edge of the former high plains dust bowl. I know the significance of water to crops. As a former Governor of Oklahoma I know the significance of the irrigation which the drilling of water wells has made possible in the last 20 years in this area. These wells are beginning to go dry. As a Senator for the last 7 years and a member of the Agriculture Committee, I know the significance of high plains food production to feed the world and to keep our Nation's economy healthy. I know the importance of grain exports to pay for imported oil and to balance the increasingly large foreign exchange drain which results. This food production is in some jeopardy because much of it depends, to a significant degree, upon irrigation from aquifers which are rapidly being depleted.

Mr. President, an article in the Washington Post on Monday, April 12, 1976, captured these significant interrelationships very well and I ask unanimous consent that it be printed in the Record at the conclusion of my remarks.

Mr. President, my dream is that before the irrigation wells go dry, there will be a large water transfer network in this area to make continuation and expansion of irrigation in the region possible. This is work for the next hundred years. But, in many areas we cannot wait that long. Many authorities give the present irrigation wells a productive life of only 25 more years.

Mr. President, the world population grows by some 70 million people each year. Developing food producing resources rapidly enough to produce the amount of food needed for the large new population has to be the major challenge of the balance of this century.

The Great Plains of the United States have been and will continue to be a major source of food not only for our own population but for many other parts of the world as well.

Making the Great Plains more productive by the desalination and ultimate redistribution of existing water resources is a major step toward the stabilization of the national and the world's food supply. These bills will be a long step in the direction. I urge their prompt enactment.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Apr. 12, 1976]

Economics, Drought Hit Wheat Belt

(By Dan Morgan)

Elkhart, Kans.—Here at the western edge of the wheat belt, the forces of economics and the forces of nature have dealt a double blow this spring to America's efforts to produce an ever increasing volume of food for the nation and the world.

While there is plenty of talk among farmers about the severe drought that has ruined much of the wheat crop planted around Elkhart last fall, many wheat growers seem even more worried about trends that could soon spell the end of irrigated agriculture.

Declining underground water tables and rising prices of natural gas to run irrigation equipment lead many of the farmers to question whether grain production may already have reached, or exceeded, its limits of growth in these parts.

Over the last 25 years, irrigation equipment has added a bonus 1.5 million acres of drought-proof wheat lands in the dry, marginal farm country of western Kansas. A similar irrigation boom has occurred all across the western fringe of the grain belt, in Nebraska, Colorado, Oklahoma, Texas and New Mexico.

In a world chronically short of grain, those watered acres give an extra measure of security as well as protection to farmers against the kind of disaster that wiped out many of them in the Dust Bowl days of the 1930s.

But some producers around here say they are running their water systems less this year because the cost of natural gas to power their pumps has tripled in a year.

Even more alarming is the steady depletion of underground water all across the drier parts of the grain belt.

The U.S. Geological Survey reported recently that water tables are declining everywhere, as the irrigation boom depletes the subsurface reserves. Levels dropped as much as eight feet of water in some western Kansas counties, and some wells have run dry.

"We pride ourselves on producing food more cheaply than the rest of the world, but things are moving in on us out here," says Frank Trotman, executive director of the Southwest Kansas Irrigation Association.

In the long run, the only hope for saving irrigated farming may be weather modification or importing water from Hundreds of miles away, he says.

In the rolling grasslands and wide, pancake fields around Elkhart, the importance of irrigation is obvious. By now the wheat should be "high enough to hide a jackrabbit," says farmer Roscoe Thompson. But this year, "you won't see a spear of wheat for 35 miles, except where it's irrigated."

In dryland areas, field after field has been plowed up along the road leading into the Oklahoma panhandle to keep the parched, sandy topsoil from blowing away in the wind.

The overall message of growth limits reached or exceeded contrasts with the more optimistic Department of Agriculture predictions of ever expanding production through technology and science.

And it has significance reaching far beyond the wheat fields of Kansas.

In the world food economy North American grain exports have become steadily more crucial in bridging the widening gap between foreign food needs and food production abroad. In 1973 the gap was 54 million tons. As countries experienced crop failures or stepped up efforts to provide better diets for their people by importing more food the gap grew to an estimated 96 million tons in 1975.

The United States responded to those foreign needs by more than doubling its grain exports between 1970 and 1975 from 35 million tons to 82 million tons.

Most of the wheat grown around Elkhart is shipped to Gulf ports and exported to such countries as the Soviet Union for making bread. Of all the wheat grown in the United States nearly 60 per cent is sold abroad for cash.

There is little likelihood that demands for North American grain will ease in the years ahead.

The International Food Policy Research Institute in Washington recently predicted that the grain and rice deficit in developing countries could reach 100 million tons by 1985 compared with 45 million tons in 1974.

World Bank studies have cited the "absolute dominance" of North American grain exports and noted the importance of such states as Kansas and North Dakota which together produce as much wheat as Canada and more than Australia.

Yet because these states depend mainly on rain-fed agriculture poor weather in the two states can wreak havoc in world markets.

Around Elkhart, there has been less than an inch of rain since Aug. 17, 1975. Statewide, farmers have filed more than 9,000 applications for federal crop disaster insurance, and the Kansas Agricultural Stabilization and Conservation Service predicts a harvest of 200 million to 225 million bushels of wheat, down from 350 million bushels in 1975.

Driving south into Oklahoma one day last week in his pickup truck, Roscoe Thompson stopped at one of his fields and kicked up the dusty topsoil. A few days earlier he had plowed the whole field of fall-planted wheat into long furrows to prevent wind erosion.

"There's only so much you can do," he said. "It's dry 60 to 80 inches down. If these furrows fill up with sand, the topsoil will start to blow and there's no stopping it."

Some farmers still hope to grow a grain crop of sorghum, used as animal feed, if there is moisture later, but for that there will have to be adequate rainfall by mid-June.

There have been dust storms this year. "Some days it blows up so bad you can't see the Cargill elevator over there," said warehouse manager Terry Day, pointing to a grain elevator 500 yards away.

As bad as the situation is, farmers still tend to scoff at scientific prophecies pointing to a possible fundamental change for the worse in the world's weather.

"Wheat's pretty much hit-and-miss around here," said William A. Cooke, manager of the Cargill grain elevator. He said dryland farming here produces a bumper wheat crop only about once in 10 years. Farmers say they've seen conditions like this in 1934, 1936, 1954 and 1956.

That is why the dark cloud hanging over the future of irrigation, which now is available on about a quarter of all agricultural acreage in western Kansas, worries many farmers more than the weather.

In this area rich in natural gas, some farmers own gas wells and sell the gas to the power companies. But the cost of the refined gas that comes back to them for operating water equipment has increased in some places from 25 cents to 60 cents per 1,000 cubic feet in a year.

"If it goes to $1.50 we'll just quit irrigating," said Thompson.

The irrigation boom has depleted 38 per cent of the underground water supply of western Kansas since 1950, and other states such as Nebraska, Colorado and Oklahoma have experienced similar declines, said Frank Troutman of the Irrigation Association.

"It's a little bit of a panicky situation," he said. "If irrigated agriculture goes you're losing an important economic benefit to the nation."

Trotman says farmers are fighting a battle with power companies, which want a larger share of natural gas to produce electricity. Meanwhile, farmers also are paying higher prices for their power, for the natural gas they use to dry their grain, and for ammonia fertilizer manufactured from natural gas.

It is these cost equations that make some farmers criticize the Ford administration for using such techniques as grain export embargoes to hold down domestic farm and food prices.

"The markets are being manipulated for the labor the labor unions, and they're killing the farmer in the process. What's going to happen is. we're going to be out of beer and out of grain products," said Thompson.

At the Department of Agriculture, many officials discount such gloomy phophecies as the normal grumbling of farmers suffering to weather setback.

The agency predicts that when the new crop of wheat is harvested across the Great Plains, there will still be some 15 million tons left over from last year's crop in warehouses and farm storage bins.

By Mr. JOHNSTON (by request):

S. 3357. A bill to authorize loan funds for the Government of the Virgin Islands, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JOHNSTON. Mr. President, by request, I introduce a bill to authorize loan funds for the Virgin Islands, and I ask unanimous consent that a letter from the Hon. Ron de Lugo, the Delegate in Congress from the Virgin Islands, be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Congress of the United States,
House of Representatives,
Washington, D.C., April 29, 1976.

Hon. Bennett Johnston,
United States Senate,
Senate Office Building,
Washington, D.C.

Dear Bennett: On Wednesday, April 28, 1976, I introduced a redrafted version of an Administration bill authorizing $76 million in Federal loans to the Government of the Virgin Islands for operating and capital expenditures. This bill, H.R. 13359, is virtually identical to the Administration bill, with the single addition of a provision authorizing the Legislature of the Virgin Islands to call a referendum before all or any part of the loan is undertaken.

I believe the referendum provision is a significant improvement over the Administration bill, offering the people themselves an opportunity to have direct input on a matter of this magnitude.

As a good friend of the Virgin Islands and as Chairman of the Senate Interior Subcommittee on Parks and Recreation, which has jurisdiction over the territories, I am respectfully requesting that you introduce a companion measure to H.R. 13359 on the Senate side. I am enclosing a copy of this substitute legislation for your information.

With many thanks for all of your past efforts on our behalf and with my best personal regards, I am

Cordially,

Ron de Lugo,
Member of Congress.

By Mr. MATHIAS:

S. 3358. A bill to amend the Administrative Procedure Act to allow affected parties a fair opportunity to comment upon notices of proposed rulemaking published in the Federal Register, to allow for the orderly extension of time for filing of comments and for the holding of hearings regarding contested matters, and to assure affected parties of full and fair opportunity to comment upon agency rulemaking. Referred to the Committee on the Judiciary.

Mr. MATHIAS. Mr. President, on May 3, the Senate Judiciary Subcommittee on Administrative Practice and Procedure is scheduled to conclude its hearings on several proposed amendments to the Administrative Procedure Act. Solely, in order to allow for the fullest possible discussion of the many issues relating to regulatory reform at the hearing, I am today introducing a bill identical to H.R. 10301. Basically, this bill would amend the Administrative Procedure Act to allow for an increased time period for those wishing to comment upon notices of proposed rulemaking published in the Federal Register, and for the holding of hearings regarding contested matters.

I ask unanimous consent that the bill I now introduce be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3358

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. The Congress finds that:

(a) the number of proposed rules has increased dramatically in recent years;

(b) the Federal Register has grown from a publication of 3,450 pages in 1937 to a publication of 45,422 pages in 1974.

(c) the massive volume of notices of proposed rules together with increasing congestion within the postal service renders it increasingly difficult for affected parties to identify, analyze, and comment upon proposed rules of significance to them within the restrictive time limitation usually accorded in the notice;

(d) requests for extension of time for comment have often been denied by administrative officers, or allowed at such late date as to cause confusion and uncertainty within the mind of the party as to whether to file hastily prepared, incomplete comments or to continue to hope for an extension often with the result, however, that parties frustrated by the inefficiencies of bureaucratic procedures are discouraged from submitting comments;

(e) rules when published in final form have often been modified to such an extent from their form as initially proposed that they present issues not included or contemplated in the rules as proposed, with the result that administrative due process is effectively denied for lack of an opportunity to comment upon new substantive matters;

(f) in order to permit interested parties an opportunity to state their comments more effectively, public hearings should be granted upon request;

(g) on an increasing basis, Federal agencies have circulated newly adopted statements of general or particular applicability without compliance with the rulemaking process contained in the Administrative Procedure Act (5 U.S.C. 553) which directives have immediate and future effect upon the substantive rights of the parties involved, and, hence, interested persons are denied an opportunity to participate in this significant area of agency rulemaking;

(h) affected parties have been denied necessary information regarding agency policy and have been denied the opportunity to participate in the regulatory system or systems to which they are subject.

Therefore, it is the purpose of this Act to promote the fair and complete discussion of regulations issued pursuant to the Administrative Procedure Act, allow meaningful opportunity for the filing of comments by interested parties and to assure the fulfillment of the Congressional intent of statutes under which regulations are issued.

Sec. 2. The Administrative Procedure Act (5 U.S.C. 553) is amended as follows:

(a) Section 553(a)(2) is amended by deleting the phrase "or to public property, loans, grants, benefits, or contracts." and by inserting a period after the word "personnel".

(b) Section 553(b) shall be amended to read as follows:

"(b) General notice of proposed rulemaking shall be published in the Federal Register, unless persons subject thereto are named and either personally served or otherwise have actual notice thereof in accordance with the law. The notice herein required for comment as provided in this section must expire as a condition precedent to the publication of any such rule as a final regulation. The notice shall include—

"(1) a statement of the time, place, and nature of public rulemaking proceedings;

"(2) reference to the legal authority under which the rule is proposed; and

"(3) either the terms or substance of the proposed rule or a description of the subjects and issues involved.

"Except when notice or hearing is required by statute, this subsection does not apply when the agency for good cause finds (and incorporates the finding with a full statement of reasons therefor in the rules issued) that notice and public procedure thereupon are impracticable or contrary to the public interest.".

(c) Subsection (c) is amended to read as follows:

"(c) After the publication of notice, the agency shall give interested persons an opportunity of not less than sixty days following such publication of notice to participate in the rulemaking through submission of written data, views, or arguments with or without opportunity for oral presentation. Upon request, however, of any interested party the agency shall be required to conduct public hearings on the merits of proposed rules referred to in the notice required by this section, and it shall record and maintain the proceedings of any such hearings.

"The time for the submission of comments upon such proposed rule will be automatically extended for a period of thirty days if a request for an extension of time is received no less than ten days prior to the expiration of the sixty-day period within the period above required for publication (except that the agency may waive such ten-day limitation) unless the administrative officer responsible for the publication of the proposed rule finds that an extension of time is contrary to the public interest, makes such finding in writing, and transmits his findings to the party requesting the extension and to both Houses of Congress within ten days of the receipt of the request for an extension. After consideration of the relevant matter presented, the agency shall incorporate in the rules adopted a concise general statement of their basis and purpose. Such general statement shall respond directly to the comments received and shall set forth the rationale employed by the agency in accepting, rejecting, or accepting in modified form the comments received from the interested parties. When rules are required by statute to be made on the record after opportunity for an agency hearing, sections 556 and 557 of this title shall apply instead of this subsection.".

(d) Subsection (e) is amended to be redesignated subsection "(f)". Such subsection is further amended by the addition of the following sentence: "Whenever a petition for the issuance, amendment, or repeal of a rule is denied, the agency shall, within twenty days of the receipt of such petition, prepare written comments describing the reasons for the denial and shall forward those comments, citing appropriate legal authority, to the petitioner and to both Houses of Congress.".

(e) Subsection (d) is amended to be redesignated as subsection (e) and shall be further amended to read as follows:

"(e) A final rule shall be published or personally served, which publication or service shall be made not less than thirty days before its effective date, except with respect to—

"(1) a substantive rule which grants or recognizes an exemption or relieves a restriction; or

"(2) as otherwise provided by the agency for good cause found and published with the rule.

"In no event shall a final rule be effective unless promulgated in accordance with subsections (a), (b), (c), (d), and (e) of this section 553.".

(f) A new subsection (d) shall be inserted and shall read as follows:

"(d) The rules for publication of proposed rules set forth in subsection (c) above shall apply with equal force and effect to the publication of rules which have been modified substantially following their initial publication as proposed rules and which, if published as final rules, would deny interested parties the opportunity to comment on new substantially modified matter within the rule.".

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 1737

At the request of Mr. JAVITS, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 1737, a bill to amend the Public Health Service Act.

S. 1960

At the request of Mr. MOSS, the Senator from Utah (Mr. GARN) was added as a cosponsor of S. 1960, to amend the Internal Revenue Code of 1954 to exempt from Federal income taxation a trust established by a taxpayer for the purpose of providing care for certain mentally incompetent relatives of the taxpayer.

S. 2475

At the request of Mr. CURTIS, the Senator from New Jersey (Mr. CASE) and the Senator from Utah (Mr. MOSS) were added as cosponsors of S. 2475, to modify the distribution requirements of private foundations.

S. 2732

At the request of Mr. ROTH, the Senator from Connecticut (Mr. WEICKER) was added as a cosponsor of S. 2732, a bill to amend the Internal Revenue Code of 1954 to permit an individual to deduct amounts paid by that individual for retirement savings for the benefit of his spouse.

S. 2926

At the request of Mr. RANDOLPH, the Senator from Wyoming (Mr. MCGEE) was added as a cosponsor of S. 2926, the National Forest Timber Management Reform Act of 1976.

S. 3098

At the request of Mr. JAVITS, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 3098, to amend the Community Services Act.

S. 3151

At the request of Mr. GRIFFIN, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 3151, to establish a program for gathering and analyzing information respect to multinational enterprises.

S. 2327

At the request of Mr. FANNIN, the Senator from Oklahoma (Mr. BARTLETT) was added as a cosponsor of S. 3227, to accelerate solar energy research and development.

S. 3276

At the request of Mr. ROTH, the Senator from New York (Mr. BUCKLEY) was added as a cosponsor of S. 3276, a bill to amend title 18, United States Code, so as to provide for mandatory minimum sentences with respect to certain offenses against victims 60 years of age or older.

S. 3278

At the request of Mr. ROTH, the Senator from New York (Mr. BUCKLEY) was added as a cosponsor of S. 3278, a bill to amend the act entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, relating to offenses against individuals 60 years of age or older.

SENATE RESOLUTION 291

At the request of Mr. BEALL, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of Senate Resolution 291, relating to the regulation of pay cable television.

SENATE JOINT RESOLUTION 147

At the request of Mr. RANDOLPH, the Senator from South Carolina (Mr. THURMOND and the Senator from Maryland (Mr. MATHIAS) were added as cosponsors of Senate Joint Resolution 147, declaring the National Bicentennial Highway Safety Year.

SENATE JOINT RESOLUTION 163

At the request of the Senator from Wisconsin (Mr. NELSON), the Senator from Delaware (Mr. BIDEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Mississippi (Mr. EASTLAND), the Senator from Wyoming (Mr. HANSEN), the Senator from Michigan (Mr. HART), the Senator from Idaho (Mr. MCCLURE), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Utah (Mr. MOSS), the Senator from Rhode Island (Mr. PASTORE), and the Senator from Texas (Mr. TOWER) were added as cosponsors of Senate Joint Resolution 163, a joint resolution to authorize and request the President to issue a proclamation designating the week beginning May 9, 1976, as "National Small Business Week."

AMENDMENTS SUBMITTED FOR PRINTING

CLEAN AIR ACT AMENDMENTS OF 1976—S. 3219

AMENDMENTS NOS. 1623 AND 1624

(Ordered to be printed and to lie on the table.)

Mr. DOMENICI. Mr. President, commencing the week of May 3, the Senate is scheduled to begin deliberations on the Clean Air Act Amendments of 1976. I plan during these deliberations to offer two minor amendments designed to improve intergovernmental coordination between local and State authorites in implementing the Clean Air Act.

I have recently sent by colleagues on the Public Works Committee a letter briefly explaining my amendments. I ask that this letter and my amendments be printed in the RECORD.

There being no objection, the letter and amendments were ordered to be printed in the RECORD, as follows:

DEAR COLLEAGUE: Attached are two amendments I plan to offer on the floor to the Committee's Clean Air Act Amendments. Both amendments are designed to insure the support of elected local officials for the policies of the Clean Air Act.

One amendment gives local elected officials the initial option of doing transportation control planning. This is in contrast to the present bill where local officials need only be consulted on the plan. The second amendment seeks to extend the consulting process to the regulatory aspects of the Clean Air Act. The amendment provides for consultation between state officials and local governments with respect to the implementation of transportation control plans, nondegradation, and stationary source compliance procedures.

To a large extent, I consider these amendments as technical in nature. They merely make explicit what the Committee Report states is one of the purposes of the 1976 amendments: The importance of enlisting the support of local governments to insure the ultimate success of the policies embodied in the Clean Air Act. If you have any interest in cosponsoring these amendments, your staff can contact Mr. Lee Rawls of my staff on 4–7075.

AMENDMENT NO. 1623

On page 20, line 22, insert "(a)" after "SEC. 7.".

On page 28, after line 7 insert the following:

"(b) Section 110 of the Clean Air Act is amended by adding a new subsection as follows:

'(1) In carrying out the requirements of subsections (a)(2)(B) (i) and (ii), (g), and (h) of this section and subsections (d) and (g) of section 113, the State shall provide a satisfactory process of consultation with general purpose local governments and designated organizations of elected officials of local governments, in accordance with regulations promulgated by the Administrator to assure adequate consultation. Such regulations shall be promulgated after notice and opportunity for public hearing and not later than four months after the date of enactment of the Clean Air Amendments of 1976. The Administrator may disapprove any portion of a plan relating to any measure described in the first sentence of this subsection or to the consultation process required under this subsection if he determines that such plan does not meet the requirements of this subsection. Only a general purpose unit of local government, regional agency, or council of governments adversely affected by action of the Administrator approving any portion of a plan referred to in this subsection may petition for review of such action on the basis of a violation of the requirements of this subsection.'."

Amendment No. 1624

On page 25, strike lines 3 through 7 and through "purpose." on line 8, and insert in lieu thereof the following: "(7)(A) The implementation plan required by paragraph (3) of this subsection shall be prepared by an organization of elected officials of local governments designated by agreement of the local governments in an affected area, and recognized by the State for this purpose. Where such an organization has not been designated by agreement within nine months after the enactment of the Clean Air Amendments of 1976, the Governor (or, in the case of an interstate area, Governors), after consultation with elected officials of local governments, shall designate an organization of elected officials of local governments in the affected area to prepare such plan."

AMENDMENT NO. 1627

(Ordered to be printed and to lie on the table.)

Mr. GARY HART (for himself and Mr. **Haskell**) submitted an amendment intended to be proposed by them jointly to the bill (S. 3219) to amend the Clean Air Act, as amended.

AMENDMENT NO. 1629

(Ordered to be printed and to lie on the table.)

Mr. DOMENICI. Mr. President, I submit an amendment to the Clean Air Act Amendments of 1976. The amendment deals with the troubling issue of background particulates. The origin of the problem lies in the total suspended particulate standard of the present law. This standard is an imprecise one which makes no distinction between windblown dust and the more toxic emissions of powerplants and steel mills. The problem occasioned by the particulate standard's indiscriminate nature is that rural areas of the country may exceed the particulate standard because of phenomena such as duststorms. Such violations of the standard have the legal effect of putting these areas in the same air quality category as heavily industrialized urban areas. Section 113(g) of the present amendments puts additional constraints on growth in areas that violate the standards that, although proper for industrialized urban centers, are inappropriate for rural areas.

I should like to stress that the Public Works Committee is well aware of this problem. Page 81 of the committee report notes that the logical deficiencies of the particulate standard have been cured by the administrative good sense of State and Federal officials. My amendment would do no more than codify in law what is presently considered sound administrative practice. Accordingly, I consider my amendment as technical in nature, and one that I hope my colleagues will readily accept.

FEDERAL ENERGY ADMINISTRATION AUTHORIZATION—S. 2872

AMENDMENT NO. 1625

(Ordered to be printed and referred to the Committee on Government Operations.)

Electric Utility Rate Demonstrations—A Critical Part of Our National Energy Conservation Effort

Mr. PELL. Mr. President, I am today submitting an amendment to S. 2872, the Federal Energy Administration Authorization, that would increase the Federal Government commitment to encourage electric utility rate reform and reduce the substantial energy inefficiencies and waste associated with electric utility generation.

Specifically, my amendment would increase funding available to States from the Federal Energy Administration for electric utility rate study and demonstration. Under the proposed amendment every State, through its appropriate utility regulatory commission, would be eligible for grant assistance each year for a 2-year period of up to $300,000 to demonstrate and monitor innovative electric rate structures.

I have chosen to channel funding from the Federal Energy Administration directly to the utility regulatory commission in order to encourage State initiatives in this critical area of conservation which otherwise might not be undertaken in view of the uncertainties and concerns regarding many aspects of electric utility rate reform.

The State utility regulatory commissions are, in my view, in the best position to determine the kind of funding and rate demonstrations that would serve the immediate needs of the States, and to resolve any problems associated with broad rate reforms that are unique to localities.

At present, the Federal Energy Administration, through the Office of Conservation and Environment, is providing funding totaling approximately $3.5 million for 10 electric rate demonstrations across the country. There are plans to expand this program in the current fiscal year, although funding for existing efforts and new programs is uncertain for fiscal year 1977. In this regard, I ask that a breakdown of the current FEA electric rate demonstration program be inserted in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I am persuaded that the need for a vigorous effort in this area of conservation is essential. Currently, electric utilities account for almost 26 percent of the Nation's total energy consumption of fossil fuels. Tragically, these utilities waste more than 50 percent of the fuel for electrical generation, largely because of power generation inefficiencies. While part of this waste is a result of older and inefficient generation equipment, this energy loss is also directly related to the inefficient use of peaking generation. The amendment I am proposing today would help to correct some of these problems by providing States with incentives to examine more closely electrical use, future requirements, and innovative rate reform.

Especially important in this regard is my hope that many States will take advantage of the rate demonstration program to examine closely the lifeline electric rate concept that would provide significant benefits to our senior citizens and families living on fixed incomes. It is this group that has suffered tremendously in the last 2 years as a result of the enormous electric rate increases and who must receive relief from the present burden of high energy costs and protection against further increases in electric rates.

I hope my colleagues will support this effort in an area essential to our national energy conservation program.

I ask unanimous consent that the text of the amendment be printed in the Record.

There being no objection, the amendment and table were ordered to be printed in the Record, as follows:

Amendment No. 1625

At the end of the bill, add the following:

Sec. 9. Section 20 of the Federal Energy Administration Act of 1974 is amended by adding at the end thereof the following new subsection:

"(c)(1) The Administrator is authorized to make grants to each of the several States for use by such State, acting through its public utility commissions, to conduct studies and carry out demonstration projects relating to the development of innovative utilities rate structures.

"(2) Any grant under this subsection to a State shall be for such amount as the Administrator shall determine, but in no event in excess of $300,000 in any fiscal year. No State shall be able to receive more than one grant pursuant to this subsection, in any fiscal year.

"(3) Applications for grants pursuant to this subsection shall contain—

"(A) provisions sufficient to assure the Administrator that such moneys so granted to any State shall be appropriately distributed so as to benefit energy consumers in rural and metropolitan areas; and

"(B) provisions sufficient to assure the Administrator that the public utility commissions, in determining the type of demonstration projects most likely to benefit the State, shall consult with appropriate State and local agencies involved in matters relating to the aging, and the Community Services Administration;

"(C) such other information, data, and plans as the Administrator may prescribe.

"(4) As used in this subsection, the term—

"(A) 'innovative utilities rate structure' includes peakload pricing, rate flattening, lifeline rates, and other similar regulatory practices and activities which may benefit the development of utility rate structures; and

"(B) 'public utility commissions' means the agency, commission, or establishment of any State, which has the responsibility for establishing and administering rules and regulations relating to the operation of, and rates charged by, public utilities.

"(5) Each State receiving a grant pursuant to this subsection shall, within ninety days following the completion of such studies and demonstration projects conducted by public utility commissions within that State pursuant to this subsection, report to the Federal Energy Administration the results thereof.

"(6) There are authorized to be appropriated, for the fiscal year 1977, the sum of $15,000,000, and for the fiscal year 1978, the sum of $15,000,000, for the purpose of making grants pursuant to this subsection.".

FEA—UTILITIES PROGRAMS, DEMONSTRATION PROJECT FUNDING SUMMARY

[In thousands of dollars; fiscal years]

Project	1975	1976	1977
1. Actual:			
Vermont	$360		
Arizona	210		
Arkansas	210	$153	
Connecticut	230	116	
Los Angeles	170	350	
New Jersey	160	555	
Ohio	220	168	
Michigan		200	
Wisconsin		200	
New York		245	?
Subtotal	1,560	1,987	
2. Planned: New projects (12–15)		5,000	?
Subtotal	0	5,000	
Total	1,560	6,937	
Total fiscal year 1975 plus fiscal year 1976 (less new projects)			$3,547

Notes: 1. Vermont will complete original project with present funds. 2. Michigan, Wisconsin, and New York projects were carried forward and funded in fiscal year 1976. 3. Request for proposals for new projects was released Mar. 5, 1976, responses due Apr. 26, 1976. Actual number of new fiscal year 1976 projects is uncertain; $5,000,000 has been committed, but is subject to the availability of funds when proposal evaluation is complete (late May). There is a good chance that the target figure will be reduced by at least $2,000,000. 4. Several of the existing projects (New Jersey, Los Angeles, Michigan, Wisconsin) require follow-on funding in fiscal year 1977. Additionally, we cannot anticipate future funding requirements of new projects undertaken this fiscal year. To date, OMB has not allowed any fiscal year 1977 demonstration funds, so the issue of program funds next year is in doubt.

TAX REFORM ACT OF 1976—H.R. 10612

AMENDMENT NO. 1626

(Ordered to be printed and referred to the Committee on Finance.)

Mr. TUNNEY. Mr. President, I send to the desk an amendment intended to be proposed to H.R. 10612, entitled the "Tax Reform Act of 1975" which has passed the House and is pending before the Senate Finance Committee. The amendment would allow a business deduction for household and children expenses incurred by working mothers and certain other persons to enable them to be gainfully employed.

The amendment allows a deduction for expenses paid or incurred during the taxable year for household services and for the care of one or more dependents of the taxpayer, but only if such expenses are "ordinary and necessary to enable the taxpayer to be gainfully employed." The deduction will be available on the same basis as any other business expenses deduction subject to such rules and regulations as the Internal Revenue Service may provide.

The basic principle of this amendment—allowing this deduction as a business rather than a personal expense—already, has received overwhelming support in the Senate. On November 12, 1971, the Senate adopted my amendment to the Revenue Act of 1971 to create the business deduction by a vote of 74 to 1. Regrettably, the amendment was eliminated in conference. In 1972, similar action was taken. The bill was accepted by the Senate by a vote of 71 to 8 as an amendment to H.R. 1, but again, was eliminated in conference. Most recently, this provision passed the Senate on March 21, 1975. While the full range of provisions were not accepted in conference, Congress did increase the ceiling on earnings eligible for the deduction upward to $35,000. However, the definition of a childcare tax deduction as an ordinary business expense has never been adopted.

It is my belief that the time is propicious to remove the inequity in our tax laws which enables businessmen to deduct "ordinary and necessary" business expenses, yet denies to working mothers a deduction for the most ordinary and necessary business expenses they incur—the cost of maintaing their households and assuring safe and responsible care for their children while they work.

If a businessman can deduct the cost of hiring a secretary to improve his effectiveness on the job, if he can treat entertainment expenses as a business-related tax deduction, why should not a working mother be allowed the same sort of deduction for expenses which are absolutely vital to her work? What can be better defined as a business expense than one which enables women to work and enables them to work to the full extent of their capabilities?

Clearly, these are not personal expenses like doctor's bills. They should not be classified as they are now with charitable contributions. They are ordinary and necessary expenses incurred to enable an individual to be gainfully employed. In this time of rising costs, and particularly food and other home-related costs, the need for both partners in a family to work has grown. The childcare and home care services provided and paid for to permit both spouses to work today are even more clearly viewed as business expenses than they were in 1971 when I first introduced this concept in the Senate.

The number of working American women nearly doubled between 1950 and 1974, increasing from 18.4 million to 35.8 million. Working American women are expected to number 43.7 million—a 22 percent increase over the 1974 level—by 1990. In 1971, 42 percent of the Nation's mothers worked outside the home, and that figure has risen radically since then. Of the approximately 12.5 million mothers with children under 6, more than one in three is working. That means there are more than 4.3 million mothers with children under 6 who are in the labor force today. Countless others are waiting for additional daycare facilities to be developed which will enable them to join the workforce.

These are the people who simply cannot avoid paying for the care of their children and for other household expenses. Very often, they have to lose substantial portions of their income to secure these services. Yet, they are not allowed to take these considerable costs as a business deduction.

There are many reasons why mothers go out to work. At the lower income levels, it is a matter of compelling financial necessity. Whether or not they prefer to be full-time mothers, devoting all their care and attention to the family and the home, they do not really have the choice. They must work, they must produce a second income to keep their family out of poverty and provide even the basic necessities.

Others want to work as a matter of self-fulfillment to use their capabilities to take an individual's place in the community in the way that a man can, and is expected to, without any special obstacle.

Whatever the motivation for working, their problem in this area is the same. To be able to take employment and receive an income they must step over a much higher threshold than other people to enter the labor market. Not only do they have to find a suitable job, but they must also obtain and pay for the care of their children and of their homes while they are away earning that income.

This amendment comes to grips with another issue as well—one which has been in the press in recent weeks—the value of daycare programs themselves. It has been pointed out that "it is much easier to leave—a child—in or near home with a relative or neighbor than to have to decide whether he is sick enough to warrant losing a day of work yourself to stay with him, or whether he can safely be taken by public transportation across town to the—daycare—center." Indeed, a recent study has demonstrated that care of a child in one's own home, provided by a relative or neighbor accounts for almost 47 percent of all daycare arrangements. An additional 15 percent of daycare is provided by a relative in his or her own home. Thus, the need to begin valuing childcare provided by these friends or relatives on a paid basis is clear. Thus, I have included, for the first time, language which permits the tax deduction to be taken when the childcare/home care services are provided by a child's maternal or paternal grandparent. While such a provision does not solve the whole problem of paid childcare by relatives or neighbors, it will begin to assure that the tax deduction begins to meet the needs of a larger segment of our workers who have daycare arrangements which are alternatives to the traditional institutional daycare programs.

Moreover, I believe that this small provision begins to equalize what has been characterized as the major discrepancy between the concept of a tax credit, passed by the House, and said to be of greater benefit to the low-income worker, and the tax deduction which I have proposed since 1971. In combination with the provision which permits the deduction to be taken as a standard deduction on the "short form" tax return, extension of the deduction to care by grandparents will enhance the potential benefit of the tax deduction to the lower-income worker. Studies have clearly demonstrated that the greater propensity for daycare by relatives lies with the lower-income workers, and the female-headed households. By retaining the deduction, in lieu of the credit, we will further insure that the middle-income is helping to bring about the development of quality daycare services throughout the Nation. The benefit, therefore, is double-barreled—continuing to benefit the middle-income worker, and providing less costly, and tax-deductible alternatives for the lower-income worker to traditional daycare.

All of these groups are taxpayers, producing taxable income, but at present, the tax laws fail to recognize the reality of the direct link between the expenses they incur and the income which is generated.

The main burden of the failure to allow a business deduction for such expenses as childcare has, of course, fallen mainly upon women. It places an unnecessary and unjustifiable obstacle in the path of women who wish to enter the employment market and once they are in the market, it constitutes a built-in economic disadvantage to their efforts. It is not the result of any positive attempt to discriminate against women. It is rather the relic of a time when it was not the normal or accepted thing for mothers to go out to work. But times have changed. The trend is continuing. Tax provisions should reflect the realities of the society in which they apply.

Our society certainly needs the productive energies of women who have much to contribute in the marketplace. In a society in which there is so much work to be done, we cannot afford to squander the productive potential of millions of women simply because they have no way to afford daycare for their children.

In the name of equity for working mothers now and in the future, the current situation should be changed.

Mr. President, I ask unanimous consent that the text of the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1626

On page 2, in the table of contents, strike out the item relating to section 504 and insert in lieu thereof the following:

"Sec. 504. Business deduction for child care expenses.".

On page 110, beginning with line 4, strike out all through page 119, line 8, and insert in lieu thereof the following:

SEC. 504. BUSINESS DEDUCTION FOR CHILD CARE EXPENSES

(a) ALLOWANCE OF DEDUCTION.—

(1) IN GENERAL.—Section 162 (relating to trade or business expenses) is amended by redesignating subsection (h) as (i) and by inserting after subsection (g) the following new subsection:

"(h) CERTAIN EXPENSES NECESSARY FOR GAINFUL EMPLOYMENT.—

"(1) IN GENERAL.—In the case of an individual who maintains a household which includes as a member one or more of the following qualifying individuals—

"(A) a child or stepchild of the taxpayer (within the meaning of section 152) who is under the age of 15,

"(B) a dependent of the taxpayer who is under the age of 15 or who is physically or mentally incapable of caring for himself or herself, or

"(C) the spouse of the taxpayer, if he or she is physically or mentally incapable of caring for himself or herself,

the deduction allowed by subsection (a) shall include the reasonable expenses paid or incurred during the taxable year for household services and for the care of one or more individuals described in subparagraph (A), (B), or (C), but only if such expenses are ordinary and necessary to enable the taxpayer to be gainfully employed.

"(2) MAINTAINING A HOUSEHOLD.—For purposes of paragraph (1), an individual shall be treated as maintaining a household for any taxable year only if over half of the cost of maintaining the household during such period is furnished by such individual (or if such individual is married during such period, if furnished by such individual and his or her spouse).

"(3) SPECIAL RULES.—For purposes of this subsection—

"(A) MARRIED COUPLES MUST FILE JOINT RETURN.—If the taxpayer is married at the close of the taxable year, the deduction provided by subsection (a) shall be allowed only if the taxpayer and his spouse file a single return jointly for the taxable year.

"(B) GAINFUL EMPLOYMENT REQUIREMENT.—If the taxpayer is married for any period during the taxable year, there shall be taken into account employment-related expenses incurred during any month of such period only if—

"(i) both spouses are gainfully employed, or

"(ii) the spouse is a qualifying individual described in paragraph (1)(C) of this subsection.

"(C) CERTAIN MARRIED INDIVIDUALS LIVING APART.—An individual who for the taxable year would be treated as not married under section 143(b) if paragraph (1) of such section referred to any dependent, shall be treated as not married for such taxable year.

"(D) PAYMENTS TO RELATED INDIVIDUALS.—No deduction shall be allowed under subsection (a) for any amount paid by the taxpayer to an individual bearing a relationship to the taxpayer described in paragraphs (1) through (8) except to an individual bearing a relationship to the taxpayer described in paragraph (4) of section 152(a) (relating to definition of dependent) or to a dependent described in paragraph (9) of such section.

"(E) REDUCTION FOR CERTAIN PAYMENTS.—In the case of employment-related expenses incurred during any taxable year solely with respect to a qualifying individual (other than an individual who is also described in subparagraph (A) or (B) of paragraph (1) of this subsection and who is under the age of 15) the amount of such expenses which may be taken into account for purposes of this section shall be reduced—

"(i) if such individual is 15 or older and is described in subparagraph (B) of paragraph (1) of this subsection, by the amount by which the sum of—

"(I) such individual's adjusted gross income for such taxable year, and

"(II) the disability payments received by such individual during such year, exceeds $750, or

"(ii) in the case of a qualifying individual described in subparagraph (C) of paragraph (1) of this subsection, by the amount of disability payments received by such individual during the taxable year.

For purposes of this subparagraph, the term 'disability payment' means a payment (other than a gift) which is made on account of the physical or mental condition of an individual and which is not included in gross income."

(2) DEDUCTION FROM GROSS INCOME.—

(A) Section 62(c) (relating to trade and business deductions of employees) is amended by adding at the end thereof the following new subparagraph:

"(E) CERTAIN EXPENSES NECESSARY FOR GAINFUL EMPLOYMENT.—The deductions allowed under section 162 which consist of expenses allowable by reason of the application of subsection (h) thereof, paid or incurred by the taxpayer in connection with the performance by him or by her of services as an employee."

(b) REPEAL OF DEDUCTION FOR CHILD CARE EXPENSES.—

(1) IN GENERAL.—Section 214 (relating to expenses for household and dependent care services necessary for gainful employment) is hereby repealed.

(2) CLERICAL AMENDMENT.—The table of sections for part VII of subchapter B of chapter 1 is amended by striking out the item relating to section 214.

(c) TECHNICAL AMENDMENTS.—

(1) Section 53(c)(1) (defining eligible individual for earned income credit) is amended by striking out "section 214(b)(3)" and inserting in lieu thereof "section 162(h)(2)".

(2) Section 213(f) (relating to exclusion of amounts allowed for care of certain dependents) is amended by striking out "a deduction under section 214" and inserting in lieu thereof "a deduction under section 162(h)".

INTERNATIONAL SECURITY ASSISTANCE ACT—S. 3331

AMENDMENT NO. 1628

(Ordered to be printed and referred to the Committee on Foreign Relations.)

HUMANITARIAN ASSISTANCE TO CYPRUS

Mr. KENNEDY. Mr. President, I am submitting today a working amendment to the pending International Security Assistance Act for 1977 (S. 3331), to provide continued humanitarian assistance under the Foreign Assistance Act, as amended, to the people of Cyprus.

Although the human and political tragedy of Cyprus has been crowded off the pages of our newspapers by newer problems in other parts of the world, the humanitarian needs of the refugees and others in need on that beleaguered island remain critical.

The purpose of my amendment is to insure that our Government does not forget Cyprus, nor the needs of its people, still torn from their homes by the Turkish occupation of the northern portion of the country. It provides a $25 million American contribution to the international relief effort begun on Cyprus in 1974, which continues under the aegis of the United Nations High Commissioner for Refugees. This is the same level as that provided last fiscal year.

Mr. President, Cyprus needs continued assistance not only because the refugees have been unable to return to their homes and the problems remain essentially unchanged, but also because the level of support from other quarters has sharply declined.

Although the emergency situation on

Cyprus has passed, serious rehabilitation problems remain for the 200,000 Cypriot refugees. At the outset, the immediate issue for most Cypriots—both Greek and Turkish—was food and shelter and security. However, thanks to the assistance of the international community, and substantial contributions by the United States, these initial needs have now been met. But until an equitable solution is found to the human and political crisis on Cyprus, the refugees will continue to need our help and concern.

My amendment will assure that this help and concern is forthcoming in the next fiscal year, and I am hopeful it will be favorably considered by the Foreign Relations Committee.

Mr. President, I ask unanimous consent that the text of the amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

AMENDMENT NO. 1628

At the end of the bill, add the following new section:

Sec. 12. Section 495 of the Foreign Assistance Act of 1961 is amended by striking out the period immediately after "$30,000,000" and inserting in lieu thereof a comma and the following: "and for the fiscal year 1977, $25,000,000.".

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 1619

At the request of Mr. Cranston, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of amendment No. 1619, intended to be proposed to the bill (S. 3331), the Security Assistance Act of 1977.

ANNOUNCEMENT OF HEARINGS ON S. 2932, THE ENERGY CONSERVATION ACT

Mr. METCALF. Mr. President, I wish to announce that at the request of Senator Glenn the Senate Committee on Interior and Insular Affairs will hold a hearing on Thursday, May 6, 1976 on S. 2932, the Energy Conservation Act of 1976. This hearing will commence at 10 a.m., in room 4200 of the Dirksen Senate Office Building. The committee will at that time hear from selected administration and other witnesses and receive written comment for the record.

Questions with regard to this hearing should be directed to Lyle Morris of Senator Gdenn's staff at 224–3353 or Dr. Benjamin S. Cooper of the Interior Committee staff at 224–0611.

NOTICE OF HEARING CHANGE

Mr. NELSON. Mr. President, I wish to announce a change in the time and dates of the hearings on medical education and the drug industry to be held by the Monopoly Subcommittee of the Senate Small Business Committee.

The hearings which were originally scheduled for May 5–6 have been rescheduled for May 10 and May 24 at 9:30 a.m. in room 318, caucus room, Russell Senate Office Building. The witnesses will be announced later.

ADDITIONAL STATEMENTS

NATIONAL CONFERENCE ON FULL EMPLOYMENT

Mr. TAFT. Mr. President, I wish to take this opportunity to express my thoughts on the series of hearings which the Joint Economic Committee has held to mark the 30th anniversary of the Full Employment Act of 1946.

This long series of hearings has been a depressing experience, perhaps one of the most frustrating I have faced in all my years in Washington. It has been an exercise in myopic pseudo-economics and mutual backslapping among those who still think that we can spend our way out of an inflationary recession.

There seems little doubt that most members of the committee went into the hearings with the preconceived notion, totally unsubstantiated by either economic theory or historical experience, that public spending is a faster way to create jobs, especially permanent jobs of a worthwhile nature, than cutting taxes to stimulat private spending on consumption and investment.

A public jobs program is almost entirely service-oriented. It does little to stimulate economic growth and future job creation.

What happens when we cut taxes for consumers? Even the most Keynesian textbooks point out that tax cuts can be just as stimulative as spending increases. The consumer is left with more of his take-home pay. Consumer spending and saving go up, stimulating the consumer goods industries and providing incentive for those industries to hire workers, and providing investment funds, either through consumers' savings accounts, or by increased business profits.

What happens when we cut taxes for business? It allows firms to retain more of their profits from existing operations, and to anticipate higher retained earnings from expanded operations. It simultaneously makes expansion more desirable, and helps provide the funds.

The upshot of such tax cuts is twofold:

First, when the consumer spends on consumer goods, he ends up with something he really wants, not something some bureaucrat has selected for him.

Second, when the business tax cut is spent on investment, or when consumer spending stimulates investment, we end up with a new factory, or farm, or mine. These go on providing new jobs long after the investment is finished. They provide jobs immediately, when they are under construction—a point that had to be hammered on at the committee by one of the witnesses, and thereafter, while they are in operation. The immediate jobs are in the construction trades, and in the industries providing the steel, glass, pipes, concrete, and machinery that go into the new plant. The permanent jobs go to the workers hired to run the new plant, producing whatever it is that the consumers had called for.

Instead of this, the committee has steadfastly clung to the notion that tax cuts do not work, in spite of the success we have had with them, in the early 1920's under Republicans, and in the early 1960's after the recommendation of President Kennedy. The committee has determined, with no hard studies to back them up, that public jobs are quicker and better.

When we cut taxes, we end up with new factories which go on producing and hiring for years. When we hire people to pick up papers in the park, for the same amount of money, we end up with a nice clean park for the untrained, unskilled, unemployed former public works employee to sit in, contemplating his good fortune at having had a public job once upon a time.

The committee spent almost no time on the problem of capital formation. That means that the committee spent no time on the sort of permanent growth we need. Wages are determined by the amount of land and equipment that a worker has to work with. Countries with a large capital stock per worker have high wages. Countries with a growing capital stock per worker have growing wages.

At no time did the committee check with other free world nations to find out their experience in these matters. Most of the rest of the developed industrial world has been on a crash capital formation program since 1950. At that time, the United States had twice the per capita income of Sweden or Switzerland. In 1974, both these countries surpassed us in per capita income. The economic models attribute this to their high rates of investment, caused in turn by their low rate of taxation on growth capital. At no time did the committee consider this approach.

What sort of approach to growth did the Joint Economic Committee take? It held a series of hearings entitled "The Limits of Growth," or "Why We Should Pretty Well Give Up On Progress." I think it was incredible for the committee to yield to this fashionable anti-growth mystique at a time when so many of our people are unemployed. This chic attitude is held only by the prosperous, for they are the only ones who can afford it. Other countries, now as advanced and developed as the United States, are still growing, and faster than the United States, in spite of the fact that they lack our abundance of natural resources. How can Sweden, which is two-thirds frozen marshland, and Switzerland, which is three-quarters Alps, continue to outstrip us in productivity increases without that fact registering on the Congress?

We sorely need a fresh look at the concept of Government control of the economy. We need to give up the preconceived notion that Washington knows best. We need to look at history, and at the examples set by other countries, with an open mind. A little common sense and scientific method, applied to our economic problems, will serve us far better than will the intellectual incest that marked these hearings.

S. 50, a bill which would supposedly solve our unemployment problem, would require the Government to conduct monetary and fiscal policy in the optimum manner, to produce full employment. If we knew the optimum manner in which to conduct monetary and fiscal policy, we would not be where we are today. I have seen no evidence at these hearings that the Joint Economic Committee knows how.

Indeed, I have heard repeatedly from the committee the old myth that easy money leads to low interest rates. The committee seems either to be completely unaware of the effect of easy money on inflation, and of inflation on interest rates, or they do not care to take a time frame of more than 6 months into account.

Long term interest rates are the important rates which apply to mortgages and the building of new factories. While short term rates may be lowered temporarily by more rapid money creation, long term rates depend chiefly on inflation. Lenders will not lend at 3 percent if the value of money is decaying at 6 percent because of inflation. They will demand 9 percent on their money.

If we try to lower interest rates by creating money, we shall simply increase inflation and interest rates. Countries with easy money and high inflation have high interest rates. Some Latin American nations have had 100 percent inflation and 105 percent interest rates. Countries with tight money have had low rates of inflation and low interest rates, such as Germany and Switzerland in the fifties and early sixties.

In 1963, in the United States, one could get a mortgage at 5 percent. We had 2 percent inflation at the time. Now we have 6 percent inflation and 9 percent mortgages.

I believe in a continuation of moderate monetary policy to promote low interest rates and a return to stable expansion of housing, industrial capacity, and employment.

I shudder to think where the planning recommended by a committee as inexpert as this would lead us. And the interest rate myth is not the only one that has been demonstrated repeatedly. There is the myth that tax cuts cannot stimulate job creation; the myth that the country benefits just as much from a public service job as from one formed in response to consumer purchases; the myth that investment does not create jobs until after it is completed; the myth that public service jobs produce real goods that expand supply and hold prices down, when this is obviously the role of private industrial jobs; and the list goes on.

Another section of S. 50 would have the Government provide special incentives for industry to locate in depressed areas. If industry has been fleeing such areas because of genuine economic reasons, such as depletion of mineral resources, a fall in demand for the particular products of the region, or the development of new technology that renders the resources of another area more valuable in production of a product, this will merely tax the entire Nation to subsidize industries that are going to be producing less for the same input than they could produce elsewhere. Total national income will be reduced. There is also the ludicrous possibility that this much-vaunted Government planning program will provide subsidies to the very industries in States such as Ohio which are in trouble because Government planners have forbidden them to buy the natural gas they need to keep operating, because the planners think they know better than the free market where the gas should go and how much it should cost.

Where will it all end?

Probably with a new committee, holding a new set of hearings on the 30th anniversary of S. 50, trying to write a new bill to get the Government still more deeply involved in picking up the pieces of an economy it shattered in the first place.

Mr. President, I ask unanimous consent that an editorial on this subject from the Cincinnati Enquirer be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Cincinnati Enquirer, April 4, 1976]

JUST PLAIN WRONG

The Democrats in the Joint Economic Committee of the Congress would relight the flames for inflation by increasing the federal budget deficit and increasing public-service employment programs.

The Democrats aim, of course, to create new jobs more quickly for the millions of Americans still unemployed as a result of the 1974–75 economic slump.

The goal is a very worthy one. Their method is wrong and would result in continued high unemployment and a rising rate of inflation of prices. They would snip off the budding possibilities that the present economy recovery will bring the nation a long period of steady economic prosperity.

By increasing the federal budget deficit by another $18 billion or so in the fiscal year beginning October 1, the Democrats on the Joint Economic Committee would force the Treasury into increased borrowing. That borrowing would put pressure on interest rates throughout the economy, causing those rates to go up unless the Federal Reserve poured more money into the economy.

Higher interest rates inhibit capital spending by American business. A slower increase in capital spending means fewer new jobs in the years to come. That translates directly into continued unemployment for many of the Americans who are still out of work.

If, on the other hand, the Federal Reserve seeks to keep interest rates from rising—as the Joint Economic Committee majority also urges, it would have to be the buyer of more federal debt and of the extra federal debt an increased budget deficit would create. That means faster rate of growth of the money supply.

Simply put, speeding up the rate of growth of the money supply causes the rate of inflation to rise.

The one million new public-service jobs the Democratic majority recommends in the committee's report to the Congress would provide some temporary relief for some of the unemployed. But that relief would come late this year at the earliest. By that time the resurgence of the economy itself will have created, or recreated, far more than one million more jobs.

The proposal is worse than unnecessary. Make-work public employment, in contrast to useful and productive public employment, is a drag on the economy at a time when it is growing. Make-work public employment may be better for the self-esteem of the worker. Not even that is sure.

But make-work public employment is also nonproductive and competitive with business and industry which is providing real services and making real goods.

Generals may eternally prepare to fight the last war. Too many of our elected representatives eternally are fighting the last recession, and actually pushing us toward another one thereby.

CLEAN AIR AMENDMENTS—NONDEGRADATION IS NECESSARY

Mr. MUSKIE. Mr. President, nondegradation policy was first articulated in Federal water pollution control law in 1967 and incorporated in the 1967 Air Quality Act, which stated that a basic purpose of the act was to "protect and enhance the quality of the Nation's air resources." That policy was not altered in the 1970 amendments. Requirements to implement this policy were deleted from EPA's guidelines in 1971. The courts subsequently required EPA to promulgate such requirements, and EPA complied by issuing regulations on December 5, 1974. During hearings in 1973, 1974, and 1975, the committee was urged to resolve this issue through legislation.

As early as July 1973, Carl Bagge, representing the National Coal Association, said:

> This is far too significant an issue to be determined by the judiciary. Its economic and social implications are so broad that it cannot and should not be determined by an independent regulatory agency in a rulemaking proceeding as has been proposed. This is an issue which can only be resolved . . . by the Congress of the United States.

Mr. Bagge also went on to say that "The next move is clearly up to Congress."

The administration also asked Congress to address this issue when it submitted the Clean Air Act Amendments in 1974.

Numerous studies have been conducted on the implications of various nondegradation policies. The committee considered these and fashioned a proposal which encourages the economic growth needed for this Nation while providing environmental protection of air resources needed by the Nation. Only the most valuable Federal assets—national parks and national wilderness areas—have been been given a special protected status—called class I.

The concept used to protect clean air while allowing adequate growth is a concept of air quality increments. The increments are amounts of new pollution which may be added by new facilities to existing air quality—they provide a uniform national measure of change in air quality which can be allowed in clean air areas, thus eliminating inequities among States while providing some degree of control over the pace of utilization of limited air resources.

The committee received numerous studies of the nondegradation policies. Those studies were an important element in the committee's decision to make substantial alterations in the subcommittee bill. Those changes include:

First, reduction of the number of areas given pristine air quality protection—class I—from 360 to 131;

Second, expansion of the State role in all aspects of nondeterioration policy and implementation with concurrent restriction of the Federal Government's role;

Third, provision of flexibility in determining whether or not proximity to a class I area would affect construction of a new facility, thus eliminating arbitrary buffer zones.

Much of the criticism of the nondegradation do not take into account these and other significant changes which the full committee made in the bill.

IMPLICATION OF REJECTING THE COMMITTEE PROPOSAL

One of the amendments proposed to the reported bill would strike the committee proposal. Another amendment would add a study of the implications of the amendment. I have no objection to this study. It is a logical mandate to the National Commission on Air Quality.

But the companion amendment to strike the committee proposal is both unwise and ill-convinced. Not only would a reasonable resolution to the nondegradation controversy be discharged but, more importantly, the existing policy and regulation would be left in place. EPA's current regulations are simply not an adequate response to this problem.

The key question is this: What policy will the Nation have for the next 2 years—a breaucratic-judicial policy or a congressional policy?

If a motion to strike the committee's proposal and substitute another study—3 years of studies and thousands of pages of testimony have already been accumulated—the result will be a policy developed and implemented at the Federal level and in the courts with no congressional guidance and no meaningful State participation.

The result will be: Continuation of the requirement that new facilities in clean air regions obtain Federal permits; continuation of the authority of Federal land managers to unilaterally designate any Federal lands as class I without concurrence by States; continuation of 60- to 100-mile buffer zones around any such class I areas; continuation of Federal authority to reject any State efforts to gain control of this program; and continuation of uncertainty caused by lack of congressional policy on this issue.

On the other hand, if the committee proposal is adopted, the result would be:

State rather than Federal permits for new major facilities and State authority to issue or deny permits for facilities even when such facilities are located on Federal land;

No designation except by statute of any areas as class I without the concurrence of the State;

Elimination of Federal authority to second-guess State efforts to control this program except through judicial proceedings with a Federal burden of proof;

Resolution of the uncertainty of this policy issue by giving clear guidance to all parties, including the courts, as to the basis of nondegradation policy; and

A chance to test policy in actual implementation rather than continuation of hypothetical studies on paper.

THE NEED FOR AIR CLEANER THAN THE NATIONAL STANDARDS

In addition to resolving current confusion, the nondegradation provision provides needed protection which the ambient air quality standards do not provide. If the national secondary ambient air quality standards were revised to protect against these damages, achievement of the secondary standards in dirty air areas would be extremely difficult.

If the secondary standards were the only restraint, visibility which is now 100 miles or more in some areas could deteriorate to 12 miles. If humidity is high, visibility would be reduced even more.

Pollutants increasingly are returning to the ground in the form of acid rain which damages valuable water and soil resources. A Conference was held in the summer of 1975 in Columbus, Ohio, where numerous scientists expressed substantial concern over this impact.

Norway has experienced a substantial decline in its fishery resources which have been attributed to acid rain. A 20-year study in Scandanavia indicates that acid rain has killed fish and cost the ecology of the area to change. Forest growth and yield have declined. Fish population have been adversely affected by acid rain in 75 percent of the high elevation lakes of the Adirondack Mountains.

Pollution at less than the concentration allowed by the national standards has been shown to damage vegetation. Acute injury to spruce trees have been reported when average concentrations of sulfur dioxide were only two-thirds the level allowed by the ambient secondary standards.

Studies indicate that other important crops are also damaged at concentrations cleaner than the secondary standards, including wheat, potatoes, spinach, apples, and white pine.

Exposure to low level concentrations of pollutants have health effects. Studies done in Japan since the establishment of the primary standards in the United States indicate that air pollution concentrations lower than the national standards cause increase in reported illnesses. The National Cancer Institute estimates that 60 to 90 percent of cancer is environmentally caused. The secondary standards as presently established make no consideration of this fact.

An increasing number of studies indicate that pollutants are transported for much greater distances than previously thought. This means that emissions from rural areas contribute to urban pollution problems and vice versa. In its report to the Senate Public Works Committee of March 1975, the National Academy of Sciences expressed concern that emissions 300-miles upwind could still contribute to problems in major cities.

Last year, I asked many scientists for comments on the adequacy of existing air standards. The Administrator of the Environmental Protection Agency, Russell Train, provided useful documentation of the limitations of existing standards in his letter of October 10, 1975:

> For particulate matter, an annual mean concentration of 60 ug/m^3 and a mean 24 hour concentration of 150 ug/m^3 have been set as the secondary standard. Suspended particulates are known to have effects on vegetation, visibility, and manmade materials. At concentrations of 150 ug/m^3, visibility may be reduced to as low as five miles.
>
> Plant species vary in their sensitivity to ozone and other oxidants. Toxicity also varies with the composition of the oxidants. Injury has occurred experimentally in the most sensitive species after exposure to 60 ug/m^3 of ozone for 8 hours. Crop losses could occur as the result of planting genetically uniform, susceptible varieties. Therefore, the current standard, 160 ug/m^3 for one hour, may not protect all vegetation. Little is known regarding the tolerance of plants under field conditions. The presence of other pollutants and changes in environmental conditions may affect the tolerance of plants for photochemical oxidants.
>
> Photochemical oxidants' effects on manmade materials center on the effects of ozone on elastomers and textile dyes. Many elastomers, including natural rubber, are chemically prone to oxidation and therefore, to ozone attack. Cracking of rubber has been noted at 40 ug/m^3. Background levels of naturally occurring ozone range up to 100 ug/m^3.
>
> The primary and secondary standards for nitrogen dioxide are identical being an annual concentration not exceeding 100 ug/m^3.
>
> The current standard appears protective of welfare against damage from direct exposure to atmospheric NO_2. NO_2 may also cause indirect damage to the extent that it contributes to the formation of the nitric acid in acid precipitation. Nitric acid constituted 24% of the acid in precipitation during 1972–1973 in the Eastern U.S.
>
> Conclusive data are lacking on synergistic effects of sulfur oxides and other pollutants, but preliminary results of work being conducted at EPA's Corvallis Environmental Research Laboratory indicate that a sound basis for standards based on long term growth and processes effects caused by low concentration mixes of sulfur oxides and ozone may be developed in the future.
>
> The phenomenon of acid rainfall is of concern to this agency. A growing body of evidence suggests that acid rain may be responsible for substantial adverse effects on the public welfare. Such effects may include acidification of lakes, rivers, and groundwaters, with resultant damage to fish and other components of aquatic ecosystems, acidification and demineralization of soils, reduction of forest productivity, and damage to crops. These effects may be subject to cumulative build-up as a result of years of exposure to acidic precipitation, but some may also result from "peak" acidity episodes.

INCREMENTS AS THE NATIONAL MEASURE OF CLEAN AIR PROTECTION

The Environmental Protection Agency examined numerous methods to define "significant" deterioration. The examination encompased methods which would have allowed no change in air quality to methods which would result in deterioration beyond current ambient air quality standards.

The approach selected is referred to as air quality "increments"—a concept which sets forth a precise measure of the change in air quality which any single new facility or combination of new facilities could contribute to the atmosphere in a clear air region.

EPA selected three levels of change or increments. The first, applicable to areas in which preservation of pristine air quality was determined appropriate are related to limits on the capability of air quality monitoring and modeling. The third would permit pollution up to the levels in dirty air regions.

The second level—class II—were intended to reflect a balance between air quality protection and reasonable economic growth. To establish these numbers, EPA examined the plants being constructed in the industrial categories most likely to have pollution problems and then projected the probable air quality impact of construction of such sources. The Agency concluded in its documents accompanying its regulations in 1974 that—

> Typical coal gasification plants, oil shale processing facilities, and petroleum refineries would not be expected individually to exceed the Class II increments in most areas.

The same statement holds true for the average sized plants in the following categories: fossil fuel-fired steam electric power units, municipal incinerators, kraft pulp mills, iron and steel mills, coal cleaning plants, sulfur recovery plants, lime plants, portland cement plants, phosphate rock procesing plants, petroleum refineries, byproduct coke oven batteries, sulfuric acid plants, carbon black plants, primary aluminum plants, primary zinc smelters, primary copper smelters, fuel conversion plants, and primary lead smelters. For many of these sources, the average sized plant would be substantially lower than the increment allowed.

Studies since that time indicate that the increments allow even more room for facilities than the first EPA studies indicated. Initially, EPA thought that with regard to a 1,000 megawatt plant—much larger than the average plant now in existence—"In a class II area, a similar source could not be located within 25 miles of the first plant."

Analysis in January 1976 showed that the separation distance had shrunk to 14 miles for high sulfur coal and even less for low sulfur coal—in some cases down to only 1 mile.

Ongoing studies of the Agency indicate that if good pollution control technology is used, "the Senate class II increments will not prevent construction of major, economically sized industrial facilities." In fact, these studies indicate that with such controls, "more than one plant can be constructed at the same site for pulp and paper mills, oil shale plants, refineries and gasification plants."

These same studies indicate that the cost to the electric utility industry will be a 3-percent increase in capital expenditures. "The Senate proposal is not expected to have a significant economic impact on other major industrial facilities."

This confirms my earlier statement that each time new studies are completed, they show that more room exists within the class II increments at less cost than previously estimated.

THE NEED FOR CONGRESSIONAL POLICY

The basic policy issues facing the Congress are not ones that will be eased by further study. They are questions that can and should be answered now:

We can and must clarify the role of States;

We can and must define an appropriate relationship between Federal and State governments relative to these new major facilities;

We can establish now the land areas we value the most and want to protect. We have the knowledge to establish a test to protect those values so long as we maintain a degree of flexibility.

Further study is an important part of the review of any policy as it is implemented. Such study should be, and will be, a companion to the adoption of this legislation. The preferable route will be for Congress to establish the policy, provide the tests contained in the committee bill, and provide the flexibility of State case-by-case judgment in applying the more stringent of these tests. The alternative is to continue a policy that relies heavily on a Federal presence; a clouded policy and a bewildering judicial debate to resolve the issue.

In order to provide further information for Members of Congress and the public on this matter, I ask unanimous consent to have printed in the RECORD: First, a study from the Environmental Protection Agency compiled April 28, 1976, which describes the extensive industrial growth that can occur under the Senate nondegradation amendment; and second, a letter from Jay Hammond, the Governor of Alaska, expressing strong support for enactment of the Senate and House nondegradation amendments. The letter from Governor Hammond, while addressed to Governor Wallace of Alabama, was sent to the Governors of each of the 50 States.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF EPA ANALYSIS OF THE IMPACT OF THE SENATE SIGNIFICANT DETERIORATION PROPOSAL [1]

INTRODUCTION AND CONCLUSIONS

(NOTES.—Tables 1 thru 4 are omitted.)

A. Introduction

A major purpose of the Clean Air Act of 1970 is "to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare and the productive capacity of its population." The Act is administered by the U.S. Environmental Protection Agency (EPA) and has been interpreted by the courts as barring the degradation of air in areas that are cleaner than the National Ambient Air Quality Standards.

The purpose of this paper is to summarize over 8 months of analyses that EPA and its consultants have conducted on the specific impacts of the Senate Bill on selected major industries, including electric utilities, kraft pulp and paper, refineries, synthetic fuel plants, and copper smelters.

B. Conclusions

The principal conclusions of EPA's analyses are:

The Senate significant deterioration proposal will not prevent the construction of major, economically sized industrial facilities. Rather, some sources may have to employ different air pollution control strategies such as further control of sulfur dioxide emissions, relocation at an alternative site, construction of taller stacks or smaller plants, etc.

The Senate significant deterioration proposal allows for the allocation of major industrial sources. Specifically, the minimum required separation distance for economically sized facilities meeting Federal New Source Performance Standards (NSPS) or an equivalently defined control level is 0 to 40 miles for power plants, 0 to 12 miles for kraft pulp and paper mills, 0 to 3 miles for oil shale plants, 0 to 30 miles for gasification plants, 0 to 18 miles for refineries, and 5 to 16 miles for copper smelters. If control beyond NSPS is assumed, the separation distances are reduced to 0 to 31 miles for power plants, 0 to 8 miles for paper mills, 0 to 6 miles for gasification plants, and 0 to 10 miles for refineries.[2]

The Senate proposal gives the States maximum flexibility in determining how close major sources should be located to Federal land such as National Parks and Wilderness areas. If the location of the source would have an adverse impact on the air quality values of the Federal land areas, major industrial sources would have to comply with the Class I increments and locate the following distances away from Federal lands that have been classified as Class I: 5 to 60 miles for power plants, 3 to 28 miles for kraft pulp and paper mills, 3 to 8 miles for oil shale plants, 7 to 40 miles for gasification plants, 12 to 43 miles for refineries, and 13 to 31 miles for copper smelters.[3] However, if the location of the source would not adversely affect the air quality values of the federal land area, the source would not have to comply with the Class I increments and could locate closer than indicated by the previous estimates.

It is expected that the major economic impact of the Senate proposal will be on the electric utility industry. Specifically, the Senate proposal will increase the utility industry's capital requirements over the next fifteen years by a maximum of $11.5 billion which represents about a 3% increase in the industry's projected capital exepnditure in the absence of significant deterioration. The Senate proposal will also increase average residential customers yearly expenditures in 1990 by a maximum of $28 per year. This is equivalent to an increase of slightly more than 2%.

The Senate proposal will probably require some other industrial facilities to employ different air pollution control strategies such as further control of sulfur dioxide emissions, relocation at an alternate site, construction of a taller stack or a smaller plant, etc. However, most of these sources would be able to comply with the Senate proposal by meeting Federal New Source Performance Standards and locating in areas of flat or moderate terrain.

In the post-1980 period, a Class III designation or a variance from the Class II increment is probably required in some urbanizing areas in order to prevent significant restrictions and/or altered development patterns by 1990. A similar designation would probably be required for large scale energy and industrial development at one location (i.e., energy or industrial parks) and for copper smelters and gasification plants located in very hilly terrain.

ESTIMATED SIZE OF MAJOR INDUSTRIAL FACILITIES THAT CAN BE CONSTRUCTED UNDER SENATE PROPOSAL

EPA and its consultants have conducted extensive modeling analyses in order to estimate the size and type of facilities that

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could be constructed at one site under the Senate proposal. The results of these analyses, which are summarized in Table 2 and briefly discussed below, indicate that the size of facility which can be constructed is very dependent on assumptions concerning surrounding terrain, stack height, pollution control technology and worst case meteorological conditions. The results presented in Table 2 represent EPA's best estimate of the maximum size facilities which could be built at one site under the Senate proposal. However, in order to obtain site specific estimates for actual facilities, a case-by-case analysis would be required. Such a review may give results slightly higher or lower than indicated in Table 2.

1. Coal-Fired Power Plants—

Between an 1100 to greater than 4000 mw coal-fired power plant meeting New Source Performance Standards (NSPS) could be built in areas of flat or moderate terrain (i.e., where the surrounding terrain is below the top of the stack). If the source controlled beyond NSPS, a 1250 to greater than 5000 mw plant could be built in flat or moderate terrain. EPA's analyses also show that terrain has an important impact on the size power plant that can be built. Specifically, in areas of hilly terrain (i.e., where the surrounding terrain is considerably above the top of the stack—3.5 to 5% slope) only a 450 mw plant meeting NSPS could be built. However, if the plant controlled beyond NSPS, a 1100 mw plant could be built in the East and greater than a 4000 mw plant in the West.

2. Petroleum Refineries—

EPA's analyses show that refineries in flat or moderate terrain will not be constrained by the Senate Class II increment. Assuming compliance with NSPS, one 300,000 bbl/d fuel oil refinery and two 300,000 bbl/d gasoline refineries could be built at one site. If control beyond NSPS is assumed (i.e., .3% oil), two 300,000 bbl/d fuel oil refineries and three 300,000 bbl/d gasoline refineries could be built at one site.[4] In areas of hilly terrain, fuel oil refineries meeting NSPS may have to reduce capacity to 100,000 bbl/d (a typical refinery expansion). Gasoline refineries may have to reduce capacity to 200,000 bbl/d (slightly smaller than a typical new refinery). However, if control beyond NSPS is assumed, even in areas of hilly terrain, typical size new gasoline and fuel oil refineries could be built.

3. Synethic Fuel Plants—

EPA's analyses show that in areas of flat or moderate terrain typical size oil shale (50,000 bbl/d) and gasification plants (250 mmscf/d) would not be constrained by the Senate Class II increment. In fact, it would be possible to put several oil shale and gasification plants at one site without violating the Senate Class II increments for sulfur dioxide.[4] However, in areas of hilly terrain only an oil shale plant of 68,000 bbl/d can be built. This is slightly larger than the proposed typical size plant. The comparable limitation for a gasification plant meeting NSPS (where applicable) in areas of hilly terrain is 100 mmscf/d. However, if control beyond NSPS is assumed, a 330 mmscf/d gasification plant could be built in hilly terrain. If the constraining terrain feature is closer than 6 miles, a Class III designation may be required to site a 250 mmscf/d gasification plant. However, use of taller stacks or the selection of a nearby site with less hilly terrain could be feasible alternatives.

4. Kraft Pulp and Paper Mills—

EPA's analyses show that at least two 1000 ton per day kraft pulp and paper mills meeting NSPS with on-site coal-fired generation could be constructed in areas of flat or moderate terrain. Since most kraft mills burn fuels with much lower sulfur content than coal, this analysis is extremely conservative. In areas of hilly terrain a kraft mill capacity of about a 600 tons per day mill could be built if the plant just met NSPS. However, if control beyond NSPS is as- hilly terrain could increase to 1000 tons per day in the East and to over 3000 tons per day in the West. Unbleached mills have much lower emissions and would be significantly less restricted. In view of the fact that the typical size for new paper mills is about 1000 tons per day and 400 tons per day for expansions at existing sites, it can be concluded that the Senate proposal will not prevent the construction of economically efficient kraft pulp and paper mills.

5. Copper Smelters—

EPA's analyses show that at least a 1500 ton per day copper smelter meeting NSPS could be constructed in areas of flat or moderate terrain. In areas of hilly terrain about a 1000 ton per day facility could be built.[5] If the constraining terrain feature is closer than 4 miles, a Class III designation may be required. However, use of a taller stack or selection of a nearby site with less hilly terrain could also be feasible alternatives.

MINIMUM REQUIRED SEPARATION DISTANCE BETWEEN MAJOR INDUSTRIAL FACILITIES UNDER THE SENATE PROPOSAL

EPA's analyses of the feasibility of collocating major industrial sources under the Senate proposal is summarized in Table 3 and discussed below. As discussed in the previous section, the results in Table 3 are estimates based on assumptions concerning terrain, control technology, stack height and meteorological conditions. A case-by-case review of each side would be required in order to obtain site specific estimates.

1. Coal-Fired Power Plants—

More than two 1000 plants meeting NSPS could be constructed at one location in areas of flat terrain. In moderate terrain, two 1000 mw new plants would have to locate up to 28 miles apart in order not to violate the Senate Class II increments. If the plants are located in hilly terrain, the separation distance assuming NSPS could range as high as 40 miles. However, if control beyond NSPS is assumed, more than three 1000 mw plants could be constructed at one location with flat or moderate terrain. For hilly terrain and control beyond NSPS, two 1000 mw plants would have to locate 12 to 31 miles apart.

2. Petroleum Refineries—

At least two 300,000 bbl/d gasoline refineries meeting NSPS could be built at the same location without exceeding the Senate Class II increments.[6] The analysis above shows that two 300,000 bbl/d fuel oil refineries meeting NSPS would have to be located two miles apart in order to comply with the Senate proposal. In areas of hilly terrain, refineries meeting NSPS would have to locate 3 miles apart in the case of a gasoline refinery and 18 miles apart in the case of a fuel oil refinery. However, if control beyond NSPS is assumed, two gasoline refineries would be built as close as two miles apart and two fuel oil refineries as close as 10 miles apart. In view of the fact that most new refineries could probably be built along the coast, the results for flat or moderate terrain are more indicative of the probable impact of the Senate proposal. Therefore, it can be concluded that the Senate proposal probably will not constrain the collocation of new refineries.

3. Synthetic Fuel Plants—

In areas of flat or moderate terrain, several oil shale or gasification plants could be built at one site without violating the Senate Class II increments.[6] In areas of hilly terrain, two gasification plants meeting NSPS would have to be located 30 miles apart. If control beyond NSPS is assumed, the gasification plants could be located as close as 6 miles apart. The comparative separation distance for two oil shale plants in hilly terrain is 3 mlies.

4. Pulp and Paper Mills—

EPA's modeling studies indicate that at least two 1000 ton per day kraft pulp and paper plants meeting NSPS could be located at one site in areas of flat or moderate terrain. In areas of hilly terrain, two 1000 ton per day mills meeting NSPS would have to be located about 12 miles apart. If control beyond NSPS is assumed, then two 1000 ton per day mills would have to be located only 8 miles apart in the East and 3 miles apart in the West. Since most new paper mills are projected to be located in remote areas, it can be concluded that the collocation of new mills will not be affected by the Senate proposal.

5. Copper Smelters—

Although copper smelters are normally located in isolation and in the vicinity of the copper mine, EPA's analysis indicates that the Senate Class II increment would allow some collocation. The minimum required separation distance between two 1500 ton per day copper smelters could range from 5–13 miles in flat or moderate terrain and up to 16 miles in hilly terrain, assuming that the first facility used 90 percent of the allowable increment.

REQUIRED DISTANCE BETWEEN TYPICAL MAJOR INDUSTRIAL FACILITIES AND CLASS I AREAS

EPA's analyses of the required separation distance between typical major industrial sources and Class I areas is summarized in Table 4. It should be emphasized, however, that in view of the flexibility in the Senate Bill these estimates should only be interpreted as guidelines. For example, a source may be required to locate further away than estimated in Table 4 if the State or Federal Land Manager determine that a larger separation distance is required in order to preserve the "air quality related values" of Class I areas. Similarly, a source may be allowed to locate closer to a Class I area if such location would not have an adverse impact on the area's "air quality related values".

1. Coal-Fired Power Plants—

A 1000 mw plant meeting NSPS and located in areas of flat or moderate terrain may have to locate 60 miles away from a Class I area. In areas of hilly terrain, the plant would also have to be 60 miles away. If control beyond NSPS is assumed, a 1000 mw plant in flat or moderate terrain could be located as close as 5 to 20 miles. The comparative figures for hilly terrain are 25 to 42 miles.

2. Refineries—

A 300,000 bbl/d gasoline refinery meeting NSPS and located in flat or moderate terrain would have to locate 20 miles away from a Class I area. The comparative distance for a 300,000 bbl/d fuel oil refinery is 23 miles. If control beyond NSPS is assumed, a gasoline refinery could be built within 14 miles of a Class I area and a fuel oil refinery within 12 miles. For areas of hilly terrain, the corresponding distance assuming NSPS are 37 miles for a gasoline refinery and 43 miles for a fuel oil refinery. If the refineries control beyond NSPS, the distances are reduced to 26 miles for the gasoline refinery and 22 miles for the fuel oil refinery.

3. Synthetic Fuel Plants—

The analysis shows that a 50,000 bbl/d oil shale plant would have to be located 3 miles away from a Class I area in flat or moderate terrain and 8 miles away in hilly terrain. A 250 mmscf/d gasification plant meeting NSPS and located in flat or moderate terrain must be located 19 miles away from a Class I area. In hilly terrain, the gasification plant must be 40 miles away. If control beyond NSPS is assumed, the separation distance for a gasification plant could be reduced to 7 miles in flat or moderate terrain and to 33 miles in hilly terrain.

4. Pulp and Paper Mills—

EPA's modeling results indicate that a 1000 ton per day kraft pulp and paper mill meeting NSPS and generating its power by on-site coal-fired boilers, would have to be

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located from 10 to 20 miles from a Class I area under flat or moderate terrain assumptions. In areas of hilly terrain, the source would have to be 28 miles away. However, if control beyond NSPS is assumed, the mill could be located as close as 3 miles to a Class I area under flat or moderate terrain conditions and as close as 7 miles under hilly terrain assumptions.

5. Copper Smelters—

A 1500 ton per day copper smelter meeting NSPS and located in areas of flat or moderate terrain would have to locate from 13 to 28 miles from a Class I area. In areas of hilly terrain, the smelter would have to be 31 miles from a Class I area.

ECONOMIC IMPACT OF SENATE PROPOSAL

The data presented in Tables 2, 3 and 4 show that the Senate significant deterioration proposal will not prevent the construction of major industrial facilities. However, the Senate proposal may require some facilities to employ different air pollution control measures such as further control of sulfur dioxide emissions, construction of taller stacks or smaller plants, relocation at alternative sites with more favorable terrain conditions, etc. While the use of such control strategies will impose additional costs on consumers, these additional expenditures must be balanced against the benefit that would result from preventing the degradation of air quality up to the National Ambient Air Quality Standards.

It is expected that the major economic impact of the Senate proposal will be on the electric utility industry. The results of EPA's study[7] are summarized in Table 5.

Table 5.—*Economic impact on the electric utility industry of Senate significant deterioration proposal*

	Capital expenditures 1975–90 ($ billions)	*Household expenditures[8] on electricity in 1990 ($ per year)*
Baseline in the absence of significant deterioration	$435	$1,200
Impact of Senate proposal[9]	$2.4–$11.5	$3–$28
Percent increase due to Senate proposal[9]	.5–2.6%	.3–2.3%

As indicated in the above table, the Senate proposed would increase the industry's capital requirements over the next ten years by a maximum of $11.5 billion. This represents a maximum increase of 2.6% in the industry's projected capital expenditures of $435 billion in the absence of significant deterioration. In order to finance the required expenditures, average expenditures per household in 1990 would increase by a maximum of $28 per year. This is equivalent to an increase of about 2.3%.

With regard to other major industrial facilities, Tables 2, 3, and 4 support the conclusion that most facilities will not have to employ different air pollution control strategies. Rather, most of these facilities would be able to comply with the Senate significant deterioration requirements simply by complying with the current requirements of the Clean Air Act (i.e., New Source Performance Standards). However, a few of these facilities may have to relocate to areas of flat or moderate terrain, control beyond NSPS, build a taller stack or smaller plants, etc.

FOOTNOTES

[1] S. 3219—Clean Air Act Amendments of 1976—(Section 110 g).

[2] The low estimate for each industry assumes flat or moderate terrain while the high estimate assumes hilly terrain.

[3] The low estimate for each industry assumes control beyond NSPS and flat or moderate terrain. The high estimate assumes control equal to NSPS and hilly terrain.

[4] It should be noted that the National Ambient Air Quality Standards for oxidants may prevent the construction of more than one refinery, oil shale, or gasification plant at one site.

[5] The typical size for new copper smelters is expected to range from 700 tons per day up to 1500 tons per day.

[6] It should be noted that the National Ambient Air Quality Standards for oxidants may prevent the construction of more than one refinery, oil shale, or gasification plant as one site.

[7] EPA, *A Preliminary Analysis of the Economic Impact on the Electric Utility Industry of Alternative Approaches to Significant Deterioration*, February 5, 1976.

[8] Household expenditures on electricity include the direct expenditures for monthly electricity bills and indirect expenditures to producers of other goods and services in order to pay the cost of the electricity used to produce these goods and services.

[9] The low end of the range assumes that BACT is defined by the States to be NSPS or SIP's where more stringent. The high end of the range assumes that BACT is defined to be low sulfur coal plus scrubbers in the West and medium sulfur coal plus scrubbers in the rest of the country.

State of Alaska,
Office of the Governor,
Juneau, March 11, 1976.

Hon. George C. Wallace,
Governor, State of Alabama, State Capitol, Montgomery, Ala.

Dear Governor Wallace: As you know, the U.S. Senate and the U.S. House of Representatives are currently considering amendments to the Clean Air Act. There is an excellent chance that the bills will be considered on the floor of the Senate and House within the next month. When the bills reach the floor, it is predicted by many experts that there will be vigorous attempts to amend or delete the provisions which form the very heart of the Clean Air Act. We, as leaders of our states, will undoubtedly be called upon to take a stance on the bills as they were reported to the floor, and on any proposed floor amendments. I am writing to encourage you to oppose amendments which weaken the provisions of H.R. 10498, and the Senate bill as it was reported out of the Public Works Committee.

Of the many difficult and controversial issues contained in the 1976 Amendments to the Clean Air Act, the concept of prevention of significant deterioration of air cleaner than secondary standards is perhaps the most complex, and the most misunderstood issue in the proposed legislation. The prevention of significant deterioration issue contained in the 1970 Act is currently being litigated in the courts, as well as being debated in the halls of Congress. The policy position of the National Governors' Conference is that this issue must be addressed by Congress; not by the courts.

Unfortunately, some opponents of the prevention of significant deterioration concept have muddied the quality of public debate on this issue by circulating information which indicates that the Senate and House bills would stop all growth. Such information is totally inaccurate. Neither bill would stop growth; they simply require that new point sources of air pollution must install efficient pollution control equipment. In addition, both bills provide for an extra tier of air quality protection for national parks, international parks and wilderness areas. I think you would agree that protection of air quality in these areas of national interest is warranted. If the opponents of prevention of significant deterioration are successful in their attempts to eliminate the concept from the Act, we will effectively have abandoned a national policy of protecting existing high quality air, and instead will have adopted a national policy of allowing clean air to become uniformly dirty. To adopt such a policy would not be in the public interest.

The overall policy thrust of the House and Senate bills is to place authority for implementation of the Clean Air Act in the hands of state and local governments. The bills also provide workable mechanisms to continue our efforts to solve existing pollution problems, and to protect areas which have pristine air. In short, the bills continue to place clean air as a national goal, and they grant maximum flexibility to the states to achieve and maintain this goal.

Therefore, I strongly urge you to communicate your support of HR 10498 to Congressman Paul G. Rogers, Chairman of the House Subcommittee on Public Health and Environment. I also encourage you to inform Senator Jennings Randolph, Chairman of the Senate Public Works Committee, of your support for the Clean Air Act Amendments which recently were approved by that body. In addition, I suggest that you oppose any floor amendments which would eliminate the concept of prevention of significant deterioration from the Clean Air Act.

Best wishes and warm regards.

Sincerely,

Jay S. Hammond,
Governor.

MR. C. R. SMITH

Mr. GOLDWATER. Mr. President, Mr. C. R. Smith, retired president of American Airlines, has led a very interesting but, more important than that, a great contributory life to our America. I first knew this gentleman back in the 1930's when I testified on behalf of the American Airways effort to continue into Arizona, and I have followed him closely through the years of his operation of that great airline. It was also my privilege to have served under him when he was Commanding General of the Air Transport Command during World War II. A very interesting article on his reflections written by Mr. John Minahan became available to me and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

C. R. Smith: Reflections

(By John Minahan)

On April 15, 1926, a twenty-four-year-old aviator named Charles A. Lindbergh stowed a bag of mail aboard a little De Haviland DH-4 biplane in St. Louis and took off for Chicago. Two other pilots made the same trip that day.

These were the first regularly scheduled flights of one of the companies that would become American Airlines.

At that time, Lindbergh was chief pilot for Robertson Aircraft Corporation of Missouri, holder of the second air mail contract the government had awarded to private operators. A year later—in May, 1927—Lindbergh made the first solo nonstop flight across the Atlantic.

Robertson Aircraft was one of many companies that eventually formed American Airlines. The consolidation began early in 1929 when a holding company, the Aviation Corporation, began acquiring small aviation companies. Along with some of the airlines came bus lines, radio stations and airport construction companies.

The acquisition gave the Aviation Corporation a hodgepodge of routes that did not quite fit together, a fleet that included virtually every type of transport airplane then in existence, and local managements that were reluctant to give up control.

One airline that was involved in the complicated acquisitions was Texas Air Transport, a small air mail carrier operating from Dallas and Fort Worth to Brownsville and Houston. This was the company that launched the aviation career of C. R. Smith, the man who was later responsible for building American Airlines into a leader in the industry.

Mr. Smith joined Texas Air Transport as treasurer in 1928. When Southern Air Transport was organized as a holding unit for Texas Air and affiliated companies, he became treasurer of the new firm, and later vice president.

In 1929, Southern Air Transport sold a large share of its stock to the Aviation Corporation and became a division of this nationwide system. Smith played a key role in the development of a southern transcontinental route that linked Atlanta with California, via Birmingham, Jackson, Shreveport, Dallas, Fort Worth, El Paso, Tucson, Phoenix and Los Angeles.

American Airways, Inc., predecessor of the present company, came into existence in January, 1930, organized by the Aviation Corporation as a means of bringing its several major operating units into one coordinated system. Smith became vice president of the new company in June, 1931, and was placed in charge of its southern division. Under his leadership, this division flourished into one of the most efficient airline units in the world, blanketing the entire South, from Georgia to the West Coast, until the industry-wide cancellation of all air mail contracts by the government, in February, 1934, forced a drastic reorganization of the entire air map, and brought American Airlines, Inc., into the picture as successor to the old company.

Smith was elected president of American Airlines in October, 1934, at the age of thirty-five. Over the next five years, he consolidated the company''s crazy-quilt routes into a smooth, sensible network, standardized its heterogeneous collection of planes with a new fleet of DC–3s, initiated the first comprehensive seat-selling campaign in aviation history, and raised American to leadership in the industry.

At the start of World War II, Smith resigned to become second-in-command of the Army's giant Air Transport Command. For his work in the organization and operation of ATC, Smith was awarded the Distinguished Service Medal and the Legion of Merit. His old boss, Lieutenant General Harold L. George, gave him "the principal credit" for ATC's success.

Finishing with the rank of major general, Smith returned to American as chairman in 1945 and served as chief executive officer until early 1968, when he was appointed Secretary of Commerce by President Lyndon B. Johnson. He was a member of the Cabinet during the last year of Mr. Johnson's administration.

Smith returned to American as interim chairman from September, 1973, until early 1974. He was succeeded by Albert V. Casey, who was elected chairman, president and chief executive officer.

The recipient of many honors in civilian aviation, including the Wright Brothers Memorial Award and the Billy Mitchell Award, Smith was named to the Travel Hall of Fame in 1973, the Aviation Hall of Fame in 1974, the Hall of Fame for Business Leadership in January of this year, and received the Tony Jannus Award this month.

In describing him as "a living legend in U.S. aviation" some years ago, *Time* magazine summed it up: "With the shrewd calculations of a gambler, the financial sagacity of a banker and the dedication of a monk, he has propelled American Airlines into first place in the industry—and in the process, has done more than any other man to improve the service and standards of U.S. airlines."

Smith now lives in Washington, D.C., where he is active in business and civic affairs. I talked with him at his home.

MINAHAN: What interested you in the airline business in the early days?

SMITH: I went from the University of Texas to the public accounting firm of Peat, Marwick and Mitchell, in Dallas, a splendid business experience. One of our clients was the Texas-Louisiana Power Company, Fort Worth. It offered me a job as assistant treasurer, and I served there for two years.

Texas-Louisiana Power was headed by Mr. A. P. Barrett. He believed there was a future for aviation, and he purchased control of a small air mail line, Texas Air Transport. He asked if I'd be willing to take over the operation. Well, I told him I had little ambition to be an aviator, but I'd take the job while he looked for a replacement.

But, after getting acquainted with the people in the airline, I had great respect and affection for them; they were pioneers, reminding me of the people who took the big wagons West in earlier days. I formed the conclusion that I'd like to stay in aviation and share its future.

MINAHAN: Barrett merged Texas Air Transport into Southern Air Transport, which was later acquired by the Aviation Corporation?

SMITH: Yes, he kept his investment in his original companies for a couple of years and then traded it for stock. The Aviation Corporation, New York, was formed soon after Lindbergh's flight, with the intention of buying up existing small airlines, hoping to put them together, ending up with a national system.

We did well until the Roosevelt Democrats came into office. They made the accusation that the airlines had been playing "footsie" with the former Republican Postmaster General in seeking mail contracts.

All air mail contracts in the industry were canceled. This resulted, for the time being, in the disruption of the entire airline industry, because most airline revenue came from carrying the mail.

While the airlines believed they had a good case, it was never tried in court. The difficulty was that in order to get back into aviation, new contracts would have to be secured from the new Postmaster General, and it didn't appear to be good judgment to be suing him.

In due time, the Administration concluded that the country didn't want to do without air mail service, and new bids for contracts were solicited for newly authorized routes. American lost many routes that it had pioneered, and lost much of its local investment. But, overall, American came out of the bidding with a more sensible system than it had had before.

MINAHAN: In the meantime, the many small companies controlled by the Aviation Corporation had merged into one company?

SMITH: Yes, at that time there were forty or more of these small companies, and these were merged into American Airways. But among the bidding requirements for new contracts was one that required a different corporation to make bids, and American Airlines was then organized, taking over the properties of American Airways.

MINAHAN: When did you begin operating passenger planes in your system?

SMITH: Well, like many others, we didn't want to be entirely dependent on air mail revenues. If the time-saving ability of the airplane was useful for the transportation of mail and express, certainly it should have great utility for passengers. Accordingly, we had pioneered many new air mail *and* passenger services, even prior to the air mail cancellations. The Post Office Department didn't want to be burdened indefinitely with subsidizing the carriage of mail, and insisted on the inauguration of passenger services as part of the new air mail contracts. Our passenger services, already well established in many parts of the country, were further augmented under the banner of American Airlines.

MINAHAN: You learned to fly in nineteen twenty-eight. Did you have any ambitions to become a regular airline pilot?

SMITH: No. I very much enjoyed piloting a plane, and secured a transport license, which I kept active for a number of years. But my flying was a part of learning the business.

MINAHAN: I've heard that in nineteen thirty-four, when you became president of the newly formed American Airlines, you actually knew most of your associates on a first-name basis.

SMITH: By then, I'd come to know most of the people in the southern division, our territory for operation. I also knew many of the people in other divisions, but, on a percentage basis, fewer. After I became president. I traveled much and became acquainted with more people. I could never say I knew all of the people, but I did know a reasonably high percentage of them.

MINAHAN: In those days, how important was the philosophy of long-range planning?

SMITH: We did the best we could, but the principal chore was getting the most out of what we had. Long-range planning became more widespread after we had done much to standardize the types of airplanes we had for operation. And standardization didn't come early or easily. The forty-odd companies we put together were found to own nearly every type of aircraft used for airline service. Our best opportunity for standardization came after the Douglas DC-3 became available.

MINAHAN: Some of the stories in the industry indicated that American had "invented" the DC–3. Is that true?

SMITH: No, the DC-3 was a joint effort between Douglas and American. We believed that an airplane better than the DC-2 could be developed, and encouraged Douglas to accept suggestions about how it could be done. A fine airplane was produced and American purchased the first twenty-five DC-3s from Douglas.

MINAHAN: During World War Two, you were the number two officer in the Air Transport Command. How much impact did ATC have on civilian airline operation after the war?

SMITH: ATC was the world's largest airline. At the end of the war, more than two hundred thousand people were serving ATC. It operated services to and from all theaters of the war, carrying millions of passengers. Also, for the first time in military history, wounded were flown back from abroad for recuperation in hospitals in the United States. In addition to passengers, ATC planes transported military supplies, often in very large quantities.

On a percentage basis, relatively few Americans had flown before the war. After the war, millions had used air transportation and become acquainted with it. Thus, ATC very much broadened the market for air transportation in the postwar period, benefiting all airlines, and, ultimately, airplane manufacturers.

MINAHAN: For the industry in general, was that experience a quantum leap, from the standpoint of technology?

SMITH: Wartime requirements clearly speeded the development of airplanes capable of long-distance flight with large loads. To get this done, it was necessary to have larger, more efficient power plants, well beyond the capability of piston-engined sources of power.

Obviously, this centered on development of the jet engine, discovered in relatively primitive form during the war, but refined to everyday usefulness in the postwar period. Most of the cost of developing efficient jet engines and airplanes was borne by the military services, in search of more efficient fighters and bombers, resulting in substantial additions to aviation technology. Later, these advances were translated into jet airplanes for commercial use.

MINAHAN: One of the wey points of your business philosophy is that the airplane is a tool and must be replaced when a more efficient tool has been developed. Where do you see the industry going after the 747 and DC–10?

SMITH: Historically, there have been few departures from the basic rule that better tools will be used and will crowd out older tools. And we were well on the way to developing a better airplane, the supersonic, when the program was canceled. The program got little support from the military services, and the total cost was too high for civilian financing. The airplane we intended should not be confused with the Concorde; ours was to be not only larger and faster, but also more economical to operate on a unit cost basis.

The 747 and DC–10 have given us a substantial step forward in the use of comfortable, efficient, long-range airplanes. Both will be in use for a long time. The supersonic will have to wait for a broader and larger market. But I continue to believe that the supersonic, well within our technical ability, will take its place in air transportation before the century is out.

MINAHAN: You've always contended that personal service and courtesy are of primary importance. With the advent of jet airplanes, with less time in the air and larger carrying capacity, along with the complexities of modern air terminals, are personal service and courtesy less evident to you, industry-wide?

SMITH: Personal service and courtesy are more needed than ever before, because, when you find them, they stand out sharply and are so gratefully received. As a nation, we're less and less courteous; we appear to be in too much of a hurry. But any company or industry that can establish a reputation for outstanding service and courtesy, and live up to expectations, has an unusual opportunity for competitive success.

After all, it doesn't often take more time to be courteous than discourteous, and both the recipient and giver of service and courtesy benefit by having a happier day.

MINAHAN: Looking back, who are the people who probably exerted the greatest influence on your life and career?

SMITH: First, my mother. My father and his family parted company quite early, leaving my mother to support seven children. She did her job with superb courage and understanding. She taught the children to be ambitious and to have the will to do their various jobs well.

Second, the University of Texas admitted me on a trial basis, because necessary admission qualifications were insufficient. Without this aid, I would have had little formal education.

MINAHAN: Did you work your way through school?

SMITH: Yes, I worked my way through both high school and college.

MINAHAN: When you started in the airline industry, were there any individuals who were particularly helpful in teaching you the business?

SMITH: I began working in aviation with nearly no knowledge about the facets and requirements of the business. I learned the business from my fellow employees, who were both patient and generous.

To single out an individual, I should name E. L. Cord, who controlled American for a number of years, and who was responsible for my election as president of the company. He was a generous friend and a brilliant businessman. I learned much from him.

WILLING HELPERS

Mr. BURDICK. Mr. President, ever so often I receive a letter or note in my Washington office which is ever so refreshing. It was my good fortune to find such a wonderful note and poem in my mail the other day from Mr. Ole A. Olson of Fargo. The poem, which was enclosed, was composed by Mr. Olson on the occasion of his 97th birthday.

Mr. Olson's poem is worth reading not only because it is lyrical and metrical, but also because it is the product of one of North Dakota's senior citizens. Mr. Olson has amply demonstrated that this art form is one for young and old alike. Reading Mr. Olson's poem gives us a pretty good idea of one pioneer's secret to growing old with grace.

However, Mr. President, Mr. Olson has also made a significant statement about Federal programs for the aging. His situation is one for which many of the programs under the Older Americans Act were designed. His experience is indicative of what an older citizen in our Nation can do with a small measure of Federal assistance and a good deal of cooperation and good will from neighbors and friends.

I heartily recommend Mr. Olson's poem to the attention of the Senate.

Mr. President, I ask unanimous consent that Ole Olson's poem be printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

[Written for my 97th birthday, Nov. 26, 1975]

WILLING HELPERS

As a Senior Citizen and blind,
I am fortunate to find
So many friends who render aid
Without a thought of being paid.

My neighbor's children never fail
To volunteer to post my mail.
A visit to my candy tray
Will be their unexpected pay.

They shovel the snow from my walks and drive,
And spray the grass to keep it alive.

My lovely children also share
In seeing I am treated fair;
They buy my clothes and food as well.
And treat me better than I can tell.
No one knows how good it feels
When people bring my meals on Wheels.
Come rain, come snow they're always on time,
And never receive a single dime.

Our winters may often have days filled with gloom,
But it all is forgotten when the Crocusses bloom.
To locate Heaven, with its pearly gates.
I'd place it in one of these Northern States.

Three score and ten is the average span
That nature has allotted to man,
But with the vigor of my Viking leaven,
I still enjoy life at Ninety-seven.

OLE A. OLSON,
Fargo, N. Dak.

(Copied from memory April 18, 1976.)

THE RIGHT-TO-FOOD RESOLUTION

Mr. HATFIELD. Mr. President, on September 25, 1975, I submitted Senate Concurrent Resolution 66, the right-to-food resolution. Since that date Members of both Houses of Congress have received overwhelming support for the resolution in the form of tens of thousands of letters written by constituents.

Public interest in food and agricultural development has been expressed through gifts to voluntary relief organizations. Private giving for such efforts amounted to nearly $600 million in 1975, according to the U.S. Agency for International Development. This is more than half of the approximately $1 billion appropriated for such purposes through the Foreign Assistance Act of 1975.

After lengthy debate, the Congress, late in 1975, agreed to place a priority on the humanitarian use of food aid and authorized the separation of humanitarian and military assistance in foreign aid legislation. The International Development and Food Assistance Act of 1975 limits to 25 percent the volume of U.S. concessional food aid that can be allocated to nations other than those having an annual per captia gross national product of $300 or less.

President Ford, through the establishment of the Agricultural Policy Committee, has recently reorganized the manner in which agricultural policy is determined. This Committee replaces previously existing groups and will report directly to the President.

The private sector recognizes the need for a food policy. The Congress has indicated that the humanitarian use of food aid and agricultural development should be a priority of U.S. policy. The administration recognizes the need for coordination of the machinery for determining domestic and international food policy.

But we have not yet articulated a basic philosophy with regard to the relationship between humanity and food. We do not yet have a comprehensive statement of food policy, a statement in the light of which legislation and questions of administration and procedure may be examined.

Mr. President, on March 31, 1976, 28 highly respected religious leaders in the United States issued "An Appeal to Congress" asking for the passage of the resolution to which they refer is Senate Concurrent Resolution 66. The House version is House Concurrent Resolution 393, sponsored by the Honorable Donald M. Fraser. Nineteen of my colleagues in the Senate have joined in cosponsoring the Senate version of the resolution; Congressman Fraser is joined by 52 cosponsors. This appeal and interest in a reasonable response to it is an encouraging development in the matter of establishing criteria for a national food policy.

Mr. President, I ask unanimous consent that the appeal, along with the names of the signatories, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

An Appeal to Congress

As religious leaders who care deeply about this nation, we call upon the Congress of the United States to pass without delay a resolution, now before both the House and the Senate, which affirms "the right to food" as a basic element of U.S. policy and action.

We believe that every man, woman and child on earth has the right to a nutritionally adequate diet. This right is not ours to give or take away. It is fundamental and derives from the right to life itself. The Declaration of Independence identifies the right to life as an unalienable human right coming from God who has created all persons equal. Without the food to sustain life, that right is made meaningless.

The resolution before Congress does not commit our nation to massive food handouts. Rather it recognizes the responsibility we have, in cooperation with other nations, of enabling hungry people to produce more food and to work their way out of hunger. Such efforts require some commitment of our resources, to be sure. But the costs are far cheaper than war, and much less than the cost of continued human misery.

Until recently hunger was unavoidable for much of the human family. That is no longer the case. We have the means to overcome hunger, and therefore hunger is no longer acceptable.

Substantial gains against hunger will not be quick or easy or cheap. But they are not beyond reach. They will require exceptional efforts on the part of rich and poor nations alike. And they will exact some sacrifice from all of us. The alternative, however, is a broken world that we do not want our children to inherit.

Within a few months the Right-to-Food resolution has won extraordinary support within the churches and synagogues of the nation. This support is deep and growing. Our people have expressed this in tens of thousands of letters to Capitol Hill. We now invite Congress to respond.

Passage of this resolution could indicate a turning point for the nation, and perhaps for the world. In the words of our colleague, Fredrik A. Schiotz, former president of The American Lutheran Church, "it might very well be recognized by future historians as a landmark in American history, the one single act that could cast a glow of new light over the bicentennial year and on into the future."

Favorable action on House Concurrent Resolution 393 and Senate Concurrent Resolution 66 would be a worthy way for the nation to mark its bicentennial. Such a commitment could once again enable us as a people to assume a role of distinguished leadership in the world.

Signers

John M. Allin, Presiding Bishop, The Episcopal Church.

Joseph L. Bernardin, President, National Conference of Catholic Bishops and Archbishop of Cincinnati.

Eugene Carson Blake, President, Bread for the World.

Robert C. Campbell, General Secretary, American Baptist Churches.

Terence Cardinal Cooke, Archbishop of New York.

Robert P. Dugan, Jr., President, Conservative Baptist Association of America.

Paul M. Edris, Moderator of the General Assembly, Presbyterian Church, U.S.

William F. (Billy) Graham, Evangelist.

Theodore M. Hesburgh, President, University of Notre Dame.

Archbishop Iakovos, Primate of the Greek Orthodox Church in the Americas.

Kathleen Keating, President, National Assembly of Women Religious.

Arthur J. Lelyveld, President, Central Conference of American Rabbis.

Arthur Marshall, Jr., President, Board of Bishops, African Methodist Episcopal Zion Church.

Robert J. Marshall, President, Lutheran Church in America.

Robert V. Moss, President, United Church of Christ.

D. Ward Nichols, Senior Bishop, African Methodist Episcopal Church, and Presiding Bishop of South Carolina.

David W. Preus, President, The American Lutheran Church.

Jacob A. O. Preus, President, The Lutheran Church—Missouri Synod.

Claire Randall, General Secretary, National Council of Churches.

James S. Rausch, General Secretary, U.S. Catholic Conference.

Marc Tannenbaum, National Director, Interreligious Affairs, American Jewish Committee.

Kenneth L. Teegarden, President, Christian Church.

Barbara Thomas, President, Leadership Conference of Women Religious.

William P. Thompson, Stated Clerk, United Presbyterian Church, U.S.A. and President, National Council of Churches.

Bert E. Van Soest, President, Reformed Church in America.

W. Ralph Ward, Jr., President of the Council of Bishops, United Methodist Church and Bishop, New York area.

Mordecai Waxman, President, Rabbinical Assembly.

Jaroy Weber, President, Southern Baptist Convention.

ROCKWELL INTERNATIONAL RESPONSE TO EDITORIAL "B–1 POLITICS"

Mr. GOLDWATER. Mr. President, on April 26 my good friend, Senator Culver, inserted in the Congressional Record on page 11178 an editorial appearing in the New York Times entitled "B–1 Politics." During my recent visit to Edwards Air Force Base to discuss at firsthand the B–1, I was handed the answer to this badly mistaken editorial by representatives of Rockwell International. I ask unanimous consent that it be printed in the Record.

There being no objection, the document was ordered to be printed in the Record, as follows:

Note to Editors

Rockwell International Corporation today sent the following cable to the New York Times in response to today's editorial, "B–1 Politics," which urged Congress to postpone a production decision on the B–1 bomber:

"Your editorial 'B–1 Politics' (April 26) indicates a serious lack of understanding of the weapon system acquisition process of the United States government. After many years as a respectful reader of the New York Times, I find this distortion difficult to comprehend.

"It suggests that a decision to place the B–1 into production should await yet another administration review in 1977 ignoring the fact that the program already has been scrutinized by three Presidents, seven Secretaries of Defense and a review by Congress each year since 1970.

"Your editorial would lead your readers into believing that a decision to build the B–1 should be made in November only when testing and development of the plane is completed. While the final Defense Systems Acquisition Review (DSARC) is scheduled for completion by that time period, the process is a continuing evaluation which has been going on since 1970.

"Well over ninety per cent of the test program has been completed, and is providing more detailed data about a new airplane than any military or commercial airplane ever built in this country.

"More than 700 individual parts of the B–1 have been structurally tested and an entire B–1 successfully completed eight months of static structural testing and is currently being outfitted and prepared for a first flight in late June.

"The first B–1 during its first year completed the most successful flight test program ever seen at Edwards Air Force Base according to Maj. Gen. Thomas Stafford, commander of Edwards. As of April 1976 the No. 1 B–1 had completed 30 flights totaling 145 hours. It had demonstrated it could meet all design mission requirements such as:

Low altitude terrain following penetration at 500 feet above the ground at just under the speed of sound——Mach .85 or 650 m.p.h.

Supersonic speeds at high altitudes—50,000 feet—and 45,000.

Supersonic speeds—1080 m.p.h. at 45,000 feet.

Compatability with the existing KC–135 Strategic Air Command tankers.

Heavyweight takeoffs at the full gross weight of 360,000 pounds.

Maintenance and logistics reliability by flying three test missions averaging six hours each in a 16-day period.

"In addition the Avionics Test B–1 made a highly successful first flight of 4 hours and 54 minutes on April 1 this year and all systems worked as programmed.

"It is important to note that this Department of Defense Review is completely independent of the congressional budgeting process which calls for evaluation of the program by defense committees, their capable staffs and by the General Accounting Office. Even though the Congress were to authorize the funds for the B–1, the airplane still would not be ordered into production until that Department of Defense Review is completed.

"However, if the congressional decision is delayed until next year not only will program costs increase by about $1 billion, but more importantly, Strategic Air Command units would not begin receiving airplanes until 1982 when the latest B–52 bomber would be 20 years old.

"Secretary Schlesinger, who your editorial quotes as favoring a cheaper 'stand-off bomber' to the B–1, certainly did not indicate this in his posture statement to the U.S. Congress on Feb. 15, 1975 when he said, 'Given the need to strengthen and modernize the bomber force sometime in the 1980s, I see no better alternative to the continued development of the B–1 bomber, notwithstanding its high cost.'

"That 'need' was underscored by a DOD Joint Strategic Bombing Study released in 1975 which probably is the most intensive and complete review of the nation's strategic forces by Army, Navy and civilian experts as well as the Air Force ever conducted. That study which examined all potential alternatives, including the standoff bomber employing cruise missiles, concluded that the B-1 is a necessary element of the nation's strategic forces.

"Modification of the 747 in a military configuration capable of carrying the stand-off missile—a program incidentally which is just entering its development phase—would cost approximately the same as the B-1, according to Air Force estimates.

"Your editorial calls for 'sound defense judgment' in the decision whether to place the B-1 into production. That advice should be carefully followed."

Crosby M. Kelly,
Vice President, Communications,
Rockwell International.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the Genocide Convention has languished in the Committee on Foreign Relations for over a quarter of a century. Recently the committee agreed, in executive session, to report out the treaty. It is heartening to know that we will at last be able to register our vigorous disapproval of the heinous crime of genocide. Nevertheless, in spite of endorsements of the convention by the American Bar Association, the Defense Department, and every President since Harry Truman, groups have begun a concerted effort to prevent the Senate's ratification of this basic guarantor of human rights. They do so on grounds of American sovereignty and the belief that ratification of the Genocide Convention will subvert our Constitution.

I have spoken countless times on why these arguments lack credibility. Apparently it is necessary to do so once more. The Genocide Convention provides a vehicle by which we may register our disapproval of genocide. In and of itself, it provides for no enforcement of crimes of genocide. It is not "world law"—it is merely a treaty, a convention. Opponents who say that our ratification would mean the prosecution of Americans by a world court are unequivocally wrong.

They go on to say that these alleged prosecutions would embarass the United States. That is not what will embarrass this country. What has embarrassed us and will continue to do so is the fact that we have bandied about the ratification of this treaty for over 25 years, and have not yet denounced this horrible crime.

Mr. President, every major world power with the exception of the United States has ratified the Genocide Convention. It is high time that we dispense with categorically false arguments against ratification and take favorable action now.

188TH ANNIVERSARY OF THE RATIFICATION OF THE U.S. CONSTITUTION BY MARYLAND

Mr. BEALL. Mr. President, 188 years ago yesterday the State of Maryland completed its ratification process for the U.S. Constitution. In this Bicentennial Year, it is useful to pause and reflect on the socioeconomic and political forces that were at work during the formative years of this Republic.

Almost as soon as the Revolutionary War was over our Nation's economy experienced serious setbacks. British ports and financial institutions were closed to American business and shipping. Gold was scarce and the paper money issued by the various State governments did not solve the problems of debtors and merchants. Bankruptcies and foreclosings were a common occurrence during the mid-1780's. Trade was limited not only because of the British embargo but because of the activity of privateers and pirates. The economic situation became more burdensome as the decade wore on.

Maryland was especially hard hit by the economic lag, and our ships were constantly plagued by Algerian pirates in the Mediterranean Sea. Grain harvested in the bumper crops of 1783–1786 had to be sold to Spain, France and Holland for disastrously low prices. Manufactured goods, previously obtained from England, were scarce on the European continent. An issue of paper money in 1781 failed to ease the economic crisis and the use of paper currency became a major and divisive issue. Even nature worked against the State as a severe winter kept Maryland's major port city, Baltimore, from opening until late in March. The State government was virtually paralyzed.

In September 1786, representatives from Maryland, New Jersey, New York, Pennsylvania, Delaware, and Virginia met in the State House in Annapolis to consider ways of amending the Articles of Confederation. The convention reached the conclusion that the Articles of Confederation could not be significantly improved and strengthened through the amendment process. They recommended that a larger convention, including representatives from all 13 States, be convened in Philadelphia the following May. They also recommended that further efforts to amend the articles be abandoned and a new organic law adopted.

The fight over paper money was still raging when Congress issued a call for delegates to the constitutional convention. Leaders of the currency fight were reluctant to leave Maryland while the dispute was continuing so lesser known figures including Luther Martin, James McHenry, Daniel Carroll, Daniel of St. Thomas Jenifer, and John Francis Mercer, were elected as delegates. Martin and McHenry became very important and active participants in the convention struggle.

Mr. President, Maryland was one of the few States which supported a unified national government in lieu of the governmental system existing under the Articles of Confederation. During the Revolutionary War, the State had sent troops to defend the citizens of New York, New Jersey, Pennsylvania, Virginia, the Carolinas, and Georgia. George Washington had depended heavily on Maryland troops and Marylanders had acquired a strong feeling of national unity during these campaigns.

During the postwar Confederation period Maryland's government had been unable to cope with the economic crisis and the State leaders came to the realization that they alone could not negotiate with Great Britain. There was no navy which Maryland could deploy to protect her shipping. Politically active traders, merchants, and manufacturers sent a petition to the State government underscoring the helplessness they felt and the hope that a new general government could solve their problems. The petition cited the many failures of the State in encouraging a viable economic climate.

The petitioners noted "the gloomy future this country exhibits" and wrote of "the number—of poor increasing for want of employment; foreign debts accumulating, houses and lands depreciating in value; trade and manufactures languishing and expiring." The signatories numbered 726 men, of whom only Daniel Carroll was well known.

The Maryland delegation to the convention reflected these nationalistic leanings. Only Martin supported any increase in State powers for the printing of money. McHenry supported increased commercial powers for the central government, including the power to levy taxes on imports.

Luther Martin was a central figure in the Maryland delegation, largely as a dissenter. He alined himself with the small States who feared domination by the larger States. Martin did not well comprehend Maryland's political and economic position. The State was small in area yet third largest in population of the Southern States and sixth largest of the Thirteen Colonies. In productivity and commerce Maryland ranked with the largest States.

Nevertheless, Martin opposed the system of representation based on population in the new National Government. He believed that slaves should not be counted for purposes of representation and taxation and argued that this would legalize the system of slavery and was "inconsistent with the principles of the Revolution, and dishonorable to the American character." Martin also proposed that Justices should have their elections controlled by the State. He did not like the idea of a strong Executive and feared the use of the veto power by the President.

Martin was a prominent orator and continually reminded the delegates that whatever they might propose would have to be approved by the people. Largely through his work, the Convention approved the equal representation of all States in the Senate but he remained opposed to the new Constitution. He remarked once to Daniel of St. Thomas Jenifer, "I'll be hanged if ever the people of Maryland agree to it," to which Jenifer replied, "I advise you to stay in Philadelphia lest you should be hanged." By the time the Convention adjourned only Martin and John Francis Mercer were opposed to the Constitution from the Maryland delegation but only Martin would refuse to sign it.

To gain the support for the ratification of the people of Maryland for the Constitution, Maryland Federalists began to organize their supporters and elect them to the House of Delegates. Samuel Chase seemed to be in favor of the Federalists and in fact had urged the calling "a convention as soon as it can conveniently be done." On other occasions he had spoken of the need for a national constitution. He was elected as a delegate, in part, because many thought him to be in support of the Constitution. After the election, he took an anti-Federalist stance.

The main tactic of the anti-Federalists was to delay passage so that the Constitution could be weakened with amendments and rendered useless. Maryland had anti-Federalists in sizeable numbers largely because the new system of government designed by the Philadelphia Convention contained prohibitions against State produced paper money and because the new Constitution contained no bill of rights, an omission explained by the fact that every State had such a bill of rights and it was deemed unnecessary to duplicate the State documents.

The House of Delegates, in which the Federalists held a narrow margin, authorized the election of a State convention to ratify the proposed Constitution. The campaign for delegates to the State convention was vigorous but in the end the Federalists won the delegates from every county except Montgomery where one out of the four delegates elected was an anti-Federalist, Anne Arundel where the county's entire slate of delegates went to the anti-Federalists, and Baltimore and Harford Counties, which also elected slates of delegates opposed to the Constitution. A total of 12 convention delegates were anti-Federalist.

Mr. President, the convention met in Annapolis on Monday, April 21. Seventy-six members were there and the small anti-Federalist minority was led by Samuel Chase, and William Paca—both signers of the Declaration of Independence—Jeremiah Chase and Francis Mercer. Martin had a sore throat and so could not use his celebrated oratory and as one Federalist, William Smith, put it, "saved a great deal of time and money to the State." Though he plotted at night in the taverns and inns, Martin was not an important factor in the final outcome.

On April 22, rules of organization were adopted for the convention and George Plater was elected convention president. Maryland's vote on the Constitution was a crucial turning point and other States were watching the outcome closely, so delegates pushed quickly for approval. Delegates overwhelmingly felt that the Constitution, because of the mandate given by the voters, should be approved without amendment. Paca and Chase spoke against the Constitution but were received with silence. Paca suggested amendments but was repeatedly interrupted by many other delegates. He conceded that he could delay the vote no longer. When the votes were tallied, ratification had been carried by a vote of 63–11. The anti-Federalists made further attempts to insert amendments but failed

Federalist leaders in Virginia and South Carolina took heart and pressed more incessantly for approval by their legislatures. It would be another year before the Constitution was ratified by all 13 States but Maryland had played a central role in gaining its final adoption.

DEATH TAX BURDENS OF SMALL AND FAMILY FARMS AND BUSINESSES RECOGNIZED BY THE WALL STREET JOURNAL

Mr. NELSON. Mr. President, I would like to invite attention to an article entitled "Death and Taxes" which appears in today's Wall Street Journal, and ask unanimous consent that it be printed in the RECORD for the information of all concerned. It is a good summary of the issues involved in the arguments surrounding some of these questions.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, April 27, 1976]

DEATH & TAXES—BIDS TO EASE BURDEN OF ESTATE, GIFT LEVIES LIKELY TO STIR DISPUTE; CONGRESS MAY ACT IN 1976, BUT SOME LIBERALS SEEK TO TIGHTEN TAXES INSTEAD; IS THE TAIL WAGGING THE DOG?

(By John Pierson)

WASHINGTON.—Some angry, some plaintive, the letters are pouring into congressional offices these days. A farmwife in Polo, Ill., writes: "We have mortgages on two farms in Ogle County. My husband is a cardiac, diabetes and dialysis patient. The increase in land value has horrified me and my children with the estate taxes as they now stand. It will mean we will have to sell—which we didn't want to do."

In this election year, there is a good chance that Congress will grant some sort of relief from the burden of federal estate and gift taxes. President Ford's promise to propose such a break for family farms and businesses earned him a loud round of applause from Senators and Representatives assembled to hear his State of the Union address.

The House Ways and Means Committee has completed hearings on the matter and will soon start drafting a bill. And Russell Long of Louisiana, chairman of the Senate Finance Committee, says he may try to tie estate-tax relief to a bill extending the income-tax cuts that now are due to expire June 30.

But complications lie ahead. Some liberals think the estate tax should be tightened rather than loosened. For every farmwife facing a forced sale to pay her husband's death taxes, they see a rich family taking advantage of "loopholes" in the present laws to pass along vast wealth from generation to generation.

A BREWING CONTROVERSY

Attempts to plug the loopholes will stir great controversy, which could doom efforts to ease the burden on the farmwife in Polo, Ill., and other not-so-rich Americans for whom the estate tax poses a genuine hardship.

"Even those who want to do something are fearful they might open the door to taxing capital gains at death," says Rep. Joe Waggonner, a Louisiana Democrat and leader of the Ways and Means Committee's conservative bloc. Under current law, gains on capital assets that aren't cashed in during life escape income taxation (but not estate taxation) when passed along at death—a situation that liberals deplore.

Thus there is some possibility that in the few months of work time left in this election-year Congress, lawmakers may not reach any agreement on estate and gift taxes. Yet the cry for estate-tax revision is so strong that even if nothing gets done this year, Congress will almost certainly change the law within the next two years.

HOW THE TAX WORKS

The federal estate tax works this way. When you die, the Internal Revenue Service tots up everything you own. Deductions are allowed for lawyers fees and other administrative costs, funeral expenses, unpaid debts, and casualty and theft losses incurred during settlement of your estate. Half of what's left may go tax-free to your spouse, further allowances are made for charitable bequests and $60,000 of the rest is exempt from tax.

Whatever remains is subject to the estate tax, with the rate rising in steps from 3% on the first $5,000 to 77% on the amount exceeding $10 million.

But before paying the IRS, your executor can take a credit for state death taxes, federal taxes on gifts you made within three years of your death estate taxes paid on bequests you received within the preceding 10 years, and foreign death taxes.

The federal gift tax is designed to prevent you from avoiding the estate tax by giving away your property while you're still living. You can give $3,000 each year to anyone tax-free and an additional $30,000 tax-free to anyone during your lifetime. Gifts to charity escape the gift tax, as does half the value of anything you give your spouse. Beyond that, gifts are subject to taxation at rates ranging from 2.25% on the first $5,000 to 57.75% on amounts over $10 million.

EFFECT ON FAMILY FORTUNES

Estate and gift taxes were originally imposed to raise revenue. But the two levies bring in only about $5 billion a year, less than 2% of today's federal revenue.

Recently they have been viewed as a way of preventing the continuation of large family fortunes, generation after generation. But, with inflation driving up land and other values many relatively modest estates, which would have escaped taxation in years past, now are obliged to pay. In 1945, only 1% of all estates had to pay any federal tax; in 1975, tax was due from the estates of 150,000 Americans, 7.7% of those who died last year.

The problem has become especially acute for farmers whose estates consist largely of illiquid assets such as land, buildings and machinery. Near large cities, in particular, the market value of farmland has shot up, leaving many farmers' estates with a big tax due and little cash to pay it with. Thus, some farm widows and children have been obliged to sell part or all of the farm to satisfy the IRS.

Smaller farms are often sold to large farming corporations. Therefore, it is argued, the estate tax is bringing about the very concentration of wealth it was meant to prevent. The same holds true, to a lesser degree, for small, family-owned businesses.

Some liberals maintain, however, that the extent of forced sales has been exaggerated. For the relatively few genuine hardship cases, Congress can provide some narrow relief, they say.

Liberals maintain that by subjecting more and more estates to tax, inflation simply has been making the estate levy hit where it should. The 7% of Americans who pay some tax are still the richest 7%, they say. Most plans for easing taxes on small estates would ease them even more for large estates. And with the government currently running huge deficits, now is no time to be cutting taxes, liberals add.

"To employ an increase in the estate-tax exemption to solve liquidity problems of deceased farmers is to let the tail wag the dog," declares Sen. Edward Kennedy, the leader of the Senate's liberal tax "reformers." "The ultimate thrust of tax reform should be to broaden the scope of the estate tax, not restrict it," the Massachusetts Democrat says.

But Congress is hearing a lot more noise from those who want to lighten the estate-tax burden. Here are some of their proposals:

EXEMPTION

Farm groups and others would raise the estate-tax exemption as high as $200,000 from its present $60,000. That would restore the tax to roughly its 1942 status as a levy on large estates, but it would also cost the Treasury $2 billion a year. To narrow the revenue loss, President Ford wants to raise the exemption only to $150,000 in equal steps over five years.

But liberals say the government has no business giving those Americans who accumulate more than $60,000 during their lifetime a tax break at the expense of those who don't. "We seem to be moving back to an era of 'entailed' and perpetuated wealth, which Thomas Jefferson deplored in 1776," says Rep. Charles Vanik, an Ohio Democrat.

Besides, liberals say, a farmer can avoid the estate tax by incorporating his farm and giving away shares each year to his wife or children. And he can take out life insurance to pay his estate tax.

But liberals recognize the enormous pressure for relief. If some must be granted, they say, better through a credit against tax due than through a higher exemption. A credit gives everyone an equal dollar break, while an exemption favors those in higher brackets. A $35,700 credit would permit an estate of $150,000 to escape tax, just as would a $150,000 exemption; but it would cost the Treasury far less when applied to all estates, big and small.

MARITAL DEDUCTION

Almost everyone, liberals included, feels that this tax-free allowance should be increased from its present 50% to better reflect the contributions that the husband and the wife make to the family's wealth. Farmwives, who often labor alongside their husbands from dawn to dusk, are particularly incensed at the government's taxing part of what they feel is rightfully theirs already.

President Ford has proposed that husbands and wives be permitted to give or leave their spouses as much as they like, tax-free. The IRS would have to wait until the property passed to the next generation before getting its share.

LAND VALUATION

If a farmer's wife or children want to keep farming after his death, it is proposed, the IRS should value the farm as a farm and not as a potential housing development. Under various bills in Congress, open spaces near cities, timberland and historic sites would also be taxed at their "current-use" value rather than their fair market value. Some of the measures provide that if, within five years, the heirs sell the farm for development, the government "recaptures" the lost estate tax.

But some critics warn that even with such a recapture provision, current-use valuation would lure many wealthy individuals and speculators into farmland. One solution: Let a person leave his land's "development rights" to the government or a charity to satisfy the higher estate tax that would be due if the land were given its fair market value. If the heirs later wanted to sell the land for development, they could do so only after purchasing back the development rights.

TAX DEFERRAL

President Ford wants to give estates of farmers and small businessmen more time to pay. Under his proposal, they wouldn't have to pay any tax for five years. Then they would have 20 years, instead of the present 10, to pay what is owed. Interest on the unpaid balance would be at 4% instead of the present 7%. These benefits would be phased out for estates valued between $300,000 and $600,000.

Opponents argue that this Ford plan amounts to a 45% reduction in estate taxes, equal to the amount of interest that could be earned on the unpaid balance.

RATES

Some groups favor lower estate-tax rates instead of, or in addition to, a higher exemption. Others say the rates should be restructured to switch more of the burden to the higher brackets. To ease the revenue loss from his proposed higher exemption. Mr. Ford would start taxing estates above his proposed $150,000 exemption at 30%, thus eliminating the lower rates that now apply to estates between $60,000 and $150,000.

GIFT TAXES

There are a number of proposals for easing the gift-tax bite. Some would increase the $3,000 annual exclusion, others the $30,000 lifetime exemption, others the 50% marital deduction. Still others would allow a taxpayer to credit the unused portion of lifetime gift-tax exclusions against his estate tax.

Congressional liberals, however, are resisting plans for softening both gift and estate taxes; instead, they want to tighten up.

GAINS AT DEATH

If you sell a share of stock while you're alive, you pay income tax—at half your usual rate—on any gain over your purchase price. If you leave that share to someone, it is subject to estate taxes but not to income tax on the unrealized gain. What's more, your death permanently wipes out your original purchase price as the basis for taxing the gain. Instead, your heir receives a "stepped-up" basis, the stock's fair market value at the time of your death. Thus, if he ever sells, he will pay tax only on the amount of gain since you died.

Thomas Reese, legislative director of Taxation With Representation, a lobby group, says that failure to tax capital gains at death "is one of the key elements perpetuating the aristocracy of wealth that arose in this country after the Civil War." Mr. Reese, Sen. Kennedy and others want to tax capital gains on assets passed along at death just as if they had been sold during life. This change would bring the Treasury $2 billion a year, they figure.

Taxing capital gains at death could easily wipe out the benefit from a higher estate-tax exemption and would, the Treasury says, fall especially hard on small farms and small businesses.

TRUSTS

When Nelson Rockefeller was being considered for Vice President, he disclosed that he had received $38 million, 83% of his taxable income, from family trusts during one 10-year period. Under present law, an individual can leave his assets "in trust" to his grandchildren, with the income from the property going to his children.

The transfer is taxed once, not twice, as it would be if the property were passed from parent to child each time. "Generation-skipping" trusts can escape taxation in as many as three successive generations.

Some liberals would subject generation-skipping bequests or gifts to a surtax that would more or less equal the taxes due if no generation or generations had been skipped.

FOUNDATIONS

When Ailsa Mellon Bruce died in 1969, a tax of less than 1% was paid on her $570 million estate because she left most of it to the Mellon Foundation. According to some critics, private foundations sometimes perpetuate private control of wealth giving little to legitimate charities. These critics would limit the estate-tax deductions for contributions to private foundations, a step that educational institutions and other charities fear would drastically reduce their income.

Thus, while almost everyone acknowledges you can't take it with you, there's little agreement on what should happen to it when you leave it behind.

SENATE CONCERN WITH THE PROBLEM

Mr. NELSON. Mr. President, the article mentions Senator RUSSELL LONG, chairman of the Senate Finance Committee, and should have noted that he has authorized a public hearing on estate and gift tax revision in the Senate Finance Committee on May 17, with the Senator from Minnesota (Mr. MONDALE) as chairman.

As chairman of the Senate Small Business Committee, as well as a member of the Finance Committee, I would like to point out that Senator MONDALE served as cochairman of a joint Small Business Committee public hearing on estate tax problems of family farms and small businesses on August 26, 1975, along with the chairman of the Joint Economic Committee (Mr. HUMPHREY). This was followed by additional public hearings held by the Small Business Committee on September 25, 1975, and extensive committee research on this subject, which resulted in the introduction of the following bills:

S. 2394, sponsored by Senator MONDALE, myself, and others;

A comprehensive Small Business Estate and Gift Tax Act, S. 2819, introduced by myself, Senator MONDALE, Senator HUMPHREY, and others on December 18, 1975; and

Most recently, S. 3139 and S. 3140, introduced by myself and Senator PACKWOOD, advancing the credit mechanism as an alternative to the exemption in providing relief.

It might be further observed that a delegation of Small Business Committee Senators, including Senator PACKWOOD, Republican of Oregon, and Senator HASKELL, Democrat of Colorado, and myself, appeared before the Ways and Means Committee on March 16 to argue for action during this Congress. We feel that our committee's work helped to crystallize the problems of the family farmer and the small business and encouraged the interest in the executive branch, which led President Ford to advance a set of proposals in January and March of this year. Now, at last, these issues, which are critical to the preservation of small business and family farm, and which had been buried for the past 3 decades, have finally emerged to the front pages of the Nation's respected business publications.

IMPACT ON FAMILY FARMS

It is just in time for a substantial portion of the Nation's farm and business families. Testimony in Small Business Committee hearings revealed that farmers had purchased their land 30 or 40 years ago at prices ranging from $50 to $100 an acre. Now the average is $354 an acre nationally, while it has reached $1,000 an acre in six States and is between $600 and $1,000 per acre in nine others.

Although not as well documented, the situation with business plants and equipment is similar.

Because of this, it is impossible in a growing number of cases to pay the Federal and State death taxes and still keep the farm or business in family operation. We are finding that farms are being broken up and independent companies are being merged or sold to absentee corporations.

Our Small Business Committee investigation found that the estate taxes are literally mowing down independent businesses at the end of every generation. When these are gone, it becomes increasingly difficult to replace them. University studies show that it takes about $200,000 to go into farming, and, for most manufacturing operations, the capital needs are probably the same or larger. Thus, over time, we are eliminating small or independent enterprises from large and vital areas of the American economy.

TIME FOR ACTION

The evidence about the detrimental effects of estate taxes has come in, and it is time to examine the many pending legislative proposals and take action. The Ways and Means Committee hearings in March, under the chairmanship of the Congressman from Oregon (Mr. ULLMAN), have done that, and I am pleased that the Finance Committee hearings of May 17 will serve this function. I expect to participate in those hearings, to advocate the viewpoint of the family farm and smaller business, and hope that meaningful action will be taken in this Congress to update these laws, to restore the congressional intent of past years, and to preserve a climate where small, family, and independent enterprise can be founded, can grow, and can be continued in local and independent ownership from one generation to another.

STUDENT REPLIES TO AIR FORCE ON B-1

Mr. PROXMIRE. Mr. President, on April 26 in the Milwaukee Journal a young man responded to a previous article by General Dougherty of the Strategic Air Command. Mr. Volkert answered General Dougherty's assertions that the B-1 bomber will be built at a relatively reasonable expense and that nothing is more important to the national defense. Apparently the general was also critical of those who oppose the B-1.

I can well understand General Dougherty's support for the B-1. He is in charge of our bomber fleet. He should not be expected to see any bomber program in a critical light. That would be asking too much. However, it is not asking too much of the general to request that he rethink his criticism of the motives lying behind those who oppose the B-1. To charge that B-1 bomber critics want to wish away defense problems is the worst kind of rhetoric and unbefitting his rank and stature.

His is not the only answer. Nor is mine. But those who are critical of the B-1 are every bit as much concerned about national security as is he. The critics believe that producing the B-1 will weaken our national security by taking vital resources away from other defense programs of more importance. There is a valid viewpoint and deserves serious examination by the Air Force.

Mr. President, I ask unanimous consent that the article by Thomas Volkert be printed in the RECORD. Obviously Mr. Volkert has done his homework and his rebuttal makes sense.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SPENDING BILLIONS ON THE B-1 BOMBER WOULD BE A TREMENDOUS WASTE

As one critic of the B-1 bomber program, I would like to respond to Gen. Dougherty's remarks in The Journal on March 24. In that article the SAC commander asserted with little evidence that the B-1 bomber would be built at a relatively reasonable expense; that nothing is more important to the country than the continuation of the B-1 program; that despite submarines and guided missiles a strong strategic bomber force is needed; and that B-1 critics don't understand the country's defense problems but want to wish them away.

Unfortunately, Gen. Dougherty failed to really confront this crucial issue with anything more than rhetoric. The Air Force has yet to prove that the B-1 is worth the $21.6 billion we will have to pay in the next 10 years.

There's no doubt the B-1 Bomber is the most expensive weapon to date. While Gen. Dougherty admitted that the B-1 would cost $21.6 billion, he failed to add that the whole system, which includes new tankers, weapons, fuel, and pilot, would cost at least $92 billion. And that's a conservative estimate!

But can we do without it? The answer is definitely yes. First of all, we currently have enough nuclear weapons to destroy every major city in the Soviet Union 34 times. Second, the importance of the nuclear bomber has steadily decreased. Within the last 10 years the percentage of vehicles that would deliver the nuclear weapons has shifted dramatically from bomber to missiles and submarines.

In the future, even with the B-1, bombers will carry only 23% of the nuclear arsenal. The reason for this is apparent to all except the supporters of the B-1: Missiles and submarines can deliver their weapons with less chance of being intercepted than the bomber in a fraction of the time it takes for the bomber to reach its target. To spend the most money on the least important weapon is ludicrous.

Currently the U.S. has three times the number of strategic bombers than the Soviet Union has. And the U.S. bombers, the B-52s, are operable—so says the Air Force—into the 1990s. If we have bombers at that time they will surely be unmanned or involve a combination of missile and airplane—both alternatives are now being developed and both would cost much less than the B-1.

Why, then, must Congress decide this year to commit us to buying this extremely expensive weapon when it is likely to go the way of the B-70 and the ABM? Perhaps the Air Force's fear is that the longer we wait, the more obvious it will become that the B-1 bomber is obsolete already.

Wisconsin people have a special stake in this issue because their state is one of many in which more money will go out than will come back into the state in contracts or jobs. This is intolerable when unemployment is so high. The fact is, many more jobs are created when the government spends money for domestic projects than when it puts money into military hardware.

Gen. Dougherty's remark about B-1 critics not understanding is ironic. It seems from my analysis that it is rather the B-1 supporters who don't understand. They don't understand how real human needs far outweigh the supposed need for the B-1. It's my opinion that if the nation's priorities—meeting human needs including an adequate defense—are reflected in how we spend our tax money in fiscal '77, the B-1 bomber won't have a chance.

The House of Representatives recently voted approval of a bill that would appropriate $1.5 billion for the start of production of 244 B-1 bombers. I urge you to write to your U.S. Senators and register your opposition to the B-1.

THE MYTHS OF SIGNIFICANT DETERIORATION

Mr. BUCKLEY. Mr. President, next week, the Senate is scheduled to consider S. 3219, the Clean Air Amendments of 1976. During that debate, the major issue will probably involve the provisions of section 6, the language that defines the existing requirement that clean-air areas be protected against deterioration.

In preparation for that debate, I have read some of the analyses of the bill that have been sent to Congress. If one is to rely on these assessments, our bill sounds exceedingly ominous: a source of economic stagnation and paralysis to growth. Such an assessment is wrong. It is wrong because the analyses of our bill are based on misconceptions and misstatements.

There is value in examining some of these statements, to compare them with the realities of S. 3219. One of the most startling publications is a broadsheet that carries no identification, but which has been circulated by the U.S. Chamber of Commerce. This statement appears among its specific declarations:

> Consulting geologists at Kent State University studied the impact of significant deterioration regulations on the 11 States where major portions of the nation's coal, oil shale and uranium are found.
>
> They concluded that—
>
> (1) New processing of approximately 90 percent of Kentucky's coal reserves could be prohibited;
>
> (2) West Virginia could suffer inhibitions affecting more than 86 percent of its coal areas . . .

This is a startling assertion, one deserving careful attention. But the assertion bears no relationship to the requirements of S. 3219.

This quoted statement is based on a study by Dr. John Anderson, made under contract for the American Petroleum Institute. Dr. Anderson, a geologist who holds the title of full professor at Kent State University, conducted his study based on 1974 regulations issued by the EPA. It was not based on the bill as reported by the Committee on Public Works. Its assumptions vary sharply from the requirements that are contained in S. 3219.

The Anderson approach was clear cut: it drew arbitrary, 50-mile buffer zones around nearly all Federal property: national parks, national monuments, national forests, and so on. It concluded that no energy development could take place inside any such zone. Because Kentucky and West Virginia and adjoining States contain extensive national forest areas, the chamber's document concludes that these coal reserves are untouchable.

But as I indicated, this conclusion bears no relationship whatsoever to the provisions of the bill that is before the

Senate. Mining is not even one of the specific industrial categories listed in the bill for coverage by State significant deterioration permit review.

In addition, only national parks and national wilderness areas are included in the Senate bill in the category relating to the Anderson study. Third, the Senate bill establishes no arbitrary buffer zones, but creates a mechanism for case-by-case review by the State of a proposed source's effect on the air quality values of the national park or the national wilderness areas.

Thus, S. 3219 will have no adverse impact on coal extraction in West Virginia, Kentucky, or elsewhere.

Mr. President, the critics of this bill have taken research that may—I repeat, may—be valid in interpreting present EPA regulations, and used it for a specious attack on the Senate bill. That is wrong, and I believe it should be so recognized.

In a quick check, I have found numerous statements and erroneous assertions that are being circulated by industry in an effort to undermine the committee's bill. I have put together a number of these points that I hope will help to clarify this issue for my colleagues:

Assertion: The committee's bill goes considerably beyond existing law.

Fact: The requirement to "protect" existing levels of clean air has been law since 1967. This bill defines that requirement more precisely, replacing existing EPA regulations with a defined Congressional policy.

Assertion: Class I areas will be off-limits to construction of new major, polluting sources.

Fact: That is correct. But as Class I areas are national park and national wilderness areas, logical and existing national park and wilderness legislation preclude development inside those areas of steel mills or refineries, the types of industry covered by the significant deterioration provision.

Assertion: The significant deterioration provision will have a more severe impact on some states than on others.

Fact: Just the opposite is true. By setting a single standard for determining significant deterioration, the bill equalizes the impacts as much as possible. Certainly this is true in comparison to the more rigid, three-tiered scheme in the EPA regulations, which industry now appears to favor.

Assertion: "The mandatory establishment of Class I zones will drastically limit, if not prohibit, the siting of large fossil-fuel electrical generating facilities in California." (Pacific Gas and Electric Co.). That company has circulated maps showing "how little of the State (of California) remains for development," based on 50-mile buffer zones around "California's national forests and national monuments." "These buffer zones, within which major sources will also be prohibited, can extend 150 miles." (Pacific Gas and Electric).

Fact: National forests and monuments do not receive Class I review unless the State and the Federal Land Manager agree to provide Class I designation for specified areas. Each plant-location decision will be made under the Senate bill after a case-by-case analysis on the air quality values for which a particular national park or wilderness is operated.

Assertion: Assateague Island National Seashore would be established as a Class I area and there would be a 55-mile buffer zone around the seashore "within which any industrial, commercial or residential development would be strictly limited." (Delmarva Power).

Fact: Any designation of a national seashore as a Class I area would be made jointly by the State and the Federal Land Manager; it is not mandated by the Senate bill. Each major facility proposal would be reviewed separately on the basis of air quality values; there would be no reference to a buffer zone. The provisions for analyzing significant deterioration involve only specified types of major new industrial sources; they have no impact whatsoever on commercial or residential development.

Assertion: "No new construction of a major facility may be begun in an area with air better than the Federal Standards without an EPA permit." (Deere and Company). The provisions on significant deterioration give "a single appointed official in Washington, D.C., the final say-so on how states and their citizens can use public and private lands." (Chamber of Commerce)

Fact: The Senate bill augments reliance on state authority. The bill requires a state permit, not an EPA permit. It is the present EPA regulations that could be construed as increasing reliance in Washington.

Assertion: In discussion expansion, a hypothetic plant might take up "65 percent of the allowable pollutant increment established by the Senate bill. But if, several years after our construction program is underway, significant construction is begun by several other employers or by a municipality in the same or nearby cities which uses up the remainder of our allowable increment (and this appears quite likely), we would simply have to stop building." (Deere and Company)

Fact: This is false. The Senate bill creates a pre-construction review process. Once the state agrees to permit construction of a facility, this legislation imposes no restrictions that could halt construction, unless the source violates the terms of the permit itself.

Assertion: "The technology necessary to determine with reasonable precision whether the proposed allowable non-deterioration increments are met is not presently available." (Deere and Company)

Fact: Prevention of significant deterioration involves a permit-review process, based upon fully available measurement and modeling techniques to determine the dispersion of anticipated levels of pollutants.

Assertion: This bill requires industry to study the air-pollution effect of a proposed plant.

Fact: That is correct. Existing law requires such examination in relation to the EPA regulations and through State implementation plans relating to ambient standards. It is prudent policy that the owner of any proposed major new industrial source—a steel plant or a power plant or a chemical complex—be required to tell the State what impact can be expected from that proposed facility so that State can judge whether it will adversely affect the State.

Assertion: Even in Class II areas, "smaller facilities with package boilers, such as small industrial, commercial, and public buildings, and large apartment houses, would also be restricted." (Chamber of Commerce).

Fact: This bill establishes a single national norm, allowing extensive growth up to that norm. According to Delmarva Power, "A plant as large as 2,000 megawatts could be built without violating the Class II increments for SO_2 or total suspended particulates (TSP) proposed by the Senate.

Assertion: "Any new or modified plant would have to use the best and most expensive air pollution control equipment, plus use the lowest sulfur coal." (Chamber of Commerce).

Fact: The significant deterioration analysis affect only a few, specified industries, not "any new or modified plant." Thus, it will not affect the vast majority of construction. The Senate bill does not require use of the "best and most expensive" pollution control equipment; it requires use of the "best available control technology," which is defined in the bill as a level to be determined on a "case-by-case" basis by each State, "taking into account energy, environmental, and economic impacts and other costs." Rather than forcing the use of "the lowest sulfur coal", the Senate bill seeks to promote the use of reasonable technology, thus encouraging industry to abandon its present posture favoring the burning low-sulfur coal in preference to the installation of control devices.

Conclusion: This analysis is not meant to encompass every statement and misstatement concerning the Senate bill. Rather, I am offering it in a brief attempt to encourage the Senate and the public to study the Senate provision in greater detail. I believe the Committee bill represents a reasonable guideline, one that will provide both for environmental protection and industrial growth. The Senate bill, ironically, is responsive to the requests of industry clarification of the significant deterioration language. Now the object seems to be to sweep our efforts under the rug in hopes the whole thing goes away.

QUEEN ISABELLA DAY

Mr. SPARKMAN. Mr. President, while the Senate was in recess for the Easter season, an event occurred which I feel is worthy of special recognition in our Bicentennial Year. April 22 was the 525th anniversary of the birth of Queen Isabella of Castille.

Queen Isabella, as we all know, helped to finance the first expedition of Christopher Columbus to the Western Hemisphere. Although there are disputes as to which was the first expedition to the New World, it is undisputed that the discoveries of Columbus led to a new awakening of interest in Europe in exploration and expansion. Without this new interest the course of our history would have been radically different. Queen Isabella was a remarkable woman to place her trust and money with an individual who was considered mad by many so-called learned men of his day. Without the financial and moral support of this enlightened woman, Columbus' efforts to turn his dream into reality would have failed. It is indeed fitting that in a year when we remember the important events leading to the creation by our Nation that we pay tribute to Queen Isabella. By recognizing the contributions of Queen Isabella to this Nation we can also recognize the debt this Nation owes to Spain and the Spanish people for their work in exploring, settling, and developing large portions of what is now the United States. My home State of Alabama is proud of its heritage from Spain, and Alabama was the first State to proclaim a day in honor of Queen Isabella.

THE NEED FOR PASSENGER TRAINS

Mr. TAFT. Mr. President, the Dayton Journal Herald of Dayton, Ohio, recently printed two excellent articles on the need for passenger trains, which I would like to bring to the attention of my colleagues. These articles, one a column and one an editorial, outline some of the arguments for not only continued but expanded rail passenger service.

I have been working for several years to get more and better passenger train service for the State of Ohio. Last fall, the first of my projects succeeded with the inauguration of the Lake Shore Limited, serving Cleveland, Elyria, and Toledo, Ohio. That train, within its first month of operation, was the third busiest train in the entire Amtrak system. It continues to provide service to over 20,000 passengers per month.

The success of the Lake Shore Limited disproves the claims of some that Amtrak's trains are inherent failures, in terms of numbers of people carried. Another Ohio route, the Broadway Limited, also usually carries over 20,000 people per month. The remaining Amtrak routes through Ohio have potential to equal this performance if they are ever given a chance to operate over decent roadbed.

Trains on the Cleveland-Columbus-Dayton-Cincinnati and Cleveland-Youngstown-Pittsburgh routes would have a great potential for commercial success. These corridor routes should be able to return a profit to Amtrak, just as the Northeast corridor route now does. I am continuing to work with the government of the State of Ohio to bring service to these routes.

Other States have service needs as valid as these I have discussed in Ohio. They are valid not only in terms of the need of the local people for the service, but in terms of having the potential to haul large numbers of passengers and, in some cases, to return a profit. We need to expand Amtrak service to include these routes, not to cut back service by agreeing to the inadequate funding for Amtrak proposed by the administration.

Mr. President, I ask unanimous consent that these two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE FUTURE OF RAILROADS IN AMERICA

(By Harold R. Piety)

William T. Coleman is an intelligent, engaging and appealingly candid public official in a city where public officials are generally distinguished neither by intelligence nor candor—especially the latter.

So when Mr. Coleman, a Philadelphia lawyer (yes, they do exist) who is secretary of the U.S. Dept. of Transportation, delivers himself of a scorching denunciation of Amtrak, the federal agency presiding over the death throes of railroad passenger traffic in the United States, reasonable men can assume that Mr. Coleman will turn a deaf ear to Amtrak's entreaties for more federal subsidies.

Mr. Coleman's remarks about Amtrak were made to a group of journalists attending a conference on the urban crisis, sponsored by the Washington Journalism Center. Implicit in the transportation secretary's remarks was the view that more funds would be available for urban mass transportation systems if the federal government were not wasting so much money on intercity railroads, "which carry less than one-half of one percent of all intercity passenger traffic," Mr. Coleman thundered.

Americans, he insisted, had to rid themselves of their romantic notions about railroad travel. Intercity trains, except in a few cases—the Boston-New York-Washington, D.C. corridor, for example—were dead. People simply would not ride trains cross country, say, from Washington, D.C., to Chicago.

One soft-spoken, self-effacing journalist, who identified himself as a card-carrying member of the National Assn. of Railroad Passengers, rose to take exception. I was present, and can report with some accuracy what the fellow said. Indeed, as I recall, he said he was taking the strongest—that was his very word—the strongest exception to the secretary's remarks.

"Sir," he said tactfully and deferentially, "it is monstrous and irresponsible to use passenger figures from intercity trains like the National Limited and the James Whitcomb Riley and assume that they represent the level of public support for intercity passenger trains.

"These trains, and a good many other ones, run over abominable roadbed, on badly worn track, with mismatched and malfunctioning equipment, on a schedule drawn up by a lunatic, and with an on-time record that would embarrass a snail. (Indeed, the fellow was correct. I have ridden some of the trains he mentioned.)

"Catching such trains at poorly-maintained, badly-lighted stations is a harrowing undertaking, fraught with some peril. Riding such trains is a physical ordeal, especially on those frequent occasions when the heating or the air conditioning systems are not operating properly.

"I challenge you to offer the American people passenger trains operating at 125 to 150 miles an hour, running punctually and often, on welded rails over well-maintained roadbed. From downtown to downtown, such trains would compete in time with airlines at distances up to 300 miles (he scored on this point), and in comfort and convenience at distances up to 500 miles. And they would compete with airlines on price at any distance.

"And I submit to you, sir, (the fellow was well-spoken, though given somewhat to understatement) that if the federal government were not subsidizing the airline industry, railroad travel, even under the execrable conditions now obtaining over most of the country would attract more riders.

"And, might I add that it is rubbish of the most irrelevant and misleading sort to say that people won't ride the train from Washington to Chicago, or from New York to St. Louis. Some will ride from Washington to Huntington, W. Va., and from Huntington to Cincinnati, and from Cincinnati to Indianapolis, and so on. And some will ride from New York to Cleveland, and from Cleveland to Toledo, and so on. (Oh, marvelously well said, I thought) Some will travel all the way, whether because of nostalgia or comfort or fear of flying. Others will not, but the need for trains that run the entire distance is unchanged.

"When the fuel efficiency of the passenger train (400 passenger miles per gallon for an electric train) compared to a jetliner (20 passenger miles per gallon for a Boeing 707, 30 for a Boeing 747) the necessity for the redevelopment of a comprehensive intercity railroad network becomes obvious. It is not a matter of romanticism, as you suggest, Mr. Coleman. It is a matter of cold, unemotional economics. The cheapest way to move large quantities of goods—and people—is by rail."

Well, I must say that I found the fellow's words to be very logical and very persuasive. Whatever their effect on the transportation secretary, they convinced me that railroads have a future in America.

PASSENGER TRAINS—OHIO NEEDS MUCH MORE THAN 3-C ROUTE

It is hard to quarrel with a local passenger train spokesman, who has expressed a willingness to trade the National Limited, which runs from New York to Kansas City, with a stop in Dayton, for the so-called "3-C" route, which would link Cleveland, Columbus, Dayton and Cincinnati.

David Marshall, former president of the Ohio Assn. of Railroad Passengers and a member of the board of directors of the National Assn. of Railroad Passengers, says Ohio would be better served by the 3-C route and perhaps a line linking Dayton with Toledo and Detroit and Cincinnati.

A combination of factors, including but not limited to railroad greed and mismanagement, union greed and stubbornness, oppressive and destructive governmental regulation, general American affluence and the regrettably short-sighted promotion of air travel, have contributed to the decline of rail passenger service.

But the incontroversible fact is that no more efficient way has ever been devised for moving large numbers of people and large quantities of goods than the modern railroad. The fuel efficiency of the train so far exceeds that of the modern jet airliner that a comparison between the two is ludicrous. Moreover, with available technology in trains and roadbeds, a modern highspeed passenger train can compete very effectively with jet travel in terms of time at distances up to about 500 miles.

There remains also a sizable market for transcontinental trains, Amtrak's experience to the contrary notwithstanding. A remarkable number of people continue to ride the National Limited despite incredibly bad track, shocking unpunctuality and a schedule seemingly designed to discourage riders.

The number of riders declined during 1975, but then the quality of service declined as well. In this regard Amtrak seems merely to be employing the tactics the railroads themselves used when they sought Interstate Commerce Commission permission to drop passenger routes. They first used every devious tactic possible to discourage riders, and then used declining ridership to support their case for dropping the service.

What kind of demand there might be if trains ran over well-maintained track, at 100 to 150 miles per hour—on time—and with sufficient frequency to make rail service a viable alternative to air travel can only be guessed at. But we believe it would be large.

The American love affair with the automobile is far from over, as we have said many times. And the demand for swift intercity travel will keep jet airliners flying. But the increasing cost of petroleum, the problems of air pollution connected with the automobile, and the space demanded for jet airports, all point to a growing need for a strong intercity rail network.

It is a sad commentary on the distorted vision of national transportation planners that Amtrak still talking about reducing service, and the newly-organized Consolidated Rail Corporation created to operate freight trains in the northeastern part of the United States is talking of abandoning several thousand miles of track. Such actions guarantee that the ultimate restoration of adequate rail service in the United States will be a painfully costly undertaking.

METALS PRICE INCREASES THREATEN PRICE STABILITY

Mr. HUMPHREY. Mr. President, we all are gratified by the stability of both wholesale and retail prices in the past several months. The sharp price increases for steel and aluminum announced in the past week, however, are a startling and ominous change for the worse. Increases of 5 to 7 percent for these basic metals mean faster consumer price inflation without a doubt in the summer and fall. If they set a pattern for other powerful industries, this pattern could derail an extended economic expansion and shatter hopes to reduce unemployment.

The price increases for steel and aluminum come together with first quarter profit reports from these industries showing sharp profit declines compared to the first quarter of last year. The main cause of these lower earnings in the steel sector, however, is the decline in output and plant utilization between early 1975, when the industry still was riding the runoff of the 1974 steel boom, and the first quarter of 1976 when it was in the doldrums. Production of steel declined by about 12 percent in that period. Capacity use in both steel and aluminum remains at about 80 percent.

The business cycle for basic metals typically lags the rest of the economy, and profits will pick up quickly as output gains. I might point out, by way of illustration, that first quarter earnings in the oil industry, whose refinery utilization rose by 6 or 7 percent from March 1975 to March 1976, are up by 50 to 100 percent.

It should be emphasized that steel and aluminum prices, after enormous increases of over 40 percent in 1974, never declined during the recession as in all previous downturns, despite the fact that this recession was exceptionally long and severe. Rather they continued in mid-1975 to edge upward.

Both the steel and aluminum industries have stated that they need higher prices to finance needed capacity expansions. But let me point out that interest rates, which are an important component of the cost of investments, are themselves quite sensitive to the rate of inflation. Continuation of price stability is absolutely essential to permit long-term interest rates to come down from their inflation-swollen levels and to keep short-term interest rates stable. In this way, continued price stability actually would reduce the costs of new capacity. But renewed inflation would drive interest rates up again and escalate the costs of financing the very facilities that the initial price increases are intended to cover. Higher interest rates would depress bond and stock prices again and endanger the financial recovery of the entire business sector, whose strength has been sapped by several years of poor business. In this way, renewed inflation ultimately could stifle the economic recovery and bring on a new recession.

To preserve the present economic recovery, therefore, it is imperative for industry leaders to bear in mind the long-run impact of their decisions on the economy at large and to act accordingly. I also call on the Council on Wage and Price Stability to continue its policy of subjecting the justification for administered price increases to the most rigorous examination and to report its findings to the public. Finally, I urge the President, whose concern about inflation is well known, to use all of his persuasion and powers in the cause of maintaining stability in the administered price sector.

CONCORDE

Mr. BUCKLEY. Mr. President, as my colleagues in the Senate are well aware, I have vigorously opposed the impending flights of the Concorde into the John F. Kennedy and Dulles International Airports, and have long advocated implementation of aircraft noise abatement technology.

In recent decades, airport operators and airport neighbors throughout the Nation have had to deal with the burden of an increasing volume of aviation noise. They have attempted to cope through local operation restrictions, efforts at Federal legislation and citizen suits. Their successes have been expensive and few.

Mr. President, I believe it is high time we laid down a clear and effective strategy for reducing aviation noise. EPA Administrator Russell E. Train has presented an interesting approach to this problem that I commend to our colleagues. I, therefore, ask unanimous consent to have printed in the RECORD the remarks made by Administrator Train before the Inter-Noise '76 Conference on April 5, 1976.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

QUIET PEOPLE LIVING HERE: A STRATEGY FOR COPING WITH AVIATION NOISE

Remarks by the Honorable Russell E. Train

It is not often that a group as large and diverse as this gets together, not to raise the decibel level, but to lower it—not to make noise, but to explore ways of controlling it. I am especially grateful for the opportunity to be with you this Monday morning after having spent the weekend at my farm on the Eastern Shore of Maryland where the splash of fish and the call of wild geese are often among the loudest sounds to break the general calm and quite, and where I am able, sometimes, to enjoy the rare experience of hearing myself think.

The whistling swans had all gone about two weeks ago on their annual migration to the far north of Alaska and Canada. Most of the Canada geese had also departed by last weekend for Hudson Bay and points north. With their departure have come the osprey, slowly recovering from the near collapse of their species, wheeling and diving overhead with their shrill, high-pitched cries that make us look up and search the skies. These are seasonal changes and, because they help herald the marvelous cycles of nature, we find them exciting, anticipatory of changes to come. There are other noises, of course, mostly man-made, which know no seasons, and the constant flight of aircraft overhead, large and small, are among these.

The EPA noise control program is, as you know, one of the youngest of our major environmental efforts, and we have—quite frankly after something of a slow start—finally begun to make some real headway in carrying out our responsibilities under the Noise Control Act of 1972. In fact, just this last week I signed the most important noise control regulation to be issued by EPA to date—the new product standard under Section 6 of the Act for medium and heavy duty trucks. The standards will actually save this country money since the fuel savings achieved by the standards will be greater than the cost of the noise abatement. This is a dramatic case where less noise means more efficiency! The Director of the EPA Noise Office, Chuck Elkins, will be talking to you later about the details of our noise control effort, and we have prepared for distribution to you today a small booklet that sums up our progress thus far. So rather than recite a long laundry list of things we have done, and plan to do, I'd like to address this morning a noise problem that was a matter of major national concern more than 25 years ago, which we have done little to alleviate in the years since, and which today must rank—along with the problem of noise in the workplace—as one of the most acute noise problems that confronts us—I speak of the problem of aviation noise.

For some 25 years now, communities around the major airports of this country have experienced an ever increasing exposure to noise. Day in and day out, millions of people in this country are deluged by the din of airplanes landing and taking off over their homes. Very many of these people are subjected to noise levels so high that according to the best scientific evidence now available they run a very real risk of actually having their hearing affected. Opening a window to enjoy a warm, spring breeze, using the patio in comfort for a barbeque, relaxing in front of a TV set without being disturbed, or carrying on an uninterrupted conversation with a friend in the comfort of our homes: These ordinary, everyday activities which the rest of us take for granted, they cannot enjoy. We can, with some assurance, estimate the physical effects on those people of prolonged exposure to airport noise levels. There is no way we can measure the profound mental and emotional distress they must endure.

The problem is compounded by the sense of utter hopelessness and helplessness that overwhelms them. They have often given up hope that they can do anything themselves to avoid this misery except to move. They doubt that any governmental agency or private group will do anything about it. When they have tried to get things done. They have experienced only a most dizzying and disheartening round of "buck-passing." No one seems to have the authority, or the power, or the will to give them any real help. No one seems to be in charge. At least no one will admit to it.

The manufacturers assert that they have already done their part by building planes to meet the FAA's 1969 noise standards for new aircraft—the FAR 36 standards. The air carriers point out that they would buy quieter planes if their economic picture were not so bad. Some pilots insist that the safety of their passengers is jeopardized by noise abatement procedures, that such procedures are not very effective anyway, and that it is the source of the noise, the airplane, which should be quieted. Many airport proprietors insist that they would like to help, but the FAA has preempted them, and thus their hands are largely tied. The Federal Government has asserted the right to be in charge, and has proposed a lot of noise abatement rules, but seems to have difficulty in getting them promulgated. Urban planners and city councils insist that the airport planning process does not include them and that, even in those rare cases where they do get involved, their traditional tools such as zoning do not seem very effective. In short, the noise impacted citizen is left to his own devices: Either move, or close his windows, turn up his TV, grin and bear it.

I might say as a footnote here that the last thing we need to add to the very difficult situation at such impacted airports as John F. Kennedy is the Concorde—a brand new type of aircraft and yet already so out of date—which is even noiser and thirstier than the rest. In short, the Concorde is an anachronistic piece of technology which is out of phase with the noise and energy policies of this country and, I suspect, of much of the world beyond our boundaries.

The problem is, in other words, that aircraft noise is always somebody else's problem. And nobody, as a result, seems to feel that they have the authority or ability—even if they have the inclination—to do much about it. Each of the excuses I have cited is perfectly understandable. No one wants to be the "fall guy," the one who has to carry the whole burden of solving a very serious and complex problem. It is natural to want to wait until someone else takes the step. But when you put all these "excuses" together, they add up to little or no action at all. The people who live next to our nation's airports are the most directly affected by this persistent failure to act. But they are by no means the only ones.

Many airport proprietors are now defendants in hundreds of millions of dollars worth of lawsuits. These suits are stifling the initiative of our airport proprietors and threatening to place them under intolerable financial burdens. The building of new airports, and the expansion and modernization of existing ones, have been substantially slowed primarily because of legitimate environmental concerns on the part of our citizens. Many of these improvements are needed for the efficient operation of our national air transportation system.

As long as we continue to do little or nothing about the problem of aviation noise, not only will those who live near airports continue to suffer, but the growth of the entire aviation industry itself will continue to be impaired and impeded by such uncertainties as: What further abatement will be required of the aircraft manufacturers? What procedures will be required of the pilots? What aircraft and operational restrictions will be imposed on the Nation's airlines? What impact will growth of the local airport have on land use around the airport? The list is almost endless.

How have we gotten ourselves into this dilemma, a Nation justly proud of the highly efficient and safe air transportation system which has revolutionized travel and communication for our citizens? How have we allowed everyone to seemingly pass the buck for so long on a problem with such far reaching implications?

We cannot say that we were not warned. Harry Truman, who made a point of living by his motto, "The buck stops here," convened a President's Airport Commission, the so-called Doolittle Commission, in 1952 to look at the growing airport system. The result was a report whose recommendations are as valid today as they were in 1952.

The Commission concluded, among other things, that: "Some excuse may be found for failure to have foreseen the rapid rate of aeronautical progress in designing airports in the past, but it is to be regretted that more consideration was not given to the comfort and welfare of people living on the ground in the vicinity of airports. To be sure, many settled near an airport after it was in operation, with little realization of the potential nuisance and hazard. The public cannot be expected, however, to anticipate technical developments and it should be informed and protected by the responsible authorities."

It followed this conclusion with some specific recommendations that, had we acted upon them, would by now have brought the problem of noise well under control.

Today, nearly a quarter of a century later, we continue to ignore the advice of his Airport Commission and several commissions and reports since.

Rather than dwelling on why this happened, we should ask, I think, why must this situation persist? And if we take a close look at the situation, we cannot escape the conclusion that there really is no good reason at all why it should exist.

Take, to begin with, the argument—or excuse—that no one group has the authority to solve the whole problem. This statement has some truth to it, but in no respect does it mean that nothing can or should be done. I used to hear this same argument in air and water pollution: "Cleaning up my factory will not make the river or air clean unless others abate too, so why should I do anything?" If we had accepted this argument, we would have never made any progress at all in cleaning up water and air pollution in this country. Everyone needs to pull his share of the load.

The air carriers can and should retrofit or replace the many noisy aircraft remaining in their fleet. The pilots can and should fly their aircraft more quietly by following the noise reduction methods of some of the more progressive air carriers. The aircraft manufacturers can and should make aircraft substantially quieter than they are today. The airport proprietor can and should take actions such as using preferential runways, imposing curfews where possible, necessary, and beneficial, and buying land and putting it into compatible use.

The public officials and urban planning professionals in our communities can and should use existing land use controls and develop new ones to insure that the land exposed to high noise levels around airports is put into compatible use. The Federal Government, instead of saying "no" to local officials and airport proprietors, should encourage them to plan and implement a noise abatement program.

A second obstacle to progress in reducing aviation noise is the often unspoken assumption that the solution is solely technological and that the whole question of aviation noise abatement is so technical that no ordinary citizen or policy-maker can possibly understand it well enough to take part in the decision-making. The layman, in other words, has no choice but to throw up his hands and leave it all up to the experts.

Those of us in the aviation noise abatement business, including EPA, certainly are more aware of the complicated technical and legal aspects of this problem, and I do not mean to understate how technically sophisticated this subject is. The fact remains, however, that the decision on how much noise abatement is necessary, and what the public should be willing to pay for that abatement, is not simply a technical judgment. It is also and perhaps primarily a value judgment about the quality of life that we want in this country. People with technical knowledge in this field are no more and no less qualified to make such a value judgment for the people of this country than anyone else. It is essential that we open-up the decision-making process on airport noise to include those people who are not technically trained in this area, but who have a right to participate in the value judgment which must be made. In this field, as in other fields of environmental quality, those with a technical knowledge need to acquire much more humility about their right to impose their values on their fellow citizens.

In this regard, one of the most neglected, yet important, aspects of aviation noise control is the area of land use. The Seattle/Tacoma Airport, for instance, is a classic example of how we have failed to reckon with the airport as a drawing card for land development. When it was built, the Seattle/Tacoma Airport was surrounded by a vast amount of undeveloped land. Today, many years later, it is one of the Nation's most severely impacted airports. This same scenario has unfolded at dozens of our Nation's airports. Once the land is developed, it is, of course, tremendously costly to buy up for noise buffer zones. The airports of the country are faced with hundreds of millions of dollars of lawsuits for noise damages which can be only partially reduced by aircraft standards and operational controls.

All the blame obviously does not rest with the airport operator or the air carriers or the Federal Govenment. Land use control is traditionally the responsibility of local authorities. But even when normal land use controls have been used, they have not always proved strong enough to withstand the powerful forces in favor of developing the land near airports. All of us, I am sure, find it a little difficult to sympathize with people who have moved into neighborhoods around our airports after the airports are already there and operating. It seems somewhat unjust to impose upon the airport proprietor the expense of compensating people who have knowingly moved into the impacted neighborhood. Before we criticize such people however, we need to remember that the impact of noise on people is not widely understood or appreciated in this country, and it is somewhat presumptuous of those who are expert in this subject to assume that people moving into homes near airports fully comprehend the psychological, social and physical impacts of this noise day-in and day-out. One might hope that the cost of homes in the neighborhood of airports would reflect the impact of the noise, so that people buying these homes would in effect be put on notice about the detrimental effects of the noise. However, it is not at all clear that the market price accurately reflects the noise impacts upon the neighborhood, and real estate salesmen have been known to show people new houses at those hours of the day when the fewest flights are scheduled.

In at least one case in California, the court has found that people are eligible for nuisance payments even in situations where they have already received compensation for the taking of their property.

During the last 9 to 12 months, I have been seeing some hopeful signs that we will be able to break out of the holding pattern we have been in for so long on aviation noise. I have been encouraged by some tentative steps that the groups involved have recently taken to explore joint solutions to the noise problem around our Nation's airports. These signs include:

A new FAA proposal for stricter FAR 36 levels, bringing the national standards for aircraft manufacturers more into line with what is achievable with current technology.

FAA's recognition and promotion of the concept of airport noise planning and abatement.

An indication from the Department of Transportation that a final and, we hope, a favorable decision on retrofit is imminent—a decision which is the keystone to the success of any aviation noise abatement effort.

Some indication from the leadership of the airlines and pilots that they may be ready to accept and promote noise abatement takeoff and landing procedures.

Actions on the part of several airport proprietors, with Los Angeles the most publicized example, which demonstrate a commitment to deal with their noise abatement problems and, if necessary, to do so without waiting for Uncle Sam to lead the way.

I would hope that, in fact, Uncle Sam will lead the way, with the FAA in the forefront. This will provide the national leadership which we all desire and help put an end to the buck passing which has had such debilitating effects in the past. I am encouraged by the initial efforts of the FAA Administrator, John McLucas, in this regard, and EPA stands ready to give him all the help it can in dealing with this difficult problem.

What, specifically, do we need in the way of Federal leadership? To begin with, I believe the aircraft manufacturers need to have the Federal Government establish national aircraft standards in a manner which will give them adequate lead time to adjust their design and production processes and assure them a ready market for these quieter aircraft. Significant improvements in technology will be possible in the future, and the Federal Government must project these improvements and codify society's expectations into mandatory standards with sufficient lead times. The practice of waiting until the new technology is being used by some manufacturers, and then legislating its use by all, has not provided the environmental protection which we have needed; and it has not given the aircraft manufacturers firm design targets.

With regard to the airline pilots, it has been clearly demonstrated by some airlines that we can employ, at the Nation's airports, quieter landing and take-off procedures than those which are used by most airline pilots. As an added benefit, these procedures can save fuel. Northwest Orient has indicated that it saves almost $3 million in fuel costs each year because of these improved procedures.

The Federal Government should firmly identify those take-off and landing procedures which are both safe and advantageous from a noise abatement point of view, and should ensure their universal use. If such a step on the part of the Federal Government is not possible, then individual airports will have to impose site specific operational procedures as a condition of the use of their facilities. The proprietor is probably the most harassed of all the participants in the noise abatement process.

Because of the lawsuits, he has a strong motivation to take whatever reasonable actions he can to reduce his liability and to provide some relief to the citizens of his community. What he needs is a process by which he can determine the most effective means of abatement in his particular situation and by which he can carry on a meaningful dialogue with those in the community—the city council, the airport neighbors, the Chamber of Commerce—who want and should have a role in determining what is to be done at the airport. What he does not need is more lawsuits and more harangue.

EPA has nearly completed the development of an environmental noise impact assessment methodology for airports, and an airport planning process, which we believe will meet these needs and which have the important additional quality of being understandable to both technical and non-technical people, including the airport's neighbors. This will allow the city councils and land use planners, as well as the people most directly affected by airport noise, to take an effective part in the planning and abatement process. This kind of process is essential if we are to keep the growing problem of incompatible land use from continuing to outrun even our ability to deal with the present incompatible uses.

We plan to propose an airport regulation to the FAA in the near future which will mandate the use of this planning process in the development of noise abatement plans at the Nation's airports.

Every airport in this country should develop and implement a comprehensive noise abatement plan, using a common planning methodology which is understandable to the layman and which is adopted after full participation of all segments of the affected public. We can no longer try to hide the problem from the public. Instead we must deal with it straightforwardly and allow everyone affected to participate in making the difficult but necessary judgments about how the airport and the communiy will co-exist.

Aggressive Federal action to do its part is in my opinion, the best way to bring us out of our holding pattern on aviation noise. However, it is not the only way.

If the Federal Government is unable or unwilling to lead in this manner, then it should not stand in the way of airport proprietors, local officials and local citizens who seek to abate the intolerable noise problems which exist at many of the Nation's airports. This Nation can not afford to allow an increase in aviation noise at those airports which are already severely impacted by such noise.

Instead, we must have a dramatic decrease in the noise impact on the citizens who live around those airports. In the final analysis, if the Federal Government does not act, the airport proprietor must be allowed to control the noise at his airport, even to the point of determining, in a non-discriminatory manner, *what* aircraft will be allowed to operate at his facility.

It is a fundamental principle of this country that an individual who owns property has a right to compensation if its use is substantially impaired. There is no longer any doubt that noise from aircraft operations can substantially impair the use of such property around airports. This compensation for the taking of property is consistent with the basic American tenet that commercial activity must pay its own way. If noise is, in fact, a necessary by-product of our national air transportation system, it seems appropriate that those who benefit from the service should pay all of its pollution costs and should not impose the responsibility of providing a subsidy for air transportation upon those unlucky citizens who happen to live around airports. In order to provide relief to the most severely impacted citizens some decrease in the convenience to the air passenger may result, although I think this unlikely. I think we should be willing to make this sacrifice.

Equally fundamental to our concept of justice is the principle that, when our system imposes liabilities on individuals or institutions, such persons or institutions must have the authority to take actions to mitigate these costs. It seems to me unconscionable for the Federal Government on the one hand to insist that the liability for noise around airports lies with the airport operator, as in fact the FAA and the courts have asserted, and at the same time insist that the airport operators are preempted from taking any reasonable abatement actions to escape this liability. The inevitable result is that airport operators, air carriers, and even local taxpayers will continue to pay substantial sums of money for this liability, and the adverse health and welfare consequences of this noise will continue to be imposed on our citizens. From a public policy point of view, the foregoing seems to be the worst of all possible results.

What we need is a system which assures that the air transportation system pays its own way: either by abating noise to bring the adverse impact down to an acceptable level, or by buying the land which is so impacted and putting it into compatible use. The halfway measures of paying compensation for avigation easements or for nuisance damages seem to me to be throwing money down the proverbial "rat hole." The environment and the public suffer, and good money is wasted.

I see no real objection to letting the liability rest upon the shoulders of the airport proprietor. This puts the decisionmaking where it belongs. Land use decisions and operational decisions by airports are essentially local in nature. The welfare of the people around these airports is first and foremost the responsibility of the local community. The benefits of the airport are, in turn, largely local in nature. I believe the Federal Government should act aggressively to assist these airports with their abatement efforts since the entire solution to the noise problem at individual airports cannot and should not come from Uncle Sam. There are many site specific actions which should be taken at individual airports, and these communities and airport proprietors should be encouraged rather than discouraged from taking these actions.

There are, at the same time, many noise abatement actions which are best undertaken on a national basis. These include retrofit, operational procedures for landing and takeoffs, and standards for new aircraft design. But it is not absolutely essential that the retrofit and the operational procedures be mandated on a national and uniform basis. One can foresee some potential disruption to air transportation systems if airports individually require retrofit and operational procedures. But if the Federal Government feels that it cannot or will not mandate these measures on a national basis, it is my conviction that we must step aside and allow local communities to mandate them for specific airports. If retrofit makes sense on a national basis—and we and the FAA believe it does—then it certainly makes sense on a site specific basis for airports such as Los Angeles, New York, Chicago, and Boston.

Such a pluralistic approach can work. An example is Wold-Chamberlain, the International Airport serving Minneapolis and St. Paul. Between 1970 and 1975, the airport proprietor and its air carrier tenants worked out noise abatement procedures both for take-off and for landing. Because the principal tenant, Northwest Airlines, was in favor of the procedures, there was no litigation and the FAA acquiesced. The noise abatement was dramatic, and the high-complaint clamor that once inundated the airport has been replaced by practically a non-complaint calm. When airports are able to couple such procedures with retrofit and FAR 36 equipment requirements, a giant step will have been taken. Certainly if the step—which is cost-effective and feasible—is not taken at the Federal level, or until it is, it should be permitted and encouraged at the airport level, especially since that is where the noise liability now lies.

Our national air transportation system has provided tremendous improvements in travel and communication for the citizens of this country. A great deal of its success is attributable to its high record of safety. We need a national air transportation system which is healthy as well as safe. The evidence is overwhelming that, unless we make that system quieter, both human health and the financial health of the industry will continue to suffer.

We need no miracles to achieve that kind of system. All we need is a spirit of cooperation and commitment to do one's part to solve the problem and not pass the buck to others. Many of you are in a position to make a positive contribution to the achievement of aviation noise abatement. It is time for us all to come together, and to come to grips with the problem of aviation noise, and to build, at long last, an air transportation system that is safe, healthy and quieter.

The present situation does little more than protect the interest of the short-term land speculators. It does not protect the interest of the general public, the home owner, the community at large, or the taxpayer. Most assuredly, it does not promote the long-term interest of the Nation in a healthy, vigorous air transport system. We really know what needs to be done. We have simply lacked the will to do it. Let's get on with the job.

BROWNS FERRY FIRE SHOWS NUCLEAR REACTORS ARE NOT SAFE ENOUGH

Mr. GRAVEL. Mr. President, the current edition of the Reader's Digest carries an article by James Nathan Miller called "The Burning Question of Browns Ferry." It is a short but penetrating critique of the fire which occurred last year at the Nation's largest and supposedly safest nuclear power reactor.

Mr. Miller's article conveys very succinctly what happened at Browns Ferry and why. It shows how the Nuclear Regulatory Commission failed to insure the safety of this reactor. And even more important, it shows that similar safety lapses exist in nearly every one of the power reactors now operating or under construction in the United States.

The facts Mr. Miller has uncovered are very different from the assurances we hear from the nuclear industry.

Just a month from now, the people of California will be voting on Proposition 15, the "Nuclear Safeguards Initiative." This initiative would require improved safety in the nuclear power field—especially as regards emergency cooling equipment, evacuation plans and radioactive waste management.

Also, very importantly, the initiative would require the nuclear industry to assume full, normal liability for its activities. This is the most important provision of all, because with normal liability, the industry will be careful to act on its own to insure nuclear safety.

Mr. Miller's article shows why provisions like California's proposition 15 have become necessary. I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Reader's Digest: The Burning Question of Browns Ferry

(By James Nathan Miller)

(On March 22, 1975, an atomic plant in Alabama was hit by a $100-million fire that raged for 7½ hours. How close it came to the ultimate "nuclear catastrophe" is still a matter of disagreement. But one crucial fact is certain: the fire started and grew to crisis proportions because the U.S. Nuclear Regulatory Commission (NRQ) failed to enforce elementary safety rules in the plant's design, construction and operation. The behind-the-scenes story of this fire—the worst ever in a U.S. nuclear generating plant—raises troubling questions about the overall safety of our entire nuclear-energy program.)

Last year in March, electricians were engaged in a risky job at the Tennessee Valley Authority's brand-new Browns Ferry nuclear generating station near Athens, Ala. Two of the plant's three huge, billion-watt reactors were operating at full power, and the electricians were working in a room that was critical to both of them: a long, low, tightly packed space through which all the control cables for the two reactors' thousands of valves, motors and sensors were funneled on their way to the control room directly above.

If any part of the plant could be called its Achilles' heel, this so-called "cable-spreading room" was it. Eleven feet high, 35 feet wide, and 180 feet long, it was almost a solid mass of electrical cables—tens of thousands of shiny black snakes resting on track-like, galvanized-iron "cable trays" that crisscrossed through the room, filling it almost from floor to ceiling. The electricians' job was to seal the holes in the walls through which the cables entered the room.

Two things made the job risky. The sealant they were using—polyurethane foam, the same spongy material that's used to stuff pillows—is a highly combustible plastic. And the way they tested each seal was to hold a lighted candle to the hole and observe whether the flicker indicated that a draft was still coming through. During the couple of weeks before the big blaze, there had been quite a number of near-misses, in which workers set fire to the foam but managed to snuff the fire out before it could spread.

At about noon on March 22, a worker ignited a hunk of foam and couldn't put the fire out. Within minutes the splattering droplets of burning polyurethane had spread the fire to the highly combustible plastic coverings of cables in the neighboring, close-packed trays. Soon, more than a thousand cables were burning furiously.

WHERE THERE'S SMOKE

Let's pause here to ask several questions. First, why did inspectors permit the use of candles so close to flammable materials? It is a standard industry seal-testing technique, which the NRC did not regard as dangerous. Why did the inspectors permit *any* construction job in such a critical room of an operating reactor? They simply did not know that such work was going on.

NRC inspectors rarely inspect plants. In fact, there is no record that an NRC inspector ever visited the spreading room. "The licensee is supposed to do his own inspection," says Donald Knuth, then NRC's director of inspection. NRC relies on plant operators to report to it all their safety problems. But TVA hadn't regarded the candle-testing job—or the small fires it had caused—as worth reporting.

What, then, do NRC inspectors inspect? Paper work, mainly. They spend virtually all their time not in the plant, but in its administrative offices, spot-checking its records—schedules showing how many fire drills have been held, the procedures used for qualifying welders, etc. Admits Norman Moseley, the NRC regional director of inspection who was responsible for Browns Ferry, "Our inspectors look at less than one percent of what goes on in a plant."

One more question: Why did NRC permit highly combustible cable coverings to be used at Brown Ferry?

NRC didn't know how combustible they were. The agency has no combustibility standards of its own and makes no tests of its own. It relies on equipment manufacturers and plant builders to set their own standards and do their own testing. It was not until after the fire that NRC made its own tests on the cables. The tests showed that many of the cables were so flammable that they "could serve as more intense initiators [of a fire] than open gas flames."

An important fact to note here is that the cables used at Browns Ferry are standard equipment that is widely used by the industry.

Now, back to the fire. As it began to spread, workers tried to get at it with backpack extinguishers, but they found that the crowding of the trays in the spreading room made this impossible. This difficulty of access to a critical, fire-prone area was a violation of elementary safety-design principles.

Many other violations quickly became apparent. The spreading room's chemical-foam extinguishing system was not designed to be triggered automatically. When the workmen running about the building finally found a hand switch, they discovered that it was covered by an unremovable metal plate. When they aimed a hose at the fire, they found that its spray nozzle could not make the water reach the flames. When they tried to phone in an alarm, they discovered that the alarm number posted on the plant's emergency placards was the wrong number. When they attempted to get through the smoke to battle the fire, they found that the plant was short of both the necessary breathing apparatus and the compressed air to refill it. How could that many violations have escaped NRC's fire inspectors?

NRC has no fire inspectors. It relies on private-insurance-company inspectors. But the company that insured Browns Ferry insured it only for liability to outsiders, not for fire damage. So it had made no fire inspection. After the fire, when the company did make an inspection, it concluded that the spreading-room congestion was "inexcusable," and that unless a proper sprinkling system was installed, "a loss beyond imagination should be anticipated".

DANGER: "MELT-DOWN"

As the blaze continued unchecked throughout the afternoon, a single grim question began to take on growing importance: Would the plant's operators be able to knock out the fire before it could knock out the valves and pumps that controlled the water-cooling system of the huge steel vessel that contained the uranium core of Unit One? Even though the nuclear reaction in the core was turned off early in the fire, there remained the danger that the fire might cause the most feared of all nuclear accidents—a "melt-down." The reason was this:

When the actual atom-splitting action inside a reactor's core is turned off, the heat in the 100-ton mass cannot be turned off, and for months afterward the uranium pellets must be kept covered with cooling water. Without adequate cooling, the water would boil away and the uranium mass would melt, burning through its six-story-high steel container and releasing a large amount of radioactive gases and molten metal. Nobody knows precisely what would happen then, since there has never been such a melt-down in the brief history of atomic reactors. But the generally held assumption is that some of the gases would drift over the countryside with the wind. The number of deaths they would cause—whether a few dozen or many thousands—would depend on unpredictable variables: how much gas escaped, how big a city was downwind, etc.

As the blaze ate through the Browns Ferry cables, knocking out more and more of the vital valves and pumps that were designed to keep the core cooled, it forced the operators to improvise a desperate, unplanned defense. They called in as many off-duty employes as they could reach by phone (150 people showed up to assist the 17-man crew) and assembled them in and around the control room. As different pumps and valves conked out, these men were rushed to critical spots about the plant where, in effect, they could operate the reactor *by hand*—throwing emergency switches, turning the big wheels that opened stuck valves, phoning back instrument readings to the control room.

Behind this frantic extemporizing lay the worst of the safety lapses at Browns Ferry: the violation of one of the NRC's most sacred safety concepts, a principle that's supposed to be built into the basic design of every nuclear plant. This is the principle of "separation," which demands that all the plant's backup emergency devices *and their controls* must be spaced well apart from one another, so that no one event—fire, earthquake, pipe rupture, explosion—can disable them all at once. The violation of this principle—by the jamming together of all the control cables into a single spreading room—enabled the blaze to knock out one, two and even three levels of Browns Ferry's defense almost simultaneously.

ACHILLES' HEEL

How had so basic a compromise of so important a safety principle escaped NRC's notice when it approved Browns Ferry's design?

It had not escaped NRC's notice. The agency knew about it, but permitted it anyway. In fact, all 56 of the nation's already completed nuclear plants—plus all but 13 of the 142 plants now being built or in the blueprint stage—have the same Achilles' heel: the bunching together of all their control cables in a single spreading room.

The reason goes back to a fundamental mistake that Congress made 22 years ago. In 1954, when Congress set up the Atomic Energy Commission (AEC), it gave the agency two mutually contradictory assignments: to *promote* atomic development (which mainly meant finding ways to keep the costs of atomic plants down) and to *regulate* its safety (which mainly meant demanding expensive safety systems that drove the costs up). During the 1960s, it became apparent that this system was not working. Under pressure from the industry and its lobbies in Congress, the AEC gradually began to make promotion its dominant function; increasingly, when a compromise had to be reached between cost and safety, it was the latter that was compromised. Observe, for instance, how the AEC reached the compromise that allowed all U.S. plants to be built, like Browns Ferry, with a single spreading room.

Starting in 1965, a number of serious cable-tray fires in nuclear plants alerted the AEC to the fact that, to save space and money, plant builders were squeezing the trays so close together that a fire in one could quickly spread to others. So dangerous was this practice that the agency assigned an "A-plus" priority to the job of drawing up a tough "separation standard" to force builders to provide safe spacing between trays. One of the agency's most important aims was to make each plant separate cables between *two* spreading rooms, so that a fire in one room could not disable them all.

Though the AEC had the authority to issue such a standard on its own, it didn't do this. Instead, in 1971, it asked an industry group, the Institute of Electrical and Electronic Engineers (IEEE), to write a separation standard for it. Explains Robert Pollard, a member of the AEC group that worked with the IEEE on the separation standard, "When we draw up a new standard, an important aim is to make sure it's acceptable to the industry." But the idea of two spreading rooms was *not* acceptable to the industry. The reason: two rooms cost more than one. So the IEEE refused to okay the idea.

The AEC protested bitterly, predicting that a fire precisely like Browns Ferry's would result from the IEEE's refusal. But the protests did no good. In 1974, after three years of arguing with the industry group, the AEC gave in. It adopted a standard that permitted single spreading rooms.

Throughout the 1960s, the AEC was forced into many other, similar compromises. Finally, in 1974, in response to growing protests that the agency had become the industry's captive, Congress decided to rectify its 1954 mistake. It set up a brandnew agency, the Nuclear Regulatory Commission, with a new chairman and a new order: forget promotion, just regulate. But there was a catch: the new agency was not new. It was the old regulatory branch of the AEC—the same staff, same regulations, same administrative practices—under a new name. "All they did was change the stationery," says Pollard, who resigned from the NRC in February. Admits NRC's Knuth, "I can't put my finger on any basic changes we've made since the AEC days." As a result, almost all of the 142 plants now being built or awaiting an NRC okay have the same kinds of extinguishing systems as Browns Ferry and the same spreading-room congestion, and they are all subject to the same kind of less-than-one-percent inspection.

CLEARING THE AIR

But now back to the fire at Browns Ferry. At 7:45 p.m., 7½ hours after the fire started, the Athens, Ala., fire department managed to get a hose on it and put it out. Now, though the fire was dead, the plant went through its worst ordeal of the day: a 2½-hour period during which all its water-circulating pumps—both primary and emergency—were rendered useless. "At that point we didn't know what the hell was going to happen next," says Browns Ferry superintendent H. J. Green.

But the worst did not happen. It turned out that there *was* a pump whose controls had somehow escaped the blaze. It was not designed for cooling, did not have the capacity to keep the core covered indefinitely, and was not even included in the plant's emergency plans. But it worked until the men could get the regular cooling equipment back into operation.

What would have happened if the pump had not worked? No one will ever know. So complex was the breakdown and so chaotic the situation in the control room that, depending on what you want to prove, you can shape the would-have-beens into a scenario that leads to either salvation or disaster. "The plant came pretty close to a meltdown," says Sen. Clifford Case (R., N.J.), a member of the Joint Congressional Committee on Atomic Energy. Not so, says NRC chairman William Anders; he insists that this "unfortunate and serious occurrence" actually proves the basic soundness of the safety system, since no one was injured and no radiation escaped.

But the question that the fire leaves unanswered is less important than the fact that it proves: The NRC, under pressure from the industry, has allowed serious compromises with safety to creep into the design, construction and operation of U.S. nuclear plants. As a result, the country has no present way of knowing how safe or unsafe its nuclear program is. Because all past studies of the safety question have been made under AEC and NRC auspices, they have started from a basic premise which Browns Ferry has proved to be fallacious: the assumption that U.S. nuclear plants are built and operated to the highest possible safety standards. Nowhere do these theoretical studies give serious attention to such "real-world" factors as combustible cables, inadequate sprinkling systems, the effect of candle flames on polyurethane foam, spreading rooms that invalidate the principle of separation, or inspectors who look at less than one percent of what's actually happening in their plants.

Therefore, Congress should *immediately* appoint a top-level study commission—men and women of the highest possible technical expertise, integrity and independence—to get the answer to the fundamental questions raised by Browns Ferry: How safe is our atomic program, and how urgent is the need to make it safer?

Few question the profound importance to the U.S. economy of developing a strong nuclear-energy program. But before we commit ourselves to hundreds more plants like Browns Ferry, it is essential that we make sure that their safety standards are acceptable not just to the industry that builds them, but also to the public that has to live next door to them.

ENERGY DIPLOMACY

Mr. DOMENICI. Mr. President, much has been said about the need for domestic energy independence, but not a lot has been said about this Nation's energy dependence compared to other major world powers. This neglected subject is discussed in an excellent editorial in the April 30 issue of Science magazine produced by the American Association for the Advancement of Science.

The brief but powerful statement of this editorial is worthy of consideration, Mr. President, by the Members of this body and all who follow its actions. Accordingly, I ask unanimous consent that the editorial entitled "Energy Diplomacy" be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Energy Diplomacy

The Soviet Union is becoming powerful in energy matters while the United States continues its drift into *dependence* on others. Proved Soviet oil reserves are 80 billion barrels (11 billion metric tons) in contrast to 33 billion barrels for the United States. Soviet production is about 9.8 million barrels a day (b/d) and rising, that of the United States is 8.1 million b/d and dropping. The Soviet Union is a net exporter of oil; it reinforces its military control of Eastern European countries by sending them 1.4 million b/d. In contrast, the United States is importing about 7.2 million b/d of oil and its products.

The proved reserves of natural gas in the Soviet Union (800 trillion cubic feet or 22.4 trillion cubic meters) are by far the largest in the world; those of the United States are 228 trillion cubic feet. During 1975, production in the United States (20.1 trillion cubic feet) exceeded that in the Soviet Union (10.2 trillion cubic feet). But U.S. reserves are declining rapidly. If present trends continue, which is likely, Soviet production will be exceeding that of the United States in about 4 years. Already the Soviet Union is an exporter of natural gas, and it has been negotiating with Japan and West Germany to supply part of their needs.

In late 1973 it was hoped that a combination of conservation and expanded domestic production of fuels would render the United States energy independent by 1980. This hope has been frustrated. For a short time during the embargo the public was conservation-minded, but this did not last and public consumption of energy has been increasing. A combination of industrial conservation measures and lower production levels cut overall consumption of energy by a few percent in 1974–1975. But in the first 3 months of 1976, electricity demand was up 5.9 percent from a year ago. The public, responding to a price rollback on domestic oil, has been burning more gasoline and buying the larger automobiles.

A major factor in the optimism of government officials during late 1973 was the expectation that higher prices would lead to greater production of oil. This was to be accomplished by exploiting new discoveries and by enhanced recovery of oil from existing fields. The higher prices did lead to more drilling activity, but in 1975 only 1.3 billion barrels of oil was found while a total of 6 billion barrels was being consumed. In 1973 enhanced recovery of oil from existing fields was a hopeful prospect. In existing fields, conventional techniques had produced roughly a third of the oil in place, leaving about 300 billion barrels. Thus an improvement of a few percent would make a big difference. More intense exploitation of earlier methods and use of some new ones has led to an increase of 270,000 b/d, but the Energy Research and Development Administration (ERDA) now estimates that only an additional 300,000 b/d will be forthcoming by 1985. Moreover, the cost of additional oil has been as much as $20 to $25 per barrel.

In early 1974 there was hope that substantial amounts of oil might be obtained from coal or shale. Now ERDA states that comparatively little synthetic oil will be available before 1985. As for using other major energy sources instead of oil, there has been little progress. Because of environmental constraints, consumption of coal has not expanded appreciably. Nuclear energy, which has replaced some oil in generating electricity, is under heavy attack. In consequence, there is no alternative but to expand dependence on foreign oil. At a recent press briefing, Exxon predicted that in 1985 the United States will be importing 11 million b/d. Most of it will come from the Middle East.

The United States has joined Western Europe and Japan in facing a long era of vulnerability to crippling damage from interruptions to energy supplies. The Soviet Union is not subject to such stoppages and indeed has much to gain by fomenting trouble. A new embargo is not the only hazard. The precedent of Angola suggests other scenarios for interruptions of oil from the Middle East.—Philip H. Abelson

HEARINGS URGED ON NATIONAL TELECOMMUNICATIONS POLICY

Mr. HUMPHREY. Mr. President, on March 23, 1976, the Senator from Indiana (Mr. Hartke) introduced the Consumer Communication Reform Act of 1976, S. 3192.

This legislation reaffirms the prerogative of Congress to establish our Nation's telecommunications policy. Too often in the past regulatory agencies have made decisions which change congressionally established national policy. This cannot be allowed to continue.

Recently the FCC has made a number of decisions that will affect the quality and cost of telephone service to American consumers. These decisions have not been given the detailed congressional scrutiny that their importance to consumers warrants.

Therefore, I welcome the introduction of S. 3192 and urge the Senate Commerce Committee to initiate hearings, study and debate of this important issue.

Mr. President, I ask unanimous consent that my letter to Senator Hartke, urging prompt hearings on the Consumers Communication Reform Act of 1976, be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Washington, D.C., *April 27, 1976.*

Hon. Vance Hartke,
U.S. Senate,
Washington, D.C.

Dear Vance: I have become increasingly concerned in recent years that some regulatory agencies are establishing national policy in their areas of responsibility, rather than implementing national policy as established by the Congress. Recent decisions by the FCC relating to the nation's telephone service is a case in point.

Therefore, I was pleased to see that you have introduced the "Consumers Communication Reform Act of 1976." I know that it can serve as a vehicle for a much needed analysis and debate by Congress of national telecommunications regulatory policy. I urge you to hold extensive and intensive hearings on this important subject as soon as possible.

Sincerely,

Hubert H. Humphrey.

CHARLES W. BAILEY: A NOBLE DEFENDER OF AMERICAN FREEDOM

Mr. HELMS. Mr. President, it is a rare quality indeed when an individual devotes his life not only to a job or a profession, but to an idea as well. Such men, it seems, are only too rare in our society.

There are a few exceptions. And I am privileged to acknowledge the accomplishments of one such individual, Charles W. Bailey, on the occasion of his 15th anniversary fighting for individual freedom in the workplace.

A former Indiana newspaperman, Mr. Bailey has been associated with the right-to-work movement for far more than 15 years. But it was 15 years ago, as a preacher might say, that he "got the calling."

That calling brought him to the staff of the National Right To Work Committee, where he has worked tirelessly to promote the right of American workers to be gainfully employed regardless of their union affiliation or nonaffiliation.

On this, Charles Bailey's 15th anniversary with the Right To Work Committee, I am reminded of a famous line from Victor Hugo.

He wrote:

> Greater than the tread of mighty armies is an idea whose time has come.

Right To Work is such an idea. Its time has come. And Charles W. Bailey, research vice president of the National Right To Work Committee, deserves much of the credit.

He has fought for a principle in which he dearly believes. He has obeyed his conscience. He has devoted a lifetime so that others may enjoy freedom. I invite all of my colleagues to join me in this salute to an honorable American.

KATHERINE URQUHART WARREN

Mr. PELL. Mr. President, I pay tribute to Mrs. George H. Warren, nee Katherine Urquhart, a great lady and a wonderful person, who died on April 18, in Newport, R.I.

She started the Newport Preservation Society which was a bellringer leading the way for the establishment of other similar societies in Providence and other cities throughout our country in order to give pride to their citizens in their varying histories and architectural heritages.

Moreover, from an economic viewpoint, her Newport Preservation Society, of which she was founder-president for a quarter of a century, was responsible for whatever degree of economic benefit that has come into our community over these recent hard years as the result of the hundreds of thousands of visitors she has brought to our city each year.

A lady of great personal cultivation who took a leading role in cultural affairs both in Newport and New York, Mrs. Warren enjoyed the love and respect of all with whom she was associated.

Her worth and merit were not only recognized by our own country, but by France which awarded her the Legion of Honor Medal.

I join with my fellow citizens in extending all sympathy to her sons, George H. Warren, Jr., and David U. Warren, and to her sister, Miss Ann Urquhart.

I ask unanimous consent that following my remarks the editorial from the Newport Daily News of April 21, 1976, and obituaries from the Newport Daily News of April 19, 1976, the Providence Journal of April 20, 1976, and the New York Times of April 20, 1976, be printed in the Record.

There being no objection, the editorial and obituaries were ordered to be printed in the Record, as follows:

[From the Newport Daily News, Apr. 21, 1976]

Katherine Urquhart Warren

Newport as it is today and as it is becoming can be called, without exaggeration, a monument to Katherine Urquhart Warren. And it is a living monument because of the person Mrs. Warren was.

Mrs. Warren was imbued with a feeling that she should do all in her power to better the society in which she lived.

Her primary contribution to Newport, her adopted city, was the Preservation Society of Newport County, of which she was the founder and the first president, serving in that capacity for more than 25 years. Concerned with preserving the community's total architectural heritage—not just the mansions controlled by her society—she expressed her total philosophy in two stirring paragraphs at the society's 25th anniversary:

"Our vision is one that sees the City-by-the-Sea, once famed for material opulence, as a center for the arts, for architecture, for music and for literature, a place where students can come for seminars, where the creative can discuss the arts and politics.

"There is no reason why Newport, with what we have preserved here, cannot again become the summer capital of the arts after the fashion that drew so many great architects, musicians, writers and social thinkers of the past to this city, which has become home to so many of us."

And she lived this dream to the full extent of her ability. Her interest in preserving historic buildings drew international recognition. She was a member of Mrs. John F. Kennedy's committee to restore the White House. She and her late husband, George Henry Warren, shared a lifelong interest in music, he serving on the board of the Metropolitan Opera and she on the board of the Newport Music Festival. She was at one time a trustee of the R.I. School of Design, a director of the Newport Historical Society and a vice president of the Newport Restoration Foundation. She also was a recipient of the French Legion of Honor for the reenactment here of Rochambeau's meeting with Washington in Newport.

Her honors were numerous, honorary doctorates from Brown University and Salve Regina College, the 1960 Woman of the Year award from the Newport County Chamber of Commerce. Her imagination, linked to her desire and determination, produced so much for Newport, as she personally brought about the restoration of Hunter House as it was about to be razed, as she called on the know-how of the Rockefellers and the Colonial Williamsburg staff to help the Preservation Society here get started correctly in its early days.

She constantly stressed the hope that Newport would not become a static architectural museum, and with all due respect for others active in the renaissance of Newport's colonial heritage, all interest in this restoration work can honestly be said to have begun with her.

Mrs. Warren will be greatly missed by all. But her work lives after her, and the world is a better place for her having been here. It was Newport's good fortune that she chose to spend so much of her life in this community.

[From the Newport (R.I.) Daily News, Apr. 19, 1976]

Katherine Warren, Founder of Preservation Society, Dies

Mrs. Katherine Urquhart Warren, 79, of 118 Mill St., a founder and president of The

Preservation Society of Newport County for more than a quarter-of-a-century, died last night at her home after a long illness. She was the widow of the late George Henry Warren.

Born Jan. 29, 1897, in Oakland, Calif., Mrs. Warren was the daughter of David and Katherine Hays Urquhart. She was a descendant of a prominent New Orleans family and had lived in San Francisco, New York City and Hobe Sound, Fla.

She leaves two sons, George Henry Warren, Jr., of Mt. Kisco, N.Y., David U. Warren of Prides Crossing, Mass., and a sister, Miss Anne Urquhart of this city.

Mr. Warren attended Spence School in New York and was a benefactor of the arts throughout her life. She was influential in the growth of the Musuem of Modern Art in New York and at one time served as the museum's advisory commitee president. She was also a former trustee.

She and her husband shared a lifelong interest in music. He was a former director of the Metropolitan Opera and she served on the board of the Newport Music Festival.

Her interests in the preservation of historic buildings atracted international acclaim and she was a member of Mrs. John F. Kennedy's committee to restore the White House.

In 1955, she received the French Legion of Honor for the reenactment of Rochambeau's meeting here with Washington. At one time she was a trustee of the R.I. School of Design in Providence, a director of the Newport Historical Society and second vice president of the Newport Restoration Foundation.

In 1970, Mr. Warren received an honorary doctor of laws degree from Brown University. Two years later, she received a doctor of humanities from Salve Regina College. In 1960, the Newport County Chamber of Commerce named her woman of the year.

Despite her other far-flung interests, the work of the Preservation Society and the preservation of the area's unique architectural heritage were her major concerns.

These concerns were based not simply on preservation for preservation's sake. In her report to the society on its twenty-fifth anniversary, she said:

"Our vision is one that sees the City-by-the-Sea, once famed for material opulence, as a center for the arts, for architecture, for music and for literature, a place where students can come for seminars, where the creative can discuss the arts and politics.

"There is no reason why Newport with what we have preserved here cannot again become the summer capital of the arts after the fashion that drew so many great architects, musicians, writers and social thinkers of the past to this city which has become home to so many of us."

Mrs. Warren told an interviewer for this paper several years ago that her interest in the Colonial houses of the city was kindled during the gas rationing days of World War II, when area residents were forced to walk around town.

She and the late John Howard Benson persuaded her husband and other interested ctizens to buy the Hunter House, which was in danger of being razed.

In order to support the restoration of the house, she asked the late Countess Laszlo Sachenyi, owner of The Breakers, to open that mansion to the public.

Mrs. Warren, in the early days of the society, enlisted the advice and moral support of the Rockefellers and the staff of Colonial Williamsburg.

Despite her interest in that project, she constantly told interviewers of her hopes that Newport would not become a static and non-livable restoration museum.

She also played a key role in the restoration of the White Horse Tavern, which was financed largely through the help of the Van Beuren family, and the preservation of The Elms, Marble House, and Chateau-Sur-Mer.

Services will be in Trinity Church Wednesday at 12:30 p.m. Burial will be private in Berkeley-St. Columba's Cemetery.

[From the Providence Journal, Apr. 20, 1976]

PRESERVATION UNIT FOUNDER DIES AT 79

NEWPORT.—Mrs. Katherine Warren, 79, cofounder and president of the Preservation Society of Newport County for 30 years died at her home Sunday evening after a long illness.

Mrs. Warren once told a reporter her interest in the city's architectural heritage was whetted during World War II when gas rationing forced her to move around the city on foot. In 1945, she and her late husband, George H. Warren, organized the society to save Hunter House, a colonial-era mansion in danger of being demolished.

To finance restoration of Hunter House, she convinced the late countess Laszlo Sachenyi to open her mansion, the Breakers, to the public. Last June, when Mrs. Warren resigned as president, the society employed over 200 persons to maintain Hunter House and the society's six Bellevue Avenue mansions, including the Breakers, still its most popular attraction.

Born in Oakland, Calif., Mrs. Warren was the daughter of the late David and Katherine (Hayes) Urquhart. Her family was later prominent in New Orleans society. She attended Spence School in New York and kept an interest in that city's cultural life after her marriage to Mr. Warren at Trinity Church here in 1919.

Mr. Warren, son of an old Newport family, was a director of the Metropolitan Opera Co. in New York. Mrs. Warren served terms as a trustee of the Museum of Modern Art and as president of the museum's advisory committee.

Her efforts as president of the Preservation Society and a director of the Newport Historical Society and vice president of the Newport Restoration Foundation brought wide acclaim. Mrs. John F. Kennedy appointed her to the committee to restore the White House and in 1955 she was awarded the Cross of Knight of the French Legion of Honor for her promotion of the Rochambeau Festival here the previous year.

She was cited by the American Scenic and Preservation Society of New York in 1958 and was named woman of the year by the Newport County Chamber of Commerce in 1959.

She also supported the arts locally. She was a board member of the Newport Music Festival and was a trustee of the Rhode Island School of Design. In 1972 she received an honorary doctor of humanities degree form Salve Regina College. She had earlier received an honorary doctorate of laws from Brown.

Mrs. Warren lived at the Warren estate, "Seafields," until 1932, when she moved to 118 Mill Street where she had lived since.

She leaves two sons, George Henry Warren Jr., of Mt. Kisco, N.Y., and David U. Warren of Prides Crossing, Mass., and a sister, Miss Anne Urquhart of Newport.

Funeral services will be held tomorrow at 12:30 p.m., in Trinity Church. A private burial will be held in St. Columba's Cemetery, Middletown.

[From the New York Times, Apr. 20, 1976]

KATHERINE U. WARREN, 79, DIES; NEWPORT PRESERVATION LEADER

Katherine Urquhart Warren, founder in 1945 of the Preservation Society of Newport County and its president until her resignation last year, died Sunday at Paulholme, her home in Newport, R.I. She was 79 years old.

She was the widow of George Henry Warren Jr., who had been a New York stockbroker and director of the Metropolitan Opera.

Mrs. Warren, a native of Oakland, Calif., went to Newport on her marriage in 1919. An art collector since the 1930's, she favored such artists as Braque, Picasso, Mondrian and Brancusi, and she was elected a trustee of New York's Museum of Modern Art in 1943.

Her concern for preservation in Newport began not with the millionaires' "cottages" of the turn of the century, but with the landmarks of pre-Revolutionary Newport. Recognizing popular interest in the buildings of later magnificence, she did include six of them, such as the Vanderbilt mansion, The Breakers, among the edifices taken over and operated as museums.

HISTORIC EVENT

A high point for her leadership of the Preservation Society was the 10-day celebration in 1955 of the 175th anniversary of the landing in Newport of the French expeditionary force under Count de Rochambeau and his meeting with George Washington. For the first time, The Breakers was the scene of a public social event—a ball for the benefit of the society.

Mrs. Warren was elected that year to the board of the Friends of the Touro Synagogue, dating from 1763 and the oldest in the country. She also served on Jacqueline Kennedy's Committee for the Restoration of the White House. A former trustee of the Rhode Island School of Design, she was a director of the Newport Historical Society and second vice president of the Newport Restoration Foundation, led by Doris Duke, to restore many old houses. She held honorary degrees from Brown University and Salve Regina College in Newport.

Surviving are two sons, George H. Jr. of Mount Kisco, N.Y., and David U. of Pride's Crossing, Mass.; a sister, Ann Urquhart, of Newport, and seven grandchildren.

A funeral service will be tomorrow at 12:30 P.M. in the 1726 Trinity Episcopal Church, in which she was married in 1919.

OZONE PROTECTION PROVISIONS OF THE CLEAN AIR ACT AMENDMENTS OF 1976, S. 3219

Mr. DOMENICI. Mr. President, my purpose today is to urge my colleagues to support section 16 of S. 3219, the section of the Clean Air Act amendments which deals with ozone protection. I urge the defeat of amendment No. 1577 offered by the distinguished Senator from Oregon (Mr. PACKWOOD). Today I offer the following reasons for my position.

Section 16 was reported by the Public Works Committee as a result of the recent scientific controversy concerning the possible effect on the ozone layer of halocarbons. These are chemical compounds which are used in aerosol spray containers and as coolants in refrigerators and air conditioners. Certain scientists have advanced a theory—contested by others and proved by none—that when released into the air, halocarbons rise into the atmosphere and cause a reduction in the amount of ozone located in the Earth's stratosphere. This layer of ozone limits the amount of ultraviolet radiation reaching the Earth's surface from the Sun. Reductions in the layer would allow greater amounts of ultraviolet radiation to reach the surface of the Earth.

In adopting section 16 in its present form, the Public Works Committee was fully cognizant of the importance of dealing with this controversy, and has addressed it in a reasonable and responsible manner. The committee recognized that if halocarbons do indeed deplete the ozone layer, the resulting increase in ultraviolet radiation might have serious repercussions on public health. Increases in the incidence of skin cancer and disruption of plant and animal life are two such potential consequences.

Because of these possible effects, the Public Works Committee in section 16 provides a two-pronged approach. First, the bill authorizes intensive research by National Aeronautics and Space Agency and other interested Government agencies to explore the stratosphere and obtain data to determine the validity of the halocarbon-ozone depletion hypothesis. Second, section 16 gives the Environmental Protection Agency authority to take action to regulate the manufacture and distribution of halocarbons whenever the scientific information on the subject indicates to the Administrator that halocarbon emissions may "reasonably be anticipated to cause or contribute to the endangerment of public health." In short, section 16 establishes an orderly and comprehensive approach to resolve the problem.

In contrast, the floor amendment offered by Senator PACKWOOD would substitute an unnecessarily disruptive and unrealistic method for the regulation of aerosols containing halocarbons in particular. It would assume that aerosols containing halocarbons are harmful based on an unproven theory, and would ban them effective January 1, 1978, unless EPA finds that they pose "no significant risk to the public health, safety, or welfare."

The full Public Works Committee considered the regulatory scheme proposed by Senator PACKWOOD and rejected it as an inappropriate legislative response. It did so because the weight of the testimony in the hearings held by the Subcommittee on the Upper Atmosphere of the Committee on Aeronautical and Space Sciences was, first, that current scientific knowledge about the stratosphere is incomplete; second, that more information is needed before a reasonable conclusion can be drawn as to the validity of the fluorocarbon-ozone depletion theory; third, that there is time to gather that information without running risks of endangering health or the environment; and fourth, that such information is, in fact, being acquired and will be available for the formulation of timely regulatory actions if they should be required to protect the public health and welfare.

For these reasons, the committee concluded that there is no urgent public need justifying the imposition of a statutory ban—with the resultant disruption of an industry which employs thousands of people and contributes millions of dollars to our national economy—unless the evidence, when it is in, reflects a need to do so.

It must be recognized that, for all intents and purposes, the approach in amendment No. 1577 constitutes a prohibition, as of a date certain, against the future manufacture and distribution of aerosol products containing fluorocarbons. This is so because, as a basic scientific matter, it is an extremely difficult, if not impossible, task to prove the negative of an unproven hypothesis. Such an approach is both unwise and unnecessary, for, even if there were a reasonable basis for the halocarbon ozone depletion hypothesis, the committee bill gives EPA ample authority to prohibit or regulate fluorocarbons at any time, and also gives Congress the final say if it feels the regulations are not stringent enough.

Proponents of the negative-burden, up-front ban on aerosols claim that such an approach is required because an increased risk to human health will surely result if the committee bill is enacted. There are, however, two fundamental flaws in this approach.

First, the dates for regulation under either the committee provisions or the Packwood amendment are so close together that the actual difference in ozone depletion under any theory projection is infinitesimal and, therefore, inconsequential. Specifically, the difference in ozone depletion—if the theory is correct—between banning fluorocarbon-containing aerosols as of January 1, 1978, as Senator PACKWOOD'S amendment would have it, or awaiting completion of the procedures set forth in the committee bill, probably an additional 6 months, would be an additional 0.01 percent. To put this in perspective, there is a natural decrease in the amount of ozone overhead as one moves south. A change in the ozone over a given geographical location of 1 percent is equivalent to moving about 70 miles to the south; a 0.01 percent decrease in ozone would be the same as moving south seven-tenths of 1 mile.

Even an immediate ban on U.S. aerosols, assuming the correctness of the halocarbon-ozone depletion hypothesis, would result only in prevention of an incremental ozone depletion between now and the date of regulatory action, under the committee bill, of substantially less than one-half of 1 percent. This clearly argues against precipitous action.

Moreover, the ozone layer is not constant but fluctuates naturally. Measurements of ozone made for several decades indicate that concentrations of this highly reactive and unstable chemical vary greatly—not only by altitude, latitude, and longitude but from year to year, month to month, and even from day to day as a naturally occurring phenomenon.

According to the Department of Transportation's December 1974 climatic impact assessment program—CIAP—report:

> Geographically, the ozone column on a typical day varies about 300 per cent over the globe and about 30 per cent, for example, between Minnesota and Texas.

The report adds:

> That any given locality experiences 25 per cent changes from day to day, or from week to week, and changes in mean value of perhaps 10 per cent from year to year.

It is important to emphasize that the committee bill contains a special provision—section 154—which gives the EPA power to regulate halocarbon emissions at any time if the gradual decrease in ozone projected by the theory is found to be in error. I am convinced that this "safety valve" is sufficient to deal with any unforeseen developments that would make matters more severe than even the proponents of the fluorocarbon-depletion theory contend is likely.

In his remarks before this body on April 7, 1976, my distinguished friend from Oregon (Mr. PACKWOOD) presented various arguments in support of his amendment. Many of the points he raised have also been made by our distinguished colleague from Colorado (Mr. HART) in his minority views accompanying the report of the Public Works Committee. Both essentially base their legislative approach on their personal perceptions of the status of the scientific evidence regarding the ozone depletion theory.

Thus, Senator PACKWOOD asserts that there is firm and conclusive scientific evidence supporting the theory that fluorocarbons, used as propellants in certain aerosol spray containers, are depleting the vital ozone layer. Senator HART called the evidence "overwhelming," and says:

> We now have every scientific reason to believe that halocarbons do deplete the ozone layer.

Both therefore advocate an outright ban on the use of aerosol containers employing fluorocarbons.

I respectfully submit that both Senators have seriously misunderstood the state of the science on the subject. As attested to by scientists and Federal agency officials before the Subcommittee on the Upper Atmosphere and in formal rulings made by the Consumer Product Safety Commission and the Federal Drug Administration in response to several petitions requesting a ban on fluorocarbon usage, the scientific evidence on the subject thus far is inconclusive.

On September 8, 1975, FDA Commissioner Alexander Schmidt denied a Natural Resources Defense Council petition to ban the use of fluorocarbons, because he had concluded:

> That the scientific evidence provided in this petition does not present sufficient grounds to warrant immediate restriction of food, drug, and cosmetic uses of FC-11 and FC-12 propellants.

The next day, I had the following exchange with Commissioner Schmidt's Deputy, Sherwin Gardner, in hearings held by the Subcommittee on the Upper Atmosphere:

> Do I take it then, that based on the information you have at this point that your decision with reference to aerosols as it applies to their effect on the stratosphere, that even though you have found you would have jurisdiction to ban, that you would—you will not ban without some further information moving in the direction of reasonable probability?
>
> Mr. Gardener. That is right. . . .

On the same day, when I questioned Richard Simpson, Chairman of the Consumer Product Safety Commission, regarding his agency's denial of a similar NRDC petition to ban fluorocarbons, he responded that the decision was based "strictly [on the] lack of scientific information."

Contrary to the belief of my friend from Oregon, the evidence has not been growing in support of the ozone depletion theory. Indeed, since the mid-1974 publication of the ozone depletion theory, no important predictions of the models have been confirmed by experiment.

In the past year and a half, only two significant advances in terms of the quantitative aspects of the theory have been made. One simply adds to the body of knowledge about the atmosphere without confirming or refuting the theory—that is, the refinement of production-release data. The other caused the amcunt of ozone depletion predicted by the theory to be revised downward by a factor of three—that is, the recalculation of two key reaction rates on which the theory strongly relies.

In the last month new measurements were made in the stratosphere which cast further doubt on the validity of the hypothesis. These new measurements were of hydrogen chloride—HCl—and they show, first, a decrease in HCl concentrations above 24 kilometers, and second, a seasonal variation in HCl concentrations. Of scientific significance, the measured decrease with altitude of HCl is sharply at variance with the models' predictions and cannot be explained using the existing chemistry in the models.

So, from my point of view, the scientific evidence supporting an immediate prospective ban on the use of fluorocarbons is quite tentative. Indeed, this has been recognized by the National Academy of Sciences. The Academy's panel on atmospheric chemistry, whose mandate is to determine whether and to what extent fluorocarbons affect the ozone layer, has postponed issuance of its report for several months. In press releases of March 19 and April 5, the NAS cited "newly received information, now being analyzed and evaluated" as the reason for the delay.

Senator Packwood's evaluation of the existing scientific studies relating to the halocarbon-ozone depletion hypothesis simply does not stand up. For example, Senator Packwood states that measurements of F–11 made in the troposphere in the last few years are "of the level that would be predicted from the cumulative world production of F–11 prior to 1971." However, due to the wide disagreement among the various F–11 measurements, and the revisions in expected F–11 lifetime, these measurements of F–11 concentrations may be even more consistent with the vast majority of these molecules having been destroyed before they reach the ozone layer.

Senator Packwood also contends that there are no presently known natural chemical or physical removal mechanisms for halocarbons in the lower atmosphere. This, however, does not mean that these chemicals are not removed. Measurement is the only way to find out whether or not halocarbons are removed before reaching the ozone layer. The new HCl data is an example of an instance in which actual measured atmospheric concentrations are different from those predicted by laboratory observation.

My distinguished colleague also summarily dismisses the importance of natural sources of chlorine to the natural chlorine inventory. I feel this is a serious mistake. It is vital to the entire scientific evaluation process for us to find out just what the total chlorine inventory in the upper atmosphere is. Natural sources contribute significantly to this inventory, and they are especially important when one is attempting to verify the ozone depletion models quantitatively. To take a hydrogen chloride—HCl—measurement and determine whether it is in agreement with the models, it is necessary to know how much chlorine is getting into the atmosphere to produce HCl.

In sum, the arguments advanced by Senator Packwood to support his amendment have serious scientific deficiencies.

I wish to emphasize that I am not suggesting that production of flurocarbons be continued indefinitely unless they are conclusively shown to pose a negligible environmental problem. The weight of testimony before the Senate Subcommittee on the Upper Atmosphere by scientists and regulatory agency heads is that there is currently insufficient evidence to warrant a ban. Extensive research efforts are currently being conducted by Government and industry alike. The majority view of those involved in this research is that in about 2 years the scientific data will be solid enough to form a reasonable basis for regulatory decisionmaking.

On the other hand, institution of a prospective ban on aerosols, as Senator Packwood's amendment in practicality would do, could have grave economic repercussions. Senator Packwood is wrong in suggesting that a ban "will impose no undue or inequitable hardships on—the aerosol industry." To the contrary, it would precipitously disrupt an industry which contributes thousands of jobs and millions of dollars to the national economy. Major industries cannot be stopped and restarted at the whim of the Federal Government. The risks are clearly too minimal at this time to warrant such drastic action.

As I have stated, section 16 provides an important precautionary section requiring the Administrator of EPA to regulate fluorocarbon emissions from aerosol containers at any time before January 1, 1978, should he find that these emissions do pose a "significant risk of harmful effects to the public health and welfare." This safeguard should satisfy the concern for the safety of the public of Senators Packwood and Hart and others who have joined their amendment.

I believe it is vital that the research efforts currently underway be continued. If the evidence gathered exculpates fluorocarbons, substantial economic harm and unemployment will have been avoided; if the evidence is incriminating, appropriate action will be taken in a timely fashion without adverse economic consequences having occurred in the interim and with no significant impact having occurred on the public health or the environment.

I, therefore, urge passage of S. 3219 as reported by the Public Works Committee and defeat of amendment No. 1577.

PRELIMINARY NOTIFICATION PROPOSED ARMS SALES

Mr. HUMPHREY. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive notification of proposed arms sales under that act in excess of $25 million. Upon receipt of such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the Record in accordance with previous practice.

I wish to inform Members of the Senate that such a notification was received on April 23, 1976.

Interested Senators may inquire as to the details of this preliminary notification at the offices of the Committee on Foreign Relations, room S–116 in the Capitol.

QUESTIONING THE VALIDITY OF DAY CARE

Mr. BUCKLEY. Mr. President, the Washington Post, April 13, 1976, printed an essay by Suzanne Woolsey, a senior research associate at the Urban Institute, entitled, "Questioning the Validity of Day Care." This impressive article responds to several of the arguments which are commonly used to promote institutional child care.

Proponents of federally funded day care centers claim that providing this service will increase the participation of women in the work force. However, this hypothesis has not been proven correct. Miss Woolsey observes:

> All the evidence to date indicates that offering day care has little or no effect on a woman's decision to work. The most generous estimate is that the availability of even free day care centers, together with the availability of training, explains about 10 per cent of mothers' decisions to enter the work force. What matters most is the existence of a job when that is available, most mothers find a way to cope with child care problem.

On previous occasions I have noted that, while Federal child care proposals are purported to be tools to strengthen the family structure, they actually carry an implicit endorsement of institutional child care. Supporters of child care legislation repeatedly acknowledge that the family should continue to provide the basis for effective child development. However, as Miss Woolsey states:

One cannot resist the feeling that some advocates of day care centers, especially for the poor, are seized by the idea that they know better what the child needs than do the child's family, relatives, or neighbors. For those who harbor such thoughts, the research evidence is cold comfort. Prof. Sheldon White of Harvard summarized that research as showing that adequate day care is neutral in its effect on human development. At least one can say that there is no evidence that day care centers appear to do any active harm—but in the absence of any good evidence about a postive effect on development, relying on parents' preference for child care at home or at a neighbor's does not seem such a bad idea.

One of the problems with federally funded day care is that, although the services would be voluntary, day care professionals would certainly exert intense pressures on families to enroll their children in child care centers. Yet, as Miss Woolsey has indicated, there is no basis for assuming that institutional day care is preferable to family or community care.

Mr. President, I ask unanimous consent that the Post article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

QUESTIONING THE VALIDITY OF DAY CARE

(By Suzanne H. Woolsey)

Although concern over the population explosion has caused motherhood to fall into some disrepute of late, day care for children is bidding to replace it as the cause most likely to generate uncritical support from nearly all parts of the political spectrum. The Post editorial of March 15, supporting the recent federal day-care bill, vetoed last Tuesday by President Ford, reflects the conventional wisdom that day care is the answer to both liberal and conservative prayers: first, that the program is critical to giving women the opportunity to participate in the work force; second, that, given high enough standards, day care can significantly enhance children's development; and third, that day care centers are themselves good places to employ welfare recipients as staff, and thus to get them off the dole.

Unfortunately, the evidence does not support the contention that day care, especially federally subsidized day-care centers, can perform any one of those tasks at all well. The support for heavy federal subsidies for day-care centers is rather based on a congeries of hopes that they can do something about a number of disparate social objectives. The goals, as such, cannot be challenged. But when the supporters of a federal program avoid debating on the merits whether it can do any single job and, instead, take refuge in multiplying the areas in which they claim it can do something, however vague, it is time to stop and look carefully. One cannot help remembering, uncomfortably, that this is the tactic to which the supporters of some of the more worthless Pentagon enterprises of the last few years have been brought from time to time.

Potentially, the most powerful economic and social rationale for subsidized day care is its effect on participation of women in the labor force. Unfortunately, all the evidence to date indicates that *offering* day care has little or no effect on a woman's decision to work. The most generous estimate is that the availability of even free day-care centers, together with the availability of training, explains about 10 per cent of mothers' decisions to enter the work force. What matters most is the existence of a job—when that is available, most mothers find a way to cope with the child-care problem.

The WIN program, designed to put welfare recipients to work, has been overwhelmed by volunteers, many of them the mothers of young children—but the problem has been finding jobs, not day-care arrangements. Similarly, when day-care arrangements break down, the predicted job disruption does not appear to occur: a 1973 study in South Carolina of low-income mothers whose day-care center was closed found that everyone continued to work, nearly all in the same jobs, and that each found other arrangements for her children within a few days. Moreover, a 1975 Stanford Research Institute report summarizing studies of the demand for day care among working parents indicates that the type of day care preferred by most parents of all income groups is not the formal center but informal arrangements in the home or the neighborhood. In the 1960s several corporations set up day-care centers as a service to their employees; most shut down within a few years for lack of enrollment. The Gary, Ind., income maintenance experiment offered a free high-quality day-care center to the children of welfare mothers at work or in school. There were virtually no takers.

Some of the reasons for this will not surprise anyone who has ever been the parent of a 3-year-old with the sniffles on a rainy winter day. It is much easier to leave him in or near home with a relative or neighbor than to have to decide whether he is sick enough to warrant losing a day of work yourself or whether he can safely be taken by public transportation across town to the center.

When cost is added to the equation, informal care outside centers looks even more attractive. First of all, care at home or with a relative or neighbor costs very little, largely because child care is usually not the sole occupation of the babysitter, who is keeping house at the same time. In 1965, only 25 per cent of working mothers paid for child care at all. Though prices have risen since then, the cost of informal babysitting still is estimated to range from being free to about $800 per year.

When child care becomes a fulltime occupation, rather than a side line, the cost rises significantly if even subsistence wages are paid. In addition, the staff-to-child ratio for preschool children in day-care centers must be quite high (1 to 4 below age 3, 1 to 7 for 4-5 year old), so there is little savings possible from having one person care for many children in centers.

Consequently, ordinary centers cost upward of $1,600 per child even with staff paid at the minimum wage. As 80 per cent of the costs of day care are staff salaries, the more professional the staff, the higher the cost. Fulltime centers with educational programs, or all-day public preschools, now cost about the same as tuition in major private universities (between $3,000 and $5,000). Intensive experimental projects run twice that.

But what of employing welfare recipients to staff the centers? Might not enough be saved on welfare payments to make the whole operation financially worthwhile? A dilemma makes that most unlikely—in order to make welfare mothers competitive with the unemployed teachers and trained paraprofessionals now available to work in day-care centers, such costly training is necessary that any saving in reduced welfare outlays is wiped out. HEW's own employees' center was set up in 1970 to show the wisdom of using welfare mothers as staff: The project ended two years later with costs running about $3,600 per child.

But even if most parents do not prefer day-care centers and they are extremely costly, is it worth it for the children's sake? Research has concentrated on preschools and centers with intensive social and educational programs. Even in these "super centers" the results are mixed. Generally, no significant developmental gains in the children are detected. Occasionally, university-based research centers report short-term gains in IQ and social skills in the children enrolled, but there is not yet evidence that these gains will last long enough to help the child in school, and so far the techniques developed in the hot-house environment of research projects have not been transplanted successfully to other programs.

Day-care centers may to some extent simplify the delivery to poor children of other things they do clearly need—better food and medical care, for example—but centers are by no means necessary for such programs.

One cannot resist the feeling that some advocates of day-care centers, especially for the poor, are seized by the idea that they know better what the child needs than do the child's family, relatives or neigbors. For those who harbor such thoughts, the research evidence to date is cold comfort. Prof. Sheldon White of Harvard summarizes that research as showing that adequate day care is neutral in its effect on human development. At least one can say that there is no evidence that day-care centers appear to do any active harm—but in the absence of any good evidence about a positive effect on development, relying on parents' preference for child care at home or at a neighbor's does not seem to be such a bad idea.

Although the public debate about day care has concentrated almost exclusively on day-care centers, federal involvement in day care has, over the years, extended far beyond center programs. The federal program is itself proportionately somewhat more biased toward funding day-care centers than public demand would seem to dictate, but most federal day-care money is still spent for noncenter day care.

Of approximately $1.5 billion of federal money in 25 different subsidy programs, at least one-third reimburses parents directly for the expense of child care through tax deductions or through disregarding the share of income spent on child care when welfare payments are computed. The remainder included subsidizing in-home and neighborhood arrangements, teacher training, loans to small businesses, experimental preschool programs, and day-care centers. Head Start, which has historically provided some full-day care in addition to its basic half-day preschool program, has itself diversified over the last several years into five different types of programs, with greater attention to the home and much less to the Head Start center.

This brings us back to the arguments about the recently vetoed day-care legislation. Theology aside, the substance of the dispute has to do with the proper staff-child ratio to be imposed on day-care centers, whether the federal government or the states should do the imposing, the amount of time the centers can take to reach that ratio, and the degree to which welfare mothers are not; instead, improving tax and welfare payment credits so that working parents can have more money to arrange day care as they best see fit.

Maybe that's throwing money at the problem. But, unlike trying to manage day care for the nation's children from Capitol Hill and HEW, or for that matter, from Albany and Richmond, at least it is not throwing problems at the problem.

SIKKIM AND NEPAL

Mr. PELL. Mr. President, the New York Times published an article in its edition of April 26, 1976 reporting on the concern in the kingdom of Nepal for the preservation of its independence from India. Nepal's concern is a longstanding one, but India's absorption in 1974 of Nepal's former neighbor, Sikkim, provided stark evidence that the small nations of the Himalayas occupy a precarious position vis-a-vis their giant neighbor to the south. Interestingly enough, a large portion of the population of Sikkim is of Nepali origin.

I fervently hope that Nepal will be able to avoid the fate of Sikkim. So far, India has made no threatening moves against Nepal, but that is of little comfort for a small nation sharing a sub-continent with an increasingly ambitious power which has demonstrated little respect for the territorial integrity of its smaller neighbors.

Three years ago this month, India took advantage of mysteriously incited disorders in tiny Sikkim to send and maintain a police force of 400 in that country. It was after that presence was introduced that a rerun of a previously held election was arranged and brought a pro-India party into power which promptly petitioned the Indian Government for the "association" of Sikkim with India.

In these days of heightened congressional concern for human rights around the world, I would like to remind my colleagues of what has befallen Sikkim. Hopefully Nepal, and also Bhutan, will fare better; but it must be clear to India that the principle of the sanctity of states, both large and small, as provided for in the Charter of the United Nations, must be upheld. The large nations of the world, especially the United States, have a responsibility to condemn the actions of countries which threaten the sovereignty of their smaller neighbors.

Mr. President, I ask unanimous consent that the New York Times article of April 26, 1976 be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEPAL FINDS INDEPENDENCE THREATENED BY INDIA'S GROWING MIGHT IN SOUTH ASIA

(By William Borders)

KATMANDU, NEPAL, April 12.—Every sign of India's growing predominance in South Asia—and particularly the most recent one, the annexation of nearby Sikkim last year—is a cause for some uneasiness in Katmandu.

A Western diplomat in this ancient capital city, a rambling hodgepodge of temples and pagodas and intricately carved doorways, assessed the situation this way:

"What the Nepalese want to avoid is getting to the point where someone in New Delhi raises the question, 'Now what are we going to do about Nepal?' "

A primitive land roughly the size and shape of Tennessee, Nepal is more than landlocked; it is, as one of its prime ministers used to put it, "India-locked," since its only other border, with China, is blocked by the world's highest mountains, including Everest.

The country's cautious diplomatic course between India and China, with an eye on the world beyond, is being steered by the 30-year-old King Birendra, a generally well-regarded monarch whose power here is almost absolute. The King, who is revered as an incarnation of the Hindu god Vishnu, is a successor to the old Gurkha kingdom, a link with Nepal's past.

KING ATTENDED HARVARD

But in contrast to ancestors who wore the emerald and diamond crown before him, King Birendra, who attended Harvard and the University of Tokyo, is also a link with the future which he calls "an age when the Nepalese people shall rouse themselves to seek development."

Even his opponents concede that the young King's determination is sincere. But Nepal is one of the world's least-developed countries, and the task he has set is enormous.

Most of the 13 million people here live on subsistence farms, growing little terraced patches of rice or wheat up and down the mountainsides. None of them are starving; this country is an exporter of food, unlike its neighbors. But many Nepalese are malnourished, and fewer than one in five can read.

As growing numbers of foreign tourists are discovering, the country is a picture-postcard paradise of clean streams, Alpine hiking trails and snowy peaks.

But the landscape is also traversed by barefoot peasants, hopelessly trudging miles every day with heavy loads of hay or kindling supported by slings around their foreheads. They lead a hard life, and it lasts, on average, less than 40 years.

In his drive "to enhance the welfare and dignity of our people," which he describes as a major goal, King Birendra rules with a degree of power exercised by few of the world's remaining kings. Nepal is technically a constitutional monarchy, but the Constitution recognizes the King as the sole source of Government authority, and political parties have been banned since 1960.

Just last December, he proclaimed an amendment to the Constitution giving effective veto power over political candidates at all levels to a nine-member national commission appointed by him. Moreover, the Prime Minister and his Cabinet serve at the King's pleasure, and he can amend the Constitution almost at will.

MOUNTAINS DIVIDE PEOPLE

Because of the Himalayan Mountains, Nepal is unusually disparate for its size, with isolated pockets of people speaking more than a dozen languages. Until recently, many of them thought of "Nepal" as applying only to the Katmandu Valley, and not to the particular hillside that they called home.

In an effort to pull it all together as a nation, and presumably to strengthen the authority of the crown as well, King Birendra travels extensively, using a helicopter because so many of the people live several days' walk or more from the nearest road.

As part of his rush toward development, the King has begun a vigorous road-building program, and there are also plans to begin developing Nepal's enormous hydroelectric potential, provided by the 20-thousand-foot drop that its rivers take.

In both efforts, as in so many other things that are going on here, India is playing an important role. Though a major recipient of the world's foreign aid itself, New Delhi is also the principal donor to Nepal, giving at an annual rate of $10 million a year.

The Indians are planning to participate financially in the construction of two huge power projects in northwestern Nepal. Since these projects will generate far more electricity than Nepal could ever use, most of it will be sent across the border into northern India, and the fact that the Indians concede their dependence on that power makes some Nepalese a bit nervous.

In late 1974, when India first moved decisively to take over the adjoining state of Sikkim whose population is largely of Nepalese origin, the reaction here was swift and intense.

INDIA RECALLED ENVOY

Angry, chanting crowds attacked the Indian Embassy and Indian shops in Katmandu, and New Delhi called its ambassador home for consultations.

Soon afterward, in a move that it denies was retaliatory, India decided to start charging "realistic" prices for such goods as cement, iron and coal, which it exports to Nepal, rather than selling them at the subsidized domestic prices.

The price increases were a reminder that New Delhi's economic leverage is enormous, since 90 percent of Nepal's foreign trade comes from India. Yaks carry a trickle of commercial goods across the mountains to China.

Now negotiations are beginning for a new agreement on trade and the transit of foreign goods. When Prime Minister Tulsi Giri paid a visit to India earlier this month to lay the groundwork for them, he went out of his way to be conciliatory.

Despite the authoritarian nature of King Birendra's rule, he has attracted little widespread overt opposition. One reason why, people here say, may be that there is no tradition of freedom in Nepal, a country ruled until 25 years ago by tyrannical prime ministers who kept even the monarchs, King Birendra's ancestors virtual prisoners.

Among supporters of the King, there was some gratification last summer when—the long shadow of India once again—Prime Minister Indira Gandhi suspended civil liberties in that country. The action supported their contention that parliamentary democracy is unsuited to this part of the world.

Opponents of the King say, however, that an absolute monarchy's days must be numbered. As one of the planks in his development program, King Birendra is moving with relative swiftness toward universal education, with new little brick schoolhouses clinging to hillsides all over the country. That could work against him, in the opinion of one prominent anti-Government figure here.

SUPPORT FOR THE OZONE PROTECTION PROVISIONS OF S. 3219

Mr. DOMENICI. Mr. President, I speak in support of section 16 of the bill (S. 3219) reported by the Public Works Committee dealing with "Ozone Protection" and in opposition to an amendment (No. 1577) thereto offered by our distinguished colleague from Oregon (Mr. PACKWOOD).

Some scientists have put forward the theory that fluorocarbon emissions from aerosol spray cans and refrigeration and air-conditioning systems may rise through the atmosphere, eventually react with the ozone layer and diminish it. If this chain of events does, in fact, occur, there could be an increase in the amount of ultraviolet radiation reaching the Earth's surface, which, if of sufficient magnitude, could cause increased incidence of skin cancer and have other adverse effects.

The bill as reported by the committee fully deals with this possibility. It would direct the Environmental Protection Agency to regulate fluorocarbon emissions if it were to find that such emissions could reasonably be anticipated to contribute to a danger to the public health. Any regulations formulated by EPA to deal with the matter would be promulgated by April 1, 1978 and submitted to Congress for its consideration.

The amendment offered by the Senator from Oregon would impose an absolute ban on fluorocarbons in aerosols effective January 1, 1978. In advocating a ban, the Senator referred to what he called a "growing absolute and thoroughly scientific record," that halocarbons are depleting the ozone. In doing so, I respectfully submit, the Senator mischaracterized the state of the record. The overwhelming weight of testimony has been that there is no need to regulate fluorocarbons at this time and that there is time to gain the scientific information which is needed to permit an informed judgment to be made.

You may recall that under the chairmanship of the distinguished Senator from Arkansas (Mr. Bumpers) an ad hoc Subcommittee on the Upper Atmosphere heard a number of witnesses on this matter. The majority of those witnesses who addressed the issue told us that there is simply not sufficient information to justify regulation at this time. Dr. H. Guyford Stever, who is Chairman of the Federal Council for Science and Technology, said just that; so did Richard Simpson, Chairman of the Consumer Product Safety Commission, Sherwin Gardner of the Food and Drug Administration, and Samuel Sherwin of the Department of Commerce. As Mr. Sherwin put it:

> We feel that no action to restrict fluorocarbon usage should be taken at this time without serious consideration of the economic impact. The consensus of industry is that if useful replacement products are developed for fluorocarbons, they will be substantially more costly than current materials, may be less safe under conditions of use, and may even be less energy-efficient for applications such as refrigerants.

Of course, economic concerns such as those voiced by Mr. Sherwin are well placed; but it is the lack of scientific knowledge—coupled with widespread recognition that there is time to obtain it without creating unemployment and economic dislocations—that is even more important. As the Consumer Product Safety Commission put it, in declining to take action against aerosols:

> The information presently available is insufficient for the Commission to determine the correctness of the hypothesis of ozone depletion by fluorocarbons in the stratosphere, the basic phenomenon from which any risk of death, personal injury, or serious or frequent illness to humans could follow. Since the Commission is unable at the present time to determine the probability that any harm will result, it is clearly unable to balance this probability against the economics and other relevant factors, discussed above, to make its preliminary findings. Therefore, being unable to determine whether an "unreasonable risk of injury" is presented, the Commission, pursuant to section 19(d) of the CPSA, 15 U.S.C.A. 2059(d), must deny the petition.

Finally, I would like to quote the testimony to the same effect presented on behalf of the Environmental Protection Agency by Dr. William Talley, EPA's Assistant Administrator for Research and Development:

> Before any decision to regulate can be made, the significant knowledge gaps concerning the problem must be filled. . . . The timetable for the decision-making is in the neighborhood of two years.
>
> One of the things to emphasize is that the model work has been based on one and two-dimensional models of the atmosphere. Clearly, these are not going to give an accurate picture. We need two and three-dimensional models, supplemented by actual samplings, not only of the upper atmosphere but in the troposphere to make certain that when we predict what will happen in five, ten or twenty years, that the models are validated. We are aiming for a two-year timeframe to develop the scienitfic case to give the decision-makers, whoever the Congress decides to give that power to the best possible information to make the decision.
>
> As I say, it will be a two-year timeframe.

The committee's bill addresses the problem we confront in laudatory fashion. It authorizes responsible governmental bodies to go forward and get the information which is required. At the same time, it gives the EPA immediate power to act if it appears there is a need to do so. The Agency need not wait for completely conclusive scientific evidence; it can act on the basis of reasonable evidence that there is indeed a real problem. On the other hand, precipitous action—with its economic dislocations and losses in jobs—is not what responsible and interested observers say is needed. I urge, therefore, defeat of the amendment offered by the Senator from Oregon when the matter comes before us for vote.

CLEAN AIR ACT AMENDMENTS (S. 3219)

Mr. MOSS. Mr. President, I wish to add the name of the Senator from Mississippi (Mr. Stennis) to the list of those cosponsoring my amendments to the Clean Air Act Amendments (S. 3219). I appreciate the support of my colleague in this extremely important matter.

Once again I would like to stress the extent of my concern that Congress carefully consider my amendments before making any decision on the nondegradation section of the bill. I hardly need remind any of you that this country is still engaged in recovering from a very severe recession. Our unemployment levels are still unacceptably high. Behind this recession is the energy crisis, which, more than anything else, precipitated it. Though much of the recessionary pressure has been relieved, the energy problem remains, and threatens to rekindle the recession. We simply must come to grips with this problem.

In this context any large-scale decision which seriously curtails the ability of this Nation to reach energy self-sufficiency in the near future, must be looked at very closely, even suspiciously. As you may all know, most of those engaged in formulating long-term energy strategies now concede that this country will not meet its goal of energy independence by 1980, or even 1985. At present levels of action, it may not even be possible to achieve this goal by 1990—and that is at present levels of action. Any serious retardation in the expansion of energy resource development will push the final outcome even further back.

Obviously, the decision for increasing energy production can only be analyzed in light of competing national goals. Most important in this regard are competing environmental goals. As a strong supporter of environmentalist positions in the past, as author of the bills which created three of our national parks, and as one who expressed concern for our environment long before it was generally popular to do so, I can freely say that my amendments are not aimed in an environmentally-irresponsible direction. These amendments do not argue that nondeterioration is a bad thing or that clean air and development are incompatible and hence, that the latter must be given precedence. Quite the contrary, they admit the probable utility of such a policy and merely request that before the final decision can be made as to whether that policy should be implemented, Congress should be told what the cost will be.

We all want clean air. We even want the air cleaner than the minimum level required for protection of health and welfare. But how much is that last increment of clean air worth? Is it worth a half a million jobs? Is it worth further reliance on unsecured sources for a majority of our energy needs? Is it worth a substantial "lock-up" of large areas of the Nation from further industrial expansion?

Of course, I cannot vouch for these figures or suppositions. I do not know what the cost will be. It may be much less, it may be much more. That is the biggest problem, and the one to which my amendments are addressed. We simply must have more information on the costs of nondeterioration before we can decide whether or not we can afford it. We are tied into a situation in which energy cutbacks are an environmental necessity, but in which increased energy production is an equal economic necessity.

In such a predicament, the clearest need is for adequate and full information on all issues, and yet this is obviously the area of greatest gap in the present nondegradation discussion. We must have this information before we can rationally decide what direction this country should take and with what level of commitment to competing national goals.

HUD FINDS OWN MEDICINE HARD TO SWALLOW

Mr. DOMENICI. Mr. President, in recent months I have received a large amount of mail from New Mexicans who are concerned, confused, and angered by contradictory and seemingly endless Federal regulations.

I have talked about this problem, and the effect it has on citizen confidence in Government, in the past. I intend to press the point more precisely in the future, using survey data and responses to polls I have sent my constituents.

However, some citizens in the West have decided to return the favor to Government agencies. In a recent issue of the Hobbs, N. Mex., Chamber of Commerce, Newsletter, such "kindness" is related.

I am struck by the diabolical ingenuity of the plan of the Midland, Tex., mayor Ernest Angelo, that this account in the Hobbs publication outlines. Perhaps the mayor's methods could be used to prod Congress toward a reform of the laws passed that have caused the mounds of redtape that confound the Nation.

I could go on, Mr. President, with a definite outline of what we all could do to give the devil his due, but I think perhaps the Hobbs account of what I will call "Midland's Revenge" sums it all up.

Mr. President, I ask unanimous consent that the story, "HUD Finds Own Medicine Hard To Swallow," from the Hobbs Chamber of Commerce Newsletter, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HUD FINDS OWN MEDICINE HARD TO SWALLOW

When the Department of Housing and Urban Development asked Midland, Texas for a reserved parking space at the municipal airport it got a heaping dose of its own bureaucratic medicine.

Although the pill was sugarcoated, it was also food for thought.

Mayor Ernest Angelo said it took Midland eight months to get its application for HUD funds through the government's red tape jungle. So when HUD's regional office in Dallas asked Midland to set aside a parking space at the airport for a HUD field employe, Midland returned the "favor."

Mayor Angelo wrote HUD's Dallas office: "You must submit three executed and fourteen confirmed copies of this application.

"Submit the make and model of the proposed vehicle to be parked in the space together with certified assurance that everyone connected with the manufacture, servicing and operation of same were paid according to a wage scale that complies with the requirements of the Davis-Bacon Act.

"Submit a genealogical table for everyone who will operate said vehicle so that we can ascertain that there will be a precisely exact equal percentage of whites, blacks and other minorities as well as women and the elderly.

"Submit certified assurances that all operators of said vehicle and any filling station personnel that service same will be equipped with steel-toed boots, safety goggles and crash helmets and that the vehicle will be equipped with at least safety belts and an air bag to show compliance with the Occupational Safety and Health Act.

"Submit environmental impact statements. You will probably want to hire an expensive consultant for this item as you probably have no one on your staff with the expertise to prepare it. The statement should show the number of times the vehicle will be operated, time of day, etc., etc. . . . and an exact conclusion as to the effect this will have on the atmosphere in West Texas.

". . . to obtain approval of a negative impact statement you will not be able to operate the car on gasoline produced from domestic oil because that would require someone to discover it, process and deliver it and it is possible that some private person, firm or corporation might realize a profit as a result of such activities and this simply won't do. However, if the gasoline is produced from foreign oil this will be aceptable . . . You will not be able to operate the car from energy produced from coal because this might require digging a hole in the ground and that is simply not acceptable in the United States: . . . not operate the car by solar energy because this is the most abundant source of energy available and it is entirely too practical to justify any expenditure for research and development.

Angelo's postscript noted the city would be happy, however, to dispense with the red tape and grant HUD a parking space.

Copies were sent to President Gerald Ford and other government leaders.

QUEEN ISABELLA DAY

Mr. WILLIAMS. Mr. President, on April 22, over 40 States throughout the Nation, including my own State of New Jersey, officially commemorated Queen Isabella Day in honor of the great Spanish monarch whose enthusiastic support of the expeditions of Christopher Columbus holds a central place in the story of the Age of Exploration.

April 22, 1976 marked the 525th anniversary of the birth of Queen Isabella I, daughter of John II of Castile. Her marriage to Ferdinand of Aragon in 1426 led to the unification of Spain, and the start of a period of world power and influence for the Nation that was to last for more than a century and a half.

Queen Isabella proved to be a powerful ruler in an age of kings. Intelligent and perceptive, the young queen was among a handful who saw merit in the proposal of Christopher Columbus to reach the rich lands of the East by sailing west. Against the counsel of her advisors, Isabella agreed to support Columbus, offering to sacrifice her crown jewels if necessary to raise funds for the expedition which directly challenged the contemporary concept of the world.

In this Bicentennial Year, when we focus our attention on those who have made their mark on the development of this Nation, we cannot forget Queen Isabella I, a brave woman whose foresight contributed so importantly to one of history's greatest adventures.

SIX DOWN, TWENTY-SIX TO GO

Mr. DOMENICI. Mr. President, I would like to briefly speak about our method of selecting candidates for the office of President of the United States—I am referring to our primary system. This is a system that was not contemplated by our Founding Fathers.

They believed through the electoral system, distinguished citizens would gather together every 4 years and elect the best qualified person to be President of the United States. However, political parties soon arose, as did the need for some system of selecting candidates. Today, there is not a single system but 55 different systems, each with different rules, often conflicting.

Many suggestions have been offered to improve this system including a national primary or regional primaries—even at a glance there are many problems with these suggestions. For example, if we established a national primary would you have a runoff? Who would pay the cost? What would the qualifying requirements be?

Or take the suggestion of regional primaries. Where would the lines be drawn? North and south or east and west? States that are similar? I do not know what the answer would be but I do know that wherever the lines were drawn, inequities might occur.

Dozens of variations have been suggested on these alternatives. I would commend to the Senate a recent editorial on this subject from the Portales News-Tribune by Gordon K. Greaves titled "Six Down, Twenty-six To Go." As Mr. Greaves succinctly said:

> The greatest risk we run in having too many elections, and too "many pivotal" primaries is that the voter will be weary of them, and quit trying to keep the score. Already, there is some evidence that a great many of us have decided that "it doesn't really make any difference."

Mr. President, I, too, fear that the current chaotic system may discourage participation in our electoral system. I have cosponsored, along with 24 of my colleagues, Senate Joint Resolution 166 which would create a blue ribbon commission to study the various alternatives to our present system. I urge the rest of my colleagues to closely examine this legislation.

Mr. President, I ask unanimous consent that the editorial by Mr. Greaves be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Portales (N. Mex.) News-Tribune, March 28, 1976]

SIX DOWN, TWENTY-SIX TO GO

Six states have held Presidential primaries up to now, and 26 more of these contests await those with enough stamina to stay.

But all of this striving is only preliminary to the winner-take-all conventions—The Democrats on July 12–15 in New York, and the Republicans Aug. 16–19 in Kansas City.

Jimmy Carter got the attention he needed on Feb. 24 in New Hampshire to make of himself a serious candidate while Sen. Jackson achieved a similar status the following week in Massachusetts, with Morris Udall coming in strongly enough to bid for the support of the liberal wing.

Carter's successive triumphs in Florida on March 9, Illinois on March 16, and North Carolina on the 23rd put him almost beyond the reach of George Wallace.

Birch Bayh called it quits after the Florida primary, while Shriver gave up the race after Illinois.

Now, Jackson, and Udall are concentrating on the April 6 primary in New York, and this is likely to be the supreme test for one or the other. If they can't put together a triumph in this pivotal primary, they may as well concede to Carter.

Meanwhile Ronald Reagan, who stoutly maintained through five losing primaries that a challenger of an incumbent president who could come "even close" to half the votes was to be taken seriously, got a healthy infusion of strength in an upset victory in North Carolina, and has caused President Ford to stop and take a look at his method of campaigning.

So we can say that at this point the primaries have served to eliminate those who were only "hopeful" and has given the front runners a test of durability and political agility.

From here on out the primaries will reach into heretofore untested regions of the United States.

First will be Arizona on April 24, then Pennsylvania on April 27. Those two primaries are likely to be pivotal for Ronald Reagan, and possibly will write the ticket for Carter versus Jackson or Udall.

After Pennsylvania comes Texas on May 1, then Alabama and Louisiana on May 8. These three states surely will test Carter's strength in the South, but he likely will already be well enough ahead as to be able to discount a resurgence of the Wallace popularity.

Michigan's primary on May 18, and Oregon's and Arkansas' on May 25 will plumb new geographic areas.

Then will come Rhode Island, South Dakota and Montana on June 1—all of which will be mere warmups for the crucial June 8 primary in California on June 8, Ohio also votes on that day, and the two states, taken together, will most likely take the final measure of the Reagan challenge to President Ford.

In light of what has already happened in the first six primaries, Americans can make up their minds whether the state-by-state marathon is too strenuous on the candidates, and too wearying on the voter. Would a series, of say, four regional primaries be better?

Right now, we doubt that the regional primary would be less strenuous or even less costly to the candidates. Unless they abandon the man-killing effort to personally visit every population center in each state, a regional primary would simply intensify the pressure. There might be some economies in concentrating all their media advertising into regional packages, and from this standpoint, the idea merits further consideration.

Even so, the American democratic process has to be a severe test of the will and purpose of a candidate. Physically, it is torture to keep up the pace of 30 or more state primaries. But in the long run, perhaps this does give Americans more of a sense of participation in the selection of our leaders.

The greatest risk we run in having too many elections, and too many "privotal" primaries is that the voter will weary of them, and quit trying to keep the score. Already there is some evidence that a great many of us have decided that "it doesn't really make any difference."

We have to reaffirm that it certainly does make a difference who is elected. But it's more important that we believe that the difference is personally important to each of us.

SOME RESOLUTIONS FOR EXXON

Mr. PHILIP A. HART. Mr. President, in its campaign to discredit legislation calling for vertical divestiture of the major integrated oil companies, the industry has followed an erratic course. Before Senate committees and in TV ads, it argues that integrated operations are essential to the efficiency and growth of the industry. But before State tax commissions—where the company would save tax dollars by being "not integrated," Exxon argues that each major division operates independently.

Another contradiction in the oil industry's antidivestiture argument was highlighted in a recent column by Ralph Nader, which I ask unanimous consent be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PHILIP A. HART. Mr. President, as the column indicates, in a recent speech a spokesman for Exxon has asked for the opportunity to return to "market economics."

That, of course, is exactly what the divestiture legislation would achieve. But since the oil industry does not favor divestiture, one wonders if it really would be as happy with market forces as Exxon says.

Mr. Nader—with tongue in cheek—has listed a few of the steps necessary if the company were truly to embrace competitive behavior.

I commend the piece to my colleagues.

EXHIBIT 1

[From the Washington Star, April 3, 1976]

SOME RESOLUTIONS FOR EXXON

(By Ralph Nader)

W. T. Slick, Jr., senior vice president of Exxon Co., is calling for higher profits, lower taxes and less government involvement in the oil industry.

In a recent speech before business economists, he declared:

"Government policy needs to make a turn back to the kind of economics that helped build our country—a turn back to market economics."

In a phrase, Exxon wants to make more money in order to raise more capital and is willing to abide by market forces.

For a company which supported both state government control of oil production for some 40 years as well as the oil import quota from 1959 to 1973 in order to bolster higher domestic gasoline and home fuel prices, Mr. Slick's call for market economics is at least a turn away from history.

If Mr. Slick is to be believed, he should have the following checklist, perhaps posted on his office wall:

"Exxon resolves to return to market forces by taking the following steps:

"Stop all payments to political parties or politicians. Slushing almost $50 million dollars just to Italian politicians and party newspapers between 1953 and 1971 by Exxon could have interfered with market economics.

"Drop all joint ventures with other major oil companies here and abroad. Exxon, Texaco, Gulf, Mobil, Shell, Standard of California, Amoco and Arco should not be in business together, sharing their commercial plans and information, if they wish to compete under market economics.

"Cease all product exchange agreements with other oil companies. Regularly swapping oil with each other reduces competition, avoids an open market and binds the large oil companies closer together. Besides, after spending all that advertising money on the superiority of our brand name, consumers might be upset to learn it's another tiger in their tank.

"Cease cooperating with other giant oil companies to shore up the OPEC cartel, as Fortune magazine pointed out, by allocating purchase reductions among the producing countries. The Shah of Iran told Anthony Sampson, author of the 'Seven Sisters' (the seven large oil companies), the smooth functioning of OPEC depends on the global machinery of the 'Sisters.'

"Reject all federal welfare payments to the company, whether they are in the form of tax privileges or indirect subsidies to the nuclear industry that will benefit Exxon's nuclear division. Welfare payments reduce our incentive to work.

"Remove Exxon and other major oil companies from ownership of pipelines and other vertically integrated operations which produce anticompetitive forces and insulate the 'majors' from market economics.

"Use our (Exxon) testimony before the Wisconsin State Tax Appeal Commission to persuade the other giants in our industry how easy it would be to divest each company's production, transportation, refinery and marketing units. Support Sen. Philip Hart's (D-Mich.) divestiture legislation which, in Hart's words, 'would let the capital market itself measure the performance of each functional entity and to allocate capital accordingly.'

"Reverse the drive by Exxon and the other 'majors' to control other forms of energy, including coal, uranium and geothermal. This reversal would encourage inter-fuel competition and foster market economics to replace energy conglomerates.

"Stop wasting money in a way that defrauds the consumer. Exxon spent $250 million a few years ago to change its name from Humble, Esso and Standard Oil of New Jersey to Exxon. While retiring the name 'Humble' may be seen as a rare act of corporate humility, consumers would have preferred saving a quarter of a billion dollars.

"No more collusive tete-a-tetes with our industry brothers, industry trade associations and government officials who are temporarily on leave from oil company positions. Such 'in concert' behavior only furthers irresistable resistance to market economics.

"If Exxon accomplishes the above nine objectives, then government price controls and court actions can be lifted."

If that is your agenda, Mr. Slick, you could be hailed as the champion of the consumers.

ECONOMIC IMPACT REPORT, LUKE AIR FORCE BASE

Mr. GOLDWATER. Mr. President, many Senators, and I know Congressmen, are receiving complaints about Air Force bases in their vicinity whose use of modern jets creates noise that was not associated with the old reciprocal engine. Sometimes we forget how important these bases are, not primarily to the communities we live in but, more importantly, to the country we live in. However, as an example of what one base means to a community and a State, Luke Air Force Base near Phoenix, Ariz., has published an economic impact report for 1975 and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

ECONOMIC IMPACT 1975: LUKE AIR FORCE BASE, PHOENIX, ARIZ.

DEPARTMENT OF THE AIR FORCE,
Luke Air Force Base, Ariz.

This report is expressly for the civic leaders and businessmen of Phoenix, Glendale, and other valley communities. It has been prepared to show the financial picture of Luke Air Force Base and its impact on the greater Phoenix area. It tells Luke's story in terms of dollars and people.

Luke has come a long way since its gates opened in 1941. We have trained thousands of crew members, both American and Allied, to support the cause of peace throughout the world. But we are not obsessed by the past in this fast moving era; it is the future that concerns us. Luke is on the move. Our nation's newest air superiority fighter, the F–15 Eagle, has arrived at Luke to assume its role in the training of tactical fighter pilots. Luke is the hub of the Tactical Air Command's Instructional Systems Development (ISD) Program—a program designed to produce better pilots and maintenance crews at a lower cost. With the addition of electronic warfare capabilities at the Gila Bend Ranges comes more people and an increased need for housing and other facilities. The people of Luke strive for perfection at the lowest cost; our Resources Conservation Program has netted us almost $3 million in savings to the taxpayer during the past fiscal year. Our new hospital is open and provides our physicians with better equipment and facilities for medical treatment of Luke's growing military and retired population.

Luke Air Force Base is among the best in the Air Force. We are proud to be a part of this community; and with the continued support of the community we shall continue our role as defenders of freedom.

FRED A. HAEFFNER, Brig. Gen., USAF,
Commander.

KEY PERSONNEL

Commander, Brig. Gen. F. A. Haeffner.
Vice Commander, Colonel J. F. O'Donnell.
Deputy Commander for Operations, F–104/F–5, Colonel R. D. Tucker.
Deputy Commander for Operations, F–15/F–4, Colonel W. E. Underwood.
Base Commander, Colonel I. L. Kimes, Jr.
Vice Base Commander, Lt. Col. J. W. DuBois.
Resource Management, Colonel J. G. West.
Maintenance, Colonel J. C. Anderson.
Hospital Commander, Colonel L. W. Johnson, Jr.
Chaplain, Colonel D. E. Rathjen.
Airfield Manager, Lt. Col. R. W. Bakken.
Civil Engineer, Lt. Col. R. O. Ferrell.
Personnel, Lt. Col. A. L. Sturgeon.
Procurement, Lt. Col. W. McKeon.
Range Operations, Lt. Col. T. J. Conrad.
Safety, Lt. Col. R. M. Hirth.
Services, Lt. Col. W. R. Weber.
Comptroller, Lt. Col. D. L. Watkins.
Legal Affairs, Capt. J. D. Puett.
Security, Maj. D. C. Bratton.
Transportation, Maj. D. H. Redding.
Administration, Capt. L. S. Ware.
Communication, Maj. J. T. Nelson.
Information, Capt. M. E. Heenan.
Social Actions, Maj. S. L. Gilbert.
Recreation Activities, Maj. J. R. Jordan.
Prepared by: Management Analysis.

MISSION

Luke Air Force Base is the home of the 58 Tactical Fighter Training Wing, the largest fighter training wing in the Air Force.

The Wing is the Air Force's prime F–4 Phantom Combat Crew Training Unit. With almost 1,500 Phantoms in the Air Force, Luke AFB is a key factor in providing qualified aircrews to meet the Tactical Air Command's world-wide mobility commitments. The 58th Wing is also the prime combat crew training unit for the F–15 Eagle, the Air Force's newest air superiority fighter.

Luke Air Force Base has also been called the "largest German Air Force Base in the world." The base is the hub of training for both the German Air Force and Navy pilots in the F–104G Starfighter. The German government pays for the training of its pilots by the USAF, and for the maintenance of its aircraft by Lockheed Aircraft Service.

Luke is also the home of the 26th NORAD Region/Air Division. Its mission is to detect, identify, and, if necessary, to destroy any unidentified aircraft intruding into the United States. The 26th Air Division is the Weapons Direction Center for air defense of a six-state area of the Southwestern United States. The Wing's pilots and aircraft provide an additional capability to support this air defense mission. The 26th Air Division Commander is Brig Gen D. A. Brooksher.

The Gila Bend Gunnery Range, located 65 miles south of Phoenix, is one of the primary training gunnery ranges in the Air Force. The complex includes eight bombing and gunnery ranges and covers over 2.7 million acres. In performing its training function, the range is subjected to simulated war over 200 days per year.

Luke Air Force Base is part of the Tactical Air Command with its headquarters at Langley AFB, Virginia, and intermediate headquarters, Twelfth Air Force, at Bergstrom AFB, Texas. Other major commands represented at Luke AFB include: Air Defense Command, Military Airlift Command, Air Training Command, Air Force Communications Service, United States Army, and the German Air Force.

During FY1975, 449 U.S. Air Force aircrew members and 155 foreign Air Force pilots were trained at Luke AFB. To produce this number of proficient flyers, support personnel numbering nearly 8,000 provided instruction and other mission support.

PREFACE

With its many activities and the large number of personnel stationed here, Luke AFB has a significant impact on the surrounding area. Measured in economic terms, this impact is an approximate $98,000,000.00 annual contribution to the local economy. This report highlights various aspects of this dollar impact during Fiscal Year 1975.

The Base Management Analysis Office has prepared this report with information obtained from city, county, and state government agencies, contractor firms, on-base appropriated and non-appropriated fund activities, and by a questionnaire conducted in August 1975 among the military and civil service work force on Luke Air Force Base. The information relating to our work force was compiled according to residence. The 1,760 employees, or twenty-three percent of the base military and civil service population, were selected, by using random sampling techniques, to complete a questionnaire. The results of the questionnaires were expanded against the total work force to obtain the dollar totals and other data reflected in the "People" Section. As with any survey of people, our output is only as good as our input. Our questionnaire included "check" questions for which we had valid data prior to completion of the questionnaire. By statistically expanding the results of the "check" questions and comparing these computed totals to the known values, we were able to determine the reliability of our sample. We feel that the data is highly reliable. For example, when our known population figures were compared to our statistically expanded population figures, the differences were negligible.

Rental allowances forfeited for military family housing as well as purchases from the Base Exchange, Commissary Store, Open Messes, etc., have been excluded from expenditures of military employees and their families since these have no local economic impact. Purchases made by those agencies, however, have been included.

The book is presented in two parts: "The Base" and "The People." The first part deals with the financial impact of the base operation itself, while the second portion describes buying power and housing data of Luke employees.

Any questions or comments concerning this report should be directed to the Management Analysis Office, mailing address: 58 TFTW/ACM, Luke AFB, AZ 85309; or telephone A/C 602–935–7411, extension 7408, Autovon 853–7408.

THE BASE

Financial summary

At the end of FY75 Luke AFB assets and property were worth over $838 million (Page 9). The most significant items included:

209 Jet Fighters and Related Support Equipment.
13 Support and Tenant Aircraft.
Houses for 875 Military Families.
Dormitories and Dining Facilities for Over 1,500 Military Personnel.
Recreational Facilities.
Administrative Facilities.
Maintenance and Industrial Facilities.
105 Bed Medical Facility.
Retail Outlets for Military Personnel.

Expenditures to equip and supply Luke AFB operations in FY1975 were $34.2 million (Page 12). Fuel, supplies and equipment to fly missions and provide support cost over $30 million. The Base Exchange and Commissary spent almost $17 million for home appliances, clothing, groceries, and other household items to be sold to active duty and retired military personnel.

Luke payrolls for FY1975 amounted to $85.0 million (Page 13).

Of the $21 million in contracts awarded by the Luke AFB Procurement Office, over $13 million went to firms in the Phoenix area (Page 14).

Luke assets as of June 30, 1975

Item:	*Dollar value*	*Percent*
Aircraft	$663, 110, 000	79. 1
Equipment	68, 363, 498	8. 2
Buildings	63, 015, 790	7. 5
Improvements (Utilities, Runways, Roads, Etc.)	26, 034, 507	3. 1
Supply inventories	4, 228, 070	0. 5
Spare engines	12, 903, 000	1. 5
Land	1, 204, 057	0. 1
Total	838, 858, 922	100

Major construction projects

Completed fiscal year 1975

Composite medical facility	$7, 531, 000
Flight simulator facility	822, 900
Field training detach facility	598, 800
2 officer dormitories	1, 221, 000
Repair to runway and taxiways	1, 107, 146
Theater	624, 677
Weapons and release shop	266, 173
Missile assembly facility	201, 835
Power check pad	118, 888
Aircraft engine shop	116, 000
Supervisory control system	299, 830
ILS support facility auxiliary 1	44, 722
Total	12, 952, 971

Under construction

Base exchange facility	1, 612, 000
Sewage treatment facilities	453, 000
Replace water storage tank, GB	129, 222
Repair swim pool, GB	59, 137
Fire protection systems	87, 912
Replace sewage pumps	47, 339
Repair base gas lines	31, 838
Repair overhead electric, GB	93, 767
Repair doors airmen dorms	42, 000
Water distribution lines, GB	108, 290
Repair airmen dorm, GB	48, 900
Commercial power range 3, GB	41, 967
Electronic warfare fence/paving, GB	38, 152
14 trailer space park, GB	83, 350
3 storage igloos	274, 329
Munitions storage and lighting	131, 593
Runway shoulder repair	62, 156
Taxiway repair	277, 777
North maint. check area repair	318, 540
Rifle range alteration	39, 455
Vehicle operations building, GB	32, 180
Library/post office, GB	31, 320
Security police operations, GB	30, 465
Vehicle maintenance building, GB	49, 742
Tennis court, GB	43, 100
Will call paint interior dorms/OQ's	70, 000
Will call paint interior housing	48, 857
Paint interior miscellaneous base buildings	18, 832
Paint exterior miscellaneous base buildings	47, 147
Maintain floors base housing	44, 272
Repair roofs base buildings	68, 195
Paint exterior base buildings, GB	26, 387
Paint exterior trim base housing	40, 000
Total	4, 531, 221

Planned

Commissary warehouse.
Child care center.
Twenty space trailer park, GB.
Upgrade airmen dining hall.
Rehab base gym.
Remodel 583 for photo lab.
Two new base water wells.

Battery shop, GB.
F-15 sound suppressor.
Electronic warefare shop, GB.
Airmen dormitory, GB.

Operating and maintenance expenses: fiscal year 1975

Supplies and equipment	$11,109,048
Petroleum, oil and lubricants	18,906,051
Repairs and minor construction	1,173,370
Utilities, rents, and travel	2,250,394
Storage and shipment of household goods	287,967
Communications	500,279
Other services and expenses	1,609,030
Total	34,227,108
Base exchange purchases for resale	2,123,966
Commissary purchases for resale	12,958,997
Recreational services and open messes	1,639,960
Total	16,722,923

Payrolls: 1975*

Officer	$17,873,307
Enlisted	41,779,546
Civil service	15,593,598
Nonappropriated fund and BX	1,815,127
Lockheed and other civilian	7,954,334
Total	85,015,912

*Does not include off-duty payrolls.

Public contract awards

Location:*	
Phoenix	$13,302,350
Maricopa County**	186,761
Tucson	38,618
Other Arizona cities	43,819
Total in Arizona	13,571,548
Total outside Arizona	8,028,861
Grand total	21,600,409

*Contracts awarded to companies in respective locations.
**Excludes Phoenix.

LUKE FEDERAL CREDIT UNION

	[1] 1973	[1] 1974	[2] 1975
Number of members	14,031	15,644	18,870
Shares	$9,341,800	$10,664,600	$14,562,700
Loans	9,475,200	11,418,500	15,162,100
Assets	10,201,100	11,799,100	18,467,400
Income	849,000	138,100	1,743,800
Expenses	358,100	430,400	912,100
Dividend rate (percent)	(5.5)	(6.0)	(6.0)
Amount	$439,100	$555,200	$701,100
Interest refund rate (percent)	(20)	(10)	(2)
Amount	$194,300	$150,100	$42,800

[1] As of Dec. 31.
[2] As of June 30.

Note: The Luke Federal Credit Union was organized in November 1951 under a Federal charter to promote thrift and provide a source of credit to its members at a reasonable rate. Since its organization, there have been over 99,000 loans approved with a value of over $103,000,000. Most of these dollars were spent in the local area to purchase homes, automobiles, furniture, and appliances. During the period July 1, 1974, to June 30, 1975, 11,837 loans were approved for a total of $16,473,373.71, thus the credit union is a material factor in providing increased purchasing power to Luke employees, both military and civilian.

Luke Air Force Base banking facility

(First National Bank of Arizona)

Year*	*Total deposits*
1970	$1,747,000
1971	2,381,000
1972	2,919,000
1973	3,478,000
1974	4,660,000

*As of December 31.

The First National Bank of Arizona, Luke Air Force Base Office, was opened in 1951 to serve the banking needs of Luke's servicemen.

In December 1973, this facility was expanded to a full service branch office to provide complete banking services to Luke military and civilian personnel and their families. Services include checking and savings accounts; direct deposit of payroll checks; commercial and consumer loans; safe deposit boxes; and all other services provided by commercial banks.

AICUZ

Air installation compatible use zone, a concept devised by the Air Force in cooperation with federal and local agencies, seeks to guide compatible land use planning between communities and the aviation facilities that serve them. The concept is designed for use around both civilian and military airports and is directed toward protecting the health, safety and welfare of those individuals living in the vicinity of an airport. It has long been established that random urbanization of land works to the detriment of an entire region by placing in close proximity activities (aircraft/housing) antagonistic in design or function. It is hoped that the AICUZ concept will provide compatible land use planning in the vicinity of Luke Air Force Base to the mutual benefit of land owners, developers, future inhabitants and the public's investment in this installation. We are presently involved in a combined effort with Williams AFB, Maricopa County Planning and Zoning Commission and various local civic organizations with plans for implementation.

Fire prevention and extinguishing

The Luke Fire Department has "mutual aid agreements" with fire departments in Glendale, Avondale, Goodyear, and Peoria. If needed to fight or prevent fires in these communities, Luke's Fire Department is available 24 hours a day.

THE PEOPLE

1975 summary

At the close of FY1975, there were 21,356 people affiliated with Luke Air Force Base, including 5,754 military employees, 1,436 Civil Service employees, 222 Non-Appropriated Fund employees,* 602 contractor employees, and 13,332 dependents. The most significant highlights of Luke's population include:

2,486 Luke employees own homes in the Phoenix area.

2,121 rent homes in the Phoenix area.

$1,024,924 in federal aid paid local schools for Luke school children.

2,151 military employees attend local colleges and universities.

$85.0 million annual gross income earned at Luke.

Over $293,591 contributed to local charities and churches.

To maintain their standard of living, Luke employees spend over $36.5 million annually in the Phoenix area for food, transportation, clothing and personal care, medical and dental care, and miscellaneous purchases.

Additional income earned by dependents and off-duty military employees was not included in the financial data.

*Excludes military part-time employees.

LUKE POPULATION

Number of employees

Military, 5,154.
Civil service, 1,436.
Contractors and other civilians,* 824.
Total, 7,994.

Number of employees' dependents

Military, 9,545.
Civil service, 2,729.
Contractors and other civilians,* 1,058.
Total, 13,332.

Total number: Employees and dependents
Military, 15,299.
Civil service, 4,165.
Contractors and other civilians,* 1,882.
Grand total, 21,346.

*Lockheed Aircraft Service Co., non-appropriated fund activities, and base exchange.

LUKE EMPLOYEES LOCATION

Residence of employees:	*Employees*
Phoenix	2,061
Luke AFB	2,547
Glendale	2,026
Litchfield Park	311
Goodyear	333
Avondale	231
Subtotal	875
Surprise and Peoria	169
Sun City	42
El Mirage	34
Youngtown	12
Subtotal	257
Tolleson	54
Buckeye	62
Cashion	19
Subtotal	135
Mesa	37
Tempe	27
Scottsdale	29
Subtotal	93
Grand Total	7,994

LUKE HOUSING

At the end of Fiscal Year 1975 there were 875 families (643 enlisted and 232 officers) living in Luke family housing. Base dormitories housed 54 officers and 1,276 enlisted personnel. The base relies on adjacent communities for 57% of its military housing needs.

LUKE EMPLOYEES LIVING ON LUKE AFB

Officer	250
Enlisted	2,228
Civilians	69
Total	2,547

Gross pay of Luke employees
Fiscal year 1975

Officer	$5,583,621
Enlisted	18,788,262
Civilian	732,907
Total	25,104,790

Luke children by age groups

Preschool	611
Grade school	866
High school	484
Older	102
Total	2,063

SUMMARY OF LUKE EMPLOYEES LIVING IN THE PHOENIX AREA

Officer	800
Enlisted	2,954
Civilian	2,240
Total	7,994

Gross pay of Luke Employees
Fiscal year 1975

Officer	$17,873,307
Enlisted	41,779,546
Civilian	25,363,059
Total	85,015,912

Luke children by age groups

Preschool	2,547
Grade school	2,689
High school	1,524
Older	542
Total	7,302

SUMMARY OF LUKE EMPLOYEES HOUSING IN THE PHOENIX AREA

Homes of Luke Employees*

Houses, 2,594.

*Does not include contractors.

Living in Apartments**, 1,732.
Other***, 519.
Own, 2,486.
Rent status, 2,121.
Other, 238.

**Includes townhouses and duplexes.
***Includes mobile homes.

Value of homes owned

Price:	Number
Under $10,000	231
$10,000 to $19,999	317
$20,000 to $29,999	924
$30,000 to $39,999	521
$40,000 to $49,999	309
Over $50,000	184
Total	2, 486

Size of homes

Number of bedrooms:	Number of homes
1	636
2	1, 701
3	1, 893
4	579
5	36
Total	4, 845

LUKE EMPLOYEES LIVING IN PHOENIX

Officer	163
Enlisted	902
Civilian	996
Total	2, 061

Gross pay of Luke employees

Fiscal year 1975

Officer	$3, 640, 793
Enlisted	7, 608, 055
Civilian	11, 303, 765
Total	22, 552, 613

Luke children by age groups

Preschool	694
Grade school	942
High school	512
Older	243
Total	2, 391

LUKE EMPLOYEES HOUSING PHOENIX

*Homes of Luke employees**

Houses, 1,422.
NR living in apartments,** 306.
Others,*** 57.
Own, 1,245.
Rent status, 466.
Other, 74.

* Does not include contractors.
** Includes townhouses and duplexes.
*** Includes mobile homes.

Value of homes owned

Price:	*Number*
Under $10,000	46
$10,000 to $19,999	115
$20,000 to $29,999	601
$30,000 to $39,999	313
$40,000 to $49,999	136
Over $50,000	34
Total	1, 245

Size of homes

Number of bedrooms:	*Number of Homes*
1	116
2	323
3	1, 023
4	319
5	4
Total	1, 785

LUKE EMPLOYEES LIVING IN GLENDALE

Officer	228
Enlisted	1, 254
Civilian	544
Total	2, 026

Gross pay of Luke employees

Fiscal Year 1975

Officer	$5, 093, 892
Enlisted	10, 574, 403
Civilian	6, 167, 323
Total	21, 835, 618

Luke children by age groups

Preschool	675
Grade school	515
High school	281
Older	128
Total	1, 599

LUKE EMPLOYEES HOUSING—GLENDALE

*Homes of Luke employees**

Houses, 576.
Apartments,** nr living in, 1,056.
Other, 243.***
Own, 668.
Rent status, 1,141.
Other, 66.

* Does not include contractors.
** Includes townhouses and duplexes.
*** Includes mobile homes.

Value of homes owned

Price:	*Number*
Under $10,000	121
$10,000 to $19,999	85
$20,000 to $29,999	164
$30,000 to $39,999	142
$40,000 to $49,999	96
Over $50,000	60
Total	688

Size of homes

Number of bedrooms:	*Number of homes*
1	431
2	841
3	450
4	141
5	12
Total	1, 875

LUKE EMPLOYEES LIVING IN LITCHFIELD PARK, GOODYEAR, AND AVONDALE

Officer	137
Enlisted	402
Civilian	336
Total	875

Gross pay of Luke employees

Fiscal year 1975

Officer	$3, 061, 697
Enlisted	3, 388, 321
Civilian	3, 814, 786
Total	10, 264, 804

Luke children by age groups

Preschool	340
Grade school	263
High school	165
Older	73
Total	841

LUKE EMPLOYEES HOUSING, LITCHFIELD PARK, GOODYEAR, AND AVONDALE

*Homes of Luke employees**

Houses, 361.
Nr living in apartments,** 300.
Other,*** 121.
Own, 340.
Rent status, 385.
Other, 57.

*Does not include contractors.
**Includes townhouses and duplexes.
***Includes mobile homes.

Value of homes owned

Price:	*Number*
Under $10,000	39
$10,000 to $19,999	72
$20,000 to $29,999	88
$30,000 to $39,999	34
$40,000 to $49,999	42
Over $50,000	65
Total	340

Size of homes

Number of bedrooms:	*Number of homes*
1	66
2	367
3	255
4	78
5	16
Total	782

LUKE EMPLOYEES LIVING IN SURPRISE, PEORIA, YOUNGSTOWN, EL MIRAGE, AND SUN CITY

Officer	11
Enlisted	92
Civilian	154
Total	257

Gross pay of Luke employees

Fiscal year 1975

Officer	$246, 652
Enlisted	777, 100
Civilian	1, 742, 683
Total	2, 766, 435

Luke children by age groups

Preschool	91
Grade school	69
High school	17
Older	11
Total	183

LUKE EMPLOYEES HOUSING SURPRISE, PEORIA, YOUNGTOWN, EL MIRAGE, AND SUN CITY

Homes of Luke employees

Houses, 105.
NR living in apartment**, 58.
Other,*** 51.
Rent status, 98.
Own, 94.
Other, 22.

*Does not include contractors.
**Includes townhouses and duplexes.
***Includes mobile homes.

Value of homes owned

Price:	*Number*
Under $10,000	7
$10,00 to $19,999	24
$20,000 to $29,999	24
$30,000 to $39,999	12
$40,000 to $49,000	18
Over $50,000	9
Total	94

Sizes of homes

Number of bedrooms:	*Number of homes*
1	23
2	101
3	71
4	15
5	4
Total	214

LUKE EMPLOYEES LIVING IN TOLLESON, CASHION, AND BUCKEYE

Officer	4
Enlisted	38
Civilian	93
Total	135

Gross pay of Luke employees

Fiscal year 1975

Officer	$89, 367
Enlisted	321, 703
Civilian	1, 051, 666
Total	1, 462, 736

Luke children by age groups

Preschool	43
Grade school	39
High school	20
Older	5
Total	107

LUKE EMPLOYEES HOUSING, TOLLESON, CASHION, AND BUCKEYE

*Home of Luke employees **

Houses, 57.
NR living in apartments * *, 5.
Others***, 47.
Own, 76.
Rent status, 24.
Other, 9.

*Does not include contractors.
**Includes townhouses and duplexes.
***Includes mobil homes.

Value of homes owned

	Number
Under $10,000	18
$10,000 to $19,999	18
$20,000 to $29,999	26
$30,000 to $39,999	9
$40,000 to $49,999	0
Over $50,000	5
Total	76

Size of homes

Number of bedrooms:	Number of homes
1	0
2	52
3	38
4	19
5	0
Total	109

LUKE EMPLOYEES LIVING IN SCOTTSDALE, MESA, AND TEMPE

Officer	7
Enlisted	38
Civilian	48
Total	93

Gross pay of Luke employees fiscal year 1975

Officer	$157,285
Enlisted	321,703
Civilian	549,929
Total	1,028,917

Luke children by age groups

Preschool	10
Grade school	31
High school	30
Older	7
Total	78

LUKE EMPLOYEES HOUSING SCOTTSDALE, MESA, AND TEMPE

*Homes of Luke Employees**

Houses 73, Apartments** NR living in 7, other*** 0, own 63, rent status 7, other 10.

*Does not include contractors.
**Includes townhouses and duplexes.
***Includes mobile homes.

Value of houses owned

Price:	Number
Under $10,000	0
$10,000 to $19,999	3
$20,000 to $29,999	21
$30,000 to $39,999	11
$40,000 to $49,999	17
Over $50,000	11
Total	63

Size of homes

Number of bedrooms:	Number of homes
1	0
2	17
3	56
4	7
5	0
Total	80

CHILDREN IN LOCAL PUBLIC SCHOOLS (DEPENDENTS OF MILITARY AND CIVIL SERVICE EMPLOYEES ONLY)

	NR.	FUNDS*
Aqua Fria Union High	177	$71,168
Avondale Elementary	65	16,580
Cartwright Elementary	284	72,443
Dysart Elementary	825	408,136
Dysart High	173	83,158
Glendale Elementary	128	32,650
Glendale Union High	150	38,262
Isaac Elementary	26	6,632
Kyrene Elementary	2	510
Litchfield Elementary	503	197,945
Mesa Elementary	16	4,081
Mesa High	10	2,551
Osborn Elementary	7	1,786
Pendergast Elementary	17	4,336
Phoenix Union High	281	71,677
Tempe Elementary	10	2,551
Tempe Union High	6	1,530
Tolleson Elementary	13	3,316
Tolleson Union High	22	5,612
Total	2,715	1,024,924

*Federal funds appropriated under Public Law 81–874.

The number of school children whose parents are Luke employees is obtained from records at the Arizona Department of Education. If a district is not shown, one or more of the following is true: (1) District officials did not submit a count of Luke children because officials felt the number of students would be too low to qualify for federal aid; or (2) there were no Luke children in the district when the survey was taken; or (3) Luke children in the district did not return surveys to district officials.

Federal funds appropriated under Public Law 81–874 are not necessarily the actual amounts which district receive. The current appropriation is about $510 per student if a parent lives and works at Luke. If a parent only works at Luke, the appropriation is approximately $255 per Luke student.

MILITARY IN LOCAL EDUCATION PROGRAMS

Number of individuals in courses

	Undergraduate-Graduate	Vocational and Technical
Officer	231	42
Enlisted	1,920	383
Total	2,151	425

Dollar outflow to local educational programs

	Undergraduate-Graduate	Vocational and Technical
Officer	$18,902	$94
Enlisted	30,540	4,717
Total	49,442	4,865

The main objective of the Education Services Office is to offer formal education opportunities to active duty military men and women. In FY 1975, this Office provided tuition aid for more than 2,700 military personnel. The Air Force paid $54,307 in tuition assistance fees for these personnel.

In addition to the Air Force tuition assistance program. The Veterans Administration paid over $66,000 for graduate and undergraduate tuition fees, plus paying from $250 to $1,500 per course for 124 military personnel taking commercial correspondence courses. The VA also supported the on-base prep program through the Glendale Community College, paying $5,215.

In addition to the actual funds fed into the local community in the way of tuition assistance, area institutions derive an additional benefit through the utilization on-base facilities for the administration of their various programs. Classrooms, furniture, utilities to include heating and air conditioning, local publicity, counseling and other support activities are furnished by Luke AFB at no cost to the institutions or to the State. Due to our "open door" policy, hundreds of area civilians were able to participate along with military personnel in courses at Luke AFB, courses that might not have been available to them on campus.

*Luke employees gross income—Fiscal year 1975**

Residence of employees:	
Phoenix	$22,552,613
Luke AFB	25,104,790
Glendale	21,835,618
Litchfield Park	3,622,449
Goodyear	4,003,274
Avondale	2,639,081
Sub-Total	10,264,804
Surprise, Peoria	1,874,536
Sun City	413,582
El Mirage	361,850
Youngtown	116,467
Sub-Total	2,766,435
Tolleson	603,817
Buckeye	671,103
Cashion	187,815
Sub-Total	1,462,736
Mesa	424,428
Tempe	295,814
Scottsdale	308,675
Sub-Total	1,028,917
Grand total	85,015,912

*Includes only wages and salaries earned at Luke.

BUYING POWER OF LUKE EMPLOYEES

Approximate expenditures in the Phoenix area: fiscal year 1975

Category:	
Food [1]	$15,290,073
Transportation [2]	6,037,181
Clothing and personal care	3,782,140
Medical and dental care	1,101,418
Miscellaneous [3]	10,389,131
Total	36,599,943

[1] Excludes military commissary purchases.
[2] Excludes vehicle purchases and payments.
[3] Insurance, contributions and gifts, services, recreation, entertainment and other purchases.

Selected off-base purchases in fiscal year 1975

	Number	Approx. Cost
Household items:		
Refrigerator	696	264,500
Freezer	318	86,220
Stove and range	314	108,688
Washer	795	204,757
Dryer	593	103,106
Dinette set	640	129,740
Dining room suite	314	123,210
Sofa [couch, divan, etc.]	1,547	356,910
Chair [love seat, recliner, etc.]	1,564	203,148
Bedroom suite	653	220,156
Bed	1,796	374,181
Piano or organ	146	88,630
Home stereo system	1,006	286,175
Table radio	649	25,404
Television set, color	1,203	561,822
Television set, black and white	554	99,594
Carpet [number of rooms]	2,381	549,874
Recreation items:		
Travel trailer	77	284,592
Camper [cabover, fold down, etc.]	236	183,295
Boat	266	521,448
Portable radio	47	1,319
Bicycle	328	24,607

PRIVATELY OWNED VEHICLES

[Luke AFB has over 20,000 vehicles registered by its employees and retired military personnel. In fiscal year 1975, Luke employees purchased almost 4,800 [1] vehicles for transportation and leisure. The following is a breakout by type and approximate cost.]

	New		Used		Total	
	Number	Cost	Number	Cost	Number	Cost
Automobiles:						
Compact	447	$1, 350, 280	683	$662, 500	1, 130	$2, 012, 780
Intermediate	305	1, 098, 936	572	829, 400	877	1, 928, 336
Standard	266	1, 339, 156	688	1, 717, 968	954	3, 057, 124
Luxury	77	537, 259	124	408, 537	201	945, 796
Total	1, 095	4, 325, 632	2, 067	3, 618, 405	3, 162	7, 944, 037
Trucks: Vans and busses	236	1, 188, 127	567	992, 250	803	2, 180, 377
Motorcycles	326	280, 054	322	115, 276	648	395, 330
Recreational vehicles	47	410, 592	99	470, 316	146	880, 908

[1] Includes purchases from private individuals.

CHAMPUS*

	1975
Total inpatient authorizations	$98
Obstetrics	46
Other	52
Total outpatient visits	12, 300
Total cost	$337, 344
Inpatient	47, 344
Outpatient	290, 000

*Civilian Health and Medical Program of the Uniformed Services.

Note: Cost derived from actual payments made by CHAMPUS for services, both inpatient and outpatient.

The CHAMPUS Program allows dependents of active duty military personnel to seek civilian medical attention when the required services are not available from a military medical facility or when travel to that facility places an undue hardship on the dependent.

CHARITABLE CONTRIBUTIONS

During FY1975, Luke employees contributed over $57,700 to the Combined Federal Campaign which was consolidated with the United Fund for the Phoenix area. As part of the giving program of the United Fund, approximately $12,600 was returned to Luke's Central Base Fund for morale and welfare activities.

In addition, approximately $293,591 was contributed to local charitable organizations and churches by military and civilian employees of Luke.

Other worthwhile contributions were made by Luke employees in the form of community relations projects. During FY1975, many Luke employees assisted in the following projects.

Open houses/Base tours conducted by squadrons.

Volunteers for camp counselors for Upward Industries.

Boy Scout and Civil Air Patrol encampments.

Continued support for Pelms House.

Blood drive sponsored by Hospital.

Sponsor of Fire Prevention Week; assist in clean-up campaign of Gila Bend.

Support of Gila Bend Rodeo.

Hosted local school children at Luke baseball field.

Transportation Squadron furnished vehicle support for the Boy Scouts, Girl Scouts, Big Brothers and other youth activities.

Individual airmen participate as Valley Big Brothers, Scout Masters, Coaches of Pop Warner football, and counselors.

RETIRED MILITARY RETIREMENT DATA

Community:	*Retired*	*Gross retirement pay*
Phoenix	4, 818	$27, 641, 520
Mesa, Scottsdale, Tempe	1, 610	8, 010, 000
Aguila, Ajo, Arlington, Avondale, Black Canyon City, Cashion, Cave Creek, El Mirage, Gila Bend, Glendale, Goodyear, Litchfield Park, Peoria, Sun City, Surprise, Tolleson	2, 790	15, 837, 156
Total	9, 218	51, 488, 676

LUKE AFB SUPPORT FOR RETIRED PERSONNEL AND THEIR DEPENDENTS

Hospital

Outpatient Visits (Averaged about 17,000/month in 1975)

[In percent]

Active duty personnel	28
Dependents of active duty personnel	46
Retired personnel	10
Dependents of retired personnel	16

In-Patient Admissions (Averaged about 360/month in 1975)

[In percent]

Active duty personnel	18
Dependents of active duty personnel	56
Retired personnel	9
Dependents of retired personnel	17

Commissary

(Averaged about 100,000 patrons/month in 1975

[In percent]

Active duty personnel and their dependents	45
Retired personnel and their dependents	55

Base exchange

[In percent]

Active duty personnel and their dependents	50
Retired personnel and their dependents	50

ACKNOWLEDGEMENTS

We are grateful to the Luke employees who completed and returned a questionnaire, and to the agencies listed below. Without their assistance, this report would not have been possible.

Arizona Department of Education.

Economic Research Department, Valley National Bank.

First National Bank of Arizona, Luke AFB Branch.

Lockheed Aircraft Service Company and Subcontractors.

Luke Federal Credit Union.

Marketing-Research Department, Republic & Gazette.

Luke Air Force Base Agencies:

Accounting and Finance Office.
Billeting Office.
Civil Engineering Office.
Consolidated Base Personnel Office.
Education Office.
Fire Department.
Graphics.
Office of the Comptroller.
Reproduction Office.
Social Actions Office.
Base Exchange Office.
Budget Office.
Civilian Personnel Office.
Data Automation Office.
Family Housing Management Office.
Fiscal Control Office.
Office of Information.
Procurement Office.
Security Police Squadron.
USAF Hospital—Luke.

INSTITUTE FOR CONGRESS

Mr. PERCY. Mr. President, yesterday a group of private foundations dedicated to the improvement of American life met to discuss one of the most exciting and innovative approaches to excellence in government I have seen during my tenure in the Senate. That approach will be carried out through the Institute for Congress, a nonpartisan private organization devoted exclusively to providing Congress with independent, objective and systematic analysis of public issues and programs.

The Institute would augment congressional operations through the existing structure, but would provide comprehensive analysis of issues now subjected to the fragmented approach of the congressional committee system. The Commission on the Operation of the Senate recently identified some of the problems with this comment from an Interim Report: "With the growing complexity of social and technological problems, there seems to be a need for new institutional capabilities with wide-ranging analytical responsibilities and ready access to centers of knowledge throughout the Nation. Moreover, the existing decision-making arrangements in the Senate were not designed to generate and utilize cross-cutting analysis of issues."

My distinguished colleagues and I take pride in our committee work, and the committee system serves us well; there are, however, drawbacks in a system assigning segments of a vital issue like energy to as many as 30 congressional committees and subcommittees. If Congress is to carry out its proper role as a coequal branch of Government, we must be able to approach major national issues as a whole; we must have the research and evaluation capabilities required for the formulation of national policy.

I believe that the Institute for Congress can fill a gap in the excellent support services provided for Congress, and I applaud the involvement of private foundations and private citizens in seeking to assist Congress in reaching our self-defined goals. The distinguished members of the Board of Trustees of the Institute, all of whom have made major contributions to the quality of our national life both in and out of Government, deserve our thanks and our continuing encouragement. Several leading newspapers have already recognized the hopes inherent in the Institute for Congress, and I would like to print their comments in the Record together with a list of the board of directors of the Institute for Congress.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Houston Chronicle, Mar. 30, 1976]

Congress Needs Overview

Congress wants to exert its full constitutional authority and become coequal with the executive branch in formulating national policy.

In trying to achieve this goal, Congress made obvious one of its great weaknesses. Congress lacks any substantial capability for research and evaluation.

The sources of analysis are so limited that a move has started to create an Institute for Congress, and the idea is well worth a try.

Congress is so splintered in its approach to problem-solving that concerted policies are nigh impossible to reach. There are almost 300 committees and subcommittees, many overlapping, and each approaches a problem from its own particular perspective. The committees have staffs, but they operate in a political atmosphere, not an intellectual one.

Congressmen do have help in gathering information. The Congressional Research Service provides reference aid. There is the General Accounting Office, but its concern is fiscal, not analytical. There is the new budget office which will provide some coordination in the spending process.

But nowhere is there a source for an integrated analysis of a single issue, such as energy or health.

The Institute for Congress would provide an objective and systematic analysis of key issues by the best minds in the nation. It would be a nonpartisan organization, functioning under a board of leading private citizens with the majority and minority leaders of Congress as ex officio members.

Support for the institute is coming from such people as Martha W. Griffiths, the former Democratic representative from Michigan, William D. Ruckelshaus, the first administrator of the Environmental Protection Agency, and Leon Jaworski, Houston attorney and former special Watergate prosecutor.

The institute is raising private funds for a five-year experimental period. If it proves its worth, continued existence would depend on contractual support by the Congress.

Congress is badly in need of the type of supportive service the Institute for Congress could provide.

[From The Paris (France) Herald Tribune, Dec. 29, 1974]

Independent Adviser on Policy—Congress To Get a 'Think Tank'

(By Richard D. Lyons)

Washington, Dec. 28.—Congress, which some legislators contends is lacking in original thought, has become a willing cosponsor of a proposal to create a system that would allow academicians to give unfettered advice to senators and representatives.

The idea, which thus far has met with the approval of the Democratic and Republican leadership in both the Senate and the House, would be to set up a privately funded, nonpartisan group totally separate from the federal government, which could assemble the best minds in the nation to offer independent analyses of problems, together with expert opinions and policy options.

But in seeking to underscore the independent theme of the Institute for Congress, as it has been named, the experts in residence would serve only short tours of duty to prevent the creation of an entrenched bureaucracy, and they would be paid by private foundations rather than by federal funds.

"National Policy"

Rep. John Anderson of Illinois, who as chairman of the House Republican Conference has been involved in the institute's foundation, said such a group was needed "if Congress is expected to become co-equal partners with the executive in formulating national policy."

The rationale was expressed slightly differently by Alton Frye, one of the institute's 15 trustees, who said that "if Congress is going to make its constitutional authority effective it must make its intellectual authority effective."

The idea for the institute was spawned by four former presidential aides and Mr. Frye, a historian, who for three years have been gringerly but steadily advancing the notion that Congress desperately needs outside help in making decisions.

This month, the institute formally announced its incorporation, opened a small office at the Carnegie Endowment for International Peace, named its board of trustees, outlined its plans for the next few months and obtained tax-exempt status from the Internal Revenue Service.

Martha Griffiths, the former Democratic representative from Michigan who is chairman of the institute's board of trustees, said the group will aim "to build up a credible, objective viewpoint on the nation's problems."

William Ruckelshaus, the first administrator of the Environmental Protection Agency who later became acting director of the FBI, then deputy attorney general in the Nixon administration before his resignation, is vice-chairman of the institute's board of trustees.

He said the institute would choose areas of investigation through "an advisory committee composed of the chairmen and the ranking minority members of the major congressional committees."

Mr. Ruckelshaus noted, as have other congressional critics, that the committee system in Congress has led to overlapping authority in many key areas of legislation, thus hampering both the drafting of legislation and the formulation of any kind of broad congressional policy on issues.

Congress has almost 300 committees and subcommittees whose members are extremely jealous of their legislative prerogatives. A jurisdictional battle between the House Commerce Committee and Ways and Means Committee, for example, has snagged national health inusrance legislation all year.

"In the area of energy conservation, six different committees deal with it in some way and it is extremely difficult to resolve problems," Mr. Ruckelshaus added.

He attributed the genesis of the institute idea to five men: Cyrus Vance, president of the Association of the Bar of the City of New York, who served in the Kennedy and Johnson administrations; Harry McPherson, Jr., an attorney who served in the Johnson administration; Gordon MacDonald, an environmentalist and professor at Dartmouth College who served in the Nixon administration; James Killian, former president of the Massachusetts Institute of Technology, who served in the Eisenhower administration, and Mr. Frye, an author and scholar who has served as a Senate aide.

[From the Detroit Sunday News, Dec. 14, 1975]

Institute for Congress' Time Is Here

(By J. F. terHorst)

Washington.—The nation's capital always teems with proposals for improving governmental performance. Every once in a while there actually is a good one, even an exciting one.

Such is the case with the Institute for Congress (IFC) which quietly came into existence last week after three years of planning. It proposes to equip busy congressional committees with the same kind of intellectual armor that for years has permitted executive agencies to outsmart and outthink Capitol Hill in the handling of complex problems, ranging from defense policy to crime prevention and social welfare. And, in the process, the IFC might even produce better government.

To everyone concerned with the need to elevate the quality of debate and decision-making by a co-equal branch of government, the Institute for Congress must rank as a new venture deserving strong public support. As conceived by a bipartisan group that is painfully and personally aware of congressional shortcomings, the IFC proposes to be "a nonpartisan, private organization directed exclusively to providing Congress with independent, objective and systematic analysis of public issues and purposes."

In coming weeks, IFC will begin assembling an expert staff of analysts from academic and private research institutions—individuals with outstanding intellectual achievement and ability—and put this staff to work on specific problems confronting Congress: national security policy, environment and natural resources, health and welfare and all the social and economic implications of the multibillion-dollar decisions the executive branch and Congress are called on to make.

There will be an initial tendency to regard the IFC as just another "think tank" operation, a la the Brookings Institution, Rand, the American Enterprise Institute and similar organizations within the nation's top universities. These already flood Congress and executive agencies with lofty concepts and expertise on a multitude of issues to a point of saturation and mental fatigue—and often with an overlay of ideological bias.

That's where the IFC proposes to be different.

First, it would only undertake assignments requested by the congressional leadership and chairmen of the top committees.

Second, the IFC would provide integrated studies of multifaceted problems that now span many committee jurisdictions and produce only chaos or partial solutions.

For example, the energy problem on Capitol Hill is divided among 30 committees of the House and Senate. National health legislation, in the House alone, is splintered among seven standing committees, ranging from Ways and Means to Agriculture and Science and Astronautics.

How will Congress and individual lawmakers be able to pull all the pieces of policy together into a coherent whole, so that when Congress acts in a field it knows the real implications of what it is doing?

That question was recently posed—and answered—by two of the prime movers behind the IFC concept, former U.S. Rep. Martha W. Griffiths, D-Mich., an expert on tax policy and women's issues, and William D. Ruckelshaus, former head of the Environmental Protection Agency and deputy attorney general.

Griffiths and Ruckelshaus have been elected chairman and vice-chairman, respectively, of the 15-member board that will guide IFC policy in conjunction with a congressional advisory council. Among the prestigious members of the board are Lucy Wilson Benson of Boston, former president of the League of Women Voters; Ben W. Heineman, Chicago industrialist; Leon Jaworski, former special Watergate prosecutor; Clarence Mitchell, NAACP director in Washington; Harry McPherson Jr., former White House counsel to President Johnson; and Cyrus Vance, former deputy defense secretary.

Big names, of course, are not a guarantee of success. And the board knows it. To test the concept, the organizers of IFC contemplate a five-year "experimental" operation with funds to be raised from private foundations. To attract a high caliber professional staff of 80 persons, IFC will need $22.5 million in private funds.

If by 1980 IFC has lived up to its billing, its continued existence will depend on contractual support from Congress. If IFC fails to perform its mission by then, it will "self-destruct," according to Mrs. Griffiths.

That could happen, of course Congressional staffing is already huge, having grown from 4,500 to 16,000 persons in 20 years, with an eightfold increase in its operational budget.

Moreover, politics is certain to be present even with an IFC to help Congress understand the issues before it. In the end, it will be up to Congress to decide whether it truly wants to become the equal of the executive branch and wants to find ways to overcome its own fragmentation in dealing with little pieces of broad problems.

INSTITUTE FOR CONGRESS

BOARD OF TRUSTEES

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AMERICA AND HUMAN RIGHTS

Mr. JACKSON. Mr. President, I ask unanimous consent to have printed in the RECORD an address of mine entitled "American and Human Rights" given before a World Affairs Council of Philadelphia luncheon on April 19, 1976.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICA AND HUMAN RIGHTS

(By Senator Henry M. Jackson)

I am delighted to be here at the World Affairs Council luncheon.

Two centuries ago, our Founding Fathers expressed the belief that America's attainment of greater liberty would be accompanied by similar achievements in other parts of the world. This was a belief grounded in strong moral conviction, but it also represented a practical conclusion about the prospects of our democratic society if the world as a whole were intolerant of our democratic values. For us security, liberty and peace have always been closely linked, for we believe that true peace requires a moral consensus based on respect for the individual.

My talk today will deal with this theme—with the need for the United States to remain a champion of human rights—for I believe that such a stance serves our best national interest. And I shall also speak of how each of us can in our own way individually champion human rights.

Out of the ashes and tragedy of World War II and the Holocaust, there arose a United Nations intended to promote world peace and to protect fundamental freedoms for all.

In 1948, the U.N. adopted the Universal Declaration of Human Rights, a splendid, pioneering document which set forth a kind of Bill of Rights for the world. But the bright promise of the universal Declaration has not been realized.

South Africa and Rhodesia engage in racism against blacks, and Uganda does the same against whites and browns. The Soviet Union commits political protesters to insane asylums, stifles the right of intellectuals to speak their mind and publish their views, and denies its citizens the right to leave. Syria persecutes its Jewish minority. Paraguay abuses the Ache Indians. And India, in whom we had so much hope, is the latest nation to suppress liberty and repress human rights.

The list is not exhausted. The abuses of human rights form an unhappy chronicle of injustice and despair.

Meanwhile, there is a growth in self-serving hypocrisy at the United Nations so that human rights concerns are not dealt with on their merits, but are exploited and manipulated to serve political ends. In such an atmosphere, Zionism is outrageously equated with racism. In such an atmosphere, repression in the USSR, or racism in Uganda never even reach the agenda of the Human Rights Commission; every day, principle is prostituted to powerful voting blocs.

In the face of these developments, the Ford Administration has defaulted in the struggle for human rights. Dr. Kissinger's detente is a body without a soul—a policy indifferent to human rights.

Everyone across the country was shocked when President Ford snubbed Nobel Laureate Alexandr Solzhenitsyn.

For a brief moment we had a representative at the United Nations, Pat Moynihan—who spoke up for human rights—but he was quickly and unwisely eased off stage.

If the United States does not stand up for freedom, who will? I believe it's time for a foreign policy in Washington which reflects our deepest beliefs as a people, which embodies the best in our democratic and humanitarian heritage.

America cannot be true to itself without a commitment to human rights. The United States was founded—in this city—on that very commitment. And this nation has suffered through great crises which tested and affirmed that commitment: The Alien and Sedition Laws, Secession, the Mitchell Palmer raids, the McCarthy hearings, and Watergate, all challenged our liberties. Yet, individual rights prevailed and those lapses are looked upon as woeful events in our history. If America does not take a strong stand for human rights, we will have abandoned the very heart and soul of our own tradition.

Moreover, furthering human rights has important practical consequences for world stability and peace. The suppression of whole peoples; the persecution of religious and racial minorities; the imprisonment of individuals for their political views remain major sources of international instability and turmoil today.

On the other hand, the freer exchange of ideas across national frontiers is a vital ingredient in building the kind of international understanding that a genuine, stable peace requires. Alexandr Solzhenitsyn said it eloquently in the address he prepared to deliver on accepting the 1970 Nobel Prize for Literature:

"We are threatened by destruction in the fact that the physically compressed, strained world is not allowed to blend spiritually; the molecules of knowledge and sympathy are not allowed to jump over from one half to the other. . . . Suppression of information renders international signatures and agreements illusory; within a muffled zone it costs nothing to reinterpret any agreement, even simpler—to forget it, as though it had never really existed."

Furthermore, in the struggle for human rights, we have international law on our side. The Declaration of Human Rights was reaffirmed in the International Covenant on Civil and Political Rights and the International Convention on the Elimination of All Forms of Racial Discrimination, which the Soviet Union ratified in 1968 and 1969 respectively. The Helsinki accords, which the Soviet Union joined in signing just last August, also pledge all participating states to uphold the Universal Declaration; indeed, they go considerably further in promising cooperation for the freer movement of people.

The United States and the world community must not allow the Soviet Union to dismiss as "domestic privileges" or as "private business" its wholesale violations of fundamental human rights. They are violations of international law, pure and simple.

I believe that the American people and their representatives in Congress have a better understanding than the Ford Administration of the need for a genuine, human detente—a detente which benefits the peoples of East and West, not a U.S.-Soviet formula for capitulation on human rights.

That is why my colleagues and I are now sponsoring legislation to set up a commission to monitor compliance with the human rights provisions of the Helsinki Accords.

And that is why we passed the Jackson Amendment on Freedom of Emigration. Soviet ratification of the 1968 and 1969 Conventions ended once and for all the pretense that Soviet emigration policy is an improper subject for action by the international community. The Jackson amendment far from being an intrusion into anyone's internal affairs, is one small step along the road to an international community based on law.

Human rights concerns should be in the day-to-day calculus of American foreign policy making. They should be felt at all levels of foreign policy—not just a Moynihan speaking in splendid isolation at the U.N.—but in the diplomacy of the President and the Secretary of State, in U.S. missions abroad, in bilateral negotiations, in international monetary funds; in short, felt in all the reaches of our foreign policy. Such is not the case now.

And we must be willing to use our human rights concerns in the bargaining process with other nations. Nations seek our grain, our arms, our technology. Why should we not seek greater protection for internationally recognized human rights?

And we must have better supportive organization. The human rights office in the State Department is in fact a non-entity. Our government should take the initiative to reform the maze of obstacles which prevents human rights complaints from being properly heard at the U.N.

Above all, we need a Chief Executive and a Secretary of State who take seriously human rights in foreign policy.

So far I have talked about the public sector. But what can individuals do—in their own way?

Human rights have always needed individuals who dare to resist injustice.

I think of Rosa Parks, who simply refused to go to the back of a bus; I think of unknown freedom riders; I think of James Meredith, who dared to apply to the University of Mississippi; of three young civil rights workers who died in Philadelphia, Mississippi; of two young reporters on the Washington Post, who persisted in their investigation of Watergate. These were all private persons of no great authority and without reputation. Yet their accomplishments are firmly inscribed in the annals of our history.

On the international scene, too, bands of dedicated individuals have achieved much.

Two oragnizations—small organizations with sparse funds and small resources—are Amnesty International and the International League for the Rights of Man. Most of their members are people like yourselves—people willing to work, to write, to protest, to lift their voices.

Some years ago, the International League made contact with a small group of persons in the Soviet Union who believe deeply in intellectual freedom and who formed a Moscow Human Rights Committee. The leader of that committee was Andrei Sakharov. Sakharov and Solzhenitsyn welcomed contact with the League. They welcomed the knowledge that they were not in isolation, that organizations which appeared before the U.N. were interested in their plight, and that the outside world was not apathetic and remote.

And when the harrassment and repression increased in the Soviet Union, the League helped marshal writers, authors, scientists and others throughout the world to lift their voices on behalf of Solzhenitsyn, Sakharov, and other beleaguered dissidents.

Valery Chalidze, one of the members of the Moscow Human Rights Committee who was exiled, analyzed it this way: He said he did not know what would help the dissident voices in the Soviet Union. But, he said, "I only know that they will not be helped by silence."

An aroused opinion has a power of its own. And its power can sometimes be decisive. We know that the aggregate of small, powerless voices can often produce a lever strong enough to move tyrants, to obtain release of political prisoners, to reduce sentences, to secure amnesties and to help bring to the free world Valery and Galina Panov, Leonid Tarassuk, Sylva Zalmanson, Alexander Galich, Simas Kudirka, Pavel Litvinov, Vladimir Maximov and so many other brave souls.

There is, as you know, much talk about the role of power in international affairs. But physical resources alone are not necessarily the best measure of national strength. An American foreign policy which stresses our basic values reflects, in fact, what we have always known to be true—that our democratic faith, our representative institutions, freedom itself, are our most important strategic assets. And let us remember that history is on our side; for freedom, not tyranny, is still the basic aspiration of men and women in society.

Genuine self-respect and self-confidence, therefore, can give us a foreign policy that is both patient and determined—and, most of all, committed to our best national purposes.

S. 3055—GRAIN INSPECTION REFORM ACT OF 1976

Mr. DOMENICI. Mr. President, I was in Tulsa, Okla., on Monday, April 26, when S. 3055 was considered. My absence was due to participation, along with Senator BARTLETT, in a field hearing of the Subcommittee on Water Resources of the Public Works Committee.

Mr. President, the disclosures of irregularities in our grain-marketing system, which include short-weighing, misgrading, bribery, and tax evasion, clearly point to a need for reform and improvement of our present system. We must remember the U.S. grain inspection system plays a key role in facilitating the marketing and sale of grain which has been produced by our American farmers. Sellers and buyers from farms to foreign ports depend on the quality and quantity of grain as being represented fairly and accurately.

The importance of our agricultural exports must not be underestimated. Last year the United States exported $21.9 billion worth of agricultural products, much of which was grain and subject to inspection under the U.S. Grain Standards Act. Earnings from grain exports have made an important contribution, not only to farm income, but also to jobs in the transportation and storage industries and to the overall economic recovery in this country. Surely, it is time we take steps to restore the integrity and credibility of our grain-marketing system.

However, as we move to reform our present system, we should institute sensible reform—reform without disruptive infringements upon the operations of our farmers, grain firms, and States. In my opinion, S. 3055, the Grain Inspection Reform Act of 1976, contains excesses and is generally an overreaction to our present problems. Along these lines, I would like to discuss three amendments which I supported and which I would have cast a "yea" vote on, had I not been called away on official duties.

First, I would have supported amendment No. 1603, offered by the Senator from Kansas (Mr. DOLE), the Senator from North Dakota (Mr. YOUNG), and the Senator from Oklahoma (Mr. BELLMON). This amendment would have struck the provisions of the bill calling for the Federal takeover of grain inspection activities at the 25 major inland terminals. Currently, problems surfacing in the inspection system have been focused at the major export terminals. At the present time, there is no evidence that major malfeasance will be found at inland points, and I believe we must be careful not to indict the entire system because of the irregularities found at the export terminals.

Most farmers believe the most cost effective and responsive grain weighing and inspection system is one which encompasses the State and private sector, and which is systematically and effectively supervised by Federal inspectors. In addition, last fall the Congress appropriated an additional $5 million for the Department of Agriculture to increase its supervisory activities. The additional supervisors will, in addition to more effectively providing oversight, be more readily available for appeals by either buyer or seller. Moreover, it is important to note the Department of Agriculture has estimated that the changeover to an all-Federal system could cost as much as $35 million, and these additional costs will eventually be paid for by our farmers.

Second, I would have supported amendment No. 1604, offered by the Senator from Kansas (Mr. DOLE), the Senator from North Dakota (Mr. YOUNG), and the Senator from Oklahoma (Mr. BELLMON). This amendment would have deleted the section providing for registration of all large grain companies and cooperatives as an enforcement measure.

This provision for registration, according to an estimate by the USDA, would cost $1,630,000 and would require 87 man-years per year to perform. These cost estimates include preliminary registration, followup to assure accuracy of registration, and enforcement. Moreover, as the Senator from Kansas (Mr. DOLE), has previously stated, it would seem the benefits expected from this section could effectively be derived from section 17, which requires the grain firms and cooperatives to keep records and allows Federal access to such records; section 21 which authorizes Federal authorities to investigate foreign complaints; section 22, which gives the USDA subpena authority; section 15 which authorizes the withholding of services and civil penalties; and section 16 which prohibits conflicts of interest. Therefore, this requirement for registration is an additional and unnecessary infringement imposed on the grain industry.

And third, I would have supported amendment No. 1605, offered by the Senator from Kansas (Mr. DOLE) and the Senator from North Dakota (Mr. YOUNG). This amendment would have deleted the provision for a separate Federal Grain Inspection Agency. In this instance, a new and separate agency would be duplicative in nature and would create needless overhead. As pointed out in the report accompanying S. 3055, a new agency would necessitate five new divisions. These would include two programs divisions, or weighing and inspection divisions and three service divisions, for personnel, administrative, and financial services. There are already three separate grain divisions within the USDA and a new fourth division would only add complexity to our current efforts.

Mr. President, I appreciate having this opportunity to make my views known on these important issues and I ask unanimous consent that two letters which I have received on this subject, one from Jack Muse, president of the New Mexico Wheat Growers Association, and the other from John Augustine, executive director of the New Mexico Farm and Livestock Bureau, be printed in the RECORD at the conclusion of my remarks.

Information of this kind from people directly involved has been extremely helpful in arriving at my position on this bill and the issues relating to it. It is just another example of how eager New Mexicans are to contribute to the legislative process when they are given the opportunity.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NEW MEXICO WHEAT GROWERS ASSOCIATION,
Clovis, N. Mex., April 23, 1976.

Hon. PETE V. DOMENICI,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DOMENICI: I would like to thank you for your interest in the problems facing farmers in this country. I hope that soon the American people will realize how important a prosperous agricultural economy is to them. While there are only five percent of our nations people feeding ninety-five percent of the American people, and also many people in foreign countries, it is refreshing to know that we New Mexicans have a senator who is really working for the farmers' best interest.

I am sure that you are getting many comments on the pending Senate Bill S. 3055. Before forming my opinion on this bill I have visited with several farmers, elevator owners, and the officers of the National Association of Wheat Growers. I hope that I can objectively represent the views of the New Mexico Wheat Growers Association.

I would like to first state that I feel the scandal at our Southern Ports has been blown all out of proportion to the real problem. We are aware that there have been abuses of the present system, however, I feel that the tried and proven American systems of private enterprise and competition will be very strong factors in this situation straightening itself out. Surely our foreign customers would not continually buy from a particular exporter who was bribing an inspector or short weighing grain.

Before we consider the specifics of the Senate Bill there are several questions I would like to raise:

1. What percent of export shipments have proven to be of poor quality or short weighed?

2. Is it not possible that much poor quality grain left in storage for many years during our surplus years has finally found its way into the market?

3. Is there any reason for Federal Inspectors to be less susceptible to bribes and payoffs than private or state inspectors?

4. Will Federal Inspectors, given a "crash" training program for four to eight weeks, be qualified to supervise inspectors with twenty, thirty, or forty, years of experience?

5. Are there not many state inspection facilities now functioning very efficiently and effectively at this time? (Pacific Northwest for example)

6. Has any Government Agency ever operated as efficiently or given better service than private enterprise?

7. Would Federalization of all inspections not constitute condemnation of many private businesses that are now doing inspection work?

8. Can this proposed legislation be written and implemented in a manner which will not create a "Federal Monster" such as OSHA and EPA?

9. Would creation of a "Federal Grain Inspection Agency" not call for an increase in the Department of Agriculture budget which will be erroneously judged as a government supported cost for farmers?

10. Will added inspection costs not ultimately be deducted from the already depressed grain prices paid to farmers?

The consideration of these questions leads me to recommend as little Federal take over of inspections as is possible. Granted, we need some supervision and enforcement of laws, but not a complete upheaval of present systems.

With the previous questions in mind here are some points we feel would be beneficial if included in the new legislation:

1. Additional Federal supervision—not take-over.

2. Conflict of interest scrutiny to prevent any situation which would jeopardize the integrity of the system.

3. Interior point inspections could continue to be carried out by state, local, or private agencies.

4. Port inspections would continue to be made by state agencies as long as their performance record was approved by the Secretary of Agriculture.

5. Enactment of stiffer penalties for violation of inspection procedures.

Thanks again for your consideration of this matter and if the New Mexico Wheat Growers Association can be of any help to you in the future, please call on us.

Sincerely,

JACK L. MUSE,
President, NMWGA.

NEW MEXICO FARM AND
LIVESTOCK BUREAU,
Las Cruces, N. Mex., April 23, 1976.

Hon. PETE V. DOMENICI,
Las Cruces, N. Mex.

DEAR SENATOR DOMENICI: The New Mexico Farm and Livestock Bureau urges you to support H.R. 12572 as passed by the House of Representatives on April 2, 1976 by a vote of 246 to 33.

Under that bill, which we support, the Agricultural Secretary would be authorized to delegate the necessary authority to federal employees or qualified state agencies to conduct the inspection and weighing of export grain at U.S. ports.

The bill further states inspection at interior ports would be carried out by state or private agencies designated by the Secretary. These agencies would have to meet specified criteria, including a strengthened conflict of interest rule, to qualify.

The bill also provides that no federal controls would be provided for weighing services at interior ports, but the Secretary would be required to make a study of these operations and report legislative recommendation to the Congress within one year of enactment. Also, civil and criminal penalties for violation of the Grain Standards Act are provided for in the House passed bill.

In summary, the New Mexico Farm and Livestock Bureau is opposed to Senate Bill 3055, but does support the House passed bill, H.R. 12572.

Sincerely,

JOHN L. AUGUSTINE,
Executive Director.

HOUSING AMENDMENTS OF 1976

Mr. GLENN. Mr. President, on Tuesday, April 27, the Senate passed S. 3295, the Housing Amendments of 1976 under threat of a Presidential veto. The primary purpose of this bill is to provide for the continuation of a number of current housing programs.

However, two very significant additional features of S. 3295 are that it increases the emphasis of Federal housing policy on new housing construction; and that it carries the potential of producing 644,000 new housing starts or rehabilitated units as well as generating over a million jobs for construction workers in the next fiscal year. The construction trades continue to suffer from extremely high rates of unemployment and this bill should prove helpful in reducing those rates.

There are several key features of S. 3295 which I would like to comment upon. It is tragic that under section 8 of the Housing and Community Development Act of 1974, which Congress hoped would be a major tool in assisting the construction of lower income housing, HUD has, as of February 1976, only produced 2,600 units since 1974. Thus until section 8 becomes fully functional and operational, it is important that HUD at least continue its old efforts at providing housing assistance for lower income persons, the elderly and the handicapped. The bill would promote that objective.

Features of the bill that I found particularly attractive were:

First. The new level of funding for the section 202 direct loan program for the elderly and handicapped with a lowered interest rate. This program has been one of the most successful of all housing programs and it should be strengthened further.

Second. The continuation for another year of the section 312 rehabilitation loan program. Again, this is a successful program that has helped make it possible for urban communities to carry out comprehensive neighborhood renewal programs. Continuation is very important at least until block-grant recipients begin to set up their own programs at the local level.

Third. The extension of the section 235 homeownership program for another year. This is a program in which low- and moderate-income families whose incomes are too low to afford housing at today's prices receive mortgage assistance after making a downpayment. It is a relatively small, inexpensive program, but it does provide a chance for homeownership and the resultant stabilization of lower-income neighborhoods.

URBAN HOMESTEADING

There was one especially valuable yet relatively inexpensive amendment adopted which I especially applaud. I am speaking of the extension of the 810 urban homesteading program through 1978. The program transfers suitable federally owned properties to local governments; then properties are transferred to individuals at a nominal fee with the requirement of improvements in order to obtain clear title. That demonstration program began only this year, but I believe that this is one way to preserve our urban, central city neighborhoods, and to deal with the problem of abandoned properties in the inner city. Cleveland, Ohio, alone has approximately 5,000 such units.

There are other desirable features of S. 3295, such as the extension of the emergency loan program for the unemployed, operating subsidies for public housing projects, and more. I feel that S. 3295 is basically a sound bill that makes strides both in improving lower-income housing assistance and in creating jobs in an area still suffering depression conditions, the building trades.

While the bill addresses our current housing needs in the most practicable manner we have available today, we must recognize that the programs involved are extremely complex. In the future we should explore means to simplify these and other similar programs so as to avoid the proliferation of redtape and bureaucracy associated with them and increase the independence of action of recipients. For now, however, S. 3295 provides appropriate direction for our housing effort.

PRIVATE VERSUS PUBLIC PRODUCTION OF ENERGY

Mr. HANSEN. Mr. President, the Washington Post recently gave "equal space" to a rebuttal of a Tom Braden column which lambasted the oil industry and suggested that the Government should take over the energy industry.

Eric Zausner, Deputy Administrator of the Federal Energy Administration, a bureaucrat himself, very clearly stated his case of private against public production of energy.

Zausner summarized the causes of our current energy situation and his recommendations for a solution.

Once a national energy policy is enacted, a policy that balances stimulation of new supplies with aggressive energy conservation, Zausner believes—and I agree—that the private sector will be the most powerful force this country can harness to achieve its goals.

Mr. President, Eric Zausner's letter to the editor emphasizes the urgent need for Congress to face up to the energy problem and enact a comprehensive energy policy. I ask unanimous consent that the text of his letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Private Versus Public Production of Energy

Washington.

I read with dismay Tom Braden's April 10 column on "The Energy Problem and the Profit System". His belief that substituting the government for energy production by the private sector will solve our energy problems indicates a disappointing lack of understanding of our current energy situation, how it occurred, and how it can be remedied.

Today we import about 40 per cent of our oil consumption, a level of dependence that makes the United States unacceptably vulnerable to embargoes or unjustified and exorbitant price increases. But it is the private sector which nevertheless makes this country the largest single energy producer in the world.

There is no question that we consume energy excessively and our domestic production has not kept pace. Is this due to some industrial conspiracy? Or, is it more likely that energy has been cheap in this country for decades, and as a result Americans demanded—and industry supplied—big cars, inefficient homes and a wasteful lifestyle? Is it industry which has failed to increase domestic production because the profit motive is counter productive? Or, is it the federal government (which Mr. Braden is so willing to trust) that regulated natural gas prices at such low levels for the last 20 years, that profits were not high enough to stimulate production? Perhaps it is the government which failed to lease the most promising oil reserves on the outer continental shelf to the private sector? And let's not forget that it was the government which forced powerplants and manufacturers to switch from abundant coal supplies to oil to meet environmental standards.

The market system works in supplying a multitude of needs not only for energy, but food, transportation and housing, as well. Obviously it does not do so perfectly. The government must regulate in many key areas and also take on some of the risk, such as in its $3 billion energy research program. But it is also government regulation which sometimes makes many desirable energy projects unprofitable and precludes the private sector from meeting national needs.

What is most disturbing is that Mr. Braden is not just talking about regulation, but government ownership and operation of the nation's energy systems. Would he have the federal government replace:

The 10,000 firms that explore for and produce oil and gas?

The 250 domestic companies which refine oil?

The 200,000 gasoline station operations?

The 5000 coal mines?

The 3000 utility systems?

The thousands of companies which manufacture energy consuming products, such as cars, homes or appliances?

The thousands of suppliers of energy related equipment such as nuclear reactor vessels, to drilling rigs or mine roof bolts?

The list goes on and on; hundreds of thousands of separate businesses, and not just big businesses, that keep our energy system working.

Even if the government could take over and run this multitude of energy enterprises, would it make any easier the really difficult tradeoffs which are in fact the real cause of our energy problems?

Higher energy prices are needed to pay for more expensive new energy supplies but this is politically unpopular and raises difficult equity questions.

Difficult tradeoffs between environmental goals and energy needs must be made because none of today's technologies are pollution free.

Supplying national energy needs often necessitates massive regional and local development on the outer continental shelf, in Alaska or the Western states and opposition is often intense.

I doubt that these problems would be any easier to deal with, if the government owns the energy system, but unless we face them we can never solve our energy problms.

This country has the energy resources, the technology, and the financial and management capability to achieve energy independence in the next 10 to 15 years, if a national energy policy which balances stimulation of new supplies with aggressive energy conservation is enacted. It will require difficult tradeoffs and much new legislation. Once these new rules are set—on prices, on environmental quality and regional development—the private sector will be the most powerful force this country can harness to achieve its goals.

The energy problem is complex and simple solutions are all too easy to come by and make good rhetoric. If this country wants to be energy independent, it can do so, but it requires tough choices. Painless or simple solutions are popular—it's too bad they won't solve the problem.

Eric R. Zausner,
Deputy Administrator,
Federal Energy Administration.

WEST VIRGINIA NEWSPAPERS ENDORSE TIMBER MANAGEMENT BILL, S. 2926, INTRODUCED BY SENATOR RANDOLPH

Mr. RANDOLPH. Mr. President, the complex issue of proper management of our national forest lands merits our careful attention. The Members of the Congress are in the process of rewriting the Organic Act of 1897 to permit increased harvest of timber on these areas of our good earth.

On February 4, I introduced S. 2926 which would set comprehensive standards under which the Forest Service would be required to realistically operate and which is designed to curb the known abuses that have occurred in these Forests.

Hearings have been completed on S. 2926 and on S. 3091, the latter bill introduced by Senator Humphrey. The approach in that bill is to set very limited standards. It leaves the question of guidelines almost entirely to the Forest Service. Naturally this approach is appealing to the Service and to the forest industry but it does little to curb the abuses which have taken place. I believe it would only perpetuate continued mismanagement on some of these public lands.

The Committees on Agriculture and Forestry and Interior and Insular Affairs have today completed 2 days of markup on S. 3091, as amended. Additional markup sessions will be held next week.

As we come to grip with the issue, through the congressional process, I share with my colleagues two well-reasoned editorials on this vital decision facing the Congress. They endorse S. 2926. I ask unanimous consent that the editorials from the Elkins Inter-Mountain, Elkins, W. Va., and the Wheeling News-Register, Wheeling, W. Va., be printed in the Record.

There being no objection, the editorials were ordered printed in the Record as follows:

[From the Inter-Mountain, Apr. 26, 1976]

Our Forests Are in Danger

The national forests in this country are in grave danger of wanton destruction if the Congress bows to the pressures of the timber industry and adopts legislation that would upset a 1973 federal court decision that effectively banned clearcutting in the Monongahela National Forest in West Virginia.

Clearcutting is the practice of leveling all the trees in a particular area of the forest rather than selective cutting of mature trees.

The question now before the Congress is what kind of management practices should be allowed in the commercial timbering of some 90 million acres in 154 national forests. Over the years the U.S. Forest Service has become somewhat insensitive to its original mission to safeguard and preserve the nation's wild and natural heritage as found in our beautiful forests. The Service has allowed increased timbering operations as noted by its own figures. In 1945 the Forest Service sold 2 billion board feet of timber from the national forests and by 1975 the figure had risen to 10 billion board feet, an increase of 400 per cent.

Last August the U.S. Fourth Circuit Court of Appeals at Richmond upheld an earlier ruling by Federal Judge Robert E. Maxwell banning clearcutting in the Monongahela National Forest and the decision later was applied to a case involving the Tongass National Forest in Alaska.

The powerful timber industry since has sought to overturn the court's decision through new legislation. The industry currently is backing a bill sponsored by Senator Hubert Humphrey, which knowledgeable observers say, would pave the way for even worse abuses by the timber companies and a weak Forest Service. In supporting the Humphrey proposal, industry wants to avoid any further spread of the restrictions outlined by the Monongahela decision.

A far better bill has been introduced by U.S. Senator Jennings Randolph of West Virginia, who has been a long-time champion of conservation and the preservation of America's wilderness, wildlife and scenic beauty. Senator Randolph's measure would limit clearcutting in the West to a general 25 acres, correct the economic imbalances that deny many counties a fair return for the tax losses they suffer from National Forest lands in their area, and discourage the massive cutting of younger and younger trees.

What is needed today are regulations that will provide some balance between satisfying the nation's demands for timber and wood products and the conservation of the forests and woodlands for generations to come. This is what Senator Randolph's bill would do and Senator Humphrey's would not.

No one who knows Senator Randolph, as we do in West Virginia, would suggest that he would attempt to destroy an important and beneficial industry through legislation. He favors setting clear standards for the industry so that operations can continue without the wholesale destruction of our forests.

Industry lobbyists have been pulling out their heavy guns claiming this is no time to apply more stringent regulations which might result in unemployment, mill shutdowns and bankruptcies. The National Forest Products Association went so far as to warn residents of Los Angeles that they would have to lower toilet paper consumption by 25 per cent if the Randolph Bill becomes law.

All of this is nonsense and Congress must dismiss these scare tactics and provide a fair hearing for the legislation which will decide the future of our precious National Forests.

[From the Wheeling News-Register, Mar. 11, 1976]

PROTECTING OUR FORESTS

U.S. Senator Jennings Randolph of West Virginia has introduced much needed legislation in the Congress to provide better protection for our national forests.

As Senator Randolph pointed out in offering his bill, the management of our national forests has become the center of controversy in West Virginia and throughout the nation.

His measure would modify the Organic Act of 1897 as interpreted by a decision of the U.S. Court of Appeals for the Fourth Circuit last year involving the management of timber resources of the Monogahela National Forest. This modification will keep the best of the basic requirements that the court dealt with and yet permit certain desirable practices that might be hampered by the decision.

The bill also covers the problems of clear-cutting and even-edged management, with the protection of forest soils and natural ecosystems, and the protection of fish and wildlife habitats. It deals with the whole range of timbering operations and corrects the financial problems of counties that have been tied to timber production from the national forests for a substantial portion of their revenues. A new accounting system for timber sales also is called for in Sen. Randolph's proposal.

"Few issues," Senator Randolph told his colleagues, "can be of greater importance to the many persons involved in the utilization and preservation of our national forests. West Virginia is the site of the Monongahela National Forest, one of the nation's finest. The management of that forest is extremely important to the future of West Virginia. It is vital to West Virginia's economic well-being and to the quality of life of our citizens. Most of the other states with national forests are in the same position. Furthermore, people from the few states without a national forest benefit from those forests in other states and look to them for recreational opportunities."

The legislation faces an uphill fight despite the support of various conservation, environmental and other groups such as the Izaak Walton League. Tremendous opposition is expected from the timber industry and Jack Anderson, the columnist, reported recently that "the timber industry lobby spent thousands of dollars five years ago in expenses and campaign contributions to get a clear cutting bill passed in the Congress." They failed but the bill was implemented by executive order. Now, according to Anderson, the lumber timber lobby is gearing up for another multi-million dollar assault on Congress. The industry wants a law to get them around the recent court's ruling which found the Forest Service to be in violation of the Organic Act of 1897. They also want permission to strip even larger portions of national forests.

Senator Randolph deserves the support of all West Virginians in this important effort to safeguard and protect our national forests for future generations.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 1 P.M.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 1 p.m.

There being no objection, the Senate, at 12:28 p.m., recessed until 1 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. MORGAN).

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. If there be no further morning business, morning business is closed.

SELECT COMMITTEE ON SMALL BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business, Senate Resolution 104, which the clerk will state.

The assistant legislative clerk read as follows:

A resolution (S. Res. 104) relative to Select Committee on Small Business.

The Senate proceeded to consider the resolution which had been reported from the Committee on Rules and Administration with amendments.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that during the Senate's consideration of Senate Resolution 104, the privilege of access to the Senate floor be granted to William Cherkasky, Ray Watts, Herbert Spira, Judah Sommer, John Cross, and James Medill, of the staff of the Select Committee on Small Business, and to John Doyle of my own staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. Mr. President, I ask unanimous consent that during the debate on this issue that Ellen Heath, Rick Wahlstrom, Gil Bray, Dan Wall, Dick Bryan, and Jerry Buckley be given the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I ask unanimous consent that Michael Stern be given the privilege of the floor during the debate on this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that during the proceedings on this bill Larry Smith and Karleen Millmick be given the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, the Committee on Rules and Administration voted to report the pending resolution (S. Res. 104), relative to Select Committee on Small Business on March 1, 1976, with amendments. As chairman of the committee it is now my responsibility to present this resolution to the Senate for its consideration with the committee recommendations that it be agreed to. The adoption or rejection of this resolution, however, does not necessarily expose the attitude of any Senator toward small business. I feel sure that there is not a single Senator who does not strongly support small business. This resolution merely involves procedure, a procedure as to how the Senate shall proceed with it consideration of proposed legislation affecting small business.

The resolution was introduced on March 10 of last year and at the time the Rules Committee held its hearings on this resolution there were 72 cosponsors.

The Small Business Committee was originally created on February 20, 1950, and since that time there have been several amendments altering its status including such changes as appointing the members to the committee in the same manner and at the same time as the chairmen and members of the standing committees of the Senate at the beginning of each Congress. Since no termination date of the Select Committee on Small Business was specified in the resolution of creation, the committee is still in existence.

This resolution proposes to give to the Select Committee on Small Business legislative jurisdiction over matters relating to the problems of American small business enterprise and all proposed legislation relating to the Small Business Administration.

The first amendment proposed by the committee would merely insert the word "primarily" on page 2, line 4. Bills and resolutions when introduced are to be referred under the rules and guidelines of Senate procedure to the committee having jurisdiction over the predominance of the subject matter embodied in such said proposal. To assure a continuation of this established procedure, the committee felt that the resolution should be amended so that the above principle would be maintained and if a measure merely mentions small business without significantly involving the subject matter, that measure would then certainly be referred to the committee having jurisdiction over the predominance of the subject matter, which might well result in the reference of many or most major bills to at least two committees.

It should be emphasized that nearly all of the standing committees of the Senate have jurisdiction over and act on proposed legislation involving some aspects of small business. This situation obtains, for example, in the case of the Committee on Banking, Housing and Urban Affairs, when dealing with measures relating to financial aid to commerce and industry; the Committee on Armed Services in dealing with legislation concerning small business contracts; Committee on Commerce, when writing legislation regulating trucks and common carriers in interstate commerce; Committee on the District of Columbia, on business matters within the District of Columbia; the Committee on Finance, in the case of general tax bills; the Committee on Interior and Insular Affairs, on proposed leigslation relating to concessions for leases in parks as well as matters relating to irrigation and reclamation; Committee on the Judiciary, in the case of legislation levying penalties on businesses for failure to comply with certain legal requirements; Committee on Labor and Public Welfare, in the case of labor legislation or wages and hours; and the Committee on Public Works in handling proposed legislation dealing with highway legislation involving small business contracts. All of these committees now have jurisdiction over much legislation which could mean the life or death of many small businesses.

The second amendment beginning on line 24 of page 2 and extending down through line 5 on page 3 would give the chairman of the Select Committee on Small Business the right to request rereference to his committee any measure which significantly affected small business, for its consideration of any portions of the measure dealing with small business, and which would have to be reported by his committee prior to its consideration by the Senate.

I understand that the Senator from Louisiana (Mr. LONG), is going to propose an amendment to the second committee amendment striking out the words "significantly involving small business as defined above" and inserting in lieu thereof, "directly relating to the Small Business Administration."

If the resolution is to be passed I hope this amendment will be adopted because the provisions of this amendment as reported could be used to delay needed legislation since any bill involving small business would have to be considered by two committees before the Senate could act thereon if requested by the chairman of any such authorized committee. For example, a tax bill particularly a general tax bill would more than likely significantly affect small business and therefore after such a bill were reported by the Committee on Finance at the request of the chairman of the Small Business Committee, that general tax bill would then be referred to the Small Business Committee for its consideration of that portion of the tax bill affecting small business. Thus, it would seem to save the time of the Senate and avoid unnecessary delay of the enactment of certain types of proposed legislation affecting small business if this amendment proposed to be offered by the Senator from Louisiana were adopted.

Since the Committee on Rules and Administration reported Senate Resolution 104 it has also reported Senate Resolution 109, to establish a temporary select committee to study the Senate committee system, which the Senate adopted on March 31, 1976; the membership of this committee has already been appointed and the committee has begun its organization and activities. The primary purpose of this resolution was to create a committee which would review the jurisdiction of all standing committees, as well as the jurisdiction of any other committees, with a view to setting up a committee system for the Senate to avoid multiple reference as well as to define clearly the lines of demarcation for the reference of all proposed legislation after an orderly fashion without too much confusion. Therefore, the question could properly be raised that it might be a wise idea to even withhold action on Senate Resolution 104 until after the committee created by Senate Resolution 109 files its report some time next year.

It should be pointed out also that it has not been the practice of the Senate to give special and select committees legislative jurisdiction. There are, of course, a few exceptions. To illustrate: the Committee on Atomic Energy was given legislative jurisdiction by law and the Select Committee on Standards and Conduct also has limited legislative jurisdiction.

Mr. President, I ask unanimous consent that William Cochrane of the staff of the Rules Committee be granted the privilege of the floor during consideration of Senate Resolution 104.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. I yield to the Senator from Oregon.

Mr. HATFIELD. Mr. President, little needs to be said of the importance small business has played in the development of this country. Small business has been and is the mainstay of our free enterprise system. It has been and is the focal point for community interest and spirit in small towns and villages as well as the neighborhoods of our large cities.

Unfortunately, the needs and problems of small business have failed to attract the proper attention of both the executive and legislative branches of our Government. For too long, Government policies have served to dampen the development of small business in our country. For too long, the Congress has failed to properly recognize the plight of the small business community, and this neglect has served to discourage the creation of new business enterprises in many of the smaller communities.

Instead of encouraging the development of small business and the creation of new jobs, our policies generally have driven small business out of business. This insensitivity has contributed to the decline of many small communities as well as the growth of welfare rolls in many of our large cities.

Mr. President, Senate Resolution 104 is a step in the right direction in providing the small business community with the proper recognition within the U.S. Senate. The Senate Select Committee on Small Business will finally be given the legislative authority to correct many of the economic inequities previously thrust upon the small businessmen of our country. The Senate Small Business Committee will finally be given the opportunity to effect some changes in our Government policies which will encourage the growth of small business.

E. A. Schumacher, in a widely read book entitled, "Small Is Beautiful," talks about the basic problems as well as the basic needs for having small business enterprises. Small business enterprises are more people concerned and people oriented than big business. They are less harmful to the environment than big business in general.

Many Americans have turned to simpler lifestyles in order to escape from the prepackaging grips of bigness. If Senate Resolution 104 is adopted, the new Committee on Small Business can do much to improve the environment of small business and, thus, the economic environment of our small towns and of our urban neighborhoods.

Mr. President, I urge my colleagues to adopt this resolution—for the adoption of Senate Resolution 104 will not only be a victory for the small business community, but will also be a victory for literally thousands of American families whose livelihoods depend upon the strength and growth of the free enterprise system. This resolution is a small but beautiful important step in this direction. It is a step 200 years overdue, but still not too late.

Mr. President, I would like to express my grateful appreciation to Senator CANNON, chairman of the Rules Committee, and Senator BYRD, chairman of the Subcommittee on Standing Rules, for their leadership in bringing this resolution to the full Senate for consideration. I would also like to thank the principal sponsors of the resolution, Senator HATHAWAY and Senator BROCK, for the roles they have played in bringing to the Senate's attention the needs of the American Small Business Community.

Further, Mr. President, it seems to me we are placing a new configuration of this committee into good hands with the chairmanship of Senator NELSON of Wisconsin who has served on the Select Committee on Small Business for over 13 years and has now been chairman of that committee for approximately 2 years.

So with his already well-established leadership on behalf of small business, I feel that it adds again to the cause of this resolution.

Mr. President, I urge my colleagues to adopt this resolution.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The assistant legislative clerk read as follows:

On page 2, line 17, after the word "any" insert the word "proposed";

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

The first committee amendment was agreed to.

The PRESIDING OFFICER. The clerk will now state the next committee amendment.

The assistant legislative clerk read as follows:

On page 2, line 24, after "Senate" insert the following: "; and likewise measures reported by other committees significantly involving small business as defined above shall, at the request of the chairman of the Committee on Small Business, be referred to the Committee on Small Business for its consideration of any portions of the measure dealing with small business, and be reported by this committee prior to its consideration by the Senate" ".

Mr. LONG. Mr. President, I send an amendment to the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Louisiana (Mr. LONG) proposes an amendment: on page 2, line 25, and page 3, line 1, delete "significantly involving small business as defined above" and insert in lieu thereof "directly relating to the Small Business Administration".

Mr. LONG. Mr. President, Senate Resolution 104 would confer legislative jurisdiction on the Small Business Committee. Specifically, it would give the Small Business Committee jurisdiction over "proposed legislation relating to the Small Business Administration."

The resolution would also permit the chairman of the Small Business Committee to have referred to that committee any measure reported by another committee "significantly involving small business." This broad re-referral provision could conceivably involve virtually every important measure acted on by the Committee on Finance.

My amendment would conform the second provision of the resolution to the first one by permitting this kind of re-referral only in the case of measures directly relating to the "Small Business Administration," since these are the matters over which the Small Business Committee is to have original jurisdiction.

Mr. President, I have discussed this matter with the chairman and also with the chairman of the Small Business Committee and, I believe, this language will more clearly carry out what the purpose of the amendment is. I believe there is no objection to the amendment, and I hope it will be agreed to.

Mr. CANNON. Mr. President, the amendment offered by the Senator from Louisiana is, I think, a good amendment that gets away from multitudinous referrals of matters to two committees or more. So in this instance it would limit it to matters directly relating to the Small Business Administration, and I am willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment was agreed to.

Mr. GARN. Mr. President, I ask unanimous consent that Mr. Robert Locklin, of the Banking, Housing and Urban Affairs Committee staff, be granted the privilege of the floor during the debate on Senate Resolution 104.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, I ask unanimous consent that Mr. Maurice White, of my staff, be granted the privileges of the floor during the consideration of the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. Mr. President, I am opposed to Senate Resolution 104.

First of all, I believe Senator CANNON, the distinguished chairman of the Rules Committee, has made a very good point, whatever other arguments may be appropriate against transferring the authority for legislation activities to the select committee. It seems the Senate is constantly duplicating and going off in different directions.

He has well pointed out that we have created a Committee on Committees to study the jurisdictions of all of the standing committees, which have not been reviewed for over 30 years, to my understanding. So why we would be considering changing any jurisdictions at this time of any committees, until we have had the opportunity to see their report, I do not know.

They may very well come back and recommend that this is something that should be done. I do not know what the report will be. They could recommend that things stay as they are, or have some other recommendation.

It would seem appropriate to me that we at least await the outcome of a committee which we have created to study these very jurisdictional problems.

My opposition is based on the sincere opinion that the proposed transfer of jurisdiction as presently drafted will do a great disservice to the small business community. Let me summarize my arguments.

First, the well-being of the small business community is a matter of vital importance to the health and vitality of our economy. That is the precise reason legislative jurisdiction should remain in the Committee on Banking, Housing and Urban Affairs. The Banking Committee has jurisdiction over the Nation's financial institutions and markets which control the lifeblood to the small business sector. One of the most important factors affecting small business is its inability to obtain adequate capital. The banking committee has the experience, the expertise, and the broad perspective so necessary for a prudent and constructive evaluation of such problems.

Second, the Banking Committee has a legislative record of long standing reflecting a persistent and active interest in the affairs of the small business community and in the operations of the Small Business Administration. In fact, the Banking Committee has not once been accused of a lack of zeal during arguments in favor of transferring legislative jurisdiction.

Third, it has, however, been argued that the Banking Committee already covers such a broad area that small business would benefit by the specialized attention of one committee. This could, of course, be said of any interest. May I point out that in the 91st Congress, only 15 bills were referred to the Small Business Subcommittee? In the 92nd Congress, the number was 14. In the 93rd, it was 9. So far in the 94th, 16 bills have been referred to the Small Business Subcommittee. Certainly this number of bills is not a backbreaking burden for the committee. And the amount of additional work required is not of sufficient volume to outweigh the advantages of the seasoned expertise available in the Banking Committee.

I have given this matter further consideration since the bill was reported from the Rules Committee and find my misgivings unabated.

A primary argument in behalf of the bill has been the desirability of creating parallel situations in both the Senate and House—the House Small Business Committee has legislative jurisdiction and, therefore, the Select Committee on Small Business should too. I might point out that there are differences in the way the jurisdictions are defined. The House committee has jurisdiction over assistance to and protection of small business, including financial aid. It also has jurisdiction over the participation of small business enterprises in Federal procurements and Government contracts. Senate Resolution 104 gives the select committee jurisdiction only over the Small Business Administration, though it may request consideration of any legislation affecting small business. Matters pertaining to small business will continue to be considered by numerous other committees, so there is no strong argument for consolidation of small business matters to be made in behalf of this resolution.

Further, since the select committee is given the right to request review of any other legislation pertaining to small business, and other committees having certain interest in legislation to be considered by the select committee may also ask to review these matters, the effect is going to be a long, slow, ponderous passage by any small business bill to the Senate floor. How can such delay possibly be of benefit to the small business community?

Additionally, for those interested in retaining certain traditions in the Senate, I might point out that it is extremely rare to grant legislative authority to a select committee. Only the Senate Select Committee on Standards and Conduct presently has the authority to report measures, and its authority is limited to internal matters. Legislative authority for the Select Committee on Small Business would extend beyond the Senate. This would be contrary to longstanding Senate practice and form.

Finally, it seems to me a matter of no small irony that, in the name of benefiting small business, supporters of this legislation would take small business legislation from the jurisdiction of a major committee and consign it to that of a minor committee. For the Small Business Committee would remain a select committee in the same subordinate category, according to Senate rules, as a joint committee or another select committee or a special committee—none of which has legislative authority.

I am a realistic man, however, and the significance of 73 cosponsors does not evade me. Senator DIRKSEN once said, "There is nothing so pregnant as an idea whose time has come," and this one is tumescent with support. I would like to make only one recommendation regarding the form of the delivery.

If it is the Senate's will that small business shall receive the attention of a committee organized for and acting solely in its behalf, then let us do this properly. Let us not create an anomaly in the Senate in violation of longstanding tradition. Instead, let us give the Small Business Committee the stature of a standing committee, equal in importance and subject to the same limitations of commitment imposed on the other 14 class A standing committees. Let us make it equal in rank to the Banking Committee, which has always handled small business matters so judiciously.

I commend the Senator from North Carolina (Mr. MORGAN), whom I believe is going to offer an amendment to make this a class A standing committee, for his perception of the appropriateness of such action. His amendment would have my enthusiastic support.

I think there has been a great deal of misunderstanding about this resolution. I think, if many of the 73 Senators who have cosponsored this understood the significance of it, they would not have cosponsored it. It does sound like a very good idea on the surface.

They may not be aware that Senator TOWER, along with other cosponsors, has proposed the creation of a National Commission on Small Business to bring small business to the forefront. This Commission, which is now being considered between the House and the Senate, was in the Senate version of the bill, but the House is unwilling to accept it at this point in conference. The Commission would have the duty to study all facets of the small business operation, from taxation to overregulation, all facets of Government involvement in business and incentives, and to make recommendations to the Congress as to how we could really take care of small business and help them, as Senator HATFIELD has stated they need help.

If we switch this legislative authority at this time, I do not know what happens to that proposal.

Senator CANNON has pointed out some of the problems of the appropriations process.

In any event, I think the most telling argument of all is that it seems a little bit premature to be transferring any committee jurisdiction when we have set up a Committee on Committees to review all of the jurisdictions.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. First, Mr. President, I commend the distinguished Senator from Utah on his speech. I was not able to hear all of it, but what I did hear I certainly concur in wholeheartedly.

Mr. President, I begin by saying I am in a very difficult and delicate position. My colleague from Wisconsin is Senator GAYLORD NELSON, who is the chairman of the select committee. I do not think there is a finer Senator in the Senate, a more diligent, competent, or abler Senator. There is no question in my mind that, if this resolution passes, he will give the small business community throughout the country very helpful and expert counsel, advice and assistance in acting on the legislation that this resolution would provide.

After saying that, however, I must say that the experience I have had in almost 20 years on the Banking Committee and several years as chairman of the Small Business Subcommittee is that I do think that the jurisdiction belongs exactly where it is for many reasons, which I will indicate shortly.

I might say that the former chairman of the Banking Committee (Mr. SPARKMAN) is the only man I know of who has been chairman of both the Select Committee on Small Business and the Senate Banking Committee.

He has told me that he feels, very strongly that this resolution is a mistake. He opposes the resolution. He feels that the jurisdiction should remain in the Banking Committee and that the Banking Committee can give small business the greatest assistance if he remains there.

Mr. President, I also point out that the present occupant of the chair, the distinguished Senator from North Carolina, Mr. MORGAN), is the present chairman of the subcommittee, and I do not know anyone who has given more careful or expert consideration to small business and the small business problems than he has. He has handled legislation with great skill and consideration not only in the committee but in the Chamber and in conference. He chaired the recent conference on the small business bill. And I think everyone who had any experience with that operation recognizes the excellent job that he did.

These matters are not simply a matter of substance. They are also matters of personality.

As I say, it is very difficult to deal with a situation where Senators are so closely involved. But I do think that, if we are going to act in the best interest of small business, this resolution should not pass.

First of all, the primary obstacle to the growth and prosperity to small business has been and is the lack of adequate credit and capital.

If there is any committee of the U.S. Senate that has responsibility for credit, it is the Banking Committee. We could easily change its name to the Credit Committee because that is what it is. It has been universally accepted that if we are ever to meet the credit and capital needs of small firms we must do it by cooperative programs, programs that join together the resources of the Small Business Administration, the banks, the insurance industry, investment bankers, and others in the private financial sector.

All of these programs and all of these institutions are within the legislative jurisdiction of the Committee on Banking, Housing and Urban Affairs.

Mr. President, it has been my feeling that the position of small business, as I have said, will be weakened by removing the Small Business Administration from this composite.

Second, I believe that to give the Select Committee legislative jurisdiction will dilute the small business oversight activities in which that committee has been engaged effectively and which has been its great strength over the years, particularly since my able and distinguished colleague, Senator NELSON, has been the committee chairman.

The select committee, under Senator NELSON's leadership, held more than 60 days of hearings last year in the performance of its oversight responsibilities. This is an outstanding record of accomplishment. It most assuredly can be translated into tangible benefits for small business.

All of us know how under our committee setup oversight responsibilities must give way to legislative responsibilities. Consideration of legislative proposals is a most time-consuming job. I am not one to see time and effort of the select committee diverted from oversight to legislation. In my judgment this also will weaken the position of small business in the legislative process.

Mr. President, I also oppose Senate Resolution 104 because I believe it represents a proliferation of legislative committees.

Back in 1947, 30 years ago, a Wisconsin Senator, young Bob LaFollette, and Mike Monroney, a Senator from Oklahoma, together were authors of a reorganization bill in the Senate which established the standing committees that we have at the present time, with the exception, I think, of three. Since that time we have added three additional committees.

Mr. President, the reason for the reorganization was that it was clear, with the large number of committees before the organization, Congress simply could not function efficiently, and Senators could not operate efficiently. It was a situation that had to be remedied. That was a very difficult bill to get through, as can be imagined, because it is extremely hard to eliminate the chairmanship and ranking position of Senators on committees in which they serve. But that remarkably difficult task was achieved with great pain and difficulty by Congress back in 1947.

Gradually we have begun to undo that fine accomplishment. I think we can make a very strong case, of course, for a separate Small Business Committee as we can for a Committee on Peace or a Committee on Education, or a committee on many, many things that deserve full attention and have tremendous support around the country.

But we have found that when we have too many committees the Senate simply cannot function; it cannot function effectively.

Mr. President, I think it is important to recognize just what this resolution does in fact. It does not provide a Small Business Committee that will have jurisdiction on all of the matters affecting small business. If it did that would be one thing. The people who authored this resolution were politically sensitive.

They confined the committee's jurisdiction simply to jurisdiction over the Small Business Administration. As we all know, this is only one facet of the interests, concerns, and well being of small business. Obviously, small business has a very deep interest in taxes that affect small business, in labor relations that affect small business, and in regulations that affect small business.

This happens to fall within the jurisdiction of the Finance Committee, but no jurisdiction was taken away from the Finance Committee. No jurisdiction was taken away from the Labor Committee. The Commerce Committee, of course, has retained its full jurisdiction. Only the Banking Committee was required to give up its jurisdiction.

As Senator Tower pointed out in our testimony that if this resolution goes through, the committee on the basis of our experience last year would have something like 12 or 14 bills to consider as contrasted with an average of 150 or 200 bills which most committees consider. I think the committee would properly say that their jurisdiction was too limited and probably say that they should have jurisdiction in these other areas, and I think a very strong case, probably an overwhelming case, would be made that they would deserve that jurisdiction. Step by step they would begin to take away the jurisdiction of these other committees, and once having established the Small Business Committee as a standing committee—that is the big step—once having done that, I would be inclined to support that position. I think they should have comprehensive jurisdiction over small business if it is going to be a Small Business Committee. I think that is going to happen. In fact, I think it is pretty inevitable.

I would hope that Members of the Senate have that clearly in mind when they proceed to make the Small Business Committee a standing committee by the action that Senate Resolution 104 would provide.

Mr. President, for these reasons, even though, as I have said at the beginning, I have the greatest admiration, respect, and affection for my colleague from Wisconsin, Senator Nelson, I must oppose Senate Resolution 104.

I shall ask the bill manager, Senator Cannon, if he would inform this Senator as to whether or not there is a committee that has been established to study the Senate committee structure and Senate operations which might not be appropriate to consider this kind of a change in Senate operations rather than act, without having that committee have a chance to determine jurisdiction.

Mr. CANNON. I say so my colleague that the Senate passed Senate Resolution 109 to create a committee to make a study of the jurisdictional aspects of all of the committees and to endeavor to simplify the committee procedure. I must in all good conscience say that this flies right in the face of the Reorganization Act and of the duties that we have charged that committee with, under Senate Resolution 109. I went along with this reluctantly. I do not think it is the best procedure to follow myself for reasons that I stated in my opening statement here—the joint jurisdictional questions that cut right across the lines of many committees. I think that in the long run it is going to do a disservice to the small businessman. But there have been tremendous pressures from all over the country for years on this particular issue.

As I pointed out earlier, there are 72 cosponsors in the Senate. Someone says there are more than that. In any event, there are a substantial number of cosponsors. We were under pressure to have this resolution reported to the floor of the Senate, so we reported it.

It is somewhat like a motherhood resolution. It is hard to vote against motherhood, and everybody is for small business. Everyone in the Senate is for small business. But if one votes against a small business resolution, it sort of tags him as being anti-small business, I suppose.

There is a very serious problem with respect to the committee jurisdictions. I pointed out earlier that the Committee on Banking, Housing and Urban Affairs has jurisdiction relating to financial aid to commerce and industry; so they are already heavily involved in small business, and this jurisdiction cannot be taken away from them in that area.

The Committee on Armed Services deals with legislation concerning military small business contracts, and that will have to go to the Committee on Armed Services as well as to the Small Business Committee. So it is going to compound their problem.

The Committee on Commerce considers legislation regulating trucks and common carriers in interstate commerce. The Committee on the District of Columbia deals with business matters within the District of Columbia. The Committee on Finance deals with general tax bills. Obviously, we cannot take the jurisdiction away from the Committee on Finance, so there will be joint jurisdiction in these areas.

The Committee on Interior and Insular Affairs deals with proposed legislation relating to concessions in parks, as well as matters relating to irrigation and reclamation.

The Committee on the Judiciary deals with legislation leveling penalties on businesses for failure to comply with certain legal requirements. The Committee on Labor and Public Welfare deals with labor legislation regarding wages and hours.

These committees have the jurisdiction in these basic areas, and it means that there is going to be a joint referral, and it is going to compound the problems of the small businessman, in my judgment. All those committees now have jurisdiction over much legislation which could mean life or death to the small businessman.

Mr. PROXMIRE. Who has the jurisdiction over Senate Resolution 109? Is that the Rules Committee?

Mr. CANNON. Yes. The Rules Committee has reported Senate Resolution 109. The committee has been appointed. They are staffing up now to do precisely this kind of study, to go over the entire jurisdictional gamut, to see whether we can clean it up.

Mr. PROXMIRE. Why would it not be a logical and appropriate action, one that it would seem the small businessman could understand, to refer this measure to the Rules Committee, for consideration by the committee that is empowered by Senate Resolution 109 to make the jurisdictional study? It seems to me that this resolution, in its present form, provides only a very limited jurisdiction to the Small Business Committee, as the Senator from Nevada has said. Why would it not be wise to make that referral so that then the Senate would be in a position to act on the basis of rationalizing the matter of jurisdiction?

Mr. CANNON. It can be done if the votes are here to do it. But when 72 Members have cosponsored that particular resolution, I am not sure that they would vote to rerefer it to the Senate Resolution 109 committee, on the basis that it might be interpreted as a vote against small business or a vote against the resolution they have cosponsored.

I must say that it makes more sense.

Mr. PROXMIRE. The Senator from Nevada would consider that to be a logical action?

Mr. CANNON. I would consider it to be a logical action, certainly—or, at least, to await action on it until such time as that committee has studied the jurisdictional question of all the respective committees.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield briefly to the majority leader.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McINTYRE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. McINTYRE. I happen to be a member of the Committee on Banking, Housing and Urban Affairs, on which I serve with the distinguished Senator from Wisconsin. Also, I serve on the Select Committee on Small Business. I have enjoyed my work on the Select Committee on Small Business because, under the leadership of various Senators, we have been able to go into various fields, to move with a great deal of ease across a panorama of issues in which small business might be involved. We do this without any difficulty because, as Senators know, the committee has no legislative jurisdiction.

If we now give the Select Committee on Small Business legislative authority, what will be the effect, in the opinion of the distinguished chairman of the Rules Committee? What will be the effect if, every time the Select Committee starts on an investigation or starts on any area of small business concern, it contravenes or comes into collision with the jurisdiction of another standing committee? Is that going to make life easier for the members of the Select Committee on Small Business or the chairman of the Small Business Committee, or is there going to be confusion? Probably, in the end, it may have a very stultifying effect on the activity of the Select Committee on Small Business.

Will the Senator from Nevada render an opinion on that?

Mr. CANNON. I hate to offer a judgment as to what it is going to do to another committee or the Committee on Small Business, on which I do not serve. However, my judgment is that the Senator has assessed it correctly, that it is likely to create more confusion.

Therefore, as I said, I do not think it is really in the best interests of the small businessman. But they have been lobbying on it for many years around here, and we have just gotten into the position where we had to report something.

The Senator will note that there is now an amendment which reads:

> *Provided*, That any proposed legislation reported by such committee which relates to matters other than the functions of the Small Business Administration shall, at the request of the chairman of any standing committee having jurisdiction over the subject matter extraneous to the functions of the Small Business Administration, be considered and reported by such standing committee prior to its consideration by the Senate; and likewise measures reported by other committees significantly involving small business as defined above shall, at the request of the chairman of the Committee on Small Business, be referred to the Committee on Small Business for its consideration of any portions of the measure dealing with small business, and be reported by this committee prior to its consideration by the Senate.

So it is really going to delay the legislative process relating to the small businessman, in the judgment of this Senator.

Mr. PROXMIRE. There are going to be joint referrals?

Mr. CANNON. Joint, yes—one first, then the other.

Mr. PROXMIRE. We will have to wait for one committee to act and then the other to act, and there will be conflicting views.

Mr. CANNON. There will be sequential consideration, rather than joint.

Mr. HATHAWAY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. HATHAWAY. I point out to the Senator from Nevada that the original bill did not have the latter referral provision in it; and those of us who cosponsored the original bill wanted jurisdiction to be only over the Small Business Administration.

As I understand, the amendment that has been offered by the Senator from Louisiana (Mr. Long) has been accepted. The original intention of the resolution has thereby been restored so that the only bills that would be referred to the Small Business Committee would be those directly relating to the Small Business Administration, not to small business in general. So, we might get an initial referral of a bill that has something to do with the Small Business Administration and some other matters that would go to another committee; or, the other way around, if some other committee had jurisdiction over the preponderance of the matter contained in the bill and part of that bill referred to the Small Business Administration, we would get it on rereferral. So I understand that the Small Business Committee would be confined to referrals only on matters that affect the Small Business Administration and not small business in general.

Mr. CANNON. Primarily the Small Business Administration.

Mr. HATHAWAY. That was the purpose of the amendment of the Senator from Louisiana.

We are not going to run into the problem that has been outlined on the floor, of delaying matters because everything that affects small business might have to go through the Small Business Committee, which would mean almost every bill introduced in the Senate.

Mr. CANNON. This reads:

> . . . and to which shall be referred all messages, petitions, memorials, and other matters relating primarily to the problems of American small business enterprises, and all proposed legislation relating to the Small Business Administration.

Mr. PROXMIRE. Mr. President, may I say that no matter how you interpret this, you cannot win. One way, you are going to have a joint referral, which is going to be delaying and contradictory and conflicting and confusing. The other way, if you do not refer these measures, there are going to be only 12 or 15 bills every year and a standing committee created, the principal purpose of which will be to handle those few bills. On the basis of the responsibility and jurisdiction and activity of other committees, that seems to be a very, very small, limited kind of responsibility for a standing committee. I think it is a serious mistake to create another standing committee when, as I pointed out, the whole purpose and thrust of the Reorganization Act was to limit the number of standing committees so we could have a workable Senate.

I yield the floor.

Mr. JAVITS. Mr. President, I have listened to the debate with great concern and great interest. I am the ranking member of this committee. I have served on it for many years. Many of the arguments which have been made relate to the fact that this will be a general committee for small business, which it will not. It is strictly a rifle-shot operation—to wit, that we have oversight over the SBA, which, in effect, is exercised only by the Small Business Committee. That is the whole point here.

The fact is that the Committee on Banking and Currency—and I yield to no one in my admiration for its personnel and its chairman and its ranking member, and I have served on the committee—is one of the most important committees in Congress. As time goes on and we get away from war and we get more into economic development, it will turn out to be the most important committee in Congress, because the whole genius of the Western World, which is free—I mean in an ideological sense—is based upon credit. The fact is that people expect that when they work today, they will collect 50 years hence and are perfectly willing to work today to do it. So I respect it fully.

The difficulty, as I say, is that we have been carrying on the oversight with 63 days of hearings in the select committee as against 6 days of hearings relating to small business in the Committee on Banking, Housing and Urban Development and that there is an instrument in the Federal Establishment—to wit, the SBA—which is to the executive department what the Committee on Small Business is to the legislative department. Therefore the responsibility should be coupled with the authority. We do actually oversee the Small Business Administration, period. That is the only jurisdiction—I think Senator Long was perfectly right—that we seek.

What is the complaint of small business, really? The complaint of small business is that what is everybody's business is nobody's business. In short, small business, as all business, is affected by everything that goes through here in the main, except for matters connected with national security, defense, and foreign relations, and even they affect business generally. But with small business we have a deep ideological commitment to it in this country as an element of freedom—we believe in competition. Again, that is what distinguishes us, the market system, from Communist countries.

Small business, which is our particular care, both for business and ideological reasons, by far, is the largest employer of labor in this country and has the largest number of firms. It is a very, very big segment of the American economy. It needs a committee which especially understands it.

Therefore, it seems to me that when we created an executive agency expressly for the purpose of dealing with the problems of the credit of small business, we fell into this field—and experience, by the way, has demonstrated that. We have had lots of scandals related to the SBA. We have had big problems in management in the SBA that are quite apart from the operations that are of a legal character. Where the actual oversight is carried on by a committee, it at least ought to have the authority to deal with the legislation which affects the SBA. As it is today, I do not think our oversight—and that is essentially what it is; we are doing it—carries the weight which it will carry if we deal with legislation affecting the SBA, if we have to confirm SBA Administrators. Think of the anomaly. He is responsible to us, essentially. Yet we do not confirm him. The Committee on Banking, Housing and Urban Affairs does. This is a very important point. We understand how things work around here. It depends upon argument, persuasion, and judgment, but it also depends a good deal on muscle. Our chairman (Mr. Cannon) made that very clear in respect to this resolution.

Second, why are there 70-odd Senators on this resolution? Because the accumulated weight over many years has made the House of Representatives do this as it will make us do this. This is really the vox populi that we are hearing. It seems to me that in a very limited way, we intend to apply it with this approach, and subject to revision when, as, and if we do have some broad spectrum of committees, it is the right way to go.

Mr. Hathaway has made it clear and I know from my own conversations with

Senator NELSON that he feels that way, too. I do not know if he will speak in this debate or not. But I know I have never heard from him a breath of anything but the highest respect for the close cooperation and sympathetic feeling with the Committee on Banking. But we are responsible for it and in a sense, we have been brought to it by a very great demand in the small business community and by the anomalies which I have just described.

I believe that with the jurisdiction, confined as it is, we will be, at the very least, joining the authority with the responsibility which we carry today, and then in practice—I beg my colleague, Senator PROXMIRE, to hear this. I am confident he will agree with me. In practice, considering the personnel who are involved—the members of the committee, Senator NELSON, myself—this will work very well indeed.

On the personal level, we certainly have a committee which, in my judgment, in its personnel, will be extremely cooperative with the Committee on Banking. There remains an enormous area where the most intense cooperation is required and this rifle-shot jurisdiction is simply a matter of giving more substance to what we are doing anyway.

Mr. PROXMIRE. May I say to the Senator from New York that, of course, I agree wholeheartedly when he refers to the personnel of the committee. I have already paid my respects to the chairman (Mr. NELSON), my colleague. We also know there is no abler man in the Senate than the Senator from New York (Mr. JAVITS). The people on that committee are people of great experience, great sympathy for small business, and great understanding of the problems of small business. As I go down the list here, every one of them is undoubtedly a real champion of small business.

That is not the difficulty, however. My point is where do we stop? We already had 14 committees under the Reorganization Act and since then we have created three new committees—a Space Committee, a Budget Committee, a Veterans' Committee, and now a Small Business Committee. The arguments for a Consumer Committee are very strong.

We can make the same argument for a Committee on Aging, which we already have, but it does not have a standing status. We can make the same argument for a Peace Committee, Education Committee, and so on. So we have already added, when we add this, four committees, so we shall have four standing committees that can bring legislation to the floor in addition to the committees we had before. We are on our way back to the 33 committees that we had in 1947.

This is the kind of disorderly action which the chairman of the Committee on Rules, I think very wisely, condemned. It puts him in a difficult position, it puts the Committee on Rules in an extremely difficult position. It is awfully hard to say no. The Senator knows the problems so well. He knows that when small business hears about this legislation, they will approach him as they approached me in Wisconsin and said:

> How about it, Prox, are you going to help us along? We are small business. We want our own committee.

I had the same problem with the Veterans' Affairs Committee. We just have to, somehow draw the line.

I think we have a very proper way of escaping from this tough dilemma. That is to rerefer the bill so that the study that is being made right now—it is not a matter of doing it in the future. The study committee has been established, authorized, set up, funded, staffed to study the jurisdiction of the Senate so that that committee will be able to make a rational recommendation as to exactly what should be the jurisdiction of the Small Business Committee, whether or not we should have it, whether we should have other committees, whether we should consolidate some of the other committees we have. To proceed now, it seems to me, is very premature.

Mr. JAVITS. Mr. President, the answer to that is, one, we do have a Small Business Committee. It is not a matter of proliferating.

Mr. PROXMIRE. It is not a standing one.

Mr. JAVITS. But we have a committee. We make an allowance, we have a staff, and it has hearings and so on. So it is not adding to the committees.

Mr. PROXMIRE. We are adding to the standing committee.

Mr. JAVITS. This is not a standing committee. The Senator interpreted it that way, but the jurisdiction is so narrow. Every one of the other agencies the Senator referred to does not have a counterpart executive agency. In short, there is no agency in the Federal Government for consumers. Here we have a unique situation. There is a Federal agency doing exactly what we do, but that Federal agency does not do exactly what the Committee on Banking, Housing and Urban Affairs does. It goes very much further in a different direction.

Mr. PROXMIRE. The same argument can be made for education.

Mr. JAVITS. Well, but that is part of a Government department which has many, many functions. We—and the Senator knows I am the ranking member of Labor and Public Welfare—have a situation where there are many of those functions that we deal with across the board in the standing committee.

Mr. PROXMIRE. The Senator is not arguing that for the hundreds and hundreds of agencies we have in the Federal administration that we ought to have a Senate committee for each one, is he?

Mr. JAVITS. Not at all, but only arguing because there is uniquely a Federal agency connected with the oversight activity of this committee, and that, in effect, it is this committee, not the Committee on Banking, which has oversight on small business that we ought to have the authority which goes with the responsibility. That is what I am saying.

Mr. PROXMIRE. Why not provide the same authority then to the Nutrition Committee or the Committee on Aging?

Mr. JAVITS. Because it goes into the Agriculture Department and other broad Government departments which are not rifle-shotted to a particular issue over which we have oversight. It is a very different situation, in my judgment.

In addition, as I say, the small business community of the country has felt—and I think justly so—that everybody's business was nobody's business. While we were nice fellows and we investigated a lot of good things and we made a lot of good reports, even when it came to confirming the Director of the Small Business Administration, it was not we who did it, but another committee.

I cannot see how a small businessman would really feel that this enormous interest that he is a part of is adequately recognized in Congress if we did not at least give this additional element of authority to our committee.

Mr. PROXMIRE. But if the small businessman recognizes how limited the jurisdiction of this Small Business Committee is, that it only has jurisdiction over the SBA, and that only 1 small businessman in 1,000 will ever be able to get a loan from the SBA because of the fact that there are 5 million small businesses and, of course, a very finite amount of money available to SBA, and that is likely to continue, that this will not assist him in what is far more important to him, his taxes, his credit with his bank, the kind of opportunity he has for developing skill and leadership, the relations he has with his employees, the committee has no jurisdiction in that area. So, it seems to me, we are giving the small businessman a snow job. We tell him we are giving him a committee when the committee is only limited to SBA, which can only help one-tenth of 1 percent of the small businessmen, in effect.

Mr. JAVITS. No, but the Senator is quite wrong in the range of jurisdiction which has not been availed of adequately. For one, there is research and development; for another, there is marketing, both of which are critically essential to the small business community. For another, there is executive training which has been much neglected; for another there is consolidation of procurement contracts, which is one of the most neglected aspects of the SBA.

Look, sir, your committee is great, but it cannot cover the waterfront. In this particular case I deeply believe small business has suffered. That is why the demand, and that is why approximately 70 Senators have gotten together to meet that demand because they consider it legitimate. That is the fact.

I have been working for years—I authored the collective provision for small business to get into research and development free of the antitrust laws. It has hardly been touched.

Now we have a burning interest in that, and the reason is that when you have a grievance so widespread as this one you have got to have a remedy, and that is what this is all about.

Now, when the Rules Committee decides to reorganize the committees it will reorganize this one like every other. It will take its lumps with every other. But, in the meantime, a year, 2, 3, 4 have already gone by since this matter came up.

Mr. PROXMIRE. The Senator knows there is nothing in this resolution which will assist small business to get greater consideration in the antitrust area.

Mr. JAVITS. All I said is to use a provision.

Mr. PROXMIRE. Or any of the areas of great concern to small business.

Mr. JAVITS. But to use a provision of the law which says that small business may combine, notwithstanding the antitrust laws, to achieve collective research and development, that is in the law now. That is not special consideration, and that has hardly been exploited, it has been remotely, and these are the grievances which small business has had to which we are giving attention.

Mr. PROXMIRE. I simply say, in conclusion, to the Senator from New York my point is there is nothing in this resolution that will meet any major significant problem of small business because the credit provided by SBA is very limited. The most important credit for a small business is in the banks. Their problem as far as the Federal Government is concerned is with taxation, with regulation, with the laws that affect the minimum wage and labor relations. This resolution cannot help them in those respects, and if we pretend it does I think we are deceiving small business.

Mr. JAVITS. Well, the Senator from New York has pointed out that in research and other marketing practices of a technical character and of a training character, in the consolidation of procurement contracts, there are enormous possibilities in small business right now, and we feel we have an infinitely better chance, as we do the oversight anyhow, to bring those to fruition for small business with this reolution than we have as we stand today.

I yield the floor.

Mr. HATHAWAY. Mr. President, Senate Resolution 104, granting legislative authority to the present Select Committee on Small Business, is a logical recognition of the importance of the small business community in the efficient functioning of our economy. Men and women of the small business community provide a wide array of the products and services crucial to our economy, and they are responsible for many of the innovative and technological advances which have taken place throughout our history. The person with only an idea and a shoestring has much to gain if he can develop and market that idea successfully; and a strong business community helps assure all of us that there will be a more competitive market which will be responsive to new ideas and technologies.

The overall significance of the small business community may be well illustrated by a few brief figures: there are over 12 million small business concerns; small business employs over 50 percent of all working Americans; goods and services provided by small businesses account for 43 percent of the gross national product. These figures speak eloquently for themselves.

In 1953 Congress recognized the importance of fostering a strong and healthy small business community and the need to focus on the problems unique to that community when the Small Business Administration, an independent agency, was established. Last year as part of its overall committee reform effort, the House of Representatives also recognized the need to restructure its committee system to reflect this emphasis and accordingly, the House provided its Small Business Committee with legislative authority. Senate Resolution 104 will merely bring the Senate up to date with these related actions.

Looking at the record of the Small Business Committee during fiscal year 1975 reveals the strong interest and concern in that committee for furthering small business interests. Sixty-three days of public hearings were held during 1975, looking into such problems as the survival of family farms, the effect of EPA regulations on small farmers, the role of small business in energy research and development, the reduction of Federal paperwork burdens on small business, the economic problems of the fishing industry, competitive problems of small business in the drug industry, the role of small business in Federal procurement, inquiries into the Federal effort toward creating a viable minority business community, and the effect upon small business of bank giveaways and sale of merchandise by financial institutions. This overview of some of the activity of the Small Business Committee points up the kinds of problems which small businessmen face, many of them the result of deliberate governmental decisions and policies which affect small business in a substantially different way than they do larger, diversified and integrated corporations.

The results of this work by the Small Business Committee are reflected in several legislative efforts, including the Tax Reduction Act of 1975, introduction of a small business estate and gift tax reform bill, and other bills proposing increases in the estate tax exemption, proposals for a credit for employment taxes, simplified pension reporting, and a bill providing set-asides in Federal energy R. & D. programs. While there have been substantive results from the present grant of investigative authority to the committee, a grant of legislative authority will conform to the overall Senate committee structure, which reflects the concerns of many different groups and classes and develops expertise in the needs and problems of those interest groups. Senate Resolution 104 will grant to the small business community, which is so integral a part of our economy, the same recognition and visibility which other groups have in our present committee structure—groups such as veterans, farmers, and labor interests. This will greatly enhance the visibility of, and focus on, the unique requirements and problems of small business.

I was pleased to introduce and am pleased to support Senate Resolution 104. I am particularly pleased that 73 of my colleagues have joined me in cosponsoring this resolution. I think it is long overdue and its passage will recognize the important contribution which small business has and will continue to make to our economy.

I would like to point out to my colleagues that the reported version of this resolution contains some misprints with regard to Senators listed as cosponsors.

The Senator from Oklahoma (Mr. BELLMON) is incorrectly listed. His name should be deleted, and I ask unanimous consent that that may be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. Furthermore, the Senator from New York (Mr. BUCKLEY), the Senator from Alaska (Mr. GRAVEL), the Senator from Oregon (Mr. PACKWOOD), the Senator from Maine (Mr. MUSKIE), I ask unanimous consent that they be added as cosponsors. They were omitted from the printed version.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. Mr. President, I would like to make some comments, in answer to some of the arguments that have been made here already. I would like to point out, first of all, that the subcommittee of the Banking Committee which currently has legislative jurisdiction over the Small Business Administration has in the past 5 years conducted only five hearings on its oversight jurisdiction, whereas the Small Business Committee has just in the year 1975 conducted a total of 20 days of direct hearings on the Small Business Administration oversight problems. This was 20 out of a total of 63 days of public hearings which had been held with respect to other small business matters as well.

I would like to point out also, in answer to the argument made by the Senator from Wisconsin (Mr. PROXMIRE), that in addition to the matters over which the Small Business Administration has jurisdiction, as enumerated by the Senator from New York (Mr. JAVITS), that the SBA is authorized to act as an advocate for the small business community before any governmental agency. So this gives the Small Business Administration a considerable latitude in its jurisdiction.

The other argument that has been made is that Senate Resolution 109 is designed to cover the problem of jurisdictional alinement, that Senate Resolution 109 was established to look into all of the committees in regard to jurisdiction, as well as many other matters, and will take care of this problem.

I do not think we should wait until those members of that committee are ready to report back to the Senate. In the first place, their responsibility goes far beyond what we are asking for today.

If we had a pressing need to establish a committee right now to take care of a certain problem—one of the problems, of course, is the energy problem and there is talk of forming an energy committee—we certainly would not wait until those empowered under Senate Resolution 109 completed their study to create such a committee. By that time, the problem might have gone away and we would have lost the opportunity to do productive work in the meantime.

Much has been made of the fact that the Banking Committee has much to do with the problems of small business. There is no question that the Banking

Committee does have a large concern with the problems of small business because small businessmen's problems are credit and other matters that properly come before the Banking Committee.

But we can say that about almost any standing committee of the Senate. Certainly, the Finance Committee has a lot to do with small business, as does the Labor Committee and the Commerce Committee.

Another point is made that if we restrict the jurisdiction as it is restricted in this bill to merely oversight over the Small Business Administration, that the Small Business Committee will have only about 12 or 14 bills before it in the course of a year.

My answer to that is, so what? We are still going to retain our oversight over the small business community's problems in general. The Small Business Committee will still be holding extensive hearings with respect to tax reform, with respect to credit, with respect to Government procurement contracts, and all of the other matters that affect the small business community.

To be sure, we are going to be restricted. The Small Business Committee would be restricted in its jurisdiction to reporting out legislation that affected the Small Business Administration, but I think that is certainly sufficient. It does not mean the Small Business Committee is going to work any less diligently and have any less impact than it had before.

Furthermore, as we all know, the House of Representatives, with a comparable committee, a Select Committee on Small Business, has already been given legislative jurisdiction over the Small Business Administration, and this bill seeks to do just what the House side did.

This committee has been in existence for almost 26 years now. It has accumulated over those years a great deal of information, more information than any other committee in the Congress with respect to the problems of small business men and women.

I think it is in a unique position to help the Small Business Administration, legislatively by making whatever changes need to be made in the Small Business Administration, and by oversight over the activities of the Small Business Administration.

Our oversight activities over the Small Business Administration at the present time, to be sure, are fruitful, but they are going to be much more effective with the Small Business Administration realizing that the Small Business Committee can make legislative changes if the Small Business Administration does not go along with our recommendations.

Mr. President, in conclusion, just because 74 Members of the Senate cosponsored this measure, just because it has wide public approval, does not mean, as has been indicated, that it is not a good measure.

Despite all those cosponsors and all of the public organizations supporting the resolution, despite the fact that it is supported by small businesses throughout the country, I think that without all of those endorsements the resolution, which seeks a very limited jurisdiction for this committee, can stand on its own merits.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. Percy). The Senator from Michigan.

Mr. GRIFFIN. Mr. President, as a member of the Committee on Rules and Administration, I voted to report this resolution. However, I do have some questions about the resolution and its meaning.

I wonder if I could direct the attention of the principal sponsor of the resolution, the Senator from Maine (Mr. Hathaway) to the language at the top of page 2, particularly in lines 3, 4, 5, and 6, which provides for reference to the Select Committee of—

> . . . all messages, petitions, memorials, and other matters relating primarily to the problems of American small business enterprises, and all proposed legislation relating to the Small Business Administration.

The Senator from Michigan has no particular problem with that part, which provides for reference to the Select Committee of all proposed legislation relating to the Small Business Administration. The meaning of that language is reasonably clear.

But I am not as satisfied concerning the meaning and scope of these words:

> . . . and other matters relating primarily to the problems of American small business enterprises.

I know of no clear definition anywhere that will assist or guide the Senate or its Parliamentarian, in determining what matters relate "primarily to the problems of American small business enterprises."

For example, I might ask the question: What about a minimum wage bill?

Mr. HATHAWAY. Will the Senator yield?

Mr. GRIFFIN. Yes.

Mr. HATHAWAY. I can say to the Senator that I have an amendment here that strikes the language that the Senator from Michigan refers to.

Mr. GRIFFIN. The Senator is prepared to strike that language?

Mr. HATHAWAY. I shall offer that at the opportune time.

Mr. GRIFFIN. Could the Senator be more specific?

Mr. HATHAWAY. Yes. The language on page 2, line 3, beginning with the word "all," strike out all through "and" on page 2, line 5.

So that it would read, starting on line 3:

> and to which shall be referred—

Then skip to the end of line 5:

> all proposed legislation relating to the Small Business Administration.

Mr. GRIFFIN. And the other language would be deleted?

Mr. HATHAWAY. Yes. Everything from the word "all" on line 3, and the word "and" at the end of line 5, would be stricken.

Mr. GRIFFIN. I commend the Senator for offering such an amendment, because I believe it will clear up the question that has troubled me.

Mr. HATHAWAY. I thank the Senator.

Mr. GRIFFIN. Such an amendment will be a considerable improvement in my opinion. Without it, I would be concerned that almost every piece of legislation introduced in the Senate would be automatically referred to the Small Business Committee; and, of course, that would generate an unmanageable volume of work for any one committee.

Mr. HATHAWAY. The Senator is correct. We, hopefully, are going to correct that error because I assume this amendment will have no difficulty being approved.

Mr. GRIFFIN. I yield to the Senator from Georgia.

Mr. TALMADGE. I, too, am quite concerned about the possibility of dual jurisdictions here. Just exactly what is small business?

Mr. HATHAWAY. Well, small business is defined under the Small Business Act. But, if the Senator is concerned about all matters pertaining to small business going to this committee, the Senator from Louisiana offered an amendment earlier which corrects that in the latter part of the resolution, and, as I just explained to the Senator from Michigan, I will do the same thing in the early part of the resolution.

The gist will be that the Small Business Committee will have legislative jurisdiction over the Small Business Administration only.

Mr. TALMADGE. The Small Business Administration, which is a Government instrumentality?

Mr. HATHAWAY. Correct.

Mr. TALMADGE. And not issues that may relate to small business and that the Finance Committee or the Agriculture Committee or other existing standing committees have jurisdiction over.

Mr. HATHAWAY. The Senator is correct. That is legislative jurisdiction. Naturally, the Small Business Committee will continue to hold hearings on the tax problems of small businessmen, and so forth.

Mr. TALMADGE. They have done that before without objection.

I was concerned because my information is that 80 percent of all American business is small business. As this resolution was reported from the Rules Committee, I could foresee the possibility that virtually every piece of legislation that came from the Committee on Finance, the Committee on Agriculture and Forestry, and every other standing committee of the Senate would have to also be considered by the new Small Business Committee and this would create a multiplicity of problems. But if it has been amended now to let the committee have jurisdiction only over the Small Business Administration itself I have no objection.

Mr. HATHAWAY. The Senator is correct. There is one other amendment which has not been adopted yet which will correct the beginning.

I understand Senator Long's amendment was adopted earlier.

Mr. TALMADGE. I am looking at line 24, page 2:

> and likewise measures reported by other committees significantly involving small business

> as defined above shall, at the request of the chairman of the Committee on Small Business, shall be referred to the Committee on Small Business for its consideration of any portions of the measure dealing with small business, and be reported by this committee prior to its consideration by the Senate.

Is that the language which has been stricken?

Mr. HATHAWAY. Not all of that language was stricken. What was stricken by the amendment of the Senator from Louisiana was at the bottom of page 2, starting with the word "significantly."

Mr. TALMADGE. What line?

Mr. HATHAWAY. Line 25.

Mr. TALMADGE. Starting with the word "significantly"?

Mr. HATHAWAY. "significantly involving small business as defined above shall". That was all stricken and replaced by "directly relating to the Small Business Administration."

Mr. TALMADGE. And the Senator is stating now that the amendment that has been agreed to, and one that he proposes to offer as the principal author of the resolution, will restrict the committee's jurisdiction only to the Small Business Administration, per se?

Mr. HATHAWAY. The Senator is correct. As I read the end of this last paragraph on page 3, I think we have to do the same thing on line 4, where it says "measure dealing with small business" and change "small business" to "the Small Business Administration."

Mr. TALMADGE. I have no objection if the Senator will do that. But as it was reported by the Rules Committee, it would impinge upon the jurisdiction of every standing committee of the Senate and we would have dual jurisdiction on practically all matters.

Mr. NELSON. Will the Senator yield for a comment?

Mr. TALMADGE. I yield.

Mr. NELSON. The language to which the Senator from Georgia refers was added in the Rules Committee. This language was not in the original and was not sought by anybody on the committee.

Mr. TALMADGE. I am certainly amazed that the Rules Committee reported this resolution out with this language. It would have just compounded the jurisdiction of Senate committees ad nauseum where we could never have an act of finality on the part of the committee.

Mr. SPARKMAN. Will the Senator yield?

Mr. TALMADGE. I yield to the distinguished Senator from Alabama.

Mr. SPARKMAN. I am not sure that the objection that the Senator has to this is cured by the language to which he refers. That is, limiting it to the Small Business Administration. The Small Business Administration not only tries to solve small business problems but it is empowered to make loans, to have bank-guaranteed loans, bank-participating loans, and industrial development through bonds, also direct lending to small business. I do not believe the language that was incorporated deals with that.

Mr. TALMADGE. As I understand the Senator from Maine, however, he would limit that purely to jurisdiction over the Small Business Administration itself and not the legislative jurisdiction of other committees.

Mr. HATHAWAY. The Senator is correct.

Mr. SPARKMAN. I understand that.

Mr. TALMADGE. That is a jurisdiction now which the Committee on Banking, Housing and Urban Affairs has. As I understand the resolution as now amended, the Banking, Housing and Urban Affairs Committee and the Small Business Committee would share that jurisdiction.

Mr. SPARKMAN. What I am trying to get across is the Small Business Administration has a very broad jurisdiction.

Mr. TALMADGE. I know they do.

Mr. SPARKMAN. Senator McIntyre has just referred to the fact that there are small business investment companies which are part of the Small Business Administration, the SBIC. Some of their undertakings get to be pretty big business.

Mr. TALMADGE. I am well aware of that. But the only impingement is now upon the Banking, Housing and Urban Affairs Committee. As I understood the Senator as to the amendment which has been agreed to and the amendment which will be proposed, the only legislative jurisdiction that the Small Business Committee will have will be legislative jurisdiction as it relates to the Small Business Administration only, which is a Government agency.

Mr. HATHAWAY. The Senator is correct.

Mr. TALMADGE. And not legislative jurisdiction of the various factors such as commerce, finance, or agriculture as they may relate to the Small Business Administration.

Mr. HATHAWAY. The Senator is correct.

Mr. SPARKMAN. What about the set-aside orders in the military which sometimes have run into the millions of dollars? Do they continue to have jurisdiction?

Mr. HATHAWAY. The Banking Committee?

Mr. SPARKMAN. No, the Small Business Administration. I do not know how much of it they do now, but there were times when they could ask for certain set-aside contracts in the military or in other parts of the Government. They would be set aside for small businesses.

Mr. HATHAWAY. That is correct.

Mr. SPARKMAN. Will they continue to be?

Mr. HATHAWAY. The committee would have jurisdiction over the Small Business Administration and could modify that provision in the Small Business Administration's jurisdiction. That does not give us authority over a matter over which the Armed Services Committee would have jurisdiction. It would not be any different from any other situation where we have two committees which have overlapping jurisdiction. There may be overlapping jurisdiction. We have the black lung bill before the Labor and Public Welfare Committee. The Finance Committee this morning indicated there is an aspect of that which involves taxation, they believe, so they want jurisdiction over it. I assume they are entitled to get jurisdiction of that aspect of the bill. There may be bills that go before the Small Business Committee which the Banking, Housing and Urban Affairs Committee would have an interest in. I am sure a joint referral or a referral to one or the other would take care of the problem.

Mr. GRIFFIN. Would it be appropriate, I say to the Senator from Maine, if he would go ahead and offer his amendment and get it adopted so we can see where we are?

Mr. HATHAWAY. Yes, I will offer it.

The PRESIDING OFFICER. Until the committee amendment, as amended, is adopted, floor amendments are not in order.

Mr. HATHAWAY. The floor manager will take care of that.

Mr. CANNON. Mr. President, I move the adoption of the committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. CANNON. Mr. President, in the printing of the resolution, on line 4, page 2, the word "primarily" should have been shown in italics and it is not. I ask that the resolution be amended accordingly.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HATHAWAY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> The Senator from Maine (Mr. Hathaway) proposes an amendment:
>
> On page 2, line 3, beginning with "all", strike out all through "and" on page 2, line 5.

Mr. HATHAWAY. Mr. President, I have already discussed this amendment with the Senator from Michigan and with others in the Chamber.

I believe what the amendment does is clear. It knocks out language which might lead one to believe that the Small Business Committee would have broader jurisdiction than what it is intended to have. It is legislative jurisdiction over the Small Business Administration. This amendment knocks out language that would lead one to believe that it goes beyond that.

Mr. MORGAN. Mr. President, I had not had any particularly strong feeling about this proposal either way, and I am a little reluctant and hesitant to speak inasmuch as I am chairman of the Subcommittee on Small Business of the Banking Committee.

But I was told earlier, when I arrived here, that the movement to transfer this authority to the Select Committee had been underway for many years; for that reason, I did not think that I was in any position to either support or oppose it.

But as I have listened here today, it is clear to me that none of us know exactly what the full effects of this committee will be or what this resolution will do. I am not even sure that I understand the amendment that was offered by the distinguished Senator from Louisiana.

Even if we adopt the amendment that is now being offered by the Senator from Maine, which would transfer only that part relating to the Small Business Administration, there still remains many questions as to what that includes, as has already been ably pointed out by the distinguished Senator from Alabama, who chaired the Banking Committee for many years.

It seems to me that we are taking a most unusual step in changing the jurisdiction of a committee just after we have appointed another committee to study the entire committee system.

I might point out on that committee the distinguished Senator from Tennessee (Mr. BROCK), who is one of the sponsors of the present resolution, is a cochairman of the Select Committee to study the committee system, and also the distinguished Senator from Wisconsin (Mr. NELSON) is also on that committee. It is my understanding that that committee is to function sometime this year and report out before the next Congress, if I am not mistaken.

Mr. NELSON. Mr. President, I shall respond to that.

Mr. MORGAN. Yes.

Mr. NELSON. The committee is to report by the end of February. My guess is the committee is going to have to come back and ask for an extension, because I think the dimension of the job is larger than can be handled. That would be my judgment. In any event, it would be the 1st of February. So as to any recommendation they had anyway that came to the Chamber we would be talking about action in March, April, or May, which would mean that any jurisdictions changed would have to be for the next biennium because there is no way we are going to change jurisdiction in the middle of a year of these various committees. So, that argument, that has been raised several times, and I have been wanting to respond to it, I do not think is valid because whatever jurisdiction changes are made will have to be made effective the succeeding biennium, which would be January 1979.

Mr. MORGAN. I think that may very well be true, and as I read this resolution, any jurisdiction changes that may be made by this resolution would also begin effective at the next biennium.

Because, as I understand it, the resolution of the 81st Congress is amended to read:

> That there is hereby created a select committee to be known as the Committee on Small Business, to consist of 17 Senators to be appointed in the same manner and at the same time as the chairman and members of the standing committees of the Senate at the beginning of each Congress; . . .

So that would carry forward to the next Congress, anyway, and to me that removes some of the urgency of adopting this particular resolution here today.

I really think that the resolution pertaining to the various committees should be re-referred to the Rules Committee with instructions or requests that they consider it and reconcile the amendment of the distinguished Senator from Maine, along with the other amendments, so that we may know what we are voting on.

I say, Mr. President, I know I speak from no special love of the responsibility that I have as chairman of that subcommittee, because the leadership has more than blessed me with more work than I can possibly do. But I have discussed this for a long time with the distinguished Senator from Alabama, and I firmly believe that the most important work that this Congress can do is in the area of small businesses. I long ago gave up most hope of ever breaking up the monopolies and trusts in this country. Therefore, I think the best way of preserving the free enterprise system is to promote small business. But when I came here I discovered the Banking Committee in a rather unique position. I found the Select Committee on Small Business, with very little or no legislative authority, with a staff much larger than the entire staff of the Banking Committee that had the legislative responsibility. One of the reasons that I voiced no objection to the consideration of this resolution, when it was before the Rules Committee earlier, was because I chaired a committee for which I had no staff.

And it was my thinking at that time that legislative authority would be better somewhere else, no matter where, if there were adequate staff. But I do say since that time, through the efforts of Senator PROXMIRE and Senator SPARKMAN, we do now have staff. But I point out the importance of this committee because the mere fact that the select committee has a staff larger than the staff of a standing committee indicates to me the importance of the committee.

If that is true, I state to Senators, it ought to be a standing committee if we are going to give it the legislative authority.

Therefore, I propose, after consideration of the resolution and plan to send up an amendment to make this not a select committee but to make it a standing committee. I think that is in keeping with what the Members of this Senate have been trying to do through the years, and that is to so distribute the workload of the Senate that Members of the Senate can give adequate consideration to matters of great importance. It just seems as logical to me as day follows night that if the committee is going to have the legislative authority and the staff then it ought to be a standing committee and it ought to count as one of the two major committees of any Member serving on it.

There are entirely too many uncertainties in this resolution, I think, for it to be acted on in this manner, especially in light of the new select committee that we have recently established for the purpose of resetting our committee system. For that reason I feel that the entire matter should be referred to the Rules Committee for its careful consideration and to report back in 30 days, or a given time, if time limit is desired.

I make the parliamentary inquiry of the Chair to have the amendment of the distinguished Senator from Louisiana restated or reread, as it was not a printed amendment as I understood it.

The PRESIDING OFFICER. The clerk will state the amendment as agreed to.

The legislative clerk read as follows:

> On page 2, line 25, and page 3, line 1, delete "significantly involving small business as defined above" and insert in lieu thereof "directly relating to the Small Business Administration".

Mr. MORGAN. I am not sure that I understand the purport of that amendment. After the vote on the present amendment, then I shall offer another amendment or motion.

Mr. President, I will yield the floor.

Mr. HATHAWAY. Mr. President, in response to the distinguished Senator from North Carolina, I point out that I believe the Rules Committee has had this measure before it for a considerable amount of time to study. It has been before the Rules Committee in the past. This is not the first time that the request has been made to give the Small Business Committee legislative jurisdiction over the Small Business Administration. It does not seem to me that there is any need for a further study of this matter.

It seems to me that it is fairly straightforward that, once these amendments are accepted, the Small Business Committee is simply seeking legislative authority over the Small Business Administration. For that reason, I do not believe it is necessary to send this matter back to the committee. We have had ample time to go over it. Certainly, this matter has less conflict than many other measures that have come before us in the past and will come before us in the future which will not be sent back to committee. With respect to this measure, only two or three or perhaps four amendments, at the most, which are minor in character, will be offered.

The matter has been on the calendar since before the recess, and there has been ample time for all Members to scrutinize it.

So I think we are ready to vote on this amendment and to vote on the resolution.

Mr. MORGAN. Mr. President, that may very well be true. However, the distinguished Senator from Wisconsin indicated a few minutes ago that the scope of the work of the committee on which he serves, the Select Committee to Study Senate Committees, is so great and difficult that they probably would ask for an extension of time. I suggest that the same problem exists here.

When we read the present amendment, the resolution reads:

> It shall be the duty of such committee to study and survey, by means of research and investigation, all problems of American small business enterprises and to obtain all facts possible in relation thereto which not only would be of public interest but which would aid the Congress in enacting remedial legislation.

It reads further——

Mr. NELSON. Mr. President, will the Senator yield at that point?

Mr. MORGAN. Not at this point. I assume this is what the committee is doing now.

Mr. NELSON. That is the current law, and it has been so for 25 years.

Mr. MORGAN. That is my understanding.

It reads further:

> Such committee shall from time to time report to the Senate, by bill or otherwise . . .

At present, the committee does not report by bill, as I understand it. Does the present law permit the select committee to report by bill?

Mr. NELSON. I will check it.

Mr. HATHAWAY. I want to answer the Senator from North Carolina, who asked a question with respect to the meaning of the words starting on line 14 of page 2. I think the meaning is fairly clear in that it simply says what it would say for any other committee, that this committee can report, by bill or, otherwise—I suppose a concurrent or joint resolution or Senate resolution or even an investigative report would be covered under the word "otherwise"—its recommendations with respect to matters referred to the committee. What matters are referred to the committee we have already discussed at great length here. They would be matters pertaining to the Small Business Administration.

As far as the words "or otherwise within its jurisdiction," they simply mean that the committee itself, without having a bill referred to it, can generate legislation that pertains to the Small Business Administration.

Mr. MORGAN. Mr. President, that is exactly the point I am trying to make. This little clause gives to the Select Committee on Small Business any and all jurisdiction to deal with any matter whatsoever concerning small businesses that it decides to investigate and make recommendations about. The only restriction about it is that if it relates to anything other than the Small Business Administration, the chairman of a standing committee can then have it referred to his committee. This is an authority it does not have now.

I read it again. We go back to the second paragraph on page 2:

> It shall be the duty of such committee to study and survey by means of research and investigation all problems of American small business enterprises, and to obtain all facts possible in relation thereto which would not only be of public interest, but which would aid the Congress in enacting remedial legislation.

This much authority the committee now has.

Mr. HATHAWAY. That is correct.

Mr. MORGAN. Then it goes further:

> Such committee shall from time to time report to the Senate, by bill—

It does not now have that authority—

> or otherwise, its recommendations with respect to matters referred to the committee or otherwise within its jurisdiction.

The paragraph just before gives it jurisdiction in the whole broad field. The only restriction placed on the committee would be if it came out with a bill, any proposed bill that relates to anything other than the Small Business Administration, the chairman of a standing committee that might be affected could then request to have it sent to his committee.

Let us suppose, for the sake of illustration, that it decides to come out with a bill relating to agriculture, but the chairman of the Committee on Agriculture happens not to be on the floor or happens not to have knowledge of it and no one makes a request that that bill be sent to him. As I understand the resolution, then I think this committee would have jurisdiction to go ahead and report to the Senate.

I say in all seriousness that I think, in the long run, I would like to see all of this combined, but I just do not believe that the provisions of this resolution are clear enough for anyone to make a logical decision as to what it really does or does not do.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. MORGAN. Yes.

Mr. BROCK. I want to point out that as the Senator well knows, part of the process of any legislation is the legislative history. I think what the Senator from Wisconsin, the Senator from Maine, and the Senator from Tennessee, in this particular instance, would like to do is clarify exactly what we are about. We have been trying to do that all day. We shall continue to do so. The effort here is part of an effort that has been going on for years. Ever since I have been in the Senate, we have been talking about trying to define this responsibility, this jurisdictional question, and to give the Committee on Small Business the authority over the Small Business Administration. That is all. It is a very simple approach.

It may grow beyond that, but let us do it in stages and find out if that works. Then we can take a look at it later on. If the Senator wants to suggest some modification later on, that is great. I would like to see it. But the Senator from Illinois and I have been given the privilege of cochairing a committee on committees. We are undertaking the fundamental question of the jurisdictional framework. I did not feel, as an author of this resolution, that we could go beyond what we have right in hand. That is the assignment of jurisdiction over the Small Business Administration, effective January of next year or in the new Congress, to the Committee on Small Business so that we can do something where it needs to be done. That is to give the people in this community, who constitute 99 percent of the American business community, some hope that Congress will come in and pay particular attention to their problem, supplement the efforts of the Senator from North Carolina and those others in this body who are concerned, in an effort to reach the opportunity that he and I both seek for this committee.

Mr. MORGAN. Will the Senator yield?

Mr. BROCK. Certainly.

Mr. MORGAN. The Senator states, and I understand it to be true, that this battle has been going on for years.

Mr. BROCK. Yes, it has.

Mr. MORGAN. That is one reason I have not gotten involved in it.

He states also that he is on the committee to study the Senate committee system and that this resolution itself will not become effective until the beginning of the next Congress. So what would be wrong with sending this resolution back to the Committee on Rules or to his committee to try to iron out these inconsistencies that certainly are there?

Mr. BROCK. I think, I say to the Senator, that some of us see inconsistencies that others of us do not. This resolution is absolutely clear to me. I think it is to the Senator from Maine. We know exactly where we are going, we know what it says, and it reads like black and white to us.

Mr. MORGAN. Sure it does.

Mr. BROCK. So my point is if the Senator's objections were valid, every time an amendment is offered on the floor to every bill or resolution, we would have rerefer that bill or resolution for analysis to the committee of jurisdiction.

Mr. MORGAN. I would say that the Senator is taking it to the absurd, because I served in the State Senate in North Carolina for 10 years and we never sat around and said, "Let us not try to get the wording of this statute right, let us leave it to the legislative history." We sat down and tried to put into bills what we meant and that does not seem to be any hard problem.

We had the same problem before the Committee on Banking this morning, and I have practiced law a long time. I want to say right now, it is awfully hard to get a judge to go back and say, "Well, let us get out the CONGRESSIONAL RECORD and find out what the legislative history is."

Mr. BROCK. We are the judge, I say to the Senator.

Mr. MORGAN. I know we are, but when this question is raised 2 years from now, we will not even remember the date. Why not put in the resolution what we mean? What is wrong with that?

Mr. BROCK. If the Senator has a suggestion to clarify, I would welcome it. We are not averse to amendments. We have accepted the amendment of the Senator from Louisiana; the Senator from Maine has one; I have an amendment that I am going to offer.

Mr. MORGAN. Will the Senator explain the amendment of the Senator from Louisiana for me? I heard the Senator from Louisiana make his amendment. I could not understand it then. I asked that it be reread, and I still could not understand it. I heard a colloquy a few minutes ago on the floor that indicated that almost everybody on the floor had a different opinion of what it meant.

Mr. BROCK. It clearly means we are limiting the legislative jurisdiction of the committee to authority over the Small Business Administration.

Mr. MORGAN. I do not read it that way. It may be what the Senator thinks it means, but that is not what I understand the words to mean. Maybe I am a little new at this, but I do not understand how we enact legislation without saying what we mean. Maybe this is the way it works. Back in a law practice, every time you get into a complicated case, the word is, let us make a Federal case out of it. Maybe that is how we make so many Federal cases, that we do not do a good job legislating.

Mr. BROCK. The Senator is one of the brightest Members of this body. I know he knows what it means. I know he can clarify it if he thinks it is inadequate. I know he can offer a suggestion that will absolutely spell it out and I would be delighted to hear him do so.

Mr. MORGAN. I differ with the Senator that I am one of the brightest Members in this body. But I say this: I know that under paragraph 2 or 3, this gives jurisdiction to the select committee authority to handle any matter concerning small businesses unless the standing committee chairman affected asks that it be referred to his committee. That is what it says. That may not be what the Senator means for it to say. That is why I think the matter ought to be postponed, if we want to postpone it 2 days.

Mr. BROCK. There is nothing in this resolution that adds to existing law, with the exception of the jurisdiction over the Small Business Administration in a legislative sense.

Mr. MORGAN. How does the Senator interpret this provision which says:

> Such committee shall from time to time report to the Senate, by bill or otherwise, its recommendations with respect to matters referred to the committee or otherwise within its jurisdiction—

And the paragraph before gives broad jurisdiction to study anything—

> provided that any proposed legislation reported by such committee which relates to matters other than the functions of the Small Business Administration shall, at the request of the chairman of any standing committee——

It does not say "shall be," but it says:

> at the request of the chairman of any standing committee having jurisdiction over the subject matter extraneous to the functions of the Small Business Administration, be considered and reported by such standing committee.

It clearly indicates that if it involves any matter other than the Small Business Administration that the chairman of the standing committee has to ask for that to be considered. Does the Senator differ with that interpretation?

Mr. BROCK. It is my understanding of the total bill, as modified by the Long and Hathaway amendments, that the descriptive criteria within which you must place the language that the Senator read would limit our authority to matters relating to the Small Business Administration, and that all the other questions are a restatement of existing competence of jurisdiction, in other words, areas where we study the matter; but the matter of legislative jurisdiction resides as it does today in the Senate standing committees with the exception of those areas which pertain to the Small Business Administration.

Mr. MORGAN. That is argumentative, and that is why I was asking that it be clarified. Frankly, I would rather give the committee complete jurisdiction. The committee has a large staff; it has a staff large enough to handle it. I think it ought to be a standing committee. I propose to offer an amendment to make it a standing committee.

Mr. BROCK. I would like to support that.

Mr. MORGAN. If the Senator will support my amendment which I will offer to make it a standing committee, I will gladly support the resolution.

Mr. BROCK. I would, were it not for the fact that we are engaged in the reform effort to review the entire jurisdictional question in the Senate. During the next 6 to 8 months we are going to come to grips with this committee and every other committee, and by doing that we can place the whole in some context, and if we can come to the Senate with a reform proposal in November, December, or January, we will resolve the Senator's question.

Mr. MORGAN. Let us do that—the Senator said to me earlier let us do that—a little bit at a time.

Mr. BROCK. That is what we are doing.

Mr. MORGAN. If you make this a standing committee—I am afraid that maybe the committee, in the words of the vernacular back home, wants to have its cake and eat it, too.

Mr. BROCK. There is always a little bit of that around here, too.

The PRESIDING OFFICER (Mr. SCHWEIKER). The question is on agreeing to the amendment of the Senator from Maine.

The amendment was agreed to.

Mr. HATHAWAY. Mr. President, I have an amendment that I send to the desk.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORGAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORGAN. What is the clerk reporting?

The PRESIDING OFFICER. The clerk is about to report another amendment. The Senator from Maine sought recognition from the floor and the Chair recognized him.

The clerk will state the amendment.

The assistant legislative clerk read as follows:

> The Senator from Maine (Mr. HATHAWAY) proposes an amendment:
>
> On page 3, line 4, strike out "small business" and insert in lieu thereof the following: "the Small Business Administration".

Mr. HATHAWAY. The purpose of this amendment is to answer the question asked earlier by various Senators with respect to the jurisdiction of the committee. It simply clarifies that jurisdiction by striking the words "small business" and replacing those words with "the Small Business Administration."

We have said over and over again this afternoon that we are confining jurisdiction, legislative jurisdiction, of this committee to the Small Business Administration. I think that this amendment makes it crystal clear throughout the resolution that it is the only jurisdiction this committee is going to have, and as it has been indicated by the Senator from Tennessee, certainly we have an extensive legislative record, so that if anyone is in doubt as to what the intentions of this bill are, those intentions are certainly supported by the colloquy we have had this afternoon.

In answer to the argument which has been made by the Senator from North Carolina that we will forget about this, he can be assured that with the jealousies prevailing among committees in this body with respect to jurisdiction this will never be forgotten and we will be held to the statements we are making right now, and many of us have made over and over again, that the legislative jurisdiction of the Small Business Committee was confined to the Small Business Administration.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine.

The amendment was agreed to.

Mr. BROCK. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Tennessee (Mr. BROCK) proposes an amendment:
>
> On page 2, line 2, after the words "of" insert "the 95th Congress and".
>
> On page 2, line 3, strike the first comma and insert the word, "thereafter,".

Mr. BROCK. Mr. President, this simply spells out legislatively what we have stated on the floor, and that is that the effect of this will not occur until the committees are appointed in the next Congress, so that we have it absolutely clear. The Parliamentarian raised the question as to whether or not jurisdiction will apply immediately under the way the proposal was written, so I am simply trying to clarify it to make sure that the occasion comes in 1977.

I yield back my time and I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee.

The amendment was agreed to.

Mr. MORGAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from North Carolina (Mr. MORGAN) proposes an amendment:
>
> On page 1, line 3, strike the word "select" and substitute therefor the word "standing."
>
> On page 3, strike all of section 2, lines 6 through 8, and add the following:
>
> "SEC. 2. The table contained in paragraph 2 of rule XXV of the Standing Rules of the Senate is amended by striking out the period at the end thereof and by inserting after—
>
> 'Public Works..........................14'
>
> the following:
>
> 'Small Business.........................17'
>
> "SEC. 3. Senate Resolution 58, 81st Congress, agreed to February 20, 1950, is repealed."

Mr. MORGAN. Mr. President, my colleagues have made a very persuasive and eloquent argument about the importance of small businesses in America, and I certainly agree with them.

In light of the fact that it is a very able committee, chaired by one of the most distinguished Members of this Senate, has one of the largest budgets and largest staffs in the entire Senate, I think it only fitting and proper that the word "Select" be stricken and that it be made a standing committee.

This would do two things, Mr. President: It would keep us from breaking the precedent of giving to select committees legislative authority. As I understand it, from my conversations with my colleagues, it has always been a tradition that select committees do not have legislative authority, so this would simply strike the word "Select" from the committee and make it the Committee on Small Business, and it would then establish it under the precedent of regular standing committees.

So, agreeing that small businesses do constitute one of the major forces of this country and really deserve far more attention than they have ever had in the past, I think it entirely proper that this amendment be offered and adopted, and I move its adoption.

Mr. BROCK. Mr. President, the Senator from North Carolina and I are so close in our views of what this country needs that I hate to disagree with him on this particular matter, but it may be different on what the country needs, and what the Senate has got to have in order to continue to function.

In this particular case, there is no disagreement over the need for more emphasis on the small business community. The Senator and I have both labored long on that, and believe deeply in the need to promote the opportunity for competition.

But let me say that there is one other thing that his amendment does, and that is to destroy the operation of the Senate, because we would absolutely have chaos if we made this a working standing committee with the existing rules change limiting Members of Congress to two standing committees. This would have the biggest turnover. We could say grace over his amendment, and, to be sure, if the amendment passes, the resolution will not.

Mr. MORGAN. Something like, in effect, the distribution of power instead of the redistribution of wealth?

Mr. BROCK. It would certainly do that. It is not too practical for this, though.

I think the effect would be to destroy our opportunity for doing something for the American small business community. Some day, somehow, we may be able to give a full operation to really deal with problems of the small business world, and I would like to help, but this is not the way to go about it.

I respect the Senator's genius in drawing an amendment which sounds good and will absolutely destroy any opportunity for the legislation to pass.

Mr. MORGAN. Do I understand my distinguished colleague to say that small businesses are important enough to be entitled to a little legislative authority, but not entitled, or important enough, to rate a standing committee in the Senate?

Mr. BROCK. No. They have a standing committee right now, and the Senator is chairman of it. I think they are well served with the distinguished and able Senator from North Carolina, who does a magnificent job. I would like for him to serve that community as ably as he does now.

Mr. MORGAN. But under the Senator's resolution when adopted, we no longer have a standing committee, and the able Members of this committee, with a large staff, and legislative power, and that the Senator conceded to me earlier, they will have legislative power over matters other than SBA if it originates in the committee.

Really, in all seriousness, and I am serious now, it really should be a standing committee.

There are too many, the staff is too large, there are too many able members and distinguished members on the committee to give this kind of authority to committee members who are already occupying more of the most important assignments in the U.S. Senate.

I do not have them before me, I do not have the various committees, but almost every member of the select committee occupies at least two positions on very important committees in this Senate.

I say in all seriousness to the Senator that that is one of the biggest I found in this Senate, that there is such a concentration of authority and such a concentration of power in the hands of a few Senators, that a lot of the work that ought to be done is simply not done.

I think it does not become effective until the beginning of the next Congress and during the course of deliberations—and the Senator from Wisconsin is on it—if they think it is in error, then I think it would be time to change it.

Mr. BROCK. I share the Senator's frustration. I hope he will join the Senator from Illinois and myself in our effort to reform the entire Senate structure in a rational fashion.

The PRESIDING OFFICER. The Senator from Maine.

Mr. HATHAWAY. Mr. President, I rise in opposition to the amendment.

I point out again to the Senator from North Carolina that the committee has jurisdiction, only very narrow jurisdiction, over the Small Business Administration, which I have repeated about 50 times, at least, on this floor.

If the committee had as much jurisdiction over the entire business community, over taxes, credit, and just everything in small business, perhaps the Senator would have a point, but there are other objections to that, also.

The committees might complain, the Rules Committee and the others. Certainly the committee with its narrow jurisdiction should be left as it is, and certainly we should not create havoc and confusion that would be created if the Senator's amendment should pass.

I am glad to yield to the Senator.

Mr. MORGAN. If the Senator will yield to me, maybe we could build some legislative history.

I do not have a lot of confidence in legislative history, but as I have already noted, I read the resolution a little differently from the Senator. But as floor manager of the bill, is it the Senator's contention and belief that the only legislative authority that the committee will have, either by reason of bills being referred to it or bills it originates, will be those bills directly relating to the Small Business Administration?

Mr. HATHAWAY. The Senator is correct.

Mr. MORGAN. In other words, with that kind of legislative authority, no matter what kind of hearings they may have and no matter what developed in the hearings, if it involves anything other than the Small Business Administration, it is the Senator's understanding as floor manager of the bill that it has no other authority at all and they cannot report any bill except that which relates to the Small Business Administration?

Mr. HATHAWAY. The Senator is absolutely correct.

Mr. BROCK. May I say as the coauthor, I completely concur with the Senator from Maine, and I hope that this will satisfy the concern of the Senator from North Carolina.

Mr. MORGAN. Mr. President, for one time I agree with my adversaries quickly.

Mr. HATHAWAY. Does the Senator wish to withdraw his amendment?

Mr. MORGAN. Mr. President, I guess I will withdraw it with the assurance that the distinguished Senator from Tennessee as cochairman of the committee will fully consider it.

But I cannot resist the temptation to say one more time that small businesses are important enough to have a little legislative authority, but just not quite important enough to have a standing committee.

Mr. HATHAWAY. Mr. President, I yield the floor.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. CANNON. May I say to the Senator, I was almost inclined to accept his amendment, but it has been withdrawn.

Mr. NELSON. Mr. President, after more than a quarter-century of effort by concerned organizations, the Senate today is finally granting legislative power to its 26-year-old Small Business Committee. The action signals growing awareness in Congress and the Nation that the troubles now afflicting small business threaten its capacity to survive as a significant factor in our economy.

Small business plays a vital role in our economy and society. At least 97 percent of all the business concerns in the country are small business, under current official definitions. They account for over half of all private sector employment, 43 percent of business output, and one-third of the gross national product.

The Small Business Administration, over which the Senate Small Business Committee will now have legislative jurisdiction, is an independent agency of the Federal Government, created by Congress in 1953. Originally conceived to help small business meet its needs for intermediate-term debt financing, the SBA now serves not only in that key financial role but in many other areas. Among the present functions of the agency are:

Administration of revolving funds

having an authorized total size of more than $7 billion for various business loan and guarantee purposes, all for the benefit of small business firms exclusively. The funds include a business loan and investment fund, a lease guarantees revolving fund, and a surety bond guarantees revolving fund.

Administration of a disaster loan fund which finances several programs of loans to homeowners, business firms without regard to size, and nonprofit institutions such as churches and schools, who have suffered property losses from floods and other catastrophes, and loans to small business firms which have suffered substantial economic injury as a result of such physical disasters. This fund also finances loans to small business concerns that have suffered substantial economic injury as a result of various Federal and federally assisted programs, including displacements or losses resulting from highway construction and losses occasioned by base closings, trade policy, and compliance with environmental, consumer-protection, safety and health regulations.

The small business investment company program, which includes loans to several classes of private corporations organized and operating in accordance with Federal law, which help small businesses meet their needs for equity and longer term debt capital. The main types of private financial corporations in this program are small business investment companies, minority enterprise small business investment companies, State development companies, and local development companies.

Administration of the small business set-aside program. Under this program, the SBA certifies small business concerns as competent to fulfill contract obligations under procurement programs of other Federal agencies. The Small Business Act and other laws require Federal agencies, where practicable, to reserve—set aside—some fraction of their total purchases of goods and services for procurement from small business concerns. Currently, about one-third of all Federal procurement dollars are spent with small business.

Management assistance programs, in which SBA employees—and also volunteers recruited from the ranks of active and retired successful business executives—give one-to-one advice and counsel to small business owners.

That is a brief description of the agency over which the Senate Select Committee on Small Business acquires legislative jurisdiction by the Senate's agreement to Senate Resolution 104.

In 1975 alone, the Small Business Committee held 63 hearings on small business problems, of which 19 were in the area of review of the efficacy of SBA programs. Of those 19 hearings, 11 were conducted outside Washington, with local small business people and SBA officials called in to describe and discuss their problems and activities.

The committee, of course, will continue to have and exercise its historic function as an adviser to the several standing committees of the Senate in the areas of their jurisdiction that concern small business. In 1975, the committee was once again extremely active in the tax area, with major legislative proposals for small business tax relief successfully urged in the House Ways and Means and Senate Finance Committees.

Improved provisions for small business that were urged by the Small Business Committee and included in the Tax Reduction Act of 1975 (Public Law 94–12) were:

A lower tax rate of 20 percent for corporations earning less than $25,000 a year—down from 22 percent in 1974.

A lower tax rate of 22 percent on corporate income between $25,000 and $50,000—down from 48 percent in 1974.

An increase to $100,000 of used machinery eligible for the investment tax credit—up from $50,000 previously.

And a permanent increase in the amount of earnings a small business is permitted to accumulate from $100,000 to $150,000.

In addition to efforts to make the first three of these achievements—now temporary—permanent, the committee is currently engaged in what increasingly seems likely to be a successful effort to have estate and gift tax laws modernized, to make it easier for small businesses and family farms to remain independent and family owned when an owner dies.

The committee has also taken the lead in efforts to cut back the overwhelming burden of Federal paperwork that cuts so heavily into the time and energy of small business managers. Both of the two Senate members of the temporary Commission on Federal Paperwork, created in part as a result of committee efforts, are also members of the Small Business Committee.

In addition, the committee has initiated and is well along in major studies of the survival prospects of the family farm in America and of the role of small business in energy research and development, particularly solar energy.

This transfer of jurisdiction will not require any additional staff or expense. The Small Business Committee is already in existence, staffed and funded. As a result, the more specialized attention that SBA will get under the new Senate committee arrangement will be at no added cost whatever to the American taxpayer.

Mr. President, I ask unanimous consent to have printed in the Record at this point a list of more than three dozen small business organizations that are supporting Senate Resolution 104.

There being no objection, the list was ordered to be printed in the Record, as follows:

Organizations Supporting Adoption of Senate Resolution 104

American Association of Small Research Companies.
Associated Retail Bakers of America.
Associated Plumbing, Heating and Cooling Contractors of Montgomery, Alabama.
Association of Steel Distributors.
Brewers' Association of America.
Casket Manufacturers Association of America.
Center for Venture Management.
Colorado Organic Growers' and Marketers' Association.
Direct Selling Association.
Farm and Industrial Equipment Institute.
Forging Industry Association.
Maine Merchants Association.
Mechanical Contractors Association of America, Inc.
Menswear Retailers of America.
National American Wholesale Grocers' Association.
National Association of Black Manufacturers, Inc.
National Association of Retail Grocers of the United States, Inc.
National Association of Wholesaler-Distributors.
National Coffee Service Association.
National Construction Industry Council.
National Council of Salesmen's Organizations, Inc.
National Federation of Independent Business.
National Glass Dealers Association.
National Retail Hardware Association.
National Retail Merchants Association.
National Shoe Retail Association.
National Small Business Association.
National Society of Public Accountants.
National Swimming Pool Institute.
National Tank Truck Carriers, Inc.
National Tire Dealers and Retreaders Association, Inc.
Photo Marketing Association.
Retail Floorcovering Institute, Inc.
Retail Jewelers of America.
Schiffli Lace and Embroidery Manufacturers Association, Inc.
Smaller Business Association of New England.
Wine and Spirits Wholesalers of America, Inc.
Wisconsin Association of Campground Owners.

Mr. SPARKMAN. Mr. President, I shall be very brief. But I do feel that I want to say something with reference to this resolution and what it will do.

Let me say at the beginning that I am opposed to the resolution, but I assume it is going to be agreed to. It looks that way.

I was named chairman of the Select Committee on Small Business when it was originally established in 1950. I was named by Vice President Barkley without any previous notice or discussion, and I was greatly surprised when he appointed the original committee and named me as chairman.

I remained chairman of the committee for 17 years, until I became eligible for chairmanship of the Senate Committee on Banking, Housing and Urban Affairs.

I remained a member of this special committee, the select committee, and am a member of it now.

I have felt that it has done a greater service. I want to say at this point we have had no better chairman of that committee than the present chairman, Mr. Nelson. I have greatly enjoyed working with him. He has been active, and he has produced a great deal of good.

I think the committee itself has functioned well. It has served as a committee to help people solve their difficulties, to get things done, to show them how to move along the way in order to get what it was they wanted, and particularly in conjunction with the Small Business Administration.

Originally, the Small Business Administration had as its primary function the making of direct loans to small businesses. They still make some direct loans but very few as compared to what the load was back in the early days.

As we came along, we developed other programs, for instance section 502 programs. The Senator from Massachusetts a while ago was speaking about the Small Business Administration. I hope the Senator from Massachusetts will listen to this before he leaves the Chamber. I listened to the Senator from Massachusetts attentively while he was speaking.

I recall that the most active small business association in the United States is in New England. It was largely under the leadership of that association and the example they set that many of these programs were developed.

For instance, section 502 came right out of the New England association. Section 502 is a program which permits local business developments. Many of the other programs came out of that association.

Mr. KENNEDY. Will the Senator yield for a comment?

Mr. SPARKMAN. Yes.

Mr. KENNEDY. I want to acknowledge the special contribution of the Senator from Alabama. At every one of those meetings the Senator from Alabama came and talked with those officials even though they represented constituencies which were far from the Senator's own constituency. They valued very much his interest and attention to their legislative recommendations. I want the record to show that very clearly.

Mr. SPARKMAN. I appreciate that. They showed us the way. They were the leaders in these various programs which were developed. I always enjoyed attending those meetings. They did a lot of good.

The program has grown as time has gone along. For instance, not too many years ago there was developed the Small Business Investment Corp., with their activity. It has been a most helpful program. This Select Committee on Small Business was the guiding influence, the helping hand, that made it do a good job.

I do not know but what, under this provision, it will continue to do a good job. I am sure it will. I do not know whether the present chairman will be chairman of the committee or not. If he is chairman of another committee, I do not suppose he can be. I know from experience. I had to give up the chairmanship of the Small Business Committee and take over the chairmanship of the Banking, Housing and Urban Affairs Committee. But we will have a good man leading the committee, whoever he is, because we have a fine membership on that committee. I am sure that it will continue to do the same fine kind of job it has been doing for a period of 26 years.

Mr. President, I just wanted to make those few remarks and say that even though I did not want to see the form of the committee changed, I accept it, of course, as I have to. I am certain that it will continue to do the good work it has done in the past.

Mr. GRIFFIN. If I could have the attention of the Senator from Maine once again, I wish to indicate my approval of the amendments that have been adopted. I wish to make one more suggestion of a technical nature, to be sure the intent is clear.

The amendment offered by Senator LONG, in line 25 at the bottom of page 2 and in line 1 at the top of page 3, refers to measures "directly relating" to the Small Business Administration.

At the top of page 2, in line 6, the reference is to all proposed legislation "relating" to the Small Business Administration.

I wonder whether the word "primarily" should be inserted ahead of the word "relating," if that is what is meant. Suppose, for example, that an omnibus bill were introduced which contained only an incidental reference to the Small Business Administration—perhaps in one subparagraph out of 95—should such a bill be referred to the Small Business Committee?

Mr. HATHAWAY. Yes.

Mr. GRIFFIN. Would it?

Mr. HATHAWAY. The chairman of the committee, if this is going to affect the jurisdiction of the Small Business Administration, over which this committee would have legislative jurisdiction, would be entitled to have a referral of that bill for that one purpose, certainly.

Mr. GRIFFIN. I am not sure that the Senator understands my question. If he will look at the language, it says all proposed legislation "relating" to the Small Business Administration. That could be construed as any relationship, the most minor or insignificant relationship. Is that what is intended? Or do we mean that a bill which is "primarily related" to the Small Business Administration should be so referred?

Mr. HATHAWAY. It should be "primarily."

Mr. GRIFFIN. That is what I thought. I wonder if the principal sponsor of the legislation would agree then that we could improve the resolution—a simple amendment that could be very helpful to the Parliamentarian, however.

Mr. HATHAWAY. If the Senator had an omnibus bill, as he indicated, that had 100 provisions in it and one of the provisions said the Small Business Administration would go out of existence, I would think that bill, even though that is only one of 100 provisions, would still go to the Small Business Committee. That may not be the primary purpose of that omnibus bill, to get rid of the Small Business Administration, but it certainly is a very important provision as far as the Small Business Committee is concerned.

And we should not be precluded from getting at least a referral. I do not say we get jurisdiction first of the omnibus bill.

Mr. GRIFFIN. Of course, the right of subsequent referral on request of the chairman of the Small Business Committee is reserved. There is no question about that.

Mr. HATHAWAY. All right. The Senator is thinking of the effect.

Mr. GRIFFIN. If it affected the Small Business Administration, the bill could later be referred by request.

Mr. HATHAWAY. The initial reference would have to primarily do with the Small Business Administration.

Mr. GRIFFIN. As it reads now, it leaves a question as to the initial referral.

Mr. HATHAWAY. I agree with the Senator. The initial referral would have to be primarily the Small Business Administration. I am glad to change the wording if the Senator thinks "primarily" should be added where he indicated.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the word "primarily" be inserted on line 6, page 2, between the words "legislation" and "relating".

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. I thank the Senator from Maine.

So it would read:

> . . . all proposed legislation primarily relating to the Small Business Administration.

Mr. KENNEDY. Mr. President, I am a strong supporter of the resolution which is before the Senate today. Unlike some of the expressions of concern that I have heard voiced on the floor of the Senate, I am not perplexed or troubled by the issue of jurisdiction as presented by this resolution. I believe that in examining both the comments that have been made here today and the report of the Rules Committee, these issues are easily resolvable.

By my remarks here today, I do not want to suggest in any way anything but profound respect for the work that is currently being done by the distinguished Senator from North Carolina (Mr. MORGAN) or the work done by the past chairmen of the committee—Senator CRANSTON, Senator PROXMIRE, and Senator SPARKMAN. I believe we have had four of the most conscientious, knowledgeable, and concerned Members of this body as chairman of that committee. They represent different sections of the country; they represent different constituencies. Any evaluation of their performance would have to indicate they have performed exceedingly effectively, not only in representing their States but also in meeting their responsibilities in this area.

Having said that, Mr. President, I come from a State in which the role of small business is absolutely essential to the vitality and the economic prosperity and well-being of the people of my State of Massachusetts, and that is so generally throughout New England. Any kind of fair evaluation would have to reflect that Congress has not given the central attention that small business deserves, either as an institution or as being sensitive to their very special needs, which we have witnessed in recent years, primarily the impact of Federal legislation on the recessionary pressures which have affected small business and the inflationary pressures that have affected small business.

Beyond this, there is a host of different regulations which have been promulgated by various regulatory agencies as to how they impact small business. I believe any of us who have met with small business men and women in our own State have to recognize that their special interests are clear and convincing and demand the kind of attention that a special committee with legislative oversight can provide. I have felt strongly that we have to consider the whole reform in the areas of jurisdiction. All of us who serve on the various committees can relate our own special horror stories about the overlapping of various jurisdictions.

I chair the Senate Health Committee, but if we are talking about financing the health care system, we talk to the Finance Committee. If we have a national health insurance program dealing with private insurance companies, we talk to the Committee on Commerce. If we have a matter dealing with environmental health, we talk to the Committee on Interior and Insular Affairs. That situation exists, and hopefully we are going to do something about it.

However, with respect to the protestations on the floor of the Senate that by some broad extension of the language of this resolution we may provide some overlapping in jurisdictions, it just does not measure up to me as a convincing argument, when we balance that against the overwhelming problems that the small business men and women are facing in our society, and that an independent committee can provide in meeting these particular needs.

So, Mr. President, I am hopeful that this resolution will be considered favorably and agreed to.

As I mentioned, I wish this committee had broader jurisdiction. As chairman of the Health Committee I think that if we broaden it, any time we were going to pass legislation dealing with clinical labs or the medical device industry or a host of different industries which would also impact small business, we could extend the line of argument to say that we would have a committee conflict with respect to jurisdiction.

I believe that we can work out and adjust these particular matters the way mature, reasonable, and rational men and women can. But what we cannot avoid and what we cannot forget are the compelling problems that affect the businessmen and women in our society today. The statistics have been mentioned here. There are more than 100 million men and women associated with small business to some important degree. Small business is the biggest business in our Nation today. Speaking for a State which is absolutely dependent upon the ingenuity and the vitality and the creativeness of small business people, and welcoming public participation, it seems to me that this kind of resolution moves us substantially down the road to giving small business in our American priority the kind of priority that is long overdue.

I appreciate the work that is being done by the floor manager of the bill, the Senator from Maine (Mr. HATHAWAY), and the chairman of that committee, the distinguished Senator from Wisconsin (Mr. NELSON). I want my remarks understood in the context of recognizing the very useful and important contribution that has been made by the last four chairmen of the Small Business Committee—Senator MORGAN, Senator CRANSTON, Senator PROXMIRE, and Senator SPARKMAN, who have, I think, made a very important contribution in this area. The fact is that if we are going to give the small businessmen the kind of voice in governmental decisions, in congressional decisions, that they should have, this kind of legislation is essential.

Mr. HATHAWAY. Mr. President, I thank the Senator from Massachusetts for his contribution and for his efforts in behalf not only of this bill, but of the small business community generally.

ADDITIONAL STATEMENTS SUBMITTED ON SENATE RESOLUTION 104

Mr. HUDDLESTON. Mr. President, Senate Resolution 104, the resolution to give legislative authority over the Small Business Administration to the Select Committee on Small Business is before us today. I am pleased to be a cosponsor of this important resolution and I am hopeful that the Senate will vote its approval.

Small business today is in many respects facing a crisis. It is burdened by excessive regulation, buffeted by an erratic economy, and subjected to extreme competitive pressures from "big" business. Further, legislation to relieve its problems is sometimes delayed in the Committee on Banking, Housing and Urban Affairs, where it faces competition from legislation governing the Nation's banks, financial institutions, international trade, and wage and price stability.

To relieve this situation, the Senate should pass Senate Resolution 104. By giving legislative authority to the Small Business Committee the Nation's millions of small businesses would know that the Senate, like the House of Representatives, is willing to make sure that legislation affecting them is given proper priority. I believe that small business in this country is the cornerstone of our free enterprise system and that we must structure our Government in a way that adequately meets its needs.

The Small Business Committee, with 60 hearings under its belt this past year, is well equipped to handle the affairs of small business and legislation concerning the Small Business Administration. It has the staff, its Senators have the interest, and it has the time to make sure that small business receives a fair hearing and prompt attention to its many problems.

Mr. BAYH. Mr. President, today the Senate is considering Senate Resolution 104 to give the Select Committee on Small Business legislative jurisdiction over matters relating to the problems of America's small businesses. I am very pleased to be a cosponsor of this bill which deals with a vitally important and frequently neglected area of our economy.

Since it was created in 1950 the select committee has been inhibited in its efforts to protect the interests of small businessmen. By the language of its "charter" the Senate committee is denied the authority to report by bill or otherwise have jurisdiction over legislation that relates to small businesses or to the Small Business Administration. Instead, all small business legislation has been referred to the Senate's Committee on Banking, Housing, and Urban Affairs.

The resolution we will consider today will simply provide the Select Committee on Small Business with the legislative authority it needs to fulfill its commitment to the vitality of small business in America.

The need to give the select committee this type of legislative authority is clear. Almost 97 percent of all businesses in America qualify as small business. Small businesses account for 43 percent of the gross national product, and they provide 55 percent of total U.S. business employment.

In spite of their importance, small businesses are being severely pressed in our present economy. In 1960, small- and medium-sized manufacturing businesses accounted for 50 percent of the assets and 41 percent of industry profits. By 1972, these figures dropped to 33 percent of the assets and 28 percent of the profits. If the small business share of total manufacturing assets continue to decline at the same rate as it has for 11 years by 1985 it will be 11.5 percent, and by 1996 only 3 percent.

Small businesses are also experiencing solvency problems and a decline in relative capital acquisitions. Small business bankruptcies in the fiscal year ending June 30, 1975, jumped 45 percent to 30,130, almost twice the average level in the 1966–70 period.

Meaningful solutions to these problems can best be dealt with by a single committee charged with protecting the position of small business in the American economy. The passage of Senate Resolution 104 will be both a symbolic recognition on the part of the Senate that the problems of small businesses are serious ones meriting every possible consideration, and a major first step toward solving small business problems by devoting adequate Senate resources to the search for their solution.

Mr. President, the success or failure of the small business is felt by everyone. By granting legislative authority to the Select Committee on Small Business today, we will take a major step toward giving small businesses the consideration they deserve in the Senate.

Mr. TUNNEY. Mr. President, I was pleased to join many of my colleagues in cosponsoring Senate Resolution 104 which will give the Senate Small Business Committee legislative jurisdiction over the programs of the Small Business Administration.

Historically, Congress has always been sympathetic to the legislative needs of the small businessman. Many of the statutes enacted over 100 years ago were aimed at protecting small business against the predatory practices of this Nation's first giant corporations. Comparable activity has continued to this day.

Ironically, the same commitment to small business not always has been reflected in the committee structure of Congress itself. It was not until 25 years ago that Congress established a Select Committee on Small Business, but that committee has never had legislative jurisdiction over affairs concerning small business.

The result has been that during the past years, we have noticed a growing concern among small businessmen that they are the "poor country relations" of big business, given short shrift and little input into the legislative processes which might affect their daily affairs.

Senate Resolution 104 will begin to bring a halt to this problem. It is particularly fitting that this measure be passed during our Bicentennial year, a year to celebrate individual enterprise, and the small businessmen and farmers who first forged this Nation.

Over these 200 years, small business has flourished; 96.7 percent of all business in the Nation is small business. It accounts for 43 percent of the gross national product, and 48 percent of the gross business product. Small business provides 55 percent of the total business employment within the entire Nation and employs over 100 million Americans. These statistics seem compelling enough in themselves to cause Senate Resolution 104 to be obligatory.

The problems besetting small business add to the need for a committee specifically responsive to its needs. Solvency is perhaps one of the gravest difficulties, with a bankruptcy rate, which increased by 45 percent during fiscal year 1975 alone. This is a cruel blow when one considers that a growing number of small businesses are bootstrap operations which have been enabling many minorities within our Nation to raise their living standards. In very much the same way that the waves of immigrants in the early 1900's supported themselves in small businesses to gain a firm foothold in the economic ladder of our society, so today are many minorities gaining economic stability through the same process. It would not be fitting for us to simply watch these dreams and building blocks be decimated.

We have committees to oversee the rights of veterans, committees to oversee transportation, to insure that the elderly and the youth are provided for. It is appropriate that today we join together and support a committee which will help insure the economic vitality of small business by acting as its own advocate in Congress.

I commend this legislation to my colleagues, and urge them to support this measure which will bring what has been a distant relative of business interest in Congress into our immediate family.

Mr. DOMENICI. Mr. President, I am a cosponsor of Senate Resolution 104 and urge this body's favorable consideration of this measure. The small businessman has played a critical role in our Nation's history, yet many would seem to believe that they are rapidly becoming an extinct species. With the ever increasing demands of our Federal Government many small businessmen are simply closing down.

I believe that extending legislative jurisdiction to the Select Committee on Small Business will help insure that the needs of the small businessmen are considered when we consider legislation that affects them, whether it be directly or indirectly.

However, I want to raise one word of caution that does not relate directly to the need for this resolution but instead relates to our approach to solving the problem. We now have a committee system that was established 30 years ago in the Legislative Reorganization Act of 1946. Today we have 18 standing committees and 130 subcommittees, special, and select committees.

Today's approach seems to me to be more of a Band-Aid approach than a real response to the need for a better system. Without any doubt we need some committee to have jurisdiction to consider the needs of the small businessmen. But we do not need further fragmentation with several committees all having jurisdiction over the same legislation. We cannot afford the delays caused not by the complexity of the problem, but caused by the complexity of the system.

Mr. President, I am not intending to sound critical of this legislation. As I have said, I am a cosponsor and favor its passage. I merely wanted to point out that I believe this is another example for the need of a complete legislative reorganization. I am hopeful that the Committee on Committees, of which I am a member, will be able to thoroughly examine this problem and make some constructive recommendations.

Mr. WEICKER. Mr. President, in its more than 20 years of existence, the Senate Select Committee on Small Business has carried the colors for America's small businessman and woman. These people are our relatives, our friends, our neighbors. Their profits are in the thousands of dollars, not the millions. Their goals are modest; their dreams are worthy; their lives are spent providing us with the products and services that make life in America more pleasant for people than anywhere else on Earth.

Mr. President, I am a realist in these matters. Large corporations, national and transnational, are with us to stay. We have a complex communications system linking the Nation, a road and rail network bridging the farthest cities and towns, we have national Government and national needs. If we did not have large nationwide business enterprises, something would be wrong. Yet, we are as well a Nation of individuals, and should we lose the promise of small individual business enterprises, something indeed will be wrong.

Senate Resolution 104 is an effort to grant to a Senate committee legislative authority over its own subject matter. What could make better sense than giving the Small Business Committee authority over the Small Business Administration? After all, this committee has been preparing for the task for two decades. It has been hearing the complaints, fielding the questions, seeking the solutions for more than 20 years.

Mr. President, time and time again, the select committee has demonstrated its ability to tackle the issues, build the record for legislative action, and then finds itself stymied by its lack of legislative authority, even over matters that involve the Small Business Administration. Whether on SBA loan programs, the role of women in small businesses, the future of the family farm, or the many other areas of concern this committee has dealt with over the last several years, legislative power would help turn investigative findings into reforms.

Mr. President, small business is forever falling through the cracks. More and more, Government economic policy is made with national corporations in mind, and small business as an afterthought. Government regulations do the same—unbelievable as it sounds, the alteration of one Government form, about which this committee pressured the bureaucracy, will save a stack of paper over 10,000 feet high. We want America to be the land of opportunity. We want a Government that responds to the needs of its citizens, yet we leave a vast segment of our population virtually unrepresented. Mr. President, the small businessmen and women of my State need the help of a committee of the U.S. Senate with full legislative and oversight authority.

Mr. BAKER. Mr. President, I compliment my distinguished colleague from the State of Tennessee and his distinguished associate from the State of Maine and the Select Committee on Small Business for their work on Senate Resolution 104. No group deserves our increased attention and support more than do the many millions of small businessmen who are making so many positive contributions to the general well being of this country. It is fitting that at this particular time Senate Resolution 104 addresses the needs of this important element of American economic life.

I believe we are now at the climax of a 20-year effort to obtain legislative authority for a group of my colleagues acquainted with and interested in the unique problems of the small business community. Even more important than this new legislative authority, however, is a growing effort throughout Congress to recognize the needs of small business.

Viewed simply from a statistical perspective, the impact of small businesses on the American economy are staggering. There are now over 9 million small business concerns operating in this country. They account for 43 percent of the GNP and provide 55 percent of total U.S. business employment. Yet, their individuality, which is one of their unique strengths, has often been one of their legislative weaknesses. Hopefully, we are now moving in a direction that will increase the prospects for positive legislation affecting the small business community.

For too many years in this country we have glibly assumed that "bigger is better." I hope we are finally awakening to the reality that quality, quality of experience, and in the case of small business, quality of service and production, is extremely important. Because of its adapability to specific situations unapproachable by larger firms, the small business community is providing a unique and indispensable service to American citizens.

At a time when many small firms are being severely pressed to survive in our current economic climate, it is fitting and proper that the Congress move to more equitably and efficiently address this situation. Again, I express my thanks to my colleagues from Tennessee and Maine for their efforts in this regard. I am happy to join them in the cosponsorship of Senate Resolution 104.

Mr. BUCKLEY. Mr. President, the Senate has long followed a policy, in terms of its committee organization, which in effect has treated the small business community as an "orphan." At a time when issues affecting other segments of the economy—labor, agriculture, public works—are referred to full committees designed to handle the problems of those specific areas, it no longer makes sense, if it ever did, to refer issues affecting the small business community to a subcommittee of a committee which itself is called the Banking, Housing and Urban Affairs Committee. This is scarcely adequate treatment for a segment of the economy—small business—which includes the vast majority of the Nation's independent business enterprises, and which accounts for nearly half the gross national product.

Furthermore, the issue we are discussing does not involve the creation of a new committee, but merely the granting of legislative authority to the Senate Select Committee on Small Business: a similar step to what has already taken place in the House of Representatives with what I understand has been considerable success. The passage of Senate Resolution 104 by the Senate would thus, in addition to clearing up the confusion caused in the small business community by having small business affairs subject to the jurisdiction of not one but two Senate subcommittees, also place the small business community on an equal footing in both Houses of Congress.

It is a long-overdue gesture of recognition toward one of the most important segments of our economy, and I urge that we take this step without further delay. Small business has waited long enough for equal recognition by the Senate.

Mr. BURDICK. Mr. President, I rise today in support of Senate Resolution 104, a resolution to give the Select Committee on Small Business jurisdiction over legislative matters relating to small business enterprises. As my colleagues know, I am one of the cosponsors of this resolution.

Mr. President, many individuals are highly interested in this legislation. Not the least of the reasons behind this widespread support is the feeling that Senate Resolution 104 is a symbolic gesture, one to recognize the importance of the small business community to the efficient functioning of our economy.

However, Mr. President, the significance of Senate Resolution 104 is more than symbolic. It is also practical. The present legislative jurisdiction for small business matters lies with the Subcommittee on Small Business of the Committee on Banking, Housing, and Urban Affairs. Allow me to cite some statistics. During the year ending March 1, 1976, the Banking Committee held 124 days of hearings, only 6 of which related to small business. During this same time period, the Select Committee on Small Business, which will be granted authority under this resolution, held a total of 63 hearings and has developed legislation related to all manners of problems confronting small business today.

I commend my colleagues who are members of the select committee, especially Chairman Gaylord Nelson, for their diligence and hard work. I believe that in enacting Senate Resolution 104 the Senate will officially recognize the need to give small businessmen a forum to express their views. The House of Representatives has already made this transition with great success. Members of Congress and members of the small business community widely agree that this step has proven to be a valuable one. Mr. President, accordingly, I urge adoption of Senate Resolution 104.

Mr. GARY HART. Mr. President, I cosponsored Senate Resolution 104 last year for one simple reason—to give the small businessmen and businesswomen of this country the representation they need and deserve in Congress. Today we have the opportunity to change Senate rules to provide limited legislative authority to the Senate Select Committee on Small Business.

Support of this measure will assure that the small business community has access to their own legislative mechanism in the Senate, where they can voice their concerns.

Currently, review of small business legislation is performed by the Committee on Banking, Housing and Urban Affairs—one of the busiest committees in the Senate. During this session alone the committee has had to deal with such monumental and time-consuming issues as the loan measure for New York City and the Financial Institutions Act, not to mention the many other areas of committee responsibility. In addition to all this, the committee must address the small business concerns of the Nation. It is no wonder that our Nation's small businesses feel lost in the shuffle.

By granting the Select Committee on Small Business legislative authority over the Small Business Administration, we can give the 8½ million small businesses in this country a greater voice in the legislation that affects them. These businesses represent 43 percent of the gross national product, and it is time they had their own forum.

The Select Committee on Small Business has the expertise to handle this responsibility. In 1975, the committee held more than 60 hearings on small business problems. We have the opportunity today to provide this committee with the authority it needs to go beyond hearings to address those problems.

Since I have been in office, I have heard a loud, clear signal from the people of this country. They believe that our Government has lost touch with the individual while paying too much attention to organized special interests. Too many individual citizens feel victimized by bigness—big government, big business, and big labor. This is alien to our form of government, and the direction must be reversed so that people can once again feel they are in control of their Government rather than controlled by it. Today, in a small way, the Senate can change this condition by insuring that small business concerns are dealt with in a quicker and more efficient manner.

Of course, granting legislative authority to one committee in Congress will not automatically solve the deeper problems facing the small business community, but it is a step in the right direction and one that is long overdue.

I urge all my colleagues to take this step and help provide an opportunity for our Nation's small businessmen and businesswomen to have their problems acted on in their own forum.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record a statement by the Senator from New Mexico (Mr. Montoya).

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Montoya

As a former member of the Senate Select Committee on Small Business, I am well aware of the good work they have done for small businessmen. I am also aware, however, that they would be able to do much more if their jurisdiction were expanded to include legislative authority. Therefore, I am pleased to be a co-sponsor of S. Res. 104, giving limited legislative authority to the Senate Small Business Committee.

In my own State of New Mexico, the number of small businesses has risen from 17,682 in 1964, to 19,251 in 1973. This is 96.4 percent of all reporting business units in the state. The number of employees has risen from 98,833 in 1964, to 130,194 in 1973. This constitutes 55.8 percent of the reported New Mexican business employees. Small businesses and their employees are a major factor in the economy, not only of New Mexico, but of the entire country. Therefore, it behooves all of us to see that small businesses receive the fullest possible representation, and as soon as possible.

Bearing this in mind, I introduced a resolution to establish a special committee on small business and federal over-regulation. At that time, I said, "It is doubtful that success can be achieved to help small business in alleviating their problems without adequate legislation. I would like this bill to be merely an interim step in the legislative process until the Select Committee on Small Business receives total legislative power. We need a strong Committee on Small Business to act on these serious matters."

The resolution before us today does not provide for total legislative powers. However, it is significant in that it establishes a permanent authority under which the Committee on Small Business may act, and for this reason should be approved.

The reasons for introducing my resolution and co-sponsoring S. Res. 104 are similar. Even though it has been 26 years since the creation of the Senate Select Small Business Committee, pertinent legislation is still reported out of a Subcommittee on the Senate Banking, Housing and Urban Affairs Committee. The difference between small businesses and corporate giants has increased dramatically in those years. Regulations and laws which are sensible and correct for one group are inappropriate for the other. Yet small businessmen continue to be lumped in with powerful major corporations and to feel threatened when business related legislation is being prepared.

Small businessmen have been hailed as the heart of our free enterprise system. However, they have no one in the Senate who has developed the proper expertise concerning their special problems, or who has the power to act in their behalf. Although the resolution before us today does not give total legislative power, it certainly is a step toward the recognition of small business as a separate entity with problems and needs not shared by other members of the business community. I believe that this is a step in the right direction.

That the House of Representatives has already granted its Small Business Committee certain legislative jurisdiction in the last Congress, is further proof that this reform is long overdue in the Senate. Therefore, I urge my colleagues to approve this legislation which will provide better representation for a vital segment of our business community.

Mr. STAFFORD. Mr. President, I rise to urge adoption of Senate Resolution 104, which would grant limited legislative authority to the Select Committee on Small Business.

As you know Mr. President, I represent a State in which industry is composed generally of small businesses and thus I feel the need to protect the existence of the small businessmen who make up more than 90 percent of all corporate entities in the United States.

I think the mere fact that small businessmen contribute 43 percent to our gross national product and employ 55 percent of our business labor force is reason enough to grant the Small Business Committee legislative authority. The problems faced by our small businessmen are significant and unless the Senate can adequately address them, we will see a continuing decrease in their numbers and importance in our society.

I would like to quote from a background sheet provided by the National Federation of Independent Business which sets forth the particular needs of small business:

> Small businesses have particular needs:
>
> This country was built on a foundation of small businessmen and yeoman farmers. In 1776 there were no giant conglomerates or nationwide franchises. Throughout our history small firms have remained the basic economic unit. Yet, their share of the economic wealth and activity is dwindling. Consider:
>
> In 1960 small and medium sized manufacturing businesses accounted for 50 percent of the assets and 41 percent of the industry profits. By 1972 these figures dropped to 33 percent of the assets and 28 percent of the profits. In fact, if the small business share of total manufacturing assets continues to decline at the same rate as it has for the last eleven years, by 1985 it will be 11.5 percent and by 1966 only 3 percent.
>
> Small business relative capital acquisition is declining. In 1953, gross private domestic investment was $34.6 billion, of which $5.1 billion (15 percent) was invested in small, non-farm, non-corporate businesses. By 1973, these figures had increased to $182.1 billion and $11.4 billion (7.5 percent) respectively. In short, while the total investment figures have increased, small businesses' relative share of those investments have declined 50 percent.
>
> Small businesses are having more solvency problems. From 1946 through 1971, the asset/liability ratio of small businesses declined from 1:18 to 0:63.
>
> Business bankruptcies in the fiscal year ending June 30, 1975, jumped 45 percent to 30,130—almost twice the level in 1966–1970.

The foundations of the American economy are built on free enterprise and competitions. With the advent of the conglomerate approach to doing business, the small businessmen are being placed at an economic disadvantage. If we are to maintain a free enterprise economic system, we must support the small businessman for the sake of the competition he brings to our economy.

Senate Resolution 104 would provide the U.S. Senate with a limited focal point on which to concentrate its efforts to assist the needs of our small businessmen. I hope this resolution which I cosponsored will receive favorable action by the Senate.

Mr. TAFT. Mr. President, I am very pleased today to join my colleagues in supporting Senate Resolution 104, which will grant legislative authority to the Select Committee on Small Business.

As I stated in testimony before the Rules Committee on this matter, I have had several years of experience on both the Select Committee on Small Business and on the Banking, Housing and Urban Affairs Committee. It is with this background that I recommend that the Senate recognize the special problems of small business, and to the need to strengthen the power and impact of the Select Committee on Small Business.

It has been my experience that the Banking, Housing and Urban Affairs Committee has such a great volume of work to do, and such a wide variety of problems to cover, that it does not have the time to give small business what I would call a really fair shake in consideration of its special problems. I think small businesses do have some very special problems in our economic set-up today.

The importance of small business in the economy, in terms of numbers of firms and employees, has been mentioned here today. I should like to mention specifically three points which set off small business from other types of firms.

First, I believe that the small-business sector of the economy is an extremely sensitive barometer of economic conditions. In a credit crunch, it is the small business which first finds that it cannot borrow. In a time of shortage, it is the first customer to be kept waiting. It is the sector in which we shall first notice the pinch of the impending capital shortage. This shortage is coming at a time of increasing need by small business for financing for pollution control and safety equipment. These investments have been mandated by the Government, but they produce no increase in output and profit to repay the borrowed funds. This is an area for the Small Business Administration, and a strengthened Select Committee on Small Business, to consider most urgently. It is essential that small business be watched closely, to gage the Nation's economic performance, and to preserve a sector which is vital to the maintenance of a competitive economy.

Second, the small business sector is the sector hit hardest by Government controls and regulations. All firms must fill out income tax returns, social security tax statements, census of manufacturers' questionnaires, OSHA forms, and the other thousands of snowflakes in the governmental blizzard of paper dumped on the productive sector each year. Yet, small business is least able to bear it.

I hope that a committee responsive to the needs of small business will be a strong voice protesting Government interference, bureaucratic bungling, and arbitrary agency actions, whether these involve HUD, HEW, DOD, FEA, OSHA, or EPA, to name just a few of the groups that jam my caseworkers' files. Perhaps such a committee can show us the hidden costs, as opposed to the assumed benefits, of Government regulations.

Some balance in this area, I think, certainly is very, very necessary.

Third, what of the traditional role of small business in our society? Does not the sector of our economy which has offered our people a creative outlet for their energy and talent, and which has provided an opportunity for upward mobility which is unique in the world, deserve fair and equal treatment in the Senate of the United States? I think it does—for the sake of hope, and of progress; progress for our country.

I strongly urge adoption of this resolution.

Mr. BARTLETT. Mr. President, I join with my fellow members of the Select Committee on Small Business in supporting Senate Resolution 104, and its stated purpose of providing legislative authority to the select committee.

We are all aware of the complaints that are being voiced by local businessmen in our own States. In Oklahoma, we have large areas that are suffering from severe out migration because of the lack of sufficient jobs due in large part to the movement away from small businesses as a concept and the concentration of businesses into larger organizations in metropolitan areas. These areas of severe out migration have previously been served by the small businessman, but with changes in our economy, the small businesses in rural areas have ceased to exist with the corresponding growth in dependence by the rural population on services from metropolitan areas and the steady, rapid out migration of the work force.

The past several years have demonstrated a reverse of the out migration trend. It certainly is not sweeping the Nation, but it is a movement that can be anticipated by Congress and fostered through the use of the full capability of the select committee.

Small business needs assistance in overcoming the numerous problems that confront it today—problems of advanced technological techniques needed to meet the demands of customers, and the increased sophistication to operate within the parameters of the ever-increasing burden of Government regulation.

The select committee has been taking a significant place in oversight of small business problems and the programs of the Small Business Administration. It is now time for this effort to be recognized and put to use. Previously, these efforts have only been seen through the recommendations in the form of reports, except for the legislation drafted by certain Members on their own initiative.

Certainly the select committee will not halt the out migration, nor will it be able to foster immediate recovery of small business. But the committee, along with the efforts of other committees concerned with economic development, can begin to put together legislation that will meet the needs of business and anticipate the demographic trends that are starting to be felt in nonmetropolitan, nonindustrial areas.

I, therefore, request that my colleagues support Senate Resolution 104, not as a panacea, but as a statement to the small business community that we are trying to reverse the trends that have been eroding their place in the American economy.

Mr. BEALL. Mr. President, as a member of the Select Committee on Small Business, I support Senate Resolution 104, which would give the Small Business Committee legislative jurisdiction over the programs of the Small Business Administration. This resolution would allow the Small Business Committee to focus on the problems involved in planning and running a small business, dealing with Government regulations and paperwork, surviving the rigors of the economy, and making legislative changes. It is my sincere belief that creation of legislative authority at this time will be a major step toward recognizing the uniqueness of small businesses and giving every possible consideration to the solution of small business problems.

Mr. President, as you are well aware the Select Committee on Small Business already exists, but it must at the present time, share its functions with the Committee on Banking, Housing and Urban Affairs. Nonetheless the Senate Select Committee on Small Business has held approximately 10 times the number of hearings the SBA Subcommittee, of the Committee on Banking, Housing and Urban Affairs, has held during the 94th Congress on such topics as small business tax reform, the paperwork burden for small businesses, pension program reform, survival of the family farm and numerous others.

I think we have all come to realize that having one committee air the problems while another makes legislative changes is unacceptable.

During the 81st Congress the Senate Select Committee on Small Business was created by Senate Resolution 58, on February 20, 1950. Due to changes in small business needs this has been amended from time to time and supplemented by other resolutions but it has always contained this prohibition:

> No proposed legislation shall be referred to such committee and such committee shall not have power to report by bill or otherwise have legislative jurisdiction.

Generally it has been the policy of the U.S. Senate to refer legislation to a committee that specifically deals with that issue. However, because of a decision back in 1950, small business legislation is not referred to the Small Business Committee for legislative action, and is instead referred to the Banking, Housing and Urban Affairs Committee. The effect of this arrangement has been to make it appear that the small businessman's interest has a lower priority than that of banking, housing, or urban affairs.

Small businesses are indispensable in promoting healthy competition in our economy, creating jobs for a growing workforce, and developing innovative ideas and products. Small business, in many ways, is the essence of our country's promise.

The initiative of small inventors and enterprises led to the development of the photocopying industry, insulin, cellophane, air conditioning, the cyclotron and other products and processes too numerous to list.

Of the nearly 13 million U.S. enterprises, small business accounts for about 90 percent of all businesses by number, over 50 percent of all private employment, 43 percent of all business output in this country and about one-third of the entire gross national product. The ease of starting a business has been good for the millions of individual Americans who have set up their own businesses and has been good for our country at large. This great diversity of ownership has spurred competition, helped keep prices down, helped to assure a wide variety of goods and services and helped bring strength to our free enterprise system.

Small business now suffers from an accumulation of Federal policies that are discouraging the formation of small business enterprises, holding down the expansion of existing firms, and forcing small family owned operations including farms, stores, and factories, out of the hands of small entrepreneurs. Our Nation can no longer afford such inefficiency.

During the past Congress the House of Representatives provided their Small Business Committee with legislative authority. Members of the Congress and the small business community both agree this step has proven extremely valuable. I feel we must follow their actions.

With one committee handling small business problems the Senate will be able to develop the kind of coordinated and sophisticated answers needed to aid our small businessmen. I would like to emphasize however, that this very important change can be made through a consolidation of legislative authority, into a committee that is already in existence. The committee as presently constituted has the knowledge and experience to continue to look into these problems and to understand and make the changes which need to be made for small businessmen. I support Senate Resolution 104 because I want to see this very important committee get the legislative authority it needs.

Mr. FORD. Mr. President, I urged the Senate Rules Committee to favorably report Senate Resolution 104 because I feel that small businessmen deserve special attention. I wish to repeat some of my statement to the Rules Committee to reinforce my support for this resolution.

The small businessman helped build this great country. Before the big businesses consisting of great domestic and multinational corporations, it was the small businessman who blazed the frontiers, built the towns, and provided the supplies and materials for our defense, national welfare, tranquility, and pursuit of happiness. The small business is still a dream, an ideal, and an important part of our economic life.

It consists of 9.4 million businesses.

It compromises 43 percent of the gross national product.

It compromises 55 percent of the total U.S. business employment.

It accounts for 70 percent of the Nation's retail and wholesale transactions.

It provides the livelihood of 100 million Americans.

It best gives individuality to its business practices.

It best assures free and open competition.

Small business in America is simply too important to separate legislation and study. The Small Business Administration established in the 1950's was a step forward in recognizing its significance. But, the Senate has continued to refer legislation through the Committee on Banking, Housing and Urban Affairs. The volume and scope of legislation assigned to the committee is simply too broad for special consideration of measures on small business.

We have a Veterans' Affairs Committee, a District of Columbia Committee, and a Government Operations Committee, but not a committee directed exclusively to small businessmen.

The time is long past due for us to direct our special attention to this important sector of our life. We have dealt with small business on a piecemeal basis for too long. Its uniqueness justifies treatment as a separate entity—a treatment that cannot be adequately given as a part of overall legislation on business.

Solvency, bankruptcies, capital acquisition and taxes on small business need special consideration. The Senate Select Committee on Small Business is best structured to assume this responsibility. By adding legislative authority, the small businessman can be assured of fair and full consideration of his needs and problems. It would be an efficient way to integrate investigations, recommendations, and action. It removes duplication, and above all, permits both the Small Business Committee and the Banking, Housing and Urban Affairs Committee to concentrate on different areas of responsibility.

Mr. President, I urge adoption of Senate Resolution 104.

Mr. JAVITS. Mr. President, this may be an important day for the small business community. It appears that Senate Resolution 104 which would transfer the legislative jurisdiction of the Subcommittee on Small Business of the Committee on Banking, Housing and Urban Affairs to the Select Committee on Small Business will pass the Senate.

There are several compelling reasons for the transfer of this jurisdiction at this time. First, the jurisdiction of the Senate Banking Committee is broad and necessarily sweeping yet the business that that committee conducts that relates to the small business community is minimal. In fact, in the year ending February 29, 1976, the Banking Committee held a total of 124 days of hearings and only 6 of those were related to small business and conducted by the Small Business Subcommittee. In contrast, the select committee, limited in its jurisdiction to investigations, held a total of 63 separate hearings on all aspects of the small business community. These hearings related to problems that most concern small business men and women in America today. The topics covered included, amongst others, small business tax reform, the paperwork burden, pension program reform, survival of the family farm and SBA procurement policies. In fact, several pieces of legislation have been developed from these many hearings. A substantial portion of the Small Business Act Amendments of 1975 which passed the Senate and are in conference was initially introduced by Senator Nelson and myself.

The bifurcation of small business jurisdiction in the Senate has in many instances led to confusion in the small business community. This is a critical segment of our society and economy and the small business men and women have had to bear the many difficulties in coping with the burdens imposed by Government and the state of our economy. The general small business constituency cannot understand the reason for or how to deal with these two separate entities within their Senate. The situation is needlessly confusing.

Second, the House of Representatives has moved wisely in the direction we are advocating today. At the start of this Congress they took the valuable and positive step to transfer jurisdiction from their Banking Committee to their Select Committee on Small Business and that change seems to have worked extremely well. Only one additional subcommittee was created to handle the newly acquired legislative jurisdiction and they have taken the lead in introducing creative new legislation based on the existing resources already in place on the new full committee. It seems odd that conferences on small business legislation affecting the SBA should be between the House Committee on Small Business and a Subcommittee of the Senate Committee on Banking, Housing and Urban Affairs.

Third, we advocate on sponsoring this resolution only the narrow transfer of the legislative jurisdiction function over SBA from the Banking Committee to the select committee. There would be no other impingement on any other committee's jurisdiction. The select committee would, however, continue to play the oversight and investigative role as to all and every aspect of problems confronting the small business community that it plays today under its limited select committee status. In addition, we would not be asking for any additional staff if granted this jurisdiction. We feel that we have the existing competence and full-time interest in this important area to pick up the job whenever we are granted the jurisdiction. The transfer of this authority would simply complete and fulfill the mission to which the select committee has been charged. We would have a clear focus on matters affecting the SBA.

Seventy-three of our colleagues have cosponsored Senate Resolution 104 which Senator BROCK and HATHAWAY introduced. Amongst those cosponsors are five members of the Banking Committee. This would indicate that a vast majority of our colleagues feel the way chairman NELSON and I do about this critical legislation.

Mr. ABOUREZK. Mr. President, I urge the passage of Senate Resolution 104, assigning the legislative authority over small business matters to the Select Committee on Small Business. As a cosponsor of the resolution and a member of the select committee, I am convinced that the passage of this proposal would be in the best interests of the business community, the Congress, and the Nation.

Economically, the small business firms collectively play an important role. In my own State of South Dakota, there are some 24,000 small businesses; nationwide, the figure tops 9 million. Considering that the small business community accounts for over 40 percent of the gross national product and provides 55 percent of the total U.S. business employment, the livelihood of 100 million Americans, their importance to the general business climate cannot and should not be slighted.

Presently, the divided jurisdiction over small business matters provides for an inefficient and confusing legislative situation. The Senate Banking, Housing and Urban Affairs Committee clearly does not and should not be expected to consider small business as its major area of concern. On the other hand, the Select Committee on Small Business has been highly active and notably imaginative in investigating a broad range of small business concerns and in drawing attention to new developments and basic facts of interest to the small businessman.

The relatively narrow confines of the proposed legislative authority should not detract from its potential success. The House of Representatives has already proven that a redistribution of legislative authority works to the benefit of all parties involved. Also, in the Senate, we have committees such as Veterans' Affairs, Space Sciences, and the District of Columbia, which do excellent legislative work in areas perhaps more narrow than that of Small Business.

With the passage of Senate Resolution 104, the Congress would be reaffirming our commitment to the small business community—a commitment we intended with the establishment of the select committee some 25 years ago. The national importance of small business would again be emphasized, and legislative efficiency and the public interest would better be served with the establishment of limited legislative authority for the Small Business Committee. I am confident that the select committee will continue to be active in this area of great concern, providing the needed leadership that will benefit not only the small business community but our Nation as a whole.

CONGRESS NEEDS CLEARER FOCUS ON SMALL BUSINESS

Mr. HUMPHREY. Mr. President, during the past year, the Joint Economic Committee, which I chair, has undertaken a broad review of the many problems that beset small business. The committee held hearings on the capital formation problems of small business and on the need for reform of Federal gift and estate tax laws to provide continuity of ownership of small businesses and farms.

Each of these hearings was held in conjunction with the Senate Select Committee on Small Business. And through this cooperative arrangement, I experience first hand the excellent work that characterizes the efforts of this select committee.

Under the chairmanship of Senator GAYLORD NELSON, the select committee has eloquently argued the case for small business in many important congressional debates. The original Tax Reduction Act of 1975 was heavily biased in favor of big business. Not until Senator NELSON and five other select committee members offered a revised version of the bill were the needs of small business effectively considered. The revised version temporarily raised the surtax exemption to $50,000, a reform that is especially important to small firms that must rely heavily on retained earnings for capital. Because of the changes proposed by the select committee, each corporation with assets of $50,000 or less received estimated tax relief of $12,000.

Much has been said recently about small business being the Federal Government's new forgotten man. In many cases, I must agree that small business is wrongly ignored to the detriment of our entire economic system.

Through 63 days of hearings last year, however, the select committee made certain that the voice of small business was heard in the meeting rooms of the U.S. Senate.

The select committee held extensive hearings on small business tax reform. It investigated the need for necessary changes in Federal corporate income tax, capital gains tax, and estate and gift tax. The committee studied the crucial role of small business in the development of solar energy, an energy form that I believe is the ultimate answer to this Nation's energy woes.

Hearings were held on the changing role of small business in the U.S. economic system. As chairman of the Joint Economic Committee, I have followed those hearings with special interest. Without a strong small business sector, our economy will lose a source of diverse strength and innovation that has permitted its steady growth over the years. It, therefore, is essential that we are aware of the elements that undermine the strength of small business and find ways to reverse those debilitating forces.

The select committee also reviewed the serious problems that now face the family farmer. One of the problems, the forced liquidation of the family farm to pay estate taxes, was discussed in detail in the joint hearing I mentioned earlier. The product of that hearing was the Small Business Estate and Gift Tax Reform Act, which was introduced by Senators NELSON, MONDALE, and myself. This act proposes broad reforms that will significantly reduce the need for forced liquidations of family farms and small businesses to pay Federal estate taxes.

The Senate Select Committee on Small Business has worked effectively on behalf of all small entrepreneurs. I believe it has more than earned the right to become a legislative committee. From my personal experience, I am certain it will handle diligently all Small Business Administration legislative matters that are reported to it.

As an original cosponsor of this resolution, I am hopeful that its speedy enactment will give the small businessman the legislative voice he so richly deserves.

Small business is an important national resource and plays an important role in our Nation's economy.

Over 97.5 percent of all business organizations in America are classified as "small."

Over half the Nation's employment still comes from the small business sector.

Forty-three percent of the privately produced gross national product comes from the efforts of small business people all across the land.

Small businesses, directly or indirectly, provide livelihoods for 100 million Americans.

I, therefore, ask all of my fellow Senate Members to support Senate Resolution 104, which gives legislative responsibility on Small Business Administration legislation to the select committee. This measure is good for the Senate, and, more important, it is very good for small business.

Mr. GRIFFIN. Mr. President, on behalf of the Senator from Kansas (Mr. Dole), who is absent today attending the funeral of a distinguished former Member of Congress from his State, the Honorable Wint Smith, I ask unanimous consent that a statement he has prepared in support of Senate Resolution 104 be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Small Business Needs More Senate Attention

(Statement by Senator Dole)

The Senator from Kansas is pleased to record his support for S. Res. 104—to establish legislative authority for the Senate Select Committee on Small Business. As a former member of that panel, I am all too aware of the opportunities which exist for bringing additional attention to the needs of our Nation's small businesses in that manner.

An expansion of the duties of the select committee is certainly justified in terms of the scope of small business activity in our Nation. The Small Business Administration has classified over 13 million businesses as "small." This figure represents approximately 97% of all U.S. businesses and provides 55% of all business employment.

SMALL BUSINESS CONTRIBUTIONS

Small business concerns are particularly important in my own State of Kansas, where over 133,000 of 137,000 businesses are listed in the "small" category. Not only is their economic impact significant, but small businesses exemplify the kinds of traits which have given our Nation its reputation for independence and innovation. Free access to the market has traditionally been granted to any individual who wants to start out his own business. Someone with an idea is welcome to give it a try. It is the total accumulation of past trials which has created a Nation where millions of citizens have been able to look upon their work with pride and satisfaction—knowing that they have made a personal contribution to the overall goal of sustaining the U.S. as a Nation where any individual is able to pursue his dreams and ambitions.

In addition, small businessmen's contributions of time and money to community activities demonstrate an interest in the improvement of the quality of life in their home towns which is generally not shared by those businesses headquartered in a distant city. The same spirit which compels a small businessman to "make a go of it" on his own also contributes to his taking pride in the community in which he resides.

PROBLEMS WITH CONGRESS

Yet, the invaluable roles performed by small businessmen are often overlooked by the Federal Government, which also tends to overlook the special needs of small enterprise. This problem is illustrated by one simple question posed to me by a constituent: "Why can't the government help the small operators instead of harassing them to death?"

When big business abuses are uncovered, Congress almost invariably reacts by passing restrictive legislation, without considering the effects on small businesses. The simple fact is that, in the past, the Congress has frequently pushed bills through the legislative process—without giving adequate attention to their logical consequences. The result has been to greatly compound difficulties.

In the hurry to draft a proposal to get at the big corporations, Congress often neglects to consider the special needs and limitations of small operations. This reflects a poor understanding of the unique circumstances under which small businesses work—even to the point that the fact they may not even cause any of the types of abuses which Congress seeks to curb may be entirely ignored. Many examples of heavy-handed legislation that have caused severe problems for small businesses could be stated, but among the better known would surely be OSHA and NEPA.

BURDENS OF REGULATION

Numerous individuals have provided me with accounts of the burdens placed upon them in endless paperwork requirements, coupled with even more endless regulations. Federal bureaucrats have the same handicap as Congress in having difficulty understanding how small businesses work. Their technical understanding of the problems or processes of small enterprise is frequently limited. Even worse, agency regulations apply tough uniform standards which end up creating huge difficulties for small business, which may fail to get at the big business abuses they were really after. Bearing down on small businessmen is much easier for an agency, as they have no legal advisors who can defend their interests or even interpret the complex regulations for them. The end result is unequal enforcement of the standards, with the bulk of the agency's efforts being directed at forcing small businesses to comply with requirements they didn't need in the first place.

The actions of the Federal Energy Administration in investigating the small oil and gas concerns which predominate in Kansas is an excellent example of such inequity. FEA data indicates that the level of penalties and rollbacks in areas with small, "stripper crude" producers has been much higher than in areas where the normal size of companies and volume of production is much larger. I have written to FEA administrator Frank Zarb in regard to this situation.

While efforts like my own and other attempts to provide realistic exemptions for small businesses from regulations such as OSHA, the fact is that the needs of the small businessman frequently are not considered. It is time that we took heed of his legitimate concerns.

LEGISLATIVE VOICE

Hopefully, providing the Select Committee on Small Business with legislative authority will add an element of responsibility to the design of bills dealing with business abuses. This committee could provide a forum for identifying the special hardships which would be placed upon small concerns by legislation before it is enacted, not after. The committee could also develop remedial legislation in cases where unforeseen burdens develop as a result of the legislation or the agency regulations and actions implemented for its enforcement.

Adverse economic conditions have hit small enterprise particularly hard—making it even more important that the Senate place special emphasis upon the needs of this sector of our population. In fiscal year 1975, business bankruptcies jumped an alarming 45%, contributing to the high levels of unemployment of recent years.

The House of Representatives has already taken the initiative to form a separate legislative committee on small business. Similar action by the Senate would not only reaffirm our support for the "little man," but would also place this support within a single committee's jurisdiction. The body charged with investigating problems of American small business would also have the power to develop legislation to assure that these problems were alleviated.

I commend S. Res. 104 to my colleagues and ask they join me in supporting this worthwhile measure.

Mr. CULVER. Mr. President, I am happy to support and cosponsor Senate Resolution 104, which would give the Small Business Committee jurisdiction over legislation relating to the Small Business Administration. I hope that the Senate will act decisively to pass this essential legislation.

The Senate Select Committee on Small Business, since its creation nearly 26 years ago, has developed a genuine body of experience and professional capacity on the problems facing small business. However, because of its lack of legislative jurisdiction, the committee has been unable to implement many of the concepts it has developed.

It is my conviction that the role of small business in our society has an importance clearly justifying a legislative committee devoted to that subject alone. The Banking, Housing and Urban Affairs Committee has been admirably supportive of the needs of small business, but because of its broad scope of responsibilities, it has not had the resources to concentrate the full and plainly needed attention to which this area is entitled.

Small business, which provides 55 percent of the total U.S. business employment and livelihoods for 100 million Americans, is at the core of both our economic system and our society. In recent years, we have seen a steady deterioration in the number of businesses and in the proportion of the market which is in the hands of small business. It has also become increasingly difficult for an individual to start his own enterprise.

For the sake of our economic structure and for the well-being of millions of Americans, it is of the utmost importance to reverse these trends. Small business, including farming, is an integral part of our competitive, free enterprise system and our future will be greatly influenced by the strength and vitality that small business maintains.

Antitrust legislation is, of course, one approach to remedy monopolistic, anticompetitive practices that could destroy our open economy.

However, I believe we all would prefer a positive approach—namely to do everything possible to sustain small business as a vital force in the marketplace.

It is hardly necessary to underscore the crucial importance of small business to the economic health and social well-being of the Nation. Small business operators generally live in the communities where their enterprises are located. They have historically demonstrated the kind of creativity and leadership that strengthen our diversified and pluralistic society. At the present time, small business operators throughout America feel that they are caught in a squeeze between the competition of big business and the regulatory pressures of Government. The act of giving the Senate Small Business Committee this carefully defined legislative jurisdiction would be a vote of assurance to those enterprising Americans who operate more than 95 percent of all businesses in the United States. It would be a signal that Congress really cares about finding solid ways to encourage and assist small business operators and farmers and fully recognizes that their concerns are central to the welfare of all Americans.

Mr. CRANSTON. Mr. President, we are presently deliberating Senate Resolution 104, a resolution to create a Senate Committee on Small Business.

I am proud to be a cosponsor of this resolution. I believe its passage is of vital importance not only to the small businessmen of America but also to the future strength of our economy.

Ninety-seven percent of all businesses in America are classified as "small." That means they have less than $1 million a year in sales and less than 500 employees.

Nevertheless, they account for one-half of our private employment, 43 percent of our business output, and one-third of our gross national product. In our economy, small business is big business.

Last March, in its annual report to the Congress, the Joint Economic Committee noted that—

> Notwithstanding the importance of the small business sector of the U.S. economy, the Federal Government frequently overlooks its needs.

I share the committee's concern and agree wholeheartedly with its recommendation to Congress to "review the Federal laws, agencies, and regulations affecting small business. This review should develop a National Small Business Policy that will foster a dynamic small business sector."

At the present time, however, the Senate's ability to develop such a policy is limited. Our committee structure only complicates the problem. The Banking Committee's Subcommittee on Small Business with its five members and one staffer have significant legislative responsibilities. The Select Committee on Small Business with its 17 members and 21 staffers work on special problems.

In the 93d Congress, I had the privilege of serving as chairman of the Banking Committee's Subcommittee on Small Business. In that capacity, I became acutely aware of small businesses' myriad problems and of the extensive legislative responsibilities associated with Federal involvement in their activities. I also felt the limitations of a small committee and a small staff trying to address these concerns.

Based on my experience, I strongly support the consolidation of the legislative and investigative functions relating to small businesses into a single, adequately staffed, full committee of the Senate. I believe this change is in the best interest of America's small businesses and is a major step forward in the Senate's efforts to meet the needs of small businessmen.

Mr. President, small, free, independent businesses are the heritage of our past. They are also the lifeblood of our future.

I urge my colleagues to join me in supporting Senate Resolution 104.

Mr. MONDALE. Mr. President, I wish to take this opportunity to express my strong support for Senate Resolution 104, which is now being considered by the Senate. I am a cosponsor of this resolution, which would provide limited legislative authority for the Senate Select Small Business Committee, on which I am proud to serve.

Mr. President, the Nation's small businesses are the backbone of this country's economy: 97 percent of our Nation's businesses fall into this category, and they account for 43 percent of the gross national product. Directly or indirectly they provide jobs for over 100 million Americans. Small businessmen and businesswomen are among the leaders of their communities. As the owners of local enterprises, they are among the first to become involved in civic affairs. Small businesses are in the forefront of providing the new jobs that our country now needs so badly. And yet, in spite of these enormous contributions to our country, small businesses lack their own committee in the Senate with legislative jurisdiction over the problems that affect them and the agencies who administer the programs that address them. There is a Veterans' Committee for the problems of veterans. There is an Agriculture Committee for the problems of the farmers. But legislation dealing with the problems of small businesses is now referred to a subcommittee of the Banking, Housing and Urban Affairs Committee. While I have great respect for the work of this committee, its jurisdiction is broad and includes many areas other than small business.

The Senate does have a Select Committee on Small Business which, for the last 16 years, has concerned itself solely with the problems that confront small businesses. I have had the privilege of serving as a member of this committee for the past year, and I have tremendous respect for its commitment to small business and its active role under the leadership of its distinguished chairman, Senator Nelson.

In 1975 the committee held 63 days of hearings on issues ranging from the capital problems, to tax relief, to the future of the family farm. As a result of the Small Business Committee's initiatives, those of us who are members of both the Small Business and the Finance Committees were able to pass the small business amendments to the Tax Reduction Act of 1975, which provided the most extensive tax relief for small businesses since I have been a Member of the Senate. Already this year, the Small Business Committee has held 16 days of hearings. Its members have submitted several innovative approaches to one of the most serious problems facing the owners of small businesses and family farms: the present estate tax laws. I will be chairing a hearing of the Finance Committee on May 17 on this serious problem, and I am hopeful that significant improvements in this law will result from our efforts.

These illustrations are testimony to the dramatic role that the Small Business Committee has played in improving the economic and social climate for small businesses. However, serious problems and challenges still remain. Small business men and women rightfully feel that the Federal Government is still not responsive to their concerns. I believe that to continue the progress that we have made in recent years, it is essential to expand the role of the Small Business Committee to include legislative jurisdiction over the issues and executive agencies which directly affect small businesses. Senate Resolution 104 is an important step in this regard. I urge my colleagues to give it their support.

Mr. CLARK. Mr. President, I wish to express my support for Senate Resolution 104, which would confer legislative jurisdiction on the Select Committee on Small Business. I find myself in the unique position of having served both on the select committee itself, from 1973 to 1975, as well as on the Rules and Administration Committee which considered Senate Resolution 104 earlier this year. While a member of the select committee, I developed the highest respect for the hard work and dedication of fellow Senators and the committee staff. That is why I became one of the original cosponsors of Senate Resolution 104. And that is why after hearing testimony from a broad cross section of Senators and business community representatives last February, I joined with my Rules Committee colleagues in voting to report this resolution to the floor.

The continuation of the free enterprise system in this country demands the preservation of vigorous small business competition. But under increasing pressure from the economic might of giant conglomerates, the status of small business enterprises has deteriorated significantly in recent years. The level of bankruptcies in fiscal year 1975, for example, was almost twice the average level from 1966–70, while from 1946–71, the asset/liability ratio of small businesses declined from 1:18 to 0:63. Furthermore, while small- and medium-sized businesses accounted for 50 percent of all industry assets in 1960, the figure in 1972 plummeted to only 33 percent. These problems are no less severe in my own State of Iowa, where almost two-thirds of all industries employ fewer than 20 employees.

At present, the Select Small Business Committee is responsible only for overseeing the administration and programs of the Small Business Administration and issuing recommendations for the Senate's consideration. Legislation affecting small businesses can only be reported by one small legislative subcommittee, which must compete for the attention of a full committee having additional jurisdiction over such vital areas as financial institutions, housing, and urban affairs.

Clearly, the interests of legislative efficiency and rationality will be best served by consolidating the oversight and lawmaking responsibilities related to small businesses within the jurisdiction of the Small Business Committee. Additionally, the enactment of Senate Resolution 104 would be a clear sign to the 9.4 million small businesses in this country that the Senate is willing to devote to their interests and problems a degree of concern commensurate with their contributions to the economic livelihood of the United States.

Mr. President, the Senate cannot afford to wait for the report of the Select Committee on Committees before improving its capacity to deal with the problems of small business. The Committee on Committees will not report any recommendations affecting committee jurisdictionals until 1977, and implementation of such recommendations may not be possible until 1979. We must take action now to approve Senate Resolution 104, so that this Chamber can deal more effectively with the increasingly pressing needs of the small business community.

Mr. CANNON. Vote.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from Florida (Mr. STONE) are necessarily absent.

I further announce that the Senator from New Mexico (Mr. MONTOYA) and the Senator from Connecticut (Mr. RIBICOFF) are absent on official business.

I further announce that, if present and voting, the Senator from Idaho (Mr. CHURCH), the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), and the Senator from Connecticut (Mr. RIBICOFF) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kansas (Mr. DOLE), the Senator from Nebraska (Mr. HRUSKA), the Senator from Nevada (Mr. LAXALT), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Texas (Mr. TOWER) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. PACKWOOD) would vote "yea."

On this vote, the Senator from Nebraska (Mr. HRUSKA) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 71, nays 12, as follows:

[Rollcall Vote No. 158 Leg.]

YEAS—71

Abourezk
Baker
Bartlett
Bayh
Beall
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Culver
Curtis
Domenici
Durkin
Eagleton
Fannin
Fong
Ford
Glenn
Gravel
Griffin
Hansen
Hart, Gary
Hart, Philip A.
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Mansfield
Mathias
McClellan
McClure
Metcalf
Mondale
Moss
Nelson
Nunn
Pastore
Pell
Percy
Randolph
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stevens
Symington
Taft
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—12

Allen
Bellmon
Garn
Goldwater
Helms
McIntyre
Morgan
Pearson
Proxmire
Sparkman
Stennis
Stevenson

NOT VOTING—17

Bentsen
Biden
Church
Dole
Eastland
Hartke
Hruska
Laxalt
Magnuson
McGee
McGovern
Montoya
Muskie
Packwood
Ribicoff
Stone
Tower

So the resolution (S. Res. 104), as amended was agreed to, as follows:

S. RES. 104

Resolved, That S. Res. 58, Eighty-first Congress, agreed to February 20, 1950, as amended, is amended to read as follows: "That there is hereby created a select committee to be known as the Committee on Small Business, to consist of seventeen Senators to be appointed in the same manner and at the same time as the chairman and members of the standing committees of the Senate at the beginning of the Ninety-fifth Congress and each Congress thereafter, and to which shall be referred all proposed legislation primarily relating to the Small Business Administration.

"It shall be the duty of such committee to study and survey by means of research and investigation all problems of American small business enterprises, and to obtain all facts possible in relation thereto which would not only be of public interest, but which would aid the Congress in enacting remedial legislation.

"Such committee shall from time to time report to the Senate, by bill or otherwise, its recommendations with respect to matters referred to the committee or otherwise within its jurisdiction: *Provided*, That any proposed legislation reported by such committee which relates to matters other than the functions of the Small Business Administration shall, at the request of the chairman of any standing committee having jurisdiction over the subject matter extraneous to the functions of the Small Business Administration, be considered and reported by such standing committee prior to its consideration by the Senate; and likewise measures reported by other committees directly relating to the Small Business Administration shall, at the request of the chairman of the Committee on Small Business, be referred to the Committee on Small Business for its consideration of any portions of the measure dealing with the Small Business Administration, and be reported by this committee prior to its consideration by the Senate.".

SEC. 2. Subparagraph (e) of paragraph 1 of rule XXV of the Standing Rules of the Senate is amended by striking out in clause 2 the words "under this rule".

Attest:

Secretary.

Mr. HATHAWAY. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NEW STATUS OF SENATE AND HOUSE SMALL BUSINESS COMMITTEES IS A TRIBUTE TO THE PERSISTENCE OF GEORGE J. BURGER, SR.

Mr. NELSON. Mr. President, as chairman of the Select Committee on Small Business. I am pleased that the Senate has today agreed to Senate Resolution 104, conferring legislative jurisdiction on that committee. But the pleasure is tempered by one deep sorrow: that George J. Burger, Sr., did not live to see this day and share in this event.

Any Senator whose service goes back 3 years or more will surely understand the sad irony implicit in two dates: today, April 29, 1976, the Senate adopted Senate Resolution 104, while on February 12, 1976, just 77 days earlier, George J. Burger, Sr. died.

The dates are ironic, because Mr. Burger had worked with dogged persistence and determination for 30 years or more for the establishment in both the House and the Senate of Committees on Small Business having legislative jurisdiction.

Until 3 years ago, Mr. Burger was senior vice president in Washington for the National Federation of Independent Business—NFIB. At that time, he left Washington, at age 82, for semiretirement in New Rochelle, N.Y.

Before his departure from this city, Mr. Burger was a familiar sight to every Member of the Senate. He would station himself at the elevator shafts in the Capitol, or at the door of the Senate Rules Committee. From those strategic points, he would politely but firmly stop passing Senators to urge them to take action on the resolution then pending—and he saw to it that one was always pending in Congress after Congress—to confer legislative jurisdiction on the Small Business Committee. He was similarly energetic and determined on behalf of the House Committee on Small Business. Even after his retirement, he continued to urge Senators and Representatives, by letters which he personally wrote and mailed from his New Rochelle home, to upgrade their Small Business Committees to legislative status.

George Burger lived to see his dream realized in the House, which created a standing Committee on Small Business in January 1975. Had he lived just 18 days longer, he would have known that the Senate Rules Committee had reported Senate Resolution 104, unanimously, with strengthening amendments. Had he lived just 77 days longer, he would have known that the Senate had passed Senate Resolution 104, and he would surely have died with a smile of achievement and fulfillment on his face.

Many people worked long and hard to obtain for American small business the recognition and representation it deserves in the legislative committee structure of the House and Senate. Most of those people would agree that their mentor in that effort, the champion in a decades-long struggle, was George J. Burger, Sr. In a very considerable sense, he may be said to have "invented" the House and Senate Small Business Committees, for he had a keen interest and took an active part in their creation and development over the years, through their varying and ever-growing stages of size and influence.

At the time of his retirement, Mr. Burger was considered "the dean of Washington lobbyists" and was also its oldest lobbyist, with a 25-year record of service to small business in the NFIB.

In addition to his active role in the establishment and upgrading of the House and Senate Small Business Committees, he was influential in the creation of the Small Business Administration. He led lobbying efforts in Washington to give small business concerns their own "civil rights" in a legislative atmosphere often dominated by labor and big business. He directed his organization's efforts in 1958 in support of legislation which gave $260 million in tax benefits to small business.

The U.S. Treasury has acknowledged his 1962 role in the enactment of the original 7 percent investment credit, a tax measure which boosted new equipment sales and contributed to national economic health.

Mr. Burger was a member of the President's Council of Economic Advisers' Small Business Advisory Committee during several administrations. He acted as a consultant to both major political parties in the 1948, 1952, and 1956 conventions, testifying and drafting small business platform issues. Many of his recommendations were incorporated into Presidential planks and later made law.

Prior to his joining the NFIB, Mr. Burger, a former tire dealer himself, helped organize the first tire dealer group, the National Tire Dealers Association, and helped lead the fight for legislation to outlaw price discrimination—which eventually led to enactment of the Robinson-Patman Act.

He is survived by his sons George, Jr., of San Carlos, Calif., and Charles, of New Rochelle, N.Y. Their father's life had been and will be, I know, a continuing inspiration to them. On behalf of the Small Business Committee of the Senate, I extend to them our thanks for his many contributions to our work and progress, and our sympathy on his passing.

CLINICAL LABORATORIES IMPROVEMENT ACT OF 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 723.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1737) to amend the Public Health Service Act to encourage the establishment of uniform standards for licensing and regulation of clinical laboratories, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Clinical Laboratories Improvement Act of 1976".

DECLARATION OF FINDINGS

SEC. 2. The Congress finds that—

(1) clinical laboratory testing is a vital element of health care throughout the Nation;

(2) health care in this Nation will only be effective and of high quality if procedures utilized for testing by clinical laboratories assure accurate and reliable results;

(3) it is essential in the public interest that the health and welfare of consumers of health care be protected by requiring that all clinical laboratories comply with uniform standards of performance which assure such accuracy and reliability;

(4) testing in clinical laboratories which is inaccurate and unreliable impairs the effective regulation of those laboratories which operate interstate, is injurious to the public health and welfare, destroys markets for testing in laboratories which is accurate and reliable and results in losses to those who operate clinical laboratories and to health care providers, and impairs the provision of safe and high quality health care to consumers;

(5) testing in laboratories which do not comply with standards to assure accuracy and reliability can be performed at less expense and thus they are able to compete unfairly with the laboratories which do comply with such standards to the detriment of consumers of health care and the public generally;

(6) requiring compliance with standards to assure accuracy and reliability by laboratories which operate interstate without provision for requiring such compliance by other laboratories would discriminate against and depress interstate commerce and adversely burden, obstruct, and affect such interstate commerce; and

(7) all clinical laboratory testing is either in interstate commerce or substantially affects such commerce and regulations by the Secretary in cooperation with the States as contemplated by this Act are appropriate to prevent and eliminate burdens upon interstate commerce, and to effectively regulate interstate commerce, and to protect the health and welfare of consumers of health care.

SEC. 3. Section 353 of the Public Health Service Act (42 U.S.C. 263a) is amended to read as follows:

"LICENSING OF LABORATORIES

"SEC. 353. (a) DEFINITIONS.—As used in this section—

"(1) The term 'laboratory' or 'clinical laboratory' means a facility for the biological, microbiological, serological, chemical, immuno-hematological, hematological, bio-physical, cytological, pathological, or other examination of materials derived from the human body, for the purpose of providing information for the diagnosis, prevention, or treatment of any disease or impairment of, or the assessment of the health of, man, or a facility for the collection, processing, and transmission of such materials for such purposes, other than a facility exclusively engaging in the collection, processing, or transmission of human whole blood, or its components; or (except as otherwise provided in subsection (e) (3) of this section) a facility under the direct jurisdiction of a Federal department or agency other than the Department of Health, Education, and Welfare.

"(2) The term 'commerce' means (1) any activity which affects commerce between any State or territory and any place outside thereof, and (2) commerce within the District of Columbia or within any other territory not organized with a legislative body.

"(b) PROHIBITED ACTS.—

"(1) No person may solicit or accept, directly or indirectly, any specimen for laboratory examination or other laboratory procedures or otherwise operate a clinical laboratory in any State unless there is in effect a license (applicable to such procedures or operations) for such laboratory issued—

"(A) in the case of any laboratory soliciting or accepting any such specimen in interstate commerce, by the Secretary; or

"(B) in the case of any laboratory located within a State which has been designated by the Secretary pursuant to subsection (o), by an appropriate officer of that State; or

"(C) in the case of any laboratory located in a State which has not been designated by the Secretary pursuant to subsection (o), by the Secretary until such date as the Secretary so designates such State.

"(2) if the Secretary, upon the recommendation of the Advisory Council, determines that a State program contains and enforces requirements relating to laboratory licensing and performance standards which are more stringent than the standards set forth in regulations issued by the Secretary under this section, a laboratory licensed under paragraph (1) (A) shall meet those additional requirements of such State program which the Secretary determines the State has appropriately imposed.

"(c) LICENSES ISSUED BY THE SECRETARY.—(1) The Secretary is authorized to issue licenses under this section applicable to all laboratory procedures or only to specified laboratory procedures or categories of laboratory procedures.

"(2) A license issued by the Secretary under this section shall be valid for a period of one year, or such shorter period as the Secretary may establish for any clinical laboratory or any class or classes thereof, and may be renewed in such manner as the Secretary may prescribe.

"(3) The Secretary may require payment of reasonable fees for the issuance and renewal of licenses, but the amount of such fee shall not exceed $125 per annum.

"(d) APPLICATION REQUIREMENT.—A license shall not be issued by the Secretary in the case of any clinical laboratory unless—

"(1) the application therefor contains or is accompanied by such information as the Secretary finds necessary;

"(2) the Secretary determines that such laboratory will be operated in accordance with the standards delineated in subsection (e) and such other standards as the Secretary (after consultation with the Advisory Council established under subsection (j)) promulgates to carry out the purposes of this section; and

"(3) the Secretary has received from the applicant an accurate itemized schedule (including common groupings of tests) of all current rates charged by the applicant for those laboratory services he provides, and such other information as may be necessary, including full disclosures of any current contractual relationships (written or oral) between the applicant and physicians respecting such services.

"(e) STANDARDS.—

"(1) The Secretary is authorized to promulgate regulations to establish standards which shall be designed to assure consistent performance by the laboratories of accurate laboratory procedures and services, and shall include, among others, standards to assure—

"(A) maintenance of an internal quality control program adequate and appropriate for accuracy of the laboratory procedures and services;

"(B) maintenance of records, equipment, and facilities necessary for proper and effective operation of the laboratory;

"(C) qualifications of the director of the laboratory, and other supervisory and technical personnel, and any other personnel to the extent deemed necessary for adequate and effective operation of the laboratory with respect to the accuracy and reliability of testing performance taking into account improvements in technology utilized in laboratory testing (which qualifications shall include criteria relating to (i) the extent to which training and experience may be substituted for formal education, and (ii) evidence of continued competency;

"(D) participation in a proficiency testing program and onsite inspection program conducted by qualified public or nonprofit private entities which have adopted standards at least as stringent as those in effect under this section,

(E) the development of job-related proficiency tests based upon job performance criteria that reflect the nature of the work performed by the individual.

"(2) The Secretary is authorized to promulgate regulations to establish such other standards designed to assure consistent performance by facilities limited in function to the collection, processing, and transmission of materials derived from the human body, as referred to in subsection (a), and consistent with the recommendations of the Advisory Council established under subsection (j).

"(3) The Secretary shall bring the standards established under this subsection to the attention of the heads of other Federal departments and agencies having laboratory facilities under their direct jurisdiction so that such standards may be considered and applied as appropriate by such departments and agencies to such laboratory facilities, and he shall seek to achieve the adoption of such standards throughout the Federal Government to the maximum extent possible. The Secretary, not later than 12 months after he adopts final regulations under this subsection, shall report to the appropriate committees of the House of Representatives and the Senate as to the results of his efforts pursuant to the first sentence of this paragraph.

"(f) Revocation, Suspension, or Limitation.—A laboratory license issued by the Secretary may be revoked, suspended, or limited if the Secretary finds, after reasonable notice and opportunity for hearing to the owner or operator of the laboratory, that such owner or operator or any employee of the laboratory—

"(1) has been guilty of misrepresentation in obtaining a license;

"(2) has engaged or attempted to engage or represented himself as entitled to perform any laboratory procedure or category of procedures not authorized by the license;

"(3) has failed to comply with the standards with respect to laboratories and laboratory personnel prescribed by the Secretary pursuant to this section;

"(4) has offered, paid, solicited, or received any kickback or bribe in the form of money or any other thing of value in connection with the provision of clinical laboratory services;

"(5) has engaged in any false, fictitious, or fraudulent billing practice for the purpose of obtaining payment under any program, the funds for which are provided in whole or in part by the United States;

"(6) has engaged in a billing practice which creates a discriminatory effect between patients reimbursed in whole or in part under programs receiving Federal funds and patients not so reimbursed;

"(7) has failed to comply with reasonable requests of the Secretary for any information or materials, or work on materials, the Secretary deems necessary to determine the laboratory's continued eligibility for its license hereunder or continued compliance with the Secretary's standards hereunder;

"(8) has refused a request from the Secretary or any Federal officer or employee designated by the Secretary for permission to inspect the laboratory and its operations and pertinent records at any reasonable time; or

"(9) has violated or aided and abetted any violation of any provision of this section or of any rule or regulation promulgated hereunder.

"(g) Significant Hazard to Public Health.—Whenever the Secretary has reason to believe that continuation of any activity by a laboratory licensed under this section would constitute a significant hazard to the public health, he may bring suit in the district court for the district in which such laboratory is situated to enjoin continuation of such activity and upon proper showing, a temporary injunction or restraining order against continuation of such activity pending issuance of a final order under this section shall be granted without bond by such court.

"(h) Judicial Review.—(1) Any party aggrieved by any final action taken under subsection (f) of this section may at any time within 60 days after the date of such action file a petition with the United States court of appeals for the circuit wherein such person resides or has his principal place of business, for judicial review of such action. A copy of the petition shall be transmitted by the clerk of the court to the Secretary or other officer designated by him for that purpose. The Secretary thereupon shall file in the court the record on which the action of the Secretary is based, as provided in section 2112 of title 28 of the United States Code.

"(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary and to be adduced upon the hearing in such manner and upon such terms and conditions as the court may deem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendations, if any, for the modification or setting aside of his original action, with the return of such additional evidence.

"(3) Upon the filing of a petition referred to in paragraph (1) of this subsection, the court shall have jurisdiction to affirm the action, or to set it aside, in whole or in part, temporarily or permanently. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive.

"(4) The judgment of the court affirming or setting aside, in whole or in part, any such action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code.

"(i) Office of Clinical Laboratories.—(1) The Secretary shall establish within the Department of Health, Education, and Welfare an Office of Clinical Laboratories, the purpose of which shall be—

"(A) to establish a uniform regulatory program for the functions authorized under this section and the laboratory certification and regulation functions presently administered under titles XVIII and XIX of the Social Security Act and under the Federal Food, Drug, and Cosmetic Act, and the Public Health Service Act, and

"(B) to assume responsibility for the laboratory component of other health programs administered and enforced by the Secretary.

"(2) The Office of *Clinical Laboratories*, after consultation with the Advisory Council established under subsection (j) shall establish, within thirteen months after the date of enactment of this Act, a uniform set of testing, quality control, personnel, proficiency testing, and other necessary guidelines for clinical laboratories that will assure quality performance and otherwise serve the purposes of this section as well as the purposes of other programs within the Department of Health, Education, and Welfare. The Office of Clinical Laboratories shall report annually to the Congress through the Secretary concerning its activities under this section together with such findings and recommendations as it deems necessary.

"(j)(1) Advisory Council.—There is established in the Department of Health, Education, and Welfare an advisory council on clinical laboratories (hereinafter referred to as the 'Council'). The Council shall advise, consult with, and make recommendations to the Office of Clinical Laboratories with respect to—

"(A) the development of uniform guidelines relating to laboratory licensing and personnel and performance standards required by this section;

"(B) the implementation and administration of this section;

"(C) the implementation of standards concerning the internal operations of laboratories, including, but not limited to, recommended methods for carrying out specified laboratory procedures, standards on laboratory kits, and standards with regard to chemical reagents; and

"(D) coordination between the different Federal and State laboratory regulatory programs, including the avoidance of duplicate enforcement.

The Council may take appropriate action if it so chooses for the purposes of revealing problems or developing its recommendations.

"(2) The Council shall be composed of not more than 12 appointed individuals who, as a result of their training, experience, or attainments, are well qualified to assist in carrying out the functions of the Council. The membership shall include representatives of nationally recognized laboratory accrediting bodies, directors of State laboratory licensing programs, members of the public, and not more than three members who are owners, operators, or directors of laboratories, members of professional and other associations concerned with clinical laboratories and clinical laboratory personnel. The Council shall include, in addition to the appointed members, the designated representatives of the Secretary of Health, Education, and Welfare, the Secretary of Defense, and the Administrator of Veterans' Affairs as ex officio members.

"(k) Grant Restrictions.—No grant or reimbursement which the Secretary is authorized to make, or contract which he is authorized to award, whether to or for any health care facility, including but not limited to health maintenance organizations, hospitals, skilled nursing or intermediate care facilities, or in connection with the procurement and reimbursement for clinical laboratory services shall be entered into unless the laboratory meets the standards established hereunder by the Secretary.

"(l)(1) Model Certification for Technical Laboratory Personnel.—The Secretary, in cooperation with appropriate organizations, associations, and institutions, is authorized to develop a working model or a system of national (non-Federal) certification for technical laboratory personnel. Such certification system shall assure—

"(A) uniform certification standards at a level consistent with quality laboratory performance;

"(B) increased geographic and career mobility;

"(C) continued evaluation of the certification system;

"(D) consistency with certification procedures developed in the Department of Health, Education, and Welfare; and

"(E) the development of job related proficiency tests based on job performance criteria that reflect the nature of the work performed by the individual.

"(2) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subsection.

"(m)(1) Exemptions.—The Secretary may by regulation exempt from the provisions of this section to the extent and upon such conditions as he may prescribe to insure public health, any clinical laboratory owned and operated by a licensed physician, dentist, podiatrist, or osteopath, who performs laboratory tests or procedures, personally or through his employees, solely as an adjunct to the treatment of his own patients only if such licensed physician, dentist, podiatrist, or osteopath has submitted an affidavit, in such form and manner acceptable to the Secretary, which includes but is not limited to the following information, where applicable:

"(A) a description of the qualifications of nonphysician personnel who participate in (i) the conduct of tests; (ii) the collection of specimens; and (iii) the transmission of specimens;

"(B) the quantity and type of tests conducted by each such nonphysician personnel; and

"(C) the type of and scope range in any proficiency testing participated in, if any, by each such nonphysician personnel.

the description required under paragraph (1)(A) shall contain the educational background, training, and experience of such nonphysician personnel.

"(2) Waivers.—(A) Regulations promulgated by the Secretary under subsection (e) (1) (relating to the qualification of laboratory personnel) shall not apply to a clinical laboratory located within a health care facility of 100 beds or less and which is located in a rural area (as defined by the Secretary) for a period of two years after the effective date of such regulations.

"(B) Upon the expiration of the two-year period provided for in paragraph (A) the Secretary may waive the requirements of this section, with regard to a health care facility (described in subparagraph (A)) if such health care facility—

"(i) meets such quality control standards as the Secretary deems necessary; or

"(ii) employs personnel who have completed specific job related proficiency tests developed by the Secretary under subsection (l)(1)(E).

"(n) Coordination of Functions.—In carrying out his functions under this section, the Secretary is authorized, pursuant to agreement, to utilize the services or facilities of any Federal or State or local public or private nonprofit agency, organization, or institution. The administration of regulatory functions authorized under this section shall be under the direction of and coordinated by the Office of Clinical Laboratories. The Secretary may pay for such services in advance or by way of reimbursement, and in such installments, as he may determine.

"(o) Delegation to States.—(1) The Secretary, pursuant to subsection (b)(1)(B), may delegate his authority to issue licenses under this subsection to an appropriate health authority of each State—

"(A) which he determines has enacted a law or has adopted regulations applicable to clinical laboratories which laws or regulations meet or exceed the standards established under this section; and

"(B) which is enforcing the provisions of such laws or regulations with respect to all clinical laboratories within its jurisdiction in a manner which does not discriminate against any type or class of such laboratories.

"(2) The Secretary shall review and approve or disapprove the laws or regulations applicable to clinical laboratories of any State submitted to him and notify the Governor of such State of the results of his review within 180 days of such submission.

"(3) The Secretary shall approve the laws or regulations applicable to clinical laboratories of any State if he determines that such laws or regulations provide for licensing on the basis of standards and other regulatory requirements that impose standards of performance equal to or higher than that imposed by the requirements adopted by the Secretary pursuant to this section and if such State submits an administrative and enforcement plan which shall—

"(A) provide for the administration and enforcement within the State of such laws or regulations in a manner satisfactory to the Secretary:

"(B) designate a single agency in the State as the sole agency, for the administration and enforcement of such laws or regulations;

"(C) contain satisfactory evidence that the State agency designated in accordance with subparagraph (B) will have authority to administer and enforce such laws or regulations in an effective manner;

"(D) contain satisfactory assurances that in the case of any State which has an approved licensure program which exceeds the national standards, as determined by the Secretary under this section, such State shall provide that a laboratory shall be qualified for licensure in such State upon compliance with the additional requirements imposed by the licensure program of such State;

"(E) contain satisfactory assurances that the State coordinates inspections with other State laboratory programs and with the Federal laboratory program authorized by this section so as to avoid unnecessary duplication of enforcement expenditures;

"(F) contain satisfactory assurances that the State enters into reciprocal arrangements with other States and with the Federal Government to minimize differences between laboraory programs and enforcement;

"(G) not contain any requirement for licensure to the effect that the individual applying for licensure reside in such State for a designated period of time prior to the issuance of such license;

"(H) contain satisfactory assurances that each State shall apply any requirements of a personnel licensure or certification program equally to all individuals who apply to be licensed or certified as laboratory personnel in such State, and that each State licensure or certification program shall have only one set of licensure requirements for each class of laboratory personnel;

"(I) provide that the State agency of each State notify the Secretary of any denial of licensure to any laboratory personnel;

"(J) contain any other information which the Secretary may find necessary for purposes of evaluating the adequacy of the State's laws or regulations and of its enforcement of such laws or regulations.

"(4) Whenever the Secretary determines, after reasonable notice and opportunity for hearing to the Governor of any State, that such State no longer meets the requirements of this subsection he shall terminate the authority delegated to such State. Such termination shall not preclude subsequent redelegation to any State which subsequently meets the requirements of this subsection.

"(5)(A) With respect to each State to which authority to issue licenses has been delegated under this subsection, the Secretary shall from time to time but not less often than annually conduct a review, including onsite inspection of a random sample of laboratories, to determine whether such State continues to meet the requirements of this subsection. In connection with such review, the State under review shall provide the Secretary with such information as he deems necessary to conduct the review.

"(B) The results of any review conducted under this paragraph shall be reported to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate.

"(p) Assistance to States or the Development and Administration of a Regulatory Program.—(1) The Secretary is authorized to provide technical assistance to any State agency designated in an administration and enforcement plan submitted pursuant to subsection (o) in developing and administering a program for the effective regulation of clinical laboratories, which assistance shall include—

"(A) assistance in planning and developing an adequate program for the regulation of clinical laboratories, including proficiency testing;

"(B) assistance in the administration of such a program; and

"(C) assistance in training laboratory personnel (including the provision of instructional material and equipment).

"(2)(A) The Secretary is authorized to make grants to States to assist them in meeting the costs of existing programs and the development and administration of new programs for the regulation of clinical laboratories.

"(B) No grant may be made under this subsection unless an application therefor has been submitted to and approved by the Secretary. Such application shall be submitted in such form and contain such information as the Secretary may reasonably require.

"(C) The amount of any grant made under this subsection shall be determined by the Secretary, but no such grant to any State may exceed 75 percent of such State's cost of administering and enforcing its program of regulation of clinical laboratories.

"(3) No technical or financial assistance under this subsection shall be provided to any State which has not developed an approved administrative plan pursuant to subsection (o).

"(4) There are authorized to be appropriated $15,000,000 for each fiscal year to carry out the purposes of this subsection.

"(q) Inspection Authority.—(1) For purposes of enforcement of this section, officers, employees or agents designated by the Secretary upon presenting appropriate credentials to the owner, operator, or agent in charge are authorized—

"(A) to enter, at reasonable times, any clinical laboratory in any State; and

"(B) to inspect, at reasonable times and in a reasonable manner, such clinical laboratory and all pertinent equipment, materials, containers, records, files, papers, processes, controls, facilities, and all other things therein bearing on whether such clinical laboratory is being operated in compliance with this section and the regulations issued hereunder or otherwise bearing upon violation of this section.

"(2) Upon completion of any such inspection and prior to leaving the premises, the officer, employee, or agent making the inspection shall give to the owner, operator or agent in charge a report which summarizes any conditions or practices observed by him which, in his judgment, indicate a violation of this section. He shall also prepare a written report of his findings and send it to such owner, operator, or agent within a reasonable time.

"(3) No officer, employee, or agent designated by the Secretary to enter a laboratory and conduct an inspection pursuant to this subsection shall be required to obtain a search warrant from any judicial officer prior to entering any laboratory and conducting any inspection which is within the scope of this subsection.

"(r) Violations and Penalties.—Any person who willfully violates any provision of this section or any rule or regulation promulgated thereunder shall be guilty of a misdemeanor and shall, upon conviction thereof, be subject to imprisonment for not more than one year, or a fine of not more than $1,000, or both.

"(s) (1) No laboratory employer may discharge any employee or otherwise discriminate against any employee with respect to his compensation, terms, conditions, or privileges of employment on the basis of the employee (or any person acting pursuant to a request that the employee) has—

"(A) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this title or a proceeding for the administration or enforcement of laboratory regulations as set forth under any Federal or State program,

"(B) testified or is about to testify in any such proceeding, or

"(C) assisted or participated or is about to assist or participate in such a proceeding or in any other action to carry out the purposes of this title.

"(2) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of paragraph (1) may, within 30 days after such violation occurs, file a complaint (notwithstanding the amount in controversy) in the United States district court for the district in which the employer or employee resides, alleging such discharge or discrimination. A copy of the complaint shall immediately be served on the employer."

Mr. KENNEDY. Mr. President, I ask unanimous consent that LeRoy Goldman and Art Viseltear be permitted the privilege of the floor during consideration of the legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. I ask unanimous consent that Jay Cutler be permitted the privilege of the floor during consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Will the Senator yield briefly?

Mr. ROBERT C. BYRD. Yes.

Mr. MANSFIELD. I understand that there will be a call for the yeas and nays on passage. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

ORDER FOR ADJOURNMENT UNTIL MONDAY, MAY 3, 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 noon on Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 2555 ON MONDAY, MAY 3, 1976

Mr. ROBERT C. BYRD. I ask unanimous consent that on Monday, the Senate proceed to the consideration of Calendar No. 721, S. 2555, a bill to establish national rangelands rehabilitation and protection program, which the leadership had intended to call up this afternoon but, for reasons, will not do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST FOR CONSIDERATION OF S. 3219 ON MONDAY, MAY 3 AND FOR TIME LIMITATION THEREON

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of S. 2555 on Monday, the Senate proceed to the consideration of the Clean Air Act, S. 3219; that there be a time limitation thereon of 6 hours, to be equally divided between and controlled by Mr. Muskie and Mr. Buckley; that the time on the debate on the bill not begin running on Monday, however; that there be a time limitation on any amendment to the bill of 2 hours, a time limitation on any amendment to an amendment of 1 hour, a time limitation on any debatable motion or appeal or point of order, if such is submitted to the Senate for its discussion, of 30 minutes; that the division and control of time and the agreement itself be in the usual form; and with the understanding that no votes occur on the Clean Air Act on Monday, even though amendments may be in order to be called up on Monday, in which case, time on those amendments would run, but without a vote occurring on Monday, with the final proviso that there be no rollcall vote at all on Monday prior to the hour of 4 o'clock.

Mr. ALLEN. I object for the time being.

The PRESIDING OFFICER. Objection is heard.

SENATE RESOLUTION 436—SUBMISSION OF A RESOLUTION SUPPORTING THE NEW U.S. POLICY TOWARD AFRICA

(Referred to the Committee on Foreign Relations.)

Mr. PERCY (for himself, Mr. Clark, Mr. Pearson, Mr. Case, Mr. Javits, Mr. Hugh Scott, Mr. McGee, and Mr. Pell) submitted the following resolution:

S. Res. 436

Whereas Secretary Kissinger's speech in Lusaka, Zambia, April 27, 1976, signals a new realism in United States policy toward Africa;

Whereas the Secretary's speech takes account of the strong desire of Africans—and Americans—across the political spectrum that there be "no more Angolas", meaning no more East-West confrontation in Africa;

Whereas the Secretary has morally committed the United States to a number of positive actions aimed at bringing about majority rule—with protection of minority rights—in Rhodesia and Namibia;

Whereas the Senate shares the Secretary's concern that refusal by the Ian Smith regime to negotiate sincerely could open the way for Communist intervention in Rhodesia with greater violence and bloodshed; and

Whereas the Senate supports the Secretary's conclusion that the best policy for the United States is to demonstrate constructive United States support of majority rule: Now therefore, be it

Resolved, That the Senate strongly supports the basic principles and positions which Secretary Henry Kissinger expounded in his address at Lusaka, Zambia, on April 27, 1976, and is prepared to work closely with the Secretary in implementing this new policy toward Africa.

Mr. PERCY. Mr. President, will the distinguished Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. PERCY. Mr. President, I appreciate very much my distinguished colleague's yielding. It is a matter of deep interest to Senator Kennedy, I know, because at the time I was in South Africa the past 2 weeks, I had two outstanding assistants of his serving the Senate. I commend the work that they did in South Africa during the course of our study tour there.

Mr. President, Secretary Kissinger's address in Lusaka, April 27, places the administration on record with a clear statement of principles and proposals for concrete action supporting majority rule and minority rights in southern Africa.

Having just returned from a 2-week study trip to east and southern Africa, during which I met with Presidents Nyerere of Tanzania, Kaunda of Zambia, Machel of Mozambique, Vice President Masire of Botswana, and Prime Minister Vorster of South Africa. I can predict that the Secretary's statement will be greeted as a significant turning point in U.S. policy toward Africa. It offers hope that, by throwing America's moral, political, and economic weight behind the cause of majority rule and minority rights, we can help block the spread of Communist influence and the threat of increased violence.

We have taken the position that foreign policy is a joint responsibility of the legislative and executive branches of Government. The Congress refused to support the executive branch in what was regarded as a poorly conceived, losing battle to prevent domination of Angola by the MPLA.

Now we have an opportunity to show the world that the two branches of our Government can work together constructively on foreign policy, even in an election year. I believe the American people want no more Angolas. I believe that the people of Africa hope that we will not stand aloof from their struggle—for majority rule and minority rights in Rhodesia and Namibia. The principles Secretary Kissinger has expressed and the proposals he has made are ones that many of us have long believed are in the U.S. interest.

Therefore, Mr. President, I submit a resolution of Senate support for the Secretary's proposals.

The Senator from Iowa (Mr. Clark), the Senator from Kansas (Mr. Pearson), the Senator from New York (Mr. Javits), the Senator from New Jersey (Mr. Case), the Senator from Pennsylvania (Mr. Hugh Scott), the Senator from Wyoming (Mr. McGee), and the Senator from Rhode Island (Mr. PELL) have already joined with me in cosponsoring the resolution. We would welcome additional cosponsors.

Mr. President, I ask unanimous consent to have printed in the RECORD Dr. Kissinger's address of April 27, 1976.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Address by the Honorable Henry A. Kissinger, Secretary of State

INTRODUCTION

President Ford has sent me here with a message of commitment and cooperation.

I have come to Africa because in so many ways, the challenges of Africa are the challenges of the modern era. Morally and politically, the drama of national independence in Africa over the last generation has transformed international affairs. More than any other region of the world, Africa symbolizes that the previous era of world affairs—the colonial era—is a thing of the past. The great tasks you face—in nation-building, in keeping the peace and integrity of this continent, in economic development, in gaining an equitable role in world councils, in achieving racial justice—these reflect the challenges of building a humane and progressive world order.

I have come to Africa with an open mind and an open heart to demonstrate my country's desire to work with you on these great tasks. My journey is intended to give fresh impetus to our cooperation and to usher in a new era in American policy.

The United States was one of the prime movers of the process of decolonization. The American people welcomed the new nations into the world community and for two decades have given aid and encouragement to economic and social progress in Africa. And America's responsibilities as a global power give us a strong interest today in the independence, peace and well-being of this vast continent comprising a fifth of the world's land surface. For without peace, racial justice and growing prosperity in Africa, we cannot speak of a just international order.

There is nothing to be gained in a debate about whether in the past America has neglected Africa or been insufficiently committed to African goals. The United States has many responsibilities in the world. Given the burden it has carried in the postwar period, it could not do everything simultaneously. African nations too have their own priorities and concerns, which have not always accorded with our own. No good can come of mutual recrimination. Our differing perspectives converge in a common purpose to build a secure and just future for Africa. In active collaboration there is much we can do; in contention or apart we will miss great opportunities. President Ford, the American Government and people are prepared to work with you with energy and goodwill if met in the same spirit.

So it is time to put aside slogans and to seek practical solutions. It is time to find our common ground and act boldly for common ends.

Africa is a continent of hope—a modern frontier. The United States from the beginning has been a country of the frontier, built by men and women of hope. The American people know from their history the meaning of the struggle for independence, for racial equality, for economic progress, for human dignity.

I am not here to give American prescriptions for Africa's problems. Your program must be African. The basic decisions and goals must be African. But we are prepared to help.

Nor am I here to set African against African, either among your governments or among factions of liberation movements. African problems cannot be solved and your destiny cannot be fulfilled except by a united Africa. America supports African unity. We urge all other countries to do the same.

Here in Africa the range of mankind's challenges and potential can be seen in all its complexity and enormous promise. The massive power and grandeur of nature is before us in all its aspects—as the harsh master and as a bountiful servant of mankind. Here we can feel the rich and living cultures which have changed and invigorated art, music and thought around the world. And here, on this continent, we are tested, all of us, to see whether our future will be determined for us or by us, whether humanity will be the victim or the architect of its destiny.

THE PROBLEM OF SOUTHERN AFRICA

Of all the challenges before us, of all the purposes we have in common, racial justice is one of the most basic. This is a dominant issue of our age, within nations and among nations. We know from our own experience that the goal of racial justice is both compelling and achievable. Our support for this principle in southern Africa is not simply a matter of foreign policy, but an imperative of our own moral heritage.

The people of Zambia do not need to be reminded of the importance of realizing this goal. By geography and economic necessity, Zambia is affected directly and grievously by strife in southern Africa. Political stability in this region means more to Zambia than to many others. Yet Zambia has chosen to stand by her principles by closing her border with Rhodesia and enduring the economic consequences. This is a testimony to the determination of the people of this country and to the statesmanship of its great leader, President Kaunda.

And it was in this city seven years ago that leaders of east and central African states proclaimed their manifesto on southern Africa.

One is struck by the similarity of philosophy in the American Declaration of Independence and in the Lusaka Manifesto. Two hundred years ago, Thomas Jefferson wrote: "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed."

And seven years ago, the leaders of east and central Africa declared here in Lusaka that:

> "By this Manifesto we wish to make clear, beyond all shadow of doubt, our acceptance of the belief that all men are equal, and have equal rights to human dignity and respect, regardless of color, race, religion, or sex. We believe that all men have the right and duty to participate, as equal members of society, in their own government."

There can be no doubt that the United States remains committed to the principles of its own Declaration of Independence. It follows that we also adhere to the convictions of the Lusaka Manifesto.

Therefore, here in Lusaka, I reaffirm the unequivocal commitment of the United States to human rights, as expressed in the principles of the United Nations Charter and the Universal Declaration of Human Rights. We support self-determination, majority rule, equal rights and human dignity for all the peoples of southern Africa—in the name of moral principle, international law and world peace.

On this occasion I would like to set forth more fully American policy on some of the immediate issues we face—in Rhodesia, Namibia and South Africa—and then to sketch our vision of southern Africa's hopeful future.

THE UNITED STATES POSITION ON RHODESIA

The United States position on Rhodesia is clear and unmistakable. As President Ford has said, "The United States is totally dedicated to seeing to it that the majority becomes the ruling power in Rhodesia." We do not recognize the Rhodesian minority regime. The United States voted for, and is committed to, the UN Security Council resolutions of 1966 and 1968 that imposed mandatory economic sanctions against the illegal Rhodesian regime. Earlier this year we cosponsored a Security Council resolution, which we passed unanimously, expanding mandatory sanctions. And in March of this year, we joined with others to commend Mozambique for its decision to enforce these sanctions even at great economic cost to itself.

It is the responsibility of all who seek a negotiated solution to make clear to the Rhodesian minority that the world community is united in its insistence on rapid change. It is the responsibility of those in Rhodesia who believe in peace to take the steps necessary to avert a great tragedy.

United States policy for a just and durable Rhodesian solution will therefore rest on ten elements:

First, the United States declares its support in the strongest terms for the proposals made by British Prime Minister Callaghan on March 22 of this year: that independence must be preceded by majority rule which, in turn, must be achieved no later than two years following the expeditious conclusion of negotiations. We consider these proposals a basis for a settlement fair to all the people of Rhodesia. We urge that they be accepted.

Second, the Salisbury regime must understand that it cannot expect United States support either in diplomacy or in material help at any stage in its conflict with African states or African liberation movements. On the contrary, it will face our unrelenting opposition until a negotiated settlement is achieved.

Third, the United States will take steps to fulfill completely its obligation under international law to mandatory economic sanctions against Rhodesia. We will urge the Congress this year to repeal the Byrd Amendment, which authorizes Rhodesian chrome imports to the United States, an act inconsistent with United Nations sanctions. In parallel with this effort, we will approach other industrial nations to ensure the strictest and broadest international compliance with sanctions.

Fourth, to ensure that there are no misperceptions on the part of the leaders of the minority in Rhodesia, the United States, on the conclusion of my consultations in black Africa, will communicate clearly and directly to the Salisbury regime our view of the urgency of a rapid negotiated settlement leading to majority rule.

Fifth, the United States Government will carry out its responsibility to inform American citizens that we have no official representation in Rhodesia nor any means of providing them with assistance or protection. American travelers will be advised against entering Rhodesia; Americans resident there will be urged to leave.

Sixth, as in the case of Zambia a few years ago, steps should be taken—in accordance with the recent UN Security Council resolution—to assist Mozambique, whose closing of its borders with Rhodesia to enforce sanctions has imposed upon it a great additional economic hardship. In accordance with this UN resolution, the United States is willing to provide $12.5 million of assistance.

Seventh, the United States—together with other members of the United Nations—is ready to help alleviate economic hardship for any countries neighboring Rhodesia which decide to enforce sanctions by closing their frontiers.

Eighth, humanitarian provision must be made for the thousands of refugees who have fled in distress from Rhodesia into neighboring countries. The United States will consider sympathetically requests for assistance for these refugees by the UN High Commissioner for Refugees or other appropriate international organizations.

Ninth, the world community should give its support to the people of Rhodesia as they make the peaceful transition to majority rule and independence, and should aid a newly independent Zimbabwe. To this end, we are ready to join with other interested nations in a program of economic, technical, and educational assistance, to enable an independent Zimbabwe to achieve the progress and the place in the community of nations to which its resources and the talents of all its people entitle it.

Finally, we state our conviction that whites as well as blacks should have a secure future and civil rights in a Zimbabwe that has achieved racial justice. A constitutional structure should protect minority rights together with establishing majority rule. We are prepared to devote some of our assistance programs to this objective.

In carrying out this program we shall consult closely with the Presidents of Botswana, Mozambique, Tanzania and Zambia.

We believe these are important measures. We are open-minded with respect to additional actions that can help speed a resolution. The United States will consult closely with African leaders, especially the four Presidents, and with other friends on the Rhodesian problem. For the central fact that I have come here to stress is this: the United States is wholly committed to help bring about a rapid, just and African solution to the issue of Rhodesia.

NAMIBIA

Rhodesia is the most urgent but by no means the only critical problem in southern Africa. The status of Namibia has been a source of contention between the world community and South Africa for over three decades.

The territory of South-West Africa turned into a source of serious international discord following World War II. When the United Nations refused to accede to South Africa's proposal for annexation of the territory, South Africa declined to enter into a trusteeship agreement, and since then has refused to recognize the United Nations as the legal sovereign. In 1966, the General Assembly terminated South Africa's mandate over the territory. In 1971, the International Court of Justice concluded that South Africa's occupation of Namibia was illegal and that it should withdraw.

The United States voted for the 1966 General Assembly resolution. We were the only major power to argue before the International Court that South African occupation was illegal. And in January 1976 the United States voted in favor of the UN resolution condemning the occupation of Namibia and calling for South Africa to take specific steps toward Namibia's self-determination and independence.

We are encouraged by the South African Government's evident decision to move Namibia toward independence. We are convinced that a solution can be found which will embody equal rights for the entire population and at the same time protect the interests of all who live and work there. But we are concerned that South Africa has failed to announce a definite timetable for the achievement of self-determination, that all the people and all political groupings of Namibia have not been allowed to take part in determining the form of government they shall one day have, and that South Africa continues to deny the United Nations its proper role in establishing a free and independent Namibia.

Therefore the United States position is as follows:

We reiterate our call upon the South African Government to permit all the people and groups of Namibia to express their views freely, under UN supervision, on the political future and constitutional structure of their country.

We urge the South African Government to announce a definite timetable acceptable to the world community for the achievement of self-determination.

The United States is prepared to work with the international community, and especially with African leaders, to determine what further steps would improve prospects for a rapid and acceptable transition to Namibian independence. We are convinced that the need for progress is urgent.

Once concrete movement toward self-determination is underway, the United States will ease its restrictions on trade and investment in Namibia. We stand ready to provide economic and technical assistance to help Namibia take its rightful place among the independent nations of the world.

SOUTH AFRICA

Apartheid in South Africa remains an issue of great concern to those committed to racial justice and human dignity.

No country, no people can claim perfection in the realm of human rights. We in America are aware of our own imperfections. But because we are a free society, our problems and our shortcomings are fully aired and made known to the world. And we have reason to take pride in our progress in the quest for justice for all in our country.

The world community's concern with South Africa is not merely that racial discrimination exists there. What is unique is the extent to which racial discrimination has been institutionalized, enshrined in law and made all-pervasive.

No one—including the leaders of black Africa—challenges the right of white South Africans to live in their country. They are not colonialists; historically, they are an African people. But white South Africans must recognize as well that the world will continue to insist that the institutionalized separation of the races must end. The United States appeals to South Africa to heed the warning signals of the past two years. There is still time to bring about a reconciliation of South Africa's peoples for the benefit of all. But there is a limit to that time—a limit of far shorter duration than was generally perceived even a few years ago.

A peaceful end to institutionalized inequality is in the interest of all South Africans. The United States will continue to encourage and work for peaceful change. Our policy toward South Africa is based upon the premise that within a reasonable time we shall see a clear evolution toward equality of opportunity and basic human rights for all South Africans. The United States will exercise all its efforts in that direction. We urge the Government of South Africa to make that premise a reality.

In the immediate future, the Republic of South Africa can show its dedication to Africa—and its potential contribution to Africa—by using its influence in Salisbury to promote a rapid negotiated settlement for majority rule in Rhodesia. This, we are sure, would be viewed positively by the community of nations as well as by the rest of Africa.

A VISION OF THE FUTURE

Southern Africa has all the prerequisites for an exciting future. Richly endowed with minerals, agricultural and hydroelectric potential, a favorable climate, and, most important, great human resources, it needs only to overcome the human failure of racial strife to achieve bright prospects for all its peoples.

Let us all strive to speed the day when this vision becomes a reality.

The United States stands ready to work with the nations of southern Africa to help them achieve the economic progress which will give meaning to their political independence and dignity to their struggle for equality.

As you know, Deputy Secretary Robinson, an expert in economic development, is accompanying me on this visit. This is the first time that an American Secretary of State and Deputy Secretary together have come on such a mission, reflecting the importance we attach to the economic development of southern Africa. Mr. Robinson and I are discussing development needs with African officials in the various capitals and we shall continue these consultations at the UNCTAD meeting in Nairobi next week. After my return to Washington, based on what we have learned, we will urgently study a new aid program for this continent.

Africa and its friends face a dual challenge—immediate and long-term growth. In the short term, economic emergencies can arise from natural disasters or sharp swings in global economic conditions over which developing nations have little control. These economic shocks must be dealt with if the nations of the region are to maintain their hard-won progress toward development. For example, the sharp drop in world copper prices has had a devastating impact on the economies of Zambia and Zaire. The United States will deal with this problem in its bilateral assistance programs for these countries, and in our programs for multilateral action—to be proposed at UNCTAD next week—for resource development, buffer stocks, and earnings stabilization.

But our basic concern must go beyond responding to emergencies. We need to develop urgently programs to lay the foundations for sustained growth to enable the developing nations of southern Africa to deal effectively with global economic shocks and trends.

Let me mention four that are especially relevant to southern Africa: trained local manpower, rural development, advanced technology, and modern transportation.

For Namibia and Zimbabwe, training programs should be intensified now so that needed manpower will be ready when majority rule is attained. Existing programs to train Namibian and Zimbabwean refugees as administrators and technicians should be expanded as rapidly as possible. We have requested additional funds from Congress for this purpose. We urge other donors and international organizations to do more.

Development for all of southern Africa involves a process of transforming rural life. We are prepared to assist in agricultural development, in health programs, in manpower training, in improving rural transportation—through both bilateral and multilateral programs.

A revolution in development planning could be achieved by the use of satellites to collect vital information on crops, weather, water resources, land use, and mineral exploration. The United States has already shared with developing nations information from our earliest earth resources survey satellites. We are now prepared to undertake much larger programs to apply this technology to Africa—including training programs and the development of training facilities and satellite receiving stations in Africa itself.

Perhaps the most critical long-term economic need of southern Africa is a modern system of regional transportation. The magnitude of the effort extends beyond the capacity of any one nation or group of nations. For this reason the United States proposes that the World Bank undertake as a priority matter the organization of a multilateral consultative group of donors to develop a modern regional transportation system for southern Africa. For our part we promise our full cooperation in working out a long-term program and in financing appropriate portions of it.

And finally, I can announce today that we expect to triple our support for development programs in southern and central Africa over the next three years.

In addition, the United States has offered leadership in many international forums to promote development through multilateral cooperation. The industrial nations, the newly wealthy oil producers and the developing countries themselves must collaborate for the goal of development. Africa is a principal beneficiary of the many United States initiatives in multilateral institutions and programs—to enhance economic security through supporting export earnings in the face of sharp economic swings; to promote growth through better access to capital markets and technology transfers; to accelerate agricultural production; to improve the conditions of trade and investment in key commodities; and to address the special needs of the poorest nations.

Many of the proposals we have made are already being implemented. Next week in Nairobi I will put forward new proposals to further advance progress in relations between developed and developing nations.

CONCLUSION

Ladies and Gentlemen:

Today I have outlined the principles of American policy on the compelling challenges of southern Africa.

Our proposals are not a program made in America to be passively accepted by Africans. They are an expression of common aspirations and an agenda of cooperation. Underlying it is our fundamental conviction that Africa's destiny must remain in African hands.

No one who wishes this continent well can want to see Africans divided either between nations or between liberation movements. Africans cannot want outsiders seeking to impose solutions, or choosing among countries or movements. The United States, for its part, does not seek any pro-American African bloc confronting a bloc supporting any other power. Nor do we wish to support one faction of a liberation movement against another. But neither should any other country pursue hegemonial aspirations or bloc policies. An attempt by one will inevitably be countered by the other. The United States therefore supports African unity and integrity categorically as basic principles of our policy.

There is no better guarantee against outside pressure from any quarter than the determination of African nations in defense of their own independence and unity. You did not build African institutions to see outside forces fragment them into competing blocs. The United States supports Africa's genuine nonalignment and unity. We are ready for collaboration on the basis of mutual respect. We do so guided by our convictions and our values. Your cause is too compatible with our principles for you to need to pursue it by tactics of confrontation with the United States; our self-respect is too strong to let ourselves be pressured either directly or by outside powers.

What Africa needs now from the United States is not exuberant promises or emotional expressions of good will. What it needs is a concrete program which I have sought to offer today. So let us get down to business. Let us direct our eyes towards our great goals—national independence, economic development, racial justice—goals that can be achieved by common action.

Africa in this decade is a testing ground of the world's conscience and vision. That blacks and whites live together in harmony and equality is a moral imperative of our time. Let us prove that these goals can be realized by human choice, that justice can command by the force of its rightness instead of by force of arms.

These are ideals that bind all the races of mankind. They are the mandate of decency and progress and peace.

This drama will be played out in our own lifetime. Our children will inherit either our success or our failure. The world watches with hope, and we approach it with confidence.

So let it be said that black people and white people working together achieved on this continent—which has suffered so much and seen so much injustice—a new era of peace, well-being and human dignity.

The PRESIDING OFFICER. Without objection, the resolution will be received and appropriately referred.

CLINICAL LABORATORIES IMPROVEMENT ACT OF 1976

The Senate continued with the consideration of the bill (S. 1737) to amend the Public Health Service Act to encourage the establishment of uniform standards of licensing and regulation of clinical laboratories, and for other purposes.

Mr. KENNEDY. Mr. President, I am pleased to present for the Senate's approval the Clinical Laboratories Improvement Act of 1976 (S. 1737), which was reported from my committee on February 17 and unanimously approved by the members of the Committee on Labor and Public Welfare on February 26. This is a vitally important bill because the clinical laboratory represents a major and costly component of the Nation's health network. In 1974, almost 3 billion tests, approximately 15 diagnostic tests for every person in the United States, were conducted at an estimated cost to the Nation of $8 billion. By 1980, it is estimated that some 8.8 billion clinical laboratory tests will annually be conducted at a cost of $15 billion. We are justifiably concerned with costs, which in the laboratory industry increases at a rate four percentage points higher than the costs for health in general, but we are equally concerned and preoccupied with quality. This act's fundamental goal is laboratory improvement, which State and Federal Governments foster, professional associations sponsor, laboratory directors attempt to achieve, and upon which our public health depends.

Yet despite the support for this desideratum of health care, laboratory improvement efforts remain illusory. This act, which I am honored to cosponsor with my good friend and colleague, Senator JAVITS, who as you know was the principal author of the 1967 clinical laboratories improvement legislation, goes far to assure quality, protect the public's health, lessen the potential for mischief and end the bureaucratic problems attendant to the implementation of the original, Federal clinical laboratories improvement program.

BACKGROUND

Mr. President, the regulation of clinical laboratories as a separate issue was first sharply defined in the mid-1960's. Following a decade of investigations by individuals, professional societies and States public health laboratory authorities, it had become clear that the system which supplied laboratory information to physicians was, at least in part, seriously compromised by technical incompetence, technological barriers, fraudulent practice or combinations thereof, and that some form of regulatory action was necessary.

The first of such actions were taken by the States, with or without specific statutory regulatory authority, with varying degrees of success. New York and California are examples of the more vigorous of these State efforts where the quality of clinical laboratory performance was significantly improved. Not all States were able to mount such programs, and increasingly the impact of such State programs was being avoided by the operation of interstate laboratories to which State standards did not apply. Some States attempted to solve this interstate problem by prohibiting out-of-State advertising of laboratory services, or by requiring State licensure even for laboratories outside that State.

It was the passage of the medicare legislation that first established standards, but only for those laboratories receiving Federal funds under the program. At that time, hospitals accredited by the Joint Commission on Accreditation of Hospitals—JCAH—and the American Osteopathic Association—AOA—were automatically accepted as meeting the requirements of the law. In fact, the Secretary of DHEW was prohibited from setting higher standards than those used by these two groups. As a result, there were three sets of standards for laboratories administered under medicare.

The situation improved after passage of the 1972 Social Security Amendments, when the Secretary was given authority to set standards higher than those of JCAH and, additionally, given the authority to inspect accredited JCAH facilities on a sample basis.

CLIA 1967

The Clinical Laboratories Improvement Act of 1967—CLIA 1967—has been the cornerstone of efforts to improve the quality of laboratory medicine. In 1967, testimony revealed that quality varied—among disciplines within each laboratory, among laboratories within a State, and among laboratories in different States. A host of factors were found to contribute to substandard quality and to variability in quality, including the use of inadequate or inappropriate procedures, equipment, reagents and kits; poorly trained personnel; inadequate internal quality control mechanisms; and errors in interpreting or transcribing test results.

Confined as it was to laboratories engaged in interstate commerce, CLIA 1967 was a limited, though important and necessary first step in assuring quality. When the clinical laboratory field was recently evaluated by the Center for Disease Control—CDC—many of the same disturbing facts that had originally been found in 1967 reemerged with respect to laboratories not covered by CLIA 1967. For example: Only interstate laboratories—just 6 percent of the Nation's total number of clinical laboratories—are regulated under CLIA 1967; barely half the States have enacted legislation regarding laboratories and, according to CDC, the majority of these laws are ineffective; fewer than a dozen States license clinical laboratory personnel; intrastate laboratories are regulated only if they participate in medicare programs; hospital laboratories undergo periodic but cursory examination; physicians' office laboratories continue to operate freely without any agreed on standards; fundamental differences exist between DHEW agencies responsible for assuring high quality laboratory work; and reports of "bureaucratic infighting" and "territorial imperatives" within DHEW continue to reach my committee.

From those laboratories that are presently regulated under CLIA 1967 and medicare superior quality services were expected, but owing to overlapping governmental jurisdictions and different standards this has not been the case in all instances. For example, JCAH applies standards to 4,400 hospital-based laboratories. Seven thousand hospital-based laboratories must be certified each year for participation in the medicare program, but standards imposed by the Social Security Administration—SSA—and JCAH have been weak and ineffective, in that the standards are lower than those imposed by CDC. Other hospital-based laboratories which engage in interstate commerce are certified by CDC, most of which participate in the medicare program. CDC also accredits some 600 additional interstate commerce laboratories, so there is great confusion respecting accreditation and licensure.

Additional confusion exists in the administration of survey/certification programs, CDC, for example, recognizes certification programs conducted by the College of American Pathologists—CAP—and the State of New York. SSA qualifies laboratories for medicare reimbursement if they pass annual surveys against Federal standards, which are conducted by State health agency personnel for the 3,000 independent laboratories and the 2,500 hospital-based laboratories not accredited by JCAH. It is apparent that uniformity in laboratory regulation is illusory.

Even DHEW's Forward Plan for Health—1976–80, recognized serious and widespread deficiencies in the laboratory field and concluded that "Neither patients nor clinicians have any way to know the confidence they can place in tests performed by clinical laboratories."

CLIA 1976

The problems that I have briefly outlined above, Mr. President, can be effectively remedied. The Clinical Laboratories Improvement Act—CLIA 1976—S. 1737, is a thorough revision of CLIA 1967. The principal goal of S. 1737 is quality assurance, and its key theme is unification with one set of Federal regulations to end gaps—which favor certain laboratories competitively—and confusions—over which Federal programs and standards cover which laboratories.

Under the provision of CLIA 1976, the Secretary of DHEW shall regulate by licensing clinical laboratories which solicit or accept diagnostic specimens for testing services.

The basic method of regulation contemplated in the reported bill is implementation of a licensure system based upon compliance with quality assurance standards. The Secretary of DHEW would be authorized to set these standards and he would be directed to assure that the standards provided for adequate internal quality control programs, including the maintenance of records, surveillance of equipment and facilities. establishment of personnel qualifications and the development of an objective system of proficiency testing and safeguards to assure the accuracy of the collection, processing, and transmission of materials by collection stations.

Enacted to regulate the quality of performance of laboratories, Mr. President, CLIA 1967 has performed adequately but certainly less than optimally. When enacted, it was recognized that overlapping regulatory authority had been created. But it was not then apparent that two, quite dissimilar philosophies of regulation had been established. The medicare approach depends primarily upon the formulation of conditions and standards" which then serve as guidelines to State examiners who make a judgment as to whether the services provided are of such quality as to be reimbursable. On the other hand, CLIA 1967 and its attendant regulations were written to supply such conditions and standards, adherence to which was required to maintain a license to operate in interstate commerce.

CLIA 1976 attempts to realine these regulatory philosophies into a coherent and uniform program, a process begun in 1972 by the Senate Finance Committee when it was recognized that the two separate programs operated under separate regulations through separate often duplicative administrative mechanisms.

My committee shares the concern of the Committee on Finance. CLIA 1976 specifically addresses the problem of program coordination by requiring the Secretary to establish a uniform regulatory program for the certification and regulatory functions presently administered under medicare, medicaid; and CLIA 1976, as well as the expanded functions under the bill with respect to currently unregulated clinical laboratories.

DHEW

During the hearings before my committee—see below for further details—we learned that an interagency agreement had been developed by the Federal agencies responsible for laboratory regulation. If implemented, and we were assured it already had been, the concordant would merge the standard setting and administration of the two existing programs. Under the terms of the proposed merger, scientific and technical standards would be developed by the Bureau of Quality Assurance—BQA. The Bureau of Health Insurance—BHI—would administer regulatory functions for both programs through arrangements with State health agencies following the system now used for approval of facilities under the medicare program. Additionally, BQA—if it were adequately funded—would have an advisory, consultative, and monitoring role of State, on-site survey activity as well as responsibility for laboratory improvement.

As we ascertained in the course of questioning during the hearings, Dr. Theodore Cooper, DHEW's Assistant Secretary for Health, agreed that S. 1737 had prompted DHEW's merger plans. CLIA 1976 is consistent with the directions now being undertaken by the Secretary and will assure that the long awaited and promised agreement will indeed be implemented.

The bill further provides the Secretary with the necessary flexibility to coordinate the laboratories improvement program with existing regulatory programs. Under the medicare program, for example, standards are set by the Secretary and agreements made with States to carry out on-site surveys. Determinations are also made as to whether providers meet Federal standards, as well as for full State participation in program administration.

The committee believes that in instances where States are either unable or unwilling to elect to qualify for delegated licensure authority, as provided for under CLIA 1976, the medicare certification system should be utilized for purposes of carrying out the onsite survey of laboratories. Review and approval for licensure would be retained by the Secretary, as is currently the case under the medicare program.

HEARINGS

Hearings on S. 1737 were held on September 8 and 9, 1975. Witnesses representing all segments of the laboratory community testified on the bill's approach to basic issues. For example: Is there a need for central regulatory authority within DHEW; should Congress fix responsibility in a single administrative unit or require the Secretary to do so; to what extent should State agencies be required to monitor and evaluate clinical laboratories directly; when and how should physicians' office laboratories be regulated; is the bill likely to produce the simplest and most effective approach to personnel and facility standards; what role should proficiency testing play in assuring reliability of laboratory results; and, has the public been adequately protected? The following paragraphs are a summary of representative testimony presented before my committee.

HAS THE PUBLIC BEEN ADEQUATELY PROTECTED?

Three DHEW agencies presently have a role in the licensure and inspection program of laboratories—the Center for Disease Control, the Bureau of Quality Assurance, and SSA's Bureau of Health Insurance. These agencies have long been involved in jurisdictional disputes over administration of laboratory legislation.

BHI and BQA oversee the efforts of State agencies which inspect medicare, and CDC inspects and licenses interstate laboratories under CLIA 1967. At present there are approximately 7,000 hospital laboratories and 3,000 independent laboratories in the medicare program and 950 laboratories in the CLIA program. Many medicare and CLIA laboratories are held to different standards since they fall under different statutes. Moreover, there is considerable overlap, and laboratories are often subjected to dual inspection and conflicting standards. To overcome this difficulty, CLIA 1976 proposes to establish an Office of Clinical Laboratories in DHEW. All laboratory regulation programs run by the Federal Government, with the exception of those under the jurisdiction of the Department of Defense or the Veterans' Administration, would be administered from this Office, thus ending the bickering among separate but equal agencies. The question addressed by witnesses, then, was whether a Federal Office of Clinical Laboratories was necessary.

Dr. Theodore Cooper, representing the administration, stated at the hearing that DHEW agencies had resolved their bureaucratic differences by signing a formal interagency agreement, in which responsibility for all laboratory programs were divided and allocated. He revealed that BHI, CDC, and BQA had agreed to consolidate the setting of standards and regulations of both medicare and CLIA, and had additionally agreed to administer the merged programs through the present medicare certification system. BHI would administer the regulatory functions of both medicare and CLIA programs through State agencies and BQA would continue to provide assistance to BHI and coordinate working relationships with other agencies. CDC would develop scientific and technical information to be used to improve laboratories through uniform standards and additionally would monitor the State regulatory programs. Dr. Cooper believed that interagency agreement was preferable to establishing an Office of Clinical Laboratories.

Other witnesses, as did Senator JAVITS and I, regarded the announcement of the interagency agreement with skepticism. We learned that the three agencies had been trying to cooperate for the past 8 years and occasionally did work out several specific agreements. But not until the introduction of S. 1737 were the participants prompted to reach their present agreement. It remains to be seen whether this latest concordant will be any more effective in closing the gap between promise and reality than the others. For example, Dr. Morris Shaeffer believed that a central office was "the only solution," despite the punitive agreement. Dr. Philip Hausler, representing the American Public Health Association, similarly expressed concern about the "unfortunate" Federal jurisdictional disputes. Rausler stated that he would much prefer to see a "single Federal agency" which would consolidate Federal laboratory programs.

Where, then, in DHEW should the Office be placed? Dr. Martin Goldfield of New Jersey, Dr. Robert Whalen of New York, and Dr. Michael O'Sullivan of the Mayo Clinic recommended that OCL be placed in CDC, and that CDC be given the necessary additional authority, finances, and manpower. Others recommended that OCL be placed in BQA, the agency which handles PSRO's and advises BHI on standards. It was revealed, however, that BHI could not do the job unless it too received additional resources. S. 1737 was silent on the specific locus for OCL, as is the committee's bill, in an effort to give the Secretary necessary flexibility in this regard as he establishes the Office.

WHO SHOULD LICENSE LABORATORIES?

Most of the witnesses supported the bill's contention that the Federal Government should regulate and license laboratories, or delegate authority to the States.

Disagreement revolved around S. 1737's exclusion of the College of American Pathologists Inspection and Accreditation Program for the licensure process. Under CLIA 1967, CAP's I. & A. program was granted equivalency status by CDC, and laboratories participating in CAP's program were exempted from additional inspection by Federal agents. S. 1737 as introduced took away CAP's special status.

The issue, Mr. President, is peer review. Some witnesses, such as Drs. Shaeffer, Goldfield, and Whalen felt very strongly that peer review is no substitute for Government licensure. Although CAP's program was agreed to be an excellent adjunct to internal quality control plans, these witnesses were strongly opposed to any participation by CAP in inspection or licensure processes.

Dr. Hausler and Dr. Howard Bodily, for example, believed that professional societies had much to contribute to the formulation and conduct of laboratory certification programs, but unlike CDC's David Sencer and Dr. Michael O'Sullivan of the Mayo Clinic who favor CAP's continued special status, Hausler and Bodily contended that the delegation of certification authority to professional societies is not in the best interest to the public and makes it virtually impossible to take disciplinary action when necessary. CAP was opposed to the bill's approach as introduced. They have been in the business for some time now and contend that they have done an admirable job. Laboratories, they feel, should have a nongovernmental inspection and proficiency testing program. The reported bill granted equivalency to qualified public or nonprofit private entities which have adopted standards at least as stringent as DHEW's.

WHICH LABORATORIES SHOULD BE REGULATED?

As introduced, the bill provided for an extension of laboratory regulation to all laboratories except those in physicians' offices, which the Secretary, at his discretion, may choose to exempt. The larger, independent laboratories which are already regulated by CLIA, Medicare, or both, predictably advocated extension of regulation to all laboratories in order to ensure that all laboratories were on an equal footing. Dr. Leo Gehrig of the American Hospital Association and his colleague from a small, rural hospital in Idaho, Mrs. Pearl Fryar, requested exemptions for the rural hospitals. Dr. Gehrig pointed out that high quality laboratory services of every type, in every community, could not be provided at affordable costs, no matter how admirable the concept.

Mrs. Fryar pointed out that not every laboratory does enough tests to pay for a large scale quality control program or the hiring of a full-time laboratory director, or other personnel with mandated credentials. She calculated that to provide a registered technologist on all shifts would increase (their) costs some $2,400 per month in a lab which grossed $2,681 during an average month. This would increase by $4.80 the average cost per laboratory test. Dr. Schaeffer and others, however, believed that a small lab should do only what it can; no lab work is better than poor lab work, he concluded. Dr. O'Sullivan offered the recommendation that a waiver be extended to the small rural hospitals to give them time to comply with that provision of the Act.

The committee adopted an amendment by Senator STAFFORD and in the bill I present today the Secretary is authorized to waive for 2 years personnel standards for those laboratories located in rural hospitals with fewer than 100 beds. Additionally, the Secretary may continue the waiver after the initial 2 years if the hospital meets DHEW quality control standards or employs personnel who have successfully passed specific job-related proficiency tests developed by the Secretary.

PHYSICIANS' OFFICE LABORATORIES

The bill as introduced provided for exemption of physicians' office laboratories at the discretion of the Secretary. Physicians who testified as a panel—Drs. Shoen, Schroeder, Bathold, and Chambers—all favored inclusion of physicians' office laboratories as did Dr. Paul Brown, American Clinical Laboratory Association; Dr. Morton Schwartz, American Association of Clinical Chemists and Sloan Kettering; Mr. Bernard Diamond, American Association of Bioanalysts; Ms. Sylvia Blatt, NYC; Ms. Nancy Preuss, American Society for Medical Technology; and Drs. Schaeffer, Whalen, Bodily, and Hausler. None agreed with representatives of the College of American Pathologists or the American Society for Clinical Pathology that there was any medical justification for exempting physicians' office laboratories from regulation, although Dr. Barthold—American Society for Internal Medicine—urged that physicians with office labs be required to participate in a proficiency testing program that would specifically be designed for them, separate from the ones required of independent laboratories.

A unique idea was advanced by Dr. Robert Chambers, of Georgetown, who proposed that physicians submit an "affidavit" to the Secretary of DHEW. In essence, his idea was that office laboratories would be regulated through a procedure whereby the physician-owner would submit detailed information to the Secretary—information, for example, which described the qualifications of nonphysician lab workers who conduct tests, collect specimens, or transmit them; the quantity and type of tests each employee does; and the scores each shows in a proficiency testing program. The reason for my committee's interest in physicians' office laboratories is that such tests have as significant an impact on the Nation's health as does the testing done in large laboratories currently regulated by CLIA. No matter how simple the office tests they are as directly relevant to the quality of patient care across the Nation as are the more complex tests done for specialists in the large clinical laboratories.

The affidavit approach, a prominent and integral feature of the committee's bill, was approved unanimously.

HAS THE PUBLIC BEEN ADEQUATELY PROTECTED

The administration maintained that CLIA 1967 works, that Agency disagreement has lessened, that an interagency agreement has been signed and that lab performance has improved. Legislation to establish a new governmental entity in the clinical laboratory field, the administration contends, would be no more capable of making progress than the authority already in existing law.

Dr. Shaeffer agreed with DHEW's testimony that there has been improvement in the clinical laboratories field since the enactment of CLIA 1967. But for tests which are performed by the millions each day, even an accuracy rate of 90 percent could quickly add up to a million errors. "To put it in simple qualitative terms," Dr. Shaeffer testified, "We say, yes; the quality of laboratory work has improved. It has changed from horrible to bad." And after an exhaustive survey of laboratory conditions in New Jersey, Dr. Goldfield reached a similar conclusion. "I do not think the point has to be labored further," he testified, "Objective evidence exists to indicate that serious problems exist with the quality of performance of clinical laboratory tests, and that these problems can be detected in all classes of clinical laboratories. The public interest in assuring a reasonably adequate quality of performance of clinical laboratory testing is not now being met."

Similarly, Dr. Paul Brown, a pathologist and then current president of CLA, testified that enactment of CLIA 1976 was essential because the majority of the Nation's laboratories presently operate free of regulation.

Mr. President, you will be surprised to learn that at least 26 States have no mandatory program applicable to laboratory performance. And only five States have developed comprehensive requirements which necessitate that a clinical laboratory adopt an internal quality control program, employ personnel meeting prescribed educational and experiential prerequisites, successfully participate in a proficiency testing program and properly maintain facilities, instruments, and records.

Until recently, Mr. President, in my own State of Massachusetts anyone would have been able to open a laboratory without a license, perform tests, ignore quality control procedures, use outdated reagents and be completely ignored by any official agency just as long as the laboratory decided not to participate in a voluntary proficiency testing program. CLIA 1976 will end these practices and will doubtless prompt other States to take appropriate legislative action.

Mr. President, during the hearings I asked Dr. Goldfield about his evidence. I wondered why data obtained in New Jersey differed from that presented by the administration. Goldfield replied that DHEW's data showing general improvement in laboratory work were based on a small part of the laboratory field—only those independent laboratories engaged in interstate commerce, which are usually the best performing laboratories.

DHEW's data omitted the so-called "Mom and Pop" laboratories and those in small hospitals. Then DHEW presents "an overly rosy picture?" I asked. "Yes, indeed," was Dr. Goldfield's reply.

Such cognitive dissonance pervades the hearing transcript, Mr. President. The administration wants no new legislative initiative. The College of American Pathologists and the American Society of Clinical Pathologists—ASCP—say, as they did in 1967, that things have never been better—and that we should wait, study, and let the voluntary sector do it by themselves.

But Mr. President, my committee does not agree with those few witnesses who opposed legislative action. The committee believes that affirmative, positive action is indicated and concurs with Senator Javits' sentiments, expressed in an exchange with a representative from ASCP, that "People are being very badly hurt. So [the Congress will] often have to act, as we will, in my judgment, be duty bound to do in this case * * * You tell us to wait. This may suit the professionals, and I do not see why it should—but it certainly does not suit the people."

Mr. President, as long as gaps in laboratory standards continue to exist, as long as there is fragmented jurisdiction and ambiguous regulation, then the potential for mischief will be great and the public's health continue to be in jeopardy. Faulty diagnosis will continue to end in tragedy for some and cause deep concern about the reliability of tests for others. CLIA 1976 will lessen the potential for mischief, assure quality, and rationalize and simplify the Federal effort, which is presently marred by bureaucratic confusion and infighting.

FRAUD AND ABUSE IN CLINICAL LABORATORIES

A recently published staff report prepared for the Senate Special Committee on Aging and its Subcommittee on Long-Term Care concludes that clinical laboratory services under medicare and medicaid are frequently subject to fraud and abuse. The number of specific offenders identified in the report of Senator Moss' subcommittee has been small, but the proportion of public funds misused for laboratory services has been large. For example, 16 clinical laboratories control more than 70 percent of the medicaid business in New York, 12 control more than 60 percent in New Jersey, and 21 control 80 percent of the medicaid business in Illinois.

Senator Moss' committee additionally revealed that kickbacks are so rampant that some clinical laboratories are virtually barred from obtaining a medicaid account unless they promise monetary compensation. For example, personnel at an Illinois hospital laboratory revealed that they had spent a great deal of money for new, sophisticated laboratory equipment only to find that they were unable to acquire outpatient business.

Hospital officials stated that physicians had become so accustomed to receiving kickbacks that they insisted upon continued payments for their business. The chairman of the board of a large clinical laboratory corporation told the New Jersey Commission on Investigations that only $10,000 of his laboratory's more than $2 million annual business in that State was a result of medicaid payments. The reason he gave for this low figure was his board's decision to avoid kickback arrangements. In Illinois another scheme was used. Physicians chose not to receive fraudulent rebates; instead funds were passed on to clinic owners who then employed physicians on a contractual basis.

Illinois investigators have revealed that laboratories in that State are under pressure to maximize the number of medical tests given to medicare and medicaid patients. One laboratory technician was instructed to give a patient 10 tests because "the State pays for it." A laboratory administrator was advised by a peer to promote his medical clinic in a neighborhood rather than in one with a high percentage of old people because "there is not any money in these old people. Old people are dried up. There is not much blood you can draw out of old people."

Mr. President, this cynical and self-serving attitude is all too prevalent in the clinical laboratory industry and must be corrected.

Senator Moss' report concludes that at least $45 million of the $213 million in medicare and medicaid payments for clinical laboratories is either fraudulent or unnecessary. This means that almost $1 out of every $5 spent for laboratory services is wasted. In a larger context, some experts estimate that 10 percent of the $12 billion in payments for laboratory services last year consisted of fraudulent or questionable payment. By this standard, the total volume of fraud and abuse may be more than $1.2 billion per year.

In practical terms, Mr. President, the available information indicates that any clinical laboratory so inclined can bill medicaid for a patient a doctor has never seen, for blood never drawn, for tests never performed or at a rate exceeding four times the cost and twice the prevailing charge for private-paying patients. This can be done with a nearly absolute assurance of not being caught or prosecuted.

However, by employing such means as publishing fee schedules, proper monitoring and surveillance, and the rigorous enforcement of current or pending laws and regulations, including the bill that we now present to the Senate, much of the current medicaid expense and revealed abuses would be markedly reduced. And, attendant to this savings in cost, there would be an improvement in quality since we have found in our studies that quality is indeed affected when kickbacks and other fraudulent abuses have been detected.

My committee is indebted to Senator Moss and his dedicated investigatory staff for the work they have done to uncover these abuses—excesses which must shock and revolt every member of this Chamber. We are gratified that his report presents, as its first and among its principal recommendations, the speedy enactment of the very bill we debate today—S. 1737, the Clinical Laboratories Improvement Act of 1976. And we trust that the amendment adopted by my committee, introduced by my good friend, Senator EAGLETON, which provides that any laboratory found to be engaging in rebates or kickbacks or other illegal conduct shall have its license revoked, will be acceptable to the senior Senator from Utah. Additionally, the bill we now debate also incorporates an amendment, which provides the Secretary with the authority necessary to examine a laboratory's financial, economic, and pricing data, as well as its fee schedules and contractual relationships with physician-clients.

SUMMARY OF CLIA 1976

Mr. President, let me now briefly review the essential features of CLIA 1976.

First. S. 1737 expands Federal licensing to all clinical laboratories. DHEW would set standards and enforce them itself or delegate enforcement to States having statutory programs meeting Federal criteria. The Secretary could also contract, as it does in its medicare programs, with State health departments for enforcement, or a State may be delegated Federal authority if it enacts a law or adopts appropriate regulations under existing law. Private nonprofit accrediting groups could be used to help enforce standards if they meet Federal requirements, but no exemption from licensure to privately accredited laboratories is provided.

Second. If the Secretary decides to exempt physicians' office laboratories, certain information must be submitted. At a minimum, doctors would have to describe, the qualifications of nonphysician personnel who conducts tests, collect specimens, or transmit them; the quantity and type of tests each employee does; and the score each shows in any proficiency testing.

Third. An advisory council will be created, with membership set at 12 persons, to include representatives of nationally recognized laboratory-accrediting bodies, directors of State laboratory-licensing programs, members of the public, and not more than three persons who are owners, operators, or directors of laboratories.

Fourth. The Secretary is authorized to waive for 2 years personnel standards for laboratory technicians employed in hospitals with fewer than 100 beds if located in a rural area. The Secretary may continue the waiver after the initial 2 years if the laboratory meets DHEW quality-control standards and employs personnel who have successfully passed a specific, job-related proficiency examination developed by the Secretary.

Fifth. Recognizing that the Federal Government has failed to provide the necessary leadership in imposing uniform standards to assure the quality of laboratory testing and is statutorily involved in a bureaucratic melange as it attempts to impose three different sets of quality assurance standards on laboratories subject to its jurisdiction, S. 1737 establishes, through an Office of Clinical Laboratories, one set of uniform standards.

Sixth. Concerned as we were about financial transactions, S. 1737 provides that the Secretary may issue no license unless it has received from the applying laboratory "an accurate, itemized schedule of all current rates charged by the applicant for those laboratory services * * * and such other information as may be necessary, including full disclosures of any current contractural relationships, written or oral, between the applicant and physician respecting such services."

Seventh. As Senator Moss' committee has determined, a percentage of laboratories engage in such illegal practices as rebates and kickbacks. Such abuses increase the cost of laboratory testing and violate existing statutes. S. 1737 specifically provides that laboratories found to be engaging in illegal financial abuses will be subject to revocation of its license. Laboratories engaged in fraudulent billing and kickback arrangements should not be licensed to conduct business.

Eighth. S. 1737 also prohibits a laboratory from discriminating against an employee who attempts to assure the provision of quality services by alerting Government officials to possible deficiencies that exist in the laboratory.

Ninth. Both the Department of Defense and the Veterans' Administration, whose Federal laboratories are not included under CLIA 1976, will be encouraged to use DHEW laboratory standards. Since these Federal agencies are not in the jurisdiction of my committee, DHEW will be required to notify DOD and VA about DHEW standards. Representatives from DOD and VA will be ex officio members of the advisory council.

Tenth. Finally, S. 1737 authorizes up to $15 million a year as the 75 percent Federal share of the financing of State-delegated programs.

SUPPORT FOR CLIA 1976

Mr. President, on file in my committee's office there are countless letters in support of S. 1737. These letters come from the dedicated men and women who daily work in clinical laboratories—from technologists and technicians, from laboratory supervisors, from owners of both the small and large clinical laboratories, from physicians, and from State officials.

A poll of those closely associated with the clinical laboratory field—the chief medical technologists and their assistants, the laboratory supervisors and laboratory managers currently working in both hospital and nonhospital—independent—clinical laboratories—reveals overwhelming support for the bill. I ask unanimous consent to include this material in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

APRIL 9, 1976.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Health, U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR KENNEDY: Under separate cover, I am forwarding to your attention approximately 1,000 responses to an opinion poll recently conducted by Medical Lab concerning S. 1737, "The Clinical Laboratories Improvement Act."

We feel that no testimony is complete unless it includes the opinions of all those people who will be directly affected by this legislation. Accordingly, we have sought the views of our readers on S. 1737, since they are the professionals who are most closely associated with the day-to-day supervision of clinical laboratories in the United States.

The responses received are forwarded to you, and to Senator Jacob Javits as the Subcommittee's ranking minority member, to provide direct testimony by Chief Medical Technologists, Assistant Chief Medical Technologists, Laboratory Supervisors and Laboratory Managers currently working in both hospital and non-hospital (independent) clinical laboratories.

Enclosed with this latter is an analysis of their collective views, based upon a subsampling of 700 responses. You will note that in some instances, the majority opinions of these laboratory professionals are at odds with the testimony offered by executives of the associations and registries to which they belong. I believe this should be an important consideration in the deliberations of the Senate.

On behalf of those members of the profession of Medical Technology who responded to this poll, I strongly urge that the Senate take their views into consideration as expert testimony on S. 1737.

Sincerely yours,

JON W. MOHR,
Associate Publisher and Editor.

POLL OF CLINICAL LABORATORIES

Should Federal legislation be enacted which would establish uniform standards for clinical laboratories in the United States?

70.2% in favor.

29.8% against.

Should CLIA be extended to include physicians' office laboratories?

89.9% in favor.

10.1% against.

Should a separate Office of Clinical Laboratories be established in the Federal Government to administer clinical laboratory activities in the U.S.?

47.9% in favor.

52.1% against.

In lieu of an Office of Clinical Laboratories, which agencies could best coordinate laboratory regulatory functions nationally?

65.8% favor The Center for Disease Control.

14.9% favor The Bureau of Quality Assurance.

3.4% favor The Bureau of Health Insurance.

15.9% favor other agencies (primarily state agencies).

Should all laboratories, regardless of size or type, be required to meet common standards of proficiency for all those tests which they routinely perform?

78.7% in favor.

21.3% against.

Who should administer proficiency testing for clinical laboratories?

31.7% favor State Public Health Departments.

26.1% favor Professional Societies.

24.2% favor The Center for Disease Control.

17.3% favor the proposed Office of Clinical Laboratories.

0.6% favor The Social Security Administration (Medicare).

Should peer group proficiency testing programs such as those of the CAP be granted equivalency status under Federal law?

68.2% in favor.

31.8% against.

How should proficiency examinations be conducted for greatest effectiveness?

58.9% favor mail-in test specimens.

33.5% favor hand-carried specimens tested in the presence of inspectors.

7.5% favor other methods.

Who should determine whether laboratories are meeting established standards of performance?

41.5% favor a government agency (Federal or state).

39.2% favor peer review only.

19.3% favor others.

Should uniform nationwide standards for laboratory personnel be established?

84.8% in favor.

15.2% against.

If uniform standards were to be established for laboratory personnel, whom should they cover?

89.9% favor all laboratory professional personnel.

6.0% favor laboratory directors and supervisors only.

4.0% favor laboratory directors only.

Who should enforce disciplinary actions resulting from failure to meet CLIA standards?

48.8% favor state governments.

37.3% favor the Federal government.

13.8% favor other groups.

9. CONCLUSION

Mr. KENNEDY. Mr. President, ever since physicians held urine flasks up to the light and noted color and density, laboratory tests have become an essential component of our health network. Most diagnostic procedures begin when a physician orders a laboratory test. When the results are obtained, we accept the verdict without batting an eye. When done accurately, laboratory tests save lives; improperly performed tests yielding false positives or negatives provide physicians with clues that are useless. We have studied the data and found that we must not be as unquestioning as we have been. Studies, such as the one reported in 1973 by the National Bureau of Standards, reveals that the accuracy of performance is highly variable and includes a wide range of error. Accounts of shoddy laboratory work, resulting in death or debility, continue to reach my committee. The "horror stories," as they have come to be called, trouble me deeply.

It is not reasonable to expect that every patient have assurances that laboratory procedures will be done accurately and that samples will be performed in or sent to laboratories with internal quality controls and examined by personnel who have achieved a certain standard of excellence? Should not a Federal laboratory program be based on federally determined criteria below which no laboratory is permitted to fall?

Such gaps as exist in our present, Federal laboratory program, Mr. President, must be closed.

Ambiguous regulation, fragmented jurisdiction, financial abuses, and bureaucratic boondoggling and infighting must end now. CLIA 1976 provides that common ground to assure that the public will receive optimal laboratory services. I urge you to support this necessary legislation.

Finally, Mr. President, I want to compliment the excellent staff work, which to a great degree, is reflected in this bill. During its consideration of this legislation our committee has had the expertise of Dr. Arthur Viseltear, of Yale University. His dedication to detail and breadth of perspective have added immeasurably to this bill.

And, as always, the bill reflects the creative genius of the committee's minority counsel, Mr. Jay Cutler.

Mr. SCHWEIKER. Mr. President, I commend my colleagues, Senator Javits and Senator Kennedy, for their fine leadership on this legislation. In addition, I would like to commend the fine work of Senator Moss and Senator Percy and their subcommittee on long-term care in this area.

There is no question about the need for this legislation, and I will not bother to repeat the compelling arguments already presented for it. During committee considerataion of this bill I offered an amendment which addresses a problem of great concern to me, and to many others. The amendment I offered would provide for the suspension, revocation, or limitation of any laboratory's license, if the Secretary has found that the lab "has engaged in any false, fictitious, or fraudulent billing practice for the purpose of obtaining payment under any program, the funds of which are provided in whole or in part by the United States," or if the lab "has engaged in a billing practice which creates a discriminatory effect between patients reimbursed in whole or in part under programs receiving Federal funds and patients not so reimbursed."

I introduced this amendment in the hope that certain laboratories would be deterred from engaging in fraudulent billing practices at the expense of the Federal Government. I firmly believe labs which engage in these activities should not be permitted to operate.

In closing, I hope the Senate acts affirmatively on this measure.

Mr. JAVITS. Mr. President, I urge my colleagues to support the Clinical Laboratories Improvement Act of 1976 (S. 1737). The bill marks a historic milestone in a national commitment to provide quality laboratory testing.

Laboratory testing occupies an increasingly important place in both diagnostic and preventive medicine. By 1980, it is estimated that some 8.8 billion clinical laboratory tests will be conducted annually at the cost of about $15 billion. Up from 4.4 billion tests at a cost of $12 billion in 1975.

We are dealing with health and lives of millions of Americans—and every American is entitled to protection from inaccurate and unreliable lab tests, which in great measure result from the failure to regulate all laboratories. The bill extends the coverage of the Clinical Laboratories Improvement Act of 1967 (Public Law 90-174), which I authored with Senator George Murphy of California.

There would be licensure and establishment of quality standards for the approximately 15,000 independent and hospital laboratories which now operate essentially free of meaningful regulation. The 50,000 to 80,000 individual physicians offices laboratories not now covered are also included. But, this is achieved through a novel approach in the reported bill, which was based upon hearing testimony suggesting detailed information to be supplied by the physician to the Department of Health, Education, and Welfare.

The principal feature of this new provision is the submission to the Secretary of a short-form physicians' affidavit which would include a description of, first, the qualifications of nonphysician laboratory personnel employed in a physician's office laboratory; second, the score of proficiency testing examinations taken by such personnel; and third, the quality and type of the tests conducted. Then, in accordance with such affidavit, the Secretary would exempt such physician office laboratory and, at the same time, insure protection of the public's health.

The Labor and Public Welfare Committee had the benefit of the excellent staff report prepared for the Senate Special Committee on Aging on the problem of fraud and abuse in clinical laboratories. In response to the committee's staff and investigators conclusion "that clinical laboratory services under medicare and medicaid are fraught with fraud and rampant abuse" the bill as introduced was amended to provide:

First. Revocation or suspension of a license where it has been determined that an owner or operator of a laboratory, first, has offered, paid, solicited, or received any kickback or bribe in the form of money or any other thing of value in connection with the provision of clinical laboratory services; second, has engaged in any false, fictitious or fraudulent billing practice for the purpose of obtaining payment under any program, the funds for which are provided in whole or in part by the United States; and third, has engaged in a billing practice which creates a discriminatory effect between patients reimbursed in whole or in part under programs receiving Federal funds and patients not so reimbursed.

Second. The license application contains an accurate itemized schedule—including common groupings of tests—of all current rates charged for laboratory services and full disclosures of contractual relationships between the applicant and physicians respecting lab services.

The provision of quality laboratory testing services is vital and the reported bill seeks to achieve that goal by prohibiting a laboratory from discriminating against an employee who alerts Government officials about possible deficiencies that exist in the laboratory.

The need for such a provision is perhaps best understood in the context of the tragic human consequences of inadequate laboratory testing.

While the printed word is limited in portraying human suffering, to provide some insight into the human dimension of the need for quality laboratory performance standard, I call my colleagues' attention to a few brief abstracts of actual case citations:

BELLMON AMENDMENT

I believe this amendment strengthens and improves this bill. It provides not only explicit authority to obtain important financial and pricing data related to the operation of clinical labs but also establishes specific authority in the Secretary to provide Congress with an annual report on the effects of the pricing of laboratory services in relation to the overall costs of the related health services.

I believe this is most important if we are to better understand the cost benefit of this expensive medical technology.

BEALL AMENDMENT

Amendment 1621: I believe amendment No. 1621 strengthens and improves this bill. It substantially increases the criminal liability for a violation of certain of the prohibited act provisions of the bill, to wit: "kickback or bribe" and "false, fictitous or fraudulent billing".

Under the reported bill a violation of such serious charges was only a misdemeanor with a maximum penalty of 1 year imprisonment, and $1,000 fine, or both.

The amendment would make a violator guilty of a felony and subject to a maximum of 3 years imprisonment, or a $10,000 fine, or both.

It is important to recognize that Senator BEALL's amendment addresses only the most important acts the bill prohibits and for which there can be revocation, suspension, or limitation of a laboratory license.

BEALL AMENDMENT

Amendment 1622: I believe this amendment strengthens and further improves the bill.

It enables the Office of Clinical Laboratories established by the bill:

First. To evaluate and validate the accuracy, reliability, and performance of automated laboratory testing equipment of clinical laboratories and to disseminate the results thereof; and

Second. To develop procedures to assure that such equipment continues to meet the standards for which they were designed.

In my prepared statement I shared the concern which Mr. BEALL expressed in his amendment by indicating what I believe is a second dimension to the Office, to wit, to seek to determine through applied research to improve laboratory methodology and utilization in medical practice.

This amendment will specifically allow this to occur:

Schnelby v. Baker, 217 N.W. 2nd 708 (Iowa 1974), where a laboratory furnished wrong results on the bilirubin level because of an unreliable reagent solution—and thus an RH negative baby was not transfused, which resulted in a severely brain damaged infant.

Cornell v. Clinical Laboratories, Cal. Super Ct., Los Angeles Cty., Docket No. NCC 3792, June 29, 1971, 25 Citation 163 (1971), where a patient suffered invasive cancer as a result of delay in diagnosing cancer, due to an erroneous laboratory test result from an inadequate Pap smear.

Kinel v. Hycel Inc., Ill. Cty. Cir. Ct., No. 70 L241 (Nov. 3, 1973), where a patient suffered irreversible brain damage, lapsed into a coma and died, when a physician prescribed the wrong medication (insulin for diabetes) based upon a faulty laboratory test finding of blood sugar level.

With respect to the bill's establishment of a uniform laboratory regulatory program within a single HEW agency, the Office of Clinical Laboratories—which is intended to consolidate the present fragmentary and duplicative approach to laboratory regulation—I believe that such Office can also have another dimension beyond raising the quality of performance of all laboratories through its extension of uniform regulatory coverage to all laboratories.

The second dimension of the Office involves improving the current state-of-the-art itself. I believe this can be achieved best through incorporating an Applied Research, Development and Diffusion Division within the new Office of Clinical Laboratories. The mission of this division would be to coordinate, promote, and fund both projects and studies solicited by the regulatory agency and its Advisory Council, and unsolicited grant and contract proposals submitted by laboratory scientists and practitioners. Selection of projects for funding would be accomplished through peer review, according to accepted practices. Basic research would not be supported. The emphasis would be placed on those projects which would provide significant benefits through improved laboratory methodology and utilization in medical practice.

While the bill provides a Federal/State regulatory approach I believe it includes sufficient flexibility to enable the New York City Clinical Laboratory improvement program, one of the best in the country to continue to provide essential laboratory services.

Mr. President, the need for the reform the pending bill proposes in the clinical lab field is illustrated by a recent New York Times article by Nancy Hicks entitled "Many Clinical Labs Fail in Drug Identifying Tests," and I ask unanimous consent that her March 23, 1976, article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MANY CLINICAL LABS FAIL IN DRUG IDENTIFYING TESTS—HOUSE PANEL, IN HEARINGS ON MEASURE TO CURB PRACTICES, WILL STUDY LOW RESULTS ON UNLABELED SAMPLES

(By Nancy Hicks)

WASHINGTON, March 22—It was a test of proficiency and everybody knew it. So when the Federal Center of Disease Control sent urine samples from drug abusers to 22 clinical laboratories, 17 of them made a perfect score in drug identification.

But when the center sent identical samples to the same labs as patient specimens and not as labeled Government testing material, 16 of the 22 labs scored below 60 percent in identifying the drugs.

The questions raised by that example and others like it will be put before a House health subcommitte this week in hearings on a bill to tighten practices in the nation's 14,354 clincal labs. The disease control center, in Atlanta, monitors the quality of work in the laboratories.

In another center test, in which participants knew they were being tested, 31 percent of a group of labs could not identify sickle cell anemia on a blood slide sent by the center. And in another, four groups of labs incorrectly identified infectious mononucleosis at least one-third of the time, these same Federal test results show.

INCORRECT LABELS

Between 10 and 20 percent of the participating groups of laboratories incorrectly labeled the specimens as a type that might indicate leukemia, a mistake that "may mean two weeks of sweating, worry and money" for the patient, according to Dr. Louis C. Lamotte, director of the licensure and proficiency testing division of the bureau of laboratories at the center.

Even when his staff includes in its test samples slides with nothing of consequence on them, 5 to 12 percent of clincial laboratories will find something, he said.

"Clincial laboratories perform inadequately and constitute a threat to public health," said Senator Edward M. Kennedy, Democrat of Massachusetts, who headed the Senate hearings that brought a bill through the Labor and Public Welfare Committee earlier this month that is being prepared for floor action.

The problem that Senator Kennedy addressed is one that has proved to be a quiet, chronic scandal over the years, with peak periods of interest but no seeming overall solution.

"No one tells on anyone else," Senator Jacob K. Javits, New York Republican, gave as a possible explanation of why lab improvement had been so slow in coming. Mr. Javits wrote the 1967 Clinical Laboratory Improvement Act.

NO. A.M.A. STAND

The American Medical Association has not yet taken a position on the legislation. Most doctors never visit labs, according to Dr. Paul A. Brown, chairman of the board of Metpath Inc., one of the largest, automated interstate labs in the country.

The Ford Administration opposes new controls, preferring better peer review of medical services. But it has expanded Public Health Service efforts to increase the reliability of diagnostic tests in the laboratories, one of a handful of health programs slated for increased funds this year.

The American Clinical Laboratory Association, which represents labs engaging in interstate commerce, favors the legislation because it would put all labs under the same controls and standards.

The College of American Pathologists which has a voluntary proficiency testing program, is opposed to new Federal standards enforced by Government inspectors preferring its own program for some 1,400 labs accredited by it.

* * * takes up the question of fraud in the clinical field, which is expected to perform 4.5 million tests at a cost of $12 billion this year, according to the Department of Health, Education and Welfare.

Lab kickbacks in the Federal-state Medicaid program were disclosed last month, and Congressional investigators are looking into charges of other fraudulent methods in the Federal Medicare program.

Apart from the fraud issue is the matter of quality: What is the chance that the answer a physician receives from a lab will be the correct one?

At Senate hearings last fall, Senator Javits posed that question to the nation's chief health officer, Dr. Theodore Cooper, Assistant Secretary for Health in the H.E.W. Department.

"In preparing for this testimony, I asked the staff the same question," Dr. Cooper replied, "and I will give you the answer I got: 'It is very difficult to say' is the answer."

"That's a very decisive answer," Mr. Javits shot back.

The Center for Disease Control estimates that of the 14,354 clinical labs in the United States—half are in hospitals and half outside.

Those participating in the Medicare program have to meet certain Federal standards, but these are enforced unevenly. The center licenses the 900 or so independent labs that engage in interstate commerce, and, in various fields such as bacteriology or clinical chemistry, tests labs that want to participate in such programs.

NO STANDARDS

About 4,000 labs do not have to meet any standards, the center estimates, nor do the 30,000 to 80,000 laboratories in physicians' offices, which could come under some control under the pending legislation.

The test results measure the work of only 6 to 8 percent of all laboratories and represent "the best work that the best labs can do," Dr. Lamotte of the center said.

The Atlanta center sends to labs up to four times a year packets of tests, which they must process and identify. If they do not make the grade they could lose their license in any areas when they cannot show good enough results.

In addition, the center's field inspectors make an unannounced, on-site visit each year and make the labs perform, under supervision, the same tests that it gets in the mail. The Medicare program, however, does not allow for unannounced visits.

BETTER BY MAIL

"It is interesting to note that in clinical chemistry many labs with unsatisfactory results at on-site examinations scored much better—30 to 60 percent—when they received identical specimens in the mail or by messenger and tests 'unhampered' by the presence of an inspector," said Dr. Morris Schaeffer, the former general director of the laboratory division of the New York City Department of Health.

In 1967, Congress passed the Clinical Laboratory Improvement Act and tried to encourage states to set up screening programs using Federal standards.

Nine years after that law was passed, only New York State, whose 1965 law served as a model for the Federal legislation in the first place, is qualified to license labs. The Federal Government spot checks the state program, run by Dr. William Kaufman and widely acknowledged as the best in the country.

New York City's laboratory division makes semiannual visits to the city's labs under the state program.

Other states such as New Jersey, Pennsylvania, California, Wisconsin, Iowa and Michigan are believed to have good but incomplete programs. Twenty-eight states have done nothing at all.

Mr. PERCY. Mr. President, there is no question but that the licensure and regulation of clinical laboratories need improvement. From my investigative activities involving medicare and medicaid fraud and abuse, serious and widespread deficiencies in the laboratory field have come to my attention. Recently, the Subcommittee on Long-Term Care of the Special Committee on Aging, of which I am the ranking member, published a staff report revealing gross illegal conduct on the part of several independent Illinois clinical laboratories. Investigators found that these laboratories used kickbacks and payoffs to entice business; that they billed the Illinois medicaid program for tests never performed; that they charged medicaid patients at rates twice or three times more than private patients. It is estimated that a least $45 million of the $213 million, or as much as $1 of every $5 in medicare and medicaid payments for clinical laboratories is either fraudulent or unnecessary.

I am, therefore, pleased that S. 1737 would authorize the Secretary of the Department of Health, Education, and Welfare to revoke the licenses of clinical laboratories found to be engaged in fraudulent practices. I also support the bill's provision to give the Secretary the authority necessary to examine a laboratory's financial, economic, and pricing data as well as its fee schedules and contractual relationships with physician-clients.

I am disappointed, however, that S. 1737 does not cover blood bank and blood transfusion services. Since 1971, I have been involved in legislative and administrative efforts to establish a more adequate inspection and supervision system for blood facilities. To date, meaningful legislative action has been nonexistent. It is somewhat encouraging that the committee report on S. 1737 indicates clear intention to "review and analyze the regulation by the Food and Drug Administration's Bureau of Biologics of all blood banks and transfusion facilities, the actions taken by the private sector, the effectiveness of present Federal regulations, the national blood policy, and the activities of the American Blood Commission."

I hope that the committee will take up its review of blood bank and blood transfusion activities with dispatch. To support the committee's interest in this problem, I would like to share with my colleagues the fine record that the State of Illinois has established in the field of blood-banking legislation. The Illinois experience makes a good case for the need to establish a national volunteer blood system with uniform standards and uniform enforcement procedures. I ask unanimous consent that a report on the subject compiled by Dr. J. Garrott Allen be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE CASE FOR BLOOD LABELING—COMMENTS AND DATA, MARCH 18, 1976

(By J. Garrott Allen, M.D.)

Many of those objecting to the labeling of blood, as proposed by the Commissioner of the FDA, have done so on the basis that the definitions of "paid" and "volunteer" donors need to be clarified. I concur.

Some of the commercial and quasi-commercial blood centers, the latter operating somewhat euphemistically under the general classification of not-for-profit blood banks, have registered several concerns, many times, about the labeling of blood. Principal among these are:

(1) That an all-volunteer blood program will not produce enough blood to meet the needs of the community,

(2) That their experience with the repeat donors has been good,

(3) And that there is no difference between the risk rates of blood from volunteer and commercial donors anyway.

The experience in Illinois, after their Blood Labeling Law went into effect in October 1972, was provided to me last spring by Dr. Joyce Lashof, Director of the Illinois Department of Health. It clearly indicates three important advances.

(1) That the amount of blood given by volunteer donors met the transfusion needs of about 98 percent of the patients given whole blood or red cells, Table 1,

(2) That there was a distinct increase in the total number of units of volunteer blood from Chicago donors used during the first three years of Labeling, Table 2, and

(3) That the increase in the number of units of blood from out-of-state Red Cross Blood Centers accounted for only one percent of blood given in Illinois the first year the Labeling Law was in effect. Thereafter the amount of blood shipped into Illinois by Red Cross was less than half of that shipped in by the Red Cross before the Labeling Law went into effect. Since the promulgation of Labeling, Red Cross blood collected in Chicago has increased from 24,000 units in 1972, to 110,000 units in 1975, a five fold increase, Table 3.

It appears that the small amount of purchased blood in Illinois has been essentially limited to the Chicago and Cook County area. However, at the present time, 99 percent of the blood transfused in the Chicago area is from their own volunteer donors.

There were evanescent shortages of blood on three occasions in the Chicago area in 1973, on January 8th, July 7th and on July 11th. These shortages were promptly corrected. These were of minor importance, but they were given nationwide publicity despite the great improvement over previous years.

To assure against similar occurrences, frozen blood from volunteer sources was stock-piled at the Cook County Hospital for use by any of the 68 area hospitals requiring it. I can find no record in 1974 or 1975 that special appeals for more blood were necessary. My sources include the major Chicago and Illinois newspapers, the Chicago Medical Society and the Illinois State Medical Society.

I have also not been able to turn up evidence that deaths occurred from isolated incidences of blood shortages under the Illinois Labeling Law during the nearly 3½ years that the Law has been in effect.

Perhaps the two most important points derived from the Illinois data are that a nearly total volunteer program was achieved within the first 24 hours of the Labeling Law, and second, nearly 15 percent of the blood collected was not transfused. The need for strict monitoring on a daily basis would probably enable this country to achieve, very promptly, an all-volunteer program with more than adequate quantities of blood.

One of the conclusions that can be drawn from the Illinois experience is that an all-volunteer program, once instituted and stabilized by an adequate backlog of frozen blood from volunteer donors, is a realistic approach that will reduce the rates of post-transfusion hepatitis by 80 to 90 percent. Testing with HB_sAg will improve the quality even more. As in Illinois, confirmed by the Illinois State Medical Society and the Chicago Medical Society, law suits for hepatitis will be commensurately sharply reduced. This is a logical result. With fewer cases, there is less opportunity for patients to bring suits for posttransfusion hepatitis.

Just why the AMA, with its headquarters located in Chicago, chose to ignore the facts of the Chicago and Illinois experience is perhaps less easily understood than is this same oversight by two agencies of government whose economists knew too little of medicine and posttransfusion hepatitis. The CWPS and the GAO were nonetheless remiss in not searching deeper than hearsay reports.

The second issue, which regards the safety of paid repeat donors, sounds more reasonable than facts allow. Before a repeat donor can be considered a relatively safe donor, the outcome of patients who have received his blood must be soundly established each time they are transfused with his blood. This means a waiting interval of 180 days between donations. It also means personal contact with the patient during the 180-day period to be sure he does not have sub-clinical hepatitis. This, of course, no blood bank has done, despite their claims. None has published results on a carefully followed-up group of patients and the paid donors whose blood these patients had received.

The theory of the so-called biologically-tested donor would be more acceptable if the above measures were taken, but there are two exceptions still to be considered. First, not all patients transfused with infectious blood will come down with post-transfusion hepatitis because of acquired immunity. Nonetheless, this same donor's blood, given to another patient, may produce moderate to severe posttransfusion hepatitus.

Second is the virulence of the donor's blood. The course of hepatitis produced by the blood from paid donors tends to be more severe, and this increased virulence tends to overcome immunity in most patients. These two points still beg the question of what to do with the first-time donor.

I know of no published data in which the necessary follow-up procedures of both donors and patients have been adequately carried out, to support the contention that the donor's previous donor-history is known. This situation is greatly aggravated by willful failure of blood banks, hospitals, and physicians to report cases of posttransfusion hepatitis. This is not a local failure, but one that is nationwide. Claims for the safety of a "biologically tested" donor cannot be jus- patient. tified unless one inquires directly of the

The third issue, that the type of donor does not make any difference anyway, should need no reply. But unhappily it does. There was an incident in 1975, in which a blood banker held down two jobs, one for his hospital blood bank, drawing volunteer donors, and the other as medical director of a commercial blood bank with its paid Los Angeles donors. He insisted payment did not contaminate blood, which is true, and used the commercial blood indiscriminately at the hospital. He did this despite the availability of volunteer blood from the Red Cross, which had been willing to supplement the hospital volunteer supply.

Some of my surgical friends were alarmed by the high incidence of posttransfusion hepatitis, and several of their medical colleagues made a small retrospective survey. Their findings were:

Attack rate for hepatitis

Source of blood:	Percent
Commercial blood only	42
Mixtures of commercial and volunteer blood	20
Volunteer blood only	6

Thus, commercial blood continues to be as hazardous today as it was 20 years ago, as the serious investigators in this field have also found.

It is well to compare our blood program, a mixture of volunteer and commercial donors, with those of other countries in the Western world. Most, if not all, major countries have an all-volunteer system. But we export our dangerous commercial products, as Granada TV of London fully documented three months ago, placing at risk the populations of recipient countries. At the same time, our commercial blood industry performs plasmapheresis on the malnourished natives of have-not nations, much to the concern of the World Health Organization. Therefore our blood program is not just a domestic issue but one that extends into many lands.

The need for a national volunteer blood system with uniform practices is fundamental to the most reliable quality and quantity of blood for patient care, both here and abroad.

STATISTICAL DATA—TAKEN FROM REPORT OF DR. JOYCE LASHOF, DIRECTOR, DEPARTMENT OF PUBLIC HEALTH, STATE OF ILLINOIS

[Effective July 1, 1973, phase II of the Blood Labeling Act went into effect, whereby separate records had to be kept on all blood bearing a "purchased blood" label. At that time, Illinois Department of Public Health began to collect quarterly statistics from all hospitals with a transfusion service]

Quarter	Available	Infused	Not infused (percent)	Whole blood	Packed red blood cells (percent)	Volunteer	Purchased (percent)
July 1, 1973 through Sept. 30, 1973	96, 842	82, 366	14, 476(14. 9)	53, 086	29, 280(35. 5)	80, 298	2, 068(2. 5)
Oct. 1, 1973 through Dec. 31, 1973	99, 570	83, 845	15, 725(15. 8)	50, 472	33, 373(39. 8)	82, 313	1, 532(1. 8)
Jan. 1, 1947 through Mar. 31, 1974	96, 785	82, 105	14, 680(15. 2)	48, 860	32, 174(39. 7)	80, 410	1, 695(2. 1)
Apr. 1, 1974 through June 30, 1974	103, 546	87, 469	16, 077(15. 5)	50, 751	35, 188(40. 2)	85, 996	1, 473(1. 7)
4 quarters total, fiscal year 1973/74	396, 743	335, 785	60, 958(15. 4)	203, 169	130, 015(38. 7)	329, 017	6, 768(2. 0)
July 1, 1974 through Sept. 30, 1974	104, 110	90, 198	13, 912(13. 4)	39, 950	39, 916(43. 1)	88, 367	1, 831(2. 0)
Oct. 1, 1974 through Dec. 31, 1974	112, 250	97, 200	15, 050(13. 4)	38, 132	43, 350(44. 6)	95, 383	1, 817(2. 9)
Jan. 1, 1975 through Mar. 31, 1975	112, 924	98, 226	14, 698(13. 0)	36, 883	48, 592(50. 2)	97, 282	944(1. 0)
3 quart total, fiscal year 1974/75	329, 284	285, 624	43, 660(13. 3)	114, 965	130, 858(45. 8)	281, 032	4, 592(1. 6)

CHICAGO AREA BLOOD COLLECTION AND UTILIZATION 1972 THROUGH 1975

	1972		1973		1974		1975	
	Collected	Used	Collected	Used	Collected	Used	Collected	Used
October	12, 692	13, 201						
November	12, 295	14, 340						
December	10, 365	13, 573						
January			14, 837	15, 028	17, 259	15, 110	16, 442	17, 246
February			13, 737	14, 034	14, 329	16, 092	17, 907	16, 698
March			14, 264	16, 043	14, 821	17, 095	17, 508	18, 003
April			13, 120	15, 551	13, 729	18, 257	16, 048	18, 017
May			14, 653	16, 849	18, 108	19, 632	20, 022	19, 791
June			14, 539	15, 014	13, 760	16, 366	17, 147	18, 718
July			12, 877	14, 119	16, 617	17, 605	17, 397	18, 564

	1972		1973		1974		1975	
	Collected	Used	Collected	Used	Collected	Used	Collected	Used
August			13, 559	15, 063	14, 490	17, 213	16, 393	18, 270
September			13, 064	13, 459	13, 735	16, 249	16, 109	18, 037
October			15, 140	16, 561	17, 002	19, 738	19, 714	19, 898
November			14, 998	16, 950	17, 669	17, 205	19, 265	16, 726
December			12, 816	14, 738	16, 625	16, 698	19, 499	18, 891
Total	34, 352	41, 114	167, 604	183, 409	188, 144	207, 260	213, 451	218, 859
		34, 352		167, 604		188, 144		213, 451
Deficits		−6, 762		−15, 805		−19, 11		−5, 408

Note: Both the Illinois State Department of Health and the Chicago regional blood program are of the impression that most of the 2.5 percent deficit for 1975 in the Chicago area was made up by intrastate shipments of blood from volunteer donors, drawn in Illinois.

GROWTH AND ACTIVITY OF RED CROSS BLOOD CENTERS IN ILLINOIS

[Data from The American National Red Cross blood program operations reports before and after the Illinois Blood Labeling Act came into effect in October 1972]

	Chicago	Galesburg	Peoria	Red Cross total collected Illinois	Shipped into Illinois by— Red Cross	Shipped into Illinois by— Others
Calendar year 1967	1, 009	9, 055	43, 609	53, 673		
Fiscal year:						
1968–69	6, 242	10, 100	43, 513	59, 855		
1969–70	11, 489	11, 675	40, 875	64, 039		
1970–71	18, 847	12, 464	45, 545	76, 856		
1971–72	24, 195	12, 736	47, 153	84, 084		
Received from other Red Cross centers out of State	10, 098	3, 530	563		14, 191	
Received from other sources	337	0	1			338
Total Red Cross supply	34, 630	16, 266	47, 717			
1972–73	34, 462	16, 355	53, 431	104, 248		

	Chicago	Galesburg	Peoria	Red Cross total collected Illinois	Shipped into Illinois by— Red Cross	Shipped into Illinois by— Others
Received from other Red Cross centers out of State	15, 104	2, 520	103		17, 727	
Received from other sources	214	0	19			242
Total Red Cross supply	49, 780	18, 884	53, 553			
1973–74	51, 061	19, 691	53, 817	124, 569		
Received from other Red Cross centers out of State	12, 025	1, 534	71		13, 630	
Received from other sources	26	0	139			165
Total Red Cross supply	63, 112	21, 225	54, 027			

Mr. PERCY. I ask the distinguished Senator from Massachusetts whether or not, in his judgment, the committee would place relatively high priority on moving ahead in this other area, where States such as Illinois have made real progress. We have now a number of States that have had remedial legislation in this field. It seems time for us to act as a nation.

Mr. KENNEDY. I am delighted to respond to the Senator from Illinois. He has identified an area of great concern to the members of the committee and it is our intention to fashion separate legislation to deal with this.

I want to indicate to the Senator from Illinois that we will welcome the opportunity to work with him and other Members of the Senate who have shared, and expressed, similar interests and concerns about that particular issue.

My committee intends to begin to deal with this critical issue before the end of this session. The Senator from Illinois should know that we are sensitive to this problem and that we will look forward to working closely with him.

The Senator is quite correct in identifying this area of concern and we will give him every assurance that this issue will certainly come before our Health Subcommittee.

Mr. PERCY. I thank my distinguished colleague, and I again commend the distinguished Senator from Massachusetts and the Senator from New York.

Senator Moss and I serve as the chairman and the ranking minority member on the Subcommittee on Long-Term Care of the Special Committee on Aging and we published a staff report revealing gross illegal conduct on the part of several independent Illinois clinic laboratories. We have found that these laboratories used kickbacks and payoffs, the most terrible kinds of abuse. Certainly this legislative approach takes into account and, I think, anticipates, all of the problems we might have addressed legislatively if we had not already found the committee well ahead of us.

Mr. JAVITS. Mr. President, if the Senator will yield, I would like to join Senator Kennedy in his statement respecting blood banks and similar activities and to assure the Senator that we will give that consideration.

I left it out because it would be taking—this is a bill that I authored—on an enormous job which would stop us from a more prompt action on what is generally acceptable regulation in this field, and I hope the Senator will bear with us.

I am glad that he approves the bill. We did not intrude in any way on questions of jurisdiction because all questions relating to charges, and so forth, are simply informational. But in this field the fact that you have the information, that that information is available to the public, is itself an enormous sentinel and policeman. But that, however, was as far as we felt we had any right to go. So I am glad the Senator agrees.

Also, we have very heavily relied on State administration again to avoid complicated bureaucracies and overheads.

Finally, and very importantly, we made the responsibility for regulation that of the physician. All he has to do is to certify that he is doing what needs to be done, and that is the end of that. I think the matter holds together very well, and I thank the Senator for his comments.

Mr. KENNEDY. Mr. President, before getting into a discussion on the legislation, I would like to bring to the attention of the Members of the Senate a story that appears this evening in the Washington Star, headlined "Cancer Scientist Quitting NIH Citing Lack of Policy Support."

It deals with a memorandum that Dr. Saffiotti, who had been working in the carcinogenesis program at the National Cancer Institute, has written to the director indicating his concern about the lack of support for that program.

I want to indicate to the membership that that confidential memorandum came into my possession on Monday of this week. I immediately wrote to Dr. Rauscher, sending him the memorandum and asking for a complete report on that particular program and on Dr. Saffiotti's memorandum. I also wrote to Benno Schmidt, who is the Chairman of the President's Cancer Advisory Board, requesting his observations on this matter.

I do feel, quite frankly, in fairness, it would have been more useful for the press and the public to have not only the Saffiotti memorandum, but also Rauscher's response and Mr. Schmidt's response. Then the public could reach its conclusion based on both sides of the issue. Also, after we receive those responses, we are going to make a decision on whether we will have a hearing in the Administrative Practice and Procedure Subcommittee to try to put this in some perspective, or we may take this up with the Health Subcommittee.

I did not release the Saffiotti memorandum; it obviously reached the press in some other way. But I want to give assurance to the membership that as soon as we get the responses from Dr. Rauscher and from Mr. Schmidt, which I hope will be the first of next week, we will make that available to the Members of the Senate by putting it into the Record and obviously out to the public. We will take whatever action the subcommittee feels is necessary in terms of any formal hearing at that time. But it is a matter of great concern.

We do know that 85 percent of the cancers now are environmentally stimulated or caused. When any kind of allegation or statement is made about the lack of priority in the war on cancer, it deserves a prompt and serious response, and we are going to try to deal with it. I think we were dealing with it in a responsible manner. That is the way we will proceed in giving the responses to the Senate.

I ask unanimous consent, Mr. President, that Dr. Saffiotti's memorandum be reprinted here in the Record so that, in light of the news stories, the entire document will be available for the public to read.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

Memorandum

[From the Department of Health, Education, and Welfare, Public Health Service, National Institutes of Health, National Cancer Institute, April 23, 1976]

To: Director, NCI; Director, DCCP; Staff, Advisors, and Collaborative Participants in the Carcinogenesis Program.

From: Associate Director, Carcinogenesis Program, DCCP, NCI.

On April 14, 1976, I notified the Director, National Cancer Institute (NCI), of my decision to submit my resignation as Associate Director for Carcinogenesis, while retaining the position of Chief of the Experimental Pathology Branch, Carcinogenesis Program, Division of Cancer Cause and Prevention (DCCP).

By this action, I will separate my responsibilities completely from the direction of the Program and return to a research and study activity through which I hope to continue my professional contribution to the field of carcinogenesis and cancer prevention.

I believe that this is for me the only course of action compatible with the scientific and policy criteria under which I have directed the Carcinogenesis Program for eight years and developed it to its present widely recognized national resource.[1]

A well-motivated resignation as Associate Director is the only action that I can consider taking to reaffirm clearly my position in these matters to all concerned. For three years I have expressed in strong terms the state of crisis of the Carcinogenesis Program due to lack of support. I have warned time and time again that lack of personnel and policy support would inevitably lead to a breakdown of the Program's accomplishments. In my judgment, this has now taken place.

I believe it is my duty to explain clearly the reasons for my decision to all those who have participated with me in the development of the Carcinogenesis Program.

These reasons can be summarized as follows: (1) Lack of manpower to operate a rapidly expanding program of major national importance; (2) Inadequate support for carcinogen bioassay operations and for cancer prevention; (3) Inadequate participation offered to staff scientists in the development of NCI policies in this field; (4) Removal of integral components from the program with resulting fragmentation of program direction; and (5) Administrative actions and management policies.

They are explained in the following section.

The accomplishments of the past eight years of joint effort speak for themselves.

I wish every success to those who will assume the burden of leadership that I am now relinquishing.

The Director, NCI, has kindly expressed his appreciation of my scientific activities and his desire that I continue to serve in the NCI not only as a laboratory chief but also as an individual scientific expert and advisor.

I am greatly looking forward to a period of renewed scientific research activity and study in a field to which I have devoted my career for almost 25 years.

For the members of my staff, who have worked so valiantly and enthusiastically at all levels for the progress of carcinogenesis, I have such a profound gratitude that I can only express it with one word: Thanks.

To all the colleagues in science who have devoted their intellectual energies, their enthusiasm and their efforts to a truly monumental accomplishment in scientific collaboration as investigators, advisors, and reviewers, and to their staffs, I wish to express my thanks for having made it all possible and for allowing me to share with them the excitement of advancing a major field of science and public health towards the prevention of cancer.

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[1] National Cancer Institute: *Report of the Carcinogenesis Program, Fiscal Year 1975.* DHEW Publication No. (NIH) 76-991. Bethesda, Maryland.

UMBERTO SAFFIOTTI, M.D.

CARCINOGENESIS PROGRAM

(1) Lack of manpower to operate a rapidly expanding program of major national importance—

Since three years ago, I have clearly indicated to the Director, NCI, and to the National Cancer Advisory Board, that the Carcinogenesis Program was in a serious crisis for lack of manpower and of policy support. The Director, NCI, assured me that he would help to resolve the problems. We agreed that the intramural research staff and resources, already heavily committed to program development, scientific monitoring and management, should not be further cut back or dismantled, so that an effective nucleus of scientific expertise in carcinogenesis could be retained.

The intention to support program needs was repeatedly expressed by the Director, NCI, even recently in his testimony to the House of Representatives; yet assignment of new resources to the Carcinogenesis Program in this fiscal year was once again insignificant.[1] In fact, since 1973 the situation has considerably deteriorated: fiscal responsibilities continued to increase at a rapid rate, while the number of staff positions remained essentially the same for three years and is now projected to fall to a grand total of 123 full-time permanent positions, the lowest level since 1971.[2] Most of these positions are committed to the laboratories, so that program planning, direction, monitoring and management are all done with a skeleton crew which is totally insufficient. The Carcinogenesis staff has worked with a tremendous energy in the past three years, against increasing odds, to maintain a high level of scientific integrity and of responsible program accomplishments. Under the present circumstances, I believe that this can no longer continue.

Several senior scientists in the staff, affected by the lack of personnel and resources and by an increasing burden of assignments, have left and could not be replaced with new staff of comparable experience and scientific stature. Several working groups of great importance for the accomplishments of the Program had to be phased out.[3]

Other outstanding scientists could have been attracted to join in program leadership positions, but lack of adequate support made these recruitments impossible. Some outstanding young investigators left the staff when it became impossible to provide them with the necessary support, in spite of the fact that they had worked most intensively and effectively for the development of the total program.

The scientific staff works both in direct research and in developing, leading, and monitoring a collaborative program which includes outstanding scientists and unique resources in this country and abroad.

It is my firm conviction that we cannot coordinate and maintain an effective national program in carcinogenesis and cancer prevention requiring a complex interdisciplinary science basis and affecting technology, economy, and public health policy at the national and international level, without adequately supporting a top level scientific staff highly qualified in the key disciplines involved in the field.

The continuing lack of personnel support, together with the mounting pressures of fiscal and scientific responsibilities have caused serious damage to the morale and possibly the health of members of the staff who worked so exhaustively to achieve major accomplishments towards the prevention of cancer.

Lack of competent staff in directing such a wide and complex program means one of two things: either a phasing out of activities or a compromise on quality standards. Several very important areas of program were already phased out[3] and the program operates at a bare minimum. A compromise on scientific quality standards is unacceptable to me.

(2) Inadequate support for carcinogen bioassay operations and for cancer prevention. Particularly affected by the lack of policy and personnel support are the carcinogen bioassay operations, where high quality standards of experimental design, pathology and data analysis were achieved by the carcinogenesis program after much hard effort.

It is well known that the likelihood of detecting the carcinogenic effects of a test chemical by animal bioassay is proportional to the extent and quality of the bioassays: setting high quality standards for these bioassays becomes therefore a crucial policy issue, as clearly shown in hearings recently held by Senator Kennedy on the issue of "sloppy tests". In fact, it is almost axiomatic that if bioassays are used to claim a negative finding for regulatory purposes, the sloppier the test the "safer" will the product appear—unless one investigates the adequacy of the procedures used.

The major contribution our Program has made in the area of bioassays has been that of establishing high quality standards, which have now been widely accepted. A large bioassay operation was established in the early 1970's to provide a much needed national resource capable of conducting long-term animal tests on hundreds of substances under closely monitored conditions. This undertaking, widely reviewed and approved by the NCI and its advisory bodies, was not backed up in time with sufficient staff assignments. Only by the strenuous efforts of the available staff did we succeed in establishing the logistics, the experimental protocols, the data systems, the diagnostic pathology criteria and the statistical analysis methods which have now made it possible for the first time to fulfill the need for publication of fully documented reports of carcinogenesis bioassays. The first volumes of the new NCI Carcinogenesis Technical Report Series are evidence of this accomplishment.[4]

Lack of staff support and a load of other assignments imposed on the staff to respond to requests from NCI and other agencies have led to the inevitable build-up of a backlog of pathology review and data analysis.

There are now over 200 bioassay results still awaiting to be reviewed and published, while no substantial support to staff is provided and key staff members are taken away from this task (see below).

I cannot accept any longer a situation which in fact deprives the regulatory agencies, industry, labor, consumers and the scientific community of data of urgent public health value: it is people who are now exposed to toxic agents and who are not protected because the necessary support was not provided in time.

Evaluation of carcinogenesis bioassay results is not a mechanical operation: it needs professional skills, competence and experience which are notoriously scarce. Not to support the unique team we have assembled for this effort is, in my judgment, a tragic policy. At this time, most of pathology material and raw data on this backlog of tests has been assembled with high quality standards. Several detailed reports have been already published; all it takes now to speed up the publication of the full documentation (by a pattern that has been already well established) is specialized manpower and a fully supportive policy. Reassignments and disruption in the current staff appear to me to lead to further delays in the publication of well-documented evidence of cancer hazards. I cannot endorse such policy.

Because of the lack of a single focus of responsibility in the coordination of carcinogenesis work in NCI, a great deal of critical staff time was, in my view, wasted in an excessive number of meetings of committees and interagency groups, which have contributed little to constructive work and documentation in the areas of real high need and priority.

(3) Inadequate participation offered to staff scientists in the development of NCI policies in this field—

I came to the NCI in 1968 as the Associate Scientific Director for Carcinogenesis; in 1973 the title was changed to Associate Director for Carcinogenesis, DCCP, and in 1975 to Associate Director, Carcinogenesis Program, DCCP. These apparently trivial changes in a title, occurring while the leadership responsibilities were increasing at a very fast rate, are perhaps symbolic of the decreasing participation offered to senior staff scientists in the development of NCI policies, at least in our field.

At the present time, carcinogenesis has acquired an essential role in the whole cancer field with major involvement and impact on national and international public health policies. There are very few scientists experienced in chemical and physical carcinogenesis with working expertise also in the field of occupational and environmental health. Their knowledge is an essential basis for the formulation of wise and effective national policies for the prevention of cancer. Experts in carcinogenesis are in fact among the top government advisors in several major countries. It is indeed most encouraging to me to see that other agencies of the U.S. Government have recently appointed good scientists with experience in these fields to key policy positions.[5] In the NCI, judging from my own experience and that of my colleagues with an international reputation in science, there have been at best only a few opportunities to discuss and participate in major policy decisions at the Institute level. In many cases major policy decisions directly affecting our field and our work have been taken without adequate participation or even discussion with the expert staff. The establishment of a Clearinghouse on Environmental Carcinogenesis, recently announced by the Director, NCI, is a case in point.[6]

In 1972 Dr. Rauscher, who had just been appointed by the President as Director, NCI, asked the senior staff for their individual views and recommendations for the organization of the Institute. On that occasion, I pointed out the growing importance of the Carcinogenesis Program, its close interactions with other agencies and departments and its role in providing a scientific basis for major national and international policy decisions in regulatory and public health matters. I expressed my strong belief that such a program should be placed organizationally immediately under the Institute Director, without the intermediate layer of a broader Division with many other commitments, that the scientific leadership in carcinogenesis should be an integral part of the NCI policy-making staff, and that it should have direct and close access to the Institute Director, providing him with a single focus of science and policy advice and documentation.

This proposal was made long before the present Division Director was appointed and bears no reference to personality connotations. I have always hesitated to state this

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Footnotes at end of article.

view more widely, as it may have appeared motivated by a desire for personal advancement. Now that I am stepping out of the line of command, I feel free to express again this strong personal view. NCI, I believe, needs a unified and coordinated effort in carcinogenesis, under a strong scientific leadership capable of providing scientific quality monitoring and creative scientific direction towards the identification of human cancer hazards and their prevention. Such unified effort should be fully supported by all means of research support (intramural, grants, and contracts). It should be provided with adequate staff and facilities and should receive long-term commitments of support and of supportive policy for its work which is necessarily of a long-term nature.

(4) Removal of integral components from the program with resulting fragmentation of program direction—

Carcinogenesis, by its very nature a multifaceted interdisciplinary field, must be developed through a coordinated interaction of its component parts.

The fact that many cancer causative agents have been discovered to be environmental contaminants simply requires that research on the sources, distribution, exposure and activity of these environmental agents be included in the development of the field. The mode of exposure of people to these agents will need to be studied in relation to occupational and environmental conditions, and the opportunities for control and prevention will closely relate to societal actions. This does not mean to me that we can artificially separate environmental carcinogenesis studies and documentation from the whole field of carcinogenesis research. A separation can in fact deprive each side of an important perspective in the other. An Office of the Scientific Coordinator for Environmental Carcinogenesis was established in my immediate office in 1972, to provide increased support for the documentation and investigation of these aspects of the field and to assist in the liaison with other Federal agencies interested in environmental cancer problems.

This Office, with a staff of only three people, was removed from the Carcinogenesis Program and placed in the Office of the Director, DCCP, in 1974 without a thorough discussion with me of the implication of this action and against my recommendation. I still believe that this action has significantly weakened the Carcinogenesis Program in an important area. Cooperation with other agencies on scientific matter and evaluations became more difficult for me and the function of explaining new scientific methods, criteria, and findings to those other agencies that needed them as a basis for their regulatory actions became, in my view, excessively "bureaucratic", by being withdrawn from its scientific matrix. No replacement was allowed by the Division Director to compensate for the loss of these positions in the study and the documentation of key substances related to high research priorities in the Program.

Recently, the Director, DCCP, has decided to remove further personnel and functions from the Carcinogenesis Program.

A veterinarian in charge of the animal resources in the Carcinogenesis Program (breeding, distribution, husbandry standards and health monitoring of over 125,000 laboratory animals currently under study in the Program's collaborative projects, mostly in the bioassay operations) was reassigned to the Office of the Division Director to work with the Scientific Coordinator for Environmental Cancer. In my view, his background and qualifications, excellent as they were for the previous job, seem hardly adequate for this new assignment in the Division Director's Office. Adequate replacement will undoubtedly take months, during which close competent monitoring of this large animal population, a delicate and vulnerable resource on which millions of dollars worth of research are dependent, is perilously vacant. This transfer seriously undermines the already insufficient professional staff in the Carcinogen Bioassay and Program Resources Branch (a total of five doctoral level permanent positions!) and it represents a policy decision that I cannot accept.

On April 9, 1976, the Director, NCI, informed me that on the recommendation of the Director, DCCP, he had decided to transfer immediately from the Carcinogenesis Program into the Office of the Director, DCCP, a "Program on In Vitro Carcinogenesis-Mutagenesis" to be put under the direction of a manager, stating that this "relocation would provide better visibility and a better focal point for coordination".

This decision followed several recent discussions with Drs. Rauscher and Peters in which I expressed my strong views against it, which can be summarized as follows: The extent of the activities to be transferred was not defined but from the discussion is appeared to cover only a portion of the total effort of the Carcinogenesis Program in this area; this separation would therefore indeed create a serious operating split between various lines of research and development in this most important area, instead of providing the desired "better focal point for coordination"; the development of in vitro methods for carcinogenesis is still at a stage where a great deal of research work is needed to define, validate, and standardize short-term methods before they can be applied to the systematic short-term screening of environmental chemicals of unknown activity—with any hope to figure out what the results may mean in terms of predicting carcinogenic effects in vivo.

The Carcinogenesis Program has made extensive and outstanding contributions to this whole area of in vitro methods for carcinogenesis research and toward the development and validation of new screening methods.

Methods for chemical interactions, mutagenesis and neoplastic transformation of cells in culture were developed and interrelated with the necessary research on key mechanisms and functional requirements. Investigators in the intramural laboratories and in the collaborative projects are leading the advances in this field. These in vitro studies now represent an integral part of the total field of carcinogenesis research: I believe that an arbitrary segregation of a group of projects into a separate program under a manager without a scientific staff is likely to be detrimental to the rapid development of this still delicate research area on a solid scientific basis. Once again, the accomplishments of the Carcinogenesis Program in this area speak for themselves. I find the new policy unacceptable.

The manager of the Bioassay Operations Segment was assigned to be full-time executive secretary of the new "Clearinghouse on Environmental Carcinogenesis" now being planned by the Division Director, thereby depriving the Bioassay Operations Segment of an experienced manager at a time when personnel resources are already below the minimum necessary level. This decision was announced without even prior discussion with me or my responsible senior staff. Other members of the Carcinogenesis Program staff received offers to transfer to the Division Director's Office without my previous knowledge of such proposals.

In summary, a pattern of erosion of staff resources from the Carcinogenesis Program with a corresponding build-up in the Office of the Division Director was becoming apparent. I found this situation unacceptable.

After I announced my decision to resign as Associate Director, Drs. Rauscher and Peters indicated to me their intention to replace my position with two Associate Directors for two separate program areas—one for Carcinogenesis research and one for Carcinogenesis testing, the latter to include animal bioassays, short-term screening methods and related resources.

They offered me to stay on as Associate Director for the Carcinogenesis Research Program, expressing their support and trust in my scientific activity. I thanked them for this, but I indicated that since I firmly believe in the need for unified scientific leadership in the entire field of carcinogenesis, I decided to disassociate my responsibilities completely from the direction of the Program under the present circumstances.

(5) Administrative actions and management policies—

My operating management criteria have always been that scientific programs should be directed by qualified scientists supported by managers rather than by managers controlling scientists. Using the former approach, we were able to develop a well-articulated collaborative program which expanded almost eightfold in eight years and yet maintained a high degree of scientific integrity. Administrative decisions involving space, personnel actions and resources have made the operation of an efficient program in carcinogenesis extremely difficult and to me often discouraging.[7]

FOOTNOTES

[1] The Director, NCI, testified to the House of Representatives in the appropriation hearings in February 1976: "Dr. Saffiotti has consistently received the highest priority I can give him of not only dollars, but people . . .". The NCI received 79 new positions for this fiscal year: of these only 3 were assigned to the Carcinogenesis Program (memorandum from Director, DCCP, March 29, 1976).

[2] Figure of personnel versus funds—(123 projected as of July 1, 1976, with the transfer of immunology laboratories to another Division). See page 12.

[3] John W. Berg, M.D., Head of the Epidemiologic Pathology Unit, Office of the Associate Director, resigned in July 1973; Dr. Margaret Howell retired in January 1974, and Dr. S. Silverman in September 1975. The Unit was closed, thus depriving the Program of its direct competent collaboration with the epidemiology program area.

Richard R. Bates, M.D., Chief of the Experimental Pathology Branch, resigned from it in September 1973 because of the excessive workload and lack of support: The Endocrine Carcinogenesis Section and the Digestive Tract Carcinogenesis Section which he had established in the Branch to develop these two highly important research areas, received no personnel and space support and were phased out. This effort to establish a research group with specialized competence in hormonal carcinogenesis was thus defeated. The NCI had previously lost its Endocrinology Branch with all its personnel and resources when this entire group was transferred to another NIH Institute. To this day, in spite of the major role of endocrine factors in human carcinogenesis, the NCI has not supported the establishment of a specialized laboratory for work in this field.

The lack of support and consequent abolition of the Digestive Tract Carcinogenesis Section made it impossible to maintain a critical expertise in this area; as a result, the projected program developments in the study and prevention of esophageal gastric and intestinal cancers had to be cancelled. The collaborative research segment on colon cancer is being phased out.

[3a] Sontag, J. Page, N., and Saffiotti, U.: Guidelines for Carcinogenesis Bioassay in Small Rodents. *NCI Carcinogenesis Technical Report Series No. 1.* DHEW Publication No. (NIH) 76–801. Washington, D.C., U.S. Government Printing Office, 1976, 65 p.

[4] National Cancer Institute: Carcinogenesis bioassay of trichloroethylene. *NCI Carcinogenesis Technical Report Series No. 2.* DHEW Publication No. (NIH) 76-802. Washington, D.C., U.S. Government Printing Office, 1976, 197 p.

[5] Richard R. Bates, M.D., for many years a senior scientist in the Carcinogenesis Program at NCI, has recently accepted the position of Deputy Associate Commissioner for Science at the Food and Drug Administration.

Dr. Roy Albert, Professor of Environmental Medicine at New York University Medical Center, has joined the Environmental Protection Agency as Deputy Assistant Administrator for Health and Ecological Effects.

Dr. Morton Corn, Professor of Occupational Medicine at the University of Pittsburgh, has become the Assistant Secretary of Labor in charge of the Occupational Safety and Health Administration.

[6] Mention of such a Clearinghouse was made briefly by the Director, DCCP, to the President's Cancer Panel and to the National Cancer Advisory Board. I had no benefit of previous discussion on its operational impact and I have learned more about it from the lay press reports than from NCI. It appears now that it will include a committee evaluate carcinogenesis bioassay results in turn had been previously planned by the Director, DCCP, also without previous discussion with those responsible for the Carcinogenesis Program. To this day, the functions of this proposed public committee are unclear to me, since they have been described as including the review of preliminary findings from bioassays of environmental chemicals to decide, in public, whether such findings should be made public.

[7] After the only short period of personnel increase which allowed us to develop a small management staff in 1971–1972, the space available to Program became extremely crowded. A decision was made by the Division Director to transfer out of the laboratory facility (Building 37) all office space that could be relocated in an office building off campus. We in the Carcinogenesis Program accepted this policy and transferred our offices to the Landow Building. Even so, several laboratory areas remained short of the space they would have needed to expand efficiently in view of needed new methodologies, particularly for cell culture and analysis of carcinogen metabolites, and also to comply with new requirements for safety standards in the handling of carcinogens and for laboratory animal care. The move of the offices to the Landow Building has made close interaction with the laboratory staff much more difficult. Renovations in Building 37, after the offices were moved out, took two years to be made, thus delaying the development of much urgent research. While Carcinogenesis offices were moved out, the other major program area in our Division, Viral Oncology, has remained to this date in the laboratory building with a large number of offices.

A major transfer of space and positions from the Carcinogenesis Program to another NCI Division is planned for July 1976, as a group of immunology laboratories in the Biology Branch will become part of the Tumor Immunology Program in the Division of Cancer Biology and Diagnosis. While these reassignments may contribute to the development of more unified efforts in other NCI program areas, the resources needed to develop a more intensive effort in Carcinogenesis were not available.

Animal-housing resources in Building 37 are totally inadequate for the needs of intramural research in Carcinogenesis. A supporting contract provides some resources outside NIH but the necessary in-house facilities are still lacking, even if their need was recognized seven years ago.

Other administrative delays and increasing complications are still cause of serious concern: As an example, the distinguished senior pathologist who provides invaluable leadership to the development and monitoring of pathology standards for bioassays was recruited as an expert three years ago and offered a regular position in the Civil Service. His appointment has still not been provided, and we risk loosing one of the key scientists in this essential area.

Mr. SCHWEIKER. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. KENNEDY. I yield.

Mr. SCHWEIKER. Mr. President, I ask unanimous consent that a member of the Labor and Public Welfare staff, Mr. Kelly, be allowed floor privileges during the debate and vote on this bill.

The PRESIDING OFFICER (Mr. THURMOND). Without objection, it is so ordered.

Mr. BELLMON. Mr. President, I ask unanimous consent that Mr. Dick Woods of my staff be granted the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. If there are any other similar requests I would hope they would be made now.

Mr. President, we have ordered a vote on this measure because of its importance, and I would like to make some brief comment. Then we can get on to the various amendments which, from my understanding, are going to be satisfactory and will be accepted, and hopefully, we will not delay the Senate long.

At the outset, Mr. President, I want to acknowledge the leadership of my colleague and my good friend, the Senator from New York (Mr. JAVITS) in this legislative undertaking. This is really a Javits proposal.

I enjoyed the opportunity of working with him, and we worked closely together in the fashioning of this legislation. It follows up on legislation that was developed and passed and made law in 1967 which provided some measure of important monitoring in this area at that time, but as our review and hearings have reflected, it just did not do the job in this vitally important area of assuring that the American people will receive the highest quality of care with regard to laboratory services.

I also acknowledge the very splendid work that has been done in this related area by the distinguished Senator from Utah, Senator Moss, and the work of his committee. The staff report prepared for the Special Committee on Aging has provided, very ample justification for the immediate passage of this legislation. Quite frankly, I can give the Senate the assurance that I was convinced of the urgency of this legislation prior to the Moss report, but there should not be any doubt in the minds of any American citizen or any Member of Congress about the importance of this legislation.

At the outset, I commend the diligence and detailed attention that was provided by Senator Moss and his staff. I think this is a fine example of the pluralism of jurisdictions with regard to the various committees. Here is a perfect example of working in harmony, meeting our particular responsibilities and adding a sense of urgency to the passage of what I consider to be an extremely significant and important health measure during this session of Congress.

Mr. President, we can measure the importance of this legislation from any number of vantage points. For example, we can measure it from the vantage points of the dollar value. In 1974, we spent approximately $8 billion on laboratory tests. Our total national health bill is now $118 billion a year. You can see, Mr. President, that clinical laboratory work is a major component of our health care network. And we estimate that this will be an even bigger sum in 1980, when experts calculate that lab costs will total about $15 billion. But it is not cost alone that concerns us today. It is quality. If we do not know that these reports are accurate, then the health of the American people is placed in severe jeopardy.

We are justifiably concerned with costs, then, which in the laboratory industry increases at a rate four percentage points higher than the costs for health in general; but we are equally concerned with quality. This act's fundamental goal is laboratory improvement—which State and Federal governments foster, professional associations sponsor, laboratory directors attempt to achieve, and upon which our public health depends. Yet until this act, which we debate today, was introduced laboratory improvement efforts remain illusory.

The goal of this important legislation, which has received the unanimous support of the members of the Committee on Labor and Public Welfare, is to protect the health of the people and to assure quality laboratory services; its fundamental precept is laboratory improvement.

When the original clinical lab legislation was passed, thanks to the efforts of Senator JAVITS, we expected that the quality of laboratory work would improve. But when we reviewed the 1967 clinical laboratory legislation we were disappointed. This is what we found:

Only labs engaged in interstate commerce are regulated by CLIA 1967. That is just 6 percent of the Nation's total;

At least 26 States have no mandatory lab programs and only 8 States have what is considered to be "good" programs;

Hospital labs covered by medicare undergo periodic but cursory review;

Physicians' office labs operate freely, without any prescribed standards;

As may be expected, we learned of fundamental differences among the Federal agencies responsible for assuring quality laboratory work; and

Although quality may have improved somewhat since the original clinical laboratory improvement legislation enacted in 1967, evidence reveals that it has not been much of an improvement. As one witness said: "It is gone from horrible to bad."

CLIA 1976, which I am pleased to cosponsor with Senator JAVITS and which was the subject of 2 days of hearings before my committee, is a thorough overhaul of the 1967 law. Its principal features include: expanding Federal licensing to all clinical laboratories; creating an Office of Clinical Laboratories in DHEW to establish one set of standards; and enumerating the standards that must be assured.

Hearings were held last September. Representatives from the laboratory community—technologists and technicians, lab supervisors, owners of both the small and large clinical labs, physicians and State officials—all favored the bill.

As the bill was modified in committee we won the support of those who disagreed with certain aspects of the proposal, and now only the administration is opposed.

Those who testified agreed that: the public was not being adequately protected; DHEW arrangements were difficult to fathom; an Office of Clinical Labs was needed to coordinate the disparate Federal Lab activities; and there was no medical justification for exempting physicians' office labs.

Technical and substantive amendments were added to the bill. For example, we approved amendments: first, granting a 2-year waiver from personnel standards for technicians in hospitals with less than 100 beds located in rural areas; second, requiring affidavits for physicians' office laboratories; and third, addressing the critical area of such financial abuses as double billing, kickbacks, and fraud.

The recently published staff report of the Senate Special Committee on Aging on Fraud and Abuse Among Clinical Labs proposes as its first recommendation the enactment of the bill we now consider "at the earliest possible opportunity." Today, we shall hopefully comply with this urgent recommendation.

We understand that the administration is concerned with the scope of this legislation. But I would ask anyone to review the bureaucratic problems attendant to DHEW's responsibilities for assuring the quality of laboratory activities.

There are three different agencies responsible for administering the Federal programs—SSA's Bureau of Insurance, the Center for Disease Control, and the Bureau of Quality Assurance and from reports that have reached my committee, it appeared that one agency did not know what the other was doing.

It was only after the introduction of this legislation that the administration at last developed an interagency agreement to review the bureaucratic muddle. The agreement, Mr. President, has been met with some skepticism. You see, DHEW has been trying since 1967 to work out an agreement. Each attempt has failed. We fear that in this case—without statutory authority—this attempt shall prove as fruitless as the others.

Mr. President, most diagnostic procedures begin when a physician orders a lab test. When the results are obtained, we accept the verdict without batting an eye.

When done accurately, lab tests save lives; but tests which yield false positives or negatives provide physicians with clues that are useless.

We have studied the data and have found that we must not be as unquestioning as we have been.

Studies, such as the one reported in 1973 by the National Bureau of Standards, reveals that the accuracy of performance is highly variable and includes a wide range of error. Accounts of shoddy lab work, resulting in death or debility, continue to reach my committee. The horror stories and tragedies trouble me deeply.

Mr. President, it is unreasonable not to expect that every patient have assurances that lab procedures will be done accurately and that samples will be sent to labs with internal quality controls and examined by personnel who have achieved a certain standard of excellence.

The gaps that exist in our present, Federal lab programs, Mr. President, must be closed now.

Ambiguous regulation, fragmented jurisdiction, financial abuses and bureaucratic infighting must end now.

CLIA 1976 provides that common ground to assure that the public will receive optimal lab services.

Mr. President, this is an excellent bill. It is urgently needed. I believe it merits the support of every member of the Senate. I urge its adoption.

My full and complete statement goes into considerable detail on the various provisions, which I shall be glad to elaborate as we go through this measure.

But I want again to acknowledge the very splendid leadership that has been provided by my colleague and the ranking minority member of the full committee, the Senator from New York.

Mr. JAVITS. Mr. President, I thank my colleague very much for his very kind references to me.

This was a bill turned out by the subcommittee, very considerably revised before the subcommittee, the hearings were extensive and very detailed, and I am very grateful to Senator KENNEDY for the time and the devotion which he gave to this product which is as much his as it is mine.

Also, the pioneers in this field, like Senator Moss, Senator PERCY, and our old colleague Senator Murphy, of California, with whom I first introduced the bill way back in June of 1965, turned out the original effort which has been in effect since February 1967, and which is really the basis for and the precedent for this particular measure.

Mr. President, I shall not repeat the eloquent arguments which have been made by Senator KENNEDY, but I just wish to associate myself with them and to have my colleagues understand the enormous volume of work which is here involved.

We are right now having 4.4 billion tests a year at a cost for testing alone of some $12 billion as of 1975. By 1980, it is estimated that we will have 8.8 billion clinical tests at an annual cost of about $15 billion.

So that we are dealing, Mr. President, with the lives of tens of millions of Americans and the accuracy and reliability of these laboratory tests is very serious.

That is what first interested former Senator Murphy, who was a man very interested in the individual life and personality of the functioning of one human being.

He and I felt very deeply the danger which comes, for example, from a Pap test which might be inaccurately analyzed and make some woman feel she has cancer. That is terrible. It is enough to kill a person just to think about it without actually experiencing it: Tests about pregnancy, tests about whole hosts of other diseases, the wrongful treatment of which can result in disability, extended illness, and death. So that we are dealing with a very sensitive area.

Also, we are dealing with an area which is enormously pervasive; That is, that we have about 15,000 independent and hospital laboratories which now operate essentially free of meaningful regulation as the 1967 regulates only the large commercial interstate laboratories, of which there are less than 1,000.

We have, as I say, 15,000 independent hospital laboratories. We have some 50 to 80,000 individual physicians' offices where laboratories again turn out tests of the greatest essentiality to the individual. Obviously, we are not going to regulate these physicians' offices, nor is it necessary. But nonetheless, under a very ingenious plan, which is incorporated in the legislation, and which is not mine but that of a doctor who testified before us, we will have the benefit of asking doctors to monitor their own performance and have a new alertness on the part of the individual doctor, and I have the greatest confidence in him, in respect of the operation of his own office.

Many of the doctors admitted that this was a little activity carried on in the office to which many of them never paid too much attention. But the way in which we have handled it, by an affidavit certification that the doctor's own operations comply with the standards set by the Secretary, and they are specified, though, not to be in any way exacting, is just enough to enable him to examine his own operations and keep them under his own examination. He has to sign an affidavit that they are running as he would like to see them run.

Mr. President, I think that, incidentally, is the way in which to deal with the physician's responsibility. It is a creative activity. It is not an idea of mine, as I said, but was testified to by Dr. Robert Chambers, of Georgetown. I will give the page reference as to where his particular testimony appears in the report. I do wish to express my gratitude to him here in the Chamber.

That statement appears at the top of page 13 of the report. It was an enormous help in respect of this bill.

The reports upon which we based our work have already been very eloquently described by Senator KENNEDY. It is very important that we understand there have already been a number of court cases which show the amount of wrong results which come out of laboratories, and those occur in various parts of the country—California, Iowa, and Illinois. One thing we ran into, I would like to tell my colleagues, which was very trying, is that in this particular profession there was an enormous amount of covering up. That is, those who knew the tests were wrong, et cetera, were in mortal fear of revealing anything about them. This turned up in the investigation conducted by Senators Moss and Percy very markedly, and it turned up in our own investigation in respect of the matter. So we included a rather unusual provision in this bill which is before the Senate, under which provision we make it clear that if information is given respecting the public health and safety of the kind which is sought to be protected by this bill, an employee of a laboratory giving such information is protected in his job.

In this particular case, because we ran into so much of that, it happens to be a critically important fact.

My colleagues may remember in connection with the pension and welfare reform bill, in which such a constructive part was played by Senator Curtis who happens to be in the Chamber, and other Senators, that we had thousands upon thousands of complaints. In this situation, however, we found that approaching the problem by the complaint route would not work because this is operated in an office with technicians, and the individual never knows whether there has been a wrong result from a test. He may get very ill, he may die, but he never knows that it could have been based upon a faulty test. We found the greatest difficulty in unearthing this information. So we came to a conclusion such as the one I have described was absolutely necessary.

This legislation, like all legislation which fulfills a long-deferred need, makes one wonder why we all took so long to do it.

Also, we ran into great bureaucratic snarl-ups with the administration of the law which we passed in 1967, and of whatever general authority there resided in the Department of Health, Education, and Welfare to administer laboratory standards.

In the first place, they played around with whether or not we ought to have any standards at all for 6 years. The only answer, really, to whether we felt legislation was now necessary was the fact that they were still trying to work out a bureaucratic way to merge various Government agencies which were or could be charged with this responsibility, et cetera.

Indeed, I would like to call the attention of my colleagues to an exchange at page 31 of the record, which showed that there has been 8 years since the passage of the Clinical Laboratories Improvement Act of 1967 intending to, proposing to, planning to, get around to setting standards for the other laboratories in the country but absolutely nothing happened.

Under those circumstances, we felt we had to proceed.

In proceeding, we also accommodated the law so that any possible activities which the department wished to pursue on its own in coordinating its own activities within the Department of Health, Education, and Welfare could be done under the terms of this law. We did not endeavor to erect a structure of such strictness as to not accommodate anything the Secretary really wished to do about organizing his own department.

Finally, Mr. President, we omitted completely any effort to regulate laboratories in Federal departments and agencies of all kinds, including the Veterans' Administration. We did this because we felt it would be inappropriate on the part of one department of the Government to regulate others. But we did provide that the Secretary of HEW should keep constantly apprised of the regulations, et cetera, which he made, the standards which he set, and consult with the other Federal agencies who were conducting laboratory tests so that he knew exactly what was the latest state of the art or the profession. We simply assumed that they would do their utmost to bring their own operations up to those types of standards without compelling it upon them or conferring any authority over them to the Secretary of HEW.

I hope very much, Mr. President, that this measure, which is so long, long overdue, may find favor with my colleagues.

Mr. CURTIS. Will the senior Senator answer a few questions concerning the bill?

Mr. JAVITS. I would be delighted to.

Mr. CURTIS. This is an amendment to the 1967 law; is that correct?

Mr. JAVITS. That is correct.

Mr. CURTIS. In respect to State licenses, how does this differ from what the 1967 law provided, if it provided anything?

Mr. JAVITS. The pattern of the evolution to State jurisdiction remains the same. In other words, if a State is enforcing the standards of the Secretary, then the State may take over the administration of the law.

The extension represents the additional laboratories that are brought under the law, to wit, the approximately 15,000 independent and hospital laboratories which now operate essentially free of meaningful regulation. The previous act reached only the large commercial laboratories which engaged in interstate commerce.

In addition, I say to the Senator from Nebraska, at the suggestion of Senator Stafford, of which we thoroughly approved, we exempted hospitals in rural areas absolutely for 2 years under such regulations as the Secretary could design expressly for personnel. We waived the application of regulations relating to laboratory personnel in the rural hospital.

Mr. CURTIS. That leads me to my next question. Summary—and I realize in a summary we have to just hit the high points—No. 9 says:

> Authorize the Secretary to waive from the personnel standards laboratories located in rural hospitals with fewer than 100 beds . . .

In addition to the authority of the Secretary to waive, we have an absolute exemption.

Mr. JAVITS. For 2 years, exactly.

Mr. CURTIS. Two years.

Mr. JAVITS. If the Senator would like that section, I will find it for him.

Mr. CURTIS. Is that true of the exemption for a physician's office laboratories?

Mr. JAVITS. The physician's office laboratories are not exempted but are made subject to the annual affidavit requirement in which the requirements for giving information to the Secretary are extremely limited. We essentially leave it to the physician.

I will read that to the Senator. We essentially leave it to the physician to police himself, and the whole purpose of the affidavit technique—and really I think it is my business experience that leads me to this—is to bring to the attention of the physician his own laboratory so that, as he has to sign a piece of paper which says it is OK, and he will therefore take a good hard look at it. That is what we finally decided was the only way to go. May I read this to the Senator?

Mr. CURTIS. All right.

Mr. JAVITS. It is a doctor's suggestion, by the way, and I think it is a very good one. Here is what it says:

> Exceptions—

This is found at page 26 of the committee report.

> . . . provides that the Secretary may exempt clinical laboratories owned and operated by a licensed physician, dentist, podiatrist, or osteopath performing tests solely as an adjunct to treatment of his own patients, from provisions of this section under such conditions as the Secretary may deem necessary to protect the public health. Such exemptions may be granted only upon submission of an affidavit which includes:
>
> (1) a description, including education, experience, and training, of the non-physician—

We have no quarrel with the physician.

> . . . of the non-physician personnel who participate in the conduct of tests, collection of specimens, or transmission of specimens;
>
> (2) the quantity and type of tests conducted by non-physician personnel; . . .

Again he conducts it; no requirement.

> and
>
> (3) the results of the proficiency testing, if any, of these personnel.

Let me explain to the Senator the use of that rubric "proficiency testing," it in essence relies upon the programs of those qualified national organizations, such as the College of American Pathology and the American Association of Bioanalysts. That is what we mean when we use the words "proficiency testing" in the Government. It is strictly in the hands of, for example, the pathologists themselves, and so what we want in an affidavit is the result of that particular physician's offices laboratory personnel which he knows because they would participate in these procedures gained through this testing system which the pathologists themselves carry out.

Mr. CURTIS. How about the physician, who is very competent, but is doing a certain amount of laboratory testing in his office which is important that he do because it saves time for the patient, saves expense of sending out for laboratory testing and yet he needs to know the result of a test. Suppose he has a lady, who has run his office for years, who he has trained and she has responded to the training and knows how to do the testing. She knows the difference between something that is cleaned and something that is sterile, and she works all the time under his supervision. But, nevertheless, she does collect specimens and she does certain test procedures, but she has not any certificate or diploma from anyplace. What is this law going to do to that office?

Mr. JAVITS. It will do absolutely nothing to the office, if I can help it, because there is no requirement whatever in this law as far as the physician is concerned, for any certificate, diploma, qualification, or anything else.

Mr. CURTIS. But the Secretary does pass on the standards of the personnel.

Mr. JAVITS. He has to establish standards.

Mr. CURTIS. Yes.

Mr. JAVITS. He has to establish standards.

Mr. CURTIS. Suppose he establishes standards that include certificates, diplomas, and what have you?

Mr. JAVITS. We left this to regulation because obviously, it is much too detailed to try to do in the statutes. But may I say to the Senator, it is my distinct purpose that at no time shall there be anything but a performance standard requirement, that is, a standard of ability to perform as required and that there shall not be at any time any educational qualification or other qualification, other than a strict performance standard. My belief is that the regulations should go this way.

It should really be done on a time basis. If a person has done the work satisfactorily for a period of time, that, ipso facto, should be accepted by the Secretary as a basis for competence to continue.

My thought is—and I am not trying to substitute myself for the experts but all that I say is that I shall make it my business, and I will be responsible to the Senate, that there is no requirement for diploma, license, examination, or anything like that, but that it is strictly a performance standard, the ability to do the work. It is job-related, Mr. Cutler reminds me.

But may I also say that there is no requirement whatever on the physician. I hope the Senator understands that. We accept the fact that a physician is subject to no regulations of any kind or character. He is, ipso facto, competent and fully empowered because he is a physician. So there is absolutely no qualification to that.

Mr. CURTIS. What happens if they find that his personnel have not met the standards of the regulations set forth by the Secretary?

Mr. JAVITS. There, I say to the Senator, we are stuck with the fact that one of the purposes of this law has to be not to have completely incompetent people handle these tests. I mean, we have to do something somewhere.

Mr. CURTIS. Here is the grim fact that the Senator from Nebraska is facing. The Government of the United States is driving our physicians out of the rural areas. That is literally true.

Some weeks ago I put into the RECORD the case of a doctor at Madison, Nebr., a county seat town, one doctor who has been there for 20 years. When he started he had one office girl. She took care of everything. Now we have so loaded him down with requirements of the Federal Government that he has four office girls, and it is not only reports, requirements, and that sort of thing, but it is all the compliance with medicare and medicaid, and someone looking over his shoulder and saying, "Here, you must prescribe a generic drug," when he knows that there is a good chance that the generic drug will have a bad reaction on his patient; she cannot take it. And so this good doctor at Madison is just quitting because the Government of the United States sits in figuratively every time he consults with a patient. He has to have such an army of people there. That is not just one town. It is happening all over.

I realize the difficulty in writing particular things into the statute and the necessity so many times of delegating to the Secretary to write regulations. Here is the Secretary of HEW, a very capable fellow, but he has to go around the country and speak. He has to respond to the President's requests for Cabinet meetings. He has to come here to testify. He presides over a whole domain of education. Then he has all the ramifications of the welfare department, including social security.

So if we delegate authority to the Secretary, we are not delegating to the Secretary; we are delegating to an unknown, undescribed bureaucracy that you cannot even find. For that reason, I am not too sure that the extension of licensing power and regulation to the Federal Government is in the interests of the patients, of the old people.

I believe that if there is a community that has a doctor who is doing pretty well, they are getting better service in the care of their illnesses than if there were no doctor at all.

I believe it is important that the interstate shipment of these things be regulated, but I am not ready to buy the proposition that unless the hand of the Federal Government reaches in, the effects are going to be negligent and unsanitary about what they are going to do or with respect to the laboratories with which they do business.

If a doctor has a bad experience with a laboratory—such as laxity, incompetence, keeping things sterile—and one doctor has a bad experience from that, the whole medical association in my State is going to know it very quickly, and that laboratory will be out of business.

I do not believe that supervision by the Federal Government results in good supervision, nor do I think it is the best, nor necessary. I believe we are losing too much faith in the competence and the good intentions of people who are not compelled to do certain things by Federal regulations. That is the reason why I am disturbed by this.

Mr. JAVITS. I am glad the Senator is questioning me on it. I wish he had been able to sit in on these hearings, at which we had large panels of doctors as well as large panels of other witnesses. The evidence really was very strong and very persuasive respecting the errors made in these tests.

Mr. CURTIS. What were the natures of the errors?

Mr. JAVITS. The natures of the errors were invariably findings as the result of the tests which simply did not jibe with what the findings should have been based upon competent tests.

Senator Moss is waiting to speak. He has investigated this matter, and he has a host of comparable instances.

The Senator has the report to which Senator KENNEDY referred.

In the Federal Government, the difficulty we have is that the testing problem has now proliferated to where the diagnosis is determined very heavily by multiple tests.

As I explained, there are 4.4 billion tests a year, and within 5 years there will be 8.8 billion and the uniformity of testing is not here.

So, in respect of the physician, I have tried, in working this out—the committee agreeing—to exempt the individual physician from anything so far as we are concerned. We are talking only about nonphysician personnel. We have really streamlined the thing down to the barest necessity—one paper a year, no more, and a very simple one. I have just read it.

Second, and very important, I make it part of the legislative history and I pledge myself to the Senator—and if he wants to take the time to do it, I will make it my business—to see that any regulation proposed is submitted to him. I would be happy to do that.

Mr. CURTIS. I am not competent to judge it, but I think my doctors back home are competent in their business.

Mr. JAVITS. Then, I will be more than happy if he will submit it to them. They will have more than adequate opportunity, as will the medical associations, and so forth. But I think it is characteristic of our situation that there is no opposition here from the American Medical Association, who would be here yelling bloody murder if they were really worried about this matter.

Mr. CURTIS. That depends upon what their staff would have discovered.

Mr. JAVITS. I assume that the staff has pretty good competence.

Mr. CURTIS. They are competent people; but, unlike a Senator, they do not go back home and catch the wrath of the people who have been imposed upon by a powerful Federal Government and have been regulated to death.

Mr. JAVITS. The Senator has had extraordinary success, and I opposed him strongly, in respect to OSHA and the small businessman. Why? Because he found a wrong and he sought to right it. I invite the Senator to do the same here. He will be just as successful, because I am going to make it my prime care to see that this system does not break down precisely because of any such kickback as that.

Mr. CURTIS. What is the definition of a laboratory?

Mr. JAVITS. I read from page 23 of the bill, line 6:

"(1) The term 'laboratory' or 'clinical laboratory' means a facility for the biological, microbiological, serological, chemical, immuno-hematological, hematological, biophysical, cytological, pathological, or other examination of materials derived from the human body, for the purpose of providing information for the diagnosis, prevention, or treatment of any disease or impairment of, or the assessment of the health of, man, or a facility for the collection, processing, and transmission of such materials for such purposes, other than a facility exclusively engaging in the collection, processing, or transmission of human whole blood . . .

I will not read the remainder of the language.

Mr. CURTIS. On lines 9 and 10:

. . . or other examinations of materials derived from the human body, for the purpose of providing information for the diagnosis . . .

Any establishment or any physician's helper who performed a simple test to ascertain the sugar in the urine would be a laboratory.

Mr. JAVITS. That would be a laboratory, but the Secretary, if he wished, could exempt simple tests.

Mr. CURTIS. The Secretary will not know what is going on. He would go out and dedicate a hospital in some State. He has a thousand and one things to do. This is that nameless, faceless bureaucracy that may come to our rescue.

Mr. JAVITS. I point out that this definition has been in the law since 1967, and there never has been a dispute about it.

Mr. CURTIS. But there never has been Federal jurisdiction asserted.

Mr. JAVITS. There is Federal jurisdiction over 900 huge commercial laboratories.

Mr. CURTIS. That is all right.

Mr. JAVITS. We never have had any argument about this particular definition.

Mr. CURTIS. That is all right, but here the Federal Government is reaching down to the country physician's office. It may not even be a physician's office. Someone performs a simple little test, such as I have referred to. They take a sample of urine and drop in some substance, and they compare that with a color chart, and they have very valuable information for diagnosing something, and we are establishing Federal jurisdiction over it.

I say that we are removing from people the medical services that our society now provides, by the Federal Government asserting jurisdiction over them.

Mr. JAVITS. I give the Senator an example, which is interesting. Many of these tests require an identification of color. We do not know today whether a nonphysician person is or is not colorblind. Think of what could happen if you are supposed to read something based upon color—and you are. That is how elementary this thing becomes.

Mr. CURTIS. If this country doctor or even the nurse who is running the office of the doctor arrives there once a week, or at certain times, if they have somebody working there and they are performing the very tests I talked about, they will detect right away that that person is or is not colorblind. I am a liberal. I have great confidence in individuals, in their goodness, in their capacity to look after themselves, their capacity to protect themselves, and so forth. I do not think that such similar transactions need to be regulated by the Federal Government.

Mr. JAVITS. Well, the evidence is to the contrary. As I say, we have had a law on the books since 1967 in this field. The evidence is cumulative that the law does not cover enough establishments. There are some 14,000 hospital and commercial laboratories, of which only approximately 900 are covered meaningfully. That is why we have this bill. As I have said, I think that, generally speaking, it came out of our committee unanimously. The doctors had more than a full opportunity to testify with respect to it. If they were up in arms about it, I think the Senator will agree with me, we certainly would have heard about it loud and clear. It seems to me that the best evidence is the pragmatic situation. We had no reason to suppose that there was opposition to such a very simple requirement as that.

Mr. CURTIS. I did not think it is simple. I think it is very far reaching. I think it would be very simple if the committee would confine its law to commercial laboratories that are not engaged in interstate commerce. I think that would be a sufficient stride now. I believe that the bill goes further than most people realize.

I thank my distinguished friend.

Mr. JAVITS. I thank my colleague. He always does elucidate a subject, I will say that, very thoroughly. I always enjoy it.

Mr. CURTIS. I read my constituents' mail and they are suspicious and they have lost confidence in the Federal Government. They feel the Federal Government is overregulating everything, they are harassing the people. I share their view.

AMENDMENT NO. 1615

Mr. BELLMON. Mr. President, I have an amendment at the desk, No. 1615. I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BELLMON. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 43, line 2, strike "and".

On page 43, line 10, strike "section." and substitute "section; and".

On page 43, insert between lines 10 and 11 the following:

"(C) to inspect, at reasonable times and in a reasonable manner, financial data, sales data, and pricing data related to such clinical laboratory.".

On page 43, after line 24, add the following:

"(4) The Secretary shall report annually to the Congress the effects of the pricing of laboratory services in relation to the overall costs of the related health services.".

Mr. BELLMON. Mr. President, briefly, my amendment would strengthen the Clinical Laboratories Improvement Act (S. 1737) by removing any doubt about the authority and responsibility of inspectors for investigating and reporting financial, sales, and pricing data of clinical laboratories. It would make it mandatory for the Secretary of Health, Education, and Welfare to make an annual report to the Congress with respect to the relationship between costs and prices of laboratory services.

Mr. President, the Clinical Laboratories Improvement Act of 1976 (S. 1737) offers a necessary and welcome remedy for the considerable amount of fraud and abuse which apparently exists in clinical laboratories in this country. While the report from the Committee on Labor and Public Welfare on S. 1737 points out that only a small percentage of laboratories appear to be engaging in rebates and kickbacks, it is clear that they increase the cost of laboratory services to the patient and to the Government when it covers such costs under medicare and medicaid.

Also, while the number of laboratories engaging in abuse may be relatively small, it seems that they have a considerable financial impact. As the committee report notes, the Senate Special Committee on Aging estimates that at least $45 million of the $213 million in medicare and medicaid payments for clinical laboratories is either fraudulent or unnecessary, roughly 20 percent of the total. Another estimate cited by the committee report is that 10 percent of the $12 billion in payments for all laboratory services last year consisted of fraudulent or questionable payment—about $1.2 billion per year. The committee report points out:

In practical terms, the available information indicates that any clinical laboratory so inclined can bill Medicaid for a patient a doctor has never seen, for blood never drawn, for tests never performed, or at a rate exceeding four times the cost and twice the prevailing charge for private-paying patients.

Mr. President, that is an enormous abuse of the trust and confidence which the American people have placed in the medical establishment over the years, and it is time that we take effective steps to halt such practices.

Apparently many of these laboratories feel it is neither illegal, immoral, nor unethical to gouge the Federal Government. I believe the time has come to correct their view and to establish an effective procedure to identify and punish violators.

This proposed legislation as written has many admirable features which should help to establish responsibility where it does not now clearly exist in the laboratory services field. However, additional strength is needed in one respect. An original version of the bill contained a section exempting laboratories from the inspection authority for financial, sales, pricing, and personnel data. That exemption was struck by the committee, but there is a need to make the responsibility of inspectors explicit with respect to financial, sales, and pricing data.

In other words, Mr. President, the possibility exists that this data could be obtained but I believe we need to make it the specific responsibility of the inspectors to get this data. Without such direction, inspectors may well encounter resistence from the operators of clinical laboratories when it comes to inspecting their records and books, yet if we are to be concerned with kickbacks and fair pricing we must know these facts. My amendment strengthens S. 1737.

Mr. President, I urge its adoption.

Mr. JAVITS. Mr. President, I yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, there are provisions in the legislation which provide for inspection of the various laboratories, and other requirements of such inspections, that there will be reporting by the owner and that the information can be made available to the agency which has the requirement for the enforcement of the legislation. The Bellmon amendment provides a greater authority for such inspection in looking at the financial statements as well as at the sales and other important data on pricing. It will, I think, be a useful and helpful step, particularly in preventing the kind of fraud that we have seen in the past in this particular area. It does seem to me to be a useful and worthwhile addition to the legislation, insuring that additional information would be available so that there would not be the abuses which have been found by the Moss committee. I think it will be a valuable addition to the legislation. I intend to support it.

Mr. JAVITS. Mr. President, the amendment is an entirely acceptable one to me. I thoroughly agree with Senator KENNEDY and Senator BELLMON, and I hope the Senate will accept the amendment.

Mr. BELLMON. Mr. President, I thank the distinguished chairman of the subcommittee and the ranking minority member. I yield back whatever time I have remaining. I am ready for a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BEALL. Mr. President, as a cosponsor, I rise to urge enactment of S. 1737, the Clinical Laboratories Improvement Act of 1976.

At the outset, I congratulate and compliment Senator JAVITS for his recognized leadership in this area. It was he who introduced and shepherded the first landmark Clinical Laboratories Improvement Act of 1967, now Public Law 90–174, and it is he who authored and skillfully guided this measure, with the cooperation and support of Chairman KENNEDY, Senator SCHWEIKER and other committee members.

I believe S. 1737 is an important and significant measure. It merits the support of the Senate.

S. 1737 would—

First. Extend present coverage of the 1967 act, which essentially covered interstate laboratories, to all laboratories;

Second. Require all laboratories to have quality assurance programs to assure: the accuracy of their tests and quality controls; the maintenance of equipment and necessary records; and most importantly that they are staffed with individuals qualified for adequate and effective operation of the laboratories;

Third. Establish an Office for Clinical Laboratories to end the overlapping Government jurisdictions and different standards for laboratories;

Fourth. Authorize a waiver of personnel standards for certain rural laboratories;

Fifth. Provide for license revocation for certain actions of laboratories, particularly those shocking instances of bribes, kickbacks, and fraudulent billing practices, as documented by the Special Committee on Aging on which I also serve;

Sixth. Prevent discrimination by any laboratory employer against any employee who blew the whistle on activities violating this act; and

Seventh. Authorize and indeed encourage State administration and enforcement of the Federal act by providing assistance to those States which implement a program equal to or exceeding the Federal program.

Mr. President, laboratory testing is a critical and necessary part of modern medical science and good patient care.

A significant portion of the total health expenditures are spent on such tests. In 1974, 3 billion tests, with an average costs of $15 per test and a total cost of $8 billion were conducted. It is estimated by 1980 the number of tests will nearly triple and the costs will reach $15 billion.

These tests are performed in some 14,000 to 15,000 clinical laboratories located in hospitals, independent labs, and other facilities. In addition, thousands of physicians conduct clinical tests in their private facilities.

Notwithstanding the 1967 act, and there has been progress under that act, the evidence indicates that action is not only needed but required to protect the public health and public tax dollars. The study by the staff of the Special Aging Committee documents scandalous fraud and abuse such as—

First. Kickback and bribes;

Second. Billing for tests not performed or not required; and

Third. Higher rates for medicaid and medicare patients.

While it should be pointed out these fraudulent actions and dishonest practices were the work of a small minority of laboratories and that some laboratories refused to play this sordid game, even thought it often meant the loss of considerable business, the cost to society from this fraud was high. The staff estimated that $45 million of the $213 million in medicare or medicaid payments was fraudulent or unnecessary.

Aside from the fraud which obviously cannot be condoned, the evidence presented to the committee shows uneven and unacceptable performance in laboratories. I quote from the committee report:

> Evidence indicates that the accuracy of performance of clinical laboratories is, at best, variable from day to day and includes a wide range of error. A National Bureau of Standards study published in 1973 (NBSIR 73–163) reveals that in microbiology 7.6 percent of the interstate laboratory determinations were in error, while 16.5 percent of the determinations by other large laboratories were incorrect. Unsatisfactory performance similarly has been demonstrated by 10 to 40 percent of laboratories in bacteriological testing; by 30–50 percent of laboratories in various simple clinical chemistry tests; by 12–18 percent of laboratories in blood groupings and typing; by 20–30 percent of laboratories in hemoglobin measurements; and by 20–25 percent in measurement of serum electrolytes.

In the health area, quality although constantly sought, is often difficult to measure. However, in this area of clinical laboratory testing, we can measure performance and we must insist on high quality and accuracy. After all, the physicians' diagnosis is dependent upon accurate laboratory work. The adverse consequences of careless and shoddy work is documented in a number of lawsuits.

S. 1737 is an important and a significant measure. It is good for the patient, the public, and for most of the laboratories whose standards are high. It merits the support of the Senate.

I intend to offer two amendments, one of which will increase the criminal penalties for those guilty of fraud and kickbacks and a second, which will assign additional responsibilities to the Office of Clinical Laboratories.

AMENDMENT NO. 1621

Mr. BEALL. Mr. President, I call up my amendment No. 1621 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BEALL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 44, rewrite subsection (r) to read as follows:
>
> (r) VIOLATIONS AND PENALTIES.—(1) Any person who willfully violates paragraph (4) or (5) of subsection 353(f) or any rule or regulation promulgated thereunder shall be guilty of a felony and shall, upon conviction thereof, be subject to imprisonment for not more than three years, or a fine of not more than $10,000, or both.
>
> (2) Any person who willfully violates any other provision of this section or any rule or regulation promulgated thereunder shall be guilty of a misdemeanor and shall, upon conviction thereof, be subject to imprisonment for not more than one year, or a fine of not more than $1,000, or both.

Mr. BEALL. Mr. President, this amendment increases the criminal penalties for individuals who engage in kickbacks, bribes, or in fraudulent billing practices in connection with clinical laboratory services.

During consideration of S. 1737, the staff of the Special Committee on Aging, on which I also serve, completed a report, entitled, "Fraud and Abuse Among Clinical Laboratories." This excellent report documented and uncovered the most outrageous and dishonest practices and actions of fraud and abuse in connection with clinical laboratory work.

The report resulted from an investigation primarily in Illinois, but also included an assessment of investigations in a number of other States. My State of Maryland was not among those investigated, and I certainly hope that such practices do not exist there. In any event, wherever discovered, such fraud on the public cannot be tolerated.

Evidence of fraud and abuse included—

First. Kickback being so rampant that laboratories refusing to participate in such sordid practices were barred from obtaining a medicaid account.

Second. Billing medicaid for patients not seen and for services not performed.

The Senate Aging Committee report estimated that $45 million of the $213 million in medicare and medicaid payments for clinical laboratory work is either fraudulent or unnecessary.

Senator EAGLETON, in committee, offered an amendment giving the Secretary authority to revoke or suspend or limit the required laboratory license for owners or operators of laboratories if they or their employees—

First. Have "offered, paid, solicited, or received any kickback or bribe in the form of money or any other thing of value in connection with the provision of clinical laboratory services"; and

Second. Have "engaged in any false, fictitious, or fraudulent billing practice for the purpose of obtaining payment under any program, the funds for which are provided in whole or in part by the United States."

I strongly supported that amendment.

Mr. President, my amendment would increase the penalties from not more than 1 year or a fine of $1,000, or both, to not more than 3 years or $10,000, or both.

Incidentally, such increases in penalties are similar to the statutory scheme of section 303 of the penalty section for prohibited acts under the Federal Food, Drug, and Cosmetic Act.

I think this amendment would make this bill more consistent with the provisions of that act, and I urge the adoption of the amendment.

Mr. KENNEDY. Mr. President, I would support the amendment of the Senator from Maryland. He has targeted these extensions of penalties from $1,000 to the $10,000 and also from 1 year to 3 years, to a very narrowly defined area—and that is in this area where there would be fraud. It has not been in the broader areas of the legislation, but it is only in that area.

So the amendment itself is extremely precise. It obviously addresses an area in which there should be serious penalty.

He is quite right in pointing out that the other provisions apply to violations which not only include section (4) and section (5), the revocation, suspension, or limitation provisions, but he has increased the penalty for those two specific paragraphs, and I think he is justified in doing so. This is a worthwhile and valuable amendment, and I intend to support it.

Mr. JAVITS. Mr. President, the Senator has quite correctly assessed, that is Senator BEALL and Senator KENNEDY have quite accurately assessed, the moral reprehensibility involved which should be the determinant of penalty respecting crime and, I believe, the amendment is entirely appropriate, and I hope the Senate supports it.

Mr. BEALL. I thank the distinguished chairman and the distinguished ranking Member.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland.

The amendment was agreed to.

AMENDMENT NO. 1622

Mr. BEALL. Mr. President, I call up my amendment No. 1622 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Maryland (Mr. BEALL) proposes amendment No. 1622.

Mr. BEALL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The amendment is as follows:

On page 32, line 9, strike out "and" at the end of paragraph (A).

On page 32, line 12, strike the period at the end of paragraph (B) and insert in lieu thereof a comma.

On page 32, between lines 12 and 13, insert the following new paragraph:

"(C) (1) to evaluate and validate the accuracy, reliability, and performance of automated laboratory testing equipment of clinical laboratories and to disseminate the results thereof; and

"(2) to develop procedures to assure that such equipment continues to meet the standards for which they were designed.".

Mr. BEALL. Mr. President, this amendment would assign to the Office of Clinical Laboratories the responsibility of: First, evaluating and validating the accuracy, reliability, and performance of automated laboratory testing equipment of clinical laboratories; second, disseminating the results thereof; and third, developing procedures to assure that such equipment continues to meet the standard for which they were designed.

In February, I visited the National Institutes of Health. During this visit, I had the pleasure of observing such automated instrumentation in operation. The particular equipment I observed was one of the better instruments. The manufacturer's specifications indicated, I believe, that such equipment could perform some 20 tests. However, NIH, which has a reputation and insistence on accuracy and quality, was only satisfied with the equipment's performance in about one-half of the tests.

At that point, I wondered how many less sophisticated health facilities had purchased automatic analytic equipment and using them, were unaware of their limitation. Since then, I have learned of some examples of health facilities purchasing such equipment, only to find out later that the equipment did not perform and that such equipment, although expensive, was just not used.

Now, I wish to make it clear, this amendment is not an attack on such automatic, analytical instruments, computer technology, and the automation of biomedical analytical instruments. They are making and will continue to make their contribution to health care to people all over the country. They have been able to reduce the time and cost for completing complex biological analysis.

But we must keep in mind that critical decisions are being made on the basis of laboratory decision. It is imperative that such results, whether performed by men or machines, be accurate.

There are two essential problems connected with such automatic equipment, namely, the need:

First. To evaluate initial equipment to assure such equipment does what the manufacturer claims; and

Second. To make certain that the equipment continues to perform satisfactorily.

Now, hospitals and other purchasers for the most part have to rely on the manufacturer both on the initial purchase and for subsequent service.

Hospitals and other purchasers would find it very helpful to have some evaluation of the performance of automated laboratory equipment for their initial purchase, and the patient deserves assurances that the equipment will continue to perform to specifications and standards after the purchase.

I wish to make it clear what I mean with respect to "validate" the accuracy, reliability and performance of automated laboratory testing equipment. I do not intend, nor does the amendment require, the validation of each individual instrument. What it does require is when new equipment is manufactured or new tests added that the Department would validate a sample number of such equipment to determine its accuracy, reliability, and performance. It is somewhat analogous to the situation with EPA validating miles per gallon of automobiles. They do some testing of cars and determine miles per gallon, but this test is not conducted on each and every car.

I think this is the kind of validation that is a perfectly proper and necessary function, Mr. President, for the protection of the public.

I believe this would be a constructive, useful, and essential amendment and, therefore, I urge its adoption.

Mr. KENNEDY. Mr. President, I feel that this amendment is a useful and strengthening amendment.

It goes to the heart of another problem found in the clinical laboratory. Even if you establish standards for personnel, and otherwise assume quality and have assurances that kickbacks or other frauds will be controlled, if you are not given assurances about the quality of the particular laboratory machine that is going to be providing the kinds of essential services, then you really are not completing the job.

It seems to me that with the addition of this new section in the legislation, section (C), we will be providing or giving the authority to the Secretary to insure quality assurances for the extremely sophisticated and complex laboratory equipment now finding their way into the clinical laboratory. That, I think, is an area which should have our attention and have our support. So I support the amendment. I think it is a useful one to include.

Mr. JAVITS. Mr. President, when I first read this amendment it worried me, and it worried me because I did not wish to duplicate the inspections of machinery, and so forth, such as we have, for example, in the Coal Mine Safety Act, or with respect to the medical devices legislation, which will soon be sent to the President for enactment into law.

But the legislative history just outlined by Senator BEALL, I think, dispels any concern that I might have because he is conferring authority on a particular government agency. He is not conferring authority to regulate it; he is conferring what is within the ambit of their work, so that they may report to Congress or seek regulations from the Secretary or whatever might be the remedy. He confines it to a prototype operation rather than calling for an inspection of machinery or methodology in each particular laboratory.

On that basis, it is entirely acceptable to me. I hope that Senator BEALL, as he is a member of our committee, that we may keep him informed as we get into conference, and if there are any pragmatic problems involved, we hope that he will join with us in seeing that they get worked out because his intention to me is now very clearly stated.

Mr. BEALL. I understand the concern the Senator has. His analysis is correct, and I certainly will do whatever I can in conference.

Mr. JAVITS. The amendment is agreeable to me.

Mr. KENNEDY. It is agreeable to me.

The PRESIDING OFFICER (Mr. LEAHY). The question is on agreeing to the amendment of the Senator from Maryland.

The amendment (No. 1622) was agreed to.

Mr. MOSS. Mr. President, I would like to join with the sponsors of S. 1737, Senators EDWARD M. KENNEDY and JACOB JAVITS in urging the immediate enactment of the Clinical Laboratories Improvement Act. I would like to compliment them for advancing this very worthwhile piece of legislation. They have identified an imminent danger to the American public health and responded in timely fashion. I believe this may well be one of the most important pieces of legislation to bear the names of the distinguished senior Senators from New York and Massachusetts.

As you know, Senator PERCY and I have direct personal knowledge about the conditions in some of America's substandard laboratories. I have very grave concern about the accuracy of laboratory tests rendered by many of these postage stamp labs which specialize in serving welfare patients. My concerns were set forth in my opening statement in our February 16 hearing, and in the report we released that day dealing with fraud and abuse among clinical laboratories. In my opening statement I said:

> I saw the proliferation of so-called Medical Clinics spreading like mushrooms all over Chicago;
>
> I saw their glaring signs beckoning Medicaid patients to utilize health care services;
>
> I visited a postage stamp size clinical laboratory which billed Medicaid for almost $200,000 last year. There was little in the way of equipment and no lab technicians in evidence. While the owner assured us as to the quality of the work performed, I heard from the owner himself that he chose to send his wife's blood test to another laboratory.
>
> I visited the sparkling new Laboratory of Illinois Masonic Hospital and saw its sophisticated new machines only to learn that the hospital could not obtain much Medicaid lab business because of its refusal to offer kickbacks.
>
> I interviewed a physician who received over $100,000 from Medicaid last year. I asked him to check 9 lab invoices presented to Medicaid for payment by D.J. Clinical Laboratory of Chicago against his records. The doctor told us that he had not ordered 55 percent of the $259.00 total in lab tests for which D.J. had billed the Illinois Medicaid program on these 9 invoices. This same doctor told us that he received a rebate of $1,000 per month from the laboratory in exchange for sending them all this Medicaid business. The kickback was disguised as rent for a 6x8 foot room in the physicians office. The doctor's rent for the entire suite was $300 a month and yet he received $1,000 per month for the "rental" or a 6x8 room!
>
> I interviewed a man who owns two medical clinics which received about $300,000 in Medicaid payments last year. This man admitted sending all of his lab business to one company in Chicago. He told us he received a rebate of 50 percent of the amount Medicaid paid for laboratory tests which physicians in his clinics ordered for welfare patients.

Finally, in yet another laboratory, I made the mistake opening the refrigerator and to my horror I found blood and various other human specimens standing next to an open carton of milk, a couple of sandwiches, and various other food stuffs.

The report which we issued on February 16, mentions these and other problems. It is the result of 6 months work by the staff of the Committee on Aging. Most of the staff work was done in the State of Illinois, taking in more than 2 dozen clinical laboratories, 50 medical clinics, and more than 50 physicians in that State. In addition, the staff assessed independent evidence in other States, particularly New York, California, Pennsylvania, and New Jersey. In our report we reached the following conclusions:

> 1. Comparatively few labs control most of the Medicaid business in the United States. In New York, 16 labs controlled 70 percent of the Medicaid business. In New Jersey a dozen labs controlled nearly 60 percent of Medicaid funds. In Illinois 26 labs control over 90 percent of Medicaid funds paid to clinical laboratories.
>
> 2. Competition for Medicaid accounts is fierce. It seems that the only way to obtain a Medicaid lab account is to offer a kickback. The greater the kickback offered the more likely the lab will be to obtain Medicaid business.
>
> 3. The average kickback is about 30 percent. This is about the figure we projected for kickbacks between pharmacies and nursing homes in the exhaustive study we completed 2 years ago. Kickbacks can take many forms from cash, gifts, supplies, long-term credit arrangements to the furnishing supplies and business equipment. Most commonly, the technique used is the "rental" of a small amount of space in a medical center or the payment of part of the physician's overhead or payroll expenses.
>
> 4. At the root of the problem is the overgenerous fee schedules for clinical lab services. These fee schedules were established in 1967 when Medicaid went into effect and most tests were performed manually. Meanwhile lab technology has advanced rapidly in the past five years. Costs have been cut dramatically but the resulting savings have not been passed on to the consumer. Instead they have been used for "marketing" or physician inducements.
>
> 5. In order to maximize their ability to succeed in the kickback game, many labs have found ways to increase their income from Medicaid. The predominant technique is to charge for tests that are not authorized by the physician. Another common abuse is billing Medicaid for component parts of tests which should be run and paid for as a panel. Perhaps the most serious problem, was charging Medicaid patients rates two and three times what private paying patients are charged.
>
> 6. By conservative estimate we project that at least $45 million out of the $213 million in Medicare and Medicaid payments to clinical laboratories is either fraudulent or unnecessary. This is a conservative estimate because a reasonable case can be made that about 50 percent of current payments are inappropriate. I cite New Jersey's experience where fee schedules were reduced by 40 percent as well as New York's analysis that lab payments could be cut in half by incorporating the principle of regional laboratory programs.
>
> 7. If laboratories in Illinois charged Medicaid patients what they charge private paying patients there would be an estimated savings to the State of Illinois of 58 percent of the present payment for lab services.
>
> 8. It is apparent that 42 U.S.C. 1395 and 1396 making the offering or accepting of a kickback illegal and punishable by a $10,000 fine, a year in jail or both is not being enforced by HEW or the U.S. Department of Justice.

In practical terms, Mr. President, we found that under current reimbursement, any laboratory which is so inclined can bill medicaid for tests on a patient a doctor has never seen, for blood never drawn, for tests never performed, at a rate exceeding four times cost and twice the prevailing rate to private patients and in doing so, violate laws and regulations of general and specific application with nearly absolute assurance that they will not be caught and prosecuted.

I must say that I was most pleased with the reaction of the legislative committees to our findings. Senators KENNEDY, JAVITS, and EAGLETON added four provisions to the clinical lab bill in the markup which was held on February 17. These amendments will permit the examination of a laboratory's financial data and would make it grounds for revocation, suspension, or limitation of a clinical laboratory license if a provider, first, uses double pricelists charging medicaid patients more than private patients; second, has offered, paid, solicited, or received any kickback, bribe in the form of money, or any other thing of value in connection with the provision of clinical laboratory services; and third, has engaged in any false, fictitious, or fraudulent billing practice for the purpose of obtaining payment under any program, the funds for which are provided in whole or in part by the United States.

There has also been action in the Senate Finance Committee. Senator HERMAN TALMADGE recently introduced S.

3205, the medicare and medicaid administration and reform bill. That bill incorporates my suggestion to Senator Talmadge, that we upgrade the solicitation or receipt of a kickback under the medicare and medicaid laws from its current status of a misdemeanor to a felony. I appreciate the senior Senator from Georgia's gracious agreement with my suggestion. I believe that this bill is extremely important and am hopeful that it can be enacted quickly.

For all my emphasis on fraud and abuse among clinical laboratories today, I would like to make it clear that our report emphasizes that improving the quality of laboratory services should be our first and most important objective. It is for this reason that we listed as a prime recommendation in our report, the need for the speedy enactment of Clinical Laboratories Improvement Act.

The Washington Post mirrored this concern in their excellent editorial of February 22, emphasizing just how much we rely upon accurate laboratory reports and the potential consequences of inaccurate reports. Mr. President, I ask unanimous consent that this editorial be carried at this point in the Record.

I would again compliment the authors of this bill. I believe it will have important results in improving the general public health and in eliminating fraud and abuse by unscrupulous clinical laboratories.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Faulty Tests and Faulty Policy

The economic dimensions of the scandal in the Medicaid laboratory testing program are arresting enough: At least $45 million of the $213 million paid out by Medicare and Medicaid for clinical lab work is either "fraudulent or unnecessary," says the staff of the Senate Committee on Aging. Moreover, for all of the clinical laboratory business, $12 billion a year, the staff estimated that 10 per cent, a hefty $1.2 billion, represents fraudulent or questionable billings.

Such compelling statistics should not obscure the human aspect of this tragic scandal. Many of those alleged tests are never performed. Of those that are, some are performed inaccurately with sometimes tragic consequences. The wrong results in a prenatal test of an Iowa woman resulted in severe, and needless, brain damage to a child. A California woman was the victim of invasive uterine cancer because of a bad Pap smear. The committee's findings go on and on. People go to a doctor with symptoms that call for tests, the doctors rely on laboratories whose interest is money, not medicine. Tests come back in which the doctors place their faith, all too often, without asking questions they should ask.

The Senate committee staff concentrated its study on Illinois. It found pervasive evidence of kickbacks to doctors for their laboratory referrals. It has found that laboratories with no interest in kicking back part of their income to the referring doctors are frozen out of the Medicaid and Medicare business. Those doctors and laboratories that cooperate with each other get on famously. The doctors get their rents paid. They get part of the cost of their office operation subsidized by the laboratories. They get gifts and money. The only thing they don't get is test results on which they and their patients can rely.

We aren't sure we can count the many ways in which the public interest has been harmed by this practice. Programs intended to assist the elderly and the poor are in danger of being turned against them. The public is being bilked by greedy physicians and businessmen, thus escalating the cost of these programs at a time when everyone is concerned with the staggering growth in the cost of all government programs. It is another example of how the well-to-do cash in on programs intended to give the poor a better break. This performance by the doctors and laboratory operators is hardly very different from the "lapping" of the food stamp program we described the other day—examples in each case of why the government cannot set up these programs and leave them to run themselves without policing.

"In practical terms," the Senate staff tells us, "any medical testing laboratory which is so inclined can bill Medicaid for a patient a doctor has never seen, for blood never drawn, for tests never performed, at a rate exceeding four times cost and twice the prevailing charge for private paying patients, with a nearly absolute assurance that they will never be caught and prosecuted.

That, it seems to us, is where Health, Education, and Welfare Secretary David Mathews should enter the picture, in company, we would suggest, with Attorney General Edward H. Levi. Together, these two officials should take immediate action to bring this game to an abrupt halt. The millions of wasted dollars would be reason enough for their immediate mobilization. But the possibility of preventing one more abuse of some unsuspecting patient should be all the more reason to stir the government to action. Organized medicine has expressed a willingness to discipline those of its members found to be engaging in this fraud. HEW and Justice should be no less willing to do their part.

Mr. WILLIAMS. Mr. President, as chairman of the Senate Committee on Labor and Public Welfare and as a member of the Senate Committee on Aging, I have taken a special interest in S. 1737, and have been pleased to cosponsor it.

Like many Members of the Senate, I was startled to learn that barely 50 percent of our States license clinical laboratories. I was shocked by Government estimates of the number of laboratory tests performed in error, ranging from 10 to 40 percent. I was surprised and dismayed by the reports from the Senate Committee on Aging concerning the widespread fraud and abuse among clinical laboratories.

With respect to the latter, I am pleased to note that the Aging Committee gives great credit to the New Jersey State Commission on Investigation, and to our New Jersey Department of Institutions and Agencies. The commission was instrumental in uncovering fraud and abuse among some clinical laboratories in New Jersey. The legislature and the department of institutions and agencies responded with prompt implementation of corrective measures. At at Aging Committee hearing in February, Frank Holstein of the SCI, explained how the commission had conducted a sweeping investigation last year and documented the practice of offering kickbacks to acquire accounts, documented gross overutilization of some laboratory services by physicians receiving kickbacks, and indicated a practice defined as unconscionable profiteering by small laboratories, brokering services, and others billing for services not performed. Mr. Holstein went on to outline the commission's findings:

In addition, the Commission found fault with the basic system of reimbursement, the management of the reimbursement system by the fiscal intermediary and the surveillance of the entire reimbursement system by the State government. It concluded the design of the reimbursement system was such that it not only resulted in gross overpayments but, in effect, created a preference for small, cost-inefficient clinical laboratories to the point where the normal operation of a competitive market was disrupted and abusive practices encouraged.

Profits to labs permitted under this system, the Commission stated, were so exorbitant that it was inevitable that a portion would be used in efforts to persuade physicians to utilize and overutilize their services. Excessive profit was seen as the most important single incentive, promoting corruption of segments of the medical care industry.

Component parts of panel tests were billed individually at a rate exceeding the charge for the cluster itself in violation, not only of general provisions of Medicare and Medicaid, but in specific violation of the New Jersey Administrative Code (Sec. 10:61–1.5). Medicaid was charged on the same billing for a complete blood count and an RBC morphology (a part of a complete blood count); for a complete urinalysis and an occult blood (part of a urinalysis).

In addition, a determination was made that Medicaid had often been charged for Rubella tests (a test for German Measles) conducted by the State department of health without charge, for a pregnancy test (A–Z pregnancy test) using animals when, in fact, an alternate method (a slide test which does not use animals) had been employed. The rate of reimbursement for the A–Z pregnancy test is nearly twice that of the slide test.

A pregnancy test can also be run a third way involving urine which can cost even less.

One provider, Saul Fuchs, Clinical Lab Director, Physicians Lab Service, admitted kickback arrangements on both ends. He received a rebate from International Drugs—his supplier—but gave kickbacks to a number of physicians and to three nursing homes: The Daughters of Mirian, Chestnut Hill Convalescent Center, and the Hartwick Nursing Home.

Another, Seymour Slotnick representing himself as an independent contractor offering specific services, states his marketing fee was nearly 60 percent of all accounts he acquired. In the case of one such account, his personal earnings were determined to be $96,000 of the $164,000 billed Medicaid by Park Medical Laboratory.

Park Medical Laboratory was determined to be located in a residential area on the first floor of a converted townhouse in an area of some 600 square feet. A second laboratory was found to be a converted sunporch. Neither facility possessed the equipment necessary to perform the tests they billed. Slotnick "brokered" the tests to other labs, keeping the difference between what they charged and what the State of New Jersey paid him.

Four basic kickback techniques were identified by the Commission. The first technique was straight cash, known as "greens." Second was the providing of personnel (individuals not involved in performing laboratory work, but rather working for the provider of service in whatever capacity he desired). Third was the rental of space from the referring source, very often at a rate determined by a percentage of gross billings. Fourth was the provision of supplies and equipment and miscellaneous services for the referral of specimens.

Only about 2 percent of the 184 clinical laboratories in the State were found to be involved in these machinations, but it was also determined that some 12 firms out of that total received more than half of all Medicaid dollars expended in the State for medical testing.

Further, none of these 12 laboratories were major, nationwide providers. Representatives of Roche Laboratories and MetPath Laboratories testified Medicaid accounts represented a fraction of a percentage of their total business in New Jersey. The reason was said to be the prevalence of kickback schemes.

As Dr. Paul A. Brown, Chairman of the Board of MetPath, stated:

"We have a continuing program of education and marketing, but when you're looking at as much as 40 percent as a rebate to the referring source, it becomes very difficult to match that education."

The New Jersey Legislature and the department of institutions and agencies reacted to these disclosures by cutting medicaid fee schedules by 40 percent and enacting by everyone's estimate the most modern and comprehensive clinical laboratory bill in the Nation. As Senator EDWARD KENNEDY noted in a recent article in Cadence magazine, if we could rely upon every State to follow New Jersey's example, there would be no need for this legislation. However, experience proves we cannot afford to rely totally upon State action.

For my part I enthusiastically support the provisions of S. 1737, which will bring about licensure and quality control for all independent clinical laboratories. The bill's provisions will undoubtedly reduce the incidence of fraud and abuse and result in a sharp reduction in the number of tests administered in error. This is an area which has been too long unregulated and neglected. The danger to public health has grown to the point where we can no longer tolerate the current level of performance. As the Aging Committee's recent report notes, if we assume conservatively that 15 percent of all tests performed in the United States are in error, this would mean 675 million inaccurate tests every year based upon the 4.5 million tests completed annually. This works out to be almost 2 million test errors for every day of the year. Needless to say, I would like to compliment the bill's authors and particularly the Senator from New York for this excellent and needed piece of legislation. I hope it can be quickly enacted.

Mr. President, I ask permission for a summary of the provisions of S. 1737 to be included in the RECORD at the conclusion of my remarks.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

BILL SUMMARY

As approved by the Committee, S. 1737 would—

(1) extend and expand the existing program of mandatory licensure to all laboratories (except those under the jurisdiction of Federal agencies other than the Department of Health, Education and Welfare) soliciting and accepting specimens for laboratory analysis;

(2) authorize the Secretary of Health, Education, and Welfare to license those laboratories meeting quality assurance standards;

(3) authorize the Secretary to promulgate standards and regulations to assure the quality, accuracy, and precision of laboratory testing;

(4) authorize the Secretary to delegate his licensure authority to states implementing laboratory quality assurance programs at least equal to the federal program;

(5) authorize the Secretary to take necessary actions against laboratories not meeting the quality assurance standards;

(6) authorize the Secretary of Health, Education, and Welfare to establish an Office of Clinical Laboratories, the purpose of which would be to establish a uniform regulatory program for all laboratories subject to federal jurisdiction;

(7) authorize the Secretary to establish an advisory council to advise, consult with, and make recommendations to the Office of Clinical Laboratories concerning the development of quality assurance standards and the implementation of such standards;

(8) authorize the Secretary to exempt physicians' office laboratories under certain conditions where physicians file an affidavit with the Secretary, including but not limited to a description of the qualifications of non-physician laboratory personnel, the quality and type of tests conducted, and the score of proficiency testing examinations taken by such personnel;

(9) authorize the Secretary to waive from the personnel standards laboratories located in rural hospitals with fewer than 100 beds and develop specific job related proficiency tests for personnel in rural hospital laboratories;

(10) authorize the Secretary to utilize the services of private, non-profit entities for the provision of inspection and proficiency testing services;

(11) authorize $15,000,000 annually to permit the Secretary to provide technical and financial assistance to states to establish or administer laboratory quality assurance programs;

(12) authorize the Secretary to inspect laboratories;

(13) authorize the Secretary to seek revocation of a laboratory's license where it is found that the laboratory has engaged in kickbacks, bribes, or false, fictitious, or fraudulent billion practices; and

(14) prohibit discrimination by any licensed laboratory against any employee who has become involved in any activity concerning allegations that the laboratory is in violation of this section.

Mr. DOMENICI. Mr. President, I would like to say a few words this afternoon before my colleagues and I vote on S. 1737, the Clinical Laboratories Improvement Act. I believe this measure deserves our support inasmuch as present conditions in many of our clinical laboratories warrant immediate attention and redress. The Health Subcommittee has already documented substantial testimony from many individuals concerned with clinical laboratory services in the country, so I would like to restrict my remarks to a specific area of abuse of which I am personally familiar.

During the last few years, the Senate Committee on Aging, of which I am a member, has investigated medicare and medicaid as well as other programs affecting the poor and elderly. In the course of those investigations, we discovered fraud and abuses running rampant in those two programs which are simply disgraceful. Furthermore, these programs rely a great deal on laboratory support services—services which are often unreliable and inaccurate.

I personally visited several such laboratories involved in questionable professional activities and was greatly alarmed by the proliferation of, what I term, the "subculture" which has developed as a result of nonenforcement of the medicare and medicaid programs. The Aging Committee estimates that at least $45 million of the $213 million paid out by medicare and medicaid for clinical lab work is either "fraudulent or unnecessary." The committee further estimates that 10 percent of all clinical lab business in the country processes questionable or fraudulent billings. In other words, $1.2 billion out of a $12 billion business is, in all probability, being "ripped off." Often doctors rely on these laboratories whose interest is money, not medicine.

At one time, I found it hard to believe, or to put into perspective, these tough figures. However, after visiting many of the questionable laboratories myself, I believe the Aging Committee figures are, in fact, quite conservative.

During one short period of time, I saw the proliferation of medical clinics in dilapidated buildings all over the city of Chicago. Buildings which had once been taverns and pornography shops, now house tiny medicaid clinics which are entities unto themselves. Fancy signs attract the poor and the elderly with the promise of free health care. The "care" actually received, such as it is, may be free to those who have medicaid cards, but it is not free to the taxpayers of this country.

Neither HEW nor the States apparently have been equipped to meet this problem. Until recently HEW had less than 10 investigators in its Office of Investigations and Security for the entire Nation. The majority of the States have neither audited a single provider for medicaid fraud nor referred any cases of fraud to HEW and the Department of Justice for prosecution. In fact, it is estimated that less than 1 percent of all medicaid fraud cases are ever prosecuted.

Many aspects of this program can be alleviated by the enactment of the legislation before us today. For example, S. 1737 authorizes, among other good provisions, the revocation of licenses where labs have been found to have engaged in kickbacks. I personally have found instances where the owner of a so-called medicaid care facility may be renting space in an office building. The building itself may be owned by another corporation in which the clinic operator has an interest. A second possible problem is that many clinics are owned, not by physicians, but by private entrepreneurs. There is evidence that many of these businessmen not only share in the profits of the medical practice, but that they may also pressure the physician to order unnecessary tests and the like to increase the clinic's revenue. The possibilities for kickbacks in these medicaid mills are endless. Generally, one person rents a clinic for perhaps $300 a month. He then subleases a very small part of this space to a pharmacist who pays him $1,000 a month in rental—and perhaps, a kickback on every prescription filled. Similarly, the clinical lab may be paying him another $1,000 for each month for the use of a closet-sized room which is actually too small for any lab work other than drawing blood. This payment is disguised as rent. This is not a hypothetical example. I have visited such places.

Besides these disgusting practices, the Aging Committee has found instances of what we call the "sink test." This term fatuously describes an all-too-often practiced technique—that of pouring the specimen down the sink and writing down meaningless numbers which are then sent to the ordering physician.

I am surprised, and horrified, that it is so easy to rip off the public while pretending to offer a service to the public. I am sure these abuses are not confined to just the medicaid/medicare programs. I know that we, in this body, all share this concern.

Expanding licensing procedures, tougher enforcement policies, coordinated efforts by State and Federal offices will surely help reduce the abuses I have mentioned today as well as those earlier documented by the Senate committees. I believe that we can now begin our attack on these vicious practices perpetrated on the public, and I urge my colleagues' support for S. 1737.

Mr. JAVITS. Mr. President, I ask unanimous consent that there may be included in the debate on the bill and printed in the Record a letter from the Secretary of Health, Education, and Welfare to the minority leader and a reply to the letter by Senator Kennedy and myself.

There being no objection, the material was ordered to be printed in the Record, as follows:

Washington, *D.C.*
April 28, 1967.

Hon. Hugh Scott,
Minority Leader, U.S. Senate,
Washington, D.C.

Dear Senator Scott: There is before the Senate S. 1737, a bill "To amend the Public Health Service Act to encourage the establishment of uniform standards for licensing and regulation of clinical laboratories, and for other purposes."

The Department testified against S. 1737 at a hearing before the Subcommittee on Health on September 8, 1976, and we reiterate our strong opposition to this legislation. The amendments agreed to by the Committee on Labor and Public Welfare do not affect our basic reasons for opposing S. 1737.

The bill does not make clear its relationship to pertinent provisions of the Social Security Act, the Public Health Service Act, and the Federal Food, Drug, and Cosmetic Act. Its enactment would result in administrative confusion and duplication.

The enormous expansion of Federal regulatory authority to over a hundred thousand physician, dentist, podiatrist and osteopath office laboratories, many of which are merely adjuncts to an individual practice, is a highly inappropriate intrusion into an area of traditional State and local responsibility in the absence of a compelling case for Federal intervention.

Enactment would be detrimental to our current efforts to administratively merge all Federal laboratory inspection and regulatory activities, and the establishment of uniform standards applicable to all laboratories under Federal jurisdiction.

The statutory creation of a separate Office of Clinical Laboratories would merely add another bureaucratic component to existing components already charged with enforcing standards for laboratories, and would impede management flexibility to bring about the most effective regulation and improvement of clinical laboratories.

The establishment of a separate, legislated Advisory Council is duplicative and unnecessary. A Health Insurance Benefits Advisory Council and Medical Laboratory Services Advisory Committee are currently in existence, and other advisory resources exist, as well as sufficient authority to establish any other advisory committee should one be determined to be necessary. In principle, we are opposed to the statutory establishment of advisory committees since—as is evident in this case—it results in unnecessary duplication and loss of management flexibility.

S. 1737 would provide for Federal licensure of all clinical laboratories engaged in interstate commerce; State licensure of clinical laboratories in States whose programs meet standards set by the Secretary of Health, Education, and Welfare (HEW); and would direct Federal licensure of laboratories in States whose laws and programs do not meet the standards set by the Secretary. The bill would provide that individual physicians, dentists, podiatrists or osteopaths performing laboratory tests for their own patients may be exempted by the Secretary if they submitted an affidavit, which the Secretary approved, describing personnel and activities. Any clinical laboratory located within a health care facility of one hundred beds or less and located in a rural area would not be included for two years under the provisions of this bill relating to the qualifications of laboratory personnel. Blood laboratories and laboratories under the jurisdiction of other Federal departments would not be included.

An Advisory Council on Clinical Laboratories would be established and an Office of Clinical Laboratories would be created within HEW to establish a uniform regulatory program and assume responsibility for the laboratory component of other HEW health programs. S. 1737 would provide for assistance in the form of grants to States in meeting the costs of existing programs and the development and implementation of new programs for laboratory regulation. There would be authorized to be appropriated $15 million for each fiscal year to carry out this grant program. The Secretary would be authorized to develop a working model or system of national (non-Federal) certification for technical laboratory personnel with such sums as necessary to be appropriated for this purpose.

As we stated in our testimony, the Department has for many years enforced standards for clinical laboratories and is on the verge of publishing common standards for approximately 10,000 hospital and independent laboratories participating in the Medicare and Public Health Service programs. We recently issued instructions for consolidating the inspection and certification procedures for Medicare and Center for Disease Control (CDC) licensed laboratories, and we are committed to fully consolidating HEW programs to regulate clinical laboratories and to making uniform all standards for federally regulated clinical laboratories. An interagency agreement, signed last September by the Bureau of Health Insurance of the Social Security Administration (SSA), the Bureau of Quality Assurance (BQA), and the Center for Disease Control (CDC), is being implemented in a cooperative and mutually supportive manner. While S. 1737 suggests that Federal involvement in the regulation of all clinical laboratories is needed, the overwhelming proportion of hospital and independent laboratories are already subject to a Federal approval process (certification) under the Medicare program.

The Bureau of Quality Assurance has coordinative and liaison responsibility for Federal clinical laboratory programs as well as providing professional and technical support and helping to develop training programs. The Center for Disease Control and BQA have agreed on new personnel standards to be proposed for promulgation by the Social Security Administration. The Center for Disease Control also conducts specialized scientific services which—in addition to the general HEW regulatory activities—are designed to improve the performance of clinical laboratories. Finally, CDC is responsible for monitoring the inspections of laboratories carried out by the States under the aegis of the Social Security Administration. The SSA is responsible for promulgating standards, supervising State-conducted inspections for conformance with the standards, and administering State inspection activities so as best to improve the performance of clinical laboratories.

New delegations of authority are undergoing review in the Department and will be in effect within four months. Proceeding under the interagency agreement, the agencies have (1) jointly agreed to promulgate within a few months regulations applying quality control and proficiency testing requirements to hospital laboratories, as well as independent laboratories, (2) agreed on the mechanics of a merged inspection process for Medicare and CDC inspected laboratories to be implemented by the effective date of the delegation authority, (3) are virtually agreed on the details of personnel standards for hospital and independent laboratories to be issued for comment within two months, and (4) are completing interagency procedures for Federal monitoring of State enforcement of Federal laboratory standards to be effective upon approval of the delegation authority.

We believe the administrative merger of the Medicare and Center for Disease Control clinical laboratory programs currently in progress is far preferable to S. 1737, and would be substantially impeded by the enactment of S. 1737.

We believe that the objectives of S. 1737 are being accomplished administratively. The proposed Federal regulation of every individual provider who conducts laboratory tests, even under an affidavit system, is of questionable value, and that in any case the Department should concentrate its limited resources on facilities which perform a high volume of tests annually. The Department will continue to pursue efforts to strengthen Federal regulation of clinical laboratories, and bring about improved laboratory performance. We, therefore, strongly oppose enactment of this bill, because its approach is both unnecessary and inappropriate.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report, and that enactment of S. 1737 would not be consistent with the objectives of the Administration.

Sincerely,

Marjorie Lynch,
Under Secretary.

Rebuttal To Administration Letter of April 26, 1976 by Senators Kennedy and Javits

In response to the Administration's item by item critique of S. 1737, we respond as follows:

1. The Committee deliberately sought not to tie the hands of DHEW as they implemented the authorities provided in respect to the Social Security Act, the PHS Act, and the Food, Drug and Cosmetic Act. If in fact this is what the Administration supports, they may be assured that if they will submit the necessary legislative language we will work to achieve this accord in Conference with the House which also has as a prominent feature of its own bill an Office of Clinical Laboratories.

2. The need to expand authority to the individual physician office laboratory is amply documented in the Report (No. 94-764) accompanying this bill (pp. 12–13) and in the hearing record (pp. 584–806). The consensus of the physicians who testified

was that there was no medical justification for excluding individual physician office laboratories. Additionally, this is the conclusion of a DHEW-sponsored study (HSM 110-72-341) entitled National Study of Physicians' Office Laboratories, which was prepared by the American Society of Internal Medicine. Moreover, the underlying regulatory theme of the bill is for state enforcement of the regulatory standards.

3. The Administration's merger argument was raised during the hearings and rejected by the Committee. It was determined in the hearing that the Administration merger concept first occurred shortly after the enactment of Medicaid and CLIA in 1967; and that subsequent to that time there have been numerous attempts in this direction, all of which have never come to fruition, owing to bureaucratic jurisdictional disputes within DHEW. Moreover the formal agreement was not approved until 4 months after the introduction of S. 1737 and six days prior to the hearings thereon. The Committee is aware of no progress thereunder.

4. The consensus of testimony of the expert witnesses charged with regulating laboratory performance, and operation and administration of clinical laboratories was that an Office of Clinical Laboratories was essential to bring about effective regulation and improvement of clinical laboratories. The witnesses in support of this approval are named in the Hearing's record Table of Contents (beginning at page 81). With respect to management flexibility this argument was responded to in item #1 supra.

5. The Committee is not doctrinaire with regard to the establishment of an Advisory Council. However, the Committee believed that it would be beneficial, in order to ensure expert counsel with regard to the development of standards and, additionally, to have a broad cross section of representatives from the constituencies affected by the contemplated regulatory program that such a Council be established. This would assist the Secretary in coping with this dynamic and technological field.

The underlying theme of the Administration's letter in opposition to the legislation depends on the potential of the interagency agreement. The gap between promise and reality, however, was carefully examined by the Committee. The Committee's response is set forth on page 7 of the report, as follows: CLIA '76 is consistent with the directions now being undertaken by the Secretary and will assure that this long promised and awaited merger will indeed be implemented.

Mr. KENNEDY. Mr. President, I am hopeful we can move toward final passage now.

I just make a final comment that this legislation was recommended to the full Senate without a dissenting vote of the Committee on Labor and Public Welfare, which I think is a strong endorsement from both sides of the aisle.

It is a very important piece of health legislation. I am hopeful we can enact it speedily.

Mr. President, I am ready for a vote.

Mr. JAVITS. We are ready to vote.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is, shall the bill pass?

The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Arkansas (Mr. BUMPERS), the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. McGEE), the Senator from South Dakota (Mr. McGOVERN), the Senator from New Hampshire (Mr. McINTYRE), the Senator from Maine (Mr. MUSKIE), and the Senator from Florida (Mr. STONE) are necessarily absent.

I further announce that the Senator from New Mexico (Mr. MONTOYA), and the Senator from Connecticut (Mr. RIBICOFF) are absent on official business.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Washington (Mr. MAGNUSON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY), the Senator from Kansas (Mr. DOLE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nevada (Mr. LAXALT), the Senator from Idaho (Mr. McCLURE), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The result was announced—yeas 64, nays 11, as follows:

[Rollcall Vote No. 159 Leg.]

YEAS—64

Abourezk
Baker
Bayh
Beall
Bellmon
Brock
Brooke
Burdick
Byrd, Robert C.
Case
Chiles
Clark
Cranston
Culver
Domenici
Durkin
Eagleton
Fong
Ford
Glenn
Griffin
Hart, Gary
Hart, Philip A.
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Mansfield
Mathias
McClellan
Metcalf
Mondale
Morgan
Moss
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Tunney
Weicker
Williams
Young

NAYS—11

Allen
Bartlett
Curtis
Fannin
Garn
Hansen
Helms
Hruska
Long
Scott,
William L.
Thurmond

NOT VOTING—25

Bentsen
Biden
Buckley
Bumpers
Byrd,
Harry F., Jr.
Cannon
Church
Dole
Eastland
Goldwater
Gravel
Hartke
Humphrey
Laxalt
Magnuson
McClure
McGee
McGovern
McIntyre
Montoya
Muskie
Packwood
Ribicoff
Stone
Tower

So the bill (S. 1737), as amended, was passed, as follows:

S. 1737

An act to amend the Public Health Service Act to encourage the establishment of uniform standards for licensing and regulation of clinical laboratories, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Clinical Laboratories Improvement Act of 1976".

DECLARATION OF FINDINGS

SEC. 2. The Congress finds that—

(1) clinical laboratory testing is a vital element of health care throughout the Nation;

(2) health care in this Nation will only be effective and of high quality if procedures utilized for testing by clinical laboratories assure accurate and reliable results;

(3) it is essential in the public interest that the health and welfare of consumers of health care be protected by requiring that all clinical laboratories comply with uniform standards of performance which assure such accuracy and reliability;

(4) testing in clinical laboratories which is inaccurate and unreliable impairs the effective regulation of those laboratories which operate interstate, is injurious to the public health and welfare, destroys markets for testing in laboratories which is accurate and reliable and results in losses to those who operate clinical laboratories and to health care providers, and impairs the provision of safe and high quality health care to consumers;

(5) testing in laboratories which do not comply with standards to assure accuracy and reliability can be performed at less expense and thus they are able to compete unfairly with the laboratories which do comply with such standards to the detriment of consumers of health care and the public generally;

(6) requiring compliance with standards to assure accuracy and reliability by laboratories which operate interstate without provision for requiring such compliance by other laboratories would discriminate against and depress interstate commerce and adversely burden, obstruct, and affect such interstate commerce; and

(7) all clinical laboratory testing is either in interstate commerce or substantially affects such commerce and regulations by the Secretary in cooperation with the States as contemplated by this Act are appropriate to prevent and eliminate burdens upon interstate commerce, and to effectively regulate interstate commerce, and to protect the health and welfare of consumers of health care.

SEC. 3. Section 353 of the Public Health Service Act (42 U.S.C. 263a) is amended to read as follows:

"LICENSING OF LABORATORIES

"SEC. 353. (a) DEFINITIONS.—As used in this section—

"(1) The term 'laboratory' or 'clinical laboratory' means a facility for the biological, microbiological, serological, chemical, immuno-hematological, hematological, biophysical, cytological, pathological, or other examination of materials derived from the human body, for the purpose of providing information for the diagnosis, prevention, or treatment of any disease or impairment of, or the assessment of the health of, man, or a facility for the collection, processing, and transmission of such materials for such purposes, other than a facility exclusively engaging in the collection, processing, or transmission of human whole blood, or its components; or (except as otherwise provided in subsection (e)(3) of this section) a facility under the direct jurisdiction of a Federal department or agency other than the Department of Health, Education, and Welfare.

"(2) The term 'commerce' means (1) any activity which affects commerce between any State or territory and any place outside thereof, and (2) commerce within the District of Columbia or within any other territory not organized with a legislative body.

"(b) Prohibited Acts.—

"(1) No person may solicit or accept, directly or indirectly, any specimen for laboratory examination or other laboratory procedures or otherwise operate a clinical laboratory in any State unless there is in effect a license (applicable to such procedures or operations) for such laboratory issued—

"(A) in the case of any laboratory soliciting or accepting any such specimen in interstate commerce, by the Secretary; or

"(B) in the case of any laboratory located within a State which has been designated by the Secretary pursuant to subsection (o), by an appropriate officer of that State; or

"(C) in the case of any laboratory located in a State which has not been designated by the Secretary pursuant to subsection (o), by the Secretary until such date as the Secretary so designates such State.

"(2) if the Secretary, upon the recommendation of the Advisory Council, determines that a State program contains and enforces requirements relating to laboratory licensing and performance standards which are more stringent than the standards set forth in regulations issued by the Secretary under this section, a laboratory licensed under paragraph (1)(A) shall meet those additional requirements of such State program which the Secretary determines the State has appropriately imposed.

"(c) Licenses Issued by the Secretary.—(1) The Secretary is authorized to issue licenses under this section applicable to all laboratory procedures or only to specified laboratory procedures or categories of laboratory procedures.

"(2) A license issued by the Secretary under this section shall be valid for a period of one year, or such shorter period as the Secretary may establish for any clinical laboratory or any class or classes thereof, and may be renewed in such manner as the Secretary may prescribe.

"(3) The Secretary may require payment of reasonable fees for the issuance and renewal of licenses, but the amount of such fee shall not exceed $125 per annum.

"(d) Application Requirement.—A license shall not be issued by the Secretary in the case of any clinical laboratory unless—

"'(1) the application therefor contains or is accompanied by such information as the Secretary finds necessary;

"(2) the Secretary determines that such laboratory will be operated in accordance with the standards delineated in subsection (e) and such other standards as the Secretary (after consultation with the Advisory Council established under subsection (j)) promulgates to carry out the purposes of this section; and

"(3) the Secretary has received from the applicant an accurate itemized schedule (including common groupings of tests) of all current rates charged by the applicant for those laboratory services he provides, and such other information as may be necessary, including full disclosures of any current contractual relationships (written or oral) between the applicant and physicians respecting such services.

"(e) Standards.—

"(1) The Secretary is authorized to promulgate regulations to establish standards which shall be designed to assure consistent performance by the laboratories of accurate laboratory procedures and services, and shall include, among others, standards to assure—

"(A) maintenance of an internal quality control program adequate and appropriate for accuracy of the laboratory procedures and services;

"(B) maintenance of records, equipment, and facilities necessary for proper and effective operation of the laboratory;

"(C) qualifications of the director of the laboratory, and other supervisory and technical personnel, and any other personnel to the extent deemed necessary for adequate and effective operation of the laboratory with respect to the accuracy and reliability of testing performance taking into account improvements in technology utilized in laboratory testing (which qualifications shall include criteria relating to (i) the extent to which training and experience may be substituted for formal education, and (ii) evidence of continued competency);

"(D) participation in a proficiency testing program and onsite inspection program conducted by qualified public or nonprofit private entities which have adopted standards at least as stringent as those in effect under this section,

"(E) the development of job-related proficiency tests based upon job performance criteria that reflect the nature of the work performed by the individual.

"(2) The Secretary is authorized to promulgate regulations to establish such other standards designed to assure consistent performance by facilities limited in function to the collection, processing, and transmission of materials derived from the human body, as referred to in subsection (a), and consistent with the recommendations of the Advisory Council established under subsection (j).

"(3) The Secretary shall bring the standards established under this subsection to the attention of the heads of other Federal departments and agencies having laboratory facilities under their direct jurisdiction so that such standards may be considered and applied as appropriate by such departments and agencies to such laboratory facilities, and he shall seek to achieve the adoption of such standards throughout the Federal Government to the maximum extent possible. The Secretary, not later than 12 months after he adopts final regulations under this subsection, shall report to the appropriate committees of the House of Representatives and the Senate as to the results of his efforts pursuant to the first sentence of this paragraph.

"(f) Revocation, Suspension, or Limitation.—A laboratory license issued by the Secretary may be revoked, suspended, or limited if the Secretary finds, after reasonable notice and opportunity for hearing to the owner or operator of the laboratory, that such owner or operator or any employee of the laboratory—

"(1) has been guilty of misrepresentation in obtaining a license;

"(2) has engaged or attempted to engage or represented himself as entitled to perform any laboratory procedure or category of procedures not authorized by the license;

"(3) has failed to comply with the standards with respect to laboratories and laboratory personnel prescribed by the Secretary pursuant to this section;

"(4) has offered, paid, solicited, or received any kickback or bribe in the form of money or any other thing of value in connection with the provision of clinical laboratory services;

"(5) has engaged in any false, fictitious, or fraudulent billing practice for the purpose of obtaining payment under any program, the funds for which are provided in whole or in part by the United States;

"(6) has engaged in a billing practice which creates a discriminatory effect between patients reimbursed in whole or in part under programs receiving Federal funds and patients not so reimbursed;

"(7) has failed to comply with reasonable requests of the Secretary for any information or materials, or work on materials, the Secretary deems necessary to determine the laboratory's continued eligibility for its license hereunder or continued compliance with the Secretary's standards hereunder;

"(8) has refused a request from the Secretary or any Federal officer or employee designated by the Secretary for permission to inspect the laboratory and its operations and pertinent records at any reasonable time; or

"(9) has violated or aided and abetted any violation of any provision of this section or of any rule or regulation promulgated hereunder.

"(g) Significant Hazard to Public Health.—Whenever the Secretary has reason to believe that continuation of any activity by a laboratory licensed under this section would constitute a significant hazard to the public health, he may bring suit in the district court for the district in which such laboratory is situated to enjoin continuation of such activity and upon proper showing, a temporary injunction or restraining order against continuation of such activity pending issuance of a final order under this section shall be granted without bond by such court.

"(h) Judicial Review.—(1) Any party aggrieved by any final action taken under subsection (f) of this section may at any time within 60 days after the date of such action file a petition with the United States court of appeals for the circuit wherein such person resides or has his principal place of business, for judicial review of such action. A copy of the petition shall be transmitted by the clerk of the court to the Secretary or other officer designated by him for that purpose. The Secretary thereupon shall file in the court the record on which the action of the Secretary is based, as provided in section 2112 of title 28 of the United States Code.

"(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary and to be adduced upon the hearing in such manner and upon such terms and conditions as the court may deem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendations, if any, for the modification or setting aside of his original actions, with the return of such additional evidence.

"(3) Upon the filing of a petition referred to in paragraph (1) of this subsection, the court shall have jurisdiction to affirm the action, or to set it aside, in whole or in part, temporarily or permanently. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive.

"(4) The judgment of the court affirming or setting aside, in whole or in part, any such action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code.

"(i) Office of Clinical Laboratories.—(1) The Secretary shall establish within the Department of Health, Education, and Welfare an Office of Clinical Laboratories, the purpose of which shall be—

"(A) to establish a uniform regulatory program for the functions authorized under this section and the laboratory certification and regulation functions presently administered under titles XVIII and XIX of the Social Security Act and under the Federal Food, Drug, and Cosmetic Act, and the Public Health Service Act.

"(B) to assume responsibility for the laboratory component of other health programs administered and enforced by the Secretary,

"(C) (1) to evaluate and validate the accuracy, reliability, and performance of automated laboratory testing equipment of clinical laboratories and to disseminate the results thereof, and

"(2) to develop procedures to assure that such equipment continues to meet the standards for which they were designed.

"(2) The Office of Clinical Laboratories, after consultation with the Advisory Council established under subsection (j) shall establish, within thirteen months after the date of enactment of this Act, a uniform set of testing, quality control, personnel, proficiency testing, and other necessary guidelines for clinical laboratories that will assure quality performance and otherwise serve the purposes of this section as well as the purposes of other programs within the Department of Health, Education, and Welfare. The Office of Clinical Laboratories shall report annually to the Congress through the Secretary concerning its activities under this section together with such findings and recommendations as it deems necessary.

"(j) (1) Advisory Council.—There is established in the Department of Health, Education, and Welfare an advisory council on clinical laboratories (hereinafter referred to as the 'Council'). The Council shall advise, consult with, and make recommendations to the Office of Clinical Laboratories with respect to—

"(A) the development of uniform guidelines relating to laboratory licensing and personnel and performance standards required by this section;

"(B) the implementation and administration of this section;

"(C) the implementation of standards concerning the internal operations of laboratories, including, but not limited to, recommended methods for carrying out specified laboratory procedures, standards on laboratory kits, and standards with regard to chemical reagents; and

"(D) coordination between the different Federal and State laboratory regulatory programs, including the avoidance of duplicate enforcement.

The Council may take appropriate action if it so chooses for the purposes of revealing problems or developing its recommendations.

"(2) The Council shall be composed of not more than 12 appointed individuals who, as a result of their training, experience, or attainments, are well qualified to assist in carrying out the functions of the Council. The membership shall include representatives of nationally recognized laboratory accrediting bodies, directors of State laboratory licensing programs, members of the public, and not more than three members who are owners, operators, or directors of laboratories, members of professional and other associations concerned with clinical laboratories and clinical laboratory personnel. The Council shall include, in addition to the appointed members, the designated representatives of the Secretary of Health, Education, and Welfare, the Secretary of Defense, and the Administrator of Veterans' Affairs as ex officio members.

"(k) Grant Restrictions.—No grant or reimbursement which the Secretary is authorized to make, or contract which he is authorized to award, whether to or for any health care facility, including but not limited to health maintenance organizations, hospitals, skilled nursing or intermediate care facilities, or in connection with the procurement and reimbursement for clinical laboratory services shall be entered into unless the laboratory meets the standards established hereunder by the Secretary.

"(l) (1) Model Certification for Technical Laboratory Personnel.—The Secretary, in cooperation with appropriate organizations, associations, and institutions, is authorized to develop a working model or a system of national (non-Federal) certification for technical laboratory personnel. Such certification system shall assure—

"(A) uniform certification standards at a level consistent with quality laboratory performance;

"(B) increased geographic and career mobility;

"(C) continued evaluation of the certification system;

"(D) consistency with certification procedures developed in the Department of Health, Education, and Welfare; and

"(E) the development of job related proficiency tests based on job performance criteria that reflect the nature of the work performed by the individual.

"(2) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subsection.

"(m) (1) Exemptions.—The Secretary may by regulation exempt from the provisions of this section to the extent and upon such conditions as he may prescribe to insure public health, any clinical laboratory owned and operated by a licensed physician, dentist, podiatrist, or osteopath, who performs laboratory tests or procedures, personally or through his employees, solely as an adjunct to the treatment of his own patients only if such licensed physician, dentist, podiatrist, or osteopath has submitted an affidavit, in such form and manner acceptable to the Secretary, which includes but is not limited to the following information, where applicable:

"(A) a description of the qualifications of nonphysician personnel who participate in (i) the conduct of tests; (ii) the collection of specimens; and (iii) the transmission of specimens;

"(B) the quantity and type of tests conducted by each such nonphysician personnel; and

"(C) the type of and score range in any proficiency testing participated in, if any, by each such nonphysician personnel.

the description required under paragraph (1) (A) shall contain the educational background, training, and experience of such nonphysician personnel.

"(2) Waivers.—(A) Regulations promulgated by the Secretary under subsection (e) (1) (relating to the qualification of laboratory personnel) shall not apply to a clinical laboratory located within a heath care facility of 100 beds or less and which is located in a rural area (as defined by the Secretary) for a period of two years after the effective date of such regulations.

"(B) Upon the expiration of the two-year period provided for in paragraph (A) the Secretary may waive the requirements of this section, with regard to a health care facility (described in subparagraph (A)) if such health care facility—

"(i) meets such quality control standards as the Secretary deems necessary; or

"(ii) employs personnel who have completed specific job related proficiency tests developed by the Secretary under subsection (l) (1) (E).

"(n) Coordination of Functions.—In carrying out his functions under this section, the Secretary is authorized, pursuant to agreement, to utilize the services or facilities of any Federal or State or local public or private nonprofit agency, organization, or institution. The administration of regulatory functions authorized under this section shall be under the direction of and coordinated by the Office of Clinical Laboratories. The Secretary may pay for such services in advance or by way of reimbursement, and in such installments, as he may determine.

"(o) Delegation to States.—(1) The Secretary, pursuant to subsection (b) (1) (B), may delegate his authority to issue licenses under this subsection to an appropriate health authority of each State—

"(A) which he determines has enacted a law or has adopted regulations applicable to clinical laboratories which laws or regulations meet or exceed the standards established under this section; and

"(B) which is enforcing the provisions of such laws or regulations with respect to all clinical laboratories within its jurisdiction in a manner which does not discriminate against any type or class of such laboratories.

"(2) The Secretary shall review and approve or disapprove the laws or regulations applicable to clinical laboratories of any State submitted to him and notify the Governor of such State of the results of his review within 180 days of such submission.

"(3) The Secretary shall approve the laws or regulations applicable to clinical laboratories of any State if he determines that such laws or regulations provide for licensing on the basis of standards and other regulatory requirements that impose standards of performance equal to or higher than that imposed by the requirements adopted by the Secretary pursuant to this section and if such State submits an administrative and enforcement plan which shall—

"(A) provide for the administration and enforcement within the State of such laws or regulations in a manner satisfactory to the Secretary;

"(B) designate a single agency in the State as the sole agency, for the administration and enforcement of such laws or regulations;

"(C) contain satisfactory evidence that the State agency designated in accordance with subparagraph (B) will have authority to administer and enforce such laws or regulations in an effective manner;

"(D) contain satisfactory assurances that in the case of any State which has an approved licensure program which exceeds the national standards, as determined by the Secretary under this section, such State shall provide that a laboratory shall be qualified for licensure in such State upon compliance with the additional requirements imposed by the licensure program of such State;

"(E) contain satisfactory assurances that the State coordinates inspections with other State laboratory programs and with the Federal laboratory program authorized by this section so as to avoid unnecessary duplication of enforcement expenditures;

"(F) contain satisfactory assurances that the State enters into reciprocal arrangements with other States and with the Federal Government to minimize differences between laboratory programs and enforcement;

"(G) not contain any requirement for licensure to the effect that the individual applying for licensure reside in such State for a designated period of time prior to the issuance of such license;

"(H) contain satisfactory assurances that each State shall apply any requirements of a personnel licensure or certification program equally to all individuals who apply to be licensed or certified as laboratory personnel in such State, and that each State licensure or certification program shall have only one set of licensure requirements for each class of laboratory personnel;

"(I) provide that the State agency of each State notify the Secretary of any denial of licensure to any laboratory personnel;

"(J) contain any other information which the Secretary may find necessary for purposes of evaluating the adequacy of the State's laws or regulations and of its enforcement of such laws or regulations.

"(4) Whenever the Secretary determines, after reasonable notice and opportunity for hearing to the Governor of any State, that such State no longer meets the requirements of this subsection he shall terminate the authority delegated to such State. Such termination shall not preclude subsequent redelegation to any State which subsequently meets the requirements of this subsection.

"(5)(A) With respect to each State to which authority to issue licenses has been delegated under this subsection, the Secretary shall from time to time but not less often than anually conduct a review, including onsite inspection of a random sample of laboratories, to determine whether such State continues to meet the requirements of this subsection. In connection with such review, the State under review shall provide the Secretary with such information as he deems necessary to conduct the review.

"(B) The results of any review conducted under this paragraph shall be reported to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate.

"(p) Assistance to States for the Development and Administration of a Regulatory Program.—(1) The Secretary is authorized to provide technical assistance to any State agency designated in an administration and enforcement plan submitted to subsection (o) in developing and administering a program for the effective regulation of clinical laboratories, which assistance shall include—

"(A) assistance in planning and developing an adequate program for the regulation of clinical laboratories, including proficiency testing;

"(B) assistance in the administration of such a program; and

"(C) assistance in training laboratory personnel (including the provision of instructional material and equipment).

"(2)(A) The Secretary is authorized to make grants to States to assist them in meeting the costs of existing programs and the development and administration of new programs for the regulation of clinical laboratories.

"(B) No grant may be made under this subsection unless an aplication therefor has been submitted to and approved by the Secretary. Such application shall be submitted in such form and contain such information as the Secretary may reasonably require.

"(C) The amount of any grant made under this subsection shall be determined by the Secretary, but no such grant to any State may exceed 75 percent of such State's cost of administering and enforcing its program of regulation of clinical laboratories.

"(3) No technical or financial assistance under this subsection shall be provided to any State which has not developed an approved administrative plan pursuant to subsection (o).

"(4) There are authorized to be appropriated $15,000,000 for each fiscal year to carry out the purposes of this subsection.

"(q) Inspection Authority.—(1) For purposes of enforcement of this section, officers, employees or agents designated by the Secretary upon presenting appropriate credentials to the owner, operator, or agent in charge are authorized—

"(A) to enter, at reasonable times, any clinical laboratory in any State;

"(B) to inspect, at reasonable times and in a reasonable manner, such clinical laboratory and all pertinent equipment, materials, containers, records, files, papers, processes, controls, facilities and all other things therein bearing on whether such clinical laboratory is being operated in compliance with this section and the regulations issued hereunder or otherwise bearing upon violation of this section; and

"(C) to inspect, at reasonable times and in a reasonable manner, financial data, sales data, and pricing data related to such clinical laboratory.

"(2) Upon completion of any such inspection and prior to leaving the premises, the officer, employee, or agent making the inspection shall give to the owner, operator or agent in charge a report which summarizes any conditions or practices observed by him which, in his judgment, indicate a violation of this section. He shall also prepare a written report of his findings and send it to such owner, operator, or agent within a reasonable time.

"(3) No officer, employee, or agent designated by the Secretary to enter a laboratory and conduct an inspection pursuant to this subsection shall be required to obtain a search warrant from any judicial officer prior to entering any laboratory and conducting any inspection which is within the scope of this subsection.

"(4) The Secretary shall report annually to the Congress the effects of the pricing of laboratory services in relation to the overall costs of the related health services.

"(r) Violations and Penalties.—(1) Any person who willfully violates paragraph (4) or (5) of subsection 353(f) or any rule or regulation promulgated thereunder shall be guilty of a felony and shall, upon conviction thereof, be subject to imprisonment for not more than three years, or a fine of not more than $10,000, or both.

"(2) Any person who willfully violates any other provision of this section or any rule or regulation promulgated thereunder shall be guilty of a misdemeanor and shall, upon conviction thereof, be subject to imprisonment for not more than one year, or a fine of not more than $1,000, or both.

"(s)(1) No laboratory employer may discharge any employee or otherwise discriminate against any employee with respect to his compensation, terms, conditions, or privileges of employment on the basis of the employee (or any person acting pursuant to a request that the employee) has—

"(A) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this title or a proceeding for the administration or enforcement of laboratory regulations as set forth under any Federal or State program,

"(B) testified or is about to testify in any such proceeding, or

"(C) assisted or participated or is about to assist or participate in such a proceeding or in any other action to carry out the purposes of this title.

"(2) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of paragraph (1), may, within 30 days after such violation occurs, file a complaint (notwithstanding the amount in controversy) in the United States district court for the district in which the employer or employee resides, alleging such discharge or discrimination. A copy of the complaint shall immediately be served on the employer.".

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make any necessary technical and clerical corrections in the engrossment of S. 1737.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I again acknowledge the leadership that has been provided by the Senator from New York (Mr. Javits) and our colleague, the Senator from Pennsylvania (Mr. Schweiker) and the excellent work that has been done by the Senator from Utah (Mr. Moss), in this area in their committees.

I particularly thank the staff, Dr. Arthur Viseltear who is on the faculty of the Yale School of Medicine and the regular staff of our Health Subcommittee, Leroy Goldman and Jay Cutler, the minority counsel to the Labor and Public Welfare Committee.

They performed very well with the other members of the committee and with the other staff members, and they deserve special recognition.

Mr. JAVITS. Mr. President, if the Senator will yield, I join the Senator, without repeating it, most enthusiastically and with great conviction. The staff work of Lee Goldman, Jay Cutler and Arthur Viseltear has been splendid and has had a great deal to do with the final result. I hope they get as much gratification out of the final bill and feel the thanks of millions of people, which I think will be forthcoming, that will extend to them as well.

I thank our colleagues.

RECOGNITION OF SENATOR PROXMIRE AND SENATOR GOLDWATER MONDAY, MAY 3, 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the two leaders or their designees have been recognized under the standing order, Mr. Proxmire be recognized for not to exceed 15 minutes after which Mr. Goldwater be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday after the orders for the recognition of Senators have been completed, there be a period for the transaction of routine morning business to extend up until the hour of 1 p.m. with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 2555

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday at 1 p.m. the Senate take up S. 2555, Calendar Order No. 721, a bill to establish a national rangelands rehabilitation and protection program.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER AUTHORIZING THE COMMITTEE ON RULES AND ADMINISTRATION UNTIL MIDNIGHT TO FILE A REPORT ON SENATE RESOLUTION 400

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Rules and Administration have until midnight tomorrow night to file a report on Senate Resolution 400, as amended.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

AUTHORIZATION FOR THE SECRETARY OF THE SENATE TO RECEIVE MESSAGES

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to receive messages from the House of Representatives and the President of the United States during adjournment of the Senate over to Monday at noon.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

AUTHORIZATION FOR THE PRESIDENT, THE PRESIDENT PRO TEMPORE, AND THE ACTING PRESIDENT PRO TEMPORE TO TAKE CERTAIN ACTION

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that during the adjournment of the Senate over to Monday at noon the Vice President of the United States, the President of the Senate, the President pro tempore, and the Acting President pro tempore be authorized to sign all duly enrolled bills and joint resolutions.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination at the desk which has been reported earlier today from the Committee on Armed Services.

There being no objection, the Senate proceeded to the consideration of executive business.

The **PRESIDING OFFICER.** The nomination will be stated.

U.S. NAVY

The assistant legislative clerk read the nomination of Vice Admiral William D. Houser, USN, for appointment to the grade of vice admiral on the retired list.

The **PRESIDING OFFICER.** Without objection, the nomination is considered and confirmed.

Mr. **GRIFFIN.** Mr. President, I ask unanimous consent that the President be notified of the confirmation of this nomination.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that the Senate return to legislative business.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER THAT NO ROLLCALL VOTES OCCUR PRIOR TO 3:30 P.M., MONDAY, MAY 3, 1976

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that no rollcall votes occur on Monday prior to the hour of 3:30 p.m.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

PROGRAM

Mr. **ROBERT C. BYRD.** Mr. President, the Senate will convene at 12 noon on Monday. After the two leaders or their designees have been recognized under the standing order, Mr. PROXMIRE will be recognized for not to exceed 15 minutes, and then Mr. GOLDWATER will be recognized for not to exceed 15 minutes.

There will then be a period for the transaction of routine morning business not to extend beyond 1 p.m., with statements limited therein to 5 minutes each.

At 1 p.m., the Senate will proceed to the consideration of Calendar Order No. 721, S. 2555, a bill to establish a national rangelands rehabilitation and protection program. Rollcall votes are expected on that measure.

During the afternoon it is anticipated that the Federal Election Commission conference report, if acted upon by the House of Representatives, will also be transmitted to the Senate and be taken up by the Senate, and at some time during the afternoon before the day is over it is anticipated that the Clean Air Act may be laid before the Senate.

ADJOURNMENT TO MONDAY, MAY 3, 1976

Mr. **ROBERT C. BYRD.** Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 noon on Monday next.

The motion was agreed to; and at 5:39 p.m. the Senate adjourned until Monday, May 3, 1976, at 12 noon.

CONFIRMATION

Executive nomination confirmed by the Senate April 29, 1976:

IN THE NAVY

Vice Adm. William D. Houser, U.S. Navy, for appointment to the grade of vice admiral on the retired list pursuant to the provisions of title 10, United States Code, section 5233.

HOUSE OF REPRESENTATIVES—*Thursday, April 29, 1976*

The House met at 12 o'clock noon.

The Reverend G. Holmes Mendelman, M. Div., pastor, St. Paul Lutheran Church, Annapolis, Md., offered the following prayer:

Almighty Father, many here have already gone before Thy throne this day to ask Thy guidance.

Now we pause to ask Thy blessing upon each other.

As we are united in prayer, so unite us in our work that we may do the will of our Father.

Remind us not only of the account we must one day give of our work here, but also of the promise of Your guiding presence among us.

Lord Jesus, make Thyself real to each of us who prays this day, that at every desk there will be the whisper of Thy counsel. Help us to weigh our words that they become an echo of Thy will.

For Your sake. Amen.

THE JOURNAL

The **SPEAKER.** The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 644) entitled "An act to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2662) entitled "An act to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1497. An act to provide for the protection and preservation of the Gruber Wagon Works in Berks County, Pa.

THE REVEREND G. HOLMES MENDELMAN

(Mrs. **HOLT** asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. **HOLT.** Mr. Speaker, it is a great privilege for me today to introduce my good friend and an outstanding member of the clergy, Rev. G. Holmes Mendelman, who just offered the inspiring prayer. Reverend Mendelman is currently serving as pastor of St. Paul's Lutheran Church and School in Annapolis, Md. He has provided dynamic and vital counsel and guidance to the Lutheran midshipmen at the U.S. Naval Academy. He is also chairman of the planning committee for 150 pastors of the Southeastern District of the Lutheran Church-Missouri Synod.

Prior to coming to Annapolis, Pastor Mendelman served as a missionary in Blackwood, N.J., as a circuit counselor; as president of the Philadelphia Pastoral Conference; and as a member of the National Board of Stewardship of the Lutheran Church-Missouri Synod. In addition to this distinguished career, Pastor Mendelman has also found the time to immerse himself in numerous civic affairs.

Reverend Mendelman's wife, Joanne, and his five children, Elise, Laura, Eric, Krista, and Joel are also with us today.

My thanks to Reverend Mendelman for his inspiring prayer.

RESTORATION OF CONGRESSIONAL MEDAL OF HONOR TO DR. MARY EDWARDS WALKER

(Mr. PEYSER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PEYSER. Mr. Speaker, on November 11, 1865, Dr. Mary Edwards Walker of New York received the Congressional Medal of Honor from President Andrew Johnson at the recommendation of President Abraham Lincoln. In the entire 113-year history of this medal, she is the only woman ever to have received this award.

In 1916, a review board unjustly withdrew the award. Today, I am introducing legislation that will restore the honor to this woman, who was responsible, while in prison in a Confederate prison during the Civil War, for saving countless Union soldiers' lives.

Mr. Speaker, I think in the Bicentennial Year it is time to recognize what a woman did many years ago that was far in advance of the equal rights movement of women as we know it today.

Dr. Mary Edwards Walker was entitled to the Congressional Medal when she received it and this Congress should guarantee that it is restored to her.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS PRESIDENT SHOULD TAKE TIME FROM CAMPAIGNING TO ATTEND TO NATIONAL NEEDS

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, I know that President Ford is not worrying much about highways these days. He'd rather be flying.

The President spent a lot of time on the runway yesterday—the one in Texas with the Apache Belles girls' drill team.

That is pretty stiff competition for something as dull as a highway bill. But I hope the President will be able to take a little time off from his busy campaign itinerary and give some attention to the problems of the Nation.

Every day he delays in signing the Federal-aid highway bill, he holds up 760,000 jobs and hundreds of needed highway projects in every State of the Union.

This bill is an important economic recovery measure. It will mean increased economic activity and more jobs in the community as well as on-site and off-site construction employment.

This legislation is sound and necessary from a road-building standpoint; it is imperative from an economic standpoint. I hope that the President can find time between flying stops to give it his approval.

This fall we are going to bring the President down off Cloud 9 for good. We are going to put a Democrat in the White House who will give full attention to the needs of the people.

RESPONSE TO MAJORITY LEADER'S REMARKS TODAY

(Mr. CEDERBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CEDERBERG. Mr. Speaker, I want to ask the distinguished majority leader a question. I also want to compliment him again. He has a great script writer.

Mr. Speaker, is that the same bill the gentleman is talking about that the Congress, controlled by the Democrats, sent to the White House, because it was not enrolled properly, and one section was out of the bill, so they had to get unanimous consent from the House and the Senate to get it back from the White House to clear it up, which delayed the bill about a week?

Mr. O'NEILL. If the gentleman will yield, you may ask the chairman of the subcommittee from whose subcommittee the bill came.

Mr. CEDERBERG. Is that the bill?

Mr. HOWARD. If the gentleman will yield, yes. That is the same bill. No. H.R. 8235, the bill that came before the House almost 1 year later than it should have because it took that much time for the Congress to overcome the great White House pressure on the bill the President sent down last year, which would have knocked out three-fourths of the Highway Trust Fund money.

Mr. CEDERBERG. Mr. Speaker, let me just add something else.

Does the gentleman mean to tell me that this Congress, controlled over 2 to 1 by Democrats, yields to White House pressure? That is great leadership. We need more of that.

Mr. HOWARD. If the gentleman will yield, we finally overcame the White House pressure.

Mr. CEDERBERG. You did. With the Congress controlled 2 to 1 by the Democrats, you finally overcame it. Then after you overcame it, it took another week, and we had to send it back and it was delayed because you could not even send it down in the right form.

Mr. O'NEILL. If the gentleman will yield, it is difficult to straighten out the mistakes in what the President sends down here to us.

Mr. CEDERBERG. Do not blame the President, the problem was right here.

FURTHER RESPONSE TO MAJORITY LEADER'S REMARKS TODAY

(Mr. HOWARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOWARD. Mr. Speaker, I would just like to state that if the wishes of the President had been adhered to by the Congress, we would have come out with a highway bill which would have decimated three-fourths of the Highway Trust Fund, which would have had the Federal Government, through the trust fund, participate only in the Interstate program and force the States to pay 100 percent for every other aspect of this mode of surface transportation.

If the States wanted to have primary or secondary roads built, if they wanted to build bridges or repair bridges, if they wanted to have highway safety programs, or if they wanted to have railroad crossings improved, all of this could have been done without a Federal highway bill. We came up with a 100-percent highway bill; the administration for over a year fought for a 25-percent highway bill.

Mr. Speaker, I just hope the President will soon see the wisdom of the 2 to 1 Democratic Congress and sign the highway bill we sent down to him days ago.

EULOGY TO FORMER REPRESENTATIVE THADDEUS F. B. WASIELEWSKI

(Mr. ZABLOCKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ZABLOCKI. Mr. Speaker, it is with sorrow that I inform my colleagues of the passing Sunday, April 25, of Thaddeus F. B. Wasielewski, a former Member of this body. Congressman Wasielewski represented the Fourth District of Wisconsin from 1941 to 1947, and while in Congress served on both the Foreign Affairs, and Ways and Means Committees.

Congressman Wasielewski's life and career was that of a public servant. He attended schools in Milwaukee, graduated from the University of Michigan, and in 1931 was graduated from Marquette University Law School. Thad Wasielewski practiced law and served as a census supervisor before being elected in 1940 to the 77th Congress. He was reelected to the 78th and 79th Congresses. He continued to be active in Democratic politics after his service in the House and served as a delegate to the 1948 Democratic National Convention and was a member of the State Democratic Committee.

He served on the board of directors of the United Community Services and the Milwaukee Repertory Theater. He was a member of the American, Wisconsin, and Milwaukee Bar Associations, the American Judicature Society, and Polish National Alliance.

Mr. Speaker, Thaddeus Wasielewski was an ideal example of the public servant who sincerely believed in the community he lived in, and his record of achievements and involvement in local affairs in the Milwaukee area affirmed his convictions.

My wife joins me in expressing sincere condolences to Stephanie and the family upon the loss of a devoted husband and beloved father.

VETO OF HATCH ACT REPEAL—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. The unfinished business is the further consideration of the veto message of the President of the United States on the bill (H.R. 8617) to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

The SPEAKER. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 207]

Andrews, N.C.
Ashley
Bell
Bergland
Bevill
Bowen
Burton, John
Chisholm
Conyers
de la Garza
Dellums
Drinan
Duncan, Oreg.
Erlenborn
Esch
Eshleman
Flowers
Gradison
Harsha
Hayes, Ind.
Hébert
Heckler, Mass.
Hinshaw
Jones, Ala.
Jones, N.C.
Karth
Kastenmeier
Ketchum
Lujan
Macdonald
Madden
Nichols
Nix
Pepper
Pike
Rees
Roberts
Sarbanes
Scheuer
Sikes
Skubitz
Stark
Stephens
Teague
Udall
Ullman
Vander Jagt
White
Wilson, Tex.

The SPEAKER pro tempore (Mr. O'Neill). On this rollcall 383 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

VETO OF HATCH ACT REPEAL—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore. The Chair recognizes the gentleman from Missouri (Mr. Clay) for 1 hour.

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to speak in support of the override of the President's veto of H.R. 8617. This bill simply permits Federal civilian and postal employees the same political rights that are already available to other Americans so long as these activities do not compromise the integrity of public service—conducted while off-duty, outside of Government buildings, and out of uniform.

Both the original House bill and the conference report were overwhelmingly approved by the House. The only significant difference between the two versions is that employees who seek elective office must do so on their own time. They are not guaranteed leave of absence to do so.

The President's rationale for vetoing this bill is entirely without foundation. The facts of the matter are that: First, the bill contains stronger controls against coercion than existing law; second, almost 40 percent of Federal employees either do not understand or cannot explain existing law; third, half of all Federal employees and two-thirds of all postal employees support loosening the existing prohibitions on their political activities according to the only independent survey on this matter; and fourth, there has never been a shred of evidence to support the allegation that voluntary political activity takes anything away from the integrity of the merit system.

It is not enough to say that Federal employees have the right to vote. Voting is merely the bottom line of the complex political process. So long as Federal employees cannot shape and participate in the development of our Nation's political process, they will be second-class citizens.

Of equally great concern to me is the President's reluctance to offer any changes in the antiquated provisions of the Hatch Act—enacted in the heat of passion with inadequate consideration almost 40 years ago. Four years ago the administration assured the Congress that proposed changes in the law would soon be forthcoming. The President has reneged on that promise.

Cabinet-level officials of the Ford administration can participate in partisan politics while on the public payroll. How can the President justify prohibiting Federal employees from doing the same thing on their own time?

Federal employees are entitled to the same political rights as other citizens so long as these activities do not interfere with the impartial administration of good government.

I urge my colleagues, in an act of nonpartisan statesmanship, to join me in support of H.R. 8617.

Mr. Speaker, I yield 4 minutes for the purpose of debate only to the gentleman from Maryland (Mr. Gude).

Mr. GUDE. Mr. Speaker, I oppose H.R. 8617, a bill to revise the Hatch Act, and strongly urge my colleagues to vote to sustain the President's veto of the bill here today.

I opposed this bill when it originally passed the House, opposed it in testimony before Senator McGee's Post Office and Civil Service Committee in the Senate and opposed it when the conference report came to the House several weeks ago. I believe that I have the strong support of my constituents who include a vast number of Government workers.

I am pleased to note that opposition to this bill is steadily increasing. One hundred nineteen Members voted against the measure when it originally passed the House. One hundred sixty-four Members voted against the conference report 5 months later.

In fact, all four Senators from Virginia and Maryland, the States with the highest percentage of civil servants, voted against the measure. In addition, recent polls taken by Representative Holtzman, Representative Fisher, and Senator J. Glenn Beall make it quite clear that the rank and file civil servants as well as the public at large do not want these changes.

A survey taken by the National Federation of Federal Employees of its members a few years ago found 89 percent supporting the Hatch Act and only 1 percent favoring its repeal.

Unfortunately, the heads of some organizations, who frankly see themselves gaining greater political muscle, do support the measure. They have lobbied hard for it. A lot of Members of the House having heard very little from their own constituents one way or the other, voted for the bill.

The Hatch Act is what lets Government workers say "no" to partisan demands for time and money and improper influence over the day to day Government decisions that affect all our lives.

The changes in H.R. 8617, although ostensibly barring coercion, would permit Government workers to manage and run in partisan elections. So, say the bill's sponsors, civil servants would be more free. I have argued in turn that these changes will "free" the civil servant to be coerced, "free" him to face enormous partisan pressures, and "free" him to have to put his job on the line in a complaint against a supervisor seeking political funds.

It was such coercion that originally prompted the enactment of the Hatch Act in 1939. Proliferation of New Deal programs brought about a situation in which Federal workers were systematically coerced into contributing to partisan political candidates.

In a time when minimum wage laws were as low as 25 cents an hour, and when a worker for WPA might get only enough work to make $17 cash money in a month, the wife of such a worker complained that he was forced to pay $1 of that meager sum into a political fund.

Another man said he did not want to sign a petition of support for a particular candidate and was fired as "uncooperative."

These New Deal employees who soon made up 40 percent of the Federal work force were the first large group of "unprotected" Federal employees since the Pendleton Act of 1883 which created the Civil Service as we know it today and ended a long-standing spoils system. This Pendleton Act was subsequently followed by Teddy Roosevelt's Executive order in 1907 which prohibited civil servants from using their positions to influence elections. Hence, many of the prohibitions made law by the 1939 Hatch Act had been in existence by regulation since the inception of the Civil Service.

Supporters of this bill stress the fact that such political activity would be voluntary. I submit that such "voluntaryism" is substantially limited in an employer-employee relationship.

To protect the civil servant from such coercion, the bill sets out certain so-called safeguards. But these safeguards require that a civil servant complain to a Board on Political Activities. This will happen only if a civil servant is willing to "rock the boat" and risk favorable assignments and promotions.

It is the nature or human beings to

seek security for themselves and for their families. If just one promotion-hungry clerk rushes to contribute to his boss's favorite candidate—the pressure to similarly contribute then falls on his colleagues. This is exactly what the personnel director of one of our legislative agencies told me will happen to him if H.R. 8617 becomes law.

We know that subtle racial, religious, and sexual discrimination is nearly impossible to uncover and adjudicate. Do we want to add political discrimination to the list?

And that of the appearance of Federal workers on the political scene? Surely, this will undermine the public's confidence in the neutrality and impartiality of the civil service. In this post-Watergate period, I think that this is the last thing we want to do.

The Hatch Act has been condemned by supporters of this bill for being vague and confusing. Let me remind this House that in a 1973 ruling, the Supreme Court rejected this argument stating and I quote:

> Although the prohibitions may not satisfy those intent on finding fault at any cost, they are set out in terms that an ordinary person exercising common sense can sufficiently understand and comply with.

Also, say supporters of this bill, such participation in political activities by civil servants is practiced now—that we might as well eliminate this "double-standard" and make all such activities legal.

The answer, as Congresswoman HOLTZMAN, has pointed out is not to condone it, by legalization, but to stop it by enforcing existing penalties. Once again, I fervently urge my colleagues to sustain this veto which is a disservice to the very individuals it purports to "free."

Mr. CLAY. Mr. Speaker, I yield 5 minutes for the purpose of debate only to the gentleman from Virginia (Mr. HARRIS).

Mr. HARRIS. Mr. Speaker, as a member of the subcommittee which drafted the bill before us today, H.R. 8617, the Hatch Act revision bill, I would like to commend the distinguished chairman, the gentleman from Missouri, for his excellent leadership in developing this bill and getting it through the Congress.

H.R. 8617 is the "Hatch Act revision bill"; it is not a "Hatch Act repeal" bill. Under this bill, Federal employees would be allowed to participate in political activities voluntarily, off the job, as private citizens. More significantly, H.R. 8617 places into law important, explicit, new protections that do not currently exist. Some of these new provisions follow:

The bill—

Prohibits political activity while on the job, while in a Federal building and while in uniform;

Prohibits Federal and postal employees from using their official authority for a political purpose. For example, it would be illegal for a supervisor to confer a benefit—such as a job, promotion, grant or contract—or to effect a reprisal—such as deprivation of a job, promotion, grant or contract—based on one's political beliefs or activities;

Prohibits supervisory officials from soliciting and prohibits persons from making political contributions in Government rooms or buildings;

Prohibits the extortion of money from Federal employees for political purposes;

Establishes a mandatory 30-day minimum suspension without pay for any employee found guilty of violating the prohibition against use of official authority and subjects all violators to removal, suspension or other penalties;

Establishes an independent board to adjudicate alleged violations of the law and requires the Civil Service Commission to investigate a violation;

Places the responsibility for disciplining employees in the "excepted service" with the Commission and Board—not the employee's agency as in the present law;

Requires the Civil Service Commission to conduct a continuing program to inform employees of their rights to political participation and the restrictions on their rights; and

Prohibits employees in sensitive positions in such agencies as the CIA, FBI and IRS from engaging in political activities.

It is my belief that these protections preserve a nonpartisan merit system and the impartial administration of our laws. I would be deeply disturbed if this House and this Congress rejected such provisions to keep politics out of the Federal Government. Both proponents and opponents of the Hatch Act as it now stands agree that we must insure the continued impartiality of the civil service, that we must not politicize the bureaucracy. I believe that this bill does just that.

I would like to point out to my colleagues what will happen if we do not override President Ford's veto of this bill. Many Federal employees have written to me, talked to me, and called my office to ask what they can and cannot do under the current Hatch Act. No wonder. The Hatch Act, compounded by a myriad of regulations and 3,000 administrative rulings, creates endless ambiguities of do's and don'ts in the employee's mind. For example, Hatch Act regulations list 13 permissible "political" activities. Yet, immediately following this catalog of "rights" is a provision which gives the head of an agency the discretion to prohibit or limit political activities of the agency's personnel. Thus, by administrative fiat, those few rights can be suddenly negated by a federal official. Additionally, under the law, a Federal employee may "express his opinion as an individual, privately and publicly, on political subjects" but one cannot "address a political gathering for partisan purposes." Government workers are allowed to put a candidate's bumper sticker on his or her private automobile, but it is a violation if he or she puts 20 or 40 stickers on the car, making it appear to be a "campaign wagon."

These acts, permitted activities, raise complicated questions of degree and propriety of activity. It is not fair to subject the employee or the employer to so much discretionary interpretation. In addition to leaving the employee confused, another unfortunate effect of these innumerable gray areas is that employees remain uninvolved, for fear of a mistake and reprisal. Most Federal employees feel inhibited as they do not know what they can and cannot do. I have heard cases of employees who are reluctant to join purely nonpartisan organizations like Common Cause or to subscribe to a political journal. The employee is left in a limbo of confusion and we, the people, lose an important segment of our population in the political processes.

Government needs more citizen involvement, not less. Federal employees have a unique perspective and store of knowledge that can only only be enriching to our dynamic democracy. Giving Federal and postal employees these rights to become involved—the same rights as our 200-plus million—will further nourish the vitality of our system.

Another result of the continuance of the current Hatch Act restrictions will be what I call a "ridiculous fraud." In certain areas designated by the Civil Service Commission, like the Washington suburbs, Federal employees can be candidates under an independent banner. Though "independent," they can and do receive a Democratic or Republican endorsement. Everyone is well aware of the candidate's political affiliation; party workers campaign for them. They are partisan in all but the label. They work for the Government during the day; they hold political office at night. They are openly political in all but the name. I believe it is more honest to make the affiliation more official and open.

Another unfortunate effect of the Hatch Act restrictions is that it hampers the Government's efforts to recruit and retain competent employees. All to often we hear, "I don't want to work for the Government; I don't want to be 'hatched'." Why give up the right to participation when there is no such requirement in the private sector? The Federal Government needs the most competent people we can get. The Hatch Act stands in the way of attracting the best possible public officials.

Some say that public employees will not be able to separate their political views from their work. I remind you that political restrictions on State and local employees have been eased, and we have not seen State and local governments crumble. Additionally, there were dire predictions that giving women the right to vote might bring the downfall of our Government. I have not seen that happen either.

Some argue that political coercion and abuse would proliferate if this bill were enacted. I remind my objectors that coercion and abuse—like top-level arm twisting for contributions for campaign dinners—flourished but a few years ago, culminating in the worst scandal ever to hit the country. Those gross irregularities occurred under the existing Hatch Act. Apparently, it was not an effective deterrent.

The President with his veto pen has closed the door to almost 3 million citizens. He has said, "We do not want you to be involved in the affairs of Government." I cannot accept that view.

Mr. CLAY. Mr. Speaker, I yield one minute for the purposes of debate only to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I voted against this conference report when it came back to the House. I also voted for the Fisher amendment, which would have put some prohibitive restrictions on political activity by Government employees.

But, I am going to vote to override the veto because, upon further study of the bill as it came out of conference and in discussing it with the chairman, it seems to me that the concerns which were raised about political candidacy of Government employees are adequately taken care of in this bill. Furthermore, it has always troubled me that the Hatch Act violates the spirit of the Constitution in denying a substantial segment of our population the right to political activity which is guaranteed by the Constitution.

With the tremendous increase in the number of people employed by the Federal Government in recent years, the deprivation of their political rights becomes an increasingly serious matter. This bill is carefully drawn to prevent the abuse of their office by Federal employees for partisan or personal political purposes. It will actually strengthen the law to prevent some of the abuses that were revealed by the Watergate investigations—abuses that the Hatch Act failed to prevent.

For these reasons I will vote to override the veto.

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. LEVITAS. Mr. Speaker, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Speaker, I thank the gentleman for yielding to me. I want to state that I voted for this bill when it passed in the Congress because I did not see why we should continue to make Federal employees second-class citizens, and I did not feel they would vote any differently than persons in any large organization as far as exercising their right of franchise or participation in political activities is concerned.

But, since that time, I have received a lot of mail from constituents on both sides of this issue. Some questions were raised that trouble me, and I would like to put these questions to the distinguished gentleman from Missouri.

It has been said, in the mail I received from a few people, that this bill will lead to compulsory unionism; that it will give Federal employee unions great power, and somehow or other it will provide for some type of closed shop operation and union domination of the Federal system. If that is true, I would have to change my mind. I wonder if there is anything in this bill which permits or provides for compulsory unionism, public employee strikes, collective bargaining, checkoffs for political contributions, or the like. If those statements are true then I, for one, would have to vote to sustain. Are those statements true?

Mr. CLAY. That statement is absolutely false. There is no provision in this bill that deals with compulsory unionism or checkoff of political contributions or any of the other misconceptions that are being promoted and orchestrated throughout this country by a series of newspapers who are more concerned, in my opinion, with arousing passions and selling papers than they are in extending first amendment rights of free speech and free assembly. So that is absolutely false.

Mr. LEVITAS. I thank the gentleman.

Mr. CLAY. Mr. Speaker, I yield 2 minutes for the purpose of debate only to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker. It seems to be ironic that so many of the same people who are the first to accuse members of the administration with having political motives for just about everything under the sun are now pushing this move to amend the Hatch Act and thus politicize the civil service.

We do not need that. We do not need to make ward-heelers out of bureaucrats. Moreover, the American people clearly do not want any such scheme put into effect, and I suspect the reason is that they understand exactly what this move to cripple the Hatch Act means.

That is why they indicated, in a survey done by one of the most prestigious survey firms in the country, decision-making information, that they favored leaving the Hatch Act as it is by a 74 percent to 26 percent margin. Indeed, a breakdown of the responses reveals that there is majority sentiment for this position among every classification of age, race and residence site.

Why? Because the Hatch Act was a good idea when it was enacted in response to some serious scandals in the 1930's, and it is needed today to prevent that sort of thing from happening again.

Those of us from Illinois, who have watched the political machine in Cook County operate, have perhaps a special understanding of these matters, but it does not take a great deal of experience or brilliance to figure out that removing the Hatch Act protection from Federal civil servants would put them at the mercy of the politicians for whom they work.

Mr. CHARLES H. WILSON of California. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. I thank the gentleman for yielding.

Mr. Speaker, I would like to ask the gentleman a question concerning the poll he mentioned. Is that a poll that was taken of all Federal employees, or a certain segment of them, or how was it conducted?

Mr. MICHEL. As I understand it, it was one of these blanket samplings from Federal employees, as well as the general public.

Mr. CHARLES H. WILSON of California. If the gentleman will yield further, I know there is one Federal employee organization that has opposed it, an organization which is composed principally of management people, and that is about the percentage of their opposition.

Mr. MICHEL. No. This one is of a broad spectrum as I said, and was broken down as to age, race, and residence classification.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Speaker, I will vote to sustain the President's veto of H.R. 8617, a bill which would effectively repeal the Hatch Act and return Federal employment to the spoils system.

The Hatch Act was adopted in 1939. It was a response to patronage politics and political manipulation in the Federal service. The public was tired of a government that operated like a political machine. The Hatch Act sought to reduce these abuses without unduly restricting the freedom of Government employees to participate in the political process.

As a result, the spoils system was replaced by a merit system. Merit rather than politics determined employment and advancement. Employees were given legal protection from forced participation in political activities or making campaign contributions against their will.

Yes, the Hatch Act was needed because of partisan political abuse. The potential for abuse, moreover, is even greater today than it was in 1939. Rather than slightly more than 900,000 Federal employees, today there are approximately 2.8 million. Rather than a budget of about $10 billion we now have one in the neighborhood of $400 billion. If the Hatch Act was needed in 1939 to prevent the Federal bureaucracy from being used for partisan political purposes it is all the more necessary in 1976.

The U.S. Supreme Court noted this danger when it upheld the constitutionality of the Hatch Act in 1973. According to the court, one reason for its enactment was the belief that:

> The rapidly expanding Government work force should not be employed to build a powerful, invincible and perhaps corrupt political machine. The experience of the 1936 and 1938 campaigns convinced Congress that these dangers were sufficiently real that substantial barriers should be raised against the party in power—or the party out of power for that matter—using the thousands or hundreds of thousands of Federal employees, paid for at public expense, to man its political structure and political campaigns.

Many Americans already have a deep distrust of our Nation's public institutions. Enactment of H.R. 8617 would only cast further suspicion on the impartiality of these institutions.

It is imperative that we keep party politics out of Government agencies. We should not return to the discredited spoils system. We should uphold this veto and retain the Hatch Act.

Mr. CLAY. Mr. Speaker, I yield 3 minutes for the purpose of debate only to the gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Mr. Speaker, I rise to oppose this measure, and I urge the Members to vote to sustain the veto.

In my judgment, the measure goes too far and it would jeopardize the neutrality and the objectivity of the civil service in exchange for a degree of additional political activity.

Mr. Speaker, my constituents oppose this measure by a wide margin. In my district, there are more Federal employees than in any other district in the country except possibly the District of Columbia itself. I have taken a poll, and I have had over 25,000 returns from it. It comes out about two to one against this measure.

I have met, of course, many times with groups of constituents and judging from their responses, they must be three or four to one against this measure.

These are the very people the measure is intended to help, and in my district, anyway, they overwhelmingly oppose it. They view it as something forced upon them that they do not want.

Mr. Speaker, I would like to make a couple of personal observations. I have worked myself as a Federal employee in the executive branch for many years and I served for a time as an administrative officer of an agency during a very difficult period, the McCarthy era; that is, Senator Joe McCarthy.

I have seen at that time and at other times the mischief and the severe damage that can be done to the civil service in such a period. Such a period occurred more recently, only 2 or 3 years ago, when a strong effort was made under President Nixon to seat White House political types in many of the Federal departments, bureaus, and agencies. This was a real and serious threat to the civil service.

Actually I would gain if this measure passed in terms of my own vote support, because I reckon that a large number of the Federal employees would then be able to be more active politically in my support. But even so, I oppose this measure because I believe it to be untimely and unwise and not wanted by the Federal employees themselves.

Therefore, Mr. Speaker, I urge that the measure not be approved, that the veto be sustained, and that the bill be returned to the committee in the hope that it can come back some time soon in a different form, one that would better combine the extension of right to political activity with adequate protection of the objectivity, the neutrality, and the quality of the civil service.

Mr. CLAY. Mr. Speaker, I yield 5 minutes for the purpose of debate only to the gentlewoman from Maryland (Mrs. SPELLMAN).

Mrs. SPELLMAN. I find it most interesting, Mr. Speaker, to listen to my distinguished colleagues who oppose this bill and who claim that this will bring us back to Watergate and this may bring us back to the days of McCarthy. Yet both McCarthy's days and Watergate took place under the provisions of the current Hatch Act. It is to prevent such occurrences that we so carefully provided for in this legislation.

The act, despite the opinion that some people seem to have of it, is actually a bill which strengthens the law and which strengthens the safeguards and provides new, explicit protections for both the employee and the Government. More importantly, it replaces the current act which deprives more than 3 million citizens of their constitutional freedom—the freedom to participate in the process of selecting governmental leadership.

Contrary to the President's veto message, the enactment of this measure will not result in the overnight politicizing of the bureaucracy. In fact, 20 of the 24 pages of the bill consist of new protections which will preserve a neutral, nonpartisan Government service.

The law as it stands today is such a hodge-podge and such a mish-mash that it is being violated every day by people who are acting in good faith. If we ask the average Government employee if he might put a bumper sticker on his car, he will back off; he is afraid that he must not put a bumper sticker on his car, yet he actually may.

If we ask him, "Would you wear a button for a political candidate?" he will say, "No," because, of course, he thinks he may not do that. But he may. If his old neighbor up the street calls and says, "John, I cannot walk to the polls and do not have a ride. Would you take me?" he will, of course, take his neighbor. But by doing so he has violated the act as it stands today.

So every day there are violations of the act. Some of the desire to change the law stems from the confusion that the vagueness of present day regulations causes. This very vagueness acts as a restraint against the employee who considers becoming involved in any political action, leaving our political system the poorer for the loss. We all know of the apathy that creeps among the electorate. Why should we continue to maintain the barricades that have kept so many Federal employees who wish to participate from doing so? Particularly today, I should think that we in the Congress would gladly do everything we could to encourage, not discourage, participation in the political process.

One very important point which must be made is that H.R. 8617, as it is reflected in the conference report before us today, increases, rather than decreases Federal employee protection in this area. In keeping with our committee's feeling that any law or legislation restricting political activities of Federal employees should do so clearly and expressly. We worked to carefully detail protections for the rights of those employees in order to avoid the confusion and apathy of the past. So, we have provisions that prohibit the use of official authority or influence for political purposes.

Under this provision supervisors cannot promise benefits for or threaten reprisals against a fellow employee for political actions. The provisions, further forbid coercion of Federal employees to vote or not to vote in any manner other than that which the employee desires, and they forbid coercion, through threat of loss of job or promotion, for example, for not taking part, or for taking part, in any political activities.

Many provisions were incorporated into the bill as safeguard measures to protect Federal employees from coercion and corruption. Apparently, the President has conveniently overlooked all of them.

Perhaps the most important provision of this bill, a provision which the President has addressed, is that one which establishes a centralized organization to which Federal employees may turn if any violations or abuses occur. The Board of Political Activities of Federal Employees will have the power to hear and decide cases involving violation. As was discussed and agreed to in the conference meeting, this concept of an independent board is absolutely essential. The Civil Service Commission already provides educational, enforcement and investigatory authority. In order to provide the proper balance an independent agency must handle the adjudicative functions.

As a member of the Subcommittee on Employee Political Rights and Intergovernmental Programs, which held extensive hearings on the bill, and as a member of the conference committee, I spent many hours of my first year in Congress involved in debate on the Hatch Act. The major reason for my high degree of involvement in the issue stems from the fact that I represent a district that is very heavily impacted with Federal employees, although a recent court decision is going to take some of them out, and as a result we will be less heavily impacted while the State of Mississippi benefits.

We held subcommittee field hearings around the country, my own district included. What we heard during those hearings was a very strong plea to revise the restrictions of the Hatch Act so that the employees might more freely participate in the political process.

Mr. Speaker, what I heard from my own constituents reflected that plea. I announced to them that I would vote the way they told me to on this issue; and they told me by an overwhelming margin that they wanted changes made.

During a short period of a few weeks, I received hundreds of replies asking for liberalization of the Hatch Act and for liberation for Hatched employees so that they could more freely participate in the democratic process.

Therefore, Mr. Speaker, I think it is important at this point that we recognize that there are a great many people who are being denied the opportunity to be full-fledged citizens.

I am just transmitting the plea of a group of Hatched citizens who asked me to say that all other citizens of this great country of ours are free from political restraints and then ask, "Why are we not?"

Mr. Speaker, what better way is there to commemorate the Bicentennial anniversary of our Nation than by granting political freedom to all citizens, which is really what it was all about when our forefathers won the freedom battle 200 years ago?

Consequently, Mr. Speaker, I ask for support of a veto override.

Let me close by commending Chairman CLAY and his staff for their excellent work in preparing and shepherding this legislation.

The SPEAKER pro tempore (Mr. McFALL). The time of the gentlewoman from Maryland (Mrs. SPELLMAN) has expired.

Mr. CLAY. Mr. Speaker, I yield 1 additional minute to the gentlewoman from Maryland (Mrs. SPELLMAN), for the purpose of debate only.

Mr. CHARLES H. WILSON of California. Mr. Speaker, will the gentlewoman yield?

Mrs. SPELLMAN. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. I have been rather surprised by the comments made by those who say their polls have indicated such great opposition to the amendments that have been proposed in this act.

As the gentlewoman knows and found out in her own district, the American Federation of Government Employees, the largest employee organization of Federal employees, has had resolution after resolution approved unanimously at their national conventions. All of the postal organizations, the National Association of Letter Carriers, the American Postal Workers Union, every one of them, by similar unanimous votes, have adopted resolutions without opposition of any sort whatsoever.

Would the gentlewoman from Maryland (Mrs. SPELLMAN) agree with me that there seems to be something peculiar about the stories that we have been hearing here today?

Mrs. SPELLMAN. I announced to people in my district that their mailbox could be their ballot box. I gave them ample opportunity to express their concerns. But the mail from those favoring the change far outnumbered the cards and letters sent by those in opposition.

Mr. CLAY. Mr. Speaker, I yield 5 minutes for the purpose of debate only to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, in a matter of minutes, this body will have the opportunity to make a strong commitment to the restoration of public confidence in government. If we unthinkingly vote to override the veto of the legislation now before us, we will be telling the public that its current disenchantment with the processes of government is justified.

I think the executive council of the highly respected National Federation of Federal Employees summed up the case against H.R. 8617, which, in effect, would gut the 1939 Hatch Act. In urging a Presidential veto of the legislation, the council said:

> We believe that if the Hatch Act is weakened, as is implicit in the pending legislation, it will result in further erosion of public confidence in government, already severe, and Federal employees and their leaders who misguidedly have sought legislation to undercut the Hatch Act will find themselves trapped in a maelstrom from which there is no extrication.

Certainly, the Hatch Act is not perfect, but it has, since 1939, been an objective and effective deterrent to the politicization of the civil service system. While it has provided the necessary insulation against "spoils system" politics, it has not deprived Federal employees of their rights to participate in political affairs on a reasonable and appropriate basis.

Despite the weight of evidence to the contrary, proponents of Hatch Act revisions would have us believe that Federal employees are second-class citizens clamoring for political freedom. But even a cursory reading of H.R. 8617 clearly supports the conclusion political freedom is not the issue. What is at stake is a work force in excess of 2.8 million to be left without protection to resist the manipulations of ambitious Federal employee union leaders who want to dictate to Congress.

There is no conceivable way to preserve an impartial Federal service if it is to be subjected to virtually unrestricted partisan political activity. As recently as 1973, the U.S. Supreme Court looked into the Hatch Act and held the Federal service should depend on meritorious performance rather than political service.

While H.R. 8617 ostensibly was designed to bring political freedom to the Federal employee, its ramifications extend far beyond the Federal sector. In fact, it would jeopardize the political rights of non-Federal employees. How, for instance, could a non-Federal employee compete for political office without fear of reprisal if his un-Hatched opponent happened to be an administrator of some key law enforcement or regulatory agency?

It also has been argued that the Federal workforce is somehow different in character and sophistication today than it was in 1939. Actually, the potential for abuse of the merit system is far greater than it was 37 years ago. In 1939, there were 920,000 Federal employees compared with more than 2.8 million today. It is a workforce which administers programs and grants involving billions of dollars, and obviously should be free from the pressures of partisan politics.

As the President noted in vetoing H.R. 8617, it would be bad for the employee, bad for the Government, and bad for the public.

Mr. Speaker, we have been debating this for some time. Members have been pretty well inundated with "Dear Colleague" letters. Therefore, I am not going to go into the details of this legislation, but I would like to make two additional points.

The Hatch Act has sustained all court challenges. It is clearly constitutional.

Second, at the time the Hatch Act was passed by a Democratic Congress with a Democratic President to insulate Federal employees from political pressure, there were 900,000 civilian employees. Today there are 2,800,000 civilian Federal employees.

Mr. Speaker, the need for the Hatch Act and for the protection it provides is greater today than it was at the time it was passed.

Just let me read from an editorial from a most prestigious publication, the Washington Star. It reads as follows:

> To remove restrictions against engaging in partisan politics—as campaign workers, fund raisers, candidates or whatever—is not to provide freedom or liberation for federal employes. It is to open them to coercion by politicians and labor leaders who would use the massive federal service to pursue their own ends. It is to return the federal service to the spoils system.
>
> The Hatch Act protects, and does not shackle, the federal worker.

There is one last point I would like to make, Mr. Speaker. When I am doing this, I obviously have to divulge my long service and the wear and tear I have suffered in this Chamber.

When I was a freshman in the Congress 18 years ago, the first great issue that hit that Congress was the adoption and passage of the Landrum-Griffin Act. That was supposedly to be a slave labor act, as we were told by labor leaders who claimed "If you pass the Landrum-Griffin Act, you will enslave the working man."

The funny thing was that as we went home weekend after weekend and we talked to the rank and file union employees, they said, "Please pass the Landrum-Griffin Act. I am for it. It is just my union leader who is not for it."

That is what we face today. The labor leaders, especially the Washington-based type are for the passage of this bill. The rank and file Federal employee across the country does not want the bill passed. So if the Members really want to serve their constituents, and those employees, they will vote to sustain the veto.

There is absolutely no grassroots demand from the average citizen nor from the Federal employees to pass this legislation. This is just an effort by the self-appointed spokesmen of the Federal employees to have the Hatch Act emasculated so that manipulation of Federal employees would be in order.

I say that the way to serve the constituents you have who are Federal employees is to vote to sustain the veto of this legislation.

I know of no poll, slanted or otherwise, that could prove that the rank and file Federal employees want this measure passed.

Mr. FISHER. Mr. Speaker, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Virginia.

Mr. FISHER. Mr. Speaker, I might point out to the gentleman from Illinois and to the Members that not all Federal employee organizations favor this legislation by any means. The National Federation of Federal Employees, a very large organization, opposes it. The Civil Service League opposes it. The American Society for Public Administration opposes it. And I could name several others.

Mr. DERWINSKI. One final statistic, Mr. Speaker, earlier the gentleman from Illinois (Mr. MICHEL) referred to a poll that was taken by the Public Service Research Council, and according to those polled who were public sector union members—public sector union members—61 percent were against changing the Hatch Act. That was the rank and file speaking.

Mr. CLAY. Mr. Speaker, I yield 4 minutes for the purposes of debate only to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Speaker, I rise in support of the bill and in opposition to the President's veto.

In this Bicentennial Year in which we celebrate the 200th anniversary of the Declaration of Independence, it seems to me that the *time has come for* us to give the 2.7 million Federal civilian employees the same rights to participate in the political process by which our country is governed as their 210 million fellow citizens. Also at a time of declining participation in the political system in our country, at a time when during the last Presidental election almost 50 percent of the eligible voters in this Nation declined to vote one way or another in that election, it seems to me that the Congress ought to be expanding the franchise rather than restricting it. It seems to me we ought to be encouraging the participation of the American people in our political system rather than discouraging it by maintaining on the books this highly restrictive legislation.

There are those who say in opposition to this legislation that if we permit the Federal employees to actively participate in the political system that it will somehow imperil the integrity of the Federal civil service. Nothing, my friends, could be further from the truth. The fact is that there are many parliamentary democracies around the world which permit their public employees to participate in the political process without any significant disadvantages to their civil service system.

The fact is that in West Germany and in Great Britain and in France, countries in which the civil service plays an infinitely more important role than the civil service plays in our own country, these people are given every opportunity to actively participate in the political process. The fact is that these people are permitted to participate, and nobody has ever suggested that the integrity of the civil service in those great parliamentary democracies have somehow been impugned in the process. The fact is that even here in our own country there are several State and local governments which permit their civil servants to actively participate in the political process, and nobody has seriously suggested that the integrity of those jurisdictions have somehow been impugned by virtue of the fact that they have given their public employees the right to participate in the political system.

So I would suggest that based on the experience of parliamentary democracies abroad and based on the experience of several State and local jurisdictions here in our own country, there is every reason to believe that if this legislation is passed and Federal civil servants are given the opportunity to actively participate in the political process, the integrity of our civil service will not somehow be fatally impugned in the process. The fact is that there are plenty of protections in this legislation which will enable those Federal civil servants who do not choose to participate in the political process to refrain from doing so without any fear of reprisal against them.

I am personally prepared to concede as a sponsor and supporter of this legislation that there may be an abuse here and there, and that if this bill is passed there may be an employee who is coerced into making a contribution even though the bill provides prohibitions against doing so. There may be employees required to ring doorbells.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CLAY. Mr. Speaker, I yield 2 additional minutes to the gentleman from New York.

Mr. SOLARZ. There may be an employee here and there who is required to support a candidate against his will. But the fact of the matter is that it is literally inconceivable that under this bill and the protections that are contained within it, we could have the kind of sustained and systematic abuses which existed in 1938 and which led to the passage of the Hatch Act originally. The possibility for the formulation of some kind of massive Federal political machine which the opponents of this legislation contend might somehow come into existence if this veto is not sustained is simply to conjure up an imaginary strawman which has no relationship whatsoever to reality.

So I say let us give this bill a chance. Let us give the men and women who work for the Federal Government an opportunity through their participation to determine who it is that they will ultimately work for. I say the time has come to give the 2.7 million men and women who work for the Federal Civil Service in this Bicentennial Year an opportunity, in the words of that old Negro spiritual, to say, "Free at last; free at last; thank the Lord we are free at last."

Mr. LEGGETT. Mr. Speaker, I rise in support of the motion to override the President's veto of H.R. 8617, the Hatch Act reform bill.

I will vote to override that veto because I believe that Americans should not be required to give up essential rights of citizenship enjoyed by other Americans simply because they work for the Federal Government. I am well aware that this bill would confer substantial additional responsibilities on our Federal employees. I am confident, however, that they will be equal to the task of properly exercising the rights which would be provided them.

Furthermore, this bill contains a number of safeguards and protections designed to prevent abuse of Federal employees' new rights to participate voluntarily in political activities.

It prohibits political activity while an employee is on duty in a Federal building. It prohibits supervisors from seeking campaign contributions from their employees, and any employee from giving, soliciting, or receiving a contribution in return for another individual's vote. And it would prohibit coercion or intimidation of a Federal employee for any political purpose.

The bill would also create an independent Board on Political Activities of Federal Employees to hear and adjudicate alleged violations of the law as well as to review adverse decisions. In addition, H.R. 8617 would authorize the Civil Service Commission to investigate allegations of violations, and to set a program to inform Federal employees of their right to political participation at least 120 days before primaries or general elections.

Mr. Speaker, for too long we have permitted the Hatch Act to relegate Federal employees to the status of second-class citizens. The welter of administrative rulings which has accrued under the Hatch Act since 1939—upwards of 3,000—makes it impossible to determine with any precision what Federal employees can and cannot do. Since employees are naturally reluctant to risk violations, the ambiguities which have developed tend to inhibit all political participation. Vagueness and ambiguity of this sort about the legal implications of individual conduct is in other contexts clearly in contravention of the concept of due process of law, which is so central to our legal process.

The excessive limitations which the Hatch Act imposes on political activity both discriminate against and impose uncertainties on Federal employees. Why should they not participate in the political process? Let us take a stand for clarifying the law as well as encouraging political expression within the system.

With that I urge my colleagues to support the veto override.

Mr. OTTINGER. Mr. Speaker, I think it is important that we act to override the President's veto of this important legislation. His actions indicate a callous disregard for members of the Federal work force who have for too long been denied the right to participate fully in our democratic process of selecting their representatives.

In my opinion, the most basic reason for supporting the revisions provided for by H.R. 8617 is that the denial of this freedom for Federal employees to participate in the political system under the same conditions as all other citizens is a deprivation of their equal protection under the laws and is prohibited by the U.S. Constitution. Federal employees are the only group so treated and thus are effectively sterilized from any meaningful participation in Government under the guise of being "protected."

The main criticism of this revision is that it would give Federal employees too great a power over their elected employers, permitting employees to get wage increases and benefits in return for political support. This is nonsense, for the reality is that through their unions, votes, and political action by their families, Federal employees can today make their positions on self-interest issues amply known. In this respect, today's Hatch Act gives the appearance of protection of the public without the reality, while still interfering with the employee's right to openly participate in our political processes.

In terms of protecting employees against political pressures, the present act is equally a sham. It is important to note that the Hatch Act did little to protect those who fell victim to the scandals of the Watergate era. The institution of a political screening program in Federal personnel offices at agencies such as ACTION and the General Services Administration, among others, is proof that when an administration wants to take advantage of Federal employees, ways will be found.

Much of the criticism directed at the present Hatch Act emphasizes the fact that throughout its history it has been used selectively to punish Federal employees. Those supporting the "right" candidates are ignored, while those supporting "wrong" candidates are disciplined or dismissed. Under present law, enforcement of the Hatch Act is at the discretion of an employee's superiors or the Presidentially appointed Civil Service Commission. An advantage of H.R. 8617 is that it would establish an independent board to adjudicate alleged violations of the law and would establish a mandatory 30-day suspension without pay for any employee found guilty of violating the revised law.

Many groups that have opposed this bill have referred to it as the "Hatch Act repeal bill." H.R. 8617 does not repeal the Hatch Act at all, but rather revises it to grant Federal employees those rights which they should clearly enjoy as American citizens and to protect them from any abuse that might result from their support for partisan candidates for office. Major reforms in this area include:

First. Allowing Federal and postal employees to participate in political activities voluntarily, away from the job and as private citizens;

Second. Prohibiting political activity on the job, in Government buildings, and while in uniform;

Third. Prohibiting the use of official authority for political purposes;

Fourth. Forbidding solicitation of funds or making of contributions of a political nature inside Government rooms or buildings;

Fifth. Prohibiting employees in certain sensitive positions in agencies such as the CIA, FBI, and IRS from engaging in political activities;

Sixth. Forbidding the extortion of money from Federal employees for political purposes.

Furthermore, these revisions would give the Civil Service Commission and the independent board the responsibility for disciplining employees in the excepted service, an area where there has been much abuse of restrictions on political activity.

I firmly believe, Mr. Speaker, that we must take action to remove the obstacles to full political participation that the Hatch Act has created for Federal employees. I see no reason to believe that this bill will bring about a return to the spoils system that caused its implementation in the first place. The civil service system under which Federal employees are now hired and promoted will still be intact and enforcement against its abuse will be enhanced.

It is simply time to get rid of those portions of the Hatch Act that deprive a limited segment of the population of basic rights, to clarify the provisions of the law so that it can be implemented fairly in all cases and to institute new and stronger protections against favoritism and harassment that have persisted under the present act. I believe that H.R. 8617 contains the means to accomplish these goals, and it gives me great pleasure to support it.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I rise to urge my colleagues to vote to override President Ford's veto of H.R. 8617, The Federal Employees Political Activities Act of 1975.

This landmark legislation restores to Federal employees their right to participate as private citizens in the political life of the Nation.

Since 1939, Federal workers have been denied this privilege, and they have been cast into the role of second class citizens as a result.

Their colleagues who work for State and local governments had their political activity rights restored on January 1, 1975, when the Federal Election Campaign Act amendments went into effect.

I believe the time has come to say to 2.8 million Federal workers that they are worthy of the right to participate as private citizens in the political life of the Nation.

The President's veto message ignores the fact that the bill contains built-in safeguards against abuse of the political activity privilege by Federal employees.

The bill contains stronger controls against coercion than the current act.

Further, the administration has not been able to produce evidence that voluntary political activity takes anything away from the integrity of the merit system.

And, Mr. Speaker, let us also face the simple fact of the matter that over 40 percent of all Federal employees do not understand or cannot explain the present law. I believe the time has come to provide these employees with a succinctly worded document that clearly lays out what is and what is not permissible under the law. H.R. 8617 is such a document, and that is why I believe it is essential that it is allowed to replace the current tangled web of confusing administrative decisions that comprise the heart of the Hatch Act.

A recently conducted survey indicates that half of all Federal employees and two-thirds of all postal employees support reform of the Hatch Act to allow voluntary political activity to take place within legally defined guidelines.

It is also important to bear in mind that both the original House bill and the conference report were overwhelmingly approved by the House of Representatives. The only significant difference between the two versions is that employees seeking elective office must do so on their spare time. They are not guaranteed leave of absence to do so.

Mr. Speaker, I hope my colleagues will join with me in voting to override the President's veto on H.R. 8617. It is time to put into place the reasonable and objective recommendations of the commission on political activity of Government personnel, which were made 10 years ago.

In a Bicentennial Year when we are celebrating our independence from arbitrary decisions and policies imposed by a foreign ruler, it is fitting and proper that we restore to those who work for the Federal Government the basic rights to which our Founding Fathers were so deeply committed.

Mr. ANDERSON of Illinois. Mr. Speaker, I intend to support the President's veto of these Hatch Act amendments and vote against this attempt to override that veto. I am particularly concerned by the extent to which this legislation would permit the increased politization of Federal civil servants at the Federal level. I read with great interest the final report issued by the Watergate Special Prosecution Force issued last October. I was particularly struck by the report's recommendation that existing prohibitions on political activities be extended to all employees of the Justice Department, including the Attorney General. This recommendation in turn set me to thinking about just how opening the way for all Federal employees to run for Federal office, and actively campaign on behalf of candidates for Federal office would be interpreted by the public in the wake of Watergate.

Presumably, this bill is in part designed to tighten up on direct and indirect pressures on a Federal employee by those in official authority to take part in activities aimed at influencing an election. And yet, as Comptroller General Staats of the GAO testified on this bill, this would be "virtually impossible to monitor or control." He also testified that, "any active participation by a Federal employee in political activities could involve or give the appearance of a conflict of interest situation." And he went on to testify that the bill would "place an unmanageable administrative burden on the merit system and would dilute the protections afforded Federal employees by the Hatch Act."

In short, Mr. Speaker, this is the wrong bill at the wrong time moving in the wrong direction. If anything, on the basis of our Watergate experience, we should be moving to extend the protection of the current Hatch Act to those Federal employees not now covered who are in sensitive positions from which power could be used for partisan political ends.

Mr. Speaker, I am sympathetic with those Federal employees who feel that certain of their political rights as citizens are unnecessarily proscribed by the present Hatch Act. When this bill was originally before us I voted for the Fisher amendment to permit these employees to engage in partisan political activities at the State and local level, including running for part-time offices at those levels. If this veto is sustained, as I think it should be and will be, I intend to help work for a compromise which incorporates the provisions of that Fisher amendment. But this veto must be sustained because of the great potential for abuse of power it poses for our Federal civil service system. I urge defeat of the motion to override.

Mr. BEDELL. Mr. Speaker, I rise in support of the motion to override the

Presidential veto of H.R. 8617, the Federal Employees' Political Activities Act of 1975.

As an original cosponsor of this measure, I was greatly disappointed by the President's decision to veto this major reform bill. In my view, H.R. 8617 is sound, responsible legislation which is long overdue and which is in the best interest of our Nation.

In his veto message, President Ford contends that current law strikes an adequate balance between "fair and effective government and the first amendment rights of individual employees." I do not agree. In my judgment, the original Hatch Act, promulgated over a quarter century ago, is unfairly and unnecessarily restrictive, and does not properly serve its intended objective. It is time to clarify and carefully delineate the political rights of Federal employees.

In considering this issue, it is important to understand what the current Hatch Act means in practice. This statute expressly prohibits Federal employees from engaging in political activities at any time. Thus, these individuals are currently denied the opportunity to participate in the political process which is afforded virtually all other citizens.

In my opinion, it is unfair to say that people who work in municipal or county government, employees of the telephone or electric companies, those who work for the United Parcel Service, and almost everyone else in our society—including Cabinet officers and members of the White House and congressional staffs—may engage in partisan political activities, but the rural postman or civil servant cannot. What an employee does in his or her spare time should not be of concern to the Government, as long as it does not affect efficiency on the job.

H.R. 8617 directly addresses this situation and seeks to correct it, without jeopardizing the integrity of our neutral nonpartisan civil service. The thrust of the legislation is twofold. First, it would permit all Federal civilian and postal employees to engage in political activities voluntarily and off-duty as private citizens. And second, it provides substantive safeguards against coercion or the use of official authority to dictate political activity.

At this point, I would like to emphasize that I am acutely aware of the need to protect against the politicization of Federal service. The original intent of the Hatch Act—namely to prevent improper political pressure on Federal employees—is no less valid today than it was in 1939. H.R. 8617 recognizes this fact and takes great care to insure that while Federal employees are granted the right to participate in the political process, they do so only as private citizens and without involvement of their official authority or influence. It is absolutely essential that any Hatch Act reform legislation strike a balance between the potentially competing interest of individual freedom of expression and of a politically neutral civil service. In my view, H.R. 1617 successfully achieves such a balance.

Mr. Speaker, I believe that the right of all Americans to participate fully in the electoral process of their country is the cornerstone of the democratic government which we hold so dear. It seems unfair to me to deny this basic right to 2.8 million Federal civilian and postal employees.

I feel very strongly that this country needs more grassroots political activity, not less. H.R. 8617 will provide an opportunity for an important segment of our society to participate in the political process without impairing in any way the effectiveness of good government. I urge my colleagues to override this veto and enact this important piece of legislation into law.

Mr. FORD of Michigan. Mr. Speaker, I rise in support of overriding the President's veto of the Federal Employees Political Activities Act of 1975. This badly needed legislation was designed to reform the archaic Hatch Act by restoring to Federal civilian and Postal Service employees their rights to participate voluntarily as private citizens in the political process, to protect these employees from discrimination for their political activities and protect them from improper political solicitations.

The bill was supported by virtually every major organization which represents Federal and postal employees including American Federation of Government Employees, the National Federation of Federal Employees, the National Treasury Employees Union, the National Association of Letter Carriers, the American Postal Workers Union, the National Association of Government Employees, and the National Association of Postal Supervisors.

H.R. 8617 provides an opportunity to reform the present archaic system which has not been altered since 1939. Conditions have changed so much since then that the provisions of the Hatch Act are totally irrelevant today. The entire political process has undergone numerous and extensive changes; court decisions in the intervening years have strongly emphasized that all Americans should enjoy the freedoms of speech and association; and Federal and postal employees are now able to protect themselves from undue pressures because they have the right to organize into unions.

Despite all these changes, however, under the current law, Federal employees are still denied the basic freedoms of speech, political association, and the right to hold public office now enjoyed by all other Americans. This bill, which the President vetoed, will restore these freedoms to Federal and postal employees. The current law forces anyone choosing to serve his or her Government by serving in the Federal or Postal Service to also make the simultaneous choice to become a second-class citizen. The Hatch Act not only forces Government employees to forgo the basic rights I have mentioned but also denies them the opportunity to take political action to have these rights restored. Without these basic freedoms of speech and association, the Government employee simply does not have the requisites of freedom available to any other American citizen.

I might add at this point, Mr. Chairman, that we recently saw in Massachusetts a perfect example of this, when even a man serving a prison sentence was able to run for public office.

Mr. Speaker, some opponents of this legislation argue that Federal and postal employees have enough political freedom merely because they have the right to vote. I would like to remind my colleagues who feel this way that even the government workers in the Soviet Union have the right to vote.

Restoring these basic rights to Federal and postal workers would also give our political process a badly needed shot in the arm by providing our political system with the influx of the participation of an additional 3½ million persons. I need only remind my colleagues that we can certainly use more participation when we consider that only 38 percent of the electorate participated in our most recent elections.

Further, Mr. Speaker, the adoption of this bill will strengthen rather than diminish the protection afforded Federal and Postal employees.

After conducting extensive hearings, the committee stated in its report:

> No conclusive evidence was presented during the hearings that voluntary political activity by Federal employees endangered the integrity of the merit system.

This bill strengthens existing protections by spelling out clearly the prohibitions against use of official authority or influence to coerce another Federal employee in any manner. It also establishes a new mechanism, the Board on Political Activities of Federal Employees, to prevent any coercion by supervisors and it will enable the Civil Service Commission to focus its energies on the task of educating employees and seeking out real violations of the law.

Mr. Speaker, I urge my colleagues to override the President's veto of H.R. 8617. To do otherwise is to maintain a system that forces on Federal and postal employees a second class citizenship, and denies them an opportunity for improved protection against discrimination for political reasons.

Mr. FRENZEL. Mr. Speaker, when this Hatch Act repeal bill passed the House the first time, I voted for it. I believed then, as I do now, that the Hatch Act needs revision.

I voted for the bill because I hoped that its fatal flaws might be improved in the Senate. All it needed was the addition of the Fisher amendment. The President said he would sign a Hatch Act revision with the Fisher amendment, and I would certainly vote for it.

But the Senate did not add the amendment. The public employee polls indicate they do not want this bill either. Therefore, Members of Congress in both Houses who represent the largest concentration of public employees have voted against it, as I do today.

It is my hope that this sustained veto will cause the passage of a subsequent Hatch Act revision with a Fisher amendment.

Mr. RIEGLE. Mr. Speaker, I want to urge my colleagues to join me in voting to override the President's veto of H.R. 8617—his 48th veto in 20 months as President—in order to restore basic rights as U.S. citizens to the nearly 3 million employees of the Federal Government and the U.S. Postal Service.

One of the results of the Watergate experience was the realization in the Congress that the Hatch Act, which governs the political conduct of Federal employees, was badly in need of reform. The numerous and conflicting interpretations of this act by the Civil Service Commission have made it a maze of contradictions and ambiguities which allowed some Federal employees to interpret this law to their own particular purpose. On the other hand, the great majority of Federal employees have been afraid to participate in any political activities because of the impossibility of determining precisely what is and is not prohibited.

Congress has made numerous attempts in recent years to open up the political process equally to all Americans. The first attempt to do this was the passage of the Civil Rights Act of 1957. This was followed by the Voting Rights Act in 1965 and legislation allowing 18-year-olds to vote. In addition, proposals to allow post-card registration are still being considered. These actions have all been prompted by the belief that our country's political system is based on the fundamental right of all our citizens to participate fully in our political system. Today we have the opportunity to restore full citizenship to Federal employees and postal workers by allowing them to once again participate.

Of course we must protect Federal employees from coercive or involuntary political activity, however, this must be balanced with a Federal employees rights to free speech. I believe the Congress has managed to achieve this balance in H.R. 8617, the Federal Employees' Political Activities Act. This bill amends the Hatch Act to allow Federal employees the right to participate voluntarily in the political process, including running for office and participating in political campaigns. At the same time, it strengthens protections for Federal employees from coercion and political pressure by their superiors.

It is my belief that passage of this bill will not allow anyone to be pressured into political action or politicize the civil service as President Ford contends; rather, it will allow Federal workers and postal employees to assume the political responsibility that is the right of every other American. I believe it is particularly appropriate in our Bicentennial Year to enact the Federal Employees' Political Activities Act and finally grant political freedom to all Americans.

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the veto message under consideration.

The SPEAKER pro tempore (Mr. McFall). It there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CLAY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is, will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 243, nays 160, not voting 29, as follows:

[Roll No. 208]

YEAS—243

Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Brinkley
Brodhead
Brooks
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Clay
Cochran
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fithian
Flood
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Green
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Hechler, W. Va.
Hefner
Heinz
Helstoski
Hillis
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
Krueger
LaFalce
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lundine
McCormack
McDade
McFall
McHugh
McKay
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Pike
Preyer
Price
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarasin
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steed
Stokes
Stratton
Stuckey
Studds
Symington
Thompson
Thornton
Traxler
Tsongas
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Wilson, C. H.
Winn
Wirth
Wolff
Wright
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—160

Abdnor
Anderson, Ill.
Archer
Armstrong
Ashbrook
AuCoin
Bafalis
Bauman
Beard, Tenn.
Bennett
Breckinridge
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cohen
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
du Pont
Edwards, Ala.
English
Fenwick
Findley
Fish
Fisher
Flynt
Forsythe
Fountain
Frenzel
Frey
Fuqua
Goldwater
Gonzalez
Goodling
Grassley
Gude
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harsha
Hébert
Heckler, Mass.
Henderson
Hicks
Hightower
Holland
Holt
Holtzman
Hutchinson
Hyde
Ichord
Jarman
Johnson, Pa.
Jones, Okla.
Kasten
Kazen
Kelly
Kemp
Kindness
Lagomarsino
Landrum
Latta
Long, Md.
Lott
McClory
McCloskey
McCollister
McDonald
McEwen
McKinney
Madigan
Mahon
Mann
Martin
Michel
Milford
Miller, Ohio
Montgomery
Moore
Moorhead, Calif.
Mosher
Myers, Ind.
Myers, Pa.
O'Brien
Paul
Pettis
Pickle
Poage
Pressler
Pritchard
Quie
Quillen
Randall
Regula
Rhodes
Robinson
Rogers
Rousselot
Runnels
Ruppe
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Sikes
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Treen
Ullman
Vander Jagt
Waggonner
Wampler
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wydler
Wylie
Young, Fla.

NOT VOTING—29

Bell
Bevill
Brown, Calif.
de la Garza
Erlenborn
Esch
Eshleman
Florio
Flowers
Gradison
Hayes, Ind.
Hinshaw
Jones, N.C.
Ketchum
Lujan
Macdonald
Madden
Mathis
Nichols
Nix
Nolan
Pepper
Railsback
Roberts
Sarbanes
Simon
Skubitz
White
Wilson, Tex.

The Clerk announced the following pairs:

On this vote:

Mr. Brown of California and Mr. White for, with Mr. Jones of North Carolina against.

Mr. Nix and Mr. Hayes of Indiana for, with Mr. Roberts against.

Mr. Nichols and Mr. Pepper for, with Mr. Erlenborn against.

Mr. Sarbanes and Mr. Simon for, with Mr. Bevill against.

Mr. Florio and Mr. Macdonald of Massachusetts for, with Mr. Lujan against.

Mr. Noland and Mr. Madden for, with Mr. Skubitz against.

Mr. Mathis and Mr. Charles Wilson of Texas for, with Mr. Gradison against.

Mr. Flowers and Mr. de la Garza for, with Mr. Eshleman against.

Mr. KAZEN changed his vote from "yea" to "nay."

So, two-thirds not having voted in favor thereof, the veto of the President was sustained and the bill was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. O'Neill). The message and the bill are referred to the Committee on Post Office and Civil Service.

The Clerk will notify the Senate of the action of the House.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO HAVE UNTIL MIDNIGHT FRIDAY, APRIL 30, 1976, TO FILE REPORTS ON H.R. 12972 AND H.R. 9398

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until midnight Friday night, April 30, 1976, to file reports on H.R. 12972, Local Public Works Capital Development and Investment Act of 1976, and H.R. 9398, Public Works and Economic Development Act Amendments of 1976.

The SPEAKER pro tempore. (Mr. O'Neill). Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT ON H.R. 10230, SCIENCE AND TECHNOLOGY POLICY

Mr. TEAGUE. Mr. Speaker, I call up the conference report on the bill (H.R. 10230) to establish a science and technology policy for the United States, to provide for scientific and technological advice and assistance to the President, to provide a comprehensive survey of ways and means for improving the Federal effort in scientific research and information handling, and in the use thereof, to amend the National Science Foundation Act of 1950, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of April 26, 1976.)

Mr. TEAGUE (during the reading). Mr. Speaker, in view of the fact that the conference report has been printed and available to Members as printed in the Congressional Record of Monday, April 26, 1976, I ask unanimous consent to dispense with further reading of the statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. Teague) is recognized for 30 minutes.

Mr. TEAGUE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill establishes in the Executive Office of the President a science advisory mechanism replacing the Office of Science and Technology, which was abolished by Presidential order early in 1973.

It also provides for a special 2-year study of science policy for the President's direction through the subsequent conference. Finally, the bill establishes for the first time a National science and technology policy.

Mr. Speaker, this bill has grown out of a concerted and carefully planned effort by the Committee on Science and Technology over a period of 3 years.

It began early in 1973, when the President abolished the Office of Science and Technology by Reorganization Plan No. 1, and it took place in specific phases.

In the end, we gained the support of the administration for this bill, and we are proud of that accomplishment.

To repeat, the reorganization plan eliminated the Office of Science and Technology from within the Executive Office of the President and transferred its functions to the Director of the National Science Foundation. This action became effective on July 1, 1973.

The President also apparently did away with the Office of Science Adviser to the President—at least in its traditional Special Assistant sense—and with the President's Science Advisory Committee—with the remnant functions of these offices—the military excepted—likewise transferred to the Director of the Foundation. The interagency Federal Council for Science and Technology, consisting of representatives of all the science-oriented agencies and which has always been chaired by the President's Science Adviser, is also chaired by the Director of the Foundation.

Among other reasons, the first set of hearings in July 1973 was held partly in response to the need for studying the effect of the reorganization plan and partly because of this committee's oversight responsibility of both the National Science Foundation and science and technology generally.

As those hearings opened I made the following observation:

> I do not wish to dwell on the trends of Federal support for science and technology over the past decade or so. But I do wish to point out that of the six committees of Congress which existed during the middle sixties with the function of studying and keeping track of Federal research and development efforts, only this committee remains today.
>
> I should also like to point out, at least dollarwise, the peak Federal effort in supporting scientific research and development which took place in the mid-sixties has been diminishing. Where the Federal Government put 12.6 percent of its budget into research and development in 1965, it is today putting an estimated 6.4 percent of its budget to this use. And while Federal obligations for research and development have increased an estimated 9 percent since 1965, the inflation factor has increased from 35 to 39 percent, depending upon what index is used.
>
> I think the implications of these facts are clear. Government attitude toward and support of science and technology is not what it was a few years ago. Without presently attempting to define this trend as right or wrong, it is incumbent upon this committee to try to find out what is happening and why.

Following the hearings and subsequent to preliminary review of them by the staff, the committee requested a critique of the information and plans disclosed by the hearings from three different organizations:

First. The Committee on Science and Public Policy of the American Association for the Advancement of Science.

Second. The Federal Science and Technology committee of the Industrial Research Institute.

Third. The Science Policy Research Division of the Congressional Research Service, Library of Congress.

The work of these groups in response to the request was completed, and the three reports were carried in full in part II of the committee's interim report.

The committee resumed its hearings a year later with major emphasis on the views, commentary and criticisms of non-Government witnesses who represented a broad variety of background and thought.

In this regard, it is important to point out that there had been a number of changes in key personnel as well as relationships within the executive branch since July 1973. However, these did not seriously affect the picture presented to the committee at that time.

In response to our inquiry, Frank G. Zarb, who succeeded John Sawhill in the Office of Management and Budget, stated:

> In reviewing Mr. Sawhill's testimony, I find that I am in agreement with the points of view he expressed.

Dr. Baker indicated no substantial change from the ad hoc science advisory arrangements originally contemplated. Finally, the departure of Mr. Shultz as Secretary of the Treasury and as the conduit to the President for science advice, according to the 1973 reorganization, seemed unimportant.

For these reasons, the committee could proceed with its plans without undue concern that the executive science policy apparatus had altered drastically since the initial phase began.

When the committee finished its 1974 hearings, the following took place:

First. Intensive staff study of the information and views received.

Second. Based on such study, the solicitation of a wide range of additional written commentary designed to supplement oral testimony and to accommodate those unable to appear as witnesses.

Third. The drafting of legislation which could serve as a vehicle for direct testimony on specific types of new action which might be taken.

Mr. Mosher and I cosponsored the first bill (H.R. 4461) in March 1975. In June the administration sent up its own bill on the subject (H.R. 7830). Our full committee held hearings on both bills throughout the summer of 1975. In October, we reported a clean bill (H.R. 10230)—which, with certain changes described in the "Statement of Managers," is before us today in this conference report.

Mr. Speaker, why have we spent so much time and effort on this legislation?

There are many reasons which form the backdrop of this bill. They can be found at frequent intervals throughout the three volumes of committee hearings and the two committee reports which comprise some 2,500 pages of testimony, data, findings, and recommendations.

The following reasons, however, would seem to be cardinal to the issues of the day.

First. We recognize the prominent role which applied science has played in producing the great problems of modern civilization—the crowding and congestion, the excessive gobbling of natural resources, the dangerously shifting foundations undergirding the economy, the disruptive social and moral influences abroad in the land, and so on. Indeed, such recognition was directly responsible, and in large measure, for the concept of technology assessment and the formation of the legislative office which now bears that name. We know the need to understand as best we can all the probable impacts of technologies as they develop—good and bad.

Second. We are further aware, particularly as we look about and see the critical problems facing us with regard to food, energy, materials, security economic strength and the like, that the solutions to our problems depend in some way upon the judicious use of better technology.

Third. We have, finally, arrived at the solid conclusion that a statutory base of some kind is essential to bring order and stability to the Government's use of science and technology. For science and technology are an element of our contemporary culture as pervasive and important as economics or education or labor or environment. Like them, science and technology are interwoven into all the major missions with which government is involved. Like them, science and technology should be fabricated concretely and statutorily into the managerial and policy structure of our National Government.

We are inclined to believe—having watched the handling of science and technology on an ad hoc basis by a long succession of administrations—that a firm science and technology policy is needed; a dependable though flexible science advisory system is needed; and a high-level, influential base for the definition and coordination of such governmental activities as are inherently devoted to or dominated by science and technology is also needed.

Our evidence strongly suggests that these are all integral parts of a single theme and should be treated together.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. TEAGUE. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I have had only a chance to read a summary of this conference report and I do not know precisely what this does.

Could the gentleman from Texas (Mr. TEAGUE) tell us what this bill provided for, in authorizations, when it passed this House and what the other body has added by its amendments?

Mr. TEAGUE. Mr. Speaker, if the gentleman will yield, I will be glad to.

Mr. Speaker, the Senate bill authorized $4.25 million for the fiscal year 1976, for the transitional quarter, and for the fiscal year 1977. It authorizes $2.25 million for the committee for the same period. There was very little difference between the House bill and the Senate bill; $6 million was added to the cost of the House bill.

Mr. BAUMAN. The added cost was $6 million?

Mr. TEAGUE. The gentleman is correct.

Mr. BAUMAN. This is over and above any funds that were appropriated for the National Science Foundation itself?

Mr. TEAGUE. This has nothing to do with the National Science Foundation. That is a separate item.

Mr. BAUMAN. Mr. Speaker, that leads me to the concern I wanted to express to the gentleman.

It would appear to me that with the hundreds of millions of dollars the National Science Foundation has received in past years and will receive again this year and will undoubtedly receive in further authorizations, that agency could handle the major part of the work of this new office we are creating, even though this has the prestige of being attached to the White House.

Why must we duplicate to some degree what one agency is already doing?

Mr. TEAGUE. Mr. Speaker, I am sure the committee would not agree that there is duplication. The National Science Foundation at the moment is handling this work for the President, but there was almost a unanimous decision that this was not the proper way to handle it.

Our committee worked on this bill, I believe, from the beginning of 1973 through 1974 and 1975, and we contacted every interest there is as far as a national science policy is concerned.

We came up with this bill which the President approves. It is a bill that deals almost exclusively with the President, and he had much to say about writing the bill.

It was our feeling that unless there was something such as this in a legislative form, we might as well not try to pass anything.

Mr. MOSHER. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Ohio.

Mr. MOSHER. Mr. Speaker, in further response to the gentleman from Maryland (Mr. BAUMAN), I think it should be pointed out that the proposed funding for this Science Advisory Office in the White House would certainly be much, much larger if it were not assumed, as he suggests, that the office will use the expertise and the resources of the National Science Foundation in many ways.

Mr. Speaker, I think he has made a good point.

Mr. FREY. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Florida.

Mr. FREY. Mr. Speaker, I know of the extreme concern of the gentleman from Maryland (Mr. BAUMAN) in the fiscal area.

I certainly agree with him most of the time. However, one of the things we lack in this country, which really has cost us a great deal of money, is any overall science policy and direction in science and technology.

We spent a great deal of time and money on other things in this field, but this seems to be one of the ways by which we can bring this whole effort together.

Mr. Speaker, this investment is an important investment, and certainly $4 million is a great deal of money, but the return from it can really be not one-hundredfold but one-thousandfold in terms of what this country will be getting.

Mr. Speaker, I think this is something that is badly needed, and I think it is a really good bill. The gentleman from Texas (Mr. TEAGUE) and the gentleman from Ohio (Mr. MOSHER) can be congratulated for spearheading this thing. It took a long time to bring it about.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, will the gentleman from Texas (Mr. TEAGUE) explain to me the provision which calls for payments to States for the creation of scientific advisory committees. Is that a new program or an expansion of some existing authority?

Mr. TEAGUE. It is my understanding that that provision is not in this bill.

Mr. BAUMAN. That gives me some comfort.

Mr. Speaker, I would only say to the gentleman from Florida (Mr. FREY) that I am in complete sympathy with the need for a new policy in this area, but I do have some trepidation about creating still another agency of Government and spending more millions of dollars, while we have, in my opinion, other agencies that could handle the task.

Mr. MOSHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I enthusiastically support this conference report. The conference bill is essentially the same as voted by this House on November 6, 1975.

The compromises which our conferees negotiated with the other body are consistent with our original bill and complement it.

I am very glad that the President has taken a very personal favorable interest in this legislation. The President requested that this Congress approve by statute a formal science and technology advisory mechanism available to assist him in administering the executive branch. Now we will send to the President a bill which both branches of Government fully endorse, and which also has overwhelming bipartisan support.

Title I is designated "National Science, Engineering and Technology Policy and Priorities." It sets out a comprehensive statement of national policy for our use and support of the engineering and technology. It underscores the role of science in our society and delineates a general approach for insuring that we derive the optimum benefits from our scientific and technological resources. The specific elements of title I in the House and Senate bills were substantially similar. The conference bill folds in the elements of both bills in a straightforward manner.

Title II establishes an "Office of Science and Technology Policy" in the Executive Office of the President. This Office is essentially the same as we approved in the House bill. It will restore in the White House a focal point for study, advice, and coordination with respect to all the science and all aspects of technology. A formal mechanism to insure such activity has been absent for several years. The direct communication and input which the Office will provide in these areas is a major step forward.

The Office will play a key role in synthesizing and evaluating scientific and technical issues for the President. In particular, the Director of the Office will serve as chief science adviser to the President. The Director will also serve as a member of the Domestic Council and shall advise the National Security Council.

Title III establishes the President's Committee on Science and Technology. It will be composed of from 8 to 14 persons. The Committee will undertake a Federal science, engineering, and technology survey." The survey will study and evaluate the broad spectrum of our Nation's science, engineering, and technology. Its final conclusions and recommendations will be reported to the committee no later than 42 months after its beginning. They should establish a solid foundation for subsequent improvements by the Congress and the executive branch.

Title IV establishes a Federal Coordinating Council for Science, Engineering, and Technology. This Council is a statutory replacement for the "Federal Council for Science and Technology which was set up by Executive order in 1959. The title adds no new functions. It merely introduces a slight name change, emphasizes its mission, and places it on a statutory basis. This title was not part of the House bill, but the House conferees believe that it was a desirable addition which we could accept from the other body's bill.

Title V sets forth the authorization funding levels. For fiscal year 1976, the bill authorizes $1.5 million; for the transition quarter it authorizes $1 million; and for fiscal year 1977, it authorizes $4 million. These are truly modest amounts when compared to significant urgently needed activities which they will support.

Mr. Speaker, after years of hearings, debate, and negotiation, I am extremely pleased and gratified that this bill is only a few days away from being made law. The direction and focus which this bill brings for science and technology at the highest levels of government is long overdue. I am confident that our positive action today will result in a much more adequate and effective utilization of our Nation's science and technology.

Mr. FUQUA. Mr. Speaker, as one of the House conferees who worked on this piece of legislation along with my distinguished chairman and colleagues—I should like to take a moment to describe in summary form the background of the act and the changes made in conference.

First. This bill has been 3 years in the making. The committee held hearings in 1973–74–75 on the subject, issued three reports and dealt with half a dozen draft bills before getting H.R. 10230 through House and Senate.

Second. The act results in good part, though not entirely, from the abolition of the former Office of Science and Technology by reorganization plan in 1973. That plan left the President with no source of expert scientific advice and assistance within his Executive Office.

Third. The act was passed by the House last November by a vote of 362–28. It was passed by the Senate on voice vote in February this year.

Fourth. In essence, the conference report is the bill passed by the House with a number of modifications and improvements. But the basic elements are unchanged as to general makeup and function. They are—

A statutory statement of national science policy to serve as a guide for the Federal conduct of scientific and technological affairs.

An Office of Science & Technology Policy established in the Executive Office of the President. The Office will have a Director and—at the President's option—up to four associate directors. Each requires confirmation. (Director is level II, $44,600; associates are level III, $42,000.)

A 2-year President's Committee on Science and Technology, to make a complete survey of the entire Federal science and technology effort—organization, programs, budgets, policies, etc. The committee will report to the President with its recommendations; the President will pass on the report to Congress together with his own observations and recommendations for legislative action.

Fifth. Major changes made in Conference use as follows:

Associate directors must be confirmed as well as the Director.

The Director is made a member of the Domestic Council.

The Office is required to make an annual report.

A special 10-man advisory panel selected from the States to advise on State and local matters is made available for the Director's use.

The 2-year study committee may be extended by the President and assigned different duties, if he so desires, when that time comes.

The existing inter-agency Federal Council on Science and Technology, which was set up to assure cooperation and liaison is placed on a statutory basis with the new Director as Chairman. It is given a new name—Federal Coordinating Council for Science, Engineering and Technology. No new functions are provided, however.

Sixth. The House bill authorized such sums as might be necessary for the new Office and the Survey Committee. Estimates from GAO and OMB, based on stated administration plans, were about $2 million a year for the Office and $1 million a year for the committee for the first 2 years.

The Senate bill authorized $4.25 million for the office for fiscal 1976, the transitional quarter, and fiscal 1977. It authorized $2.25 million for the committee for the same period.

So there is very little difference in expected expenditures—$6 million anticipated by the House; $6.5 million authorized by the Senate.

The conference agreed to the Senate authorization but provided for continuing authorization after fiscal 1977.

Mr. BROWN of California. Mr. Speaker, I am very pleased that this act has come to fruition after so much work and effort on the part of Chairman TEAGUE, Mr. MOSHER and the full Committee on Science and Technology. In my view it is good legislation and badly needed.

At the time the bill was reported I felt that it possibly lacked one major feature and I attached special views to the committee report to that effect. I would like to repeat at this time part of what I said about this last fall:

This legislation clearly addresses the need for improving the Federal planning and analysis function for both immediate and long-term problems. What may not be as obvious to the casual reader of this act is that failure by the Federal Government in these areas could comprise its Achillies' heel. Thus the development of the planning function may well be crucial to the entire process by which national goals are supposed to be achieved.

The report of the National Academy of Science's ad hoc Committee on Science and Technology: "Science and Technology in Presidential Policymaking" stated that—

> The committee has been especially struck by the lack of capability for long-range policy research and analysis, which would examine continuously the longer run implications of current budget decisions and other policies and would seek to anticipate problems that will face the President and the Congress in future years. Only within the National Security Council is the potential of policy research and analysis systematically exploited; elsewhere it is to be found at the level of the mission departments and agencies. Its value at that level should not be discounted, but neither should its potential at higher levels be ignored.

Similarly, the American Association for the Advancement of Science's "White Paper," "Organization for Science and Technology in the Executive Branch" emphasized that—

> The strategic planning dimension requires deliberate attempts to develop assessments of the quality and productivity of science and technology and to develop long-range goals for them in relation to the position of the United States at home and in the world. The importance of this role is obvious if science and technology are to be approached in investment terms rather than simply as year-to-year work programs.

These important Academy and AAAS documents on needs in science policy represented a consensus which included some of the most experienced and thoughtful members of the academic, industrial, and governmental technological communities.

Though this kind of long-range strategic policy planning may seem perfectly obvious, it is perhaps a mistake not to mandate this function to the Office of Science and Technology Policy, which is created by this act, instead of waiting for the Federal Science and Technology Survey Committee to report back on this subject. Indeed, the AAAS "white paper" warned that:

> The danger to be guarded against is that long-range policy planning may be driven out by demands for quick response staff work for the White House.

In our budget authorization process this spring, we saw this problem over and over again. The ERDA budget was presented as a fragmented set of programs without true priorities, and only the congressionally required plan submitted in June has given us any chance of assessing the whole program. Similarly, as my own Subcommittee on Environment and the Atmosphere exercised our committee's new authorization jurisdiction of the EPA research and development budget for the first time, we discovered not only that there was little planning which would help us assess the relative needs and responsibilities of EPA and ERDA with respect to energy related environmental R. & D., but that there was also almost no long-range assessment of a research strategy within EPA itself, or a division of labor between EPA and the many other agencies active in environmental R. & D.

Because of this experience with other agencies and the hopes of all of us who have worked on H.R. 10230, I was particularly pleased that the conferees saw fit to adopt a requirement that the new Office of Science and Technology Policy prepare a 5-year outlook at the earliest feasible time and keep that outlook current on an annual basis.

As described in the statement of managers, the bill now calls for "a 5-year outlook, or projection, of scientific and technological issues, situations and conditions likely to warrant special attention within that period, and for appropriate inputs to the Office of Management and Budget and the executive departments and agencies in the formulation of administration budgets with respect to research and development."

Mr. Speaker, I compliment the House conferees for their far-sighted approach in the final consideration of the bill.

Mr. McCORMACK. Mr. Speaker, it has been my privilege not only to serve on the committee which inaugurated this legislation and on the Committee of Conference, but also to have given testimony on the bill last fall.

At that time I pointed out that there were two basic issues with which we needed to deal.

First. Scientific advice; and

Second. Management of our Nation's scientific capabilities.

For many years, we have recognized the desirability of providing adequate advice on important national problems which have a large scientific and technological character. President Eisenhower appointed Mr. James Killian as this Nation's first Presidential Advisor to advise the White House on a myriad of terribly difficult issues facing the United States in the late 1950's. Dispassionate, analytical assessment is needed today so that we can better evaluate the technical options available to us by calling on more than individuals committed to defend a specific technical solution.

Effective management of our national scientific enterprise is a great challenge. Our objective is not only to solve problems, but at the same time support good science wherever it may be found in this country. This management must take into account not only short-term needs, but must also factor into the equation the long-term needs and effects of specific scientific and technical decisions made today.

I maintain that our existing process of establishing a new agency to deal with each new technological problem as it comes along is inherently inefficient. All technological problems have many common aspects, such as—

Scientific method;

Materials problems;

The need for systems analysis;

The need for an underpinning of basic research;

Innovative ideas from all fields of science;

The need for broad institutional involvement; and

Scientifically trained manpower.

We face a dilemma in trying to sort out National science policy in a rational manner. On the one hand, we feel centralization of scientific efforts is desirable. A tidy package looks nicer. At the same time there is a well recognized need for mission agencies of the Federal Government to have their own research capacity. Engineers without the enrichment of competent scientists can easily be led down wrong and expensive roads, and new technologies can be delayed with accompanying financial penalties.

Mr. Speaker, I think that by working together we can find answers to this dilemma. We need two kinds of organizations within the Federal Government:

First, an advisory apparatus.

Second, we need to develop a managerial style which will result in a single organization that will—

a. Combine the capability to do large technological programs,

b. Assume responsibility for the two or three most important national programs which have a high technology content,

c. Provide adequate support for research activity and the Federal laboratories and universities, and

d. Open up our system of Federal laboratories to all agencies—and to private industry.

Mr. Speaker, this conference report on H.R. 10230, in my view, takes us quite a way down the road toward realizing the foregoing needs—particularly with regard to the science advisory mechanism. I applaud this, obviously.

At the same time I am not sure that title III of this act, which sets up the President's 2-year survey committee to review the entire Federal science and technology effort, with emphasis on possible needs for new forms of R. & D. organization, is not even more important.

I should like to call attention to the fact that the first duty of the committee mentioned in section 303(a) is to consider:

> Organizational reform, including institutional realignment designed to place Federal agencies whose missions are primarily or solely devoted to scientific and technological research and development, and those agencies primarily or solely concerned with fuels, energy, and materials, within a single cabinet-level department.

Mr. Speaker, the committee's recommendations in this area and what Congress does with them 2 years hence could well be one of the most important legislative events of our time.

Mr. TEAGUE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the conference report just agreed to.

The SPEAKER pro tempore (Mr. McFALL). Is there objection to the request of the gentleman from Texas?

There was no objection.

FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1977

Mr. ADAMS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 611) setting forth the congressional budget for the United States Government for fiscal year 1977 and revising the congressional budget for the transition quarter beginning on July 1, 1976.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution, House Concurrent Resolution 611, with Mr. BOLLING in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. When the Committee rose on Wednesday, April 28, 1976, the concurrent resolution had been considered as having been read and open for amendment at any point. Pending were an amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA) and perfecting amendments to the concurrent resolution offered by the gentlewoman from New York (Ms. HOLTZMAN).

The Chair recognizes the gentlewoman from New York (Ms. HOLTZMAN) for 5 minutes in support of her amendment.

Ms. HOLTZMAN. Mr. Chairman, I propose to amend the budget resolution by increasing by $2.5 billion the money for desperately needed programs here in the United States, and to accomplish this by moderating the enormous growth of the military budget.

This budget resolution contains the largest increase for military expenditures in peacetime in our history—an increase of $11 billion in budget authority and $8.7 billion in outlays.

My amendment also allows an increase over last year's military budget, but one that is more consistent with our real needs for a strong military defense.

Mr. Chairman, let me add at this point that this amendment is introduced as well on behalf of the gentleman from Michigan (Mr. CONYERS) and the gentleman from New York (Mr. OTTINGER).

Mr. Chairman, yesterday those Members who argued for the adoption of this huge increase in our military budget acknowledged that substantial waste would be involved in dong so, but, they claimed, that was not the point. The point was to send a signal to the Russians. They argued, yesterday, that a signal to the Russians was needed because of events in Angola and in Portugal and in Italy.

Do the proponents of this increase in military spending really expect us to believe that adding $11 billion to our military budget can compensate for 50 years of dictatorship in Portugal, for three centuries of colonial oppression in Angola, and for 25 years of rule by corrupt political parties in Italy, where officials even contributed to the present economic crisis by apparently accepting bribes from multinational oil corporations to keep prices high? Developments in Angola and Portugal and Italy have been building for generations and, plainly, there is nothing in this $11 billion increase in our military budget that can undo these long-term difficulties.

Nor is there anything in this $11 billion increase that signals to our many friends abroad around the world that we are any more sensitive than we were before to the factors that led to the crises in Angola or Portugal or Italy. There is nothing in this $11 billion increase that signals to anyone that we are going to be any more sympathetic to the needs of people for self-determination, any less supportive of oppressive dictatorships, or any less tolerant of corrupt regimes abroad.

Military hardware alone is no substitute for a sensible foreign policy, and it is about time we acknowledged that.

It is also time to send a signal to the American people—a signal that we can respond to their hopes and dreams for this country and not unwarranted fears created by election year rhetoric. Let us send a signal in this budget that we believe Americans are entitled to walk their streets without fear, entitled to a fair chance for useful work, productive jobs, to the opportunity for good education, to adequate health care, to improved mass transit, to decent housing, and to solvent state and local governments.

Mr. Chairman, without my amendment crime-fighting programs will be cut below last year's levels, biomedical research will be cut, training of health professionals will be cut, construction of new mass transit systems and purchases of new mass transit equipment will be cut, job training for senior citizens will be cut, college programs for low-income students will be cut, and we will not create an adequate number of jobs to deal with the serious unemployment in this country. By what logic do we cut these programs and then turn around and say to the American people that we want to send a wasteful, costly, extravagant signal at their expense to our enemies?

My amendment brings all of the programs I mentioned before up to last year's levels in terms of inflation. It will also add a substantial jobs component, through senior citizen employment programs and SBA direct wars. It will also create jobs in areas of high unemployment, through title X of the Economic Development Act.

The CHAIRMAN. The time of the gentlewoman has expired.

(By unanimous consent, Ms. HOLTZMAN was allowed to proceed for 5 additional minutes.)

Ms. HOLTZMAN. My amendment will also create jobs by providing needed funds for the construction and purchase of mass transit facilities.

Perhaps most significantly, my amendment begins to address the problem of the insolvency confronting our cities and localities. The present welfare system imposes an extraordinary burden on States, cities, counties, villages, and towns. This sector of the economy has been one of the hardest hit by the present recession. Let us be frank to acknowledge that somebody has to foot the bill for welfare costs. The real question is: Who is going to foot the bill? Is it going to be the cities, counties, and States which have the narrowest tax base and the severest fiscal problems? Or should we place the responsibility for this national problem on the Federal Government which has the resources to bear the burden and distribute it equitably?

My amendment, Mr. Chairman, would do the latter. It would allow the Federal Government to begin paying 75 percent of welfare costs around the country. This will prevent cutbacks in local services and layoffs or provide relief to State and local taxpayers; 29 States would get at least $10 million as a result of my amendment and 17 States would get over $20 million.

Everyone has been talking about welfare reform and it seems to me that we should begin to deal with this problem in this resolution instead of waiting until October 1977, the start of the next fiscal year.

I wish to acknowledge at this point the work of my colleague, the gentlewoman from New York (Ms. ABZUG), who took the leadership in introducing legislation to deal with this problem.

Mr. Chairman, let me point out as well that the jobs created through my amendment will be substantial. My amendment will provide, under the Older Americans Act, employment for 29,000 needy senior citizens and rescue them from the prospect of welfare. It will create about 31,000 jobs through the Job Opportunities Program and about 15,000 jobs through mass transit construction. We will create about 33,000 private sector jobs through expansion of the SBA direct loan program. Finally, we will create or save approximately 127,500 jobs by having the Federal Government pick up a larger portion of welfare costs from States and localities.

Let me summarize what my amendment would do. It would:

First, lower this resolution's increase in military spending by $2.5 billion in outlays and $7.5 billion in budget authority—that is, allow 2 percent for real growth over last year and 5.5 percent for inflation;

Second, provide $1.5 billion to States and localities to help pay for welfare costs, thus saving or creating 127,500 jobs;

Third, make available $200 million for mass transit construction—a program kept at 1975 levels—providing 15,000 jobs;

Fourth, create 33,000 jobs by adding $200 million to the job opportunities program;

Fifth, provide $100 million to create 29,000 jobs for senior citizens;

Sixth, add $100 million to bring Federal anticrime aid up to 1976 levels;

Seventh, make available $200 million for direct loans through the Small Business Administration, creating 33,000 jobs;

Eighth, provide $100 million to assure that biomedical research, health training, and other health programs can operate at 1976 levels; and

Ninth, increase the opportunity for needy students to attend college by adding $100 million to work-study and other higher education programs.

We have the opportunity through this amendment to do what the Budget Act originally promised—to set priorities in our budgetary process that reflect the real needs of the American people and direct Federal spending to meeting these needs.

There is no justification for an extraordinary growth in the military budget which starves domestic programs and prevents us from engaging in new initiatives to deal with the problems of the recession, the devastation of our cities, the plight of our elderly, among others. I would urge that we take this opportunity to begin to realize the promise of the Budget Act.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from California.

Mr. JOHN L. BURTON. Mr. Chairman, I thank the gentlewoman for yielding and I associate myself with her remarks.

The provision of the gentlewoman's amendment that would transfer welfare costs in a greater degree to the Federal Government will provide more economic relief for local governments in this Nation than will any revenue-sharing program and that will allow them the flexibility of raising their own funds and spending their own funds. That is an area where those who are concerned about local government should be concerned about their property tax paying taxpayers who would have this burden taken off their backs by the assumption of this, in lieu of building a couple more missiles that do not do much in the way of providing for property tax relief.

The CHAIRMAN. The time of the gentlewoman from New York has expired.

(On request of Mr. HARKIN, and by unanimous consent, Ms. HOLTZMAN was allowed to proceed for 2 additional minutes.)

Mr. HARKIN. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from Iowa.

Mr. HARKIN. Mr. Chairman, regardless of whether or not I feel that the defense budget ought to be cut, and of course I do feel it ought to be cut somewhat, I am just wondering now whether the gentlewoman is tying in the defense budget cut to a shift in these other programs?

Ms. HOLTZMAN. Let me point out that I do not cut the defense budget. My amendment would allow an increase in the defense budget of about $6 billion over 1976. The amendment allows a 5.5 percent growth for inflation and a 2-percent increase for real growth. We are not talking about a cut. There is an increase over last year's military spending.

Mr. HARKIN. That does not bother me so much as to where the gentlewoman is shifting the moneys to. The gentlewoman knows I represent the eighth most rural district in this country and I am very concerned that we recognize the need for money to be spent in rural areas for water, sewer lines, water development, education in the rural areas for all the things that we need to keep people from flocking into the cities, like New York City, and creating problems such as they have there.

Ms. HOLTZMAN. Let me just say to my friend that the problem is not so much with my amendment, but the fact we have no new programs for domestic needs in this entire budget.

Let me say further, the problem is that we have not even brought up all our domestic programs to last year's level in this budget. That is what my amendment does. It provides for real growth which can go into rural as well as urban areas. It provides jobs under title IX of the Older Americans Act, regardless of geography. It will assist localities with welfare costs wherever they are.

Mr. HARKIN. But the gentlewoman knows that those are based on formulas which favor the cities and urban areas, they all do. I am just saying that the gentlewoman's priorities for shifting these sums of money do not represent my priorities.

Mr. OTTINGER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendments.

Mr. Chairman, I am pround, indeed, to be associated as a coauthor of this amendment with the gentlewoman from New York (Ms. HOLTZMAN) and the gentleman from Michigan (Mr. CONYERS). I think that this amendment illustrates the importance of the budget process.

For the first time since I have served in this House and I believe for the first time in the history of this body, we have an opportunity to present this body with a choice of real priorities in one motion. We have a chance to weigh in this amendment a cut in the fat and waste in the Defese Department against badly needed social programs at home, particularly in the area of putting people back to work.

Many of us have talked for years about reordering priorities; this is our chance to do it.

As the gentlewoman from New York indicates, it is a very modest amendment. It does not cut into existing defense spending, even though many of us feel that the Defense budget is so swollen that it could stand very substantial cuts and still preserve absolute protection for the U.S. national security, which I think we certainly all support.

A transfer of this money into job-creating programs is critically needed, with the present budget contemplating an average unemployment rate of 6½ percent for fiscal year 1977.

One of the most critical areas to provide for jobs is in the added direct SBA loans we have provided. Today we have a record number of bankruptcies in this country. There are some $20 billion in assets, primarily of small businesses, that are being administered by our bankruptcy courts today. The Small Business Administration runs out of its direct loan funds, I am told, in the first weeks after they are granted. More money is desperately needed and would save jobs not only in the businesses helped but in the companies which supply and service those businesses.

Mr. Chairman, if we want to create jobs, if we want to strengthen the heartland of America, the very base of our free enterprise system, then the SBA loans program certainly is a very critical area for us to increase.

We need mass transit to really help us in our fuel-saving programs, in Project Independence, and to provide jobs and improve our rail and bus services.

We need help for education, training and expanding the programs for older Americans and for expanding the discretionary health programs. Today we are in a situation where many older Americans literally cannot afford to be sick.

Lastly, helping communities to fight crime through the Law Enforcement Assistance Administration is a critical priority in our society.

Mr. Chairman, I think this amendment presents this body with a real choice. I am delighted we have this opportunity under the procedure that has been adopted in this budget resolution, to really record our sincerity in desiring to reorder our national priorities.

I think this House ought to speak 100 percent for this amendment and declare, in effect, that our national security begins at home; that having what I have in my own district, 70 percent of the minority youth in one city unemployed, unable to participate constructively in our society, not learning job skills, with no way to survive except to get into trouble—and they are getting into trouble in record numbers, unfortunately—that represents a security risk to our country that is just intolerable. This is happening in every city in America.

This amendment adds another quarter million jobs onto some 1 million jobs already added by the Budget Committee. It still does not go as far as I would like to see, but this is a symbolic amendment. It will test the will of this House to shift funds from waste in the defense budget into resolving our national security problems right here at home.

I do hope the Committee will support this amendment.

I include at this point my detailed description of this amendment:

Mr. Chairman, the Holtzman amendment my colleagues and I are proposing will help shift national priorities in favor of domestic programs, particularly added jobs and eliminate any budgetary impact by cutting waste in the defense budget. The amendment does not alter total outlays, and it would result in a net reduction in total budget authority of $4.7 billion.

The first part of the amendment provides for reductions in budget function 050, national defense. The amended figures would allow for a $6.2 billion increase in defense spending, which includes a 5.5-percent increase for inflation and a 2-percent increase or real program growth. We believe this is more than adequate to meet the Nation's defense needs.

The President's budget represents a major commitment of our national resources to defense at the expense of vital domestic programs. In fiscal year 1977 defense was one of the few areas where the administration's budget allowed for any real growth; many critical domestic programs faced real cuts or increases insufficient to keep up with inflation. With respect to subsequent fiscal years, my colleague from New York (Ms. HOLTZMAN) concisely pointed out the consequences of the budget's defense emphasis in her dissenting views:

> This year's military budget will produce continued starvation of domestic programs and deficit spending for years to come. The massive defense increase is only a downpayment on future expenditures. The budget funds initial procurement of several major weapons systems, including the B–1 bomber, Trident submarines, and counterforce missiles, as well as a substantial shipbuilding effort. These programs will cost more than $90 billion over the next five years . . . increasing military spending will force health, education, state and local aid, and other domestic programs to remain at their 1977 levels in order to avoid a deficit. If these programs are allowed to keep pace with inflation, the result will be large deficits over the next five years. These deficits will occur without spending one dollar on program growth or new initiatives.

5-YR IMPLICATIONS OF FISCAL 1977 BUDGET

[In billions of dollars]

	1977	1978	1979	1980	1981
Total revenues	363.0	401.0	448.0	497.0	550.0
Outlays:					
Presently mandated [1]	188.9	210.1	224.8	237.8	250.1
For defense [2]	92.2	100.5	109.6	119.4	130.2
All other programs—no growth	132.5	132.5	132.5	132.5	132.5
Total outlays	413.6	443.1	466.9	489.7	512.8
Surplus/deficit	−50.6	−42.1	−18.9	+8.3	+37.2

5–YR IMPLICATIONS OF FISCAL 1977 BUDGET—Continued

[In billion of dollars]

	1977	1978	1979	1980	1981
Adjustments for inflation "all other programs" category:					
Medicare		3.4	7.0	11.1	15.8
Medicaid		1.1	2.1	3.1	4.2
Grants to States		2.0	4.0	6.1	8.3
Veteran's benefits		2.0	2.9	4.0	5.0
Civilian agency purchases		1.0	2.1	3.2	4.3
Federal employees pay		5.1	10.5	16.2	22.1
Total inflation adjustments		14.0	28.6	43.7	59.7
Potential deficits		−56.1	−47.5	−35.4	−22.5

[1] Interest on the national debt, social security, SSI, etc.

[2] Excluding military retirement pay. Outlays assumed to rise at 9 percent annually, the rate recommended for this year.

This budget does not simply approve spending levels for fiscal 1977; it commits us to an exceptionally high level of defense spending for years to come, a level which is going to strangle programs such as those for jobs, education, welfare reform, health, small businesses, and the rebuilding of our cities which are badly in need of additional funding. The alternative to this scenario is continued deficits in the $30 to $50 billion range, a choice which is not economically acceptable.

To its credit the Budget Committee rejected many of the President's proposed reductions in critical domestic spending for jobs, education, health, et cetera. The committee's budget still contemplates an intolerable 6½ percent unemployment rate for 1977; however, and the committee did not substantially alter the administration's swollen defense proposals, reducing an excessive $114 billion authorization only $1.3 billion in budget authority and $500 million in outlays. As a result, the clear thrust of this budget is toward increasing the defense function at the expense of jobs and vital domestic needs.

Our amendment would change that emphasis, without a major cut in defense levels. By reducing defense outlays $2.5 billion from this year's astronomical increases, we are still allowing for inflation and 2 percent real growth. The $7.5 billion cut in budget authority, moreover, will help to insure that we have not mortgaged the country's future to the defense establishment and that we can, in fact, continue to meet our domestic needs.

With respect to those needs, our amendment divides up the $2.5 billion in outlays as follows:

First. $1.5 billion is provided to allow the Federal Government to assume 75 percent of total AFDC costs, starting next spring. This easing of the welfare burden on State and local governments would provide a measure of local tax relief and help prevent layoffs in the public sector. We estimate a savings of 127,000 jobs through this amendment.

Second. Our amendment provides $200 million for an additional 31,000 public service jobs through the job opportunities program.

Third. An additional $200 million is provided for new starts on mass transit construction programs. With this addition the amount in the budget resolution for mass transit would equal the amount my colleague, Mr. CONYERS, and I stated in our testimony last month was needed for an accelerated mass transit program that would generate substantial employment.

Fourth. Our amendment makes available an additional $200 million in direct small business loans, creating 33,000 jobs.

With respect to this item, there is no other way to say it: small business is in trouble. The simultaneous recession and inflation of the last several years has resulted in many small businesses going under and many more hanging on grimly in ever-tighter credit markets. The Administrative Office of the U.S. Courts, for example, reported that small business failures in 1974 and 1975 increased to 20,746 and 30,130 respectively, over 17,490 in 1973, a 72 percent increase. Likewise, Dun & Bradstreet report large increases in liabilities connected with failures in the past 2 years.

According to a Business Week survey of the small business situation last year, the chief small business problem continues to be the cost and availability of capital. Yet in the face of this the Administration has embarked on a clear attempt to phase down the direct loan part of Small Business Administration programs in favor of guaranteed loans, reducing the amount of low rate money available and insuring that only the relating safe loans will get anything at all. Presently, direct loan money, made available quarterly, is fully subscribed the first week or so of each quarter, and many SBA offices have a large backlog of approved loans waiting for money to be allocated.

I think we have to recognize that it has been the small businessmen that have helped preserve the free market, and their gradual disappearance will mean more than a nostalgic farewell. It means a change for the worse in the way our economy operates, additional monopolistic concentration and most likely, an increase in inflation. Additional direct loan money is vital if we are to stop this trend.

Fifth. An additional $100 million is provided to create 29,000 jobs for senior citizens under title IX of the Older Americans Act.

Sixth. Our amendment also includes $100 million to bring discretionary health programs—health manpower training, biomedical research, alcohol and drug abuse services—back to current service levels.

Seventh. The amendment provides $100 million in higher education aid for low-income students to make sure we continue to serve the same number of students.

Eighth. Finally, the amendment provides $100 million to maintain LEAA anti-crime funding at current levels.

The net result of this amendment will be to supply badly needed funding to some important domestic programs and to create some 235,000 additional jobs in the process. We anticipate that this added stimulus will reduce unemployment substantially below the targeted 6½ percent average level for 1977, and it would restrain the growth in the defense budget that threatens to strangle important domestic programs. This clearly represents a shift in priorities of the kind contemplated when this Budget Act was passed; this is made clear by the fact that the amendment contains no net increase in outlays and a net reduction in budget authority.

A table detailing the changes made by this amendment follows:

HOLTZMAN-CONYERS-OTTINGER AMENDMENT SUMMARY

[Dollars in millions]

Function	Budget authority	Outlays
050—National defense	−$7,500	−$2,500
400—Commerce and Transportation:		
SBA direct loans	300	200
Mass transit construction	0	200
500—Education, training, employment, and social services:		
Title X jobs opportunity program	500	200
TRIO, work-study higher education programs	100	100
Title IX Older Americans employment	100	100
550—Health: Discretionary health programs	200	100
600—Income security: Minimum 75 percent Federal match of AFDC costs starting in spring 1977	1,500	1,500
750—Law Enforcement and Justice: LEAA	100	100
Net reduction in budget authority	−4,700	

Jobs Created:	
75 percent AFDC	127,500
SBA	33,000
Mass transit construction	15,000
Jobs opportunities program	31,000
Older Americans employment	29,000
Total	235,500

Mr. MITCHELL of Maryland. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, my colleagues, on yesterday when we were debating the Giaimo amendment, my colleague from Florida (Mr. GIBBONS) made a very forceful and dramatic presentation against any further cuts in the defense budget. The burden of his argument was that in order to prevent war, he would rather make an error on the side of "waste" or overspending rather than see this country find itself short of the wherewithal necessary to protect our national security.

I listened very intently to the gentleman from Florida (Mr. GIBBONS) yesterday. It was a very forceful and dramatic speech. What I would like to do is take his argument and turn it around in terms of national security in this country. For a long period of time I have been insisting and maintaining that the threat to America, the real threat to democracy, does not lie in the Soviet Union or in the Peoples Republic of China, nor does it lie anywhere outside the geographic boundaries of this country. The most grave and real threat to democracy is found within the boundaries of this country, and it is found in this situational mosaic which I shall attempt to lay out.

When we have people who, year after year, do not get fitted into the economic system, they become alienated from our system of government, and sooner or later that alienation is going to reflect itself by one means or another. I think the danger to the democratic process in this country—indeed, the danger to the country itself—lies in the fact that we have permitted structural unemployment to persist in this country since 1930; structural unemployment for blacks and other minorities, structural unemployment for our young people.

I think the danger to this country lies in the fact that, somehow or other, despite the best efforts of this Budget Committee, we did not start off with a zero-based budget so that we could place need against income, hurt against income, want against income. We did not do that. We were almost forced to accept the normal budgeting process, and as a result, despite the best efforts of the chairman—for whom I have a great deal of admiration, as I do for all the members of the committee—this Budget Committee has not yet gotten into the business of establishing priorities. Let me give the Members just one other illustration of what I am talking about.

If any of the Members have read Karl Marx—and I suggest that they read him, not to subscribe to his theories, but to know who the ideological opponent is. If they read Marx they will know that somewhere in his writings he says that in order for capitalism to survive there has to be an unemployed reserve in this country. He states it very simply.

When I look at the persistent structural high rate of unemployment found within America, particularly for blacks and for other minorities, I am forced to conclude that what we do here is to give some element of credence to that Marxist theory. I know that no one in this House wants to do that, but to the extent that we do not address the real needs of this country, that theory unfortunately assumes a greater validity in the minds of many people.

Mr. Chairman, let me say that I have supported the budget, the work of the Committee on the Budget, and I will continue to do so. However, let me also say that as long as I am on that Budget Committee I will work as arduously as I can to begin to establish real priorities for this country. We cannot continue along the same road that we have been following without inviting disaster, not from without but from within.

I urge support of the gentlewoman's amendment.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

(By unanimous consent, Mr. MITCHELL of Maryland was allowed to proceed for 2 additional minutes.)

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I yield to the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the gentleman whether the problem is not only that we have failed to address the real needs of the country today in this budget, but that the enormous increase in military spending locks us in to starving domestic programs for many years to come? One of the real problems that confronts us now is that the implications we make today will affect the choices we make next year and the year after and the year after that. My amendment cuts an additional $5 billion in budget authority which gives us the room in the next few years to begin to address some of the human needs we have here at home.

Mr. MITCHELL of Maryland. The gentlewoman is absolutely correct. If my colleagues will recall, yesterday, in the discussion on the Giaimo amendment, I attempted to point out that the present level of spending for the defense category will, over the next 5 years, cost us somewhere around $159 billion. If that is true—and indeed it is true—it means we are going to inevitably have to cut programs necessary for the survival of the people in this country.

I think that the gentlewoman is absolutely right. Few Members of this House are paying attention to the long-range impact of the President's defense budget.

Mr. Chairman, I would certainly again reiterate my support for the amendment offered by the gentlewoman, and I urge my colleagues to do so.

Mr. McKINNEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, since coming to this House I have been on several committees which have had to intricately look into the trauma of the American city. I have now sat for 6 years on the Committee on the District of Columbia and I have had the honor, and I guess one could add the trauma, of being the ranking minority member on the Subcommittee on Economic Stabilization considering the problems of New York. Mr. Chairman, I am the father of five children, and I expect them to be able to live a life in a secure country. I also, when I was sworn into this job, was sworn in to protect my nation.

I have heard an awful lot about national defense. It has not been my basic interest in this Congress, but I am always amazed when we discuss national defense for this country. I thought perhaps we had learned something in Vietnam. In Vietnam, Mr. Chairman, we gave the South Vietnamese the only air force, the only navy, three times the number of men under arms that their opponents had, six bullets to every one, the best tanks, and in fact a great military superiority.

They lost in an effective 3 days. They lost, Mr. Chairman, because they did not believe in what they were fighting for. I thought the Symbionese Liberation Army had taught us something also. We saw three States in this Nation terrified by a maximum of 45 people.

So I would suggest that I agree with the gentleman from Baltimore, Md. (Mr. MITCHELL) that national security is far more invested in the belief that people have in their system.

I also sit here and look at a country that is investing billions in war goods, and yet this is a Congress that has not been the slightest bit concerned with giving us the energy we need to survive under any conditions.

So it seems to me that national defense is three things: It is military superiority, which I am convinced we have; it is a belief in the Nation by the people who live there; and it is independence from the rest of the world for the materials we must have to survive.

Mr. Chairman, I see us headed toward a trial and trauma in this country that frightens me, and it may be worse than that which brought about the most awful war we ever fought, which was the Civil War. We are making our cities the depositories of the poor, the untrained, the hopeless, and the old.

We are turning to those cities and saying, "We have no priority for you as a part of America." We are turning to our children and saying that we are going to hand them a country divided against itself, and it will be divided against itself to the ultimate destruction of the Nation if these problems are not solved.

Mr. Chairman, I do not quite agree with my Democratic colleagues when they nail the President for failures in social programs because this Congress has failed in that area throughout my entire lifetime, and the other party runs the Congress. But I point out, Mr. Chairman, that the gentlewoman from New York (Ms. HOLTZMAN) has said something we should heed, that it is about time Democrats and Republicans stopped squabbling about these issues and started saying that if we believe in this country, this body had well start setting some priorities for the future of the Nation.

Mr. CONYERS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, we have heard two very moving presentations, and one was from our colleague, the gentleman from Connecticut (Mr. MCKINNEY). I presume from his remarks that he is supporting the Holtzman amendment; if he is not, I would yield to him at this point. The other presentation was from our colleague, the gentleman from Maryland (Mr. MITCHELL).

There are three unsung heroes of the Committee on the Budget. The first is the authoress of this amendment, the gentlewoman from New York (Ms. HOLTZMAN), the second is the gentleman from Maryland (Mr. MITCHELL), and the third is our colleague, the gentleman from Ohio (Mr. STOKES). They have all in their thoughtful remarks pointed out the failure of the budget process. Our colleague, the gentleman from Connecticut (Mr. MCKINNEY), has joined in that very thoughtful analysis.

But there is a hidden question, and the question that I am raising to the Members as I join with my colleagues in support of this amendment is this: What is the appropriate response to the failure of the budget process?

I suppose I am speaking only to the 145 Members who supported the Giaimo amendment which was offered yesterday evening, because I could hardly imagine that anyone who could not support it would have second thoughts about the resolution now, although, as our colleague, the gentleman from California (Mr. JOHN L. BURTON), has pointed out, there are some additional reasons why one might support this resolution.

Essentially the question is, What do we do with a failed budget process?

The argument that prevails, if I interpret the debate correctly, is that after all of our beautiful speeches, after the tremendous work that has gone in on these amendments, after the unsung heroes have been briefly recognized, if not fully appreciated, then we reluctantly again give the Committee on the Budget the three votes that they will need to pass this resolution.

Mr. Chairman, I submit that every liberal or progressive in the Democratic majority of the Congress who casts his ballot in that direction, will have unwittingly—because I do not think any Member will have deliberately done this—committed this majority of the Congress for the next 5 to 6 years, according to the projection in the report of the Committee on the Budget, to a no-growth domestic program and an ever-swelling military budget.

Mr. Chairman, there are no two ways about it. It is a very difficult and, I think, traumatic decision to be made because who wants to join the conservatives, who really want the Ford budget, and have that come out?

You would not, would you, want this resolution to go back to the Committee on the Budget and have them report out President Ford's budget? Or would that necessarily happen?

Mr. Chairman, I would like to submit that if that were the case, then perhaps we need a 3-to-1 majority rather than a 2-to-1 majority.

Mr. Chairman, this is an election year. As the gentleman from Michigan (Mr. CEDERBERG) pointed out in an earlier colloquy with the distinguished majority leader on the highway bill, who was explaining that the Executive leans on the Congress, my colleague, the gentleman from Michigan said, "How can the Executive lean on a Congress that has a 2-to-1 Democratic majority?"

Mr. Chairman, how can anybody inside the Congress lean on the Democratic majority if we determine what the priorities ought to be and then move accordingly?

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I would just like to say that I share the gentleman's concerns.

I would like to point out that I think people can support this amendment while they might not have supported the Giaimo amendment.

Mr. McKINNEY. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from Connecticut.

Mr. McKINNEY. Mr. Chairman, I wish the gentleman in the well would, in his terms, use the word "moderate," but let me say that this moderate does feel perhaps that there is nothing which this Congress does that cannot be done by another Congress.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. CONYERS) has expired.

(By unanimous consent, Mr. CONYERS was allowed to proceed for two additional minutes.)

Mr. CONYERS. Mr. Chairman, might I gain the attention of my friend, the gentleman from Connecticut (Mr. McKINNEY).

To tell, at a minimum, 7 million persons who are unemployed that they can get what they clearly deserve now in the next Congress is a derogation of that responsibility which the gentleman from Connecticut so skillfully and movingly articulated in the well.

I cannot tell the unemployed workers in Detroit who had jobs at those three automobile plants that we were not able with a 2-to-1 majority to create the conditions that would enable them to return to work, but do not worry; our friends from across the aisle and in the executive branch are somehow going to move in and take care of it in the 95th Congress, over which we have absolutely no authority and for which we cannot speak.

Mr. McKINNEY. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from Connecticut.

Mr. McKINNEY. Mr. Chairman, I simply say to the gentleman in the well that with 14-to-16 percent unemployed in Bridgeport, Conn., I have been begging this Congress for the 6 years I have been here to do something about it, and I have not succeeded.

Mr. CONYERS. I appreciate that.

My suggestion about the budget resolution is that we should not tacitly accept a conservative budget, one that is only a slight improvement over that of the executive branch, but that we summon all of the courage at our command and send it back to committee.

What is the committee going to do? Will a 2-to-1 Democratic committee in a 2-to-1 Democratic Congress come out with the President's budget? I think not.

I submit that we are now confronted with a momentous decision. All the years we were fighting in Southeast Asia we were assured that we could have both guns and butter. Well, we did not. Butter and jobs, livelihoods and economic well-being were sacrificed. We are no longer at war. When will we start the process of rebuilding this Nation, investing in our own people, if not now? I urge the support of my colleagues for the amendment offered by the gentlewoman from New York (Ms. HOLTZMAN) and I suggest that, if it does not pass, we weigh carefully the alternative of sending the resolution back to committee.

Ms. ABZUG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from New York (Ms. HOLTZMAN). I wish the gentleman from Iowa (Mr. HARKIN) who suggested that this legislation does not affect the whole country but just certain areas, were back in the Chamber.

It is very difficult to believe that, when we went to war in Vietnam, that the war only affected one part of this country. In fact every part of this country suffered. We lost our young people; we lost the stability of our economy. We spent $175 billion in a war that we should never have gotten into and one that has distorted the economy of our country, and that affects the North, the South, the East, and the West.

So it is very difficult to say that this amendment affects only one part of our country when we are competing in the world for who can first destroy not only each and every part of our country, but also all parts of the world. This is the constant rhetoric that has taken place on the floor of this House, not only in conection with this budget resolution, but in connection with the discussion on military procurement authorizations and appropriations in this House. Sadly, this rhetoric makes clear that we are not seeking to determine our own overall policy of what is best for the national good, for the national defense, for our tranquillity, and for the security of this Nation. But apparently, we are committed to have the Soviet Union and now China to tell us that we have to establish an ever bigger and stronger defense.

Whereas the truth is that the strongest defense that we have, in competing to maintain our system as against any other kind of system, is to show that our system provides for the economic, the social, and the cultural welfare of all of our people. Only this can make our system strong, and unafraid and secure against other and different systems of government.

The President has recently assured us that we are still "No. 1" in military strength. But how do we compare to other countries in areas of social welfare and health? The answer shows how a continued extravagant level of military spending has drained resources away from the well-being of the American people. Among 132 nations, the United States is only 20th in life expectancy at birth, only 17th in infant mortality per 1,000 live births, only 29th in population per hospital bed, only 13th in school-age population per teacher, only 10th in public expenditures per capita. These figures are from the study "World Military and Social Expenditures 1976" by Ms. Ruth Leger Sivard, former Chief Economist of the U.S. Arms Control and Disarmament Agency.

I believe that these are the important categories where our country should be "No. 1." And we should use the budget process to begin moving in that direction now.

In addition, it has been stated here that the transfer of funds from the military to other programs in this amendment will only benefit one part of our country. As the coauthor of the Urban Mass Transportation Act of 1974 and of the major public works bill which the House passed this session, I know that that conjecture happens to be totally false. As the author of the Uniform Federal Welfare and Medical Assistance Reimbursement Act, I know that this conjecture is totally false.

Take for example the issue of mass transportation, I can assure the Members that the transfer of those funds will benefit the rural areas of our country as well as the urban and suburban areas. The fact is that mass transportation legislation, which will provide money for the purchase of public buses for transportation in rural areas where it will help the poor and the elderly and the sick in these areas, just as other parts of this legislation will help people to go to work in the urban and suburban areas of our country.

Insofar as aid and welfare are concerned, every single State in this Nation except one would benefit from the transfer of the funds, based on the Uniform Welfare Assistance Act, which would increase the Federal reimbursement rate for every State to 75 percent. The gentleman's own State would be increased by $38 million in aid and in welfare programs alone.

The fact is that our country is suffering from unemployment. According to the February State unemployment rates calculated by the Department of Labor, the national unemployment rate is 8.7 percent. But there are States in every region of the country with higher unemployment rates than even this shockingly high national average. There is Florida with 11 percent in the South. My own State of New York with 10.3 percent and Connecticut with 10.6 percent for the North Michigan in the north-central region has 11.7 percent. Nevada in the Southwest has 10.4 percent. In the West, California has 10.8 percent and Oregon 11.1. percent. So unemployment is a national problem requiring a national solution, as this amendment would begin.

Our country, its States, counties, cities, villages, and its towns are also all suffering from the lack of funds to take care of those men and women who have lost their jobs, to take care of the less fortunate, to take care of the elderly, and to take care of the sick.

What are we suggesting as an alternative? We originally entered into this budget process so that we in the Congress could have the final determination on the welfare of our constituents and on the policies of this country. We said that this budget would be our statement on priorities in this country. Are we to accept blindly the priorities that are chosen in the heat of a national election campaign? Are we to adopt in budget priorities which come out of the business of competing over who can wave the flag higher than the next one in a political campaign?

We do not need the huge increases in weapons systems which we have been voting on and which this budget commits us to for the next 5 years. Of course we need a certain amount to take care of our defense. But the amount proposed in this budget resolution is extravagant and unwarranted.

This amendment is a very modest amendment indeed. It suggests a very modest cut in the defense. But it also says, let us have a modest increase in the defense of the people of this country, because what good is it to remain strong against exterior threats when we are growing weak from within each day.

If this budget process is to have any independent meaning, then it is time we took the first little tiny step—it is not a giant step—and stopped and thought and said, "The arms race is a mad race. It is time we dealt with the human race."

Mr. BADILLO. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it is clear that if the Department of Defense does not run the most powerful military establishment in the world, it certainly runs the most powerful public relations establishment in the world. Just one day short of the first anniversary of the end of the war in Vietnam, which took place on April 30, 1975, we find that Members of Congress who rejected a year ago today the request of the President for additional authority to send troops into Vietnam—we find the same Members of Congress accepting the statements of the same people who were so wrong only a short time ago. We had expected, those of us who supported the establishment of a Budget Committee, that there would be a recognition that we had in fact lost the war in Vietnam and that after every war there has to begin a process of reconstruction.

I want to say to those of my colleagues who do not believe that we lost the war in Vietnam that they should come to my district in the South Bronx, and they would see there the bombed out cities which point to a disastrous defeat. The bombs were thrown there at the same time they were being thrown in the cities and villages of Vietnam and Cambodia. Some of us heard them; some did not hear them; but if we go there now, we will see the evidence of those bombs as clearly as if the actual battle had been waged and lost there.

Mr. Chairman, there is now a need for reconstruction. What we need to do in this budget—and it is an important budget, as the gentlewoman from New York has indicated, because it is the first budget resolution approved by a Congress—is to begin to take steps to insure that we begin to rebuild this country. We have to show that we will not accept the arguments of those who were so wrong in the past and who are still in power.

Those arguments have been rejected very eloquently. For example, yesterday the argument was made that the Soviets have twice as many troops as we do. The statement in the committee report of the gentlewoman from New York indicates that the facts are that in terms of real troops, we have exactly the same number, because the Soviets use troops for purposes for which we use civilians, and if we exclude the troops which are carrying out civilians' functions, we find that in fact the total number troops is the same. This has been confirmed by the Department of Defense itself in replies to analyses that were made by the gentleman from Wisconsin (Mr. ASPIN).

In the same way every argument that has been made by the Department of Defense can be rebutted, but none of the arguments that those of us are making about the need to rebuild the cities are met by this budget. This is a key budget, and it is for that reason that I agree with the gentleman from Michigan that we have got to make a stand, that we have got to begin the process of reconstruction now, and that we cannot support—we cannot support—a budget which merely continues the priorities that were carried out by the executive branch in the past.

I want to say that some of us feel that the acceptance of this budget would be the equivalent of a domestic Gulf of Tonkin resolution. We opposed the war in Vietnam, but some of us could not be blamed for it because we were not present to vote for it.

We are not going to be put in the position now where, if we would not vote for a foreign Gulf of Tonkin resolution, we would be voting for a domestic Gulf of Tonkin resolution, which is what we would have to do if we do not support these amendments and vote for the pending resolution.

Mr. ADAMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am hopeful that we can complete the debate on this amendment. There are a number of others that are also pending, but I have not wanted to have anybody cut off in the process of debating this amendment and I am not making such a request now.

I do however want to state something about the budget process because several of the previous speakers have addressed that question and have in effect indicated that they do not like the priorities that have come out. They say therefore the budget process is not functioning at all.

I think the budget process is working. It does not happen to match precisely the views of any individual Member. It represents a collective view. I want to indicate to the speakers that have come before, that the real issue as far as the priorities are concerned, may not yet have been made completely clear. For example, the committee raised education, training, employment, and social services by over $5 billion above the President's budget figure. In income security the committee proposal is $10 billion above the President's figure, and the amounts for funding of welfare programs, of programs for older Americans, of programs for putting people back to work represent an entirely different economic approach to the problems of the United States from that which has been recommended by the President's budget.

I may agree with many of the comments that have been made by my colleagues in the well but I understand also that the legislative process, particularly in the House of Representatives, is a process that lives by majority rule. Yesterday we had a vote on an amendment to cut the defense budget. I understood that amendment and, as many know, I have taken a position which was probably more agreeable to my colleagues who have spoken in the well than was even that amendment. But the House spoke on that amendment yesterday, and I am of the opinion that today in the amending process—and I am doing everything I can to see that it is fairly carried out—the debate on priorities should take place. I think the gentlewoman has accurately and very eloquently stated the position of a certain number in this House. I do not know the size of the number but there are a significant number who believe that way. I think the gentlewoman is entitled to present that view, and she has, and she did very eloquently, and I am not saying it does not have some merit to it.

But what I am saying is this: I think the pattern of the debate that is starting and the process we are going through involves four separate elements in this House. There are those who advocate, as my friend, the gentleman from California will, a zero deficit budget, a very definite position that is supported by a certain number of people. I think there has been eloquently presented by the gentlewoman from New York and by the gentleman from Michigan a position that we have not done enough in the area of domestic spending, and I respect them for their position. There are two other positions that tend to move in from those positions, and one will be presented by the gentleman from Ohio (Mr. LATTA), which is in the vicinity of the President's budget, and there is one that has been presented by the Budget Committee, which I believe represents the product of what came out of the Budget Committee and which incidentally has been supported by the policy committee and by the leadership and by a significant number of others in the House.

So I hope we will proceed to a vote on this. I am not going to support the gentlewoman's amendment. I am not going to support any other amendments to raise the budget. It is not that I do not think people have the absolute right to offer an amendment and get it agreed to if they can. One amendment carried yesterday over my objection. I do not think we should have added that, but it was done, and I respect the verdict of the House as a whole.

Mr. Chairman, I will be in the position of defending what the House has already gone ahead and done. We understand everybody is against spending in general and against spending in particular, as was demonstrated yesterday. So I hope we will adopt the budget resolution. I will urge that we complete this amendment and move on to another.

The CHAIRMAN. The time of the gentleman from Washington (Mr. ADAMS) has expired.

(By unanimous consent, Mr. ADAMS was allowed to proceed for an additional 2 minutes.)

Mr. ADAMS. Mr. Chairman, I just hope that we will complete action on these amendments. I personally hope that they are all defeated, not because I think the budget process is perfect and not that I am saying people should not add amendments to it; but I think it hits about where the House is. I think we should pass it and show the United States we have a congressional budget process and we are trying to make it work.

I happen to know that both of the gentlewomen from New York have a different set of priorities.

Mr. Chairman, I yield to my friend, the gentleman from Michigan (Mr. CONYERS) for whom I have both deep affection and respect. I understand the gentleman's position in opposing the resolution and I take no umbrage at that.

Mr. CONYERS. Mr. Chairman, if I understood accurately the choices before this body, they would be first to stick with the hard work of the gentleman's committee.

Second, to recede to that of the minority leader on the committee, who would in respect go back to the President's budget.

But the third choice the gentleman did not delineate. That third choice is that for those of us who want to get away from the status quo budget making, on which this budget was built in the committee, will have a choice to defeat the resolution, to send it back for strengthening. The gentleman did not articulate that choice. That is a part of the will of the House that the gentleman so correctly referred to.

It is a responsibility for every Member, not just to say we have to vote out the budget resolution and kill our Budget Committee, which is a bunch of nonsense, but we have a responsibility to refer this back to the distinguished committee, not to have the President's budget reported, but one that is more compatible with the realities of 1976.

The CHAIRMAN. The time of the gentleman from Washington (Mr. ADAMS) has again expired.

(At the request of Mr. OTTINGER, and by unanimous consent, Mr. ADAMS was allowed to proceed for an additional 3 minutes.)

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, just two quick points. One is that the amendment proposes no increase in the budget, as the gentleman states.

Mr. ADAMS. That is correct. It shifts from one area to another and it does not change the total.

Mr. OTTINGER. The second is that this is not a repeat vote of the Giaimo amendment. This offers people a choice. To vote against this amendment, people have to vote against jobs, against educational projects for deprived children, against increasing the Federal share of welfare payments, so that we can relieve the financial pressures on our communities. This amendment offers a clear choice, which the Giaimo amendment did not present.

Mr. ADAMS. Mr. Chairman, I thank the gentleman from New York.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, I want to commend the gentleman for his fairness here today. The gentleman has always been fair in handling the committee.

I think on the issue of priorities, the committee started off wrong—it started with the President's budget, which was a disaster from my point of view, instead of last year's budget. Compared to the President's budget, this resolution is a substantial improvement. But compared to the 1976 budget—which was inadequate in itself—this resolution makes little progress. We are basically—unfortunately in my view—only adding money to provide jobs, and I do not even believe we dealt adequately with the problem of unemployment, because the committee projects a 6 percent unemployment rate at the end of 1977, which used to be thought of as intolerably high.

Most importantly, in terms of what we should be doing to meet this Nation's problems in fiscal 1977, this resolution fails badly. I would say to the eminent chairman of the committee, it is unfortunate that when we come up with our first real budget, which sets real priorities, that we have cut expenditures for law enforcement and justice, that we have cut discretionary health programs, including biomedical research and health professionals training, from where they were last year, that we have cut mass transit construction programs for 2 years in a row, that we have not provided for increased employment program through the private sector with SBA direct loans, that we have not increased the enrollment of American college students who come from low-income backgrounds. My amendment at least would deal with these matters.

I would say, Mr. Chairman, that my amendment would really give us an opportunity to say that the direction of this country and the direction of this Congress should be to deal with the human problems here at home.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is unfortunate that we have not had more Members present for the discussion on priorities. I realize that the gentlewoman's substitute, or amendments, really orders changes in functional categories and not in the resolutions aggregate figures. I think it is too bad that there are not more Members present here to engage in this discussion. Perhaps they feel that they learned everything they needed to know by briefly glancing through the report.

I just wanted to respond as one Member, to my disappointment that the House Budget Committee did not do a more prudent job in setting our overall expenditure levels. But, I think that I would be wrong in not responding by saying that I, of course, am offering a substitute resolution which provides for a balanced budget. I am especially disappointed that there are not more Members here participating on the floor in what I consider to be an important part of the discussion, and that is a close and careful examination of the functional categories.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, I thank the gentleman for yielding to me. I simply wanted to say—that my amendment does change one of the aggregate figures, budget authority. It cuts it by $4.7 billion. This will save us over the next years somewhere around $4.7 billion. That means that we are not locked in, in 1978, to spending that we may not want.

The cut in budget authority also gives us an opportunity to reduce the deficit, or changing the direction of our spending, or reducing taxes, whatever the Congress wishes. A decrease of budget authority now, will protect us in years to come.

Mr. ROUSSELOT. I think the gentlewoman made that point very adequately when she spoke previously, and I did understand her belief that the future budget authority should be at a slightly higher level. Thank you for re-emphasizing the fact that one of your aggregate figures is in fact higher.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Michigan.

Mr. CONYERS. I thank the gentleman for yielding to me.

Do I understand the gentleman's position is that he supports the President's budget, the substitute offered by the gentleman from Ohio (Mr. LATTA) or something more conservative?

Mr. ROUSSELOT. Mr. LATTA's amendments is more prudent, in my judgment. I do not support the concept of a $40 billion add-on deficit, no matter who would offer it. I hope that the gentleman will be present when I have a chance to discuss my substitute. I would be glad to have his support if he feels that he can. I have circulated to every Member of the House my concept of the functional categories which is clearly different than the Budget Committee's and my own President. I was merely saying and trying to make the point that I think it is a shame that more Members are not present, because we are now discussing priorities within the functional categories, and I feel they should be present for that phase of this debate.

I want to comment on this issue, if I may, that is the myth of ginning up the Federal budget to solve the problems of unemployment. In the past several years, we have engaged in deficit financing to fund various programs that supposedly were going to solve unemployment. They have not done that. After World War II, for 3 consecutive years we reduced the expenditure levels of our Federal Government; employment went up, housing went up, everything went up. The belief that we have to deficit finance to solve unemployment, is a fantasy.

It does not get to the grass roots where the real problem of unemployment exists.

I clearly understand when my colleague from Detroit, Mich., or my colleague from Connecticut, who represents the Bridgewater area, tells us that these programs are not solving the problem of unemployment. We have tried deficit financing. We have tried ginning up all of these great social programs from the Federal Government. They have not solved unemployment problems.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, what I would really like to say today is that we start discussing in the functional category level what are those programs that the Federal Government initiates that really solve unemployment, that really put people back to work. I know that even my colleagues who wish to increase the financing programs of given unemployment programs agree that not all unemployment is solved by Federal financing or local financing. We must encourage the private sector to move directly on unemployment because there are just more productive jobs in that area for the long run.

I intend, when we bring up the Kemp jobs creation bill to discuss in some detail experiments that we have carried on in my district—believe it or not, with some Federal financing—to do something about unemployment. I think we need to solve that problem. But my belief is that all of the deficit financing in the world has not solved the problem of unemployment, and we ought to be directing our discussion right now to the question of what are the programs that work. What are the programs that really put people back to work and do so in a constructive nonwasteful way?

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, I would like to respond on that one point. One of the areas in which we have not used deficit financing has been to help unemployment. The jobs bill has been vetoed in this House. It is true that we overrode it in this House, and we will have another opportunity. But that has not been the basis of creating deficit financing in this budget. We have created deficit financing out of a $114 billion Defense budget and an increase in interest rates and an increase in the unemployment, but not in providing jobs.

Mr. ROUSSELOT. I agree with my colleague that when unemployment rises, unemployment compensation does not alone solve the problem. In fact, as a segment of last Sunday night's "60 Minutes" program dramatically illustrated many people from such cold weather States as New York, Michigan, and Ohio take advantage of generous unemployment compensation benefits to vacation in Florida, rather than to look for work. These overgenerous benefits contribute to the unemployment problem, rather than to the solution, and cost an enormous amount of money.

The CHAIRMAN. The time of the gentleman from California has again expired.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 3 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, I think for those of us who have had a chance to watch the CBS program "60 Minutes" last weekend and were shocked by the revelations of the ways in which unemployment insurance is being misused in Florida and many other places in the country, we could easily agree that just because we gin up the unemployment insurance compensation program does not mean that that solves the problem of unemployment.

Mr. McKINNEY. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Connecticut (Mr. McKINNEY).

Mr. McKINNEY. I thank the gentleman for yielding.

Mr. Chairman, the eloquence of the gentleman from California in full sail is always something I have admired. And strangely enough, I think the gentleman knows and agrees, in the ultimate long run, and the head of the AFL-CIO agrees, that the private sector is where employment belongs. But would the gentleman also agree that we have a lot of catchup to do? We have catchup in education, we have catchup in housing, we have catchup in police protection, we have catchup in tired industrial cities. In other words, they are very important priorities that cannot be handled instantaneously.

I would suggest to the gentlemen that, while we stand here and say that we are concerned with welfare and with spending 42 cents of every dollar in the city of New York in administering the program instead of getting the money on the streets, we are failing.

Mr. ROUSSELOT. I agree. When one considers New York City, there is wasted overhead and substantial fraud.

Mr. McKINNEY. If the gentleman will yield further, I would suggest to the gentleman that if we want to balance this budget, we as a Congress do the one constitutional job we never do, which is to oversee the waste and the inefficiency of this program.

Mr. ROUSSELOT. I could not disagree with the comments about congressional oversight and the need to eliminate fraud.

Mr. McKINNEY. The best way to do that would be a resolution funding proper oversight and the way we waste Federal funds.

Mr. ROUSSELOT. We should be talking about programs which produce constructive and positive end results that put people back to work and do not absorb tremendous amounts of money in the Federal Government bureaucracy. As the gentleman says, there are some programs with heavy overhead which do not really reach the people who are in need.

I must say to my colleague, the gentleman from Connecticut (Mr. McKINNEY), that I would be more than willing to have better oversight on the way we spend this money. The gentleman and I both serve on the Committee on Banking, Currency and Housing, and we know that we need to do a better oversight job on the funding of subsidized housing.

The question is, does it really produce housing that is used, or is it producing housing that we have to tear down 6 years after it was put up, as happened in St. Louis?

Mr. McKINNEY. Mr. Chairman, I thank the gentleman.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendments.

Mr. Chairman, I have listened very carefully to all of the debate on this amendment, and I say to my colleagues on the floor of the House that I do not take the well this afternoon because I believe that the House is prepared to agree to this amendment, nor do I take the well believing that I have some unique contribution or some new argument to make in support of this amendment.

Rather, Mr. Chairman, I take the well of the House this afternoon for my own benefit, because it is critical to me that I fight against the feeling that overwhelms many of us as we sit here and listen to debates on amendments similar to the amendment offered by the gentlewoman from New York (Ms. HOLTZMAN). We get the feeling—why take the floor? Because it serves no useful purpose; we cannot win.

I take the well not because I hope to change any votes, but it is critical to me that I fight desperately against the process that systematically and methodically and slowly drains the life out of Members of Congress here on the floor. There is a cynicism that sets in and that destroys our ability to dream. It destroys our ability to hope, and finally it destroys even our will to struggle on issues that are vital and important.

So I do not take the well for you; I take it for me. I take the well because it is important to continue this fight, even if we only get 5 votes, 10 votes, or 15 votes, against this process that destroys Members of Congress.

I remember a few short months ago in the great 94th Congress there were 70-some new Members, fighting freshmen Members, who were going to turn the world around, but after a few short months many of them died in the wake of this cynicism. Many of them ran for cover, no longer fighting for the people who sent them here in the post-Watergate era of this country.

So I continue to try to struggle, Mr. Chairman. I have a simple thought: that a society's values are reflected in its priorities, and its priorities are reflected in its budget.

What does this budget do? Does it reflect human values? Does it reflect priorities that speak to the millions of human beings in this country who are unemployed, who are desperate, who are the victims of racial oppression, of classism, of chauvinism, and of sexism? No, it does not.

We continue to build monuments to our military madness, spending over $100 billion in this budget for those purposes. Probably it will be over $150 billion in 1980 and $200 billion in 1985. And why? Because Russia is going to attack the United States? On the scale of 1 to 100, the possibility is somewhere between zero and maybe one. Will we be attacked by the Warsaw Pact?

The answer to that is obviously no. However, we are being attacked in this country with lack of attention, cynicism, demagoguery, ineptness, inadequacy, expediency, pontificating, and politicking. And these things have nothing to do with the reality of human misery.

Mr. Chairman, we all went home for Easter. What did we find? We found that life is hell for millions of people in this country. They cannot pay their rent. They cannot pay for food. Many of them cannot find jobs.

What do we do, Mr. Chairman? We build B–1 bombers that will be obsolete by the time they get into the inventory. We want to build Trident submarines that serve no useful purpose.

Can we say to the American people that we can be the police officer of the world when any reasonably sophisticated human being understands that our world has changed?

So, Mr. Chairman, I am taking the well this afternoon for me. I cannot sit by and say, "Why take the well? Why fight back because the overwhelming majority of my colleagues are responding to Presidential politics and not to the reality of people in this country who are destitute?"

Every single one of our people knows what our problems are. They know there is misery in this country.

The CHAIRMAN. The time of the gentleman from California (Mr. DELLUMS) has expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 3 additional minutes).

Mr. DELLUMS. To continue, Mr. Chairman, rather than assuming the responsibility with courage and conviction, we then talk about the military threat to our country and say, "We are becoming a second-rate power."

If we need to understand the reality, we are a third-rate power right now in terms of our ability to sustain life. We are a third-rate power in our ability to deal with human conditions in this country. We are a third-rate power in many of the areas that speak to the human misery of people.

This is the Bicentennial Year. Is the Congress of the United States fighting valiantly to make sure that democracy is real? No. The Bicentennial has become a sham, a justification for selling red, white, and blue everything; but we do not face the reality that democracy must be real for people in this country.

Mr. Chairman, people are losing faith in our Government. They are losing faith in you and me. You and I know why they are, because many of us have lost faith in ourselves.

We no longer have the will to stand up because in a few short months we have to face election, and many of us stand in fear and trepidation that anything controversial will deny us the ability to return to this House. Many of us are already dead, so to leave will not detract in any way from this body.

Many of us have already lost the will to fight back. However, I hope we still have the ability to hope that we can change the world and that we have the courage to struggle with respect to issues that are real in this country.

Mr. Chairman, the amendment of the gentlewoman from New York (Ms. HOLTZMAN) is very modest; but it is an effort to say, let the budget reflect the human condition. Let our priorities reflect human problems.

Mr. Chairman, we are not going to be attacked from outside. We are being destroyed from within.

I realize that this speech is not calculated to win votes from people who have already determined that the amendment is not going to pass.

However, Mr. Chairman, I still have my ability to stand up and say, "Let us deal with the reality of human misery."

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Iowa.

Mr. BEDELL. Mr. Chairman, first of all, I would like to congratulate the gentleman from California (Mr. DELLUMS) for his stand. I think perhaps a few of us would not agree with everything that he has said, but I hope there would not be many of us who would disagree with his statement with respect to the human condition.

There are a number of Members who will soon vote any way they see fit, but there are Members who still believe in the basic values, and we will do what we can to try to see that they are realized in our society.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for his comments. I realize that the gentleman who just spoke is one of those freshmen Congressmen that I respect.

The CHAIRMAN. The time of the gentleman from California (Mr. DELLUMS) has expired.

(On request of Mr. OTTINGER and by unanimous consent, Mr. DELLUMS was allowed to proceed for 2 additional minutes.)

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I have been sitting here, and I wish that the whole House could have heard the gentleman's statement. I wish, too, that I had his eloquence and his fine mind. It was a magnificent statement, and I congratulate the gentleman.

Mr. Chairman, I just take this time to point out that the Holtzman amendment has been endorsed by the U.S. Conference of Mayors; the Council on National Priorities; the National Council of Senior Citizens; the American Federation of State, County, and Municipal Employees, AFL–CIO; and I am told the United Auto Workers.

It certainly is a move in the direction of recognizing human values, and I do hope that the eloquent words of the gentleman from California (Mr. DELLUMS) will have some effect in passing the amendment.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman.

Mr. BAUMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I listened with great interest to the remarks delivered so eloquently by the gentleman from Berkeley, Calif. I fully support the gentleman's indictment of the freshman class on his side of the aisle. I think it was an excellent epitaph for that group. But I do not accept in any way, the indictment the gentleman has laid upon the great Nation that is the United States of America. I think his criticism is totally misplaced. I think it comes to this House with particular bad grace because, quite frankly, this Nation over the years has done more to bring freedom to more people than any other nation on the face of the Earth. We have done it with dollars paid by taxpayers who are employed and who now are paying out an average of 44 percent of their income in taxes each year in order to finance government programs not at the spending level the gentleman from California wants, but nevertheless at a level never before seen except in America. We have tried to help our people in need.

The gentleman referred to the deprivation of freedom and to the deprivation of rights, but let me point out to the gentleman that there is no unemployment and no freedom in the Soviet Union. You will not find anybody out of work there, so there is no need for pensions or for health benefits. They get what they are given by their government, a government that denies their freedom, and the Russian people take it, like it or not.

Ask Mr. Solzhenitsyn what kind of a commentary he would make? Would he agree with the gentleman from California? I doubt that really.

Yes, this is our Bicentennial Year and yes there are many people who would use our flag and wrap themselves up in it, but there are a large number of Members in this House of Representatives who do not agree with the point-by-point indictment of America that the gentleman from California makes. The gentleman from California has a right to speak for himself, and I suspect that some Members of the House do endorse the words that he just poured forth in ringing phrases upon the RECORD.

Anyone who wishes to endorse those kind of words can do so, but there are many here who do not agree.

A number of years ago one of the great British Prime Ministers, Winston Churchill, was confronted by a group of women from the Women's Christian Temperance Organization, a group that had a special interest of its own. They asked to speak with him and were ushered into a great room at No. 10 Downing Street. One of the ladies, after the introductory remarks, stood up in the back of the room and said, "Is it true, Mr. Prime Minister, that if all of the brandy you have consumed in your lifetime were brought into this Chamber, that it would fill half of this room?"

And he looked the woman straight in the eye and he said, "So little done, so much left to do."

Members of the House, there is a lot left to do in this country. We do have many problems to solve. But I think we have done a great deal. I do not think we deserve the castigation we heard from the gentleman from California.

We are preparing to pass the budget resolution. Many, if not all of us, have differences on how best to allocate our funds. But I do not intend to stand here and have my country besmirched in the name of politics. The gentleman from California ought to be ashamed of himself. I admire the gentleman's speaking ability, the gentleman is one of the great orators in the House, the gentleman speaks with eloquence and with conviction, but the gentleman is wrong, you are damnably wrong in the indictment you have made against America.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I would like to make a very brief statement. I hope the gentleman's emotional feeling has calmed down. I feel quite calm and rational, at least.

Mr. BAUMAN. That is a change from your condition when you last spoke.

Mr. DELLUMS. I like to think that I am always rational. I would like to simply state to the gentleman from Maryland, when you talk about shame, and those of you on the right, when you talk about waving the flag, all I know is what has happened.

Mr. BAUMAN. Would you join me in holding the flag up instead of trampling it down?

Mr. DELLUMS. Yes.

Mr. BAUMAN. Then good, let us do that.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield further?

Mr. BAUMAN. I yield further to the gentleman from California.

Mr. DELLUMS. There is one thing that I am sure of and that is the fact of my right to take that well of the House and make statements and express my own convictions without fear.

Mr. BAUMAN. Mr. Chairman, I do not deny the gentleman the right to speak his convictions but I do have the equal right not to agree with them.

Mr. DELLUMS. I appreciate the gentleman's courtesy for telling me that.

Mr. BAUMAN. I will get the gentleman time if he needs more time. I do not in any way question the gentleman's right to speak, I will say to the gentleman from California. I question what he said. I do not even question his motivations. I know his actions are well intended. But he was wrong. He was wrong then, and he is wrong now, and a century from now when we celebrate 300 years of America's existence, this Nation will still be the best example of freedom for all peoples history has ever witnessed.

Mr. DELLUMS. I would just like to say to the gentleman each time there is an argument around the issue of priorities, someone stands on the floor and says there is no unemployment in the Soviet Union. My response to that is, What difference does that make when there are 9 million people in this country who are unemployed?

Mr. BAUMAN. If the gentleman does not now know the meaning of my statement and the difference between the Soviet and American systems, then I could never explain it to the gentleman adequately.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CONYERS. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. CONYERS. Mr. Chairman, I would ask that the gentleman from Maryland's words be taken down in his last presentation. I think that they were in violation of the Rules of the House. I think that they insulted the gentleman from California, and I make that request at this time.

The CHAIRMAN. Will the gentleman from Michigan inform the Chair precisely what words he has in mind? Were they the last words spoken by the gentleman from Maryland?

Mr. CONYERS. No, Mr. Chairman. They were the words spoken during the time that he was speaking.

The CHAIRMAN. The Chair will have to advise the gentleman that it is now too late to make any point of order on those words, since there has been intervening debate.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. DELLUMS. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from California.

Mr. DELLUMS. I thank the gentlewoman for yielding.

The gentleman from Maryland and I have always been philosophical opponents, but this is the first time that the gentleman has violated the courtesy that we have extended to each other. The gentleman said prior to the expiration of his time that he would extend appropriate time to allow the gentleman from California to respond.

I am extremely sorry that the gentleman took personally the statements that I made and chose to respond in the fashion that he did. I believe in democracy very powerfully and very strongly. That is why I can stand here and make my statement because I feel I am free to make that statement. Anytime someone challenges my right to do it, I question his desire to maintain the principles and concepts of democracy.

I would only point out to my colleague, the gentleman from Maryland, that the strength of the democratic process is not in our ability to constantly place this country in juxtaposition to the Soviet Union with respect to the issues of saber rattling and missile rattling. But the most powerful ability to export democracy in the world is for us, in fact, to make democracy real in this country, to address the human misery that is real in this country. That would not be solved by building bombs and more missiles and by developing a huge military budget.

I did not indict America; I indicted the Congress in its inability to represent the American people, because I believe the American people are 10 years in front of the Congress. I wish the American people's views were reflected on the floor of this House. There are too many people who are so thoroughly isolated and removed from the reality of the misery of peoples of this country that they do not adequately reflect the concerns of the people of America.

But I take my right to stand in this well and express my views and express my feeling with as much power, with as much conviction, and with as much integrity as I can, and I yield to no one, not even to the gentleman from Maryland, regarding my right to do so.

The gentleman stated earlier that people of my race should feel good that we have been extended certain freedoms and privileges. I would say to my colleagues that the black people in this country built America—built on the backs of our slavery. I never got my 40 acres and a mule, and neither did the other 25 or 30 million black people in this country.

The wonderful, beautiful thing about freedom is we cannot compromise it. We cannot make it half freedom or three-quarters freedom. Once we start walking down that road to freedom, we have to continue until everybody is free. So do not give me that line about compromising, where somebody has patted me on my head, and that there are a few of us in the Congress and we should feel good. The reality is that until we deal with all 25 million hungry people in this country and the one-third in America who are illiterate, we have not done the job.

We are still in the proces of developing and evolving freedom. We do not have it in this country as yet. What the Bicentennial ought to be about is not our standing on our laurels of the past 200 years but making sure that if we endure through the last quarter of the 20th century that we, in fact, made democracy mean more than these few monuments we have around Washington, D.C., and that the people of the country can have their interest restored and their feelings about their politicians restored. Right now they are cynicial and do not have faith in their politicians because we stand around and pontificate and attack each other rather than the problems that are real.

I appreciate the challenge because the gentleman gave me an opportunity to stand and fight. He gave me renewed courage. Every time the gentleman from Maryland stands up, the gentleman from California will be there to fire the opposing volley.

Mr. CONYERS. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, clearly there is no need for me to defend my articulate colleague, the gentleman from California, but I would like to ask the entire House to examine the remarks that have been made. They will be reported in full and I hope not too skillfully abridged when they appear in the RECORD tomorrow. Even though it came late, let the House determine whether my request to have the words taken down was an appropriate and considered response. The gentleman from Maryland did a very serious disservice to this body in the way that he replied to my colleague, the gentleman from California.

The CHAIRMAN. The time of the gentlewoman from Colorado has expired.

Mr. OTTINGER. Mr. Chairman, I ask unanimous consent that the gentlewoman be given 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. LATTA. Mr. Chairman, reserving the right to object, and I shall not object, I think it is high time that we get back to the business at hand, and any further request for additional time will be objected to by this Member.

I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OTTINGER. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I thank the gentlewoman.

I would like to say that I do not think that this is just a black-white affair.

Mr. BAUMAN. Now I demand those remarks be taken down, Mr. Chairman. I am not going to stand here and have the gentleman lecture me.

The CHAIRMAN. The gentleman from Maryland demands the words be taken down?

Mr. BAUMAN. Mr. Chairman, I demand that the gentleman's words be taken down.

Mr. MITCHELL of Maryland. Mr. Chairman, I ask to speak out of order.

Mr. BAUMAN. Mr. Chairman, I object.

The CHAIRMAN. The Clerk will report the words.

Mr. OTTINGER. Mr. Chairman, I ask unanimous consent to withdraw my remark.

The CHAIRMAN. Does the Chair understand that the gentleman desires to withdraw the remark?

Mr. OTTINGER. That is correct, the remarks that the gentleman made, I ask unanimous consent to withdraw the remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BAUMAN. Mr. Chairman, I likewise make a similar request. I ask unanimous consent that my characterization of the gentleman be withdrawn.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland that his remark be withdrawn from the record?

There was no objection.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I will be happy to yield.

Mr. OTTINGER. Mr. Chairman, just to complete my remarks, I think the remarks of the gentleman from Maryland were offensive, not only to the gentleman from California (Mr. DELLUMS), but to every Member of this body and I personally take offense at them.

Mr. MILLER of California. Mr. Chairman, I would like to speak to the Holtzman amendment, because what we have seen in this debate is a fundamental disagreement about the direction we should take. The word "freedom" was talked about here and freedom of the minorities and poor people.

Tell me about freedom for the woman who is pregnant and has in her womb the beginnings of life and cannot afford the high protein foods to stave off the risk of mental retardation and other birth defects.

Tell me about freedom for the young couple that is looking for a house as they start their life together.

Tell me about the freedom of those who are sending their children to an educational system, only to learn that that educational system, because it is starved for money cannot provide that education.

Tell me about that freedom. Where does it say we must lower the standards of this country to meet this budget? Where does it say there are those that come after us who cannot have the same opportunities we have had? That is what this budget says. That is what this anchor of defense spending has given us.

Tell us about the taxpayers. We always hear about them. Let us talk about the taxpayer that is paying all-time high out-of-pocket expenses for a health care system that does not work and is sucking 8 percent of our gross national product.

Let us talk about the taxpayer who is shouldering the B-1 bomber. Let us talk about the taxpayer that is shouldering the missile systems. Give them back that money, because they will be secure, because as the gentleman from Connecticut (Mr. MCKINNEY) said, if this country has the will, it is the greatest country in the world; but when our will is going to be broken, we are not worth a damn and we are going to break the will of those citizens. We are going to break the will of those people who cannot read. We are going to break the will of the people that cannot find a job. We are going to break the will of those that cannot find a house.

Mr. Chairman, we have got to have the priorities. When I became interested in politics during the 1960's, every politician from every stream of political thought was talking about new priorities, about changing the priorities. Here is our chance, here is the end of the rhetoric, I say to these folks. We cannot go home and have new priorities if we did not vote to change the priorities. We have to talk about the future of this country. We cannot talk about phantom constituencies who are against Federal spending. Moreover, as was eloquently pointed out by the chairman of this committee, we are all against spending in general, but in particular cases we are for it; but those constituents will tell us how to spend Federal dollars. When we add it up, they total about what we are spending now. If anyone wants to pick off the Federal budget in any room, go ahead, because no one can agree where to make those $30 billion cuts that we have talked about; but that is what this amendment is about. It is about freedom to pursue the type of life that many of us have pursued in the past and now we are saying that somehow we cannot do it. We cannot do it, because we want a Defense Establishment that can destroy somebody else some nine times over.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I compliment my colleague. I think that notwithstanding all the tremendous talk that has gone on, that this amendment is not going to pass. Then what do we do from there?

Mr. Chairman, will the gentleman yield further?

Mr. MILLER of California. I yield.

Mr. CONYERS. This is exactly what the gentleman has been talking about for 4 solid minutes. If the gentleman wanted to have priorities and started thinking about it in the 1960's, then there is no way in God's name that the gentleman can vote for this budget resolution and we might as well recognize that starting now.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, the gentleman is correct when he says that this budget ought to send a signal to the American people about what the Congress wants to do for them. The gentleman from Maryland wants our country to be No. 1 in military strength, but where are we in terms of the crime rate, for example? Western Europe has a much lower crime rate than we have. Where are we in terms of employment, literacy, infant mortality, housing, medical care? These are the areas in which we should be No. 1.

The CHAIRMAN. The time of the gentleman from California (Mr. MILLER) has expired.

Mr. BEDELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we are all anxious to get moving here, and I will take no more time than I need. It appears to me that our debate has now focused on what is probably the most important issues facing us here in the Congress, and that is whether or not we are going to have the courage to stand up and say that things are not perfect in America today.

We are today celebrating the fact that this is a Bicentennial Year. Two hundred years ago, our forefathers had to ask themselves whether things were perfect as they were then. Were they going to continue under the king, or were they going to say, "No, things are not perfect"?

I am here to tell the Members that I do not think things are perfect in America today, as has already been pointed out. I am here to tell the Members that I hope we will have a Congress which will have the courage to say that things can be better, and say that it is not unpatriotic to say that there are some things that are wrong and should be changed.

I happen to be one of those who believe that that is a problem of our priorities. I happen to believe that our priorities are wrong, and I believe that at least we should listen to those who believe that to be the case. If we are going to give any consideration to what happened some 200 years ago, then I do not believe any of us should feel that it is unpatriotic to say that we should admit it and see that they are changed.

Mr. Chairman, I certainly support the amendment offered by the gentlewoman from New York.

The CHAIRMAN. The question is on the perfecting amendments offered by the gentlewoman from New York (Ms. Holtzman).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Ms. HOLTZMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 85, noes 317, not voting 30, as follows:

[Roll No. 209]

AYES—85

Abzug
Addabbo
Anderson, Calif.
Aspin
Badillo
Beard, R.I.
Bedell
Bingham
Blouin
Brodhead
Burke, Calif.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Clay
Collins, Ill.
Conyers
Corman
Cornell
Dellums
Diggs
Drinan
Early
Edgar
Edwards, Calif.
Eilberg
Ford, Tenn.
Fraser
Gaydos
Green
Harkin
Harrington
Hawkins
Hechler, W. Va.
Helstoski
Holtzman
Howard
Kastenmeier
Keys
Koch
Leggett
Lundine
McHugh
McKinney
Maguire
Melcher
Metcalfe
Meyner
Mezvinsky
Miller, Calif.
Mineta
Mitchell, Md.
Moffett
Moorhead, Pa.
Moss
Nolan
Nowak
Oberstar
Obey
Ottinger
Pattison, N.Y.
Rangel
Reuss
Richmond
Rodino
Roncalio
Rosenthal
Roybal
Ryan
St Germain
Scheuer
Seiberling
Solarz
Stark
Stokes
Studds
Thompson
Udall
Vander Veen
Vanik
Weaver
Wolff
Young, Ga.

NOES—317

Abdnor
Adams
Alexander
Allen
Ambro
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, Tenn.
Bennett
Bergland
Biaggi
Biester
Blanchard
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dent
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
du Pont
Eckhardt
Edwards, Ala.
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flynt
Foley
Ford, Mich.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harris
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Hicks
Hightower
Hillis
Holland
Holt
Horton
Howe
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kazen
Kelly
Kemp
Kindness
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McClory
McCloskey
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McKay
Madigan
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Michel
Mikva
Milford
Miller, Ohio
Mills
Minish
Mink
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moore
Moorhead, Calif.
Morgan
Mosher
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
O'Brien
O'Hara
O'Neill
Passman
Patten, N.J.
Patterson, Calif.
Paul
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Regula
Rhodes
Rinaldo
Risenhoover
Robinson
Roe
Rogers
Rooney
Rose
Rostenkowski
Roush
Rousselot
Runnels
Ruppe
Russo
Santini
Sarasin
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Sisk
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vigorito
Waggonner
Walsh
Wampler
Waxman
Whalen
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Winn
Wirth
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—30

Bell
Bevill
Brown, Calif.
de la Garza
Esch
Eshleman
Flowers
Gradison
Harsha
Hayes, Ind.
Hébert
Henderson
Hinshaw
Hungate
Jones, N.C.
Ketchum
Lujan
Macdonald
Madden
Nichols
Nix
Pepper
Riegle
Roberts
Sarbanes
Sikes
Simon
Skubitz
White
Wilson, Tex.

Mr. AuCOIN changed his vote from "aye" to "no."

So the perfecting amendments were rejected.

The result of the vote was announced as above recorded.

PERFECTING AMENDMENT OFFERED BY MR. BURLESON OF TEXAS

Mr. BURLESON of Texas. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Perfecting amendment offered by Mr. Burleson of Texas: Page 4, line 19, strike out of the dollar figure and insert in lieu thereof "$790,000";

Page 4, line 20, strike out the dollar figure and insert in lieu thereof "$760,000,000";

Page 1, line 11, strike out the dollar figure and insert in lieu thereof "$449,871,000,000";

Page 2, line 2, strike out the dollar figure and insert in lieu thereof "$413,235,000,000";

Page 2, line 5, strike out the dollar figure and insert in lieu thereof "$48,425,000,000";

Page 2, line 7, strike out the dollar figure and insert in lieu thereof "$709,700,000,000"; and

Page 2, line 10, strike out the dollar figure and insert in lieu thereof "$63,500,000,000".

Mr. BURLESON of Texas. Mr. Chairman, I participated in the general debate, and I had intended to direct my remarks to the few Members I thought might be interested, but not many of them were here. As a matter of fact, if they had all been here, there still would not have been many. But also at that time, during the general debate we heard many of the Members commend the chairman of the committee, the gentleman from Washington (Mr. Adams) on the splendid job he has done in conducting the affairs of the Committee on the Budget. I join in that now, Mr. Chairman, if I may be permitted to do so, and would add that our chairman, Mr. Adams, is one of the most diligent men I have ever seen. He has done a splendid job and a dedicated job. I also extend my compliments to the minority for their cooperation in these efforts.

I wanted to say to my colleagues, those that I thought might be negative, that I voted for this resolution in committee. I do not suppose that any Member is going to be entirely satisfied with all of the things that are contained in the resolution. It is terribly complicated. But I do think this Congress has an opportunity which it has never had before to try to get some handholds on our fiscal affairs, and I want to vote for this resolution. If we do not do so, then we have lost an opportunity and we might as well repeal the whole business, but I do not know where we would start from then because we have not done too well under these partisan procedures. So, Mr. Chairman, I strongly support the procedural aspects of this resolution and, hopefully, the resolution itself.

Mr. Chairman, I am here offering an amendment which would eliminate funding which was adopted in the committee by one vote. This is the funding that was offered in the committee by our distinguished minority leader, a member of the committee. It was adopted 13 to 12. What it does is add $2,200,000,000 to outlays and $4,200,000,000 to budget authority. This is in addition to the $4½ billion in budget authority and over $3 billion in outlays for public service jobs.

Those Members who may be interested will find that in appendix E on page 97 of the committee report the $4½ billion in budget authority and $3 billion outlays has to do with public service jobs as the first item, more money is added for summer youth employment, older Americans employment, job opportunities program, comprehensive employment and training jobs, increase for EPA construction grant program, increase for water resources public works program, acceleration of highway program above administration proposal, and extension of Emergency Housing Act. This increased funding totals $11.4 billion in budget authority and $3.2 billion in outlays.

Those are the identified purposes of the $3.2 billion in outlays and $11.4 billion in budget authority. Added to that—whatever it is for, I do not know—it says in the committee report.

Additional pending Jobs Programs: (to be distributed to the appropriate function. . . .

Mr. Chairman, I have been aware that inflation is still one of the greatest threats that we have in this country. I probably could have picked out a better time to present my case than to have followed the emotional demonstration earlier on the last amendment that had to do with jobs. I just do not think this Congress is going to authorize or appropriate money in the total amount of $15.9 billion in budget authority and $6.2 billion in outlays.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. WAGGONNER, and by unanimous consent, Mr. BURLESON of Texas was allowed to proceed for 5 additional minutes.)

Mr. BURLESON of Texas. I think that if we stopped this business of fooling around with this country, it would adjust itself. I have faith in the resiliency of the American people and in our system, and if we leave it alone, it will work; it always has. We are coming out of this recession. We do not have to take the administration's word or anybody else's word. Just look at the facts. We are coming out of unemployment—slowly, yes; intolerably high, yes; but we are coming out. We are also leveling off in the inflationary crisis. Inventories are being built up. If we can cut out some of this Federal spending, we can get this deficit down to a manageable level where when the Federal Government goes out into the private money market to borrow money in competition with private borrowers, private borrowers will have a chance for capital investment, capital formation, and capital expansion, and that is what is needed in this country. With more than 30 percent of our capacity in plants and factories being idle, it is needed over the long range. If we are going to look to the short range, a remedy or a band-aid treatment, we are not even going to find that in this House. But we are running the risk of pumping all of this money out into the economic blood stream of this Nation which might not have an advantageous effect. Yes, even admitting on theory that it furnishes the jobs that they say it will, and, of course, I am not sure it does.

But these jobs may not produce anything. I heard it said in the last debate yesterday on this defense amendment that the military production produced nothing. What does that funding produce? I would just as soon accept the statement that it costs $26,000 to create one $10,000 job as to accept the proposition that the number of jobs will be furnished which this resolution calls for in the first place. Here again we come up with all these unsubstantiated figures. All the inquiries I have made have not resulted in a satisfactory answer.

Surely the Members must be hearing from their constituents that they are a little bit discouraged that we are going to run these huge deficits year after year, destroying the confidence of our people in our ability to govern ourselves. I think that this is an opportunity for us to show this country moderation, keeping in mind that we have all this other money for jobs in this budget. And I am not removing that other funding. I am not in complete agreement with it but I am not disturbing it. But I hope we can get this budget down below the $50 billion deficit that we started out with. We started with $49 billion and we added $1.6 billion yesterday. Here is an opportunity to offset a little of that. My amendment would lower the deficit by $2.2 billion. Here is an opportunity to show the Nation that we have an awareness of a fiscal responsibility that we are not showing with any great flying colors at this time. So I hope that we can show our people and give encouragement to the country and to the Nation that we are responsible, by supporting this amendment, because that is money not needed.

Mr. O'NEILL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would be greatly upset and surprised if the House were ever to adopt the amendment as offered by the gentleman from Texas. I offered the amendment he is seeking to vacate, in the committee. It included $4.2 billion in budget authority and $2.2 billion in additional outlays for job programs. This figure represents what would have been spent in fiscal year 1977 under the public works bill. That measure passed this House by a substantial margin, and it was repassed over the President's veto by more than 3 to 1. As a matter of fact the vote was 318 to 98. We overrode the veto of the President of the United States.

The funds added by my amendment would not necessarily have to be spent on public works. They would be available for any job productive program that might be reported by the committees, for example the small business loan, or any job creating legislation.

The interesting factor is that the original public works bill we voted on was a $6.2 billion package, which included public works, countercyclical funds and sewer and water money. I just took that part of the bill which the Committee on Public Works had already passed and which the Senate had already acted upon and which no doubt eventually is going to be enacted into law. There is no question in my mind that because it is only a portion of the $6.2 billion that it is going to be law.

It is amazing to me that the gentleman would offer an amendment of this type. If the gentleman prevails, there will be no public works program.

I say to this House that we acted, in my opinion, with great restraint in this area. I certainly hope that we defeat the amendment offered by the gentleman from Texas.

Mr. WRIGHT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by my friend, the gentleman from Texas (Mr. BURLESON). The position taken by the gentleman from Texas (Mr. BURLESON) with respect to our Nation's current state of economic health is almost akin to that of the man who suddenly found himself more desperately ill than he had been in 35 years. He went to the doctor and pleaded for some immediate medication and help. The doctor prescribed certain medication and after a few weeks the patient began to feel slightly better. He still was not well, but when the doctor came for his next visit, the man said, "Go away. Stop meddling with my health. I don't need any of your medicine. I'm feeling some better and that proves I wasn't very sick in the first place."

Admittedly, we have seen some hopeful improvement in the economy. Largely this is due to initiatives taken by this Congress last year. Unemployment is down from a high that it reached last summer of almost 9 percent, to approximately 7½ percent. Does that mean that we are well? The jobless rate still is worse than it has been at any other time since the Great Depression. In the building trades, unemployment still hovers at about 17 percent. In certain areas, it is as high as 30 percent.

Are we now to say that, since conditions are slightly improved, Congress has no further responsibility? I think not.

As the majority leader pointed out, this House has voted on three separate occasions for a job-stimulating package including accelerated construction of needed public works. On each of those occasions, and once in the overriding of a veto, the House voted by better than 3 to 1 in favor of such a package further to stimulate economic growth through providing jobs for America's unemployed working force. Yet the Senate failed by thee votes to override, and that program has been stymied by a small minority.

Shall we now adopt the Burleson amendment and foreclose further consideration of such a package? One is ready to be presented to the House. It has been favorably reported by the House Committee on Public Works and Transportation. It is because of this that the majority leader's provision was incorporated into this budget. It is this provision which the Burleson amendment would remove.

Let me review again these charts that we discussed the day before yesterday. We can see very graphically where our money is going. The most rapidly rising item in the budget is an item called "income security." Since 1969 it has grown from $37 billion to $137 billion, far overshadowing defense as the major item in the budget. It has grown by 250 percent. Why? Because we have had such intolerably high unemployment, because we have tolerated a severe economic recession, because we have not done enough to put Americans back to work. Some $45 billion of this money goes out in unemployment compensation and related welfare costs. Are we, my colleagues, to take the position that it is all right to spend $45 billion in unemployment compensation and welfare, but it is not all right to allow $2.2 billion to create jobs for unemployed Americans?

I believe, and I think we all believe, that the average American does not want to be on the unemployment compensation rolls. He would rather be on the payrolls. He would rather be on the taxpaying rolls. Surely it makes fiscal sense to spend this relatively smaller amount of money for job-creating activities, particularly when most of the jobs would be created in the private sector.

Let us now look briefly at the second chart. It depicts the deficit—and what it could be at lower levels of unemployment. We are able to project a considerably smaller deficit than we had last year, down approximately one-third, from about $75 billion to $50 billion. This is because we have been able to reduce unemployment to 7½ percent. But if unemployment were at 6 percent, on the very same level of authorized expenditures, that deficit would be $28 billion. If it were down to 5 percent, that deficit would be $12 billion. If we were able to reach only 4 percent, there would be no deficit. There would be a surplus.

Does it not therefore make sense to spend some seed money to allow people to find useful employment? I think it does.

Even the social security trust fund, about which some of us are vitally concerned, is directly amenable to the unemployment rate in this country. The more Americans at work, the more are paying into the fund.

The next chart hypothecates, for sake of comparison, the assumption that there would be no changes in the social security tax rate and projects the fund's balance into 1981. Let us look at three analogies.

If unemployment stayed at 7½ percent, at its present level, by 1981 there would be a $14.8 billion deficit in that fund.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent Mr. WRIGHT was allowed to proceed for 3 additional minutes.)

Mr. WRIGHT. If, on the other hand, we were able to work unemployment down to 5.2 percent, which is where it traditionally has been in a reasonably healthy economy, we would have $7.3 billion surplus in the social security trust fund. If we were able to work unemployment down to 4½ percent, we would have a $21.8 billion surplus in 1981.

This final chart shows those things which this Budget Committee has allowed in economically stimulative activities above the President's budget. The last item listed is the one which the gentleman's amendment would eliminate, $2.2 billion in outlays for job stimulation in addition to the other things that this Congress has, in its wisdom, decided that it wants to do. Altogether, they create some 1,149,000 additional jobs in the economy.

We think it makes not only good humanitarian sense; we think it makes good business sense for the Nation. Put the American people back to work, give the American workman an opportunity to have a paycheck instead of an unemployment check. We think most of the Members manifestly believe in that. Three-fourths or more of them voted for it on three occasions last year and this.

G. K. Chesterton once wrote:

> The Christian Social Union here
> Was very much annoyed;
> It seems there is some duty
> Which we never should avoid;
> So we sang a lot of hymns
> To help the unemployed.

Most of us are sufficiently sophisticated to realize that the Nation's critical social and economic problems will not be solved merely by the singing of hymns. That is why we have a Congress.

Mr. Chairman, I urge the Members to vote no on the Burleson amendment.

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, as the gentleman from Texas observed, this amendment of adding $2.2 billion to the budget was approved in the committee by a vote of 13 to 12. It was a last minute addition. It came in the last day of committee action.

I would like to analyze this $2.2 billion. This $2.2 billion will reduce our unemployment from 7.5 to 7.3 percent. It will reduce our unemployment by two-tenths of 1 percent, or over $1 billion for each one-tenth of 1 percent. In the last year, our unemployment has come down 1.4 percent, from 8.9 to 7.5 percent, without any artificial stimulus, or with a minimum amount of artificial stimulus.

In an effort to phase out this part of the program, the President has said, "I will recommend that we spend $1.4 billion," to which the committee added $4.5 billion, and now this additional $2.2 billion. There has been an addition of $6.7 billion in outlays added to these figures for public service employment.

Now, who is going to be hired by this $2.2 billion? We are told that between 25 and 75 percent of the total people hired by this program will be people in local and State governments who were laid off by these governments in an effort to achieve some efficiency. What we are going to do is rehire a lot of political jobholders. They are not permanent jobs, and when we spend money on jobs that are not permanent jobs, it does not add to productivity; it adds to inflation.

Let us get some perspective on where these budgets stand. Our outlays for fiscal year 1975 were about $325 billion. For fiscal year 1976, it will be about $375 billion. That is an increase of 15 percent in 1 year. The President's program for fiscal year 1977 will be about $396 billion, which is an additional 5.7 percent over the current fiscal year. The committee's budget of $415 billion—about that amount now, at this time—is an additional 10.8 percent over this year's 15-percent increase.

Where has the cost-of-living gone in this time? We are adding both, 15-percent increase this year and about 11 percent by the budget we are considering, to our Federal budgets. Where has the cost-of-living gone in the same period of time? In calendar year 1975, the cost-of-living went up the CPI—Consumer Price Index—has gone up 7.0 percent. And at the same time, our budget went up 15 percent. In the first 3 months of this year, January, February, and March, on an annualized basis, seasonally adjusted, the CPI has gone up 2.9 percent. Less than 3 percent is our inflationary factor at the present time. But we want to add by this budget 11 percent more spending. The ratio is entirely out of order.

I think maybe some of the Members of the House might be interested in one of the reasons Jimmy Carter got such a big vote in the State of Pennsylvania. While I was home, the radio kept repeating one record all day long, "If you adopt the measures advocated by the Senator from Washington, Senator JACKSON, it will add $54 billion a year to our Federal budget."

This is one of the main reasons why Jimmy Carter got such a big vote in the State of Pennsylvania. He showed up the spending programs of some of the other Democratic candidates. This was a salient point. It was supported in the State of Pennsylvania. "Throw the spenders out," was the program supported in the recent Pennsylvania Primary vote.

And here we are, adding 15 percent this year to last year's budget, and we will add another 11 percent this year, by the committee resolution, while the cost-of-living has gone up at the present time less than 3 percent. I think we have our priorities entirely out of order.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. SCHNEEBELI was allowed to proceed for 1 additional minute.)

Mr. DEL CLAWSON. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from California (Mr. DEL CLAWSON).

Mr. DEL CLAWSON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I asked the gentleman to yield only to make one point, and that is going back to the old pump-priming days of the 1930's. The gentleman in the well and the gentleman speaking can remember those days.

In 1936, after we had had 4 years of this pump-priming, the unemployment figure was then 16.9 percent.

In 1937, one of the better years, it dropped to 14.3 percent.

Then in 1938, with all of these continuing programs, it reached 19 percent.

In 1939, it was 17.2 percent.

In 1940, just before the war economy began, it was still 14.6 percent, or 0.3 percent higher than it was in 1937.

We have tried pump-priming, and it did not work. *Sooner or later* the time comes when it takes more water to prime the pump than there is water in the well, and I think we have reached that point.

Mr. SCHNEEBELI. Mr. Chairman, I thank the gentleman for his contribution.

Mr. Chairman, I would like to remind my colleagues that each one of the political jobs created will cost $10,000 and it reduces our unemployment only from 7.5 to 7.3 percent.

Mr. O'HARA. Mr. Chairman, I move to strike the requisite number of words.

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Washington (Mr. Adams).

Mr. ADAMS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, can we get some indication of time? I would like to limit the time on this amendment so we can proceed to the next one.

Are there any others who wish to speak? If not, Mr. Chairman, I would ask unanimous consent that all debate close in 6 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. O'HARA. Mr. Chairman, what we are talking about here is a figure that was added—$2.2 billion in outlays, $4.4 billion in budget authority—by the Committee on the Budget to take care of some very important measures that this Congress has voted its approval of several times in the past.

If the amendment offered by the gentleman from Texas (Mr. Burleson) is adopted—and I want the Members to understand this—there will be no money in the budget whatsoever for countercyclical revenue sharing.

There is not a penny to take care of those communities that have suffered severe recession and are in straitened municipal circumstances and are having to lay off police, fire, and other essential public health and safety personnel.

The House has voted for countercyclical revenue sharing and voted to override the President's veto of the bill that carried counter cyclical revenue sharing. But if the Burleson amendment is agreed to, counter-cyclical would have to compete for its funds with general revenue sharing under that particular category. Likewise, if the Burleson amendment is adopted, there will not be any money in this budget resolution for the accelerated public works program that has been reported out of the Committee on Public Works and Transportation, agreed to by the House, agreed to by the Senate, and voted affirmatively on the conference report by both the House and Senate, and on which this House overrode the President's veto but which failed to get past the Senate on the veto override by three votes.

If the Burleson amendment is adopted, there will be no funds in the budget resolution for additional public service jobs over and above those provided in the regular resolution, and there are many of us who think that additional public service jobs are needed.

So what we are facing here is a situation where the President's budget is projecting unemployment for the year at 7½ percent. We have several programs that have been approved by the House which are now coming back to us from the Senate in a new form. If we are not to foreclose the opportunity to consider and agree to those programs, we must vote down the Burleson amendment.

Mr. Chairman, I think it is terribly important that we go along with this provision in the concurrent resolution. We should keep it in the resolution. It was put in here by the gentleman from Massachusetts (Mr. O'Neill) when the resolution was before the committee. I think we ought to keep it there and reject the Burleson amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. Seiberling).

Mr. SEIBERLING. Mr. Chairman, I rise in support of the position of the chairman of the committee and in opposition to the amendments.

The gentleman from Texas (Mr. Wright) made a very cogent argument. However, I doubt if it will impress the supporters of the amendment. If they had their way there would be no unemployment compensation or welfare or other Federal funds for aiding people who, through no fault of their own, have lost their jobs.

This would get us back to the philosophy of the early 1930's. Remember what we were told in those days? "Help the unemployed: Buy apples."

The country rejected that philosophy a long time ago, and I hope we never go back to it. We have an obligation to see that nobody goes without food and the necessities of life in this country, and if we are not going to provide them with jobs, then we must come up with some other solution.

Mr. Chairman, I favor jobs, and for that reason I hope the amendment is rejected.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Ms. Abzug).

Ms. ABZUG. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman, I would like to supplement the statement of our colleague, the gentleman from Michigan (Mr. O'Hara). The budget reflects the action of the House and the Senate in passing, and the action of the House in overriding the veto by the President on both public works and public employment jobs. The House Public Works Committee has recently reenacted—and the full House will soon be acting again on this matter—a public works bill. The Senate has already reenacted the countercyclical and public works bill.

I think this amendment represents a very shortsighted view of the best method to promote a sound economy. The nature of those bills I have voted are such that they are directed toward industries in this country that have been very sorely hit by the many factors which have been hampering our economy. These bills would particularly stimulate the construction industry, where there is deep unemployment and where there is a most serious need to create activity in every part of the country.

I think that there is no question that this particular amendment, rather than reducing the deficit over the long term, would further deepen the very deficit spending against which the author of the amendments correctly takes a position.

So noted by the Budget Committee, failure to stimulate employment will result in a deficit increase, by necessitating further unemployment compensation and social welfare programs; full employment protection in this country, on the other hand, will mean reduced Government expenditures, increased tax revenues, and the realization of a balanced budget. I therefore urge that we oppose this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. Adams), the chairman of the committee, to close debate.

Mr. ADAMS. Mr. Chairman, I will not take two minutes.

I rise in opposition to the amendment. I hope that it will be defeated.

This is the job-stimulus portion of the budget resolution. It is very important if we want to keep this recovery going through 1977. Therefore, Mr. Chairman, I ask for a "no" vote on the amendment.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Texas (Mr. Burleson).

The perfecting amendment was rejected.

PERFECTING AMENDMENT OFFERED BY MR. BURLESON OF TEXAS

Mr. BURLESON of Texas. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Perfecting amendment offered by Mr. Burleson of Texas:

Page 1, line 7, strike out the dollar figure and insert in lieu thereof "$361,000,000,000";

Page 1, line 9, strike out the dollar figure and insert in lieu thereof "$16,800,000,000";

Page 2, line 5, strike out the dollar figure and insert in lieu thereof "$52,625,000,000";

Page 2, line 7, strike out the dollar figure and insert in lieu thereof "$713,900,000,000"; and

Page 2, line 10, strike out the dollar figure and insert in lieu thereof "$67,700,000,000".

Mr. BURLESON of Texas. Mr. Chairman, after having heard this amendment read with all of these figures, I must explain that what this means is that the Committee on the Budget is recommending—I am not too sure that I was using the word correctly at one time—to the Committee on Ways and Means—and being on both of those committees, I think I can have an objective view about this—but what the Committee on the Budget is saying to the Committee on Ways and Means is that by tax revision, the committee must raise $2 billion in new revenues.

Mr. Chairman, we have a new thing around these days, I learn. At least, it is new to me. We call it tax expenditures.

Mr. Chairman, I do not know what that means to the Members, but tax expenditures means to me that it is everything that is left in the taxpayer's pocket. If the Federal Government does not get it, then it is a tax expenditure.

That is what this is. We are told that we must change tax expenditures and raise $2 billion.

Mr. Chairman, right now our tax reform bill, which is over in the other body, has $1.2 billion in increased revenues in it. In other words, we pick that up as a net gain in revenues.

I do not see any hats being thrown out of the door on the other side to say that they are doing a thing about this tax reform bill that we sent over there a long time ago.

From the message I get, Mr. Chairman, the other body will have no part of it. There is not going to be any $1.2 billion tax reform bill passed. However, suppose they do approve that bill. Then we have $800 million more to find some place else, through closing somebody's loophole. Somebody's loophole is another percentage of the taxpayer's money.

I admit that if my amendment is adopted, it will appear in the deficit figure, an increase of $2 billion.

I had hoped we could offset this in my last amendment, that we could save $2.2 billion and offset this figure and keep the deficit figure as it is.

I do not want to use another word, Mr. Chairman. I might use it for myself. I want to be honest about the figure which I support as far as the American people are concerned. If I went for this sort of funding, I would not feel that I was doing that. I think it is misleading, at least. Therefore, I will use a more moderate term: It is misleading. Congress will not pass this tax reform legislation.

Now where do we go? I understand my chairman's views and I would have thought that he would have been very much opposed to this revenue raising direction.

I have a concern about the success of the Committee on the Budget in telling other committees what they should do. I think it harms the budget process when we get into this sort of thing because the Committee on the Budget is not telling the authorizing committee or the Committee on Appropriations by line item what they should do. So, why should the Committee on the Budget tell the Committee on Ways and Means that it must raise another $2 billion by way of revenue?

As a matter of fact, Mr. Chairman, there is a bill pending before the Committee on Ways and Means which has great support across this Nation and that is the bill relating to the revenue on estate taxes.

The $60,000 exemption in the estate tax was enacted in 1942. If the same arithmetic was applied to it today—and these are not my figures, they are the figures by the experts—whoever they are—then it should now come out to $210 million as an exemption for estates because of inflation.

We are asking in this bill that we raise the exemption from $60,000 to a higher figure so as to be within reasonable range under today's conditions, and under some other conditions because this is not all there is to the bill. Which comes first, justice or the dead hand of Government in its efforts to raise revenues? That is what the estate tax bill is all about.

In conclusion, I am offering this amendment because we are not going to be raising $2 billion without a lot of pain on the part of the already overburdened American taxpayer.

Mr. MIKVA. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Texas (Mr. Burleson).

Mr. Chairman and members of the committee, no one has greater admiration and affection for my colleague, the gentleman from Texas, Mr. Burleson, than I have. I serve with him on the Committee on Ways and Means. I am surprised, however, at the amendment he has offered. I must say that the courteous manner in which he presents this very strong, and, in my humble opinion, wrong position, indicates why the gentleman is held in such high esteem. He does it in such a gentle way.

The plain fact of the matter is that this amendment is a means for us to tell the Senate to just forget about the bill we passed, the bill that in fact would raise about $1,200,000,000 of additional tax revenue by closing up some of the tax preferences, or tax expenditures or loopholes, depending upon what you want to call them. If we pass this amendment, it means that we tell the Senate, "Do not worry about the House tax reform bill; we did not mean it; do whatever you want to do with it, but do not worry about the $1,200,000,000.

Perhaps the Senate Finance Committee is not as reform-minded as this House, but, maybe the Senate as a whole is. In any event, we ought not to throw in the towel and say to the Senate, "Do not worry about it, do not pay any attention to it, we are not going to raise any new revenue."

The gentleman from Texas (Mr. Burleson), talked about a very compelling matter having to do with raising the estate tax exemption. It is a compelling matter and I intend to join my colleague from Texas in trying to do something about it, but there are other ways to do something about it.

We can give some tax relief not only to the farmers and to the small businessmen who need it, but we can also give relief to a lot of millionaires who do not need it. If we do, then that tax reform will be very expensive.

Rather than that, we can go at it with a fine tuning fork, rather than a butcher knife, and give relief to the farmers and to the small businessmen, without costing the other taxpayers a lot of money in lost revenue.

I would hope this committee would not tell the Committee on Ways and Means, "do not worry about it, whatever it costs, it does not matter. What if the deficit is another $3 or $4 billion, after all, we ought to do something for the underprivileged millionaires as well."

So, Mr. Chairman, I would urge the defeat of this amendment. Not because it is easy to raise $2 billion in new revenue, because it is not. I have on occasion had the privilege of participating in that process and it is very hard. But if we do not put it in this resolution, then we are telling the Committee on Ways and Means and the Senate not to worry about it. I have looked at the underlying concept of the budget act and that act suggests that there is reason to be concerned, not only about how much money is spent, but about how much money is raised, and that in consideration of the total process there must be a great deal of discussion about both ends. I think we should look at the whole picture.

If we do not look at the part that tells the Committee on Ways and Means to stand firm and raise $2 billion more of revenue by closing up some of the tax expenditures, then it seems to me we are voting to increase the budget deficit by $2 billion. We are saying we do not care how fair or unfair the tax laws are, and we do not care about the size of the deficit and the budget. I urge defeat of this amendment.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Texas (Mr. Burleson).

The perfecting amendment was rejected.

PERFECTING AMENDMENT OFFERED BY MR. BURLESON OF TEXAS

Mr. BURLESON of Texas. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Perfecting amendment offered by Mr. Burleson of Texas: Page 3, line 19, strike out the dollar figure and insert in lieu thereof "$24,567,000,000";

Page 3, line 20, strike out the dollar figure and insert in lieu thereof "$22,954,000,000";

Page 3, line 22, strike out the dollar figure and insert in lieu thereof "$39,200,000,000";

Page 3, line 23, strike out the dollar figure and insert in lieu thereof "$38,150,000,000";

Page 1, line 11, strike out the dollar figure and insert in lieu thereof "$453,971,000,000";

Page 2, line 2, strike out the dollar figure and insert in lieu thereof "$415,335,000,000";

Page 2, line 5, strike out the dollar figure and insert in lieu thereof "$50,525,000,000";

Page 2, line 7, strike out the dollar figure and insert in lieu thereof "$711,800,000,000"; and

Page 2, line 10, strike out the dollar figure and insert in lieu thereof "$65,600,000,000".

Mr. BURLESON of Texas (during the reading). Mr. Chairman, I ask unanimous consent that the perfecting amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BURLESON of Texas. Mr. Chairman, what these amendments do is eliminate $50 million in the resolution to gear up for a national health insurance bill which is not in sight. Some hearings have been held by our Subcommittee on Health and the Committee on Ways and Means, chaired by the distinguished gentleman from Illinois (Mr. Rostenkowski) and those hearings will be continued for some period of time. As a matter of fact, we have gone a long period of time on this subject, but we are not even in sight of a national health insurance program as yet. Why spend $50 million to gear up for something that we cannot even see with radar over the horizon?

The other $50 million which has been placed in this bill is to gear up for the Hawkins-Humphrey plan, but here, again, this program is not in sight. We have plenty of time if we pass such legislation in 1977—plenty of time to gear up for either of these things for 1978. So why add $100 million for something that is not necessary and that adds to the figure of the deficit? I see no harm and a lot of good in eliminating these two items.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. BURLESON of Texas. I yield to the gentleman from Illinois.

Mr. MICHEL. I thank the gentleman for yielding.

I just want to commend the gentleman for offering the amendment, because I do not think in the climate in which we are living today either of these proposals has got any chance of passage in this Congress at all. We have got $100 million here, and we are strapped for worthwhile programs. I commend the gentleman, because even if perchance they are passed, both of them are set up for a veto, and we can sustain without question a veto of both of them, so I think it is completely unrealistic. One hundred million dollars can very well be put in a high-priority program.

I commend the gentleman for offering his amendment.

Mr. BURLESON of Texas. I thank the gentleman.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. BURLESON of Texas. I yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

I, too, want to join in commending the gentleman for offering this amendment. I might say that in my substitute I also delete these two matters from the budget. I think it is important that we consider what we do here. We are getting our toe in the door, so to speak, on two programs that I do not believe the American people want. Certainly they do not want national health insurance. What are we talking about when we talk about national health insurance and its impact on the budget? The CBO estimates that a tax-financed comprehensive national health insurance plan would cost between $161 million and $163 million in fiscal year 1977, and from $229 million to $289 million by fiscal year 1981.

These sums represent the equivalent of total spending for private and public health care. So the one issue is what impact will it have on the budget and the economy should the Federal Government take over the spending for health care in the United States. I think it would be horrendous. The NHI will increase demands for health care astronomically but will do little to increase supply. Anybody who has had a relative or friend in the hospital lately knows something as to what the costs are today in the hospitals, and those costs have been driven up primarily because of the excess moneys pumped into health care by the Federal Government. One cannot afford to get sick these days because he cannot pay for the costs associated with his hospital stay. We have the start of a national health program with the expenditure of only $50 million.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(On request of Mr. LATTA, and by unanimous consent, Mr. BURLESON of Texas was allowed to proceed for 5 additional minutes.)

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. BURLESON of Texas. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, what is going to happen if we go forward with this $50 million? It is going to be used as an excuse—an excuse—for the passage of this type legislation. Members are going to say that we included $50 million in the budget resolution so we are mandated or obligated to pass this type legislation.

I do not think we ought to be that silly. We have not had any hearings in the Budget Committee on this. The American people do not want it. We cannot afford it. We have $627 billion worth of debt facing this country right now. Are we talking about adding this amount on top of that? I think not. We are facing about $44 billion in interest costs in fiscal year 1977. Do we want to pay more interest? We are bleeding the taxpayers to death now. That is what is wrong with our economy. It is not that we are not pumping enough money into public service jobs and what-have-you but it is the fact that we are taking too many tax dollars away from the people who earn the money, so that they cannot spend it for what they want, which would create other jobs.

Are we going to add this for start-up costs for such a program? I think not.

Also there is this Humphrey-Hawkins bill. I cannot imagine this Congress passing legislation of any type that even comes close to this legislation. The Socialist concept is deeply ingrained in this bill. Examine every Socialist country in the world and you will find ingrained in it a promise, a promise of a job by government to every single individual who is not employed in the private sector. I do not think the American people wish to go in this direction.

However, if we include this $50 million in this budget resolution for that purpose, this Congress will be marked as going in that direction. I do not think we want to adopt this socialistic concept and I commend the gentleman for offering this amendment. I intend to support it.

Mr. BURLESON of Texas. I thank the gentleman. Until and when the legislation finally emerges, this $100 million is unnecessary and untimely.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. BURLESON of Texas. I yield to the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, I commend the gentleman from Texas (Mr. BURLESON) for offering this amendment.

I am in full support of it and I urge adoption of the amendment.

The House should not at this time appear to approve or approve a national health insurance program or full employment legislation.

These programs would cost many billions of dollars and move this country further in the direction of fiscal collapse.

Mr. BURLESON of Texas. I thank my colleague, the gentleman from Texas.

Mr. CRANE. Mr. Chairman, will the gentleman yield?

Mr. BURLESON of Texas. I yield to the gentleman from Illinois.

Mr. CRANE. Mr. Chairman, I rise in support of the Burleson amendment to strike the funding for the initial costs of national health insurance from the budget resolution.

It is truly unconscionable that the Congress would attempt to target $50 million for the costs of national health insurance, a program which has not even been approved by the Congress. Indeed, the budgetary impact of a full national health insurance system has not been analyzed or seriously considered by the Budget Committee. It has been noted that the costs of a full nationalized health insurance program would exceed $100 billion each year, perhaps reaching the level of $125 billion or $150 billion per year. I concur completely with the remarks of the eight members of the Budget Committee who dissented from the Budget Committee report, arguing "This budget resolution is not the proper place to attempt to make a major, far-reaching decision such as whether national health insurance should be enacted."

Mr. Chairman, the budget resolution is definitely not the place for consideration of legislation which would significantly alter the medical profession in this country and seriously threaten the status of American health. One need only look at the absolute collapse of the British Health Service to note the very serious effect that nationalized health has had on the British medical profession, not to mention the negative effect it has had on the British economy. The examples of Sweden and Canada further magnify the potential difficulties our Nation would face if it were to adopt a system of nationalized health care.

The tremendous cost of national health insurance is one serious matter which requires further analysis. Certainly, the very serious objections which have been raised about confidentiality, the increased demand for medical services under nationalized health systems, and the observed deterioration in the quality of medical care in those countries which have nationalized health care are other problems which demand additional study before this Nation decides to adopt a system of national health insurance.

Mr. Chairman, let us not permit a program as serious and far reaching as nationalized health insurance to be authorized through a "backdoor" procedure. Let us air this proposal thoroughly, debate it fully in the committees of Congress and consider all the alternatives before authorizing $50 million to begin a system of nationalized health.

Mr. ADAMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment of my friend, the gentleman from Texas (Mr. BURLESON). I think we ought to put in clear perspective what the budget process is doing in this case and why it is debated today on the floor.

We are not, as the gentleman before me indicated, trying to state to the committees with appropriate jurisdiction the line item system that they may or may not use on a full employment bill or on a national health insurance proposal.

I might state that there is presently pending an administration proposal for catastrophic health insurance. There is a Kennedy-Corman bill pending. There are a series of other bills pending.

What the Budget Committee carefully stated in its report on page 19 and again on pages 58 and 59 and on pages 52 and 53 was this: We did not want the budget process to be used to prejudice the committees that have reported to us that they are going to bring legislation to the floor either this summer or within the next fiscal year, legislation that provides for a type of full employment program such as the Hawkins-Humphrey bill which is presently being worked on in the Committee on Labor and Education. I am certain that the gentleman who is the sponsor of the bill will indicate the status of it. Neither do we wish to prejudice the Committee on Ways and Means in their deliberations on national health insurance. It has been reported to us by the chairman of the subcommittee, the gentleman from Illinois (Mr. ROSTENKOWSKI), as well as other members of the committee, that that matter is being considered and that they expect such a bill to come to the floor. If this amendment is adopted, the budget process could be used against the bill to say that we cannot consider it.

Now, there was considerable discussion in committee as to whether or not we should say anything about these items. Should we put something in it that says, "You can't do it," or something in it that says, "You can do it?" We opted for saying that the committees of appropriate jurisdiction, in the case of health insurance the subcommittee of the gentleman from Illinois (Mr. ROSTENKOWSKI), should have an opportunity to come to the floor without somebody saying, "No, you can't even consider starting up such a program."

I want to say with regard to these programs that both of these programs require a great deal of start-up work before they can even be implemented. We all know that. We know that the Hawkins-Humphrey approach is to have the President, whoever it might be, come to the Congress with a program for adopting goals of full employment. The Congress will then pass on those bills individually. That is why there is a minimal amount of money for the expenses of the full employment process itself.

With national health insurance, I do not know of anyone who is proposing a national health care program who is not saying it will take 1, 2, maybe 3 years before such a program can ever be implemented. We need to know what will be done with the health care delivery system. We need to know how it will be financed. We need to know how it will be put together in proper fashion. So we, as the Budget Committee, are trying to aid the committees of the House by providing adequate start-up money for such a program.

I am pleading with the House to reject this amendment. Give the committees a chance to work and proceed with the framework of the whole budget process.

Mr. ROSTENKOWSKI. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Illinois (Mr. ROSTENKOWSKI).

Mr. ROSTENKOWSKI. Mr. Chairman, I would like to make an observation that there has been seed money in the amount of $86 million for medicare legislation which was created 3 or 4 years before its enactment. Actually, with the inflationary spiral, I think that the request of the Budget Committee for seed money of $50 million at this time is almost inadequate. What I would like to point out is that in this structure of dollars, there is no benefit program. It is just whether Congress should in its wisdom feel that there is a need for a national health insurance program, the money is allocated and available.

That is all the gentleman has requested, and I want to commend the chairman for making this request.

The CHAIRMAN. The time of the gentleman from Washington has expired.

(On request of Mr. SMITH of Iowa and by unanimous consent Mr. ADAMS was allowed to proceed for 4 additional minutes.)

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I interpreted it slightly differently with perhaps a little different twist. As I interpreted our committee action, what we said to these two committees was, "With this tight budget situation we have this year, if you are bringing a bill on the floor in these two areas, limit your 1977 expenditures to $50 million."

In a way, we are putting a lid on them rather than opening it up.

Mr. ADAMS. That is another way of stating it. We were trying to indicate what should be done in these areas with the present programs the committees were bringing to us.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the chairman of the Subcommittee on Health and Environment of the Committee on Interstate and Foreign Commerce.

Mr. ROGERS. Mr. Chairman, I share the remarks made by the gentleman from Illinois (Mr. ROSTENKOWSKI) that this is put in simply so that if the House makes that determination to proceed, there will be some funds and the intent of the House would not be blocked.

Mr. ADAMS. That is correct.

Mr. ROGERS. Now, it is true that two committees in this House are working on legislation in this field. Both are trying to bring legislation up for the consideration of the House. I think the Budget Committee has been intelligent in trying to say that, "We do not want to block any attempt that the House might assert when such legislation is brought to us," so I commend the gentleman and oppose the amendment.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Would my distinguished chairman agree with me that if this amendment should prevail, it will undo all that we have sought to do in terms of keeping the Budget Committee away from intruding upon the prerogatives and the rights of every other committee of this House, because if this amendment should prevail, then the Budget Committee would be saying to every authorizing and appropriating committee in the House, "You cannot do this or you cannot do that because we have not anticipated your desires nor acceded to the specific request that you have submitted to us."

Would that not be the ultimate effect of the gentleman's amendment if it prevails?

Mr. ADAMS. The gentleman is correct. It would put the Budget Committee in the position that when the bill came on the floor, we would be saying, "We have not provided for it."

This resolution provides targets for the various items that may be brought up. The gentleman's statement is correct.

We are trying to give an opportunity under the budget resolution targets to committees that have stated to us that they definitely have this kind of thing under consideration. We want to be able to work with those committees as they come here with their proposals.

Mr. MITCHELL of Maryland. I thank the chairman. Quite apart from the merit or lack of merit of either of these, what is at stake is the integrity of the committee structure. If the amendment prevails, the integrity of the committee structure will be destroyed.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Illinois.

Mr. MICHEL. Following that line of reasoning, it is possible that every other proposal that has been conceived is shot down unless the gentleman makes a prejudgment before hearings of any kind?

Mr. ADAMS. I would state to the gentleman that this is the whole purpose of the reports from the individual appropriation and authorizing committees, and the purpose of this whole targeting resolution and debate, so that the House knows at the outset what type of proposals for spending are going to be made during the course of that year. I would state that as chairman of the committee I would be in the position otherwise of having to oppose them.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

(On request of Mr. LATTA and by unanimous consent Mr. ADAMS was allowed to proceed for 1 additional minute.)

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I want to

thank the chairman for yielding to me. So that we do not go away with the thought that this is our only opportunity, we will also have a second resolution coming up, and should the Committee on Ways and Means take some action, we could bring it up in the second resolution.

Mr. ADAMS. That is correct. As we have stated before, the first resolution provides the initial targets, which can be revised in the second resolution.

The problem is, as we have stated on item after item, that we are always asked, the gentleman and myself, when bills come up: Is this provided for in the budget?

And that is the purpose of determining whether to allocate money to these items, to state whether it is in or it is not.

The gentleman from Ohio is correct. That is what we are doing.

Mr. HAWKINS. Mr. Chairman, I move to strike the requisite number of words.

(By unanimous consent, Mr. HAWKINS was allowed to proceed for 5 additional minutes.)

The CHAIRMAN. The gentleman from California (Mr. HAWKINS) is recognized for 10 minutes.

Mr. HAWKINS. Mr. Chairman, I asked for additional time because there are apparently some individual critics of full employment, of putting people to work, who are apparently unfamiliar with either H.R. 50 or with the concept. I would like to read the thrust of it from the preamble to the bill, to at least indicate to those who have in this debate referred to this as a socialistic proposition, to try to educate at least those individuals as to a misinterpretation of the definition of socialism.

Reading from the bill itself, paragraph C, on page 5:

> The Congress further finds that an effective full employment and balanced growth policy should be based on the development of explicit economic goals and policies involving the President, the Congress and the Federal Reserve, as well as state and local government, with full use of the resources and ingenuity of the private sector of the economy.

I am not going to continue to go through the bill to point out how that preamble is supported. But it certainly does not suggest any type of socialism.

I think there is some ignorance as to the fact that there is no Western industrial nation today, as well as one in the East, Japan, that would tolerate even 3-percent unemployment as we compute it. And they are certainly not socialistic. I would not call West Germany, for example, a socialistic economy.

I think it should be thoroughly understood that we are not doing any more in this proposal than confirming what we did in 1946, in passing the Employment Act of 1946, upon which this is based. And this is only a strengthening of what the law is today. The law, however, is being violated. And H.R. 50 is simply an attempt to keep violators of the law from operating with respectability and damaging the economy. The 1946 Employment Act calls for maximum employment, production, and purchasing power. It is pretty clear that that law has been violated.

There are also those who would somehow relate full employment as a major cause of inflation. Those who insist that increased production and employment augment inflation simply have their logic upside down. The principal way to decrease inflation is to increase production, to increase productivity, to increase the supply of goods and services, and not to do just the opposite, which has given rise to the present inflation. There is no single, empirical evidence available that since 1953 there is any support to the idea that by deliberately creating unemployment we help inflation. Just the opposite in fact.

Mr. Chairman, one of my distinguished colleagues from California has said a great record was established after World War II, that somehow it was a great period in history. He failed to mention, however, this was during the Truman administration. Mr. Truman signed the Employment Act of 1946, and he truly believed in full employment. He reduced unemployment to less than 3 percent, and at the time reduced inflation to less than 1 percent.

And we had a surplus in the Treasury. What has been the history since then?

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield on that point?

Mr. HAWKINS. I will yield just briefly.

Mr. ROUSSELOT. Mr. Chairman, I think the reason that President Truman was successful on that issue was that, together with the Congress, he believed in a balanced budget. He recommended balanced budgets, and he as a matter of fact had 3 years during which there were surpluses in the Treasury. Employment went up substantially, and he was fulfilling the objectives of the full employment concept in legislation by relying less on Government and more on the private sector.

On that I agree with my colleague. I thought that was a good policy, and he, together with the Congress, proved that deficits do not necessarily improve employment or reduce unemployment.

Mr. HAWKINS. Mr. Chairman, I agree with my colleague up to a point.

It was not the deficit, however, that created the condition that controlled inflation and led to high employment; it was economic growth, because under his administration, as we recall, economic growth was 49 percent, and that was the principal cause of the good economic performance.

We can compare that with the succeeding administration of Mr. Eisenhower, who certainly achieved a very low inflation rate. However, that rate increased during his administration, and so did unemployment, which again proves that unemployment does not help inflation. But at the same time he supported a low growth rate, and as a result of that we had a deficit. Again that proves the point I was trying to make.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield at that point?

Mr. HAWKINS. I yield very briefly.

Mr. ROUSSELOT. Mr. Chairman, let us talk about the unemployment levels of the Eisenhower administration after 1952. I believe they were 3.1 and 3.6 percent.

Mr. HAWKINS. The gentleman had better be careful how he talks about those figures for the average unemployment rate of the Eisenhower administration was over 5 percent.

Mr. ROUSSELOT. During the Eisenhower years he followed the basic Truman concept of trying to work for balanced budgets, and his unemployment levels during his administration were just as low as those during the Truman administration. The unemployment levels averaged about 3 to 4 percent.

Mr. HAWKINS. Mr. Chairman, I thank the gentleman for his contribution, but it is thoroughly inaccurate.

The record of the Eisenhower administration was this: When he became President, unemployment was 2.9 percent, and it went up to 6.7 percent. The inflation rate, when Mr. Eisenhower took over, was one-half of 1 percent and it increased from that to 1.2 percent while unemployment also raised. I think this details the record of the Eisenhower administration.

It must be remembered that we had three recessions during the Eisenhower administration. During the next administrations, the Kennedy and Johnson administrations, we had price stability, from 1961 to 1966.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield further, what were the unemployment levels during those times?

Mr. HAWKINS. As for the unemployment levels, the average was 4.7 percent. The point is that it did not go up and the inflation rate did not go up until 1966.

Mr. ROUSSELOT. And that was when we had a war.

Mr. HAWKINS. That was when we had a failure to pass a tax increase, and we had a decreasing economic growth rate which led to inflation.

The point is that I think the evidence could be documented and extended, and I think it is very obvious now that there is no trade-off there. Members who want to create unemployment to reduce wages and somehow to drag down the economy are not helping inflation; they are not helping the deficits, but they are building them up.

Under the policies of the past several years, what have we had? Inflation has gone up so much and unemployment has been so bad that it has been necessary to coin a new word. We do not use the words, "inflation" or "unemployment," but we have a new word—"stagflation." This word is used to describe a condition in which we deliberately restrain economic growth and lower production and idle factories and equipment in the belief we are going to control inflation.

Under those policies we do not go after the real causes of inflation. We do not hear these same critics talking about excessively high interest rates in the face of declining production, we do not hear them talking about administered prices, and we do not hear them talking about devaluation. In the same vein, we do not hear them talking about the wheat we sent to Russia and the low production of wheat by Government policies which drove the price up, and we do not hear them talking about the energy policy which says we have to raise the price of energy somehow, as if that is not going to add to inflation.

No, they want to pick on the unfortunate victims of the present policy and say that if we put a few people to work, that is the cause of all our economic difficulties. There is no evidence that they are right; there is no documentation that backs up what they are saying. The President himself in his economic report denies there is a tradeoff.

Mr. Arthur Burns, Chairman of the Federal Reserve Board, denies that there is a tradeoff; and those economists who today advocate that there might be a tradeoff as the principle cause of our difficulties are the ones who are wearing dunce caps.

Mr. Chairman, let me say that spending, per se, certainly is not desirable; but to say that all spending is uneconomical is certainly, I think, erroneous.

Mr. Chairman, we must relate spending to benefits. Otherwise, it would be true by that logic to say that unemployment somehow saves wages and thereby we save money when we put people out of work.

The CHAIRMAN. The time of the gentleman from California (Mr. HAWKINS) has expired.

(By unanimous consent, Mr. HAWKINS was allowed to proceed for 3 additional minutes.)

Mr. HAWKINS. To continue, Mr. Chairman, on the same basis it would be logical to say that by taking the 89 million persons working and cutting their jobs in half, we would save money. What we spend must somehow be related to benefits and to national production. That is the important thing to remember.

It is also important to remember what savings result from such spending. Certainly we are not saving anything today when we are creating a situation in which we are spending $20 billion on unemployment compensation, and on increasing Social Security costs. Also, during the past 2 years welfare has increased 22 percent, and we are now spending over $25 billion a year for welfare.

Certainly, Mr. Chairman, these are astronomical costs, and we should address them. However, they are not being caused by normal social welfare needs. They are being caused by policies that create unemployment and inflation, and certainly they are a result of such conditions not the cause.

Mr. Chairman, I think we have a right to say also that by careful and prudent spending for desirable national needs we increase the GNP and thereby obtain the additional revenues. Under the present policies we will never wipe out the deficit because we are crushing production to the extent that we do not have the income from the American public in order to get the revenues.

Mr. Chairman, I know that a lot has been said in the last day or so about national defense. Without going into the merit of which side one might be on—and I have been somewhat on both sides of this issue myself at times, and I voted, obviously, for some weapons—therefore, I am not getting into the merit of it, but I think that we have to admit that it is extremely inflationary. However, we have decided that despite the fact that it is inflationary, we are not going to stop it. We are going to have strong national defense despite that. In other words, we have done what we thought necessary despite the threat of inflation. But where do we get the revenues to support the increase that we deem necessary and desirable for our national defense?

We certainly are not going to get it from unemployed people, from idle plants, and from low production.

Mr. Chairman, addressing those Members who believe that we should have strong defense, I plead with them not to crush out that productive capacity that in any crisis we may need. Please do not crush and push back millions of Americans who wish to produce for America and who are being pushed back from the possibility that we may need them.

This is sound national defense. One cannot squeeze the blood of a strong national security out of the turnip of low production and millions of unemployed and nonproductive individuals.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to direct an inquiry, if I may, at the chairman or the ranking minority member of the Committee on the Budget.

As I have read the report, I am particularly concerned with respect to the issue of health insurance.

If the Burleson amendment were adopted and the $50 million that is allocated for startup costs for health insurance is deleted, and the Committee on Ways and Means adopted a catastrophic program similar to that suggested by the President, would we be precluded from coming to the House floor? Would we be subject to a potential point of order if that startup money is not a part of this target resolution?

Mr. ADAMS. What would occur is that the matter would not be subject to a point of order so the matter could be brought to the floor unless it had an entitlement provision in it that would run afoul of section 401. But if it did not, if it were a mere authorization, then it could be brought to the floor. However, the statement then could be made in debate that the target would be exceeded by whatever amount would be in the bill. Whatever such amount would be, it would be above the budget, and it would be opposed on that basis by whichever Members wanted to use the budget process to make such a point.

Mr. STEIGER of Wisconsin. Our colleague, the gentleman from Ohio (Mr. LATTA) stated that you could reconcile it in September or October with a second resolution, were a decision made by the House to go that route, is that correct?

Mr. ADAMS. If the House passed it over the objections to it being above the budget, that is correct, it would be added on. This has happened twice, I believe, during the last year where a program came that was not contemplated by the House in the budget resolution and the House passed it anyway. In such a situation it might be necessary to come before the House with a reconciliation bill.

Mr. STEIGER of Wisconsin. Mr. Chairman, I must say I find myself in a difficult position. I am very sympathetic to the amendment offered by our very, very good friend and distinguished colleague, the gentleman from Texas (Mr. BURLESON) because I personally would have very real reservations about going the route of Humphrey-Hawkins, but I must admit that good, prudent decisionmaking by this body would lead me to the conclusion that it would be a mistake to adopt the Burleson amendment.

I say that for two reasons. One, because the President of the United States has made a proposal, a limited kind of health insurance proposal which, by and large, in my view, has a great deal of merit. I do not think we ought to have an argument on this floor at some point this year if the Rostenkowski subcommittee brings out a bill which deals with that issue, in which the charge is leveled that it is above the budget. Clearly it would be above even our own budget. I do not think that would be a very sound position for any of us to be in. I am not yet prepared and I am not sure DAN ROSTENKOWSKI is prepared to say how far down the road we have to go for possible implementation of a national health insurance program but it is an issue that will not go away. It is a problem that cannot be ignored.

The same it seems to me could be said for what one does in the policy of full employment. I clearly reject, as much affection as I have for our friend, the gentleman from California (Mr. HAWKINS) the approach that is taken in that vehicle. But I can conceive of a number of alternatives that would be very attractive to deal with the problem of those who have exhausted their unemployment compensation benefits, to those who are heads of households, who are out of work, to those who are on welfare, who are able to look for work but who cannot find a job now. All of these, it seems to me, would be the kinds of programs that at least this one Member could support but startup posts are not needed. Thus, I regrettably have to say that there would be no good purpose performed in adopting the Burleson amendment and I urge a vote against it.

Mr. O'NEILL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, may I say that I think the remarks made by the gentleman from California (Mr. HAWKINS) today comprised one of the finest speeches I have heard on the floor in a long time as well as expressing a very sympathetic note to the problem. Indeed, I believe that unemployment is the No. 1 problem we face today.

Mr. Chairman, I serve as a member of the Committee on the Budget and the amendment I offered, and which was adopted in committee, added $50 million for startup money for health insurance and $50 million for the Hawkins-Humphrey bill. The amendment offered by the gentleman from Texas (Mr. BURLESON) would strike out that $100 million.

Actually my amendment at that particular time, and my amendment which is included in this bill, does not put this committee on record—and we are in the Committee of the Whole right now in favor of the Humphrey-Hawkins or of any specific health insurance bill. All of the Members will have an adequate opportunity to demonstrate their particular opinions on these matters later on when they reach the floor under the regular authorization process.

I have to agree with the gentleman from Wisconsin (Mr. STEIGER) in the argument that he just presented on this floor. All of the committees involved in these pieces of legislation have asked for this money. The $50 million the gentleman from California (Mr. HAWKINS) has asked for in his committee. The gentleman from Illinois (Mr. ROSTENKOWSKI) has asked for it in the Committee on Ways and Means. The gentleman from Florida (Mr. ROGERS) has asked for it in his committee. Each one of them has asked for it in this resolution. On health insurance, even the President of the United States wants a catastrophic program, so he is asking for money to be put into the program, too. Failure to include this money in the budget resolution will preclude the House from considering any health insurance measure, or the Humphrey-Hawkins bill.

In their reports to the Budget Committee, the Committees on Education and Labor, Interstate and Foreign Commerce, and Ways and Means have all told us that they intend to report this legislation. So the Committee on the Budget, in adopting my amendment, would make it possible for these legislative committees to accomplish their objectives.

I am aware of the fact that we have a later date, October 15, but the truth of the matter is that we have established this congressional budget; we are going to try to live within this budget. I honestly believe it is absolutely imperative that we keep within this budget resolution funding for the startup of the full employment and balanced growth bill, the Hawkins bill, and the health insurance bill.

This budget resolution is not just a piece of paper. It expresses more clearly than any other document our Government produces this Nation's real priorities and real goals. For us to leave out of the budget resolution funds to address the most crucial problems faced by our people—unemployment and health insurance—would be one of the most irresponsible actions this House could possibly take.

We have in this Nation right now more than 10 million people who can find no jobs at all or only part-time work. We are just beginning to come out of the deepest recession since the Great Depression of the 1930's. Under these circumstances, how can we possibly tell the American people, by voting to strike startup funds for the full employment bill, that we have no concern for this immense unemployment problem?

The answer is simple: we cannot be so callous, so unfeeling, as to refuse this symbol of hope offered by the full employment bill and health insurance bill to the American people.

After all, unemployment is more than just loss of a job. It is a devastating personal experience which leads directly to broken homes, shattered families, more crime, despair, and physical deprivation.

A vote to strike startup funds for H.R. 50 is a vote to continue these evils in our society. A vote to retain the funds, on the other hand, offers to the American people hope that, within a reasonable period of time, this Nation will return to the prosperity and full employment it knew under the Democratic administrations of the 1960's.

Which do you want, the successes of the 60's or the slumps of the 70's? Your vote on retaining H.R. 50 funds will determine the condition of our Nation's economy for years to come. This is a fundamental vote on a fundamental principle—the right of every adult American who wants to work and is able to work to have a job.

I say, stand with the working people of this Nation, and defeat this destructive amendment which stands between America and prosperity for future generations. Vote no on the amendment.

Mr. SARASIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I did not intend to take part in this debate, and I must admit I share the same concern expressed by the gentleman from Wisconsin (Mr. STEIGER) with reference to the health portion of this bill. But I have no concern for the attempt to salvage the so-called Humphrey-Hawkins bill which has been described here as not being a little bit of socialism. I happen to think it is. I think we ought to point out to the House that that bill, the so-called full employment and balanced growth bill, essentially has three sections.

The first one points out that there is a problem—and there is a problem. It says we should do something about unemployment. We have to increase production. We should increase productivity. We should do a lot of other things.

The second section directs the President to go out and solve the problem.

The third section explains how Congress will veto every suggestion the President comes back with.

It is probably unconstitutional because it demands that the President submit legislation, and I do not think we have that authority, and there is a great deal of research being done now on the constitutional question. But beyond that constitutional question, it is based upon a theory which was discredited a long time ago. This was described by an economist in the Truman era who was one of his economic advisers, who testified and who supports this bill and that we did it so well in World War II that we could do it again. But do we remember how we did it in World War II? We did it with a completely planned and organized economy, an economy that was run out of this city, out of Washington, D.C., and this gentleman pointed proudly to the fact that we were able to take the unemployment down from 14 percent in 1939 to 1 percent in 1942, and then he goes on to say that we did that in spite of the fact that we had 15 million Americans under arms and half our GNP went into war production.

If we put 15 million Americans into the Army, we would certainly solve the problem of unemployment. That is how it was done in World War II. If we want to do that now, if we want to follow that path, it means one of two things: We either look around for another major war, and I do not think we want to do that, or we have to say that from now on we are going to accept a totally controlled economy planned and run by the people in Washington—who do it so well.

We have heard about offsets; frankly, the savings are just not there. Every economist who testified before our committee, and this bill just came out of the Manpower Subcommittee of the Committee on Education and Labor, and it passed favorably, but every economist who testified except one said we should be careful, that we cannot get there from here.

Let us look at what the bill does include as remedies. It talks about increasing the monetary supply, and maybe we should increase the monetary supply. Then it gets us into other areas and programs we are engaged in now such as public works, public service and youth improvement programs, CETA-type programs, and so on. We are engaged in those now. It says, if all these others fail, and they will fail, the Government shall be an employer of last resort. The Government must pay prevailing wages or comparable wages or pay the Davis-Bacon wages, whichever is higher.

But every single economist has said: "Do not do that. You simply will create competition with the private sector and pull people out of the private sector and others will become part of the unemployment statistics they are not part of today."

In every other country that has followed that system, and Sweden is one expressed as being a utopia because of these kinds of programs the taxpayer has to pay for the program. When I asked what the individual income tax rate in Sweden was and how much we expected our taxpayers to have to pay for this program, I did not get an answer, but the answer is that 70 percent of the individual's income goes back to the Government to run these kinds of programs. It cannot be done any other way.

We cannot get there from here with that kind of scheme. That is why I think it is a waste for this Government to set aside $50 million to run this kind of program. It would be a disaster if we enacted it. Unfortunately, it may be enacted, given this particular Congress. There is no doubt in my mind it will be vetoed by the President and the veto will be sustained. So I think perhaps the money can be better spent in other areas.

There are alternatives. One of the alternatives is to try to do something in the private sector where 5 out of 6 Americans are employed today. That is where we can make an impact. We cannot make an impact in any other place. We cannot make an impact with a phony program providing nonproductive, nonpermanent jobs working for Uncle Sam.

Mr. ADAMS. Mr. Chairman, I wonder if we can get an agreement on limitation of time.

Mr. Chairman, I ask unanimous consent that all debate on the amendment offered by the gentleman from Texas (Mr. BURLESON) and all amendments thereto end in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. CARNEY).

Mr. CARNEY. Mr. Chairman, I ask unanimous consent that I may be permitted to yield my time to the gentleman from Washington (Mr. ADAMS).

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. TALCOTT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Does the gentleman from Ohio (Mr. CARNEY) desire to use his time?

Mr. CARNEY. I do, Mr. Chairman.

Mr. Chairman, there is one thing we are going to have to decide in this country, that is whether we are going to work people or feed people; whether we are going to build the class, a working class, which is highly technical, young and able, which can produce and have another group that is not as physically alert, not as mentally alert, a little older, that we are going to keep. We have to make up our minds what we are going to do.

Mr. Chairman, in a country such as ours, we are not going to starve people. When we have plenty of all the goods of the world, people in this country are not going to starve. We must make up our minds whether we want to feed people or provide them honest decent employment.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Mr. Chairman, I have one main concern with the committee's bill. It does put the cart before the horse. These are very profound changes, these two things. They set up major, profound programs that can run to billions of dollars and one is open-ended.

Mr. Chairman, it is much better to work through the committees and debate these measures in regular order. I understand the reason $50 million was put in the budget for both these bills and I respect that. I do feel that many people in the country will interpret our votes on this matter as favoring, or opposing, one or the other or both of these programs. I would prefer not to move in here through the side door of the budget resolution. I would rather deal first with the substance of these great programs and, if they should pass, then consider funding and scheduling them.

Mr. Chairman, I really think we have the cart before the horse. I do not understand exactly why $50 million is going to make much difference right away. These are huge programs and will take a long time to be put in operation. I feel we would be wiser to take things in the ordinary sequence.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Chairman, I can not say much about national health insurance in 1 minute; but I suggest to the gentleman from Ohio that the American people are going to have a chance to express themselves in November of this year, because every one of the Democratic hopefuls has come out in support of a broad-based publicly financed national health insurance system. The incumbent President opposes that. The people will decide.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. ROSTENKOWSKI).

Mr. ROSTENKOWSKI. Mr. Chairman, favorable action on the proposed amendment to eliminate the $50 million allocated in the budget resolution for national health insurance startup costs in the event such legislation is enacted would be a grave mistake. Throughout the course of this Congress, national health insurance has occupied a prominent place on its agenda. Leaders and many members of both parties have sponsored or endorsed one or another national health insurance bills. Even the administration has submitted a national health insurance proposal, and while the President only recently indicated his reluctance to push his proposal this year, he remains committed in principle to the concept.

With such widespread agreement on the eventual need for national health insurance, we would be breaking faith with the American people if we were now to assert—on April 29—that national health insurance is once again to be dropped from the national agenda. Mr. Speaker, this would be tantamount to a confession of failure before we have even made the effort.

Moreover, the $50 million is for startup costs in the event legislation is enacted either in this session of Congress or that part of next year which falls within fiscal year 1977. We should not attempt here to prejudge our future actions, or those of the next Congress, on this vital issue. If we fail to act, that money will not be spent. But should some action be forthcoming, it would be a tragic waste not to have any funds available to even begin the preliminary work of organizing to administer the program. I urge all members, therefore, to reject this proposed amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. LATTA).

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I strongly support the amendment of the gentleman from Texas to delete these two $50 million items from the budget.

The purpose of the majority in including Humphrey-Hawkins and national health insurance at those levels is obscure to me. There are two possibilities; neither of them is worthy. The first possibility is that the majority is not serious about these items and is only trying to fool a disappointed constituency into thinking these programs are alive despite a lack of action up to this point. The second possibility is that the majority is serious about them and is trying to fool the people about their tremendous ultimate cost. One of the reasons our budget is out of control, and has been in recent years, is that we include little items like this, creating magnificent expectations which insure large budget growth in subsequent years. We do not need to start these snowballs rolling down the hill, and there is considerable risk of creating not just one, but two, fiscal avalanches.

Mr. LATTA. Mr. Chairman, as I said earlier, both of these provisions are included in my substitute which we will probably be voting on by 6:30 or 7 o'clock.

I have in my hand an editorial which appeared in the local newspaper dated March 30, 1976. I know a good many people on my left consider this their guiding light, the Washington Post, and the very first sentence of this editorial entitled "Legislating Jobs" reads as follows:

> The question is whether the country can establish full employment permanently and with stability by enacting a law that requires it. The answer, as you probably suspected, is that it cannot, not without either a dangerous inflation or ironclad wage controls.

So says the Washington Post editorial of March 30, 1976. It is not often that I agree with the Post, but I agree with that statement.

Certainly, we have a situation here where, if we include this $50 million for Humphrey-Hawkins, we have an admission that the free enterprise system has failed. I do not think that it has. I think if we were to adopt the Humphrey-Hawkins approach we would be ruining the initiative of a lot of people who would look to the state for guaranteed employment rather than looking to the free enterprise system for their jobs.

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. ADAMS) to close debate.

Mr. ADAMS. Mr. Chairman, I rise in opposition to the amendment. The purpose of the resolution in these two areas—full employment and national health insurance—is to allow House committees to do their work without coming to the floor and having Members saying, "This was never brought up in the resolution, it was not targeted earlier."

Targeting is necessary. That is what we are doing now with this resolution. We are not trying to shape the program. We are not trying to say what will be reported out of committee; that is up to the authorizing committees. But, funds are in the resolution so that whatever program they bring out can be tailored to fit the resolution and not have to be handled by adding to the totals at the end of the year.

I hope the amendment will be defeated and that we will leave the budget resolution intact.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. BURLESON).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ADAMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 153, noes 230, answered "present" 1, not voting 48, as follows:

[Roll No. 210]

AYES—153

Abdnor
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bennett
Breaux
Breckinridge
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Cederberg
Chappell
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Derrick
Derwinski
Devine
Dickinson
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Erlenborn
Evans, Ind.
Findley
Fisher
Fithian
Flynt
Foley
Forsythe
Fountain
Frey
Gibbons
Ginn
Goodling
Grassley
Guyer
Hagedorn
Haley
Hamilton
Hammerschmidt
Hansen
Hefner
Henderson
Hightower
Hillis
Holt
Hubbard
Hutchinson
Hyde
Ichord
Jarman
Jenrette
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Kasten
Kelly
Kemp
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Levitas
Lloyd, Tenn.
Lott
McClory
McCollister
McDonald
McEwen
Madigan
Mahon
Mann
Martin
Mathis
Michel
Milford
Miller, Ohio
Montgomery
Moore
Moorhead, Calif.
Myers, Ind.
Myers, Pa.
Natcher
Neal
O'Brien
Passman
Paul
Pettis
Pickle
Poage
Quie
Quillen
Regula
Rhodes
Robinson
Roush
Rousselot
Runnels
Santini
Satterfield
Schneebeli
Schulze
Sebelius
Sharp
Shriver
Shuster
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Stephens
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Treen
Vander Jagt
Waggonner
Wampler
Wiggins
Wilson, Bob
Winn
Wydler
Wylie

NOES—230

Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Brodhead
Brooks
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Carter
Chisholm
Clancy
Clay
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Fary
Fascell
Fenwick
Fish
Flood
Florio
Ford, Mich.
Ford, Tenn.
Fraser
Gaydos
Giaimo
Gilman
Gonzalez
Green
Gude
Hall
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Heckler, Mass.
Heinz
Helstoski
Hicks
Holland
Holtzman
Horton
Howard
Hughes
Hungate
Jeffords
Johnson, Calif.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Lloyd, Calif.
Long, La.
Long, Md.
Lundine
McCormack
McDade
McFall
McHugh
McKinney
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murtha
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Pike
Pressler
Preyer
Price
Pritchard
Railsback
Randall
Rangel
Rees
Reuss
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roybal
Russo
Ryan
St Germain
Sarasin
Scheuer
Schroeder
Seiberling
Shipley
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stark
Steed
Steiger, Wis.
Stokes
Stratton
Studds
Sullivan
Symington
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Whitten
Wilson, C. H.
Wirth
Wright
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

ANSWERED "PRESENT"—1

Jacobs

NOT VOTING—48

Archer
Bell
Bevill
Bowen
Conlan
de la Garza
Downing, Va.
Esch
Eshleman
Evins, Tenn.
Flowers
Frenzel
Fuqua
Goldwater
Gradison
Harsha
Hayes, Ind.
Hébert
Hechler, W. Va.
Hinshaw
Howe
Jones, Ala.
Jones, N.C.
Ketchum
Litton
Lujan
McCloskey
McKay
Macdonald
Madden
Murphy, N.Y.
Nichols
Nix
Pepper
Riegle
Roberts
Ruppe
Sarbanes
Sikes
Simon
Skubitz
Stanton, James V.
Udall
White
Whitehurst
Wilson, Tex.
Wolff
Young, Ga.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Wolff against.

Mr. Sikes for, with Mr. Udall against.

Mr. White for, with Mr. Fuqua against.

Mr. Bowen for, with Mr. Macdonald of Massachusetts against.

Mr. Jones of North Carolina for, with Mr. Nix against.

Mr. Roberts for, with Mr. Madden against.

Mr. Conlan for, with Mr. Pepper against.

Mr. Frenzel for, with Mr. Riegle against.

Mr. Lujan for, with Mr. James V. Stanton against.

Mr. Eshleman for, with Mr. Murphy of New York against.

Mr. Archer for, with Mr. Howe against.

Messrs. ABDNOR, BOB WILSON, HILLIS, NEAL, FITHIAN, and EMERY and Mrs. LLOYD of Tennessee changed their vote from "no" to "aye."

Mr. SCHEUER and Mr. EDWARDS of California changed their vote from "aye" to "no."

So the perfecting amendment was rejected.

The result of the vote was announced as above recorded.

PERFECTING AMENDMENT OFFERED BY MR. SARASIN

Mr. SARASIN. Mr. Chairman, I offer a perfecting amendment, and I ask unanimous consent that the perfecting amendment be considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The perfecting amendment is as follows:

Perfecting amendment offered by Mr. SARASIN: Page 3, line 19, strike out the dollar figure and insert in lieu thereof "$24,567,000,000";

Page 3, line 20, strike out the dollar figure and insert in lieu thereof "$22,954,000,000";

Page 1, line 11, strike out the dollar figure and insert in lieu thereof "$454,021,000,000";

Page 2, line 2, strike out the dollar figure and insert in lieu thereof "$415,385,000,000";

Page 2, line 5, strike out the dollar figure and insert in lieu thereof "$50,575,000,000";

Page 2, line 7, strike out the dollar figure and insert in lieu thereof "$711,850,000,000"; and

Page 2, line 10, strike out the dollar figure and insert in lieu thereof "$65,650,000,000".

Mr. SARASIN. Mr. Chairman and Members of the House, let me quickly explain that this amendment is almost the same as the amendment just rejected by the House, which was offered by the gentleman from Texas (Mr. BURLESON) except that all of the numbers are the same, or their effect would be the same, except that this amendment targets on one exemption, the Burleson amendment would have taken $50 million out of the budget which was dedicated to some form of health insurance or a study of the same.

In addition, it would have taken $50 million out of the budget for start-up costs for the so-called Humphrey-Hawkins full employment bill. This amendment takes the $50 million out of the budget affecting the Humphrey-Hawkins full employment bill. It does not touch a dime of funds that would be set aside and reserved for any consideration we may give to health insurance in one form or another.

I voted against the Burleson amendment after speaking against the Humphrey-Hawkins portion of it, because, as I expressed then, I shared the feeling of the gentleman from Wisconsin (Mr. STEIGER) who was concerned that we might find ourselves attempting to bring out some legislation concerning catastrophic health insurance, and these dollars might be necessary or we might run into a budget problem later on.

There should not be a dime in this budget for the so-called full employment bill because, as I said earlier, we cannot get there from here—not with that process.

Since many of the Members were not on the floor at that time, I would like to repeat only one portion of the comments I made earlier. I spoke about the witnesses who testified before the Manpower Subcommittee of the Committee on Education and Labor on which I serve and in which this bill has been subject to hearings in recent weeks. All of the economists testified it will not work except for one, and that one is the gentleman, Mr. Keyserling, who said it was so fortunate and we did it so well in World War II that we should repeat the experiment. He pointed out proudly, as I mentioned just a few moments ago, that we were able to take unemployment from 14 percent in 1939 to 1 percent in 1942 in spite of the fact that we had 15 million under arms and half of our GNP went into war production.

As I pointed out earlier, it was not in spite of the fact, it was because of the fact that we had 15 million men under arms that the unemployment problem was solved, and I do not think that is the route we ought take again. I think there is an alternative. It is the Jobs Creation Act, or legislation of that type which provides jobs in the private sector. Which would provide for the creation of permanent productive jobs and not temporary nonproductive, tax-draining jobs that would be created under a bill which says everyone is going to work for the Government and at wages that are higher than in the private sector. I think that is the wrong way to go.

This amendment is really very simple. It cuts to one-half the so-called Burleson amendment. It only touches those dollars in the budget set aside for the start-up of the Humphrey-Hawkins full employment bill, and I do not think we should start it up.

Mr. KEMP. Mr. Chairman, will the the gentleman yield?

Mr. SARASIN. I yield to the gentleman from New York.

Mr. KEMP. I thank the gentleman for yielding. The Humphrey-Hawkins bill would Britainize our economy, it would lead to Government jobs, Government borrowing, and central planning.

I would like to congratulate the gentleman on his statement. It seems to me that while lip service is paid by, the so-called Full Employment Act, toward creating private employment, there is actually nothing in it that in any way creates any incentives for private enterprise jobs, long lasting, productive, wealth creating jobs that produce and generate tax revenues. On the contrary it would only consume tax resources by costing the taxpayers billions of dollars to provide public service jobs.

I submit, the only way to create full employment is for a massive stimulus and incentive to save and to invest in the private, productive sector of the economy, such as our Jobs Creation Act which the gentleman has joined in sponsoring with me. It would be a vast mistake to pass legislation which can only mislead the American people into believing that the way to reach full employment is to put people into public service jobs. The American people do not want public service jobs; they want private sector jobs. New York City and Britain are examples of what public spending, public borrowing and public jobs do to an economy. I applaud the gentleman and appreciate his leadership and I support it as strongly as I can and offer the Jobs Creation Act as the private enterprise alternative to jobs creation.

Mr. SARASIN. I thank the gentleman for his contribution. He is absolutely right. The full employment bill is not legislation; it is a political statement. Why recent constituent survey reveals over 70 percent support incentives in the private sector to solve the unemployment problem and over 70 percent oppose the concept of the Government becoming the employer of last resort. The taxpayers clearly know who would pay for this scheme—they would.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ADAMS. Mr. Chairman, I ask that we proceed to vote on the amendment at this time.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Connecticut (Mr. SARASIN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SARASIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 177, noes 206, not voting 50, as follows:

[Roll No. 211]

AYES—177

Abdnor
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Armstrong
Ashbrook
Bafalis
Baucus
Bauman
Beard, Tenn.
Bedell
Bennett
Bonker
Bowen
Breaux
Breckinridge
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Derrick
Derwinski
Devine
Dickinson
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Erlenborn
Evans, Ind.
Fisher
Fithian
Flynt
Foley
Forsythe
Fountain
Frey
Gibbons
Ginn
Goodling
Grassley
Guyer
Hagedorn
Haley
Hamilton
Hammerschmidt
Hansen
Hefner
Henderson
Hightower
Hillis
Holt
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Kasten
Kelly
Kemp
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Lloyd, Tenn.
Lott
McClory
McCollister
McDonald
McEwen
McKinney
Madigan
Mahon
Mann
Martin
Mathis
Melcher
Michel
Milford
Miller, Ohio
Mills
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mosher
Myers, Ind.
Myers, Pa.
Neal
O'Brien
Passman
Paul
Pettis
Poage
Pressler
Preyer
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Robinson
Rogers
Rose
Roush
Rousselot
Santini
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Sharp
Shriver
Shuster
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Treen
Ullman
Vander Jagt
Waggonner
Walsh
Wampler
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.

NOES—206

Adams
Addabbo
Albert
Allen
Ambro
Anderson, Calif.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Beard, R.I.
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Brademas
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Carter
Chisholm
Clay
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Fenwick
Fish
Flood
Florio
Ford, Mich.
Ford, Tenn.
Fraser
Gaydos
Giaimo
Gilman
Gonzalez
Green
Gude
Hall
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Heckler, Mass.
Heinz
Helstoski
Hicks
Holland
Holtzman
Horton
Howard
Hungate
Johnson, Calif.
Jordan
Karth
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Levitas
Lloyd, Calif.
Long, La.
Long, Md.
Lundine
McCormack
McDade
McFall
McHugh
Maguire
Matsunaga
Mazzoli
Meeds
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.

Morgan
Moss
Mottl
Murphy, Ill.
Murtha
Natcher
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Pickle
Pike
Price
Randall
Rangel
Rees
Reuss
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Roncalio
Rooney
Rosenthal
Rostenkowski
Roybal
Russo
Ryan
St Germain
Scheuer
Schroeder
Seiberling
Shipley
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stark
Steed
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Thompson
Traxler
Tsongas
Van Deerlin
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
Whitten
Wirth
Wright
Yates
Yatron
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—50

Abzug
Archer
Bell
Bevill
Conlan
de la Garza
Downing, Va.
Esch
Eshleman
Findley
Flowers
Frenzel
Fuqua
Goldwater
Gradison
Hayes, Ind.
Hébert
Hechler, W. Va.
Hinshaw
Howe
Jones, Ala.
Jones, N.C.
Ketchum
Litton
Lujan
McCloskey
McKay
Macdonald
Madden
Murphy, N.Y.
Nichols
Nix
Pepper
Riegle
Roberts
Runnels
Ruppe
Sarbanes
Sikes
Simon
Skubitz
Stanton, James V.
Teague
Udall
White
Whitehurst
Wilson, C. H.
Wilson, Tex.
Wolff
Young, Ga.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Wolff against.

Mr. Sikes for, with Mr. Howe against.

Mr. White for, with Mr. Young of Georgia against.

Mr. Jones of North Carolina for, with Ms. Abzug against.

Mr. Teague for, with Mr. Nix against.

Mr. Archer for, with Mr. Murphy of New York against.

Mr. Conlan for, with Mr. Pepper against.

Mr. Frenzel for, with Mr. James V. Stanton against.

Mr. Eschleman for, with Mr. Udall against.

Mr. Goldwater for, with Mr. Charles H. Wilson of California against.

Mr. PICKLE changed his vote from "aye" to "no."

So the perfecting amendment was rejected.

The result of the vote was announced as above recorded.

PERFECTING AMENDMENT OFFERED BY MR. VANIK

Mr. VANIK. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Perfecting amendment offered by Mr. VANIK: Page 4, line 9, strike out "$3,497,000,000" and insert in lieu thereof "$3,512,000,000".

Page 4, line 10, strike out "$3,470,000,000" and insert in lieu thereof "$3,485,000,000".

Page 1, line 7, strike out "$363,000,000,000" and insert in lieu thereof "$363,300,000,000".

Page 1, line 9, strike out "$14,800,000,000" and insert in lieu thereof "$14,500,000,000".

Page 1, line 11, strike out the dollar figure and insert in lieu thereof "$454,086,000,000".

Page 2, line 2, strike out the dollar figure and insert in lieu thereof "$415,450,000,000".

Page 2, line 5, strike out "$50,625,000,000" and insert in lieu thereof "$50,340,000,000".

Page 2 line 7, strike out the dollar figure and insert in lieu thereof "$711,615,000,000".

Page 2, line 10, strike out the dollar figure and insert in lieu thereof "$65,415,000,000".

Mr. VANIK (during the reading). Mr. Chairman, I ask unanimous consent that the perfecting amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Chairman, the amendment I am offering increases the general Government category—code 800—budget authority and outlay figure by $15 million. I would also ask that a conforming amendment be approved which would increase Government revenues in section 1 by some $300 million.

The increase of $15 million which I propose is for the Internal Revenue Service, specifically, for the Collection Division, the Audit Division, and the Intelligence Division. All of these units have been severely cut by the administration's proposed budget. Yet cuts in these IRS functions result in enormous losses in revenue to the Treasury.

For example, in a Ways and Means Oversight Subcommittee hearing held yesterday, we received testimony from ranking officials of the IRS that the Collection Division was being cut 1,200 positions to save $513,260,000. Yet we were also told that as a result of this action, more delinquent accounts would accumulate, the statute of limitations would run on some accounts, et cetera. As a result, there would be a loss of over $300 million to the Federal Treasury.

The administration has also proposed a $13 million cut in the Audit Division—even though this will result in $100 million less in revenue collections.

The IRS Intelligence Division's manpower is being cut back by 10 percent. This action will also result in the loss of hundreds of millions of dollars in revenue—and even worse, it will allow tax avoiders and organized crime elements ever greater opportunities to escape taxation.

My amendment provides an additional $15 million for the IRS. The exact way that those funds are spent is up to the Appropriations Committee. The intent of my amendment is that enough funds be provided to insure an additional gross receipt of $315 million to the Federal Treasury or a net gain of $300 million.

I believe that this amendment is one of the very few that can be offered which will actually result in additional revenues.

I am proposing that the deficit figure be reduced by $300 million. If, for reasons of fiscal policy the committee objects to this change, I will withdraw that portion of my amendment, thus leaving an additional $300 million to be divided among other program expenditures.

I hope that this amendment will be approved, since it pays for itself 20 times over and helps insure an efficient and well-functioning revenue agency.

Mr. DANIELSON. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from California (Mr. DANIELSON).

Mr. DANIELSON. I thank the gentleman for yielding.

Mr. Chairman, did the gentleman say $15 million or $50 million?

Mr. VANIK. $15 million.

Mr. DANIELSON. If the gentleman will yield further, this would produce added revenue?

Mr. VANIK. By the testimony of the IRS officials yesterday, it would produce $300 million.

Mr. DANIELSON. Does the gentleman mean that $15 million gets us $300 million?

Mr. VANIK. That is exactly correct.

Mr. DANIELSON. I thank the gentleman.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, the gentleman is basing his estimate of $300 million on testimony from the Internal Revenue Service?

Mr. VANIK. The ranking officials of the IRS.

Mr. HAYS of Ohio. The gentleman has apparently been reading the papers. Does the gentleman believe anything they say?

Mr. VANIK. Mr. Chairman, I believe that fewer agents will produce less revenue. Taxation is the lifeblood of our system.

In the collection of taxes, we are now protecting the rights of individuals in a way that we did not in previous years, and I believe this costs more money. If we are going to make our voluntary system work, it is going to need adequate personnel.

Mr. Chairman, I hope that the chairman of the committee will accept the amendment. I hope that the ranking member will accept my amendment. This is a revenue-producing amendment which will reduce the deficit by $300,000,000.

Mr. ADAMS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I think the amounts that are already included in the budget resolution are sufficient for this purpose, and I reluctantly oppose the amendment. I call for a vote on the amendment, and I ask the Members to defeat it.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Ohio (Mr. VANIK).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. VANIK. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the perfecting amendment was rejected.

PERFECTING AMENDMENT OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

> Perfecting amendment offered by Mr. MICHEL: Page 1, line 11, strike out the dollar figure and insert in lieu thereof "$453,037,000,000".
>
> Page 2, line 2, strike out the dollar figure and insert in lieu thereof "$414,366,000,000".
>
> Page 2, line 5, strike out the dollar figure and insert in lieu thereof "$49,556,000,000".
>
> Page 2, line 6, strike out the dollar figure and insert in lieu thereof "$710,831,000,000".
>
> Page 2, line 10, strike out the dollar figure and insert in lieu thereof "$64,631,000,000".
>
> Page 3, line 25, strike out "$156,764,000,000" and insert in lieu thereof "$155,730,000,000".
>
> Page 4, line 1, strike out "$139,228,000,000" and insert in lieu thereof "$138,159,000,000".

Mr. MICHEL (during the reading). Mr. Chairman, I ask unanimous consent that the perfecting amendment be considered as read and printed in the RECORD, in view of its being very simple to explain; it is simply a $1 billion reduction in the food stamp program.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Chairman, the amendment which I am offering would simply reflect the overwhelming sentiment, as expressed previously by many Members of this body, that we must come to grips with the need for reform in the food stamp program.

This actually reflects the urgings of our Committee on Appropriations, which has repeatedly called upon the President to bring this program under control and for which we actually appropriated $100,000 in the last supplemental appropriations bill for the purpose of issuing new regulations.

The President moved in response to the call of the Committee on Appropriations, and has scheduled reform regulations to go into effect on June 1.

The majority, in the report accompanying the budget resolution, on page 62, says this:

> The Committee recommends a reduction of $400 million in budget authority and outlays as a result of program reform. It is assumed that savings of this magnitude can be achieved without large-scale cutbacks in the program. Possible reforms include: changing itemized deduction provisions to a standard deduction, standardizing the percentage of income that must be paid for food stamps, basing benefits on past rather than anticipated income, and elimination of automatic food stamp eligibility—regardless of income—for public assistance recipients.

Apparently the committee recommendation is predicated on its belief that only $400 million can be saved by taking the steps they recommend, and that the remainder, approximately $1 billion, relates to establishment of an income ceiling at the poverty index.

Mr. Chairman, the administration has estimated that $500 million alone can be saved through basing benefits on past rather than anticipated income, which the committee itself recommends. It further is estimated that $720 million can be saved through such steps as the use of a standard deduction rather than itemized deductions, together with the use of a standardized income ceiling, and that income ceiling, however, is not the poverty index; it is $1,200 above the poverty index for nonaged persons and $1,500 above the poverty index for aged persons. That means that when the new poverty index goes into effect on July 1, the maximum income levels will be $6,700 and $7,000 respectively for a family of four.

The Members of this House will recall that last November the gentleman from Illinois (Mr. FINDLEY) on our side moved to make the poverty level index the income cutoff. While that amendment was defeated, it was supported by 159 Members. Here, with this amendment, we have a chance to reflect what the Administration has proposed in these new regulations and what Members of the House and Senate regard as appropriate: a gross income ceiling well above the poverty index.

The amendment, most importantly, is fully consistent with the action of the House Committee on Appropriations and the Congress 3½ months ago, when the President's 1976 budget request for food stamps was reduced by $1.4 billion, in anticipation of the Department of Agriculture issuing stronger regulations. Those regulations, in response to that action, are now out and are scheduled to go into effect on June 1.

Mr. Chairman, it makes no sense whatsoever not to conform our budget resolution to these coordinated actions of the legislative and executive branches. Therefore, Mr. Chairman, for both mathematical reasons, because the $400 million does not sufficiently reflect the actual savings and recommendations that the committee itself has made—and for policy reasons—to reflect the joint conviction of the Congress and the President that meaningful food stamp reform is sorely overdue, I urge favorable consideration of the amendment. It would further reduce budget authority by $1.034 billion and outlays by $1.069 billion.

Mr. Chairman, only by adopting the amendment can we reflect in this budget resolution the measure of food stamp reform we have said time and time again we wanted to achieve, and which we know is the overwhelming expectation of the people.

Mr. Chairman, 112 or 113 Members introduced the toughest bill in the session, and a similar number introduced the administration's bill, and just yesterday the gentleman from Texas introduced his bill which is tougher than mine, and there were 26 or 27 cosponsors.

Mr. Chairman, there is no good reason for any Member who either sponsored my bill, the administration's bill, or the bill of the gentleman from Texas (Mr. POAGE) to fail to come forward and support this amendment.

Mr. ADAMS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the Committee on the Budget received information from the Committee on Agriculture as well as from the Committee on Appropriations on what should be done in the area of food stamps generally.

The committees are presently debating this matter. We took the estimate from the cost range that they gave to us, which was that a savings of potentially $400 million below what would otherwise be spent could possibly be made.

We therefore placed a figure of $5.8 billion in the budget resolution.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Washington, the chairman of the Committee on Agriculture, because this is a very technical subject. I want to indicate that the Committee on the Budget has tried to reflect what the appropriate committees of the House have as their best estimate.

Mr. FOLEY. Mr. Chairman, I thank the gentleman for yielding.

I hope the committee will not vote to accept this proposed amendment because I believe the gentleman who has offered it is assuming that the figures he has cited are currently accurate figures.

I respectfully indicate to him, Mr. Chairman, that I do not think they are.

A special study group of the Committee on Agriculture has been working very carefully for several months now on major problems associated with the food stamp program. Included in this effort are estimates of various program costs. The Congressional Budget Office, the Library of Congress, the General Accounting Office, and the Department of Agriculture, as well as other organizations have cooperated with this study by the Committee on Agriculture. I suggest to the Members here that the proposal to set a limit of around $4.7 billion will not accommodate the outlays necessary to support the Buckley-Michel bill and will not support the outlays necessary to support the administration regulations. Those who support the administration regulations or the Buckley-Michel bill will be setting a budget limit below that necessary to sustain those proposals.

Mr. Chairman, such an action would be fiscally irresponsible and a budget distortion.

The fact of the matter is that the administration has seriously overestimated the savings that will be accomplished under several programs. By the time we present a food stamp bill here in a matter of about a month, we intend to discuss fully cost estimates. We believe we will be able to give accurate cost estimates on various proposals that may be offered to amend the food stamp program. This amendment, however, is not related to currently accurate cost estimates—and in my view its addition would be a grave mistake.

So therefore I must insist that the gentleman who has offered this amendment has a bill himself known as the Buckley-Michel bill which by our current estimates would cost substantially more if it were enacted than his own limitation.

Mr. ADAMS. Mr. Chairman, I thank the gentleman for his remarks.

I hope the amendment will be defeated. We have tried to place a reasonable funding level in this budget resolution for food stamps. We had the problem this last year that the estimates of the administration were underestimated.

I hope we would stay within the committee's position. But I would also state to the House that after the Committee on Agriculture has reported and the Committee on Appropriations has worked its will on it, there may be a necessity for going even above the Budget Committee resolution because this is an entitlement program.

So I hope the amendment will be rejected. We think we are on conservative ground when we placed this $400 million savings for food stamp reform in this resolution. I hope therefore that the Committee of the Whole will stick with the Committee on the Budget's recommendations which we received from the committees of the House.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Illinois (Mr. MICHEL).

The question was taken; and the Chairman announced the noes appear to have it.

RECORDED VOTE

Mr. MICHEL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 147, noes 229, not voting 56, as follows:

[Roll No. 212]

AYES—147

Abdnor
Ambro
Andrews, N. Dak.
Armstrong
Ashbrook
Bafalis
Bauman
Bennett
Breaux
Brinkley
Broomfield
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Conable
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Dickinson
Duncan, Tenn.
Edwards, Ala.
Emery
English
Erlenborn
Evans, Ind.
Fish
Fithian
Flynt
Forsythe
Fountain
Frey
Gibbons
Ginn
Goodling
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hannaford
Hansen
Harsha
Henderson
Hightower
Holt
Hubbard
Hutchinson
Hyde
Ichord
Jarman
Johnson, Colo.
Johnson, Pa.
Kasten
Kelly
Kemp
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Lott
McClory
McCollister
McDonald
McEwen
Madigan
Mahon
Mann
Martin
Mathis
Michel
Milford
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mottl
Murtha
Myers, Ind.
Myers, Pa.
O'Brien
Passman
Patterson, Calif.
Paul
Pettis
Poage
Pressler
Pritchard
Quillen
Railsback
Regula
Rhodes
Robinson
Rogers
Rousselot
Runnels
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Slack
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Stephens
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Treen
Vander Jagt
Waggonner
Wampler
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.

NOES—229

Adams
Addabbo
Allen
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brodhead
Brooks
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Carter
Chisholm
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Fenwick
Fisher
Flood
Florio
Foley
Ford, Tenn.
Fraser
Gaydos
Giaimo
Gilman
Gonzalez
Green
Hall
Hamilton
Hanley
Harkin
Harris
Hawkins
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Holland
Holtzman
Horton
Howard
Hughes
Hungate
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Long, La.
Long, Md.
Lundine
McCormack
McDade
McFall
McHugh
McKinney
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Pattison, N.Y.
Perkins
Peyser
Pickle
Pike
Preyer
Price
Quie
Randall
Rangel
Rees
Reuss
Richmond
Rinaldo
Rodino
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarasin
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Sisk
Smith, Iowa
Solarz
Spellman
Staggers
Stark
Steed
Steiger, Wis.
Stokes
Stratton
Studds
Sullivan
Symington
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Whitten
Wirth
Wright
Yates
Yatron
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—56

Abzug
Alexander
Archer
Beard, Tenn.
Bell
Bevill
Conlan
de la Garza
Downing, Va.
Esch
Eshleman
Findley
Flowers
Ford, Mich.
Frenzel
Fuqua
Goldwater
Gradison
Gude
Harrington
Hayes, Ind.
Hébert
Hechler, W. Va.
Hillis
Hinshaw
Howe
Jones, Ala.
Jones, N.C.
Ketchum
Litton
Lujan
McCloskey
McKay
Macdonald
Madden
Murphy, N.Y.
Nichols
Nix
Pepper
Riegle
Risenhoover
Roberts
Ruppe
Sarbanes
Sikes
Simon
Skubitz
Stanton, James V.
Teague
Udall
White
Whitehurst
Wilson, C. H.
Wilson, Tex.
Wolff
Young, Ga.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Wolff against.

Mr. Sikes for, with Mr. Young of Georgia against.

Mr. Jones of North Carolina for, with Ms. Abzug against.

Mr. White for, with Mr. Murphy of New York against.

Mr. Archer for, with Mr. Nix against.

Mr. Conlan for, with Mr. Howe against.

Mr. Goldwater for, with Mr. Charles H. Wilson of California against.

Mr. Lujan for, with Mr. Udall against.

Mr. Teague for, with Mr. Pepper against.

So the perfecting amendment was rejected.

The result of the vote was announced as above recorded.

PERFECTING AMENDMENT OFFERED BY MR. OTTINGER

Mr. OTTINGER. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Perfecting amendment offered by Mr. OTTINGER:

Page 3, line 22, strike out the dollar figure and insert in lieu thereof "$39,450,000,000".

Page 3, line 23, strike out the dollar figure and insert in lieu thereof "$38,900,000,000".

Page 1, line 11, strike out the dollar figure and insert in lieu thereof "$454,271,000,000".

Page 2, line 2, strike out the dollar figure and insert in lieu thereof "$416,135,000,000".

Page 2, line 5, strike out the dollar figure and insert in lieu thereof "$51,325,000,000".

Page 2, line 7, strike out the dollar figure and insert in lieu thereof "$712,600,000,000".

Page 2, line 10, strike out the dollar figure and insert in lieu thereof "$66,400,000,000".

Mr. OTTINGER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OTTINGER. Mr. Chairman, what this amendment does is remove the caps that were placed on medicaid and medicare reimbursement. It would add, therefore, some $700 million to the budget.

The caps were placed in the budget in the contemplation that the Committee on Ways and Means and the Committee on Interstate and Foreign Commerce will be able to devise programs to adequately control the cost of the medicare and medicaid programs.

Mr. Chairman, nobody is more concerned than I about the soaring costs of health care in our country. Those costs have been going up at about twice the rate of inflation in other sectors of the economy. The thing which very much disturbs me is that if effective controls are not put on the health providers, we will have this cap and the $700 million is going to be taken out of senior citizens' pockets.

At the present time senior citizens are the most desperate needy element in our community. In the past couple weeks I have had just a stream of senior citizens coming into my office in absolute destitution and desperation, with tears running from their eyes. They show me their medical bills. What is happening in New York, we have put restrictions on medicare and medicaid reimbursement. Doctors' costs and hospital costs have not been cut. The full costs have been billed to these senior citizens. They come in with their medicare and medicaid reimbursement of half the amount that was charged them, and they say, "How can we pay for this?" "How are we going to eat?" They are just frantic.

We actually have people in my district who are getting insufficient diets. As a matter of fact, in the city of Mount Vernon, which is a desperately poor city, I have one staff member who does practically nothing but go around and get food packages for senior citizens. We simply cannot proceed with this. Combined with the SSI program, which in the Northeast is putting an unconscionable squeeze on senior citizens, we are squeezing senior citizens out of existence.

I think that if adequate price controls are in place, a cap is fine, but we must not put a cap on medicaid or medicare reimbursements without controlling prices—to do so would just wipe our senior citizens off the map. That would be unconscionable.

Yet, it appears to me that that is what this provision of the budget does—it caps the reimbursement without capping the prices senior citizens have to pay for health care.

Therefore, I urge adoption of my amendment.

Mr. Chairman, the effect of this amendment will be to increase budget authority by $200 million and total outlays by $700 million.

My problem with the budget resolution is that it cuts $700 million in health care funds without programs being in place to assure that these cuts will come from enforced efficiencies in delivery of health services, not out of the depleted pocketbooks of financially desperate senior citizens.

Inherent in the proposal to cap Federal reimbursements for hospital costs is the belief that if the Government acts to place a ceiling on what it will pay under Federal health care programs, private insurance companies will follow suit and providers of health care will have no choice but to keep prices down. Providers of health care services, on the other hand, have always asserted that their costs are largely determined by inflation in other sectors of the economy over which they have no control and that they have no choice but to pass these increases in the cost of goods and services provided during hospital care on to the consumer or his insuror.

Since legislation under consideration by the authorizing committees merely assumes and does not require that the health care industry lower prices, I fear for the welfare of the elderly and low-income people who benefit from the medicare and medicaid programs if these projections do not materialize. The alternative for them will be, of course, that they will either have to find the means to pay the difference between the cost of hospital care and what the Federal Government provides, or else go without essential medical services. I cannot accept that kind of choice for the people who have suffered more than any other under our inflationary economy.

Mr. Chairman, the President has recommended a number of steps to require senior citizens to participate in increased cost sharing for hospital and nursing home care and to accept an increase in the deductible portion they must pay for physician and other outpatient services under medicare. As a further means of reducing Government payments under the medicare program, he has suggested limiting the increase in hospital reimbursements to 7 percent. Proposed health care block grants to the States are supposed to bring about similar controls in the spiraling cost of medicaid.

The Budget Committee resolution that is before us today would similarly seek to control the increase in the cost of these two programs to the Federal Government by providing funding levels that assume a cap on the increase in hospital reimbursements of not more than 10 percent. Both the Interstate and Foreign Commerce Committee, of which I am a member, and the Committee on Ways and Means have endorsed the concept of legislating certain cost controls in the medicare and medicaid programs in order to reduce the burden these place on the Federal budget. I am completely in agreement with the idea of taking quick and positive action to control the rising cost of health care in the United States. But I am not willing to permit decreases in Federal funding to be placed as a burden on senior citizens already staggering under increased health care costs, which is what I fear would be the effect of the Budget Committee reductions.

According to the Social Security Administration, in 1974 total expenditures in this country for health care amounted to 7.7 percent of our gross national product, or $104.2 billion. This translates into $485 for every man, woman, and child in the country. Our national health bill is now nearly double what it was 6 years ago. Over the past 14 years it has more than quadrupled and increased almost ninefold since 1950.

The dramatic rise in the cost of living that has taken place in the United States since expiration of the economic stabilization program in April of 1974 has hit particularly hard in the area of health care. The Department of Labor reports that in the first 6 months after the ESP expired the rate of inflation for all goods and services measured by the Consumer Price Index was 13.2 percent.

In contrast, the rate of inflation applied only to the medical care component of the CPI was 15.2 percent. The composite hospital services charges index rose at an annually adjusted rate of 18.3 percent. Throughout 1975 the rate of inflation for hospital care costs continued to stand at between 16 and 18 percent and is projected to remain at 15 percent through 1976. Considering that through the medicare and medicaid programs the Federal Government pays about 40 percent of the cost of hospital care in the United States, the Federal Government bears a large responsibility for failing to control health care costs.

The way to bring down medical costs and prices is through a comprehensive program of controls and audits of health care costs—and eventually through national health insurance that will permit complete Federal cost control. Just putting a cap on Federal payments raises the prospect that doctors and hospitals will prosper at the expense of the poorest of the poor.

I offer my amendment, therefore, as a method that I believe is far preferable to locking ourselves into reductions with no clear idea of how they might be obtained.

Mr. Chairman, I think the amendment should be supported.

Mr. ADAMS. Mr. Chairman, I rise in opposition to the amendment proposed by Mr. OTTINGER. His amendment would add $200 million in budget authority and $700 million in outlays to the health functon. The purpose of the amendment is to eliminate the effort proposed by the Ways and Means and Interstate and Foreign Commerce Committees, and agreed to by the budget committee, to institute modest savings in the cost of hospital care provided to medicare and medicaid patients.

I understand Mr. OTTINGER's concern that costs not reimbursed by the Federal Government will have to be paid by the patients who receive the care. I believe I can offer him assurance that the patient will not be forced to pay more because of the cost proposal in the budget resolution.

First, Mr. Chairman, I would like to provide some statistics to the Members to demonstrate the need for the controls on hospital costs proposed by the budget resolution.

From the end of cost controls on the health industry in April 1974 to December 1975, medical prices have risen substantially faster than the overall cost of living. The annualized increase during this 19-month period in the overall consumer price index was 9.1 percent. However, the increase in hospital semiprivate room charges was 16.9 percent; the increase for operating room charges was 17.9 percent; and the cost of laboratory tests in hospitals increased 13.2 percent. The increase in the cost of physician services has been equally bleak. The cost of an office visit rose 13.2 percent and the price for obstetrical cases increased 12.5 percent. Only in the case of eyeglasses and prescription drugs has the cost rise been less than the overall CPI. The total increase for medical care from April 1974 to December 1975 was 11.6 percent.

The data for the most recent month, March 1976, indicates that the rate of increase in hospital and physician costs has not abated. During March 1976, the CPI rose only 0.2 percent, while the semiprivate room charge rose 0.9 percent and physician fees increased 1.0 percent. Despite the welcome overall reduction in the rate of inflation, medical care prices continue to rise as they have over the past 2 years.

Mr. Chairman, the President in his

budget for fiscal year 1977 recognized the problem. He proposed a series of cost controls which would limit the increase in hospital costs recognized for medicare reimbursement to 7 percent over 1976 and the increase in physician charges to 4 percent over the previous year. The administration estimates that without cost controls, hospital costs will rise almost 15 percent in fiscal year 1977 and physician charges about 10 percent.

The Budget Committee report makes no recommendation with respect to physician fee increases for basically the reason that Mr. OTTINGER is concerned about. It is extremely difficult to prevent physicians from passing on to their patients charges not reimbursed by medicare. Such an effort would require strict inspections of the records and practices of some 300,000 physicians in the United States. The President's proposal to limit physician fee increases to 4 percent would permit physicians to charge their medicare patients any amount not reimbursed by the Federal Government. The Ways and Means Committee recommended rejections of this type or control and the Budget Committee agreed.

Hospitals, however, if they choose to participate in the medicare program, can only charge the patient a one-time deductible of $104 and certain copayments if the patient stays in the hospital over 60 days. Otherwise, hospitals must accept the amounts determined by the program as constituting "reasonable cost" as the full payment for services rendered. Hospitals cannot, by law, charge the medicare patient—or the medicaid patient—for amounts found to be "unreasonable" and for which reimbursement is denied. Therefore, I would say to Mr. OTTINGER that his concern, while commendable, is unwarranted. Any hospital costs for which reimbursement is denied as being excessive cannot be passed on to the medicare or medicaid patient. The hospital cannot do it by law and the patient is under no legal obligation to pay it if the hospital tries.

The Ways and Means Committee indicated to the Budget Committee that it was developing a proposal which would provide a limitation of about 10 percent on the increases in hospital costs recognized as reasonable by medicare. The Interstate and Foreign Commerce Committee indicated it would develop and give serious consideration to cost controls for the medicaid program. The Budget Committee accepted the intent expressed by the authorizing committees and reflected savings of $700 million.

Let me put this $700 million in some kind of perspective. It constitutes a small proportion of the total increase anticipated in medicare and medicaid in fiscal year 1977 over fiscal year 1976. In total, the two programs will expend $31.3 billion in 1977, $5.3 billion more than they did in 1976, a 20-percent increase. In total, we estimate that about 80 percent of the $5.3 billion increase is a result of medical price inflation, not increased services or improved services. The reduction of $700 million represents an effort to slice into that inflation rate and bring down the increase in medicare spending by about 13 percent.

We believe that the Ways and Means estimate of a 10-percent increase in allowable hospital cost increases is reasonable. It is more generous than the President's 7 percent and is considerably higher than the anticipated 6-percent increase in the overall rate of inflation in 1977. It would allow for reasonable increases in hospital wage levels and provide for necessary improvements in services.

Since the enactment of medicare and medicaid and the expansion of private insurance, hospitals have been able to pass on their cost increases to the Federal Government or the private insurance company. The public has paid either through higher taxes or higher insurance premiums for the spiraling increase in hospital costs. It is time that the hospital took greater responsibility for the management of its fiscal affairs and began saying no to demands for unnecessary purchases of new equipment and continued operation of unneeded services. The modest reduction proposed in the budget resolution would head us in the direction of making hospitals more fiscally responsible.

The committee report expresses the hope that a limitation in the rate of increase in hospital costs reimbursable by Federal programs—representing about 40 percent of total hospital income—will set an example for the private insurers—representing about 50 percent of total hospital income—who will adopt similar pricing policies. Action by both the public and private sectors is necessary to bring down the overall cost of hospital care.

There may be hospitals whose circumstances do not permit bringing down their cost increase from 15 to about 10 percent. The Ways and Means proposal anticipates the inclusion in their legislation of an "exceptions" procedure under which hospitals in special circumstances—for example, multiyear labor contracts, changes in the mix of patients, prior commitments to expanded services—could be granted relief from the overall limitation.

In summary, Mr. Chairman, I believe the Budget Committee recommendation is sound and reasonable. It will not adversely affect the medicare or medicaid patient and it represents a level of increase that hospitals can accommodate to without disruption of service. I urge rejection of the Ottinger amendment.

Mr. ROSTENKOWSKI. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Illinois.

Mr. ROSTENKOWSKI. Mr. Chairman, the Ways and Means Committee and the Budget Committee have recommended, for fiscal year 1977, medicare program outlays $200 million higher than would occur under existing law. This amendment would add another $700 million, for a total outlay figure $900 million above what would occur under existing law.

The committee's medicare recommendations were based on the conclusion that we have to face two major problems in the medicare program. One is the crisis created by rising health care costs, particularly hospital costs. The second is the need of the aged for protection against the catastrophic costs of a prolonged illness. We designed our recommendations, therefore, to address these problems. We proposed the use in medicare of reasonable restraints on rising hospital costs—restraints which would produce significant reductions in outlays for fiscal year 1977. We then proposed to use these savings, plus an additional $200 million to provide catastrophic protection and certain other limited benefit improvements. What we came out with, in short, was a balanced, financially sound set of recommendations.

If this amendment is adopted, I assume that some people may conclude that we will not need to implement the proposed restraints on rising hospital costs—that with these additional funds we could just provide catastrophic protection. I suggest, however, that the cost problem may be too serious to be ignored.

It would be difficult to avoid addressing it if we enact any major medicare legislation. Therefore, I would suggest that if additional medicare funding is provided I would see it being used in large part to further improve medicare by eliminating existing gaps in protection. Let me say that I believe the elimination of these gaps is a worthwhile objective. I would welcome the opportunity to achieve it if the Congress were to decide to increase medicare outlays for that purpose.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from New York (Mr. OTTINGER).

The perfecting amendment was rejected.

Mr. ADAMS. Mr. Chairman, I move to strike the last word.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, I take this time to address a question to the distinguished chairman of the committee concerning an item in the International Affairs Category; namely, the Public Law 480 food for peace program.

As I understand it, the chairman's committee adopted the international affairs total, function 150, with the intent of approving the President's budget figure for Public Law 480 which was then before the committee.

Since then, there has been a change in that budget figure which, of course, has not been due to any decision on the committee's part.

It is my understanding the executive branch is expected to have new official estimates around mid-May of increased outlays.

Could the chairman advise his intention may be to accommodate this change during the conference on this resolution?

Mr. ADAMS. There have been reestimates of the Public Law 480 program for the President's budget submission. We understand these estimates are still undergoing refinements, related primarily, although not exclusively, to shipment of dried milk. We recognize that eventually we can accommodate ourselves to the finalized estimate from the administration.

Mr. ZABLOCKI. I thank the gentleman.

AMENDMENT OFFERED BY MR. HAMMERSCHMIDT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Mr. HAMMERSCHMIDT. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. HAMMERSCHMIDT to the amendment in the nature of a substitute offered by Mr. LATTA: In section 2 (11) (A) strike out "$18,949,000,000" and insert "$19,849,000,000".

In section 2(11) (B) strike out "$18,465,000,000" and insert "$19,365,000,000".

Mr. HAMMERSCHMIDT. Mr. Chairman, my amendment will add $900 million to the amount provided for veterans benefits and services by the pending amendment.

This is an amount equivalent to the amount the amendment of the gentleman from Ohio will reduce the target contained in House Concurrent Resolution 611, on the premise that certain unrealistic legislative proposals of OMB will be enacted.

An example of these unrealistic proposals is a recommendation to reduce the 10-year period for utilizing educational benefits to 8 years. We have already heard considerable argument suggesting that 10 years is not enough time to complete a program of education under the GI bill. Although there is disagreement about extending the 10 years, it is highly improbable that we would roll the period back to 8 years. A savings of $623.5 million is projected for this proposal.

In its March 15 report to the Committee on the Budget, the Committee on Veterans' Affairs made it crystal clear that the committee is not expected to approve these unrealistic proposals that would reduce expenditures for veterans benefits and services by $900 million.

The pending amendment by my friend Mr. LATTA anticipates the enactment of these recommendations and reduces the target by $900 million. My amendment anticipates that the recommendations will not be enacted and, therefore, adds the $900 million to the pending amendment. I urge that it be approved.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas (Mr. HAMMERSCHMIDT) to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA).

The amendment was agreed to.

Mr. LATTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I hope not to take the full 5 minutes because I believe that during the past 3 days the Members of the House have had an opportunity to examine my amendment in the form of a substitute. It has been printed in the RECORD since Tuesday. I think we have adequately debated it in these various amendments which have been offered, with one slight exception, and I think it is such an important part that we should review it briefly during these few minutes. It is the tax reduction portion being proposed in substitute and first put forward by President Ford.

Mr. Chairman, I propose to raise the personal income tax exemption of the taxpayers of this country and their dependents from $750 to $1,000.

This is an amendment to our tax laws which every taxpayer and every taxpayer with dependents can understand. This is a part of my tax reduction proposal.

Second, I propose also to reduce the individual's tax rates. I want to aid those wage earners in the middle-income bracket who seemingly have been forgotten in the past several tax reduction bills, as well as those in the lower income brackets. This will amount to a reduction of $7.8 billion.

I propose to increase the standard deduction which will total $.3 billion more in tax relief. I propose that the earned income credit be eliminated and this will give us a plus of $700 million, for a subtotal of $8.4 billion in tax reductions.

We have heard a lot about jobs during this debate and about creating new jobs. I happen to believe that the way to create permanent jobs in a free enterprise society is to stimulate the private sector. In my proposal, I would do just that. I would reduce the corporate tax in such a way as to stimulate these new jobs. I would also provide for a tax credit for interest income, for mortgages and accelerated depreciation. My total package would add up to $10.9 billion in tax reductions.

Mr. Chairman, I think the American people want these tax reductions. I think they are entitled to them. I think they are getting a little bit tired of their Government spending more and more of their money for them. This resolution, which came out of the Budget Committee with no Republican support, proposes to take more of their money from them to spend as big government sees fit. And this is one of the reasons why I could not support the resolution. I think the American people are entitled to spend more of their hard earned income as they wish and as they see fit. Many in the Congress seem to have assumed the attitude, and I have heard it expressed here on the floor during the last 3 days, that Washington is giving people something in all of these programs. Government is not doing that. It must first take something from the people before it can return anything. Government deals with their funds. So I propose that we permit more of the people's money to remain with them to spend as they see fit. By so doing, they will stimulate that tremendous private sector we have in this country and we won't have to worry about unemployment.

This will produce the jobs we want. Government should not continue to stifle the initiative of the American people by leaving so little of their money with them.

My amendment in the nature of a substitute further proposes to reduce the total outlays by $13.7 billion and the budget authority by $23.5 billion. This would bring the outlays down to slightly under $400 billion.

I believe this is a reasonable approach to this problem. If you wish to vote to give tax relief to the American people in a way they can understand it, especially by increasing their personal exemption from $750 to $1,000, you should vote for my substitute.

Mr. CONABLE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment in the nature of a substitute.

Mr. Chairman, the distinguished ranking minority member of the Committee on the Budget has already placed in the RECORD some reasons for the support of his amendment in the nature of a substitute relating to tax reduction and the potential that his amendment would provide Members of the House in making a choice to do that.

I believe also his amendment performs a service for the House in that it gathers together a number of items considered by the minority to be unnecessary budget authority or expenditure items, and rather than taking them seriatim, it includes them in a package so that we can expedite the work of the committee. If we have neglected to explain some of those individual items, it is only because there has been ample time to study them since the gentleman from Ohio (Mr. LATTA) put his amendment in the RECORD.

I would like to call the attention of the Members, however, to one item relating to mortgage stimulus. That is the largest single item of budget authority which the Latta amendment would remove from this budget resolution before the House. That would provide for $5 billion less in budget authority in the purchase of mortgages as a building stimulus.

The Emergency Home Purchase Assistance Act of 1975 authorized $10 billion in mortgage purchase authority. The 1976 HUD Appropriations Act appropriated $5 billion of that authority. The recommendation of the Committee on the budget would make available the remaining $5 billion.

In January 1976, the administration released $3 billion of the original $5 billion appropriated, for FHA-insured multifamily housing. Of that $3 billion, over $2½ billion is as yet uncommitted. In addition, there still remains the $2 billion from the 1976 Appropriations Act. This $4.5 billion will remain available for discretionary use in the transition quarter and in fiscal year 1977, making the additional $5 billion appropriation envisioned in the resolution of the Committee on the Budget unnecessary. Here in one piece, by this amendment, budget authority in the amount of $5 billion could be eliminated from this budget. The budget authority is not needed: It is as simple as that. Yet the sum is an important amount; it is the largest single item of budget authority that is included in the Latta amendment. Similar explanations could be made with respect to each individual cut which the Latta amendment makes. They are not irresponsible cuts.

Mr. Chairman, it seems to me that the American people also need to be advised of a choice with respect to spending in the aggregate, and the Latta amendment makes this choice apparent to them in the $18 billion reduction that it would require. Coupled with the tax cut that the gentleman from Ohio (Mr. LATTA) has already described this represents a viable choice and has an important role in framing the issues for the fall election. It makes clear that there is a difference between the fiscal positions of the two parties, and that difference, I trust, will be noted by the American people to the advantage of those who support the Latta amendment.

Mr. ADAMS. Mr. Chairman, I rise in opposition to the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA).

Mr. Chairman, I agree with the comment of the gentleman from New York (Mr. CONABLE) in that I think the Latta substitute and the resolution which we have been working on do represent the difference in the macro-economic policy between the two parties as represented in the House of Representatives.

I am very much opposed to the position that has been offered in the amendment in the nature of a substitute.

In the opinion of many of us, the package that was passed by this Congress last year, that formed the basis of the 1976 resolution, helped turn around this economy and helped to begin to bring us back to a reasonable movement toward recovery. We are not there yet.

Mr. Chairman, the resolution we have been working on the last 3 days has been carefully thought out and debated by the Members. It forms a blueprint for this House to work on during the course of this summer in order to pass the bills to begin to provide prosperity.

Yes, I agree with the gentleman from New York (Mr. CONABLE) in that I think the people this fall will have an opportunity, in the election, to give a mandate to the Presidency and to this Congress as to which program they think provides the better economic policy for the prosperity of the Nation.

I am not going to engage in a lot of rhetoric with respect to what has occurred during the last 4 years, when we have had one of the deepest recessions since the late 1930's, because I think the gentleman from Ohio (Mr. LATTA) and myself are both in agreement.

Mr. Chairman, this matter has been presented to the Members of the House at length in the RECORD.

Mr. Chairman, I think this amendment has been fairly presented by the gentleman from Ohio (Mr. LATTA). It involves a series of cuts in the Federal programs, with the exception of the defense category; and it involves a large cut in taxes which, in my opinion, tends to benefit those in business and those who are more well-to-do.

Mr. Chairman, I hope the House will stay with the recommendation of the Committee on the Budget, the resolution on which we have worked our will; and, Mr. Chairman, I hope we can vote on it right now. I do not know that it needs more amendment or any more debate. It is simply a choice between what has been presented by the minority and what has been presented by the majority, and I hope we can vote on it now.

Mr. ROSTENKOWSKI. Mr. Chairman, the proposed amendment to substitute the administration's proposed changes in medicare for the Budget Committee's recommendations raises a serious question about our national priorities. It is inconceivable to me that Members would be willing to disregard our commitment to the integrity of the medicare program for the sake of an unrealistic and ultimately illusory budget reduction. For that is what the proposed amendment really offers—cost-cutting at the expense of the aged; and in ways that are likely to be harmful in the long run to both the program and the aged. I believe, therefore, that it is vitally important for the Members to be perfectly clear about the implications of acting favorably on the proposed amendment.

Mr. Chairman, the Subcommittee on Health held 3 full days of public hearings on the President's proposals shortly after they were submitted. Virtually every witness appearing before the subcommittee—hospital administrators, doctors, senior citizens groups, labor and consumer organizations—vigorously opposed the administration's proposals. On the one hand, the proposal to increase out-of-pocket payments for beneficiaries requiring hospital or nursing home care was attacked as a major cutback in medicare protection for the aged and disabled most in need of care.

On the other hand, the administration's proposed limit on medicare hospital reimbursement was universally characterized as unrealistic and arbitrary: so arbitrary, in fact, as to guarantee such dangerous consequences as reductions in hospital services for the aged and the passing on of medicare costs to other hospitalized patients.

Nor does the administration's proposal to provide catastrophic insurance for the aged offer much consolation for those beneficiaries who would be so burdened by the proposed increases in coinsurance payments as to need the protection. It is like knocking someone to the ground, emptying his pockets, and then offering to help him to his feet.

Yet the idea persists that the administration's proposals offer a way to bring about substantial reductions in medicare outlays without doing violence to the medicare program or the financial security of the aged. But a careful look at just how the administration's proposals would actually cut program expenditures belies this idea.

The administration, for example, would require beneficiaries to pay, in addition to the present hospital deductible, 10 percent of the total cost of their hospital and nursing home care up to a maximum of $500 a year. Since, under present law, a beneficiary does not pay any coinsurance until the 61st day of a hospital stay, the administration's proposal would require every institutionalized beneficiary to make substantial out-of-pocket payments he does not now have to make. A beneficiary who is hospitalized for 20 days, for example, in an institution charging $130 a day, would now pay only the $104 deductible; under the administration's proposal, he would have to pay $350—the deductible plus the 10-percent coinsurance. In short, every institutionalized beneficiary would have to pay more; and in a great many cases, hundreds of dollars more.

To put it even more dramatically, the administration's proposed cost-sharing requirements, even coupled with the $500 limitation on patient liability, would result in an estimated net reduction in medicare outlays of about $620 million—practically all of which would come out of the pockets of aged and disabled beneficiaries.

The administration proposal would further reduce outlays by limiting reimbursable hospital increases to 7 percent and physician fee increases to 4 percent. I have already described the likely effects of the unrealistic 7-percent limit on hospital costs. The limit on reimbursement for physician fee increases, however, would also impose additional burdens on the aged. It is universally recognized that beneficiaries would have to make up out of their own pockets the difference between the physician's reasonable charges and the amount paid by medicare. In short, the reductions produced by the administration's proposals would in large part be achieved at the expense of the aged.

Let me say that the Subcommittee on Health took a long, hard look at the medicare program. We, too, were concerned about the problem of rising program costs. We identified some ways in which to realistically reduce expenditures without penalizing beneficiaries, and we included these proposals in our recommendations to the Budget Committee. But we came to the conclusion that there is no responsible way to achieve reductions of the magnitude contained in the administration's proposal without jeopardizing the financial security of the aged and the stability of our hospital care system. Our recommendations, as adopted by the Budget Committee, combine reasonable and effective limitations on rising hospital costs with catastrophic protection and other urgently needed improvements. And the additional $200 million in medicare outlays required for fiscal year 1977—keeping in mind that there would also be reductions resulting from our approach to restraining rising hospital costs—would make it possible to develop a balanced program of benefit improvements and restraints on rising costs.

Mr. O'NEILL. Mr. Chairman, I rise in the strongest opposition to the substitute offered by the gentleman from Ohio. This substitute is nothing more than the Ford budget with a few of its most obvious errors and omissions corrected.

What are the specific problems with this latter day version of Herbert Hoover economic policy? It is totally inadequate in its economic stimulus. It sacrifices the poor and places substantial new burdens on State and local governments. It rejects the few, but critically important congressional initiatives for which the Budget Committee was able to find room in a very tight budget. And it does all of this in order to provide a tax cut largely for corporations and high-income individuals.

Any one of these defects is serious enough. Taken together, they make the substitute a blueprint for economic and social disaster.

Certainly in light of our current economic conditions this is not the time for the Federal Government to begin a drastic cutback in all its areas of domestic responsibility. Yet, this is what the substitute provides. All across the board it calls for reductions. Those reductions carry a clear message, namely that the Federal Government is no longer concerned about those most in need.

This substitute would produce higher food bills, higher medical costs, higher transit fares, and much higher unemployment. Is this the budget message that Congress wants to send to the American people?

The substitute offered by the gentleman from Ohio provides no money to stimulate the economy—not a single dollar. Yet our unemployment rate is still above the previous record high for a recession. This Congress can take credit for what recovery we have had. Now is not the time to falter—to claim that we have done all that we can. We have only begun. Congress must continue to provide for a sound economic recovery, whether with the President's cooperation, or over his vetoes. The alternative is the classic slump that has, in the past, often followed the first spurt of recovery.

The substitute resolution produces a deficit of $48 billion. I should note that it includes only one-fourth of what it would take to finance cost-of-living increases in veteran's benefits. The deficit in the substitute is $3.5 billion above the President's current proposal of $44.5 billion, and only some $3 billion below the committee recommendation. The committee's recommendation provides an economic recovery program that the Congress can be proud of, without an abandonment of human needs. I urge you to defeat the substitute and pass the resolution.

Mr. DU PONT. Mr. Chairman, the pending vote on the Latta amendment presents us with a very difficult choice. I, for one, believe that the committee's proposed budget of $452 billion and the $51 billion deficit that goes with it, are much too high. The Latta amendment reduces the budget authority, and also the budget deficit; and on that basis alone I would be willing to support it. But it unfortunately goes much further. The Latta amendment makes basic changes in the tax law—cutting personal taxes, corporate taxes, and making a variety of changes in tax expenditures. I have no idea whether these major changes are good or bad, wise or unwise, for the Ways and Means Committee has not had an opportunity to consider or comment upon them.

Nor do we have sufficient information to judge the dozens of specific changes Mr. LATTA makes in spending programs. Some seem appropriate—the cuts in the uranium enrichment expansion and public service employment, for example. Others seem clearly wrong: water resources cuts, child nutrition funding, and medicare funding. Still others are unclear in their impact upon actual program operations.

Thus we are faced with a difficult question: Can we vote for an amendment which has the overall desirable effect of reducing the budget, but which contains massive, and unclear changes in basic revenue and expenditure programs? I think the answer must be no—we cannot, for the approach is too broad and too filled with unanswered questions. It would be more sensible to approach the problem one amendment at a time so that we know what we are doing rather than simply scrambling the eggs and hoping that the omelet tastes good. I reluctantly must vote "no" on this amendment.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA), as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. LATTA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 145, noes 230, not voting 57, as follows:

[Roll No. 213]

AYES—145

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bennett
Breaux
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Conable
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Dickinson
Duncan, Tenn.
Edwards, Ala.
English
Erlenborn
Evans, Ind.
Findley
Fish
Fithian
Forsythe
Frey
Gaydos
Gilman
Goodling
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harsha
Hightower
Holt
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Kasten
Kelly
Kemp
Kindness
Krueger
Lagomarsino
Latta
Lent
Levitas
Lott
McClory
McCollister
McDonald
McEwen
Madigan
Mahon
Martin
Mathis
Michel
Milford
Miller, Ohio
Minish
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mosher
Murtha
Myers, Ind.
O'Brien
Passman
Paul
Pettis
Poage
Pressler
Pritchard
Quie
Quillen
Randall
Regula
Rhodes
Robinson
Rousselot
Runnels
Santini
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Slack
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Symms
Talcott
Taylor, Mo.
Thone
Treen
Vander Jagt
Waggonner
Walsh
Wampler
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Yatron
Young, Alaska
Young, Fla.

NOES—230

Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Fenwick
Fisher
Flood
Florio
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Giaimo
Gibbons
Ginn
Gonzalez
Green
Hall
Hamilton
Hanley
Hannaford
Harkin
Harris
Hawkins
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Holland
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Jacobs
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lundine
McCormack
McDade
McFall
McHugh
Maguire
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Moss
Mottl
Murphy, Ill.
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Pickle
Pike
Preyer
Price
Railsback
Rangel
Rees
Reuss
Richmond
Rinaldo
Rodino
Roe
Rogers
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Sarasin
Scheuer
Schroeder
Seiberling
Sharp
Sisk
Smith, Iowa
Solarz
Spellman
Staggers
Stark
Steed
Stokes
Stratton
Studds
Sullivan
Symington
Taylor, N.C.
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
Whitten
Wilson, C. H.
Wirth
Wright
Yates
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—57

Abzug
Archer
Bell
Bevill
Conlan
de la Garza
Dent
Downing, Va.
Esch
Eshleman
Flowers
Frenzel
Fuqua
Goldwater
Gradison

Gude
Harrington
Hayes, Ind.
Hébert
Hechler, W. Va.
Hillis
Hinshaw
Howe
Jones, N.C.
Ketchum
Landrum
Litton
Lujan
McCloskey
McKay
McKinney
Macdonald
Madden
Mills
Morgan
Murphy, N.Y.
Nichols
Nix
Pepper
Riegle
Risenhoover
Roberts
Roncalio
Ruppe
Sarbanes
Sikes
Simon
Skubitz
Stanton,
James V.
Stephens
Teague
Udall
White
Whitehurst
Wilson, Tex.
Wolff
Young, Ga.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Dent against.

Mr. Sikes for, with Mr. Wolff against.

Mr. Teague for, with Mr. Mills against.

Mr. White for, with Mr. Murphy of New York against.

Mr. Archer for, with Mr. Pepper against.

Mr. Conlan for, with Mr. Macdonald of Massachusetts against.

Mr. Eshleman for, with Mr. Howe against.

Mr. Frenzel for, with Mr. Udall against.

Mr. Goldwater for, with Mr. Nix against.

Mr. Lujan for, with Ms. Abzug against.

Mr. Skubitz for, with Mr. Young of Georgia against.

Mr. SARASIN changed his vote from "aye" to "no."

So the amendment in the nature of a substitute, as amended, was rejected.

The result of the vote was announced as above recorded.

Mr. MAHON. Mr. Chairman, I have voted for the Latta amendment as a way to signal my opposition to the high budget levels proposed in this resolution.

The Latta amendment in essence would provide for the President's budget levels. In many ways this is unrealistic, particularly in regard to its providing a much larger tax cut coupled with somewhat unrealistic reductions in certain programs that are essential to our Nation's well being. However, a vote for the Latta amendment in my opinion can and should be interpreted as a vote toward fiscal discipline.

I will vote for the budget resolution itself, because I believe the new budget process which it embodies offers the best presently available vehicle we have for greater fiscal discipline. However, the resolution does not provide the fiscal discipline for which we had hoped and contains spending targets which are much too high.

Fortunately, this resolution only sets a target and does not actually provide the spending itself. That will be done in later actions through various appropriations and other spending bills. I will later vote for actual appropriations that total far less than what is proposed as a spending ceiling in the budget resolution. And I would appeal for my colleagues to do likewise.

Clearly, if the Federal Government continues to spend money during the next 10 years as it has for the past 10 years—expanding old programs and initiating new programs—without raising the revenue to pay the bill—intolerable fiscal deterioration will be inevitable.

Mr. ADAMS. Mr. Speaker, I move to strike the requisite number of words.

Mr. WAMPLER. Mr. Chairman, will the Gentleman from Washington please yield for a question?

Mr. ADAMS. Yes, I will yield to the gentleman from Virginia.

Mr. WAMPLER. I have been concerned about the level of funding for agriculture contained in House Concurrent Resolution 611.

I was pleased to note in the report accompanying House Concurrent Resolution 611 the following statement:

> The Committee believes there are sufficient funds within this function [Function 350: Agriculture] to accommodate new initiatives and program increases requested in the views and estimates of the House Agriculture Committee. The relatively small cost of those proposals will cause little sacrifice in other agricultural program if the Appropriations Committee desires to fund them. . . .

I have introduced a bill, H.R. 11743, to establish a National Agricultural Research Policy Committee which would have the effect of providing some greatly needed funding for agricultural research.

Accordingly, I am particularly concerned about agricultural research funding. House Concurrent Resolution 611 and its accompanying report do not make special mention of available dollars for that important program area in the budget. My question, therefore, is: Does the resolution recommend sufficient funds for a revised agricultural research effort of the size recommended by the House Agriculture Committee in its March 15 report specifically for the proposed National Research Policy Act?

Mr. ADAMS. The budget includes sufficient dollars in the agriculture function to fund this act if it is passed and the Appropriations Committee recommends an appropriation. Presently, the estimated cost of H.R. 11743 is $25 million. A program of this size will fit within the agriculture function totals depending upon actions of the Congress on appropriations for other programs in the function.

The Budget Committee does not allocate specific amounts for each individual program. That task properly belongs to the Appropriations Committee. In our estimates when calculating a budget total for the agriculture function, however, we assumed the Congress would want to fund this program.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ROUSSELOT

Mr. ROUSSELOT. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. ROUSSELOT: Strike all after the resolving clause and insert in lieu thereof the following:

That the Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1976—

(1) the recommended level of Federal revenues is $363,000,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $14,800,000,000;

(2) the appropriate level of total new budget authority is $394,200,000,000;

(3) the appropriate level of total budget outlays is $363,000,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $0;

(5) the appropriate level of the public debt is $661,275,000,000, and the amount by which the temporary statutory limit on such debt should accordingly be increased is $15,100,000,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares pursuant to section 301(a)(2) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1976, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National defense (050):

(A) New budget authority, $112,000,000,000.

(B) Outlays, $100,600,000,000.

(2) International Affairs (150):

(A) New budget authority, $3,400,000,000.

(B) Outlays, $3,000,000,000.

(3) General science, space, and technology (250):

(A) New budget authority, $4,400,000,000.

(B) Outlays, $4,300,000,000.

(4) Natural resources, environment, and energy (300):

(A) New budget authority, $19,200,000,000.

(B) Outlays, $11,800,000,000.

(5) Agriculture (350):

(A) New budget authority, $2,300,000,000.

(B) Outlays, $2,000,000,000.

(6) Commerce and transportation (400):

(A) New budget authority, $17,900,000,000.

(B) Outlays, $16,400,000,000.

(7) Community and regional development (450):

(A) New budget authority, $5,900,000,000.

(B) Outlays, $5,900,000,000.

(8) Education, training, employment, and social services (500):

(A) New budget authority, $15,900,000,000.

(B) Outlays, $17,600,000,000.

(9) Health (550):

(A) New budget authority, $32,300,000,000.

(B) Outlays, $32,100,000,000.

(10) Income Security (600):

(A) New budget authority, $133,800,000,000.

(B) Outlays, $121,200,000,000.

(11) Veterans benefits and services (700):

(A) New budget authority, $20,400,000,000.

(B) Outlays, $19,900,000,000.

(12) Law enforcement and justice (750):

(A) New budget authority, $3,300,000,000.

(B) Outlays, $3,400,000,000.

(13) General government (800):

(A) New budget authority, $3,500,000,000.

(B) Outlays, $3,400,000,000.

(14) Revenue sharing and general purpose fiscal assistance (850):

(A) New budget authority, $5,000,000,000.

(B) Outlays, $5,000,000,000.

(15) Interest (900):

(A) New budget authority, $34,500,000,000.

(B) Outlays, $34,500,000,000.

(16) Allowances:

(A) New budget authority, $800,000,000.

(B) Outlays, $800,000,000.

(17) Undistributed offsetting receipts (950):

(A) New budget authority, −$18,900,000,000.

(B) Outlays, −$18,900,000,000.

SEC. 3. The Congress hereby determines and declares, in the manner provided in section 310(a) of the Congressional Budget Act of 1974, that for the transition quarter beginning on July 1, 1976—

(1) the recommended level of Federal revenues is $86,000,000,000;

(2) the appropriate level of total new budget authority is $96,300,000,000;

(3) the appropriate level of total budget outlays is $101,200,000,000;

(4) the amount of deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $15,200,000,000; and

(5) the appropriate level of the public debt is $646,200,000,000, and the amount by which the temporary statutory limit on such debt should accordingly be increased is $19,200,000,000.

Mr. **ROUSSELOT** (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The **CHAIRMAN**. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. **ROUSSELOT**. Mr. Chairman, I rise in support of House Concurrent Resolution 619, which I have offered as a substitute to the Budget Committee reported House Concurrent Resolution 611. In my estimation—and in the estimation of millions of Americans throughout the country who are our constituents—the level of Federal spending that is called for in the committee resolution and the recommended $50 billion deficit would result in a continuation of the ill-conceived policies that produced the recent bout of inflation/recession and that would undoubtedly serve only to prolong economic instability in our country. It is my belief that the economy can no longer tolerate the Keynesian economics of deficit spending that have bequeathed to our Nation a public debt of over $650 billion; and it is my conviction that now is the time to return this Nation to fiscal sanity and long-term economic stabilization.

It is for these reasons that I have offered an amendment in the nature of a substitute for House Concurrent Resolution 611. This substitute, which I introduced Tuesday in bill form (H. Con. Res. 619), calls for a balanced budget in fiscal year 1977—the only solution to restoring long-term stability, and stimulating job producing programs. The job producing programs I am referring to are those which will be developed in the private sector as a result of easing Government-caused inflation and high interest rates, and creating an atmosphere in which industry can expand. The committee would have us continue the same economic philosophy that resulted in the recent recession—the worst since the Great Depression—and an approval of their recommendations would be nothing more than an invitation for a new boom/bust cycle, the likes of which this country has never seen.

Many of my colleagues were convinced of this argument during our consideration of the first concurrent budget resolution for fiscal year 1976 last spring, during the trough of the recession. As the economic situation of the country worsened, several more Members of Congress became convinced of the arguments for a balanced budget; and when the second concurrent budget resolution was considered last fall, the vote for a zero-deficit budget was greater still. I would invite my colleagues to carefully study the current set of economic indicators and trends of Government spending over the past several years before making a decision on the present resolution. More spending creates more inflation and higher interest rates. These policies result in recession and, if it continues, depression. Our fate—the fate of the United States—can be little different from that of New York City and countries such as Great Britain so long as we continue to tout the virtues of outmoded economic policies by spending money that we do not have and playing havoc with the economy. My alternative would shift the emphasis in the economy from the Federal sector to the private sector, and I believe it offers the Members of this body a clear and distinct choice between a return to recession/inflation with an extension of Government control of economic resources, or moving toward long-term stability with a strengthened private sector.

It is clear to me that the country is ready for a move away from the traditional deficit spending policies that have created so much of the high unemployment and inflation that the Nation has experienced in recent months. In an article which appeared in the March 22 edition of Business Week, the conventional methods of fiscal stimulation are discarded as ineffective and no longer valid for today's economy. Addressing the issue of deficit spending to increase employment, the article states:

> Economists and politisians now agree that by themselves the traditional modes of stimulating economies by government spending or increasing the money supply will not end high unemployment. These conventional policies, used to excess, will only create additional inflation in economies that have suffered far too much inflation for years.

There is little question as to the fact that this Government has used these policies to excess and has experienced the all-too-predictable results of their implementation.

While testifying before the Joint Economic Committee, Glenn Burress of the University of Texas said:

> Even with proper diagnosis, this Congress will never write a prescription for recovery with reduced inflation so long as the good doctors you consult continue to use theories and models which were developed to explain consumer spending and saving in the 1930's, but which fail systematically to explain consumer behavior in recessions and recoveries over the last 20 years.

Certainly the theories and models referred to by Professor Burress, and the "conventional methods of fiscal stimulation" mentioned in the Business Week article are those which have produced the high unemployment and economic unrest that we are still living with today.

If the recent recession was caused by inflation, and we know that it was, and the inflation is caused primarily by the financing of the Federal deficit, and we know that this is also true, how can we be expected to believe that an additional increase in the size of the national debt can do anything but set the country on a return trip to economic doldrums? I believe that the result of such a decision would put the brakes on the current economic recovery and serve to accelerate the inflationary spiral.

Unemployment is a vital issue connected with this budget, and while some suggest that the answer to finding jobs for the Nation's unemployed is to be found in pouring millions of Government dollars into public works jobs and other make-work programs, it is clear to me that the real answer to the plight of the jobless lies in creating an atmosphere whereby private industry can expand and production can be stimulated. Full production would lead to full employment—and employment without inflation. Production cannot be stimulated if the Treasury is absorbing all the capital in the private money market, or if the Federal Reserve has to increase the supply of money in the economy to finance the deficits—these are the only two ways to finance the Federal deficits and both of them are inflationary, and neither of them help the economy, increase production, or produce worthwhile, long-lasting jobs.

Many suggest that a balanced budget at this point in time would be highly ill advised. They say it would abort the recovery and create general dislocations in the Nation's economy. This is not the case. If $50 billion is cut from the Federal spending taxpayers would have greater freedom to keep, spend, or invest $50 billion more of what they earn. Management and labor would instantly have $50 billion more in aftertax present and future income. The incentive to divide the newly available income in the economy would be enormous, and the Nation's resources would become fully employed in the effort. Interest rates would drop, private housing construction would be "off to the races," and because national income would leap ahead, revenues would flow into Federal, State, and local treasuries.

It is significant to note that precedence is available for reducing Federal expenditures by large amounts on the part of the Federal Government. Between 1945 and 1948, during the Truman administration and while we had a Republican Congress Federal spending dropped over $60 billion as the following chart shows:

FEDERAL RECEIPTS AND OUTLAYS FROM 1945–48

[In billions]

Year	Receipts	Outlays	Surplus or Deficit
1945	45.2	92.7	−47.8
1946	39.3	55.2	−15.8
1947	38.4	34.5	+3.9
1948	41.8	29.8	+12.0

Yet in spite of the massive $63 billion cut in Government spending, which is equivalent to over $200 billion in 1977 dollars, the national income charged ahead. The private sector smoothly converted from a wartime to a peacetime economy, provided jobs for the millions of returned servicemen, and defied the warnings and doomsday predictions of the Keynesians who suggested that unemployment would hit 10 million without an increase in jobs programs. But that is not all—new housing starts got a shot in the arm and total new construction activity more than tripled over the 4-year period. It all happened because the Federal Government did not preempt the needs of the private sector and the free enterprise system was left to operate largely without Government interference. Adequate money was available in the capital markets to supply the expansion needs of private industry because the Treasury was not crowding out the private sector and confiscating the capital lifeblood of free enterprise. To put it simply: the free market was put to the test—and the system worked.

Another measure of comparison between the $50 billion add-on deficit budget of the House committee and the Rousselot balanced budget resolution is to show what each resolution will cost each American household if it were equally divided. The calculations are as follows:

House Concurrent Resolution 611: House committee budget, $413 billion. Costs per household, $5,550.

House Concurrent Resolution 619: Rousselot budget, $363 billion. Cost per household, $4,883.

That is more than I believe the American working people would want this Congress to impose upon them if they were here today to vote with us.

A balanced budget is the only long-term solution to the economic ills of our Nation. Not only is it feasible for the coming year—it is possible. The taxpayers of our Nation find it hard to understand, as many of my colleagues do, why the U.S. Government cannot live within a cash flow of $363 billion. It is my belief that we can and must live on such a cash flow if we hope to avoid the same dismal plights that have come to New York City and Great Britain. We can avoid such consequences, but only if we act now to put our country's financial house in order and vote to give the American people the first balanced budget this country has known in several years.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent Mr. Rousselot was allowed to proceed for 2 additional minutes.)

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. Mr. Chairman, I would like to yield to my colleague from New York (Mr. Kemp), who I believe now has over 120 Members of this body who have signed the Kemp jobs creation bill, which I think more adequately responds to the problem of unemployment than any of the current programs which are supposedly designed to alleviate unemployment, or than the ill-conceived Humphrey-Hawkins proposal.

Mr. KEMP. Mr. Chairman, I appreciate my friend yielding to me. I rise in support of his substitute amendment.

I support the concept of a balanced budget, not because a balanced budget is sacrosanct per se, but rather because of the economic progress which it unleashes in the private sector. A balanced budget means less Government spending. There would be $50 billion remaining in the private sector—not taken out by Government borrowing—if the Rousselot substitute were adopted.

The economic significance of this cannot be overlooked.

Senator Proxmire has said that for every $10 billion of money borrowed by the Federal Government, the equivalent of 500,000 housing starts will not be made, and, consequently, a million primary and 2 million secondary and tertiary jobs will be foregone.

The concept of a balance budget also means less pressure on the Federal Reserve to expand the money stock beyond a corresponding rise in private productivity, a process which causes inflation.

A balanced budget would free up massive amounts of private savings and investments which could be better spent in the private sector—creating jobs that produce revenue to the treasury. By contrast, the use of these funds through the Government sector will only create tax-consuming jobs—jobs not really new because they have been simply transferred from the private to the public sector. This is why the gentleman from California (Mr. Rousselot) pointed out the fallacy in the argument that Government spending through deficit financing creates jobs. If public sector deficits create employment, then the economies of Great Britain and New York City—which have relied upon deficit financing—would be booming, and they certainly are not. They are, instead, on the verge of bankruptcy.

Prime Minister Rabin of Israel recently addressed this House, and he told us that Israel is going through the process of cutting down its expenditures in the public sector. Why? Because they have come to realize that excessive expenditures in that sector—no matter how well intentioned—lead to double-digit inflation, and Israel has certainly had its share of double-digit inflation in the past several years.

I would suggest that when one-third of our gross national product is being spent in the public sector—with 44 percent of our private income in America now going to taxes at all levels of Government—it is time to address the most serious shortage in American today—the shortage of capital investment.

If we want to see more improvement in both the private and public sectors, then we ought to return to the balanced budget approach. If we do believe in private sector employment and in encouraging people to save and invest, and if we want to bring about a shrinkage in Government's size and its role in our lives, then it seems to me that we should support the gentleman's balanced budget amendment.

Mr. Chairman, I applaud the gentleman for having the courage to take on this issue and to tell the American people the truth about what creates an expanding economy and full employment.

Mr. ROUSSELOT. I appreciate my colleague's comments.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to my colleague, the gentleman from Arizona (Mr. Steiger).

Mr. STEIGER of Arizona. I thank the gentleman for yielding.

Mr. Chairman, I would like to associate myself with the gentleman's position as strongly as possible without weakening his position.

Mr. ROUSSELOT. I thank my colleague for his comments.

Mr. CRANE. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Illinois (Mr. Crane).

Mr. CRANE. I thank the gentleman for yielding.

Mr. Chairman, I want to associate myself with the remarks of the gentleman from California (Mr. Rousselot).

I think if we were to implement the gentleman's proposal, we could produce a budget surplus.

Mr. Chairman, it is with a sense of relief that I rise in support of the resolution just presented by my good friend and colleague from California, Mr. Rousselot. If there is anything this country needs, after budget deficits of $120 billion—excluding off budget items—in just the last 2 years, a balanced budget is it. We cannot afford to be lulled into a false sense of security by the recent inflation figures; after all, it was deficits far smaller than those of the last 2 years that fueled the inflationary fires of the late sixties and again in 1973 and 1974.

In going over the figures, I believe that a balanced budget is not only desirable but an entirely realistic possibility. In fact, it is my feeling that if we couple suitable spending cuts with constructive tax reform we cannot only balance the budget but have a budget surplus—a $41 billion budget surplus. Such a surplus would not only be a welcome change but it might reduce, if not obviate, the need for going through the all too-frequent ritual—charade is perhaps a better term—of increasing the temporary debt ceiling. Moreover, a budget surplus on the first try would be an indication to the American people that the Congress was willing to live up to the spirit, as well as tht letter, of the Budget Impoundment and Control Act. By its very title, this legislation implied a need to curtail runaway spending; now Congress can fulfill its promise.

Naturally not everyone, not even my good friend from California who moved this resolution, will agree with all the spending cuts I am proposing, nor is there a general consensus as to what type of tax reform would be most beneficial, however my purpose in elucidating upon both aspects is to demonstrate that we can have a balanced budget this coming fiscal year. Furthermore, by leaving no functional area of government untouched when it comes to wielding the budgetary ax, enough support might be generated from enough sectors to sketch the broad outlines for accomplishing this task. Given a way, all that remains is to see if Congress has the will to do the job, something the passage of this resolution would go a long way toward demonstrating.

Some of you may remember that, about this time last year, I presented a proposal that would have balanced the President's fical 1976 budget with some

$900 million to spare. This year, I am suggesting many of the same cuts although there are, for a variety of reasons, some changes. Therefore, let me take a few minutes to review the highlights with you.

Due to its poor track record, one of the first areas that comes to mind when looking for places to cut the budget is foreign aid. The reason is simple. After more than $150 billion in expenditures over the last 30 years, we have little to show for our efforts—outside of the restoration of Europe and Japan—except hostility or a lack of reciprocity on the part of recipient nations. India is but one example; there are many others.

It follows, therefore, that the money presently being budgeted for the Food for Peace Program, $996 million; the Agency for International Development, $1,082 billion; the Peace Corps, $65 million; Indochina Postwar Construction, $7 million; the Board for International Broadcasting, $54 million; and the New International Fund for Agricultural Development, $30 million; could justifiably be saved by eliminating these programs altogether. Next, we could save the American taxpayer another 375 million by reducing our contribution to the U.N. from 25 percent plus to a more reasonable 5.6 percent, the figure representing our population taken as a percentage of the total population of U.N. member nations. Finally, Security Supporting Assistance in which is primarily aid to the Middle East—the State Department operating budget, multilateral aid and the U.S. Information Agency should be rolled back to fiscal 1976 levels bringing the total saving in the foreign aid area to $4.26 billion.

Contrary to what many people might think, national defense spending can also be cut without compromising military effectiveness. Just as there is fat in our domestic program, so too is there fat in our military budget. Without question, we need a strong national defense and in view of the rapid Soviet advances in strategic weapons coupled with their obvious efforts at opportunism in the SALT negotiations, it is evident that we need to step up the pace of our weapons research and development programs. Not only should the B–1 bomber and the Trident submarine programs be accelerated as rapidly as possible, but we should not allow ourselves to be talked out of going full speed ahead with the cruise missile—including a supersonic version—the maneuverable reentry vehicle (MARV) and the M–X missile—to replace the aging Minuteman. However, there is no reason why we should continue to pay for. First, unnecessary military installations; second, more army personnel than we need; third, less than optimal cost-efficiency in the assignment of military personnel; fourth, surplus civilian personnel in the Pentagon and at other military bases; fifth, higher production costs resulting from non-competitive procurement practices, and sixth, the added expenses brought on by the requirements of EPA, OSHA, and the Davis-Bacon Act. These items alone cost the American taxpayer at least $7 billion a year.

Take the Davis-Bacon Act for example. In fiscal 1976 Government construction projects cost the American taxpayer about $40 billion, roughly $1.5 billion of which can be attributed to the Davis-Bacon requirement that workers on such projects be paid at the highest wage rate prevailing in the area rather than at the going wage rate. Since construction for the Department of Defense accounted for about 10 percent of total Federal construction in fiscal 1976, somewhere in the neighborhood of $150 million could have been saved simply by repealing the provisions of Davis-Bacon with respect to such construction. Likewise, the edicts of the Environmental Protection Agency and the Occupational Safety and Health Administration add millions, if not billions, each year to defense procurement costs. By doing away with the special interest measures that do little other than to drive up the costs of production, a significant reduction in defense spending could be achieved.

Greater application of the principles of free enterprise to weapons procurement contracts—only 37 percent of which are subject to competitive bidding—likewise could result in significant savings without subtracting a single weapons system from our arsenal. For instance, a 1971 GAO study indicated that, on selected emergency procurement contracts, an average of 25 percent could have been saved by introducing competition into the contracting procedure. Since contracts of a similar nature accounted for $3.5 billion, or roughly 11 percent of the money spent for weapons procurement in fiscal 1976, approximately $850 million could have been saved in that area alone. Moreover, streamlining the voluminous 29-year accumulation of Armed Service Procurement Regulations—ASPA—and repealing the Renegotiation Act, under which a contractor can retroactively be forced to repay an "excess" profit, would encourage rather than discourage firms from bidding on defense contracts, opening up the possibility of better products at lower cost.

As previously noted, changes of this nature would enable us to cut the defense budget at least $7 billion and probably more. However, in view of our deteriorating military posture vis-a-vis the Soviet Union, it would be better to rechannel $2 billion of that $7 billion into research and development of strategic weapons systems. We cannot depend on détente or Soviet "good faith" to insure our national security. What we need is "more bang for the buck."

In the area of space and technology, it would seem that $258 million could be cut without too much difficulty by rolling back funds for the National Science Foundation—NSF—the Energy Research and Development Administration—ERDA—and the Geological Survey to 1974 levels. In addition the $3.9 million NSF has budgeted for curriculum development and basic research in education should be cut out altogether, the experience with MACOS (Man: A Course of Study) being sufficient recommendation.

As far as natural resources, environment and energy is concerned, cutting Government regulation, delaying—for the time being—construction of waste treatment facilities, postponing the purchase of new recreational areas, and rolling back spending on water resources and power to fiscal 1974 levels offer the best prospects for further spending reductions. All told, these steps would save $4.6 billion, money that would stay in the private sector where it could be used to develop new sources of energy.

Agriculture, interestingly enough, has been one of the few areas in which Federal spending has declined in recent years. However, there is still room for further reductions. Farm income stabilization funds—another term for subsidies—could be cut by $669 million and a variety of research and extension programs could be cut back to fiscal 1974 levels, thus saving another $251 million. The total reduction, though relatively small dollar-wise, would represent a 53.5 percent reduction in the agriculture budget for fiscal 1977.

Closely related to agriculture, but involving far greater expenditure, is the area of commerce and transportation. Here, the twin bugaboos—subsidies and over-regulation, are greatly in evidence. Since the former is an unfair burden to the taxpayer and consumer, and the latter contributes to the former, both should be eliminated to the greatest possible extent. By doing away with the Interstate Commerce Commission—ICC—and the Civil Aeronautics Board—CAB—both of which keep rates up and competition down, $155 million could be saved the taxpayer to say nothing of what would later be saved the consumer. And by doing away with subsidies for bus, rail, air, and shipping lines, we would save the American taxpayer at least another $1.4 billion. Also, the subsidies for FHA mortgage insurance and for the Postal Service should be terminated, which would save yet another $2.29 billion.

In addition, a number of other programs, such as funds for airways and airports, highway construction, aeronautical research and highway safety should, for the sake of the economy, be cut back to fiscal 1974 levels. Even so, construction on the Interstate Highway System, which I had recommended be delayed last year, could continue at a modest pace. All in all, the commerce and transportation budget could be reduced at least $7.5 billion and perhaps more.

Another area in which major cuts can be made is community and regional development. Here, however, the poor performance record of programs such as Urban Renewal, Model Cities, Aid to Appalachia, and the War on Poverty suggests that cutting out programs rather than rolling them back should be the order of the day. By eliminating community development grants and programs—including the planning and management functions associated with them—the Community Services Administration—CSA—ACTION, Aid to Appalachia, and Indian programs, by substituting flood insurance—without sanctions—for disaster relief payments and by delaying the Pennsylvania Avenue development project another $4.9 billion could be cut from the fiscal 1977 budget.

Because of the tremendous importance everyone attaches to good health, it is difficult to convince people that we need not spend so much on Federal health programs. However, counterproductive items like the professional standards review organizations, which produce cookbook medicine rather than reduced medicare and medicaid costs, should be eliminated as should efforts to regulate health and safety conditions for workers or the quality of products sold consumers. The last two have cost more in jobs and money than they have saved, to say nothing of the fact that such regulations should be carried out at the State rather than the Federal level if they are to be implemented at all. Eliminate these programs and the National Health Service Corps, at the same time programs for health research, medical construction, American Indians and Alaska Natives are rolled back to fiscal 1974 levels and one has the prescription for a sensible $1.19 billion cut in federal health expenditures. To that can be added approximately $1 billion more in savings on medicare which would be realized if the National Welfare Reform Act were adopted.

Education, manpower, and social services is another area often considered sacrosanct, but with the decreasing relevance of higher education to the job market and the increasing evidence that public service jobs are more expensive and less rewarding than those that could be created in the private sector with a sounder fiscal policy, some substantial cuts can be justified.

In fact, elimination of: First, Federal grants and subsidized loans for higher education; second, public service jobs; third, funds for the National Institute of Education and for the National Foundation on the Arts and Humanities; fourth, moneys for desegregation assistance; and fifth, funds for institutional development, educational broadcasting and experimental programs plus a reduction in social service programs to fiscal 1974 levels would mean a savings of another $5.68 billion in fiscal 1977.

Perhaps the least productive and most wasteful of all our Federal programs are those in the public assistance-income security area. Not only does doling money out to those too lazy to work give them even less incentive to get a job, but contributing to their welfare takes away from the incentive of those who are productive. Accordingly, it is my feeling that all those who are not really in need or who are just too lazy to get a job should be eliminated from participation in child nutrition, AFDC—welfare—and unemployment compensation programs. Beyond this, food stamp and subsidized housing programs, which are often duplicative of other welfare programs, should be eliminated altogether. Added up, these changes would produce a rather sizable budget reduction of $12.02 billion—to say nothing of the social benefits derived from putting an end to subsidized indolence.

Veterans benefits are, however, a far different matter in that the recipients have served this country in the Armed Forces, often shedding flesh and blood in the process. Thus, the Government has a moral obligation, one which effectively limits the areas in which cuts can be made to medical research and program administration. If these items were rolled back to fiscal 1974 levels, as has been recommended with so many other programs, we could save still another $270 million.

In the area of law enforcement and justice, doing away with the Legal Services Corporation and the Law Enforcement Assistance Administration—which is usurping a State and local responsibility—would save $927 million. In addition, another $273 million could be saved by reducing the Secret Service, the Bureal of Alcohol, Tobacco and Firearms, the Customs Service and other miscellaneous expenses to fiscal 1974 levels. The total savings would amount to $1.2 billion.

Since no program of fiscal responsibility can be truly effective unless the Government itself sets a good example, Congress should not only rescind the pay raise and tax break that it voted itself but it should also cut back its own expense account to fiscal 1974 levels. This would save $268 million. Likewise, the Internal Revenue Service, the civil service and the territories should be reduced to fiscal 1974 levels, as should the contingency fund. These cuts, coupled with the elimination of $5 million for the National Women's Conference and $760 million for civilian agency pay raises, would bring the savings in the general government and allowances area to $2.92 billion.

Finally, on the expenditure side, we come to general revenue sharing which is up for renewal this year. Although the program does give State and local governments greater control over the spending of some Federal funds, there is no surplus revenue to share and there is no accountability for those Federal officials—Members of Congress—who are responsible for raising the money in the first place. Therefore, unless general revenue sharing can be turned into special revenue sharing which would combine programs and funds in areas already discussed, I feel the program should not be renewed. Either way, the fiscal 1977 budget would be cut by another $6.55 billion.

Adding up all these cuts we find that, without anything more than adhering to a few simple principles, the fiscal 1977 budget can be cut by at least $59.25 billion. However, as previously noted, $2 billion of that should go for accelerated development of strategic weapons making the net cut $57.25 billion. That alone would mean a fiscal 1977 budget surplus of $14.5 billion, provided, of course, that Congress did not expand on the President's spending proposals—something that is unlikely to happen.

Of course, expenditures are just one side of any budget picture. On the other side are revenues and, in this area, the President has proposed, as part of his fiscal 1977 budget, a $28 billion tax reduction to help stimulate the economy and to provide more money for capital investment. However, studies indicating that there will be a $1.5 trillion capital shortfall over the next decade—as a result of one of the free world's lowest capital investment rates in the past decade—suggest that the emphasis should be put on the latter. But under the President's proposal, only one-fourth of the proposed tax break would go to businesses which, with more funds available to retool and expand, could provide more productive jobs for those currently unemployed.

So, in additon to the aforementioned budget cuts, which would free up $57.25 billion for use in the private sector, I would suggest that Congress enact the Jobs Creation Act, sponsored by Congressman JACK KEMP and cosponsored by nearly 100 other Congressmen, in lieu of the President's proposed tax cuts. This legislation, which would reduce taxes by at least $28.8 billion, not only would provide the needed stimulus for adequate capital formation but from a budget standpoint, is likely to result in a $5.2 billion increase rather than a $22.2 billion decrease in Federal revenue. Such a conclusion is supported not only by an econometric study done by the economic consulting firm of Norman B. Ture, Inc., but also by our experience with the 1964 tax cuts and the 1973 Canadian experience when that government reduced its corporate tax rate from 49 to 40 percent.

Basically, what the Jobs Creation Act would do is: First, allow a $1,000 yearly exclusion—$2,000 for a couple—from gross income of qualified additional savings and investments; second, end the double taxation of common dividends; third, grant a $1,000 exclusion from capital gains for each capital transaction qualifying; fourth, grant an extension of time for payment of estate taxes where the estate consists largely of small business interests; fifth, increase to $200,000 the estate tax exemption for family farm operations; sixth, reduce the corporate tax rate 6 percent; seventh, permanently increase the investment tax credit by 15 percent; eighth, allow taxable year price adjustments and increase the life class variances for purposes of depreciation; ninth, permit a 1-year writeoff of nonproductive pollution control equipment; and tenth, provide for employee stockownership plan financing. Instead of reducing tax revenue by $22.2 billion as the President's tax package is estimated to do, this proposal is expected to raise revenue by an estimated $5.2 billion over what would otherwise be anticipated. In other words, the Jobs Creation Act, according to some estimates at least, would raise Government revenues from the $351.2 billion level the President has proposed to somewhere in the neighborhood of $378.6 billion.

Getting down to the bottom line then, a reduction in expenditures of $57.25 billion would reduce spending from either $413.7 billion as the House Budget Committee has proposed, or $394.2 billion as the President originally proposed, to $356.4 billion or $336.8 billion depending on whose budget you choose to go with. Inasmuch as I cannot see sufficient justification for the extra $19.5 billion in spending the House Budget Committee has recommended, it seems to me we should use the President's figures as a basis, which would mean a surplus of $41.8 billion.

Now, admittedly, such a surplus is unlikely in view of congressional proclivities in favor of spending and the tendency of deficits to increase as the fiscal year wears on. However, such a figure, at this stage of the game, clearly indicates to me that at least a balanced budget is possible and I, therefore, urge its adoption.

Mr. GRASSLEY. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Iowa (Mr. Grassley).

Mr. GRASSLEY. I thank the gentleman for yielding.

Mr. Chairman, I support the gentleman's amendment.

Mr. Chairman, I rise in support of the balanced budget concept put forth by Congressman Rousselot.

Recent news media reports indicate that even the Socialists in Great Britain, whose very policies have led to the downfall of that great nation from the greatest of all to one of the minor powers in the world, have come to realize that their policies of deficits year after year have led to the decline of that nation and have multiplied their economic problems rather than solving them.

Almost a year ago Prime Minister Harold Wilson instituted policies to cut down on government spending and encourage investment in private industry as a way of encouraging employment to solve the unemployment problem. This reversed a trend of years and years that the socialist government had tried to solve that problem by putting people to work on the public dole.

Mr. Wilson's successor, Mr. Callaghan, the new Socialist Prime Minister of Great Britain, indicated 2 weeks ago in a speech to his nation that he intended to follow that same new approach by saying "* * * despite the measures of the last 12 months, we are still not earning the standard of living we are enjoying. We are only keeping up our standards by borrowing, and this cannot go on indefinitely. * * * There can be no lasting improvement in your living standards until we can achieve it without going deeper and deeper into debt as a nation."

The point I am making, and Mr. Rousselot has made, is can the United States learn from the mistakes of Great Britain? Or will we continue down the road of deterioration—both economically and morally—as Great Britain has?

If history means anything, we ought to learn a lesson from Great Britain. We should change our policies of deficit spending before we become weaker.

Surely if the Socialists of England—the very party that has led Great Britain down the path of decline—can see the mistakes of its past fiscal policies and turn to policies calling for less government spending and more private investment, we in America ought to be able to reverse our policies that have been leading us down that same road.

A balanced budget will say to the people of America that government is like its citizens—we all have to pay our bills, that we do not want to decline as England has; and that we reject the Keynesian economics as the Socialists of England have.

The Rousselot amendment is a signal to America to wake up as the decisions of Wilson and Callaghan served as a signal that the Britains might have one more chance, more hope for survival.

Mr. ROUSSELOT. I thank the gentleman.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Ohio (Mr. Latta).

Mr. LATTA. I thank the gentleman for yielding.

Mr. Chairman, let me say that I support the concept of a balanced budget. The quicker we get there, the better off the country will be.

Mr. ROUSSELOT. I appreciate the gentleman's comments.

Mr. Chairman, I would like to leave with one thought, and I will quit.

After World War II, when many doomsayers had predicted a terrible recession because World War II had ended, President Truman reported to this Congress, and it enacted, a reduction in expenditures, so that we had a surplus in several years, 3 years. Employment went up, housing went up, everything we have been talking about here went up dramatically, because we not only had a balanced budget but also a surplus in the budget, with the cooperation of a Republican Congress.

Mr. Chairman, I urge the Members to reflect on the fact that we have plenty of history to prove that going to a surplus or a balanced budget creates jobs, creates housing, and gets the economy moving.

I urge the Members to support this resolution.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DEL CLAWSON. Mr. Chairman, I ask unanimous consent that the gentleman from California (Mr. Rousselot) be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. HAYS of Ohio. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. DEL CLAWSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman has raised a very important issue, I think, in connection with this entire debate, and that is the issue of a balanced budget.

Mr. Chairman, may I quote from the Record I picked up the other day in connection with a statement made by the chairman of the Committee on the Budget, when he was in Kansas City last week, and I hope that the quote is correct:

> It is increasingly important that the Democratic party "address the problem of paying for the programs we advocate," Representative Brock Adams, D-Wash., said yesterday at the opening session of a regional party platform committee meeting.
>
> Adams, chairman of the House Budget Committee, said that unless old programs are controlled and the deficit is reduced there will be no money to finance new spending programs.

Mr. Chairman, if that is correct, then in order to finance new programs, what we have to do is to create a debt and create an obligation, including the deficit and the interest, and I would like to address myself to just that part of it.

That is closing all of the options and all of the alternatives that we might have in trying to control and manage the economy; would the gentleman say that is a fair statement?

Mr. ROUSSELOT. There is no question about it. In fact, deficit financing has so crowded out the marketplace that local communities, hospitals, and others, have great difficulty in being able to generate capital because of the tremendous competition from the Federal Treasury.

Mr. DEL CLAWSON. What would be the savings in interest alone under the gentleman's proposal?

Mr. ROUSSELOT. About $6 billion to $7 billion per year.

Mr. DEL CLAWSON. $6 billion to $7 billion per year just in interest alone?

Mr. ROUSSELOT. That is correct.

Mr. DEL CLAWSON. To give the Members some statistics, in 1970 the interest on the public debt was $14.037 billion. It has been going up continuously every year. I want to put these in the Record. The 1976 estimate is that it will be $34.5 billion. The 1977 budget resolution provides for $41.4 billion, just in interest alone.

Mr. ROUSSELOT. The staff of the committee tells us that it will probably be closer to $42 billion or $43 billion before we get finished.

Mr. DEL CLAWSON. I checked with some of the cities in my district, to see what kind of investments they have.

Mr. Chairman, we have been talking here about the plight of the cities. Four out of six incorporated cities have investments in Federal securities and in Treasury issues that range all the way from $900,000 to $4,245,000 invested in Federal securities and drawing interest. If we want to look at the totals from the time we started revenue sharing in 1972, we find we have a total revenue sharing obligation that we have given to the cities of $25.155 billion up through the first quarter of 1976. State and local governments, as of March 31, 1976, have invested their surplus funds, in many cases unencumbered funds, to the tune of $40.3 billion.

Mr. ROUSSELOT. These are surplus funds?

Mr. DEL CLAWSON. That is right. They are drawing interest on the revenue sharing funds that we have given to them. They have turned around and bought Federal securities in order to have an added interest income to the tune of $40.3 billion, which is about $15 billion more than the total amount of revenue sharing we have given to them.

Mr. Chairman, I think we need to be aware of what we have done in the way of deficit spending and increasing interest expense.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. DEL CLAWSON. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I rise in support of putting an end to deficit financing which destroys jobs, and taxes the American people through the backdoor of inflation.

The gentleman from California (Mr. ROUSSELOT) is to be commended for offering this substitute measure to restore fiscal sanity to the affairs of Government and to bring economic recovery to the Nation now instead of later. It will free up, as I said earlier, $50 billion for private investment for real job creation.

When Congress passed the Congressional Budget Act in 1974—the statute under which we consider this resolution today—it was with great hope that its return to the Congress of a more substantial role in the formulation of the budget would mean more effective control over expenditures. When measured against this standard, the resolution before us fails the test.

The committee is recommending total budget outlays of $17.885 billion more than were recommended by the administration and $50.685 billion more than is proposed through the Rousselot substitute.

The committee is recommending total new budget authority of $21 billion more than was recommended by the Administration in the hope of stimulating the economy. That hope is in vain, as Britain and New York City have tragically found out.

This is clearly excessive spending. It is billions more than the administration requested, and, unfortunately, it will be counterproductive. This spending will have exactly the opposite effects on the economy from what its proponents intend. It will slow—rather than accelerate—our economic recovery.

This level of spending will drain the funds needed to create jobs and stimulate production out of the private sector and into the government sector.

Capital will be diverted away from home, commercial and industrial construction. It will be diverted away from building new plants and facilities and expanding existing ones. It will be diverted away from procurement of major equipment.

This diversion of capital away from the private sector and into the public sector will mean a failure to reduce unemployment to a level where it would be had that capital not been diverted. In fiscal year 1976 alone government will drain 82 percent of available investment capital in this country into its own debt financing. Not only will that mean the diversions away from the construction, expansion, and purchases which I have just mentioned, but it will also mean higher rates of interest, payment of which are costs of doing business passed onto the consumers, therefore resulting in higher prices. When only 18 percent of the available capital is available for industry and individuals—because the remaining 82 percent goes to government—the competition for remaining dollars is much higher. That drives up interest rates; individuals and businesses have to pay a higher rate of interest on loans they secure. And, the government pays a higher rate of interest on the bonds it issues—which has the further effect of increasing government spending even more since that interest must be paid from subsequent tax receipts or additional funds borrowed.

We know what has happened to our economy in recent years—double-digit inflation, almost double-digit unemployment, severe shortages, wage and price controls. The committee resolution before us simply promises more of the same—all on a mistaken premise that government deficits, government spending more than it takes in, will create and sustain jobs. If more government spending creates jobs, then the 100-percent increase in Federal spending in the past 6 years would not have been accompanied by a 100-percent increase in unemployment. That fact cannot be shunned aside any longer.

Senator WILLIAM PROXMIRE, of Wisconsin, the chairman of the Senate Committee on Banking, Housing and Urban Affairs and the former chairman of the Joint Economic Committee, has quite clearly pointed out the effect of this crowding out of capital. Senator PROXMIRE says that for every $10 billion taken in Federal borrowing, approximately 500,000 new housing starts cannot begin for lack of mortgage money. That results in the direct loss of over 1 million jobs and the indirect loss of over 2 million more.

By comparing these figures to the deficit proposed in the resolution before us, we can see how much that $50.6 billion deficit is going to hurt employment. It will threaten up to 5 million direct jobs in the private sector, rendering the measures envisaged by this resolution for fighting unemployment—public service jobs, summer youth jobs, older American jobs, CETA jobs, and certain public works jobs—as hardly an offset against the additional unemployment the resolution may create. The resolution foresees the creation of 1.149 million jobs as a product of its spending levels. Yet that would offset only a little over 20 percent of the unemployment which the bill could create.

Our colleague from Texas (Mr. WRIGHT)—who is a very able Member of this House and a friend and has shown praiseworthy leadership on the Committee on Public Works and Transportation circulated a letter to Members this week addressing himself to the resolution, the issue of jobs creation, and the effects of deficit financing. I agree with the gentleman on many matters, but I must register my dissent in this one.

The gentleman makes the point:

> Each percentage point of unemployment automatically adds about $16 billion to the deficit—in taxes not received and in welfare and unemployment payments made necessary.

He then proceeds to make the argument that the best way, therefore, to reduce the deficit is to reduce unemployment through massive stimuli funded by the Federal Government. He concludes with the observation that if we can get down to 4-percent unemployment, we will be actually running a surplus of revenues.

The gentleman fails to make the crucial distinction between jobs creation in the private sector and jobs creation in the public sector. This $16 billion figure arises from a January 7, 1976, interoffice memorandum within the Department of the Treasury, captioned, The effect on the budget surplus or deficit of reducing unemployment by 1 million people." I might point out that each 1 million people roughly equates with 1 percentage point of employment.

This January 7 memorandum does in fact state that each unemployment reduction of a full percentage point would have a total budget impact of $16 billion—a total derived from $13 billion in additional tax receipts and $3 billion in reduced spending. But the memorandum makes a crucial distinction, and it even depicts it in chart format. That $16 billion impact is based upon jobs creation in the private sector. That chart shows that if unemployment is reduced by 1 million people by increases in public service jobs, that the budget impact is a minus $3 billion—a $19 billion difference from the creation of those jobs in the private sector. That minus $3 billion is a product of increased expenditures of $4.5 billion required to attain that additional 1-percent employment, offset by increases in tax receipts of only $1.5 billion.

This is exactly what the opponents of this bill have been stressing. It is exactly the point made by Senator PROXMIRE. There simply is no such thing as real jobs creation through government programs—there is simply job transfer from the private to the public sector with a substantial loss to the treasury and to our economic growth.

This deficit spending may well set off another surge toward double-digit inflation too. I do not think there is much doubt that the recession out of which we are now working our way was caused by the double-digit inflation and the mandatory wage and price controls—which created severe shortages—put in place to try to arrest that inflation.

Thus inflation and the crowding out of capital—both of which are counterproductive to the announced purposes of the committee-resolution and both of which threaten jobs—will be the inevitable consequences of its enactment.

What Congress ought to be doing, instead, is fostering the creation of jobs through the private sector—an undertaking which would generate more total revenue through increased business activity—without raising tax rates—and which would reduce expenditures—because of reduced need for unemployment benefits. Since jobs creation is a direct product of capital formation and capital cannot form and accumulate adequately unless the burden of taxes is reduced in relation to aggregate national income, we can see why reducing dependency on deficit financing, moving toward a balanced budget, and reducing taxes on production mean more jobs. This is what a balanced budget is all about, and it is what the Jobs Creation Act is all about. Both will assure more jobs and more stable economic growth.

This amendment would allow the tens of billions in what would otherwise be

Government deficit to remain available for the private sector and for jobs creation and improved production in that sector. Using Senator PROXMIRE's figures—that $10 billion in deficits threatens 1 million direct jobs—the $50 billion in projected deficits in the committee resolution would become available in the private sector to put 5 million people back to work. This would reduce unemployment to its lowest level in years. It would give us now the full employment which others seek by 1981—and nothing could restore the spirit of the American people more than gainful full employment. It would be a boom to the economy in many ways—improve production, better balance of payments, increased real wages, reduced inflation. The Rousselot substitute amendment is clearly a jobs creation one.

There is a way to generate even more revenue than the $363 billion envisioned by the committee resolution, however, the $363 billion on which our colleague (Mr. ROUSSELOT) has relied in formulating his balanced budget substitute.

This would be through adoption of tax reform measures to stimulate the national economy in such ways as to produce more revenue to the Government than the $363 billion. This can be done without raising tax rates; it can be done by even cutting tax rates, if those tax cuts foster the greater capital investment needed to provide the jobs and production to which I have referred.

There is a way to do this. It has 121 cosponsors in the House and Senate, and it has been before the Committee on Ways and Means since March of last year. This is the Jobs Creation Act.

I will say, however, that the Jobs Creation Act would produce $5.2 billion in additional revenue in the first year after its enactment; $14.6 billion in additional revenue in the second year; and $25.2 billion in additional revenue in the third.

It would also generate increases—over what would otherwise occur—or $151.4 billion in gross national product and $74.6 billion in capital outlays in that first year; $200.5 billion in GNP and $77.9 billion in capital outlays during the second year; and $248.9 billion in GNP and $81.1 billion in capital outlays during the third. These are real increases, not artificial increases from inflation. And it would dramatically increase both the number of jobs and the real wages paid to the labor force. This is why I want to balance the budget.

Mr. ADAMS. Mr. Chairman, I rise in opposition to the amendment in the nature of a substitute.

I will not take the full 5 minutes. I appreciate the comments of my colleagues here who have commented on the speech that I have made. I would hope that some of them might follow me when this budget resolution comes up for a vote, because I think what has been proposed by the committee, as I have stated publicly on a number of occasions, is the proper way for this Congress to approach the matter.

I think we are doing it properly. We are reducing the deficit from where it was last year. I have run through the computer data on what would happen if the Rousselot amendment were adopted, and all I can say is that unemployment would go up, production would go down, and we would be back in a recession next year.

Mr. Chairman, if we followed Congressman ROUSSELOT's proposal and eliminated the deficit in fiscal year 1977, at the end of 1978 the economy would be poised where it stood in the first quarter of 1975, with high inflation and record numbers out of work, according to our economic forecasting model.

To assess what would happen, we inserted a zero budget deficit in our model and, for contrast, also ran a projection based on the committee's first concurrent resolution numbers. Trying to balance the budget, desirable as it is in the long run, brought the recovery to a halt and set off the following repercussions:

Unemployment shoots up to the recession peaks of the spring of 1975—nearly 9 percent—and is pointed higher.

The Nation's output—from automobiles to zippers—follows a course more than $200 billion below the first resolution path.

Retail sales of autos, the backbone of 25 percent of our economy, sink to levels 2 million cars lower than the alternate.

State and local governments, which have now become a significant factor in the economy, are particularly hard hit. Nearly 1 million State and local employees would lose their jobs. Local welfare costs would rise to take care of them.

Consumption runs $100 billion below its potential.

Despite our attempts, the budget deficit does not disappear in fiscal year 1977.

Actions as drastic as suddenly abolishing a $50 billion deficit cause large distortions in econometric models. In fact, our model came close to being unable to digest and solve such a problem. But we found the results it arrived at alarming. Reactions take time to reverberate through the economy, but by the end of a year we find ourselves starting down a precipitous decline.

We built our model on assumptions provided by Congressman ROUSSELOT: Maintaining the defense budget at levels proposed by the administration, few cuts in nondefense purchases, with the bulk of the cuts falling on grants-in-aid to State and local governments and transfer payments—social security, welfare, food stamps, medicare, and medicaid.

All of us know the impatience of the public to see the Government accounts climb out of the red. But it would be unwise to jeopardize the emerging recovery in our haste to change the bottom line. I believe we are on the right track with a deficit that has shrunk to two-thirds the size of last year. Our budget still leaves room to support more jobs for the unemployed and a tax cut to maintain consumer expenditures and persuade businessmen to plan for expansion and, in the longer term, the hiring of more workers by the private sector.

Last year when we debated our first budget resolution, the economy was rolling downhill and we did not know how far from bottom it was. An alarmed Congress eventually voted a tax cut and economic stimulus measures. But the vote on the first budget resolution was close, barely winning majority support over the distress signals from the minority: The $73 billion deficit would aggravate inflation; it would interfere with efforts to end the recession; interest rates would soar; private credit markets would be in disarray; a new spiral of higher inflation, recession, rising unemployment would begin. An OMB estimate of a potential $100 billion deficit for fiscal year 1976 was hung over congressional heads.

We all know what happened. By midyear, the economy had slid across the trough and started up toward recovery. But even now the recovery is not far past the low point of other post World War II recessions. The March unemployment drop left 7 million persons still unemployed.

With the 7.5 percent unemployment rate the economy has recovered to the point where the unemployment rate is at present what it was during the worst of the 1958 recession, until now the most severe post World War II recession. Businessmen have not developed enough confidence to commit themselves to a robust rate of investment in plant and equipment. State and local governments are in the doldrums. At this point the recovery needs encouragement, not a wet blanket.

Mr. Chairman, I hope the amendment in the nature of a substitute will be voted down and that we can have a vote on it now.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from California (Mr. ROUSSELOT).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ROUSSELOT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 105, noes 272, not voting 55, as follows:

[Roll No. 214]

AYES—105

Andrews, N. Dak.
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bennett
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Butler
Byron
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Crane
Daniel, Dan
Daniel, R. W.
Davis
Derwinski
Devine
Dickinson
Duncan, Tenn.
Edwards, Ala.
English
Evans, Ind.
Findley
Flynt
Frey
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harkin
Helstoski
Holland
Holt
Hutchinson
Hyde
Ichord
Jarman
Jenrette
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Kasten
Kelly
Kemp
Kindness
Latta
Lent
Levitas
Lloyd, Calif.
Lott
McCollister
McDonald
Mann
Martin
Mathis
Michel
Milford
Miller, Ohio
Montgomery
Moore
Moorhead, Calif.
Mottl
Myers, Ind.
Patterson, Calif.
Paul
Poage
Quillen
Risenhoover
Robinson
Rose
Rousselot
Runnels
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Smith, Nebr.
Spence
Steelman
Steiger, Ariz.
Stuckey
Symms
Talcott
Taylor, Mo.
Teague
Thone
Treen
Vander Jagt
Wampler
Wiggins
Winn
Wylie
Young, Alaska
Young, Fla.

NOES—272

Abdnor
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Brown, Calif.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Cederberg
Chisholm
Clay
Cleveland
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Erlenborn
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Fenwick
Fish
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Green
Hall
Hamilton
Hanley
Hannaford
Harris
Harsha
Hawkins
Hays, Ohio
Hefner
Heinz
Henderson
Hicks
Hightower
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Jacobs
Jeffords
Johnson, Calif.
Jones, Ala.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Leggett
Lehman
Lloyd, Tenn.
Long, La.
Long, Md.
Lundine
McClory
McCormack
McDade
McEwen
McFall
McHugh
McKinney
Madigan
Maguire
Mahon
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Pattison, N.Y.
Perkins
Pettis
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Rodino
Roe
Rogers
Roncalio
Rooney
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarasin
Scheuer
Seiberling
Sharp
Shipley
Shriver
Shuster
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Taylor, N.C.
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Weaver
Whalen
Whitten
Wilson, Bob
Wilson, C. H.
Wirth
Wright
Wydler
Yates
Yatron
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—55

Abzug
Archer
Bell
Bevill
Broyhill
Carter
Conlan
de la Garza
Downing, Va.
Esch
Eshleman
Flowers
Frenzel
Fuqua
Goldwater
Gradison
Gude
Harrington
Hayes, Ind.
Hébert
Hechler, W. Va.
Heckler, Mass.
Hillis
Hinshaw
Howe
Jones, N.C.
Ketchum
Litton
Lujan
McCloskey
McKay
Macdonald
Madden
Mills
Morgan
Murphy, N.Y.
Nichols
Nix
Pepper
Peyser
Riegle
Roberts
Ruppe
Sarbanes
Sikes
Simon
Skubitz
Snyder
Stanton, James V.
Udall
White
Whitehurst
Wilson, Tex.
Wolff
Young, Ga.

Mr. STUCKEY and Mr. VANDER JAGT changed their vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Mr. BAUCUS. Mr. Chairman, I would like to say a few words about the progress we are making on congressional budget reform.

To begin with, I am most encouraged by the discipline Congress has shown in sticking to the 1976 budget resolution. According to the latest statistics I have seen, we have managed to keep our spending entirely within the budget resolution we set in the spring and fall of 1975. Moreover, I recently learned that the budget authority expected for fiscal year 1976, as enacted by Congress, will actually be less than that estimated by the President in his budget submissions for the 1976 fiscal year.

Despite the progress we have made in implementing the 1974 Budget Reform Act, I think we must do a great deal more in improving the way Congress conceives and implements its own budget.

As I have seen this body work during my first term, Congress spends most of its time on year-by-year authorizations and appropriations. This short time frame does not permit any in-depth inspection of Federal programs. The need to get programs funded takes precedence over congressional review of program effectiveness and efficiency.

Therefore, many outdated and ineffective programs continue. Congress cannot put its finger on bureaucratic duplication and budgetary fat because it has not placed a high priority on meaningful program review. It is therefore almost a foregone conclusion that programs will at least be funded at the previous year's figure.

Budgets must be flexible enough to reflect the changing needs of our citizens. A Congress which is forced to respond to short-term pressures has little time to examine our Nation's critical long-range needs.

In short, we must look to longer time frames in handling budget questions, and we must not restrict this approach to budget matters. That is, we must apply longer time frames to both the authorization and appropriations process. As a member of the Appropriations Committee, I find it extremely frustrating to be confronted each year with hundreds of different agencies seeking funding, particularly when the agencies assume that their spending base is sacred and that the only appropriate issues facing the Appropriations Committee is how much more money those agencies are to receive.

Perhaps this explains why Federal expenditures over the course of the last 10 years have increased at nearly a 10-percent annual rate.

I think Congress should move to consider amending the Budget Act to require zero-based budgeting for the functional areas within the budget. A number of proposals along this line have been submitted in the 94th Congress. At the end of my remarks, I have presented a list of 21 such bills, as compiled for me by the Bill Status Office of the House Information System.

The most comprehensive bill in this listing was submitted by Senator MUSKIE on February 3, 1976. I direct my colleagues' attention to Senator MUSKIE's statement in the CONGRESSIONAL RECORD—pages 2130 to 2133—which explains the operation of his proposed legislation.

To my mind, the most significant thing about Senator MUSKIE's statement is his observation that this proposal was made "in recognition of the fact that until we bring [the] programs we now have control, we simply may not have the reserves we need—either in the budget or the public's trust—to pursue new legislative solutions to pressing national problems."

Mr. Chairman, there are two pieces of legislation that I would like to point to, which reflect in a small way the philosophy I am attempting to outline today. The first is my amendment to the Consumer Protection Agency, which requires that agency to terminate after 7 years if it is unable to convince both the President and the Congress that it has satisfactorily achieved the goals set out in its initial authorizing legislation. Although this amendment was successful in the House version, the CPA bill continues to languish in the conference committee between the two Houses.

The second bill I would like to point to is the Full Employment Surplus Budget Act of 1975, which would require the Congress to vote a surplus budget whenever national unemployment drops below 4.5 percent. These bills share a common purpose—they seek to set standards today by which government performance should be judged tomorrow. In short, they require better planning. We need such planning to exert greater control over Federal programs. We need a better balance between insuring our Nation's welfare and protecting our taxpaying public, a better match between meeting national needs and providing Federal programs, and a more hardheaded approach to mortgaging our financial resources for meeting national needs.

I believe our new budget process is better than our old method of dealing with national needs. But improvements can be made in this process, and I urge my colleagues to work together now in fashioning an improved process.

The material follows:

S. 2925

A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for government progams and activities at least every four years to establish a procedure for zero-base review and evaluation of government programs and activities every four years, and for other purposes.

Sponsor: Muskie.

Date introduced: February 3, 1976.

Senate committee: Government Operations.

STATUS

Feb. 3, 1976: Referred to Senate Committee on Government Operations.

Feb. 11, 1976: Referred to Subcommittee on Intergovernmental Relations.

Feb. 17, 1976: Executive comment received from Councl Int Econ Pol.

Feb. 18, 1976: Executive comment received from Natl Security Councl.

Feb. 25, 1976: Favorable executive comment received from Off of Tech Assmnt.

Mar. 17, 1976: First day of subcommittee hearings.

Mar. 19, 1976: Executive comment received from GAO.

Mar. 23, 1976: Unfavorable executive comment received from Disabled Amer Vet.

H.R. 8968

A bill to amend the Congressional Budget Act of 1974 to require full congressional review of each Federal program once every two years under zero-base budgeting procedures

Sponsor: Blanchard.

Date introduced: July 28, 1975.

House committee: Rules.

Identical bills—H.R. 9310, H.R. 9603, H.R. 10740, H.R. 11153.

HOUSE RESOLUTION 9007—

A bill to amend the Congressional Budget Act of 1974 to establish in the Congress a zero-base budgeting process, with full Congressional review of each Federal program at least once every six years.

Sponsor: Regula.

Date introduced: July 29, 1975.

House committee: Rules.

Identical bills—H.R. 10910, H.R. 10978, H.R. 11336.

HOUSE RESOLUTION 11734—

A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every four years, to establish a procedure for zero-base review and evaluation of Government programs and activities every four years, and for other purposes.

Sponsor: Blanchard.

Date introduced: Feb. 5, 1976.

House committee: Rules.

Identical bills—H.R. 11935, H.R. 12017, H.R. 12208, H.R. 12209, H.R. 12155, H.R. 12784, H.R. 13305, H.R. 13066, H.R. 13370.

Mr. MIKVA. Mr. Chairman, I support the first concurrent resolution on the budget for fiscal year 1977 prepared by the House Committee on the Budget. Like a few of my distinguished colleagues, I have reservations about particular provisions of the resolution, but I have no reservations about the necessity of demonstrating the ability of Congress to play an active role in establishing budgetary priorities.

For too long, Congress has been a passive participant in the budgetary process—focusing only upon specific items in the executive budget, and failing to deal with the broad policy implications which it contained. The result of this inactivity has been a gradual erosion of public confidence in the legitimacy of Congress as a coequal branch of Government. The Congressional Budget Act is an essential factor in stopping and reversing that erosion. Failure to adopt the resolution before us today may permanently impair the capacity of Congress to assert its constitutional power over the public purse.

The sheer enormity of the Nation's budget demands an institutional framework of considerable expertise within both the executive and legislative branches if both branches are to exercise any meaningful control upon the budget process. Until now, the executive branch alone has enjoyed the necessary expertise. That is why this resolution—the first stage of the budget reform process—is so crucial. Certainly, the resolution is no panacea. The provisions for increased military spending at the expense of expanded programs for the old, the young, and the unemployed are serious flaws.

However, the need for restoring a balance of power between the executive and legislative branches of Government is of compelling importance. The federal system of checks and balances is more than just a topic for discussion in a government class, it is essential for minimizing the mistakes and abuses of power which may be perpetrated by any one branch.

Notwithstanding the failings of the resolution, it provides impressive evidence of the need for a congressional initiative in the budget process. Within realistic budget ceilings, the resolution offers a far greater promise for meeting the needs of the American people than the President's budget. For example, the resolution exceeds the administration budget by $2.3 billion for education programs, by $5 billion for energy and environmental programs and by $1.2 billion for health programs—all areas critical to the welfare of this country.

However, the most significant feature in the Budget Committee's resolution is the economic stimulus it provides. The present intolerable level of unemployment not only subjects millions of Americans who want to work to the most demoralizing of conditions, but also resulted in unemployment benefits exceeding $19 billion last year. While I would have preferred a deeper commitment from the committee toward reducing unemployment, the resolution does provide for the employment of over 1.1 million people, a program the administration apparently feels is unnecessary.

Also, the priorities contained in the resolution assure the continued recovery of the economy, whereas the President's strategy runs an unacceptably high risk of strangling the recent economic gains. Stimulus is essential to avoid the dual drain of decreasing revenues and increasing benefits which unemployment represents.

The first concurrent resolution represents a crossroads for both the Congress and the country. We can choose the path which leads toward economic recovery and a responsible role for Congress, or we can choose the path which jeopardizes the recovery and relegates Congress to a subsidiary role in Government. The choices are clearly of the greatest importance. The constitutionally established system of checks and balances is our greatest assurance of an effective and responsible government, and one of the most important elements in an effective government is the setting of budget priorities. The new budget process is an essential tool if Congress is to make decisions based upon accurate information and projections within the context of the total economy. Failure to adopt the resolution will signal a return to decisionmaking in the dark.

Mr. EDWARDS of California. Mr. Chairman, I would like to share with my colleagues a letter I recently received from my constituent, Mr. Gerald One Bear, of San Jose, Calif. This letter eloquently states the need for the $1.2 billion addition to the first concurrent resolution on the budget for cost-of-living increases for veterans programs. The letter reads as follows:

> DEAR CONGRESSMAN EDWARDS: This is the first time in my life that I have written to a Congressman. I am a simple man and do not know how to write a formal letter but if you will allow me, I will lay what is in my heart before you.
>
> I am an American Indian and a disabled veteran. Recently, it has come to me that the House and Senate Budget Committees have ignored recommendations of the House Veterans' Affairs Committee to grant cost-of-living increases in VA compensation to disabled veterans and their widows and orphans.
>
> It is sad to learn that our country and its leaders so soon forget the warriors who fought so hard to defend our great nation. When I was young and strong a conflict called the Korean War arose. My country and its leaders called to me and I answered that call. Although some of my people told me I had no obligation to help a country and a government who had treated my people in a disgraceful manner, I thought otherwise. Like thousands of other American Indian youths, I volunteered my services to my nation. I did not need to be reminded of my duty. The blood, the bones and the dust of my people is in the earth on which we walk. I made my medicine and prayed to the Great Spirit for courage and went forth with my white brother to meet the enemy. In that fray many of my bothers both white and red gave up their health and parts of their bodies for their country. Some of them did not return home with us. They had made the supreme sacrifice.
>
> Now these brave men seem to be forgotten. They carry on as best they can to make a good life for their loved ones. Without the compensation we receive it would be impossible to do so.
>
> Now we disabled veterans are engaged in a new battle. The enemy cannot be seen but it is all around us. It attacks us relentlessly both day and night. This enemy is called inflation! We desperately need the compensation increases recommended by the House Veterans' Affairs Committee.
>
> I do not ask for myself nor do my comrades, for we are men and we take what life has dealt us. But Sir, I beseech you to consider the helpless ones. I speak of the orphans, widows and families of these warriors. Help us provide for these families the same life and benefits the men who are of sound body and health are able to provide.
>
> I beg of you Sir, to do everything you can to help us get the compensation increases we need for our families and the survivors of deceased veterans. We are putting our hopes in your hands. I hope you will not forget us.
>
> Respectfully and Sincerely yours,
>
> GERALD ONE BEAR.

Mr. FRENZEL. Mr. Chairman, there will be plenty of amendments to this resolution for which I will vote, but the Latta amendment is the critical amendment.

This Latta substitute amendment is of overriding importance, because it poses a clear choice. It offers the President's budget against the Congress' budget.

Those who vote against it will be voting for $17 billion more in spending than may be necessary. They will be voting for higher taxes than are necessary, and they will be voting for about $7 billion more in deficits than are necessary.

Those *who vote against this* amendment will be voting for a bigger bureaucracy and for more Government programs at a time when the people of the United States are demanding less.

Those who vote against this amendment will be throwing away $50 million for national health planning for a program the Congress has not even thought about yet and probably will not adopt. They will be throwing away even more money for seed money for the Humphrey-Hawkins bill, a $40 to $80 billion albatross around the necks of American consumers and taxpayers. That bill, too, cannot become law during the period covered by this resolution.

I do not support every item in the President's budget nor reject every item in the budget presented by the Budget Committee. Here I am voting for the basic figures, not the individual line items. Nevertheless, I have no choice but to vote for the lowest responsible spending figures for the coming fiscal year. My constituents would prefer a balanced budget, but obviously that elusive but desirable goal is still a couple of years away.

Unless this amendment is passed, I will have to vote against the budget resolution. Without the substitute, we are sentencing the American people to inflation, overspending for ineffective programs, crowding out of private borrowers, especially small ones, and a continuation of the Federal bureacracy which every taxpayer believes is too big now.

I doubt whether the amendment will get enough votes to succeed, but I would have difficulty facing the American public and say that I had not at least tried to reduce Congress' runaway, extravagant spending. Should this amendment be defeated, I certainly cannot support the resolution.

Mr. Chairman, I strongly oppose the inclusion of $50 million for "start-up costs" for the controversial Humphrey-Hawkins full employment bill. This bill applies a New Deal philosophy to the current unemployment problem, and is based on the concept that we can spend ourselves into prosperity and full employment with a price tag of about $25 billion per year. Maybe the cost is much higher. Nobody seems to know, and the sponsors don't seem to care. It assumes that essentially dead end public service jobs, which primarily are not new jobs but rotated private sector jobs, have some value in the economy. I suppose no expenditure is valueless, but many, like this one, are highly ineffective use of taxpayers' money.

I don't believe that spending $25 billion to basically shift jobs onto the public payrolls will benefit the economy or the American people. We should rather stimulate the creation of permanent and productive jobs by providing greater incentives for capital investment and savings in the private sector.

The Humphrey-Hawkins bill would require the President to submit a plan within 18 months to reduce unemployment to 3 percent. It also thoughtfully provides that either House can then veto the President's plan. Only once since 1948 has the unemployment rate dropped to 3 percent. To reach a 3 percent rate of unemployment would require a sustained annual growth in GNP of about 7.5 percent. Experience has shown such a rate of growth to be extremely difficult, if not impossible, to sustain.

In addition, most economists agree that the goal of 3 percent unemployment would result in greatly increased inflationary pressure, unrestrained wage demands, and accute labor shortages in certain crucial areas. It is simply unrealistic to believe that within 4 years we can actually attain a 3 percent unemployment rate which is accompanied by price stability.

The Humphrey-Hawkins bill proposes to attain the goal of 3 percent unemployment by requiring the Federal Government to guarantee everyone a job. The resulting proliferation of public service jobs would have to be paid for by higher taxes and increased Government borrowing. This would transfer very limited resources from private sector activities, such as private investment and productive jobs, into centrally controlled public sector activities, such as costly public employment programs. Furthermore, as past experience has shown, up to 75 percent of these public service jobs will probably not be new jobs but rather substitutions for private sector jobs. Once in a public service job, a person would have no incentive to seek, or even to accept, a job in the private sector since the individual would already be guaranteed a wage at least as high as the prevailing wage for a similar private sector job. What the Humphrey-Hawkins bill is really proposing is massive Government spending and interference in our free enterprise system, increased and uncontrolled inflationary pressure, and decreased employment in the private sector.

It should be noted that the Federal Government has repeatedly demonstrated its inability to make wise decisions affecting the efficient use of capital and human resources. This bill would increase the Government's chance to be inefficient by further expanding the Federal bureaucracy and by creating a public employment program which is unlimited in scope and duration.

There is an alternative to the Humphrey-Hawkins approach. By increasing the tax incentives for investment and saving, we can stimulate the economy and create private sector jobs. This would allow our competitive, free enterprise system to increase productivity and expand job opportunities without excessive Government intervention in the economy.

The recent trend of declining unemployment combined with other positive economic indicators is proof of the vitality of our economic system.

Mr. Chairman, I also object strenuously to the inclusion of $50 million in the budget for national health insurance start-up costs. This budget resolution is not the place to make major, long-range decisions such as whether or not we should enact national health insurance.

The fact is, that two committees of this House have been considering this question, and neither one has made the decision to go ahead with national health insurance. It seems to me that the great flood of opinion to enact national health insurance legislation has receded. In previous years, the people of my district expressed favor for some type of catastrophe insurance. But this year 63 percent of my constituents voted "no" on the question of national health insurance.

The President's economic report states:

> Most Americans have some coverage for health expenditure through public or private insurance or publicly provided care.

Given this fact, I believe that it is unwise to rush into a massive, national health insurance program without more careful study. This issue is too complex, too important, and too expensive to be decided within the budget process.

The implementation of major national health insurance legislation could cost well over $100 billion. And net no decisions have been made on how this proposal should be funded. No studies have been made to determine what a massive $100 billion program would have on our $400 billion budget.

The enactment of national health insurance would represent an increase of almost 25 percent over our present budget, and yet we are voting startup money for it without even studying the effects that such a massive increase in Government spending would have on the economy. I do not believe that this is responsible budgeting.

The issue we are now considering is not whether we should have national health insurance. That decision should and will be made by the Congress at some later date. Rather, we are voting to spend $50 million for startup costs for a program which we cannot even define. We do not even know how it will work, much less what it will cost or how it will be funded.

The decision on national health insurance is an important one. It is a complex and controversial decision, and one which should be made only after careful consideration of all the issues involved. At the present time, we are so far from making that decision that to vote to spend money for startup costs would be premature. In my mind, it would represent irresponsible budgeting to spend $50 million to start up a program which has not even reached the planning stage. I urge my colleagues to join me and vote to delete this $50 million from the budget resolution.

Mr. LAGOMARSINO. Mr. Chairman, my good friend from California, Mr. Rousselot, has offered us an opportunity—a chance to vote for a balanced budget in the fiscal year. As appealing as it is, I must regrettably vote to oppose the plan. I do so for two reasons—and may I say that I am as staunch an advocate of a balanced budget as any man or woman on this floor, but I am also a realist about the best way to accomplish this goal.

My first reason for opposing this motion is summed up on the bottom line of the substitute resolution, which reads

$363 billion. Now $363 billion is $11 billion less than the amount we will spend this year.

In a year when the cost of everything from typing paper to social security checks have gone up, it would be folly to expect the Government to be able to get along on $11 billion less next year than this year. It simply will not work, and we would be fooling ourselves and the public if we pretended it would.

For example, one of the ways in which this plan would reduce expenditures is by cutting the revenue-sharing program by 35 percent. If we cut revenue sharing by that amount, it means local and State governments will have to raise their taxes to make up the difference. So we would be reducing the Federal budget but raising taxes at the local level. What good would that do?

The second reason is the impact which such a budget would have on our national economy. There is no question that deficits hurt us in the long run. They are the primary cause of inflation. But you cannot go from a $77 billion deficit this year to a zero deficit next year—not without raising taxes. The plan the President has proposed would eliminate our deficit over a 3-year period. I think we can do it more quickly than that but not all in 1 year. To slash the budget to $363 billion—more than $30 billion less than the President's own budget, might send such shock waves through the economy that the carefully nurtured recovery we are now experiencing would be completely wiped out. People would be thrown out of work; unemployment and welfare payments would increase; revenues would plummet—in short, we would be creating another depression.

No, we must decrease—and eliminate—our deficit. But it must be done prudently. Frankly, I am pleased my friend has offered this amendment—it gives us a chance to consider the serious damage that continuous deficit spending is causing in America. But a phased elimination of the deficit is the more realistic way to solve the problem.

Mr. BURGENER. Mr. Chairman, I rise in reluctant opposition to the substitute offered by my good friend and distinguished colleague from California (Mr. ROUSSELOT). I share his deep commitment to the goal of a balanced budget and only disagree on the rate at which we should approach our mutual goal.

The history of deficit spending by this Government is a sad one indeed. We must, and I believe we can, move away from the policies which have saddled the American people with the massive debt we have today. We can, and we must, demonstrate a commitment to fiscal sanity through a return to balanced budgets and an orderly reduction in the national debt.

I hope that many of my colleagues are aware of my commitment to this goal and I take this opportunity to renew my call for enactment of an amendment to the Constitution of the United States which would mandate a return to a balanced budget and an orderly reduction in our debt.

But, Mr. Chairman, we must steer toward our goal at a rate that will not cause dislocations in the recovery which is now taking place in our economy. The post-World War II history shows that we adopted deficit spending as a "norm" gradually over a period of years. We must take the same course in ending the practice. We must move with deliberate speed but not at a rate that exceeds the economy's ability to absorb the change.

If we can cut the deficit in half from 1976 to 1977 and in half again from 1977 to 1978, we can approach a balanced budget at a speed which assures success and instills confidence in our commitment. Then we can look to the time when we can begin to pay off some of the principal instead of simply paying interest and increasing the debt.

We must move in this direction and we must do it with care. We must do it with the kind of deliberate determination which will convince the world that the United States does have the will to control her own financial affairs and to succeed.

I am confident that the goal my good friend, Mr. ROUSSELOT, and I share, can be accomplished in a relatively few years. I commend him for raising the question and for focusing the attention of this House on the issue which underlies this entire debate.

Mr. MINETA. Mr. Chairman, I rise in support of House Concurrent Resolution 611, the first concurrent budget resolution for fiscal year 1977.

Last year at this time, the key economic issue before the Congress was recovery from a recession which had seen unemployment rise to nearly 9 percent. Due to the fact that Congress rejected President Ford's austerity budget and enacted at least part of the stimulus targeted in the fiscal year 1976 budget resolutions, we have begun to emerge from the darkest economic period since the days of Herbert Hoover. Today we must assure that the strong recovery now underway continues though 1977. House Concurrent Resolution 611 offers a responsible and effective fiscal plan to accomplish that end.

The budget resolution would reduce unemployment by over 1 million jobs more than the President's budget provides, while reducing the fiscal year 1976 deficit by one-third. It provides for substantial reforms in a number of programs, and it calls for a modest $2 billion reduction in tax expenditures.

From the perspective of a former mayor, however, a most important aspect of the resolution is its impact on States and localities. Fortunately, the Budget Act requires committee reports accompanying budget resolutions to contain a special analysis of the impact of the resolution on State and local governments. Based on that analysis, I would like to make the following comments.

The President's budget proposes virtually no growth in Federal aid to States and localities, providing a total of only $60.5 billion, approximately the funding level in fiscal year 1976. The Budget Committee resolution increases such assistance to approximately $72 billion, nearly 19 percent above the President's request. A large portion of the committee's increase over the President's budget is necessary merely to restore many programs to their fiscal year 1976 appropriations levels.

By functional category, the largest increases are in the areas of education, training, employment, and social services—nearly $5 billion; health programs—about $1.6 billion; and income security—about $1.3 billion.

In addition, the Budget Committee recommendation provides about $4.2 billion in budget authority and $2.2 billion in outlays for various economic stimulus programs to be determined by the Congress during the summer months. These funds are available for any combination of accelerated public works programs, countercyclical aid to States and localities, public service jobs over the 550,000 level recommended elsewhere in the resolution, or any other programs Congress deems desirable.

The resolution also provides approximately $6.5 billion for a continuation of the general revenue sharing program, which expires at the end of the year. While there is a good deal of controversy over the future duration of the program in general and the precise method of funding in particular, the Budget Committee assumption that Congress is likely to fund the program at about the level requested by the President is a realistic one.

Finally, the committee has wisely left to the Congress the fate of the various block-grant proposals made by the President. I support the block-grant concept for a wide range of narrow categorical grant programs; however, the Congress should not adopt that approach unless consolidated programs are reasonably and realistically funded.

From this summary, two things become clear: First, the President's budget proposals would be disastrous for States and localities, many of which have yet to benefit from the general economic upturn. And second, the resolution reported by the Budget Committee provides at least the minimum level of assistance necessary to enable the cities and States to emerge from a crisis that has threatened their financial lives.

Further, Mr. Chairman, in considering this resolution, I hope we can all be guided by the underlying purposes of this new congressional budget process. We originally instituted this long-overdue process in recognition of a long-standing fact of congressional life: That in our votes on individual spending bills we took responsibility for—and became accountable for—only the consequences of each individual spending program. As Members of Congress we were not taking full responsibility for—and we were not directly accountable for—what economists beginning with John Maynard Keynes have seen as the most momentous consequence of Government spending: Its total fiscal impact on the economic life of the Nation. The new congressional budget process is the mechanism by which we assume the responsibility for—and can be held directly accountable for—the total fiscal consequences of our various actions in Congress.

I rise in support of this resolution, because I want to urge every Member of this Congress to fully assume that responsibility, and not to shirk from that accountability. I recognize a healthy diversity of opinion as to what the size of the Federal budget should be. And I recognize a healthy diversity of opinion as to what the relative priorities of our various spending efforts should be. But the time for the expression of these differences is in the amending of the resolution, not in its final passage. Any Member who fails to achieve his purposes by amendment, should recognize that a defeat for the resolution cannot be a victory for his or her own cause. If he or she did not have the votes for the amendment, the votes will not be there for a new resolution more to that Member's liking. A "no" vote for final passage cannot be a vote for a smaller budget, or for a larger budget, or for a shift in priorities. A "no" vote is indiscriminately a vote for all of those at once, and is, therefore, unrealistic and meaningless.

The danger that this new budget process constantly faces, is that the naysayers of all sides, who cannot collectively offer a program of their own, may at some point out vote those who are willing to stand and take responsibility for the political median point of all the American peoples' Representatives. But that nay-saying is irresponsible, both because it cannot offer an alternative, and because it would sabotage the one mechanism by which each Member must take responsibility—and can be held directly accountable—for the consequences of the many separate decisions made by the Congress of which he or she is a Member. That responsibility—and that accountability—are the only chances we have to control Federal spending and to mandate spending priorities and levels in accordance with the will of the American people. Without the budget resolution all that would be lost; and to those who would attempt to take the easy course and to return to the past system of no responsibility for the total budget, I ask, "Do you not think the American people would hold you accountable for that tragedy?"

To all Members I say, "Work your will to your fullest powers in amending this resolution, but when it comes to final passage, I urge you to support this resolution, to support the congressional budget process, and to support direct congressional accountability for total Federal spending."

Mr. KASTENMEIER. Mr. Chairman, as the House votes on the first concurrent budget resolution for fiscal year 1977, I want to commend our colleague BROCK ADAMS for his fine work as chairman of the Budget Committee. I firmly believe that this budget process is essential if Congress is to meet its constitutional responsibilities in developing fiscal policy.

However, while it is the duty of the gentleman from Washington to develop and guide a resolution through the House, my responsibility is to pass judgment with respect to the expectations of the people in Wisconsin's Second Congressional District on national priorities. Frankly, I do not feel that the resolution we are about to vote on reflects the priorities held by my constituents and by most Americans.

Unlike those who may vote against this resolution because of their opposition to spending on domestic programs, my single and strong objection is to the exaggerated emphasis placed on defense spending. The House, regrettably, has declined to accept various proposals to reduce spending for national defense. I am, therefore, forced to express my serious reservations with the spending priorities reflected in this resolution by voting against the measure.

Instead of engaging in a wild and reckless military spending spree so soon after our withdrawal from Vietnam, I believe it is time to cut the continual spiral of military spending. Unfortunately, until the Congress is governed by something other than fear and Pentagon propaganda, it seems unlikely that we will be able to regain control of our fiscal priorities in a manner consistent with the views of the American people.

PERFECTING AMENDMENT OFFERED BY MR. ADAMS

Mr. ADAMS. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Perfecting amendment offered by Mr. ADAMS: Page 2, line 5, strike out the dollar figure and insert in lieu thereof "$52,435,000,000".

Page 2, line 7, strike out the dollar figure and insert in lieu thereof "$713,710,000,000".

Page 2, line 10, strike out the dollar figure and insert in lieu thereof "$67,510,000,000".

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Washington (Mr. ADAMS).

The perfecting amendment was agreed to.

Mr. ADAMS. Mr. Chairman, I move that the Committee do now rise and report the concurrent resolution back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the concurrent resolution, as amended, be agreed to.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the concurrent resolution (H. Con. Res. 611) setting forth the congressional budget for the U.S. Government for the fiscal year 1977, and revising the congressional budget for the transition quarter beginning July 1, 1976, had directed him to report the concurrent resolution back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the concurrent resolution, as amended, be agreed to.

The SPEAKER. Pursuant to section 305(a) of Public Law 93-344, the previous question is ordered.

The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the concurrent resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. LATTA. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 221, nays 155, not voting 56, as follows:

[Roll No. 215]

YEAS—221

Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Annunzio
Ashley
Aspin
AuCoin
Baldus
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Carney
Carr
Chisholm
Clay
Cohen
Collins, Ill.
Conte
Corman
Cornell
Cotter
D'Amours
Daniels, N.J
Danielson
Delaney
Dent
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
English
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Fenwick
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Gaydos
Giaimo
Gibbons
Green
Hall
Hamilton
Hanley
Hannaford
Harkin
Harris
Hawkins
Hays, Ohio
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hightower
Holland
Horton
Howard
Hughes
Hungate
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kazen
Koch
Krebs
Krueger
LaFalce
Landrum
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Long, La.
Long, Md.
McCormack
McFall
McHugh
McKinney
Maguire
Mahon
Matsunaga
Mazzoli
Meeds
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Moss
Murphy, Ill.
Murtha
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pickle
Pike
Poage
Preyer
Price
Rangel
Rees
Reuss
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Santini
Scheuer
Seiberling
Sharp
Shipley
Sisk
Slack
Smith, Iowa
Solarz
Staggers
Stark
Steed
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Taylor, N.C.
Teague
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Weaver
Whalen
Whitten
Wilson, C. H.
Wirth
Wright
Yates
Yatron
Young, Tex.
Zablocki
Zeferetti

NAYS—155

Abdnor
Allen
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Armstrong
Ashbrook
Badillo
Bafalis
Bauman
Beard, Tenn.
Bennett
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Fla.
Butler
Byron
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Conyers
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Davis
Dellums
Derwinski
Devine
Dickinson
du Pont
Duncan, Tenn.
Edwards, Ala.

Erlenborn
Evans, Ind.
Findley
Fish
Fisher
Fithian
Flynt
Forsythe
Fountain
Frey
Gilman
Ginn
Gonzalez
Goodling
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harsha
Hefner
Holt
Holtzman
Hubbard
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Johnson, Colo.
Johnson, Pa.
Jones, Tenn.
Kasten
Kastenmeier
Kelly
Kemp
Keys
Kindness
Lagomarsino
Latta
Lloyd, Tenn.
Lott
Lundine
McClory
McCollister
McDade
McDonald
McEwen
Madigan
Mann
Martin
Mathis
Melcher
Michel
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mosher
Mottl
Myers, Ind.
Myers, Pa.
Ottinger
Paul
Pettis
Pressler
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Rhodes
Richmond
Robinson
Rousselot
Runnels
Sarasin
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Shriver
Shuster
Smith, Nebr.
Spellman
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Symms
Talcott
Taylor, Mo.
Thone
Treen
Vander Jagt
Waggonner
Walsh
Wampler
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.

NOT VOTING—56

Abzug
Archer
Bell
Bevill
Broyhill
Burton, John
Carter
Conlan
de la Garza
Downing, Va.
Esch
Eshleman
Flowers
Frenzel
Fuqua
Goldwater
Gradison
Gude
Harrington
Hayes, Ind.
Hébert
Hechler, W. Va.
Hillis
Hinshaw
Howe
Jones, N.C.
Ketchum
Litton
Lujan
McCloskey
McKay
Macdonald
Madden
Mills
Morgan
Murphy, N.Y.
Nichols
Nix
Pepper
Peyser
Riegle
Roberts
Ruppe
Sarbanes
Sikes
Simon
Skubitz
Snyder
Stanton, James V.
Udall
Waxman
White
Whitehurst
Wilson, Tex.
Wolff
Young, Ga.

The Clerk announced the following pairs:

On this vote:

Mr. Howe for, with Mr. Hébert against.

Mr. Udall for, with Mr. Archer against.

Mr. Peyser for, with Mr. Carter against.

Mr. Nix for, with Mr. Skubitz against.

Mr. Wolff for, with Mr. Snyder against.

Mr. Murphy of New York for, with Mr. Frenzel against.

Mr. Pepper for, with Mr. Goldwater against.

Mr. John Burton for, with Mr. Conlan against.

Mr. Young of Georgia for, with Ms. Abzug against.

Mr. Harrington for, with Mr. Mills against.

Mr. Nichols for, with Mr. Jones of North Carolina against.

Mr. Morgan for, with Mr. Broyhill against.

Mr. Riegle for, with Mr. Lujan against.

Mr. Macdonald of Massachusetts for, with Mr. Ruppe against.

Mr. Waxman for, with Mr. McCloskey against.

Mr. White for, with Mr. Whitehurst against.

Mr. Charles Wilson of Texas for, with Mr. Gradison against.

Mr. James V. Stanton for, with Mr. Eshleman against.

Mr. Simon for, with Mr. Bell against.

Until further notice:

Mr. Bevill with Mr. Litton.

Mr. Fuqua with Mr. Sikes.

Mr. Sarbanes with Mr. Hillis.

Mr. de la Garza with Mr. Esch.

Mr. Downing of Virginia with Mr. Gude.

Mr. Hayes of Indiana with Mr. Roberts.

Mr. Hechler of West Virginia with Mr. Madden.

Mr. Flowers with Mr. McKay.

Mr. FITHIAN and Mrs. SPELLMAN changed their vote from "yea" to "nay."

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

Mr. ADAMS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 109) setting forth the congressional budget for the U.S. Government for the fiscal year 1977 (and revising the congressional budget for the transition quarter beginning July 1, 1976), and ask for its immediate consideration in the House.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore (Mr. McFall). Is there objection to the request of the gentleman from Washington (Mr. Adams)?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. Con. Res. 109

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1976—

(1) the appropriate level of total budget outlays is $412,600,000,000;

(2) the appropriate level of total new budget authority is $454,900,000,000;

(3) the amount of deficit in the budget which is appropriate in light of economic conditions and all other relevant factors is $50,200,000 000;

(4) the recommended level of Federal revenues is $362,400,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $15,300,000,000; and

(5) the appropriate level of the public debt is $711,500,000 000, and the amount by which the temporary statutory limit on such debt should be accordingly increased is $65,300,000,000.

Sec. 2. Based on the appropriate level of total budget outlays and total new budget authority set forth in paragraphs (1) and (2) of the first section of this resolution, the Congress hereby determines and declares, pursuant to section 401(a)(3) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1976, the appropriate allocation of the estimated budget outlays and new budget authority for the major functional categories is as follows:

(1) National Defense (050):

(A) New budget authority, $113,000,000,000.

(B) Outlays, $100,900,000,000.

(2) International Affairs (150):

(A) New budget authority, $9,100 000,000.

(B) Outlays, $7,000,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $4,600,000,000.

(B) Outlays, $4,500,000,000.

(4) Natural Resources, Environment, and Energy (300):

(A) New budget authority, $18,000,000,000.

(B) Outlays, $15,600,000,000.

(5) Agriculture (350):

(A) New budget authority, $2,300,000,000.

(B) Outlays, $1,900,000,000.

(6) Commerce and Transportation (400):

(A) New budget authority, $16,100,000,000.

(B) Outlays, $18,600,000,000.

(7) Community and Regional Development (450):

(A) New budget authority, $7,400,000,000.

(B) Outlays, $7,800,000,000.

(8) Education, Training, Employment, and Social Services (500):

(A) New budget authority, $22,400,000,000.

(B) Outlays, $21,200,000,000.

(9) Health (550):

(A) New budget authority, $40,400,000,000.

(B) Outlays, $37,600,000,000.

(10) Income Security (600):

(A) New budget authority, $163,700,000,000.

(B) Outlays, $140,100,000,000.

(11) Veterans Benefits and Services (700):

(A) New budget authority, $20,000,000,000.

(B) Outlays, $19,300,000,000.

(12) Law Enforcement and Justice (750):

(A) New budget authority, $3,300,000,000.

(B) Outlays, $3,400,000,000.

(13) General Government (800):

(A) New budget authority, $3,700,000,000.

(B) Outlays, $3,600,000,000.

(14) Revenue Sharing and General Purpose Fiscal Assistance (850):

(A) New budget authority, $7,300,000,000.

(B) Outlays, $7,400,000,000.

(15) Interest (900):

(A) New budget authority, $40,400,000,000.

(B) Outlays, $40,400,000,000.

(16) Allowances:

(A) New budget authority, $600,000,000.

(B) Outlays, $700,000,000.

(17) Undistributed Offsetting Receipts (950):

(A) New budget authority,—$17,400,000,000.

(F) Outlays,—$17,400,000,000.

Sec. 3. The Congress hereby determines and declares, in the manner provided in section 310(a) of the Congressional Budget Act of 1974, that for the transition quarter beginning on July 1, 1976—

(1) the appropriate level of total budget outlays is $102,200,000,000;

(2) the appropriate level of total new budget authority is $95,800,000,000;

(3) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $16,200,000,000;

(4) the recommended level of Federal revenues is $86,000,000,000; and

(5) the appropriate level of the public debt is $646,200,000,000, and the amount by which the temporary statutory limit on such debt should be accordingly increased is $19,200,000,000.

MOTION OFFERED BY MR. ADAMS

Mr. ADAMS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Adams moves to strike out all after the resolving clause of the Senate concurrent resolution, Senate Concurrent Resolution 109, and to insert in lieu thereof the provisions of House Concurrent Resolution 611, as agreed to, as follows:

That the Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1976—

(1) the recommended level of Federal revenues is $363,000,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $14,800,000,000;

(2) the appropriate level of total new budget authority is $454,071,000,000;

(3) the appropriate level of total budget outlays is $415,435,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $52,435,000, and

(5) the appropriate level of the public

debt is $713,710,000, and the amount by which the temporary statutory limit on such debt should accordingly be increased (over amounts specified in section 3(5) for the transition quarter) is $67,510,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares pursuant to section 301(a)(2) on the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1976, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $112,000,000,000.

(B) Outlays, $100,600,000,000.

(2) International Affairs (150):

(A) New budget authority, $9,200,000,000.

(B) Outlays, $6,500,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $4,600,000,000.

(B) Outlays, $4,500,000,000.

(4) Natural Resources, Environment, and Energy (300):

(A) New budget authority, $14,800,000,000.

(B) Outlays, $15,703,000,000.

(5) Agriculture (350):

(A) New budget authority, $2,262,000,000.

(B) Outlays, $2,029,000,000.

(6) Commerce and Transportation (400):

(A) New budget authority, $19,910,000,000.

(B) Outlays, $1,740,000,000.

(7) Community and Regional Development (450):

(A) New budget authority, $6,500,000,000.

(B) Outlays, $6,200,000,000.

(8) Education, Training, Employment, and Social Services (500):

(A) New budget authority, $24,617,000,000.

(B) Outlays, $23,004,000,000.

(9) Health (550):

(A) New budget authority, $39,250,000,000.

(B) Outlays, $38,200,000,000.

(10) Income Security (600):

(A) New budget authority, $156,764,000,000.

(B) Outlays, $139,228,000,000.

(11) Veterans Benefits and Services (700):

(A) New budget authority, $20,459,000,000.

(B) Outlays, $19,975,000,000.

(12) Law Enforcement and Justice (750):

(A) New budget authority, $3,400,000,000.

(B) Outlays, $3,500,000,000.

(13) General Government (800):

(A) New budget authority, $3,497,000,000.

(B) Outlays, $3,470,000,000.

(14) Revenue Sharing and General Purpose Fiscal Assistance (850):

(A) New budget authority, $7,347,000,000.

(B) Outlays, $7,351,000,000.

(15) Interest (900):

(A) New budget authority, $41,400,000,000.

(B) Outlays, $41,400,000,000.

(16) Allowances:

(A) New budget authority, $4,990,000,000.

(B) Outlays, $2,960,000,000.

(17) Undistributed Offsetting Receipts (950):

(A) New budget authority, −$16,925,000,000.

(B) Outlays, −$16,925,000,000.

SEC. 3. The Congress hereby determines and declares, in the manner provided in section 310(a) of the Congressional Budget Act of 1974, that for the transition quarter beginning on July 1, 1976—

(7) the recommended level of Federal revenues is $86,000,000,000;

(2) the appropriate level of total new budget authority is $96,300,000,000;

(3) the appropriate level of total budget outlays is $101,200,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $15,200,000,000; and

(5) the appropriate level of the public debt is $646,200,000,000, and the amount by which the temporary statutory limit on such debt should accordingly be increased is $19,200,000,000.

The motion was agreed to.

The Senate concurrent resolution was concurred in.

A similar House concurrent resolution (H. Con. Res. 611) was laid on the table.

GENERAL LEAVE

Mr. ADAMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

HOUR OF MEETING ON TOMORROW

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent than when the House adjourn today, it adjourn to meet at 10 o'clock tomorrow morning.

The SPEAKER pro tempore (Mr. MCFALL). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, I rise to announce the program of the House for tomorrow.

On tomorrow we will meet at 10 o'clock a.m., and first we will take up H.R. 12987, Comprehensive Employment and Training Act 3-month extension, under an open rule, with 1 hour of debate.

We will follow that with consideration of H.R. 366, public safety officers benefits, under an open rule, with 1 hour of debate; and

H.R. 365, firefighters benefits, under an open rule, with 1 hour of debate.

I think it is generally agreed that we will adjourn sometime between 3 o'clock and not later than 4 o'clock tomorrow.

Mr. RHODES. Mr. Speaker, will the majority leader yield?

Mr. O'NEILL. I yield to the minority leader.

Mr. RHODES. Mr. Speaker, is it the intent of the leadership to take up House Resolution 1164, the resolution which would allow committees to sit during the 5-minute rule until May 16 of this year?

Mr. O'NEILL. Mr. Speaker, I have no knowledge as to that. Would the minority leader have any objection to that consideration?

Mr. RHODES. Yes, the minority does object.

Mr. O'NEILL. Then, although it may possibly be considered, it will not be considered tomorrow.

Mr. RHODES. Mr. Speaker, I thank the gentleman.

Mr. O'NEILL. Mr. Speaker, to proceed in the colloquy with the minority, would the minority have any objection to a request, in view of the fact that we are coming in at 10 o'clock tomorrow, that all committees may have permission to meet tomorrow morning?

Mr. RHODES. Mr. Speaker, I have no objection to that. That is for tomorrow morning only?

Mr. O'NEILL. That is right.

Mr. RHODES. I have no objection to that.

PERMISSION FOR ALL COMMITTEES TO SIT ON TOMORROW MORNING, APRIL 30, 1976, DURING THE 5-MINUTE RULE

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that all committees may be permitted to meet tomorrow morning, beginning at 10 a.m., during the 5-minute rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, is this request just covering the period between 10 o'clock and 12 o'clock?

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield, it is for 10 o'clock to 12 o'clock, yes.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CHOOSING THE BICENTENNIAL FRUIT—A SERIOUS MATTER FOR THE CONGRESS

(Mr. SISK asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SISK. Mr. Speaker, I have been thinking of House Joint Resolution 808, and the more I think of it really the less I think of it. I am glad this House is a deliberative body, because I would not want to rush into a matter as serious as the selection of our Bicentennial fruit. What would future generations say of us, the 94th Congress, if we picked the wrong fruit? It is proposed that the Bicentennial fruit should be the apple.

Now, I must admit the antecedents of the apple are quite distinguished, although the first promotional efforts on its behalf were made by the original public relations man masquerading as a serpent. Indeed, picking the apple was man's original error. I would not want this Congress to repeat that error, so I am suggesting other possibilities. The Golden State of California can offer a veritable Garden of Eden—virtually all the fruits that were in the original, plus some that our horticultural wizards have invented—and none of them forbidden.

While we are most famous for our oranges, grapefruit, lemons, limes, and tangerines—we can also offer bounteous varieties of grapes, peaches, apricots, pears, plums, persimmons, pomegranates, nectarines, dates, figs, crabapples loquats, kumquats, watermelons, canteloupes, avacados, tomatoes, strawberries, raspberries, blackberries, blueberries, huckleberries, elderberries, boysenberries—and in this era of nondiscrimination as to sex, there must also be girlsenberries—prunes, currants—and even the fruit so closely associated with General George Washington cherries. That is certainly a Bicentennial possibility. And consider, too, the grape, of which one variety is the Concord. California his literally revolutionized the grape—you might say we have "fired the grape heard 'round the world," as there is hardly a place on the globe you would not find California grapes either as wine or raisin.

There are doubtless other California fruits worthy of our consideration as the Bicentennial fruit—some really peachy possibilities which I feel we would want to consider before making our final pick. I therefore suggest, in the words of another great decision, that we proceed "with all deliberate speed," to consider all the alternatives.

NEW POLICY TOWARD RHODESIA IS DOUBLY DISASTROUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho (Mr. SYMMS) is recognized for 60 minutes.

Mr. SYMMS. Mr. Speaker, the United States, and even more so the people of Africa, have suffered serious setbacks in the past several months in Angola. With the Soviet Union graciously picking up the check, the Cubans appear quite willing to become the invasion force of Africa. Thus they provided the integral ingredient in the imposition of a minority Marxist regime upon the people of Angola. Now they apparently intend to orchestrate an encore performance in Rhodesia through bases in Mozambique, and have none other than Dr. Henry Kissinger as their partner in crime.

Rather than putting a stop to this show of aggressive interference in Africa, the Secretary of State has apparently decided to give them tacit support in their future so-called wars of national liberation. In his major address this week in Lusaka, Zambia, Secretary Kissinger adopted the hollow cry of "self-determination" at a time when small well-armed military forces are determining the destiny of Africa. Self-determination to the Marxist means—one man, one vote, one time, then a dictatorship.

The direction of America's policy toward Africa as outlined in the Secretary's speech is most unfortunate. Rather than bringing the stability Africa desperately needs to realize her development potential, we have revived the specter of military confrontations and the resultant devastation.

Rhodesia was a peaceful country which has never intervened in the affairs of her neighbors. Yet now the United States apparently is going to support actions directed at the overthrow of the government in Salisbury. This policy is doubly disastrous.

The fundamental question is not one of a minority rule in Rhodesia, nor white supremacy, nor self-determination. We have minority rule in almost every country in Africa today. Even in the countries governed by native black populations we usually have one group imposing its will upon the rest of the people rather than any meaningful democracy. So-called self-determination has frequently meant not liberation, but the imposition of tyrannical regimes that have reduced both political freedom and the standard of living for both blacks and whites. Once again ideological cries apparently will obliterate the possibility of genuine peace and progress occurring in Southern Africa. I predict the Kissinger/Ford policy, in cooperation with Soviet/Cuban intervention, will bring on a bloodbath for all in Africa if allowed to continue.

Second, the United States abandons her own vital strategic interests by turning against the government of Ian Smith in Rhodesia. If we deny ourselves the possibility of importing chrome from Rhodesia, we undoubtedly will have to make purchases of the material from the Soviet Union at exorbitant prices. Our stainless steel industry will be severely crippled and the cost of living will be given a substantial jolt in order to provide windfall profits to the Soviets. Yet anyone genuinely concerned about human rights and political freedom must concede that the tyranny in the Soviet Union far surpasses any existing restrictions in either Rhodesia or any other pro-Western government in Southern Africa. Thus American policymakers now propose to reward Soviet intervention in Africa with direct monetary payments. And still the Secretary of State wonders why the Soviets pursue a determined aggressive policy under the guise of détente. This policy advocated by the defeatist mentality of Dr. Kissinger is in my opinion foolish at best and hypocritical at worst.

Mr. McDONALD of Georgia. Mr. Speaker, our Secretary of State recently delivered a very important speech in Lusaka, Zambia, relative to our policy toward Africa. Major parts of that address were devoted to showing that our policy was anti Rhodesia and South Africa. The speech appeared to indicate that we would do everything short of war or furnishing weapons in order to bring about black majority rule in both of those nations.

We are all aware that it has been the policy of our Department of State since World War II to push decolonization. In this we have been wildly successful in replacing quiet, stable prosperous colonies with a whole stable of black military dictatorships in Africa. In pursuing this policy, I feel we have been wrong. We are outsiders to Africa and what the United Kingdom, France, or Portugal do was their business, but we made it our business. One cannot soon forget the debacle, we, together with the U.N., spawned in the Congo, now Zaire. Much of the blood that has flowed in Africa is on our hands although we never owned an acre of it as a colonist. Have all these efforts brought us a reservoir of friendship in Africa? Not on your life. There is hardly a port now in Africa where our Navy is welcome. There is hardly a nation where our Peace Corps has not been expelled.

Now Secretary Kissinger proposes that we join in "at the kill" and work extra hard to bring down the present Rhodesian Government, which is no threat to us at all. On the contrary, it is a friendly government. To a lesser degree, he proposes we redouble our efforts to show how little we care for South Africa's solution to its multiracial problems. Is this a pressing question crying to be solved by the American public? It is not. No poll taken, that I am aware of, shows this to be a burning question or approval for the Secretary's policies.

As if the Rhodesian chrome question had not been adequately debated and voted upon, he pledges to again attempt to secure repeal of the Byrd amendment. The Department of State will again fail in this endeavor. I personally will vigorously oppose repeal as strongly as I can.

The policy the Secretary is enunciating is wrong. It is opportunistic and will fool no one as one of the African papers has already noted. If, however, we continue to pursue what Dr. Kissinger advocates, we will eventually have two more Marxist dictators to contend with in Africa. Whatever happens the blood will be on our hands, because every "liberation" movement confronting Rhodesia and South Africa will be encouraged to step up its terrorism in response to this speech.

The end result will be to further endanger the security of the United States and future generations.

Mr. DICKINSON. Mr. Speaker, the actions of our State Department in regard to the Panama Canal are certainly "questionable" and are definitely not in the best interests of the United States. Yet, there are other, more recent actions by the "miracle workers from Foggy Bottom," which could have even more drastic implications in the long run. I am referring to the current unwarranted meddling in the affairs of several pro-Western African nations—namely, Rhodesia, South-West Africa, and South Africa.

This past week Secretary of State Henry Kissinger visited Africa and issued "a message of commitment and cooperation." This message contained some of the most absurd and anti-United States suggestions for supporting revolution—under the guise of "African unity" and "racial justice." Indeed, when one reads the Secretary's statement he begins to wonder where Henry Kissinger's loyalties really lie—with the United States, or the U.N.?

For instance, Kissinger's commitment that he "will urge the Congress this year to repeal the Byrd amendment," which authorizes Rhodesian chrome imports to the United States despite U.N. sanctions to the contrary.

The history of the Byrd amendment makes it clear that Congress believes we should continue to trade with Rhodesia despite U.N. sanctions because it is in the best interests of the United States.

A few facts will point out why we cannot afford to let the U.N. dictate United States foreign policy.

First, there is the importance of chrome. There *is no substitute for* chromium in stainless steel. No chromium ore has been mined in the United States since 1961 and the United States is almost totally dependent on imports and the fast decreasing national stockpile for its supply. Rhodesia has 67 percent of the world's supply of chrome and the highest grade ore.

Then, there is the cost of the chrome ore. During the period that the U.N. sanctions were imposed—from 1967 to 1971—before passage of the Byrd amendment—American steelmakers were forced to purchase ferrochrome from domestic or foreign supplies at vastly inflated prices. Chromite purchased from Russia more than doubled in price during the sanctions period. It is rather obvious that if the embargo against Rhodesian chrome is reimposed, severe unemployment will occur in the United States specialty steel industry and the price of steel produced will skyrocket.

Additionally, if the United States ceases to trade with Rhodesia for this vital defense-related metal, we could become largely dependent on Russia for a supply of inferior ore at inflated prices—dependent on an adversary rather than a friend, for the chrome ore. One would think the Arab oil boycott taught us how dangerous it is to be at the mercy of an unreliable source for essential material.

What would a repeal of the Byrd amendment mean to Rhodesia? Such action would displace thousands of black workers and their dependents, and black businesses dependent on chrome workers' spending would also suffer severe displacement.

In short, to reimpose an embargo on the importation of Rhodesian chrome because of U.N. pressure is an asinine suggestion. The United States must continue to pursue the policies that are in the best interest of the United States, not the U.N.

I might also point out that the pretext under which the U.N. imposed sanctions against Rhodesia was that Rhodesia presented "a threat to world peace." Garbage. If any action is a threat to world peace it is U.S. and U.N. intervention in the internal affairs of another country. The "great" U.N. Charter says:

> Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the jurisdiction of any state or shall require the Members to submit such matters to settlement under the present charter; but this principle shall not prejudice the application of enforcement measures under Chapter VII.

For your information, that is the chapter which deals with "threats to world peace."

It appears the U.N. has violated its own charter in a "Catch-22" manner and is applying selective morality. It also appears that Secretary Kissinger is allowing the United States to be the willing dupe of the U.N. and carry out the dirty deed against Rhodesia.

We have heard a lot of complaints about clandestine CIA operations in foreign countries and alleged CIA attempts to bring about changes in foreign governments. To me, this action now being proposed by the Secretary is not even clandestine, but blatant intervention in the affairs of another nation to bring about a change in its government. Where are the liberals who hollered so long and loud about CIA intervention, or are they applying selective morality also?

Furthermore, this unwarranted intervention in the affairs of Rhodesia would make the United States no better than the Russians and Cubans who intervened in Angola.

But, let me tell you what else our State Department has done. Secretary Kissinger has denied any responsibility for U.S. citizens in Rhodesia. He has encouraged Americans now there to get out and for no other Americans to enter. To me, this irresponsible action encourages political instability and sacrifices Americans in Rhodesia to the whims of militant radicals in that country.

But, even more absurd is Kissinger's proposal to give $12.5 million in aid to Marxist, Communist, Mozambique for economic hardships it may have suffered from closing its border with Rhodesia. He would also have the United States give aid to any neighboring African countries which would impose sanctions against Rhodesia.

In other words, Secretary Kissinger says he will ask the U.S. Congress to openly support a Marxist government—a government which is already receiving aid from Russia—and help to overthrow the legitimate, pro-Western, anti-Communist Government of Rhodesia. But, that is not all. He is also encouraging the realinement of the Government of South-West Africa—a protectorate of South Africa—and the pro-Western Government of South Africa itself.

I believe it would be sheer folly for the United States to follow Secretary Kissinger's suggestions for intervening in African affairs. I, for one, will never vote one dime to aid a Marxist government against our Rhodesian and South African friends and I will vigorously oppose any attempts to repeal the Byrd amendment.

I support President Ford, but I cannot support these unrealistic and anti-U.S. actions of Secretary Kissinger.

Mr. CRANE. Mr. Speaker, I found many aspects of the policy statement made by Secretary of State Henry Kissinger quite disturbing. But in this brief period I will only zero in on one conspicuous area that I take strong exception to—the proposal to extend $12.5 million of aid to Mozambique.

Although allegedly championing political democracy, human rights, peace, and self-determination, the Secretary of State has alined himself with one of the most tyrannical governments in the world. I was quite astounded to hear that the Secretary not only gave his political endorsement to the dictatorial Marxist government in Mozambique, but also will request $12.5 million in aid from the Congress to help sustain their declaration of war with Rhodesia.

Mozambique today represents an unmitigated economic and political disaster zone in Africa. And President Somora Machel has no one to blame for the gruesome state of affairs in his country but himself. Through his adopted program to create "Africa's first Marxist state" he has bankrupted the country and either imprisoned or driven into exile the most skilled and educated citizens of Mozambique.

Politically Machel has imposed a ruthless tyranny. As Time reports:

> Thousands of people have been packed off to "re-education centers," where Machel's brand of Marxism is taught with a heavy and sometimes brutal hand. Machel does not coddle even his own supporters. He has warned that many workers might have to toil for as long as three years without pay "for we are without funds to reward your labors." After independence, Frelimo soldiers were given the choice of leaving the service without pay for their years in the guerrilla movement or of staying in the service—also without pay. Says Machel: "We cannot tolerate a bourgeoisie in Mozambique, even a black one."

As a finale for all this self-inflicted devastation, Machel has closed the border with Rhodesia and proclaimed a state of war. Undoubtedly dictator Machel must do something to divert the attention of everyone away from his own mismanagement. But as he attempts to escalate his catastrophic policies to include Rhodesia, the United States has no business subsidizing his subversive thrusts. Thus I shall strongly oppose any proposal of assistance to Mozambique brought before the Congress.

GENERAL LEAVE

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from Idaho (Mr. SYMMS).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

ALCOHOLISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 15 minutes.

Mr. RANDALL. Mr. Speaker, one of the major problems we face in America today is alcoholism. Many believe it is the No. 1 health problem of our Nation. Tens of thousands of Americans are its victims. Alcoholism wreaks its havoc in the form of broken homes and broken lives. Today it affects almost one out of every eight U.S. citizens. It is a disease that is frequently ignored, unnoticed, and unappreciated by business, industry, and government. The cost is more than $25 billion a year. The price of human suffering paid by those who work, live, and are associated with a person suffering from alcoholism is beyond calculation. Every employer of any size is faced with the problem of how to handle the alcohol abuser or an alcoholic. Some ignore the problem altogether; others face it forthrightly and humanely. In many large firms, labor and management are working together to rehabilitate the problem drinker on the company payroll so that he may save his job and become fully productive again.

Closer to home, Mr. Speaker, we all know that the Federal Government, which employs almost 3 million men and women, has written into law, as well as in regulations and by Executive order, a firm pledge to salvage the problem drinker wherever and whenever possible. This is best accomplished through positive programs of education and rehabilitation. Unfortunately, in some of our Government institutions, administrators and supervisors pay only lipservice to this policy. This is a disservice to the employee and to the public whose taxes pay that employee's salary.

Mr. Speaker, there is an organization located over in Arlington, Va., which is called React, Inc. It is located in the Barr Realty building at 4105 North Fairfax Drive, Arlington.

The prime mover or the man who organized and then established React, Inc., is W. Russel May. Mr. May is a retired executive from the Federal sector with over 25 years experience in personnel administration.

Before his retirement, Mr. May served in the personnel section of the Defense Supply Agency and later was director of personnel for the Selective Service System.

Before moving to Washington, Mr. May was for many years actively engaged in community service work in Warrensburg, Mo. While a resident of Warrensburg, he was the recipient of the Junior Chamber of Commerce distinguished service award.

With several years of community service work, and with years of experience in Federal personnel management, he recognized alcoholism as a widespread problem deserving of continuing attention. It was because of his experience in personnel and because of his community service work that Mr. May organized and established React, Inc.

Now, Mr. Speaker, I hope I may be permitted to share with our colleagues an interesting article which recently appeared in the Arlington News published over in nearby Arlington, Va. The article was prepared by Mr. Thomas H. Brown III, and Mrs. Pat Devore, R.N., in consultation with Dr. Charles Smith, M.D. Each of these individuals has a wide range of experience in all facets of problem drinking, treatment, counseling, education, and rehabilitation of people suffering from alcoholism. Mr. Brown or Mrs. Devore offers individual counseling. All of the associates in React, Inc., provide strong assurance that the identity of any person who inquires concerning the services of React, Inc., will be kept strictly confidential.

The article entitled "Alcoholism: The Sparkle and the Promise?" as it appeared in the Arlington News under date of Thursday, February 26, 1976, is as follows:

Alcoholism: The Sparkle and the Promise?

Even Uncle Sam isn't totally convinced that alcoholism is a disease and not a bad habit.

Except for the vigilance and perseverance of a Government employees' union, a dedicated and conscientious Federal worker would have lost his job permanently and his reputation sullied for life because of a severe drinking problem beyond his control.

The story came to light in a recent issue of the Federal Employee, official publication of the National Federation of Federal Employees, one of several unions to which Federal workers belong.

How many times this story is repeated in the vast bureaucracy of Government can only be speculated since there are no reliable statistics on the subject. Suffice it to say, more Government employees are probably sacked because of drinking problems than are salvaged and kept on the public payroll.

Despite fairly rigid laws, regulations and Executive orders which require judicious handling of problem drinkers, the practice in many Government agencies is to give lip service and not much else.

If this were not the case, stories such as this one, told in the victim's own words, would not occur. Thanks to a man named Richard Goodwin, who works at Army Materiel Command Headquarters in Alexandria, Virginia, and is vice president of NFFE Local 1332, the story has a happy ending. And now the story:

"I am an alcoholic . . .

"I suppose it was the death of my wife that started the development of a trend from occasional indiscretions under the influence to alcoholism. It was a year after her death that I began slugging down my bourbon straight . . .

"In time, alcohol got me in serious trouble at work. Instead of waking up and phoning in a lame excuse, I was coming to after the workday was over and when I awoke during work hours I no longer cared to try to control my voice and explain my absence.

"I ended up in the hospital being fed intravenously . . . my child in the care of strangers.

"The hospitalization began a slow turn of events. I went to Alcoholics Anonymous meetings. I undertook counseling from several sources. Things started to mend and several months went by without a binge.

"Then I won a half-gallon of bourbon with my ticket to a speech contest. It sat around for a couple weeks until one night I decided a stiff shot would help me sleep. Four days later the phone woke me up and I heard a familiar voice say, " 'You're fired!' "

"Nothing in life matters more to me than my child and my job. I was suddenly without either. The next morning I was fighting desperately for both.

"My supervisor had lost all faith in me. Fortunately, many other people had not and I was given the phone number of the vice president of NFFE Local 1332. It soon became clear to me that if the union couldn't help me I'd had the course.

"The slip of paper with Richard Goodwin's phone extension on it was the slim chance that I had to regain my job and my dignity. To my relief, when I spoke with him there was no rebuke that I should have joined the union before I got in trouble.

"Behind Mr. Goodwin was the strength of a counterforce to arbitrary use of power by management. I was no longer alone. The presence of NFFE on my side gave me immeasurable moral support in the following months.

"I hadn't been a model employee, to say the least, but as a union attorney pointed out, the Federal personnel manual speaks to the problem of alcohol. It requires that management show good faith when an employee makes progress in overcoming such a problem and is otherwise fulfilling the requirements of his job.

"During subsequent weeks a private attorney who was formerly an Under Secretary of the Army went to bat for me and tried to persuade my supervisor and directorate chief to change their minds. His efforts were to no avail and he told me that an appeal to the Civil Service Commission would be decided against me. I was terminated on the fourth anniversary of my wife's death.

"Two months later, Mr. Goodwin, armed with a presentation suggested by NFFE attorney Lisa Strax, spoke for me at an appeal hearing before the Commission. What a former Under Secretary of the Army couldn't do for me, Dick Goodwin, Local 1332, and NFFE did. I was reinstated as of the date of my separation."

The story does not entirely end there. The man was awarded 6 months' back pay for the period between his firing and reinstatement. Since then he has taken a leave of absence from his Government job and now is studying law on the west coast. And he has had his child returned to him.

NFFE and other Government employee unions, as well as the AFL–CIO, often are the only buffer zone between a callous, indifferent employer and workers who suffer the disease of alcoholism. This is not to imply, of course, that a number of Government agencies, as well as private employers, are not doing a commendable job in this area. Many are recognizing that this is a massive problem from which no large organization of people is immune.

It is rather shocking, however, to find that the Federal Government which spends millions each year trying to pierce the riddle of alcohol abuse fails to follow its own advice in dealing with its own employees. The National Institute on Alcohol Abuse and Alcoholism, a Federal agency, recognizes without question that alcoholism is a disease and should be so treated. NIAAA also is strongly in favor of rehabilitating employees with a drinking problem, if not for humane reasons, then on the ground that it makes economic sense to regard an employee as an investment that should be protected.

Wherever there is enlightened labor-management relations you will generally find sound and effective programs for helping alcoholics. The unions and companies in such instances both recognize the value of supporting well-run programs for helping problem drinkers and alcoholics. This is not less important to management than it is to the union.

Unfortunately, while the Federal Government has policy guidelines for handling problem drinkers that sound good on paper, the policy is more often ignored than implemented. It no longer is adequate for the head of any Government agency or department to say simply, "We have a policy and adhere to it." Simply not firing a Government worker is not enough. The Government should want to care enough to help treat, rehabilitate, and educate the man or woman who has succumbed, or is in danger of succumbing, to the disease of alcoholism.

Considering its millions of employees, and if the statistics are accurate, Uncle Sam has thousands of workers who need help right now. To continue to be indifferent to the problem is an unfair added burden to the taxpayer, to say nothing of how reprehensible is such an attitude of an employer toward his employees.

STATEMENT OF CONGRESSWOMAN BELLA S. ABZUG ON THE DEATH OF FOLK-SINGER PHIL OCHS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 60 minutes.

Ms. ABZUG. Mr. Speaker, a few weeks ago, a young folk-singer whose music personified the protest mood of the 1960's took his own life. Phil Ochs—whose original compositions were compelling moral statements against the war in Southeast Asia—apparently felt that he had run out of words.

While his tragic action was undoubtedly motivated by terrible personal despair, his death is a political as well as an artistic tragedy. I believe it is indicative of the despair many of the activists of the 1960's are experiencing as they perceive a government which continues the distortion of national priorities that is exemplified in the military budget we have before us.

Phil Ochs' poetic pronouncements were part of a larger effort to galvanize his generation into taking action to prevent war, racism, and poverty. He left us a legacy of important songs that continue to be relevant in 1976—even though "the war is over."

Just 1 year ago—during this week of the anniversary of the end of the Vietnam war—Phil recruited entertainers to appear at the "War is Over" celebration in Central Park, at which I spoke.

It seems particularly appropriate that this week we should commemorate the contributions of this extraordinary young man whose impact on art and politics are discussed in the following article from The Village Voice of April 19:

PHIL OCHS, 1940–1976

(By Robert Christgau)

I met Phil Ochs under duress on the day Robert Kennedy announced for the presidency in 1968. The duress had to do with a review I had just written of "Pleasures of the Harbor," an album that as far as I was concerned combined the most disastrous aspects of "Sgt. Pepper" and Waterloo. I find that to socialize with an artist I admire is compromising enough—admiration is never total, and the most high-flown careers fluctuate in patterns that must be documented. How then was I to deal with liking a person whose musicianship I had summed up by postulating that "his guitar playing would not suffer much were his right hand webbed."

Nevertheless, I suspected I'd like him; what I didn't anticipate was how much. The Elvis Presley collage that graced the living room of his Spring Street apartment impressed me straight off. Then we drove with Phil's brother Mike to Newark Airport. Our destination was the UFO coffee house in Columbia, South Carolina, the first outpost of the GI movement that Fred Gardner was then beginning to organize. My purpose was to spread the word as a journalist, Phil's to regale and edify the troops; both considered ourselves committed radicals. Yet we both whooped and hollered when Kennedy's announcement was broadcast on the car radio, and I felt a rush akin to comradeship.

Not since Pete Seeger has there been a folksinger of Ochs' stature who could claim his unswerving opposition to political and economic oppression. But Ochs never fell into the trap of purism. He both loved America and respected Americans, and he always remained aware of the elitist pitfalls awaiting those who would shape its art and its politics. He not only believed RFK would cut short the slaughter in Asia, but admired his common touch. And he told a Carnegie Hall audience in 1970: "If there's any hope for a revolution in America, it lies in getting Elvis Presley to become Che Guevara." He was wearing a gold lamé suit at the time.

The wit of this suggestion was as typical of Ochs as the seriousness of the conundrum that underlies it; humor is after all the classic consolation for thwarted hopes. One reason Ochs, who was the only name performer to show up at Chicago in 1968, could ally himself so freely with the Yippies even though his own political analysis was ultimately more critical than theirs, was simply that he couldn't resist the Abbie and Jerry Show. And in 1973, when he was waylaid in the African port of Dar es Salaam by three thugs who not only took his money but squeezed much of the life out of his larynx, he claimed to have written a song about it: "On the Failure of Socialism in Tanzania." But my own favorite example of his humor was a line in his songbook on a page headed "The Critics Rave": "His guitar playing would not suffer much were his right hand webbed."

Objectively, Ochs' taste for the funny line may not have been at all revolutionary, and the same goes for his fascination with pop. Perhaps he was poorly qualified to answer all the maddening questions about how to effect radical change in a society pervaded by mass communications. But no one else has proven qualified to answer them either, and at least Ochs had the courage and perspicuity to ask. A good many of the ——— in his life—his obsession with his sometime friend Bob Dylan, for instance, as Dylan seemed to forsake Che (and Phil) for Elvis; or his inability to adjust to the comfort of California after he left Elektra for A&M—can be connected in theory to the perplexities that he continued to scrutinize.

That's theory, however. The fact is that he had not written a song in about six years when he hanged himself on April 9, and although he apparently had stopped by the time of his death, he had also been drinking much too heavily for much too long. It would be fatuous to blame his death on Society or Capitalism, and perhaps it is presumptuous for a distant acquaintance like myself to speculate on his death at all. But for the record I'd like to remind everyone of a few reasons why Ochs' last years weren't as wasted as he himself may have come to believe. One was the "Evening with Salvador Allende" benefit he organized in the spring of 1974—one of the few successful movement events of recent years, scandalously misreported in the press. The other is a worthy young folksinger named Sammy Walker whose career Ochs sponsored last year.

Predictably, I came around to liking Phil Ochs' music, guitar included. My affection no doubt prejudiced me, so it is worth nothing that many observers who care more for folk music than I do remember both his compositions and his vibrato tenor as close to the peak of the genre. A comment of Bob Dylan's that Ochs often repeated—something fairly sharp to the effect that Ochs should have been a journalist rather than a musician—may have been truer and kinder than either of them realized, for the musicality of Ochs' best songs in no way diminished their impact as news. Ochs studied journalism in college and wrote some interesting essays for the Los Angeles Free Press in the early '70s. We thought occasionally of asking him to try something for The Voice. Right now, I am very, very sorry that we never got around to it.

LEGISLATION REQUIRING MEMBERS OF CONGRESS AND EXECUTIVE BRANCH TO PARTICIPATE IN SOCIAL SECURITY PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. LEVITAS) is recognized for 5 minutes.

Mr. LEVITAS. Mr. Speaker, today I am introducing into the House legislation which requires Members of the Congress and the executive branch of the Federal Government to participate in the social security program.

Very few citizens outside the Federal Government realize that most Federal employees do not participate at all in social security.

When they learn the truth, their first question is: "If the social security system is such a wonderful thing, why do Federal employees not have it? Is your own retirement and benefit system better?"

Is it not somewhat strange that our social security system is good enough for most Americans to pay for but is not good enough for Congress or, for that matter, even the Commissioner of Social Security himself, who is not covered by it.

The confidence of the American public in the future viability of the social security system is already becoming shaky. In the past 2 years, 138 local governments in the United States have relinquished their voluntary membership in social security, and another 208 have announced that they intend to do so.

We heard testimony by actuarial experts last year that if present trends continue, the trust funds for social security will be absolutely depleted as early as 1980. That is a stark prediction to contemplate. That gives us 4 years in which to act.

This Nation has firm commitments to the elderly, the disabled, the widows and orphans. We cannot let that commitment falter or fail because of lack of concern and inaction by the President and Congress. The benefits are paltry and inadequate and the inequities are manifold. At the same time, the cost is skyrocketing, and this is accompanied by constant increases in America's most regressive tax—the payroll tax. Older people are concerned. Younger people are cynical.

For this reason I introduced early in 1975 legislation (H.J. Res. 291) to establish a 4-year citizens' National Commission on Social Security to make a thorough and independent study of the system and viable alternatives, including perhaps, a mix of public and privately financed retirement, disability and survivorship plans. Although this bill has received significant cosponsorship, no action has yet been taken in Congress.

There is no doubt in my mind that

the inequities and financial strains in the social security system constitute a time-bomb ticking away. We still have time, however, to act rationally and farsightedly in putting the system in order, and I believe my Commission legislation would put the machinery in motion to do just that.

Thus far, the only option being discussed is President Ford's insensitive proposal to raise again the social security tax. If anything, we are already paying too much for too little. To pump more taxpayers' money into the present inadequate, inequitable system just would not work. President Ford is just plain wrong. The other option is that being taken by Congress thus far: that is to put our heads in the sand and do nothing. That, too, is wrong.

In the meantime, however, I believe that enforced participation in the system by the Members of Congress and other Federal employees would go a long way toward sensitizing the Congress and the executive branch as to what must be done.

I cannot see how this legislation I am introducing could fail to draw a large number of votes if Members of Congress really do think that the present social security system is adequate.

After all, if the present system is so good, why should we not all pay for it and benefit from it? If we do not, perhaps we can explain to our constituents why "What is sauce for the goose is not sauce for the gander." That is a good question for our voters to ask this year.

If it is asked by enough people, we can pass this bill or the needed remedial legislation.

I submit then, Mr. Speaker, that all of us in Congress will have more incentive to improve the social security system if we ourselves become part of it.

DEPLETION ALLOWANCE REVISITED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, during the past year, we have had repeated statements by the principal oil companies of America claiming adverse effects from the repeal of the oil depletion allowance on the ability of the oil companies to raise adequate capital for oil development.

I have just finished reading the 1975 report of the Standard Oil Co. of Ohio and wish to direct attention to the language in the report which, on page 6, states:

> The 1975 Tax Reduction Act increased oil industry Federal income taxes by eliminating statutory depletion on oil and certain natural gas production and by limiting the amount of foreign taxes related to oil and gas production that can be taken as a credit against U.S. taxes. As a result of the loss of statutory depletion, current accounting standards require a provision for deferred taxes on intangible drilling and development costs.
>
> The Tax Reduction Act liberalized the investment credit for all taxpayers by increasing the credit from 7 percent of qualifying investments to 10 percent and by permitting an election to claim a credit on a "prograss payment" method.
>
> Because of Sohio's unusually large capital expenditures and the improved investment credit provisions, *the adverse effects of the Tax Reduction Act were offset by higher investment credits in 1975 and income taxes remained at approximately the same level as 1974* (Emphasis added.)

Mr. Speaker, it appears quite obvious that a repeal of the depletion allowance coupled with an increase in the investment credit from 7 to 10 percent has not increased taxes and has had no adverse effect on capital formation for companies engaged in wider search and development.

Tax incentives are proper if they move capital into new sources of production of oil in America instead of moving corporate capital into mergers and acquisitions of unrelated business. I prefer to see oil capital invested in oil search and development instead of department stores and other unrelated business.

The Standard Oil of Ohio report for 1975 proves an important point.

FIREFIGHTERS BENEFITS ACT AND PUBLIC SAFETY OFFICERS BENEFITS ACT DESERVE FAVORABLE ACTION BY HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, I rise to express my strong support for two pieces of legislation that the House is scheduled to consider.

The Firefighters Benefits Act and the Public Safety Officers Benefits Act are two important measures that deserve favorable action by this House. Firefighters and public safety officers daily risk their lives to protect our lives and property. Most unfortunately, each year many of these brave men and women are killed while performing in the line of duty. In 1975, 124 law enforcement officers and an estimated 95 firefighters gave their lives so that others might live. Clearly, society has a great debt to these men and women, a debt that money could never repay.

It is unfortunate that the levels of compensattion for the dependents of these men and women vary widely from locality to locality across our Nation. While money can never replace their loss, these measures, by providing a $50,000 payment to the dependents, would help to met their financial needs and would end the inequity caused by the disparity in compensation.

I am making these comments at this time because I very much regret that official business will prevent me from being present when these measures are considered. As a member of the Board of Visitors of the U.S. Merchant Marine Academy in Kings Point, N.Y., my presence is required at the Board's annual meeting where we will consider future plans for this outstanding Federal institution.

Mr. Speaker, H.R. 365 and H.R. 366 are measures needed to partially repay society's debt to our brave law enforcement officers and firefighters. I urge my colleagues to support them.

A TRIBUTE TO PHIL OCHS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BADILLO) is recognized for 30 minutes.

Mr. BADILLO. Mr. Speaker, I rise to pay tribute to Phil Ochs, the folksinger, who died on April 9. Phil Ochs, for the hundreds of thousands who fought our disastrous involvement in Indochina, for the hundreds of thousands who fought injustice both here and abroad, was a symbol. When he sang at a peace rally—and he was always there, as exhorter and inspiration—he reaffirmed that those of us standing in the rain and cold had some purpose, that we could make some change.

Phil Ochs committed suicide. His friends say it was because the words would not come any more. And they would not come because the anger and hope of the 1960's had given way to the apathy and frustration of the 1970's. We were lucky to have him at a time when he was badly needed. And his words, his commitment, and his personal gentleness will be missed.

The following article, from the current Rolling Stone magazine, is a sensitive and honest appraisal of who Phil Ochs was, and why he was an important person:

PHIL OCHS, TROUBADOUR, DEAD: "HE WAS A CHILD OF THE 1960's"

(By Chet Flippo)

NEW YORK.—The last sad chapter in singer/songwriter Phil Ochs's up-and-down life story ended here April 9th when he hanged himself in his sister's house in Far Rockaway, Queens. Ochs was 35 years old.

Although Ochs's clever, biting lyrics earned him fame during the Sixties as the troubadour of the New Left, his musical career had been ailing for years and he had, according to family and friends, grown increasingly despondent. "It blew everyone away," said Doug Weston, owner of the Troubadour folk club in L.A. and a longtime friend of Ochs. "He had a great many friends, but he felt estranged from them. Phil was a very romantic person and romantic people are easily disillusioned, and when that happens it can be very deep."

Last December, Ochs moved from Manhattan to his sister Sonny Tanzman's house in Queens. In Manhattan he had virtually lived in the streets, moving from one hotel to another or staying with friends, who were concerned about his drinking. When he moved out to Queens, he stopped drinking and spent much of his time playing cards with his sister's three children. According to friends, Ochs had been trying, off and on, to write again, but had lost his confidence. He talked of myriad projects, mostly unrealized: producing a recording session with a young Dylan soundalike named Sammy Walker; organizing a Save New York City benefit; opening a nightclub in SoHo and going into movie production.

Ochs's last real public performance was October 23rd, 1975, at a birthday party for Mike Porco, owner of Gerde's Folk City, the scene of Phil's early triumphs. During an evening of all-star sets by the likes of Dylan, Joan Baez and Jack Elliott, Ochs (wearing Dylan's hat) sang a poignant—if hoarse—set of "Jimmy Brown the Newsboy," "There You Go," "Too Many Parties," "The Blue and the Gray" and a moving version of Dylan's "Lay Down Your Weary Tune" that drew praise from its composer.

That party amounted to a dress rehearsal for Dylan's Rolling Thunder Revue, but when the Revue pulled out of town four days later, Ochs was not on the bus. Close friends said that Phil had "understood" that there would be a place for him on the tour but that the invitation was never tendered because of his "unpredictable behavior" and drinking, and that he understood that, too. The whole Rolling Thunder business stirred controversy even in death: "Phil Ochs was downed in the Thunder" was how New York's WBAI summed up its feelings during its radio tribute.

Ochs and Dylan had had a stormy relationship over the years. They met in the early Sixties when they were the center of a tight circle—including Dave Van Ronk, David Cohen/Blue, Tom Paxton and Eric Andersen—that hung around the offices of Broadside, the mimeographed topical song publication. Dylan was clearly the star, while Ochs was clearly number two; but Ochs believed he could go just as far as Dylan. Dylan could be cruel about this competition: when Dylan first played "Can You Please Crawl Out Your Window" for Ochs, Phil said he didn't think it would be a hit. Dylan turned on him, ordering Ochs out of the limousine they were riding in with the parting shot, "You're not a folksinger; you're just a journalist." Ochs later laughed about the incident to Dylan biographer Tony Scaduto: "He wasn't used to being criticized." Still, it marked the end of their friendship. Ochs saw Dylan at a house in Los Angeles and Dylan started screaming abuses at him. Ochs left and broke out in hives. "I think he's clinically insane," he told writer Jules Siegel. "If I didn't admire him so much, I'd have to hate him. In fact, maybe I do hate him."

During the past two years, after Ochs moved back to New York from Los Angeles, he and Dylan came to something of a truce. Ochs helped organize the 1974 Madison Square Garden tribute to Salvador Allende at which Dylan appeared. Then, not long after *Blood on the Tracks* came out, they ran into each other on MacDougal Street and Ochs chided Dylan for getting away from topical writing with a gentle "*Blood's* not good enough, Bob." At the time of Ochs's death, Dylan was in Florida rehearsing for the Southern swing of his Rolling Thunder tour. A friend who talked briefly with him said Dylan was "shaken" by the suicide, but would have no statement to make.

Phil Ochs was born in El Paso, Texas; grew up in New York; was graduated from Staunton Military Academy in Virginia; then entered Ohio State University in the late Fifties. He spent his first two years there as a nonmajor. Then Ochs was jailed for 15 days in Florida on a vagrancy rap, and it was there that he decided to become a writer. Back at Ohio State, he declared himself a journalism major and began publishing a little radical sheet called *The Word*, in which he wrote that Fidel Castro (together with John F. Kennedy, Ochs's major political influences) was the greatest figure in the Western Hemisphere in the 20th century. The hostile reaction to this remark brought Ochs his first disillusionment with journalism.

At the same time, his roommate, Jim Glover, gave him a guitar and Ochs started writing songs. They formed a folk duo called the Sundowners and dropped out of school, working bars in Cleveland for a while before Ochs split for New York City. He landed right in the middle of the Broadside crowd, writing topical songs (he didn't call them protest songs) with the best of them.

Mike Porco, whose Folk City was a buzzing center of activity, remembered Ochs dropping in for hootenanny nights. Porco booked him for his first professional gig, August 6th, 1962, at Folk City. He wasn't an excellent singer," Porco said, "but you could listen to the words. Next to Dylan, he was the biggest draw."

"He was fantastic back then," David Blue recalled. "He was drawing on all that political energy. He had it all plotted out, how both careers would go—his politics and his music. He showed me graphs for the next six months, how the rallies would go, how the records would sell."

The peak of the political music movement came at Newport in the summer of 1963 when Ochs, Dylan, Pete Seeger, Paxton and Baez held 'broadsides"—workshops on civil rights and banning the bomb. Kennedy's assassination changed things: Dylan drifted toward rock and told Ochs his writing was "bullshit, because politics is bullshit." Ochs was unconvinced. His first album, All the News That's Fit to Sing, came in early 1964 and featured "Talking Vietnam" and "Talking Cubin Crisis." Less than a year later *I Ain't Marching Anymore* was released and the title song, "Draft Dodger Rag" and "Here's to the State of Mississippi (revised after Watergate days to "Here's to the State of Nixon"), firmly established Ochs as the leading protest singer/songwriter. Dylan was denounced by radilibs for abandoning protest, and Sing Out! proclaimed Ochs his successor.

Jerry Rubin said Och's music "expressed the political feeling of our generation. His guitar was always there at the service of the people. His death robs the Sixties' political people of their voice.

"I saw Phil four days before he died and he seemed in real psychic pain, he seemed to no longer have a cause—there was no reason for him to live anymore. He had often talked about suicide—he once asked me if how you died connected with what happened to you after death. I tried to get him into therapy or yoga, but he just wouldn't help himself. What more can I say? He was so tied to political changes that when that spirit went down, he went down with it."

Donovan, a protest contemporary of Ochs, agreed with Rubin's assessment. "Phil was an intense boy who seemed to be trapped in a pre-'64 radical stance and didn't transpose his work into what you might call the flower-power movement. He remained a hard-nosed radical." He remembered the last night he saw Ochs, at a party in Donovan's honor at Tommy Smothers's. He was "completely out of proportion—with the press, agents and the whole Hollywood schmaltz." Donovan said that "Phil didn't necessarily love me that night, he thought all folks who made money off folk songs and didn't feed the world were crazy. He didn't realize that we'd begun to love the world to death instead of bombing it to death, that the children were the future and the radical stance had to go. . . ."

His third album, Phil Ochs in Concert, got as high as 149 on the Billboard chart in 1966 and "There but for Fortune," which appeared on the album, became a hit for Joan Baez in 1965. The next year he produced his finest album, Pleasures of the Harbor, proving he still had the deadly sting of satire in his pen with "Outside of a Small Circle of Friends," though the title song was a study in lyric gentleness.

Tape from California (1968) and Rehearsals for Retirement (1969) received less notice than their predecessors. The latter album's cover was a picture of Ochs on his tombstone.

"After Chicago in 1968," said his brother Michael, "things began to fall apart for him." David Blue agreed: "Phil was totally a child of the Sixties. He was a political animal and that political energy was his only source. When that started to go, he started to wither."

As his popularity waned, Ochs had one last inspiration: he put on a gold lamé suit and played rock & roll at Carnegie Hall in 1970. There was a bomb scare during the show, he had to win over a very hostile audience, he badly cut his right hand when he angrily broke into the box office, but he thought the whole affair was fantastic. A&M recorded the concert but released it only in Canada as Gunfight at Carnegie Hall. "That was the big turning point in his life," David Blue said. "He believed in that record so much and A&M wouldn't put it out. I heard it; it was good. He really felt let down." Mike Ochs disagreed: "Jerry Moss [A&M's president] kept him on the roster to the end. No matter how crazy he was, whenever he had an idea Moss would listen and just ask how much money he needed."

Throughout the Sixties, said former manager Arthur Gorson, Ochs seriously thought he would be assassinated, he was so politically volatile. "He thought he was risking his life by singing. When he finally realized he wasn't in danger, he got depressed because he felt he wasn't politically relevant anymore."

He began to run dry. In a tasteless move, A&M once sent out buttons that read, "Inspire Phil Ochs." Ochs wrote a half-dozen pieces for the Los Angeles Free Press, including one on the death of Bruce Lee. He traveled extensively, going to Chile with Jerry Rubin, to Australia, and to Africa, where his vocal chords were permanently damaged when he was mugged in Kenya.

His last big public appearance was at the War Is Over rally in Central Park on May 11th, 1975. He sang "The War Is Over" before 50,000 persons and it was a touching moment—reality had finally caught up with his ten-year-old song and it was pathetically clear that antiwar songs and singers were relics from the past.

Ochs went downhill fast after that. He played four shows for Porco at Folk City July 30th and 31st, but some customers at the last show complained of Ochs's drunkenness and a few asked Porco for their money back. He drifted, drinking, staying in cheap hotels or with friends in SoHo.

He turned up in September at the Chelsea Hotel, registered under the name "John Butler Train," perhaps a play on John Wayne, one of his favorite media heroes. As Train, Ochs was charged with assaulting a woman friend in New York and was arrested for drunkenness in L.A.

"He got a raw deal," said Barbara London, one of his SoHo friends. "I saw him sleeping in the street. He was savable and the people who could've helped him didn't seem to want to. Now they're going to have a big benefit."

A tribute concert has been planned for May 28th at Felt Forum with half the proceeds going to Phil's daughter Meegan, 12 (who has been living in California with Phil's estranged wife, Alice), and half to charity. No performers had been definitely named at press time, though Dylan, Baez, Seeger and Lennon were mentioned.

The Sunday before he died, Ochs stopped by Folk City for a Tequila Sunrise. "He looked pretty heavy," said Porco, "and I said, 'Phil, you're not losing weight.' He said, 'I'm not doin' nothin', I can't lose weight.' When Phil was on a bender, he would do all the talking, but when he was sober, he was very shy, wouldn't use a curse word. I said, 'Phil, have you been writing anything?' He said, 'No, Mike, I haven't been doin' nothin', just takin' a rest. I haven't got the head right now to write. Maybe one of these days.' I said, 'How's the stomach, you gettin' better?' He said, 'I went to the doctor, but I'm not perfect yet.' I said, 'Well, Phil, you care for another one?' He said, 'No, I have to meet somebody, but maybe I'll come back.' He smiled—he had one of the nicest smiles. He walked out and that was the last I ever saw of him."

Phil Ochs was cremated the day after he died, in accordance with his wishes. There was no service, in accordance with his family's wishes.

LEGISLATION TO CHANGE MEDICARE PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 15 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, I have today, together with my colleague the Honorable JOHN DUNCAN of Tennessee, introduced legislation to make several changes in the medicare program that must become effective by July 1 of this year in order to avoid certain adverse effects on medicare beneficiaries and providers of services.

First, the bill would correct a problem in physician reimbursement arising from the change in the Government's fiscal year. Under present medicare law, customary and prevailing charge screens—used to determine the medicare reasonable charge for a physician service—are updated at the beginning of each fiscal year. Until now, this has meant that reimbursement amounts were updated every July 1, based upon a statistical analysis of the actual charges made by physicians during the preceding calendar year. But because the fiscal year now begins October 1 instead of July 1, existing law now also requires that medicare's prevailing charges be updated October 1—3 months later than has been the practice since the beginning of the medicare program. Thus, without a change in law, this year and every year medicare will delay for 3 additional months the recognition of fee increases that have occurred during the preceding calendar year. The effect is to make medicare reimbursement amounts for physician services less adequate than today—at a time when many physicians and beneficiaries already believe that medicare delays too long in recognizing increases in fees. My own concern is that allowing this additional 3-month lag to come into being would have a direct adverse effect on beneficiaries. Even fewer physicians than today would be willing to accept assignment of claims—with the result that additional beneficiaries would have to pay out of their own pockets the increased difference between the medicare allowance and the actual charge of the physician. I believe we should not allow this to happen—and certainly not allow it to happen accidentally, because the Government has changed its fiscal year. The bill would, therefore, maintain the existing practice under which prevailing and customary charge screens for physicians' services are updated as of July 1 of each year.

Second, the bill would provide continued assurance that the operation of an economic index—applied pursuant to the 1972 social security amendments—Public Law 92-603—will never result in reimbursement amounts for physician services that are lower than the amounts which were actually allowed by medicare for fiscal year 1975. It was discovered that this index—designed to prevent medicare from reimbursing at rates higher than would be justified by changes in economic conditions—would have in some cases required physician reimbursement amounts during fiscal year 1976 to be lower than had been allowed during fiscal year 1975. The Congress corrected this problem through enactment of Public Law 94-182—December 31, 1975.

It has come to my attention, however, that application of the economic index in fiscal year 1977 will once again have a rollback effect on allowable physician charges. Unless legislation is enacted to preclude this rollback, some prevailing charges for fiscal year 1977 will be lower than they were in fiscal year 1975. The total effect of the rollback in fiscal year 1977 will be less than the prior fiscal year—and in future years will eventually disappear—but it is an unintended and adverse effect, and should not be allowed to take place. The bill would eliminate any possibility of rollbacks in prevailing charges due to the application of the economic index in fiscal year 1977 and any year thereafter.

Third, the bill would extend the time now provided in law to act upon certain issues involving reimbursement for the services of physicians in teaching hospitals.

As a result of congressional concern about the lack of uniformity in the arrangements developed under medicare for reimbursing teaching physicians, a provision was included in the 1972 social security amendments to deal with this problem. Before this provision was allowed to take effect, the 1973 social security amendments authorized the Institute of Medicine of the National Academy of Sciences to undertake a detailed study of the issue. Pending completion of this study the provision of the 1972 amendments—section 227 of Public Law 92-603—was suspended.

The Institute's completed study was submitted to the Committee on Ways and Means in March 1976. Because of the complexity of this study and the issues it addresses, the committee has not had sufficient time to consider the results and develop appropriate legislation. However, the reimbursement method mandated in the 1972 amendments, and subsequently postponed pending the completion of the Institute's study, is to become effective July 1, 1976, in the absence of any legislative action. Since the committee plans to fully reexamine the entire issue of reimbursement for teaching physicians in the light of the Institute's study, the bill would postpone the effective date of the 1972 reimbursement provision until July 1, 1977. This would allow time for the committee to determine whether an alternative approach to teaching physician reimbursement would be preferable.

The text of the bill follows:

H.R. 13469

A bill to extend or remove certain time limitations and make other administrative improvements in the medicare program under XVIII of the Social Security Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 15(d) of Public Law 93-233 (as amended by section 7(c) of Public Law 93-368) is amended by striking out "July 1, 1976" and inserting in lieu thereof "July 1, 1977".

SEC. 2. The last sentence of section 1842(b)(3) of the Social Security Act is amended by striking out "for the fiscal year beginning July 1, 1975," and inserting in lieu thereof "for the 12-month period beginning on July 1 in any calendar year after 1974".

SEC. 3. (a) The third sentence of section 1842(b)(3) of the Social Security Act is amended by striking out "prior to the start of the fiscal year in which the bill is submitted or the request for payment is made" is clause (ii) and inserting in lieu thereof "prior to the start of the 12-month period (beginning July 1 of each year) in which the bill is submitted or the request for payment is made".

(b) The fourth sentence of section 1842(b)(3) of such Act is amended by striking out "for any fiscal year beginning after June 30, 1973," and inserting in lieu thereof "for any 12-month period (beginning after June 30, 1973) specified in clause (ii) of such sentence.

(c) Section 204(7) of the Fiscal Year Transition Act is amended by striking out the reference to section 1842(b)(3) of the Social Security Act.

SEC. 4. The amendments made by sections 2 and 3 of this Act shall be effective with respect to periods beginning after June 30, 1976; except that, for the 12-month period beginning July 1, 1976, the amendments made by section 3 shall be applicable with respect to claims filed under part B of title XVIII of the Social Security Act (after June 30, 1976, and before July 1, 1977) with a carrier designated pursuant to section 1842 of such Act and processed by such carrier after the appropriate changes were made pursuant to such section 3 in the prevailing charge levels for such 12-month period under the third and fourth sentences of section 1842(b)(3) of the Social Security Act.

CORRECTING AN INEQUITY IN THE TAX CODE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. MEZVINSKY) is recognized for 5 minutes.

Mr. MEZVINSKY. Mr. Speaker, I am introducing a bill today to allow members of certain recognized religious sects or divisions to apply for exemption from the self-employment tax under the Internal Revenue Code of 1954.

The need for this legislation became clear to me when a member of the Old Order Amish faith, living in Iowa, found himself in the untenable position of paying self-employment tax when it is against his beliefs to ever reap any benefits from the social security program. This Iowa resident must pay this charge, because several years ago he inadvertently paid the tax, on the advice of an income tax preparer, and thereby lost his exemption.

Such an exemption has been in the law since 1965. Under that provision, an individual may be exempted from the self-employment tax if that individual is a member of a recognized religious sect or division and, because of adherence to the teachings of that religion, that individual is conscientiously opposed to accepting the benefits of any private or public insurance.

However, restrictive rules have limited the time within which a person is permitted to file for such an exemption. Under present law, any person who first had self-employment income before 1967, had to file for the exemption on or before December 31, 1968.

It has come to my attention that at least some people may not have been aware of the restrictions on the right to file for this religiously based exemption. The bill I am introducing would permit such people to file applications at any time up to December 31, 1977.

Under present law, people who filed for this exemption before the end of 1968 were not only exempted from the tax for the future, but were permitted to recover all the self-employment tax they had paid back through 1951. Under the bill that I am introducing, however, an individual who takes advantage of this extended filing period—up to December 31, 1977—would not be allowed to recover the previously paid self-employment taxes. That individual would only be exempted from the self-employment tax for the future.

Even though these people would not be entitled to refunds of previously paid self-employment taxes, under the bill they would have to waive any rights to social security benefits based on their wages and self-employment income, so long as this exemption from the self-employment taxes continues. Although this proposal would result in some insignificant reduction in future social security revenues, it is highly likely that it would result in an even greater reduction in the social security trust fund's obligations, because these people must waive their rights to benefits, and must waive their survivors' rights to survivors' benefits.

LAND INVASION PROBLEM IN MEXICO

(Mr. McDONALD of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. McDONALD of Georgia. Mr. Speaker, the sense of what is happening in the Mexican countryside today, as a result of what must be a high-level decision in the ruling Institutional Revolutionary Party of Mexico, can be conveyed through extracts from the Mexican press.

Accordingly, a sampling is offered which indicates the widespread and persistent nature of the land-invasion problem, and the indifference of the government to the rights of landowners who are within the law and often possessed of special assurances from the government that they will not be affected by such acts.

It is well to remember that, after half a century of agrarian reform under a revolutionary government, and after the redistribution of over 150 million acres of land, this vaunted solution has not solved very much. Cries of "latifundia", the denunciation of owners of 250-acre farms, and calls for a limit of 50 acres are sheer demagogy.

More than mere irresponsible demagogy is involved, however. There are too many voices within the ruling party which speak in the stilted phrases of Communist propaganda. There are too many calls from leaders and party officials for "direct action" against employers, for "war" against selected elements of the Mexican population, calls for class warfare.

Then, too, it is instructive to compare all the turmoil over land seizures by allegedly landless peasants with the Mexican government's grant of 81,000 hectares—about 200,000 acres of land—to Yugoslavia for exploitation! The Mexican press reported on November 6, 1975, as follows:

> Mexico and Yugoslavia are negotiating an agreement that provides for the scientific exploitation—using the most advanced technology—of 81,000 hectares of land of the Chontalpa in Tabasco, the largest agro-industrial complex in Latin America, Hydraulic Resources Secretary Leandro Rovirosa Wade announced.
>
> Yugoslav technicians paid a 45-day visit to Mexico to learn about the possibilities of accelerated exploitation of that rich southern region.

More typical of what is happening are the events reflected in the news items below.

Open letter to President Echeverria, carried as a paid advertisement in El Heraldo, March 29, 1976:

> The undersigned organizations (more than fifty), which represent thousands of farmers, have addressed you on many occasions in the past two weeks, asking your intervention with only one object: That in the countryside there should be obedience to the law.
>
> Unfortunately, until now, the situation has remained the same. The invaded properties continue to be occupied, disorder and anarchy prevail in our areas, the robbery of vehicles, and armed robbery of passengers grows greater, and now even includes the assassination of a small landowner. There is an absolute insecurity and total lack of guarantees.
>
> The Authorities, in order not to divorce themselves from the people, ought to understand that their positions imply, more than a privilege, a strict obligation to comply with the law, and make others comply with the law.
>
> We ask ourselves:
>
> (1) Why is there permitted, ALL OVER THE COUNTRY, land invasions?
>
> (2) Why has the Secretary of Agrarian Reform converted himself into the source, instigator, supervisor and coordinator of invasions who appear more a focus of communist subversion than a patriotic upright, impartial, authentic state secretary?
>
> (3) Why does there exist this systematic, orchestrated attack, applauded by a servile bureaucracy, lacking common sense and without political-social sense, against private property, work, progress (the fruit of work and sacrifice everywhere, but primarily in the country, where it has brought a fall in agricultural production and lack of confidence in the intentions of the government.

Universal, April 10:

> Guanajuato.—The Centro de Investigaciones Agricolas del Bajio, one of the most important centers of agricultural research in the country, was invaded by peasants of the Organization of Mexican Workers and Peasants (UGOCM), who destroyed experimental plantings of wheat, corn, sorghum, and other plants. The Director of the Center, Dr. Jesus Castro Franco, said the losses are incalculable, although they were initially estimated at 50 million pesos, considering that the Center will be unable to distribute improved seed wheat adequate for planting 80,000 to 100,000 hectares hectares.

Excelsior, April 7, 1976:

> Los Mochis, Sinaloa.—A group demanding land once more invaded a property of 1600 hectares in the municipio of Guasave, where they paralyzed the harvest of several crops and the preparation of the land for new crops. At the same time, the invaders expelled more than 200 workers. Millions of pesos worth of tomatoes were lost.

Urgent Telegram to President Echeverria, March 17, 1976, carried as a paid advertisement in several Mexican newspapers:

> With reference to the problem of invasions of ranches in Guanajuato, Jalisco, Tlaxcala and Zacatecas, and the danger of the disappearance of bullfighting, and having submitted these problems to the competent authorities, without any results, we urgently solicit you to concede us and audience. (Signed) Mexican Union of Picadores and Bandarilleros; National Association of Bullfighters; Association of Mexican Bullfight Enterprises; and National Association of Fighting Bull Breeders.

Excelsior, March 21, 1976:

> Tlaxcala.—Miguel Angel Candia asked for legislation "to punish the invaders of property" because if there is no legal protection for the small property owner, small farms "will disappear from the whole country." He pointed out that while there is legislation limiting the area of farms—"which we respect"—there are no laws against those who invade property. "We have seen that denunciations before local authorities are a dead letter." Candia said that in the whole state there is fear. "No one will sow because he is not sure that he will be able to harvest."

Ovaciones, April 7, 1976:

> Mexico, D.F.—In view of the scarcity of urban land, the increase in urbanization and intensity of settlement, one can no longer defend the luxury of private property in land, nor permit that it continue, because "actual circumstances demand the highest priority to the social function of urban land." This is the statement of an official in charge of urban land planning, made before the P.R.I. presidential candidate, Jose Lopez Portillo.

Excelsior, March 15:

> Villahermosa.—"Let us take the bull by the horns," said Jose Lopez Portillo to the P.R.I. youth, "It is necessary to consider the creation of a powerful organization of rural workers that can fight against the real or simulated latifundistas. It is a clear formula that we can demand in the countryside."

Excelsior, April 9:

> Guadalajara.—There are about 1,325,000 families illegally settled on plots of ground in Mexico, according to the Director General of the Regulatory Commission on Land Tenure. These is a grave problem of illegal trafficking in lots. He blamed intermediaries who enrich themselves in this way. The cities which have the greatest problem of land invasions are Mexico City, Monterrey, Guadalajara, Tijuana, Mexicali, and Culiacan.

Excelsior, January 7, 1976:

> Toluca.—President Luis Echeverria today disposed of 1,063,000 hectares of land to almost 22,000 peasants, by signing 155 Presidential resolutions affecting 600 properties in 20 states. Almost at the same time, officials of the Agrarian Reform began the physical division of land, under the slogan, "Echeverria gives land, not papers."

Excelsior, April 8, 1976:

> Ciudad Madero, Tamps.—More than 3,000 families have invaded individual properties in this municipality during the past three days. The initial 700 "parachutists" took possession of land last Sunday, "because of

the exaggerated increase in the price of living quarters".

El Sol de Mexico, April 6, 1976:

CIUDAD VICTORIA, TAMPS.—Jose Lopez Portillo suggested today that the cattlemen overcome their individualism and fearlessly organize collective enterprises, in order to enter the road of "great production" and overcome the social tensions of the nation. Lopez Portillo proposed to them that they summon their individual strength, "organizing themselves in enterprises—do not fear the word—which are collective."

Open letter to President Luis Echeverria and the Governor of the State of Chiapas, from 200 smallholder and ejidal organizations, printed as a paid advertisement in El Heraldo on April 24, 1976:

The productive agricultural sector of Chiapas wishes to state the following: In view of the gravity of the situation in the rural center of the state, caused by the invasion during the last 15 days of 61 genuine small properties, almost all with a certificate of inaffectability, provoked by "suspect forces" who confront those who live in the state, we who have a historic tradition of demonstrating our spirit of liberty desire to reiterate our solidarity with your recent declarations in Ciudad Obregon.

Like you, we think that right should invariably govern the conduct of all citizens. That the State has the inescapable obligation to maintain the law, however, difficult the circumstances. Only under the rule of order and juridical security will justice come to all sectors of the country. No act fundamentally in violation of the law can remain firm and permanent. We demand the immediate removal of those on invaded properties.

The free and republican inheritance permits and obliges us to express our repudiation of the violations you have denounced, and our absolute confidence that the law in your hands will be applied and interpreted with loyalty by all functionaries representing the people. If this is not done, it means that the responsibility of our institutions is compromised.

El Heraldo, March 23, 1976:

TUXTEPEC, OAXACA.—Small proprietors of the municipio of Choapam denounced before President Echeverria the invasion of 100 of their properties by peasants supported by the National Peasant Federation and the General Union of Workers and Peasants of Mexico. Some of the invaders were armed with submachine guns, and some came from the state of Guerrero. Since their arrival, production has been paralyzed and at the moment nothing is being produced. Confrontations so far have caused two deaths. The property owners asserted that the peasants are supported by people with much money who plant marijuana and drive cars with foreign license-plates.

Excelsior, April 8, 1976:

SAN LUIS POTOSI, S.L.P.—The stockmen of San Luis, in a meeting, demanded strict application of the law against the invasion of land, and security of land tenure for themselves. In a meeting with presidential candidate Jose Lopez Portillo, they reminded him of some of his own statements and said they "should not fail to mention the disquiet of those who live by stock-raising, yet who feel that their properties might be invaded at any moment."

Excelsior, April 11, 1976:

SAN PEDRO, SONORA.—Dozens of peasants, some armed with rifles, said today that they are fighting for a piece of land, and are "tired of promises". In Ciuded Obregon, 21 km. from San Pedro, the leader of the Association of Smallholders of the Yaqui Valley expressed concern about the invasions, noting that "the valley has 40,000 people seeking 1,049,000 hectares, and there is only 137,000 hectares." On Saturday night, 300 people occupied a block of land in San Pedro, and there are 1500 others under the same leadership in the vicinity.

CULIACAN, SINALOA.—Solicitors of land blocked 35 trucks and halted the harvesting of 114 hectares of tomatoes. Elements of the army prevented a confrontation between the farm workers and the land-seekers.

Universal, March 11, 1976:

MEXICO, D.F.—Information exists which shows that those who prepared the massive invasions of small properties in the states of Puebla and Veracruz are people who say that they belong to the communist faction of the Central Campesina Independiente, commanded by Ramon Danzos Palomino. The sensitive point of the eruptions, which could have violence without precedent, are two localities which have been threatened and have already recorded public disorders.

Universal, April 11, 1976:

CIUDAD OBREGON, SONORA.—The Secretary of Agrarian Reform, Felix Barra Garcia, adding his voice to the leaders of the Pact of Ocampo, asked the President and the Congress to modify Article 27 of the Constitution, so that among other things, small properties would be limited to 20 hectares in irrigated areas. In a tumultuous session commemorating the sacrifice of Emilliano Zapata, before 5,000 inflamed peasants, the Director of the Mexican Agrarian Council said, "With this present law, we will not have land by the year 2000."

Newspaper and date not shown—Open letter to the President of the Republic, to all the farmers and stockmen of Mexico, to the organizations of private initiative, to public opinion, from 13 agricultural organizations in Puebla and Tlaxcala—paid advertisement.

The invasions of "San Isidro", "La Cuchilla", and "San Miguel Molino" which we denounced some days ago in the local and national press, continue to this day and each day the danger is greater than they will extend to other properties. The lack of security of land tenure has been so grave, in recent years, that it has had the following effects: during the last six years of the 1960's, we exported about five million tons of agricultural products; in the six years which we are about to complete, we have imported about seven million tons. The difference is more than twelve million tons.

This is the price of agrarian demagogy.

Up to now, the countryside has paid the price. Now begins urban insecurity. Industrial and commercial insecurity will follow.

The visible objective: the destruction of private property, and with it, freedom and democracy. The further objective: the installation of socialism.

Mexico can never permit it—at any price.

We ask the removal of the invaders, and the rule of law.

Other agricultural associations protested as follows: Yesterday 200 peasants affiliated with the Central Campesina Independiente and the Communist Party invaded two small properties called "San Isidro" and "La Cuchilla", each 45 hectares in area. Both properties had titles of inaffectability and the authorities did not protect the land owners in their constitutional rights. We know the invasions will grow. Agricultural production will continue to go down, if there are not real, effective guarantees of security. Mexico cannot prosper while the countryside is subject to demagogy, disorder, chaos and hopelessness.

In all this we see a familiar pattern. It has been observed since the first land seizures in Russia at the time of the revolution there. At first the peasants are enthusiastic, and then the fun begins when the true nature of the "land distribution" emerges. These same peasants learn that they are next and that the land is not to be theirs, but is to belong to the state. The next step is serfdom, but by then it is too late for the duped to change sides. The police and armed forces make certain everyone stays in line at the risk of their life. It is sad, but we never seem to learn.

"ORPHANS OF THE EXODUS"

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I am pleased to join with my distinguished colleagues, Representatives JOSHUA EILBERG and ELIZABETH HOLTZMAN, in a vigil on the House floor on behalf of the families which have been forcibly separated by Soviet emigration policies. All of the nations which signed the Helsinki Final Act, including the Soviet Union, pledged to do everything possible to reunite families separated by political boundaries. It is most regrettable that the Soviet Union's failure to live up to that promise has caused scores of Members of Congress, over the last 2 months, to participate in this vigil.

Among these "Orphans of the Exodus" who are the subjects of this program, the plight of the Goikhman family is an especially saddening one.

Yakov Goikhman is a 29-year-old "refusnik" from Chernovitz. A former technician in the construction industry, he lost his position after applying for exit visas. At present, he is working as a laborer.

It has been nearly 4 years since he requested permission to emigrate. The reason given for refusing him was his service in the army. Ordinarily, one has to wait 5 years after demobilization for the right to emigrate. But for Yakov, it is already 8 years since he last served in the army.

In a recent letter, his father wrote from Israel:

> We are directing ourselves to you with a request to help unite our family, as my son has remained in the USSR with his family... He was told that after five years after his demobilization, he will be allowed to leave. I want to ask the Soviet government how long my son has to wait when it is already eight years after his army service?
>
> And no permission is given. His friends with whom he served together, a long time ago came to Israel. Why is not my son with his parents?
>
> Long days of waiting and suffering, not having a permanent job makes for a difficult economic situation.... Numerous petitions and appeals submitted by my son to various institutions have not brought any results. He is told to "wait" and he is already waiting for four years for the permission. All these refusals have no basis. They are just making fun of him. I don't know what they want from my son. And I am helpless. In view of the fact that in America there are meetings of solidarity with the "otkazniks" in the Soviet Union, I wish my letter to be read.

Yakov Goikhman is married and has one daughter. He, his wife and child look forward to the day when they will be able to rejoin their family in Israel. It is my hope that the Soviet Union will live up to its Helsinki pledge and allow the Goikhman family, along with the many other "Orphans of the Exodus," to be reunited.

A NEW START TOWARD AN EFFECTIVE AFRICAN POLICY

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, for far too long the United States has appeared to have no credible and coherent African policy. Our once-strong moral leadership on matters of racial justice and an end to colonialism over the years decayed into the kind of neglect which for too many years in this decade characterized our policy toward Latin America. Today, however, there is new hope that we are at last embarking on a constructive policy. That hope stems from Secretary of State Henry Kissinger's speech in Zambia yesterday at a luncheon hosted by President Kenneth Kaunda.

The speech is a clear, strong, and positive statement and commitment by the United States to work with the nations of Africa to provide a new and better future for all the people of the continent based on full racial justice. The Secretary's reaffirmation of "the unequivocal commitment of the United States to human rights" and his assertion of support for "self-determination, majority rule, equal rights, and human dignity for all the peoples of southern Africa" together with his detailed explanation of our policy on Rhodesia, Namibia, and South Africa is exactly what was needed to clear the air and to reestablish in the minds of the people of Africa the strong commitment of the United States to our mutual ideals of liberty and justice.

Mr. Speaker, I and many in this Chamber would have wished that such a clear enunciation of our African policy would have been made years ago. But let us be glad that it has been made and hope that through cooperative efforts by the Congress and the President the United States can implement the policy set forth by the Secretary and again be recognized throughout Africa as a valued friend.

Mr. Speaker, I commend the full text of Dr. Kissinger's speech to the attention of the House and include the following excerpts of the speech from the Washington Post as a part of my remarks.

[From the Washington Post, April 28, 1976]

A "JUST FUTURE FOR AFRICA"—LUSAKA DOCTRINE: "RACIAL JUSTICE . . . AN IMPERATIVE"

(NOTE.—Following are excerpts of Secretary of State Henry A. Kissinger's speech in Lusaka, Zambia, yesterday.)

President Ford has sent me here with a message of commitment and cooperation.

I have come to Africa because in so many ways the challenges of Africa are the challenges of the modern era. Morally and politically, the drama of national independence in Africa over the last generation has transformed international affairs. More than any other region of the world, Africa symbolizes that the previous era of world affairs—the colonial era—is a thing of the past. The great tasks you face—in nation-building, in keeping the peace and integrity of this continent, in economic development, in gaining an equitable role in world councils, in achieving racial justice—these reflect the challenges of building a humane and progressive world order.

I have come to Africa with an open mind and an open heart to demonstrate my country's desire to work with you on these great tasks. My journey is intended to give fresh impetus to our cooperation and to usher in a new era in American policy. . . .

There is nothing to be gained in a debate about whether in the past America has neglected Africa or been insufficiently committed to African goals. The United States has many responsibilities in the world. Given the burden it has carried in the postwar period, it could not do everything simultaneously, African nations too have their own priorities and concerns, which have not always accorded with our own. No good can come of mutual recrimination. Our differing perspectives coverage in a common purpose to build a secure and just future for Africa. In active collaboration there is much we can do; in contention or apart we will miss great opportunities. President Ford, the American government and people are prepared to work with you with energy and good will if met in the same spirit.

So it is time to put aside slogans and to seek practical solutions. It is time to find our common ground and act boldly for common ends. . . .

I am not here to give American prescriptions for Africa's problems. Your program must be African. The basic decisions and goals must be African. But we are prepared to help.

Nor am I here to set African against African, either among your governments or among factions of liberation movements. African problems cannot be solved and your destiny cannot be fulfilled except by a united Africa. America supports African unity. We urge all other countries to do the same.

Here in Africa the range of mankind's challenges and potential can be seen in all its complexity and enormous promise. The massive power and grandeur of nature is before us in all its aspects—as the harsh master and as a bountiful servant of mankind. Here we can feel the rich and living cultures which have changed and invigorated art, music and thought around the world. And here, on this continent, we are tested, all of us, to see whether our future will be determined for us or by us, whether humanity will be the victim or the architect of its destiny.

THE PROBLEM OF SOUTHERN AFRICA

Of all the challenges before us, of all the purposes we have in common, racial justice is one of the most basic. This is a dominant issue of our age, within nations and among nations. We know from our own experience that the goal of racial justice is both compelling and achievable. Our support for this principle in southern Africa is not simply a matter of foreign policy, but an imperative of our own moral heritage. . . .

Here is Lusaka, I reaffirm the unequivocal commitment of the United States to human rights, as expressed in the principles of the United Nations Charter and the Universal Declaration of Human Rights. We support self-determination, majority rule, equal rights and human dignity for all the people of southern Africa—in the name of moral principle, international law and world peace. . . .

THE UNITED STATES POSITION ON RHODESIA

The United States position on Rhodesia is clear and unmistakable. As President Ford has said, "The United States is totally dedicated to seeing to it that the majority becomes the ruling power in Rhodesia." We do not recognize the Rhodesian minority regime. The United States voted for, and is committed to, the U.N. Security Council resolutions of 1966 and 1968 that imposed mandatory economic sanctions against the illegal Rhodesian regime. Earlier, this year we cosponsored a Security Council resolution, which was passed unanimously, expanding mandatory sanctions. And in March of this year, we joined with others to commend Mozambique for its decision to enforce these sanctions even at great economic cost to itself.

It is the responsibility of all who seek a negotiated solution to make clear to the Rhodesian minority that the world community is united in its insistence on rapid change. It is the responsibility of those in Rhodesa who believe in peace to take the steps necessary to avert a great tragedy.

United States policy for a just and durable Rhodesian solution will therefore rest on 10 elements:

First, the United States declares its support in the strongest terms for the proposals made by British Prime Minister Callaghan on March 22 of this year: that independence must be preceded by majority rule which, in turn, must be achieved no later than two years following the expeditious conclusion of negotiations. We consider these proposals a basis for a settlement fair to all the people of Rhodesia. We urge that they be accepted.

Second, the Salisbury regime must understand that it cannot expect United States support either in diplomacy or in material help at any stage in its conflict with African states or African liberation movements. On the contrary, it will face our unrelenting opposition until a negotiated settlement is achieved.

Third, the United States will take steps to fulfill completely its obligation under international law to mandatory economic sanctions against Rhodesia. We will urge the Congress this year to repeal the Byrd amendment, which authorizes Rhodesian chrome imports to the United States, an act inconsistent with United Nations sanctions. In parallel with this effort, we will approach other industrial nations to insure the strictest and broadest international compliance with sanctions.

Fourth, to insure that there are no misperceptions on the part of the leaders of the minority in Rhodesia, the United States, on the conclusion of my consultations in black Africa, will communicate clearly and directly to the Salisbury regime our view of the urgency of a rapid negotiated settlement leading to majority rule.

Fifth, the United States government will carry out its responsibility to inform American citizens that we have no official representation in Rhodesia nor any means of providing them with assistance or protection. American travelers will be advised against entering Rhodesia; American residents there will be urged to leave.

Sixth, as in the case of Zambia a few years ago, steps should be taken—in accordance with the recent U.N. Security Council resolution—to assist Mozambique, whose closing of its borders with Rhodesia to enforce sanctions has imposed upon it a great additional economic hardship. In accordance with this U.N. resolution, the United States is willing to provide $12.5 million of assistance.

Seventh, the United States—together with other members of the United Nations—is ready to help alleviate economic hardship for any countries neighboring Rhodesia which decide to enforce sanctions by closing their frontiers.

Eighth, humanitarian provision must be made for the thousands of refugees who have fled in distress from Rhodesia into neighboring countries. The United States will consider sympathetically requests for assistance for these refugees by the U.N. High Commissioner for Refugees or other appropriate international organizations.

Ninth, the world community should give its support to the people of Rhodesia as they make the peaceful transition to majority rule and independence, and should aid a newly independent Zimbabwe. To this end, we are ready to join with other interested nations in a program of economic, technical and educational assistance, to enable an independent Zimbabwe to achieve the progress and the place in the community of nations to which its resources and the talents of all its people entitle it.

Finally, we state our conviction that whites as well as blacks should have a secure future and civil rights in a Zimbabwe that has achieved racial justice. A constitutional structure should protect minority rights together with establishing majority rule. We are prepared to devote some of our assistance programs to this objective.

In carrying out this program we shall consult closely with the presidents of Botswana, Mozambique, Tanzania and Zambia . . . The central fact that I have come here to stress is this: The United States is wholly committed to help bring about a rapid, just and African solution to the issue of Rhodesia.

NAMIBIA

Rhodesia is the most urgent but by no means the only critical problem in southern Africa. The status of Namibia has been a source of contention between the world community and South Africa for over three decades.

The territory of South-West Africa turned into a source of serious international discord following World War II. When the United Nations refused to accede to South Africa's proposal for annexation of the territory, South Africa declined to enter into a trusteeship agreement, and since then has refused to recognize the United Nations as the legal sovereign. In 1966, the Central Assembly terminated South Africa's mandate over the territory. In 1971, the International Court of Justice concluded that South Africa's occupation of Namibia was illegal and that it should withdraw.

The United States voted for the 1966 General Assembly resolution. We were the only major power to argue before the International Court that South African occupation was illegal. And in January 1976 the United States voted in favor of the U.N. resolution condemning the occupation of Namibia and calling for South Africa to take specific steps toward Namibia's self-determination and independence.

We are encouraged by the South African government's evident decision to move Namibia toward independence. We are convinced that a solution can be found which will embody equal rights for the entire population and at the same time protect the interests of all who live and work there. But we are concerned that South Africa has failed to announce a definite timetable for the achievement of self-determination, that all the people and all political groupings of Namibia have not been allowed to take part in determining the form of government they shall one day have, and that South Africa continues to deny the United Nations its proper role in establishing a free and independent Namibia.

Therefore the United States position is as follows:

We reiterate our call upon the South African government to permit all the people and groups of Namibia to express their views freely, under U.N. supervision, or the political future and constitutional structure of their country.

We urge the South African government to announce a definite timetable acceptable to the world community for the achievement of self-determination.

The United States is prepared to work with the international community, and especially with African leaders, to determine what further steps would improve prospects for a rapid and acceptable transition to Namibian independence. We are convinced that the need for progress is urgent.

Once concrete movement toward self-determination is under way, the United States will ease its restrictions on trade and investment in Namibia. We stand ready to provide economic and technical assistance to help Namibia take its rightful place among the independent nations of the world.

SOUTH AFRICA

Apartheid in South Africa remains an issue of great concern to those committed to racial justice and human dignity. . . . The world community's concern with South Africa is not merely that racial discrimination exists there. What is unique is the extent to which racial discrimination has been institutionalized, enshrined in law and made all-pervasive.

No one—including the leaders of black Africa—challenges the right of white South Africans to live in their country. They are not colonialists; historically, they are an African people. But white South Africans must recognize as well that the world will continue to insist that the institutionalized separation of the races must end. The United States appeals to South Africa to heed the warning signals of the past two years. There is still time to bring about a reconciliation of South Africa's peoples for the benefit of all. But there is a limit to that time—a limit of far shorter duration than was generally perceived even a few years ago.

A peaceful end to institutionalized inequality is in the interest of all South Africans. The United States will continue to encourage and work for peaceful change. Our policy toward South Africa is based upon the premise that within a reasonable time we shall see a clear evolution toward equality of opportunity and basic human rights for all South Africans. The United States will exercise all its efforts in that direction. We urge the government of South Africa to make that premise a reality.

In the immediate future, the Republic of South Africa can show its dedication to Africa—and its potential contribution to Africa—by using its influence in Salisbury to promote a rapid negotiated settlement for majority rule in Rhodesia. This, we are sure, would be viewed positively by the community of Africa . . .

CONCLUSION

. . . No one who wishes this continent well can want to see Africans divided either between nations or between liberation movements. Africans cannot want outsiders seeking to impose solutions, or choosing among countries or movements. The United States, for its part, does not seek any pro-American African bloc confronting a bloc supporting any other power. Nor do we wish to support one faction of a liberation movement against another. But neither should any other country pursue hegemonial aspirations or bloc policies. An attempt by one will inevitably be countered by the other. The United States therefore supports African unity and integrity categorically as basic principles of our policy.

There is no better guarantee against outside pressure from any quarter than the determination of African nations in defense of their own independence and unity. You did not build African institutions to see outside forces fragment them into competing blocs. . . .

What Africa needs now from the United States is not exuberant promises or emotional expressions of good will. What it needs is a concrete program, which I have sought to offer today. So let us get down to business. Let us direct our eyes toward our great goals—national independence, economic development, racial justice—goals that can be achieved by common action.

Africa in this decade is a testing ground of the world's conscience and vision. That blacks and whites live together in harmony and equality is a moral imperative of our time. Let us prove that these goals can be realized by human choice, that justice can command by the force of its rightness instead of by force of arms.

These are ideals that bind all the races of mankind. They are the mandate of decency and progress and peace . . .

GETTING DOWN TO EARTH ON THE PANAMA CANAL

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, with all the nonsense being tossed around today about the Panama Canal negotiations, it seems to me that it is time to get back to the actual situation that confronts us in Panama.

The options there are limited. It is not a case where the United States is free to do whatever it wishes. Rather it is one of preserving a reasonable measure of control over the canal itself and minimizing the possibility of disruption, which will inevitably ensue if we allow the issue of Panamanian sovereignty to continue to be a source of agitation in Panama. Beyond that, the issue has become a symbolic one in all Latin America, which is looking to see whether the United States is prepared to treat the Latins as equals or as semicolonial nations.

The Akron Beacon Journal for Monday, April 26 contained an outstanding editorial on this subject under the headline, "Jingoists Make Issue of the Panama Canal." The complete text of the editorial follows these remarks.

JINGOISTS MAKE ISSUE OF THE PANAMA CANAL

Americans, columnist James Reston once remarked, "will do anything for Latin America except read about it."

This view was echoed by William Emerson, the last editor of the Saturday Evening Post before its fairly recent revival. "The apathy of Americans toward Canada," he wrote, "is exceeded only by their apathy to Latin America."

We pay occasional attention to Cuba, but the quality of attention is more reflex than reflective. We notice the Dominican Republic when we get involved in a war there, briefly note revolutions and chronicle the kidnapings of American businessmen. Otherwise it suffers from benign neglect. We are all for

Latin America so long as it doesn't interfere with our daily lives.

Imagine our surprise, then, to discover that the future of the Panama Canal has become an issue in the May 1 Texas presidential primary. How many votes might be swung is questionable, but the fact is that Ronald Reagan, in his own simplistic way, is accusing President Ford of waffling on the issue, and the President, in his own way, is indeed waffling while at the same time calling Reagan "absolutely irresponsible."

COLONIAL CONCEPT

Stating the question is easy enough. Solving it is more difficult. The question is who is going to control the canal, the United States or the Panamanians.

The treaty we signed back in 1903 grants the United States, "in perpetuity," the use of 648 square miles of Panamanian territory for the "construction, maintenance, operation and protection" of the canal we proposed to build. We were given "rights, powers and authority . . . which the United States would possess . . . if it were the sovereign of the territory." In other words, extraterritoriality, a colonial concept which the United States has long abandoned elsewhere.

Panamanians have objected to the treaty since the day it was signed, and it has been modified several times since, mostly by raising the rent we pay. It is now $2.3 million a year. The revenues we collect on tolls came to $143 million in fiscal 1975.

But we have done nothing about letting Panama have its country back. Three years ago the UN Security Council urged the United States to return sovereignty to Panama, and the United States vetoed the resolution.

We have, though, been negotiating with the Panamanian government since 1964, ever since riots erupted which killed 20 Panamanians and four Americans. Two years ago we signed an eight-point "agreement in principle," the main points of which were that sooner or later jurisdiction will be returned to Panama, and that the United States will have the "right of usage over lands, waters and air space that is necessary for the functioning, maintaining, protection and defense of the canal and the transit of vessels."

All of Latin America, naturally, is on the side of the Panamanians. Alejandro Orfila, secretary-general of the Organization of American States, last year called the negotiations "the most important issue between the United States and Latin America right now." Note he did not say "between the United States and Panama."

A WORLDWIDE ISSUE

With the Latin nations moving into closer alliance with the Third World countries, Panamanian sovereignty has become, in fact, a worldwide issue.

But Reagan, donning his Rough Rider hat and his Rough Rider mentality, wants to end the negotiations. The United States, he says, must "never" give up the canal or sovereignty over the zone.

Ford has not been that hard line, but he has waffled. A couple of weeks ago, Ambassador Ellsworth Bunker (who moved from Vietnam to Panama) testified before a House subcommittee that his instructions called for reaching an agreement "to give up the Canal Zone after a period of time" and to give up control of the canal itself after a longer period.

FORD BACKS OFF

This seems a realistic position. After all, the canal is nowhere nearly as vital to U.S. defense as it used to be, and the canal is nowhere as defensible. In these days of suitcase nukes, as Sen. Gale McGee of Wyoming put it, "The littlest guy in the world can bust that dam."

But when word leaked (Rep. Gene Snyder of Kentucky was the leaker) of Bunker's testimony, Ford said that the U.S. would never give up its defense and operational rights to the canal.

Then, last Monday, Ford backed away. He told editors of a Texas chain of newspapers that we would insist on such rights only during the lifetime of the new treaty which, if ever negotiated, should last between 25 and 50 years.

That is more than enough time. The canal is now infinitely more important, psychologically, to the Panamanians than it is to the United States.

It is to both a throwback to an earlier, more jingoistic day. To Reagan and his supporters, it's Manifest Destiny and the battleship Oregon's 90-day dash around Cape Horn. To Panama, it is American imperialism.

One is long dead; the other we can do without.

HOUR OF CRISIS FOR SOUTH AFRICA

(Mr. YOUNG of Georgia asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter).

Mr. YOUNG of Georgia. Mr. Speaker, ever since our Nation's unfortunate intrusion into Angola and subsequent congressional rebuttal of that misguided policy, Southern Africa has been much in our thoughts. Now Secretary Kissinger has carried to Africa a "new" policy—the Lusaka message—which seeks to undo the decisive "tilt" toward the white minority regimes first promulgated during the Nixon administration.

If any of the things Mr. Kissinger proposed in Lusaka come to take place, we will have witnessed the Secretary's 180-degree turn on the critical issues affecting Southern Africa. As one who has long been calling in the wilderness for a new African policy to replace the former destructive direction, I will closely follow administration initiatives to implement the Lusaka message. I will also closely monitor the time frame of the proposed changes.

But there are other voices besides Mr. Kissinger's which should be heard and heralded. These are the courageous voices of black men and women who live in Southern Africa and dare to speak out despite the hanging cloud of police harassment and political detention. One such voice is that of Chief Buthelezi of the KwaZulu people to whom millions listen throughout South Africa. We should listen too, Mr. Speaker, and the Congress:

In This Approaching Hour of Christ—A Message to South Africa From Black South Africa, Speech to Africans at the Jabulani Amphitheatre—Soweto, Sunday, March 14, 1976

(By Umntwana Mangosuthu G. Buthelezi)

My dead Sons and Daughters of Africa, I greet you in the name of Mother Africa, and in the name of Freedom.

I have had yearly pilgrimages to Soweto for quite a few years, and this is one of a number of these, but I dare say that this is perhaps the most important, if we look at it in the context of the present political climate in Southern Africa.

It is almost a year since we last met here. I thank the God of our forefathers, and all the Saints of Africa for the privilege of meeting with you once again on this spot. I thank the members of Inkatha yeNkululeko yeSizwe, our National Cultural Liberation Movement, for making arrangements for all of us to keep this tryst (for this is what it is), which we as Blacks have with destiny. I thank my brother and Comrade, Gibson Thula for his role in the setting up of todays meeting.

Last year, on the 22nd of January, I issued a friendly warning to the Prime Minister, Mr. Vorster that if we as Blacks did not reach fulfilment through his policies as appeared to me, to be the case, that we would have no option but have unrest and possible civil disobedience. I did so with all the responsibility in the World, as I sensed the euphoria that pervaded the whole of White South Africa, as a result of the Prime Minister's so-called Detente policy. Whilst I encouraged its pursuance, I pointed out its inevitable bankruptcy, if it was not correlated with detente moves within South Africa itself. I recall that I was chided by the White press for what they judged as rashness on my part. Some even intepreted my warning to the Prime Minister as threats. The truth of the matter is that my words were not meant to be either one or the other of these two things. Some White South Africans even saw my warnings as further evidence of what happens when a kaffir has forgotten his place. A place not assigned for us by the Almighty, but which our White Countrymen have assigned for us for generations through the only power they have used to maintain the statue quo, which is through the barrel of the gun.

I have had two interviews in the past three years at Ministerial level, at which I was told in no uncertain terms of how irresponsible my utterances were, on the inevitability of violence in this Country, if we blacks were continually denied human rights. On each occasion, I made it quite clear that when I spoke as I did, it was because I was hoping that violence could be warded off, as a result of my warnings, and that I was not in fact advocating violence as my accusers alleged at the time. Despite the present euphoria about the imminence of balkanised independence in some of our South African Reserves, there is not even a ripple in the pen as far as the sharing of power and decision-making by all South Africans, is concerned.

I would be curious to know if the Prime Minister and all the people who condemned me, particularly certain sections of both the English and Afrikaan press, at the time, still think my warnings were a symptom of gross irresponsibility on my part.

My brothers and sisters today we meet in what is no doubt one of the most dramatic moments of South African history. After a 300 year white presence in our land, we find not much for our Comfort. We have been through 150 years of white domination, and have been subjected to 66 years of oppression. All this has been taken as a South African way of life, indeed Die pad van Suid Afrika. This has always been made perpetrated against us in the name of Western democracy, and Christian Civilization, by White manipulation of the Houses of Parliament and members of the Assembly. Despite all this length of time during which status quo has reigned, we find today more than ever that the very foundations of the Apartheid Society have been shaken. After more than 10 years of scorn and ridicule of Prime Minister MacMillan's, "Winds of change" warning, who can deny today that these winds of change are blowing not North or West of us, but right on our borders?

Prime Minister Vorster's detente policy has not succeeded. Not only has it not succeeded but White South Africa has burnt her fingers in Angola. There was a scream of applause throughout South Africa, and outside when South African troops were withdrawn from Zimbabwe. But we have seen in a matter of months that score erased by South Africa herself from the score-board, through her Angolan connection. The pace of events and the struggle for liberation in Southern Africa is gaining momentum, to the extent that the Country's all-White Parliament cannot dictate events in Namibia for very much longer. Mr. Vorster's influence in Zimbabwe has proven to be less influential than his Black counterparts. What do we see all around us? Our White Countrymen are developing a war psychosis, and are in the very real danger of retreating into a last stand White laager. Indeed both at street level and at Ministerial level White South Africans are heard in private conversations, boasting of their state of preparedness and of the sophistication of their armaments. True enough there have been some voices even at Ministerial level pointing out that these things are not good enough without the moral support of the majority of the population. But these same voices are made inconsequential by actions in Angola and the reluctance of White South Africa to share power with us.

Every hour of the day, the time is drawing nearer, when we will see White South Africa's enemies encamped on South Africa's borders. It is getting apparent every day that what were seen as Mr. Vorster's very gallant attempts to keep Black buffer states, which do not cooperate from surrounding South Africa, are proving to be a dismal failure.

I know as I have indicated earlier today that the Prime Minister will no doubt if I am to judge by his past attitudes, going to think, with many White South African's that I am speaking as I do, may be because I am a kaffir who has forgotten his place. This thought makes many White South Africans mad, as there is nothing they loathe as a kaffir who has not been successfully kept in his place. To tolerate this would be to promote a process of ant-eating at the very foundations of the South African way of life. There are many White elections we have seen in our lifetime which have been fought on the basis of who can best keep the kaffir in his place. If the Prime Minister or anyone should consider my utterances here today as irresponsible, my answer to such a charge would be, surely had this not been their attitude what precluded the Prime Minister from consulting me about his so-called detente policy, in the light of my contacts in Black Africa? I think it is about time the Prime Minister and White South Africa as a whole, realise that they cannot expect support from Black South Africans in their White struggle to maintain a position of white dominance in Southern Africa. Mr. Vorster did not bother to consult a single black leader on his detente initiatives. If he thinks he can disdain Black opinion in this way and then hope that Blacks will offer themselves to be cannon fodder, I think that this is a grave mistake. As I have reminded you, I told Mr. Vorster and the World in January last year, that unless detente began at home, it would not succeed across our borders. He has excluded Blacks from the National decision-making machinery of the Country just like his predecessors in office. He has thus excluded Blacks from the process by which foreign policy is determined. By excluding us in this way he has excluded us from the responsibility of making his National policies work and making his foreign policy effective.

South Africa has a place in Southern Africa. In fact as I have pointed out in the past, it has a very important role to play in the Continent of Africa. My brothers and sisters, history now demands, that we take our rightful place in Africa. History also demands, however, that what is South Africa's rightful place should be determined by the majority of the people of this Country.

It is still not too late to call for a White change of heart. I say so well remembering the words of Herbert Marcuse, whose words ever ring in my ears these days. In his very introduction to his "An Essay on Liberation", he states:

"For the World of human freedom cannot be built by the established Societies, no matter how much they may streamline and rationalize their dominion. Their class structure and the perfected controls required to sustain it, generate needs, satisfactions, and values which reproduce the servitude of the human existence. The 'voluntary' servitude (voluntary inasmuch as it is introjected into the individuals), which justifies benevolent masters, can be broken only through a political practice which reaches the roots of containment and contentment in the infrastructure of man, a political practice of methodical disengagement from and refusal of the Establishment, aiming at a radical transvaluation of values. Such a practice involves a break with the familiar, the routine ways of seeing, hearing, feeling, understanding things so that the organism may become receptive to the potential forms of a non-aggressive, non-exploitative World.

No matter how remote from these notions the rebellion may be, no matter how great the distance between the middle class revolt in the metropoles and the life-and-death struggle of the wretched of the earth—common to them is the depth of the Refusal. It makes them reject the rules of the game that is rigged against them, the ancient strategy of patience and persuasion, the reliance on the Good Will in the Establishment, its false and immoral comforts, its cruel affluence". In spite of these words, I repeat that I still believe that it is still not too late to call for a White change of heart. I believe this not because I think that Whites are going to have a sudden spasm of benevolence towards blacks, I believe that now that the Whites can see the writing on the wall and that surely they can now realise that the Country must move towards majority rule.

It is this single principle that is central to any question to do with Southern Africa's politics. This is the burning question in Namibia. This is the burning question in Zimbabwe, as much as it has been the burning question in Mocambique and Angola. And as you all know before other Countries became independent, it was the burning question in every other African State.

I realise what I am doing here today, by saying these things as I do. These are very blunt words, but at this point in time they have got to be said. If they were not said, I would not be responsible. If no one amongst almost 18 million of us said them, history would judge all of us who are living at this time, very harshly. Those who have ears to hear what I say will understand that I am offering a Black hand of friendship to the Whites of South Africa. Yes, it is a black hand, but it is still a hand of friendship, I would like to stress.

Our White Society is a sick Society. You all know that serious maladies call for painful surgery, if that is necessary to save life. South Africa's malady is the refusal of the Whites to share power with Blacks. Now it is our turn to tell them that Whites in this Country can only do one thing to help themselves and they can do only one thing to help us to help them. They must be prepared to share power. This must be said and it falls to my lot to say this today.

I have great expectations about my address today because I am going to speak on your behalf. I am going to express your concerns and I am going to talk with the Black voice of South Africa. The Apartheid Society nurtured with a plethora of discriminatory laws for more than a quarter of a Cenutry, which we blacks despise, has already been overtaken by history. In this eleventh hour, in this last hour, some things need to be said in this Country. They need to be said by Blacks and they need to be said very clearly and in unequivocal terms.

No man must be able to say that they did not know, that they did not realize, that they did not understand. It is my experience that Whites do not in fact look into the future. The future they are creating is too horrible to contemplate. It is ironical that the Prime Minister must have had this in mind when he spelled the alternative to detente, almost in those words, as "too ghastly to contemplate". We Blacks can look into the future. In the Black future there is hope, there is liberation and there is the realisation of human dignity.

We Blacks are concerned first and foremost with liberation. We want to be free from oppression. We want to be free from the stigma of being unworthy of full Citizenship or of being only worthy of only fourth class Citizenship and unworthy of having a real vote in the Country of our birth. We want to be free to be equal to all other men. We want to be free to participate in majority decisions about the future of our Country and our common destiny with other South Africans.

We disdain the political role into which the White minority has relegated us. The white minority has foisted on us political circumstances which make a mockery of our dignity and our responsibility.

Because we have no Schools other than those grudgingly granted to us, we have no education other than by the inferior facilities given to us. We can make no real decision even on what language should be used to teach our children here. We have no place to live other than the monotonous drab houses given for our use here in a place like Soweto. We have no jobs other than those given to us by frightened Whites, whose insecurity makes them fear competition on a man to man basis.

We have no black administration other than those provided by a frightened Government who will not allow us Blacks to compete with positions as members of Parliament on merit, in the Constituencies of South Africa.

We have no choice but to live where the Whites say you must live, do the work which the Whites say you can do. You cannot choose where to live. Your children are not free to pursue their own lives and choose their own careers.

I sympathise with you my Brothers and Sisters because just like you, I am not free. Like you, I do what I can. Together we suffer oppression. Together we must throw off the yoke of oppression.

The whole World must be told what we despise what some people ephemistically call 'Separate Development' or 'Separate freedoms', which we know to be nothing more no less than White Baaskap. South Africa is one Country, it has one destiny and it in fact has one economy. Those who are attempting to divide the land of our birth, are attempting to stem the tide of history, just as King Ganute played with sand, in a puerile attempt to ward off the waves of the sea. They are mistaken men, and are fighting against the force of history that began marching across Africa in the 1960's and which has all but reached South Africa's borders by 1976. They act like puny men. They have not got the strength to hold history back. History will triumph over apartheid. It will triumph because in the final analysis history is made by majorities and not by minorities. Minorities cannot prevail forever. Nowhere in the World have minorities prevailed against the majority indefinitely. The minority in our Country have already lost their grip on reality. They cannot succeed for very much longer.

Let us look at what they have already lost.

The policy pursued by successive governments in South Africa since 1910, have in broad terms pursued rather single mindedly a policy designed to increase and protect the position of the privileged minority power elite. While politics has always been about squabbles among the elitists who vie with each other for being top dog in Championing the rich and suppressing the poor.

White policy in South Africa has for decades been leading to the present position in which:

1. Political treachery stalks the land. Treachery by the Government, secret police, bribery, manipulation, detention without trial. Banning of people, banning of organizations are political treachery as far as the majority of South Africans are concerned.

2. Constitutionally and institutionally the politics of constructive reconciliation is not possible in our Country if the Government persists in its headlong plunge into what will amount to political stupidity.

3. The machinery of oppression which is the most subversive element in our Country does not make it possible for the Black majority of the Country to play a positive role in the corridors of power, where real and meaningful wielding of power takes place.

Since 1910 successive governments have planted seeds of destruction in our Country. We Blacks do not believe that the Social and moral tatters of elitism has produced out of the fabric of our Society can be defended morally or theologically. Nor can this tattered Society be defended morally or theologically. Nor can this tattered Society be defended militarily in a situation of real conflict. The majority of Blacks will not find it in their hearts to die on the Country's borders to defend a system which is to them morally repugnant. A system which dehumanises them, and which mocks God Almighty for creating us Blacks, also in his image.

When we Blacks look at Africa, and Southern Africa in particular, we desire to take our place with our Black Brothers in their new World.

We, the majority of Blacks, are primarily concerned with our liberation. Until we are liberated we are hog tied. We are concerned with our liberation not because we want to exploit the white elite in the way in which they have exploited us for generations. We are primarily concerned with our liberation because we want to play a constructive role for everybody. We have seen enough oppression in this land we love. We will not perpetuate oppression. We want to live in peace, and we will want to pursue policies which will bring peace in our land, as well as peace between the States of Southern Africa. I know that to many of my White Countrymen these words will be interpreted as if I am advocating for a revolution. This in itself is inevitable, but in the words of the late Senator Robert Kennedy:

"A revolution is coming—a revolution which will be peaceful if we are wise enough; Compassionate if we care enough; Successful if we are fortunate enough; but revolution which is coming whether we will it or not. We can affect its character; we cannot alter its inevitability."

It is entirely up to White South Africa whether the revolution that is unfolding will be peaceful or bloody.

Black responsibility and Black Contributions to peace can only come after liberation in South Africa. This liberation is not possible within the context of apartheid Society.

I challenge anyone to prove to me that the majority of Blacks do in fact want the so-called independence which is offered to our Reserves now called 'Homelands'. The people who have elected me have so far given me no mandate to opt for of the so-called Homeland. They are so far unequivocal in this stand. The majority of black people do not want to abandon their birth right. They have toiled for generations to create the wealth of South Africa. They intend to participate in the Wealth of the land.

When I speak for my people in this particular matter, I speak also for the majority of Blacks in the Country.

No single Black leader will dare go to his people to decide the independence issue on the basis of a referendum. This in itself speaks volumes. Some people are prone to mis-assess the Black political scene. Because there is conflict among Black groups they believe that there is not an underlying Black Solidarity when it comes to the question of liberation.

My brothers and sisters, you know, as well as I do, that there is no room for division among ourselves when it comes to the question of liberation. Those who thumb the drums of division either on the basis of ideology ethnicity or on rural or urban basis, are either wittingly or unwittingly misguided tools of the oppressors or naive and dangerous political babies who have not yet begun to know what the black man's struggle is about.

The divisions that appear to be among us are only debates about the methods which should be employed in order to liberate ourselves. Government departments and Government Officials have attempted to exploit the apparent divisions in Black Society. In doing so they have dramatised and sharpened the Black debate on liberation.

Beyond these debating divisions which within limits, can be responsible and healthy, there are those who attempt to further individual and secular interests. Every Society has its ratio of such people and such people will be dealt with in due course. We are speaking about the vast majority of Blacks, however, when we say the Blacks are united in their opposition to apartheid and its consequences.

Beyond any divisions which appear to be present in Black Society, there is a unity based on a deep-rooted Black Nationalism. Black Nationalism will yet be shown to be a determinant force in South African politics. It is a reality which political theoreticians cannot verbalise out of existence.

The bricks of black Nationalism are many and varied.

There are ethnic groups, there are tribes, there are trade unions, drama Societies, Black Church groups, Student Organizations, cultural groups and many others.

In all these groups a new mood is emerging. The events in Mocambique and Angola and similar impending events in Zimbabwe and Namibia have brought a new sense of National awareness into the hearts and minds of South Africa's Blacks. This should however be not allowed to make us lose the cool heads that have helped us survive all the oppression, over so many generations. To lose one's head is to be lost to the enemy. It can in fact amount to delivering ourselves to our enemies for slaughter at their pleasure.

We are not afraid to say what we think of government policies. Some of us have never ever been afraid to say so, and so no one can accuse us of trying to cash in on the present fluidity in the Southern African political situation.

Therefore we tell the Prime Minister today that the policies of his Government are unacceptable to us, we tell him that he will never persuade the majority of us to accept his policies because we all know that—

The government's economic policy is designed to perpetuate the privileged position of Whites.

The Government's Social policy makes humiliating assumptions about the Black man's dignity.

The Government's political policy is the moat around besieged white self-interest.

The Government's foreign policy pursue ends which support apartheid and discrimination.

We Blacks must continue to tell the World where we stand in regard to such kind of policies.

We want to go beyond just negative criticisms of the Apartheid Society we so despise. What is needed urgently, is that we put ourselves in a position to provide alternative policies for our Country. If we do not do this, history will catch us flat-footed.

I believe that it is absolutely essential that we hold a series of representative National Conventions representing all shades of black opinion.

I have called for a Black National Convention on economic matters. It is important that this Convention takes place in August, if all goes as planned.

I also think that it is warranted to call for a National Convention on the so-called homeland independence issue.

I also call for a National Convention on South Africa's foreign policy.

Let us treat each of these areas of Black concern independently and in depth.

Let us do for ourselves what Mr. Vorster's White Parliament does not do for us. This White Parliament does not and cannot serve the best interests of Blacks. It is now time for the Blacks of the Country to recognise that in the divide and rule policy of the government, no provision is made for Blacks to enter into the decision-making process on crucial national issues which affect the majority of the people.

We cannot wait for Mr. Vorster's government to do something about Black decision-making at the National level. He has said bluntly and I may say effectively, that he will never do so as long as he and his party are at the helm of South African Affairs. He said this to us on the 22nd of January 1975, as I told you last year. We must therefore act unilaterally in defining South Africa's policies. It is the policies we Blacks define that will be heard and heeded by our Brothers in Africa as well as in many other quarters of the World.

I am hoping that we will invite international Speakers to these Conventions. We will hear their wisdom. We will then close our doors and go into a Black caucus where we will deliberate among ourselves.

It has been reiterated over and over again by Government Spokesmen that there is peace and stability in South Africa. This fact makes me assume that they ought to welcome a series of National Black Conventions and they ought not to hinder us in our plans to get together in order to talk about our Country, and our future, which is tied up with their own. At this time I should assume that there should even be eagerness on the part of the government to want to know what is the black consensus on crucial issues. I expect that speakers we may invite from outside to address us will have no problems in getting into the Country. I say this with such certainty as I feel certain that the Government cannot misjudge the mood of our people at this time.

My Brothers and Sisters, I am the last person to beat the drums of racial tension. I am only being constructive and responsible despite the racial tension that imposed government policies created in this beautiful land of so much plenty.

It is high time the privileged in this Country heard the voice of the underprivileged. They have failed to do this so far. Theirs, is I am afraid, a willful failure. It is this willful persistence in Social and political stupidity which is productive of despair and anger which in turn create racial tension. These have seeds of our own self-destruction.

This is the Country of our birth and in our Country there is only one majority. I see very serious problems arising in the very near future if the Government's policies result in a Black majority rejecting the contributions from the White minority. It is good that black Nationalism born in 1912 in

Bloemfontein with the founding of the African National Congress, has had a fillip with the emergence of black consciousness. It is only through these factors that the dignity of the blackman so trodden underfeet for so long, can be salvaged. This dignity must receive the dignity it deserves. It is my hope that the operative majority in this Country will be a Multi-racial majority. I have not yet despaired, despite so much that is certainly nought for our comfort. I do not believe for one moment that God created men to be divided among themselves. There was no apartheid in the garden of Eden, and there is no apartheid in Heaven. Why should there be Apartheid in between? The Son of God who came to save the World, is described by the Prophet Isaiah as a man who was despised. Who knows as the late Senator Robert Kennedy asked when he visited South Africa what if God Himself is black?

Let the Church in South Africa support the move of the majority in their movement towards constructive unity. The Church has in the past only paid lip service to this ideal. Some churches have not even done that much. It is perhaps true for Black Christians to recognise that they have to take the lead at National level. There may be protests from some White Churchmen, when they hear what I have said today about the Church. My answer to these protests is that the Church is rapidly losing credibility among Blacks in South Africa. If Churches are convinced that they have acted properly, then they have only convinced themselves. The Church has not been effective in their support for the Black liberation struggle. I do admit that there have been outstanding individual Churchmen who have witnessed. I say again that it is time for Black Christians to take the lead in this matter.

The Church must take active steps towards reconciliation in this Country before it is too late. There will be no true reconciliation until the Blacks are liberated. In this matter the Churches must act with conviction and what is more they must act in public.

Let the people be free. Let the land be free and let the Church be free. In Apartheid Society people are divided against each other and the Church is torn by Conflicts. In the name of God let us put our priorities in their proper order. In the interest of the Church, Churchmen must support the Black struggle for liberation. I have in the past called upon the Whites to come to their senses. I even offered them a federal formula which mapped out their road towards responsible government. The Whites are politically underdeveloped and they need assistance. The federal formula I offered them was the assistance they need if they are to develop politically. This was a compromise proposal. I must say now, and I must say with considerable emphasis that such reconciliatory offers as were contained in my federal formula will be increasingly difficult to offer in the Southern Africa which is now emerging.

We Blacks tell the Whites that Mocambique and Angola are watershed events in Africa's history. Zimbabwe and Namibia will in the very near future broaden that watershed.

South Africa will never be the same again. I implore the Whites to turn away from the kind of future the Government's present policies are creating. That kind of future is "too ghastly to contemplate".

My brothers and sisters, when I lie awake, wide-eyed and staring because I am thinking about you and your suffering, many things come into my thoughts. In the small hours of the morning I lie awake, I know that thousands upon thousands of you get up in the dark to get on crowded buses and crowded trains to go to do a menial job for what in most cases, is a pittance. I know most of you work without security and social benefits. I know that you are denied real trade Unions and I know you are exploited.

As I lie awake at night, I know many of you also lie awake because you are cold, because you are hungry, because your child is sick, because you are worried. I know you are worried about your children, I know you are worried about tomorrow's food and tomorrow's rent. I know you feel anger because there seems to be no hope of improving your circumstances.

My message to you is that history has overtaken apartheid. There *is* hope for the the future. Justice *will* prevail, and you *will* be given the opportunity of participating in the building of a better South Africa.

My message to you, however, is also that there is no magic formula to change the parade ground of the present Racist Regime, into a garden of Eden overnight. It was the sweat of the Blackman which built the economic wealth of South Africa and which is denied to the Sons and Daughters of South Africa. It will be by the sweat of Blackman's brow that a new future will be built.

I appeal to your sense of realism, and I appeal to you in the name of your children, and in the name of future generations, to act constructively. We do not build a better South Africa by doing something in the future. We build a better South Africa in what we do *now*.

Before we can begin doing everything we need to organize ourselves into a disciplined body. We need to come together to support each other, plan with each other and act with each other.

My Brothers, my Sisters, we cannnot wait until the Parliament in Cape Town falls before we achieve that dignity which comes from self help and from making the best of the miserable mess we find ourselves in. Blacks in whatever corner of the Country they find themselves are shrugging off the dependency mentality and this philosophy has been expressed in the formation of Inkatha yeNkululeko YESIZWE.

In Inkatha people are getting together. It is a movement of ordinary men and women in ordinary walks of life, such as you see here today. As this movement gains momentum we will produce a ground swell which will bring about change in South Africa. Of this, I am absolutely convinced. Not even an unholy alliance between BOSS, a section of Zulu Royalty, certain Chiefs and Traders, can break my people's determination to shake off the chains that shackle them, I would like to repeat.

We see the need for reconciliation in a balkanised society, but there can be no reconciliation between a Master and a servant, between a Lord and Serf.

Reconciliation is a concept which applies only to equals. Equality in dignity is achievable now. Colonial and even feudal elements in the ruling élite will in future expect in vain that we remain beggars for the things which are our birth right. The unholy alliance I refer to represents figuratively, the last kicks of the donkey, which this elitist feudal alliance represents.

I would like to stress over and over again that Inkatha is enabling the ordinary man and woman to articulate their positions, to formulate resolutions to their dilemma and to seek answers to their questions. We are aware of the fact that as the insistence of Inkatha increases, and as we move from questioning to statement and demand, there is danger of us being misunderstood. We are quite clear about this possibility. That is apart from the process already taking place of deliberately trying to misrepresent us in order to confuse people, merely to create more confusion amongst ourselves, to serve the interests of our oppressors.

We accept that danger because there is greater danger yet in perpetuating a dependent and subservient mentality. The South African Government wants us to be independent, as they say, and yet they have boycotted us as Communities; they have thrown us on our own resources, but they will never succeed in making us perpetuate our own subservience. I hope my Colleagues in other provinces will use their limited political dispensation to make Inkatha proliferate throughout South Africa.

Inkatha has grown phenomenally during the past year. It is continuing to grow and will continue to grow steadily.

I realize that some people might think that when I talk of freedom and liberation, that I am thinking of the Zulus as distinct from my other African brothers in South Africa. In fact our enemies are deliberately trying to propagate this untruth. This is far from being the case. There is no Zulu freedom that is distinct from the Blackman's freedom in South Africa. Black oppression has no ethnic boundaries. We have a common destiny as Black people. We have indeed a common destiny even with our White Countrymen who have rejected this idea for several generations. These are the implications of a just and non-racial society. The Blackman's struggle has to begin somewhere and quite clearly it has to begin right where each one of us is. The main thing to bear in mind is to have clear perspectives as to what are the goals in our struggle. We are victims of White exclusivity. We have been taught by our black experience to hate exclusivity, as exclusivity has been used as a base from which we have been victimised by probably the most wicked system ever devised by human beings to discriminate against other human beings.

In KwaZulu we have founded Inkatha, a National Cultural Liberation Movement, because we have learnt from experience that it is no use to wait and hope that others will come and help us in our predicament. We have concluded that in helping ourselves where it is possible to do so, we are taking an important step on the road to liberation. We hope that our brothers throughout the length and breadth of this land will get out from the Apartheid strait-jacket, as we are trying to do, and set up Inkatha as we have done. We are quite prepared to assist if there are problems about this, because we believe that if this happens, Black Brotherhood will in due course become a reality in some kind of an all-embracing South African Inkatha. Two of the stated aims of Inkatha Constitution are:

(i) To establish contact and liaise with other cultural groups in Southern Africa with a view to the establishment of a common society.

(ii) To cooperate locally and internationally with progressive African and other Nationalist Movements and political parties which work for the complete eradication of all forms of Colonialism, Racialism, Neo-Colonialism, Imperialism and Discrimination and to strive for the attainment of African unity.

We need not wait for the collapse of the White man's Parliament for this development to grow.

Inkatha plainly declares itself to be an instrument of liberation. If others have difficulty in the activities of Inkatha let them form their own Inkathas. We are prepared to cooperate, as the business of black liberation is our business as much as it is their own. The important thing I wish to stress here, is that to me it seems absolutely vital in our struggle for liberation, for every organisation which emerges among Blacks to make possible unity with other Black Organisations. Division and the chewing of the cud of mutual recrimination has been the bane that has thwarted our freedom struggle for far too long. It has gone for so long and our oppression has gone on for so long, because we allowed it.

There is nothing to stop us having a number of Inkathas which, because their structure is similar and their Constitution is similar, can join together in a National movement towards liberation. This is urgent, as the time for talking is getting less every day, and every hour. The era of action has dawned in Southern Africa, and no one, and not even military might can succeed to snuff it out. This is the challenge we face my brothers and sisters.

In character and spirit inkatha is not peculiarly Zulu or even peculiarly Natal. It is a Constitution of the type which has emerged in Black Africa to meet the deficiencies of the Westminster type Constitution. A democratic system with the stamp of mother Africa which has Consensus as its core.

History does now not permit Sectional leaders to create their own stamping grounds. All responsible leadership is faced with National questions which must be handled at the National level. These are matters which are above personal edification. These are matters of life and death for any people, which any people must face not as fragments, but as one whole people.

My brothers, we must face this future. We must organise now as effectively as we can. I saw this need two years ago and I began organising. I have always known that we need structures which span rural and urban areas and which span Provinces. This kind of structure now exists in the form of Inkatha.

Africa needs you my brothers, Africa needs you my sisters. Yes, Africa needs you and me. This may turn out to be Africa's finest hour. The time has come for you to organise and act. This is the challenge you face, and this is the challenge I face, each and everyone of us.

It seems to me to be a most unfortunate coincidence that as this hour beckons to us, to come and face this greatest challenge, we have also to lose at this very hour some of our brothers and sisters through a balkanisation which can only give White domination a breathing space and further prolong our people's suffering. I say these words not in a spirit of castigation. I respect my brothers in the Transkei and Bophuthatswana, far too much to attempt to do this. This is a lament, because my heart bleeds for who knows what lies in store for them, or for us, in this ideological separation imposed on us by the White minority power élite through their unilateral parliamentary decisions. When a daughter in our society goes to get married, for some it may be a day of jubilation, for some it still remains a day of sorrow, on account of a blank future in a new life people face in each and every new situation. These are not words of condemnation but words of deep sorrow. I have always said and wish to repeat here today that I wish them well in the path they have now chosen in their wisdom. It will only be tragic if the path they are treading is never trodden by the majority of Blacks after them. I say so, on the basis of the Nationalist government's own stand, if I am to go by the discussions we have had with Mr. Vorster. His stand seems to spell a life of perpetual destitution and some stepchildren status, for black people within their so-called "independence", as defined within the confines of 13 percent of South Africa's surface area. Whatever happens I hope it will never be too late for us as brothers to save one another from the political wilderness where there can only be want, insecurity and desperation.

God Bless Africa.
God Bless All Her Children.
Strength in the Struggle.
Hope for the future.
Power is Ours.
Amandla! Ngawethu!
Matla! Arona!

MAKE SOLAR ENERGY A VIABLE ALTERNATIVE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the United States is striving toward a position of energy independence and in that effort, priority attention has been given to the development of alternative energy resources. I believe this is a very worthwhile goal, and an achievable one, but only if we plan our program with great care.

It is critical that we fully research those options which promise to ease our energy needs; I fear that we are limiting such research by disproportionately funding the nuclear avenue, to the relative neglect of other worthy programs. I am not calling for an abandonment of nuclear development programs, but I do believe that we should take care not to "put all our eggs in one basket."

Mr. Speaker, I believe we should commit this Nation to the development of the solar energy option with the same fervor that we have shown toward nuclear energy. A vigorous solar energy program, if successful, would confirm the widely believed viability of this inexhaustible energy source.

A recent article by Martin Wolf, professor of electrical engineering at the University of Pennsylvania, in this month's Bulletin of the Atomic Scientists, which I shall quote, gives good reason for faith in the solar option:

> [I]t is quite likely that photovoltaic conversion will supply the major portion of the electric power to be obtained from solar energy. The basic technical feasibility has been well established through both the space program and numerous low power terrestrial applications, such as highway emergency call boxes, microwave repeater stations, warning lights on off-shore pumping platforms, etc. . . .
>
> The Federal government has set 1985 as the target date for when solar arrays can be purchased at prices approaching those required to make large scale terrestrial applications feasible. Given today's knowledge and assuming both adequate financial support and superior program management, the goal appears reasonable. By that time, a few billion dollars will have been invested in the photovoltaic solar energy conversion approach, much less than expected to be required for the breeder reactor development.
>
> [. . . Thus, given that the basic technical feasibility for terrestrial photovoltaic solar energy conversion is well established, that the required materials are abundantly available, and that it is primarily a matter of substantial development to reduce sharply the costs of material and device processing, there are no basic obstacles to the achievement of large scale terrestrial photovoltaic solar energy utilization. From the year 2000 on, solar photovoltaic generated power could be of increasing importance to our national energy economy.]

This excerpt emphasizes several excellent aspects of the solar energy program in confirming the feasibility of solar-generated electric power. But more importantly it goes on to state that widespread use of this energy source would be available in a relatively short time only assuming "adequate financial support." This point was also made on the floor yesterday by my colleague, Congressman JEFFORDS, who cited a recent estimate from the Federal Energy Administration's solar energy office which projected that under an "accelerated funding program" about 10 percent of the total national energy demand could be met by solar means by the year 1990. After a 20 year, $4 billion program, nuclear energy has met only 8 percent of our energy demand. Again, let me emphasize that I am not proposing the phasing out of the nuclear option, but am simply asking that we adequately fund the solar program.

Solar energy is a very efficient, safe, and clean form of energy. Furthermore, it would mean a considerable savings in the use of the more conventional types of fuel. The Energy Research and Development Administration—ERDA—has estimated that "if only 1 percent of the buildings in the United States were now equipped with solar heating and cooling systems, about 30 million barrels of oil would be saved annually." Can we afford to ignore this ready and proven energy source? Certainly solar energy deserves better treatment than the proposed 50 percent cut in funding which it will suffer, unless that decision is reversed. In the name of good commonsense, I urge a program of accelerated funding so as to make solar power a viable alternative.

THE NATURE OF OUR MILITARY ROLE IN NICARAGUA AND THROUGHOUT LATIN AMERICA

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the interpretation of section 660 of the Foreign Assistance Act, which prohibits U.S. assistance to foreign police forces and prisons, has come under increasing scrutiny by the Congress. While the State and Defense Departments have made sincere efforts to comply with the law, it is clear that the spirit of this legislation is being violated.

The intent of the legislation was to remove U.S. association with and assistance for repressive activities of a foreign government. Throughout Latin America there is little if any differentiation between police and the military. In Nicaragua, in fact, the National Guard serves both purposes. A 1970 Foreign Affairs Committee Report of the Special Study Mission to Latin America documented the important role that the military plays in the political life of various countries there.

I wrote to the State and Defense Departments on the application of section 660 to Nicaragua. The responses I have received indicate that Congress will have to act to clarify its intent. A GAO report has confirmed the need to tighten up the language of the present law, and the appropriate committees are now considering revisions.

While this movement to strengthen the law is commendable, I wonder whether a more fundamental change in the authorization language would not be more useful. At present the United States can provide military assistance even when it is solely for "internal security"—in other words, to assist in quelling insurgencies, even if those insurgencies receive no outside assistance. The congressional presentation for the security assistance program for fiscal year 1977 contains this statement as a justification for aid to Nicaragua:

> There exists in Nicaragua an insurgent organization capable of conducting small rural raids and terrorist activities. The Nicaraguan Armed Forces are capable of coping with the insurgent activity. (The justification for Uruguayan aid refers to the need for the U.S. to assist Uruguay in "maintaining an adequate counterinsurgency capability".)

Is this the purpose of U.S. military assistance? If so, it is at variance with the intent of the prohibition of aid to foreign police forces and prisons. U.S. policy in this regard must be clarified. I believe that we must change the law so that we do not provide military assistance for "internal security" reasons unless it can be demonstrated that the internal threat is receiving external support.

Nicaragua really is the best example of the present confusion of the law. I asked the State Department for a history of the Nicaraguan National Guard. The answer puts into sharp focus the fact that our military aid program, despite adherence to the technicalities of the law, serves to strengthen the regime of General Somoza. I am appending that history of the Nicaraguan National Guard and the correspondence concerning section 660 for the interest of my colleagues:

(House Appropriations Committee Subcommittee on Foreign Operations, April 7, 1976)

POLICE FUNCTION OF THE NICARAGUAN NATIONAL GUARD

Mr. Koch. Will you give us a history of the National Guard in Nicaragua and whether or not it's used for police purposes?

Mr. Williams. The National Guard of Nicaragua was created by the United States Government in the late 1920s as one element of a strategy designed to end the civil war between Liberal and Conservative forces. Envisaged as a non-partisan military force, its mission was to provide a stable environment within which normal political processes could resume. During its early years, it was employed against the conservative guerrilla leader, Augusto Sandino. After Sandino's death in 1934 and the departure of the United States Marines, the Guard became the personal instrument of General Anastasio Somoza, who subsequently seized the presidency. It has remained to this day the principal power base for the ruling Somoza family. General Anastasio Somoza Debayle, the current President, is also the Supreme Commander of the Armed Forces, which is, the single service National Guard.

While you are correct in the sense the National Guard of Nicaragua is a single force that operates as both a civil police department and as an armed service, it is important to note that within the Guard there is a distinct functional differentiation between military and police-type units. There are certain units charged with civilian law enforcement duties which are performed by no other Guard units. These units are clearly identifiable as "police" type units quite distinct from those performing normal military duties, and as such, receive no assistance under the Foreign Assistance Act of 1961 as amended.

House of Representatives,
Washington, D.C., March 30, 1976.

Robert McCloskey,
Assistant Secretary for Congressional Relations, Department of State, Washington, D.C.

Dear Mr. McCloskey: In December of 1973 and December of 1974, the Congress passed legislation stopping U.S. assistance to foreign police forces and prisons. In a recent report to Congress, the G.A.O. found the State and Defense Departments substantially complying with this directive, but added that further clarification by Congress is needed in some cases. My particular interest in this regard is the present situation in many Latin American countries, especially Nicaragua, in which the police forces and the military are completely integrated into a National Guard. Let me cite previous correspondence in which you stated:

"President Somoza does exercise close personal control of the National Guard, which is responsible for both national defense and internal police functions."

I do not see the need for clarification by Congress in this instance. Does not the legislation in effect bar military aid to Nicaragua, since there can be no real differentiation between the police and the military there? If this is not the case, would not the present ban simply encourage countries to integrate their police and military in order to circumvent the regulation?

I would appreciate your prompt consideration of this matter. All the best.

Sincerely,

Edward I. Koch.

Department of State,
Washington, D.C., April 14, 1976.

Hon. Edward I. Koch,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Koch: Thank you for your letter of March 30 concerning the applicability to our military assistance program in Nicaragua of the prohibitions of section 660 of the Foreign Assistance Act of 1961, as amended.

The Department of State shares your view that section 660 of the Act requires no clarification. With certain specific exceptions not relevant here, that statute prohibits the use of funds under the Act for the purpose of providing "training or advice, or . . . any financial support, for police, prisons, or other law enforcement forces for any foreign government or any program of internal intelligence or surveillance on behalf of any foreign government. . . ."

Accordingly, section 660 prohibits the use of military assistance funds, or other funds under the Act, to provide training in, or financial and materiel support for, any phase of civilian law enforcement. Moreover, that section also precludes the furnishing of any assistance under the Act to members or units of the armed forces of any foreign government where such members or units have clear responsibility for on-going civilian law enforcement, regardless of the formal title or organization of such units and regardless of the nature of the assistance. For example, section 660 would prohibit the furnishing of infantry training under the Act to an army unit which, aside from such purely military functions, also has responsibility for certain police functions to which such infantry training would be entirely unrelated.

On the other hand, military units which have been assigned certain contingent responsibilities to support police units under specific and limited circumstances would not be ineligible, by virtue of those contingent responsibilities alone, to receive assistance under the Act where that assistance is not related to, or in support of, those contingent responsibilities. Similarly, section 660 would not preclude furnishing military training under the Act to individual members of foreign armed forces where we are satisfied that such personnel will not be assigned to units charged with on-going civilian law enforcement functions for a reasonable period following completion of the training.

With regard to the specific case of Nicaragua, I should point out that a clear functional differentiation between military and police units does exist within the National Guard. Civilian law enforcement functions are carried out only by particular units, and such duties are not normally undertaken by other units. Consequently, we have been able to identify "police" units within the National Guard without ambiguity so that such units do not receive any assistance under the Act.

Concerning your final question, I can say without qualification that the Government of Nicaragua has not sought to circumvent the intent of the Act by integrating its police and military units. As the foregoing analysis of section 660 indicates, any such functional or organizational integration would be insufficient to avoid the limitations and prohibitions of that section. Indeed, if the defense and law enforcement units were so integrated, the very opposite would occur as the integrated units would be ineligible for any U.S. assistance. I can assure you that this Department, in conjunction with the Department of Defense, will continue to monitor military assistance programs in every country to insure that the letter and intent of section 660 of the Foreign Assistance Act are carried out.

I hope you will find this response helpful.

Sincerely yours,

Robert J. McCloskey,
Assistant Secretary for Congressional Relations.

Washington, D.C., *April 9, 1976.*

Hon. Edward I. Koch,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Koch: Mr. Maury has asked that I reply to your letter to him of March 30, 1976 concerning U.S. assistance to foreign police forces.

The DOD's interpretation of Section 660 of the Law may be summarized as follows:

a. All training in any phase of civilian law enforcement is prohibited, whether such training is being provided on an individual or unit basis and regardless of the individual's or unit's functions.

b. No defense articles, defense services, or training *of any kind* may be provided to any unit which has on-going civilian law enforcement responsibilities.

c. Units which have a contingency function of supporting police are eligible for defense articles, defense services, and training *not* related to civilian law enforcement.

d. Where training is furnished on an individual rather than a unit basis, no training of any kind in a foreign country will be provided to any individual unless we are satisfied that that individual will not be assigned to a unit performing on-going civilian law enforcement functions for a reasonable period subsequent to the completion of his training.

Neither the name given the unit by the foreign government nor the ministerial authority under which it operates is sufficient, in and by itself, to determine whether a particular force is a "police unit". The determining factor is the nature of the function performed.

Specifically, in the case of Nicaragua, the functions of the Guardia Nacional (GN) units are clearly defined. Only specific units are engaged in on-going police functions. These units are therefore barred by the legislation from receiving assistance and grant training.

We do not wish to encourage foreign countries to integrate their military forces and their police, even aside from the broader issue of seeming to meddle in the internal affairs of other countries. Nor do we think that the foreign countries would seriously consider doing so, simply to obtain the levels of grant aid which the Congress is currently appropriating. Thus, it is highly doubtful that any country would be encouraged to integrate or restructure their defense forces to circumvent U.S. legislation.

The Department of Defense agrees that clarification of Section 660 of the Foreign Assistance Act is not necessary. Be assured that we will continuously review proposed military assistance and training programs to insure that they are implemented in accordance with the legislation.

Sincerely,

H. M. Fish,
Lieutenant General, USAF.

QUESTIONNAIRE RESULTS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, for some time now, I have questioned the raison d'etre of the United Nations in view of its current irresponsible actions, and I have supported successful efforts to reduce from 33 percent to 25 percent the United States contribution to the U.N.'s assessed budget. The question now before the Congress is whether the United States should withdraw further financial support from the United Nations or threaten to terminate our membership entirely. In a survey taken earlier this month of registered voters in my district, I sought to ascertain their opinions on the role of the United States with respect to the U.N. as well as their support or opposition for my position.

My questionnaire also examined the attitudes of my constituents toward compulsory racial balance and compulsory busing to achieve that goal. Since I recently introduced legislation establishing a Commission to study the results of racial integration of public schools and the use of busing to achieve it, I was anxious to know the feelings of my district on this controversial subject.

For the benefit of my colleagues, the following are the questions and percentage results of my April questionnaire to New York's 18th Congressional District voters:

THE UNITED NATIONS

Do you believe we should continue our membership in both the United Nations' General Assembly and Security Council without seeking or requiring changes in its charter? Yes, 26 percent; No, 74 percent.

If "no" above, please examine the alternative steps the U.S. might take and choose the alternative which most closely represents your position.

1. The U.S. could withdraw from the General Assembly, but maintain our seat on the Security Council where we have a veto, and continue to support the U.N.'s special agencies, such as the World Health Organization. 9 percent.

2. The U.S. could place the U.N. on notice that unless there is a change in its current irresponsible actions, we will reduce steadily our financial contributions to that organization over a fixed period of time. This would provide a tangible mark of U.S. disapproval of the course that organization is pursuing today. 46 percent.

3. The U.S. could withdraw entirely from the U.N. and pursue our international diplomacy through other multinational organizations—and if necessary create another multinational political body to provide humanitarian and other international needed services. 14 percent.

4. We could attempt to restructure the General Assembly so it more realistically reflect's nations' economic and political power in the world; in other words, nations would be given weighted votes based on such factors as population, industrial and agricultrial output and natural resources. 31 percent.

Do you think I am too harsh in my criticism of the United Nations? Yes, 16 percent; No, 84 percent.

SCHOOL BUSING

1. Do you agree that a Commission to study compulsory busing and racial balancing in schools should be established? Yes, 70 percent; No, 30 percent.

2. Do you believe that compulsory racial balancing of schools should be pursued to help achieve goals of social integration even if it doesn't contribute directly to quality education? Yes, 12 percent; No, 88 percent.

3. Do you have school age children (kindergarten through 12th grade)? Yes, 15 precent; No, 85 percent.

Do they attend: Private or parochial schools, 56 percent; Public schools, 44 percent.

"FOR IVA TOGURI D'AQUINO: A BICENTENNIAL GIFT"

(Mr. MATSUNAGA asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MATSUNAGA. Mr. Speaker, it would be particularly appropriate, in this Bicentennial Year, for those of us who are privileged to call ourselves Americans, to respond to every opportunity to strengthen our democratic institutions. Our Nation's proud history is replete with the notable examples of Americans of other times who were committed to the furtherance of this objective. It is for this reason that I rise today to urge that Members of this body give their active support to the growing nationwide effort to obtain in 1976 a Presidential pardon for Iva Toguri d'Aquino. Her story, as my distinguished colleagues may have noted, has recently been the subject of renewed interest by the press.

Iva's story does not begin in 1949, when she was tried, convicted, and sentenced for treason, indisputably the most serious offense against this country that any American could commit. Nor does her story begin during the lonely World War II years that she spent in Japan, where she was stranded while visiting a sick aunt, and where she allegedly engaged in the acts for which she was later to be indicted and brought to trial. Iva's story actually begins with her birthright; she was born an American citizen, her most cherished possession, on July 4, 1916.

Unlike many others who chose a course of personal convenience, some of whom were later to testify against her—falsely, according to recent disclosures—Iva came home to America after World War II had ended. Her return to the United States apparently was motivated by two basic reasons: First, she loved her country, and that love was not in any way diminished while she was forced to lead a hand-to-mouth existence in the land of her country's enemy; and, second, she sincerely believed in ner "Orphan Ann" broadcasts which were beamed to American troops in the Pacific from Tokyo, that she was aiding, not hindering, America's war effort.

Today, Iva, nearly 60, lives quietly and modestly in Chicago. She was released from prison after serving 6 years and 2 months, with reduced time for good behavior, of a 10-year sentence. She has paid her fine of $10,000 in full. But she has not regained her cherished U.S. citizenship, which she lost when she was sentenced. She remains remarkably composed despite recent disclosures by the press, for example, correspondent Ronald Yates' story on the front page of the Chicago Tribune of March 22, 1976, stating that prosecution witnesses have informed him that "they were forced to tell half-truths and withhold vital information at her 1949 trial for treason."

Her one abiding wish is to have her American citizenship restored to her.

A petition for Presidential pardon—which can be filed only once during a 6-year period—was last filed in 1968. A pardon would restore her citizenship.

I have joined in the effort in behalf of Iva because she seeks no retrial of her case, even though it now appears that she was made a scapegoat. She only wants a Presidential pardon, and in no way claims that she was denied due process. She does not condemn the American judicial system. A Presidential pardon, if granted to Iva, would therefore prove a dramatic means of demonstrating the strength of our system—that its checks and balances insure justice in every possible case.

A concerted drive is being launched in this significant year for our Nation to have a Presidential pardon granted Iva Toguri d'Aquino. Leading newspapers throughout the country are supporting this drive. Organizations are joining the effort to have Mrs. d'Aquino's U.S. citizenship restored.

The granting of a Presidential pardon and the restoration of U.S. citizenship to Mrs. d'Aquino would further serve as a symbolic act on the part of our Government to demonstrate that our system's greatness lies in part in its flexibility to show kindness and tolerance toward those whom it once prosecuted.

I urge my colleagues in the House to join in this humanitarian effort.

Mr. Speaker, I now submit for insertion in the Congressional Record at this point several recent editorials and news articles on the Iva Toguri d'Aquino story, including Ronald Yates' dispatch from Tokyo to the Chicago Tribune:

She Was Innocent, They Say—Tokyo Rose's Accusers Claim U.S. Forced Them to Lie

(Note.—Key Japanese witnesses in the Tokyo Rose trial, interviewed by Tribune Tokyo Correspondent Ronald Yates, told him they had never talked with the press about their roles in her conviction. This is the first of two stories on Tokyo Rose.)

(By Ronald Yates)

Tokyo.—Twenty-seven years after their testimony helped convict the woman American GIs once called "Tokyo Rose," some of the key prosecution witnesses here have admitted they were forced to tell half-truths and withhold vital information at her 1949 trial for treason.

"We had no choice," said one of the witnesses whose damaging testimony helped send Iva Toguri d'Aquino to prison for six years and two months. "U.S. Occupation Army police came and told me I had no choice but to testify against Iva, or else.

"Then, after I was flown to San Francisco for the trial along with other government witnesses, we were told what to say and what not to say two hours every morning for a month before the trial started," he said.

"Even though I was a government witness against her, I can say today that Iva Toguri d'Aquino was innocent—she never did anything treasonable," he added.

Other witnesses who testified during the sensational 12-week-long Tokyo Rose trial have told of FBI harassment and threats if they didn't "do what we were told." Two of them told of government witnesses being bribed by American officials to give harmful testimony.

While the former government witnesses who were interviewed asked not to be identified for fear of "harmful repercussions," they were among Mrs. d'Aquino's superiors and coworkers at Radio Tokyo from November, 1943, to July, 1945, when she did her 15-minute segment of the "Zero Hour" music show.

Among the American-born witnesses at the trial were Kenichi Oki, 63, who was production manager of the "Zero Hour," and George Mitsushio, 71, who was program director for Radio Tokyo's English-language broadcasts. They provided some of the most damaging testimony against Mrs. d'Aquino.

Both Oki and Mitsushio, who were born in California and who eventually became Japanese citizens, live today in Tokyo and are successful businessmen.

One of the key Japan-born witnesses was Shigetsugu Tsuneishi, a former lieutenant colonel in the Japanese army who was chief of wartime propaganda broadcasts.

Tsuneishi, who maintains that the "Zero Hour" show was "ineffectual" as a propaganda tool, today is retired and living on the Japanese island of Shikoku.

And Ikuko [Iva] Toguri d'Aquino, 59, who ironically was born on the Fourth of July and who is one of the few American women ever convicted of treason, lives quietly today on Chicago's North Side where she works in her father's gift shop.

In July, 1941, Iva Toguri, then 25, left her native California to visit a sick aunt in Japan. A recent graduate of UCLA, she had only intended to stay a short while. But then came Dec. 7 and Pearl Harbor, and Iva—like thousands of other Japanese-Americans in Japan at the time—was trapped.

In order to survive, she took several clerical jobs in Tokyo where a knowledge of English was mandatory. First, at Japan's Domei News Agency, where she met her husband-to-be, a Portugese-Japanese named Felipe J. d'Aquino; then at the Danish Embassy; and then at Radio Tokyo.

It was there that she was recruited by an Australian prisoner of war, Maj. Charles E. Cousens, to be disk jockey on a radio show produced by POWs called Zero Hour.

And it was there that her long and agonizing plunge into infamy began.

"Iva never made a treasonable broadcast in her life," asserted one of her former superiors, whose testimony nevertheless helped nail down the prosecution's case 27 years ago. "She got a raw deal—she was railroaded into jail."

Such statements are 180 degrees away from those made by the same men at Mrs. d'Aquino's trial, however.

Both Mitsushio and Oki, for example, testified not only that they saw Mrs. d'Aquino commit overt acts of treason, but that they ordered her to commit them. Today one of them says that is not true.

"I've heard Iva is very bitter about our testimony," one of her former accusers said. "I understand her bitterness and I feel she has a right to feel that way. I just wish I had the opportunity to talk with Iva and tell her why we had to do it."

Why they had to do it, why the life of one small, frail woman was sabotaged and smashed while at least a dozen other Japanese-American women who did the same thing Mrs. d'Aquino did were allowed to go free, can be blamed mostly on fear. None of the other women was brought to trial.

Thousands of Niseis or second-generation Japanese born in the United States came to Japan in the 1930's not only to take well-paying jobs which required a native speaker's command of English, but to escape the racism of their predominantly Caucasian homeland.

When the war broke out in 1941, most were afraid to return to the United States for fear of being interred as thousands of Japanses-Americans were.

After the war they were equally afraid to return—afraid of being prosecuted as traitors.

"The post-war sentiment against Japanese and against Americans of Japanese ancestry was tremendous," recalled one Nisei who testified at Mrs. d'Aquino's trial. "We were told that if we didn't cooperate, Uncle Sam might arrange a trial for us too.

"All of us could see how easy it was for a mammoth country like the United States to crucify a Japanese-American—all we had to do was look at Iva," he continued. "So we 'cooperated and we did what we were told and now many of us have guilty consciences because of it."

Teruo Ozasa, 54, who worked as the Zero Hour's sound engineer and who was in the studio for almost 80 per cent of Mrs. d'Aquino's broadcasts, agrees.

"A lot of people who testified against Iva did it to save their own necks," said Ozasa, who today is assistant to the secretary-general of the Asian Broadcasting Union. Ozasa testified on Mrs. d'Aquino's behalf via a deposition.

"I never heard Iva make any treasonous statements while broadcasting," the Utah-born Ozasa said. "All she did was play records and make small talk. She was very popular with American GIs."

Just how popular was made evident after a broadcast in which Iva apologized to her listeners for playing the same records over and over again.

"We can't get new ones in Tokyo anymore," she said.

"A few days later a B-29 flew over Tokyo and dropped a big box attached to a parachute," Ozasa said. "On the outside of the box in big bold letters were the words: 'To Tokyo Rose.' Inside were hundreds of records, most of them broken by the fall.

"That was the first indication Iva had as to how popular she was—it made her feel real good," he said.

While Americans called her Tokyo Rose, Iva herself never referred to herself that way, Ozasa says.

"She broadcast as 'Orphan Ann'—the Ann was short for announcer and the name, which was coined by Cousens, was meant to convey Iva's situation—an orphaned American announcer in Tokyo."

At first Iva was the only woman broadcasting on Zero Hour, then the producers decided they wanted more variety so they brought in eight more English-speaking women, Ozasa said.

While the shows were produced by Oki and Mitsushio with Tsuneishi in titular though not direct control, most of the content was created by three POWs—Cousens, Capt. Wallace [Ted] Ince [an American], and Lt. Norman Reyes [a Filipino].

"Those guys wrote the scripts, they read the censored news and gave the propaganda commentaries, yet they were all exonerated by their respective governments," said Ozasa. "Only Iva was made a scapegoat."

According to Ozasa, the Zero Hour show which ran seven days a week from 6 p.m. to 7 p.m. Tokyo time, followed the following format:

6 p.m.—an emcee, usually Cousens, Ince or Reyes would come on the air and explain what was coming on that evening's show.

6:05 p.m.—10 to 15 minutes of news.

6:20—Iva's spot, usually 15 minutes of popular music.

6:35 p.m.—5 minutes of commentary, usually written and read by Cousens, Ince or Reyes, never by Iva.

6:40 p.m.—Semi-classical music played by another woman announcer.

6:55 p.m.—More news and if any time was left after that, then sometimes a short humorous skit, which Iva never participated in.

"If there was ever any propaganda on Zero Hour, it was in those skits," Ozasa said.

"I honestly can't recall anything damaging ever being broadcast by anybody on Zero Hour," Ozasa said, "But there were other programs coming from the same building at the same time as Zero Hour and they definitely contained damaging propaganda."

One of these shows, which utilized seven American POWs, was called the Hinomaru [rising sun] hour. POWs on this show read statements designed to demoralize American troops.

Another English-language show called German Hour was produced by the German Embassy in Radio Tokyo studios and employed several English-speaking women to taunt GIs, Ozasa said.

And according to both Ozasa and former prosecution witnesses, there were at least nine other stations throughout Asia that were broadcasting propaganda to American GIs under the name Zero Hour.

According to Tsuneishi, many of those other Zero Hour shows were transcribed and rebroadcast from Radio Tokyo studios in Tokyo. A former U.S. Marine intelligence officer even testified at the trial that when he was assigned to monitor Mrs. d'Aquino's portion of the Zero Hour beginning in 1944, he never heard anything treasonous on her program "though I did on other programs."

"Indeed, according to Ozasa, most of the 10 or so other women working on the Zero Hour in Tokyo substituted for Mrs. d'Aquino at one time or another.

But it was Iva Toguri d'Aquino whom the American government had singled out and it was she who ultimately would go to jail.

"We all liked Iva and at first we all wanted to help her," said one of the former government witnesses. "But we were not allowed to tell the whole story at the trial—just those parts the prosecution felt could damage her. It was very frustrating.

"And the real irony of it was that out of all of the dozen or so Japanese-Americans working for the Zero Hour, Iva was the only one who had enough guts to keep her American citizenship after the war ended," he added. "It was that flair for patriotism that proved her downfall."

[From the Chicago Tribune, Mar. 23, 1976]

TOKYO ROSE 'JUST A SCAPEGOAT': HUSBAND

(By Ronald Yates)

Tokyo.— Felipe J. D'Aquino sipped on his mug of Kirin beer and looked wistfully out the window of the downtown Tokyo beer hall.

He was thinking about his wife—a woman he hasn't seen in 27 years, a woman he has watched become a legend. He was thinking about a small slightly built Chicago woman called Iva Toguri D'Aquino—a woman the world knows as Tokyo Rose.

It's not easy for D'Aquino, 54, to think about Iva, to talk about their short life together in wartime Tokyo, to remember the countless bombing raids, the struggle for food and clothing, the baby which died, the Zero Hour radio broadcasts which eventually proved to be Iva's downfall and led to her conviction and imprisonment for treason, the hopes they had for a life together after the war.

Does he want to see Iva again?

D'Aquino, whose hair is the color of autumn frost, paused for a moment.

"After all these years? It all depends. You know I haven't seen her for almost 30 years. An exchange of friendly words might not hurt. I've never remarried. I'm a Catholic.

"You know it has been a long time and feelings change. The last time I heard from her was in 1956, I guess. We used to correspond about once a month while she was in prison—I wanted to keep up her morale.

"But then we stopped; it all seemed so hopeless, and I guess I just got fed up with the whole thing."

Today, D'Aquino says he is not sure he wants to risk imprisonment or more harassment by returning to the United States to see Iva again, though he says he would go back to testify if there was a new trial.

"I want to do my part, regardless of my private life," he says softly. "This whole thing has been haunting me for years, the way she was treated and framed."

But D'Aquino remembers. He remembers because he can't forget Iva and what her government did to her.

Convicted in 1949 of treason, sentenced to 10 years in prison, fined $10,000 and stripped of her American citizenship, was Iva Toguri D'Aquino simply a handy scapegoat sacrificed by the government in an attempt to satisfy post-war hatreds?

Yes, D'Aquino says, she was.

"All during the war there was no doubt in anybody's mind that Iva was pro-American," the Portuguese-Japanese D'Aquino recalls. "When she was working at the Domei News Agency, which is where I met her in 1942, she used to get into terrific arguments with other Japanese-Americans who had turned pro-Japanese.

"In fact, it was all those arguments which forced Iva to leave Domei. She had made a lot of enemies."

Indeed, and so did D'Aquino who once got into a fistfight at Domei because of some pro-American remarks Iva had made.

Eventually, Iva found her way to Radio Tokyo, where in August, 1943, she took a clerical job. A few months later she was recruited by an Australian POW who had been placed in charge of the Zero Hour to be an announcer.

Iva felt a common bond with these prisoners, D'Aquino says, because like them she felt like a prisoner in Japan.

She had come to the land of her ancestors from California in July, 1941, to visit a sick aunt in Kyushu. When the war broke out she was trapped in Japan like many other Japanese-Americans.

But unlike thousands of other Japanese-Americans, some of whom even renounced their American citizenship and condemned the land of their birth, Iva was the only one ever convicted of treason.

When she began broadcasting on the Zero Hour she used the name of Orphan Ann [she never used the epithet Tokyo Rose—that was given to her at the behest of Australian Maj. Charley Cousens, then 40, American Capt. Wallace "Ted" Ince, 31, and Philippine Lt. Norman Reyes, 21, who was sure she was helping the American war effort, D'Aquino says].

"Cousens told Iva not to worry about anything, that he had full control of the whole show and that all she had to do was cooperate," D'Aquino recalls. "He told her the show was designed to spoof the Japanese, to make asses of them. It was he who coined the term 'honorable boneheads,' which Iva used so often on the air when referring to Americans.

"Nevertheless, I used to warn her about making those broadcasts—I told her somebody might think they were treasonable," he says. "But she told me she liked working with the American POWS and that she felt that she was doing was all right.

"I don't know, being in contact with those American prisoners made her feel at home."

D'Aquino, who was employed by Domei to monitor English language broadcasts, often monitored Iva's show when it came on at about 6:30 every night. Born in Yokahama of a Portuguese father and Japanese mother, D'Aquino today is a copy editor for an English-language newspaper in Tokyo.

"I never heard her say anything treasonous. and besides, those POWs she worked with wrote most everything she said over the air," he recalls, "Why weren't they prosecuted after the war?"

Indeed, why weren't they? Instead of being prosecuted, all were exonerated and given promotions by their governments. Ince even testified at Iva's trial in San Francisco and told the court she had entered into a conspiracy with the POWs to sabotage the Zero Hour show. He even praised her for aiding POWs.

"The problem was that a lot of the Japanese-Americans who worked with Iva at Radio Tokyo perjured themselves at her trial to save their own skins. They told lies because they were either bribed or threatened to do so by the American authorities," D'Aquino charges.

There is no love in D'Aquino's voice when he speaks of those who may have made money testifying against his wife. These were people he knew, people he and Iva sometimes socialized with on those few occasions in wartime Tokyo when people socialized at all.

And there is even less affection in his voice when he recalls his first trip to the U.S.—a trip which would afford him his last look at his wife.

"I arrived in Seattle aboard a ship and immediately I was taken into custody by the FBI and the immigration authorities. When I told them I had come to testify at my wife's trial in San Francisco they said I wouldn't be allowed to unless I signed a paper saying I would never return to the U.S."

D'Aquino was kept in jail under suspicion of being an illegal immigrant and harassed for two days before he signed that dubious paper.

"That paper I signed, combined with the fact that Iva was imprisoned for six years and after her release had no passport because she was stateless, has kept us apart," D'Aquino says.

When he first met Iva, she was a 26-year-old "typical American—happy-go-lucky and not Japanese at all," D'Aquino says.

But the war years and homesickness took their toll on her and by the time they were married in April, 1945, D'Aquino recalls, "All she would talk about was 'seeing the golden gate in '48.

"That was the target she had set for getting back to the states. She planned to take me with her and we would start a new life."

But those plans were dashed, first by her arrest in 1945 by the occupation army. She was held in Yokohoma for a year on "suspicion" of having committed treason but she was later released when a U.S. attorney in Los Angeles concluded that the mythical "Tokyo Rose was a composite of several different women."

"We thought that was the end of it," D'Aquino says, "But then she was rearrested in 1948, about a year after the baby she was carrying was stillborn."

"You know, a lot of people said her 'sexy voice' had taunted American GIs in the Pacific," D'Aquino recalls. "That proves they must have been thinking of someone else because Iva's voice sounded like Molly's on the Fibber McGee and Molly show.

"Believe me, Iva was the furthest thing from a siren you could imagine and I guess that's why she never even thought about being arrested when the war ended and the American Army arrived. She never thought she had done anything wrong. And neither do I."

[From the Los Angeles Times, Mar. 7, 1976]

At War With a Legend

As Iva Toguri d'Aquino, she is known only to her relatives and friends, but labeled the notorious "Tokyo Rose," broadcasting on Japanese radio during World War II, she gained nationwide infamy in the United States. After the war, the Los Angeles-born woman, a graduate of UCLA, was convicted of treason under perhaps the most widely misunderstood set of circumstances that ever brought any American into court on that charge.

First, a Japanese radio program called "Tokyo Rose" never existed. The name, an invention of GIs in the Pacific, was in circulation before Mrs. d'Aquino ever set foot in a studio. The name was applied to any woman whose voice was heard on Radio Tokyo. The federal prosecutor at her San Francisco trial in 1949 conceded, "Nobody broadcast from Radio Tokyo under the name "Tokyo Rose.'"

Here are other uncontested facts in the bizarre case of the fictional "Tokyo Rose".

Iva Toguri (she later married a Portuguese national, Felipe d'Aquino, in Tokyo) went to Japan to visit a seriously ill aunt.

As the war neared, and after it began, she made persistent efforts to leave Japan and return to the United States, but was stranded in Tokyo. She could not communicate with her family, all of whom had been put in a relocation center.

She obtained a typist job at the Domei News Agency, and was pressured to take part in radio broadcasts by three captured Allied officers, who themselves were forced to participate under threat of death for refusal. One assured her that she would be forced to do "nothing against your own people." (Not one of the three officers was later punished by his own government.)

After American troops occupied Japan, U.S. Army authorities arrested Mrs. d'Aquino and released her. On Oct. 17, 1945, she was arrested again on orders from Washington, held for a year, and cleared by the Army investigation. She was not freed, however, because of still another investigation, this time by FBI agents. At the end of this investigation, on Oct. 25, 1946, the Justice Department ordered her release.

That did not end her ordeal. Her reapplication for a passport to return to the United States provoked an angry reaction here. As a result, she was arrested again, and put on trial in San Francisco on eight counts of treason.

The trial itself was more significant for its revelations of government conduct than for its disclosures of Mrs. d'Aquino's alleged treasonable activities. When she was under repeated investigations in 1945 and 1946, investigators had in their possession recordings of the 340 broadcasts she had made on Japanese radio. In addition, she had given the investigators all the scripts then available—more than 40.

If the investigators had found nothing incriminating in the recordings and scripts, that fact would appear to be significant evidence in her favor at the trial. But only 13 scripts or recordings were available to the defense. The government said the others had been "lost" or "routinely destroyed."

In other ways, the trial was hardly a model of fairness. The government excluded through challenges any but Caucasian jurors. An FBI agent admitted that one government witness confessed he had been bribed to testify falsely against Mrs. d'Aquino before a grand jury. Some defense witnesses said they were threatened and intimidated by government officials.

The trial jury, deliberating four days, first stood 10 to 2 for acquittal. After being reminded by the judge of the time and expense of the trial, the jurors convicted her on one count. Her conviction rested on the word of two American-born Japanese who were her superiors at Radio Tokyo, and who went to Japan in the 1930s and renounced their American citizenship—something Mrs. d'Aquino refused to do.

She served her prison sentence, but the government was not yet finished with her. The Justice Department instigated deportation proceedings against Mrs. d'Aquino early in 1956. That was too much and, in the face of mounting criticism, the government dropped the attempt.

Mrs. d'Aquino is in the news again because of a growing movement to obtain a presidential pardon for her to restore her citizenship. Among those lending their support is the foreman of the jury that, he has said, would have acquitted her "if it had been possible under the judge's instructions."

The most telling appeal for a pardon was made 27 years ago, just after the trial, by a writer who said it was evident then—as we believe it is evident now—that the jury convicted "a legend, rather than the human being who stood in the dock of justice."

The legend was "Tokyo Rose." The human being is Mrs. d'Aquino, now living in Chicago. A presidential pardon would be an act of grace by the government.

[From the San Francisco Examiner, Mar. 4, 1976]

Strange Case of Tokyo Rose

Iva Toguri D'Aquino was freed from federal prison 20 years ago after serving six years of a 10-year sentence. Hers was no ordinary crime. She was one of only 24 Americans convicted of treason since 1795. And she's no ordinary ex-convict. She is Tokyo Rose.

The very name conjures an image of deceit and perfidy. Thus, it comes as a surprise to discover that Iva D'Aquino apparently was not a turncoat, but a scapegoat, the victim of post-war hysteria.

There was never anyone named Tokyo Rose. The nickname was coined by G.I.'s in the Pacific who listened to at least a dozen English-speaking female announcers broadcasting from Tokyo.

Mrs. D'Aquino (who married a Portuguese national in 1945) was a Los Angeles-born Japanese-American, a UCLA graduate who was trapped in Tokyo following Pearl Harbor.

To support herself, she went to work as a clerk typist and eventually she was assigned to Radio Tokyo, where she—alone among all the civilians—refused to renounce her U.S. citizenship.

After the war, Iva D'Aquino was held without bail for more than a year, but eventually was cleared by the Army and Justice Department. For two years, the FBI tried to find witnesses to prosecute her for treason. Finally, she was rearrested and charged with eight acts of treason, following public outcries from Walter Winchell and various veterans' organizations.

At one time, the jury voted 10–2 for her acquittal, but the trial judge virtually directed a verdict of guilty. So badly was her trial managed that her two lawyers continued to represent her for 25 years. Just before his death in 1974, Lawyer Wayne M. Collins, said: "It's the worst, the absolutely worst case I know of in American history."

Mrs. D'Aquino, who lives quietly in Chicago, continues to maintain her innocence, but she has little hope of being pardoned, since two previous petitions for clemency have been denied. Further, she is fearful of stirring up old animosities.

Nevertheless, this country should look once more at the strange case of Tokyo Rose. If the facts are what they seem to be, a presidential pardon should be granted.

Although a pardon would not undo the years she spent in prison, it would restore her citizenship—something she fought for throughout the war years. And, it would be a tacit acknowledgement that the government singled her out and punished a legend, rather than a human being.

[From the Wall Street Journal, Feb. 6, 1976]

The Case of "Tokyo Rose"

(By Edwin McDowell)

Twenty years ago last month Iva Toguri D'Aquino was freed from federal prison after serving more than six years of a 10 year sentence. Hers was no ordinary crime: She was one of the 24 Americans convicted of treason since 1795. And Mrs. D'Aquino is anything but an ordinary ex-convict: She is the notorious Tokyo Rose.

Tokyo Rose! The very name conjures up memories of a femme fatale broadcasting a mixture of music and propaganda to American fighting men. So it may come as a shock to learn that a growing number of Americans are convinced that Iva Toguri D'Aquino, born as it happens on the Fourth of July, was not a turncoat but a scapegoat—a victim of post-war hysteria who in this Bicentennial year deserves a presidential pardon. Moreover, a lengthy review of her case strongly suggests that Mrs. D'Aquino's defenders may well be right.

"We're convinced that she was unfairly singled out and wrongly convicted," says David Ushio, executive director of the 30,000-member Japanese American Citizens League, which is actively campaigning for the presidential pardon.

That might be much more difficult to achieve than it sounds. For one thing, many important figures involved in the case have died, including Mrs. D'Aquino's two principal lawyers. Moreover, the public appears to be growing weary of charges that U.S. justice is always to blame in important trials with political overtones. Finally, Mrs. D'Aquino, 59, who lives a life of relative anonymity in Chicago, is reluctant to assist her own cause.

She continues to maintain her innocence but she has little faith that she will be pardoned, especially since two earlier petitions for clemency were denied. And she is fearful of stirring up those persistent anonymous hate letters and telephone calls. "I've learned to live with what happened to me," she says, "to accept it like an illness."

"It's the worst, the absolute worst case I know of in American history," her lawyer, Wayne M. Collins, told this reporter shortly before he died in 1974. "When the truth finally comes out about Iva, Americans will hang their heads in shame," echoed Theodore Tamba, her other lawyer who also has since died. Both San Francisco attorneys were so convinced of her innocence that they represented her free of charge for almost 25 years.

The first of many ironies in the Tokyo Rose case is that there never was anyone named Tokyo Rose. That nickname was coined by G.I.'s in the Pacific who listened to English-speaking female announcers from Japanese stations in Tokyo and a dozen other nations. Iva D'Aquino was one of the many broadcasters over Radio Tokyo. As the U.S. government noted in its Oct. 21, 1946 announcement (later reversed) that it was dropping plans to prosecute her, "Tokyo Rose" was a "composite person with at least a dozen voices."

AN ACCIDENT OF FATE

That the Los Angeles-born UCLA graduate wound up in Japan at all during the war can be attributed to fate. When a letter arrived in June 1941 from an uncle in Japan saying that his wife was ill, it was decided that Iva would visit her on behalf of the family.

U.S. government documents reveal that she sailed for Japan on July 15, 1941 with a certificate of identification authorizing a six months stay, her application for a passport not having been acted upon by the State Department. Forty-five days after she arrived she again applied for a U.S. passport. Her application was forwarded from the American consulate in Tokyo to Washington.

Meanwhile, relations between the U.S. and Japan continued to deteriorate. On Dec. 1 she received a cable from her father telling her to book passage on the liner Tatsuta Maru sailing for the U.S. the next day. Official records show that she couldn't obtain the necessary clearances in time, nor in time to book passage on a repatriation ship that left in February 1942. By the time another ship left in September, she couldn't afford the fare. Nor could she write home from an enemy nation for money, and in any case her family had been relocated to a detention camp in Arizona (where her mother died soon afterwards).

Trapped in a country whose language she barely understood, she eventually found a job in mid-1942 with Domei news agency. In January 1943 she went to work as a clerk-typist for the Danish legation; seven months later she also took a parttime secretarial job at Radio Tokyo. All the while she was under surveillance of the secret police, who regularly dropped in for reports on her whereabouts. They also suggested that she become a Japanese citizen, otherwise she would be under constant scrutiny and suspicion as an enemy alien and denied food rations.

A former master sergeant in the secret police later swore in a deposition that Mrs. D'Aquino constantly said Japan would lose the war, despite his warning that it was not good to talk that way.

Of all the civilians working at Radio Tokyo, she alone refused to renounce her U.S. citizenship. Had she in fact become a Japanese citizen it's unlikely she would have been tried for treason.

Some 30 POWs of various nationalities were assigned to Radio Tokyo and forced to cooperate under penalty of death. The ranking POW, Australian Major Charles Cousens, testified that Iva D'Aquino often smuggled them food, medicine and news from the outside world. U.S. Army Capt. Wallace Ince testified similarly at her trial—and recently repeated his testimony—adding that she smuggled in a blanket for a sick prisoner.

Both officers testified that when the Japanese ordered them to expand a 15 minute music program ("Zero Hour") into 75 minutes of news, commentary, POW messages and music designed to lower G.I. morale, the prisoners had no alternative—except to try to minimize the propaganda quotient.

Because Major Cousens came to trust Iva Toguri (who married a Portuguese national in April 1945), he told his Japanese bosses he wanted her to play the records. When she learned she had been drafted as an announcer, she protested but Cousens told her she had no choice. He assured her that he and Captain Ince would write all her scripts and see that they were free of propaganda. So after Cousens coached her briefly in announcing techniques, in November 1943 she began playing six to eight songs a night. Ultimately she began referring to herself as "Orphan Ann," the nickname coined by Cousens.

It's debatable how successfully the POW's undermined the propaganda ordered by Japanese authorities, although the record indicates that they tried. It also shows they were beaten, threatened with execution, and two recalcitrant POWs were hauled away to be executed. After the war Captain Ince was promoted to Major in the U.S. Army and Major Cousens was acquitted of treason charges in Australia.

A confidential memo from the Army legal section of April 17, 1946 said. "There is no evidence that [Iva D'Aquino] ever broadcast greetings to units by name and location, or predicted military movements or attacks indicating access to secret military information and plans. . . ." That same confidential memo added: "There is evidence that (Mrs. D'Aquino) found this work distasteful."

Mrs. D'Aquino was released after initially being cleared by the Army and the Justice Department, and after having been imprisoned virtually incommunicado for more than a year without bail or benefit of legal counsel. For two years the FBI vainly tried to find the two witnesses necessary to prosecute her for treason; the government finally appealed publicly for witnesses. Twenty-two months later, during which time her reapplication for a U.S. passport provoked angry blasts from Walter Winchell and several veterans' organizations, she was rearrested, brought to San Francisco and indicted by a federal grand jury.

The trial, charging her with eight overt acts of treason, opened in July 1949, lasted almost 13 weeks, totaled almost one million words, cost some $750,000 and involved 71 witnesses plus depositions from 19 witnesses in Japan. It was the longest treason trial in U.S. history, and it was hardly a proceeding of which the U.S. can be proud.

Government preemptory challenges excluded any but Caucasion jurors. Defense witnesses testified they were threatened and intimidated by government officials. An FBI agent admitted that one government witness confessed that he had been bribed to testify falsely against Mrs. D'Aquino before the grand jury. A deposition from an AP reporter in Japan asserted that a government witness tried to bribe him to testify falsely against the defendant.

By the time of the trial only 13 scripts or records of the 340 Zero Hour broadcasts recorded by Federal Broadcast Intelligence Service monitoring stations were available to the defense. The others had been "routinely destroyed." One of the few that hadn't began: "Here's the first blow at your morale, the Boston Pops orchestra." Even government witnesses from Japan denied that Iva D'Aquino made inflammatory or treasonous remarks.

ACQUITTAL SEEMED LIKELY

When the jury began its deliberations, an informal poll among Bay Area reporters who covered the trial every day produced a 9-to-1 vote for acquittal. As it turned out the jury had been 10 to 2 for acquittal, another time only one juror was convinced of Mrs. D'-Aquino's guilt. Only after the judge asked them to try a third time, reminding them of the time and expense, did the jury finally reach a verdict.

Iva D'Aquino was guilty of one count of trying to undermine American morale during wartime. Specifically, she was guilty of broadcasting the following words after the battle of Leyte Gulf (the greatest naval battle in history, which resulted in the virtual destruction of the Japanese fleet): "Orphans of the Pacific, you are really orphans now. How will you get home now that all your ships are sunk?" Asked if the jurors ever considered acquitting her, the jury foreman replied: "If it had been possible under the judge's instructions, we would have done so."

The two principal eyewitnesses to Mrs. D'Aquino's "treason" were two of her Japanese superiors at Radio Toyko—both of them American-born citizens who renounced their U.S. citizenship after going to Japan in the 1930s. Moreover, the wife of one of the two herself broadcast over Radio Toyko as the "Saturday night party girl." It was her husband who fingered Iva D'Aquino to newsmen as Tokyo Rose.

One or two U.S. newspapers commented at the time on the irony of two admitted turncoats accusing of treason the only civilian at Radio Tokyo who refused to renounce her U.S. citizenship. All the other female announcers were let off. Two of them were subsequently allowed back in the U.S. and currently reside on the West Coast.

After her parole from prison to Alderson, W. Va., the government tried to deport Mrs. D'Aquino as an alien. But the contradiction of trying to deport a native born American, who had been convicted of treason precisely because she had been a U.S. citizen, drew so much criticism that eventually the government abandoned that attempt.

Iva D'Aquino's supporters have no illusions that a presidential pardon will undo the years she spent in prison or recover the fine that was paid in full last summer. But it would restore her citizenship. Mainly, though, it would be tacit acknowledgement that in singling her out, the government—as a small Japanese American newspaper put it two days after she was sentenced—was "punishing a legend rather than the human being who stood in the dock of justice."

"Maybe if I knew how things were going to work out I might not have come home, I might have gone somewhere else," sighed Mrs. D'Aquino recently. "But even then, I doubt it. America is my home, it will always be my home, and I never did anything disloyal toward the country I love."

[From the Wall Street Journal, Feb. 23, 1976]

MORE ON TOKYO ROSE

Editor, The Wall Street Journal:

I read with unusual interest Edwin McDowell's article "The Case of 'Tokyo Rose'" (Feb. 6). To my knowledge this is the first time that there have been publicized facts concerning the circumstances of Iva Toguri D'Aquino.

I was the case officer of the Tokyo Metropolitan Counter Intelligence Corps detachment in charge of the investigations concerning allied personnel who had broadcast for the Japanese over Radio Tokyo during wartime. Together with an officer of the Australian Field Security Service, I personally interrogated Major Cousens, Major Ince, John D. Provoo and Mark Lewis Streeter. I was a witness for the Australian government in its treason case against Major Cousens.

The essential facts you related concerning the reasons for Mrs. D'Aquino's presence in Tokyo, and her attempts to leave it prior to the war, were independently confirmed by the Counter Intelligence Corps.

In a signed statement, Major Cousens took sole responsibility for the fact that Mrs. D'-Aquino was ordered by the Japanese to broadcast the scripts which were written by Cousens and Ince. On his own initiative, he advised the Japanese in charge of his broadcast section that a typist, Mrs. D'Aquino, would make a good announcer; and thereupon the Japanese ordered Mrs. D'Aquino to read the scripts. As Cousens and the Japanese both admitted, she had no choice in this regard.

It was and is inconceivable to me that the United States would try Mrs. D'Aquino for treason without first trying others whose conduct was far more questionable in matters of degree. It is uncontroverted that there was no such thing as "Tokyo Rose." You are correct that there were quite a few women announcers on Radio Tokyo, some of whom at one time held American citizenship. Only Mrs. D'Aquino was tried. Perhaps the United States did not wish to admit that there was more than one American "Tokyo Rose," but in fact there were less mitigating circumstances for the conduct of the others.

GEORGE S. GUYSI.

OKLAHOMA CITY, OKLA.

[From the Washington Star, Feb. 15, 1976]

"TOKYO ROSE," ECHO OF HISTORY

That Tokyo Rose is drawing attention two and a half decades after her conviction for treason must seem anachronistic, if not downright mystifying, to that half of today's American population that was not alive in 1945.

The Japanese American Citizens League, with 30,000 members, has underway a campaign to secure a presidential pardon for Iva Toguri D'Aquino. But it is likely to be a futile effort—the imagery, of the notorious nickname, Tokyo Rose, is still too vivid to that other half of the populace for whom World War II was an indelible event.

The Wall Street Journal's Edwin McDowell recently re-examined the case of Tokyo Rose. "We're convinced that she was unfairly singled out and wrongly convicted," David Ushio, director of the citizens league, told the reporter; and Mr. McDowell says a lengthy review of the record strongly suggests that Mrs. D'Aquino's defenders may be right.

This is touchy business. Only Mrs. D'Aquino and 23 other Americans have been convicted of treason since 1795. To intimate that a miscarriage of justice may have occurred in the vengeful mood of the postwar years will be decidedly uncongenial to some people.

Iva Toguri was a graduate of UCLA; she was caught in Japan visiting a sick relative when the war began. She barely understood the language and was under surveillance of the secret police. In late 1943, she began working as a secretary at Radio Tokyo. About 30 Allied POWs were also there, cooperating under threat of death. When the 75-minute programs designed to erode the morale of American forces were begun, an Australian major told the Japanese bosses he wanted her to help with the announcing because, he said, he trusted her to support the POW's efforts to minimize the propaganda content of the broadcasts.

So she was drafted for the job. There were other people with U.S. citizenship at the station—Mrs. D'Aquino alone refused to renounce that citizenship. Had she done so, it is probable she would not have been brought to trial after the war. In addition, there were as many as a dozen "Tokyo Roses"—the single name was coined by U.S. troops for women who broadcast over the station.

After the war, Iva Toguri (who married a Portuguese national in 1945) was released after having been imprisoned by the U.S. for more than a year and after the Army and the Justice Department initially cleared her. Two years later, after the government finally had had to appeal publicly for the witnesses required to prosecute for treason, she was rearrested, taken to San Francisco and indicted—a move strenuously backed by several veterans organizations and by Walter Winchell, among others.

"Government peremptory challenges excluded any but Caucausian jurors. Defense witnesses testified they were threatened and intimidated by government officials. An FBI agent admitted that one government witness confessed that he had been bribed to testify falsely against Mrs. D'Aquino before the grand jury . . .," the Journal story recounts.

The principal eyewitnesses to Mrs. D'Aquino's "treason" were two of her Japanese superiors at Radio Tokyo, "both of them American-born citizens who renounced their U.S. citizenship after going to Japan in the 1930s." All of the other female announcers at Radio Tokyo during the war were let off and two of them subsequently were allowed to return to live in the United States.

Mrs. D'Aquino was convicted of one count of trying to undermine American morale during wartime, though it took the jury three attempts to come in with a guilty verdict. She went to prison for six years. Mrs. D'Aquino, now 59, lives in Chicago. She is reluctant to assist her own cause. "I've learned to live with what happened to me," she says, "to accept it like an illness."

An election year is not a good time for seeking a presidential pardon for a person convicted of treason. But after reading Mr. McDowell's article, we are persuaded that the case of "Tokyo Rose" does merit official consideration.

Two days after Mrs. D'Aquino was sentenced in 1949, a small Japanese-American newspaper contended that the government was "punishing a legend rather than the human being who stood in the dock of justice."

On the possibility that such may have been true, it is consonant with our sense of justice to re-examine whether injustice was done. Acknowledging error is a mark of maturity, in nations as in individuals.

[From the San Francisco Chronicle,
Feb. 9, 1976]

The Afterlight on Tokyo Rose

There is now overwhelming evidence that the 1949 treason trial of Iva D'Aquino—the American citizen who had the misfortune to be labeled Tokyo Rose—was indeed, as her attorneys have always claimed, "one of the grossest and most disgraceful miscarriages of justice in the history of the federal courts."

In a series of Chronicle articles printed last week, reporters Jerry Carroll and Keith Power catalogued a damning list of blunders, half truths and lies that the U.S. government used, during that period between the war and the rise of McCarthyism, to try and convict a person who, by all accounts, was at the very least a passive victim of nations at war.

There is good reason to believe, in fact, that she was a heroine who actively and consistently told her Japanese captors that they would lose the war; that she resisted extreme pressure to become a Japanese citizen; and that she used her job on Japanese radio to water down anti-American propaganda.

This newspaper's review of the Tokyo Rose affair, the first major attempt we're aware of to get at the unfortunate factual record, details the post-war hysteria and understandable circumstances that found a Los Angeles county native, a pre-med graduate of UCLA, in the dock on charges of treason. The inventory shows that the proceeding was marred by bribery, government obstruction, unscrupulous journalism, missing evidence, mistaken identity, witness intimidation, the violation of constitutional safeguards, racism, and pre-trial publicity of a sort that would lead to a speedy reversal today.

Uncovered during this investigation was a document written in 1946 by the legal section of the staff of General of the Army Douglas MacArthur after a year-long examination conducted while Mrs. D'Aquino was imprisoned by occupation forces. The memo said that she was not Tokyo Rose, that indeed there was no single Tokyo Rose, and that her activities no more than abstractly qualified as treason. As a result, she was released from prison.

Ironically, it was her determination to return to the United States that resulted two years later in her indictment here on the treason charge of which she was convicted.

Mrs. D'Aquino, now living in Chicago, has spent eight-and-a-half years in prison, has paid a $10,000 fine, has been stripped of her citizenship and has survived an attempt to deport her. Presidents Eisenhower and Johnson failed to act on petitions made for her pardon.

In light of the facts shown in the Chronicle review of this sorry case, President Ford should grant her pardon. She will be 60 years old on the Fourth of July.

[From the San Francisco Chronicle,
Feb. 16, 1976]

"Tokyo Rose" Juror Urges a Pardon

(By Jerry Carroll and Keith Power)

The foreman of the San Francisco jury that convicted Iva Toguri D'Aquino 25 years ago of being the traitor known as Tokyo Rose joined yesterday in the growing demand that she be given a presidential pardon.

Located by The Chronicle in a Bay Area suburb where he lives in retirement with his wife, John Mann, 75, said the guilty verdict was forced by a federal judge who ignored repeated pleas from the jury that it was deadlocked.

Beyond that, said Mann, many of the jurors were still inflamed by anti-Japanese sentiment that had been whipped up during World War II. "At that time, we were in the throes of Japanese-hating people," Mann recalled.

Mann, a former accountant, said he finally joined the others in returning a guilty verdict against the Los Angeles-born Nisei after four arduous days of deliberation. But he said he instantly regretted it when he learned that a poll of newspaper reports covering the trial showed a 9-to-1 vote favoring acquittal.

"That made me think that John Mann should have had a little bit more guts to stick with his acquittal (vote), Mann remarked.

The 30,000-member Japanese American Citizens League is spearheading the campaign for a pardon for Mrs. D'Aquino, now 59 and living in seclusion in Chicago. Her trial in 1949 captured attention comparable to that accorded Patricia Hearst.

After the trial, U.S. District Judge Michael J. Roche sentenced Iva to ten years in prison, fined her $10,000 and stripped her of the American citizenship that she had clung stubbornly to throughout the war in the face of fierce Japanese pressures.

The host of a bland chatter-and-platters program on Radio Tokyo that was beamed at American men fighting in the Pacific, Iva tragically fell heir to the common belief that there was a sexy siren called Tokyo Rose whose mission was to demoralize U.S. soldiers and sailors.

At the war's end, American military authorities held Iva in prison for a year before an investigation was completed and she was freed. The Chronicle discovered a U.S. Army document in the National Archives in January that concluded that Iva was not Tokyo Rose and that her wartime activities were harmless.

"The Army forbade any of its officers or men to come to the trial," Mann said. There were several important generals that we were aware of at the time that were—had come out in her favor. We thought they should have been (witnesses) at the trial."

A year after her release, Iva made the mistake of applying to reenter the country of her birth, stirring a whirl-wind of controversy that was fanned in large part by the powerful radio commentator Walter Winchell.

At a time when the Truman administration was being accused of being soft on traitors, the Justice Department reopened the case, despite the Army findings, and brought Iva to trial. It was to be the most expensive judicial proceeding up to that time.

The jurors, after a five-week trial, initially split 9 to 3 in favor of acquittal, vainly trying during four days of bitter wrangling to persuade Judge Roche that they were deadlocked.

"The judge said they spent a million dollars on this trial already," Mann recalled. "He said if you go back there and do nothing other than—he didn't say in these same words—convict her, we'll have to have this trial all over again."

Asked if he regarded Judge Roche as, in effect, directing the all-white jury of six men and six women to return a guilty verdict, Mann replied: "Yes, I think so."

He indicated there was great pressure against himself and two other holdouts because the jury members were weary and angry, anxious to end the affair and return to their families and jobs.

"I was surprised at the severity of the judge's sentence," Mann remembered. "I just didn't expect that much."

He said, "In my idea of justice, they (the prosecution) failed miserably to convict her."

Although Mann said, "I was against her conviction all the way through," he said that he felt at the end that there was sufficient grounds in a narrow technical sense to reach the verdict of guilty of treason.

[From the Honolulu Advertiser, Feb. 6, 1976]

Case of "Tokyo Rose"

On July 4, when America celebrates its 200th birthday, Iva Ikuko Toguri d'Aquino will be 60 years old. She is better known to Americans by a name she apparently never used, "Tokyo Rose."

Across the page a Denver Post article relates some of the details of Mrs. d'Aquino's life. The Japanese American Citizens League, a Mainland group, has mounted a campaign to gain clemency and restore American citizenship to Mrs. d'Aquino.

The league has published a booklet called, "Iva Toguri d'Aquino: Victim of a Legend," which makes the case that in her conviction for treason in 1949, she was "a casualty of the prejudices, stereotypes and social mores" of the World War II period and just after.

A re-reading of news reports of the trial in San Francisco suggests she was not guilty of treason, as many observers at the time agreed. Under the circumstances, the decision of the U.S. government to prosecute Mrs. d'Aquino may have been unfair.

Because she clung firmly to her American citizenship when stranded as a young woman in Japan at the start of World War II, Mrs. d'Aquino was harassed by the Japanese government and people. She was forced to subsist in a hostile environment on her only marketable skill—use of the English language—first as a tyipst for Radio Tokyo and then as an announcer under Japanese Army orders.

Because she clung firmly to her American citizenship and tried to return to this country at the end of the war (after a year held incommunicado without charges in a war crimes prison) she was tried and perhaps unjustly convicted of treason.

Her story is fraught with said ironies. At the start of the war she tried to return to the U.S. but missed a place on the repatriation ships from Japan because the American Embassy disputed her citizenship and she was penniless. Had she returned she would have been interned with other Japanese-Americans in a "relocation camp." Her mother died in such a camp at Gila River, Arizona.

More than ten women who spoke on Japanese radio were known by the GI-invented name "Tokyo Rose," but only Mrs. d'Aquino was prosecuted. The three allied POW officers who wrote the scripts and chose Mrs. d'Aquino to read them because she had befriended them were never prosecuted.

The two witnesses required by the U.S. Constitution to prove an act of treason were both Japanese-American "turncoats" who renounced their U.S. citizenship in Japan, as Mrs. d'Aquino never did.

After Mrs. d'Aquino had served five years in prison and paid every penny she had for the fine for her conviction as a traitor, the U.S. government tried to deport her as an undesirable alien.

Mrs. d'Aquino said on the witness stand and insists today she was innocent. She read scripts written by POWs which she says she believed were intended to mock Japanese propaganda efforts and claims never to have committed treason in act or intent.

At worst, Mrs. d'Aquino was convicted on one vague count of treason out of eight charged, served time in prison and paid her "debt to society." If half the improprieties of the prosecution in her trial charged in the JACL booklet are true, the "debt" may be the other way around.

Today, 30 years after the war, Japan is our ally and its emperor visited the U.S. without incident. The mistreatment of Japanese-Americans during the war is conveniently forgotten by most. It is hoped the "prejudices, stereotypes and social mores" of that time have been set aside as well.

Today, Mrs. d'Aquino lives quietly in Chicago, avoiding the public limelight. Perhaps this campaign to gain clemency will inconvenience her by focusing public attention on her again. But a valuable service, both real and symbolic, would be done by restoring to Mrs. Iva Toguri d'Aquino her American citizenship.

[From the Denver Post, Jan 8, 1976]

Clemency Due in "Tokyo Rose" Case

(By Robert Pattridge)

"And earthly power doth then show likest God's,

When mercy seasons justice."—William Shakespeare.

How would you like to be haunted by a curious legend? How would you like to be labeled the "Tokyo Rose" of World War II?

What if the legend resulted in your conviction for treason in 1949? After a 56-day trial that cost the U.S. government a half-million dollars, you spent six years and two months in a federal reformatory.

You settle in Chicago. You are subject to deportation threats and property confiscation. There seems no end to your misery.

Ironically, in this Bicentennial year, you will mark your 60th birthday next July 4—a date so precious to the free American way of life. And you were an American until your treason conviction.

Born in Los Angeles, Calif., you attended public schools there and received a zoology degree in June 1941 from the University of California at Los Angeles. Following your graduation, your family made a tragic decision. You were sent to Japan to care for a seriously ill aunt. You were stranded there when war erupted Dec. 7, 1941, between Japan and the United States.

You were alone and without funds. Under pressure from the Japanese and understanding it was a covert burlesque, you read scripts prepared by a trio of Allied prisoners of war over Radio Tokyo. You were one of 14 women involved in the broadcasts. Unknown to you, American GIs applied the label "Tokyo Rose" to all female broadcasters heard on Japanese radio stations.

Evidence has since shown there was no single person known as "Tokyo Rose." But you became the scapegoat. The only one accused.

You received the most publicity. You were jailed by American authorities. During 12 months imprisonment in Japan you were never informed of any charges, you were denied legal counsel, denied speedy trial and prohibited from sending or receiving mail.

On Oct. 26, 1946, you were released. The case appeared closed. You settled in Tokyo with your husband, a Portuguese citizen and became pregnant.

Desiring to see your family and have your child born in your native United States, you tried to return home. You became the eye of a hurricane of protest. Walter Winchell and assorted America First organizations campaigned against you.

Aug. 26, 1948, you were arrested again in Tokyo and charged with treason. You were brought to San Francisco for trial where finally you received counsel. The lawyers served without pay.

A Grand Jury first refused to indict unless other American citizens involved at Radio Tokyo were charged. Eventually, the jury returned an eight-count indictment against you.

The trial followed. After three days of deliberations, a jury found you innocent of seven counts; guilty on one count. The jury found you guilty of one overt act: "That on a day during October 1944, the exact date being to the Grand Jurors unknown, defendant in the offices of the Broadcasting Corporation of Japan did speak into a microphone concerning the loss of ships."

Specific? Pretty vague. Where were the scripts, recordings, witnesses? Who heard you mouth those words?

You were sentenced to 10 years, fined $10,000 and lost your American citizenship. The Supreme Court rejected your appeals. Your husband, who attended the trial, was taken back to occupied Japan. He had signed a statement saying he would not re-enter the United States.

You served your time. Your fine was eventually paid by your family. You try to live inconspicuously in Chicago but the legend of "Tokyo Rose" haunts you.

Two of your lawyers are dead. The other moved out of the country. You continue to proclaim your innocence. Who will listen?

Fortunately, you are not Iva Toguri d'Aquino. Was she unjustly tried and convicted? Yes, resounds the Japanese American Citizens League which has scores of members in Colorado. The JACL seeks to restore her constitutional rights through executive clemency or other legal means.

It is time for clemency. It is past time. The mercy English poet Shakespeare wrote so eloquently of needs to be settled on this case.

Iva Toguri d'Aquino, victim of a legend, has paid a price deserving of renewed American citizenship.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Skubitz (at the request of Mr. Michel), on account of convalescence after surgery.

Mr. Murphy of New York (at the request of Mr. O'Neill), after 5 p.m. today through May 4, 1976, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Randall, for 15 minutes today.

(The following Members (at the request of Mr. Bauman) and to revise and extend their remarks and include extraneous matter:)

Mr. Forsythe, for 10 minutes, today.

Mr. Symms, for 60 minutes, today.

(The following Members (at the request of Mr. Sharp) to revise and extend their remarks and include extraneous material:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Ms. Holtzman, for 15 minutes, today.

Mr. Koch, for 10 minutes, today.

Ms. Abzug, for 60 minutes, today.

Mr. Levitas, for 5 minutes, today.

Mr. Vanik, for 10 minutes, today.

Mr. Wolff, for 5 minutes, today.

Mr. Badillo, for 30 minutes, today.

Mr. Rostenkowski, for 15 minutes, today.

Mr. Mezvinsky, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Young of Georgia to revise and extend his remarks notwithstanding the fact it is estimated to exceed two pages of the Congressional Record at a cost of approximately $1,287.

Mr. Matsunaga, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $1,644.50.

(The following Members (at the request of Mr. Bauman) and to include extraneous matter:)

Mr. Brown of Michigan in three instances.

Mr. Wampler.

Mr. Don H. Clausen.

Mr. Martin in two instances.

Mr. Hammerschmidt in two instances.

Mr. Eshleman.

Mr. Whalen in two instances.

Mr. Symms in two instances.

Mr. Forsythe.

Mr. Wiggins.

Mr. Crane.

Mr. Young of Alaska.

Mr. Burgener in two instances.

Mr. Snyder in two instances.

Mr. Rhodes.

Mr. Dickinson.

Mr. Kemp.

Mr. Ashbrook in two instances.

Mr. Gilman.

(The following Members (at the request of Mr. Sharp), and to include extraneous matter:)

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Moorhead of Pennsylvania.

Mr. McDonald of Georgia in five instances.

Mr. Stuckey.

Mr. Dominick V. Daniels.

Mr. Diggs.

Mr. Rees.

Mr. Oberstar.

Mr. Gaydos.

Mr. Fraser.

Mr. Rangel.

Mr. Baucus.

Mr. Stokes in two instances.

Mr. Florio.

Mr. Harkin in two instances.

Mr. Edgar.

Mr. Drinan.

Mr. Long of Maryland.

Mr. Edwards of California in two instances.

Mr. Badillo.

Mr. Miller of California.

Mr. John L. Burton.

Mr. Solarz.

Mr. Mottl.

Mr. Rooney.
Mr. Wolff.
Mr. Long of Louisiana.
Mr. Gibbons.
Ms. Abzug in three instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1497. An act to provide for the protection and preservation of the Gruber Wagon Works in Berks County Pa.; to the Committee on Public Works and Transportation.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 644. An act to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes; and

S. 2662. An act to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

ADJOURNMENT

Mr. SHARP. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 15 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, April 30, 1976, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3144. A letter from the Secretary of Defense, transmitting a semiannual report on the reduction of the noncombat component of the total U.S. military strength in Europe, pursuant to section 302(a) of Public Law 93-365; to the Committee on Armed Services.

3145. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to approve the sale of certain naval vessels and for other purposes; to the Committee on Armed Services.

3146. A letter from the Chairman, National Labor Relations Board, transmitting a financial statement of the Board for fiscal year 1975 and a report on cases heard and/or decided by the Board, pursuant to section 3(c) of the Labor Management Relations Act of 1947, as amended; to the Committee on Education and Labor.

3147. A letter from the Director, Office of Regulatory Review, Department of Health, Education, and Welfare, transmitting proposed criteria for funding proposals for International Studies Centers for fiscal year 1976, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

3148. A letter from the Assistant Secretary of Health, Education, and Welfare for Administration and Management, transmitting a proposed change in the Department's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3149. A letter from the Chairman, Indian Claims Commission, transmitting the final determination of the Commission in consolidated docket Nos. 73 and 151, *the Seminole Indians of the State of Florida*, and *the Seminole Nation of Oklahoma*, plaintiffs, v. *the United States of America*, defendant, pursuant to 60 Stat. 1055; to the Committee on Interior and Insular Affairs.

3150. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

3151. A letter from the Administrator, Small Business Administration, transmitting a draft of proposed legislation to amend the Small Business Act to increase the authorization for certain small business loan programs; to the Committee on Small Business.

Received From the Comptroller General

3152. A letter from the Comptroller General of the United States, transmitting a report on problems of the experimental schools program and lessons learned from it which should be applied to the management of future educational research efforts; jointly, to the Committees on Government Operations and Education and Labor.

3153. A letter from the Comptroller General of the United States transmitting a report summarizing a study of Government crimes in which computer-based system were used; jointly to the Committees on Government Operations and the Judiciary.

3154. A letter from the Comptroller General of the United States transmitting a report on the costs and effects of Federal marketing orders on potatoes, onions and raisins authorized by the Secretary of Agriculture under the Agricultural Marketing Agreement Act of 1937; jointly to the Committees on Government Operations Agriculture and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ULLMAN: Committee on Ways and Means. H.R. 2177. A bill to amend the Tariff Schedules of the United States to provide for a partial exemption from duty for articles previously exported from the United States composed in part of fabricated components the products of the United States, when returned after having been exported, without having been advanced in value or improved in condition while abroad; with amendment (Rept. No. 94-1060). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 2181. A bill to amend the Tariff Schedules of the United States to provide duty-free treatment of any aircraft engine used as a temporary replacement for an aircraft engine being overhauled within the United States if duty was paid on such replacement engine during a previous importation; with amendment (Rept. No. 94-1061). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 8656. A bill to amend the Tariff Schedules of the United States in order to provide for the duty-free importation of loose glass prisms used in chandeliers; with amendment (Rept. No. 94-1062). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 9401. A bill to continue to suspend for a temporary period the import duty on certain horses; with amendment (Rept. No. 94-1063). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 11259. A bill to lower the duty on levulose until the close of December 31, 1977; with amendment (Rept. No. 94-1064). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 11321. A bill to suspend until July 1, 1977, the duty on certain elbow prostheses if imported for charitable therapeutic use, or for free distribution, by certain public or private nonprofit institutions; with amendment (Rept. No. 94-1065). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 11605. A bill to suspend for a 3-year period the rate of duty on mattress blanks of rubber latex; with amendment (Rept. No. 94-1066). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 12033. A bill to continue until the close of June 30, 1979, the existing suspension of duties on manganese ore (including ferruginous ore) and related products; with amendment (Rept. No. 94-1067). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 12254. A bill to suspend the duties on certain bicycle parts and accessories until the close of December 31, 1979; with amendment (Rept. No. 94-1068). Referred to the Committee of the Whole House on the State of the Union.

Mr. NEDZI: Committee on Armed Services: S. 2115. An act to amend chapter 39 of title 10, United States Code, to enable the President to authorize the involuntary order to active duty of Selected Reservists, for a limited period, whether or not a declaration of war or national emergency has been declared (Rept. No. 94-1069). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 2984. A bill to amend section 4941(d)(2)(G) of the Internal Revenue Code of 1954; with amendment (Rept. No. 94-1070). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 7228. A bill to amend the Internal Revenue Code of 1954 to permit the authorization of means other than stamps on containers of distilled spirits as evidence of tax payments; with amendment (Rept. No. 94-1071). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 8283. A bill to amend the Internal Revenue Code of 1954 with respect to the type of flavors which may be used on bonded wine cellar premises in the production of special natural wines; with amendment (Rept. No. 94-1072). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ULLMAN: Committee on Ways and Means. H.R. 1386. A bill for the relief of Smith College, Northampton, Mass. (Rept. No. 94-1058). Referred to the Committee of the Whole House.

Mr. ULLMAN: Committee on Ways and Means. H.R. 4047. A bill for the relief of Jack R. Misner; with amendment (Rept. No. 94-1059). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL:

H.R. 13419. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; to the Committee on Ways and Means.

By Mr. CHAPPELL:

H.R. 13420. A bill to amend section 131 of the Vocational Education Act of 1963 to provide that funds available to States for research and training shall take into account State labor needs, and for other purposes; to the Committee on Education and Labor.

H.R. 13421. A bill to amend section 406 of the General Education Provisions Act to incorporate the National Center for Education Statistics into the process of collection of statistics in the field of vocational education; to the Committee on Education and Labor.

H.R. 13422. A bill to amend section 553 of the Higher Education Act of 1965 to encourage more direct assimilation of skilled craftsmen and technicians into local vocational education systems and inservice training programs; to the Committee on Education and Labor.

H.R. 13423. A bill to amend section 131(b) of the Vocational Education Act of 1963 to encourage more research into the areas of inservice training and the recruitment of teachers from minority groups and from skilled persons presently employed in the community; to the Committee on Education and Labor.

H.R. 13424. A bill to amend the Vocational Education Act of 1963 to assure Federal support for vocational education in the junior high schools; to the Committee on Education and Labor.

By Mr. D'AMOURS:

H.R. 13425. A bill to remove Members of Congress from the purview of section 225 of the Federal Salary Act of 1967, relating to the Commission on Executive, Legislative, and Judicial Salaries, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. D'AMOURS (for himself and Mr. Stokes):

H.R. 13426. A bill to amend title 38, United States Code, to eliminate the time period in which a veteran has to use his educational benefits and to extend the months of eligibility from 36 to 45 months; to the Committee on Veterans' Affairs.

H.R. 13427. A bill to amend title 38 of the United States Code in order to extend the delimiting period for completing programs of education for veterans pursuing such programs at the close of such period; to the Committee on Veterans' Affairs.

By Mr. du PONT:

H.R. 13428. A bill to enact the National School-Age Mother and Child Health Act of 1975; to the Committee on Interstate and Foreign Commerce.

H.R. 13429. A bill to clarify the jurisdiction of certain Federal courts with respect to busing and to confer such jurisdiction upon certain other courts; to the Committee on the Judiciary.

By Mr. FISH:

H.R. 13430. A bill to provide that the eligibility of unemployed construction workers for emergency unemployment compensation will be determined on the basis of the rate of unemployment in the construction industry; to the Committee on Ways and Means.

By Mr. FLOWERS:

H.R. 13431. A bill to transfer responsibility for furnishing certified copies of Miller Act payment bonds from the Comptroller General to the officer that awarded the contract for which the bond was given; to the Committee on the Judiciary.

By Mr. FLYNT:

H.R. 13432. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GUYER:

H.R. 13433. A bill to suspend until the close of December 31, 1977, the duty on rubber-modified acrylonitrile-methyl acrylate copolymer; to the Committee Ways and Means.

By Mr. HAMMERSCHMIDT:

H.R. 13434. A bill to amend the Internal Revenue Code of 1954 to allow corporations a credit for 10 percent of the social security taxes paid with respect to not more than 10 employees; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 13435. A bill for the establishment of the Commission on Organization of the executive branch of the Government; to the Committee on Government Operations.

By Mr. KARTH:

H.R. 13436. A bill to amend title II of the Social Security Act to provide that an individual's entitlement to benefits thereunder shall continue through the month of his or her death (except where the consequent delay in survivor eligibility would reduce total family benefits); to the Committee on Ways and Means.

By Mr. KASTENMEIER (for himself, Mr. Andrews of North Dakota, Mr. Badillo, Mrs. Boggs, Mr. Brinkley, Mr. Edgar, Mr. Harkin, Mr. Jenrette, Mr. Long of Maryland, Mr. Mathis, Mr. Mezvinsky, Mr. Mitchell of Maryland, Mr. Ottinger, Mr. Quie, Mr. Pattison of New York, Ms. Pettis, Mr. Roush, Mr. Stark and Mr. Steiger of Wisconsin):

H.R. 13437. A bill to amend title 39, United States Code, to establish procedures to regulate the manner in which the U.S. Postal Service may close post offices serving rural areas and small communities and towns; to the Committee on Post Office and Civil Service.

By Mr. LEHMAN:

H.R. 13438. A bill to amend the act to encourage domestic travel in order to authorize the Secretary of Commerce to provide certain assistance to projects carrying out the purpose of such act; to the Committee on Interstate and Foreign Commerce.

H.R. 13439. A bill to amend title II of the Social Security Act to establish eligibility for husband's benefits based on having a child in care, and to provide benefits for widowed fathers with minor children; to the Committee on Ways and Means.

H.R. 13440. A bill to require that skilled nursing homes furnishing services under the medicare and medicaid programs be adequately equipped with wheelchairs and other appropriate equipment and supplies; to the Committee on Ways and Means.

H.R. 13441. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives for the modification of certain facilities and vehicles so as to remove architectural and transportational barriers to the handicapped and elderly; to the Committee on Ways and Means.

By Mr. LEVITAS:

H.R. 13442. A bill to provide coverage under the Federal old-age, survivors, and disability insurance system for all Members of Congress and other offices and employees in the legislative branch of the Government; to the Committee on Ways and Means.

H.R. 13443. A bill to provide coverage under the Federal old-age, survivors, and disability insurance system for all officers and employees of the United States and its instrumentalities other than those in the judicial branch; to the Committee on Ways and Means.

By Mr. OBERSTAR:

H.R. 13444. A bill to amend the Great Lakes Pilotage Act of 1960 to limit the liability of U.S. registered pilots so as to provide for reciprocal and equitable participation by United States and Canadian citizens in the pilotage of vessels on the Great Lakes; to the Committee on Merchant Marine and Fisheries.

By Mr. PATTERSON of California:

H.R. 13445. A bill to facilitate the economic adjustment of communities, industries, and workers who may be substantially, and seriously affected by reductions in defense contracts and facilities which are undertaken to realine defense expenditures with changed national security requirements and to prevent the ensuing dislocations from contributing to or exacerbating recessionary effects on the aforementioned groups; jointly to the Committees on Banking, Currency and Housing, Armed Services, Education and Labor, Government Operations, and Ways and Means.

By Mr. PRICE (for himself and Mr. Bob Wilson) (by request):

H.R. 13446. A bill to amend chapter 3 of title 37, United States Code, to provide a subsistence allowance for members of the Armed Forces enrolled in certain officer candidate programs, and for other purposes; to the Committee on Armed Services.

By Mr. RUSSO:

H.R. 13447. A bill to authorize the Comptroller General to audit the programs, activities, and financial operations of the Federal National Mortgage Association, and to amend certain housing laws for the purpose of improving Federal programs which insure home mortgages; to the Committee on Banking, Currency and Housing.

By Mr. SLACK:

H.R. 13448. A bill to authorize the construction and operation of a natural gas pipeline from the North Slope of Alaska across Canada to domestic markets, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, Interior and Insular Affairs, and Public Works and Transportation.

By Mr. STAGGERS (for himself, Mr. Dingell, Mr. Wirth, Mr. Sharp, Mr. Eckhardt, Mr. Krueger, Mr. Ottinger, Mr. Moffett, Mr. Murphy of New York, Mr. Brown of Ohio, and Mr. Moorhead of California):

H.R. 13449. A bill to amend the Federal Energy Administration Act of 1974 to provide for authorizations of appropriations to the Federal Energy Administration, to extend the duration of authorities under such act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. VANDER JAGT (for himself, Mr. Derwinski, Mr. Frenzel, Mr. Gradison, and Mr. Whitehurst):

H.R. 13450. A bill to amend title XX of the Social Security Act to strengthen the ability of the States to support social services in their communities; to the Committee on Ways and Means.

By Mr. BADILLO:

H.R. 13451. A bill to improve the Nation's energy resources, by establishing a national power grid system, for the purpose of assuring an adequate and reliable low-cost electric power supply consistent with the enhancement of environmental values; to the Committee on Interstate and Foreign Commerce.

By Mr. BIAGGI:

H.R. 13452. A bill to amend the Elementary and Secondary Education Act of 1965 to provide emergency financial assistance to local education agencies in order to maintain essential elementary and secondary education services at a quality level; to the Committee on Education and Labor.

By Mr. JOHN L. BURTON (for himself and Mr. McCloskey):

H.R. 13453. A bill to provide sound physical bases and operational systems for achieving major reductions in the earthquake hazards faced by the population living in regions of the United States of significant seismic risk, and to amend the National Science Foundation Act of 1950 so as to provide for a research program relating to earthquake mitigation, and for other purposes; to the Committee on Science and Technology.

By Mr. CLANCY:

H.R. 13454. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DODD:

H.R. 13455. A bill to strengthen and facilitate the carrying out of antitrust and procompetitive policies by agencies of the Federal Government, and for other purposes; to the Committee on the Judiciary.

By Mr. DODD (for himself and Mr. Tsongas):

H.R. 13456. A bill to amend title 18, United States Code, and title 23, District of Columbia Code, to grant to courts power to deny pretrial release to persons charged with the commission of certain crimes of violence; jointly to the Committees on the Judiciary and the District of Columbia.

By Mr. DOWNEY of New York:

H.R. 13457. A bill to regulate Defense Department experimental procedures on human subjects; to the Committee on Armed Services.

By Mr. DRINAN (for himself and Mr. Symington):

H.R. 13458. A bill to establish the Frederick Law Olmsted Home and Office in Brookline, Mass., as a national historic site; to the Committee on Interior and Insular Affairs.

By Mr. EILBERG:

H.R. 13459. A bill to establish a national lottery in the Department of the Treasury and to provide that revenues from such lottery be used to provide assistance to low-income senior citizens in paying their electric and telephone bills; to the Committee on Way and Means.

By Mr. JENRETTE:

H.R. 13460. A bill to amend chapter 67 of title 10, United States Code, to grant eligibility for retired pay to certain reservists who did not perform active duty before August 16, 1945, and for other purposes; to the Committee on Armed Services.

H.R. 13461. A bill to amend the civil service retirement provisions of title 5, United States Code, to allow credit for service performed by a special agent of the Bureau of the Census who was paid on a piece price basis; to the Committee on Post Office and Civil Service.

By Mr. KOCH (for himself, Mr. Edwards of Alabama, and Mr. Solarz):

H.R. 13462. A bill to modify the restrictions contained in section 170(e) of the Internal Revenue Code in the case of certain contributions of literary, musical, or artistic composition, or similar property; to the Committee on Ways and Means.

By Mr. MARTIN (for himself, Mr. Chappell, Mr. Sarasin, and Mr. Treen):

H.R. 13463. A bill to amend title 18 of the United States Code to provide the death penalty for certain destructive acts to airports, airplanes, and related things and places; to the Committee on the Judiciary.

By Mr. MEZVINSKY:

H.R. 13464. A bill to extend the period in which application may be made for exemption, on account of religious tenets or teachings, from the Federal self-employment tax; to the Committee on Ways and Means.

By Mr. MOAKLEY (for himself and Mr. Ryan):

H.R. 13465. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit and to allow a deduction with respect to expenditures for residential solar energy equipment; to the Committee on Ways and Means.

By Mr. PRITCHARD:

H.R. 13466. A bill to amend title 18, United States Code, to prohibit contributions to candidates for Federal office by persons other than individuals; to the Committee on House Administration.

By Mr REES (for himself, Mr. Mazzoli, Mr. Dellums, Mr. Fauntroy, Mr. Stuckey, Mr. McKinney, Mr. Whalen, Mr. Fraser, Mrs. Meyner, Mr. Nowak, and Mrs. Spellman):

H.R. 13467. A bill to establish an actuarially sound basis for financing retirement benefits for policemen, firemen, teachers, and judges of the District of Columbia and to make certain changes in such benefits; to the Committee on the District of Columbia.

By Mr. ROGERS:

H.R. 13468. A bill to provide for a long-range plan for the use and organization of national resources to deal with digestive diseases and to amend the Public Health Service Act to provide for the coordination of Federal activities respecting such diseases; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSTENKOWSKI (for himself and Mr. Duncan of Tennessee):

H.R. 13469. A bill to extend or remove certain time limitation and make other administrative improvements in the medicare program under title XVIII of the Social Security Act; jointly, to the Committee on Ways and Means and Interstate and Foreign Commerce.

By Mr. STEPHENS:

H.R. 13470. A bill to establish the Frederick Law Olmsted Home and Office in Brookline, Mass., as a national historic site; to the Committee on Interior and Insular Affairs.

By Mrs. SULLIVAN (by request) (for herself, Mr. Ashley, Mr. Dingell, Mr. Downing of Virginia, Mr. Murphy of New York, Mr. Biaggi, Mr. Breaux, Mr. McCloskey, and Mr. McEwen):

H.R. 13471. A bill to amend the Great Lakes Pilotage Act of 1960 to limit the liability of U.S. registered pilots so as to provide for reciprocal and equitable participation by United States and Canadian citizens in the pilotage of vessels on the Great Lakes; to the Committee on Merchant Marine and Fisheries.

By Mr. VANDER JAGT:

H.R. 13472. A bill to amend the Social Security Act to improve and simplify the program of aid to families with dependent children; to the Committee on Ways and Means.

By Mr. PEYSER:

H.J. Res. 931. Joint resolution to restore the Congressional Medal of Honor to Dr. Mary Edwards Walker; to the Committee on Armed Services.

By Ms. ABZUG (for herself, Mr. Scheuer, Mr. Addabbo, Mr. Bingham, Mr. Rangel, Mr. Rosenthal, Mr. Koch, Mr. Fish, Mr. Ambro, Mr. Wolff, Mr. Downey of New York, Mrs. Chisholm, Mr. McHugh, Mr. Ottinger, Mr. Richmond, Ms. Holtzman, Mr. Peyser, Mr. Zeferetti, Mr. Biaggi, Mr. Kemp, Mr. Delaney, Mr. Solarz, Mr. Lent, Mr. Gilman, Mr. Nowak, Mr. LaFalce, and Mr. Badillo):

H. Res. 1168. Resolution expressing support for Solidarity Sunday; to the Committee on International Relations.

By Mr. HANNAFORD:

H. Res. 1169. Resolution to amend rule XLIII of the Rules of the House of Representatives to provide that the salaries of Members convicted by a court of record for a crime for which a sentence of at least 2 years' imprisonment may be imposed shall have their salaries held in an escrow account by the Sergeant-at-Arms; to the Committee on Standards of Official Conduct.

By Mr. THONE (for himself, Mr. Beard of Rhode Island, Mr. Bedell, Mr. Blanchard, Mr. Bowen, Mr. Carney, Mr. Clay, Mr. Cleveland, Mr. Downing of Virginia, Mr. Emery, Mr. Goodling, Mr. Hannaford, Mr. Hubbard, Mr. Jeffords, Mr. Jenrette, Mr. Kastenmeier, Mr. McCollister, Mr. Madigan, Mr. Mazzoli, Mr. Pressler, Mr. Rostenkowski, Mr. Sebelius, Mrs. Smith of Nebraska, Mr. Stark, and Mr. Traxler):

H. Res. 1170. Resolution to insure that the quality and quantity of free broadcasting service not be impaired; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MATSUNAGA:

H.R. 13473. A bill for the relief of Maria Elena Jumalon; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 13474. A bill for the relief of Geoffrey Parnham; to the Committee on the Judiciary.

By Mr. WRIGHT:

H.R. 13475. A bill for the relief of Yang Sun Barber; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

374. The SPEAKER presented a memorial of the Legislature of the State of Hawaii, relative to compensation for aborigine or native Hawaiians for damages suffered as a result of the U.S. annexation of the Hawaii Islands; to the Committee on Interior and Insular Affairs.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the Congressional Record of April 28, 1976, page 11687:

H.R. 13090. April 7, 1976. Interstate and Foreign Commerce. Amends the Uniform Time Act of 1966 with respect to the period of daylight savings time.

Exempts from such Act any State or a part of any State which has enacted a State law exempting it from such provisions.

Requires the Federal Communications Commission to make adjustments with respect to hours of operation of daytime standard amplitude modulation broadcast stations.

H.R. 13091. April 7, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13092. April 7, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13093. April 7, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13094. April 7, 1976. Ways and Means. Amends the Tariff Schedules of the United States to repeal the duty imposed on articles assembled abroad with components produced in the United States.

H.R. 13095. April 7, 1976. Interstate and Foreign Commerce. Exempts from the prohibition against transporting gambling devices in interstate and foreign commerce the transportation, possession, use, or repair in interstate commerce of any gambling device which is for use aboard any passenger vessel or combination passenger-cargo vessel which is documented under the laws of the United States and engaged in interstate or foreign commerce.

H.R. 13096. April 7, 1976. Ways and Means. Amends the Trade Act of 1974 to reimburse the States for the amount of State unemployment insurance benefits paid to workers eligible to receive trade readjustment allowances.

H.R. 13097. April 7, 1976. Interior and Insular Affairs. Authorizes the Secretary of the Interior to rehabilitate and maintain the Leadville Mine Drainage Tunnel in Colorado. Authorizes appropriations for the construction of adequate waste water treatment facilities and for plugging the tunnel.

H.R. 13098. April 7, 1976. Public Works and Transportation; Interior and Insular Affairs. Terminates the authorization for the Tocks Island Reservoir project in New Jersey, New York, and Pennsylvania. Requires that property acquired by the Secretary of the Army pursuant to such authorization be transferred to the Secretary of the Interior for management by the National Park Service.

H.R. 13099. April 7, 1976. Agriculture. Directs the Secretary of Agriculture to issue orders to establish projects for research and nutrition education for wheat and wheat products and studies regarding the sale, distribution, marketing, and utilization of wheat and wheat products and the creation of new wheat products. Establishes a Wheat Industry Council to carry out such orders.

H.R. 13100. April 7, 1976. Education and Labor. Amends the Fair Labor Standards Act of 1938 to establish a National Employment Relocation Administration in the Department of Labor. Establishes programs of Federal assistance to employees who suffer employment loss through economic dislocations, to businesses threatened with dislocation, and to affected communities.

Requires prenotification to affected employees and communities of dislocation of businesses. Provides Federal assistance for job placement and retraining of employees.

H.R. 13101. April 7, 1976. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish the acreage of individually owned land which may eligibly receive project water as nonexcess acreage under Federal reclamation laws at 160 acres of class I land or the equivalent acreage of lands of lesser productive value as would be appropriate for an economic family-size farm.

H.R. 13102. April 7, 1976. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants for local public works projects, provided that such projects are designed to alleviate unemployment and do not involve the damming or other diversion of water.

H.R. 13103. April 7, 1976. Interstate and Foreign Commerce. Requires, under the Federal Food, Drug, and Cosmetic Act, that the identity of the manufacturer of a prescription drug must appear on the label of the package from which the drug is dispensed.

H.R. 13104. April 7, 1976. Ways and Means. Amends the Internal Revenue Code to allow a deduction to individuals who rent principal residences for a portion of the real property taxes paid or accrued by their landlord.

H.R. 13105. April 7, 1976. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants for local public works projects, provided that such projects are designed to alleviate unemployment and do not involve the damming or other diversion of water.

H.R. 13106. April 7, 1976. Interstate and Foreign Commerce; Interior and Insular Affairs; Public Works and Transportation. Directs the Secretary of the Interior and the Federal Power Commission to issue appropriate permits and authorizations for United States participation in the construction of the Alaskan natural gas pipeline system through Canada.

Suspends administrative procedure requirements with respect to obtaining rights-of-way for such pipeline. Exempts requirements of the Mineral Leasing Act of 1920 concerning environmental protection, technical and financial capacity, public hearings, and licensing of applicants.

Imposes limitations on judicial review of administrative actions taken pursuant to this Act, including challenges based on the National Environmental Policy Act of 1969.

H.R. 13107. April 7, 1976. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to assist certain totally disabled veterans in acquiring suitable housing units with special fixtures.

H.R. 13108. April 7, 1976. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to assist certain totally disabled veterans in acquiring suitable housing units with special fixtures.

H.R. 13109. April 7, 1976. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to assist certain totally disabled veterans in acquiring suitable housing units with special fixtures.

H.R. 13110. April 7, 1976. Banking, Currency and Housing. Amends the National Housing Act to extend and modify provisions relating to Federal expenditures to correct or compensate for structural defects present in homes purchased with federally insured mortgages.

H.R. 13111. April 7, 1976. Interstate and Foreign Commerce. Requires anyone utilizing sales representatives to solicit orders for merchandise to indemnify such representatives for income lost because the principal has taken away on account of such representative, decreased his or her territory, or reduced his or her rate of commission.

Sets forth provisions which must be covered by any contract between a sales representative and a principal providing for employment of such representative.

H.R. 13112. April 7, 1976. Agriculture. Amends the Forest and Rangeland Renewable Resources Planning Act of 1974 to direct the Secretary of Agriculture to include in the Renewable Resource Program, national program recommendations which take into account specified policy objectives.

Requires the Secretary to provide for public participation in the formulation and review of proposed land management plans and to promulgate regulations for their development and revision.

Revises provisions relating to sale of timber found on National Forest Service lands.

H.R. 13113. April 7, 1976. Ways and Means. Amends the Social Security Act to authorize payment under the Medicare program for specified services performed by chiropractors, including x-ray, and physical examination, and related routine laboratory tests.

H.R. 13114. April 7, 1976. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 13115. April 8, 1976. Ways and Means. Amends the Tariff Schedules of the United States to reduce the rate of customs duties imposed upon strontium nitrate until January 3, 1980.

H.R. 13116. April 8, 1976. Armed Services. Amends the Federal Civil Defense Act of 1950 to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief.

H.R. 13117. April 8, 1976. Armed Services. Amends the Federal Civil Defense Act of 1950 to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief.

H.R. 13118. April 8, 1976. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to establish a National Commission on Digestive Diseases. Requires the Commission to develop a long-range plan for the use of national resources to deal with digestive diseases.

Directs the Secretary to establish a Coordinating Committee for Digestive Diseases to improve coordination among Federal agencies in the research, training, control, and treatment of digestive diseases.

H.R. 13119. April 8, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13120. April 8, 1976. Judiciary. Establishes procedures for the application, approval, and extension of orders authorizing the use of electronic surveillance for foreign intelligence purposes. Permits the Attorney General to authorize emergency employment of such surveillance for 24 hours in the absence of a judicial order.

Requires the Chief Justice of the United States to designate seven district court judges to hear applications for, and grant orders approving, electronic surveillance anywhere within the United States.

H.R. 13121. April 8, 1976. District of Columbia. Requires that, after publication of the fifth annual cumulative supplement to the 1973 edition of the District of Columbia Code, new editions and supplements of such code be prepared and published under the direction of the Council of the District of Columbia rather than under the Office of the Law Revision Counsel in the House or Representatives.

H.R. 13122. April 8, 1976. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to increase assistance to State programs designed to accelerate the disposition of criminal cases and to State programs to improve juvenile justice and prevent juvenile crime.

Establishes within the Law Enforcement Assistance Administration the Office for Speedy Trial Assistance to aid States in expediting the criminal justice process. Establishes within the Administration the Office of Corrections to aid States in improving correctional facilities, programs, and practices.

H.R. 13123. April 8, 1976. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants for local public works projects, provided that such projects are designed to alleviate unemployment and do not involve the damming or other diversion of water.

H.R. 13124. April 8, 1976. Interstate and Foreign Commerce; Public Works and Transportation. Amends the Hazardous Materials Transportation Act to require registration with the Secretary of Transportation when transporting "hazardous" as well as "extremely hazardous" materials. Revises the responsibility for safety precautions, and authorizes appropriations under such Act.

H.R. 13125. April 8, 1976. International Relations; Interstate and Foreign Commerce. Amends the Export Administration Act of 1969 to make it the policy of the United States to oppose restrictive trade practices or boycotts imposed by foreign countries against any domestic concern of the United States. Amends the Securities Exchange Act of 1934 by imposing additional disclosure requirements on any investor who proposes to acquire more than 5 percent of the equity securities of any United States company.

H.R. 13126. April 8, 1976. Education and Labor. Amends the Higher Education Act of 1965 to direct the Commissioner of Education to institute a system of reduced-interest loans to students in institutions of higher education, and to provide for a system of income-contingent repayment thereof.

H.R. 13127. April 8, 1976. Ways and Means. Authorizes any individual who has attained the age of 65 to take a nonrefundable tax credit, under the Internal Revenue Code, for a percentage of the amount of real property taxes or rent constituting real property taxes paid or accrued by the taxpayer during the taxable year.

H.R. 13128. April 8, 1976. Government Operations; Rules. Abolishes specified Federal regulatory agencies on July 4, 1976, unless Congress and the President approve their continuation. Sets limits on the continued existence of Federal regulatory agencies. Sets forth the procedures to be followed by the President to transfer the functions, powers, and duties of terminated agencies to himself or to a successor agency.

H.R. 13129. April 8, 1976. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to emphasize crime prevention as a major purpose of Title I of such Act. Requires that States applying for Federal crime prevention, law enforcement, and criminal justice grants under such Act include in their required comprehensive plans a program for the prevention of crime against the elderly.

H.R. 13130. April 8, 1976. Government Operations. Establishes the Department of Education within the executive branch of the Federal Government to take over specified functions of the Department of Health, Education, and Welfare and all of the functions of the United States Office of Education.

Establishes the Federal Interagency Committee on Education to coordinate all Federal programs affecting education.

H.R. 13131. April 8, 1976. Judiciary. Amends the Clayton Act to require specified classes of persons to notify the Federal Trade Commission and the Justice Department of certain contemplated mergers prior to acquisition.

H.R. 13132. April 8, 1976. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require disclosure on food package labels of the portion of the weight of the food which is sugar in instances where sugar constitutes ten percent or more of the total number of calories in the food.

H.R. 13133. April 8, 1976. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to prohibit, except for emergency purposes, the entrance into or operation within the United States of any civil supersonic aircraft engaged in commercial service which generates noise in excess of the level prescribed for new subsonic aircraft.

H.R. 13134. April 8, 1976. Judiciary. Subjects any parent who kidnaps his or her minor child to a fine of not more than $1,000, imprisonment for not more than one year, or both.

H.R. 13135. April 8, 1976. Merchant Marine and Fishries. Provides that for purposes of the Federal Boat Safety Act of 1971, the following waters lying entirely within the State of New Hampshire are declared nonnavigable: Lake Winnisquam, Lake Winnepesaukee, and specified portions of the Merrimack River.

EXTENSIONS OF REMARKS

HACKER FINDS FORTUNE IN CAB, FOLLOWS "SIMPLE PHILOSOPHY"

HON. W. S. (BILL) STUCKEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. STUCKEY. Mr. Speaker, I commend to my colleagues and the Nation an article about a man whose honesty should serve as an inspiration to us all.

You will note at the conclusion of this story that Mr. Taylor is the father of three college students. Another child will graduate from high school this June. With the expenses of education being what they are today, I am sure that few people could have used the money found in that cab any more than Mr. Taylor.

But I am equally certain that Mr. Taylor has passed on to his children the kind of legacy that money cannot buy.

The article follows:

[From the Washington Post, Apr. 29, 1976]

HACKER FINDS FORTUNE IN CAB, FOLLOWS "SIMPLE PHILOSOPHY"

(By Joseph D. Whitaker)

During the 30 years he has driven for the Capitol Cab Company, William Taylor Sr. has turned in to police several articles left in his taxi. Once there was a woman's umbrella. Then there was a briefcase containing important papers and a child's pocket radio.

Tuesday night was no different. A brown purse was left on the floor of the cab. Taylor, 51, opened it to find the owner's identification so he could return the purse. He saw there was money in it and took it to the first district police station to turn it in.

"I took the purse to police and Det. Ralph Moore dumped the contents out on the table. He counted as I wrote the items down," said Taylor. "Both of us were amazed that there was so much. We kept saying, 'Wow, amazing.' "

The purse was the property of Dollie Cole, wife of retired General Motors president Edward N. Cole, both of whom had been passengers in the cab earlier in the evening. The purse contained nearly $42,000 worth of cash, travelers checks and jewelry.

For his trouble, Taylor said he was given four crisp $100 bills by Mrs. Cole who plucked the cash from the top of one of the piles on the table. In addition, Taylor said, the Coles offered him a possible job as a chauffeur, earning $18,000 a year. Taylor said he currently earns $8,000 annually.

The case of the missing—and quite wealth-laden—purse began at about 10 p.m. Tuesday when Taylor went to the National Airport to pick up what he thought would be "just another fare."

He was hailed by Cole, who had just flown in from Detroit, Mich., and Mrs. Cole, whose flight had just come in from New York. Taylor took the couple to the Sheraton-Park Hotel. He received $8 for the trip which usually pays $6.70.

"I left the Sheraton-Park and picked up two other passengers before the last one told me there was a purse lying on the floor in the back of my cab," Taylor said. "I took it and looked in it for an ID. I saw some money, but I did not investigate to see how much. That was none of my business.

"As a cab driver over the years I've tried to follow a very simple philosophy. When I find something in my cab, my first obligation is to find the owner," said Taylor, the father of four.

"My first natural step was to go back to where I put off my last lady passenger. I went back to the Statler Hilton Hotel and tried to find a lady I took there. The manager and doorman said they didn't remember her and I gave them a real hassle," Taylor said.

"Then it dawned on me that there was another lady passenger I took to the Sheraton-Park. I telephoned but they said they didn't have a Mr. and Mrs. Cole registered," Taylor added. Not knowing what else to do, Taylor said he went to turn the purse in to the police.

Mrs. Cole said she remembers resting her brown suede purse with gold chains on the floor of the cab when she first climbed in. But when she arrived at the hotel, she "simply forgot it."

"When we got to the hotel, my husband said, 'You go register. I'll get the luggage,' " Mrs. Cole said. "I took my briefcase and went inside to the registration counter. Then it hit me. My purse was still in the cab. I never felt so stupid."

Mrs. Cole said a police detective picked her up and took her back to National Airport to see if she could identify the car and driver that had picked her up earlier. She said few cabs were at the airport at that hour.

"When I walked back into my hotel room, the police called. They said the cab driver had turned my purse in," said Mrs. Cole, who is the senior editor of the Curtis Publishing Co., which prints Saturday Evening Post, Holiday and Country Gentleman magazines.

"Mr. Taylor is an incredible man. The great thing is that his honesty is not temporary. He has been turning things in regularly to police," said Mrs. Cole.

According to Det. Moore, the Cole purse contained $846 in cash, $1,060 in travelers checks and an assortment of jewels Mrs. Cole later said are valued at $40,000.

Mrs. Cole said she had just picked up the jewels from a shop in New York where she was having them repaired. Part of the cash was an honorarium she received from a speaking engagement in Detroit. She said the cash was still in her purse because she had not had time to turn it over to the officials of the St. Francis Home for Boys, an orphanage to which she makes frequent donations.

Yesterday was a good day for William Taylor, a man who rarely earns more than $200 a week. The $400 he received for his startling honesty was sent off to the bank. Taylor said the money is already well-spent. He has three children in college and one scheduled to graduate from high school in June.

THE B-1 BOMBER

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. PATTERSON of California. Mr. Speaker, I rise today to explain my vote in support of the production of the B-1 bomber, a subject of much controversy during consideration of the military procurement and research and development authorization for fiscal year 1977.

I firmly believe that the B-1 is a necessary component of our defense budget in the area of strategic weapons delivery. It is a sophisticated craft which, combined with other elements of our defense systems, will provide our country with the strategic power to insure deterrence.

We are all well aware of the threatening posture adopted by the Soviet Union in recent months. The advancing Soviet capability dictates that the B-1 must be produced now. A major subject of controversy in current arms limitation talks with the Soviet Union is their increasing submarine-launched ballistic missile capability and their highly sophisticated and dense homeland defense. The B-1 will be able to meet these defenses projected for the 1980's and beyond, as well as provide for the most accurate system to deliver weapons to the Soviet's highly efficient and sophisticated target systems which are becoming increasingly resistant to all but the most accurate weapons.

It has been argued that modernization of the B-52 fleet is a better alternative than continuing production of the B-1. I cannot agree. To overhaul the B-52 would cost between $30 and $40 million per plane. Converting commercial airliners would be even more expensive. The B-1, according to an in-depth study of alternatives, is the most cost-effective alternative.

Opponents of the B-1 bomber argue that there are serious engine and structural deficiencies in the test program. It may be that the B-1 is not performing according to standards originally set, however, I would be surprised if we have ever designed any weapons system that has not had problems and has met the original plan. I am confident that the B-1 is an essential weapons system and the bugs can be ironed out. To eliminate the entire program would be debilitating.

Aside from providing a sound investment for long-term security, the B-1 will generate a substantial number of jobs in California, where the B-1 is primarily built. The B-1 program will provide assistance to the economy of southern California by providing work for one of our hardest hit components, the aerospace industry, as well as providing substantial secondary benefits for the economy generally. It would be economically unsound to do away with the thousands of jobs generated by the B-1. We are slowly recovering from one of the deepest recessions in our history and we cannot run the risk of impairing that recovery.

DOMINICK V. DANIELS RETIREMENT

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. GAYDOS. Mr. Speaker, during the recent recess, our distinguished colleague, the Honorable Dominick V. Daniels, of New Jersey, announced that he will not seek reelection in November.

This will bring to a close a very distinguished legislative career which began with his election to the U.S. House of Representatives in 1958, and his reelection to each succeeding Congress.

I have been closely associated with him on the House Committee on Education and Labor as well as serving on the Subcommittee on Manpower, Compensation, and Health and Safety, of which he serves as chairman. It has been a great privilege as well as a most unique experience in working with such a dedicated legislator.

During his tireless efforts as a U.S. Congressman, Dom clearly demonstrated three basic character traits which will be remembered by all of his colleagues in this House, the many witnesses who appeared before him, and the people of this country. These are the dignity with which he conducted himself at all times; his integrity; and his compassion for all individuals.

While Dom demonstrated the agile and articulate mind of a lawyer, he never engaged in tactics which detracted from the dignity of the office he held. This undoubtedly was a direct result of his tenure as magistrate in the Jersey City Municipal Court during the period 1952-58, immediately prior to his election to Congress.

A second facet of Dom's character which was also nourished by his service as a magistrate was his inviolable integrity. The legislative process, as all of us so well know, can be a fierce and intense struggle to arrive at a consensus which will result in effective legislation. Dom's legislative career is distinguished by his participation in many controversial legislative matters. Yet, it can never be said that in obtaining the necessary support to bring these measures before this House for approval, that he treated his colleagues with anything but complete candor and honesty.

Finally, the most significant character trait that is best revealed by the many bills he sponsored and guided to successful enactment on behalf of the American worker, is his compasssion.

While Dom treated all people he met with equal courtesy and compassion, he was particularly sensitive to the plight of the American worker. His long and successful crusade to provide the worker with a healthful and safe working place is embodied in the Occupational Safety and Health Act of 1970, of which he was the architect.

Another area that Dom was most concerned about was the unemployed and unemployable worker, the so-called hardcore unemployed. Dom was not satisfied to accept the quick comment that we will always have certain members of our society who will never be able to keep a job because they lack either the necessary skills or the motivation to hold a job. Instead, he spearheaded the legislative efforts to enact a comprehensive manpower and training law. This resulted in the Comprehensive Employment and Training Act of 1973, the purpose of which is to create a Federal response to the problem of the large number of Americans who, absent this law, would not be able to contribute to the American way of life and enjoy the proper remuneration for their contribution.

These two legislative landmarks which Dom was so instrumental in getting enacted into law, are merely part of the list of his accomplishments as a Member of this House. They are part of the legacy that he leaves to the 94th and future Congresses. He has led the first great step forward. Further expansion and articulation will be the job of those who take their seats in this House in the future.

Having worked with Dom so closely on his subcommittee as well as on the Committee on Education and Labor, I will miss his wisdom and experience, which he so readily shared with his colleagues. The Congress of the United States will lose an eminent legislator.

Dom, you leave us with a shining standard of accomplishment to emulate. We all wish you and Mrs. Daniels many happy years of your well-earned retirement.

PERSONAL EXPLANATION

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. FLORIO. Mr. Speaker, during consideration of the override attempt to the President's veto of H.R. 8617, the Hatch

Act revisions, I was necessarily detained meeting with constituents from my congressional district.

I have consistently supported the position that all citizens are entitled to participate in our democratic process and voted for the original bill and the conference report on the floor of the House. Had I been able to be present I would have certainly voted to override this veto.

MAYOR BERNARD J. VAUGHN

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. DON H. CLAUSEN. Mr. Speaker, too seldom do we acknowledge the contributions made by the vast majority of hard-working, competent, dedicated, public servants. I have the distinct privilege today to speak of a man who, over the past 28 years, has exemplified all the character traits and attributes essential for a continued and progressive career as an outstanding public official.

Mr. Bernard J. Vaughn recently retired after serving 21 years as mayor and 28 years as a member of the city council of Fort Bragg, Calif. During his tenure, he continuously worked for the betterment of his community. The following article, which appeared in the Fort Bragg Advocate News, describes the high esteem with which he is held and how much he will be missed by those he served. I think this article may be helpful to the countless number of public officials who sometimes wonder if all the problems are worth the effort:

VAUGHN HAS SERVED US WELL

Mayor Bernard J. Vaughn will preside over his last regular Fort Bragg City Council meeting on Monday and he will preside over a special meeting of the council Tuesday when his successor will be sworn in.

With these two meetings Vaughn will end 28 years on the council and 21 years as Mayor of Fort Bragg.

During the years he has served, the administration of the city has made real progress. Under his leadership operation of the city has moved from a rather informal haphazard administration of its functions to an operation in which the council makes policy and the proper administrators carry it out.

Efficiency befitting a small but modern city government has been achieved.

Vaughn has always been a hard worker for the City of Fort Bragg.

He has served on the North Coast Regional Coastal Commission representing the cities of Mendocino County.

He has represented the regional commission on the California Coastal Zone Conservation Commission.

He has served on the Mendocino County Local Agency Formation Commission.

He has served on the Mendocino County and Cities Planning Council.

In addition Vaughn serves as an elected member of the Mendocino County Board of Education.

Wearing all the hats he has Vaughn has put in a heavy work schedule for his community for the last 28 years.

Through his work over the past 28 years Vaughn has earned an enviable reputation which we believe he truly deserves.

He is known as a man who puts his community ahead of himself, a man who is honest, a man who works hard, a man who stands up for what he believes while always showing respect for others, and as a man who is a true gentleman.

Anyone who has been in public service as long as Vaughn has had many disagreements over issues. Few, however, ever try so hard to see the other person's side of an issue as Vaughn.

As mayor he has always been gracious to those citizens who have addressed the council, and sometimes they have been very antagonistic.

In discussing issues on the council, he has always been gracious toward his fellow councilmen.

His respect for others has allowed him to be much more effective than he might otherwise have been.

People have enjoyed working with him because he is easy to work with.

As mayor, he has represented our city well at regional and state levels.

We will miss his gentle manner in the council meetings and we will miss his fairness and atmosphere of understanding he brought to his work.

Vaughn has done an outstanding job for his community and we wish him well on retirement.

THE CLEAN AIR BILL

HON. WILLIAM C. WAMPLER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. WAMPLER. Mr. Speaker, I am inserting into the RECORD a recent editorial from the Richmond Times-Dispatch, a leading Virginia newspaper, critical of the Clean Air Amendments of 1976 now being proposed in the Congress. The stand taken by the Richmond newspaper against these proposals was brought to my attention by Mrs. Eva F. Scott, a member of the House of Delegates in the Virginia General Assembly, who urges the defeat of these amendments.

The editorial follows:

THE CLEAN AIR BILL

Seemingly acting on the assumption that man can live by clean air alone, the Senate Public Works Committee has reported a package of environmental proposals that could result in the economic paralysis of vast areas of this nation. These measures could impede economic development almost everywhere and halt industrial growth altogether in some sections, inevitably increasing unemployment and eroding the standard of living of countless Americans. Moreover, the proposals would thrust the power and authority of the federal government into some areas of concern that historically have been the provinces of state and local governments—and should remain so.

Called the "Clean Air Amendments of 1976," the committee's recommendations constitute a frightening monument to the destructive capabilities of unbridled zealotry. The objective—to protect the public from polluted air—is noble but the suggested means of attaining it are fanatically extreme and dangerous. Consider these prominent features:

(1) There could be in the future "no significant deterioration" in the quality of the air of any region whose air is now better than the national standards maintained by the federal Environmental Protection Agency. Such clean air areas would be officially identified, and the federal government could restrict—or prevent—economic or industrial growth within them, no matter how essential growth might be to the area's economic health. Obviously this would constitute a usurpation of the land use control powers traditionally exercised by state and local governments.

(2) Since shopping centers, apartment buildings and office complexes tend to generate automobile traffic, which is a source of pollution, the federal government apparently could control the location and construction of such facilities. More federal land use regulation.

(3) National parks and wilderness areas would be protected from air pollution not only from sources within their boundaries but also from outside sources close enough to affect their air. This would permit the federal government to designate buffer zones in which economic and industrial development could be restricted or prohibited. Still more federal land use control.

(4) Localities would be required to develop transportation plans designed to curtail the use of the automobile. Communities that failed to develop plans satisfactory to the EPA might lose all federal aid funds for their pollution control programs, including that money used for the construction of sewage treatment plants.

There is more to the committee's horrendous clean air plan, but these illustrations will suffice to show how irrational and dangerous it is. Clean air is desirable, of course, but man does not live by clean air alone. He needs bread, shelter and transportation, which means there will be a continuing need for new industries, new power plants, new apartment buildings, new shopping and office complexes and automobiles. To make the development and regulation of such facilities contingent upon a central federal bureaucracy's concept of what constitutes acceptable air quality, regardless of peculiar local needs and desires, would be incredibly impractical as well as philosophically repugnant.

Virginia Sen. William L. Scott has vowed to take a "leading role" in fighting the amendments. Gov. Mills E. Godwin Jr. opposes them and says that Virginia may challenge their constitutionality if they become law. Other governors reportedly are also unhappy. The Senate, we hope, will heed these objections and reject the committee's proposals.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago, April 26, 1776, responding to Washington's request for instructions regarding the disposition of soldiers who lacked arms, the Continental Congress directed, "that none of the troops already raised, be, for the present, disbanded for want of arms * * *." Washington was advised to ask the committee of safety of New York for any arms which might have been collected earlier when British sympathizers had been disarmed. In this letter to Congress, Washington had urged that the soldiers be retained because he found it "almost as difficult to get Men as Arms."

CAB REFORM BILL INTRODUCED BY REPRESENTATIVE CRANE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. CRANE. Mr. Speaker, I offer today for the consideration of my colleagues a bill to increase competition in the airline industry.

The Civil Aeronautics Board—CAB—through its excessive power to regulate the airline industry, has forced air fares artificially high and discouraged attempts by airlines to engage in competitive practices, such as lowering fares for group travel. Clearly, the interests of the airlines are served by this regulation, because artificially high air fares will result in added revenues for the airlines. Unfortunately, it is the consumer who loses in this game. Instead of low fares to attract riders, airlines compete with extras and frills, such as gourmet meals, inflight films, liquor, and music.

A report released earlier this year by the Subcommittee on Administrative Practice and Procedure in the Senate indicates that deregulation of the airline industry could result in a consumer savings of at least $1 billion. Examples of this potential savings are numerous. Look, for instance, at the difference between the fares for a trip from Los Angeles to San Francisco and a trip between Chicago and Minneapolis. The Los Angeles-San Francisco trip, on a nonregulated intrastate carrier, charges $18.75 for a 338-mile trip. The Chicago-Minneapolis trip, which totals 339 miles, costs the traveler $38.89 on a regulated interstate carrier. Another example is the difference between a plane trip from Dallas to Fort Worth and a trip from Las Vegas to Los Angeles. The intra-Texas trip, a total of 239 miles, costs $13.89. The trip from Nevada to California, because it crosses State lines, costs the traveler $28.70 for a total trip length of 236 miles.

The CAB, through its power to control entry of new firms into the airline industry, has limited the number of competing airlines to 10. No new trunk carrier has been approved by the CAB since 1938; 70 applications were rejected between 1950 and 1974. An example of this refusal to permit new carriers into the market is Air Europe, which offered travelers a flight between Tijuana, Mexico, and Luxembourg for approximately one-half the prevailing rate for a Los Angeles-Europe plane ticket. The CAB refused Air Europe permission to stop in the United States to pick up passengers for this low-cost trip. Obviously, only the consumers lost in that deal.

The CAB cites a number of reasons for the discrepancy between regulated and nonregulated airlines' fares. Among these arguments are the differing weather conditions faced by interstate carriers, lower traffic density and demand faced by the interstate carriers and the need to subsidize nonprofitable routes required of interstate carriers. The nonregulated airlines, located primarily in Texas and California, answer each of the above arguments soundly. The weather conditions, claim the unregulated airlines, are poorer in California than in the East. This should result in higher intrastate fares for the unregulated California airlines; however, these fares are considerably lower than the regulated fares within California. The nonregulated airlines claim that the lower traffic density and demand faced by the regulated lines are directly related to the higher fares. Lower the fares, claim the unregulated carriers, and share in the higher number of passengers. The nonprofitable routes, supposedly required by the CAB of all regulated lines, were shown to be negligible in number by the Senate subcommittee report. In addition, the report pointed out that the increased revenues from the profitable routes were insufficient to subsidize the few nonprofitable routes requiring assistance.

The real problem, sadly, is that airlines do not want to be decontrolled. Last October, in response to an administration proposal to deregulate the airline industry, the Air Transport Association screamed that deregulation "would tear apart a national air transportation system recognized as the best in the world." The association continued with a familiar argument that service to smaller towns and cities would be curtailed or eliminated and fares would increase. Clearly, the examples of the nonregulated carriers demonstrate that fares will decrease, and service will improve. This proposal for deregulation should be welcomed by the airlines. Presumably, it will permit them to seek higher profits by offering better service at lower cost to consumers. One must suspect that the major airlines, currently subject to CAB regulation, are comfortable under this protective shield which guarantees a certain profit to them and permits them to blame uncompetitive practices on another source. Also, the CAB protection guarantees that there will be little—or no—future competition for the existing carriers. No wonder the airlines like regulations.

The legislation I am proposing would increase competition within the airlines industry by making air fares more flexible, by reducing barriers to entry into the airlines industry, and by reducing or eliminating restrictions on existing firms' operations.

Specifically, the bill includes the following provisions:

Liberalizes permanently the rules governing the availability of air charter services;

States a policy of encouraging efficiency and low-cost services;

Requires speedy consideration of all applications for CAB certificates permitting operation as an air carrier, thereby easing the entry into the airline industry of new carriers;

Eases the requirements for entry into the airline industry;

Exempts small interstate airlines from CAB economic regulations;

Limits the CAB's authority to impose restrictions on certificate holders;

Simplifies the regulations for abandonment of nonprofitable service routes;

Lessens the requirements for expansion into potentially profitable service routes;

Mandates flexibility in the regulations of prices in the airline industry;

Authorizes a study of local service subsidy to make recommendations for improving the current system.

Regardless of the arguments offered by the airlines, it has been demonstrated in several studies and reports that air fares could be reduced by as much as 40 percent if deregulation were permitted. Passage of this legislation would encourage the healthy free enterprise competition which has serviced this Nation well for 200 years.

It is in the spirit of the Bicentennial Year that we look back at these traditions from our rich heritage of experience to learn again the components of this Nation's greatness. Primary among these is our legacy of free enterprise. Let us take this opportunity to restore another measure of free market competition to our beleaguered transportation industry; and let the air transportation consumers reap the benefits.

WOMEN'S NETWORK PUBLISHES SECOND DIRECTORY

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. FRASER. Mr. Speaker, in the last few years, we have seen positive changes in the role of women in American society. Much of the increased participation of women in politics, education, the arts and other activities has been due to the encouragement and support of other women.

I admire the activities of the Women's Network in the seven-county metropolitan area of Minneapolis-St. Paul, Minn. The Network, a communication center formed in 1974 to link women's services, activities and organizations, is composed of women's organizations and unaffiliated women.

One of the first activities of the Network was to publish a Women's Network Directory of resources and services, with instructions on using them. The new 1976 Directory includes articles, artwork, and indexed resources for women in the seven-county metropolitan area.

Altogether, 19 major topics are encompassed in the directory: Education, employment, voluntarism; children; economics; cooperatives and alternatives; law and advocacy; recreation; health; chemical dependency; awareness, growth, and mental health; aging; men; rape and self defense; politics; third world women; sexuality; media and art; religion.

One of the most crucial of these topics is employment, and I would like to quote from the Directory article by Lois Kerstetter Snook, "Working Opportunities for Women":

Women are locked into certain jobs and locked out of others because of sex-role stereotyping . . .

When I found myself standing in the unemployment insurance line at the State Employment Service in St. Paul, I looked around and thought, "Why can't I try to start an office which could provide preemployment counseling assistance to women?"

What follows is the answer to that question. It is the story of a beginning . . . Although Working Opportunities for Women is only a few months old, we have seen some impressive evidence of dynamic change in the lives of women who are participants in the WOW process.

Our office is modeled after Washington Opportunities for Women. In my previous work with the national offices of the American Lutheran Church, I had visited the headquarters of WOW in Washington, D.C.

I was very impressed with the comprehensive services they provided women, having grown from a one-staff operation helping women write resumes to a large one-stop center providing testing, counseling, resources, job development and placement for thousands of women during their nine years of existence.

Based on that model, a proposal for a Twin Cities WOW was developed. I then undertook the hard work of hustling that proposal to various agencies in the metropolitan area until finally I found someone who not only listened sympathetically, but actually was willing to help broker funding.

We were able to get a small grant through Comprehensive Employment Training Act (CETA) monies, and I was selected as coordinator.

The early months were spent in developing linkage with existing agencies and institutions providing services to women. A staff was selected and the design of our program was developed. After a publicity campaign, we opened our doors June 2, 1975, to an eager crowd that included a KSTP television crew.

Not knowing if women would respond to an opportunity to explore vocational objectives, we were amazed to discover they would not only respond, but would even come long distances and at considerable inconvenience to our suburban location, not the easiest place to get to—especially by bus!

Let me tell you about some of the women who have participated in our process.

Barbara is a lovely, slender woman in her early thirties, married and the mother of three young children.

When she came to us, she was unable to say anything positive about herself. When we would suggest what might be some job or training possibilities for her to consider, she would reply with a string of reasons why she could not do anything. She was very good at putting herself down.

Our free process is an intensive eight-session sequence that combines a group experience with one-to-one counseling. It takes just four weeks of a woman's life but a heavy investment of time and self.

In the space of four weeks we saw a miraculous change occur in Barbara. She asserted herself. She enrolled in a ten-month Law Enforcement Office Occupations course at an area vocational technical school. She talked to the police chief of her local police force and is now in line to become a police dispatcher. She has gained tremendously in self-confidence and self-esteem. Her husband and children are proud of her, and so are we.

Sandra is separated from her husband after fifteen years of marriage and three children. Much of that time she spent as an army wife. Now with a divorce in process and three children to support, she wants a career of her own and a chance to earn a decent living.

Through our WOW process of self-assessment and skills identification, we helped Sandra identify an area where she could realize her interest in banquet planning and food management. We helped her get CETA funding to allow her to enroll in a two-year course at Inver Hills Community College in Food Services and Management. She feels good about herself and is eager to undertake what will be a demanding course of study. She wants to find employment at the completion of the course so she won't have to be on welfare.

All of the women who have used our services have not been so successful. Some have been disappointed that we did not tell them what to do or that we would not find a job for them.

However, evaluations are overwhelmingly positive. Women understand that they get out of the process what they put into it. Those who have been willing to work hard, commit themselves to an intensive self-assessment and search for a meaningful and good-paying job, have told us WOW helped them get started.

In two months of operation WOW has served 163 women. Of these a majority are between 22 and 45 years of age. Forty-one of sixty-six women enrolled during July were female heads of households. Thirty were economically disadvantaged. Only one of our clients was nonwhite. The lack of minority clients reflects our suburban location and raises questions for us about outreach services to the inner city.

Our story is still unfolding . . .

We would like to see other employment services to women established in the Twin Cities and our own office expanded. Our brief experience demonstrates that women want to work, but they want to earn what men do and they want the same job options. Our office is dedicated to help advance those goals, especially in hard times.

THE UNMAKING OF A REFORM BILL

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. PATTERSON of California. Mr. Speaker, on April 27, 1976, the House Committee on Banking, Currency and Housing reported the Federal Reserve Reform Act of 1976, H.R. 12934, to the House for consideration. I voted against reporting this bill because adoption of amendments eliminated any real reform of the Federal Reserve System.

The committee began with a bill which would have been a step toward reforming the Federal Reserve System. The bill would have removed the appointment of Federal Reserve Bank presidents from the dominance of the commercial banking interests and placed it in the hands of a public official elected by the people, the President of the United States. In addition, it would have brought us one step closer to coordination of monetary and fiscal policy by placing more stringent requirements on the Chairman of the Fed to inform Congress on monetary policy decisions of the Open Market Committee of the Fed. It would have provided a vehicle by which the Congress would have gained access to information that would assist in making fiscal policy and in fulfilling our constitutional duties to protect the welfare of this country. These were goals that I, as a member of the committee and of the Subcommittee on Financial Institutions, have supported during the entire 94th Congress.

It was, therefore, with deep regret that I watched a majority of my colleagues on the committee vote to remove the two sections of H.R. 12934 which would have produced any reform whatsoever. The bill, as amended, is not one that I recommend to my colleagues in the House as a "reform" bill. I believe the bill is only of minor significance because most of the reform has been deleted by amendments. I do intend to support the bill on the floor of the House, but with the clear understanding that it does not take adequate action to produce needed reform of the Federal Reserve System.

CLASON POINT—A VILLAGE IN THE BRONX, N.Y.

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. BIAGGI. Mr. Speaker, contrary to what people might think, there are still places in New York City which have retained the characteristics of a small town. Such a place in Clason Point, a community at the edge of the East River in the Bronx, and I am proud to add, part of the 10th Congressional District which I represent.

Last Sunday, the New York Sunday News did a feature story on Clason Point, which they described as "One of those rare places left in the city that still retains a flavor of a bygone era." One of the special attractions of Clason Point is their volunteer fire department. This volunteer fire department is not merely a historical showpiece but a very active unit, answering an average 420 calls a year. They obtain their operating funds entirely from the community and offer their fire headquarters as a community center.

I was pleased to see the Clason Point community receive this special recognition. I offer the article for the enjoyment of my colleagues:

VAMPS STILL ON CALL IN OLD BRONX VILLAGE

(By Albert Davila)

Clason Point, a community at the edge of the East River in the Bronx, is one of those rare places left in the city that still retains a flavor of a bygone era.

This is reflected in countless bungalows in narrow, dusty streets and small, one-family houses that still remain untouched by "urban renewal." The wide, empty marches still have occasional ducks, woodpeckers, pheasants and garter snakes.

And at the shores of the river people live very much the way their parents and grandparents did 40 or 50 years ago. The bartender, milkman and mechanic still answer the siren and horn blast that announce a fire in the neighborhood.

Clason Point is one of the few remaining communities in the city with a volunteer fire department—a New York tradition that dates back to 1658.

REMOTE COMMUNITY

"There is a real need here for a volunteer force" said Arthur Seifert, a volunteer and historian with the Aviation volunteer fire department No. 3.

"This was once a very remote community," he continued. "It is still mainly a bungalow colony with narrow streets. Because of cutbacks in the city's Fire Department, the need for us has increased, rather than diminished. But don't get me wrong. The Fire Department is still doing a hell of a good job."

The Clason Point volunteer force has 36 men and women members who answer on the average 420 calls a year.

ROLL UPON ALARM

"About half of the alarms are fire calls, mainly brush fires, car fires, rubbish fires and some 20 or so structural fires," Seifert said. "The rest are ambulance calls. We also have a volunteer ambulance service for the community."

"When the alarm sounds, we just roll, that's all there is to it," said Colleen Brady, 25, a nurse, who volunteers her spare time for the community's ambulance service.

"We get here the usual stuff—cardiacs, fractures—there are a lot of elderly people living here," Mrs. Brady added. Her husband, David, is a volunteer fireman.

She didn't finish. At 11:05 on a recent morning a girl was stricken with an epileptic seizure at a nearby school, so Mrs. Brady, a driver and another volunteer "rolled" to answer the emergency.

The Clason Point volunteers started out in 1923 with some buckets and axes. By 1927 they got their first motorized vehicle—"Wacky," a truck which was hand built by Bill Kanski and other volunteers. They now have a 1948 Ward La France fire engine.

BOUGHT AT RIGHT PRICE

"We bought it from another volunteer fire department four years ago for $1," Seifert said.

The annual budget for the volunteer department is about $6,000 and that includes insurance, gas, equipment maintenance and other incidentals.

"We collect the money from the community," Seifert said, "mainly in a fund raising drive, parties, bazaars and that kind of thing. We are always pressing for money."

Throughout the years, the firehouse at 1820 Harding Place has served Clason Point also as a community center, polling place, meeting hall and "a dandy place for christenings and sweet sixteen parties," Seifert said.

FATHER WAS CHIEF, TOO

Asked why they do it, the volunteers have just one simple answer—"the community."

"Well, look, somebody has to do it," said Chief John Pache Jr., a bar manager whose father was also a chief with the volunteer force. "I just let somebody handle the business when I'm away on a call and that's just it. I've done it for 30 years."

"It's our neighborhood and we're usually at the scene before the city," said another volunteer.

Recently the volunteers were the first to arrive at the scene of a vicious fire that took the lives of three children. When they arrived at the small frame house, it was just too late, one fireman later said. The fire took the lives of Edwin Negron, 1, Adela, 2, and Carlos, 4.

"DIDN'T HAVE A CHANCE"

Later, after Mrs. Carmen Negron, the mother of the children, tearfully walked among the ruins, one fireman said: "Those kids didn't have a chance. The heat kept us away from the house."

In addition, the volunteer fire department has taken on the task of carving out a park at the tip of Clason Point of what is now a vacant, weedy field. They are doing it, the volunteers said, to celebrate the bicentennial.

They are seeking to renovate and restore the area in order to have a place for fishing, picnicking, boating and relaxing, they said. The project includes the placement of a plaque and boulder commemorating the Siwanoy Indians, who inhabited the area when the Dutch and English first arrived.

"We have $1,500 for the project now," Seifert said. "We got $750 from the city and the rest from the community, but we need $5,000 at least. We need sand gravel and that's pretty expensive."

U.S. POSTAL SERVICE

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. HARKIN. Mr. Speaker, the numerous horror stories regarding the service provided by the U.S. Postal Service tend to distort the good job actually done by the service.

Many suggest that Congress repeal the Private Express Statute opening postal operations to private enterprise. As the Representative of the eighth most rural congressional district, I am extremely apprehensive of the impact upon Postal Service to my rural constituents under such a proposal.

I feel the following letter places many of the issues facing the U.S. Postal Service into greater perspective:

MARCH 18, 1976.

Hon. TOM HARKIN,
House Office Building,
Washington, D.C.

DEAR SIR: I am writing you as a 32 year veteran postal employee serving presently as Postmaster of Ames, Iowa.

I am, to say the least, quite concerned about the present plight of the Postal Service and would like to pass on some thoughts I have.

It is my opinion, and I come to this opinion from conversations I have had and articles I have read in the news media, that the American people and many members of Congress are not knowledgeable and are misinformed concerning postal problems.

The Postal Reorganization mandate was for the Postal Service to become self sufficient after a period of years. The idea is great, but along with it were restrictions such as not closing small offices due to lack of revenue, cheap postal rates such as Non-profit 3rd Class, Book & Library Rate, Special Second Class Rate etc.

In other words the law actually said the Postal Service should operate as a "Business", but restrictions were placed on it's use of sound business practices.

Now the clamor is to remove the Private Express Statute on First Class mail. This undoubtedly would be the death knell of the Postal Service.

The question then is "Why not?" If the Postal Service cannot do it, let private enterprise do it. But that is the point everyone is missing, in my opinion. Private enterprise cannot do it either and, furthermore, won't. They will, and can, give good service to business (skimming off the cream) but cannot and will not even try to give service to every man, woman and child in the United States. So the American people will be the losers. 200 years ago when the post office was founded, *that* was the mandate. Service to all. I do not think this should be changed.

I think there are four major problems causing the present financial crisis.

1. Inflation.
2. Recession.
3. Postal Rate Commission. This commission drug their feet for two years before approving the 10¢ rate. Inflation continued at a high rate during those two years.
4. Rates for certain classes of mail mentioned earlier.

Also, it is my opinion, the American people and the Congressmen willing to let the Postal Service go down the drain do not realize at 13¢ the bargain they have. What other commodity or service can be had that must be handled several times, use trucks, trains, buses and planes and go from say your house in New York to your Aunt's house in Los Angeles for 13¢. Name me any service that does that much for 13¢. Even at 13¢ our rate is less than most countries as per the following foreign rate conversion of their cost per letter:

	Cents
U.S.A.	13.0
West Germany	19.5
Netherlands	19.0
Sweden	21.1
France	18.4
England	18.3
Japan	16.8
Belgium	17.0
Australia	23.3

Some of these countries are not much larger than the state of Iowa. If we only afforded our services to that small an area it would make quite a difference. We cover a much larger area and handle over 50% of the world's mail volume.

Let me cite another example of criticism we receive which is blown out of proportion by the news media. The delayed letter. Yes, this happens. The letter that took 10 days to go 7 miles. It happens and we are continually working on remedies for this small percentage of error. But in Ames we receive and deliver 130 to 150 thousand pieces of mail per day and I would welcome and extend an invitation to the critics to come into my office and go through this mail and see the thousands of pieces of mail that are "right". That isn't news. In other words, have you ever read an article on the mail service that stated something like this? "150,000 pieces of mail were received in Ames, Iowa to day and delivered right on time". No, that wouldn't be "sensationalism".

In conclusion, I do not plan to work many more years so this plea is not for personal reasons. As a long time postal employee I ask your support of the Postal Service for the American people. I ask your support for the increased subsidy requested by the Postmaster General.

Keep the Postal Service going as it has for 200 years. Serving all the people all of the time.

Respectfully,

FRED M. BEMAN,
Postmaster.

AMES, IOWA 50010.

"911" HOT LINE FOR EMERGENCIES

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. ROUSH. Mr. Speaker, I am adding again today several States which I have not as yet included in my list of States in which cities have now adopted the "911" emergency number. Earlier this week I indicated what a lifesaver "911" can be and has been in Seattle, Wash. I would like to add to my list at this point:

AMERICAN TELEPHONE & TELEGRAPH

Systems location	In service	Scheduled	Population served (thousands)
South Carolina: Florence.	April 1972		50.0
South Dakota:			
Rapid City	December 1973		55.0
Sioux Falls	May 1973		73.0
Yankton	March 1972		10.0
Texas:			
Alice	September 1970		21.0
Galveston	August 1970		65.0
Hearne	August 1972		5.0
Huntsville	October 1971		18.5
Odessa	April 1970		80.0
Quanah	December 1971		3.9
Victoria	October 1974		25.0

INDEPENDENT TELEPHONE SYSTEMS

Systems location	In service	Scheduled	Population served (thousands)
South Carolina: Lexington.	March 1971		26.0
South Dakota: Brookings.	November 1973		18.0
Texas:			
College Station	October 1971		17.0
Irving	May 1972		97.0
Lamesa	October 1972		12.0
Sherman	June 1973		29.0
Commerce	November 1973		22.0
Dallas/Fort Worth Airport.	August 1973		14.0

AGRICULTURAL SPOKESMAN CITES NEED FOR LOAN GUARANTEES FOR SYNTHETIC FUELS

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. TEAGUE. Mr. Speaker, Bill Brier, representing the National Council of Farmer Cooperatives, urged Congress to approve loan guarantees for the development of new synthetic fuel technologies. Mr. Brier, director of energy resources of the National Council of Farmer Cooperatives states:

> That the synthetic fuels proposal (H.R. 12112) encourages immediate development of alternatives to the natural gas and petroleum upon which agriculture depends most heavily. The National Council believes that the time has come for substantive action.

The traditional Norman Rockwell portrayal of the farmer and his pitchfork has become a part of America's agricultural history Today agriculture is America's largest industry, highly complex and automated. According to Mr. Brier, in the 33 years between 1940 and 1973 on-farm employment declined by 6.5 million persons while U.S. population increased by 60 percent. During this period the muscle of farming was shifted from human and animal power to power from fossil fuels. Today petroleum products are among the major supplies sold to farmers.

But this is only the direct on-farm use of energy. The hidden, indirect contribution of fossil fuel energy is just as critical to the farmer. Natural gas is used to produce anhydrous ammonia, the source of 95 percent of all nitrogen fertilizers; many pesticides and chemicals are synthesized from petroleum. These products so essential to modern agriculture not only use heat and power for their processing but also require fossil fuels for basic feedstocks to manufacture them. Many farm products not readily consumable in their natural state must be processed to be edible; others are highly perishable and must be canned, frozen, or dried to preserve them for other than immediate use. All of this requires energy. Our food processing industry is our largest agricultural energy consumer. America's major food processing industries have increased their fuel consumption 49 percent between 1954–72. As agricultural production increases to meet national and worldwide demands we can only predict further increases in agricultural energy requirements despite ongoing conservation measures.

Some agricultural experts predict that in 25 years only the United States, Canada, and perhaps Australia will produce more grain than they can consume. When we consider that grain directly or indirectly accounts for 70 percent of what the world eats this will place a major burden on those countries, with surplus grain, to help feed the rest of the world. But, as the demand for agricultural products increases, our domestic supplies of its most critical fuels diminishes.

Mr. Brier says:

> Looking at individual fuels, agriculture obtains 85% of its energy directly from petroleum products and natural gas. Before this Committe is proposed legislation for a synthetic fuel commercial demonstration program designed to develop viable alternatives to these energy sources critical to the food and fiber section. Thus, the importance to agriculture of legislation involving coal conversion, shale conversion and waste conversion projects designed to develop acceptable substitutes for natural gas and petroleum products cannot be ignored. The technologies developed from the first generation commercialization of a representative mix of synthetic fuel plants can resolve a number of uncertainties involving full scale development of a synthetic fuels industry.

A FARMER'S CREED

HON. EDWIN D. ESHLEMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. ESHLEMAN. Mr. Speaker, Sperry New Holland, in my congressional district, has widely disseminated, "A Farmer's Creed" which I believe is worth sharing with readers of the CONGRESSIONAL RECORD:

> A FARMER'S CREED
>
> I believe a man's greatest possession is his dignity and that no calling bestows this more abundantly than farming.
>
> I believe hard work and honest sweat are the building blocks of a person's character.
>
> I believe that farming, despite its hardships and disappointments, is the most honest and honorable way a man can spend his days on this earth.
>
> I believe farming nurtures the close family ties that make life rich in ways money can't buy.
>
> I believe my children are learning values that will last a lifetime and can be learned in no other way.
>
> I believe farming provides education for life and that no other occupation teaches so much about birth, growth and maturity in such a variety of ways.
>
> I believe many of the best things in life are indeed free: the splendor of a sunrise, the rapture of wide open spaces, the exhiliarating sight of your land greening each spring.
>
> I believe true happiness comes from watching your crops ripen in the field, your children grow tall in the sun, your whole family feel the pride that springs from their shared experience.
>
> I believe that by my toil I am giving more to the world than I am taking from it, an honor that does not come to all men.
>
> I believe my life will be measured ultimately by what I have done for my fellowman, and by this standard I fear no judgment.
>
> I believe when a man grows old and sums up his days, he should be able to stand tall and feel pride in the life he's lived.
>
> I believe in farming because it makes all this possible.

THE USE OF PRISON LABOR IN SOVIET LATVIA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. McDONALD of Georgia. Mr. Speaker, our Secretary of State, Mr. Kissinger, is presently touring Africa expressing great concern over human rights equal representation. Strangely, we never hear Mr. Kissinger talk about human rights in the Soviet Union. In particular, we do not hear him speak on the subject of forced-labor camps for political prisoners in the Soviet Union. Recently, a film was smuggled out showing one such camp in Latvia. The film graphically demonstrated the reality of Soviet repression of human rights. A very interesting commentary on his film recently appeared in East-West Digest for March 1976, which I commend to the attention of my colleagues. The item follows:

> THE USE OF PRISON LABOUR IN SOVIET LATVIA
>
> The following is the text of a programme written by a recent émigré from Latvia who, as a trial lawyer, had visited labour camps in Riga and elsewhere. The programme was broadcast by Radio Liberty on January 29, 1976.
>
> Television viewers in the United States, Great Britain, West Germany, and France recently saw an unusual film. It was short—not more than three minutes long—but it gave Westerners their first glimpse of life in a Soviet labour camp. Viewers saw columns of prisoners, the camp's watchtowers and gates, trucks with barred cages in which prisoners are transported to and from work sites, armed guards, and watchdogs—all disturbingly commonplace and credible.
>
> The international reaction to this film was immediate and overwhelming. Even those who in the past had accepted the statements offered by the Soviet media on this subject were now forced to recognise indisputable facts. Whoever saw the film must now realise that the world described by Aleksandr Solzhenitsyn in his Gulag Archipelago was not a figment of the author's imagination—nor did that world disappear upon the death of Stalin It was merely kept a secret.
>
> The film was shot near Riga. Those who knew the city could recognise Krustpils Street. Nearby was the school of civil aviation, and, on the other side of the railroad

tracks, Prison Number One. A sign pointed to the entrance.

The numbers visible on the camp trucks enabled Latvian viewers to identify the vehicles as having come from the provinces—from as far as fifty or sixty kilometers away. It is said that prisoners making this journey freeze in the winter and suffer from the heat in the summer. The steel cages in which they are transported are not meant to provide shelter, but only to make escape impossible and to shield the prisoners from curious eyes. No one who has lived under Soviet rule is likely to be surprised at the sight of these portable prison cells. In Riga, they can be seen amid the traffic on Revolucijas, Tallinas, and Suvorova Streets, as well as on Frunzes Street, which leads to the camp.

Latvia, though a comparatively small country, has many camps and prisons. Riga alone has at least four types of camps—a large prison, an investigatory detention centre with facilities for solitary confinement, cel's for preliminary confinement in every militia division, and three sobering-up stations, as well as other sites for the incarceration of Soviet citizens who, through guilt or mischance, have fallen afoul of the authorities. And if all these facilities should prove insufficient—then, after all, "my Motherland is wide . . ."

According to the law, prisoners are supposed to serve their sentences where their crimes were committed. In practice, however, there are two types of prisoners who, as a rule, serve their sentences in other republics. One group consists of those whom the authorities feel might influence others to follow their line of thinking, and the second is made up of former investigators, prosecutors, and judges who took too many bribes or who were tardy in sharing their gains with the right people. It is reported that these prisoners are sent to special camps in the Urals where no one is likely to find out who they are and attempt to settle old scores.

USE OF TEMPORARY FORCED LABOUR CAMPS

The other prisoners are exploited on the spot. The method employed is a simple one. For example, a large industrial complex must be built with a minimum of expense. First, a temporary camp is built by prisoners. Then more prisoners are brought in to begin construction of the complex. When the work is finished, the camp is dissolved and the prisoners are transported elsewhere. The film studios in the Smerlis district of Riga were built in this manner. When the studios were completed and the camp liquidated, some of the prisoners went to Liepaja to build a chemical plant, and others were sent to Daugavpils to do electrical work. Recently, prisoners finished construction of the "Rigas aditajs" factory and built additions to a plant that produces electrical appliances. Others are working on a plywood factory in Bolderaja, on the new airport in Kalnciems, and on a new bridge over the Daugava. At these construction sites, prisoners from the bulk of the work force, labouring outdoors in summer and winter with no machinery and no protection from the weather.

There are also permanent camps, such as the women's camp at Ilguciems, where the inmates sew clothing, and the camp near the Braslas station, where sewing, bookbinding, and other unpaid tasks are performed.

All in all, the sight of prisoners labouring, of drunks in the gutters, of endless queues, and of empty shop windows has apparently become so commonplace as to attract little attention.

Furniture from Riga is acclaimed throughout the USSR, and to owe such a suite is considered—in both town and county—to be the height of chic. But this prized furniture is produced, at very low cost and under harsh conditions, by the inmates of the camp on Maza Matisa Street in Riga and of camps in Valmiera, Liepaja, and Jelgava. What is more, it may be assumed that the purchasers know this, and that they keep quiet about it only because they see nothing extraordinary in the situation.

What many may not realize, however, is that the work in these camps is forced, and refusal to work is heavily punished. For example, a prisoner may be deprived of one of his few permitted meetings with relatives, even if he has been looking forward to it for a year or more. Smokers may be forbidden to buy cigarettes, and others may have their food allowances cut. As for the "politicals"—those who have dared to criticise the regime—they, as a rule, face the possibility of solitary confinement. Prison "grapevines" report that a prisoner emerges from this experience "thin, brittle and transparent." There is virtually no medical aid in the camps, let alone any allowance for one's profession, age, or state of health. Apparently no one cares what happens to a prisoner, or whether he lives or dies.

The film mentioned at the beginning of this article shows a general—regime camp—a type considered to be among the "easiest." There are also strict-regime camps, and some that are even harsher. In addition, there are psychiatric institutions and prisons where the inmates are often driven insane.

CONGRESS EFFORT TO REVITALIZE THE ECONOMY

HON. MAX S. BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. BAUCUS. Mr. Speaker, the 94th Congress has seen great controversy over how to deal with America's economic problems. At this juncture, I believe it is advisable to review Congress efforts to revitalize the economy as those efforts relate to working men and women.

Since coming to Congress, I have consistently acted on my belief that jobs are the key to economic recovery. I strongly supported last year's appropriation to provide over 1 million jobs in view of the enormous costs of unemployment. On June 4, 1975, I voted to override President Ford's veto of that bill and, like 276 of my colleagues, suffered the frustration of failing by only five votes.

Last May 20, the House voted overwhelmingly for a public works authorization bill to provide jobs for State and community construction programs. I was encouraged by this vote because I was eager to participate in providing an appropriation equal to the task of taking people out of the unemployment lines and putting them to work in useful, productive jobs. Unfortunately, the President chose to resist this effort and used his veto power again.

On October 23, 1975, I voted to put jobless railroad people to work repairing railroad tracks and roadbeds throughout the country. Although it seemed certain that the bill would be vetoed, I supported it because I believe that Congress should strive to get jobless people back to work.

Mr. Speaker, time and again Congress has been blocked in attempts to fight unemployment by the President and his supporters. The costs of providing jobs are too high, says the President, and inflation is a greater evil than unemployment.

In an attempt to solve this controversy, I introduced the Full Employment Surplus Budget Act (H.R. 10504) on October 29, 1975. I have said much about this bill in the past. I will note, however, that H.R. 10504 underscores the need to provide jobs. I said in my statement of October 29 that business has as great a stake in reducing unemployment as anyone, that joblessness causes losses in real output which in turn reduce profits and capital accumulation. My bill would justify deficit spending to end recession, but would prohibit deficit spending during times of prosperity. It is, I believe, a commonsense bill.

Now that our economy has shown moderately encouraging signs of improvement, I sense that less attention is being paid to the needs of the unemployed. Let us not forget that the President vetoed our efforts last spring to stimulate the depressed housing industry and that Congress failed to override by only 16 votes. The bill would have provided $1.35 billion in housing assistance for construction and rehabilitation of half a million homes. An estimated 800,000 jobs would have been created by the bill and low-interest mortgage loans would have been provided to enable jobless workers to meet house payments. Montanans had a special interest in this bill because of our State's crippled wood products industry. Essential to Montana's economic recovery is a healthy nationwide construction industry which uses our forest products, Congress responsibilities to accelerate recovery of the housing and construction industry are not yet fulfilled, as jobless Montanans can attest.

Last July 25, the House passed a bill extending situs picketing rights to construction workers. On December 11, we approved the conference report on the bill after having been told that President Ford would sign it into law. I supported the bill on both occasions because I saw the need to clarify the law concerning situs picketing. Like many others, I was concerned with the need for labor harmony in the construction industry and was glad that the administration at last agreed with Congress on something. As might have been expected, however, Mr. Ford reversed himself and vetoed the bill.

The administration's "program" for economic recovery consistently neglects those tens of millions of Americans who work hard every day for their living, those who are poor, aged and jobless. Remember last November 13 when administration supporters tried to cripple the food stamp program by denying assistance to a great proportion of needy Americans including the working poor, the elderly, and families of unemployed and striking workers. While I can appreciate the need to end food stamp fraud and to crack down on wasteful use of food stamps, I strongly oppose gutting the program in the name of reform. Fortunately the House resisted the attempt.

We were not as successful with tax reform. Our efforts to prevent real estate investor from taking artificial paper losses as tax deductions failed on December 4 by 34 votes. By only 24 votes we failed to tighten the tax loophole allowing firms to defer profits through the Domestic International Sales Corporation for 5 years. We did, however, manage to delete from the tax bill provisions allowing the rich to utilize current losses to get back taxes they paid in the past. We tightened the minimum tax on people who would otherwise escape taxation and retained the withholding tax on profits of foreign investors in American companies. Our cause to ease the tax burden borne by working men and women by implementing a fair tax structure has yet to be acheived, however. The combination of inflation, reduced real income, and heavy taxation is a staggering load carried primarily by America's working people.

One of the most critical issues considered by the 94th Congress was energy. On two different occasions, supporters of the interests of workingmen and women fought back proposals to remove price controls from crude oil. We passed a compromise measure initially on July 30 by a vote of 218–207. The administration supporters tried to force the bill's recommittal on September 23, but we resisted. The result is an oil policy and conservation program that places the greater emphasis on the interests of the consuming public rather than allowing powerful interest groups to dictate national policy.

Finally, I would like to deal with the subject of the Federal budget, an issue before Congress today.

I have been called by some a "budget buster." Is that an accurate charge? It is not. If those who make that charge are using the term "budget" in the sense of the President's budget, they are using a standard which has little relevance to the congressional process. It is not the standard by which Congress should be judged.

The President's budget places inadequate emphasis on the problems of the families who have been adversely affected by the current economic recession.

The proper standard is the congressional budget, for it is the true guideline and basis for Federal spending.

The President's budget and the congressional budget differ little in their aggregate numbers when common assumptions are used. The major differences relate to priorities. His budget places greater emphasis on national security while ours is on economic recovery, jobs, and human resources.

Last year was the first year for a congressional budget. That budget was a jobs budget, and so is the congressional budget for 1977. I supported the 1976 congressional budget both times when it was approved by the House. Moreover, I made a conscientious effort to hold the line on that budget. I am pleased to report that Federal spending, with my support, was kept within the limits set by Congress. Moreover, it was the congressional budget which set this Nation back on the road to economic recovery, lower unemployment, and lower inflation.

Mr. Speaker, the issues I have been discussing today were by no means the only issues affecting the well-being of working men and women. There were many others and there will be many more. The greatest service Congress could perform on behalf of working men and women, obviously, would be to facilitate economic recovery. We must take care, however, that the proposed cures are not worse than the maladies. I propose that we push on toward more jobs and relief for working people from the effects of economic stagnation.

We in Congress need not make easy economic promises to our constituents. In this age of political cyncism, we probably would not be believed anyway. Today, seeing is believing. With more hard work we can produce the desired results. Working men and women will see the difference in their economic lives. They already understand the futility of relying on an administration that neither cares nor responds to working people.

BLUE ANGELS

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. BURGENER. Mr. Speaker, today, April 28, marks the 30th anniversary of the directive establishing what has become the Navy's famous "Blue Angels." On this occasion, I would like to share with my colleagues a letter I recently received from the editor and publisher of the Imperial Valley Weekly relating the history of this unit and a poem she has written to commemorate the event:

APRIL 14, 1976.

DEAR CONGRESSMAN CLAIR BURGENER: In early 1946, when the people of this nation were trying to recover from the effects of the bitter war in Europe and the Pacific Ocean, there was felt by many returning War Aces and Navy pilots that some means should be established to perpetuate the skills in aviation that were honed to a sharp edge of perfection by the necessities of aerial combat. In answer to this expressed need, on April 28, 1946, the Chief of Naval Operations, Adm. Chester W. Nimitz, issued a directive to the Navy's Advanced Training Command to implement the establishment of a Navy flight exhibition team, to represent Naval Aviation at public gatherings.

A California War Ace, LCdr. Roy M. (Butch) Voris, USN, native of Santa Cruz, was selected to implement this directive, and to organize and head the Navy's Flight Exhibition Team. First public air show by the Flight Team, which chose for itself the popular name Blue Angels, was held at NAS Jacksonville, Florida, June 15, 1946.

Since that time, more than 150-million spectators in the United States, Canada, Mexico, South America, Central America, the Bahamas, the Philippines, Hawaiian Islands, Puerto Rico, Europe, Africa and Asia have been thrilled and inspired by the Blue Angels' beautiful demonstrations of precision aerial maneuvers, which inspire in Americans the highest feelings of pride and patriotism.

Since the re-organization of the Blue Angels in late 1973 as a full Navy Squadron, flying the A–4 Skyhawk jet aircraft, the Blue Angels have not experienced a single aircraft accident, under the able leadership of Cdr. Tony Less, of Leetonia, Ohio, in 1974 and 1975; and now under Cdr. Casey Jones of Shreveport, Louisiana. The Flight Squadron has recently completed a very successful winter training at the National Parachute Test Range, El Centro, California, and have started their 1976 Air Show tour throughout the United States, matching their demonstrations to many community Bicentennial events. In addition to their mission of public relations, as part of the Navy's and Marine Corps' recruiting mission, the Blue Angels have helped to remove from our people the onerous burden of the military draft.

In addition, these six Navy and Marine demonstration pilots, assisted by seven other pilots and ground support officers and a crew of 65 petty officer enlisted personnel, by their teamwork, continual practice and personal dedication, continually demonstrate to our people the value of such practices in obtaining near perfection in any line of endeavor anyone may dedicate himself to.

Also, by their flawless conduct on the ground as in the air, the young men of the Blue Angels represent the highest type of American youth, and inspire our young people to emulate their example.

While the 30th anniversary re-union of the Blue Angels has been scheduled for the weekend of Oct. 23 and 24 at NASMiramar, San Diego, California, it is fitting that they be given commendation and recognition for their superlative accomplishments now, on the 30th anniversary of their launching.

Thank you for your consideration. Very sincerely,

NETTIE BROWN,
Publisher.

GLORY FOR THE WHOLE TEAM

(By Nettie Brown)

Six Blue Angel pilots who reach
Heights of naval aviation
Striving other pilots to teach
Beautiful flights in precision;
Angels flying with graceful ease
Practiced long and hard 'for they won
Their famous close-in expertise
To show others how it is done.

It's the Navy flight demo team
And each Blues pilot does depend
On every member of the team
Including seventy ground men
Who proudly watch the pilots fly
Know the crew keeps the planes in air
For those who take them up on high,
And for whose safety they all care.

Skills of these Navy technicians
Never fail to show super-fine,
No matter what aircraft problems
While they're under pressures of time;
Troubles abound, parts are scarce, too;
They all turn out—never ask why,
Though tired, they work on to do,
Giving each job the Blue Angel try.

Blue Angels work on through the night
And each plane is down on the line
Ready for the dawn's first flight,
With familiar Blue Angel shine.
As the pilots walk down to launch
The tired mechanics standing by
Give snappy salute to the boss;
Help each in his jet to go fly.

Six pilots' skills send blue jets up—
Beautiful patterns in the sky
But each pilot knows the support
Enabling him to soar on high.
The glory is for the whole team
National prestige the reason why:
Seventy-nine stars performing
As they join in the Blue Angel try.

KISSINGER'S AFRICAN SPEECH

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. WHALEN. Mr. Speaker, I want to commend Secretary Kissinger on his positive Africa policy statement delivered Tuesday in Lusaka, Zambia. At this critical juncture in United States-African relations I urge the administration to move swiftly in submitting proposals for action to the Congress, particularly a plan for economic assistance to Mozambique. It also is important that the President and Secretary of State launch a genuine assault on the Byrd amendment. The importance of these initiatives is thoughtfully expressed by the cautiously optimistic editorial from this morning's Washington Post which I would like to insert in the RECORD at this point:

KISSINGER'S AFRICAN SPEECH

Mr. Kissinger's African speech went far toward positioning the United States on the morally right and politically compelling side of the major African issue of black majority rule. His 10 points of American policy for Rhodesia and his general approach may not have been particularly new, but the fact that he put it all together in one address and delivered it in a prominent African forum should help convince black Africans and committed Americans alike that Washington supports their aspirations. Declaring the United States' "unrelenting opposition" to minority rule in Salisbury, the Secretary of State hardened American support for the negotiation of black rule within two years, cut off the prospect of aid to Salisbury "in its confinct with African states or African liberation movements," and offered economic help to the black nations hurt by their imposition of sanctions against Rhodesia. He also promised a new administration assault—this time, we trust, a serious one—on the Byrd Amendment, which permits the importation of Rhodesian chrome despite United Nations sanctions.

The speech was warmly hailed in Lusaka. The program Mr. Kissinger enunciated, however, has only the faintest prospect of bringing about the "just and durable Rhodesian solution" he proclaimed as the American goal. It is almost certainly too late—too late for black nationalists to slow down their drive for military liberation, too late for Salisbury to make the concessions that once might have slowed that drive, too late for Washington to exert a positive influence. No negotiations are going on; none are in prospect. Guerrillas are on the move. Prime Minister Ian Smith only on Tuesday (the day Mr. Kissinger spoke) invited black tribal chiefs into his cabinet in a gesture at once properly denounced as tardy, distracting and futile. Saying that Salisbury is "virtually at war." Mr. Smith also established special courts to deal with "terrorists" and tightened media controls. Also on the same day, a spokesman for Joshua Nkomo, a moderate naitonalist, said: "The danger is that when majority rule is attained, black-white relations will be so poisoned that the African people will find it difficult to tolerate the presence of whites."

Could the United States, by beginning years earlier its push for black majority rule, have disabused Salisbury of the expectation of an American bailout and thereby induced it to change course? Could the Ford administration have achieved such a result last year, while Rhodesian negotiations were still in progress, if it had not become unstrung by the Soviet-Cuban intervention in Angola? Quite possibly—but it is not much help now to speculate. It is scarcely deniable, however, that at the moment the United States is not acting in a way to encourage Salisbury to accept the risks that Washington believes it should. Mr. Kissinger does not visit Rhodesia or accept an envoy from Mr. Smith or try to demonstrate how the constitutional guarantees for whites that he endorses could be implemented; he offers economic aid to Mozambique, the principal state harboring the guerrillas attacking Salisbury. American policy may or may not avert a second Soviet-Cuban intervention in Rhodesia, as Mr. Kissinger coolly bargains that it will. But American policy offers only the slimmest of hopes of averting "great tragedy' in Rhodesia itself.

The Kissinger speech skipped lightly over South Africa. The administration has not worked out a comprehensive policy and so the Secretary was well advised to stick to brief restatements of earlier formulations. He did, however, urge Pretoria to use its influence in Rhodesia to promote a negotiated settlement, suggesting that this would be "viewed positively by community of nations as well as by the rest of Africa." Doomed primarily by their own blindness, Rhodesia's whites must probably be left to their own devices; intensified racial war, followed by civil war on the model of Angola and Mozambique, is the likeliest prospect. South Africa remains by far the greatest challenge. The next administration will have to start coping seriously with it.

PROMPT ACTION OF THE APPROPRIATIONS COMMITTEE

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. HARKIN. Mr. Speaker, I would like to commend the Appropriations Committee for its prompt action to include funds in this supplemental appropriations bill for the repair of the dam and spillway for the reservoir at Seymour, Iowa.

This reservoir was severely damaged by intense rains on March 4, 1976. Should the dam fail, it would leave this small community without water resources, would cause extensive damage to a nearby highway, and would cause widespread damage to farm land below the dam. The value of this loss is difficult to accurately calculate, however, just to supply the community's water needs for the 18-month period needed to rebuild the dam would cost $972,000. Thus, an investment of $100,000 now will save society a great deal of needed funds in the long run.

Mr. Speaker, I would like to insert in support of this appropriation the letter from the State Conservationist, William Brune to the national Administrator of the Soil Conservation Service. This letter is a request for funding under the emergency watershed protection program section 216; however, this program is currently funded at only $300,000 nationally.

The letter follows:

U.S. DEPARTMENT OF AGRICULTURE,
SOIL CONSERVATION SERVICE,
Des Moines, Iowa, March 29, 1976.

Subject: WS—Emergency Defense EWP, Section 216 Seymour Reservoir

To: R. M. Davis,
Administrator, Soil Conservation Service,
Washington, D.C.

An intense rainstorm on March 4, 1976 damaged a dam near Seymour, Iowa. Since there is no weather station in the vicinity, official rainfall figures are not available. However, local residents reported rainfall ranging from 5½ inches to 7½ inches.

The dam forms the reservoir which provides Seymour its municipal water supply. It is located in the SE¼ Section 23, T68N, R20W, Wayne County, Iowa.

A piping hole developed through the dam approximately 15 feet left of the reinforced concrete chute spillway. Water flowing through the piping hole caused the top of fill to collapse leaving a cavity approximately 4 feet in diameter and 6 feet deep. Earth fill has also been washed away from the chute spillway at the exit of the piping hole. It has not been determined if the chute spillway has been undermined.

A preliminary investigation of the damage was made on March 16 and 17, 1976. Charles McCarty, RC&D Project Coordinator and Lawrence Dorgan, Civil Engineer, made the investigation. The reservoir, which averages 8 feet deep over 19 acres, is located approximately 500 feet upstream from a paved highway. Their opinion was that the structure should be replaced completely to adequately protect lives and property. Temporary repairs have been made to stop the flow of water through the dam.

We are requesting $100,000 Emergency Watershed Protection (Section 216) funds to accomplish restoration work at the Seymour Reservoir. A detailed report in accordance with Watersheds Memorandum 124 will follow.

WILLIAM J. BRUNE,
State Conservationist.

GREAT LAKES PILOTS

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. OBERSTAR. Mr. Speaker, the Great Lakes Pilotage Act of 1960 established pilotage districts in the Great Lakes, under the jurisdiction of the U.S. Coast Guard. Authorized associations of U.S. registered pilots provide the organizational structure which permits their employee pilots to provide navigational services required under the act in these three Great Lakes pilotage districts.

However, Mr. Speaker, the individual pilots and their employing organizations have not been able to obtain insurance against marine accidents, even though the pilot could be financially ruined, and his organization financially incapacitated, to the severe detriment of navigation on the Great Lakes.

Insurance has either not been available, or has been quoted at premium rates so high that they are prohibitive.

I am therefore introducing legislation which would limit liability, for both individual pilots and their organizations to $1,000.

I want to assure the House that this amendment to the Great Lakes Pilotage Act will not encourage carelessness or lack of responsibility on the part of the individuals or organizations involved. The Coast Guard retains its authority to punish individuals or organizations, suspend or revoke their licenses and authorizations.

This amendment will simply protect pilots and their organizations from extraordinary risks leading to exorbitant costs and financial ruin.

Individual pilots have invested in their associations sufficient funds to provide necessary equipment and facilities, either by direct ownership or under contract.

A marine incident where liability is alleged against the association could wipe out the investment of every pilot in the association, as well as destroy the organization's ability to provide navigational service. If that should happen—and it could—the Coast Guard does not have the manpower or the pilotage skills to replace an entire association of pilots.

Mr. Speaker, the Canadian Government has recognized the problem and as in the case of the individual pilot, has responded by limiting the liability of both the individual pilot and the associations to $1,000.

It is only fair and just that the United State provide the same protection to our pilots, and to their associations as well. It is in that spirit that I have authored this legislation, and urge prompt action on it.

FINANCIAL STATEMENT

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. MARTIN. Mr. Speaker, because it is desirable that people in public office be open about their financial affairs in order to retain the confidence of the public, I am herewith submitting a statement of my assets and liabilities as of the end of 1975 and as of the end of 1973, my first year in Congress.

It is my belief elected officials have an obligation not only to avoid conflicts of interest, but also to give such assurances as are possible to the public that such conflicts do not exist.

The statement follows:

	Dec. 31, 1975	Dec. 31, 1973
Assets:		
Cash and bank accounts	$1,500	$2,048
Savings accounts	26,465	900
Automobiles and boats	12,350	7,500
Household, miscellaneous	9,000	8,000
Subtotal	49,315	18,448
Stocks, bonds (traded)	8,749	6,095
Stocks, bonds (untraded)	2,821	2,896
Subtotal: personal property	60,885	27,439
Real Estate:		
Home in Davidson, N.C. (cost: $20,500)	Sold	45,000
Home in Alexandria, Va. (cost: $68,000)	72,000	68,000
Subtotal, real estate	72,000	113,000
Retirement Funds:		
TIAA (vested)	18,552	18,676
Insurance cash values	3,300	2,850
Subtotal, retirement funds	21,852	21,526
Total assets	154,737	161,965
Liabilities and net worth:		
Mortgage, Davidson	0	18,314
Mortgage, Alexandria	53,524	54,524
Personal loans, total	7,000	19,539
Total liabilities	60,524	92,377
Net worth	94,213	69,588
Liabilities and net worth	154,737	161,965

Mr. Speaker, also for the public record I am submitting at this point a listing of my income for 1973, my first year in Congress, and for the year just ended, 1975, along with my income tax payments for those 2 years:

	1975	1973
Congressional salary	$42,850	$38,722
Honoraria	1,325	450
Dividends, interest, and rent received	1,604	880
Subtotal (gross income)	45,779	40,052
Office expenses in excess of allowances	—3,278	—2,564
Adjusted gross income	42,501	37,488
Net taxable income, Federal (schedule G)	26,456	25,641
Federal taxes paid	6,246	5,755
Net taxable income, State	32,219	27,840
State taxes paid	2,008	1,729
Total income taxes paid, Federal and State	8,291	7,484

RELIEF FOR THE CONSUMER: "THE LIFELINE RATE ACT OF 1976"

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. EDGAR. Mr. Speaker, during the worst days of our energy crisis, millions of consumers responded to the important task of conserving energy. They turned off lights which were nonessential. They turned down their thermostats at night. They installed expensive insulation throughout their homes to save electricity, and diminish our dependence upon foreign energy. We should be proud of the personal sacrifices and investments of our individual citizens in conserving energy. Statistics by the Federal Energy Administration clearly demonstrate that individual consumers significantly decreased their demand for electricity, a factor which enabled this Nation to weather the debilitating effects of an oil embargo, and a consequent quadrupling of the price of oil.

How have American consumers been rewarded for lessening their energy requirements? Their electric bills have skyrocketed. Because demand has decreased, the utilities have virtually punished the consumer for conserving. Meanwhile, the same FEA statistics indicate that industry has not responded with an enthusiasm for saving energy proportional to that by residential users. There may be some valid reasons for this. But the fact remains that industrial users are given a preferential rate for huge amounts of electricity, alone a factor in decreasing the incentive for industry to conserve.

At a time when the costs for energy represent a sizable part of the family budget, it seems inconsistent, and very unfair that the consumer must carry a disproportionately heavy burden for electricity generation.

Mr. Speaker, there is a bill which I have cosponsored, known as the "Lifeline Rate Act of 1976," which is receiving widespread support from consumer organizations, State officials, and many of my colleagues. This bill would prescribe the lowest rate for a "subsistence quantity" of electricity for residential users. This quantity would be determined by the regulatory authority with jurisdiction in the area, or by the distributor or utility in the absence of such a regulatory authority as that needed to supply the minimum subsistence needs for residential electric consumers for heating, lighting, cooking, cooling, and food refrigeration. The rate would be sensitive to seasonal fluctuations in demand. The rate would be stable, unlike current rates, because of a provision which mandates that this subsistence rate may not exceed the average residential rate in effect as of December 31, 1975. Any increase in costs to the utility would not be borne by those who use only what they need.

I received a letter from the Honorable Milton J. Shapp, Governor of the Commonwealth of Pennsylvania, noting his support for this legislation, and similar measures designed to ease the increasing financial burden which is being placed upon low- and moderate-income families. I join the Governor in urging the Committee on Interstate and Foreign Commerce to schedule hearings on this bill. I believe it is sensitive to the financial plight of millions of American families.

Mr. Speaker, I insert in the RECORD a copy of this letter for the benefit of my colleagues:

COMMONWEALTH OF PENNSYLVANIA,
OFFICE OF THE GOVERNOR,
Harrisburg, April 14, 1976.

Hon. ROBERT W. EDGAR,
Cannon House Office Building,
Washington, D.C.

DEAR BOB: Legislation has been introduced in both the House and Senate (H.R. 12461, H.R. 11449, S. 1666) to reform electric utility rate structures to insure that they encourage energy conservation, distribute costs equitably throughout the rate structure, and provide or encourage a "lifeline rate" for monthly subsistence quantities of electricity to residential customers.

Each of these objectives—conservation, equitable distribution of costs, and a rate for subsistence quantities of power which all can afford—is essential to our national well-being. While actual ratemaking to accomplish this should be left to the authority of the individual state regulatory agencies, I believe that overall guidelines for restructuring must be set by the Federal government. This is the only way to insure that differences in utility rate structures are not used to the economic advantage of one state or group of states.

I am particularly concerned that as a national policy we guarantee that low and moderate income families can afford electricity required for normal needs. In the past I have endorsed the so-called "lifeline rate" concept. I also have proposed a concept of fuel stamps which could be applied to payment of electric bills as well. I urge all members of the Pennsylvania Congressional Delegation to become familiar with the proposed legislation and to act to assure thorough hearings before the appropriate Congressional committees.

The drastic increases in the cost of electricity over the past two years and the fact that it is so essential to both economic programs and the quality of American life makes Federal legislation in this area most urgent.

Sincerely,

MILTON J. SHAPP,
Governor.

FOOD PRICES IN THE 10TH DISTRICT OF ILLINOIS

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. MIKVA. Mr. Speaker, food prices throughout the 10th District declined during March, following a slight rise in February, according to the latest results from an ongoing food survey conducted by my staff.

For the first time since the April 26, 1975, survey, the cost of a 27-item market basket of food and household supplies dropped in each of the 26 supermarkets surveyed in the area. The average cost of the market basket decreased by 4.7 percent, from $20.51 on February 28 to $19.57 on March 22.

The overall cost of eight meat items declined in each of the stores surveyed on March 22. The average price of these eight items dropped 9.5 percent, from $11.64 to $10.54. For the first time since June 1974, when my staff and I began charting food prices in the 10th District, the total price of eight "meat case" items declined in each of the stores surveyed.

Lower meat prices contributed heavily to the decrease in the cost of the market basket of goods. The price of round steak—with bone—dropped an average of 20.6 percent, from $1.70 per pound to $1.35 per pound. A pound of bacon declined in cost by an average of 15.9 percent, from $1.76 to $1.48.

Other food items that posted significant cost reductions were string beans and saltines. The average price of a pound of string beans dropped 27.8 percent, from 72 to 52 cents. The cost of a 16 ounce box of saltines declined by 20.3 percent, from 64 to 51 cents.

A dozen store brand large grade A eggs was the only food item that exhibited a significant price increase—rising in price 8.2 percent during March from 73 to 79 cents per carton.

Among all the supermarkets surveyed, the Dominick's stores had the lowest average price as a chain for the 27-item market basket of food on March 22: $19.11, an 8.2 percent drop from the previous survey's average total $20.82. The A. & P. store, 606 Green Bay Road, Winnetka displayed the highest price for the market basket on March 22: $20.78, a decrease of 0.6 percent from the store's February 28 total of $20.78. The Dominick's at 1300 Dempster, Park Ridge had the lowest price for the market basket among all the individual stores: $18.86, reflecting a 9.2 percent decline from the store's February 28 total of $20.78.

The stores surveyed include members of the following chains: A. & P., Dominick's, Jewel, Kohl's, National, and Treasure Island.

My staff and I have been surveying prices at 26 major supermarkets in the 10th District since June 1974. The items that comprise the market basket and four additional meat items surveyed each month were originally selected from a list compiled by the U.S. Department of Agriculture as particularly indicative of trends in food prices.

The March survey was conducted by 17 of my high school interns: Mary Anderson of Des Plaines; Karl Ahlers, Marc Baum, Esther Levin, Joe Moore, and Richard Murphy of Evanston; Joyce Hanson of Glencoe; Mitchell Baer and Rick Berman of Northbrook; David Barclow and Robert Wagner of Park Ridge; Greg Marmel and Judi Sharlot of Skokie; Laura Aronberg, Roger Doughty and Jill Malina of Wilmette; and Lynn FitzHugh of Winnetka.

The material follows:

FOOD SURVEY RESULTS—CHANGE PER STORE FROM FEB. 28 TO MAR. 22, 1976

Town and store	Market basket		Meat case	
	Price	Percent change	Price	Percent change
Evanston:				
Dominick's	$19.32	−6.8	$10.32	−18.1
Jewel	19.49	−5.0	10.54	−5.8
Park Ridge:				
Dominick's	18.86	−1.2	10.72	−17.0
Jewel	19.30	−7.3	10.54	−6.6
Wilmette:				
Jewel	19.99	−1.0	10.28	−7.3
National (Skokie)	19.50	−4.6	10.06	−12.7
National (Central)	19.82	−3.1	10.37	−11.4
Treasure Island	19.90	−1.3	10.68	−4.4
Lincolnwood:				
Kohl's	19.85	−4.4	9.83	−18.2
National	20.07	−.5	10.79	−1.1
Winnetka:				
A & P	20.65	−.6	10.82	−9.9
Jewel	19.56	−4.8	10.94	−6.7
Northbrook:				
Jewel	19.51	−5.0	10.42	−7.0
National	20.14	−1.6	11.72	−1.5
Des Plaines:				
Dominick's	18.76	NA	10.09	NA
Jewel	19.39	−4.9	10.52	−8.4
National	19.41	−4.7	10.14	−7.7
Niles:				
Jewel	19.22	−7.0	10.64	−6.2
National	19.50	−5.2	10.77	−5.2
Morton Grove:				
Dominick's	19.24	NA	10.72	NA
Jewel	20.03	−2.6	10.58	−6.2
Glenview:				
Dominick's	19.44	−7.6	10.52	−18.1
National	19.53	−1.1	10.45	−10.7
Skokie:				
Dominick's	19.02	−8.2	10.32	−17.4
Jewel	19.59	−2.8	10.44	−5.0
National	19.83	−3.3	10.84	−6.9
District average ($19.57)	−4.6	10.54	−9.5	
By chain:				
Dominick's	19.11	−8.2	10.45	−17.8
National	19.73	−3.0	10.64	−7.2
Jewel	19.56	−4.5	10.54	−6.6
A & P	20.65	−.6	10.82	−9.9
Kohl's	19.85	−4.4	9.83	−18.2
Treasure Island	19.90	−1.3	10.68	−4.4

FOOD SURVEY RESULTS—PER ITEM AVERAGE FROM FEB. 28 TO MAR. 22, 1976

Item	Price	Percent change
Meats:		
Sirloin steak (with bone)	$1.52	−9.5
Boneless rolled rump roast	1.40	−15.2
Pork chops-loin/rib	1.88	+3.3
Oscar Mayer beef hot dogs	1.32	+1.5
Chicken—whole fryers	.63	−6.0
Round steak (with bone)	1.35	−20.6
Ground beef (75 percent lean)	.95	−2.1
Armour bacon (1 lb)	1.48	−15.9
Produce:		
Bananas	.28	0
String beans	.52	−27.8
Iceberg lettuce (per head)	.51	+4.1
Dairy:		
Eggs (dozen grade "A" large)	.79	+8.2
½ gal. 2 percent lowfat milk	.77	−1.3
Kraft American cheese (16 slices)	1.07	−1.8
Small curd cottage cheese	.83	0
Bakery products:		
Wonder bread (20 oz)	.53	0
Nebisco salted saltines	.51	−20.3
Kellogg's Special K (11 oz)	.70	+1.4
Frozen foods:		
Frozen mixed vegetables	.47	0
Swanson's hungry man turkey dinner	1.27	−2.3
Minute Maid frozen orange juice (12 oz)	.65	+1.6
Canned fruit: Del Monte peach halves (29 oz)	.59	0
Staples: Crisco	.59	−1.6
Miscellaneous prepared foods:		
20 oz Heinz ketchup	.60	+1.6
Peter Pan peanut butter (12 oz)	.66	−4.3
Strawberry jello	.22	0
Campbell's chicken noodle soup	.21	+0.5
Kal-Kan Chunky beef (dogs and cats)	.33	0
Nonfoods:		
Scott paper towels (double roll)	.68	−1.4
Tide detergent (49 oz)	1.29	−4.4
Reynolds aluminum foil (75 ft)	.93	0

EXPLAINING OUR PANAMA POLICY

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. SNYDER. Mr. Speaker, I wish to call the attention of my colleagues to an excellent editorial in the Chicago Tribune for April 20, which calls for a public clarification of our Panama policy.

This is, in my estimation, of the utmost importance. The American people's security is at stake. The Panama Canal and the Canal Zone defense installations are of great significance in that security.

The article follows:

EXPLAINING OUR PANAMA POLICY

The White House has issued "clarifications"—twice in two days—of remarks by President Ford about the Panama Canal. This shows how muddled things can get in a campaign more muddled than most. Despite the clarifications, our Panama policy remains as clouded as the canal waters themselves.

Mr. Ford sounded clear enough when he said last Saturday in Dallas that "the United States will never give up its defense rights to the Panama Canal and will never give up its operational rights as far as Panama is concerned." Well, "never" is a long time, and those who believe the vital canal must remain permanently under our control took heart.

But the situation quickly began to lose some of its crystal clarity. Rep. Gene Snyder [R., Ky.] came up with closed-door testimony in which Ambassador Ellsworth Bunker said there were presidential directives calling for us to "give up the canal over a period of time."

"Never" and "over a period of time" are not the same thing at all. A demand arose to know who was right—Mr. Ford speaking for Mr. Ford or Mr. Bunker speaking for Mr. Ford. Inasmuch as Mr. Bunker is negotiating a new canal treaty with the Panamanians, it was crucial to know whether it was he who knew what Mr. Ford meant or whether it was Mr. Ford who knew.

So Press Secretary Ron Nessen embarked on the first of his two clarifications. He said the U.S. intended to negotiate a new treaty preserving American rights of canal defense and operation for the duration of the pact. For the duration of the pact? That, too, is a long way from the perpetual rights granted to the U.S. under the present treaty, a grant of such scope that we felt able to embark on the vast project.

Ronald Reagan, whose sharp hammering at foreign policy issues has provoked many of the muddled administration responses, was quick to point out that what Mr. Nessen said didn't match what the President said.

The press secretary sighed and tried again. He said the negotiations are aimed at maintaining American interests in the Canal Zone "during the useful life of the canal," which he defined as 30 to 50 years. But 30 to 50 years is also a long way short of forever. Mr. Nessen complained that the former California governor was making the canal a political issue.

Well, it should be. If someone is contemplating giving away in 30 to 50 years this essential east-west water link which the U.S. built and intended to administer forever for the benefit of mankind, it is essential that this plan be made totally public. A great many Americans won't like the idea at all. They will be grateful that Mr. Reagan did make the canal a political issue if, in doing so, he has spotlighted a plan to give it away.

Two clarifications are not enough. The public still does not understand beyond all doubt what the diplomats meeting in secret plan to do about the canal.

It is essential that the President himself clarify it next time, and that he make it unmistakable that never really means never—or that it means something else more equivocal, more compromising, something that might deny us the right to defend the canal and to see that it is never operated in a manner contrary to our interests. And it is doubly essential that he make all this clear before the election.

POPE PAUL VI'S BICENTENNIAL MESSAGE

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. GIBBONS. Mr. Speaker, last Monday, April 26, it was my privilege to head a congressional U.S. delegation together with Congressman Gus Yatron of Pennsylvania, that was granted an audience by the Holy Father, Pope Paul VI. We were received by the Holy Father on Monday morning, April 26, in the Throne Room of the Vatican. At that time the Holy Father gave to us a special message for the U.S. Congress and for the American people in celebration of our Bicentennial. His formal address to us is as follows:

Dear Friends: You have asked to visit us during your stay in Rome, and we are happy to be able to accede to your request. We welcome you both as friends and as Representatives of the Congress of the United States—members of the legislative branch of your Government. We extend our welcome all the more cordially at a time when you and your fellow-citizens are celebrating the Bicentennial of your nation.

Addressing you as legislators of America we willingly speak to you a word of encouragement, exhorting you to maintain with reverence and pride the salutary tenets on which your country was established. At every turn, your Bicentennial speaks to you of moral principles, religious convictions, inalienable rights given by the Creator.

Of necessity your anniversary engages the reflection of all citizens on the equality of human dignity and destiny, and on the rich ethnic background of the United States. And you personally are summoned by your celebration to reflect anew on the role of government, as instituted precisely to secure for all the people inalienable rights—and "among these are life, liberty, and the pursuit of happiness". By the sacred trust committed to you by the people, and in loyalty to your very Declaration of Independence, you have been called to the service of defending life and of promoting true liberty and happiness among your people. And we cannot but praise the significance of your gesture as once again you pledge allegiance to a Republic that is "one nation under God".

We earnestly hope that these reflections and this commemoration of your Bicentennial will constitute a rededication to those sound moral principles formulated by your Founding Fathers and enshrined forever in your history. There is so much in your tradition to urge you to look forward to the future with trust in God. May your land be indeed a land of upright conduct in personal and public life—a land where truth is respected, and where brotherly love is the criterion of greatness. We willingly join our voice to your own prayerful expression of challenge and resolution: "America! America! God mend thine every flaw, Confirm thy soul in self-control, Ty liverty in law".

And may you, the lawmakers of this land, and all your illustrious colleagues in government, recall with pride your role of service, and fulfill with dignity your solemn charge before the people.

In our own role of a universal ministry and of worldwide service to humanity—as a friend to your people and every people—it is our prayer that America may go forward to a new era, humbly expressing gratitude for the immense blessings received from the Creator. With openness and concern for the needs of the world, may she guard the spiritual and moral heritage of her past, in order to ensure a future "with liberty and justice for all".

Following His Holiness' address, he spoke informally with us as a delegation and individually. All of us were deeply impressed by his sincerity and his enthusiasm.

In addition to Mrs. Gibbons and myself, the following were present: Representative and Mrs. Gus Yatron, Representative Leo Ryan, of California; Representative and Mrs. Steven Solarz, of New York; Representative and Mrs. Joseph Karth, of Minnesota; Representative and Mrs. James Martin, of North Carolina; Representative and Mrs. Bill Archer, of Texas; Representative and Mrs. Guy Vander Jagt, of Michigan; Representative and Mrs. Richard Nolan, of Minnesota; Representative and Mrs. James Johnson, of Colorado; Representative and Mrs. William Hungate, of Missouri; and Representative and Mrs. Herman Badillo, of New York.

BIG FLAP OVER THE CANAL

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. WHALEN. Mr. Speaker, one of the most divisive and misunderstood issues of the presidential campaign this year is the effort on the part of the United States to conclude a new canal treaty with the Republic of Panama.

The Panama Canal issue is, indeed, an important one. I consider it the most serious challenge we face in this hemisphere.

Thus, I have been deeply disturbed by the misperceptions and faulty premises which all too often have served as the basis for the discussion of this matter during the course of the campaign. Simplistic rhetoric is a poor substitute for careful foreign policy analysis.

In today's Wall Street Journal, Robert Keatley has replaced sloganeering with a thoughtful presentation of the facts about U.S. interests in Panama and the vital need for a new canal treaty to protect those interests. In my opinion, Mr. Keatley's article is a significant contribution to an improvement in the level of the dialog about the Panama Canal issue. I commend this perceptive article to the attention of my colleagues:

The article follows:

THE BIG FLAP OVER THE CANAL

(By Robert Keatley)

Washington—When it comes to Panama, Ronald Reagan knows exactly where he stands.

He stands foursquare against diplomatic talks with the government of General Omar Torrijos to revise terms by which the United States controls the Panama Canal.

"We should end those negotiations and tell the general: 'We bought it, we paid for it, we built it and we intend to keep it,'" says the Republican presidential aspirant as he tries to rouse conservative voters to his cause, especially in Saturday's Texas primary.

But if Mr. Reagan's position is firm, the ground beneath him is not. His view combines factual error with poor judgment, and as U.S. policy it would give Washington serious, needless and entirely avoidable problems not only with Panama but with all of Latin America.

That, at least, is the opinion of a broad range of authorities on America's Panama Canal problem. They believe present treaty terms defining America's presence there are anachronistic and untenable in this era of fervent nationalism. They also think clinging to the 73-year-old treaty is unnecessary even if the U.S. wishes to retain canal operating and defense rights a few more decades. A compromise protecting American interests while satisfying Panamanian demands is both possible and highly desirable, they contend.

"The greatest danger to the national interests of the United States would be a continuation of the present treaty," warns a House Committee on International Relations study issued early this year. "If there is no new treaty we run grave risks, including damage to the canal or even closure of it, and harm to broad American political and economic interests."

It is not a unanimous view, however. In addition to Mr. Reagan, assorted others oppose canal negotiations—which they generally call a giveaway. The Veterans of Foreign Wars, for example, opposes eventual turnover of the Canal Zone to Panama though it's willing to consider lesser treaty revisions. On Capitol Hill, 37 Senators, led by Strom Thurmond (R., S.C.) and John McClellan (D., Ark.), have signed a resolution that warns the U.S. must not "cede, dilute, forfeit, negotiate, or transfer" any of its "sovereign rights" in the Canal Zone. That number is more than enough to block ratification of a new treaty, if present negotiations ever produce one. Public opinion polls shows this concern is shared by many citizens, especially elderly Republican males.

Lobbyists against change are influential. They include some military men who find Canal Zone bases important to U.S. defenses, or at least good duty posts. Some shipping interests oppose change because they're afraid tolls might rise if the Panamanians got a management voice (tolls did go up 20% in 1974 and the canal still loses money). Finally, Canal Zone employes, who might not duplicate their good life if they came home, also lobby hard against treaty revision. One of these employes presumably lobbies with her father, Senator McClellan, a leader of the status quo forces.

A SOURCE OF NATIONAL PRIDE

Some concern is understandable. Building the canal was the moon walk of its day, a breathtaking engineering and construction feat. The canal became a source of great national pride after it opened in 1914—trumpeted in school texts and political speeches—and was considered a selfless American contribution to world commerce. The big ditch also became an important defense asset, enabling the U.S. Navy to switch quickly from one ocean to the other. In fact, Theodore Roosevelt's desire to maneuver the Great White Fleet helped start it all.

Therefore, concludes the VFW, "The canal will remain American without any ifs, ands or buts."

Unfortunately for those who prefer the status quo. the issue isn't that simple. It is true that the U.S. has no legal obligation to change things; the 1903 treaty gave it use of a chunk of Panamanian territory "in perpetuity," and there has been no American violation of its clauses. Though many Panamanians ever since 1903 have thought they were swindled by that treaty, Washington could tough it out rather than agree to change.

But State Department officials and many others who have studied the problem contend that's not the objective. They see negotiations as a way to preserve U.S. interests there, not as an exercise in clinging to dated treaty provisions. Their goal is to ensure continued American operation and defense of the canal while it remains important to this country, on terms which Panama will accept gracefully.

The alternative includes violence, in their view. In 1964, anti-American riots caused 24 deaths and new outbreaks are possible if current talks don't revise the treaty soon. General Torrijos has talked about taking "the Ho Chi Minh route" if negotiations fail, but no official Panamanian action is needed to sabotage the canal. A single worker with a lunchbox stuffed with dynamite (motivated by any cause) could damage a canal lock; "the loss of a sluiceway could drain the system and require as much as two years of rainfall to refill it," says a study by the Overseas Development Council, a nonprofit research group.

In one sense, therefore, the canal is indefensible and thus "perpetuity has little meaning in a context that one party to an agreement overwhelmingly rejects," says the ODC report.

Mr. Reagan and others raise several issues which many experts find of dubious merit and practicality. Among them are:

SOVEREIGNTY

The former California governor considers the Canal Zone, which cuts Panama in two, to be "sovereign U.S. territory every bit the same as Alaska and all the states that were carved from the Louisiana Purchase." Most authorities consider this demonstrably untrue, although the claim accounts for much of today's controversy.

The dominant view, as stated by the congressional study, is that the U.S. bought "rights"—not "ownership"—when it took over the zone in 1903. It paid $10 million for them plus $250,000 annually (now up to $2.3 million yearly) so it could exercise these rights, as "if it were sovereign," the 1903 treaty says.

"The truth is that while we have all the attributes of sovereignty . . . the very form in which these attributes are conferred in the treaty seems to preserve the titular sovereignty over the Canal Zone in the Republic of Panama," said a 1905 report by Secretary of War William Howard Taft, not one of nature's radicals.

Legal scholars say the U.S. wouldn't pay Panama such an annual fee if it owned the zone outright. It paid no such fees to France for use of the Louisiana Territory, for example. Other factors also indicate the zone isn't U.S. territory; children born there aren't automatically U.S. citizens and many court decisions hold that certain U.S. laws don't apply there (though many do).

So the issue is not whether the U.S. owns the Canal Zone; it doesn't. But it does involve what rights and privileges Americans will have there, and under what terms.

OPERATIONS AND DEFENSE

The U.S. effort—initiated by President Johnson after the 1964 riots—is to get a fixed-term treaty that will let this country control the canal for something over 25 years, which some say is the canal's remaining useful life as a major waterway. The canal is declining in importance because many new commercial and military ships can't fit through its locks, and because trade patterns are changing.

Panamanians would be drawn during this period into management and military matters, and they would assume overall responsibility when the treaty expires. The two governments set forth general principles for such an agreement in 1974, though the talks on details move slowly. The U.S. insists the canal must be open on a non-discriminatory basis both during the life of the next treaty and afterward; Panamanians say they want the same, as a busy canal might become a profitable canal.

AMERICAN INTERESTS

The canal's importance is declining steadily, and canal expansion no longer seems economically feasible to many experts. Only about 16% of total U.S. import and export tonnage goes through the canal, and the share is dropping. This year, total traffic is expected to be some 1,200 ships fewer than the 13,875 of 1975, and the longterm trend is down. The canal is a money-loser and studies indicate much higher tolls would drive away business. Yet some increases seem unavoidable no matter who controls the waterway because costs are rising.

U.S. "COLONIALISTS"?

The administration agrees that a functioning canal remains as important U.S. interest. But since the canal's commercial and military value is declining, the administration argues there's no justification for retaining the zone against strong Panamanian objections. The administration says control isn't worth being portrayed as "colonialists" in the Western Hemisphere, causing diplomatic rifts with all Latin nations, or an outright fight with Panama.

Failure to resolve the issue peacefully, President Ford warns, will cause "the alienation of the whole of Latin and South America, the need to send more U.S. military personnel down there to protect it—there are just irresponsible acts that we can avoid and we are avoiding right now" by negotiating.

THE TORRIJOS GOVERNMENT

There's no doubt that Chief of State Omar Torrijos is an authoritarian leader; "a tinhorn dictator" in Mr. Reagan's words. He declared all political parties "extinct" in 1969, a year after seizing power by coup, and prohibits serious opposition. He also has friendly relations with Cuba's Fidel Castro, which causes some Americans to call him a Cuban and Russian puppet.

But the State Department argues it must deal with the existing government (as it does in dictatorial South Korea or the Philippines, for example), and also contends that General Torrijos isn't really that bad. He is trying to do more for his poor countrymen than did the oligarchs who rules before him and his admiration of Mr. Castro has distinct limits—all the more limited after a Cuban tour last January. U.S. officials say the canal issue is felt deeply by most Panamanians, and in no way is a Torrijos invention. Among other things, the canal divides the country in half—making rational economic development difficult—and the high incomes inside the zone exacerbate social problems for Panamanians on the outside.

"You and I know too well how many points there are in this treaty to which a Panamanian patriot could object," Secretary of State John Hay said in a 1906 letter to a U.S. Senator.

Unless Mr. Reagan becomes President and turns his campaign rhetoric into national policy, negotiations should conclude next year. And despite the 37 Senators who have signed the resolution of opposition, ratification seems possible once the elections are over. Several signers have indicated they're willing to reconsider the issue.

In the meantime, though, Mr. Reagan hopes his angry Panama speeches will help his election interests. They may, but it's difficult to see how such talk helps the national interest.

THE SILENCE THE WORLD CALLS PEACE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. McDONALD of Georgia. Mr. Speaker, it is interesting to observe that now that the Communists are in charge in South Vietnam how unquestioningly the Western press accepts whatever the Communist news services issue. Not too long ago, when the United States was still in Vietnam, Western press representatives would editorialize even on a weather report issued by President Thieu or any of his people. Now the silence is deafening and Accuracy in Media pointed this out in a very effective manner in its March 1976 report. The item follows:

The Silence the World Calls Peace

On September 3, 1975, UPI reporter Alan Dawson left South Vietnam. He had been the last American to work for a news agency or a major American publication in that country. It had taken the Communists a little over four months to rid the country of the once huge corps of American newspapermen who had wielded such fateful influence.

No longer would American correspondents influence the course of history in Vietnam by exposing to the world the alleged sins and failings of the rulers. Back in 1963 a trio of young American correspondents had boasted that they were going to bring down resident Ngo Dinh Diem. They and their colleagues were instrumental in spreading throughout the world the falsehood that the Catholic, Diem, was persecuting the Buddhists. Opinion in the U.S. was so turned against Diem by this successful propaganda campaign that the U.S. Government sanctioned the coup that resulted in his murder.

The fall of Diem brought about a long period of political instability in Vietnam, which pushed the country to the brink of disaster. It was to avert that disaster that President Johnson decided to introduce American ground forces on a massive scale. The fun and games of a few young newspaper correspondents in Saigon brought about a greater tragedy than they ever dreamed.

The correspondents who followed in their footsteps in the months preceding the collapse of the Thieu government also demonstrated that they could influence the course of history by the way they reported the news. Here are some of the typical headlines over stories that were given prominent space in our two most influential newspapers when the continuation of American aid to Vietnam was being discussed:

Corruption Becomes Gut Issue in S. Vietnam (Washington Post, 10/19/74).

Saigon Opponents Report Arrests (NY Times 10/23/74).

75 Hurt in First Clashes of Thieu's Foes with Police (NY Times, 11/11/74).

Thieu Censorship Backed in a Test (NY Times, 11/15/74).

Saigon Arrests Time Reporter (after he visited a Vietcong area) (NY Times, 11/29/74).

Saigon Policemen Clash with Nuns (NY Times, 1/27/75).

Saigon Political Cartoonist Is Reported Arrested (NY Times, 2/8/75).

Stories such as these did much to erode popular support for aid to Vietnam in this country. The picture of Thieu as a corrupt dictator who ruthlessly oppressed his opponents and stifled civil liberties became firmly imbedded in the minds of many Americans.

THE NEW LOOK

Since the Communist victory, there has been a remarkable improvement in the headlines on the stories about Vietnam. The stories are far fewer in number and are usually buried deep inside the paper. They carry such headlines as these:

Election of Panel to Rule a City Ward Reported by Saigon (Times, 7/8/75).

Saigon Laborers Complain of Boss (a capitalist holdover) (Times, 7/14/75).

Vietnamese Salute Independence Day (Washington Post, 9/3/75).

Life is Peaceful in Mekong Delta (Times, 9/16/75).

Saigon Primate Bids Catholics Help Build a Reunified Nation (Times, 12/24/75).

More is happening in Vietnam than one can detect from the pitifully small flow of controlled information that finds its way into our daily newspapers. For example, Fr. S. Acquaviva, writing in the Catholic weekly, The Wanderer, states that Christians now experience persecution in South Vietnam. He states that all foreign missionaries were expelled by the end of 1975 on the excuse that their visas had expired. He reports that native priests and bishops are having trouble. Some are in jail, some are under house arrest, and others are confined to their towns or villages. He states that the Most Nguyen Van Thuan, Auxiliary Bishop of Saigon, has been confined to a village outside Saigon, and that the only food he gets is a pound of rice a day. Fr. Acquaviva says seminaries have been badly hit, with faculty members having been expelled or put under house arrest. He states that all candidates for ordination must first be approved by the government.

This kind of information escaped the attention of *Time* magazine, which devoted eight pages to South Vietnam in its February 16 issue—six of them devoted to color photos. *Time* painted a rosy picture. The communists were being cautious and conciliatory. *Time* tells of "enemies" being sent to "camps" for "re-education," not of advocates of freedom being sent to prison where they are forced to do hard labor and are subjected to brainwashing. This is a good example of how quickly our news media voluntarily adopt the terminology of the communist propaganda machine.

In the same week that *Time* came out with its rose-tinted pictures, a slight indication that the reality might be slightly different crept into the press.

THE VINH SON SHOOT-OUT

On February 13, Communist security forces had surrounded the Vinh Son Catholic Church in Saigon and captured 15 people, including the curate, after a 15-hour siege. One of the Communists was killed by gunfire from the church. Who these desperate people were and why they risked their lives, we do not know and may never know. The Communists have announced that they will be tried, and their fate is sealed. None of the groups so concerned about civil liberties in countries such as Chile and Brazil seems to have shown any interest in the "Saigon 15." The story of their capture merited a dozen inches on page 10 of The New York Times. The announcement that they would be tried was given less than three inches on page 14. Our television, of course, had nothing to say about it. A year ago, such an incident would have been given at least two minutes on all the network evening news programs.

The heroic but doomed action by the people at the Vinh Son church reached the American public colored by the language of the communist propaganda organs. The people in the church were described in our press as "reactionaries" and "renagades." They were portrayed as counterfeiters and speculators, intent on sabotaging the economy. They were linked to the CIA. The curate was described as a "ringleader."

The Washington Star on February 27, 1976, carried an article which suggested that the Vinh Son church incident was not an isolated case. It quoted Saigon radio as saying this "was a typical case." Again, the practice is followed of using the communist terminology to describe these resisters. They are not "freedom fighters" or even "anticommunist guerrillas." They are described, in our press, using the very words carefully chosen by the communist proganda officials: "lackey spies," "reactionaries hiding under the cloak of religion," etc. The use of quotes only slightly mitigates the impact of these loaded words.

It appears that the spark of freedom still flickers in Vietnam, but the American media aren't doing much to keep it alive. They don't seem to know how to cope with the situation. A favorite topic used to be Thieu's restrictions on the free press. Now there is no free press. Corruption may exist in South Vietnam, but how does anyone find out about it? Street demonstrations were a favorite subject for the media in years gone by. Now they are unthinkable. Political prisoners used to be good copy. Now there are far more prisoners than ever before, but our press parrots that they are simply undergoing "re-education." False stories about persecution of Buddhists once made headlines. Now the persecution of Christians and other sects is noted only in the religious press.

Douglas Pike, an outstanding student of the Viet Cong, predicted that if the Communist won, they would create a silence, and the world would call it peace. As Walter Cronkite would say, that's the way it is, less than a year after the fall.

THE ECONOMIC REALITIES

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. RHODES. Mr. Speaker, each passing month takes us farther away from what has been one of the worst recessions in our history. All of the economic indicators point to the fact that economic recovery is taking place at a rate faster than even the most optimistic expectations of a year ago.

This is no time for complacency or overconfidence. The recovery will proceed only if Congress legislates responsibly. In my opinion, this means that Congress must allow the free enterprise system to work its will, unhampered by unnecessary controls and huge public works programs.

In the Washington Post of April 25, 1976, Mr. George F. Will has written a column that reminds us of the economic realities. Mr. Will is of the opinion that high unemployment cannot be wished away or even legislated away. Only increased production will put more Americans back to work. Mr. Will's essay should be carefully considered by each and every Member who feels inclined to believe the opposite.

The article follows:

Flogging the Economy

(By George F. Will)

Regarding the increasingly robust economy, three of the four Democratic presidential candidates resemble Samuel Parr, an 18th century English schoolmaster. Parr so loved flogging pupils that when they did not misbehave he would ask to flog them anyway, promising that their next misdeed would go unpunished.

Henry Jackson, Morris Udall and Hubert Humphrey are fond of flogging the economy, but the economy is in an inconvenient recovery. Undeterred, they still are anxious to administer various stimulative measures, perhaps on the theory that if the economy gets sick again, it will have taken its medicine in advance.

These candidates must find depressing the news that in the first quarter of 1976 the Gross National Product grew at a surprising annual rate of 7.5 per cent, and consumer prices rose at an annual rate of just 2.9 per cent, lowest in four years. Such statistics dampen the gaiety of candidates who argue that the economy will languish unless it receives the stimulative measures they promise.

Jimmy Carter is not quite so obviously discomfited by the recovery: He seems marginally less committed to using the public sector to dominate the private sector; and his campaign has placed markedly less emphasis on economic issues. Carter's critics, noting that he is the Democratic candidate least discombobulated by the nation's economic good fortune, will again cite his "luck." They should remember the axiom coined by baseball's Branch Rickey: "Luck is the residue of design."

It is bad economic judgment, not bad luck, that has left Jackson, Udall and Humphrey grasping for an economic issue. The recovery mocks their general complaint about the Ford administration being insufficiently stimulative. They are left with only the narrow issue of unemployment.

That issue is less than salient with most of the electorate, including the 92.5 per cent of the work force that is employed. And the candidates are not distinguishing themselves in their attempts to milk the unemployment issue for more than it is worth.

Jackson has promised that he will bring unemployment down to 1—that's right, 1—per cent. That is the most exotic promise of the year.

During the last Democratic administration, unemployment averaged 3.9 per cent. That low level was achieved with the help of war, and conscription, and at the cost of unleashing the inflation that brought on the recession from which we are only now recovering. In 1953 another war helped reduce unemployment to 2.9 per cent. The closest we have come to Jackson's proposed one per cent unemployment level was during total war mobilization. Unemployment was 1.9, 1.2, and 1.9 per cent in 1943, 1944, 1945 respectively—but by 1945, 17.5 per cent of the labor force was in military service.

Regarding unemployment, Udall sits at Humphrey's feet. And Humphrey sits on the Humphrey-Hawkins Bill, which promises to reduce unemployment to 3 per cent in four years. Under the terms of the bill, the government will accomplish this with a "plan."

While Humphrey, Udall and kindred spirits are gestating their plan, the rest of us can ponder the following facts.

According to Peter Drucker, beginning soon there will be a sharp decline in new entrants into the labor force. This is because of the sharp decline in births that began in the 1960s. The first consequence of this will be lower unemployment where unemployment is highest—among teenagers.

The 1946 Full Employment Act sensibly defines "full employment" as 4 per cent unemployment. Beneath that level, labor shortages and inflation are apt to occur. Today adult unemployment is about 7 per cent, or about 2.5 million people over the 4 per cent "full employment" level.

Between now and 1980, 14 million new young workers will seek full-time jobs. But 10 million workers will retire, die or be disabled. So add 4 million to the 2.5 million currently above the "full employment" level of unemployment. Through 1980, we need 6.5 million new jobs.

Adjusted for the "full employment" level, this means the economy must generate approximately 6 million new jobs in five years, or 1.2 million a year. Already the economy is generating more than that.

One of the least inspired political slogans of this season is: "Jackson Means Jobs." That expresses an idea (shared by Udall and Humphrey) that is the principal obstacle to a healthy economy—the idea that liberal politicians make prosperity possible. Actually, the reverse is more plausible.

WHAT TO DO FOR AIR POLLUTION: A BICENTENNIAL GUIDE FOR VISITORS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. BROWN of California. Mr. Speaker, this summer Washington, D.C., is supposed to have the worst air pollution in its history. While the air in the District of Columbia area is not all that clean, the air pollution this summer will be caused by the many thousands of new automobiles that will be driven to and around the Capitol for our Bicentennial celebration. Automobiles do not have to be the serious polluters that they are. In fact, if we would have enforced the air pollution laws that we passed in 1970, the air pollution this summer would be considerably less serious. Unfortunately, the Nixon administration, the Ford administration, and the 93d Congress all agreed to delays which were sought by the American automobile companies centered in Michigan.

The current law now calls for the automobile emissions to be cleaned up by 1978. The Congress now has before it proposals to postpone the already postponed deadlines to 1980. And, incredible as it may seem, one of our esteemed colleagues from Michigan has indicated that he will be proposing even further delays in auto emission controls—to at least 1982. I suspect that if the automobile companies had their way, and they have been getting it, we would postpone the deadlines to the Tricentennial.

I do not intend to get into the merits of the various proposals on auto emission standards at this time. I merely wanted to point out that the air pollution, or smog, which will afflict Washington this summer is directly linked to the delays in auto emission standards which were approved by the last Congress. I doubt that this Congress would consciously allow harmful pollution to build up, if it knew that would be the result of its actions. Unfortunately for those who live here now, and who will visit this summer, there is little except first aid which can be offered.

Therefore, as a public service to all who visit this summer, I would recommend to my colleagues that they reproduce the item at the end of these remarks, which offers "First Aid for Air Pollution." I would especially hope that my colleagues from the less-polluted areas of the country would reproduce this material for their own constituents who may not be used to the adverse effects of automobile emissions.

The public service announcement follows:

[Taken from the California Air Resources Board Bulletin, April 1976]

SELF HELP FOR OXIDANT AIR POLLUTION EPISODES

The following actions are recommended to be taken by:

Sensitive persons with chronic lung disease or asthma, the elderly, the chronically ill and the exercising young at Stages 1, 2 and 3.

Healthy adults who feel effects at Stages 1, 2 and 3.

The general public at Stage 3.

1. Avoid strenuous outdoor physical activity (athletic activities, jogging, etc.) during an episode. Avoid exertion or excitement which increases your breathing rate and the body's oxygen needs. Plan other diverting activity for the young.

2. Remain indoors until the episode is terminated. Keep doors and widows closed, if possible. (Indoor concentrations of oxidant may be about one-half of the outdoor levels.) Use your air conditioner if you have one, to recirculate indoor air and keep cool. High temperatures may add stress to the pollutant effects. An activated charcoal system can further reduce oxidant levels.

3. Do not smoke (and avoid places where others are smoking). Pollutants from smoking make the health challenge worse!

4. Avoid aerosols, dusts, fumes, and other irritants. Reduce to a minimum domestic activities, cooking, hobbies or occupations which produce them.

5. Avoid traffic congested areas where pollutants are being generated, if you must be outside.

6. Avoid contact with persons suffering from respiratory infections.

7. Plan your activities. During air pollution seasons, listen to forecasts and postpone unnecessary activities on "episode" days. Most "peak values" of oxidant occur between mid-morning and late afternoon, but in Eastern portions of the Los Angeles basin they occur into the evening. Use other hours for your exercise and other outdoor activities. Obtain sufficient rest and sleep.

8. Expect onset or increasing severity of symptoms with Stage 2 or Stage 3 episodes (coughing, wheezing, phlegm, shortness of breath chest discomfort, pain).

Follow your physician's treatment advice or consult him again. Know what medications to use for specific symptoms. Maintain adequate fluid intake.

Know the location of your nearest emergency treatment facility in case your doctor advises increased therapy (ventilation assistance, oxygen treatment, etc.).

EPISODE CRITERIA LEVELS

Oxidant, as Ozone:
Averaging time: 1 Hour.
Stage 1: .20 ppm.
Stage 2: .35 ppm.
Stage 3: .50 ppm.

These statements are based on recommendations of the Air Quality Advisory Committee representing physicians and health authorities advisory to the California State Health Department.

PPM—parts per million.

A BETTER WAY

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. MOTTL. Mr. Speaker, I ask my colleagues in Congress to join with me in observation of the month of May as Better Hearing and Speech Month.

Because speech disorders and hearing impairments can affect all of us, I think it proper that we pay tribute to the dedicated public servants and hard-working volunteers who tirelessly attempt to aid persons with these disabilities.

Efforts to correct such problems which afflict many children have improved drastically in the recent years because of the dedication of professionals in the speech and hearing field.

It is with great pleasure that I ask you to join me in observing Better Hearing and Speech Month.

TAX RELIEF FOR SMALL BUSINESS

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. HAMMERSCHMIDT. Mr. Speaker, I am privileged to join in a legislative effort, spearheaded by my colleague, Congressman ANDREW MAGUIRE, to ease the tax burden imposed on the Nation's 8 million small businesses, the bulwark of the American system of free and individual enterprise.

Today, I am co-sponsoring the Small Business Tax Reduction Act of 1976, which will allow an employer to credit up to $500 in social security taxes to his corporate income tax liability.

Under the provisions of the bill, an employer can reduce his income tax liability by an amount equal to 10 percent of the social security tax he pays, the amount not to exceed $50, for a maximum of 10 employees. It is estimated that the total cost of the measure will be $300 million. Those of us who are seeking reductions in excessive spending and who oppose continually increasing budget deficits, can support this projected cost, because it represents a moderate expense in terms of prescribed budgetary guidelines.

I can think of no characteristic of the American society more definitive or representative of our traditional emphasis on individual initiative than the small business. As we know today, however, these small firms which employ one-half of our nonfarm work force, are up against some extremely tough competition from the large national and multinational corporations and from the many large chains throughout the country. Hence, the need to provide the added stability to small business represented by the Small Business Tax Reduction Act becomes more apparent.

The statistics on the Nation's small business firms tell us something very disturbing about the ability to survive, not only against such huge competition, but against economic odds and conditions. The average life of a small business is only 6 years. Yearly earnings continue to fall and inventories continue to increase. The current situation offers little hope of substantial improvement in the posture of small business.

I, therefore, join in sponsoring this legislation calling for a tax credit for a specified amount of the tax on employees, paid by the small corporation. Enactment of the Small Business Tax Reduction Act would be one positive step in the right direction in providing a measure of the relief for our beleaguered small business firms. I urge all of my colleagues to lend their support to this effort.

VICTORIES FOR ENVIRONMENTALISTS

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, during the last few weeks several key decisions were announced which should result in the preservation of some of America's most valued land and water resources.

Recently, Interior Secretary Thomas Kleppe approved the inclusion of a portion of the wild and scenic New River in the National Wild and Scenic Rivers System. Since the Federal Power Commission had previously issued a license to the American Electric Power Co. to construct a hydroelectric dam project along the river, legislation has been introduced by my colleague, Mr. NEAL of North Carolina, which would invalidate that license. I commend Mr. Kleppe's decision, and I am confident the Congress will support his efforts to protect one of the world's oldest free-flowing rivers.

On April 14 the Southern California Edison Co. announced it was postponing indefinitely its plans to build the controversial Kaiparowits power project in southern Utah. The proposed project site was located within a 200-mile radius of eight national parks and three national recreation areas, an area of uncommon scenic grandeur. According to a National Park Service study, the plant would have had an "adverse visual and esthetic impact" for 100 miles and would have adversely affected air quality in four national parks, including Grand Canyon National Park. Even if the decision by the utility was motivated primarily by economics or a realization that power from the project would not be needed in the near future, I applaud their decision.

Finally, the Army Corps of Engineers has decided to deny permits which would have permitted development of more than 2,000 acres of mangrove wetlands at Marco Island along the Florida gulf coast. These wetlands are considered critical because mangrove vegetation serves as food for marine life. According to Corps Chief of Engineers Lt. Gen. William C. Gribble, Jr., the proposed filling of the wetlands would "constitute an unacceptable adverse impact on this aquatic resource." The corps is to be commended for asserting its authority to protect this Nation's coastal resources against development pressures.

As chairman of the Conservation, Energy, and Natural Resources Subcommittee, I am particularly gratified to realize that protection of America's most valuable ecosystems is still an important national priority. I commend to your attention the following editorials from the Pittsburgh Post-Gazette and the New York Times, which discuss the importance of the Kaiparowits and New River decisions:

[From the Pittsburgh Post-Gazette, Apr. 19, 1976]

ENVIRONMENTALISTS WIN A ROUND

The unexpected decision by a consortium of electric companies to cancel the $3.5 billion Kaiparowits coal-fired power plant project in a scenic area of southern Utah is a milestone in the struggle between environmental and energy considerations.

Environmentalists who fought the project for years will see it as a landmark for the battle against degrading the environment. The Kaiparowits battle had national significance since the 3-million-kilowatt generating plant would have been located in a region containing eight national parks, including Zion and Bryce Canyon, and three national recreational areas.

Environmentalists had protested Kaiparowits, the largest coal-fired operation in the country, would have burned 1,000 tons of coal an hour and emitted about 300 tons a day of atmosphere contaminants. Utah environmentalists had learned hard on the argument that their air would be polluted to provide energy for southern California and Arizona.

But energy officials will see it as a blow to American hopes for energy independence. They will see it as proof that militant environmentalists with court action and appeals to the public can tie up a project so long and make the effort so costly it finally isn't worth pursuing.

In the Kaiparowits case, they point out that the southern Utah site was selected not only because of deep-coal deposits but because increased environmental restrictions in California had forced Southern California Edison and San Diego Gas and Electric to seek power plant sites elsewhere. Californians in a June 8 referendum will ballot on a proposed nuclear power plant moratorium, something that would close yet another energy option for the Far West.

Kaiparowits may have been the wrong installation for that location. But the showdown illustrates the need for some framework within which to make the tradeoffs and compromises necessary both to preserve environmental values and yet allow energy development. Such a concept may be difficult to achieve because the Ford administration and businessmen traditionally resist anything that smacks of over-all planning.

The time was when energy companies could pick their sites for energy development practically with impunity. Kaiparowits suggests that day is past.

The environment versus energy battle soon may be intensified in a new way in our region, if offshore petroleum drilling on the Atlantic coast becomes feasible. Exploration already has taken place in the Baltimore Canyon area off New Jersey and now has commenced a hundred miles off the Massachusetts shore on the edge of the Georges Bank. That may set off a struggle between energy companies and communities anxious to have job developments, and, on the other hand, environmentalists, the fishing industry and businesses catering to the tourist trade (including Pennsylvanians) using the Jersey and Cape Cod beaches.

Most Americans realize the validity of the two goals—environment and energy. The task then is to devise better ways to achieve the necessary tradeoffs and compromises, because total victory or defeat for either would be disastrous.

[From the New York Times, Apr. 17, 1976]

TWO FOR THE ENVIRONMENT

Within the past week the American environment enjoyed two triumphs that go far to prove the country's basic concern for its natural heritage in spite of economic difficulties and the continuing cry for more energy.

A combination of utilities companies has abandoned long-nurtured plans for the proposed $3,5-billion-Kaisarowits power plant, which would have poured 300 tons of pollutants a day into the air of a magnificently scenic region of Utah containing eleven national parks and recreation areas. At the other end of the country, North Carolina's New River was all but assured of preservation when Secretary of the Interior Kleppe made it part of the National Wild and Scenic Rivers System.

The two episodes, very different on the surface, have nevertheless much in common. In both cases incalculable harm would have been done for short-term gains that were achievable by other means at far lower cost to the environment. Utah's largest utility the Utah Power and Light Company, never found it necessary to participate in the Kaiparowits project at all; it has plants functioning efficiently well north of the parks, where they are no environmental threat. If the other companies had put as much time, money and energy into researching ways to gasify the state's abundant deep-mine coal as they have invested in Kaiparowits, they might by now be enjoying the not-too-distant prospect of a rich and nonpolluting source of energy. In any case, the decision of the companies was based on rising costs and reduced demand for electricty, not on the environmentalists' campaign of opposition.

As for the New River, that aesthetic and archeological treasure—and the historic lands that would be inundated by damming it—the proposed project would not generate energy at all. It would merely store it, requiring additional energy for the purpose. Representative Neal of North Carolina, reflecting the unanimous opinion of his state's Legislature, its Governor and its Congressional delegation, has introduced a bill to head off judicial complications flowing from Secretary Kleppe's action. Its passage, combined with the abandonment of Kaiparowits, should help put heart back into the occasionally hard-pressed conservation movement.

TRIBUTE TO MRS. MARION CONGDON

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. JOHN L. BURTON. Mr. Speaker, I would like to call the Members' attention to an upcoming event in Marin County.

On Sunday, May 23, 1976, a community picnic will be held at Forest Meadows on the Dominican College campus to honor Mrs. Marion Congdon, a very highly regarded San Rafael elementary school teacher who is retiring after 24 years in our district.

This testimonial is being given Mrs. Congdon, not for the length of time she has served our community, but for the high quality of teaching she has maintained through the years. She has consistently made learning a joy and a challenge to her students, giving them good foundations in the "basic three R's" and at the same time, employing her own unique innovations—with a twinkle of the eye—to make school interesting. Here are some examples:

An amateur naturalist, she plans and conducts on her own, an overnight campout at Samuel Taylor Park each year. She teaches square dancing and holds her own class dance festival. She has devised games, making routine learning exciting. Can you imagine kids getting into the licorice pit for not increasing their speed on weekly multiplication combination tests? Or how about a one-base hit for each correct word in a spelling contest? Her weekly research questions intentionally involve the student's entire family. Do you know where they still use whale's teeth for money. Where would you look to find it? Many a San Rafael family has found themselves with a family of pet ducks as a result of her yearly incubator-hatching project.

The strong moral fiber of Mrs. Congdon's life is contagious to her students and she is as respected as she is loved by those who have come to know her.

Mr. Speaker, I am certain that the Members will join me in extending best wishes to Mrs. Congdon as she retires from her teaching profession.

JAMES KENDALL HUTSELL, 1907–76

HON. ROBERT E. JONES

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. JONES of Alabama. Mr. Speaker, the people of Alabama have lost a clear and steady voice in the recent death of James K. Hutsell, editorial writer for the Huntsville, Ala. Times.

Jim Hutsell was a very positive force in the community and his death is a great loss to his friends as well as to those who knew him only through his splendid editorials and newspapers columns.

His keen powers of observation and his masterful ability to convey his insights through his writing made him a man to be admired.

His compassion for others and his understanding of people and their problems made his companionship a treasure.

His gentlemanly manner, great intellect, and informed conversation made him a welcomed guest at any time.

His colleagues have commented on his passing and as a part of my remarks I include three articles from the Huntsville Times:

THE TIMES' HUTSELL SUCCUMBS

James Kendall Hutsell, associate editor of The Times, died Tuesday at his Harvest residence at the age of 68.

Funeral arrangements will be announced later by McConnell Funeral Home at Athens.

Mr. Hutsell joined The Times in 1957 as telegraph editor. In 1961 he was appointed associate editor, functioning principally as editor of the editorial page. He created the innovative designs for the page.

He was also widely known as the author of frequent seasonal commentaries which appeared on the page under the dateline of his Harvest Hill home on Old Railroad Bed Road.

A native of Columbia, Mo., Mr. Hutsell received his bachelor of journalism degree from the University of Missouri in 1929, where he also completed postgraduate work from 1930 to 1932.

Begnning his newspaper career on the news desk of The Des Moines Tribune in 1929, Mr. Hutsell moved to the editorship of the Columbia, Mo., Herald-Statesman in 1935. In 1937, he began a two-year stint as columnist for the Missouri Press Association.

He was named news editor of The Hattiesburg, Miss., American in 1942, and in 1943 he worked on the news desk of The New Orleans States.

In 1945, Mr. Hutsell became telegraph editor of The Asheville, N.C., Times. He joined The Pensacola, Fla., Journal in 1948, and in 1956 was named editor of the Alabama Courier at Athens.

It was in 1957 that Mr. Hutsell joined The Huntsville Times.

In a varied career, Mr. Hutsell worked for three years beginning in 1939 as director of publicity for the Missouri State Fair. During the early years of World War II, he served as a civilian in public relations with the United States Army.

Mr. Hutsell was listed in the latest edition of Who's Who in the South and Southwest.

He was the author of several works, including the History of the Missouri Press Association, 1931; and A Stylebook for Newspaper Editors and the Law of the Press, 1951. Mr. Hutsell also authored numerous articles for periodicals on history, literature and gardening.

Gardening was one of his prime leisure interests. He became interested in the subject nearly twenty years ago when he moved to Harvest Hill. In the early 1960s, Mr. Hutsell edited a monthly gardening page for The Times.

He was a member of the Huntsville Literary Association. During his years with the Asheville, N.C., Times, Mr. Hutsell began a life-long friendship with members of the author Thomas Wolfe's family.

Other memberships include Sigma Delta Chi journalism fraternity, the Huntsville Historical Society, University of Missouri Alumni Association, Kappa Tau Alpha and The Press Club of Huntsville.

Mr. Hutsell won numerous Associated Press and Alabama Press Association writing awards during his career.

He is survived by two sisters, Mrs. Bina Richards and Miss Frances Hutsell, both of Harvest.

JAMES KENDALL HUTSELL, 1907–1976

AT HARVEST HILL, A VOICE IS STILLED

The voice of Harvest Hill has been stilled. James K. Hutsell, Associate Editor of The Times, whose columns on the seasons, the people and the times were datelined Harvest Hill, died Tuesday.

Harvest Hill was more than a home, it was a special refuge from the daily torrent of life that besieges a newsroom. It was Jim's favorite place, a place of shading trees, blooming flowers and quietness after a long day. As a point of reference, Harvest Hill placed in perspective man, the seasons, the peculiarities and frailties of the human race, and the necessity of having that one place of privacy.

As the crocuses first pushed through the cold dirt of winter, the time came for the first of the seasonal pieces on nature, who had in this man a friend for all seasons. He was as entranced by the viciousness of nature as he was by her beauty. He often stood on the porch of his house and watched the storms as they drove from the west toward his beloved retreat. Geographically, Harvest Hill is on Old Railroad Bed Road, a type of road that he once described as sort of "squiggling out of Alabama up into Tennessee." The name of the road somehow seems to fit the place.

Jim's artistry with words was matched by his uncanny ability to lay out these editorial pages in a style and manner that brought envy from his co-workers. Equally, or possibly more, envied was his ability in just a half-hour or so, in his one-finger style of typing to peck out those marvelous odes to the seasons or the incisive commentaries on the heroes and villains of the world.

When seized with an enthusiasm, there was no stopping him. From the Bell-Witch of Tennessee to his fascination with history, and with every other endeavor within his almost limitless interests, he pursued these stories with the tenacity of a true professional.

His favorite author was Thomas Wolfe, and during his years on the Asheville, N.C., Times, he became friends with Fred Wolfe, Thomas' brother, and through the years there were frequent stories of Fred Wolfe and his life, the most recent account a little more than a year ago. And if time came for a quote that was suitable for a story or editorial, then a quote from Thomas Wolfe was always quickly at hand.

In "The Web and the Rock," Wolfe wrote of a man such as Jim: "If a man has a talent and cannot use it, he has failed. If he has a talent and uses only half of it, he has partly failed. If he has a talent and learns somehow to use the whole of it, he has gloriously succeeded and won a satisfaction and triumph few men ever know." If any have earned the satisfaction and triumph in this profession, then it was the man from Harvest Hill.

The wildflowers that he loved so well have begun their Spring waltz toward the meadows, and the tulip and sweetgum trees have filled out and flushed the air with their greenery, bringing the sweet scent of the renewing season. The dandelions and the grape hyacinths, the violets and the trilliums, the many wonders of nature have, like The Times, lost a true and valued friend.

Jim

(By John Pruett)

His office was a cluttered little cubbyhole along the back wall of the building. It is separated from the sports department by nothing more than a thin partition, which meant that it wasn't necessary to walk around to his desk in order to converse with Jim Hutsell. All you had to do was raise your voice a level or two.

I know because I did it so often.

Usually I'd say something like, "Hey, Jim, what do you think about this?" and then I'd ask some questions about a story idea or a layout brainstorm and usually he'd grunt and say "It's okay" or "Not bad" and sometimes he'd even walk around the corner to talk about it.

I remember the day I came to work for The Huntsville Times. Somebody was showing me around the building. We stopped at an empty office and looked in. The walls were lined with books and magazines and old newspapers, the trash can was blackened by a recent "cigarette fire" and the ashtray on the desk was littered with fifty or sixty Camel butts.

"This is James Hutsell's office," I was told. "He does the editorial page. And he's a heckuva newspaperman."

I found out as time went by that he was more than that. He was on another plateau. He had already forgotten more about this business than most of us here will ever learn. The thing is, he knew it and so did all the rest of us—but he never flaunted it, and I think most of us more or less took him for granted. He didn't seem to mind, though. Maybe he didn't even know.

He was a master of the English language, especially when writing of the paradoxical beauties and dangers in nature. His story on the tornadoes of April 3, 1974, was nothing less than a masterpiece of reporting: a first-person account of the killer storm which grazed but somehow spared his beloved Harvest Hill. It was a blockbuster story, filled with drama and pathos. And yet he could write just as stylishly about the birth of spring. Or politics. Or the arts. Or whatever.

I don't think Jim ever paid too much attention to sports, although he seemed fairly keen on the Kentucky Derby and occasionally he'd ask. "What's Ole Mizzou up to?" because he went to school at Missouri. Once or twice he inquired about his cousin Wilbur, the retired track coach at Auburn.

He kept up with the highlights of the sports year, however, and he wasn't above seeking help from time to time. He had a subtle little way of going about it. At World Series time, for example, he'd usually come over and say something like, "My deadline is noon, you know." "For what, Jim?" And he'd say, "For that World Series piece you're going to write for me." One of us would write it, of course, and secretly we'd be pleased because he asked us.

I guess I always thought old silver-haired Jim Hutsell was indestructible. I didn't even know how old he was until yesterday, the day he died.

He was 68 years old.

He was the best newspaperman I've ever known.

MAY DAY DEMONSTRATIONS, 1976

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. McDONALD of Georgia. Mr. Speaker, across the country the various revolutionary organizations are preparing for a series of marches, rallies, and meetings to commemorate May Day not as a folk festival, or as a date set aside for the principles of law and loyalty, but as the Marxist celebration of the "class struggle." Since the U.S. revolutionaries are mainly a bourgeois intellectual phenomenon and have been rejected by the great majority of American working men and women, additional issues are being used as an excuse for the parades, particularly "solidarity" with the phony "unification elections" in Vietnam being held April 30 to "legitimize" the Communist takeover.

New York City will have no less than five events. The violence-prone and anarchistic Yippies will assemble at Washington Square Park at 3 p.m., for a march up Fifth Avenue to a Central Park marihuana "smoke-in" under the slogan, "May Day is Jay Day." In contrast to the scruffy drug cultists of Yippie, the disciplined Maoists of the Revolutionary Communist Party, U.S.A.—RCPUSA, its youth arm, the Revolutionary Student Brigade—RSB, and its fronts, the Vietnam Veterans Against the War—VVAW, and the Unemployed Workers Organizing Committee—UWOC, will assemble at East 15th Street and Union Square for a march to Foley Square.

Another New York group, the May Day Organizing Committee, will march a long route from 31st Street and 8th Avenue to Tompkins Square Park on the Lower East Side. The Communist Party, U.S.A.—CPUSA's—People's Bicentennial Mayday Committee, operating from the party's labor front, Trade Union Action and Democracy—TUAD, will hold a march starting at 11 a.m. at 32d Street and 8th Avenue to Union Square for a 1 p.m. rally. Speakers will include CPUSA General Secretary Gus Hall; Ernest DeMaio, a CPUSA member who, having retired from his executive position with the United Electrical Workers now holds the important position of United Nations representative for the World Federation of Trade Unions—WFTU, an international Soviet front; Esther Rand, an aging Stalinoid active in organizing among tenants groups; and Sidney Von Luther, a former official of the CPUSA-dominated District 1199, Hospital Workers Union, who now heads CPUSA's National Coalition To Fight Inflation and Unemployment.

In the midst of the racial May Day marches, the Loyalty Day Parade contingent will march on Fifth Avenue.

The Maoist October League, Marxist-Leninist, is using May Day to launch the OL's tabloid, the Call, as a weekly newspaper. In Washington, D.C., for example, the OL and its Unite To Fight Back Committee will assemble at Community Park West, Adams Mill Road NW., at 10:30 a.m. for a march to Lafayette Park and a 1 p.m. rally: the slogans include the cliché-ridden "Jobs or Income Now," "Support the Struggles of the Third World Peoples"—necessary since the revolutionaries cannot find valid organizing issues here, and "Oppose Super-Power War Preparations" which attacks both the United States and the Russians as "imperialists."

In several cities, revolutionary Marxist-Leninist groups and others who presented themselves during the Vietnam conflict as "antiwar" activists will hold celebrations of the "liberation of Vietnam." A leaflet being circulated in Maryland has announced a May 1 fund raising party, 8:30 p.m., at Christ Episcopal Church, 1110 St. Paul Street, Baltimore, and states:

> One year ago the war in Viet Nam ended as the Vietnamese people succeeded in their struggle for liberation. This liberation was a victory not just for the Vietnamese but also for working and poor people throughout the world. * * * All money raised at this event will be donated to the AFSC for reconstruction in Viet Nam.

Sponsors of the fundraiser for the Vietnamese Communists include the Baltimore Marco-Analysis Collective, Baltimore Marxist Group, Great Atlantic Radio Conspiracy, New American Movement, Socialist Union of Baltimore, the Socialist Workers Party, and the American Friends Service Committee, long active as a supporter of Marxist-Leninist revolutionaries.

This year the Workers World Party—WWP—a militant Marxist-Leninist organization of Trotskyist origins, is concentrating all its May Day activities into its New York City demonstration. In its effort to attract American blacks to revolution, the WWP is campaigning against Rhodesia and South Africa. The WWP hails the victories in Africa of the Soviet-created, trained-, and armed-terrorist movements in Guinea-Bissau, Mozambique, and Angola; and calls for supporting the "armed struggle of the people of Southern Africa itself."

The Workers World Party is organizing its youth chapters in Boston, Buffalo, Rochester, Philadelphia, Baltimore, and Washington, D.C., and other cities to attend.

The WWP march has been endorsed by a large number of U.S.-based groups active in supporting foreign terrorists in Africa, the Middle East, Asia, and Latin America.

The revolutionary rallies and demonstrations noted here are a sampling of events slated for May 1 and 2 in many cities. I urge my colleagues to take every opportunity to expose the true nature of such activities in their localities.

THE U.S. POSTAL SERVICE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. HAMILTON. Mr. Speaker, today it is apparent to everyone that the U.S. Postal Service is not working well. Mail delivery has become slower, more erratic, and less dependable, and costs and subsidies have risen dramatically. People have become increasingly irritated with mail service, even to the point of beginning to switch to telephones, messengers, telegrams, and private delivery services.

The U.S. Postal Service was created as an independent establishment in the executive branch in 1970. The congressional intent was to provide a businesslike environment for postal operations in which postal officials would work to both improve the quality of service and achieve financial self-sufficiency by the target year 1984. At the time of its establishment, postal officials were confronted with an unprecedented logjam of mail which took months to untangle. At that time most postal experts felt that substantial corrective action was needed to prevent the complete collapse of the mail system. The Postal Reorganization Act of 1970 was regarded by such experts as a beginning, as a step toward putting the postal system on a sound footing.

The Postal Service presently operates like a business enterprise with a board of directors. It is empowered to bargain with its employees, borrow money and issue obligations for capital investment and operating expenses. Within such an organizational framework it was hoped that the Postal Service, removed from the pressures of partisan politics, would be able to improve management capability, modernize antiquated postal facilities and adjust postal rates to keep pace with costs.

Although most of us deal with the postal system on a personal level, the Postal Service in its totality is a very large enterprise. Recently mail volume has been averaging about 90 billion pieces per year, a figure that represents 418 pieces for every person in the United States and over half of the world's mail volume. Furthermore, the Postal Service has over 700,000 employees and the total of its payroll and benefits exceeds $11.2 billion each year, an amount which represents about 88 percent of its total operating expenses.

The Postal Service has made some progress toward realization of the reforms mandated by Congress. Postal affairs have been substantially removed from the arena of partisan politics and a system based on merit and professionalism has been created. The work force of the Postal Service has been modestly reduced and worker productivity is up slightly. But overall its record has been unsatisfactory.

Six years after its establishment the Postal Service has neither solved its basic problems nor become self-sustaining. It has shown a rapidly rising operating deficit in each of its 5 years of operation. This year the deficit is projected to be $1.2 billion. Furthermore, the Postmaster General has told the Congress that even though the prices charged for mail service have risen 63 percent since 1971 (while prices of other services have increased by only 35 percent), the Postal Service faces bankruptcy if it does not get more revenue from either increased rates or additional subsidies.

Even if the entire postal deficit were eliminated tomorrow, however, new deficits would probably quickly reappear. Problems like the increasing number of addresses, decreasing volume, costs not closely enough related to rates and revenue, diminishing returns from mechanization, and increasing use of alternative means of communication have disturbing long-range implications for the postal system as we presently know it.

It is apparent to me that the Congress must begin to define the precise nature of the postal service which the American people need and desire. This means the Congress must resolve the basic dilemma over the mail which revolves around two opposing concepts: public service versus business enterprise. The Congress must also address the touchy issue of who should pay: those who use the mail, through increased postal rates; or all of us, taxpayers, through additional subsidies.

Beyond these policy questions, additional steps must be taken. A new management team is needed. The team must have experience in labor intensive enterprises, familiarity with postal operations, and dedication to public service. They should be in their most productive years, without taint of political influence, broadly representative, and, so far as possible, combine know-how in both business and government. High-level management should also include more career postal workers.

The Congress must also increase its oversight of the postal service. The postal service is simply too essential to the unity and the welfare of the Nation to allow it to operate without close scrutiny by the Congress.

Operational improvements must also be made: These include mandating the Postal Service to put more emphasis on research and development and on long-range planning; requiring postal contracts for goods and services to be let on a more competitive basis to insure quality at lower cost without favoritism; improved recruiting standards, especially for management personnel, and realistic and announced mail service standards. One suggestion that merits particular attention would be the introduction of the use of standardized envelopes with pre-printed zip code squares for speed in sorting, available at reduced rates to encourage their use. Some variety in the form of mail will have to be sacrificed for the efficiency of automation.

If these steps are taken, I feel that the American people will begin to get the quality of postal service they deserve.

ON THE OCCASION OF THE 50TH ANNIVERSARY OF THE ESTABLISHMENT OF A COMPREHENSIVE PLANNING AGENCY IN THE NATIONAL CAPITAL

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. DIGGS. Mr. Speaker, for 50 years, the National Capital Planning Commission has been intimately involved in development of our Nation's Capital. When its predecessor, the National Capital Park and Planning Commission was established by Congress on April 30, 1926 (44 Stat. 374) it was given the responsibility of developing a comprehensive plan for the National Capital and its environs. Subsequently, comprehensive plans were published by the Commission in 1928, 1930, and in 1950, just 2 years before Congress enacted the 1952 Planning Act which reestablished the agency as the National Capital Planning Commission.

In 1961, NCPC and the National Capital Regional Planning Council jointly published "A Policies Plan for the Year 2000." The plan proposed that most new regional development be directed along radial corridors served by transportation systems, with wedges of green space between. Later, the "Proposed Comprehensive Plan for the National Capital" was published by the Planning Commission in 1967, followed by adoption of elements of the Plan beginning in 1968. Policies expressed in this plan have served as the basis for planning decisions affecting the District of Columbia and its environs.

Enactment of the District of Columbia Self Government and Governmental Reorganization Act of 1973 changed the functions of the Commission. The Commission's long-time responsibilities as both the Federal and local comprehensive planning agency ended on June 30, 1974 as a result of the Home Rule Act. Local planning responsibilities were transferred to the Mayor of the District of Columbia, while the Planning Commission continued its role as the central planning agency for the Federal Government in the National Capital Region. In addition, the National Capital Planning Commission was authorized, by the Act, to preserve the Federal interest, as it relates to the planning and development of the District of Columbia.

One of the great opportunities provided for us by emerging social and economic vitality in the region, and by the 1973 Home Rule Act, is a mandate to strengthen the relationship between Federal and local interests, to form a "Washington Alliance" to nurture the city's growing vitality.

An important reference to this partnership is the provision in the act for the Planning Commission and Mayor to "jointly establish procedures for appropriate meaningful continuing consultation throughout the planning process for the National Capital." What is intended is that local interests will be given an opportunity to be heard within the context of Federal priorities for the Nation's Capital.

Partnerships established by the Home Rule Act are not limited to alliances between the executive branch and the District of Columbia government, though membership of the Planning Commission includes Federal and local agency representatives, private citizens appointed from Maryland, the District, and from Virginia, and the respective chairmen of the House and Senate District Committees. My involvement with the activities of the Planning Commission, as well as the involvement of committee members, and staff, has continued for several years. Such involvement has served to add still another dimension to the numerous partnerships provided in the Home Act for developing plans to encourage the continued, attractive growth and development of our Nation's Capital.

Not since 1871, when Congress established a territorial form of government in the District of Columbia, has there been a more opportune time for expression of local interests to serve as a complement to the Federal nature of the National Capital.

In 1871 Governor Shepherd of the District of Columbia embarked upon the most ambitious public works program in the history of the city. Street grading and paving, tree planting and street illumination, laying sewer lines and water supply, construction of public markets and other municipal buildings were some of the main activities that absorbed the city's energies and resources in 1871. Among other developments was the construction of new trolley lines, greatly extending the built-up areas of the city and charting much of its future development.

Similarly, today, the city and region are engaged in one of the most extensive public works programs in the history of the United States—construction of the Metro system. Moreover, innumerable building projects throughout the city and region attest to a social and economic vitality unmatched by earlier periods. The Planning Commission has not only provided guidance and technical assistance in planning for the Metro system, but many Federal and local projects in the region, now, are viable results of the Commission's efforts. The Federal Triangle, the Mall, the new Air and Space Museum, as well as such major areas as development of the National Institutes of Health site, have all resulted from the assistance of the National Capital Planning Commission.

Today, more projects are now being planned by both Federal and local government agencies, with the guidance and assistance of the Planning Commission. I am confident that in the months and years ahead we will find ourselves time and time again turning to our new Federal/local partnership as the vehicle for resolving issues and establishing appropriate guidance to planning activities in this city. Clearly, there are many exciting opportunities which lie before us, and great is the potential for improvement of the quality of life, of our National Capital region, through the continued work of the National Capital Planning Commission.

In 1871, Senator Stewart of Nevada rejected a proposal for locating a world's fair in Washington and stated, "Let us have a city before we invite anybody to see it." Today, we and the Nation have a city, as a result of the efforts of the National Capital Planning Commission and other, comparable organzations. We now have invited citizens of this, and other countries to visit the city as a part of our National Bicentennial celebrations.

I congratulate the National Capital Planning Commission for its assistance, for the past 50 years, in making the District of Columbia an attractive and viable National Capital; one which has overcome the Dickens image of Washington, the "city of magnificent intentions," and is now becoming a "city of magnificent accomplishments."

SUPPRESSION OF INNOVATION—PART V

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. SYMMS. Mr. Speaker, for the past couple of weeks I have inserted into the RECORD several arguments by prominent economists, physicians, and pharmacologists dealing with the problems of the 1962 amendments to the Food, Drug, and Cosmetic Act. These arguments have centered around the havoc that the FDA's regulations have wreaked upon drug innovation and research in the United States. Small drug companies, in particular, have been hard hit by these rules and regulations.

Since the introduction of my bill to repeal the "effectiveness" clauses from the 1962 amendments, I have received numerous letters from drug companies and related interests pointing out specific examples of problems and describing the general problems from their viewpoint.

I would like to submit to the RECORD today one particularly clear and logical letter I received from Mr. Donald A. Laser, president of Laser Pharmaceuticals. I would urge my colleagues to read the following letter and to ask themselves why the United States has chosen to follow the disasterous path of regulatory overkill.

The letter follows:

APRIL 27, 1976.

Congressman STEVEN D. SYMMS,
1410 Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN SYMMS: Thank you for your letter of April 2 regarding the legislation that you have introduced to repeal the 1962 amendments to the Food and Drug Act relating to effectiveness.

You have our total support on this matter. By now you have undoubtedly been contacted by someone in NEPA. We are a member of this organization which constitutes approximately 85 to 100 small pharmaceutical companies who have a great concern for this legislation.

Last year we lobbied for a similar bill. To the average person, it seems inconceivable that anybody would be opposed to a bill which required "effectiveness" of a pharmaceutical product. However, the truth of the matter is that many European countries and England require only proof of safety and allow the "effectiveness" to be proven in the market place. Obviously, the physician who prescribes the medication for his patient is the one who can make the final decision on effectiveness, which is where the responsibility should be placed. This letter is not the time or place for me to go into the inadequacies, inequities, bureaucracies, etc. when the FDA gets involved in determining "effectiveness" of a drug. I think, from an economic standpoint, it is clear that the major pharmaceutical companies in this country are very pleased with the effectiveness clause in the amendments because it keeps competition out. Small companies simply can not stand the tremendous cost of filing an NDA. The NDA is virtually a license to practice monopoly because it is far stronger than a patent which expires in 17 years (as an alternative, NEPA has promoted the idea of limiting the number of years that an NDA could be in force, such as a patent). The other factor which convinces me that the major pharmaceutical companies enjoy the present law is that currently approximately 50% of their total dollar sales in pharmaceuticals are foreign dollars. Lets face it, the gigantic pharmaceutical companies have the "best of two worlds" in that they can sell products in countries which do not have the effectiveness requirement. Until such time as they pass the effectiveness rating for the United States. If it never happens, they still benefit with foreign sales.

I will look forward to seeing you or your legislative assistant the week of May 9 when I come to Washington.

Sincerely yours,

DONALD A. LASER,
President.

FOOD STAMP PROGRAM

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. HAMMERSCHMIDT. Mr. Speaker, as a sponsor of legislation seeking to reform the food stamp program, I was recently privileged to offer testimony before the House Committee on Agriculture on this issue, which is of vital interest to all Americans.

I believe, very simply, that reform of this program must be accomplished. The distinguished Members of the Senate have already acted on a reform measure, and the members of the House Agriculture Committee are striving to bring before this body for consideration a reform package responsive to the concerns of the Congress and the people.

Knowing that we, in the House, will be called upon to deliberate on such legislation in the near future, I respectfully submit the text of my testimony, in support of reform, for the earnest consideration of my colleagues on both sides of the issue.

The text follows:

Statement for the Committee Record in General Review of the Food Stamp Program

Mr. Chairman and Members of this distinguished Committee: I welcome this opportunity to express my viewpoints during this review of the Food Stamp Program, which in light of recent national attention, is a matter of concern to all of us in the Congress.

The Food Stamp Program is unquestionably one that is charged with great emotion and controversy, motivated by sincere convictions on all sides. While on the one hand, people are beginning to question whether or not the original intent of the program to assist low-income families in feeding themselves has been lost, others fear the present mood for reform will cause great harm to those who are most in need.

There is validity in both points of view.

None of us can deny that there are many Americans today who desperately need the benefits that this program offers. But recent revelations are also pointing out all too well that the system, as it is presently structured, is open to flagrant abuse and has gone far beyond the original scope of the legislation.

As a Member of the Select Committee on Aging, I am becoming more and more keenly aware of the tremendous economic burdens facing our elderly today. Too many of our aging, who worked and saved conscientiously for their leisure years, who looked forward to the security and pleasures of retirement, cannot meet the basic costs of maintaining a home, paying medical bills, and putting nutritionally balanced meals on the table.

This segment of society has great need for the Food Stamp Program and the food and nutrition programs carried out by the states through Title III of the Older Americans Act. In fact, there is no doubt in my mind that maintenance of the effort toward nutritional programs for the elderly is necessary. No matter what reform measure may eventually come out of the efforts of this Committee and the whole House, these older and needy individuals must not suffer from an overzealous attempt to revamp an ailing program.

On the contrary, they should gain from any reform proposal. Simplification of eligibility requirements, by replacing the complicated procedure of income deductions with reasonable standards of personal income limitations, are essential. So, too, should we concentrate on ensuring that prompt action be taken on cases, to guarantee that those eligible not be forced to wait an unendurable length of time before they can begin receiving the benefits of the program. Where necessary, efforts should be made to help these citizens to distinguish between quantity and quality of food products, to stress an adequately nutritious diet rather than the number of grocery bags that can be filled.

Let us never lose sight of the fact that most of our elderly are in economic straits today not of their own making, but as a result of over-all economic factors that they, nor any of us, could foresee adequately. If we can recognize the genuine need of the aging in our society, and if we strive toward a positive program to assist them, then we have already gone a long way toward the kind of reform that I believe most of us are seeking.

Nor are the benefits of the Food Stamp Program limited to our elderly alone. None would quarrel with the need to provide individual or family dietary assistance to those who are temporarily unemployed, and at the poverty level, through no direct fault of their own, or who are physically unable to ever be gainfully employed. We also have a large and growing segment of society today, consisting of divorced or widowed mothers supporting children on their own, which may genuinely need such programs to feed its young ones properly.

But we can no longer hide from the fact that the program as it exists today goes far beyond helping those who can't help themselves, or those who are trying to make ends meet but simply can't due to forces not within their control. And it is in this area that I, and the overwhelming majority of my constituents who have contacted me on this issue, believe reform must be accomplished.

Several reform measures are now before this Committee for consideration. As a sponsor of one and co-sponsor on another, my interest is considerable.

But what we who will eventually be called upon to consider reform measures must remember is that, while we strive to provide food stamp programs to those in need, we also must work toward the kind of program that is responsible to the taxpayer as well.

To the already over-burdened American tax paying citizen, a program that extends benefits to those able-bodied persons who do not choose to work, or to those who voluntarily leave their jobs, is not acceptable. Nor is a program that permits, either through administrative error or loose legislative intent, the amount of fraud and duplicity that now exists.

I strongly favor tighter income reporting procedures, identification controls for the users of food stamp coupons, and the establishment of a concise income level for eligibility, based on existing poverty levels.

I also favor reforms which would require those who are legitimately unemployed and receiving benefits from the food stamp program, to actively seek re-employment. Such employment may not, by nature of poverty indexes, remove an individual from eligibility to participate in the program, but it does add a new dimension to the program that has previously been missing. It at least tends to re-establish the work ethic.

By requiring individuals to accept available employment at at least the prevailing minimum wage, we have indicated that while the federal government is, indeed, willing to help those who help themselves, this nation cannot afford the luxury of spending taxpayer's dollars on those who are unwilling to actively contribute to a productive society.

Americans can take pride in knowing that throughout her history, this country has tried to recognize the needs of the more unfortunate. This is a quality I hope we never lose. We haven't always made the right decisions. We have, at times, given too little too late, and we have at times, given too much too soon. But we also have the collective wisdom as a nation to find the balance that is needed and we must begin to do that now, as we review the Food Stamp Program.

CONFIDENT, OPTIMISTIC CONRAIL MANAGEMENT

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. ROONEY. Mr. Speaker, as I noted just before the recess, we have a new railroad in our midst—the Consolidated Rail Corporation, or ConRail, for short.

As the product of the 2-year efforts of the U.S. Railway Association and of the intensive efforts of the Commerce Committees of both House and Senate, as approved by the Congress earlier this year, the managers of this new 17,000-mile system have the extremely tough assignment of somehow turning this year's projected $359 million operating loss into a profit of some $151 million by 1979, if they are to meet USRA's projections—as task which some other railroaders and Wall Street analysts have labeled "impossible."

At this point in time, no one can predict with confidence how ConRail will actually do. But I, for one, have confidence—as I said last week—that the new ConRail management team will give their very best in making it a success and, accordingly, I was pleased to note that other observers have gained the same impression as witness the following editorial from the April 5th edition of Traffic World:

Confident, Optimistic ConRail Management

Members of the recently announced management team of the Consolidated Rail Corporation, alias ConRail (T.W., March 8, p. 16), are referring to April 1, 1976, as "Day One." Others in the railroad business or concerned with rail transportation have designated that date as Conveyance Day. It was the first day of emergence of ConRail from the state of being something planned to the state of being something actually in existence. It was the day on which the properties of seven bankrupt railroads, with lines in 17 northeastern and midwestern states, were transferred to and made parts of ConRail. It's a new transportation company, built on the ashes of five smaller lines—the Erie Lackawanna, the Reading Co., the Lehigh Valley, the Central of New Jersey, and the Lehigh & Hudson River.

There have been expressions of doubt by some thoughtful and discerning people about the chances for eventual success of the ConRail executives in converting the heavily subsidized ConRail company, with the second largest total of miles of rail line in the U.S.A. (the Burlington Northern being the largest), into a profit-making enterprise under private ownership and operation and no longer dependent on federal aid.

Having become acquainted with the two top executives of ConRail—Edward G. Jordan, chairman of the board and chief executive officer, and Richard D. Spence, president and chief operating officer—and having received good reports about the other members of ConRail's new management team, we are not as fearful about ConRail's future as some of our friends are.

We recall some lines written by an American poet regarded by certain sophisticates as "corny." That's a term often applied by said sophisticates to poetry that's understandable, is not in blank verse, and has lines that rhyme. We quote the first verse of a poem called "It Couldn't Be Done."

"Somebody said that it couldn't be done,
  But he with a chuckle replied
That maybe it couldn't, but he would be one
  Who wouldn't say so till he tried."

Well, that's the attitude displayed by Messrs. Jordan and Spence, and what we know about them indicates they are not only men of outstanding competence, they are also men who have the special qualities of leadership that are required for the difficult task that they and all their associates on the ConRail employe list are facing.

Speaking in a seminar program at St. Anselm's College, Manchester, N.H., last July, Mr. Jordan said:

"We still remain convinced that good Con-

Rail management can do its job, operating a slimmed-down, efficient railroad in the midwest and east, providing good service to customers at least cost to the taxpayers. . . . We believe that nationalization of the railroads can be avoided and that the industry can continue to operate in the private sector."

Last July, Mr. Jordan presented a paper in a Railroad Research Study conference at Woods Hole, Mass., in which he said:

"I have a very strong bias. It is my personal belief that the best answers to the rail industry's problem lie in the perpetuation of the private sector incentive system. I am not disposed to bringing the railroads into the public sector to be managed and operated by government corporations. . . . The goal to be achieved is a private sector solution and the path proposed is one to be taken to insure that you do have a private sector operation 15 years out, with what I believe are the appropriate kinds of incentives inherent in that kind of system. . . . I would suggest that our national self-interest requires the presence of a self-sustaining rail industry providing its appropriate service in terms of cost and efficiency, including energy. . . . The proposed solution in the Midwest/Northeast runs perilously close to complete government control and ownership. To preclude expansion of this form of 'answer' requires that we commence today to seek every means of improving the inherent capability of the railroad industry to be self-sustaining."

In one of the speeches he made last January, Mr. Jordan said:

"I am most emphatic when I say that we have no intention of simply taking government funds and painting over the rust and existing inefficiencies so that the railroad has the *appearance* of something new. That would be wrong. And the end result would inevitably be defeat, another bankruptcy. I have no intention of presiding over yet another bankrupt railroad. Neither the nation nor the industry nor the people who run the railroad should be made to undergo this kind of ordeal at this cost again."

Those who attended the National Transportation Institute of the Transportation Association of America in New York City on March 3 and 4 may remember this statement by Mr. Jordan:

"As managers of ConRail, our goal is to find a way to turn around this business so it makes money, but in a manner that will provide for return of the government's investment and for getting the government out of this business. I didn't take this job to fail. I have great confidence in the general plan outline (i.e., the U.S. Railway Association's Final System Plan) and in the people in our organization."

Mr. Jordan's utterances have the ring of sincerity. We believe that success of any organization or project depends on the quality, industriousness, the friendly and cooperative attitudes, the tenacity of purpose and the enthusiasm of the personnel constituting the organization or involved in the project. There is something contagious about the optimism, confidence and enthusiasm demonstrated by the ConRail people with whom we have become acquainted. We substitute the plural for the singular third-person pronoun as we look forward to a description of the ConRail team's performance, some time in the future, in Poet Edgar Guest's words:

So they buckled right in, with a trace of a grin
On each face. If they worried, they hid it.
They started to sing as they tackled the thing
That couldn't be done—and they did it!

RECENT STUDY CONFIRMS NEED FOR BAN ON ALL HANDGUNS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. DRINAN. Mr. Speaker, as long-awaited gun control legislation makes its way to the floor of the House, it is essential that we consider all of the latest findings in the complex area of firearms control.

One of the most significant and exhaustive studies of this subject is the recent "Project 300" conducted by the Bureau of Alcohol, Tobacco, and Firearms. This analysis of 300 handguns, selected at random, indicates that approximately two-thirds of all handguns in circulation in the United States are used in the commission of crimes. This constitutes powerful evidence that handguns, unlike legitimate sporting firearms, are designed and used for criminal purposes.

The study also reveals that approximately 25 percent of all purchasers of retail handguns have felony or other criminal records, and that 16 percent used fictitious identifications in obtaining their weapons. These figures confirm the need for far more stringent identification and verification procedures.

In the light of these and other continuing revelations as to the pernicious effects of handguns in our society, it is not surprising that increasing numbers of citizens and publications are calling for a ban on the manufacture and sale of all handguns. The bill approved by the House Judiciary Committee is a step in the right direction, but it has several deficiencies, particularly its failure to ban all handguns. An editorial in the Boston Globe on April 19, entitled "A Handgun is a Handgun," argues simply and eloquently for the extension of the ban to cover all handguns.

The results of the Bureau of Alcohol, Tobacco, and Firearms study and the Boston Globe editorial follow:

ATF FACTSHEET PROJECT 300 STUDY

THE STUDY

This is an in-depth study of 300 randomly selected handguns submitted to the Bureau of Alcohol, Tobacco and Firearms for tracing. Purpose: To determine how handguns enter criminal channels, and chart the life history of handguns from the time they are made until their seizure or association with crime.

Handguns were selected from 11,810 handguns traced by ATF between October 1974 and June 1975. Handguns were selected for the sample (a) which had been successfully traced to a retail dealer. (b) which indicated movement interstate. (c) which were introduced into commerce beginning in 1972. (d) which were not known to have been stolen. Guns traced from firearms retailers to first retail purchaser and, as necessary, to other persons who came into possession of each gun.

FINDINGS

Stolen guns

Original ATF source data indicated none of the 300 guns in the study was stolen. Investigation showed that in fact 66 (22%) of the 300 guns were stolen or allegedly stolen. This was because many owners failed to report handgun theft or used theft to explain how guns left their possession.

Of 43 known persons arrested with stolen firearms, 29 (67% of 43) had a felony conviction.

Invalid identification (Data base, 256 handguns traced to first retail purchaser).

40 persons (16% of 256) used invalid identification to purchase firearms; 24 used false names or addresses; 16 were not residents of states where firearms were purchased.

23 persons (9% of 256) used a Social Security card to purchase firearms, in violation of ATF ruling; 8 of the 23 provided false identification.

Convicted felons

22 of 74 last owners (30% of 74).
9 of 127 second owners (7% of 127).
16 of 256 first retail owners (6% of 256).

Felons arrested with trace firearm

22 of 54 last owners (41% of 54).
7 of 30 second owners (23% of 30).
9 of 50 first retail purchasers (18% of 50).

Friends and relatives

25 of 30 (84% of 30) second owners arrested with trace firearms obtained their firearms from friends or relatives.

NOTE.—It was not possible to repeat this analysis beyond the second owner.

Street crime (Data base, 300 handguns).

197 handguns (66% of 300) were used or seized incident to a street crime.

Saturday Night Specials (Data base 300 handguns).

88 handguns (29% of 300) in the study were so-called Saturday Night Specials by ATF definition: .32 caliber or less, length 3 inches or less, cost $50 or less.

Narcotics violations (Data base, 300 handguns).

47 handguns (16% of 300) were involved in narcotics offenses.

Dealer violations (Data base, 300 handguns).

9 handguns traces (3% of 300) involved retail dealer violations of the Gun Control Act. This figure does not include instances where dealers accepted invalid identification in the purchase of firearms.

Sale and recovery (Data base, 300 handguns).

Florida led all states in this random sample with 38 (13%) of 300 handgun sales. Florida is a state with relatively few restrictions on firearms sales.

New York led all of the states in this random sample in which firearms were traced or recovered. Of 300 handguns, 52 (17% of 300) were traced or recovered in New York, a state with relatively severe restrictions on firearms sales.

Time from first sale to trace or recovery (Data base, 193 handguns used incident to crime).

The average time between the first retail sale of a firearm and its trace or recovery incident to a crime was 13 months.

A HANDGUN IS A HANDGUN

The House Judiciary Committee has approved a gun control bill intended to ban the manufacture and sale of the so-called Saturday Night Special handgun. Unfortunately, it is not good legislation.

The bill approved by the committee, which was submitted by Rep. Tom Railsback (D-Ill.), would ban revolvers less than 4.5 inches long and pistols of less than 10 inches which do not meet certain design and manufacturing criteria. It would not apply to the millions of weapons that are already in existence.

If the Railsback bill became law its passage probably would be viewed as a victory by some gun control advocates. But its actual effect would be minimal. Most gun manufacturers, by merely modifying their products, would be able to continue to do business as usual and few customers would be discouraged from buying even if prices went up a bit.

The Railsback bill does provide for a two-week "cooling off" period for potential handgun customers intended to discourage the impetuous buyer and allow time for investigation into gun-buyers' qualifications. It also sets mandatory sentences for those who commit a Federal crime with a gun in their possession. Such measures might be effective.

But the bill really evades the basic problem—that handguns of any size and quality and age (excepting antique), are hideously dangerous and that there are far too many of them in private possession in this country. We can't afford to be discriminatory. A handgun, cheap or expensive, large or small, new or old, is a handgun and should be banned outright.

STUDY ON THE OUTCOME OF PREGNANCY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. MILLER of California. Mr. Speaker, I would like to take this time to share with my colleagues in the Congress the preliminary results of a study which has just been completed on the effects of dietary counseling and supplemental nutrition on the outcome of pregnancy. The study was made under a grant from The National Foundation-March of Dimes by Dr. David Rush of Columbia University and Agnes C. Higgins, executive director of the Montreal Diet Dispensary and their associates.

The study of 1,182 matched pairs of women receiving prenatal care revealed that for those women who received dietary counseling and supplemental nutrition, perinatal mortality was lower with a mortality rate of 16.9 as against 24.5. The infants of mothers receiving dietary assistance had significantly higher birthweight, averaging 48 grams; with those receiving assistance in the first trimester averaging 87 grams higher; those in the second trimester, 41 grams; and those in the third trimester, 20 grams.

This is the first reported controlled study demonstrating a significant increase in birthweight following dietary services in pregnancy in a western industrialized population. It provides a scientific justification for the nutrition value and importance of the WIC legislation.

In March of last year I cited to the Congress comments by Dr. Myron Winick, professor of pediatrics and director of the Institute of Human Nutrition at Columbia University, who has stated that "an association exists between the amount of weight gained during pregnancy and birth weight" and that "malnutrition retards infant growth producing smaller—brains." He states further that "the difference in birth weight between rich and poor accounts for the difference in mortality between the rich and the poor" and that "feeding a better diet during pregnancy increases maternal weight gain, birth weight and, therefore, should decrease mortality and the incidence of retardation."

There is growing experimental evidence that improving nutrition during pregnancy—even as late as the last triester—can have a marked effect on birth weight and that maternal weight gain during pregnancy probably is the most important determinant of birth weight.

As a result, Mr. Speaker, I think it is clear that we continue to be confronted by that causal chain linking poverty to poor nutrition, poor nutrition to low birth weight, and low birth weight to infant death and brain damage in behavior disorders.

And yet we continue to see programs such as the WIC program become bogged down in bureaucratic redtape because of not only the insensitivity of the Department of Agriculture to this growing problem of malnutrition in American society but also because of the hostility toward this program. For these actions to continue in light of this kind of evidence can only be labeled as criminal for it is clear that the people of the Department of Agriculture are aware of the very detrimental impact of poor nutrition on the health of our children and yet they continue to refuse to go along with the will of this Congress which has overwhelmingly given support to this program and appropriated the necessary moneys. They are the ones who must bear the responsibility for the increase in mental retardation and infant mortality among the poor of this, the richest Nation in the world.

IN MEMORY OF THE HOLOCAUST

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. LONG of Maryland. Mr. Speaker, I insert in the RECORD the text of my speech in Baltimore this week in memory of the holocaust.

The text of the speech follows:

SPEECH IN MEMORY OF THE HOLOCAUST

The Holocaust is the most recent and most horrible reminder of the lessons of the Diaspora and of the Roman massacre in Jerusalem nearly two millennia ago.

The propaganda that Jews have been well-treated in Muslim countries and that they would therefore co-exist as equals in the Palestinians' proposed "democratic and secular state" is discredited by the facts of the plight of Jews in 19th century Palestine (as described by David Landes in the February, 1976, issue of Commentary).

As Landes says, citing historical documentation,

"In sum, the situation of the Jews in the pre-Zionist Holy Land (and in Islamic lands in general) was comparable to that of the blacks in the post-Reconstruction American South. . . .

"The Jews of (19th century) Palestine were designated as inferior (in law as well as custom), segregated by appearance and residence, subject to discrimination and abuse, and liable to sporadic and not infrequent violence. Lynching—that is, group assault—was not a common occurrence; but it happened often enough, and then with impunity, to constitute an immanent, imminent menace."

The implications that Landes sees of the oppression of the Jews in 19th century Palestine should be remembered today as we ponder the meaning of the Holocaust:

(1) "the subordination of Jew to Muslim in the Arab world was the worst possible basis for the coexistence of the two groups in an age of Liberty, Equality, Fraternity. The aspiration of Jews (and other minorities in Islam) to the first two made the third impossible."

(2) No improvement was possible for the Jews in Palestine because of their inferior position in the society and their lack of political power.

(3) With regard to the Palestinians' proposal for a secular, democratic state in Palestine, Landes says that "no Arab society has ever established such a state in the past, and none of the Arab states of today, for all the progress of modern secular notions, is built on these principles. The one country that has moved in this direction, Lebanon, is today an object lesson in the limits of co-determination in an exclusivist Middle East."

The Jews have had the lesson burned into their souls. Partly as a result, they created Israel where they could breathe and worship as Jews. America, which stands for freedom of minorities from the worst kind of persecution by majorities, has had, at least in recent years, a firm policy of helping Israel and the Jews preserve their spiritual heritage in a hostile world.

As your Congressman—one who is in a fortunate committee position of being able to shape appropriate legislation and provide funds to help Israel survive—I pledge you my efforts to ensure that Israel is preserved and that her enemies are neither encouraged nor strengthened.

One of the mysteries of the human experience is that a people who have the longest recorded history in the annals of mankind and who have made the most enduring contributions to religion, to history, to science, to literature, to philosophy, to the social disciplines, to say nothing of to leadership in peace and understanding, should for thousands of years have been the victims of the most savage persecution and been obliged to live at the indulgence of other, and frequently inferior, cultures.

At long last, they have been restored to their spiritual homeland in Israel, and the least America can do is to see that from now on, as in the last 28 years, the Jews can be masters of their own fate.

POPE PAUL: A MAN OF PEACE

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. SOLARZ. Mr. Speaker, last Monday I, and a delegation of my colleagues, had the rare privilege of having an audience with Pope Paul VI in the Vatican. I was deeply impressed by the seriousness and sincerity of His Holiness' remarks on the problems facing the world and the meaning of our Bicentennial.

The Pope is truly a man of peace who has tried valiantly to inject moral considerations into the relations between nations. The remarks he addressed to us reflect his dedication to high moral principles and his devotion to helping all of humanity. As such, I would like to share them with my colleagues who I hope will be guided by these most timely thoughts.

The remarks follow:

Dear friends, you have asked to visit us during your stay in Rome, and we are happy to be able to accede to your request. We welcome you both as friends and as Representatives of the Congress of the United States—members of the legislative branch of your Government. We extend our welcome all the more cordially at a time when you and your fellow-citizens are celebrating the Bicentennial of your nation.

Addressing you as legislators of America we willingly speak to you a word of encouragement, exhorting you to maintain with reverence and pride the salutary tenets on which your country was established. At every turn, your Bicentennial speaks to you of moral principles, religious convictions, inalienable rights given by the Creator.

Of necessity your anniversary engages the reflection of all citizens on the equality of human dignity and destiny, and on the rich ethnic background of the United States. And you personally are summoned by your celebration to reflect anew on the role of government, as instituted precisely to secure for all the people inalienable rights—and "among these are life, liberty, and the pursuit of happiness". By the sacred trust committed to you by the people, and in loyalty to your very Declaration of Independence, you have been called to the service of defending life and of promoting true liberty and happiness among your people. And we cannot but praise the significance of your gesture as once again you pledge allegiance to a Republic that is "one nation under God".

We earnestly hope that these reflections and this commemoration of your Bicentennial will constitute a rededication to those sound moral principles formulated by your Founding Fathers and enshrined forever in your history. There is so much in your tradition to urge you to look forward to the future with trust in God. May your land be indeed a land of upright conduct in personal and public life—a land where truth is respected, and where brotherly love is the criterion of greatness. We willingly join our voice to your own prayerful expression of challenge and resolution: "America! America! God mend thine every flaw, Confirm thy soul in self-control, Thy liberty in law".

And may you, the lawmakers of this land, and all your illustrious colleagues in government, recall with pride your role of service, and fulfill with dignity your solemn charge before the people.

In our own role of a universal ministry and of worldwide service to humanity—as a friend your people and every people—it is our prayer that America may go forward to a new era, humbly expressing gratitude for the immense blessings received from the Creator. With openness and concern for the needs of the world, may she guard the spiritual and moral heritage of her past, in order to ensure a future "with liberty and justice for all".

ANNA L. CHATMAN, OUTSTANDING CITIZEN

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. STOKES. Mr. Speaker. I rise on this occasion to pay tribute to a woman who has devoted her life and energies to the social, political, and moral betterment of the Greater Cleveland community.

Anna L. Chatman is a woman with boundless energy and a zest for life which amazes all of us who know her.

Similar to many of the leaders in our community, Mrs. Chatman's early involvement came through the church. As a child and young woman, Mrs. Chatman was raised in the Liberty Hill Baptist Church. All of the spiritual enrichment she received in those early years, she returned to the church tenfold as Sunday school teacher, church pianist, and director of the gospel chorus.

In 1939, Mr. Speaker, Mrs. Chatman became the bride of the Reverend Marcelus C. Chatman, founder and pastor of the Harvest Baptist Church. By his side, Mrs. Chatman continued her exemplary work. The social and economic needs of the parishioners in Cleveland's Black community were every bit as acute as their spiritual needs. Together, Rev. and Mrs. Chatman toiled in the human vineyards and together, they accomplished much. Since the death of her beloved husband, Mrs. Chatman has continued the religious and community involvement which she and her husband began together.

Up to this point, Mr. Speaker, I have spoken of Mrs. Chatman's relationship to her church and her community. Yet, I cannot fail to mention her relationship to me.

To say that Mrs. Chatman is my friend is true in every sense of the word. But even that term greatly understates the enormous warmth, affection, and respect that I have for this outstanding woman.

I owe much of my personal success to her continued devotion and hard work. As executive director of the 21st Congressional District Caucus, the leading black political organization in Cleveland, Mrs. Chatman has been my strongest supporter. Mr. Speaker, this woman though she has never held public office, functions expertly at every level of the political process, and has had a long-range impact on the political life of this city.

I often wonder myself, "Where does she find the time." Let me list but a few of her associations which will show you the extent of her commitment:

President, Cleveland District of Baptist Women.

Choruster, Ohio Baptist General Association for 31 years.

Vice President, Baptist Pastors Wives and Widows.

Member, Cleveland Urban League.

Member, National Association for the Advancement of Colored People.

Director and Organist, Harvest Baptist Church.

Executive Director, Twenty-First Congressional District Caucus.

Chairman, Twenty-First Congressional District Caucus.

Co-Chairman, State of Ohio Golden Jubilee Celebration of the Women's Auxiliary of the National Baptist Convention.

Pianist and Director for over 10 Churches in the City of Cleveland.

Founder and Administrator of the Harvest Day Care Center.

Vice Chairman, Corporate Board of the Ministerial Day Care Center.

Chairman, Women for Stokes for Congress Committee.

Recipient of Outstanding Citation from the Women's Business and Professional.

All of Mrs. Chatman's contributions carry her own unique, indelible mark. One can readily see this in her two fine daughters, Marcella Chatman McElroy, a schoolteacher, and Ruby Chatman Alexander, a social worker. Both young women have upheld their mother's tradition of service to the community.

Mr. Speaker, so many in Cleveland, and that includes myself, feel blessed by the presence of this remarkable woman. She is the anchor to which we hold and the center to which we gravitate.

Each Member of the House of Representatives sits here today because of the toil and dauntless effort of a man or woman like Anna Chatman. For that reason, I ask you to join with me in recognition of her many years of invaluable service to the Cleveland community. Mrs. Chatman will be honored at the annual luncheon of the Cleveland District of Baptist Women on May 8, 1976. I am sure that all of you join with me in extending congratulations to her on this most important occasion.

MEXICO IS BEING PREPARED FOR RED TAKEOVER

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. SYMMS. Mr. Speaker, my colleague, the Honorable LARRY McDONALD of Georgia, placed in the CONGRESSIONAL RECORD of April 14, 1976, pages 10895–96 and 11058, some material on events taking place in Mexico that should give every thinking American cause for concern. We could and did maintain a very detached attitude when the Marxists took over in Chile some years ago. However, we have a common border with Mexico and in recent years relations have been very good. But, if the people presently guiding the land seizures and other maneuvers in Mexico have their way, the border separating the two countries could become one of conflict. Therefore, I believe that the article from the Review of the News dated April 28, 1976, written by Mr. McDONALD should be read by the Members of this body. The article follows:

MEXICO IS BEING PREPARED FOR RED TAKEOVER

(By Congressman LAWRENCE P. McDONALD)

The shadow of Cuba, and of Chile under Salvador Allende, has loomed over Mexico for the past six to nine months, arousing grave concerns there. President Luis Echeverría, due to leave office in July, has apparently decided upon a retirement present for his country. The present is Communism.

A "brain trust" consisting of veteran Latin American and European Reds has been busy laying the legal groundwork as President Echeverría and his hand-picked successor, José López Portillo, have cranked up the propaganda. Meanwhile an amnesty has been prepared for the tough Communist cadres who engineered the "student revolt" in Mexico City in 1968. Mexican Communist Party leader Arnoldo Martinez Verdugo finds in it both vindication for those who, under K.G.B. orders, caused the deaths of at least a thousand people, and great hope for the future. The amnesty would permit those released to enter government employment, and as Sr. Martinez so gleefully observes, it all "opens the gates to political struggle" in Mexico.

At the same time, President Echeverria has made changes in the Mexican Constitution and presented a series of new laws which take dead aim at private property of every kind. Should these be accepted by a Congress which is generally ready to go along with anything the President wants, no one in Mexico would be able to feel secure in the possession of *anything*. The "public interest," as interpreted by Marxist revolutionaries, would override all personal rights.

It is shocking that the mass media in the United States have chosen to overlook what is happening in Mexico. When the President of our southern neighbor starts sounding like Fidel Castro, and proposes laws identical to those which ruined Chile, something just might be going on that is important. And the whole stock-in-trade of the professional Communist propagandist is now to be found in the speeches of President Echeverría. All his opposition is described as fascist, decadent, oligarchic; all resistance is said to be provocation; all crimes, including the tragic events of 1968, are claimed to be the work of his Rightist enemies. How can he say that? As easily as Fidel Castro himself.

Now the word is that the Communists the President is about to remove from the pokey to positions of power were doing something very "understandable," that they had "progressive motivations." According to Mexico's President, the 1968 criminal activity was really caused by "the Mexican oligarchic sector" which "financed" some "immature groups" and led them to extremes! This is the sort of silly claptrap which Fidel Castro can get away with because no one dares to call him on it. Now, it would appear, the President of Mexico thinks his own people have been made equally subservient.

In the popular mind, Mexico has always been devoted to "revolution." However, to bend a phrase, the 19th Century got the action and the 20th Century got the rhetoric. What makes the Mexican Revolution deceptive is that too much is subsumed under the word "Revolution."

The average American thinks of Mexican revolutionaries as anything from gore-spattered Robin Hoods to noble idealists and visionaries fallen victim to dark plots or seething passions. The average American also thinks of a revolution as a period of upheaval lasting a few months, or at most a few years, even though its effects are felt much longer. That is why Americans tend to get confused when introduced to the idea that the Mexico of today is engaged in the same now-deified Revolution which is supposed to have commenced in 1910.

What does a 65-year-long Revolution feel like? Well, at least 60 years of it feels like any other "one-party democracy." In Mexico the dominant party calls itself the Party of Institutional Revolution (P.R.I.). Other parties are now tolerated as long as they don't get feisty, and revolutions against the Revolution are made semantically unthinkable, a marvelous triumph over the mind of Man.

The dominant P.R.I. is, however, only a machine for retaining power. The government consists of a weak Congress and a President with near-dictatorial powers. It has been the custom of the Revolution that the President serves a single six-year term, and is then able to choose his successor, who is in turn elected by enthusiastic majorities. While it may seem incongruous to some that the citizen would think of himself as engaging in Revolution by confirming in office the same crowd that was in there 30 years ago, or that a paunchy bureaucrat would consider himself striking a blow for the Revolution with every squish of his rubber stamp, that is in fact the pattern.

Thus, throughout this century, Mexico has been awash in the rhetoric of revolution. The Mexican Constitution of 1917 is "revolutionary" enough for most Communists. It is statist, anti-clerical, anti-foreign, anti-private-property, and all for communal lands. Under that Constitution, beyond the rhetoric, there has come much real revolution. For many years there was expropriation of foreign-owned businesses, complete outlawing of the Church, and expropriation of large landholdings within Mexico and their redistribution to the Indians and *campesinos* as communal village lands or *ejidos*.

On the other hand, the Constitution of 1917 has been tempered, along the way, by everything from common sense to greed. After all, there must be production, or more accurately there must be productive cows to milk. So the Constitution does not outlaw private property or foreign investment, but simply makes them subservient to the Revolution as interpreted by the party's managers of the Institutional Revolution. As a result there has been considerable socialism in Mexico, along with a body of private property and private enterprise, as producers have come to terms with the ruling party. The rhetoric has remained flaming-Red throughout, but the actual situation has been tolerable.

Now, however, the Constitution of 1917, which was Red enough for most Communists, has proven not Red enough for Mexican President Luís Echeverría and his foreign Red friends. Within the past six months, as we have noted. Echeverría has fiddled with the Constitution and put forward ominous new laws which have all of Mexico worried. These laws come from a Presidential think-tank called the Center of Economic Investigation and Teaching (*Centro de Investigacion y Docencia Económicas*). And this Echeverria brain-trust consists of Chilean and other foreign Communists who have brought to ruin one country after another and been driven out of one country after another. It is indeed ominous for Mexico (and for us) that they have settled like vultures on a high branch of the Mexican Government.

Why? Why would the President of Mexico do this to his country? President Echeverría is scheduled to take leave of office this July, when his successor, José López Portillo, is scheduled to be elected by the usual majority. Echeverria could look forward to both continued influence and well-cushioned retirement. But the title of "leader of the Third World" has been dangled before him by both Washington and Moscow and he is snapping at the offer.

Part of the deal seems to be this: the Communists will call off their guerrillas and terrorists if Echeverría will install them in the Government!

Incredible? No. But hard to "document." The circumstantial evidence is nonetheless strong. Pitched battles in the countryside between guerrillas and the Mexican Army have subsided; the murder of policemen by the baker's dozen has slowed to a dribble; persistent trouble-makers are plucked from their homes, indicating that somebody has handed somebody else a list of home addresses. On the other hand, very much as if part of a deal. President Echeverría is moving to release from prison and make eligible for government employment the hardened Reds who participated in such bloody K.G.B. operations as the "student riots" of 1968. Indeed, much political power in the state of Guerrero (which includes Acapulco) has been handed to relatives of the late Lucio Cabañas, a Red guerrilla killed in December 1974.

So the Red cadres are, some of them, already Government officials, while others know they can rely upon Government toleration. And the Red "general staff" in the Presidential think-tank works directly with Luis Echeverria.

Who are the bad pennies who keep turning up in one country after another to affect these Communist coups? Try Pedro Vuskovic, the highest-ranking United Nations official to serve in the Communist Government of Salvador Allende in Chile. He was Allende's Minister of Economics, the one who wrecked the entire national economy. And it was no accident; Marxist revolution is not a matter of rule-or-ruin but of ruin-and-rule. Scores of lesser Chilean Reds serve under Vuskovic, who has been given the incredible title of Assessor to the Secretary of the National Patrimony. Communist refugees from Argentina like Marcos Kaplan, and from Uruguay, such as the former Rector of the University of Montevideo, Samuel Lichtensztejn, as well as a large number of European Reds, have flocked to the newest high perch in Latin America where they are working with Vuskovic.

Based upon past performance (see "The U.N. Worked For A Red Chile," in The Review Of The News for October 30, 1974), we can expect that the United Nations will provide all the Marxist "experts" President Echeverria can use. So you see it meant something last April 4th when Mrs. Hortensia Allende surfaced with her Cuban bodyguards to state that President Echeverria's latest effusion in Mexico, sometimes called the Law of Urban Reform, is exactly the one her husband was going to institute in a Communist Chile. What it meant is that Mexican-brand socialism is being maneuvered to give the Communists a vast land base on our southern border.

Mexicans are beginning to realize what is happening, and much dissatisfaction is being expressed in the Mexican press—although the American press, so sensitive to every twitch of the body politic in, say, Chile, is still pretending to be indifferent. I believe that in fact such apparent indifference is a manifestation of Washington's quiet approval. Such approval would be wholly consonant with the Kissinger-Sonnenfeldt Doctrine that America's humble role in the world is to aid constructively in the emergence of the Soviet Empire.

Which is why Chilean-style, organized land seizures are in the news in Mexico as I write. This is simply incredible in view of the fact that 60 years of "agrarian reform" in Mexico has already involved the "redistribution" of at least 150 million acres. Privately owned land in Mexico is already deliberately limited in extent with the original idea having been to dispossess the latifundistas, the owners of huge estates left over from the colonial era or representing the spoils of public office. These states, especially in the drier areas, sometimes extended as far as the eye could see. That is an interesting point, since Marxist politicians in Mexico are now denouncing farmers with 250 acres as latifundistas richly deserving of despoliation.

The aforesaid "redistribution" of 150 million acres, in accordance with Mexican socialism, has permitted less than 3 million Mexican families to use (but definitely not to own) small farms with an average of barely 18 acres of arable land. Nearly all privately owned farms are also that small in terms of arable land; only 4 percent of private Mexican farms, in 1967, had more than 62 acres of cropland. There isn't really much left efficiently to expropriate.

But that sort of thing never restrains the hard-core Communist. The history of Communism in this century proves over and over again that Communists are fully prepared to wreck agriculture and bring famine to their victims, for the purpose of clamping tight political and economic control on the rural population. Communists are always prepared to sacrifice food production in order to enslave the people. After all, it is not the ruling Communist elite which goes hungry.

The same plan which was put into effect in Chile, by Vuskovic and his United Nations experts, is to be put into effect in Mexico in the very near future if President Echeverría can manage it. In Chile, the plan brought farm production to disastrous lows, which led to raging inflation and the subjection of the population to food rationing run by the Reds in a frankly political manner. The plan was to ruin the middle class and make everyone dependent upon the Communists for breakfast, lunch, and dinner.

This was not a mistake or merely a misfortune—this was the plan. And the same planners are bringing the same plan to Mexico today!

For example, Mexican newspapers are filled with stories of land-grabs involving up to 2,500 people. In the Yaqui Valley, an irrigated area of northwestern Mexico which ranks as one of the most productive in the world, one-third of Mexico's wheat crop is hostage to gangs of Marxist-led landgrabbers (who also grab harvest machinery and hostages). But is President Echeverria concerned about it?

Hardly!

His concern is with "clandestine, pro-fascist, anti-Mexican" Mexicans who have gotten a whiff of what's coming and who don't like it. His chosen successor, José López Portillo, prefers to rant about "White Guards who are again assassinating peasants" and to rage about "*latifundistas* disguising themselves as small landowners." It is amazing that Sr. López has not yet so forgotten himself as to demand the liquidation of the kulaks as a class.

The owners of vast estates of 60 acres are indeed threatened with liquidation as a class, but the lowly *ejidatarios* are also in trouble. Allowing peasants to make their own decisions, on however humble a scale, and even to *rent* their land, or *hire* their neighbors, is absolutely intolerable to a true Communist—one who is serious about total power! And so we should not be surprised to hear Sr. López proposing a "better organization of the peasants in close identification with the government," by "organizing everyone, strengthening revolutionary ideals and actions, resolutely strengthening the genuine drive to struggle, and destroying the pretenders who disguise themselves as hoarders, monopolists, and *latifundistas* to fool the people and themselves. Let us fight those who are almost always basically confused with each other—the chieftains because the chieftains and *latifundistas,* the chieftains and monopolists, chieftains and hoarders are the same . . . we have declared war on them. We are going to wage that war to the end."

This utterly incoherent blether, rivaling in incomprehensibility the rant of Senator George McGovern in his more unhinged moments, nonetheless betrays its Castroite origins, and threats of "war" against whatever elements of the Mexican population may be fingered by Communist agents cannot be overlooked by any sane Mexican.

The plan is to dispossess all private owners, and to force them as well as the *ejidatarios* into collective farms under tight government control. It is what every Communist government does. It is not going to boost production, but it is going to put every peasant where the Communists think he belongs, in peonage to the government.

What then? Will the United States feed Mexico as it feeds the Soviet slave empire? Or will the United States receive five or ten million Mexican refugees from Communism, including the usual proportion of Red agents?

Or both?

Believe me, my friends, this is only a slight indication of what might happen should Mexico succumb to the Communist *coup* now being arranged by President Luis Echeverria.

RETREAT IN THE WAR AGAINST DRUG ABUSE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. RANGEL. Mr. Speaker, in the late 1960's and early 1970's the Congress and the Johnson and Nixon administrations reacted to a popular alarm regarding the unparalleled and unanticipated introduction of heroin and other drugs into suburban middle-class America. This suburban phenomenon was accompanied by a sharp increase in the inner city. The heightened public awareness and demand on elected officials resulted in a fairly massive legislative and executive effort focusing on all aspects of the drug abuse problem: treatment, research, education, and law enforcement.

New laws were passed, new programs created, moneys appropriated, and a generation of our beloved but undirected and adventuresome youth were "saved" from destruction—or so we thought. After some demonstrated success, we assumed that the war was won, the problem contained, and we began to relax, withdrawing our commitment and our vigilance and resources.

If we have learned anything at all since our major assault on drug abuse was curtailed a couple of years ago, it is this: The problem of drug abuse is resilient and potentially epidemic in all geographic areas and all socioeconomic groups, and that public retrenchment is an open invitation to sinister forces to intensify and expand illicit drug trafficking. We were almost lulled to sleep by glowing reports of greatly lowered incidences of drug abuse in our large urban centers and the effective disruption of the French-Turkey connection. We have been rudely reawakened by more recent reports which show that drug abuse rose in medium- and small-size communities as it receded in the larger ones, and that drug abuse is now rising sharply in the large urban areas where activity had been abated.

The Vice President in transmitting the Domestic Council Drug Abuse Task Force's White Paper on Drug Abuse on September 29, 1975, accurately described the situation when he said:

> . . . the optimism about "winning the war on drugs" expressed so eloquently and confidently only a few years ago was premature.

We must reaffirm the commitment to combat drug abuse as a national priority.

The tragedy and irony of the current situation is that at a time of increased drug abuse, the National Institute on Drug Abuse is operating on a continuing resolution. This is unconscionable and inconsistent with the priority attention that must be given to this plague on our people.

It is very easy for us who are not in day-to-day touch with the personal and human miseries and dislocations of the drug abuse problem to view the problem with academic diffidence. For this reason, Mr. Speaker, I ask consent that the text of an article by Wista Moylar, appearing in the April 15 edition of Community News Service, Inc., be placed in the Congressional Record.

This article is personalized testimony to the positive achievements being made by a drug addiction treatment program, the Addiction Rehabilitation Center—ARC—in my district. There are many other addicts standing in line wanting and needing the kinds of services provided by ARC. Because of inadequate Federal and local funding their needs are unmet; they remain at the mercy of the pushers and purveyors of drugs. All the while we allow funds to be cut, programs like ARC to be reduced and, in so doing, lose the moment of expedient action.

Let me put the ARC situation into the context of Federal drug abuse prevention policy. The program has just sustained a 10 percent cut due to a loss of some State funds which are funneled through the New York City Office of Drug Abuse. Yet our national policy says that local programs, once established with Federal matching funds, should have the Federal match reduced in subsequent years and depend more heavily on local funding. This is absolute folly considering the fiscal troubles of most large cities. In fact, the Federal share should be larger than the present 60 percent.

The cost-beneficial nature of programs like ARC is easy to demonstrate. Last year, 227 ARC enrollers were employed and earned a total of $909,000, on which they paid taxes. It is estimated that these same 227 individuals, without treatment and other intervention, would have spent $17 million to support their addiction and would have stolen as much as $67 million worth of goods to raise the income.

The Congress recently reauthorized drug abuse prevention programs, whose authorizations had expired, and on April 13 we passed the Second Supplemental budget appropriations, containing $161,000,000 for drug abuse grants and contracts. House passed appropriations are less than 80 percent of authorizations. Mr. Speaker, I beg my colleagues to resolve now to match authorizations with 100 percent appropriations in fiscal year 1977 and to recognize and support this in committee deliberations, in concurrent resolutions on the fiscal year 1977 budget, and any House-Senate conferences on these matters.

I place in the Record at this point for the information of my colleagues an excellent article by Wista Moyler of the Community News Service on the current crisis of the Addiction Rehabilitation Center:

Drug Free Addiction Program Battles Biggest Foes: Shrinking Funds and Apathy

(By Wista Moyler)

April 15.—The fifth floor window of the Addiction Rehabilitation Center (ARC) on 128th Street and Park Avenue overlooks a roofing company, an Exxon gasoline station, an auto repair shop, two vacant lots strewn with debris and the elevated Penn Central railroad which splices the avenue, casting its steel shadow over the surrounding tenements and shops.

Angela, a 34-year-old ARC resident, walks dispiritedly towards the ARC building. Charlene Jackson, public relations director for the residence, says that Angela, the mother of a 5-year-old paraplegic and a drug addict, typifies the drug addict or alcoholic with a multiplicity of problems that ARC attempts to "habilitate". "There is no such thing as "*re*-habilitation" because there was no habilitation in the first place," she argues. "*We* must perform the task that society failed to do."

Melvin is a 20-year-old North Carolinian who came to ARC with several arrest warrants against him in New York and North Carolina. Through the efforts of the ARC staff, the N.Y. warrants were dismissed but North Carolina is still seeking his extradition. Ms. Jackson says there is every indication that he might have to return to N.C. to serve a jail sentence.

"No one cares about the crises that individuals must face everyday, but if you have to deal with these problems every day, you just can't ignore them." Ms. Jackson explains.

Ignoring the problems of drug addicts, however, "is almost impossible for the ARC staffers, many of whom are former addicts, who have experienced first-hand the torment and personal struggle that is necessary for drug addicts to become "productive" members of a society that quite often doesn't care whether they live or die.

Executive Director James Allen, 51, himself a former drug addict of ten years, presently attends John Jay College where he is studying for a B.A. degree in sociology. He is a lean, bespectacled gentleman with a partially bald head and a neatly-trimmed grey beard. After "de-toxing" in a federal facility in Lexington, Kentucky in 1957, he came to New York and has since spent his life "alternating between a drug program, trying to be a husband and going to school." But most of his time is devoted to the drug program.

He believes that psychology and sociology should be applied to solving "contemporary problems. Most blacks who study sociology get brainwashed into accepting things as they are. They get stuck with a lot of theories and hypotheses. But I'm not going to give up because I've already proven that I am successful (drug-free), even after they told me it couldn't be done."

On the second floor of the 5-story ARC building, Allen has 12 large fish tanks filled with tropical fish. Ms. Jackson says that he studies the behavior of the fish to draw sociological conclusions about the behavior of people. For example, once he had two "red devils" in the same tank, but the male refused to allow the female to come out from under a rock to eat. Eventually, she grew desperate for food and came out. The male fish killed her. He was so ferocious that when put in a tank with the less-than-timid "oscars" he often attacked them. To Mr. Allen, the red devil's aggression is not unlike that of certain aspects of human aggression.

The enthusiam and dedication of Director Allen is reflected in the attitude of the ARC staff from clerks to administrators who all seem to go about the work of the drug program in a warmly professional fashion.

The "program" actually has two major components—a 24 hour residential drug-free program and a "day-care" one for addicts who continue to live at home—operating out of the Park Avenue building in the Cannan Baptist Church. At Cannan, the "Crisis Intervention Center" (CIC) serves as an intake facility for all addicts coming into the program. ARC offers job and educational counseling, psychological testing and referral to other agencies when necessary.

Residents are recruited by ARC staff from hospitals, street corners and by word-of-mouth or referred by the court or other agencies. However, admittance to the program is strictly on a volunteer basis. "A person must give up two things—drugs and welfare—or they cannot come here," says Allen.

"We try to prevent dependency in our program," he continues. "After you've been in this business a long time, you have to try to avoid functioning just to keep the institution alive."

Consequently, the average stay at ARC is short—from six to nine months; in other drug programs, the length of stay is from twelve to eighteen months.

Allen points out that his program is the the N.Y. warrants were dismissed but North only one in North Manhattan (above 110th) that is "graduating" residents. Referring to an Addiction Services Agency bi-weekly report, (2/23/76–3/7/76). Allen notes that "57 people were admitted in all Manhattan North programs; 28 or more than half of those were admitted to ARC. There were fourteen people who graduated; all of them were ARC graduates. Also, there are 465 active clients in Manhattan North; 283 are ARC clients. This means that while ARC has a capacity of 108, it actually provides services for 283. While these figures only cover a single period, they are consistent for the entire year."

Despite the fact that ARC provides services to more addicts that it is contracted to handle, the 1975–76 budget for all facilities which was $1,079,000 (a $600,000 federal grant plus $479,000 for the 128th Street facility) was reduced by $106,000 leaving ARC with an operating budget of $973,000 and the possibility of more cuts when the new fiscal year begins on July 1.

This has also meant the loss of at least 10 of ARC's 67-member staff and it is likely that eventually more staffers will be laid off.

While Allen recognizes the severity of the city's budget crisis, he also is acutely aware of the epidemic proportions of the drug problem in Harlem. Assistant Director Richard Feinster approximates the number of addicts in the city at somewhere near 75,000. "Half of the addicts in treatment are in Central Harlem," says Feinster. A year ago there were a minimum of 15 'drug-free' programs in that same area, now there are only three—ARC, Exodus House and Harlem Confrontation."

"Which would be cheaper?" Allen asks. "To give us the money to run the program and to help addicts get jobs and pay taxes and earn $1,390,500 as they did during the 1975–76 program or turn them into the streets where they earn nothing and end up stealing.

"We have the lowest cost per patient in any of the city's drug programs—$1,000—much lower than the cost of maintaining a man in jail which is close to $30,000 annually".

Mr. Allen's fight, he maintains is not only with shrinking budgets but with also trying to educate the "good" people of Harlem that the fight to combat drug addiction is everyone's problem. "There are a lot of older people who say 'I'm not addicted, so I'm alright' but they should ask themselves if so many young are being killed by drugs who will follow them. We can't afford the luxury of saying that any Black person should die because we can't afford to lose even one."

Ms. Jackson, a petite but energetic young woman echoes the sentiment of Allen in her fervent desire to see the program continue. "Some people try to make re-habilitation a money-making thing and that's sick. Not only ARC, but the whole community needs to be saved. What will we do if Sydenham closes or the community colleges close or other organizations like the Fortune Society are forced to close?"

For Ms. Jackson, the horrors of drug addiction have touched close to home. When remembering a nephew who nearly died from a drug overdose, she says quietly. "It might not have meant anything to the world, if he died, but it meant something to me."

All the staff agrees that cutbacks in service will be the last resort for ARC, which last year serviced 3,822 participants (914 residential participants, 1,151 out-of-residence participants in the "day care" program and 1,754 active addicts, detoxified former addicts and individuals with serious drug and non-drug related problems who were provided service on a short-term basis.

The residents of the Park Avenue building are for the most part, Black, male and young—22 being the median age. Of the center's 360 residents 17 percent are female. Allen points out that "women are less likely to come into the program because money to support their drug habit is more readily available. Secondly, women are more reluctant to leave their children in the care of a social service agency for fear that they will have trouble getting the children back." Allen thinks the fear is not entirely unjustified.

He believes that "we need much more research to determine why women don't come into drug programs in larger numbers and perhaps then we can begin to recruit more women."

Allen vows that he will continue to provide services to Harlem drug addicts because the need is so great. "I take cast out parts, put them together and make people—that's why I'm trying to survive."

HEARINGS ON H.R. 12039, NOTIFICATION BILL

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Ms. ABZUG. Mr. Speaker, the Government Information and Individual Rights Subcommittee, which I chair, is holding hearings on H.R. 12039, H.R. 169, and H.R. 13192. These bills would amend the Privacy Act of 1974 to require that the subjects of such illegal activities as the FBI's COINTELPRO, the CIA's CHAOS program, CIA and FBI mail openings and burglaries, and the IRS special service staff, be notified that they were subjects, informed of their rights under the Privacy Act and the Freedom of Information Act, and afforded the option of having the improperly compiled files destroyed.

Our first hearing on this legislation was held on April 28, with CIA Director George Bush and representatives of the Justice Department appearing as witnesses. The second hearing will take place on Tuesday, May 11, at a time and place to be announced. At that time, we expect to hear from IRS Commissioner Donald Alexander and witnesses from the Department of Defense.

My opening statement at the April 28 hearing follows:

STATEMENT OF REPRESENTATIVE BELLA S. ABZUG

The Subcommittee today begins consideration of an extremely timely and important subject—the rights of individuals who were subjected to surveillance and harassment by programs such as the FBI's COINTELPRO and the CIA's CHAOS. We have before us H.R. 169 and H.R. 12039, which would require that all who were objects or subjects of such programs be provided with notice that the government maintains files on them and that they have a right to have such files destroyed.

Related to this matter, and another subject of these hearings, is the impending resumption by the intelligence agencies of their programs of destruction of documents. We are frankly concerned that before Congress can act on H.R. 169 and H.R. 12039—the bills before us which would require notification—the agencies may dispose of the evidence of past wrongdoing. Several agencies have indicated their strong desire to resume destruction of documents now that the Pike and Church Committees have reported. We have asked them to desist, at least until Congress can act on this or similar legislation to notify the victims of improper activities.

It is now common knowledge that the FBI and CIA, among other agencies, have in the past three decades engaged in many improper or illegal interferences with the rights of innocent individuals who were merely exercising the rights guaranteed to them by the Constitution. These invasions took several forms, from illegal mail openings and burglaries to elaborate programs of harassment and disruption such as the Special Service Section of Internal Revenue and the FBI's COINTELPRO, to the monitoring of international cable traffic, to extensive programs of data collection and dissemination such as the CIA's CHAOS program.

The bills to be considered today would require that *every* person and organization who is named in an index or the subject of a file concerning any of these programs and certain other activities such as illegal wiretaps, mail opening or break-ins—that *every* such person or organization be informed that there is a file or reference to him or her, that he or she has certain rights under the Freedom of Information Act and the Privacy Act, and that he or she has a right to have expunged such files or references which violate the Privacy Act. I stress "every" because it appears to me that the program of notification to the victims of COINTELPRO recently announced by Attorney General Levi is far too narrow in scope and purpose. I hope the Justice Department witnesses here today will address themselves to this concern and to the other concerns which have been expressed regarding their very limited notice program.

Before discussing the nature and extent of the programs and activities which fall under H.R. 169 and H.R. 12039, I want to make clear that we do not view these bills as finished legislation. The purposes of hearings such as this one is to ascertain whether legislation should be amended. It may be necessary, for example, to expand the programs and activities covered by the bills to include forms of harassment and interference with individual rights not covered by arbitrary program designations such as "COINTELPRO" or "CHAOS." For example, the CIA's CHAOS program, which we will discuss shortly with CIA Director Bush, did not include all CIA programs directed against domestic organizations and individuals. In addition to CHAOS, the CIA conducted a program monitoring dissent on U.S. campuses, and infiltrated organizations in the Washington, D.C. area such as the Women's Strike for Peace, the Washington Peace Center, CORE, the American Humanist Society and the Washington Ethical Society. I see no reason why the objects of these programs or incidents of surveillance should not be given notice as well as the victims of CHAOS. In the FBI area, the notorious FBI program of harassment of the Reverend Martin Luther King, Jr. was not considered to be part of COINTELPRO. Also, FBI programs directed against such targets as certain American Indian groups, certain peace groups and organizations such as the Institute for Policy Studies were not technically COINTELPRO, yet the victims of these activities deserve to be given notice of improper investigations and harassment. In addition, certain forms of intensive investigation, pretext contracts, the use of the grand jury to harass and other forms of surveillance may be proper subjects of the bills before us.

Our concern here, by the way, is not to interfere with any legitimate law enforcement or foreign intelligence activity of the agencies, but solely to require that the domestic subjects of unlawful programs and activities be notified and be informed of their rights under the law.

Before hearing from our witnesses I want to set forth a brief outline of the activities and programs covered by the bills before us. They would require notice to all who were subjected to the following activities:

Mail openings. For over twenty years, the CIA engaged in a massive program of clearly illegal mail openings. Literally millions of envelopes were photographed or copied and the contents of 215,820 letters were read and distributed to units within CIA and to other agencies such as the FBI. Although various CIA and FBI watch lists were utilized, mail openings were not confined to those on the lists. Many innocent people, myself included, were subjected to this invasion of privacy when they had neither committed nor were suspected of committing any crime. We would require that all those whose mail was opened be given notice of that fact and an opportunity to obtain their files.

Burglaries. As far as I can determine, the Congress has never been fully apprised of the extent of illegal burglaries, or "black bag jobs", committed by the intelligence agencies against domestic targets. In fact, recent events make it clear that even the Department of Justice may not be aware of the extent of these activities. In a civil case involving 92 burglaries of the offices of the Socialist Workers Party in New York City, the FBI is said to have withheld disclosure of the number of, and responsibility for these burglaries from the Justice Department lawyers defending the case. At least, that is what the Justice Department lawyers claim. While we may not know the exact number of these illegal entries, we do know that both CIA and FBI has engaged in illegal burglaries in violation of the Fourth Amendment.

Warrantless Surveillance. The Supreme Court has held that warrantless surveillance is unconstitutional where the object of the surveillance is not a foreign power or its agent. We now know that the FBI has conducted a large number of wiretaps where the object of the tap was not a foreign power or its agents. In fact, the objects of the famous "Kissinger taps" were restricted to newsmen and former employees of the National Security Council. Again, we would require that all those who were subjected to nonconsensual, warrantless wiretaps be given notice.

Monitoring of International Communications. This Subcommittee has recently heard testimony about how the domestic cable companies have been cooperating with the FBI and the National Security Agency for almost 30 years in monitoring all cable traffic between this country and abroad. Again, a large net was used to gather everything, whether involving a proper object of scrutiny or your grandmother's letter containing family gossip.

The bills before us also cover three major programs—CIA's CHAOS, FBI's COINTELPRO and the Special Service Section of Internal Revenue.

CHAOS. This CIA program, which began as a survey of the extent of any foreign connections with domestic dissident events, evolved into a massive collection of data on American citizens and organizations. The Rockefeller Report found that "The names of all persons mentioned in intelligence source reports received by Operation CHAOS were computer-indexed. . . . Eventually, approximately 300,000 names of American citizens and organizations were thus stored in the CHAOS computer system." CHAOS also maintained files on nearly 1,000 organizations, including such "dangerous" elements as the "Women's Liberation Movement," "Clergy and Laymen Concerned About Vietnam," the "National Mobilization Committee to End the War in Vietnam" and the "Women's Strike for Peace." The Rockefeller Report suggests that these files be destroyed. I agree, but not before the subjects of the file are made aware of the way their government spied on them.

COINTELPRO. From 1956 to 1971, when it is claimed the program terminated, the FBI engaged in a "Counterintelligence Program" targeted against at least five domestic groups. These targets named by the FBI as "white hate groups" and "black hate groups" and the new left, among others, were not necessarily "hate" groups. An organization such as the Southern Christian Leadership Conference (one of the "black hate groups") should not be included under the rubric given it by the FBI, and there are other examples of the FBI designating a domestic dissident organization as a "hate" group and target of disruption when it was nothing more than a dissident organization. The purpose of the programs against these groups were harassment, interference and intimidation. The tactics used included dissemination of anonymous and false information, establishing sham organizations for disruptive purposes, interfering with political and economic relationships, and a variety of shocking activities against innocent Americans.

The Attorney General recently announced a very limited program of notifying victims of COINTELPRO, and we will want to discuss that program with the Justice Department witnesses here today. My initial impression is that the Justice Department program does not nearly go far enough. I am informed that only a few hundred of the thousands of people and organizations who were harassed by the FBI will be given notice and then the notice to be given hardly suffices to give the victim sufficient information about his or her rights under law.

The Special Service Section of Internal Revenue. This unit focused on "ideological, militant, subversive, radical, and similar type organizations." By 1973, there was a total of 11,458 SSS files on individuals and organizations. These files were often opened at the instigation of the FBI, information from tax returns was supplied to the FBI, and the program was undoubtedly used for harassing tax audits. We will inquire into this subject in detail when IRS Commissioner Alexander appears before this Subcommittee on May 11.

The principal bill before us, H.R. 12039, would amend the Privacy Act of 1976 to require that the subjects of every one of the programs listed here and the persons against whom the tactics in question were employed would be notified and given the right to expunge their files.

The Privacy Act presently requires that no Federal agency may maintain files on individuals which are not accurate, relevant, timely and complete. Also, no agency may maintain records describing how any individual exercises First Amendment rights. These were the provisions of the Act recently utilized in the expungement of the content of the taps and surveillance conducted against the Columnist Joseph Kraft. But thousands of other Americans are the subjects of improperly gathered materials about which they are unaware. The bills under consideration here would provide that notice and would make clear that the individual has the right to have improper records expunged.

It should be noted that the Rockefeller Commission recommended that certain improperly gathered files, such as the CHAOS files, be destroyed, and other agencies are anxious to destroy records which should not have been collected in the first place. It might therefore be asked: What is the purpose of these bills?

Why not just let us get rid of these files and be done with the past? The answer is that we are condemned to repeat the past unless we can learn from it. It is necessary, though perhaps uncomfortable, for us to learn the full extent of the wrongs done to innocent people in the name of government if our democracy is to survive and flourish. If we are not to repeat the horrors of the past three decades we must study and learn how and why we did what we did. It is for this reason that I insist that we not bury the wrongs with the wrongdoers, but that we all understand what happened so as not to repeat it in the future.

This hearing and subsequent hearings will attempt to ascertain the extent and nature of the files maintained by the various intelligence agencies on the subjects of our bills. We will attempt to trace the dissemination throughout the government of certain of these records. It is important to remember that during this period, the traditional lines of jurisdiction between agencies regarding surveillance records became almost meaningless. The files are interwoven; they fed upon each other. Exchanges, watch lists, and wide-spread dissemination make it extremely difficult to purge the files without meticulous tracing. What purpose is served, for example, to destroy the CIA's CHAOS files, if they are replicated in FBI files and in other CIA records?

The bill also eliminates the specific exemption the Privacy Act presently gives the Secret Service and the CIA. When the Privacy Act was passed, I opposed these exemptions on the ground that there were sufficient exemption categories for specific types of records and that no case has been made to exempt an agency such as the CIA from every access provision of the law. There is no such blanket exemption for a particular agency under the Freedom of Information Act and I see no need for one under the Privacy Act.

FOREST MANAGEMENT—1960 TO 1976

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. BROWN of California. Mr. Speaker, the issue of forest management is raised frequently these days as markup on major forestry legislation continues in the Senate Committees on Agriculture and Interior, and is soon to start in the House Agriculture Committee. Though the subject and its many interesting complexities is new to many of us, the same problems of clarifying multiple use, maturity, allowable cut, even-aged and mixed-aged management, clearcutting, sustained yield and the like have been discussed and debate for many years.

It seems, when reading the remarks and records of the 1960 debate over the Multiple Use and Sustained Yield Act, that little has been accomplished in 16 years. Our goals of protecting wildlife, watersheds, and soil quality, while preserving land for timber production, range, wilderness, and recreation seem almost as remote as they were two decades ago.

An excellent statement which serves as a reminder of this lack of progress is that made by Richard McArdle, then Chief of the Forest Service, in 1960 at the Fifth World Forestry Congress. He mentions that the Fourth World Forestry Congress (1954) "implicitly recognized by accepting the principle of 'multiple use' of the forest—that—specialization—in some cases)—would certainly not help toward reaching the desired goal of deriving the maximum yield from the land for the benefit of the community as a whole."

Here we are today, still trying to preserve and enforce the term "multiple use." I do believe it is time for the laws to be strengthened, the guidelines clarified. Othewise, in another 5 or 10 years we will be standing here, debating the need for stronger guidelines to safeguard multiple uses and wondering why our national forests cannot adequately regenerate to produce our needed timber supply. Our national forest resource base continues to be sorely beleaguered while we ponder the wisdom of restrictions on timber management abuses.

I include the statement of Mr. McArdle in the RECORD. I urge my colleagues to read it for it will quickly point out the issues that after all these years continue to remain so pressingly before us:

THE CONCEPT OF MULTIPLE USE OF FOREST AND ASSOCIATED LANDS—ITS VALUES AND LIMITATIONS

(By Richard E. McArdle)

It is a great honor to address this first general session of the Fifth World Forestry Congress. My subject is the same as the theme of the Congress—the multiple use of forest lands. This theme is an appropriate sequel to the Fourth World Forestry Congress at Dehra Dun in 1954. There the theme was the role of forested areas in the land economy and economic development of a country.

In reporting on the Fourth World Forestry Congress, the FAO said: "There are few countries in which production in the forest is limited to timber alone. It is in fact by no means certain that specialized single-purpose land use, particularly on a permanent basis, is ideal. In some social and economic environments, such specialization would certainly not help towards reaching the desired goal of deriving the maximum yield from the land for the benefit of the community as a whole. This the Congress implicitly recognized by accepting the principle of 'multiple use' of the forest."

"Multiple use" is a familiar term to foresters of the United States. Its meaning was symbolized on this stage in the opening pageant yesterday. Pictured were the five major uses of forest land—for wood production, use as watersheds, grazing by domestic livestock, the forest as habitat for wild game and fish, and use of the forest for outdoor recreation.

Although "multiple use" may not be a customary term everywhere, the practice of multiple use has been long established in some intensively managed forests of other countries. Later in this Congress you will hear papers reviewing multiple use here and in other countries and in various kinds of ownerships. Some of the Congress tours will enable you to observe the practice of multiple use on forest lands in the United States.

As FAO noted, management of land to serve as many uses as possible is everywhere becoming more essential. When there is abundance of natural resources and few people, there is little need for multiple-purpose land use. But when increasingly large numbers of people must rely on an unchanging or diminishing resource base, they must make the most effective use of the resources they have. Multiple use of renewable land resources thus is a necessity born of scarcity of resources and abundance of people who need these resources.

Competition for the use of land is growing throughout the world. This competition will not decrease but will increase as world populations increase. World population is now about 3 billion persons. It has increased as much in the last two decades as was the total growth of population up to the year 1750. In 1800 my own country had 5 million people. One hundred years later we had 76 million. In the next 50 years our population doubled. The census now being made in the United States indicates an increase in our population from 5 million to 180 million people in 160 years. And U.S. population is expected to nearly double again by the end of this century.

It will not surprise you who come from older countries to hear that in the U.S.A. we are now feeling the impact of a dynamic population growth on a static land base. Older countries already have had this experience. A few countries represented here today still have abundant natural resources, more than adequate for their present populations. Inevitably, however, as their populations increase, their need for resourcs will increase, and competition for the use of land in those countries will become more intense.

As the people of the world become city dwellers, they tend to lose sight of their dependence on natural resources. Most of these are products of the land. My forefathers and yours lived close to the land. They knew their dependence on the land for food, for clothing, for shelter, and for fuel to warm the shelter.

To these basic necessities of life we must add today our dependence on natural resources for all the raw materials of industry. The history of mankind is the history of man's competition for land, of man's struggle to obtain adequate natural resources—and of man's overutilization of resources.

I realize that these are facts well known to this audience. Foresters are trained to take a long look ahead. We also are required to live close to the land. Thus we understand the dependence of people on natural resources produced by the land. We are aware, too, that our stewardship of a large part of the earth's surface imposes upon us great responsibility to obtain full productivity of these lands for the benefit of our fellow man, whom we serve. This is why we, the foresters of many nations, propose to dedicate our discussions at this Congress to sharing our knowledge and experience so that we may improve policies and practices relating to wise use of forest lands.

The wise use of forest lands, however, cannot be considered in a vacuum. It must be considered in relationship to the fullest possible yield of all the products and services that forest land provides for people.

In past years many of us have thought that we had enough land in forest in the USA to meet all foreseeable needs for wood and other products and services of forest lands. Today we are not so sure. We think our earlier estimates were too conservative. We are now genuinely concerned. Much forest land is being taken for other uses. Competition for land is becoming intense in the United States.

For example, wherever you may travel in this country you will see great expansion of urban areas. This is taking land which heretofore was included in our estimates of available forest area.

Superhighways, new airports, transmission lines for electrical power, oil, and natural gas, and construction of dams and reservoirs are taking many millions of acres of forest land. Forest land will continue to be taken for national defense purposes.

Large pressures are developing to set aside additional forest lands exclusively for recreational use. Conversion of land from forest to food production, inevitable in the next few decades, will include substantial portions of our most productive forest land.

The diversion of forest lands to other purposes could, in another 40 years, total about one-fourth of the present U.S. commercial forest land area, equivalent to one-third of our timber-growing capacity.

I do not condemn single use, primary use, one-purpose use, or exclusive use of land for one major purpose by whatever name may be applied. Some of these individual uses are as essential for the benefit of people as is the use of forest land for multiple purposes. For some purposes, superhighways, for example, the land obviously must be devoted exclusively to that use. There is nothing we can do to make such land serve more than that one purpose.

The consequences, however, of large-scale diversion of forest land to single-use purposes are now so serious in the United States as to justify careful consideration. Every acre of forest land diverted to nonforest use adds to the lands remaining in forest an additional burden of productivity. By the end of this century, a short 40 years away, need for wood in the U.S. will be double our requirements today. We will be hard-pressed to meet future wood requirements even if no more of our present forest land is diverted to other uses.

In addition to meeting greatly expanded requirements for wood production, forest land management in the United States faces greatly increased demands for the other products and services which forests provide. For example, exclusive of Alaska, more than one-half of all the water of the Western United States originates on the national forests, although these publicly owned forests comprise only one-fifth of the total area in this part of our country. Maintenance of a forest cover on this land protects water quality. Protection alone, however, will not produce the large increases in quantity of water needed by greatly increased numbers of people, by agriculture, and by industry. These requirements have doubled in the last 20 years and are expected to double again in another 18. To increase water yield, manipulation of the forest cover is essential. If your tours take you to some of our experimental forests, you will see how the methods used in timber harvesting can serve also to increase water yield.

Many coniferous U.S. forests and intermingled grasslands are used for grazing of domestic livestock. In this country, as in yours, forests also provide the habitat for many kinds of wild game. These uses are increasing.

Recreational use of national forests has tripled in the past 12 years.

Use of forest land for these several purposes is nothing new. In every country and for centuries, forest land has been so used.

What is new is the rapidly growing awareness of the need to apply multiple-use management more widely and more intensively. This comes not only from the obvious need to make forest lands more fully useful to the people but also to lessen the pressures to divert forest lands from a combination of uses to some one exclusive use. In most instances forest land is not fully serving the people if used exclusively for a purpose which could also be achieved in combination with several other uses.

Multiple use of forest lands in the United States did not spring into full flower overnight. While the term has become commonplace only in the last two decades, the practice of multiple use in the United States goes back to the origin of the national forests more than half a century ago. National-forest policies from the very first have emphasized resource use. The first Forest Service manual, significantly termed the "Use Book," recognized a multiplicity of uses. Even before this, the Forest Service had been instructed by the Secretary of Agriculture that national-forest land was to be devoted to its most productive use for the permanent good of the whole people, that all of the resources were for use, and that decisions would always be made from the standpoint of the greatest good of the greatest number in the long run. These instructions have constituted Forest Service doctrine from the beginning. They are the genesis of multiple use.

Full recognition of the multiple-use principle of land management was given by the Congress of the United States about two months ago. The Act of June 12, 1960, directs that the renewable resources of the federally owned national forests, some 181 million acres, shall be managed for sustained yield and multiple use. General legislative authority to manage these public properties for use of their watershed, timber, forage, outdoor recreation, and wildlife and fish resources was provided many years ago. The significance of the recent legislative enactment is, first, legislative recognition of multiple-use and sustained-yield principles of management; second, a clear-cut directive to apply these principles on the national forests and third, naming the basic renewable resources for which the national forests are established and administered and assuring them equal priority under law.

Although this law applies to only one class of publicly owned lands, the principles involved have wider application. On the federally owned national forests, the objective is to meet the needs of all the people. On State lands the objective would be to best meet the needs of the citizens of that State. On privately owned lands, the objective would be to best meet the needs of the owner. He would express those needs in whatever terms he might choose. These private-owner criteria usually tend to be economic ones.

The act spells out definitions of multiple use and sustained yield as these principles are to be applied to the national forests. Since the general objective is to manage these lands so that they best meet the needs of the American people, the act and the accompanying legislative reports require that the five basic renewable resources shall be utilized in the combination that will best serve the people. Emphasis is on utilization, not preservation.

The legislative definition requires that management decisions are to be based on the relative values of the various resources and not necessarily on economic factors only. Intangible values which are difficult to express accurately in monetary terms also are to be considered. The definition does not require maximum production for all resources for any one resource.

The legislative history of this act directs that in making application of the principle of multiple use to a specific area, equal consideration is to be given all of the various renewable resource uses, but this does not mean using every acre for all of the various uses. Some areas will be managed for less than all uses, but multiple-use management requires that there be more than two uses.

An essential of multiple use is positive, affirmative management of the several uses involved. Haphazard occurrence of these uses on some particular tract of land does not constitute multiple-use management. Multiple use is not a passive practice. On the contrary, it is the deliberate and carefully planned integration of various uses so as to interfere with each other as little as possible and to supplement each other as much as possible. Multiple use is by no means an assemblage of single uses. It requires conscious, coordinated management of the various renewable resources, each with the other, without impairment of the productivity of the land.

Multiple use must be over a period long enough to experience the cycle of the seasons; that is, a year or more. It does not require that all uses involved must be practiced simultaneously at the same instant.

Size of area is a key factor in multiple-use management. Application must be to areas large enough to give sufficient latitude for periodic adjustments in use to conform to changing needs and conditions. On the national forests we normally think in terms of our smallest administrative units, which at present average about 200,000 acres. On large private holdings similar acreage might be applicable, but for small private ownerships the unit areas would, of course, be much smaller. They might be as small as 40 acres.

Multiple-use management of the renewable surface resources obviously requires control of all uses on the same land by one authority. Such management is not possible if several coordinate authorities are each trying to direct different uses on the same land. Central decision making is a prerequisite.

In brief, multiple-use management as we practice it on the national forests requires us to consider all of the five basic renewable resources, although on any specific area we may not have all of them in operation at any one time. It obliges us to coordinate these various uses even though doing this results in less than fullest possible productivity of some uses. The requirement for sustained yield applies to all renewable resources and is aimed both at getting a high level of productivity and at preventing overuse of any resource or impairment of productivity of the land.

Multiple use is not a panacea. It has limitations, but it also has overriding advantages. I am convinced of the distinct advantages of applying multiple-use management to the great bulk of our forest land.

First of all, multiple use helps to overcome problems of scarcity. It tends to reduce or resolve conflicts of interest and competition for resources. It promotes balance in resource use. It impedes the ascendancy of single-interest pressures. Properly applied, multiple use involves consideration of both esthetic and economic criteria in arriving at management decisions. It offers balance between materialistic and nonmaterialistic values.

Multiple use properly understood and properly applied is now, and will continue to be, the best management for most of the publicly owned forest lands of the United States. It will gradually become the best management for many of the large private holdings. It will always have less applicability to smaller private properties, but many of these owners will in time find it to their own best interest to practice some degree of multiple use.

Finally, the overwhelming advantage of multiple use is that through it foresters can make forest lands contribute their utmost to society. The basic purpose of forest conservation is a social one—to satisfy the intangible as well as the materialistic needs of people. In this way, I believe foresters can make a major contribution to human betterment and perhaps even to world peace.

And now a closing word to you as eminent leaders in a respected profession. Multiple-use forest management is a challenge to foresters to broaden their vision. We must be forest land managers instead of primarily timber growers. The thinking of foresters is believed to be preoccupied with timber and dominated by silviculture. To some extent this criticism is justified. But multiple use, when properly applied, eliminates this bias. The future success of foresters and the contribution of the forestry profession to the welfare of our countries may depend on our response to the need for a balanced use of forest land resources. May we now and always perform in the best interests of the countries we serve.

CONGRESSMAN KEMP SALUTES THE ISRAEL EXPO '76—GALA CELEBRATION IN BUFFALO, N.Y.

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. KEMP. Mr. Speaker, the United States Jewish Federation of Buffalo under the auspices of the women's division is sponsoring a gala Israel Expo '76 celebration in Buffalo, N.Y., from May 1 to 9, 1976. Expo will recreate a living panorama of Israel, where every facet of Israeli life will be represented in this indoor/outdoor exposition.

The goals of the project are:

First. To bring to the Greater Buffalo community the flavor of Israel through its educational, cultural, and commercial accomplishments.

Second. To foster the creation of a market for Israeli products on a year-round basis.

Third. To involve the total Jewish community in a multifaceted project that cuts across organization lines.

Fourth. To raise funds for Israel—under United Israel Appeal.

Israel Expo '76 will completely encompass the Federation Jewish Federation/Center building on Delaware Avenue which has been closed for the past 2 weeks in preparation for this event, and overflow into Temple Beth Zion and the Montefiore Club. It will depict the four major religions which originated or centered around Israel—Christianity, Judaism, Islam and the Baha'i faith—in a series of rooms, complemented by exhibits, slides and lectures showing how they are part of the Israel story.

The exhibition will feature bazaars, Israeli artisans, and fashions, science and medicine, Middle Eastern entertainment, and "The Oasis," a special restaurant where falafel, spicy Sabra salad, and other delicacies will be served to the whole family. All this will be under the benevolent shadow of a replica of a massive, weatherbeaten gate in old Jerusalem, created by the students of the State University of New York at Buffalo School of Architecture and Environmental Design under the direction of Harold L. Cohen, the Dean of the School.

The preparations for Israel Expo '76 have encompassed every sector of the Buffalo community. On Wednesday, May 5, Mrs. Gail Kaplan, chairman of this year's United Jewish Federation women's division in Buffalo, has organized a National Women's Division Day at the Expo, the first such project to be organized by any UJF women's division in the United States. It will feature workshops on Soviet jewry and a session on "This Year in Jerusalem."

Young people have also been actively involved in making Expo '76 a success. Jewish teens guided by the staff of the Jewish Center of Greater Buffalo have created a model of an Israeli kibbutz on the back lawn of the Federation/Center Building, complete with a watchtower, a simulated archeological dig, an agricultural plot, an animal area, and living quarters. Students of Temple Shaarey Zedek Religious School have built an exhibit showing the ancient city of Jerusalem the Gold, at it looked 2,500 years ago; and the United Junior High School of Jewish Studies has built a model of the Masada rock as is appears today, and as it appeared in the final days of the siege of Palestine.

Israel Expo '76 is the culmination of an extensive program of planning and preparation that has created this great tribute to Israel and her people, and her rich and beautiful heritage.

I congratulate the United Jewish Federation and the Jewish Center of Greater Buffalo for this great accomplishment, and trust that this celebration will foster an even greater understanding of Judism and Israel in Buffalo and western New York.

Mr. Speaker, at this time I would like to read into the RECORD the names of Israel Expo '76's exponents as of April 1, who have contributed so much to the success of this celebration:

EXPONENTS TO DATE

(As appeared in April 1 issue of Federation News)

Mr. & Mrs. Sydney Abzug, Dr. & Mrs. Richard Adler, Mr. & Mrs. Melvin Alexander, Dr. and Mrs. Marvin L. Amdur, Esther & Richard Ament, Mr. & Mrs. Stuart Angert, Mr. & Mrs. Bernard Anthone, Dr. & Mrs. Roland Anthone.

Dr. & Mrs. Sidney Anthone, Dr. & Mrs. Carl E. Arbesman, Dr. & Mrs. Julian Ascher, Mr. & Mrs. Douglas H. Baker, Mrs. Hertha Ball, Dr. & Mrs. U. Bauer, Lorelei & Harvey Benatovich, Mr. & Mrs. Nathan Benderson.

Mr. & Mrs. Steven F. Berg, Dr. & Mrs. Leonard Berman, Mr. & Mrs. James Biltekoff, Mr. & Mrs. Lawrence E. Biltekoff, Mr. & Mrs. Steven G. Biltekoff, Dr. & Mrs. Marvin Block, Mr. & Mrs. Harry Blum, Mr. & Mrs. Sidney W. Bock.

Mr. & Mrs. Leonard J. Brizdle, Mr. & Mrs. Jerome Brock, Dr. & Mrs. Theodore T. Bronk, Dr. & Mrs. Melvin Brothman, Mr. Gerald I. Brownrout, Buffalo Hebrew School, Mr. & Mrs. Louis M. Bunis, Mr. & Mrs. Maer Bunis.

Dr. & Mrs. Paul Burstein, Mr. & Mrs. Abraham Carrel, Mr. & Mrs. Harold Chapin, Mr. & Mrs. Leo Chapin, Charlotte & Norman Chassin, Dr. & Mrs. M. Cheplove, Dr. & Mrs. Robert M. Chick, Dr. & Mrs. Gary Cohen.

Mr. & Mrs. Irving J. Cohen, Marcia & Harold Cohen, Dr. & Mrs. Victor L. Cohen, Dr. & Mrs. George A. Cohn, Dr. & Mrs. Stanford Copley, Dr. & Mrs. Robert S. Cotsen, Dr. & Mrs. Morton J. Crow, Mr. & Mrs. Harold Dautch.

Mrs. Samuel B. Darlich, Dr. Paul & Mary Lou Davis, Mr. & Mrs. Donald Day, Mr. & Mrs. Joseph N. Desmon, Mr. & Mrs. Eugene Dimet, Mr. & Mrs. Leonard A. Dopkins, Mr. & Mrs. Marvin T. Dubin, Emanuel Duke, Joseph Y. Dwoskin, M.D.

Dr. & Mrs. Donald L. Ehrenreich, Mr. & Mrs. Raymond Ehrenreich, Dr. & Mrs. Robert J. Ehrenreich, Mr. & Mrs. Harold Ehrlich, Dr. & Mrs. Barry M. Epstein, Dr. & Mrs. Michael Feinberg, Mr. & Mrs. Robert P. Fine, Mr. & Mrs. Peter Fleischmann.

Mr. & Mrs. Leonard H. Frank, Mr. & Mrs. Leonard J. Freed, Mr. & Mrs. Aaron S. Freedman, Bernice R. Friedman, Mr. & Mrs. Jacob Fruchtbaum, Mr. & Mrs. Irving Fudeman, Mr. & Mrs. Arnold B. Gardner, Mr. & Mrs. Marvin Gareleck.

Mr. & Mrs. Rubin Garfinkel, Mrs. Jesse A. Gerstenfeld, Mr. & Mrs. Ralph Gervais, Dr. & Mrs. Irwin A. Ginsberg, Mr. & Mrs. Irwin E. Ginsberg, Mrs. Susman Ginsberg, Mr. & Mrs. Alan H. Glaser, Mr. & Mrs. Marshall Glickman.

Mr. & Mrs. N. Goldberg, Dr. & Mrs. L. H. Golden, Dr. & Mrs. Allen L. Goldfarb, Mr. & Mrs. Harold S. Goldman, Mr. & Mrs. Henry Goldman, Dr. & Mrs. Harold J. Goldstein, Mr. & Mrs. Jacob N. Goldstein, Stuart Goldstein & Myra Stuart.

Mr. & Mrs. Neil S. Goodman, Dick & Kathy Gordon, Dr. & Mrs. Avrom M. Greenberg, Alan & Nancy Gross, Mr. & Mrs. Lester Gross, Mr. & Mrs. William L. Grossman, Mr. & Mrs. Arthur Gunzberg, Joan & Guy Gunzberg.

Mr. & Mrs. Lawrence Gunzberg, Dr. & Mrs. Norman Haber, Mr. & Mrs. Ralph L. Halpern, Mr. & Mrs. Robert C. Hayman, Dr. & Mrs. Norman Heilbrun, Mr. & Mrs. Harvey L. Herer, Mr. & Mrs. Morris Himmel.

Mr. & Mrs. Melvin B. Hoffman, Dr. & Mrs. Sanford R. Hoffman, Mrs. Henry Holland, Dr. & Mrs. Harvey L. Horn, Mr. & Mrs. Sheldon Hurwitz, Mr. & Mrs. Alvin M. Hyman, Mr. & Mrs. Max M. Hyman, Mr. & Mrs. John Jacobwitz.

Dr. & Mrs. Lawrence D. Jacobs, Mr. & Mrs. Max Jacobs, Mr. & Mrs. Frank H. Jellinek, Mr. & Mrs. Don Joseph, Mr. & Mrs. Lawrence D. Joseph, Shirley & Norm Joseph, Mrs. G. B. Jacobs, Dr. & Mrs. Kenneth R. Kahn.

Mr. & Mrs. Meyer A. Kahn, Dr. & Milton E. Kahn, Hannah & Leonard S. Kaminker, Mr. & Mrs. Harry Kaplan, Mr. & Mrs. Michael J. Kaplan, Mr. & Mrs. Emanuel Katz, Mr. & Mrs. Edward Kavinoky, Dr. & Mrs. David M. Klein.

Mr. & Mrs. Joseph Klein, Mr. & Mrs. Kurt Klein, Mrs. Leroy E. Klopfer, Dr. & Mrs. Jacky Knopp, Jr., Dr. & Mrs. Franklin E. Koren, Mr. & Mrs. M. Robert Koren, Mr. & Mrs. Irving Korn, Mr. & Mrs. Marvin Krasner.

Dr. & Mrs. Herbert Lansky, Drs. Yehuda & Yona Laor, Richard & Karen Laub, Dr. & Mrs. Louis Lazar, Mr. & Mrs. Morris Leader, Paul A. Leff, Mr. & Mrs. Stuart G. Lerman, Mr. & Mrs. Irving Lerner.

Dottie & Les Levin, Fern & Joel Levin, Mr. & Mrs. Edwin Levy, Dr. & Mrs. Harold J. Levy, Mr. & Mrs. Maurice Levy, Mr. & Mrs. Edward Linder, Mr. & Mrs. Max Linsky, Mr. & Mrs. Fred Lippa.

Mr. & Mrs. Gerald S. Lippes, Dr. & Mrs. Jack Lippes, Mr. & Mrs. Rubin Literman, Donald & Susan Lubick, Mr. & Mrs. Herbert Lustig, Mr. & Mrs. Abe Maislin, Dr. & Mrs. Joseph Manch, Mr. & Mrs. Lester M. Markel.

Mr. & Mrs. Morris Markel, Mr. & Mrs. Jack Mastman, Mr. & Mrs. Ira J. Melzer, Mr. & Mrs. Richard J. Melzer, Albert H. & Ruth Miller, Dr. & Mrs. Eugene R. Mindell, Mr. & Mrs. Julian L. S. Morrison, Mrs. Lillian K. Morrison.

Dr. & Mrs. Richard B. Narins, Mr. & Mrs. Sanford M. Nobel, Dr. & Mrs. Sanford I. Nusbaum, Dr. & Mrs. Benjamin Obletz, Dr. & Mrs. Harold K Palanker, Mr. & Mrs. Samuel Pastor, Haskel & Ida Penn, Mr. & Mrs. Edwin Polokoff.

Mr. & Mrs. Ardwin Posner, Mr. & Mrs. Gordon L. Rashman, Sr., Mr. & Mrs. Joseph H. Reingold, Dr. & Mrs. Meyer Riwchun, Mr. & Mrs. Daniel A. Roblin, Mr. & Mrs. Leonard Rochwarger, Mr. & Mrs. Donald L. Rosen, Mr. & Mrs. Irving T. Rosen.

Mr. & Mrs. Mel R. Rosen, Dr. & Mrs. Joseph Rosenberg, Dr. & Mrs. Harry Rubenstein, Mr. & Mrs. Julian Safir, Dr. & Mrs. Avery A. Sandberg, Mr. & Mrs. Alfred M. Saperston, Mr. & Mrs. Howard T. Saperston, Sr., Mr. & Mrs. Robert Scheur.

Dr. & Mrs. Gary D. Schuller, Dr. & Mrs. Russell S. Seidner, Dr. & Mrs. Arthur L. Seiler, Eugene M. & Susan W. Setel, Dr. &

Mrs. Samuel Shatkin, Don & Sandee Sheldon, Mr. & Mrs. Charles Shuman, Mr. & Mrs. Irving M. Shuman.

Pearl & Melvin Siegel, Dr. & Mrs. H. Roy Silvers, Sandra & Vic Silverstein, Dr. & Mrs. Edgar Slotkin, Dr. & Mrs. S. Mouchly Small, Mr. & Mrs. Oscar Smukler, Mr. & Mrs. Isadore Snitzer, Mr. & Mrs. Bernard Stecker.

Mr. & Mrs. Nathan D. Steinhart, Mr. & Mrs. Avrom Sterman, Dr. & Mrs. Irving Sterman & Family, Mr. & Mrs. E. Jay Stopper, Mr. James I. Stovroff, Mr. & Mrs. Morton H. Stovroff, Dr. & Mrs. Sandford B. Sugarman, Mr. & Mrs. Robert Swados.

Dr. & Mrs. Gerald Swartz, Dr. & Mrs. Alvin Tabankin, John & Joan Tabor, Mr. & Mrs. Maurice S. Tabor, Mr. & Mrs. Maurice L. Teibel, Mr. & Mrs. Sydney L. Teibel, Dr. & Mrs. Samuel L. Traeger, Mr. & Mrs. Cyrus C. Trossman.

Mr. & Mrs. Martin E. Trossman, Mr. & Mrs. Bernard Tuchman, Dr. & Mrs. Morris Unher, Mr. & Mrs. Arthur Victor, Jr., Dr. & Mrs. Henry E. Vogel, Mr. & Mrs. Kenneth E. Wagner, Dr. & Mrs. Robert Warner, Mr. & Mrs. Erwin B. Weinstein.

Mr. & Mrs. Samuel J. Weinstein, Arnold & Rita Weiss, Dr. & Mrs. Phillip Wels, Dr. & Mrs. Howard Wilinsky, Mr. & Mrs. Alan M. Winnick, Mr. & Mrs. Wayne D. Wisbaum, Edwin & Judith Wolf, Mr. & Mrs. Michael Wolfe.

Mr. & Mrs. Sidney A. Yasgur, Pearl R. Yellen, Dr. & Mrs. Murray A. Yost, Dr. & Mrs. Murray A. Yost, Jr., Mr. & Mrs. J. M. Zeckhauser, Dr. & Mrs. Franklin Zeplowitz, Stan & Terri Zionts.

CORPORATE EXPONENTS

Bells Supermarket—Williamsville, Davis Electrical Supply Co. Inc., DL Skin Care Products, Inc., The Floristry, D. Jacobson Sons, Inc., Joseph's of Delaware Ave., Inc., Lipsitz Furs, The Joy of Travel, Thorner-Sidney Press, William M. Weir & Co.

RHODESIA FACES NEW THREAT: MR. KISSINGER

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. ASHBROOK. Mr. Speaker, Secretary of State Henry Kissinger's performance in Africa can only be described as disgusting. Yesterday he pledged American assistance in toppling the Rhodesian Government, a longstanding friend of the United States.

This is a coup for the Soviet Union. The Soviets have long wanted to destabilize the situation in southern Africa. They have encouraged and supplied insurgent activities in and around Rhodesia.

Now the United States apparently will help the Soviets overthrow a stable and pro-American government. We will impose "unrelenting" economic pressure to wipe out an area of Western influence in Africa.

These pressures include repealing the Byrd amendment, which allows Americans to import chrome from Rhodesia. The metallurgical grade chrome from that nation is vital to our specialty steel industry.

Kissinger also promised that the United States would undertake economic aid programs for countries neighboring Rhodesia which enforce sanctions by closing their frontiers and suffer economic hardship. In addition, American citizens will be advised not to travel to Rhodesia and citizens there will be urged to leave. Americans will be told they will not be protected in the event of war.

What could Mr. Kissinger be thinking? What is the administration trying to accomplish? I urge President Ford to reverse this insane policy, a policy that does not serve the best interests of our Nation.

Following is an excellent article on Rhodesia by Milton Friedman, which appeared in the May 3 edition of Newsweek.

RHODESIA

(By Milton Friedman)

Of the 49 countries in Africa, fifteen are under direct military rule and 29 have one-party civilian governments. Only five have multiparty political systems. I have just returned from visiting two of these five—the Republic of South Africa and Rhodesia (the other three, for Africa buffs, are Botswana, Gambia and Mauritius). If this way of putting it produces a double take, that is its purpose. The actual situation in both South Africa and Rhodesia is very different from and very much more complex than the black-white sterotypes presented by both our government and the press. And the situation in Rhodesia is very different from that in South Africa.

Neither country is an ideal democracy—just as we are not. Both have serious racial problems—just as we have. Both can be justly criticized for not moving faster to eliminate discrimination—just as we can. But both provide a larger measure of freedom and affluence for all their residents—black and white—than most other countries of Africa. Both would be great prizes for the Soviets—and our official policy appears well designed to assure that the Soviets succeed in following up their victory in Angola through the use of Cuban troops by similar take-overs in Rhodesia and South Africa.

The United Nations recently renewed and strengthened its sanctions against Rhodesia. The U.S. regrettably concurred. We have, however, had enough sense to continue buying chrome from Rhodesia under the Byrd amendment, rather than, as we did for a time, in effect forcing Rhodesia to sell its chrome to Russia (also technically a party to the sanctions) which promptly sold us chrome at double the price.

THE BACKGROUND

Rhodesia was opened up to the rest of the world less than a century ago by British pioneers. Since then, Rhodesia has developed rapidly, primarily through its mineral production—gold, copper, chrome and such—and through highly productive agriculture. In the past two decades alone, the "African" (i.e., black) population has more than doubled, to 6 million, while the "European" population (i.e., white) has less than doubled, from about 180,000 to less than 300,000.

As Rhodesia has developed, more and more Africans have been drawn from their traditional barter economy into the modern market sector. For example, from 1958 to 1975, the total earnings of African employees quadrupled, while those of European employees a little more than tripled. Even so, perhaps more than half of all Africans are still living in the traditional subsistence sector.

Europeans have a much higher average income than Africans in the market sector—perhaps in the ratio of as much as 10 to 1. But Africans in the market sector have a much higher average income than their fellows in the traditional sector—in about the same ratio. Both Europeans and Africans have benefited from their cooperation. Modern cities like Salisbury, an extensive network of roads and communications, productive farm lands, mines and industrial works—all this would have been impossible for a population of whites that even today totals fewer than 300,000. On the other hand, without the knowledge, skill and capital provided by the whites, Rhodesian blacks would today be many fewer and far poorer. To judge from the crude evidence that is available, the Rhodesian blacks in the modern sector enjoy an average income that is considerably more than twice as high as that of all the residents of the rest of Africa, excluding only South Africa.

RACE RELATIONS

The relation of the whites to the blacks is complex: a large dose of paternalism, social separation, discrimination in land ownership, and little or no official discrimination in other respects. In particular, there is no evidence of that petty apartheid—separate post-office entrances, toilets, and the like—that was our shame in the South and that I find so galling in South Africa. The education of the blacks has been proceeding by leaps and bounds. Today, half or more of the students at the University of Rhodesia are black.

Guerrilla warfare from outside and inside the country has produced a reaction by the government that can properly be described as repressive. But the provocation has clearly been great and it is important to maintain a sense of proportion. More than half the defense forces patrolling the borders are black We were told that more blacks volunteer for the defense forces than can be accepted. The streets of Salisbury give a visual impression of a black sea with occasional white faces that brings to life and gives new meaning to the 20-to-1 numerical population ratio. It is very difficult to reconcile that visual impression with any widespread oppression or feelings of oppression by the blacks. If that existed, Rhodesia could not easily maintain such internal harmony or so prosperous an economy. During the past ten years of sanctions, Rhodesia grew in real terms more rapidly than in the prior ten years—and more rapidly than the rest of Africa.

"MAJORITY RULE"

The external pressures against Rhodesia arise from its unwillingness to grant "majority rule" within a definite and brief timetable. Whatever the merits or demerits of "majority rule" as an abstract principle, the imposition of sanctions against Rhodesia on this ground is a striking example of a double standard. The other former African colonies of Britain that were granted independence without question and without sanctions do not have anything approximating what Americans regard as majority rule. They have minority rule by a black elite that controls the one party permitted to exist. If the elite minority in Rhodesia had happened to be black instead of white, Britain would have rushed to grant them independence and provide "development assistance."

"Majority rule" for Rhodesia today is a euphemism for a black-minority government, which would almost surely mean both the eviction or exodus of most of the whites and also a drastically lower level of living and of opportunity for the masses of black Rhodesians. That, at any event, has been the typical experience in Africa—most recently in Mozambique. In his trip to Black Africa, Secretary Kissinger would do well to talk to some of the exploited masses and not only the elite—but needless to say, he will not find it easy to do so in the one-party states.

Rhodesia has a freer press, a more democratic form of government, a greater sympathy with Western ideals than most if not all of the states of Black Africa. Yet we play straight into the hands of our Communist enemies by imposing sanctions on it! The Minister of Justice of Rhodesia cannot get a visa to visit the U.S.—yet we welcome the ministers of the Gulag Archipelago with open arms. James Burnham had the right phrase for it: suicide of the West.

BICENTENNIAL DISRUPTIONS ARE PLANNED BY TERRORIST FRONT GROUPS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. McDONALD of Georgia. Mr. Speaker, the July 4th Coalition—J4C—formed in January 1976, at the insistence of the Cuban-controlled, Marxist-Leninist Puerto Rican Socialist Party—PSP—is moving forward with its plans for mass demonstrations in Philadelphia on the Fourth of July.

The Puerto Rican Socialist Party has been demonstrated to be under the control of the Cubans; and investigations strongly indicate that the PSP has as its Leninist armed branch the Cuban-trained terrorists of the FALN—Fuerzas Armadas de Liberacion Nacional. Among the principal collaborators with the PSP in the formation of the July 4th Coalition are the terrorist Weather Underground Organization's Prairie Fire Organizing Committee—PFOC—the National Lawyers Guild—NLG—an organization which has explicitly endorsed revolutionary armed struggle; the Communist Party, U.S.A.—CPUSA—the CPUSA and Cuban-controlled Venceremos Brigade; the Mass Party Organizing Committee—MPOC—and the violence-prone American Indian Movement—AIM.

The J4C now claims support from more than 100 political, racial, and community groups, many of which were participants in the January National Hard Times Conference organized by the Prairie Fire Organizing Committee.

On April 6, 1976, the July 4th Coalition held a press conference in Philadelphia to announce plans for its "people's alternative" to the Bicentennial celebration. Speakers at the press conference included Alfredo Lopez, J4C National Coordinator, member of the PSP Central and Political Committees, and first secretary of the PSP's U.S. Zone; Jose Alberto Alvarez, PSP Political Committee; David Kairys, the Coalition's Philadelphia attorney who is also a NLG member and operator of the Philadelphia branch office of the National Emergency Civil Liberties Committee—NECLC—a Communist Party front; Jimmie Durham, United Nations representative for the International Indian Treaty Council; Saralee Hamilton, American Friends Service Committee—AFSC—in whose 13th and Cherry Street offices the press conference was held; Muhammad Kenyatta, Black Economic Development Corporation—BEDC—and Cora Weiss, a leader of Women Strike for Peace—WSP—Clergy and Laity Concerned—CALC—the Friendshipment project, and other organizations who has been active for more than a decade in causes endorsed by the Soviet Union's World Peace Council and the CPUSA.

At the press conference, Alfredo Lopez, a former member of the Trotskyist Communist Socialist Workers Party who still maintains good relations with certain SWP leaders, said:

> We are doing this because the demonstration organized by the U.S. government on that day does not reflect our political views and we intend to hold an event that does. For us, July 4th signifies a struggle for freedom which continues to this day.

He continued:

> We cannot participate in President Ford's glorification of an anti-colonial revolution while the U.S. government carries out colonialist and imperialist policies throughout the world.

In addition to opposing U.S. foreign policy, Lopez stated that the J4C demonstrations will focus on "the economic sacrifices forced on all working people, political repression, and the rampant racism and sexism that denies equal opportunity to blacks, Third World people and women."

Lopez announced that the July 4th Coalition's goal is to have some 60,000 persons participate in a 2-mile march through Philadelphia to a rally at a yet undecided location. While this figure is less than the 200,000 who appeared several times in Washington, D.C., for anti-Vietnam marches, those marches included many college students whose objection to the Vietnamese conflict was predicated on their desire to avoid military service. The PSD-led coalition feels that the 60,000 they hope to have in Philadelphia will be at a much higher political level. Lopez stated that the J4C demonstrators would "take great pains to avoid space and time conflicts with the government demonstrations."

Attorney David Kairys noted that negotiations with Philadelphia city officials were continuing, although the Coalition's first choice for a rally site, Lemon Hill in Fairmount Park, has been rejected.

And in a move reminiscent of the planning which preceded the 1968 disruptions of the Democratic Party National Convention in Chicago, the Philadelphia chapter of the National Lawyers Guild, located at 1427 Walnut Street, Philadelphia, Pa. 19102 (215/563-3055) has now issued an offer of legal assistance to July 4 demonstrators.

The NLG document states:

> The Philadelphia chapter of the National Lawyers Guild is planning on providing emergency legal service to the various groups and individuals who will be demonstrating in Philadelphia this summer. This will include helping to secure parade permits, fighting injunctions against demonstrations, counseling groups on First Amendment rights and providing legal observers for demonstrations and lawyers for emergency situations.
>
> Any group planning on coming to Philadelphia this summer should notify the Guild as soon as possible so that it can estimate the dimensions of the legal assistance necessary and can contact groups planning to participate.

J4C national coordinator Lopez has been touring the country developing support for the demonstrations. The J4C's Chicago office (2440 N. Lincoln Avenue, Chicago, Ill.—312/327-1976) held a fundraising dinner meeting featuring Lopez on April 19. The Chicago J4C denounced what they termed America's "direct colonial hold over Puerto Rico, the Native American nations, and the Panama Canal Zone" and emphasized that "We cannot allow those in power to claim the Bicentennial as their own."

Here in Washington, D.C., the local July 4th Coalition, working from 202/234-1616, is holding a celebration of May Day at All Souls Church at 8 p.m. on May 1. Featured speakers are to include Alfredo Lopez; Jim Duggan, head of Local 6, Washington Post Pressman's Union; George Branham, American Indian Movement; Gabrielle Edgecomb, Alliance for Labor and Community Action; and Paul Phumphrey of the Anti-Apartheid League, SWAPO, the African Marxist terrorist organization backed by the Soviet bloc.

Sponsors include: Alliance for Labor and Community Action; Native American Solidarity Committe; Puerto Rican Solidarity Committee; Mass Party Organizing Committee; U.S. Committee for Panamanian Sovereignty; Dominican Republic Task Force; Non-Intervention in Chile; Friends of the Filipino People; NLG; Maryland AIM; People's Party; Workers World Party; Youth Against War and Fascism; Hospital Workers Union Local 1199 and the Anti-Apartheid League SWAPO. It is noted with interest that a considerable number of the Latin American-oriented groups operate from the offices of EPICA, the Ecumenical Program for Inter-American Communication and Action, a project of the National Council of Churches, 1500 Farragut Street NW., Washington (202/723-8273).

In general, the July 4th Coalition is being supported by those U.S. groups who are under the influence of the Cuban revolutionaries, and that group also includes the Weather Underground. The Maoist Communists of the Revolutionary Communist Party, U.S.A. are also planning to hold their own Philadelphia demonstration on July 4; and yet other groups will target Washington, D.C. We will continue with this series of reports on Bicentennial disruptions and the threat of terrorism.

HOUSE OF REPRESENTATIVES—*Friday, April 30, 1976*

The House met at 10 o'clock a.m. and was called to order by the Speaker pro tempore (Mr. O'Neill).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

Washington, D.C., *April 30, 1976.*

I hereby designate the Honorable Thomas P. O'Neill, Jr., to act as Speaker pro tempore for today.

Carl Albert,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Be still and know that God is.—Psalms 46: 10.

O God, our Father, merciful and gracious, by the might of Thy spirit lift us into Thy presence where we may be still and know that Thou art God, loving, forgiving, and good.

Thou knowest our misdoings, the remembrance of them is grievous unto us. Have mercy upon us. Pardon and deliver us from our sins, confirm and strengthen in all goodness and send us out this day into a new life with Thee.

Thou knowest our fears and the futility that marks some of our endeavors. Teach us to put our trust in Thee and not be afraid. When the way is difficult and the outcome uncertain give us the assurance that Thou art with us and with Thee is help adequate for every need.

In all our efforts for our country, may we not lose heart but in Thee find healing for our hurts, strength for our spirits and peace at the last. Through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and without objection, announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Roddy, one of his secretaries.

CALL OF THE HOUSE

Mr. BAUMAN. Mr. Speaker, let the record show that by request I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 216]

Ambro
Andrews, N.C.
Archer
Ashbrook
Bell
Bevill
Bingham
Boggs
Bowen
Breckinridge
Brown, Ohio
Broyhill
Buchanan
Burgener
Burton, John
Byron
Carter
Chappell
Chisholm
Cohen
Collins, Ill.
Conlan
Conyers
de la Garza
Dellums
Derrick
Derwinski
Diggs
Dodd
Duncan, Oreg.
Edwards, Calif.
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Flowers
Foley
Ford, Mich.
Frenzel
Frey
Fuqua
Gibbons
Goldwater
Gradison
Hansen
Harsha
Hayes, Ind.
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Heinz
Hillis
Hinshaw
Howe
Ichord
Jarman
Jenrette
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kazen
Kelly
Ketchum
Krueger
Landrum
Litton
Long, Md.
Lott
Lujan
Lundine
McCloskey
McCollister
McDonald
McEwen
McKay
Macdonald
Madden
Maguire
Mathis
Matsunaga
Melcher
Metcalfe
Mikva
Mitchell, Md.
Montgomery
Morgan
Murphy, N.Y.
Nichols
Nix
Paul
Pepper
Peyser
Pickle
Pressler
Railsback
Randall
Richmond
Riegle
Roberts
Rodino
Rogers
Rooney
Rose
Rostenkowski
Rousselot
Runnels
Ruppe
St Germain
Santini
Sarbanes
Satterfield
Scheuer
Schneebeli
Sikes
Skubitz
Snyder
Solarz
Spellman
Staggers
Stanton,
  J. William
Stanton,
  James V.
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Symington
Symms
Teague
Treen
Udall
Ullman
Vander Jagt
Wampler
Waxman
White
Whitehurst
Wiggins
Wilson, C.H.
Wilson, Tex.
Wirth
Wolff
Wydler
Young, Alaska
Young, Ga.
Young, Tex.

The SPEAKER pro tempore. (Mr. McFall). On this rollcall 286 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROVIDING FOR STRIKING OF MEDALS COMMEMORATING THE AMERICAN INDIAN HERITAGE

Mr. STEPHENS. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Currency and Housing be discharged from further consideration of the bill (H.R. 13294) to provide for the striking of medals commemorating the American Indian heritage, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

H.R. 13294

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in commemoration of the American Indian heritage, the Secretary of the Treasury (hereinafter in this Act referred to as the "Secretary") shall strike and deliver to the Mid-America All-Indian Center, Incorporated, of Wichita, Kansas (hereinafter in this Act referred to as the "center"), not more than one hundred thousand sterling silver and bronze medals, 1 5/16 inches in diameter, with suitable emblems, devices, and inscriptions to be determined by the center, subject to approval by the Secretary.

(b) Such medals—

(1) are national medals within the meaning of section 3551 of the Revised Statutes (31 U.S.C. 368); and

(2) may be disposed of by the center at a premium.

Sec. 2. (a) Except as provided in subsection (b), the medals authorized to be struck and delivered under section 1 shall be delivered at such times as may be required by the center in quantities of not less than two thousand, but no such medals shall be struck after December 31, 1977.

(b) The Secretary shall deliver—

(1) five hundred sterling silver medals, the first two hundred and fifty of which shall be numbered in sequence, and

(2) five thousand bronze medals,

by May 23, 1976, or as soon thereafter as is feasible, in order that such medals may be used in conjunction with the center's grand opening week.

Sec. 3. The Secretary shall cause the medals authorized to be struck and delivered under section 1 to be struck and delivered at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses, and security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for the full payment of such costs.

Mr. STEPHENS. Mr. Speaker, this bill was unanimously favorably reported by both the Subcommittee on Historic Preservation and Coinage and the Committee on Banking, Currency and Housing.

The bill would direct the Secretary of the Treasury to strike and furnish to the Mid-America All-Indian Center in Wichita, Kans., not more than 100,000 medals commemorating the American Indian heritage. The Indian Center would, of course, make the medals available for sale to the public.

The bill would not require any appropriation of funds since the mint would be reimbursed for the cost of manufacture by the Indian Center.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR STRIKING OF MEDALS COMMEMORATING CONTRIBUTIONS BY INDIVIDUALS OF VARIOUS ETHNIC BACKGROUNDS WHO HAVE CONTRIBUTED TO THE FOUNDING OF THE UNITED STATES OF AMERICA

Mr. STEPHENS. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Currency and Housing be discharged from the further consideration of the bill (H.R. 7808) to provide for the striking of medals commemorating ous ethnic backgrounds who contributed to the founding of the United States of America, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

H.R. 7808

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in commemoration of the bicentennial of the founding of the United States of America and of those individuals of various ethnic backgrounds who participated in the American Revolution, the Secretary of the Treasury shall strike and furnish to the American Revolution Bicentennial Administration (hereinafter referred to as the "Administration") not more than twenty-five thousand medals with suitable designs, not in excess of twenty-one different designs, to be determined by the Administration subject to the approval of the Secretary of the Treasury. The medals shall be made and delivered at such times as may be required by the Administration in quantities of not less than one thousand medals of each design, but no medals shall be made after December 31, 1983. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes (31 U.S.C. 368).

SEC. 2. The Secretary of the Treasury shall cause such medals to be struck and furnished at not less than the estimated cost of manufacture, including labor, materials, guides, use of machinery, and overhead expenses. Security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for full payment of such costs.

SEC. 3. The medals authorized to be struck and furnished under this Act shall be of such size or sizes and of such various materials as is determined by the Secretary of the Treasury after consultation with the Administration.

Mr. STEPHENS. Mr. Speaker, this bill was unanimously favorably reported by both the Subcommittee on Historic Preservation and Coinage and the Committee on Banking, Currency and Housing.

The bill would direct the Secretary of the Treasury to strike and furnish to the American Revolution Bicentennial Administration a maximum of 25,000 medals of each design commemorating up to 21 ethnic heroes of the American Revolution. The sizes, metallic composition, and designs would be determined by the Secretary of the Treasury in consultation with the Bicentennial Administration. The medals would be furnished in lots of not less than 1,000 for each design or size. The Bicentennial Administration would pay all production and related expenses, so the bill would require no appropriation. The Bicentennial Administration would, of course, make the medals available for sale to the public.

A similar bill passed the Senate during the last session of Congress. The proposed amendments to the bill are of a technical nature and merely permit more medals to be struck in the event there is an increased public demand for the medals.

AMENDMENTS OFFERED BY MR. STEPHENS

Mr. Speaker, I offer two amendments. The Clerk read as follows:

Amendments offered by Mr. STEPHENS: Page 1, delete line 9, and insert in lieu thereof: "or any subsequent agency pursuant to Section 7b of Public Law 93–179, medals, not more than twenty-five thousand of any one design, with suitable".

Page 3, line 11, delete "guides" and insert "dies" in lieu thereof.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXPRESSING SUPPORT FOR SOLIDARITY SUNDAY

Ms. ABZUG. Mr. Speaker, I ask unanimous consent that the Committee on International Relations be discharged from further consideration of the resolution (H. Res. 1168) expressing support for Solidarity Sunday, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if the gentlewoman from New York would give us an explanation of the resolution?

Ms. ABZUG. Mr. Speaker, if the gentleman will yield, this is a resolution asking for support of Solidarity Sunday, in which hundreds of thousands of Americans will protest against the Soviet Union's policy of restricting the immigration of Jews to Israel and harassing, punishing, and imprisoning Soviet Jews, prohibiting them from leaving the country and exercising their religious rights.

Mr. Speaker, I urge passage of a resolution which I introduced and which is supported by many of my colleagues from New York, in support of Solidarity Sunday, May 2. This day has been designated by the Greater New York Conference on Soviet Jewry as a day when New Yorkers of all faiths will join in a march to express their solidarity with the 3 million Jews in the Soviet Union.

On Solidarity Sunday we will send a clear message to the leaders of the Soviet Union. This message is that Soviet Jews must have the right freely to emigrate and also live freely as Jews within the Soviet Union.

I condemn the Soviet policy of restricting emigration and harassing, punishing, and imprisoning Soviet Jews who seek to leave or to exercise their religious rights and I urge my colleagues to support this protest.

We know that only protests of Jews and non-Jews in the West prevent conditions from getting even worse. Through our efforts in the past we have been able to obtain freedom for some. But we must continue our efforts until we obtain freedom for all.

For those who are allowed to leave in all too many cases the suffering does not end. The Soviet Government, in what appears to be a carefully calculated policy, has been separating families by giving some members exit permits and demanding that they leave immediately or have the permits revoked, and then not permitting the others to leave.

This has resulted in parents being separated from children and husbands from wives. Thus, those who are left behind must not only suffer the humiliations heaped upon them by the government, but must live with the thought that they may never see the people they love the most again.

I urge my colleagues to approve this resolution of solidarity with Soviet Jews and their supporters and let Solidarity Sunday speak for the conscience of the world.

Mr. BAUMAN. Mr. Speaker, I thank the gentlewoman and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

The Clerk read the resolution as follows:

H. RES. 1168

Whereas May 2, 1976, has been designated as "Solidarity Sunday" by the Greater New York Conference on Soviet Jewry;

Whereas New Yorkers of all faiths will join in a giant march on that day to express their solidarity with the three million Jews in the Soviet Union;

Whereas Solidarity Sunday will voice the protests of Americans against the Soviet Union's policy of restricting the emigration of Jews to Israel and harassing, punishing, and imprisoning Soviet Jews in connection with their efforts to leave the country or to exercise their religious rights.

Resolved, That it is the sense of the House of Representatives that—

(1) the leaders of the Soviet Union remove all obstacles to the free emigration of Soviet Jews and others who wish to leave to live in other countries;

(2) the Congress supports Solidarity Sunday in an effort to achieve this goal.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FIRST REPORT OF THE U.S. SINAI SUPPORT MISSION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations:

To the Congress of the United States:

I am transmitting herewith the First Report of the United States Sinai Support Mission. The Report describes the manner in which the Support Mission is carrying out its mandate to implement the United States' responsibility for the early warning system in the Sinai, as specified in the Basic Agreement between Egypt and Israel of September 4, 1975, and the Annex to the Basic Agreement. This Report is provided to the Congress in conformity with Public Law 94–110 of October 13, 1975.

The Report includes an account of American participation in the establishment of the Sinai early warning system during the first six months following the enabling legislation, a report on the current status of the early warning system, and a discussion of the actions now under way which will permit the Sinai Support Mission to conclude its construction and installation phase by early summer. When this preparatory period has been completed and we have had an opportunity to observe the ongoing operations of the early warning system, we will be better able to assess the feasibility of making technological or other changes that could lead to a reduction in the number of American civilians assigned.

As you know, the functions which the American volunteers are performing were requested by the Governments of Egypt and Israel. We have accepted responsibility for these functions, with the concurrence of both Houses of the Congress, because we believe the United States has an important stake in a stable Middle East.

The early warning system in the Sinai is an important investment in peace. It helps support the Basic Agreement between Egypt and Israel which represents a significant step toward an overall settlement. Continuing presence of the system provides in itself an important contribution to stability in the area and to the creation of a climate of confidence so necessary for further progress toward a just and durable peace.

Gerald R. Ford.

The White House.

EMERGENCY JOB PROGRAMS STOPGAP EXTENSION

Mr. DOMINICK V. DANIELS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12987) to authorize appropriations for fiscal year 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, for carrying out title VI of the Comprehensive Employment and Training Act of 1973, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. Dominick V. Daniels).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12987, with Mr. Murtha in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New Jersey (Mr. Dominick V. Daniels) will be recognized for 30 minutes, and the gentleman from Minnesota (Mr. Quie) will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. Dominick V. Daniels).

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 12987, the emergency job programs stopgap extension bill, which would authorize appropriations for the balance of fiscal year 1976 and for the transition period beginning July 1, 1976, and ending September 30, 1976, for carrying out title VI of the Comprehensive Employment and Training Act.

Mr. Chairman, I am well aware that we are now facing an emergency.

This is a real emergency affecting thousands of Americans who are working in useful and productive jobs under title VI of CETA. The fact is that the authorization for title VI expired on June 30, 1975, and funds expended over fiscal year 1976 are running out. Many CETA participants in title VI face an uncertain future.

I might say to the Members that the House, anticipating that such a situation would arise, passed a bill, H.R. 11453, on February 10, 1976, which would substantially amend as well as extend title VI through fiscal year 1977. This measure not only assures that the 342,900 public service jobholders under CETA will keep their jobs but also increases the level of public service employment to 600,000.

This legislation has not yet been acted upon in the other body, nor has it been marked up in subcommittee. It is this failure of the other body to pass this measure more expeditiously that has necessitated this stopgap legislation.

Therefore, the Committee on Education and Labor is coming before the House today with H.R. 12987, a bill which is a simple emergency extension of the authorization of appropriations for title VI through the remainder of fiscal year 1976 and the transition quarter. This legislation would keep current CETA workers on board through September 30, 1976, and give the Senate an opportunity to finish its deliberations on the House-passed H.R. 11453. The estimated cost for the remainder of fiscal year 1976 and the transition quarter is $775 million.

H.R. 12987 was reported on April 6 from the Committee on Education and Labor by voice vote. There are no dissenting views in the report.

This legislation is needed because 109 of the Nation's prime sponsors—25 percent of the Nation's prime sponsors—have some CETA public service workers who reside in totally title VI areas. Exclusively title VI areas do not have unemployment rates in excess of 6½ percent. Without authorizing legislation, these CETA employees will be without jobs, and the current estimates are that thousands—in fact, an estimated 17,000 workers—would be immediately laid off in these 109 prime sponsor areas.

Yesterday I received a letter from the Assistant Secretary of Labor for Employment and Training, the Honorable William H. Kolberg, in which he said he may use discretionary funds under the Emergency Supplemental Appropriations Act of 1976 which we recently passed in both bodies for non-title II areas, and that it would be proper to waive the 30-day unemployment period required by title VI of the public service employment program.

Mr. Chairman, I say that such action by the Secretary of Labor is absolutely illegal and improper. CETA was passed by Congress. It required the approval of both the House and the Senate. The administration is claiming that title II of CETA was amended just because of the language in the report of the Committee on Appropriations of the Senate. This cuts the House of Representatives out of the legislative process altogether. The chairman of the Subcommittee on Labor-Health, Education, and Welfare of the Committee on Appropriations, the gentleman from Pennsylvania (Mr. Flood), the chairman of the Committee on Education and Labor, the gentleman from Kentucky (Mr. Perkins), and I, as chairman of the Subcommittee on Manpower Compensation, and Health and Safety, expressed our opinion on the floor of the House that Senate report language to an appropriations act does not change substantive law.

If we accept the argument of the minority, we are abdicating the role of the House of Representatives in the legislative process. If this bill is not passed, thousands of enrollees will be laid off and will be walking the streets seeking jobs. They probably will be unable to find them and then, without this bill, they will have to go on the relief rolls.

Without this bill, the administration will implement its plan to eliminate 260,000 public service employee jobs starting immediately after the election in November.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Kentucky (Mr. Perkins), our distinguished chairman.

Mr. PERKINS. Mr. Chairman, first, I wish to compliment the distinguished gentleman from New Jersey (Mr. Dominick V. Daniels) for persevering with respect to this piece of legislation which is absolutely necessary to protect the jobs of thousands of people in this country.

I agree wholeheartedly with the statement the gentleman from New Jersey just made about the effect of the Assistant Secretary's letter, that it is contrary to the present law.

Mr. Chairman, if we fail to pass this legislation, within a few weeks after June 30 the layoff will commence throughout the length and breadth of this country.

Mr. Chairman, I want to ask the gentleman from New Jersey (Mr. Dominick V. Daniels), with respect to title II areas, if the law does not require the money to be expended where there is 6.5 percent unemployment for three consecutive months or greater and new designations must be made at least one in each fiscal year, and the last designation was March 1975, and if we let the Secretary get by with a camouflage in this situation, a new designation may come out any day within the next few weeks; is that not correct?

Further, if we fail to pass this legislation, where they are now getting money under title II because the unemployment situation is not so bad as it was in 1975, there will be perhaps hundreds of areas under title II in which people will likewise be laid off; am I correct?

Mr. DOMINICK V. DANIELS. The gentleman from Kentucky is absolutely correct.

Mr. PERKINS. There is one further question I would like to address to the distinguished chairman of the subcommittee.

Mr. DOMINICK V. DANIELS. I might also say, Mr. Chairman, that the provisions of title II contain certain qualifications for the enrollees in order to qualify for jobs under that title.

Mr. PERKINS. The gentleman is absolutely correct.

Mr. Chairman, I think the Membership of this body should understand title II deals with the high unemployment areas of this country. Title VI does not. Title VI is a new program, the new CETA program that provides public service jobs for all areas of the country; and title II is the regular manpower program that has been on the books for several years.

Mr. Chairman, if we get confused here and fail to enact this legislation—I do not care what is argued on the other side of the aisle—we are going to have thousands of people laid off within the next 2 or 3 months. Further, the General Accounting Office can come along and justify the layoffs by saying that the authorization legislation does not permit title II funds to be transferred to title VI. Am I correct in that?

Mr. DOMINICK V. DANIELS. The gentleman is absolutely correct.

Mr. Chairman, I wish to compliment the chairman for his contribution to this debate.

I respectfully direct the attention of the Members of this House to pages 2 and 3 of the committee report which spell out the difference between title II and title VI of the CETA program.

Title II was enacted in 1973 in an effort to deal with structural unemployment.

Title VI was adopted in December 1974, when we had a dramatic increase in unemployment confronting the country. Title VI is a countercyclical program.

The differences between the two acts and the qualifications necessary to participate under title II and title VI are clearly spelled out in the committee report on page 3. I would direct the attention of the Members to the report.

I will say to my colleagues that this legislation is absolutely essential. It is merely authorizing legislation for the balance of fiscal year 1976 and the 3-month transitional period which expires on September 30, 1976.

I will further say that I fear that if the Secretary of Labor undertakes what he proposes to do with regard to the distribution of the discretionary funds, that there will be a lawsuit instituted against the Secretary and, in all probability, an injunction issued by the court which will tie up all the provisions under title VI.

If that takes place, then I want to tell the Members of Congress that they will have thousands and thousands of participants and enrollees in the title VI program knocking on their doors asking for an answer as to why they were thrown out of their jobs.

I believe this legislation is absolutely essential and that this House should pass without delay H.R. 12987.

I hope the Members will give their favorable consideration to H.R. 12987.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I rise in support of H.R. 12987. First I want to compliment the gentleman from New Jersey (Mr. Dominick V. Daniels) for his vigilance and his leadership. Had he not determined to act swiftly and decisively, even though he and the House had already fully discharged their responsibilities by adopting title VI legislation on February 10 of this year, a great many innocent people whose livelihood depends directly on public service jobs would have been fired. Another colleague of ours once defined political leadership in this way:

> The leadership belongs not to the loudest, not to those who beat on the drums or blow the trumpet, but to those who day in and day out, in all seasons, work for the practical realization of a better world—those who have the stamina to persist and to remain honest and dedicated. To those belongs the leadership.

Mr. Chairman, Dominick Daniels is such a leader. It is a deep personal loss for me, and a great loss for the House that he will not be returning to Congress next January.

The bill before this body today is a simple extension of title VI of the Comprehensive Employment and Training Act of 1973 for fiscal year 1976 and the transition quarter. The bill's only other provision includes as allowable administrative costs the purchase of supplies, equipment and materials necessary for the proper implementation of public service jobs funded under CETA, and limits administrative costs to not more than 15 percent of the total expenditures for public service jobs instead of the current 10 percent. Rental costs are also included.

The reason this legislation is urgently needed is because all authority to appropriate under title VI of CETA expired on June 30, 1975. Title VI comprises 85 percent of all public service jobs now in existence: in other words 273,000 of the 320,000 public service jobs under CETA are title VI jobs. All of these jobs are due to exhaust the funds that sustain them on June 30 or thereabouts, unless a new appropriation is provided by them.

Additionally, a number of prime sponsors have already begun to run out of title VI funds and are being required to give termination notices to their employees. The impact of some of these immediate terminations will be mitigated by the action of the Congress in enacting a $1.2 billion appropriation under title II. However, those funds may only be used in title II areas and may only be used in accordance with the statutory requirements of title II. Among those requirements is one stipulating that a person must have been unemployed for at least 30 days before qualifying for a job under title II—section 205(a). This means that persons now in jobs funded under title VI—roughly 85 percent of the total in public service jobs—would be able to move into title II jobs only after a forced lay-off of 30 days and even then only if they resided in the qualified title II area.

It is not enough simply to reside in the prime sponsorship area which has title II areas in it qualifying for assistance—the person must actually reside in the designated title II area itself. It is important to understand this distinction, for it will be claimed that only 15 prime sponsorship areas out of a total of 433 do not have any title II areas within their jurisdiction. This means that virtually everyone will get some piece of the distribution. The defect in this view is the implication that this somehow takes care of the problem when, in fact, it does not. Many prime sponsors have only a handful of areas within them that qualify for title II funds, and, as I said, these funds can only be used in those areas.

Title VI is not restricted to particular pockets of high unemployment. It is distributed to all prime sponsors for use throughout the entire area served by the prime sponsor. Title VI is based on the premise that when unemployment throughout the Nation is at the high levels we find today, the major emphasis of public service job programs should be to serve, as best they can, all those in need and not just the residents of one particular area. It is difficult to explain to an unemployed person in one county which is not a title II area why he should not get a government job but the fellow in the next county over, which is a title II area, should—and the same is true for people who live in different parts of a city.

There is only one way to deal with this situation, and that is what we are doing today—pass a simple extension of title VI to keep it going at its existing levels during the transition quarter by which time the House and the Senate and the President will have settled the question of what level at which to operate these programs during fiscal year 1977.

Mr. Chairman, I urge adoption of this bill without amendment.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, I thank the gentleman for yielding me this time, and I want to join the gentleman from New Jersey in the remarks he has made in his position on the legislation. I urge the Members of the House to pass this legislation expeditiously.

This is not a cure-all for unemployment; it falls far short of the goal of full employment; it is an attempt to help solve the problem.

Nothing short of a complete and honest appraisal of our job sources, the reason for a failure of these sources to provide jobs for all willing to work.

Sometimes the obvious becomes lost in the rhetoric of debate, when such debate itself is based upon false and misleading information.

For almost a generation I have tried to convince the Congresses I have served in of the devastating damage being done to our job market by the unprecedented and stupid unsound and antiquated international trade policies of our Nation.

This is not a popular view, nor is it a change against our political party leadership. It is intended as a criterion of all political parties and their leaders.

Unless we again realize that no economy can survive in a free trade world with a high cost economy.

The industrial and agricultural, the mining and forestry job-providing industries and activities depend upon an economy based upon production, distribution, and consumption.

It is the old story of the milking stool. It had three legs because three legs can find stability on an uneven floor.

Our economy is an uneven floor, affected by many circumstances: storms, floods, inlet changes, style and buyer preferences, shortages at some stage of production, and so forth.

We are trying the impossible. We are attempting to sit on an economic stool with only two legs: distribution and consumption.

It has not worked; it will not work, and the economy finds itself in the same position as the milkmaid trying to milk a contrary cow from a two-legged stool.

Yes, the bill will help, temporarily. Presently we need some old-fashioned courage, courage to admit the truth.

The truth is that our present administration is oriented to foreign trade at the terrible cost of permanent unemployment.

Mr. DOMINICK V. DANIELS. I thank the gentleman from Pennsylvania.

Mr. ZEFERETTI. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from New York.

Mr. ZEFERETTI. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I support the legislation the gentleman from New Jersey has presented to the House. I would like to commend him and the committee for the work that they have done in providing help and assistance for the people in urban areas throughout the country with double-digit unemployment problems. I believe that we can negate further unemployment problems with the passage of this type of legislation.

Again I would like to compliment the chairman, the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) for his work.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding, and I rise in support of H.R. 12978, the emergency job programs stopgap extension, a measure authorizing appropriations for fiscal year 1976 for the public service employment program, title VI, of the Comprehensive Employment Training Act of 1973—CETA.

Mr. Chairman, support for this legislation is vital in order to extend the June 30, 1976, deadline under which the authority to appropriate title VI funds would otherwise expire and to assist those who have exhausted their unemployment benefits and those who are ineligible for unemployment compensation benefits.

The Committee on Education and Labor in its report accompanying H.R. 12987 states that 273,000 out of an estimated total of 320,000 jobs would be effected by this bill. For New York State during fiscal year 1976, this bill means an authorization of $51,456,656 for 5,569 title VI positions, and for Orange, Rockland, and Ulster Countics in my 26th Congressional District in New York State this translates into approximately $4,433,010 for 710 title VI positions—$1,993,799 and 341 positions for Orange County; $1,089,803 and 151 positions for Rockland County; and $1,349,408 and 151 positions for Ulster County. Although the title VI CETA funds appropriated for fiscal year 1975 have benefited my district—$985,407 for Orange, $642,507 for Rockland, and $632,832 for Ulster—the $4,433,010 to be appropriated for fiscal year 1976, nearly double the 1975 appropriation, will provide the necessary infusion of funds to rehire those individuals who have been laid off for bona fide reasons and who have exhausted their unemployment benefits or who are ineligible for unemployment compensation.

The extension of this program is urgently needed if the war against unemployment is to be won, if this Nation is to take the unemployed off the welfare rolls and put them back into productive rolls.

Mr. Chairman, in the interest of extending the public service employment program for fiscal year 1976 and for the transitional quarter. I urge that my colleagues to support this measure thereby preventing the June 30th expiration deadline from choking off these urgently needed funds.

Mr. QUIE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I oppose this legislation and let me tell the Members why: it is not because I am not concerned about unemployment or people who are poor and disadvantaged, or people who have run out of their unemployment insurance, or those on ADC and so forth, but rather that this bill is being used as a political ploy. This legislation extends title VI through the transitional quarter. H.R. 11453, which we passed on February 10, and is pending before the Senate can then be held up, and have a vote sometime between September 30 and the time we adjourn just before the election.

It seems to me that if the committee had intended really to extend title VI for a period of time in which it could have been utilized, that they would have moved it into the next fiscal year, after we come back again in the next Congress.

At the time that this legislation came out of our committee, I had intended, and did, in our committee, offer an amendment to extend title VI through the next fiscal year. However, subsequent to that, in fact, the next day, the other body took up the emergency supplemental appropriation bill and at that time provided $1.2 billion to extend PSE through January 30 of next year.

The problem that I have had all the way along with what the administration has proposed is that funds after June 30 would go only under title II rather than title VI. And while I prefer title II to title VI, and do not want title VI extended very long, I recognize that there are some individuals who are on public service employment now under title VI, in an area, that would not qualify under title II. Let me make this clear, we have already extended through Jan. 30, 1977, and appropriated the money for it. Therefore this legislation is not necessary.

The other body taking that into consideration wrote in their report and said:

> The committee recommends $1,200,000,000, and the $1,200,000,000 will provide for public service employment under Title II of the Comprehensive Employment and Training Act of 1973 and allow for continuation through January, 1977, on a national basis of approximately 260,000 public service jobs. These jobs are currently funded under the authority contained in Title VI of the Comprehensive Employment and Training Act. An additional 50,000 public service employment jobs are being funded under Title II of the Comprehensive Manpower Assistance Appropriation.

The crucial language then follows:

> The committee recognizes that not all Title VI prime sponsor areas qualify for funding under the Title II program because their unemployment rates are below 6½ percent. Therefore, the committee authorizes the Secretary to utilize non-Title II areas discretionary funds available to him in this supplemental in order to prevent the imminent layoffs of these program participants. The committee also notes that certain participants under the Title VI programs do not qualify for employment under the Title II program because their length of unemployment before entering the program was less than 30 days as required under Title II. In order to continue the employment of

these participants, the committee authorizes the Secretary to waive the criteria for the purposes of transferring current participants from a Title VI program to a Title II program. Inclusion of these funds in the Emergency Supplemental is necessary to avoid further layoffs of public service enrollees. Layoffs have already left 12,000 persons jobless and are expected to exceed 150,000 by June 15, 1976, unless additional funds are made available immediately.

I would like to say that there is no clearer intent that could be made than that. The report is not even requiring that these title VI public service employees and enrollees be transferred over to title II, but DOL may use this money in order to fund public service employees and not transfer them in the amount of 260,000 public service jobs.

The question now comes up: Could this be legislated in this way? This past Monday the DOL Solicitor formally issued his opinion which convincingly argues the legal authority of the Senate Committee on Appropriations to use the title II funds for title VI purposes. Although I do not want to take the time to read the entire opinion—it is quite lengthy—the opinion details the various discussions of the courts that have made it law that an appropriation act can direct expenditures of funds under a substantive statute in a particular fashion, and that a congressional committee report is given more weight than the statements or questions raised on the floor by individual Members of Congress.

The fact that the House adopted the Senate bill adds additional weight to the Senate Committee on Appropriations report and, finally, the interpretation of the statutes by the agency which administers the law is given great weight, and any such interpretation, if reasonable, should be sustained.

When we get back into the House, I will get unanimous consent to include the Solicitor's opinion as a part of the record.

As one reads the Senate debate on this matter, it reveals that while members of the Committee on Appropriations recognize the possibility of problems raised by the Senator from New York, Mr. Javits, they were not invited to negate the interests of the committee. The Senator from Washington, Mr. Magnuson, wrote a letter this past Monday to the Secretary of Labor, Mr. William Usery, which reaffirms his position and the Senate Committee on Appropriations on the use of title II funds for title VI purposes, and I will be reading portions of this letter into the Record.

I would say to my colleagues that they do not have to concern themselves that those who are employed now under public service employment under title VI will in any way lose their jobs. We have extended it to January 30 of 1977, and there is absolutely no need for this legislation.

The material follows:

U.S. Department of Labor,
Office of the Solicitor,
Washington, D.C., April 26, 1976.

Memorandum for William H. Kolberg, Assistant Secretary for Employment and Training.

Subject: Use of Temporary Employment Assistance Funds Under the Emergency Supplemental Appropriations Act of 1976.

This is in response to your request for my views on whether the Secretary of Labor may use discretionary funds under the Temporary Employment Assistance appropriation in the Emergency Supplemental Appropriations Act of 1976 (P.L. 24–266) to effectuate an orderly phase down of the Public Service Employment (PSE) program under Title VI of the Comprehensive Employment and Training Act of 1973, as amended (29 USCA 801, 961). This phase down would be effectuated, in part, by (1) continuing PSE jobs for a limited time in areas, previously funded under Title VI of CETA, which do not meet the eligibility criteria for Title II because they have unemployment rates of less than 6.5% and (2) transferring directly into Title II PSE positions Title VI participants who, prior to their entry into Title VI jobs, were unemployed for less than 30 days.

You inform me that if an orderly phase down is not possible, approximately 17,000 PSE participants who do not reside in Title II areas will be abruptly terminated from the CETA program when current Title VI funds are exhausted, and that an indeterminate number of additional Title VI participants who were not unemployed for 30 days prior to their participation in the Title VI program will also be terminated.

It is my view, after examining the emergency appropriations act and its legislative history, that, as you propose, an orderly phase down of the Title VI program through the use of discretionary funds is legally proper.

BACKGROUND

On April 15, 1976, President Ford signed into law the Emergency Supplemental Appropriations Act of 1976 (P.L. 94–266). That act appropriated, *inter alia*, $1.2 billion for Temporary Employment Assistance under the Comprehensive Employment and Training Act.

The origin of that appropriation is found in the President's budget proposals for fiscal year 1977, which requested funds to continue temporary employment assistance grants for the fiscal year. (See Appendix to Budget for Fiscal Year 1977, p. 876) Such a continuation was necessary because the basic authority for PSE programs under Title VI of CETA expired on December 31, 1975, leaving Title II as the primary CETA PSE program. The appropriation request used Title II as the vehicle for effectuating this continuation, as in most respects Title II and Title VI are the same. There are certain differences between the two titles, however, including the following two factors: (1) Title VI can be used in areas with less than 6.5% unemployment and (2) Title VI permits participation in certain instances when an individual has been unemployed for 15 days, while Title II refers to a 30-day unemployment period.

From the time the President's budget was first transmitted to the Congress, the purpose of the supplemental appropriation was clear. The goal of the appropriation was "to prevent imminent lay-offs in Title VI projects" (statement by Deputy Assistant Secretary of Labor, Ben Burdetsky, to House and Senate Appropriātions Committees) through a transfer of Title VI programs to Title II, so that a gradual, orderly phase down of Title VI programs could take place. A two pronged approach was to be used in order to achieve this goal. First, as Mr. Burdestky said, the appropriation was to focus "funding for public service jobs in 'areas of substantial unemployment,' that is, areas with at least 6.5% unemployment for three consecutive months. It is intended that funds be targeted to these high unemployment areas where unemployment is most severe." (Burdetsky statement at p. 2.)

Second, discretionary funds available under the appropriation were to be used to "allow the flexibility to phase-out an estimated 17,000 Title VI jobs in areas with less than 6.5% unemployment and as needed to supplement the regular formula allocation to accomplish an orderly phase-out". (See Department of Labor document, entitled, "ETA 1976 Proposed Supplemental Appropriation, Temporary Employment Assistance" p. 5, submitted to the Appropriations Committees of both Houses of Congress.)

In approving the funds as a part of the second supplemental appropriation, the House Appropriations Committee report, No. 94–1027, at pp. 45–46, stated:

"In accordance with the basic law, the funds in the bill will be distributed to prime sponsors who have areas of substantial unemployment within their jurisdictions. Substantial unemployment is defined as having an unemployment rate of at least 6.5% for three consecutive months. Virtually all prime sponsors in the country are currently eligible for title II funds."

In the Senate, the Temporary Employment Assistance appropriation became part of the Emergency Supplemental Appropriation bill, which was reported out of the Senate Appropriations Committee on April 9, 1976. The Senate Appropriations Committee's report clearly authorized the Secretary to provide discretionary funds for non-Title II areas and to waive the 30-day unemployment criterion, where necessary, No. 94–742, at p. 2. That language reads as follows:

"The $1,200,000,000 will provide for public service employment under title II of the Comprehensive Employment and Training Act of 1973, and allows for the continuation through January, 1977, on a national basis, of approximately 260,000 public service jobs. These jobs are currently funded under authority contained in title VI of the Comprehensive Employment and Training Act. An additional 50,000 public service employment jobs are being funded under title II by the Comprehensive Manpower Assistance appropriation.

"The Committee recognizes that not all title VI prime sponsor areas qualify for funding under the title II program because their local unemployment rates are below 6.5 percent. Therefore, the Committee authorizes the Secretary to utilize in non-title II areas discretionary funds available to him in this supplemental appropriation in order to prevent the imminent layoff of these program participants. The Committee also notes that certain participants under the title VI program do not qualify for employment under the title II program because their length of unemployment before entering the program was less than 30 days as required under title II. In order to continue the employment of these participants, the Committee authorizes the Secretary to waive that criteria for the purpose of transferring current participants from a title VI program to a title II program.

Inclusion of these funds in the emergency supplemental is necessary to avoid further layoffs of public service jobs enrollees. Layoffs have already left 12,000 persons jobless, and are expected to exceed 115,000 by June 15, 1976, unless additional funds are made available immediately. (Emphasis added.)

On the Senate floor, Senator Javits raised the question of whether the Committee had the legal authority through its report, to permit the use of the funds in the manner described. (Cong. Rec., April 9, 1976, p. S5353).

After the emergency supplemental appropriation was passed in the Senate, it went to the House, which approved the Senate version without a conference.

On the House floor, questions were also raised concerning the Senate committee language. (Cong. Rec., April 12, 1976, p. 10535–10537).

LEGAL ANALYSIS

We turn now to the doctrines of statutory construction applicable to this problem.

1. *An appropriations act can direct the expenditure of sums under a substantive statute in a particular manner.*

It is settled law that an appropriations act can alter the method in which sums are to be expended under a substantive statute. *United States* v. *Mitchell*, 109 U.S. 146, 150 (1883); *Mathews* v. *United States*, 123 U.S. 182 (1887); *United States* v. *Dickerson*, 310 U.S. 554, 555 (1940); *Friends of the Earth* v. *Armstrong*, 485 F.2d 1, 9 (10th Cir. 1973), *cert. den.* 414 U.S. 1171 (1974). Thus, it would be legally proper for the Emergency Supplemental Appropriations Act of 1976 to direct the use of CETA Title II to permit these funds to be used to phase out gradually Title VI PSE programs in non-Title II areas and to allow Title VI participants who were unemployed for less than 30 days to transfer immediately into Title II jobs.

2. *It is appropriate to consider all available materials in order to determine legislative intent.*

One of the oldest doctrines of statutory construction is that all relevant materials should be consulted in order to determine the intent of the legislature. In *United States* v. *Fisher*, 2 Cranch 258, 286 (1804), the Supreme Court held: "Where the mind labours to discover the design of the legislature, it seizes everything from which aid can be derived." This is also the holding of numerous other cases, *e.g.*, *Boston Sand Co.* v. *United States*, 278 U.S. 41, 48 (1929); *United States* v. *Dickerson*, 310 U.S. 544, n. 6 (1940); *Employees* v. *Westinghouse Corp.*, 348 U.S. 437, 444 (1955).

Among the most important sources of legislative history are statements and documents presented by the executive branch when it proposes legislation, see, *e.g.*, *National Railroad Passenger Corp.* v. *National Association of Railroad Passengers*, 414 U.S. 453, 460 (1974).

In the case of the Emergency Supplemental Appropriations Act, the clearest statement of Congressional intent is contained in the Senate Appropriations Committee Report, and therefore this should be given substantial weight in construing the statute. The statement of Deputy Assistant Secretary Burdetsky and the documents which accompanied the budget request are also entitled to considerable weight in deciding the proper construction of the law.

3. *In determining legislative intent, committee reports are to be accorded great weight.*

It is a settled principle of statutory construction that committee reports are to be given more weight than floor statements of individual legislators. *United States* v. *Auto Workers*, 352 U.S. 367, 385 (1957). This is so because (1) committee reports reflects the views of those who are most familiar with the problems being addressed by a particular piece of legislation and (2) committee reports are more likely to reflect the intent of the entire legislative body than are the remarks of an individual legislator, who is expressing only his personal views, views which may not be shared by other members. In this instance, therefore, the clear language of the Senate Appropriations Committee report authorizing the expenditure of a portion of the funds appropriated in non-Title II areas and authorizing a waiver of the 30-day unemployment criterion is entitled to more weight than the questions raised on the floor by individual members of Congress.

4. *The fact that the House adopted the Senate bill lends additional weight to the Senate Appropriations Committee report.*

It was the Senate, and not the House bill, that was enacted into law. This fact makes the Senate Appropriations Committee report the most authoritative statement of Congress' intent. *Vaugh* v. *Rosen*, 523 F.2d 1136, 1142–43 (D.C. Cir. 1975). The statements in the House debates do not overcome the weight due to the Senate report language, since, if the House had desired to come forth with its own statement about the authorizations contained in the Senate committee report, it could have demanded a conference.

5. *Statute should be interpreted so that their policies and purposes are furthered.*

The policies and purposes underlying a statute are highly significant factors to be considered in interpreting that statute. Statutory language must read so that the purposes and policies of an act are carried forward. See, *e.g.*, *Brown* v. *Duchesne*, 19 How. 183, 194 (1856); *Helvering* v. *New York Trust Co.*, 293 U.S. 455, 466 (1934). In this case it would clearly be contrary to the policies and purposes of CETA for more than 17,000 PSE participants to be abruptly terminated once Title VI funds in their areas are exhausted. It would be much more consistent with the purposes of CETA for a gradual, orderly phase-down to take place.

6. *The interpretation of a statute by an administrative agency is entitled to great weight.*

The case law uniformly holds that the interpretation of a statute by the agency which administers the law is entitled to great weight, and that a reasonable interpretation by the agency should be sustained. This is true especially when the agent's interpretation "involves a contemporaneous construction of a statute by the men charged with the responsibility of setting its machinery in motion, of making the parts work efficiently and smoothly," *Power Reactor Co.* v. *Electricians*, 367 U.S. 396, 408 (1961), and when their construction "enhances the general purposes and policies underlying the Act." *Housing Authority of the City of Omaha* v. *United States Housing Authority*, 468 F.2d 1, 5–6 (8th Cir. 1972) *cert. den.* 410 U.S. 927 (1937). See also, *Udall* v. *Tallman*, 380 U.S. 1, 16 (1965); *Red Lion Broadcasting Co.* v. *FCC*, 395 U.S. 367, 381 (1969). Thus, the interpretation by the Secretary of Labor that, under the Emergency Supplemental Appropriations Act, he has the legal authority to expend discretionary funds in non-Title II areas and for PSE participants who were unemployed for less than 30 days, is entitled to great weight.

CONCLUSION

For the reason stated above, it is my conclusion that it is legally proper for the Secretary to use discretionary funds under the Emergency Supplemental Appropriations Act of 1976 in areas that have less than 6.5% unemployment and to waive the 30-day unemployment criterion in order to effectuate an orderly phase-down of the Title VI, CETA, program.

William J. Kilberg,
Solicitor of Labor.

Washington, D.C.,
April 27, 1976.

Hon. William J. Usery,
Secretary of Labor,
Washington, D.C.

Dear Mr. Secretary: Now that the President has signed the Emergency Supplemental Appropriations bill for fiscal year 1976, Public Law 94–266, I wish to make my view clear concerning what I perceive as the intent of the Congress regarding the distribution of certain of these funds appropriated to the Department of Labor. Senate Report 94–742, accompanying the appropriation, contains language pursuant to Temporary Employment Assistance authorizing you to utilize discretionary funds from this appropriation, as a temporary expedient, in non-Title II areas, that is, areas in which the unemployment rate is less than 6.5 percent. This language was inserted to prevent the imminent layoff of program participants in these areas.

Furthermore, the report contains language authorizing the Secretary, on a temporary basis, to waive the length-of-unemployment requirement for Title VI participants for the purpose of transferring current participants from a Title VI program to a Title II program.

During floor debate on the appropriation, some Members of both Houses expressed views contrary to the intent expressed in the Committee report on these points. However, the House did not ask for a conference, when it would have had the opportunity to amend or modify the Senate language in a conference report. In the absence of a conference report, the Senate Committee report should prevail. The Committee considered the need to provide this direction in its report very carefully.

It is not our intent to permanently replace the Title VI program with the Title II program, but in the absence of renewed Title VI authorizing legislation, we had no other choice to avoid massive layoffs of Title VI enrollees. . . .

Warren G. Magnuson,
U. S. Senator.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Kentucky.

Mr. PERKINS. I first want to thank the distinguished gentleman from Minnesota (Mr. Quie) for his active work on all matters in coming before the Committee on Education and Labor. But I think in this instance that the gentleman prefers title II to title VI. Am I correct?

Mr. QUIE. I feel that we should permit the title VI public service employees to continue to be employed who are presently being employed.

Mr. PERKINS. But the gentleman actually prefers title II over title VI?

Mr. QUIE. Yes. And as I indicated I would like to see it integrated, but I realize there are people employed now and I in no way want to put them out of a job.

Mr. PERKINS. The gentleman knows title II and title VI were authorized for different employment purposes. That is correct, is it not?

Mr. QUIE. That is right. Title VI is more countercyclical.

Mr. PERKINS. All right. Then notwithstanding the language in the Senate report the gentleman read and notwithstanding the Solicitor General's letter and notwithstanding the letter of Senator Magnuson, does the gentleman not feel that when any report language contravenes basic laws where we authorize certain things, that the intent really is to follow the basic law instead of some superfluous language that was put in there to try to make a bridge in the event the Congress failed to take action?

Mr. QUIE. Let me say to the gentleman that is the very thing the House Education and Labor Committee is trying to do, to give a new interpretation to title VI than it was my understanding or the understanding of the conferees as it was written into the law.

What the gentleman is saying, and I tried to argue it in the committee, and the gentleman said he can do it, and the gentleman said the Senate cannot do it. That is nonsense. The Senate is not trying to change the law. They are merely saying, as we have done numerous times, as the Solicitor General's opinion will show, that Congress has numerous times extended an expiring law beyond the time it was due to expire through an appropriation act.

Mr. PERKINS. I understand. But through the language the gentleman read the Secretary now is trying to give a different interpretation to title II from what the law presently states.

Mr. QUIE. No.

Mr. PERKINS. All right. Let me read some language spoken by the gentleman from Pennsylvania Congressman Flood, and I read from the Congressional Record of April 12, 1976, page 10537, where the gentleman from Pennsylvania (Mr. Flood), who is chairman of the Subcommittee on Labor-HEW of the Committee on Appropriations, states this:

> Various people have been in touch with us about language in the Senate Appropriations Committee report on House Joint Resolution 890 concerning the use of discretionary funds under title II of CETA, and concerning liability for the quality and safety of flu vaccine. I would like to make it clear that in accepting the Senate amendments we are certainly not endorsing the language in the Senate report. Furthermore, nothing said in a committee report or in floor debate can change existing law with respect to tort liability, the distribution of funds under the Comprehensive Employment and Training Act, or any other subject, and I am sure that it would not be our intent to do so.

Now let me have the letter from Senator Magnuson, and I ask the gentleman to listen to the bottom paragraph on the first page, where Senator Magnuson states:

> It is not our intent to permanently replace the title VI program with the title II program, but in the absence of renewed title VI authorizing legislation, we had no other choice to avoid massive layoffs of title VI enrollees.
>
> As both Senator Brooke and I indicated to Senator Javits during the Senate floor debate on this issue, we will consider transferring funding back under the Title VI authorization after its enactment into public law. In the meantime, we expect the Department of Labor to quickly allocate the discretionary public service jobs funds provided by Public Law 94-266 according to the directions contained in Senate Report 94-742.

But the statement of Senator Magnuson clearly leaves the impression, to my way of thinking, that we are treading on dangerous ground and the authority may not exist for this transfer. That is where we are going to have a tremendous layoff if we do not pass this authorization.

Mr. QUIE. I would say to the gentleman, the gentleman has really talked in circles and come back into acceptance by using the quotation of Senator Magnuson, that while the gentleman does not intend to permanently replace the title VI program, that in effect the gentleman has done that with the report language that has been accepted by the Solicitor General and the Department of Labor.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Illinois (Mr. Michel), who has an excellent point.

Mr. MICHEL. Mr. Chairman, I serve on the same subcommittee as the gentleman from Pennsylvania (Mr. Flood). An appropriations act can direct the expenditure of sums under a substantive statute in a particular manner. In the case of the Emergency Supplemental Appropriations Act, the clearest statement of congressional intent is contained in the Senate appropriations report and, therefore, it should be given weight in constructing the statute.

The statement of Assistant Secretary Burdetsky and the documents that accompany that report are also entitled to considerable weight in construction of the statute.

The fact that the House adopted the Senate bill lends additional weight to the Senate Appropriations Committee report. It was the Senate and not the House bill that was enacted into law. That was the last time this body spoke on the issue and it should be all controlling.

Mr. QUIE. Mr. Chairman, I would say that I wonder if anybody on the majority side would challenge the Secretary of Labor if he takes the language of the Senate committee which was adopted over in the House and, therefore, becomes controlling as if there was a conference committee and a report on that and say he is prohibited then from using these title II funds for title VI purposes. I cannot imagine that ever being done to put people in title VI areas out of work, after Senator Magnuson says they can, after the report says they can, after the Solicitor General says they can. I doubt that can happen.

Mr. PERKINS. Mr. Chairman, will the gentleman yield further?

Mr. QUIE. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, the gentleman knows in all probability there will be a lawsuit over this. We are just trying to go to the legality of this issue. I am sure the gentleman realizes that the statutory language supersedes the report language or any other language.

I want to refer to the statutory language involved:

> Section 204(c) of CETA defines "areas of substantial unemployment" as those which have a rate of unemployment equal to or in excess of 6.5 per centum for 3 consecutive months as determined by the Secretary. All funds appropriated pursuant to title II must be used in such areas (Sec. 202). Furthermore, only persons residing within such areas can be hired with funds appropriated under title II (Sec. 205(c)(3)).

I say that the letter of the Solicitor General, the letter from Senator Magnuson, the language in the Senate report, cannot contravene the substance of the law. We are just getting ourselves in a position where we are going to have thousands of people laid off if we follow the gentleman's suggestions.

Mr. QUIE. Mr. Chairman, I disagree with the gentleman, because it has been done numerous times before. If there were no precedent for it, the gentleman would not have a leg to stand on; but it has been done numerous times before where the Congress approved the action which was subsequent to the section the gentleman is reading.

I would say the only way we can contravene what the other body and this body together has done in the supplemental appropriations bill is if we would contravene that action through this legislation. I wonder if any of us are going to do that. I doubt that we will.

Let me also point out that the supplemental appropriation bill goes through January 30, 1977. They were not about to be practicing any political activity to try and enhance chances of H.R. 11453. They wanted to make certain that the unemployed individuals who moved into public service jobs did actually have those jobs. That is what they are doing. All this legislation does is give the impression that we are going to be extending this authority, and it says September 30, 1976.

Mr. DOMINICK V. DANIELS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from New Jersey.

Mr. DOMINICK V. DANIELS. Will the gentleman agree that it was not the Emergency Supplemental Appropriations Act which contains the languauge which would authorize the use of $1.2 billion for nontitle II areas, but it was the Senate report that contained that language? That Senate report makes a change in the substantive law.

There was a specific purpose for the adoption of title II in 1973, and a different purpose for the adoption of title VI in the latter part of 1974. The differences between these two titles are clearly spelled out in the committee report at the bottom of page 2 and the top of page 3.

I maintain that what the Secretary of Labor is endeavoring to do today, and he has announced that he is going to distribute these moneys this morning is an invitation to a lawsuit. I disagree with the interpretation of the solicitor of the Department of Labor. He has said this is legal. I say it is not. The Secretary of Labor is endeavoring today to make a distribution of the discretionary funds, and it is an illegal act. He is inviting a lawsuit which will cripple the title VI program.

Mr. QUIE. I would say that if there was no precedent, the gentleman would be right, but there is ample precedent to show that the appropriation language in an appropriation bill can make the change. There is not a line item on every detailed legislation. That is a blank amount of money in there, and if one is going to change that appropriation, one only offers an amendment to change that larger amount. If one explains that, that indicates how my money is going to be expended.

I can point out in OEO how we extend through an appropriation act and make changes in using the money, how it was going to be used, which was done totally within the committee report. It was argued on the floor that we could not do it, that it was illegal. That has proved that it can be done and that it is legal and has operated in the past. They are following exactly the same precedent that this Congress has operated under in the past.

Mr. DOMINICK V. DANIELS. May I bring to the gentleman's attention the remarks of the gentleman from Pennsylvania (Mr. FLOOD), the distinguished Appropriations Labor-HEW Subcommittee chairman?

Mr. QUIE. Are these the same remarks the chairman of the committee read previously?

Mr. DOMINICK V. DANIELS. These remarks were made on this floor on April 12:

> Various people have been in touch with us about language in the Senate Appropriations Committee report on House Joint Resolution 890 concerning the use of discretionary funds of title II, CETA. I would like to make it clear that in accepting the Senate amendments, we are certainly not endorsing the language in the Senate report. Furthermore, nothing said in a committee report or in a floor debate can change existing law with respect to the distribution of funds under the Comprehensive Employment Training Act.

Does the gentleman agree with that interpretation by the gentleman from Pennsylvania (Mr. FLOOD)?

Mr. QUIE. No, I certainly do not, because I understand that interpretation by the gentleman from Illinois (Mr. MICHEL)——

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Illinois.

Mr. MICHEL. After the gentleman made that statement, the House said exactly the opposite by voting to accept the Senate version, so that has got to be controlling in determining what was the last action taken by the Congress.

Mr. QUIE. Never can the views of one Member of one body contravene the language in the report. That has now been stated by the Senator from Washington, Senator MAGNUSON. It is exactly that. It has the same force and effect, and also by the gentleman from Illinois (Mr. MICHEL) on this side. There is no way we can use one Member's opinion.

Mr. DOMINICK V. DANIELS. If the gentleman will yield further, he can tell from the tone of this debate that there is an honest disagreement as to the interpretation of the action of the Secretary of Labor. He maintains that he has the right to use title II discretionary funds in nontitle II areas; we maintain he does not have that right.

I can say to the Members of this House that I have already received word that there is a lawsuit about to commence by some of the prime sponsors. This will tie up the jobs in title VI. We can avoid that by passing this very plain, simple stopgap legislation, H.R. 12987. This bill, which is authorizing legislation, will help us avoid such a lawsuit.

Mr. QUIE. Mr. Chairman, I shall not yield further.

If we had authorization language to extend title VI through January 30, 1977, I think the gentleman would have something to argue about. If there were no change in the present law, then I think the gentleman would have something to argue about. But I want to point out right here that one of the purposes of this legislation that is not being addressed directly today, but was put in the report, was to commit the cities to start using this money as general revenue sharing, to hire their own employees back again. That is exactly the intent of this legislation.

The Urban Coalition of Minneapolis made a study of employment and found that 10 percent of the employees in Minneapolis are public service employees. Eight percent are disadvantaged.

As the Members know, when title VI was argued, the intent was to justify jobs for those who were using up their unemployment insurance, who were economically disadvantaged, who were on welfare. This program is not being used for people who are unemployed and who are in dire straits in this country. For the most part, this program is being used in order to get city employees back again. If the Members look at the program, that is happening. Anyone who looks in depth at any of the public service employment programs will see that is happening. What this bill will do is not to help the unemployment situation in this country, but again it is a political ploy in order to accomplish what I do not believe we can do if we nail it straight on.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. GAYDOS).

Mr. GAYDOS. Mr. Chairman, I rise in support of H.R. 12987, the emergency job programs stopgap extension.

On April 12, 1976, this House passed legislation to continue through 1977 public service employment programs pursuant to title II of CETA. These jobs would be available for the employment of the hard-core unemployed, those individuals who have been out of work for a long time and who have poor prospects of qualifying for jobs in the labor market.

The bill before us today would continue public service programs pursuant to title VI of CETA through September 30, 1976.

Title VI of CETA was enacted into law in December 1974 to provide additional public service jobs for those individuals who became unemployed because of the serious slowdown of the economy. The program was countercyclical in nature, and preference was given to those individuals who had exhausted their unemployment benefits or who were not eligible to receive unemployment compensation.

Authority to appropriate funds under title VI expired on June 30, 1975, and the program will be completely exhausted by June 30 of this year.

On February 10 of this year, this House passed, by a vote of 239 to 154, H.R. 11453, the emergency employment projects amendments, which authorizes funds for an expansion of the title VI program to 600,000 jobs, for the transition period as well as for fiscal 1977. The Senate, however, has not acted on that bill. Unless immediate authorization, as set forth in this bill is provided in time to support title VI appropriations in the second supplemental appropriation bill due before the House very shortly, the title VI program will die and upward of 273,000 individuals will join the ranks of the unemployed.

What hope the country can take from the latest figures which indicate a small decrease in the unemployment rate, will be destroyed if the current title VI program jobholders are thrown out of work.

There are those who oppose this bill and would like to amend it to provide only for a continuation of the title VI program without change through fiscal 1977. But this House has already voted down this proposal on February 10 of this year by a substantial margin. For this House to reverse itself today and approve such an amendment to this bill would be incomprehensible to the 7 million Americans now unemployed.

The sponsors of this amendment contend that they do not want to hold hostage to election year politics those individuals currently enrolled in public service jobs. But at the same time they demonstrate a callous disregard for the ranks of the current unemployed who would be eligible for public service jobs if the current legislation pending in the Senate is enacted into law. Such apparent solicitude for those currently employed is a copout by those who close their eyes and ears to the massive unemployment throughout the Nation.

We must not be deceived by the recent small drop in unemployment into believing that the economy is clearly on the upswing. The administration's projected unemployment picture for the rest of the decade is something that no compassionate person can take pride in.

Furthermore, the financial stability of many State and local governments pose serious problems for the future. Serious revenue shortfalls could well lead to further layoffs and cutbacks in necessary public services.

Not to pass the bill before us would be a clear indication that this House is indifferent to the future of 273,000 American workers. To amend the bill only to continue the existing title VI job program through fiscal year 1977 would break faith with those currently unemployed who are clearly aware of the action of this House of February 10 of this year in committing itself to an expansion of public service employment programs pursuant to title VI of CETA.

The issue is clear. Approval of this bill would be clear and convincing proof that Congress will not accept as gospel, the unconscionable unemployment forecast of the administration.

I urge my colleagues to give their full support to this bill and to vote down any weakening amendments.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. Ford).

Mr. FORD of Michigan. Mr. Chairman, I rise in support of this legislation.

I want to compliment the chairman of the subcommittee, Mr. Daniels, and the chairman of the full full committee, Mr. Perkins, for their tenacity in pursuing the passage of this legislation.

The fact that we are only dealing with an extremely short period of time might explain why, from the high mountain from which the gentleman from Minnesota (Mr. Quie), and others, seem to be perceiving the depth of the problems of local communities in dealing with the circumstances that our failure to pass this legislation would bring about do not understand its importance. We, who are willing, in the midst of these multibillion-dollar problems we have been discussing all week, must be willing to fight on, to make sure we do not further cripple the cities across the country and to make sure we do not further erode the confidence of local officials across the country in the ability of this Congress to respond to the little things when viewed from their Washington mountaintop which are urgent problems looming over everything when viewed from the local city hall.

Here is a clear-cut case of a situation where in fact the minority members of the committee are saying, "Don't do that which will guarantee that this program will work. Take a chance that we may be able to do it with a band-aid or a tire patch, and if it doesn't work, we will do something else."

They are the very ones who will be out across this country telling the people, "You can't trust the Congress to respond to your problems." If the mayors and public officials across this country cannot trust this Congress, then certainly the ordinary citizen is not going to be able to see us as being capable of reacting to his real problems.

Mr. Chairman, this argument that is taking place this morning should not fog up the issue, and I expect a good deal of what has been said has been said expressly for that purpose. The issue is whether or not the Congress will as a matter of public policy order the Department of Labor to do what we have heretofore enacted into law.

Mr. Chairman, I rise in support of the bill H.R. 12987 which will extend the emergency job programs authorized by title VI of the Comprehensive Employment and Training Act on an emergency stop-gap basis through September 30, 1976.

This legislation will enable our local county, municipal, and school officials to continue their present programs while the Congress completes its work on the major CETA bill which will revise the present law and extend it through fiscal year 1977.

It has been endorsed by the National League of Cities and the U.S. Conference of Mayors, and the Michigan County Social Services Association recently adopted a resolution calling for immediate action to insure the continuation of the CETA program at its current level.

H.R. 12987 authorizes $200 million for the remaining months of fiscal year 1976 and $575 million for the transition quarter—the months of July, August, and September. These funds will maintain the approximate 273,000 public service jobs which are presently funded under title VI of CETA.

In addition, the bill lowers from 90 to 85 percent the amount of public service employment funds that must be used for wages and employment benefits and specifically defines "administrative costs" to include the purchase of necessary supplies, equipment materials, and rental costs.

Mr. Chairman, the report accompanying this bill contains some very important language that the committee felt was necessitated by an arbitrary policy adopted by the Department of Labor which is totally inconsistent with the way the Congress anticipated the present law would be administered. I am, of course, referring to the policy adopted by the Department which sets an arbitrary limit to the rehiring of workers who were laid off for bona fide reasons. This policy has had a serious and adverse effect on the city of Detroit and on many of the suburban communities which I represent which are presently suffering from serious fiscal difficulties. Hundreds of communities throughout the Nation have been similarly affected.

This matter was recently discussed by the Michigan State House of Representatives which adopted a resolution calling on the U.S. Department of Labor to change its ruling on laidoff workers.

The resolution which was offered by the speaker of the house along with two representatives from my own congressional district—Representative Thomas Brown and Representative John Markes—reads as follows:

> Whereas, In a recent ruling the United States Department of Labor ordered cities to reduce the number of municipal employees rehired with federal CETA funds to ten percent of all public employment CETA jobs in the city; and
>
> Whereas, This abrupt change of policy will have a devastating effect on the ability of Michigan cities to provide basic services to their residents. The ruling is especially insensitive to the needs of the citizens of Michigan in view of current economic conditions in the State; and
>
> Whereas, While the City of Detroit is most severely affected by the Department of Labor's new ten percent ruling, many smaller cities will be forced to layoff a large segment of their employees. The City of Westland alone will be forced to lay off twenty percent of the City's work force, thus crippling basic city services such as police and fire protection; now, therefore, be it
>
> Resolved by the House of Representatives, That the members of this legislative body hereby memorialize the Unitd States Department of Labor to change its ruling relative to the rehiring of laid off municipal workers with CETA funds; and be it further
>
> Resolved, That a copy of this resolution be transmitted to the President of the United States and to the Secretary of Labor as evidence of concern of the people of Michigan.

Mr. Chairman, the committee responded to this problem by adopting—by a vote of 21 to 6—the O'Hara motion which reminds the administration in the committee report that the Congress clearly intends that the present law permits "the rehiring of former employees who had lost their jobs due to bona fide layoffs."

The report further states that:

> Nothing in the Comprehensive Employment and Training Act of 1973 shall be construed to authorize any rule, policy, regulation or guideline imposing a numerical or percentage limitation upon the rehiring of former employees who lost their jobs due to a bona fide layoff.

Mr. Chairman, I would like to emphasize to my colleagues the urgent need for the prompt adoption of this legislation. The authority to appropriate funds for title VI jobs has already expired, and an estimated 12,000 persons have already lost their jobs. If this bill is promptly signed into law, funds can be added to the second supplemental appropriations bill which is already working its way through the Congress. If this bill does not become law promptly, it is estimated that approximately 100,000 more jobs will become nonexistent within the next few months.

In light of the current unemployment crisis and the extreme financial difficulties which confront our Nation's cities, I would hope that my colleagues will reject the administration's opposition to this legislation and adopt it by an overwhelming vote so we can avoid the tremendous loss of jobs which will otherwise result.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. Badillo).

Mr. BADILLO. Mr. Chairman, I want to say to the gentleman from Minnesota (Mr. Quie) that the difficulty with saying that this legislation is unnecessary because the same funds can be used under title II is that in fact all the funds that are being provided under the appropriation bill are inadequate even to provide for the needs of New York City. Because the funds are so inadequate, it is almost guaranteed that there will be a lawsuit, if from no other place but from my own district, should there be an attempt by the Secretary to try to use those funds under the Senate bill for both title II and title VI.

It is for that reason, to avoid that kind of a confrontation and the delay that may result from a lawsuit, that this bill should be approved.

In answer to the further argument made by the gentleman from Minnesota (Mr. Quie) and made by the minority members in the committee report that these funds were not being used under title VI to help the disadvantaged, minorities and people on welfare that we had said we intended to help when this act was passed, I want to say that they should read a report that was published by the New York City Commission on Human Rights concerning the effects the layoffs had on city employees. That report indicated that although only 22 percent of the male white employees were laid off, in fact 51 percent of all Hispanic workers, over 35 percent of all black workers, and over one-third of the women were laid off.

So when we have layoffs from the cities, we find that it is precisely the minorities and the women who are hit the hardest, those who were formerly on welfare or those who were the last hired who are the first to be discharged.

It is for that reason that even if the effect of the program is to hire back employees who were fired, those who are being helped the most are precisely those who need the most help, the minorities and the women.

Therefore, Mr. Chairman, in view of that, I believe this legislation should be totally approved in all respects.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan (Mr. O'Hara).

Mr. O'HARA. Mr. Chairman, I first want to congratulate the gentleman from New Jersey (Mr. Dominick V. Daniels) for bringing this bill before the House as promptly as he has.

Secondly, I would like to mention that I could not help but recall something from Alice in Wonderland as I listened to the earlier debate. The Members may recall that the Queen of Hearts told Alice that when she used a word, it meant exactly what she intended it to mean, nothing more and nothing less. Alice protested. She said:

> You can't just use a word that has a meaning and have it mean something else.

The Queen of Hearts said:

> Nonsense. It is a question of who shall be the master, the speaker or the word.

I sort of felt that way hearing the debate about what the statute meant. The statute is very clear. The chairman of the subcommittee pointed that out, and the chairman of the full committee pointed that out. The statute says that the money for title II has to be used in areas of substantial unemployment, and that the only discretion—and it spells this out—is to transfer it among areas of high unemployment but still within areas of substantial unemployment.

However, Mr. Chairman, I must say that as disturbed as I was by the argument, I was very pleased to have all of my friends on the minority side speaking of the sanctity of the committee report language and telling us that when we adopt a piece of legislation, we adopt every word in the committee report. That is true even in a House that did not have it in their committee report. If they adopt a bill, that means that what was in the other House's committee report is binding.

Therefore, Mr. Chairman, I know that my friends are going to join with me when this bill is adopted and point out to the Department of Labor that the House Committee on Education and Labor, by a vote of 21 to 6, voted to insert in the committee report its strong disagreement with the wrong-headed, unlawful policy of the Department in restraining rehires of bona fide laid-off municipal employees, 10 percent of the total.

Mr. Chairman, that is completely wrong. It is not justified by the statute or by the committee report. Our House committee voted on that issue. It gave its clear interpretation of the law by a vote of 21 to 6.

Mr. Chairman, I certainly hope that the efforts of the Department to rewrite the law, expressed again here today with their claim that they can transfer title II funds to title VI, will be brought to an end.

Mr. Chairman, that is the biggest issue in America today in terms of the structure of our Government, the feeling on the part of the Executive that it is their responsibility to "correct" the work of the Congress, to "improve" on what the Congress does, to do it the way they would have done it if they had been in Congress, which of course, they could not get elected to do.

Mr. Chairman, I think we have to stand firm for law and order and get the Department of Labor to start following the law once in awhile, both on the question of rehires and on the question of transferability of funds.

In discussing this important legislation, I would like to focus briefly on recent actions by the Labor Department in attempting to prevent cities from utilizing more than 10 percent of CETA positions to rehire laid-off city workers. This arbitrary policy directly contravenes the clearly expressed intent of Congress and would have an extremely adverse effect on the city of Detroit and many other cities suffering from serious fiscal difficulties.

When the committee considered this measure earlier this month, I offered an amendment to reaffirm the rehire intent of the original act. It provided:

> Nothing in this Act or in the Comprehensive Employment and Training Act shall be construed to authorize any rule, policy, regulation, or guideline imposing a numerical or percentage limitation upon the rehiring of former employees who lost their jobs due to a bona fide layoff.

After considerable discussion of the unwise and contrary position being taken by the Labor Department, I agreed to withdraw my amendment so as to permit this simple stopgap bill to be acted upon without delay. The committee did, however, adopt my subsequent motion during the markup session to include language in the report to reaffirm this important rehire principle of the present law. As I said earlier, the vote on my motion was 21 to 6. The language appears on page 4 of House Report 94–1019, under the heading "Rehiring of persons laid off for bona fide reasons."

Meanwhile, the city of Detroit challenged the Labor Department's 10 percent rehire ruling in Federal district court. Faced with legal action and language of our report denying their right to issue such arbitrary and unwise rulings, the Labor Department relented and the city of Detroit was authorized to rehire nearly two-thirds of its employees laid off in early April—some 600 in number. But the status of about half of this number is still being disputed by the Department.

Despite this action, the Department's position on the matter of rehire limitation remains fuzzy because of proposed regulations they published in the Federal Register—proposed regulations locking in the arbitrary 10 percent rehire limit. Since it is clearly contrary to law, to the agreement with the city of Detroit which reversed its earlier confused position, and the intent of Congress as expressed in the report on H.R. 12987—as well as 1973 and 1974 conference reports on CETA legislation—I hope that the Department of Labor will withdraw its proposed regulation and, in the future, interpret the law in conformity with the intent of Congress.

Mr. Chairman, because of the importance of the report language I include it at this point in the Record:

Rehiring of Persons Laid Off for Bona Fide Reasons

> The Committee would like to remind members and the Administration that in adopting CETA, and later in adopting title VI, the Conferees made clear their intention that the rehiring of former employees who had lost their jobs due to bona fide lay-offs were authorized and permitted. The Conference Report accompanying CETA (H. Rept. 93–737) contains the following statement: "The Conferees adopted both provisions with the understanding that the language in the Senate bill is not intended to preclude the rehiring of persons who have been laid off for bona fide reasons . . ." And more directly on the point, the Conference Report accompanying the title VI amendments (H. Rept. 93–1621) contained the following statement: "The strong feeling of the conferees in opposition to 'paper lay-offs' should in no way be construed to mean opposition to the rehiring of laid off workers per se. The rehiring of former employees who lost their jobs due to a bona fide lay off has always been permitted and is permitted here. The conferees also wish to point out that many government employees will be in a preferred category for employment under this Act by reason of their ineligibility for unemployment insurance benefits. It should be further noted that the provisions of section 205 (c)(7) prohibiting the hiring of any person when any other person is on lay-off from the same or substantially equivalent job still apply."
>
> This recital of Congressional intent was precipitated by Field Memorandum 109–76 issued by the Labor Department on the subject of rehires. The Committee voted (21 aye, 6 no, 1 present) to express its view in this report that nothing in the Comprehensive Employment and Training Act of 1973 shall be construed to authorize any rule, policy

regulation or guideline imposing a numerical or percentage limitation upon the rehiring of former employees who lose their jobs due to a bona fide lay off. In so saying, the Committee is mindful of the provisions of section 208(b) of CETA which calls upon the Secretary to assure, to the extent practicable, that public service employment opportunities are equitably distributed among "significant segments of the population of unemployed persons, giving consideration to the relative numbers of unemployed persons in each such segment." We do not disavow the intent of this provision, but we do object most vigorously to its misinterpretation. The term "significant segment" was never intended to relate to the nature of a person's previous employment; it refers to the socio-economic characteristics of the unemployed. The Conferees' intention was to urge the Secretary to use his discretion and judgment to see that, wherever practicable, minorities, youth, the elderly, women and other groups who have been the traditional victims of job discrimination had equal access to jobs created under CETA. To claim otherwise is, at best, inaccurate. Furthermore, the language of that section is so clearly intended to give the Secretary maximum flexibility to deal with individual situations on their merits, and that is what we call upon the Secretary to do. When the phrase "to the extent practicable" is used it implies that a judgment should be made about what makes sense, and that the Secretary should not arbitrarily tie his hands by issuing a set of guidelines that take away his discretion and judgment.

Mr. **BIAGGI**. Mr. Chairman, I rise in unqualified support of H.R. 12987 legislation which will extend through the end of the transitional quarter, the emergency public service jobs section of the Comprehensive Employment and Training Act. Passage of this legislation is imperative if we are to keep our unemployment rolls from increasing by almost 300,000 workers by the 1st of July, when authority for the title VI CETA program will expire.

It is regrettable that the other body insists on playing Russian roulette with the economic fortunes of the hundreds of thousands of Americans who are today employed, thanks to the CETA program. The House in early February, passed H.R. 11453 legislation which extended and expanded titles II and VI of CETA to include the continued funding of the more than 300,000 jobs now funded under these titles, as well as to create the authority for an additional 280,000 new public service jobs. In addition, prime sponsors who receive CETA funds are to give a preference in the rehiring of essential public health and safety personnel, including police, firemen, correctional officers, and school crossing guards. Yet the Senate has failed to consider this legislation and as a result, we have reached this point today.

Technically, much of the authority under title VI of CETA expired on June 30, 1975. More than 10,000 workers throughout this Nation have been laid off due to an exhaustion of title VI funds, and the numbers are expected to peak in June, when the program will officially expire. This bill will avert this profound economic and human tragedy from occurring and will instead assure continued funding for all those persons employed under title VI of CETA.

Admittedly this is a stopgap approach, one which I am usually opposed to. However there is no alternative in this case for the families of the men and women who today owe their jobs to CETA. I deeply regret that we cannot yet offer any real improvement for the 4,000 laid-off police, firemen, and other essential law enforcement personnel in the city of New York. Their hopes will be addressed when the Senate completes action on H.R. 11453. It is a grave tragedy that action has not come sooner on that legislation.

The 94th Congress has made a number of noble efforts to help reduce this Nation's most serious economic problem, unemployment. Yet our efforts have been sabotaged by the administration which seems unconcerned about the severity of the unemployment problem. Even with this legislation they want to play politics. They would prefer to extend this bill through the end of fiscal year 1977 so as to prevent the new and vastly improved H.R. 11453 from being made available to the people of this Nation.

There is no question about the need for this legislation today. To increase the ranks of the unemployed by 300,000 in 3 months would negate the small gains we have made this year in reducing overall unemployment. The CETA program is a proven success and should be extended and expanded. We can extend it today by passing H.R. 12987. We can expand it by urging the Senate to complete action on H.R. 11453. In both cases, the American people stand to benefit.

Mr. **OTTINGER**. Mr. Chairman, I support the legislation under consideration, H.R. 12987, and am confident that the House will continue to support the title VI programs which are being carried on throughout the country.

Certainly, no one here can be satisfied with an unemployment rate of 7.5 percent, over 7½ million people, nor are we likely to add 273,000 more to the unemployment rolls and reject this legislation. The House made its intention clear when we passed the Emergency Employment Project Amendments in February of this year. We are not committed merely to maintain the title VI program at present levels, as some would have it, but to expand it; to take an active part in alleviating the physical and mental strains that are characteristic of the lives of over 7 million people who want jobs and cannot get them.

Celebrating an upturn in our economic fortunes will not put people back to work. Indeed, in Westchester County the only upturn has been in the number of unemployed workers—to 33,700, an increase of 800 over previously reported figures. Unemployment continues to linger near a rate of 10 percent, and according to the Annual Manpower Planning Report for the current fiscal year, issued by the New York State Department of Labor, "substantial improvement is not yet in sight." An even more dire outlook is suggested by the increase in protracted unemployment of experienced workers with longtime job attachments. These people have faced great difficulty in obtaining reemployment and are joining the increasing ranks of Westchester's chronically unemployed. We have mortgaged the economic future of our urban and suburban regions fighting inflation by ignoring unemployment. We in Congress should not tolerate this policy, rather we should continue to pursue the many constructive, job creating proposals which are before us, and will shortly be before us, to bring this crisis of unemployment to an end.

Mr. **DOMINICK V. DANIELS**. Mr. Chairman, I have no further requests for time.

Mr. **QUIE**. Mr. Chairman, I have no further requests for time.

The **CHAIRMAN**. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Job Programs Stop-Gap Extension".

Sec. 2. Title VI of the Comprehensive Employment and Training Act of 1973 is amended by striking out section 601 and inserting in lieu thereof the following:

"Sec. 601. There are authorized to be appropriated such sums as may be necessary for fiscal year 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, for carrying out the provisions of this title. The provisions of section 4(b) shall not apply to any amounts appropriated under this section.".

Sec. 3. Notwithstanding the provisions of sections 602(b) and 208(a) of the Comprehensive Employment and Training Act of 1973, not less than 85 per centum of funds allocated in accordance with and subject to the provisions of such Act which are used by an eligible applicant (as defined in section 602(e) of such Act) for public service employment programs under title II and title VI of such Act shall be expended only for wages and employment benefits to persons employed in public service jobs pursuant to such titles and the remainder of such funds may be used for administrative costs, including rental costs (within such reasonable limitations as the Secretary may prescribe with respect to the rental of space), and to obtain necessary supplies, equipment, and materials.

Mr. **DOMINICK V. DANIELS** (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The **CHAIRMAN**. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

COMMITTEE AMENDMENTS

The **CHAIRMAN**. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: On page 1, immediately after line 7, insert the following: "AUTHORIZATION OF APPROPRIATIONS".

The committee amendment was agreed to.

The **CHAIRMAN**. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, line 19, insert "of Labor" immediately after "Secretary".

The committee amendment was agreed to.

AMENDMENT OFFERED BY MS. ABZUG

Ms. ABZUG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. ABZUG: Page 2, line 2, immediately after "Sec. 601." insert "(a)".

Page 2, line 7, strike out the quotation marks and the period which follows them.

Page 2, immediately after line 7, insert the following:

"(b) (1) Of the sums appropriated for any fiscal year or other period for carrying out this title, not less than one percent of such sums shall be allotted, without regard to section 603, among eligible applicants for public service employment programs which are eligible for financial assistance under this title and which are designed to provide transitional employment for unemployed and underemployed artists in public service jobs which the Chairman of the National Endowment for the Arts determines provide needed productions in the arts.

"(2) For the purposes of this subsection:

"(A) The term 'artist' means an individual who is determined by the Chairman of the National Endowment for the Arts—

"(i) to be normally employed in the production of any one or more of the arts, or

"(ii) to be an individual of recognized artistic ability.

"(B) The terms 'arts' and 'production' have the same meanings as such terms have in the National Foundation on the Arts and Humanities Act of 1965.".

Ms. ABZUG (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

Mr. BAUMAN. Mr. Chairman, reserving the right to object, we have no idea what the content of the amendment is. I would like to know what the amendment is before the reading of the amendment is dispensed with, to find out whether a point of order might lie against it on one ground or another. So I will object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk concluded the reading of the amendment.

Mr. QUIE. Mr. Chairman, I reserve a point of order on the admendment.

The CHAIRMAN. The gentleman from Minnesota reserves a point of order on the amendment.

The gentlewoman from New York is recognized for 5 minutes in support of her amendment.

Ms. ABZUG. Mr. Chairman, this past Monday we discussed this amendment. The purpose was to establish a mechanism to create a special coordinating program for artists when the national unemployment rate exceeds 6.5 percent.

In the course of debate, Members on both sides of the aisle indicated that they were sympathetic to the objectives of the amendment but felt that it more properly would obtain in connection with the CETA bill which we are considering today.

Pursuant to that suggestion, the Members may recall that I asked unanimous consent at that time to withdraw my amendment and indicated that I would take the suggestion of the members of the Committee on Education and Labor to bring up this amendment in connection with the CETA act today and I am doing so.

Mr. Chairman, in June of 1973, in recognition of the severe impact which recessions have on artists, the House Subcommittee on Select Education requested special studies to examine the problem of unemployment in the theater. According to the most recent information from the Bureau of Labor Statistics, approximately 7 percent of our Nation's artists, writers and entertainers are unemployed. Yet, of all the available public service employment positions less than 1 percent have been allocated to artists.

When Congress enacted title VI of the Comprehensive Employment and Training Act many of us hoped that prime sponsors would take advantage of this opportunity to employ persons in the arts. At that time, Nancy Hanks, Chair of the National Endowment for the Arts, contacted all executive and legislative leaders of State and local governments urging them to recognize the arts and cultural activities in their employment plans. She pointed out the role these individuals might play in education, graphic design and visual arts, as well as in architecture.

The adaptive use of existing public structures has become an increasingly attractive alternative to new construction. Many of us are familiar with the fine work the city of Boston has accomplished in transforming its waterfront buildings to new offices and apartments. I know that my colleague from New Jersey is extremely interested in such programs for railroad depots. Ms. Hanks pointed out in her testimony to the Select Education Subcommittee that the theater, art, music, and writers projects of the 1930's were extremely important in providing opportunities to talented people, beautifying our public places, and enriching the public and cultural life of the country. At its midwinter meeting in 1975 the U.S. Conference of Mayors adopted a resolution recognizing the economic hardships facing artists and their importance as a vital resource contributing to the quality of life in the urban environment. Nevertheless, it is clear that artists have been neglected in public service employment. The optimistic hopes voiced by one delegate to last year's meeting of the National Council on the Arts that 10 percent of the CETA jobs would be for artists have remained unfulfilled.

Mr. Chairman, among the lessons we have learned from our experiences in public service employment during our Nation's previous depression is the importance of targeting jobs programs to mesh with the skills of those who are unemployed. Similarly, efforts should be made to locate projects where they will serve the greatest unemployment needs. We would not impose geographic conditions on the disbursement of funds to scientists. Neither should they be imposed on artists.

Mr. Chairman, the arts are a labor intensive industry. As such, they generate a significant ripple effect in the economy. The Associated Councils of the Arts undertook a study to examine this industry. It showed that for every dollar spent on the arts directly by the Government, an additional one and one half dollars are generated in terms of ancillary activities. These benefits come from tourism, transportation, restaurant expenses and increased business for the vast number of suppliers of arts related equipment and maintainence, and increased employment for construction workers.

The value of arts to communities has been supported by studies in such diverse communities as New York City, Chicago, Atlanta, Philadelphia, and Ashland, Oreg., as well as in a statewide study in Rhode Island.

Mr. Chairman, this bill will put our Nation's artists to work in a program that will improve the quality of community life. I urge its adoption.

The CHAIRMAN. Does the gentleman from Minnesota (Mr. QUIE) insist on his point of order?

Mr. QUIE. Mr. Chairman, I withdraw my point of order.

Mr. BRADEMAS. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from New York (Ms. ABZUG).

Mr. Chairman, before I say a word in support of the amendment offered by the gentlewoman from New York, I want to take just a moment to express by own warm commendation on the splendid work done by the distinguished chairman of the subcommittee, the gentleman from New Jersey (Mr. DANIELS). He and I have served on the Committee on Education and Labor for going into our 18th year now, and he sits immediately above me on the committee. I take this opportunity on a bill which he is managing to express my own appreciation to him for the unfailing courtesy with which he has always treated his colleagues on the committee as well as, of course, his colleagues in the House of Representatives generally. He has done an outstanding job as chairman of the subcommittee with jurisdiction over the manpower training programs, and the CETA bill which is under consideration in the House of Representatives today is in large measure the product of his tireless work. That he has announced his plans not to seek reelection to the House of Representatives next year will not be greeted with enthusiasm by many of us who have admired the work that he has done, especially in the manpower training field.

Mr. Chairman, I support the amendment offered by the gentlewoman from New York. As I had indicated on Monday during debate on the Arts and Humanities legislation, I did so because I believed, first, that her amendment was more appropriately offered to the bill under consideration today, and, second, because I supported the substance of her amendment, namely, the importance of giving greater employment opportunities to artists who are out of work during periods of economic decline.

As the gentlewoman cited in her remarks last Monday, polls taken by Lou Harris have given evidence of the advisability of giving such attention to unemployed artists in the United States. I think that we need only turn our minds back to the period of the thirties to see the remarkable products of that time during a serious recession when artists were among others who were given opportunities to work when they were unemployed. The artistic products of that period stand as among the most significant in the history of art in the United States.

Mr. Chairman, I strongly support the amendment offered by the gentlewoman from New York.

Mr. Chairman, I want also to take this opportunity to express my strong support for the bill under consideration, H.R. 12987, to extend CETA for the remainder of the 1976 fiscal year and the transition quarter.

The importance of congressional approval of this legislation is indicated, I believe, by the views expressed in a number of letters I have received in support of H.R. 12987 from the Honorable Peter J. Nemeth, mayor of the city of South Bend, Ind., and officials of several private organizations in my own congressional district that make constructive and effective use of the public service employment program funded under the Comprehensive Employment and Training Act of 1973.

Mr. Chairman, I ask unanimous consent to insert at this point in the Record the texts of Mayor Nemeth's letter and of the other letters to which I have referred:

City of South Bend,
South Bend, Ind., April 7, 1976.
Hon. Congressman John Brademas,
Rayburn House Building,
Washington, D.C.

Dear Congressman Brademas: I would like to lend my voice and the voice of the City of South Bend to those of other cities and state and local governments around the country urging immediate action with respect to an extension of the Public Service Employment Program funded under the Comprehensive Employment and Training Act 1973.

The city of South Bend presently funds some 160 positions under Title IV of CETA and another 30 under Title II of that Act. Nearly half of the positions funded are in local nonprofit agencies and institutions providing needed services in health, education, recreation, and other areas to our local residents. Because of the funding under CETA, the City has been able to expand the services to local residents through the Street Department, Bureau of Solid Waste, Bureau of Sanitation, and practically every other department of local government.

I know that you are acutely aware of the fiscal constraints being experienced by the City of South Bend as well as other jurisdictions in the essential services, the availability of federal funds to maintain some services and expand others has been invaluable.

Consequently I would like to urge that new funds for Title II and VI of CETA be authorized and appropriated as soon as possible. In our instance, Title II funds will run out before June 30, 1976 in all likelihood; and, Title VI funds will last not even a pay period past that date at the present spending levels.

Unless action is taken by that time, approximately 190 individuals will be unemployed and many vital services in the community will be cut back. I am confident that we may count on your support.

Sincerely,

Peter J. Nemeth, *Mayor.*

Catholic Charities,
South Bend, Ind., April 6, 1976.
Congressman John Brademas,
Federal Building,
South Bend, Ind.

Dear Congressman Brademas: As a participating agency in the Public Service Employment Program, we are convinced of the great value of the Program and strongly urge you to support its extension beyond June 30, 1976.

Catholic Charities, through the Public Service Employment Service, has been able to add to its staff a Vietnamese case worker to assist in the resettlement of some 200 Vietnamese persons who have come to this community since July 1975. Without this help, it would have been impossible to advance the rehabilitation of the refugees to its present degree.

We feel confident that you understand the usual staff shortages in non-profit organizations, and that you will do everything you can to support the extension of the Public Service Employment Program.

Thank you.

Sincerely,

Roger O. Parent,
Administrator.

Real Services,
South Bend, Ind., April 20, 1976.
Congressman John Brademas,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

Dear John: As Director of REAL Services, a private non-profit organization that serves as the Area Agency on Aging, I would like to express my total support for continuation of and adequate funding for the Comprehensive Employment and Training Act (CETA).

Our Agency is able to substantially expand, by utilizing CETA workers, these services we provide which are designed to serve our communities older adult population (see enclosed brochure). Without the CETA employees provided by the South Bend CETA and St. Joseph County CETA programs, many of our direct services programs would have to be substantially cut back.

We have also found that not only have these employees proven their worth as valuable additions to our organization, but the experiences they have had certainly will equip them to take their rightful place in our economy when the current high rate of unemployment has been reduced. In the meantime we are expending diligent efforts to absorb them into our permanent work force.

Your favorable consideration of Title VI of the Comprehensive Employment and Training Act is earnestly solicited.

Sincerely,

Lester J. Fox,
Executive Director.

Northern Indiana
Health Systems Agency, Inc.,
South Bend, Ind., April 8, 1976.
Hon. John Brademas,
House of Representatives, Rayburn House Office Bldg., Washington, D.C.

Dear Congressman Brademas: I would like to take this opportunity to ask you to support the continuation or expansion of the Public Service Employment program.

Our agency, and its predecessor, the Comprehensive Health Planning Council, have utilized persons whose salaries were paid by either the South Bend CETA program or the St. Joseph County CETA program.

In each case we were able to train the individual and within 12 months to pick him or her up on our regular payroll. As a state and federally designated health planning agency, we would have the opportunity to use CETA funded employees in the future for 6–12 months until we increase their training and our funding to a level where we can hire them on our regular staff. We feel that the program has been a definite benefit both to the individuals hired and the general public who have benefited from our planning in the very important areas of Emergency Medical Services, Mental Health, Alcoholism, Drug Abuse, Mental Retardation and Other Developmental Disabilities.

I would also like to take this opportunity to commend to you the highly professional service we have received from both the South Bend and the St. Joseph County CETA programs. Continued congressional support of these programs is very much needed.

Sincerely,

Frank D. Emmick,
Associate Director for Regional Development.

Council for the Retarded
of St. Joseph County, Inc.,
South Bend, Ind., April 19, 1976.
John Brademas
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

Dear Congressman Brademas: I would like to urge your continued support toward the extension of the Public Service Employment Program. This program has afforded our agency the opportunity to expand and enhance certain of our programs which would have faced various cutbacks due to a lack of funding. We have several positions and personnel which are presently supported by the CETA program, and it is our belief that their performance and services have been of great value, both to us and to them individually.

It is our understanding that the House of Representatives has passed legislation extending the CETA program and that it now awaits action by the Senate. Again, we urge your continued support of this important legislation and look forward to the extension of these services.

Sincerely,

Aloysius J. Soenneker,
Executive Director.

Urban League of South Bend
and St. Joseph County, Inc.,
South Bend, Ind., April 15, 1976.
Congressman John Brademas,
Federal Building, S. Main Street, South Bend, Ind.

Dear Congressman Brademas: This letter is an expression of appreciation to you and to all of your Senate colleagues for your support of the CETA Public Service Employment Program. Through a PSE subcontract wtih the Urban League, the Whitney M. Young, Jr. Street Academy has had the benefit of two staff aides and two outreach workers during the past year. These assignees have greatly improved our delivery of service to high school drop-out and their families.

You can fully appreciate the fact that a high school drop-out often becomes a tax burden rather than a taxpayer in our modern technological society. Hence, for each person retrieved from the streets and given a second chance to attain a diploma, a lifetime of productive participation in a full society becomes possible.

All of us at the Street Academy and the Urban League urge your continued support of the CETA Public Service Employment Program.

Sincerely,

HELEN S. ARNOLD,
Director.

ST. JOSEPH COUNTY CHAPTER,
AMERICAN NATIONAL RED CROSS,
South Bend, Ind., April 12, 1976.

Hon. JOHN BRADEMAS,
U.S. House of Representatives, Rayburn, House Office Building, Washington, D.C.

DEAR REPRESENTATIVE BRADEMAS: It is with a sense of urgency that we write you concerning the possibility of termination, as of June 30, 1976, of the CETA Public Service Employment Program.

In the St. Joseph County Chapter of the American National Red Cross we think it is not only necessary but vital that the CETA program be extended. The two CETA employees who have been with us for the past months have proved of invaluable assistance and have made us aware of the benefits and value of the CETA Program. They have contributed greatly to the effective operation of our American Red Cross Transportation Service and to the office of the St. Joseph County Blood Program.

Our budget does not permit us to employ them on our staff. The services we offer to the community in Transportation and the Blood Program would suffer should the CETA Program be discontinued.

Congress has provided an outstanding service in the CETA Public Service Employment Program by not only giving employment to those who have had difficulty finding jobs, but also by making it possible for agencies such as American National Red Cross to better serve their community.

We urge strongly the continuance of this CETA Public Service Employment Program and we thank you for your support.

Sincerely,

(Mrs.) BARBARA S. COLE,
Chapter Manager.

PRIMARY DAY SCHOOL, INC.,
South Bend, Ind., April 16, 1976.

Mr. JOHN BRADEMAS,
U.S. Representative, House Office Building, Washington, D.C.

DEAR MR. BRADEMAS: It has come to our attention that the Public Service Employment Program (CETA) of St. Joseph County, will expire June 30, 1976, unless legislation currently before Congress to extend the program is enacted into law.

Our school is located in the innercity of South Bend. It was established eight years ago for the sole purpose of helping children who are failing at the primary level get a second chance at success and a good foundation in the basic reading and language skills.

Presently we are funded by United Way of St. Joseph County. This year, we are also a beneficiary of CETA, and it has been a tremendous help in the operation of the school and also to the person whom we hired through this program.

We know you are deeply interested in the people whom you represent; consequently we are convinced you will use your best efforts to get the Public Service Employment Program enacted into law.

Cordially,

Sister EVODINE MCGRATH,
Director.

MISHAWAKA COUNCIL OF
CAMP FIRE GIRLS, INC.,
Mishawaka, Ind., April 19, 1976.

Congressman JOHN BRADEMAS,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN BRADEMAS: As President of the Board of Directors of the Mishawaka Camp Fire Girls, I wish to express this organization's feelings toward the Public Service Employment Program (PSE) and the local Community Education Training Act (CETA) programming.

As one of the 34 member agencies of the St. Joseph County United Way we do not directly receive PSE funding but many of our youth members are eligible to receive CETA employment. This is vitally important with the present employment picture locally and nation wide.

We urge extension of Public Service Employment legislation that vital programs may continue uninterrupted.

Sincerely,

LYNDA THOMPSON,
President.

BIG BROTHERS/BIG SISTERS
OF ST. JOSEPH COUNTY, INC.,
South Bend, Ind., April 12, 1976.

Congressman JOHN BRADEMAS,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN BRADEMAS: Please allow us this opportunity to express our feelings relative to the need to extend and expand the Public Service Employment Program.

Indiana continues to be one of the fastest growing states in the country in reference to the number of Big Brother/Big Sister Agencies being formulated and developed.

Two underlying factors account for this surge and structuring of new Agencies throughout the State of Indiana.

1. The commitment by Lilly Endowment, Inc. by financing this growth by funding $300,000 over a three year period.

2. The utilization of the Public Service Employment Program which allows Agencies to increase their staff in order to deliver their service to the community. Presently, many new agencies have no funding source for casework positions other than the Public Service Employment Program.

As an Agency the positions and the personnel that we have employed through the Public Service Employment Program has been extremely vital and meaningful to our program in meeting the ever increasing demands for our service.

An extension of the Public Service Employment will allow our Agency the needed time to assume local financial absorption of the personnel. The loss of these personnel at this point will seriously effect and inhibit our program.

We recognize the part you and Congress have played in shaping the Public Service Employment Program and applaud these efforts.

We trust and are most hopeful that your continued concern and efforts will insure the extension of the PSEP and hopefully the expansion of the program.

Sincerely,

JOHN SHERBUN,
Executive Director.

SOUTHHOLD RESTORATIONS, INC.,
South Bend., Ind., April 8, 1976.

Hon. JOHN BRADEMAS,
Representative, U.S. Congress, Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN: This is to inform you of our extreme concern over the proposed cut in funding for the Public Service Employment Program.

Our non-profit corporation recently took title to the four story, forty room-Studebaker mansion in South Bend. In the year we have been operating the building we have been trying to develop ways and means whereby this very important structure will enjoy longer life.

As an all volunteer group of citizens in St. Joseph County we are deeply concerned about the historic and architectural heritage of our city. We believe what we are trying to accomplish through the redevelopment of the Studebaker mansion is making a very positive contribution to the renewal of the City of South Bend. Furthermore, an entire neighborhood in which the mansion is the focal point, is responding to our renewal efforts and we are hopeful that because of what is happening through Southhold Restorations a deteriorating neighborhood will be stabilized and turned around.

The bulk of our funds come from operating the mansion. I can honestly say that without the assistance of CETA employees we would have probably folded some time ago. Our case is one where the availability of this labor resource has spelled the difference between success and failure—renewal or more deterioration.

We strongly urge you to keep the funding level of this program if no increases can be found.

Respectfully,

RUTH I. PRICE,
Executive Director.

YOUNG WOMEN'S CHRISTIAN
ASSOCIATION OF ST. JOSEPH COUNTY,
South Bend, Ind., April 19, 1976.

Mr. JOHN BRADEMAS,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR MR. BRADEMAS: As the President of the Board of Directors of the Y.M.C.A. of St. Joseph County, I wish to express the feeling of this organization toward the Comprehensive Employment and Training Act (CETA) program.

We have participated in the program for more than a year. CETA employees working under the program represent the Older Adult Manpower Program, the Bureau of Employment and Training Program and the Summer Youth Program.

The YMCA staff supervisors have found CETA employees hard working, capable and cooperative. They are working in our organization as front desk receptionists, typists, child care workers, housekeepers, and cleaning staff. We have been able to extend our services to the community as a result of their employment at the YMCA.

Extension of this program is important to both the program participant and United Way agencies.

We understand that the House of Representatives has passed legislation extending the CETA program and that it now awaits action by the Senate. We urge your continued support of this important legislation and look forward to the extension of the program.

Sincerely,

ALMA POWELL,
President, Board of Directors.

VISITING NURSE ASSOCIATION,
South Bend, Ind., April 20, 1976.

Mr. JOHN BRADEMAS,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

Dear Mr. Brademas: As Executive Director of the Visiting Nurse Association of St. Joseph County, Inc., I wanted to express to you the feelings of this organization toward the Public Service Employment (PSE) and local Comprehensive Employment and Training Act (CETA) programming.

A failure to reenact legislation that will continue this program will cause a very serious gap in the delivery of services in our area.

Public Service Employment legislation has worked well in our community; extension of the program is of great importance to this community and its residents.

Sincerely,

Joyce Kirk,
Executive Director.

Mishawaka Council of
Camp Fire Girls, Inc.,
Mishawaka, Ind., April 19, 1976.

John Brademas,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

Dear Congressman Brademas: As Executive Director of Mishawaka Camp Fire Girls, I take the opportunity to share this organization's feelings toward the Public Service Employment Program (PSE) and the local Community Education Training Act (CETA) programming.

While we, as one of the 34 member agencies of United Way in St. Joseph County, do not directly receive CETA or PSE funding we do indirectly benefit from the program. Many of our young people have the opportunity to obtain necessary employment through CETA, to help meet personal financial needs.

We are aware that some of our sister agencies do receive direct assistance through PSE/CETA which allows continuation of vital programs in the community.

Failure to extend the PSE/CETA program will cause the termination of many important, necessary area programs and services. With at least one large corporation leaving St. Joseph County, the United Way agencies will need financial assistance possibly in excess of normal United Way fall contributions.

We urge you to support the extension of the Public Service Employment legislation.

Sincerely,

Barbara J. Emmans,
Executive Director.

Mr. THOMPSON. Mr. Speaker, will the gentleman yield?

Mr. **BRADEMAS**. I yield to the gentleman from New Jersey.

Mr. THOMPSON. Mr. Chairman, I would like to thank the gentleman for yielding and I would like to agree with the things which he said about my colleague, the gentleman from New Jersey (Mr. Dominick V. Daniels), who has served 18 wonderful years here, constructive years, during which he has accumulated the admiration and respect of all of us. I personally am terribly sorry that he has decided, after discussing it with his family, that he will not be with us next term. I wish him and his family well.

I would also, Mr. Chairman, like to support very strongly the amendment offered by the gentlewoman from New York which, as the gentleman from Indiana said, does properly belong here. A mere 1 percent of these funds for the employment of artists of all types can bring a remarkable addition to what, in fact, has become a renaissance of the arts in the United States in recent years. One need only look at the history of the public arts projects of the past to see the great addition that they have made to the tapestry of our society.

Mr. Chairman, I urge support of the amendment offered by the gentlewoman from New York.

Mr. BRADEMAS. Mr. Chairman, I yield to the distinguished Speaker of the House of Representatives.

Mr. ALBERT. Mr. Chairman, I take this time to echo the thoughts that have been expressed by our colleagues and to add my own personal words.

If anybody has really initiated, and carried the load as far as legislation is concerned, legislation which is so important to so many people and mainly to the deprived people in this country, it has been the distinguished gentleman from New Jersey. If we ever have a permanent, adequate program which will keep the hardships of recession, which have beset our country in recent years from recurring, we can always look back and say this is a part of the tribute the Nation owes to the distinguished gentleman from New Jersey, my colleague, Dominick V. Daniels.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent, Mr. Brademas was allowed to proceed for 1 additional minute.)

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from New York (Mr. Biaggi).

Mr. BIAGGI. Mr. Chairman, I thank the gentleman for yielding.

I rise in support of the amendment offered by the gentlewoman from New York.

I associate myself with the remarks of the distinguished Speaker and the gentleman from Indiana (Mr. Brademas). There would be no complete history of the labor and human relations efforts in this country if it did not recall the 18 years of contributions made by the distinguished gentleman from New Jersey, Dominick V. Daniels, the chairman of the subcommittee. His impact on the legislative history of this Nation is without peer. He has performed during the 8 years I have been here in a quiet, dignified effective fashion, and it is with deep regret that we receive the announcement of his retirement. The House will be less for his departure.

Mr. Chairman, I wish to associate myself with the amendment which will require that at least 1 percent of the funds under this bill be used for public service jobs to aid unemployed or underemployed artists.

This program which would be run under the auspices of the National Endowment for the Arts and Humanities is similar in purpose to legislation which I cosponsored earlier this year H.R. 9527. This legislation was introduced to try and offer a Federal program of assistance for the artists in this Nation who have been enduring sharp increases in unemployment due to the adverse economic times.

Support of this amendment will be a demonstration of support of this Nation to the contributions which musicians, actors, writers, and others involved in the arts make to the cultural life of this Nation. The great nations of the world helped achieve their greatness through their maintenance of a strong and vibrant cultural life. It is imperative that we come to the rescue of the arts community during this time of need to insure this Nation's leadership in culture and the arts.

Unemployment has had its effects on almost all segments of our population. From police to poets, from sanitation men to sculptors, no group seems to be immune from its effects.

We are being asked to help the professional artists of this Nation, and it is a call which we should be favorably inclined to answer. I urge adoption of this amendment.

Mr. MILLER of California. Mr. Chairman, I rise in support of the amendment but first I would like to echo the words that were just said about the distinguished gentleman from New Jersey, Dominick V. Daniels. As we do look back over his career we find his creativity and persistence have meant so much for the American working person in terms of his being employed and also in terms of holding out some hope when he is unemployed. In the legislation we have just gone through we can see the result of his efforts in the CETA program and other job programs which have meant so much to so many families.

Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from New York, because it is important if we are to be able to put money into the arts and it is important also because that money put into the arts generates so much additional revenue for the areas where those moneys are received. A study done in Philadelphia cites the fact that an art gallery that attracts 25 people a day brings in the same revenue to the city as a business which will do $125,000. It has been estimated that $1 billion is drawn into New York through the art galleries, and 100 out-of-town visitors per day to Philadelphia's cultural centers would mean the following:

There is $78,000 in taxes, enough to support 156 school children; an increase in bank deposits of $144,000; an increase in retail sales of $1,200,000 and 111 new industrially related jobs.

I think what this points out is that if we do invest money in the arts that there is a spillover into the community in terms of printing, publishing, advertising, graphic arts, food services, security, construction, office supplies, and many others. Previous studies have shown that people who attend the performing arts in a metropolitan area spend 80 percent more than the cost of their tickets in ancillary services. A person who buys a $7 ticket to a concert will spend an additional $5.60 in ancillary services.

I think when we see urban areas whose businesses are in trouble and unable to stay open after business hours, an investment in the arts will give a welcome boost to those small businesses that will have extended hours and patronage.

Therefore, I urge the House to give favorable consideration to the gentlewoman's amendment.

Mr. KOCH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, first, I, too, want to acknowledge the debt that so many of us owe to the distinguished gentleman from New Jersey, the subcommittee chairman, Mr. DOMINICK V. DANIELS. The gentleman is a good friend. The gentleman will be missed by all of us. I say that with great sincerity, because over the years that I have been here and the gentleman has been here so many more, the gentleman has been extremely kind to me. I just want the gentleman to know that I treasure that friendship and have appreciated it over the years.

Mr. Chairman, with respect to the gentlewoman's amendment, I want to commend the gentlewoman for it. It is a superb and needed amendment and one that I hope will be adopted by the House. I think that the artists in all of their areas of endeavor whether it is in the theater or in the graphic arts, in the fine arts, and other areas, we in this country have done very little in their behalf. Indeed, we have discriminated against them, for example, in the tax code. If someone has an artist's painting and contributes it to a museum, that person can take a deduction for the full value of that painting and the taxpayer has really helped himself or herself with respect to their tax payments. If on the other hand that same artist donates his or her work to a museum, all that that artist can deduct is the cost of the canvass and the paint. It is amazing but that is the bizarre situation today and it ought to be changed.

Mr. Chairman, the amendment of the gentlewoman from New York goes just a brief way in redressing the balance existing against the artists of today. I endorse the amendment and urge its enactment.

Mr. BAUMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

I do not know whether anyone in this Chamber besides the gentlewoman from New York has read this amendment, but somebody ought to read it carefully.

As I understand it, the present act applies to those who are jobless in areas of high unemployment and also those who have been unemployed for a certain duration of time, the theory being that those who need help the most will receive it. The law does not, in fact, now apply to any particular class, occupation, or profession, but to all who are unemployed, as it should.

This amendment, for the first time, does single out help for one occupation artists. What gives a great deal of pause to me is the text of the amendment which says that "without regard to section 603" these sums shall be appropriated and handed out.

I just took the trouble to read section 603. This is the section of the act which forbids in the distribution of these funds discrimination on the basis of race, creed, color, national origin, sex, political affiliation, forbids funds to be used for religious activities, or for the support of religious institutions. It also requires auditing of the way the funds are spent.

Is this the section 603 we are talking about or is it not? Is this what we are waiving so far as the program is concerned? I would like someone to respond, because if that is the case, the amendment has an additional reason to be defeated, because it earmarks 1 percent of these funds to be spent without any restrictions. I think that is a mistake.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, I gather that the gentleman is reading from an old section 603, but the act has since been amended. Section 603 now does not provide any of the matters which the gentleman refers to.

Mr. BAUMAN. Could the gentlewoman tell us with what the section deals?

Ms. ABZUG. It deals with the question of allotment of funds.

Mr. BAUMAN. In what manner?

Ms. ABZUG. Perhaps counsel there can give the gentleman a copy of section 603. It indicates that it is a formula distribution, to all intents and purposes.

Mr. BAUMAN. So the amendment has nothing to do with waiving any restrictions in the manner in which the funds are distributed?

Ms. ABZUG. None whatsoever.

Mr. BAUMAN. I thank the gentlewoman.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Minnesota.

Mr. QUIE. It waves the restrictions and provisions in there for distribution of the money. It is my understanding there will not be any allotment formula on this money, which really means it can all go to New York.

Mr. BAUMAN. There is no assurance, if this amendment passes, that the money will not be concentrated in one particular metropolitan area?

Mr. QUIE. That has been the criticism all the time. In the law on the endowment of the arts, we have been trying to change that to get some distribution allotment around the country. This removes that, so that they could concentrate it all in one place.

Ms. ABZUG. Mr. Chairman, will the gentleman yield further?

Mr. BAUMAN. I yield.

Ms. ABZUG. There is a possibility that it might all go to the Guthrie Theater in Minnesota.

Mr. QUIE. I would say that with the efforts I have seen with New York, that would not be true.

Mr. BAUMAN. Mr. Chairman, I would still oppose the amendment. It appears to be a subsidy for New York at the expense of unemployed people elsewhere.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. ABZUG).

The question was taken; and on a division (demanded by Ms. ABZUG) there were—ayes 19; noes 11.

So the amendment was agreed to.

Mr. MITCHELL of Maryland. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in total support of H.R. 12987, the Employment and Training Act temporary extension.

The issue at hand is quite simple, but also one that has been haunting this Congress ever since it originally convened; for example, what are we going to do about the alarming rates of unemployment in this country.

To fail in passing H.R. 12987 today would again reinforce the administration's position that no one really does care about the more than 7 million people—who can be counted—that are out of work. To overwhelmingly pass H.R. 12987, as we certainly should, would send a message to those standing in unemployment lines that the Congress really is a valid and viable point of recourse for all Americans.

I honestly do not think that the question, "Can we afford to pass this extension?" is the proper perspective in which to view this issue. Rather, each Member should be asking his or her self, "Can we afford, in terms of real dollars and cents and other costs that cannot even be measured, not to pass H.R. 12987?"

In my city of Baltimore alone, approximately 1,555 public service jobs have been created largely as a result of title VI allocations. These are new jobs. They are not merely a rehiring of previously terminated municipal employees. These are meaningful jobs in the fields of community and social services, public works, public protection and safety, business administration, and the arts.

Of those hired in Baltimore; 274 have clerical positions, 462 have laboring positions, 279 have semiskilled positions, and 540 hold paraprofessional jobs.

Most important, to the persons holding these jobs and hopefully to my colleagues here in the House, these are jobs where the participants have been removed from the welfare rolls, removed from the unemployment lines, and removed from the numerous transfer payment programs.

These are jobs which have enabled people to make that all important quantum move in our society from "consumer" to "producer/consumer/contributor."

Therefore, these are jobs which save money, rather than cost money. When will we learn that by having people employed the localities save, the States save, and the Federal Government saves?

Realize, however, please realize, that these are lost jobs if we fail to pass H.R. 12987. Realize that I referred only to my city of Baltimore and that pattern of lost jobs would be echoed across the country, in turn escalating Federal costs rather than saving money.

We cannot allow people to remain unemployed. How else can it be said?

We must pass the Employment and Training Act temporary extension.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. MURTHA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12987) to authorize appropriations for fiscal year 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, for carrying out title VI of the Comprehensive Employment and Training Act of 1973, and for other purposes, pursuant to House Resolution 1144, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. BAUMAN. Mr. Speaker, I demand a separate vote on the so-called Abzug amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 2, line 2, immediately after "Sec. 601." insert "(a)".

Page 2, line 7, strike out the quotation marks and the period which follows them.

Page 2, immediately after line 7, insert the following:

"(b) (1) Of the sums appropriated for any fiscal year or other period for carrying out this title, not less than one percent of such sums shall be allotted, without regard to section 603, among eligible applicants for public service employment programs which are eligible for financial assistance under this title and which are designed to provide transitional employment for unemployed and underemployed artists in public service jobs which the Chairman of the National Endowment for the Arts determines provide needed productions in the arts.

"(2) For the purposes of this subsection:

"(A) The term 'artist' means an individual who is determined by the Chairman of the National Endowment for the Arts—

"(i) to be normally employed in the production of any one or more of the arts, or

"(ii) to be an individual of recognized artistic ability.

"(B) The terms 'arts' and 'production' have the same meanings as such terms have in the National Foundation on the Arts and Humanities Act of 1965.".

Mr. BAUMAN (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The SPEAKER. The question is on the amendment.

The question was taken; and the Speaker announced that the ayes appear to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 78, nays 246, not voting 108, as follows:

[Roll No. 217]

YEAS—78

Abzug
Addabbo
Alexander
Allen
Anderson, Calif.
Anderson, Ill.
Badillo
Beard, R.I.
Biaggi
Biester
Bolling
Brademas
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burton, Phillip
Chisholm
Clay
Collins, Ill.
Corman
Daniels, N.J.
Dellums
Drinan
Early
Edwards, Calif.
Eilberg
Ford, Tenn.
Fraser
Gonzalez
Hannaford
Harrington
Hawkins
Helstoski
Hicks
Holtzman
Howard
Hungate
Jordan
Kastenmeier
Koch
Leggett
Lehman
Levitas
McKinney
Metcalfe
Meyner
Mikva
Miller, Calif.
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Moss
Mottl
Neal
Nolan
Oberstar
Ottinger
Railsback
Rangel
Rees
Reuss
Richmond
Roncalio
Rosenthal
Scheuer
Schroeder
Seiberling
Simon
Solarz
Stokes
Studds
Thompson
Tsongas
Vanik
Waxman
Weaver
Yates

NAYS—246

Abdnor
Adams
Andrews, N.C.
Andrews, N. Dak.
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, Tenn.
Bedell
Bennett
Bergland
Blanchard
Blouin
Boland
Bonker
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Mich.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney
Carr
Cederberg
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Conte
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Davis
Delaney
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Downey, N.Y.
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
du Pont
Edgar
Edwards, Ala.
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flynt
Ford, Mich.
Forsythe
Fountain
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goodling
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Harkin
Harris
Hechler, W. Va.
Heckler, Mass.
Hefner
Henderson
Hightower
Holland
Holt
Horton
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Karth
Kasten
Kemp
Kindness
Krebs
LaFalce
Lagomarsino
Latta
Lent
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McClory
McCormack
McDade
McFall
McHugh
Madigan
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Mezvinsky
Michel
Milford
Miller, Ohio
Mills
Mineta
Minish
Mitchell, N.Y.
Moffett
Mollohan
Moore
Moorhead, Calif.
Mosher
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
Nowak
Obey
O'Brien
O'Hara
O'Neill
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Regula
Rhodes
Rinaldo
Risenhoover
Robinson
Roe
Rogers
Roush
Rousselot
Roybal
Russo
Ryan
Santini
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Sisk
Slack
Smith, Iowa
Smith, Nebr.
Spellman
Spence
Steed
Steelman
Stephens
Stratton
Stuckey
Sullivan
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Traxler
Treen
Ullman
Van Deerlin
Vander Veen
Vigorito
Walsh
Whalen
Whitten
Wiggins
Wilson, Bob
Winn
Wirth
Wright
Wylie
Yatron
Young, Alaska
Young, Fla.
Zablocki
Zeferetti

NOT VOTING—108

Ambro
Annunzio
Archer
Bell
Bevill
Bingham
Boggs
Bowen
Brown, Ohio
Broyhill
Buchanan
Burgener
Burton, John
Carter
Chappell
Clancy
Cohen
Conlan
Conyers
de la Garza
Derrick
Dodd
Eckhardt
Esch
Eshleman
Flowers
Foley
Frenzel
Frey
Fuqua
Goldwater
Gradison
Green
Hansen
Harsha
Hayes, Ind.
Hays, Ohio
Hébert
Heinz
Hillis
Hinshaw
Howe
Jacobs
Jenrette
Jones, N.C.
Jones, Tenn.
Kazen
Kelly
Ketchum
Keys
Krueger
Landrum
Litton
Lujan
Lundine
McCloskey
McCollister
McDonald
McEwen
McKay
Macdonald
Madden
Maguire
Mathis
Melcher
Montgomery
Morgan
Murphy, N.Y.
Nichols
Nix
Paul
Pepper
Peyser
Pickle
Randall
Riegle
Roberts
Rodino
Rooney
Rose
Rostenkowski
Runnels
Ruppe
St Germain
Sarbanes
Sikes
Skubitz
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steiger, Ariz.
Steiger, Wis.
Symington
Symms
Udall
Vander Jagt
Waggonner
Wampler
White
Whitehurst
Wilson, C. H.
Wilson, Tex.
Wolff
Wydler
Young, Ga.
Young, Tex.

The Clerk announced the following pairs:

Mrs. Boggs with Mr. Morgan.

Mr. Wolff with Mr. Bedell.

Mr. Hébert with Mr. de la Garza.

Mr. Sikes with Mr. Landrum.

Mr. Jones of Tennessee with Mr. Litton.

Mr. Young of Georgia with Mr. Eckhardt.

Mr. Chappell with Mr. Heinz.

Mr. Nichols with Mr. Lundine.

Mr. Jones of North Carolina with Mr. Esch.

Mr. Bowen with Mr. Eshleman.

Mr. Murphy of New York with Mr. Brown of Ohio.

Mr. Dodd with Mr. Mathis.

Mr. St Germain with Mr. Archer.

Mr. Symington with Mr. Lujan.

Mr. Krueger with Mr. Bell.

Mr. Conyers with Mr. Madden.

Mr. Riegle with Mr. Kazen.

Mrs. Keys with Mr. Cohen.

Mr. Derrick with Mr. Broyhill.

Mr. Jacobs with Mr. Frenzel.

Mr. Sarbanes with Mr. Maguire.

Mr. White with Mr. Conlan.

Mr. Melcher with Mr. Buchanan.

Mr. Jenrette with Mr. Frey.
Mr. Annunzio with Mr. Hillis.
Mr. Hays of Ohio with Mr. Kelly.
Mr. Ambro with Mr. Burgener.
Mr. Rodino with Mr. McCloskey.
Mr. Rooney with Mr. Goldwater.
Mr. Rostenkowski with Mr. Carter.
Mr. John Burton with Mr. McEwen.
Mr. Flowers with Mr. Gradison.
Mr. Fuqua with Mr. Harsha.
Mr. Green with Mr. Clancy.
Mr. Hayes of Indiana with Mr. McCollister.
Mr. Macdonald of Massachusetts with Mr. Hansen.
Mr. Bingham with Mr. McKay.
Mr. Foley with Mr. Montgomery.
Mr. Howe with Mr. McDonald of Georgia.
Mr. Nix with Mr. Pepper.
Mr. Randall with Mr. Paul.
Mr. Pickle with Mr. Peyser.
Mr. Roberts with Mr. Rose.
Mr. Runnels with Mr. Wydler.
Mr. Waggonner with Mr. Snyder.
Mr. Staggers with Mr. Ruppe.
Mr. James V. Stanton with Mr. Udall.
Mr. Charles H. Wilson of California with Mr. William J. Stanton.
Mr. Stark with Mr. Skubitz.
Mr. Young of Texas with Mr. Steiger of Arizona.
Mr. Charles Wilson of Texas with Mr. Symms.
Mr. Whitehurst with Mr. Steiger of Wisconsin.
Mr. Wampler with Mr. Vander Jagt.

Mr. NOLAN and Mr. LEVITAS changed their vote from "nay" to "yea."

Mr. DIGGS changed his vote from "yea" to "nay."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. QUIE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device and there were—yeas 287, nays 42, not voting 103, as follows:

[Roll No. 218]

YEAS—287

Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Biaggi
Biester
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Buchanan
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, Phillip
Byron
Carney
Carr
Chisholm
Clausen, Don H.
Clay
Cleveland
Collins, Ill.
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Green
Gude
Guyer
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Hightower
Holland
Holt
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Hyde
Ichord
Jeffords
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Koch
Krebs
LaFalce
Lagomarsino
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McClory
McCormack
McDade
McFall
McHugh
McKinney
Madigan
Mahon
Matsunaga
Mazzoli
Meeds
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moore
Moorhead, Calif.
Moorhead, Pa.
Mosher
Moss
Mottl
Murphy, Ill.
Murtha
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Pike
Pressler
Preyer
Price
Pritchard
Quillen
Railsback
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Roe
Rogers
Roncalio
Rosenthal
Roush
Rousselot
Roybal
Russo
Ryan
Santini
Sarasin
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shriver
Simon
Sisk
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Steed
Steelman
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Talcott
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Wilson, Bob
Winn
Wirth
Wright
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Zablocki
Zeferetti

NAYS—42

Abdnor
Armstrong
Ashbrook
Bauman
Beard, Tenn.
Burleson, Tex.
Butler
Cederberg
Clawson, Del
Cochran
Collins, Tex.
Conable
Crane
Flynt
Goodling
Grassley
Hagedorn
Hammerschmidt
Hutchinson
Jarman
Kasten
Kemp
Kindness
Latta
McDonald
Mann
Martin
Michel
Miller, Ohio
Myers, Pa.
Quie
Robinson
Satterfield
Schneebeli
Sebelius
Shuster
Spence
Symms
Taylor, Mo.
Teague
Whitten
Wiggins

NOT VOTING—103

Archer
Bell
Bevill
Bingham
Boggs
Bowen
Brown, Ohio
Broyhill
Burgener
Burton, John
Carter
Chappell
Clancy
Cohen
Conlan
Conyers
de la Garza
Derrick
Dodd
Esch
Eshleman
Flowers
Foley
Frenzel
Frey
Fuqua
Goldwater
Gradison
Hansen
Harsha
Hayes, Ind.
Hays, Ohio
Hébert
Heinz
Hillis
Hinshaw
Howe
Jacobs
Jenrette
Jones, N.C.
Jones, Tenn.
Kazen
Kelly
Ketchum
Keys
Krueger
Landrum
Litton
Lujan
Lundine
McCloskey
McCollister
McEwen
McKay
Macdonald
Madden
Maguire
Mathis
Melcher
Montgomery
Morgan
Murphy, N.Y.
Myers, Ind.
Nichols
Nix
Paul
Pepper
Peyser
Pickle
Poage
Randall
Riegle
Roberts
Rodino
Rooney
Rose
Rostenkowski
Runnels
Ruppe
St Germain
Sarbanes
Sikes
Skubitz
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steiger, Ariz.
Steiger, Wis.
Symington
Udall
Vander Jagt
Waggonner
Wampler
White
Whitehurst
Wilson, C. H.
Wilson, Tex.
Wolff
Wydler
Young, Ga.
Young, Tex.

The Clerk announced the following pairs:

Mrs. Boggs with Mr. Jones of North Carolina.
Mr. Nichols with Mr. Kazen.
Mrs. Keys with Mr. Staggers.
Mr. Howe with Mr. Landrum.
Mr. Bowen with Mr. Udall.
Mr. Wolff with Mr. Litton.
Mr. Young of Georgia with Mr. Bell.
Mr. Bingham with Mr. Esch.
Mr. John Burton with Mr. Eshleman.
Mr. Chappell with Mr. Heinz.
Mr. Bevill with Mr. Macdonald of Massachusetts.
Mr. Conyers with Mr. Madden.
Mr. de la Garza with Mr. Lujan.
Mr. Derrick with Mr. Maguire.
Mr. Dodd with Mr. Clancy.
Mr. Krueger with Mr. McCloskey.
Mr. Jones of Tennessee with Mr. Kelly.
Mr. Rodino with Mr. Archer.
Mr. Rostenkowski with Mr. Harsha.
Mr. Morgan with Mr. Carter.
Mr. Murphy of New York with Mr. Frenzel.
Mr. Waggonner with Mr. Goldwater.
Mr. Hébert with Mr. Cohen.
Mr. Hays of Ohio with Mr. Hillis.
Mr. Fuqua with Mr. Brown of Ohio.
Mr. Flowers with Mr. Frey.
Mr. St Germain with Mr. Gradison.
Mr. Foley with Mr. McCollister.
Mr. Pepper with Mr. Broyhill.
Mr. Nix with Mr. Lundine.
Mr. Pickle with Mr. Conlan.
Mr. Charles H. Wilson of California with Mr. McEwen.
Mr. White with Mr. Burgener.
Mr. James V. Stanton with Mr. Hansen.
Mr. Rooney with Mr. McKay.
Mr. Roberts with Mr. Montgomery.
Mr. Hayes of Indiana with Mr. Melcher.
Mr. Jacobs with Mr. Randall.
Mr. Jenrette with Mr. Riegle.
Mr. Mathis with Mr. Snyder.
Mr. Sarbanes with Mr. Paul.
Mr. Stark with Mr. Peyser.
Mr. Rose with Mr. Runnels.
Mr. Sikes with Mr. Ruppe.
Mr. William J. Stanton with Mr. Skubitz.
Mr. Symington with Mr. Steiger of Arizona.
Mr. Steiger of Wisconsin with Mr. Vander Jagt.
Mr. Charles Wilson of Texas with Mr. Wydler.
Mr. Young of Texas with Mr. Wampler.

Mrs. SMITH of Nebraska changed her votes from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DOMINICK V. DANIELS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill (H.R. 12987) just passed by the House.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 7108, AUTHORIZING APPROPRIATIONS FOR ENVIRONMENTAL RESEARCH, DEVELOPMENT, AND DEMONSTRATION

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7108) to authorize appropriations for environmental research, development, and demonstration, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. TEAGUE, BROWN of California, AMBRO, and WINN.

PROVIDING FOR THE STRIKING OF MEDALS COMMEMORATING THE CONTRIBUTIONS BY INDIVIDUALS OF VARIOUS ETHNIC BACKGROUNDS

Mr. STEPHENS. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Currency and Housing, be discharged from further consideration of the Senate bill (S. 371) to provide for the striking of medals commemorating the contributions by individuals of various ethnic backgrounds who contributed to the founding of the United States of America and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 371

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in commemoration of the bicentennial of the founding of the United States of America and of those individuals of various ethnic backgrounds who participated in the American Revolution, the Secretary of the Treasury shall strike and furnish to the American Revolution Bicentennial Administration (hereinafter referred to as the "Administration") not more than twenty-five thousand medals with suitable designs, not in excess of twenty-one different designs, to be determined by the Administration subject to the approval of the Secretary of the Treasury. The medals shall be made and delivered at such times as may be required by the Administration in quantities of not less than one thousand medals of each design, but no medals shall be made after December 31, 1983. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes (31 U.S.C. 368).

SEC. 2. The Secretary of the Treasury shall cause such medals to be struck and furnished at not less than the estimated cost of manufacture, including labor, materials, guides, use of machinery, and overhead expenses. Security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for full payment of such costs.

SEC. 3. The medals authorized to be struck and furnished under this Act shall be of such size or sizes and of such various materials as is determined by the Secretary of the Treasury after consultation with the Administration.

MOTION OFFERED BY MR. STEPHENS

Mr. STEPHENS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. STEPHENS moves to strike out all after the enacting clause of S. 371 and to insert in lieu thereof the provisions of H.R. 7808, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 7808) was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 365, FIREFIGHTERS BENEFITS ACT

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1155 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1155

Resolved, That upon the adoption of this resolution it shall be in order to move, section 401(b) of the Congressional Budget Act of 1974 (Public Law 93–344) to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 365) to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain firefighters who die in the performance of duty, and all points of order against section 4 of said bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. LOTT) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1155 is the rule providing for consideration of H.R. 365, a bill to authorize a death benefit of $50,000 for the survivors of firefighters killed in the line of duty.

This is an open rule providing for 1 hour of general debate. The rule also waives points of order. The points of order addressed are not inconsequential and ought to be discussed in some detail.

As a matter of record, I would state that House Resolution 1156 making in order consideration of H.R. 366, a companion bill concerning the same death benefit for public safety officers, parallels the present case. My comments on the matter now before the House would apply equally to that case.

In any event, section 4 of the bill raises certain parliamentary difficulties. It states:

> Until specific appropriations are made for carrying out the purposes of this act, any appropriation made to the Department of Justice or the Law Enforcement Assistance Administration for grants, activities, or contracts shall, in the discretion of the Attorney General, be available for payments of obligations arising under this act.

This section is open to a point of order under clause 5, rule XXI, and leaves consideration of the entire bill subject to a point of order under section 401(b) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344).

If the motion on the previous question on the resolution is agreed to, the House will have waived both points of order. I ought, therefore, to discuss the questions at this point.

APPROPRIATIONS

Clause 5, rule XXI, states in part:

> No bill or joint resolution carrying appropriations shall be reported by any committee not having jurisdiction to report appropriations.

The point of order applies to the language itself and not to consideration of the bill (VII Cannon 2151). This clause was added to the rules of the House in the summer of 1920 as part of various legislative initiatives to estabilsh a budget process and concentrate the appropriating process in a single committee of the House.

The clause has been readopted verbatim at the organization of each of the subsequent 27 Congresses. Any reasonable budget system will be marked by the consistent centralization of the appropriating function. But the efficacy of the rule is dependent on the basic reluctance of the Committee on Rules to waive its provisions.

SECTION 401(b)

The Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), in section 401(b), provides:

> It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which provides new spending authority described in subsection (c)(2)(C) (or any amendment which provides such new spending authority) which is to become effective before the first day of the fiscal year which begins during the calendar year in which such bill or resolution is reported.

The law is clear and its intent is obvious, that a new entitlement program shall be fully subject to the budget process in its first implementation.

To allow the diversion of funds appropriated for other purposes, as in section 4 of the bill, would have the effect of exempting the program from that initial scrutiny.

It goes without saying, that the integrity of the budget process is one of the principal concerns of the Committee on Rules at this point. During its first binding year, the process must be given every opportunity to work according to design.

HOUSE RESOLUTION 1155

But it is important that the rules of the House not become an obstacle. Clearly we must be prepared to make every allowance in the legislative process to speed consideration of so vital a matter.

These bills are a vital and long delayed response to our obligation to America's public safety officers and firefighters. I think we all realize that, when a policeman or fireman dies, we owe his family a good deal more than sympathy.

These bills address a very basic responsibility of our country. And the Committee on Rules has recommended rules which will enable the speediest possible action of these proposals.

In doing so, the Committee notes the intention of the gentleman from Pennsylvania (Mr. EILBERG) to offer a technical amendment to section 4 that would bring the bill into conformity with the Budget Act provisions by limited reappropriations to those legislated through the appropriations process.

There is no reason to expect that the Committee on Appropriations will act with anything but the greatest dispatch in funding this bill and the proposal of the gentleman from Pennsylvania has resulted, I understand, in general support for the waivers from the Committee on Budget and the Committee on Appropriations.

I urge the House to adopt the resolution so that we can proceed to consider this important legislation (H.R. 365).

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1155 is an open rule providing for 1 hour of general debate for the consideration of H.R. 365, the Firefighters Benefits Act of 1976. Since the entitlement provision in the bill is designed to take effect before October 1, 1976, the first day of fiscal year 1977, it violates section 401(b) of the Congressional Budget Act. This rule would waive points of order which could be raised against that violation. All points of order also are waived against section 4 of the bill for failure to comply with clause 5, rule XXI, the rule of the House prohibiting the reporting of an appropriation by a legislative committee.

It is my understanding that amendments will be offered to correct these two deficiencies in the bill. To comply with the Congressional Budget Act, an amendment will be offered to convert the entitlement to an authorization subject to the normal appropriations process. Likewise, an amendment will be submitted on the floor making the legislation a straight authorization and eliminating the appropriations language.

Briefly, H.R. 365 proposes to:

First. Direct the Law Enforcement Assistance Administration to pay a $50,000 death benefit to the spouse or dependents of a firefighter who has died as the proximate result of personal injury sustained in the performance of his duty.

Second. Provide for the payment of a $3,000 interim benefit to persons who are likely to receive a final award under the bill. This amount may be deductible if final reward is made.

Third. Assert that the $50,000 benefit is over and above all other benefits which the survivors may receive except that it will be reduced by payments under the Federal Employees Compensation Act and payments to District of Columbia firemen killed in the line of duty.

Fourth. Provide that the $50,000 benefit will be paid for deaths resulting from injuries sustained on or after October 11, 1972.

The annual cost of this legislation is estimated to be $5,900,000. The retroactive provision is predicted to cost approximately $23,000,000.

There are objections to this measure. The main concern of those opposed centers around the proposition that there simply is no justification for extending Federal benefits into an area which should remain the responsibility of the individual States and local governments.

Administration position: While the administration supports legislation to compensate the families of law enforcement officers killed as a result of a criminal act, it opposes these bills for the following reasons: First. Their coverage is too broad including firemen, judges, parole officers, conceivably even truant officers; Second. The bills would compensate for accidental death and other public-related deaths not associated with criminal activity; Third. The bills are retroactive to October 1972.

Mr. Speaker, I support the rule before us.

Mr. MOAKLEY. Mr. Speaker, I move the previous question of the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 366, PUBLIC SAFETY OFFICERS BENEFITS ACT

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1156 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1156

Resolved, That upon the adoption of this resolution it shall be in order to move, section 401(b) of the Congressional Budget Act of 1974 (Public Law 93-344) to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 366) to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty, and all points of order against section 4 of said bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. LOTT), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1156 is the rule providing for consideration of H.R. 366, a bill to authorize a death benefit of $50,000 for the survivors of public safety officers killed in the line of duty.

It is the companion bill to H.R. 365 and the rule is identical to the one just agreed to; this is also a 1-hour, open rule providing for waiver of points-of-order against an identical section 4.

Mr. Speaker, public safety officers lay their lives on the line daily for us. And I am sure my colleagues agree that both of these bills are highly appropriate responses to the sacrifices made daily by policemen and firefighters.

I urge adoption of the rule so that we can proceed to consider this important legislation (H.R. 366).

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1156 provides for a 1-hour, open rule for the consideration of H.R. 366, the Public Safety Officers Benefits Act of 1976. The same points of order lie against this bill that lie against the firefighters legislation. They are violations of section 401(b) of the Congressional Budget Act and failure to comply with clause 5 of rule XXI, relating to appropriations in a legislative bill. As is true for the firefighters bill, I have been advised that amendments will be offered to correct these deficiencies when H.R. 366 is read for amendment.

The purposes of the Public Safety Officers Benefits Act of 1976 are as follows:

First. Directs the Law Enforcement Assistance Administration to pay a $50,000 death benefit to the survivors of an eligible public safety officer who has died as a proximate result of an injury sustained in the line of duty.

Second. Defines "eligible public safety officer" to include State and local law enforcement officers whose fatal injuries are sustained while engaged in the apprehension of suspects and material witnesses, protecting suspects, prisoners, or material witnesses, prevention of crime, or the performance of other activities determined by LEAA to be potentially dangerous.

Third. Asserts that the $50,000 benefit is over and above all other benefits the survivors may receive except that it may be reduced by payments under the Federal Employees Compensation Act and payments to District of Columbia policemen killed in the line of duty.

Fourth. Provides that the $50,000 benefit will be paid for deaths resulting on or after October 11, 1972.

The estimated annual cost of this legislation is $7,100,000. The retroactive expense back to 1972 is adjudged to be about $27,900,000.

In general, the same objections relate to this bill as relate to the firefighters measure. That is, many members feel that the States and local governments should assume responsibility for providing death benefits to survivors of policemen killed while on duty. This would be the proper solution but for the fact that great disparity exists between the States as to the death benefits provided. The fact is that many States provide no benefits whatsoever, and the insurance coverage allowed is inadequate more often than not. So it is apparent that the situation obviates the need for the benefits contained in this legislation.

Mr. Speaker, I can think of no individuals more deserving of our gratitude than our policemen and firemen. I intend to vote for the Public Safety Officers Benefits Act of 1976. At this time, however, I urge the adoption of the rule now before the House, House Resolution 1156, in order that we may proceed to debate and pass H.R. 366.

Mr. MOAKLEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR JOINT COMMITTEE ON ATOMIC ENERGY TO HAVE UNTIL MIDNIGHT SATURDAY MAY 1, 1976, TO FILE REPORTS ON H.R. 13350 AND H.R. 12387

Mr. PRICE. Mr. Speaker, I ask unanimous consent that the Joint Committee on Atomic Energy may have until midnight, Saturday, May 1, 1976, to file reports on H.R. 13350, the Energy Research and Development Administration authorization bill for fiscal year 1977, as amended, and H.R. 12387, the Nuclear Regulatory Commission's authorization bill for fiscal year 1977, as amended.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PUBLIC SAFETY OFFICERS BENEFITS ACT

Mr. EILBERG. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 366) to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. Eilberg).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 366, with Mr. Meeds in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania (Mr. Eilberg) will be recognized for 30 minutes, and the gentleman from New York (Mr. Fish) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. Eilberg).

Mr. EILBERG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the legislation we now consider, H.R. 366, provides a $50,000 death benefit to the surviving dependents of public safety officers who are slain in the line of duty. Many of my colleagues will recall that the House on October 11, 1972, unanimously approved legislation in the 92d Congress to compensate surviving dependents of law enforcement officers who die in the performance of hazardous duties including firemen who are killed while protecting life and property from fire. The Senate approved similar legislation. The differences were resolved and a conference report was filed during the last few days of the 92d Congress. Regrettably, Congress adjourned before action could be taken on this critical legislation.

Once again in the 93d Congress numerous proposals dealing with this subject matter were introduced by Members and the House overwhelmingly approved the Public Safety Officers' Benefits Act of 1973 by a vote of 320 to 54. Once again, however, the Senate-passed version limited coverage to death of public safety officers in the line of duty as a result of a criminal act. In my judgment, the Senate legislation discriminated against the firefighting profession, since it almost precluded recovery for firemen. An impasse developed between the House and Senate which could not be resolved prior to the adjournment of the 93d Congress.

For this reason, we are now presenting two separate bills providing identical benefits to firemen and to law enforcement officers. It is my hope, by separating the coverage for these two categories of public safety officers, we may facilitate communication and break the impasse with the Senate on this urgently needed legislation.

The first bill we bring to the floor today is H.R. 366. This bill would provide a death benefit to the survivors of law enforcement officers who die from injuries sustained in the line of duty.

The term "law enforcement officer" in H.R. 366 is broadly defined to include police officers, corrections, probation and parole officials; and those involved in programs relating to juvenile delinquency or narcotics addiction. While this definition is broad, coverage is limited only to those who sustain fatal injuries while engaged in the following activities: First, apprehending suspects or material witnesses; second, protecting or guarding suspects, prisoners, or material witnesses; or third, preventing crime. H.R. 366 would also cover law enforcement officers who sustain fatal injuries while engaged in any activities which are determined in LEAA to be potentially dangerous.

It should be noted that coverage is provided to individuals "serving" public agencies with or without compensation in an official capacity. In other words, reserve law enforcement officers are also covered under this legislation.

This bill contains an interim benefit provision which would allow a $3,000 interim benefit to persons who are likely to receive a final award. Repayment of this interim benefit may be waived in hardship cases where no final award is granted.

The $50,000 death benefit is over and above all other benefits which the officer's survivors may receive except that it shall be reduced by: First, payments which are already provided under the Federal Employees Compensation Act to, State and local law enforcement officers who are killed while enforcing Federal laws; and second, payments to District of Columbia policemen who are killed in the line of duty—under present law they already receive a $50,000 death benefit.

It is with confidence and conviction that I feel it is appropriate for our Government to compensate surviving dependents of public safety officers who find themselves in a desperate financial situation often left to the mercy of charitable organizations when their loved ones are struck down in the line of duty. Certainly, our society owes a special obligation to those individuals who daily risk their lives for our safety and protection. The numerous letters that I have received from many Members of Congress and private citizens have emphasized that the untimely death of a public safety officer is a truly tragic situation which warrants remedial action by the Congress. In addition, witnesses have testified before the subcommittee that passage of this legislation would substantially improve the morale of public safety officers and enhance recruitment efforts.

The war against crime can be waged simultaneously on numerous fronts including assisting in a positive way the families of those who are charged with the responsibility of seeing that our laws are enforced and obeyed.

This legislation has received the bipartisan support of this body on two previous occasions, and I urge my colleagues to approve this urgently needed legislation.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, I wish to commend the gentleman from Pennsylvania (Mr. EILBERG), the chairman of the subcommittee and a great friend and champion of law enforcement officers throughout the country, for bringing H.R. 366, the proposed Public Safety Officers Benefits Act of 1976, to the floor of the House. As a sponsor of similar legislation in preceding Congresses, I wish to lend my complete support to this much-needed proposal.

Mr. Chairman, the purpose of H.R. 366 is simply to provide to the spouses and dependents of law enforcement officers killed in the line of duty some measure of compensation for their tragic loss. The $50,000 Federal payment to these survivors which the bill authorizes is certainly the least our society can do to meet its moral obligation to provide care for such individuals.

This is a familiar subject, Mr. Chairman. In 1971, I joined more than a hundred of my colleagues in sponsoring legislation similar to H.R. 366. The result in 1972 was House passage, by unanimous consent, of legislation providing benefits similar to those proposed in the pending bill. Conferees resolved differences between the House and the Senate versions of the bill, but due to insufficient time final action in the House was not taken. Unfortunately for all, but particularly for those who lost loved ones, essentially the same fate befell similar legislation in the 93d Congress.

Statistics clearly show that public safety officers continue to face increasing hazards. They clearly indicate that Congress can no longer delay implementation of the proposal before us today. Between 1965 and 1975, the number of law enforcement officials killed each year as the result of felonious criminal action rose from 53 to 124. In the first 2 months of this year, the grim toll was upped by 24 officers. Because of this tragic fact, and because many States have failed to provide properly for the dependent survivors of those killed in the line of duty, morale, and recruiting have become serious problems—problems with which the States need Federal asistance to cope. A Federal payment of $50,000 to an officer's survivors, as provided in the pending legislation, should help to alleviate those problems. More importantly, though, while money can never come close to expressing society's debt to those killed, it can at least help to ease the practical, financial problems which may accrue to the survivors.

Mr. Chairman, H.R. 366 would fill an existing void at a minimal cost, and cannot help but mean an improvement in our law enforcement system. I strongly urge its passage.

Mr. FISH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the bill, H.R. 366, to provide death benefits for the dependent survivors of public safety officers killed in the line of duty, and I wish to join with the gentleman from Pennsylvania in urging support of this worthy legislation.

As you will recall, this House overwhelmingly passed similar legislation during the 92d and 93d Congresses.

I feel we must respond to the tragic loss of policemen who give their lives in their very dangerous duties. Each day these brave public servants, in the course of their uniquely hazardous duties, lay their lives on the line not knowing whether they will ever return to their families. As a group, they have never been highly paid and if killed, their dependents must rely on a patchwork system of State insurance programs and voluntary contributions by local citizens. While some might wish localities would be more responsible in providing life insurance for their police forces, the fact is that uniformly this has not been done. The lack of such financial security for one's dependents discourages otherwise enthusiastic candidates from entering this dangerous profession. All witnesses appearing before us on this bill agreed its enactment would aid in recruitment. At this time, when the crime rate continues to go up, when police deaths in the line of duty are at a record high, a survivors death benefit is a small price to pay.

Let me provide for you a profile of a slain police officer from the testimony we heard on this bill from Orday Burden, chairman, Hundred Clubs, Information Council:

> Twelve percent of the public safety officers slain in 1974 were under age twenty-five. Thirty-one percent were aged twenty-five to thirty. Officers over age thirty accounted for fifty-seven percent of the 1974 deaths. The officers killed in 1974 had a median years of law enforcement service of only five years which means their pension benefits would be minimal at best. In 1974, a full seventeen percent of the officers had less than one year service when killed. Forty-five percent of those killed had less than five years service while another thirty-three percent had only five to ten years of service. Only twenty-two percent of the officers killed in 1974 have over ten years of service.
>
> The critical importance of this information becomes apparent when one discovers that no city with a population of over one million allows a pension to vest within five years and one, Philadelphia, allows its pensions to vest within ten years of service.
>
> In sixty-five out of the one hundred three jurisdictions (or 63%) that experienced a public safety officer killed in the line of duty in 1974, no lump sum cash payments exclusive of whatever insurance or pension benefits existed were made. In many of those cases, widows and children have survived because friends or fellow officer families have pooled resources to pay the bills. Remembering that only twenty-two percent of the officers killed in 1974 had more than ten years service and that few jurisdictions provide pension benefits that early in a career it is clear that a substantial problem exists which requires the attention of the Congress.

Mr. Chairman, with respect to providing life insurance, municipal employers have responded very unevenly. No city over 1 million population provides more than $15,000 coverage. Detroit and Los Angeles provide nothing. No city over 500,000 and less than 1 million population provide over $10,000 coverage, and Denver and Cleveland provide nothing. San Diego provides only $1,000, Jacksonville provides $2,000, and Phoenix provides $4,000 of coverage. These are but a few examples of the totally inadequate insurance coverage for peace officers.

In the fight against crime in the United States, the Congress has already joined with State and local municipalities in cooperative efforts to upgrade local law enforcement. We authorize Federal funds to be used in the recruitment and training of law enforcement personnel through the Law Enforcement Assistance Administration. Presently, death benefits are provided for local law enforcement officers killed while enforcing Federal criminal statutes. A $50,000 death benefit is currently provided to District of Columbia police killed in the line of duty. This bill is a consistent and logical extension of these efforts.

I strongly urge a favorable vote on this meritorious legislation.

Mr. EILBERG. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. BRODHEAD).

Mr. BRODHEAD. Mr. Chairman, I rise in support of this excellent bill. Many of us in political life describe our work as "public service." But I think we must recognize that our work is not "service" in the same sense that law enforcement work in our cities is "service." For those who follow this latter career are subject to truly extraordinary dangers—dangers that few of us can ever begin to comprehend. America is a great, good, and well-governed country. But we have serious failures as a society—and many of these failures manifest themselves in the form of violent crime. As a society we employ law enforcement officers as our agents to deal with violent crime. Their task is extremely hazardous and their families are subject to the loss of their income at any time. For that reason I believe we must recognize our duty to these courageous men and women who perform this unique and extraordinary form of public service. Last year I introduced a bill very similar to the one under consideration here today. I am pleased that the committee has brought this bill to the floor and urge my colleagues to pass the bill with a resounding vote so that we can get it enacted into law at the earliest possible time.

Mr. EILBERG. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. BIAGGI).

Mr. Chairman, in yielding to this gentleman I would like to comment that the gentleman from New York (Mr. BIAGGI) was an original sponsor of this legislation back in 1972 and has worked very hard to help to bring this measure to this stage.

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Massachusetts.

Mr. DRINAN. I thank the gentleman for yielding.

Mr. Chairman, I rise to speak in favor of H.R. 366, a bill to provide a $50,000 Federal payment to the surviving dependents of law enforcement officers who die as a direct result of a personal injury sustained in the line of duty.

I commend the distinguished chairman of the subcommittee for separating out the measures related to law enforcement officials and to firefighters.

During the past 10 or 15 years the number of police killed in the line of duty has more than doubled. It has been frequently noted that the number of police officers killed by the illegal use of firearms tolled at least 130 in 1975. In addition, H.R. 366 includes correctional officers, prison guards, probation and parole authorities and those engaged in programs related to juvenile delinquency or the control of narcotics.

Some individuals during the process of finalizing this bill urged that law enforcement officials who were permanently disabled in the line of duty should also receive the equivalent of what the survivors receive for a police officer slain in the line of duty. This extension of this measure may be logical, but other measures can be adapted for that particular situation.

Some persons who are less than enthusiastic about H.R. 366 assert that it will not constitute a direct incentive for the recruitment of police officers. Prescinding from the quality of evidence on either side of that argument, the fact of the matter is that society and the Federal Government have a special obligation toward those who assume the risk of a violent death in order to protect the safety and peace of society.

The lump sum benefit which will come to the widow or survivors of a law enforcement official killed in the line of duty will not be subject to taxation under the IRS Code. Consequently, we can hope that this legislation will bring to the families of slain policemen at least a modest sum by which the children of a deceased law enforcement officer might be given a college education or some of the other benefits which they would ordinarily receive if their father had not lost his life in the line of duty.

I hope, Mr. Chairman, that H.R. 366 will prevail on the floor today and that it will not encounter the difficulties of scheduling which prevented its final enactment in the last Congress.

Mr. BIAGGI. Mr. Chairman, I would like to take this occasion to congratulate the distinguished chairman of the subcommittee, the gentleman from Pennsylvania (Mr. EILBERG) who himself has demonstrated deep concern and has provided relentless leadership and a constancy of purpose in dealing with this legislation, despite all of the obstacles presented over the past several Congresses. Without his leadership and without his persistence, I feel safe in conjecturing that this legislation would not be on the floor today or might very well not have seen the light of day—this day or any other day.

As for myself, I am privileged to have been associated with this legislation. As a former police officer for some 23 years, I am intimately acquainted with the facts of life as they relate to law enforcement agencies. I do not think there is any one in the entire House who does not expect my full support for this bill today.

I would like to help obtain some additional support for this legislation by citing an example which will illustrate just what the bill is all about.

It was a day in late June of 1974. Lt. Henry Schmeimann, a veteran of more than 20 years in the New York City Police Department, kissed his wife goodby and began his usual walk to work. With her five children and husband gone, Mrs. Schmeimann began her daily chores while listening to the radio. Suddenly a news bulletin came on the air: A policeman, a lieutenant had been shot and killed 10 blocks from the Schmeimann home. Mrs. Schmeimann knew that her husband walked past that location every day. Gripped with fear and panic, she called her husband's office in the internal affairs division. She pleaded, "Has my husband arrived yet? I just heard this report." The heartsick policeman on the other line knew it was her husband who was killed but he did not want to break the news to her over the telephone. This was the job of the police chaplain. The chaplain arrived with the news that Mrs. Schmeimann, who just 2 days earlier had celebrated her birthday and who in several days was to celebrate her 25th wedding anniversary, was now a widow with five children.

This tragic story has been repeated in the households of the more than 750 safety officers who have been killed nationally in the line of duty since 1970. Already in 1976, 43 public safety officers have been killed in the line of duty, the most recent murder taking place in Columbus, Ga., on April 20.

What becomes of the widows and surviving dependents of these men? Most find themselves suddenly deprived of their sole means of support with bills piling up and hungry mouths to feed. Where does help come from? At present, there is no assistance forthcoming, unless the family lives in a community with a big heart which will take up a collection for them. It is a national disgrace that the families of public safety officers who have given up their lives to protect others, are abandoned by their cities, their States, and their Federal Government.

This bill, H.R. 366, proposes to rectify this situation by providing a $50,000 Federal payment to the surviving dependents of law enforcement officers who die as a direct and proximate result of personal injury sustained in the line of duty. An additional and very important feature of this bill, is its provision for an interim $3,000 benefit payment to meet immediate financial needs of families of slain public safety officers. In addition, the $50,000 death benefit payment will not be subject to Federal income taxes.

I am pleased to see the many categories of law enforcement officers which are covered under the bill. In addition to police, correctional officers, probation and parole officers, officers related to programs involving juvenile delinquency or narcotic addiction are also included. Finally, the bill also covers reserve State and local law enforcement officers. I am especially pleased to see that the important work of auxiliary police units will be recognized under this bill. Last September, a member of the New York City auxiliary police force was brutally beaten to death in Central Park. This was a man who had given of his time voluntarily, a man who was otherwise engaged during the course of the day and who responded to the community needs to supplement the depleted force of the New York City Police Department, a department that had failed to successfully deal with the crime problem, but with the auxiliary police unit the community has been provided with additional forces. This shocking event helped to focus attention on the important work of the more than 5,000 men and women who serve on the auxiliary police force. I might suggest that with that first death I predict, as sure as night follows day, there will be others of its kind and still no provision for their survivors. The inherent dangers in their work are just as grave as those of their counterparts on the regular police force.

To say the job of the public safety officer in this Nation is a hazardous one, is almost a crude understatement. In the past 15 years this Nation has experienced better than a 300-percent increase in the number of law enforcement officers killed in the line of duty.

While these figures may indicate the extent of the problem numerically, they do not even begin to explain the suffering and anguish endured by the families of these men. They do not explain how a happy and proud wife and family suddenly, because of an assailant's bullet or knife, find themselves perched on the brink of poverty with no assistance forthcoming.

I recall my own experiences as a 23-year veteran of the New York City Police Department. I have seen it happen to a number of families. I have endured many funerals of slain law enforcement personnel. The public officials and the community leaders respond and shed their crocodile tears, and perhaps shed genuine tears, and make some compassionate comment for the occasion, and then when the pomp and ceremony is terminated they return to the normal course of their work and leave the families of the slain officers to console themselves.

I have brought this concern with me to the Congress. I have witnessed the House pass similar versions of this legislation on two separate occasions and I am hopeful that we will pass this bill today and complete the legislative process which will allow it to be signed into law. It is no longer sufficient for us to bestow awards to the grief-stricken widows and children of these men. We must express our concerns in more practical terms. This we can do today by passing H.R. 366, which will provide financial security to these individuals.

So there will be the usual objections to the Federal Government assuming this responsibility. It is apparent that despite the shocking increases in the number of public safety officers killed in the line of duty, States and localities are either unwilling or unable to provide sufficient death benefits.

Mr. BRINKLEY. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Georgia.

Mr. BRINKLEY. Mr. Chairman, I rise in support of the bill. I wish to commend the gentleman for his leadership on these two combined measures, as well as the subcommittee chairman, the gentleman from Pennsylvania (Mr. Eilberg).

I especially wish to thank the gentleman in the well for his mentioning earlier of the loss in Columbus, Ga., which is my hometown and the third district of Georgia encompasses that town. It was a traumatic experience to learn of the death, the shooting and ultimate death of Officer Vining in Columbus, Ga., and to witness the fact that he did leave a family behind without a whole lot of security for them.

We recall Officer Boone of the same town of Columbus, Ga., and there are many other examples across the length and breadth of this Nation. Appreciation should be translated into tangible rewards and benefits in terms of personal and family security. I am reminded, as we go from the consideration of policemen to firemen of the English poem:

> It's Charlie this, and Charlie that, and Charlie go away; but it's "Thank you, Mr. Soldier" when there's trouble in the wind!

We can say the same thing about firemen. We all take them for granted. I just wish to rise in support of this measure and to thank the gentleman for expressing so eloquently the real need for Federal assistance in this area.

Mr. BIAGGI. Mr. Chairman, with the fiscal problems mounting in our cities and States, it is more incumbent than ever before that the Federal Government assume this responsibility. To quibble over questions of jurisdiction represents an unconscionable insult to the thousands of public safety officers who have patiently awaited our action on this bill.

The argument that is offered, a specious one, I contend, that this is not a responsibility of the Federal Government is without basis. That argument has been offered time and time again on the floor of this House in connection with legislation for various purposes. The reason the Federal Government eventually responded is because the local and State governments failed in their responsibility and this House, as well as the other House assumed the responsibility to compensate for the improper conduct, for the lack of appropriate action by the municipalities throughout the country. To pursue that kind of thinking is to negate all the legislation we have passed, legislation in the past.

I am pleased to see that one of the stumbling blocks to this legislation in the past, the retroactivity provision, has been resolved, hopefully. Under this bill, those public safety officers killed in the line of duty on or after October 11, 1972, shall be covered.

Mr. Chairman, this legislation demonstrates compassion, good sense and justice for the brave men and women who serve in our law enforcement units. These individuals live in constant fear, knowing that as the most visible symbol of authority in this Nation they have become the favorite targets of the lawless and anarchistic elements in this country.

Let me stay with that. There was a time in this country when the police officers, law enforcement officials were prepared to expose their lives to peril from the criminals, as we knew it traditionally. In the last decade that area has expanded. They were killed in senseless killings, for no reason except that they wore the visible evidence of authority. They represented the outward symbol of government. We have seen them ambushed and assassinated, not engaged in hot combat in the performance of a felony. We expect that. But not this new development. Frankly, that it is this very phenomenon that has focused attention on the problem and what precipitated the introduction of this legislation.

It is because the Government, the then administration, advocated its enactment. The House recognized its responsibility. Those police officers, those law enforcement officers, were out in the street. They were the visible sign of authority. They were the first line of defense, and they were the object of frustration, wrongful felonious frustration, for those who wanted to attack government.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I would like to join in commendation, along with my colleagues, for the gentleman in the well, for the leadership he has provided with respect to this bill, and also to extend my congratulations to the gentleman from Pennsylvania (Mr. Eilberg) for the job that he has done in bringing this bill to the floor.

H.R. 366 is a measure which I consider to be long overdue.

Mr. Chairman, I rise in strong support of H.R. 366, a measure which I consider to be long overdue. Public safety officers daily put their lives on the line to protect the community. Regrettably, many of these brave men and women are killed in the performance of their duties each year.

Levels of compensation for the dependents of these individuals vary widely from community to community throughout the Nation, and that is the major reason why this legislation is needed. Of course, our society can never fully repay its debt to those individuals who risk their lives for the public's safety, but a $50,000 payment to the dependents would help ease their financial problems and end the inequities in levels of compensation.

I urge my colleagues to support this bill.

Mr. BIAGGI. They know their lives and their families' economic well-being may be terminated by the acts of depraved individuals who speak only the cowardly language of violence. Let us be real. Let all those who advocate strong law enforcement stand behind the men and women who have and will sacrifice their lives to protect you and I against crime.

Our vote today will be a clear demonstration of our support and appreciation of the efforts made daily by these public safety officers of this Nation. Certainly, they merit our support.

Mr. ZEFERETTI. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from New York.

Mr. ZEFERETTI. Mr. Chairman, I rise in strong support of this legislation. I too, want to join in commending the gentleman in the well and the committee for their efforts.

I too, prior to coming to this great office, was a law enforcement officer for some 20 years, and I can attest to the need this type of legislation will bring. It is about time we stop giving medals and plaques and start giving the people, the dependents and relatives that are left, some assistance. I think this legislation is long overdue, and again I want to commend the committee for bringing this bill to the floor.

Mr. Chairman, I rise in support of H.R. 366, a desperately needed measure. My support stems in part from the fact that several weeks ago, I was terribly saddened by the tragic and unnecessary deaths of two fine police officers in Maryland, those gunned down in the line of duty. I sat back and watched, as did many of you, when thousands of their fellow law enforcement officers joined with the victims' families to pay their last respects to the two dedicated public servants. Yet, these two deaths are only two of the many incidences we have heard about recently, part of the frightening escalation in the number of law enforcement officers killed each year—a number which has quadrupled in the last 15 years.

There are obvious risks associated with public safety employment, and the men and women who choose to assume this responsibility understand the possible hazards and consequences. Yet, each day, they risk their lives to preserve peace and to protect our lives, our families, our homes, and our property. And, we, whom they serve, expect this and much more from them.

The intent of H.R. 366, to provide benefits to survivors of certain public safety officers who die in the performance of duty, is worthy of our support. It is a long and overdue gesture of recognition of sacrifices made by these officers and their families and at least an attempt on our part to make life easier for the survivors in the future.

I am quite frankly disappointed by many of the arguments raised by the opponents of the bill. They claim that the measure is unnecessary. It will do little or nothing to fight crime in our country. Yet, this was not even the purpose of the measure. It was intended to illustrate and carry out our moral obligations to the survivors of deceased law enforcement officers, those who sacrificed so that we, the people of this Nation, might be safe. If only for this reason alone, H.R. 366 will receive my firm support.

Mr. FISH. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio (Mr. DEVINE), vice chairman of the Republican conference.

Mr. DEVINE. Mr. Chairman, I had not originally intended to speak on this legislation, although I cosponsored similar legislation in previous sessions of the Congress. I rise in total support of the legislation, and fully recognize the thoughts of those who affixed their signatures to dissenting views for the reason that they feel this is a State rather than a Federal responsibility; that we are selecting a certain segment of society and excluding others, and the fact that the number of persons killed involved in law enforcement problems have receded since the revolutionary days of the 1960's until now.

I would invite their attention to page 3 of the report, which shows that following 1969, the law enforcement people have lost their lives in lines of duty exceeding 100 each year starting in 1970, and did not reach that number in the preceding years.

I too, like the gentleman on the other side of the aisle, have a background in law enforcement, having been in the FBI for about 5 years and having been a prosecuting attorney in my county for about 4 years. I think I have had a firsthand relationship with police in the line of duty. They are a dedicated group of people, probably the most maligned of any segment of our society, putting their lives on the line day in and day out.

I wish to interpolate for a moment and commend the gentleman from New York (Mr. BIAGGI), who was often commended as a member of the New York City Police Department and recognizes firsthand what happens when a policeman gets a "10–17" in my district, which is a domestic dispute. Everybody says, "Well, he is trying to break up a fight between a drunken husband and wife, or something."

But, we find that we lost more officers in the line of duty in answering domestic disputes than we do in answering burglary, rape, or robbery calls or something like that.

No matter what the call, he may be killed running after a traffic violator, chasing someone in a stolen automobile, or any other number of offenses. But this bill is directed to give a $50,000 award to the widow, those survivors of people who lose their lives in the line of duty.

I think it is pretty small of those of us who are sitting in this body who would deny these benefits for persons who are in combat daily. When we look at what happens here. What if one of us dies here? Do the Members know that their widow, their survivor, collects a whole year's salary of $44,000, just because the Member happened to be serving in Congress at the time of death?

Maybe they do consider this hazardous duty. But I would say that law enforcement people are in a much more hazardous situation. It seems to me that it is totally proper that, notwithstanding the fact that this is primarily a State responsibility, this would be a recognition of those men in blue who put their life on the line day in and day out. It is a profession that is much maligned. It is difficult to get people to go into the law enforcement profession any more because the pay has been traditionally bad, and I think that this would probably encourage more people to stand in the position between the criminals and the law-abiding citizens of the country.

Mr. Chairman, it is difficult for many of us to understand the preoccupation of many members of the Judiciary with the rights of wrongdoers to the exclusion of the rights of the victims of society, those hard-working, honest, law-abiding taxpayers. And these men, the law enforcement people—and there are women, I might add—are the ones who stand between the disorganized society and the one of lawful, peaceful citizens.

Mr. Chairman, I would again urge my colleagues to support H.R. 366.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. McCLORY), a member of the committee.

Mr. McCLORY. Mr. Chairman, I rise in opposition to this legislation reluctantly, certainly, because of the very eloquent statements that have been made here on the floor in support of it by my distinguished colleagues and also because of the great respect that I have, particularly, for our distinguished colleague, the gentleman from New York (Mr. BIAGGI) and for the profession to which he belonged, as well as the law enforcement activities of our colleague, the gentleman from Ohio (Mr. DEVINE).

Mr. Chairman, I feel that this legislation had a good genesis back in 1968, 1969, and 1970, when we were experiencing terrible riots throughout our Nation, when buildings were being burned down and the cities seemed to be subject to the attack of rioters. During that period, firemen would come and try to put out a fire and would be attacked by rioters. I recall this genesis at that time. But I might say that the reason for the legislation disappeared when the national riots disappeared, and I cannot see that there is this crying need for this legislation at the present time. I do not question that as many as 100 or more police officers meet their deaths each year—in line of duty. But that does not convert local law enforcement with a national obligation—and responsibility.

Furthermore, I would like to point out that this is not legislation which provides benefits for law enforcement officers who are killed as a result of the commission of some criminal act. Instead, full benefits are provided for all law enforcement officers who meet their death "in the performance of duty." That can mean a great variety of things—including death from an accident while cruising in a squad car—or while traveling to or from a policeman's home and his office in the police station.

So I think this is not appropriate legislation for the Federal Government. I think it is not timely. I think if it had a time, its time has gone, and we should not act on this legislation today.

For a further detailed and persuasive statement in opposition to this measure I direct my colleagues' attention to the dissenting views set forth on pages 19 to 21 of the committee report.

Mr. EILBERG. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, I thank the gentleman for yielding this time to me.

I rise in strong support of this bill and in opposition to any attempts to water it down or to curb its coverage.

The gentleman from Illinois (Mr. McCLORY) just stated that the bill had its genesis in the riots of 1968. Let me just read the number of law enforcement officers who have been killed since 1968.

In that year, 1968, there were 64 killed; in 1969, 86 were killed; in 1970, 100 were killed; in 1971, 129 were killed; in 1972, 114 were killed; in 1973, 131 were killed; in 1974, 130 were killed; and in 1975 there were 124 killed.

The information we have is that the violent deaths of public safety officers are continuing in 1976 at the same rates as in previous years.

Mr. RUSSO. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Illinois.

Mr. RUSSO. Mr. Chairman, I think it is also important to point out that through March 14 of this year we already have 24 public safety officers killed in this country. I think the need is now to do something about it, and the need has not passed.

Mr. SEIBERLING. That death rate of law enforcement officers who are killed continues. In other words, the deaths of public safety officers is what this bill is addressed to, and those deaths are continuing at the same rate and in fact have gone up.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, to complete the information on this subject, there were 12 deaths in January and 12 in February. The figure remained constant in the month of March. It appears that if this rate remains through the year, we will have a projection of 144 deaths for this year, which would be an alltime record.

Mr. Chairman, I thank the gentleman for yielding.

Mr. SEIBERLING. Mr. Chairman, we have spent billions of dollars of Federal funds to assist State and local governments in better law enforcement. While I agree with some of the critics of the LEAA program and agree the money has not always been wisely spent or spent in the places where it should be spent, nevertheless the fact is that the Federal Government has recognized that improving local law enforcement is a national problem, because crime does not respect State and local boundaries.

So the question is really whether this particular bill is going to advance the cause of better law enforcement. From the hearings over several years that the subcommittee has had, we have been shown that it will. I am convinced that one of the most important deterrents to attracting top-grade people to our law enforcement services is the fear as to what will happen to their families in the event that they should be killed in the performance of a job that entails risks that other people in our society do not take.

In this respect, a policeman is in a different position than is a member of the armed services. Most of our armed services personnel take on their responsibilities for a limited period of time or because they happen to like a particular way of life. Except in wartime, theirs is not a particularly dangerous occupation. Our law enforcement officers make a lifetime career of their work and are exposed to danger every working day. Certainly their families are entitled to assurance of a minimum of protection against this kind of risk. Yet this is a kind of protection that many communities are not able to give and that many are not in fact giving.

Mr. Chairman, the bill would be retroactive to October 11, 1972. I would oppose any amendment which would not permit it to be retroactive to that date. On that date the bill passed this House by unanimous consent, and I suggest that when we look at the record of the number of law enforcement officers who have died in the line of duty since that time, we can see that we are dealing here with multiple tragedies.

As a matter of fact, a few days after the bill passed this House unanimously, a young law enforcement officer was killed in my district. He left a widow and small children. I was fortunate enough to be able to say to that widow, "Well, the House of Representatives just passed by unanimous consent a bill which would provide you with a $50,000 indemnity. It looks like we may be able to help you." This widow had almost nothing; her husband was a young man. Unfortunately, after the House and Senate passed that bill, and the conference report came out, the Congress adjourned before the conference report could be adopted.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Chairman, I thank the gentleman for yielding.

I would like to respond to the remark made by the gentleman from Illinois (Mr. McClory). It is conceded that what crystallized and focused attention on the pathetic plight of policemen and their survivors was the revolutionary assaults that we found taking place in the last decade.

However, that was just an element that focused attention, at long last, on the incisive problem where the municipalities failed in their responsibility.

Mr. SEIBERLING. Mr. Chairman, I agree with the gentleman. Unfortunately, violent crime has not diminished at all. In fact, it continues to increase.

I would just like to say that while I believe in viewing law enforcement as a total system, that does not mean that we should not protect the man whose life is on the line.

Mr. Chairman, this society owes these men a debt of gratitude which we can never repay, but we at least ought to make it possible for them not to have to worry about what will happen to their families if they are killed in the line of duty.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. Gilman).

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I commend the subcommittee chairman, the gentleman from Pennsylvania (Mr. Eilberg) and the ranking minority member, the gentleman from New York (Mr. Fish) for their work and efforts in bringing this measure to the floor and the gentleman from New York (Mr. Biaggi) who has worked so long and diligently on the legislation.

Mr. Chairman, I rise in support of both H.R. 365, the Firefighters Benefits Act for 1976, and H.R. 366, the Public Safety Officers Benefits Act of 1976, measures which I have previously cosponsored and on which I submitted testimony last September when the Subcommittee on Immigration, Citizenship, and International Law held its hearings on these bills.

H.R. 365 and H.R. 366 are similar in that a $50,000 gratuity would be paid to the surviving dependents of a firefighter who "dies as the direct and proximate result of a personal injury sustained in the performance of duty." To be eligible, a firefighter must have been engaged in fighting a fire or in the performance of a duty determined by the Law Enforcement Assistance Administration to be potentially dangerous to the firefighter. Similarly, any law enforcement officer, to be eligible, must at the time of injury have been engaged in the apprehension, protection, or guarding of a person wanted, or held for the commission of a crime. The provisions of both of these bills would apply to any eligible public safety officer or firefighter who dies as the direct and proximate result of a personal injury sustained on or after October 11, 1972, and H.R. 365 applies to any individual who serves as a firefighter in a legally organized volunteer fire department.

The need for this type of legislation was succinctly stated by the full Judiciary Committee in its committee report on the Public Safety Officers' Benefits Act of 1974, stating:

> Notwithstanding the severe occupational hazards which confront policemen, firemen, correctional officers, and other public safety officers, many states have failed to provide sufficient death benefits for their survivors. Because of this fact and in recognition of society's moral obligation to compensate the families of those individuals who daily risk their lives to preserve peace and to protect the lives and property of others, the Committee is of the opinion that a Federal payment of $50,000 should be provided to meet the immediate needs of the officers' survivors.

Since 1961, the number of public safety officers slain in the line of duty has increased from 37 deaths in that year to 130 killed in 1974. And as of August of this year, 84 more public safety officers have already made the supreme sacrifice, and some of these brave men resided in my 26th Congressional District in New York. Since 1961 more than 1,200 public safety officers have died in the line of duty. That statistic does not include those officers who were seriously injured in the performance of their duties. Since 1961, 985 courageous professional firefighters have succumbed to the flames of smoke-filled buildings.

This is a sad commentary on our way of life and a forbidding prospect to public safety. But what has compounded this tragedy is the seeming lack of gratitude that our State and local governments have demonstrated toward those brave young men and women by their callous disregard for the welfare of the families of these police and firemen.

Clearly, State and local employers have an obligation to provide adequate death benefits to the survivors of public safety officers and firefighters who are killed in the performance of their duties. Yet, it is a fact that in many of our States there are no death benefits and very meager pension benefits for those fortunate enough to survive long enough to become vested. This has forced many of the surviving families of our slain officers unwillingly onto our Nation's swelling welfare lists.

While this unfortunate state of affairs and the responsibility for rectifying this injustice should be undertaken by State and local government, it is evident from the discouraging level of pension benefits paid to public safety officers that the States have not fulfilled their responsibility and have not come forth with an adequate death benefits program.

The statistics readily reveal that where pension benefits do exist, they are often inadequate and the level of benefit is often tied directly to the number of years of service. In considering this legislation, we must bear in mind that the mortality tables reflect a correspondingly greater number of deaths for those officers with the fewest years of service.

With such a poor record by the States in dispensing accrued employment benefits, regardless of the circumstances of death, can we, as the incidence of crime and fire loss rises, sit back and await the States to institute an improved benefits program. I hope my colleagues will join with me in responding to that question with affirmative action.

Mr. Chairman, in the interest of providing adequate death benefits to our Nation's dedicated police officers and our firefighters, I urge my colleagues to support both of these death benefit measures. In the performance of their daily duties, our police and firemen courageously risk their lives to protect our lives and property. Their surviving families are deserving of our consideration—they need and should have adequate protection and compensation.

Mr. EILBERG. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey (Mr. MINISH).

Mr. MINISH. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I rise in strong support for the enactment of this legislation which would provide a $50,000 death benefit to the surviving dependents of public safety officers who are slain in the line of duty.

Though there can be no adequate compensation to the families of those courageous individuals who having lost a loved one I believe our society can fulfill its moral duty to ease the financial burden of those who have depended upon them. Many State and local governments provide little or no benefits to such dependents when a public safety officer is killed in the line of duty. This bill is designed to meet the immediate financial need of the survivors and is not intended as a substitute measure in instances where State and local governments already have benefit programs in effect.

This legislation will have a favorable impact upon the improved morale of public safety officers' personnel. It will have the effect of improving recruitment since individuals who in the law enforcement profession will have the knowledge that should they suddenly die in the line of duty their dependents will be protected from financial hardship. It is hoped that local and State governments will better be able to obtain competent motivated police officers by the passage of this legislation.

Mr. EILBERG. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. FORD).

Mr. FORD of Michigan. Mr. Chairman, I rise in enthusiastic support of H.R. 366, the Public Safety Officers Benefits Act. This bill provides a $50,000 lump sum death benefit to the surviving dependents of State and local law enforcement officers who die as the result of personal injuries sustained in the line of duty. Professional and volunteer policemen, correctional officers, prison guards, probation and parole authorities and those engaged in programs relating to juvenile delinquency or narcotics control programs, are all law enforcement officers within the meaning of the act.

Recognizing that families suddenly without a husband and father are faced with very immediate financial problems, the bill provides an interim benefit of $3,000 to be awarded in hardship cases. This will later be deducted from the final award. In the event that a final award is not made, repayment of the interim benefit may be waived.

Similar legislation passed both Houses in the 92d and 93d Congresses. Unfortunately, no action was taken on the conference reports. It is only right that retroactive benefits are provided in the bill to surviving dependents of public safety officers who have died from personal injuries sustained on or after October 11, 1972, the date upon which we first passed the bill in the House. We are now trying to do what both Houses recognized should have been done a long time ago. I do not believe that the widows and children of officers who have given their lives since that date can be denied benefits due to the failure of Congress to bring out legislation that more than 3 years ago we decided was necessary.

Mr. Chairman, since 1961 over 1,280 law enforcement officers have died as the result of felonious criminal action. Over half have been killed since 1970. How many lives were touched by the death of these officers? Five thousand perhaps? Ten thousand would be, I believe, a very conservative estimate.

Public safety officers daily put their lives on the line. When I first introduced a similar bill back in September, I noted that a young patrolman in Wayne, Mich., in my congressional district has the previous year given his life attempting to aid an alleged suicide victim. He was met with a gunshot blast when he responded to a call for help at a private residence and died on May 25, 1974, leaving a widow and two small children without his support.

Unfortunately, despite the rising crime rates and thus the increasing hazards of the law enforcement profession as evidenced by the tragic increase in the number of officers who have died in the line of duty, many States and local communities have been unwilling or unable to provide adequate death benefits.

Mr. Chairman, I would like to make it very clear that I do not consider the $50,000 that this bill provides for as a gift. In 1968, we enacted the Omnibus Crime Control and Safe Streets Act setting up the Law Enforcement Assistance Administration to aid State and local governments in fighting crime. In doing so we recognized that the rising rate of street crime was a national problem that required the mobilization of the resources of the Federal Government. I strongly believe that it follows that we have a moral obligation to those who died trying to help us reach our national goal of safe streets. The $50,000 is little enough when we consider the financial straits of the families who are suddenly deprived of their principal breadwinner. That sum will not go very far today if we consider that many of the young officers who died were just setting themselves up in a new home—with a mortgage and a new car—purchased with a loan—and children who will need braces and books and someday soon perhaps money for a college education. We cannot give back a husband or a father. We can only try and lessen the economic problems their survivors face.

The results of my recent questionnaire indicate that my constituents consider the rising crime rate the paramount issue today. In order to successfully deal with this problem we need highly motivated law enforcement personnel. I believe that this bill will encourage the highly qualified young people we need to choose a profession in law enforcement and public safety.

Mr. EILBERG. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois (Mr. RUSSO).

Mr. RUSSO. Mr. Chairman, I urge our colleagues to join me in support of H.R. 366, the Public Safety Officers Benefits Act of 1976.

As sponsor of H.R. 8761, which generally takes the same approach as the subject legislation, and as a former prosecutor and member of the Judiciary Subcommittee which produced this fine proposal under the able chairmanship of the distinguished gentleman from Pennsylvania, I was an early proponent of effective assistance for the families of police officers who made the ultimate sacrifice for society.

The bill provides a $50,000 lump sum death benefit to the surviving dependents of State and local law enforcement officers who die as the result of personal injuries sustained in the line of duty. The category of officers covered includes: professional and volunteer policemen, correctional officers, prison guards, probation and parole authorities, and those engaged in programs relating to juvenile delinquency or narcotics control programs.

The bill also provides an interim benefit not exceeding $3,000 which may be awarded in hardship cases and such payment shall be deducted in the event of a final award. In the event a final award is not made, repayment may be waived. Retroactive benefits are provided to the surviving dependents of law enforcement officers who have died from personal injuries which were sustained on or after October 11, 1972. Federal officers, who are covered under the Federal Employees Compensation Act, would not be covered under H.R. 366.

Similar legislation, covering both firefighters and public safety officers, passed both Houses in the 92d and 93d Congresses, but no final action was taken. The annual cost of H.R. 366 is estimated at $7.1 million and the retroactive provision at $27.9 million.

As a society, we expect all law enforcement officers to have the ability to exercise effective judgment in coping with the numerous complex problems which they often face while enforcing the laws of our country. Such officers must make prompt and effective decisions very often in life or death situations. Law enforcement personnel must possess a number of skills whether it be maintaining strength, agility, or endurance in time of crisis. Many times they must endure serious verbal and physical abuse from citizens and offenders. Public safety officers must possess leadership qualities and be able to tolerate stress. They must maintain objectivity and always demonstrate a high level of personal integrity and ethics. In short, America in the 1970's makes great demands on its public safety officers.

And yet what are their rewards? Even with such stringent requirements, many public safety officers are paid low and inadequate salaries and therefore—all too often—cannot afford to provide for the financial security of their families, should they meet an untimely death. Though many States and localities require that their officers possess the attributes I have alluded to, few such governments provide adequate death benefits for the dependents of men and women slain in the performance of their duties.

My colleagues, the quality of our criminal justice system depends on the quality of its personnel. How can we expect to attract the highest caliber of men and women to perform one of the most sensitive and important functions in our society if we fail to provide adequate benefits for their families should they lose their lives while pursuing public duty.

Let us pass this legislation and demonstrate to police personnel that we are indeed proud of the job they are doing as law enforcement officers. Let us today show our awareness of their difficult plight and demonstrate our concern for their dependents.

I urge my colleagues to vote for H.R. 366.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Chairman, I rise in strong support of H.R. 366, the Public Safety Officers Benefits Act. This legislation will provide a $50,000 Federal payment to the surviving dependents of law enforcement officers who die as a result of injury sustained in the line of duty.

There can be little doubt about the need for this legislation. Law enforcement is a very hazardous profession.

It is a sad fact that more than 1,000 law enforcement officers have been killed in the past decade. According to the uniform crime reports, in 1975 alone 124 officers were killed as the result of felonious criminal action.

This legislation will give assistance to the officer's survivors so that they can adjust economically to the loss of the family's breadwinner. It will help tide them over financially through a very difficult period.

Frankly, I think $50,000 is small compensation for the loss they have suffered. The very least we can do for those who put their lives on the line to protect our society is to offer some financial security for their families in the event of their death.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. RAILSBACK).

Mr. RAILSBACK. Mr. Chairman, I would like to reaffirm my support of H.R. 365 and H.R. 366 the bills which provide payment of $50,000 to the survivors of law enforcement officers and firefighters killed in the line of duty or from injuries caused by a criminal act or felonious conduct.

This legislation should be considered and enacted into law as soon as possible. While the $50,000 payment provides only small comfort to those who must suffer the loss of a loved one, this death gratuity is an economic necessity as much as a humanitarian symbol. Studies have shown that most officers who have been slain in the line of duty were the head of a young struggling family. As staggering as his death is for the family to accept emotionally, there are still the harsh economic realities of bills which must be paid along with meeting the basic necessities of life. At the present time, the widows of police and firemen are inheriting a truly bleak future. We must not wait to take positive action on providing them a means to financial autonomy—the minimum debt of gratitude we owe for their husband's service.

I think I should also point out that 129 law enforcement officers were killed in the line of duty in 1975, and 45 policemen were killed thus far this year. Unfortunately, these figures are increasing from last year.

Because policemen serve as symbols of our society, they have been ambushed, assassinated by malcontents and violence-prone radicals as they respond to planted calls for assistance. This they must face along with their regular duties and possible retribution from criminals they arrest.

An example of this danger was recently brought to our attention when two policemen in Maryland were ambushed and killed trying to apprehend a criminal.

Firemen also face grave dangers in their work. Firefighting is now determined to be one of the most dangerous professions in the United States. The risks of a building collapsing, an explosion, or entrapment are great. These facts are not pleasant for anyone to live with, least of all the families of policemen, firemen, or other public safety officers. We are all aware of the severe occupational hazards that the men in these dangerous fields must daily live with, and yet many States have failed to provide sufficient death benefits for their survivors.

Our public safety officers need all the support they can get, both in the way of public acknowledgement and appreciation but also in more tangible ways. I feel it is more than appropriate for Congress to lead the way in providing a very real kind of support—giving them some tangible protection in the form of life insurance that we all hope their families will never cash in on.

Mr. FISH. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania (Mr. MYERS).

Mr. MYERS of Pennsylvania. Mr. Chairman, I think that perhaps we should take a look at what we are saying here about our ability to recruit public safety officers. First of all, it would be the impression if we read the record here that Members might be saying that we have second-rate people in the public safety officers classification. I believe this does not exist. I think there should be other arguments for this bill and not the argument that we have not attracted good people.

I rise in support of a bill which would provide protection of the nature that is proposed here for public safety officers who would find themselves the victims of violent crimes as a result of performing their duties. Because of my concern that this bill does not narrowly describe that particular function, I am going to ask the chairman if he would respond to some questions I have for legislative history.

Does the bill apply only to police officers or other safety officials who have been affected by violent crimes, or does it relate to other people?

Mr. EILBERG. If the gentleman will yield, it relates to other people as described. The death may occur as a result of activities which are described on page 4 of the bill, that is, in the apprehension or attempted apprehension of any person; protecting or guarding a person held for the commission of a crime; the lawful prevention of, or lawful attempt to prevent, the commission of a crime; and those duties described as potentially dangerous by the LEAA.

Mr. MYERS of Pennsylvania. Could it in any way be interpreted to pay benefits to judges, teachers, and magistrates?

Mr. EILBERG. No, it could not.

Mr. MYERS of Pennsylvania. Could it in any way be interpreted to pay benefits to a police officer who is simply driving to court to testify in a court case?

Mr. EILBERG. It depends upon the facts of the case, and if the gentleman is talking about the ordinary automobile case, it would be my guess that the LEAA would not describe that activity as potentially dangerous.

Mr. MYERS of Pennsylvania. If he were not accompanying a criminal in that situation. As somewhat of a broadening potential, would it provide benefits for officers who were performing duties such as recovering bodies from a body of water, or from a building which had collapsed?

Mr. EILBERG. It is possible that those activities might be included.

Mr. MYERS of Pennsylvania. They would not be excluded.

Could the gentleman tell me, is there any way in which this bill would apply to privately employed safety or security officers?

Mr. EILBERG. No, it would not.

Mr. MYERS of Pennsylvania. What if they were called by a local arm of the government or the local police organization to assist in any way?

Mr. EILBERG. It is my opinion that they would not be included.

Mr. MYERS of Pennsylvania. Does the bill apply at all to voluntary good Samaritans?

Mr. EILBERG. It does not.

Mr. MYERS of Pennsylvania. I thank the gentleman for his explanation, because I think what is important about this bill is that we do narrow in on the aspects of the greatest hazards, and by legislative history I think we put more confidence in the bill. I would like to point out the fact that industrywise the coal miners experience a great hazard in their profession, and I do not think they would object to benefits being paid to benefit survivors of those victims of violence, specifically who are performing a function in thwarting a criminal situation.

But if we were to make a broad sweeping approach where the secretaries and people who are not faced in the line of duty with reacting to criminals were getting payments I think we would lose broad-based support. So my interpretation of what the gentleman has said is that we are protecting beneficiaries of people who are in a situation that is threatening because of the violent criminal action and protecting the public safety.

I thank the gentleman for his responses.

Mr. FISH. Mr. Chairman, I yield the remaining 8 minutes of my time to the gentleman from California (Mr. WIGGINS), a member of the committee.

Mr. WIGGINS. Mr. Chairman, only once or twice a year does a bill come before this body which is so utterly devoid of merit as to cast an adverse reflection upon the Congress itself. The two bills before us now fit neatly within that category. I do not use the expression "utterly devoid of merit" lightly and accordingly I want to take just a few moments to attempt to reverse the evident tide of opinion in this House and deflect it if possible toward a more responsible course.

The issue, Mr. Chairman, is not what we should do for State and local police officers. The issue as I see it is the political responsibility of the Members of Congress themselves.

We know what the bill provides. The bill provides that we shall open the Federal Treasury and pay $50,000 to the survivors of certain State police and fire personnel. I want to ask the Members: Why do we do this? The argument goes that we owe a debt of gratitude to these valiant men and women who serve us bravely and with distinction. Perhaps we do. Perhaps society does owe a debt to those who subject themselves to risk for our comfort, our safety, and our benefit. But why do we select State police officers as the beneficiaries of our gratitude? Do we not owe a similar debt of gratitude to the FBI personnel, for example, for whom we are responsible?

Mr. EILBERG. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. Since the gentleman is my chairman, of course I yield.

Mr. EILBERG. Mr. Chairman, the gentleman should know the FBI is already covered under FECA.

Mr. WIGGINS. The FBI does not receive a $50,000 death benefit under present law.

Mr. EILBERG. Under the benefits that are permitted, if the gentleman will yield further, under the FECA the benefits in an FBI case may well exceed $50,000. The widow gets 45 percent, each child 15 percent, up to 75 percent of the pay, and depending upon the longevity of the individual involved the dollars that may be paid out of the Federal Treasury may well exceed $50,000.

Mr. WIGGINS. And may well be less, according to the record before us in the committee.

The point is, Mr. Chairman, these are employees for whom we have assumed and do have an absolute responsibility, and we simply do not dig into the Federal Treasury and give $50,000 to the survivors of all those who die in line of duty. Nor do we do it for Secret Service personnel nor for GI's.

Our different treatment of survivors of servicemen killed in the line of duty is a question which will not go away. How in the world can we pull a person out of civilian life, force him to serve against his will in a hazardous occupation, namely in the armed services in time of war, and then not provide him with death benefits at all unless he pays for it himself?

My recollection is that I paid out of a rather meager paycheck a sum of money to purchase national service life insurance in the amount of $10,000. That was the maximum amount available to me.

Now, that is the kind of gratitude we show toward those employees for whom we have an absolute responsibility. Now, we do not have an absolute responsibility with respect to State and local employees. We do not have any more responsibility for providing death benefits, which is a part of the normal employment package, than we do for the pay level itself or for sickness benefits or disability benefits.

What are some of the other reasons? It has been alleged that this is an aid to recruitment. It has been alleged that this is an aid to morale. I will concede the latter point. Of course, it is an aid to morale and if we want to make them feel even better, let us raise the benefit to $100,000. That would be twice as much aid to their morale.

But what about recruitment? If, indeed, raising the death benefits is an aid to recruitment, it is seldom mentioned in the bargaining sessions; in fact, never. We have never found it to be a necessary inducement to get people to be recruited into our all-volunteer Army now, have we? When we have been faced with the problem of recruitment, we have not responded by raising the death benefits. This is not a genuine reason for the legislation. It is a make-weight.

Mr. PATTISON of New York. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from New York.

Mr. PATTISON of New York. Mr. Chairman, I would like to subscribe to everything the gentleman said; but is not the more fundamental issue one of whether or not in this federal system of ours we are going to do something on a national level or local level? After all, if we are going to have a federal system, we have the States and localities, from which that certain authority flows. If we are going to do that on this basis, why not abolish the States and localities? Why not take over everything the States and localities do not want to do and go from there?

Mr. WIGGINS. Mr. Chairman, well, I cannot but help agreeing with the gentleman. The gentleman is making my last point, which is the point of federalism itself. The gentleman from New York (Mr. BIAGGI) says we have invaded State responsibilities in other areas. Let me explain the manner in which we have invaded State prerogatives in these other areas. We have set Federal standards and required the States to live within those standards. Here we do not. We simply assume the responsibility itself.

Mr. Chairman, the direct assumption of State responsibilities is a novel approach and one that does great violence to the Federal system.

We will vote in a moment. Our votes will be noted by the law enforcement lobbyists in this Chamber. I hope the taxpayer interests are presented here, too, and that they look very critically at what we do today, because we are not acting in their interests.

Mr. BURKE of Florida. Mr. Chairman, I rise in support of H.R. 366, the Public Safety Officers Benefit Act. I have been a sponsor of this bill in the past three Congresses. As a cosponsor and longtime advocate of this legislation, I am delighted to be able to raise my voice in support of it on the floor of the U.S. House of Representatives.

It is my hope that the Senate will act quickly to pass this measure so that it does not die again as it did after House passage in the 93d Congress. My own bill, H.R. 9172, is identical in purpose to H.R. 366 and I sincerely hope that this relief for families of public safety officers can be quickly implemented.

There have been far too many good law enforcement men and women killed protecting life and property on our streets. Regrettably, the large percentage of policemen killed and other enforcement officers are never truly appreciated for their work. You are aware of the senseless slaying of two Montgomery County police officers recently during the attempted apprehension of a bank robber and in Miami of three policemen in line of duty. Police officers fall prey to criminals in our country continually and they are plagued with the threat daily of senseless and brutal killings of law enforcement officers.

South Florida, where I come from, has had more than its share of these killings. A few weeks ago Phillip Black and Police Cpl. Donald Irwin were shot to death beside Interstate 95 by a sudden burst of gunfire by the occupants of a car parked at a rest area near Deerfield

Beach. Three policemen—Officers Frank D-azevedo, Clark Curlette, and Thomas Hodges, Jr.—were shot to death in Miami during an investigation of a stolen car.

All seven of these officers leave behind their families and friends, but more importantly they leave behind families without a breadwinner. There is some assistance available to the families, it is true, but it is insufficient to help them over the hurdle of a lost breadwinner. Bills still must be paid. Children still grow and need clothes, food, and spending money. Life goes on, but it is made doubly bitter to the families of the victoms by the loss of companionship and the loss of income.

The residents of the 12th Congressional District of Florida which I represent feel deeply about this problem. More than 200,000 residents signed petitions which were presented to the House Judiciary Committee in 1973 urging passage of my bill. One of those signing the petition was Mrs. Beverly Yourman, another was Mrs. Teresa Riley. Both ladies lost their husbands on August 30, 1973, when they were gunned down while pursuing robbery suspects.

It is difficult under any circumstance for any family to adjust to the death of a parent, but it is even more difficult when the parent or spouse is killed by some stranger caught committing a crime.

I have not forgotten and I am sure they have not, the hope that we had for passage of this legislation.

Mr. Speaker, television treats us to a daily diet of cops and robbers programs so that many of us are callous about the deaths of policemen. We more or less accept it as being a usual thing for cops and robbers to have shootouts. However, for the families of the law enforcement officers who are slain the tragedy is real and does not stop at the end of the 30-minute TV program.

The Federal Bureau of Investigation figures show that 128 State, local, county, and Federal law enforcement officers were killed in the performance of their duty in the United States, Puerto Rico and the Virgin Islands and Guam during 1975. Of that number four were Floridians. As of March 3, 1976, FBI figures showed that 24 law enforcement officers had been feloniously killed so far this year.

Mr. Speaker and my colleagues, it is past time we did something for the widows and children of these brave men, who gave their lives to protect our lives and property. I will be proud to cast my vote for H.R. 366 to provide a $50,000 Federal payment to the surviving dependents of law enforcement officers who die as the direct and proximate result of a personal injury sustained in the line of duty.

Mr. CONTE. Mr. Chairman, I rise in support of the bill to provide $50,000 Federal payment to the surviving dependents of law enforcement officers who die as the direct and proximate result of a personal injury sustained in the line of duty.

I support this legislation as the author of a similar bill (H.R. 2641) to provide survivor benefits in addition to providing compensation to public safety officers who suffer single and multiple dismemberment in the line of duty.

Mr. Chairman, our public safety officers are being subjected to more and more danger with our increased crime rates. Many cities, because of their budgetary problems, have had to decrease their contingents, leaving police officers with larger areas to patrol with a decreased number on backup. New York City alone has laid off more than 5,000 public safety officers. In calendar year 1975, 124 law enforcement officers were killed in the line of duty—almost quadruple the statistics for 1961 when 37 lost their lives.

With the increased exposure to danger and the skyrocketing crime rate it is most appropriate that the well-being and support of the survivors of public safety officers are guaranteed. This bill will do just that. This legislation also provides up to $3,000 interim assistance to the families which would be subtracted from the $50,000 benefit.

It seems apparent that passage of this bill will serve as a significant increase in the morale of law enforcement personnel. Also, this legislation may prove to be a tremendous help in assisting State and local governments in their recruiting efforts.

I should like to point out that this legislation does not apply to Federal public safety officers. There is existing legislation which provides survivor benefits to Federal public safety officers' families at least at the level provided in this legislation.

Mr. Chairman, we must recognize society's moral obligation to compensate the families of those individuals who daily risk their lives to preserve peace and to protect our lives and prosperity.

I urge my colleagues to support this bill.

Thank you, Mr. Chairman.

Mr. MURTHA. I would like to speak very strongly in support of legislation before the House today to provide payment to the spouses or dependents of firemen and police officers killed in the performance of their official duties.

Statistics that I have show as many as 140 policemen and 200 firemen will be killed next year while serving their communities.

The benefits contained in this bill will be a great help to their families. We should not forget, however, that even the $50,000 allowed in this bill is small compensation compared to the tremendous contribution these individuals make to the safety and protection of our citizens.

Mr. Chairman, I represent a rural area where governments operate on very small budgets. While some larger cities already have compensation for their fallen public servants, the governments in my area simply cannot afford it. Protection such as is contained in this bill is long overdue.

I vigorously support it, and compliment Congressman EILBERG, and the other members of the Judiciary Committee who have worked diligently on this bill.

I urge a positive vote.

Mr. FRASER. Mr. Chairman, this afternoon we are considering two bills, H.R. 365 and H.R. 366 which would provide a $50,000 Federal payment to the surviving dependents of law enforcement officers and firefighters killed during the line of duty.

I would like to take this opportunity to express my views. It is my belief that State and local governments have the primary responsibility in providing adequate protection for the families of police and firefighters who die or become disabled during the performance of their duty.

In 1973, my home State of Minnesota passed a law that provides $25,000 in compensation to the family of any peace officer, fireman, or citizen who is killed while attempting to stop a crime or assist in a public emergency.

The 1974 Minnesota Legislature established the Minnesota Crime Victims Reparations Board. The board is empowered to pay up to $10,000 to compensate victims of crime for personal injury. The board also compensates victims for medical expenses and lost wages. In the event of death, the money goes to dependents. The same coverage applies to a person who is injured or killed preventing a crime or assisting in the apprehension of a person suspected of engaging in a crime.

I am cosponsoring the House Judiciary Committee's bill, H.R. 13158, to compensate victims of crime. Too often, victims of crime are those who can least afford to be—the elderly, poor, blacks, Indians, and Chicanos. The Federal program established by this bill relates to need. Victims are reimbursed for out-of-pocket expenses which are not otherwise reimbursed by medical insurance or disability payments.

H.R. 13158 establishes a Federal grant program to States, like Minnesota, which have instituted programs to benefit victims of crime. The Federal Government, under this bill, would be allowed to provide up to 50 percent of the cost of State awards to victims up to $50,000. All administrative costs, however, will be borne by the States. With the enactment of this legislation, Minnesota would be able to award crime victims up to $20.000 without increasing the cost to the State. The maximum benefit level could be doubled without costing the State. Each State has discretionary authority to set maximum benefit levels, but this bill would only reimburse States for 50 percent of an award up to $50,000.

The bill is expected to come before the House within the next 2 weeks. Its passage would go a long way toward strengthening the State's role in providing protection and compensation for victims of crime.

For the reasons I have outlined above, I have decided to vote against H.R. 365 and H.R. 366. The Federal Government should encourage States to set up their own programs to compensate victims of crime. Passage of these bills does little to encourage States to deal with this problem.

Mr. RODINO. Mr. Chairman, I rise to express my strong support for H.R. 366, legislation which provides benefits to the surviving dependents of law enforcement officers who are killed in the line of duty. I might remind my colleagues that because of the dedicated services of many public safety officers, we are able to live a little more peacefully and comfortably in today's turbulent society. In many tragic instances it is the public safety officer who sacrifices his life while preserving order in society and protecting our lives and property. All too often, however, the dependents of these public servants must rely on public charities or welfare to sustain themselves.

I am aware that there are those who believe it should be the responsibility of the States to adopt compensation programs for public safety officers. The unfortunate fact is that most States have not adopted such programs. Further, private charities which exist to assist the struggling families of slain officers are not adequate.

Though there is merit to the theoretical argument that governmental units—State, municipalities, or county governments should adequately compensate public safety officers, the fact of the matter is that they do not do so. As in the past, the Federal Government has intervened in many instances to provide financial assistance to the victims of a sudden natural disaster and we can indeed assist those families who find themselves in economic distress when the breadwinner meets an untimely death.

There are some who claim that this legislation will not help in our fight against crime. I might remind my colleagues that our efforts to curb crime in our society must be approached from many different directions. President Ford, himself, as a part of his program for law enforcement, has recommended legislation to adequately compensate the innocent victims of crime. Just as I support this concept and feel it is a proper Federal program, I feel that this legislation is not only proper, but necessary and I believe it will aid in recruitment and improve the morale of all public safety officers.

Passage of this legislation could indeed be a symbol of the respect of the Federal Government for the rule of law and for the men and women who enforce these laws and protect our society.

This legislation has received the overwhelming support of this body on two previous occasions and I urge my colleagues to approve H.R. 366.

Mr. GAYDOS. Mr. Chairman, the enforcement of our laws in many of our States is a 24-hour responsibility for many public safety officers. Since it is the function of our law enforcement officers to maintain the social order of our society and protect the lives and property of our citizens it is imperative that we support H.R. 366, the Public Safety Officers Benefits Act of 1976.

In essence our society requires public safety officers to go into places and situations where crime is rampant and to solve a situation which may indeed cost that public safety officer his life. I do not believe it is outrageous to ask that the dependents of such officers be given some security so that if a loss occurs to their loved one they do not have to depend on public organizations and welfare to survive.

This legislation provides a $50,000 lump sum to the surviving dependents of a law enforcement officer who is killed as the proximate result of an injury sustained in the line of duty. In many instances the salaries of police officers employed in crime prevention is not adequate for their families should they face an untimely death. I reiterate that such men and women provide unique services in protecting our society and consequently this minimum compensation should be provided to their surviving dependents.

It is entirely proper that the Federal Government provide this benefit to its law enforcement personnel. These courageous and dedicated individuals are our Nation's defense against those criminal elements who often operate across State lines. Just as victims of crime and members of the society turn to public safety officers for help when they are in trouble so we must respond to the needs of our policemen and correctional officers who request a financial security by providing for their dependents should they face an untimely death.

There are some who argue that this bill will do nothing to improve recruitment of public safety officers. The testimony received by the committee which considered this legislation from numerous segments of the criminal justice field indicate that recruitment would indeed be improved if the benefits of the profession were enhanced.

There are some who argue that this bill is contrary to States rights and that this responsibility should better be left to State and local governments. If we do not pass this legislation and provide a Federal gratuity, there is every indication that State and local governments will not provide adequate compensation for the men and women who daily risk their lives. This bill will not interfere or intervene into local matters. Instead, it is intended that this bill supplement local efforts to solve very human problems.

It seems to me that a great deal of attention is given to the rights of the accused and the processes by which our legal system deal with criminals. Too often, little attention is focused on the victims of crime or on the needs of those men and women who are responsible for enforcing our laws and preserving public safety. I do not feel it is too much to ask that our Government provide some degree of financial security to those individuals who protect our homes and businesses and maintain order in the society.

In recent years, our Federal Government has poured millions of dollars into the fight against crime. We have spent money to try to recruit and equip law enforcement agencies. I consider this legislation one more method, perhaps a far greater humane effort, in seeing to it that our society has the highest quality of men and women to enforce its laws. I know the successful passage of this bill will insure that public safety officers realize the depth of support the American people are willing to give their law enforcement personnel.

Mr. BURKE of Massachusetts. Mr. Chairman, this bill provides a payment, through the Law Enforcement Assistance Administration—LEAA—of $50,000 to the spouses or eligible dependents of law enforcement officers who die as a result of injury sustained in the performance of duty. The bill also provides an interim benefit payment of $3,000 to persons who can reasonably be expected to receive a final award under this legislation. That amount would, of course, be deducted from the final award. In cases of extreme hardship, where an interim payment had been made and a subsequent determination was made of ineligibility for the final award, that hardship would be taken into account, and repayment would not be demanded.

This is a sound, and responsible piece of legislation. Law enforcement is among the most hazardous of all professions. In the last 5 years alone it has claimed the lives of 628 law enforcement officers. Those lives were given up by men and women whose sole purpose was to safeguard the American public from the onslaught of crime. In many cases, their families were left with nothing more than memories, and whatever could be raised when his fellow officers passed the hat. Some State and local governments do, of course, have adequate death benefits. But that is hardly a universal situation. The wide disparity of coverage from one area to another has a direct impact on the number and quality of men and women who will enter careers in law enforcement. The result is that some areas are able to attract top personnel, and to concentrate on developing a high degree of professionalism, while other areas engage in a constant struggle to attract adequate numbers of people, of whatever ability, to enlist in the fight against crime. I hardly think that we can continue to tolerate that situation in present-day America.

I know that the Department of Justice would like to limit the scope of this legislation. The Department has argued that the death benefit should only be paid where fatalities occur as a direct or near-direct result of an actual crime. Such an approach is impossibly narrow and, in my view, totally unacceptable. By virtue of their profession, law enforcement officers are called on to handle a great many problems, at the risk of their own life, in which no criminal act is involved. Take, for example, the case of the pleasure-boater, or the swimmer who encounters trouble and is in danger of drowning. In almost every case, the first person to be summoned is a law enforcement officer. Obviously, no crime is involved, yet the officer faces a direct and immediate risk of losing his or her life in an attempt to save the victim. Are we going to determine that this is not a sufficiently worthwhile act to warrant coverage? I would hope not. I am pleased, therefore, that the Public Safety Officers Benefits Act does not adhere to the limitations recommended by the Justice Department. The bill specifically defines eligibility to cover the surviving dependents of law enforcement officers who die from injury sustained in the performance of their duty, without regard to the occurrence of actual criminal acts.

I know that some of my colleagues stand prepared today to argue that the Federal Government has no right to become involved in financing benefits for non-Government employees. But if upgrading and improving our national law enforcement capabilities is not in the national interest, I do not know what is. The rising crime rate, particularly with regard to the rapid increase of violent crimes, is surely a matter of national concern. Reversing that trend should be among our highest national priorities.

This legislation will improve and upgrade both employment opportunities and professionalism in a career area that can substantially reduce the high rate of crime. It is a bill which clearly recognizes the high risks involved in law enforcement, and addresses our national responsibility in encouraging the advancement of that profession. I strongly support H.R. 366, and I urge my colleague to join with me in voting for its passage.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

H.R. 366

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Safety Officers Benefits Act of 1975".

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, lines 3 and 4, strike out " 'Public Safety Officers Benefits Act of 1975' " and insert in lieu thereof: " 'Public Safety Officers Benefits Act of 1976' ".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. Title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding at the end thereof the following new part:

"PART J.—PUBLIC SAFETY OFFICERS DEATH BENEFITS

"SEC. 701. (a) In any case in which the Administration determines, under regulations issued under part F of this title, that an eligible public safety officer has died as the direct and proximate result of a personal injury sustained in the performance of duty, leaving a spouse or one or more eligible dependents, the Administration shall pay a gratuity of $50,000, in the following order of precedence:

"(1) If there is no dependent child, to the spouse.

"(2) If there is no spouse, to the dependent child or children, in equal shares.

"(3) If there are both a spouse and one or more dependent children, one-half to the spouse and one-half to the child or children, in equal shares.

"(4) If there is no survivor in the above classes, to the parent or parents dependent for support on the decedent, in equal shares.

"(b) As used in this section, a dependent child is any natural, illegitimate, adopted, posthumous child or stepchild of the decedent who at the time of the public safety officer's death is—

"(1) under eighteen years of age; or

"(2) over eighteen years of age and incapable of self-support because of physical or mental disability; or

"(3) over eighteen years of age and a student as defined by section 8101 of title 5, United States Code.

"(c) As used in this section, spouse includes a surviving husband or wife living with or dependent for support on the decedent at the time of his death, or living apart for reasonable cause or because of desertion by the decedent.

"(d) As used in this section, the term 'dependent for support' means more than one-half of the support of the dependent concerned.

"(e) As used in this section, the term 'law enforcement officer' means a person engaged in any activity pertaining to crime prevention, control, or reduction or the enforcement of the criminal law, including, but not limited to police efforts to prevent, control, or reduce crime or to apprehend criminals; activities of corrections, probation, or parole authorities; and programs relating to the prevention, control, or reduction of juvenile delinquency or narcotic addiction.

"(f) As used in this section, the term 'crime' means any act or omission which is declared by law to be a crime in the jurisdiction where the injury to the public safety officer occurred. Such an act is a crime for the purposes of this section notwithstanding the guilt, innocence, disability, or identity of the actor.

"(g) As used in this section, the term 'eligible public safety officer' means any individual serving, with or without compensation, a public agency in an official capacity as a law enforcement officer who is determined by the Administration to have been, at the time of his injury engaged in—

"(1) the apprehension or attempted apprehension of any person—

"(A) for the commission of a crime, or

"(B) who at that time was sought as a material witness in a criminal proceeding; or

"(2) protecting or guarding a person held for the commission of a crime or held as a material witness in connection with a crime; or

"(3) the lawful prevention of, or lawful attempt to prevent, the commission of a crime; or

"(4) the performance of his duty, where the activity is determined by the Administration to be potentially dangerous to the law enforcement officer.

"SEC. 702. (a) Whenever the Administration determines, upon a showing of need and prior to taking final action, that a death of a public safety officer is one with respect to which a benefit will probably be paid, the Administration may make an interim benefit payment not exceeding $3,000 to the person or persons entitled to receive a benefit under section 701 of this part.

"(b) The amount of any interim benefit paid under subsection (a) of this section shall be deducted from the amount of any final benefit paid to such person or persons.

"(c) Where there is no final benefit paid, the recipient of any interim benefit paid under subsection (a) of this section shall be liable for repayment of such amount. The Administration may waive all of part of such repayment, and shall consider for this purpose the hardship which would result from repayment.

"SEC. 703. (a) No benefit shall be paid under this part—

"(1) if the death was caused by the intentional misconduct of the public safety officer or by such officer's intention to bring about his death;

"(2) if voluntary intoxication of the public safety officer was the proximate cause of such officer's death; or

"(3) to any person who would otherwise be entitled to a benefit under this part if such person's actions were a substantial contributing factor to the death of the public safety officer.

"(b) The benefits payable under this part shall be in addition to any other benefit that may be due from any other source, but shall be reduced by—

"(1) payments authorized by section 8191 of title 5, United States Code;

"(2) payments authorized by section 12(k) of the Act of September 1, 1916, as amended (D.C. Code, sec. 4–531(1)).

"(c) No benefit paid under this part shall be subject to execution or attachment.

"SEC. 704. The provisions of this part shall apply with respect to any eligible public safety officer who dies as the direct and proximate result of a personal injury which is sustained on or after October 11, 1972.".

Mr. EILBERG (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with and that it be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, strike out line 20 and insert in lieu thereof the following: "(1) eighteen years of age or under; or"

The committee amendment was agreed to.

The remainder of the bill reads as follows:

SEC. 3. Section 520 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by inserting "(a)" immediately after "520" and by adding at the end thereof the following new subsection:

"(b) There are authorized to be appropriated in each fiscal year such sums as may be necessary to carry out the purposes of part J.".

SEC. 4. Until specific appropriations are made for carrying out the purposes of this Act, any appropriations made to the Department of Justice or the Law Enforcement Assistance Administration for grants, activities, or contracts shall, in the discretion of the Attorney General, be available for payments of obligations arising under this Act.

SEC. 5. The Administration is authorized to establish such rules, regulations, and procedures as may be necessary to carry out the purposes of this part J. Such rules, regulations, and procedures will be determinative of conflict of laws issues arising under this part J.

SEC. 6. The Administration may prescribe rules and regulations governing the recognition of agents or other persons representing claimants before the Administration. The Administration may, by rule and regulation, prescribe the maximum fees which may be charged for services performed in connection with any claim before the administration of this part, and any agreement in violation of such rules and regulations shall be void.

SEC. 7. In making determinations under section 701, the Administration may delegate such administrative functions to State and local agencies as it determines necessary and proper to the administration of this part. Responsibility for making final determinations would rest with the Administration.

SEC. 8. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

AMENDMENT OFFERED BY MR. EILBERG

Mr. EILBERG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EILBERG: Page 6, strike out lines 14 through 19 and insert in lieu thereof the following:

"SEC. 4. The authority to make payments under sections 701 and 702 of the Omnibus Crime Control and Safe Streets Act of 1968 (as added by section 2 of this Act) shall be effective only to the extent provided for in advance by appropriation Acts."

Mr. EILBERG. Mr. Chairman, this is a simple amendment which is designed to bring this legislation into conformity with the Congressional Budget Act of 1974.

Following committee action on this bill by our committee we were advised by the Budget Committee that both H.R. 365 and H.R. 366 violate section 401(b) of the Congressional Budget Act in that they provide new entitlement authority.

Consequently, I have assured the chairman of the Budget Committee and the Rules Committee that I would offer this amendment in order to convert these proposals from entitlement bills into pure authorization bills.

The amendment also eliminates the provision currently contained in the legislation which constitutes an appropriation on a legislative bill, and I have assured the Rules Committee that my amendment would eliminate this provision from the legislation. In the event this amendment is adopted, it is also my intent to offer a similar amendment to H.R. 365, and I urge my colleagues to support this amendment.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, I fully concur with the gentleman from Pennsylvania in support of this amendment as I did in my testimony on this matter before the Rules Committee. There was no intention on the part of our committee to avoid or ignore the normal proceedings set forth in the Budget Control Act.

I am pleased that the Rules Committee accepted our assurances that we would offer this amendment to correct the technical defect in this bill and urge the adoption of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. EILBERG).

The amendment was agreed to.

Mr. DANIELSON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

AMENDMENT OFFERED BY MR. DANIELSON

Mr. DANIELSON. Mr. Chairman, I offer an amendment, which I have designated as my amendment No. 1.

The Clerk read as follows:

Amendment offered by Mr. DANIELSON: Page 6, line 6, strike out "October 11, 1972." and insert in lieu thereof the following: "the date of the enactment of this part."

Mr. DANIELSON. Mr. Chairman, I want to make eminently clear at the beginning of my presentation that I shall not support—I repeat, I shall not support—this bill, regardless of whether my amendment is adopted.

In case there is any misunderstanding, I again state that even if my amendment is adopted, I shall vote against this bill; and I urge that all of my colleagues do likewise.

Mr. Chairman, the amendment which I have offered is a very simple one. This bill provides on page 6, line 6, that the gratuity should be paid to anyone specified who dies as a result of a personal injury which was first sustained on or after October 11, 1972.

Mr. Chairman, I want to point out that this bill is designed to be retroactive. It relates backward for a period of approximately 4 years.

Mr. Chairman, I am opposed, generally, on any occasion, to retroactive legislation. There is no justification whatever, unless the equities become so strong as to shock the conscience.

What is so important about October 11, 1972? Can anyone tell me why there should be a benefit paid to the beneficiary of someone who dies subsequent to October 11, 1972, but the same benefit does not accrue to the beneficiary of someone who died on the previous day, October 10, 1972, or October 1, 1972, or in September, or in July, or even in 1971?

Mr. Chairman, if we are going to reach backward into the past to find an appropriate beneficiary for this gratuity, what is so magical about October 11, 1972?

I will tell the Members what I surmise to be the reason, someone who is a friend of someone who is a friend of someone would be covered by the October 11, 1972, date, so we must go back that far on.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I do not yield at this time.

Mr. Chairman, I respectfully submit that if we are going to do equity in this or any other bill it should become effective as of the effective date of the bill and not earlier.

In the event my amendment should fail, then I propose that if there is virtue in going back to October 11, 1972, then let us go all the way back. If October 11, 1972, is good, what is wrong with October 11, 1970, or 1965, or 1960? Let us then just make it retroactive. You know, there have been a lot of good men, tried and true, who have been killed since 1789, when our Constitution was adopted, so if we are going to be retroactive, then let us be retroactive, not selectively but generally, for the benefit of all of those who might otherwise come within the purview of this law.

That is the extent of my amendment, Mr. Chairman, and I strongly urge its support. There is no basis or equity for any other course, and I urge that the Members vote for my amendment.

Now I will yield to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, I thank the gentleman for yielding. The gentleman from California undoubtedly knows that on October 11, 1972, legislation practically identical to this bill passed this House by unanimous consent.

Mr. DANIELSON. I thank the gentleman and I yield no longer. I hope I can straighten that out because it just happens that on October 11, 1972, I was seated at that microphone as the assistant whip while our then late great majority leader, Hale Boggs, was presiding and we were hurriedly trying to get through a lot of bills before adjournment on the evening of October 11, 1972, and we took up many bills from the Committee on the Judiciary, all of which were passed under suspension of the rules with, I dare say, not even Mr. Boggs and myself being aware of their content. There was no considered judgment on the passage of this bill in 1972. Thank goodness it did not pass in the other body and never did become the law.

If there are any other questions, I will be glad to yield.

Mr. SEIBERLING. Will the gentleman yield again?

Mr. DANIELSON. I yield to the gentleman from Ohio.

Mr. SEIBERLING. The gentleman from California is also aware, I presume, that the bill was passed in the House on April 24, 1974, by a vote of 320 to 54, so the implication that it has never been considered by the House does not hold air.

Mr. DANIELSON. That is correct.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. DANIELSON was allowed to proceed for 1 additional minute.)

Mr. DANIELSON. Mr. Chairman, I would simply state that I was present in this Chamber on the 24th day of April, I believe it was, and I opposed the bill. I submit that this bill is an outrage and should be stricken down.

Mr. EILBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have had some debate about the significance of October 11, 1972. Indeed the House did act unanimously on that date. As the chairman of the subcommittee that brought the legislation before the House then, and who has continued in that position, I can assure the Members of the House that there has been continuous activity on and interest in this legislation ever since that time. I have heard from any number of the Members. I have had correspondence from all over the land. This interest has been continuous from the date of the passage on October 11, 1972, until now. I suggest, Mr. Chairman, that any date, whether it is the date of passage of the bill, or the effective date—whenever the bill becomes law—or any prospective date, they are all arbitrary dates.

I would say to the gentleman from California (Mr. DANIELSON) that there is nothing magic in having the effective date being the date on which the President signs the legislation. I say that that is another arbitrary date. So I say, Mr. Chairman, let us pick a date which has some particular meaning.

I say also, Mr. Chairman, that following October 11, 1972, and this has been referred to in the debate, after the bill passed the House that a great many police officers were killed, and the expectations of a large number of the survivors of the public safety officers were raised, and the thought has been with them throughout this kind of a gratuity would be forthcoming to them.

There have been a number of tragic killings of law enforcement officers. One can only pick up the paper almost every day and see the tragic killings that have taken place. I believe it would be unfair to deny benefits to their dependent survivors, especially when we consider that it has passed both the House and the Senate on two previous occasions.

I might say finally, Mr. Chairman, that there have been a number of tragic deaths that have occurred since October 11, 1972. I hold in my hand a chart reflecting that 398 police officers and 202 firemen have died tragically and would be covered by this bill if the October 11, 1972, date is accepted. I say that the retroactive date October 11, 1972, should be retained.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I am interested in the number of deaths and injuries that the gentleman has referred to going back to the date of the proposed retroactivity. I wonder if the gentleman could tell the Members how much that will cost if we go back retroactively to that date.

Mr. EILBERG. Let me say that the total cost of both bills would be about $18 million for the next fiscal year, retroactively—let me say that retroactively for both groups it would be approximately $50 million.

Mr. EVANS of Colorado. I would ask the gentleman from Pennsylvania whether his committee is going to try to cover other State and local officials with this kind of death benefits, too?

Mr. EILBERG. We have no intentions of extending it any further. This is the minimal intrusion on the part of the Federal Government. We feel this money is necessary. We feel that the facts are tragic in that the State and local municipalities have failed to cover this need for decades and we simply have to do something about it. We are not entering the field for the first time, LEAA has already entered the field.

Mr. EVANS of Colorado. With all due deference to the chairman of the committee, I cannot support this bill. I think it is a bad precedent. I hope the bill is defeated.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I yield to the gentleman from California.

Mr. PHILLIP BURTON. Mr. Chairman, I commend my distinguished chairman of the Committee on the Judiciary for moving this legislation. Our public safety people have jobs where they have to risk life and limb, jobs which I suspect very few if any of our colleagues would be willing to take on themselves and put themselves in those shoes.

With respect to the retroactive provisions I would like to note that it is even more inequitable to forget those who would otherwise have come under this provision if it were only prospective. If we were to make any criticism at all it would be that the 4 years retroactive provision is inequitable and inadequate in terms of its meager provisions as far as those who have had this situation thrust upon them and their families and that they should be given some recognition.

It is all too seldom, I think, that we have some opportunity to provide some measure of justice. For myself I do not know of any others than the personnel of the police and fire departments who would be subject to such provision. But that is not before us. But it is really silly to state if the provision is not universal it should not be done at all. That is no reason not to do it in this situation where the demonstrated need is so clear and unambiguous, and I hope this measure meets with the approval of the House.

Mr. SEIBERLING. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

I will not take the full 5 minutes but I would like to respond to the gentleman from California. First of all I am frank to say that a few days after October 11, 1972, a young policeman in my district was killed in pursuing a criminal. He had a young wife and small children. It was some consolidation to that widow that at least it appeared that the Congress of the United States was going to do something to prevent her from being totally destitute. At that point the bill had been passed by the House and the Senate. Because of circumstances, the conference report, even though it was reported out, could not be adopted by the House and Senate because the House adjourned. Now, we have a situation where over 400—and I suspect it is closer to 1,000—law enforcement personnel and firefighters have been killed since that date. The local governments knew about this bill, and many of them, because of the tremendous support that was evidenced in Congress, assumed—and the widows assumed—that the Congress was going to act on this.

For various reasons involving the other body we have not been able to get a bill out until this time, and we are trying to make good on the implied promise that was made by this House when we adopted this bill by unanimous consent on October 11, 1974.

Mr. BURKE of Florida. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Florida.

Mr. BURKE of Florida. I thank the gentleman for yielding.

I would like to compliment the chairman and compliment the present speaker for supporting the bill itself and being opposed to the retroactive amendment. I think it is important to note that we passed this bill twice, and the Senate approved it once. I think it is about time now that both parts of the Congress decide that this is an important bill. It is one that the States themselves will not face up to, and I think it is about time that those who protect the American people get some support.

I thank the gentleman for yielding.

Mr. SEIBERLING. I thank the gentleman, and I share his views.

Mr. Chairman, I yield back the remainder of my time.

Mr. MOSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment which makes an incredibly bad piece of legislation less objectionable. But this legislation ought to be regarded not only by the Federal taxpayers but by local taxpayers as an outrageous intrusion of the Federal Government into the fields of responsibility properly reserved to the States and to the local governments. There is no equity in this bill. Public safety officers in many, many jurisdictions are well provided for in the event of death in the line of duty, and if they are not, at least it is the responsibility of the House of Representatives of the United States.

To try to sell the fallacious argument that because the House—a previous House, I might add—acted with a lack of wisdom through approving this on the Consent Calendar is not an argument of substance. When it was considered and debated, I am very proud of the fact that I was one of the 54 to vote against the legislation on that occasion. I have not had any kind of outcry from my district condemning me for my lack of humanity toward the police officers or toward the firefighters. I wonder where we should stop.

I know that there are other dedicated municipal servants who die or who are killed in the line of duty. Where do we draw a line if we are going to treat them equitably? What about the community that has no system of compensation for its public employees in the event of a death or disability as contrasted to the one that has a very generous system such as occurs in my State and many others? Are we not to have any kind of a test here? I think this is one of the most outrageous, almost approaching the level of profane, pieces of legislation that I have seen in this House.

I would strongly urge my colleagues not to embark on this path. This is a very dangerous one. It is a never ending one that is going to drag the Federal Government further and further into the business of the States, of the municipalities, and it is a role we have no right to assume, and I hope we will not.

I am probably not so naive as to feel that the bill is going to be defeated; but at least, it is not going to be passed with my vote.

Mr. EILBERG. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from Pennsylvania.

Mr. EILBERG. Mr. Chairman, I would like to point out to the gentleman and to the Members, we have had extensive hearings on the legislation. This is not something we thought about yesterday.

Mr. MOSS. Let me say, I did not indicate that this was just thought about yesterday; but I do not think it was thoroughly thought about today.

Mr. EILBERG. Mr. Chairman, will the gentleman yield further?

Mr. MOSS. Yes; of course.

Mr. EILBERG. If the Members will refer to the last hearings on this, look at pages 94 and 95, pages 151 and following; on pages 94 and 95 they will find the amount of lump-sum cash benefits that are provided all over the country. There is a wide disparity. It is obvious that many States and localities are not facing up to their responsibilities.

Mr. MOSS. That is the responsibility of the States and cities and not a Federal responsibility. The same lack of equity applies to every other municipal and State employee. Why target two groups? What we are going to cause is a broadening of the term "public security officer" in the States. We are going to have our lifeguards, our park guards, we are going to have an endless expansion in order to bring them under this payment of a gratuity.

This is a dangerous road. I know what I am talking about, and I can only say I find it unbelievable that this committee would report to this House a piece of legislation of such potentially damaging reach and infringement upon the appropriate role of local government.

The CHAIRMAN. The time of the gentleman from California has expired.

(At the request of Mr. SEIBERLING, and by unanimous consent, Mr. Moss was allowed to proceed for 1 additional minute.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. MOSS. Of course, I yield the 1 minute to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I have unusual respect for the gentleman in the well. I do not take the gentleman's opinions lightly, but I suggest if the gentleman had seen the entire hearing record and listened to the testimony that we had, that the gentleman would not, perhaps, hold his opinion quite as strongly as the gentleman does.

Does the gentleman support the concept of the Law Enforcement Assistance Act in order to help local communities do a better job of fighting crime?

Mr. MOSS. I do not think we can compare the two at all. I do not think that we can compare the two; but if the gentleman wants to ask me if I support every feature of the Law Enforcement Assistance Act, I will tell the gentleman that I do not.

I think that we are wasting enormous sums of money. I think the budget for the LEAA has reached the point where it exceeds the total of the budget for the rest of the Department of Justice. It is growing at an uncontrolled and almost uncontrollable rate.

Mr. WIGGINS. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the amendment.

Mr. Chairman, I support the amendment of the gentleman from California (Mr. DANIELSON) and I endorse the comments of my colleague, the gentleman from California (Mr. MOSS).

Mr. Chairman, I want to take only a moment to make an observation or two with respect to the agrument repeatedly made that States and cities are not living up to their responsibilities to provide an appropriate death benefit to their own employees. That argument is a self-fulfilling prophecy. Some years ago when Congress held out the promise that we were going to relieve the States of their responsibilities to provide death benefits to police officers, the States stopped in the exercise of that responsibility themselves, naturally.

Mr. EILBERG. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Pennsylvania.

Mr. EILBERG. Mr. Chairman, my own State of Pennsylvania has not followed that psychology. A $25,000 lump-sum benefit has passed one House and is pending in the other House and the chance of passing it in Pennsylvania is very good.

Mr. WIGGINS. Mr. Chairman, I commend the gentleman's State. That State's action is a powerful argument that this House should not take such action at all. The record is clear, however, that all States have not been so responsive to this problem and the reason they have not is that they hope we will take them off the hook.

The sooner we put this issue to rest, the sooner the States will assume a responsibility which is theirs.

Mr. HANNAFORD. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from California.

Mr. HANNAFORD. Mr. Chairman, I appreciate the gentleman yielding to me.

Is it not true that the Federal Government has itself failed to accept its "responsibility" for its own many thousands of firefighters and peace officers?

Mr. WIGGINS. Yes, the action of the Federal Government with respect to its own employees is a patchwork, very frankly. We have a different treatment of servicemen than we do of our FBI and Secret Service. We have a different treatment for D.C. police officers than we do for any others. It is a patchwork exercise of responsibility, I will say to my colleague, and does no great credit to this House.

Members of the committee, I urge support for the Danielson amendment, and however that amendment is resolved by the House, I urge defeat of this bill.

Mr. FISH. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I think the arguments have been made here and this body has acted twice on this measure. It is very clear that we have held out an expectation of benefits, not to State governments and not to municipalities, but to individuals, the families and the survivors of slain public safety officers.

Mr. Chairman, mention was made by the gentleman from California (Mr. MOSS) in the well a few moments ago that his State was one of the ones that was responsive to this problem. I would just like to point out that we are talking about life insurance, about life insurance taken in behalf of a municipality for its police forces. In cities of over 1 million, Los Angeles has none. In cities between one-half million and 1 million, San Francisco has none. San Diego has $1,000. In cities between 250,000 and 500,000, Long Beach, Calif., has none. In cities with a population of 100,000 to 250,000 Riverside, Calif., has none. San Bernardino, Calif., has $1,000.

Mr. Chairman, aside from the possibility of receiving life insurance under group policies that would pertain to all peace officers, which we have seen is very uneven and inadequate coverage, we have an additional question here. A man may be under a pension plan at the time of his death. However, here we have an interesting statistic. A number of police officers are slain within the first 5 to 10 years of their service, and it is a disgraceful situation as to how few municipalities permit vesting within the time frame when an enormous number of these peace officers are slain. The result is that we have in many cases survivors who have not received any insurance, but also do not benefit from their husband's pension.

I urge the defeat of this amendment.

Mr. BIAGGI. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, we have made our observations and arguments in connection with this legislation during debate, but I guess that at least one facet of those arguments remains to be repeated. I raised the potential argument that might be offered by the adversaries of this legislation that it was not within the purview of Federal jurisdiction, but really belongs to municipalities and to the political subdivisions—and perhaps I may conclude that it does—but the fact is that they have failed miserably, and there is no reason in the world to expect that they will change their attitude at this point.

We have found illustration after illustration where common decency, morality and legislative intent fell on the shoulders of municipal administrators, and they did not respond. We find in this bill, as well as the Congress working with legislation in civil rights, in education, in housing, et cetera, where the responsibility is primarily and fundamentally on localities.

They unfortunately did not respond. The Federal administration did. The obligation is as compelling here. The author of the amendment, the gentleman from California (Mr. DANIELSON), stated that he is simply against retroactivity as a policy, except for some compelling equity. What more compelling equity can be found than in the misery and in the sorrow that we find in survivors who are left destitute, who are left with food stamps and social welfare, with the loss of their breadwinner, which puts them at a very distinct disadvantage.

Mr. Chairman, put aside the emotion, put aside the loss. Do not we, as representatives of the people, have the responsibility? Again I say this to the Members: How many funerals have they attended and shared in compassionate and consoling remarks during the course of their lifetime, knowing full well the municipality had failed miserably?

Mr. Chairman, this is an opportunity to do something.

The gentleman from California, the author of the amendment, mentioned the date of October 11, whether that was a date specially picked because some Member had a survivor who needed assistance. If it were, it is sufficient justification. The fact is, it was not.

October 11th is very significant. It is the day on which the 92d Congress passed unanimously similar legislation.

The gentleman stated that it was one of those days when suspensions went by and the House was unaware of what transpired. That is a sad reflection, a sad commentary, and it is certainly without basis

Let us look at the second date, the 93d Congress, where the Congress again voted 320 to 54. There was certainly deliberation. There was certainly argument. There was obviously controversy. It was passed. And do the Members know what makes it even more unique? The author of the amendment was a gentleman who voted for the bill.

Mr. DANIELSON. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from California (Mr. DANIELSON).

Mr. DANIELSON. I thank the gentleman for yielding.

Mr. Chairman, I have opposed this bill ever since it passed under suspension in the 92d Congress. I just want the record to be straight.

Mr. BIAGGI. Mr. Chairman, I would refer the gentleman to the CONGRESSIONAL RECORD of April 24, 1974, at page 11719, rollcall 181, where the name Danielson appears under the ayes.

Mr. DANIELSON. If the gentleman will yield further, I will respond that if it does—and I shall not doubt the gentleman's word—that that would be an error. If the gentleman will check the RECORD for that day, he will find that I took the well of the House and argued as forcefully as I could against the bill.

Mr. GUDE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman I rise in opposition to the amendment and in support of H.R. 366. When I entered Congress 10 years ago, crime was a national problem and, if anything, it is a bigger national problem today. This Congress would never have established LEAA and poured millions and millions of dollars into it if it were not a national problem.

Mr. Chairman, there has been talk about the long hand of the Federal Government reaching down and involving itself in local and State matters. Certainly if there is any way we should help the local and State governments, it is with this legislation which has no strings attached to it whatsoever. This provides for simple acts of restitution to the widows and children of men who have been killed in the line of duty.

In the past 15 years, the number of law enforcement officers killed in the line of duty has risen by over 300 percent. Last year alone, the tragic toll came to 124. Many Members will recall that just 1 month ago in my home district of Montgomery County, Md., two police officers pursuing a suspect in a bank robbery were ambushed and shot down. They died a short while later from their wounds.

One of the officers, Capt. James E. Daly, was instrumental in founding the Montgomery County Police Academy, a veteran of 20 years, and a highly respected member of the police force and community which he served. He is survived by a wife and three teen-aged children.

The second officer, John M. Frontczak, was an 8-year veteran of the force and had been cited many times for his meritorious service. Mr. Frontczak, who had recently been promoted to corporal, is survived by his wife and two small children.

Because these officers were killed while pursuing a person who had robbed a federally insured savings and loan, their families will most likely receive compensation from the Federal Government. There are provisions in current law to provide financial aid for survivors of officers killed while assisting in the investigation of Federal offenses. In addition, Montgomery County provides some benefits.

Many officers slain each year in the United States are not covered by sufficient benefits. Members of small forces serving small jurisdictions often do not have strong insurance or death benefits programs. Nor do most policemen receive salaries sufficient to build adequate estates which would care for their families.

I do not think that it is in the national interest to allow these men to risk their lives for the good of all society and yet do nothing for them should they be killed while enforcing State laws.

Crime is a national problem. Criminals do not observe the fine geographic and political boundaries separating one jurisdiction from another. Good law enforcement in one jurisdiction contributes to the public safety of neighboring areas and of the Nation as a whole. The Federal Government has an obligation to promote law enforcement nationwide, and a responsibility to those who work to insure the public safety.

As the figures indicate, law enforcement has become an increasingly hazardous profession. A law enforcement officer has the right to expect that his wife and his children will be financially secure should he lose his life while on the job. The fear of leaving a family uncared for is a disincentive to the type of individual responsible and high-quality law enforcement needs.

We are not talking about volunteer lifeguards or individuals who with a momentary spurt of courage help out a neighbor or a friend, but people who devote their life to a dangerous career in order to promote the public safety.

Mr. Chairman, I certainly hope this amendment is defeated and the bill is enacted.

Ms. HOLTZMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, it is seldom that I disagree with the very distinguished chairman of the subcommittee, the gentleman from Pennsylvania (Mr. EILBERG), and especially on a matter that is as important as this which deals with the problem of police and local law enforcement. But I think that the amendment is a wise one and the bill is not a wise bill.

I would urge that the amendment be adopted and the bill be defeated. I do so, because it seems to me we must recognize at this point a few fundamental facts. We must recognize that this bill has nothing to do with protecting anyone against crime, and we must recognize that this bill does not deal with the problem that has been eloquently addressed here; namely, that there may be inadequate compensation on the local level for survivors and inadequate compensation in general for police officers.

I think it is shocking and appalling that there is not adequate compensation for police officers, but this bill does not even begin to address that issue. This bill singles out only a specified group of people in certain specified kinds of instances and gives them a gratuity. It does not deal with the problem of the permanently disabled police officer. Neither that permanently disabled police officer who may have been injured in the line of duty nor his family is assisted by the bill.

What happens if a policeman on his way home after a day that is very dangerous, is involved in an automobile accident and is killed? There is not a single penny in this bill that would assist his family.

This bill, in the manner it tries to provide gratuity, is therefore arbitrary and discriminatory. I think it is appalling, as I said before, that there may not be adequate compensation for police officers or survivors on the local level, but let us not kid ourselves into thinking that this bill in any way addresses the serious problems that may exist on the local level with respect to inadequate compensation to police officers, inadequate benefits in terms of disability payments to police officers, or inadequate survivors' benefits. Let us not kid ourselves about that.

Mr. SEIBERLING. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Of course, Mr. Chairman, in the case where a policeman is walking home or driving home and is killed in an automobile accident, that is a risk he takes, and it is the same risk any other citizen takes.

What this bill is trying to do is to take care of the risk that the policeman takes that other citizens do not take by virtue of the fact that he is a law enforcement officer and is exposed continually, day after day, to violent crime.

Ms. HOLTZMAN. But, Mr. Chairman, the gentleman and the advocates of this bill have said that there is an appalling lack of adequate compensation for police officers on a local level. I am not disagreeing with that. What I am saying to the gentleman is that the bill does not deal with that fundamental problem nor does it deal with the problem of a disabled policeman who is shot in the line of duty and becomes permanently disabled. What happens to his survivors in such circumstances?

That is why I say this bill selects in an arbitrary and discriminatory fashion people to compensate.

Second, I also agree that the compensation should be adequate, but I believe that we ought to encourage State and local governments to deal with the problem of paying benefits on a comprehensive basis.

Mr. EILBERG. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from Pennsylvania.

Mr. EILBERG. Mr. Chairman, does the gentlewoman not recall that in the subcommittee we decided against providing money for permanently disabled policemen on the basis that this is a step in the direction of a Federal police force, and we wanted to have minimum involvement in that field? Was that not the decision of the majority of the subcommittee?

Ms. HOLTZMAN. Mr. Chairman, that is the problem we get into with this legislation. We ought to be encouraging States and local governments on a comprehensive basis to improve compensation for police officers and law enforcement officers and not pick out a single particular group in certain circumstances and try to do them justice.

Mr. EILBERG. Mr. Chairman, will the gentlewoman not agree that any effort on the part of the Congress to provide additional compensation would make available an unconscionable number of dollars, as compared with the very small investment of funds contained in our bill?

Ms. HOLTZMAN. I think there are other ways to achieve the objectives.

Mr. RANGEL. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from New York.

Mr. RANGEL. Mr. Chairman, I have the deepest respect for the opinions of the gentlewoman in the well, and I can understand how insurance may not be considered as compensation; but would not the gentlewoman from New York (Mrs. HOLTZMAN) agree that when a person is considering entering such a dangerous occupation, it is a part of that portfolio of compensation to consider the benefits to the widow and the children if, in fact, the person was killed?

Ms. HOLTZMAN. Surely.

Mr. RANGEL. Therefore, this has to be considered as a form of compensation even though it is not so comprehensive as we would like.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. DANIELSON).

The amendment was rejected.

AMENDMENT OFFERED BY MR. DANIELSON

Mr. DANIELSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANIELSON: Page 6, line 3, insert immediately after the word "apply", the word "retroactively"; page 6, line 5, strike out "which is sustained on or after October 11, 1972." and insert in lieu thereof the following: a period immediately after the word "injury".

Mr. DANIELSON. Mr. Chairman and members of the committee, I will not take the full 5 minutes on this amendment, but I will briefly explain the thrust of my offered amendment. It is this: that while with this amendment we would retain the retroactive feature, we would not impose the artificial limitation of October 11, 1972, we would make the bill truly retroactive.

Mr. Chairman, the loss, the sorrow, the heartache of those who survived those who died as a result of an injury before October 11, 1972, is as great as that of those who died on or after October 11, 1972.

As the poet said:

> The quality of mercy is not strain'd. It droppeth as the gentle rain from heaven upon the place beneath;

Mr. Chairman, this gratuity should drop as the gentle rain from heaven. It should not be selective or be dependent on the arbitrary date on which the injury took place. It should go with fairness to all who are similarly situated.

Mr. Chairman, if we are going to be retroactive, if this is wholesome, if this is equitable, if this is in keeping with our natonal policy, then let us show true humanity and reach back so as to provide this gratuity to all of those who have suffered.

Mr. FISH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to address a question to the chairman of the committee, the gentleman from Pennsylvania (Mr. EILBERG).

Despite my admiration for my colleague, the gentleman from California (Mr. DANIELSON), and my deep respect for him, I think he is having a little fun with the House at a time when many Members have travel plans.

I wonder whether the chairman is considering asking for a count of how many Members do want to address the House on this issue, so that we might have a limitation of time in considering this amendment.

How many Members do want to speak, just one or two?

Mr. EILBERG. Mr. Chairman, if the gentleman will yield, it will be just a few Members, I think. This matter will wind up very quickly, I think, in response to the gentleman's basic question.

Mr. FISH. The chairman thinks that it will be a matter of two or three Members?

Mr. EILBERG. Yes, I think so.

Mr. RUSSO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am sure that my colleague, the gentleman from California (Mr. DANIELSON), really is not serious in hoping that this amendment passes, for several reasons. First of all, the proponents of the amendment have not discussed the cost factor that is involved. Second, I am sure that the author does not have a plan he is willing to submit to the Congress as to how proof of eligibility would be established for cases going back to 1789.

Mr. Chairman, I think we should take this amendment and dismiss it immediately and get on with the work of the Congress.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. DANIELSON).

The question was taken; and the Chairman announced that the noes appear to have it.

Mr. DANIELSON. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. GIBBONS

Mr. GIBBONS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GIBBONS: At the end of the bill add a new section as follows:

"All benefits paid as a result of the provisions of this act shall be paid and deducted from such sums that are due or may become due to the employer of the deceased from the General Revenue Sharing funds."

Mr. GIBBONS. Mr. Chairman, the Federal Government lays out about $6 billion a year in general revenue sharing funds to the State and local governments. These governments are the employers of these people. These are the governments who are responsible for paying the benefits. We are not appropriating it from tax funds that they raise, we are appropriating it from tax funds that we raise. I think it is simple business that if we are going to require this to be paid that it come out of the Federal share of the general revenue sharing funds that we appropriate here. That is all my amendment does.

If there are any questions I will be glad to try to answer the questions.

Mr. PATTISON of New York. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman from New York.

Mr. PATTISON of New York. Mr. Chairman, in other words the gentleman's amendment—which I think is an excellent amendment—is essentially saying that we accent what the committee says when it says that the State and localities have not done their job and that therefore we are going to require them to do their job and have them do it out of their own money, and not out of the money belonging to those who have done their job?

Mr. GIBBONS. We are going to take it out of the General Revenue funds that we give them and pay them that way.

Mr. PATTISON of New York. I think that is a very good amendment, and I certainly support it.

Mr. MINISH. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman from New Jersey.

Mr. MINISH. I thank the gentleman for yielding.

The revenue sharing plan expires in December, as I understand it; is that correct?

Mr. GIBBONS. I understand it is going to be renewed.

Mr. MINISH. We do not know that.

Mr. GIBBONS. There is plenty of time to renew it. I said all funds due or to become due, so I am sure there will be plenty of funds there.

Mr. MINISH. Will the gentleman yield further?

Mr. GIBBONS. I will be glad to yield.

Mr. MINISH. If the legislation is not passed, then there are no funds due.

Mr. GIBBONS. We can modify them and change it back if it should fail to pass. I doubt that the general revenue funds will fail to pass.

Mr. Chairman, I think this is a responsible amendment. It takes care of the benefits that this House seems to want to pay, and I think it is the proper way to do it.

If there are any other questions, I will be glad to answer them.

Mr. Chairman, I yield back the remainder of my time.

Mr. EILBERG. Mr. Chairman, I rise in opposition to the amendment.

I would like to observe preliminarily—and I am sure it is an oversight on the part of my colleague, the gentleman from Florida; of course, we do not have a copy of the amendment, so we did not have any notice of it—that it occurs to me that as a Member of the House there are good reasons against this amendment.

As has been indicated, revenue sharing expires at the end of the year. We have no idea whether it is going to be renewed, or whether it is going to be renewed for 1 year or several years. I am sure each of us is hearing from our municipalities and our States of the terrific burdens that they now have and the vast dependence that they have on revenue-sharing money, and how they just cannot meet their present obligations. There is already great dependence on existing revenue-sharing funds.

We just do not know—none of the States know, and certainly they have no opportunity to know—what share of *x* number of dollars of revenue money would be deleted from their revenue-sharing funds. In other words, this amendment, I think, has not been carefully thought out. We are taking money away from the States and municipalities that badly need it. Perhaps we should be increasing those funds under appropriate legislation. I think this is a step in the wrong direction, and I ask my colleagues to vote this amendment down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. Gibbons).

The question was taken; and on a division (demanded by Mr. Gibbons) there were—ayes 33, noes 22.

Mr. EILBERG. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The pending business is the demand of the gentleman from Pennsylvania (Mr. Eilberg) for a recorded vote.

A recorded vote was refused.

So the amendment was agreed to.

The CHAIRMAN. There being no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. Meeds, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 366) to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty, pursuant to House Resolution 1156, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. EILBERG. Mr. Speaker, I demand a separate vote on the so-called Gibbons amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: At the end of the bill add a new section as follows:

"All benefits paid as a result of the provisions of this act shall be paid and deducted from such sums that are due or may become due to the employer of the deceased from the General Revenue Sharing funds."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. Gibbons) there were—ayes 42, noes 49.

Mr. GIBBONS. Mr. Speaker, on that I demand a recorded vote.

A recorded vote was refused.

Mr. GIBBONS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 98, nays 202, not voting 132, as follows:

[Roll No. 219]

YEAS—98

Abdnor
Adams
Alexander
Allen
Anderson, Calif.
Armstrong
Ashbrook
Bafalis
Bauman
Bennett
Bolling
Brooks
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Byron
Cederberg
Clawson, Del
Cochran
Collins, Tex.
Conable
Corman
Cornell
Daniel, Dan
Daniel, R. W.
Danielson
Davis
Dickinson
Dingell
Edwards, Ala.
Edwards, Calif.
Erlenborn
Evans, Colo.
Evins, Tenn.
Fascell
Fenwick
Fisher
Flynt
Gibbons
Goodling
Haley
Hammerschmidt
Hefner
Henderson
Hicks
Holt
Hughes
Hutchinson
Jarman
Jones, Okla.
Kastenmeier
Kindness
Latta
Lehman
Lent
Lloyd, Calif.
Long, Md.
Lott
McClory
McDonald
McEwen
Meeds
Michel
Milford
Miller, Calif.
Mills
Moorhead, Calif.
Moorhead, Pa.
Moss
Mottl
Obey
Pattison, N.Y.
Pettis
Poage
Pritchard
Rees
Regula
Robinson
Rogers
Roncalio
Rousselot
Ryan
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Stephens
Stratton
Taylor, Mo.
Treen
Whitten
Wiggins
Wilson, Bob
Young, Alaska
Young, Fla.
Zablocki

Rooney
Rose
Rostenkowski
Runnels
Ruppe
St Germain
Sarbanes
Sikes
Skubitz
Smith, Nebr.
Snyder
Solarz
Staggers
Stanton,
J. William
Stanton,
James V.
Stark
Steiger, Ariz.
Steiger, Wis.
Stuckey
Sullivan
Symington
Teague
Thompson
Thornton
Udall
Vander Jagt
Waggonner
Wampler
White
Whitehurst
Wilson, C. H.
Wilson, Tex.
Wolff
Wydler
Young, Ga.
Young, Tex.

NAYS—202

Abzug
Addabbo
Ambro
Anderson, Ill.
Andrews, N.C.
Andrews,
N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Beard, R.I.
Beard, Tenn.
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bonker
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burke, Calif.
Burke, Mass.
Burton, Phillip
Carney
Carr
Chisholm
Clausen,
Don H.
Clay
Cleveland
Conte
Coughlin
Crane
D'Amours
Daniels, N.J.
Delaney
Dellums
Derwinski
Devine
Downey, N.Y.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Eilberg
English
Evans, Ind.
Fary
Findley
Fish
Fithian
Flood
Florio
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Gaydos
Gilman
Ginn
Gonzalez
Grassley
Green
Gude
Guyer
Hagedorn
Hall
Hamilton
Hanley
Hannaford
Harris
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hightower
Holland
Holtzman
Howard
Hubbard
Hyde
Jeffords
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jordan
Karth
Kemp
Koch
Krebs
LaFalce
Lagomarsino
Landrum
Leggett
Levitas
Lloyd, Tenn.
Long, La.
McCormack
McDade
McFall
McHugh
McKinney
Madigan
Mahon
Mann
Martin
Matsunaga
Mazzoli
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moore
Murphy, Ill.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
O'Brien
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson,
Calif.
Perkins
Pike
Pressler
Price
Quie
Railsback
Rangel
Reuss
Rhodes
Richmond
Rinaldo
Roe
Rosenthal
Roush
Roybal
Russo
Santini
Sarasin
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Simon
Sisk
Slack
Smith, Iowa
Spellman
Spence
Steed
Steelman
Stokes
Studds
Symms
Talcott
Taylor, N.C.
Thone
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Winn
Wirth
Wright
Wylie
Yates
Yatron
Zeferetti

NOT VOTING 132

Archer
Baucus
Bedell
Bell
Bevill
Boggs
Bowen
Broomfield
Broyhill
Burgener
Burton, John
Butler
Carter
Chappell
Clancy
Cohen
Collins, Ill.
Conlan
Conyers
Cotter
de la Garza
Dent
Derrick
Diggs
Dodd
Downing, Va.
Emery
Esch
Eshleman
Flowers
Foley
Frenzel
Frey
Fuqua
Giaimo
Goldwater
Gradison
Hansen
Harkin
Harrington
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Heinz
Hillis
Hinshaw
Horton
Howe
Hungate
Ichord
Jacobs
Jenrette
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kasten
Kazen
Kelly
Ketchum
Keys
Krueger
Litton
Lujan
Lundine
McCloskey
McCollister
McKay
Macdonald
Madden
Maguire
Mathis
Melcher
Mink
Moffett
Mollohan
Montgomery
Morgan
Mosher
Murphy, N.Y.
Myers, Ind.
Nichols
Nix
O'Hara
Paul
Pepper
Peyser
Pickle
Preyer
Quillen
Randall
Riegle
Risenhoover
Roberts
Rodino

The Clerk announced the following pairs:

Mr. Thompson with Mr. Kazen.
Mrs. Boggs with Mr. Staggers.
Mr. Hébert with Mr. Stark.
Mr. Howe with Mr. Bell.
Mr. Sikes with Mr. Esch.
Mr. Waggonner with Mr. Eshleman.
Mrs. Keys with Mr. Heinz.
Mr. Bowen with Mr. Macdonald of Massachusetts.
Mr. Wolff with Mr. Madden.
Mr. Murphy of New York with Mr. Lujan.
Mr. Jacobs with Mr. Maguire.
Mr. Chappell with Mr. Clancy.
Mr. Bevill with Mr. Kelly.
Mr. Conyers with Mr. McCloskey.
Mr. de la Garza with Mr. Archer.
Mr. Derrick with Mr. Carter.
Mr. Hays of Ohio with Mr. Frenzel.
Mr. Dodd with Mr. Goldwater.
Mr. Krueger with Mr. Cohen.
Mr. Jones of Tennessee with Mr. Hillis.
Mr. O'Hara with Mr. Frey.
Mr. Rodino with Mr. Gradison.
Mr. Rostenkowski with Mr. McCollister.
Mr. Morgan with Mr. Lundine.
Mr. St Germain with Mr. Conlan.
Mr. Pepper with Mr. Teague.
Mr. Foley with Mr. Burgener.
Mr. Nix with Mr. Hansen.
Mr. White with Mr. Stuckey.
Mr. Riegle with Mr. Montgomery.
Mr. Charles H. Wilson of California with Mr. Paul.
Mr. James V. Stanton with Mr. Snyder.
Mr. Rooney with Mr. Skubitz.
Mr. Roberts with Mr. Steiger of Wisconsin.
Mr. Fuqua with Mr. Wampler.
Mr. Sarbanes with Mr. Ruppe.
Mr Jones of North Carolina with Mr. Broomfield.
Mr. Udall with Mrs. Collins of Illinois.
Mr. Baucus with Mr. Downing of Virginia.
Mr. Bedell with Mr. Emery.
Mr. Flowers with Mr. Broyhill.
Mr. John Burton with Mr. Harrington.
Mr. Litton with Mr. Butler.
Mr. Cotter with Mr. Harsha.
Mr. Dent with Mr. Horton.
Mr. Diggs with Mr. Pickle.
Mr. Giaimo with Mr. Preyer.
Mr. Harkin with Mr. Quillen.
Mr. Hawkins with Mr. Randall.
Mr. Hayes of Indiana with Mr. Ichord.
Mr. Risenhoover with Mr. Jones of Alabama.
Mr. Hungate with Mr. Kasten.
Mr. Jenrette with Mr. Runnels.
Mr. Rose with Mr. J. William Stanton.
Mr. Mathis with Mrs. Sullivan.
Mr. Symington with Mr. McKay.
Mr. Melcher with Mr. Vander Jagt.
Mr. Moffett with Mr. Wydler.
Mr. Young of Georgia with Mrs. Mink.
Mr. Mollohan with Mr. Mosher.
Mr. Nichols with Mr. Peyser.
Mr. Young of Texas with Mr. Myers of Indiana.
Mrs. Smith of Nebraska with Mr. Solarz.
Mr. Charles Wilson of Texas with Mr. Whitehurst.

Mr. LAGOMARSINO and Mr. MARTIN changed their vote from "yea" to "nay."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. WIGGINS

Mr. WIGGINS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. WIGGINS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WIGGINS moves to recommit the bill (H.R. 366) to the Committee on the Judiciary.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. WIGGINS. Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. RUSSO. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 199, noes 93, not voting 140, as follows:

[Roll No. 220]

AYES—199

Abzug
Addabbo
Alexander
Ambro
Andrews,
N. Dak.
Annunzio
Ashbrook
Aspin
Badillo
Bafalis
Baldus
Bauman
Beard, R.I.
Beard, Tenn.
Bennett
Bergland
Biaggi
Biester
Blanchard
Blouin
Boland
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, Phillip
Byron
Carney
Chisholm
Clausen,
Don H.
Clay
Cochran
Conte
Corman
Coughlin
D'Amours
Daniel, Dan
Daniels, N.J.
Davis
Delaney
Devine
Dickinson
Dingell
Downey, N.Y.
Drinan
Duncan, Tenn.
du Pont
Early
Eckhardt
Edwards, Ala.
Eilberg
English
Evans, Ind.
Fary
Fascell
Findley
Fish
Fisher
Fithian
Flood
Florio
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Gaydos
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Grassley
Green
Gude
Guyer
Haley
Hall
Hamilton
Hanley
Harris
Heckler, Mass.
Helstoski
Henderson
Holland
Holt
Howard
Hubbard
Hyde
Jeffords
Johnson, Calif.
Johnson, Pa.
Jordan
Karth
Kastenmeier
Koch
Krebs
LaFalce
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lott
McCormack
McDade
McFall
McKinney

Madigan
Matsunaga
Mazzoli
Meeds
Metcalfe
Meyner
Mezvinsky
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moorhead, Calif.
Moorhead, Pa.
Mosher
Mottl
Murphy, Ill.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
O'Brien
O'Neill
Ottinger
Passman
Patten, N.J.
Perkins
Pike
Pressler
Price
Railsback
Rangel
Regula
Reuss
Rhodes
Richmond
Rinaldo
Roe
Rogers
Roncalio
Rosenthal
Roush
Roybal
Russo
Ryan
Santini
Sarasin
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Shriver
Simon
Sisk
Slack
Smith, Iowa
Spellman
Spence
Steed
Steelman
Stokes
Studds
Thone
Tsongas
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Winn
Wirth
Wright
Wylie
Yatron
Young, Alaska
Young, Fla.
Zablocki
Zeferetti

NOES—93

Abdnor
Adams
Allen
Anderson, Calif.
Andrews, N.C.
Armstrong
Ashley
AuCoin
Bingham
Bolling
Bonker
Brown, Mich.
Brown, Ohio
Burleson, Tex.
Burlison, Mo.
Carr
Clawson, Del
Cleveland
Collins, Tex.
Conable
Cornell
Crane
Daniel, R. W.
Danielson
Dellums
Derwinski
Duncan, Oreg.
Edgar
Edwards, Calif.
Erlenborn
Evans, Colo.
Evins, Tenn.
Fountain
Fraser
Hammerschmidt
Hannaford
Hicks
Hightower
Holtzman
Hughes
Hutchinson
Jarman
Johnson, Colo.
Jones, Okla.
Kemp
Lagomarsino
Landrum
Latta
Leggett
Long, La.
McClory
McDonald
McEwen
McHugh
Mahon
Martin
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Moore
Moss
Obey
Patterson, Calif.
Pattison, N.Y.
Pettis
Poage
Pritchard
Quie
Rees
Robinson
Rousselot
Satterfield
Schneebeli
Schulze
Sebelius
Shuster
Solarz
Stephens
Stratton
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Treen
Ullman
Weaver
Whitten
Wiggins
Wilson, Bob
Yates

NOT VOTING—140

Anderson, Ill.
Archer
Baucus
Bedell
Bell
Bevill
Boggs
Bowen
Broomfield
Broyhill
Burgener
Burton, John
Butler
Carter
Cederberg
Chappell
Clancy
Cohen
Collins, Ill.
Conlan
Conyers
Cotter
de la Garza
Dent
Derrick
Diggs
Dodd
Downing, Va.
Emery
Esch
Eshleman
Fenwick
Flowers
Foley
Frenzel
Frey
Fuqua
Giaimo
Goldwater
Gradison
Hagedorn
Hansen
Harkin
Harrington
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Hefner
Heinz
Hillis
Hinshaw
Horton
Howe
Hungate
Ichord
Jacobs
Jenrette
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kasten
Kazen
Kelly
Ketchum
Keys
Kindness
Krueger
Litton
Lujan
Lundine
McCloskey
McCollister
McKay
Macdonald
Madden
Maguire
Mann
Mathis
Melcher
Mink
Moffett
Mollohan
Montgomery
Morgan
Murphy, N.Y.
Myers, Ind.
Nichols
Nix
O'Hara
Paul
Pepper
Peyser
Pickle
Preyer
Quillen
Randall
Riegle
Risenhoover
Roberts
Rodino
Rooney
Rose
Rostenkowski
Runnels
Ruppe
St Germain
Sarbanes
Sikes
Skubitz
Smith, Nebr.
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steiger, Ariz.
Steiger, Wis.
Stuckey
Sullivan
Symington
Teague
Thompson
Thornton
Traxler
Udall
Vander Jagt
Waggonner
Wampler
Whalen
White
Whitehurst
Wilson, C. H.
Wilson, Tex.
Wolff
Wydler
Young, Ga.
Young, Tex.

The Clerk announced the following pairs:

Mr. Thompson with Mr. Kazen.
Mrs. Boggs with Mr. Staggers.
Mr. Howe with Mr. Bell.
Mr. Sikes with Mr. Esch.
Mr. Waggonner with Mr. Eshleman.
Mrs. Keys with Mr. Heinz.
Mr. Bowen with Mr. Macdonald of Massachusetts.
Mr. Wolff with Mr. Madden.
Mr. Murphy of New York with Mr. Lujan.
Mr. Chappell with Mr. Maguire.
Mr. Bevill with Mr. Clancy.
Mr. Conyers with Mr. Kelly.
Mr. de la Garza with Mr. McCloskey.
Mr. Derrick with Mr. Archer.
Mr. Hays of Ohio with Mr. Carter.
Mr. Dodd with Mr. Frenzel.
Mr. Krueger with Mr. Goldwater.
Mr. Jones of Tennessee with Mr. Cohen.
Mr. O'Hara with Mr. Hillis.
Mr. Rodino with Mr. Frey.
Mr. Rostenkowski with Mr. Gradison.
Mr. Morgan with Mr. McCollister.
Mr. St Germain with Mr. Lundine.
Mr. Pepper with Mr. Conlan.
Mr. Foley with Mr. Anderson of Illinois.
Mr. Nix with Mr. Burgener.
Mr. White with Mr. Hansen.
Mr. Riegle with Mr. Montgomery.
Mr. Charles H. Wilson of California with Mr. Paul.
Mr. James V. Stanton with Mr. Snyder.
Mr. Rooney with Mr. Skubitz.
Mr. Roberts with Mr. Steiger of Wisconsin.
Mr. Fuqua with Mr. Wampler.
Mr. Sarbanes with Mr. Ruppe.
Mr. Teague with Mr. Stuckey.
Mr. Baucus with Mr. Broomfield.
Mr. John Burton with Mr. Emery.
Mrs. Collins of Illinois with Mrs. Fenwick.
Mr. Giaimo with Mr. Hechler of West Virginia.
Mr. Cotter with Mr. Hefner.
Mr. Dent with Mr. Broyhill.
Mr. Flowers with Mr. Harsha.
Mr. Harkin with Mr. Ichord.
Mr. Bedell with Mr. Kasten.
Mr. Hawkins with Mr. Steiger of Arizona.
Mr. Diggs with Mr. Butler.
Mr. Hayes of Indiana with Mr. Vander Jagt.
Mr. Harrington with Mr. Jones of Alabama.
Mr. Jacobs with Mr. Hungate.
Mr. Jenrette with Mr. Kindness.
Mr. Charles Wilson of Texas with Mr. Whitehurst.
Mr. Young of Georgia with Mr. Wydler.
Mr. Mann with Mr. Cederberg.
Mr. Randall with Mr. Whalen.
Mr. Downing of Virginia with Mr. Myers of Indiana.
Mr. Preyer with Mr. Litton.
Mr. Mathis with Mr. Jones of North Carolina.
Mr. McKay with Mr. Quillen.
Mr. Melcher with Mr. Udall.
Mrs. Mink with Mr. Young of Texas.
Mr. Moffett with Mr. Mollohan.
Mr. Nichols with Mr. Peyser.
Mr. Pickle with Mr. Rose.
Mr. Risenhoover with Mr. Runnels.
Mrs. Smith of Nebraska with Mr. J. William Stanton.
Mr. Stack with Mrs. Sullivan.
Mr. Symington with Mr. Thornton.
Mr. Traxler with Mr. Horton.

Mr. WAXMAN changed his vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EILBERG. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill H.R. 366 just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FIREFIGHTERS BENEFIT ACT

Mr. EILBERG. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 365) to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain firefighters who die in the performance of duty.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. EILBERG).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 365), with Mr. MEEDS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania (Mr. EILBERG) will be recognized for 30 minutes, and the gentleman from New York (Mr. FISH) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Pennsylvania.

Mr. EILBERG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is very obvious and should be to all the Members that these bills are virtually identical. I will enter my formal statement in the RECORD, as I requested.

I want to say just two things. First, the firefighter is really a public safety officer and the hazards of his death are greater than those of any other occupation so it would be unconscionable to do something for the survivors of police officers and similarly not benefit the survivors of firefighters.

Further, Mr. Chairman, the coverage of the bill applies to those firemen actually engaged in firefighting and others who die in the performance of their duty where the activity is determined by the administration to be potentially dangerous. Otherwise, the bill is in virtually the same form as the bill just passed by the House.

Mr. Chairman, H.R. 365, the Firefighters Benefit Act of 1976, provides a $50,000 Federal payment to the surviving dependents of firefighters who die as a direct and proximate result of a personal injury sustained in the line of duty.

I might remind my colleagues that in the last Congress the House overwhelmingly approved legislation which would have provided such a benefit to the dependents of firemen who died in the line of duty.

Regrettably, the Senate has continuously insisted on restricting coverage to deaths resulting from a criminal act. It was the committee's opinion that such a restriction would narrow the scope of coverage and would thereby virtually exclude firefighters from the benefits of the legislation.

This bill clearly recognizes the valuable services which are performed by firefighters, both paid and volunteer, throughout the United States and expresses, in a practical fashion, our deep appreciation for their dedicated efforts. The Labor Department through its research has indicated that firefighting is one of the most hazardous professions. In 1975 alone an estimated 95 professional firemen lost their lives protecting our property and lives from the hazards of fires. In addition to providing direct financial compensation to the dependents of deceased firefighters, it was indicated by most of the witnesses before the committee that this legislation will improve the morale of firefighting personnel.

I should emphasize that this bill does not represent an assumption by the Federal Government of any responsibility for fire prevention and control. Instead, the bill—similar to previous Federal legislation on this subject—recognizes that it is both necessary and proper for the Federal Government to support and assist in some small way the efforts of State and local governments to combat the fire problem.

By providing for the immediate financial needs of the surviving dependents of firefighters, we believe that H.R. 365 is a reasonable, limited, and practical method of achieving this objective.

"Firemen" are defined to include volunteer firemen, as well as professional firemen, and coverage is provided when they are actually and directly engaged in fighting fires. In addition, benefits will be provided if a fatal injury is sustained while a fireman is engaged in the performance of other activities which are determined by LEAA to be potentially dangerous.

Since firefighting has been determined to be one of the most dangerous professions, it is the intention of the committee that coverage should extend to all hazardous activities performed by firemen when they are actually and directly engaged in fighting fires.

Furthermore, the fireman's death must be the direct and proximate result of a personal injury sustained while in the performance of duty. Personal injury is not intended to include deaths from occupational diseases or diseases which arise out of the performance of duties.

Benefits shall not be paid in the event of any intentional misconduct or voluntary intoxication by the victim if such conduct was the proximate cause of death. In addition, benefits shall not be paid to any person whose actions substantially contributed to the death of the public safety officer.

This benefit is in addition to all other benefits which the firefighters' survivors may receive from other sources except that it shall be reduced by payments made under the Federal Employees' Compensation Act and payments to D.C. firefighters who are killed in the line of duty.

The committee establishes a retroactive date of October 11, 1972, which is the date similar legislation passed the House in the 92d Congress.

Mr. Chairman, the firemen of this Nation certainly deserve our wholehearted support and encouragement. In my opinion this bill establishes a limited and inexpensive program to express this support—but at the same time it represents a most effective and most appropriate method of demonstrating our appreciation for the valuable services they render to society. I urge my colleagues to support this legislation.

Mr. FISH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the bill, H.R. 365 to provide death benefits for the dependent survivors of firefighters killed in the line of duty and I wish to join with the gentleman from Pennsylvania in urging support of this worthy legislation.

As you will recall, this House passed similar legislation during the 92d and 93d Congresses, but unfortunately, the legislation was never finally enacted. Our subcommittee has considered this problem again this Congress and as you know from the debate on H.R. 366 which was just passed, we have separate bills for policemen and firemen, in the hopes that the other body will concur. I support this approach and trust that we can ultimately resolve any differences and enact meaningful legislation in this area during this congress.

I feel we must respond to the tragic loss of life by firefighters. Each day, these brave public servants lay their lives on the line, not knowing whether they will ever return to their families. As a group, they have never been highly paid and if they are killed, their dependents must rely on a patchwork system of State insurance programs and voluntary contributions by local citizens. If States and municipalities provided adequate life insurance this bill would not be needed, but such is not the case. The lack of financial security for one's dependents can discourage otherwise enthusiastic candidates from entering these dangerous professions. The estimated annual cost of $5.9 million—less than $6 million— seems to be a small price to pay to assist in upgrading firefighters job benefits.

The Federal Government has undertaken substantial efforts, and significant expenditures of Federal funds in the area of fire prevention and control through enactment of the Fire Research and Safety Act of 1968 and the Federal Fire Prevention and Control Act of 1974.

This latter bill established, within the Department of Commerce, the National Fire Prevention and Control Administration. This administration represents a new Federal effort to reduce the Nation's losses of life and property from fire—losses which represent the highest per capita rate of all of the major industrialized nations in the world.

The Administration is conducting research to provide greater protection to firefighters, including studies of firefighters' deaths to determine areas where additional training would be effective in reducing death or injury. They are also developing a curriculum to train investigators in the techniques of arson investigation.

In addition to these programs many other Federal agencies are involved in one or more aspects of fire prevention or control. The Forest Service of the Department of Agriculture and the Defense Department maintain fire prevention capabilities. Research is conducted by the National Bureau of Standards. Fire data is gathered and analyzed by the Bureau of Vital Statistics of HEW, the Forest Service, the Occupational Safety and Health Administration—OSHA—and the Consumer Product Safety Commission which is also charged with the enforcement of the Federal flammable fabrics laws.

Testimony before our subcommittee indicates that by providing benefits for survivors of firemen killed in the line of duty, will greatly increase morale among our Nation's firefighters, and should greatly assist in efforts to recruit new members to enter this profession.

I urge your support of this meritorious legislation.

Mr. EILBERG. Mr. Chairman, I reserve the balance of my time.

Mr. FISH. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. MYERS).

Mr. MYERS of Pennsylvania. Mr. Chairman, I rise again, as I did in the last bill, to ask the chairman of the committee for some legislative history in regard to coverage of this bill.

Could the chairman tell me if people who are involved in preparation of fire equipment who are not members of a fire organization, but are hired by that organization, and were to be killed, would they be covered?

Mr. EILBERG. I would say "no."

Mr. MYERS of Pennsylvania. Would the gentleman also respond to the possibility of a good samaritan activity, a volunteer who is not on the roll of a volunteer organization?

Mr. EILBERG. He would not be covered.

Mr. MYERS of Pennsylvania. What about an individual who is fighting his own fire on his own property?

Mr. EILBERG. He would not be covered.

Mr. MYERS of Pennsylvania. What specifically would constitute membership in a firefighting organization?

Mr. EILBERG. The bill defines fireman to include a volunteer of a legally organized volunteer fire department, and such firemen are covered when they are actually and directly engaged in fighting fires.

Mr. MYERS of Pennsylvania. Would a volunteer fireman have to be shown on a specific roll or membership list prior to the accident?

Mr. EILBERG. Yes.

Mr. MYERS of Pennsylvania. Would the gentleman respond to the situation where firefighters or members of firefighting organizations are asked to provide emergency service in relation to ambulance coverage? Would those specific people be covered?

Mr. EILBERG. If they are regarded as potentially dangerous by the LEAA, they would be covered. It would be up to the LEAA.

Mr. MYERS of Pennsylvania. What about individuals who were rescuing people from hazardous locations, or recovering bodies from drowning, and so forth? What about members of a firefighting organization who were called upon to rescue individuals from, for instance, a bridge or a collapsed building, a hazardous sort of situation in a community?

Mr. EILBERG. The answer would be, the activity would have to be described as potentially dangerous by LEAA.

Mr. MYERS of Pennsylvania. They may be covered if they see fit to do so?

Mr. EILBERG. It is possible.

Mr. MYERS of Pennsylvania. Would that also apply to the individuals who were called upon to recover bodies of drowned persons, if that is a normal activity?

Mr. EILBERG. Yes, it would.

Mr. MYERS of Pennsylvania. Is there any way in which this bill could be construed to provide benefits to a firefighter who is asked by his organization to attend a convention or training facility, but in the act of doing so is killed in an accident?

Mr. EILBERG. No.

Mr. MYERS of Pennsylvania. Is there any way that this bill can be construed to provide benefits to members of firefighting organizations who were engaged in an activity such as a parade or providing a carnival activity or something like that?

Mr. EILBERG. No.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FISH. Mr. Chairman, I yield two additional minutes to the gentleman from Pennsylvania.

Mr. MYERS of Pennsylvania. The Chairman is probably aware of the fact that in many cases fire companies are volunteer, and perhaps municipal organizations are called upon by private organizations to come on their property and provide a service. In many cases there is a charge for doing so. Would this extend to that situation?

Mr. EILBERG. Would the gentleman restate that, please?

Mr. MYERS of Pennsylvania. If, for instance, there was a chemical organization, a chemical industry in a town, and they had a chemical spill or oil spill and asked the fire company to come in and flush the area, perform some duty along that line, which is not fighting fires, clean up, would they be covered?

Mr. EILBERG. The LEAA would have to determine whether that situation was potentially dangerous.

Mr. MYERS of Pennsylvania. This bill was not constructed to direct specifically in any way the situation where a firefighter met death as a result of a violent criminal activity, such as a sniper, was it?

Mr. EILBERG. If the killing occurred while he was fighting a fire, he would be covered under the first classification. It is possible, however, that the LEAA may also define the activity in which he was participating was potentially dangerous.

Mr. MYERS of Pennsylvania. What about the man who is not a member of a firefighting organization? Is he covered?

Mr. EILBERG. No.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. LENT).

Mr. LENT. Mr. Chairman, I rise in support of H.R. 365, to provide a $50,000 benefit for the dependents of volunteer and professional firefighters who lose their lives in the line of duty. At the same time, I want to commend my colleague Mr. EILBERG, for his leadership in bringing this bill to the floor.

Our Nation's many thousands of firefighters daily risk their lives in the protection of lives and property. Regrettably, 95 of these brave individuals lost their lives in 1975 in the performance of their duties.

Levels of compensation for the dependents of firefighters vary widely throughout the Nation, and it is for this reason that H.R. 365 is badly needed. Our society could never fully repay its debt to those individuals who daily risk their lives for the public's safety, but a $50,000 payment to their surviving dependents would help ease their financial problems and end the inequities in levels of compensation.

I hope my colleagues will support this long overdue measure.

Mr. FORD of Michigan. Mr. Chairman, I rise in strong support of H.R. 365, the Firefighters Benefits Act.

This bill provides a $50,000 lump-sum death benefit to the surviving dependents of State and local firefighters who die as the result of personal injuries sustained in the line of duty. Coverage is extended to both professional and volunteer firemen who sustain fatal injuries while they are actually and directly engaged in fighting fires or in the performance of other activities which are determined by the Law Enforcement Administration to be potentially dangerous.

This $50,000 is not a gift. It is an attempt by the Federal Government to compensate in a small way the families of firefighters who have died trying to help us cope with what we have come to recognize as a national problem. The committee report on this bill points out that studies by the Congress and the National Commission on Fire Prevention and Control have concluded that the Federal Government must help the country attack the fire problem. If it does not there can be no real hope for a significant reduction in the thousands of people killed each year and the billions of dollars of property loss by fires. I believe that the provision for an interim payment not to exceed $3,000 to be made before the final award is also necessary to assist the survivors with their most immediate financial problems.

Similar legislation passed both Houses in the 92d and 93d Congress. Unfortunately we were not able to act on the conference reports. I believe it is fitting that this bill be made retroactive to the day the legislation first passed the House, October 11, 1972. More than 3 years ago we recognized a need. Granted that it certainly existed before that time, but we have to choose some date on which to begin benefit entitlement and October 11, 1972, seems a good choice.

Mr. Chairman, we want dedicated young people to enter what is, according to the Department of Labor one of the most hazardous professions. In addition, we want to encourage the thousands of unpaid volunteer firefighters to continue to give of their time and sometime their lives. This bill will, I believe, help us to achieve the goal of a motivated force of firefighting personnel.

Mr. ANNUNZIO. Mr. Chairman, as one of the original sponsors in the 93d Congress of the public safety officers' benefits measure before us today (H.R. 366), I rise to express my full support for this just and compassionate legislation as amended by the Judiciary Committee. I also reintroduced this legislation in the 94th Congress, and my bill also covers professional and volunteer firemen. Therefore, I am proud to extend my support to H.R. 365, the Firefighters Benefits Act, the provisions of which are similar to my bill, H.R. 189.

H.R. 366 will provide a $50,000 Federal payment to the surviving dependents of policemen, correctional officers, prison guards, probation and parole officers, and officers involved in programs relating to juvenile delinquency or narcotic addiction who die as the direct result of a personal injury sustained in the line of duty.

H.R. 365 also extends this benefit to the survivors of professional and volunteer firemen, and both bills provide these important benefits for deaths resulting from injuries sustained on or after October 11, 1972. Both bills also are designed to meet the immediate financial needs of dependents, and could provide up to $3,000 in interim emergency benefit payments if it is found necessary to assist a family through this difficult and trying time.

I believe that it is only right and fair, indeed—only decent, that we consider the changing times—from the early sixties when crime, though a problem, had not yet reached epic dimensions to become on of the most demanding issues on the domestic scene today. We must admit that the public safety officer and the fireman are targets for grievances against the shortcomings in our system of Government, and in so doing, provide decent benefits for the men and women we expect to cope with these changing times.

Though this is small compensation, and certainly will not solve the major problem of crime or the unprovoked attacks on the police or on firefighters, it is the very least we can offer for the protectors of our society.

A question has been raised as to whether it should be the Federal responsibility to provide such death benefits to survivors of State and local law enforcement personnel and firemen killed in the line of duty.

I believe it is wise to establish a Federal standard for these benefits that survivors have a right to receive, since several States offer virtually no financial assistance and other States have only spotty programs in this regard. Testimony before the committee also indicated that this legislation will significantly increase the morale of law enforcement personnel and firemen and greatly assist State and local governments in their recruiting efforts.

On April 19, 1968, Congress passed Public Law 90–291, authorizing dependent's compensation for police officers killed in the line of duty while enforcing Federal laws.

On June 16, 1968, Public Law 90–351 amended the April law to allow compensation for non-Federal officers killed in the line of duty if the crime was even suspected of being a Federal offense.

Although Federal legislation for public safety officers has been commendable, when we talk about providing benefits to only those State officers who happen to be injured while pursuing a Federal offender, we are not covering a very broad spectrum of the dedicated men and women who serve so ably in the enforcement of our laws.

Consider the fact that in 1974 a total of 130 local, county, and State law enforcement officers were killed in the performance of their duty to protect their communities. In 1974, 100 firemen were killed during the course of their duties. With no comprehensive benefit program provided to the survivors of these young people, many widows, widowers, and young children of the slain have suffered very real financial hardships. That is not to minimize the factor of fear that must be felt by all those related to a man or woman who has chosen law enorcement as their profession. The family must live with the realization that every time these courageous individuals don their uniform and leave their home to report for their shifts, they run the risk of becoming another statistic.

Mr. Chairman, I strongly urge the favorable action of my colleagues on H.R. 365 and H.R. 366 which would provide more security and peace of mind for all public safety officers and firemen who must take risks in the pursuit of a safer society. We must not and cannot, in good conscience, turn our backs on the anguish and poverty suffered by the survivors of law officers slain while protecting our rights and liberties, and of firemen who die while protecting our lives and our property.

Mr. BURKE of Massachusetts. Mr. Chairman, we have under consideration today legislation which is extremely important to our national goal of providing the best five prevention and control facilities possible. Obviously nothing is more central to this effort than the men and women who risk their lives each day to save the lives and property of our citizens. The Firefighters Benefits Act clearly addresses that fact. This bill provides a payment, through the Law Enforcement Assistance Administration, of $50,000 to the spouses or eligible dependents of firefighting personnel who die as a result of injury sustained in the performance of duty. It includes both professional and volunteer firemen who sustain fatal injury in the course of fighting fires, or while performing duties determined by the Law Enforcement Assistance Administration to be potentially dangerous.

The bill also provides an interim benefit payment of $3,000 to persons who can reasonably be expected to receive a final award under this legislation. That amount would, of course, be deducted from the final award. In cases of extreme hardship, where an interim payment had been made and a subsequent determination was made of ineligibility for the final award, that hardship would be taken into account, and repayment of the interim amount would not be demanded.

This is a sound and responsible piece of legislation. Firefighting is among the most hazardous of all professions. In the last 5 years alone it has claimed the lives of 491 men. That figure, taken from the U.S. Department of Labor, does not include the many volunteer firefighters who have given their lives in the line of duty. In many cases, their families were left with nothing more than memories, and whatever could be raised when his fellow firefighters passed the hat. Some State and local governments do, of course, have adequate death benefits. But that is hardly a universal situation. The wide disparity of coverage from one area to another has a direct impact on the number and quality of men and women who will enter careers in firefighting. The result is that some areas are able to attract top personnel, and to concentrate on developing high professionalism, while other areas engage in a constant struggle to attract adequate numbers of people, of whatever ability, to assist in fire prevention and control. I hardly think that we can continue to tolerate that situation in present-day America.

I know that the Department of Justice would like to limit the scope of this legislation. That Department has argued that the death benefit should only be paid where fatalities occur as a direct or near direct result of an actual crime. Such an approach is impossibly narrow, and totally unacceptable to me. Any fire is a crime as far as I am concerned. It is a crime of negligence. Every firefighter can tell you that prevention is the key to controlling fires, and that 90 percent of all fires are directly attributable to man. Unfortunately, the Department of Justice does not take that view. Under their theory, arson would have to be proven as the cause of the fire. There are thousands of instances each year, and the number increasing, of fires of questionable origin. However, in many of those cases, it is still not possible to confidently assert that intentional arson was involved. I am pleased that the Firefighters Benefits Act defines eligibility to cover the surviving dependents of firefighters who die from injury sustained in the performance of their duty, without regard to the occurrence of criminal acts.

I know that some of my colleagues stand prepared today to argue that the Federal Government has no right to become involved in financing benefits for non-Government employees. But if upgrading and improving our national fire prevention and control abilities is not in the national interest, I do not know what is. Even if you put aside the human considerations involved in firefighting, and the number of deaths which occur each year, the property considerations are enormous. Each year millions of dollars worth of property is destroyed by fire. Factories are destroyed throwing thousands of people out of work. Forest areas are destroyed creating problems of flooding, soil erosion, and all of the problems associated with the loss of valuable lumber, and wood fibers. All of this eventually reaches the Federal Government in terms of lowered GNP, required payments of unemployment compensation, public assistance, reforestation, and so on. In short the Government loses a fortune which could have been saved through improved firefighting programs and facilities.

This legislation will improve and upgrade employment opportunities and professionalism in a career area that can substantially reduce the loss of life and property in this Nation. It is a bill which clearly recognizes the high risks involved in firefighting, and addresses our national responsibility in encouraging the advancement of that profession. I strongly support H.R. 365, and I urge my colleagues to join with me in voting for its passage.

Mr. BIAGGI. Mr. Chairman, I rise to give my support to H.R. 365, the Firefighters Benefit Act of 1976. Passage of this legislation will be a clear demonstration of our support and appreciation of the efforts and sacrifices made daily by professional and volunteer firefighters in this Nation.

As the committee report indicates, firefighting is a most hazardous profession. In 5 of the last 6 years, more than 100 firefighters have been killed in the line of duty, an increase of more than 50 percent from a decade ago. These numbers tell only part of the story. They omit the personal and economic anguish and suffering endured by the survivors of these brave individuals who are forced to pick up the pieces and begin new lives, uncertain of their ability to survive economically.

Most States have failed in their moral obligation to provide assistance to the survivors of firefighters killed in the line of duty. Whether it is due to their inability or unwillingness, the simple fact is that the benefits are not being provided. With future prospects for new economic problems in our cities and States, it seems evident that the Federal Government must assume this responsibility.

H.R. 365 will make this long overdue Federal commitment by providing a $50,000 Federal death benefit payment to the surviving dependents of firefighters who die as a direct and proximate result of personal injury sustained in the line of duty. The bill allows for an immediate payment of $3,000 to be given to needy families, and will not subject the benefits to Federal income tax.

This legislation is complementary to earlier legislation we have enacted designed to promote new State and local programs aimed at fire prevention. Substantial progress in this battle is years away, but the hazards encountered by firefighters continue.

In New York City, the dangers facing firefighers have been greatly compounded by layoffs within the ranks of the fire department. There are fewer firemen fighting the increasing number of fires in the city. We are working on legislation which will relieve this problem, but we cannot meantime ignore the consequences which this situation presents to firefighters in New York as well as in other cities which have been forced to lay off important municipal employees.

In recent years, firemen have had to contend with additional hazards beyond fighting fires. There have been increasing incidences of firemen being injured and killed while fighting fires, by snipers and other criminal assailants. I am pleased that this legislation will include these types of acts under its coverage.

Mr. Chairman, I wish at this time to commend my distinguished colleague, Mr. Eilberg for his untiring leadership on behalf of this bill as well as H.R. 366, which will provide similar benefits for public safety officers. We have travelled this path before, as the House in each of the past two Congresses, has passed similar legislation. Let us do so again today and continue the commitment which will allow this bill to at long last become law.

Mr. RUSSO. Mr. Chairman, I rise in support of H.R. 365, the Firefighters Benefits Act of 1976.

As sponsor of H.R. 8761, which generally takes the same approach as the subject legislation, and as a former member of the Judiciary Subcommittee which produced this fine proposal under the able leadership of the distinguished gentleman from Pennsylvania, I was an early proponent of effective assistance for the families of firefighters who lose their lives during the performance of public duty.

The bill provides a $50,000 lump sum death benefit to the surviving dependents of State and local firefighters who die as the result of personal injuries sustained in the line of duty. Coverage would include both professional and volunteer firemen who sustain fatal injuries while they are actually and directly engaged in fighting fires or engaged in the performance of other activities which are determined by the Law Enforcement Assistance Administration to be potentially dangerous.

The bill also provides an interim benefit not exceeding $3,000 which may be awarded in hardship cases and such payment shall be deducted in the event of a final award. In the event that a final award is not made, repayment may be waived.

Retroactive benefits are provided to the surviving dependents of firefighters who have died from personal injuries which were sustained on or after October 11, 1972. Federal firefighters, who are covered under the Federal Employees Compensation Act, would not be covered under H.R. 365.

I am firmly convinced that the brave men and women who perform this essential function of keeping our communities safe from fires, merit the kind of security for their families encompassed in H.R. 365. Thus, I strongly urge approval of this measure.

Mr. RODINO. Mr. Chairman, I rise in strong support of H.R. 365, the Firefighters Benefits Act of 1976, which is designed to provide a $50,000 Federal gratuity to the dependent survivors of professional and volunteer firemen who are killed in the line of duty.

The Committee on the Judiciary has struggled long and hard over the years to insure the enactment of legislation which recognizes the heroic deeds of our public safety officers and this legislation is an appropriate expression of our appreciation for the services rendered by the firefighting profession.

Certainly this legislation is not intended to take over the primary responsibility of State and local governments to provide adequate fire prevention and control programs.

On the other hand, H.R. 365 does represent a recognition of the Federal Government's role to support and encourage them in their efforts to discharge this responsibility.

Firefighters—like law enforcement personnel—have long been neglected by their respective employers in terms of adequate salaries, working conditions, and fringe benefits, despite the hazardous nature of this occupation.

Likewise, this bill does not establish any precedent for expanding the role of the Federal Government with regard to fire prevention and I note that Congress has previously enacted legislation to increase the effectiveness of fire prevention and control agencies at all levels of government, namely the "Fire Research and Safety Act of 1968," and the "Federal Fire Prevention and Control Act of 1974."

In this regard, testimony has been presented to the Judiciary Committee over the last three Congresses stating that passage of this legislation will clearly reinforce efforts of State and local governments to recruit both professional and volunteer firefighters.

Research conducted by the National Commission of Fire Prevention and Control, pursuant to Public Law 90–259, indicated that the United States has the highest per capita rate of death and propery loss from fire of all the major industrialized nations in the world. The Commission also estimated that fire kills approximately 12,000 individuals and injures another 300,000 Americans each year, but most importantly the Commission found that firefighting is the Nation's most hazardous profession.

In view of these alarming statistics, I believe it is most appropriate for the Federal Government to assist in some manner and the legislation we are considering today should be viewed by all as a proper and acceptable response to this serious problem.

I urge my colleagues to support this meritorious and urgently needed legislation.

Mr. MATSUNAGA. Mr. Chairman, during consideration of the bill H.R. 366, which was passed earlier today, I expressed to the gentleman from Pennsylvania (Mr. Eilberg) my deep appreciation for his substantial efforts on behalf of our Nation's law enforcement officials. I now wish to commend the gentleman for his unceasing efforts on behalf of our country's professional firefighters in bringing to the floor H.R. 365, the proposed Firefighters Benefits Act of 1976. As a cosponsor of similar legislation in preceding Congresses, and as sponsor of other proposed legislation to improve the working conditions of professional firefighters such as H.R. 9531, a bill to reduce the workweek of Federal firefighters, I rise to express my wholehearted support for this long-overdue proposal.

Mr. Chairman, H.R. 365 seeks to authorize a Federal payment of $50,000 to the spouses and dependents of professional firefighters killed in the line of duty. Tragically, the mortality rate in this extremely hazardous profession continues to rise: the number of professional firefighters killed during the performance of their duties has increased from 55 during 1965 to an average of 100 per year presently. Yet, many States have failed to provide sufficient death benefits for their survivors.

Mr. Chairman, it is my strong belief, a belief which I am certainly not alone to hold in the Congress, that our society has a moral obligation to care for the survivors of those who die protecting our homes and businesses from fire. While I know that money can never provide adequate compensation for the loss of life itself, I do believe that the provisions contained in H.R. 365, if enacted, would in some small way express society's debt to these individuals by easing the financial hardship often faced by their survivors as a result of the death of the provider in the line of duty.

Mr. Chairman, H.R. 365 is a proposal which is equitable, essential, and long overdue. I urge its expeditious passage.

Mr. GAYDOS. Mr. Chairman, I was most happy to give my full support to H.R. 366, which this House has just passed, as it embodies, with respect to policemen, the death benefits provided in H.R. 4761, which I introduced in March 1975.

I am now happy to give my full support to H.R. 365, "the Firefighters Benefits Act of 1975," the provisions of which were also embodied in H.R. 4761.

Legislation which would have provided death benefits to firemen has twice passed this House in the 92d and 93d Congress as part of legislation which combined policemen and firemen in one bill. Unfortunately, because of differences between the House and Senate versions, neither bill was enacted into law.

In my opinion, both firemen and policemen are engaged in very hazardous occupations, and the families of both are equally adversely affected when the breadwinner loses his life in performing the duties of his profession.

I hope that handling the legislation through two separate bills does not jeopardize the chances of either or both being enacted.

During the past 5 years an average of one hundred firemen lost their lives each year in the line of duty, protecting the lives and safety of the public as well as protecting property.

Property owners may protect themselves against loss due to fire by insurance, but how does a firemen provide for the needs of his family if his life is lost in fighting a fire? While some States do provide insurance benefits, there is a substantial variance amount States. The bill before us would guarantee that every State and local firefighter would be provided death benefits of $50,000 by the Federal Government.

Some may ask why the Federal Government must be involved in providing insurance benefits for State and local firemen.

To this I must respond that the Federal Government has already become involved in the area of fire prevention and control and has made substantial expenditures in an attempt to reduce loss of life and property from fire.

The benefits of the Federal efforts will be enjoyed by all Americans, except the firemen who dies in carrying out his duties.

So, it is indeed only just and proper that the death benefits provided in the bill before us be provided for all professional and volunteer firemen who lose their lives in the performance of their duties.

Too often do we read about the tragedy of firemen dying in the line of duty and leaving families which must depend on the charity of the local citizens to make ends meet. Such humanitarian actions by the public are most commendable. But unfortunately, they are not too reliable, and otherwise the families of many deceased firemen are doomed to a future of poverty and misery.

The bill before us is a significant step forward to ease this burden.

I urge my colleagues to give their full support to this legislation.

Mr. MINISH. Mr. Chairman, I rise in strong support for H.R. 365, the Firefighters Benefits Act. As one who has sponsored this legislation for the last three Congresses, I want to commend the Judiciary Committee for presenting it to the House for a floor vote.

This legislation would provide a $50,000 payment by the Law Enforcement Assistance Administration to the spouses or eligible dependents of firefighting personnel who die as a result of injury sustained in the performance of duty. Under the measure, those included for the benefits include professional and volunteer firemen who sustain fatal injuries in fighting fires or while engaged in other potentially dangerous activities related to their work.

Also provided is a $3,000 interim benefit payment to persons who are likely to receive a final award under the program. Repayment of the interim benefit may be waived in cases of hardship in the event a final award is not made.

Mr. Speaker, the hazards of death to a firefighter are greater than those of any other occupation. These individuals risk their lives daily in the protection of the lives and property of others. Clearly, society can never truly repay its debt to deceased firefighters, but a $50,000 payment to survivors would help ease their survivors' financial problems, increase morale among firefighters, and greatly assist in recruiting new members for this most important profession.

I urge overwhelming passage of H.R. 365.

Mr. EILBERG. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. FISH. Mr. Chairman, I yield back the balance of my time.

The **CHAIRMAN.** All time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Firefighters Benefits Act of 1975".

Sec. 2. Title I of the Omnibus Crime Controls and Safe Streets Act of 1968 is amended by adding at the end thereof the following new part:

"PART J—FIREFIGHTERS DEATH BENEFITS

"Sec. 701. (a) In any case in which the Administration determines, under regulations issued under Part F of this title, that an eligible firefighter has died as the direct and proximate result of a personal injury sustained in the performance of duty, leaving a spouse or one or more eligible dependents, the Administration shall pay a gratuity of $50,000, in the following order of precedence:

"(1) If there is no dependent child, to the spouse.

"(2) If there is no spouse, to the dependent child or children, in equal shares.

"(3) If there are both a spouse and one or more dependent children, one-half to the spouse and one-half to the child or children, in equal shares.

"(4) If there is no survivor in the above classes, to the parent or parents dependent for support on the decedent, in equal shares.

"(b) As used in this section, a dependent child is any natural, illegitimate, adopted, posthumous child, or stepchild of the decedent who at the time of the firefighter's death is—

"(1) under eighteen years of age; or

"(2) over eighteen years of age and incapable of self-support because of physical or mental disability; or

"(3) over eighteen years of age and a student as defined by section 8101 of title 5, United States Code.

"(c) As used in this section, spouse includes a surviving husband or wife living with or dependent for support on the decedent at the time of his death, or living apart for reasonable cause or because of desertion by the decedent.

"(d) As used in this section, the term 'dependent for support' means more than one-half of the support of the dependent concerned.

"(e) As used in this section, the term 'eligible firefighter' means any individual serving, with or without compensation, as a firefighter (including any individual serving as an officially recognized or designated member of a legally organized volunteer fire department) who is determined by the Administration to have been, at the time of his injury—

"(1) actually and directly engaged in fighting a fire; or

"(2) otherwise engaged in the performance of his duty where the activity is determined by the Administration to be potentially dangerous to the firefighter.

"Sec. 702. (a) Whenever the Administration determines, upon a showing of need and prior to taking final action, that a death of a firefighter is one with respect to which a benefit will probably be paid, the Administration may make an interim benefit payment not exceeding $3,000 to the person or persons entitled to receive a benefit under secition 701 of this part.

"(b) The amount of any interim benefit paid under subsection (a) of this section shall be deducted from the amount of any final benefit paid to such person or persons.

"(c) Where there is no final benefit paid, the recipient of any interim benefit paid under subsection (a) of this section shall be liable for repayment of such amount. The Administration may waive all or part of such repayment, and shall consider for this purpose the hardship which would result from repayment.

"Sec. 703. (a) No benefit shall be paid under this part—

"(1) if the death was caused by the intentional misconduct of the firefighter or by such firefighter's intention to bring about his death;

"(2) if voluntary intoxication of the firefighter was the proximate cause of such officer's death; or

"(3) to any person who would otherwise be entitled to a benefit under this part if such person's actions were a substantial contributing factor to the death of the firefighter.

"(b) The benefit payable under this part shall be in addition to any other benefit that may be due from any other source, but shall be reduced by—

"(1) payments authorized by section 8191 of title 5, United States Code;

"(2) payments authorized by section 12 (k) of the Act of September 1, 1916, as amended (D.C. Code, sec. 4-531(1)).

"(c) No benefit paid under this part shall be subject to execution or attachment.

"Sec. 704. The provisions of this part shall apply with respect to any eligible firefighter who dies as the direct and proximate result of a personal injury which is sustained on or after October 11, 1972.".

Sec. 3. Section 520 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by inserting "(a)" immediately after "520" and by adding at the end thereof the following new subsection:

"(b) There are authorized to be appropriated in each fiscal year such sums as may be necessary to carry out the purposes of part J.".

Sec. 4. Until specific appropriations are made for carrying out the purposes of this Act, any appropriation made to the Department of Justice or the Law Enforcement Assistance Administration for grants, activities, or contracts shall, in the discretion of the Attorney General, be available for payments of obligations arising under this Act.

Sec. 5. The Administration is authorized to establish such rules, regulations, and procedures as may be necessary to carry out the purposes of this part J. Such rules, regulations, and procedures will be determinative of conflict of laws issues arising under this part J.

Sec. 6. The Administration may prescribe rules and regulations governing the recognition of agents or other persons, representing claimants before the Administration. The Administration may, by rule and regulation, prescribe the maximum fees which may be charged for services performed in connection with any claim before the administration of this part, and any agreement in violation of such rules and regulations shall be void.

Sec. 7. In making determinations under section 701, the Administration may delegate such administrative functions to the State and local agencies as it determines necessary and proper to the administration of this part. Responsibility for making final determinations would rest with the Administration.

Sec. 8. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

Mr. EILBERG (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, lines 3 and 4, strike out " 'Firefighters Benefits Act of 1975'." and insert in lieu thereof: "Firefighters Benefits Act of 1976'."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, strike out line 18 and insert in lieu thereof the following:

"(1) eighteen years of age or under; or"

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. EILBERG

Mr. EILBERG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Eilberg: Page 5, strike out lines 16 through 21 and insert in lieu thereof the following:

"Sec. 4. The authority to make payments under sections 701 and 702 of the Omnibus Crime Control and Safe Streets Act of 1968 (as added by section 2 of this Act) shall be effective only to the extent provided for in advance by appropriation Acts."

Mr. EILBERG. Mr. Chairman, this amendment is identical to that which I previously offered to H.R. 365—and which was adopted. Since I have already explained the primary thrust and purpose of this amendment, I would simply reiterate that it is designed to conform H.R. 365 with the Congressional Budget Act and to remove that aspect of H.R. 365 which constitutes an appropriation on a legislative bill. I urge my colleagues' support for this amendment.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I yield to the gentleman from New York (Mr. Fish).

Mr. FISH. I thank the gentleman for yielding.

Mr. Chairman, I fully concur with the gentleman from Pennsylvania (Mr. Eilberg), and I support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. Eilberg).

The amendment was agreed to.

Mr. MOSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I spoke a little earlier on the previous bill and asked how far we were going down this road, and I got the answer very quickly. The only thing is that we do not know how far we are going.

Mr. Chairman, I know that out in my area the firemen are frequently called upon to rescue cats out of trees. Should they fall at that time, is the $50,000 compensation payable to the survivor?

I will ask the chairman if in the performance of the duty of removing cats from trees, would the firefighter be compensated?

Mr. EILBERG. If the gentleman will yield, the answer lies in the intention of the committee, which I hope would be the legislative intent, that the LEAA would conduct hearings to determine guidelines which would be generally applicable. Then LEAA would then have the authority to decide individual cases.

I cannot give a specific answer to the gentleman. It would be up to LEAA to decide whether this was such an activity that should be covered.

Mr. MOSS. Mr. Chairman, I think the answer is that this constitutes an unbelievably broad grant of authority to LEAA.

The LEAA Administrator is going to determine whether, for the many, many duties that firemen perform which have nothing to do with fighting fires, firemen would be compensated should a loss of life occur. In many communities emergency ambulance service is provided by fire departments. It is also provided by hospitals, and the personnel in both instances being municipal, one would be eligible to be determined by the LEAA Administrator as subject to the provisions of this law, and another municipal employee performing precisely the same duty for a department other than the fire department would not be covered under the provisions of this legislation. This is a ludicrous and a ridiculous situation.

Mr. Chairman, I recognize that it is nearly 4 o'clock on Friday afternoon and I know how anxious many Members are to leave and return to their districts, but there is no excuse for this House to engage in such a totally irresponsible legislative act as we are now being asked to consider on the floor of this House. There is no excuse for that at any time, on a Friday, a Monday, a Wednesday, a Thursday, or whenever it might be.

This is the most totally irresponsible piece of legislation, I think I can say without qualification, that I have seen offered here in this Chamber.

Mr. PATTISON of New York. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from New York.

Mr. PATTISON of New York. Mr. Chairman, I subscribe to everything the gentleman from California (Mr. Moss) has said, and I join with him in his opposition to this bill. I know how difficult it is to vote against this, because there is no constituency against it and there is a strong constituency for it.

However, this has got to be the most irresponsible piece of legislation I have seen come from this House. I am ashamed that we passed the prior bill, and I think those of us who voted for that should prepare a news release saying we made a mistake voting for the first one.

Mr. MOSS. Mr. Chairman, let me say to my colleague that I agree completely. I listened to Members who said this was not going to come out of conference. They consoled themselves with their irresponsible action on the ground that it would not come out of conference.

Well, it might. It might come out of conference, and we might be faced with the fact that this will become a reality, and it would constitute a most costly and embarrassing precedent.

Mr. Chairman, I do not think there is any excuse for the kind of irresponsible action that was taken earlier, and I think it is as inevitable as the fact that tomorrow will come that the same action is going to be taken in the case of this bill.

Mr. EILBERG. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the distinguished chairman of the subcommittee.

Mr. EILBERG. Mr. Chairman, notwithstanding the lack of confidence the gentleman obviously has in this subcommittee, I would like to reply to what he has said.

Mr. MOSS. Mr. Chairman, I must admit that I have a total lack of confidence in this subcommittee.

Mr. EILBERG. Mr. Chairman, I am sure the gentleman is sincere. My respect for him is in no way diminished because of this, I can assure him of that.

I would say that the LEAA would exercise good judgment in determining what cases are potentially dangerous.

The CHAIRMAN. The time of the gentleman from California (Mr. Moss) has expired.

(By unanimous consent, Mr. Moss was allowed to proceed for 3 additional minutes.)

Mr. MOSS. Mr. Chairman, I invite the gentleman from Pennsylvania (Mr. Eilberg) to look at some of the General Accounting Office audits that I have released on LEAA, and then he can determine if they are as totally responsible as he would have us believe. I have serious reservations about the practices of that agency, and it dispenses hundreds and hundreds of millions of dollars.

Mr. EILBERG. Mr. Chairman, will the gentleman yield further?

Mr. MOSS. I yield to the gentleman from Pennsylvania.

Mr. EILBERG. Mr. Chairman, I think it would be totally unconscionable to legislate for every case of death, but that is not what is covered by this legislation. It is necessary for LEAA to make certain determinations.

Mr. MOSS. Mr. Chairman, I will yield no further at this moment.

Mr. Chairman, we do that in the case of our Federal employees; we do not give a broad grant of authority to anyone else. This is irresponsible. This is unfunded, and we should remember that we do not even cover our own Federal employees under a system that is as generous as this, and they have a funded system that is supposed to compensate them.

This is totally unfunded, and we have no idea of the ultimate cost of it. I do not think anyone else does.

Mr. Chairman, I strongly urge my colleagues to reject this ill-conceived—I will not use the language that comes to mind; it would be somewhat profane, but its parentage could probably be brought into doubt.

Mr. CONABLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, what is the role of the Federal Government? Is it to assume all risks in society?

That is the course we have been on since I have been here in Congress: To protect against the risk of possible unemployment, the risk of possible inflation, the risk of pulling the wrong box off the supermarket shelf, the risk of disease, the risk of business failure, the risks of old age—you name it—every possible risk which we could identify has become a Federal responsibility.

Mr. Chairman, if this is the role of the Federal Government, then this may be a proper bill.

Certainly I would not want to distinguish between the worthiness of policemen and firemen. I think it invites invidious comparison, and inevitably we will find ourselves passing similar legislation for servicemen and other worthy participants in social activity of one sort or another.

It is my view, however, Mr. Chairman, that we cannot continue down this course responsibly. The Federal Government cannot assume all risks in a free society. If it tries to do so, inevitably, we will find that a riskless society is a choiceless society.

The loss of freedom of choice, including more choices which may involve personal risk, is not the goal of any Member of this body.

A completely riskless society does not leave any options to anyone, including the taxpayers who have to back every Government guarantee.

We are on a primrose path, Mr. Chairman, and we should turn back before it is too late.

AMENDMENT OFFERED BY MR. DANIELSON

Mr. DANIELSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Danielson: Page 5, line 8, strike out "October 11, 1972." and insert in lieu thereof the following: "the date of the enactment of this part."

Mr. DANIELSON. Mr. Chairman, I shall not take the 5 minutes.

The amendment which I now offer is identical to the amendment which I offered to the previous bill, namely, an amendment to repeal the retroactive clause and have the bill become effective on its effective date and not earlier.

Mr. Chairman, I have presented that argument before, and the House did not support it, and I shall not further belabor the point, although I do believe that it is a proper action to take, and I urge an "aye" vote.

Mr. Chairman, I want to add one or two thoughts. I have heard arguments made on the floor here today by people who attempt to qualify themselves by saying, "I was once a law-enforcement officer."

Mr. Chairman, so was I, for 5½ years.

I have heard others say, "I used to be a prosecuting attorney; impliedly, I am therefore qualified."

Mr. Chairman, I was, too, for more than 3 years.

I have heard others refer to service in the military. I happen to have done a couple of years service in the Navy during World War II myself.

At that time, in order to get $10,000 worth of so-called GI insurance, our meager paychecks were docked for an appropriate premium.

Mr. Chairman, I would not object if our State, county, and local governments were given an opportunity to have their safety employees covered under national service life insurance by the docking of an appropriate premium that would cover the cost. However, this bill is just a giveaway. Members of the committee, this is a national ripoff, and it is our responsibility to stand here as Members of the Congress and resist it.

We do not represent only the special interests. We represent every American citizen. It is our responsibility to safeguard the Treasury.

Mr. Chairman, I submit that without qualification, this is the most irresponsible piece of legislation that I have seen in 14 years as a legislator.

If the American people knew—if the American people understood—the import of this bill, they would be outraged. This bill and the one which preceded it would shock the conscience of the Nation. We cannot with responsibility pass this sort of a thing. I urge respectfully that we assume our responsibility and vote no. Meanwhile I urge that the Members adopt my amendment which will at least restore a small aspect of sanity to this outrage.

Mr. EILBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I believe that all of the arguments that were made in behalf of H.R. 366, the bill previously under consideration, in connection with the same amendment offered by the gentleman from California (Mr. Danielson) would be equally applicable here, so I will not repeat them.

I will simply say in addition that it would be unconscionable to me to have the retroactive date in effect for the public safety officers and not have it apply to firemen as well. So I urge, for all of the reasons previously given and what I have just given that the Members reject this amendment.

Mr. ALLEN. Mr. Chairman, I move to strike the last word and I rise in support of the amendment offered by the gentleman from California (Mr. Danielson).

Mr. Chairman, I concur with those who say that this is primarily a responsibility of the local governments. Local governments should face up to this responsibility, and the employees of the local governments ought to exercise their influence to see that city fathers and their governing bodies live up to their responsibilities.

Let me say, in the case of my own metropolitan government of Nashville and Davidson County, Tenn., that we have already met our responsibilities, and with the responsibilities that this bill would provide. The program we have in Nashville provides for $50,000 to the widows and children left by any fireman or policeman killed in the line of duty. In addition to that, they are provided with life insurance equal to twice their annual salary with double indemnity. Thus a fireman or a policeman who is making $10,000 a year has a life insurance policy of $20,000 with a double indemnity feature which provides in the case of accidental death, his family would receive $40,000 in life insurance in addition to $50,000, as this bill would provide; or $90,000 all told.

Mr. Chairman, if the metropolitan government of Nashville and Davidson County can measure up to its responsibility to its policemen and firemen, then I do not see why we should stand here and vote to relieve other municipalities and States of their responsibilities.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Danielson).

The amendment was rejected.

The CHAIRMAN. Are there further amendments? If not, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Meeds, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 365) to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain firefighters who die in the performance of duty, pursuant to House Resolution 1155, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MOSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 178, nays 80, not voting 174, as follows:

[Roll No. 221]

YEAS—178

Abzug
Addabbo
Alexander
Ambro
Andrews, N. Dak.
Annunzio
Aspin
Badillo
Bafalis
Baldus
Bauman
Beard, R.I.
Bennett
Bergland
Biaggi
Biester
Blanchard
Blouin
Boland
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Buchanan
Burke, Fla.
Burke, Mass.
Burton, Phillip
Byron
Chisholm
Clausen, Don H.
Clay
Cochran
Conte
Coughlin
D'Amours
Daniel, Dan
Daniels, N.J.
Davis
Delaney
Dickinson
Dingell
Downey, N.Y.
Drinan
Duncan, Tenn.
Early
Eckhardt
Edwards, Ala.
Eilberg
English
Evans, Ind.
Fary
Fascell
Findley
Fish
Fisher
Fithian
Flood
Florio
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Gaydos
Gibbons
Gilman
Ginn
Gonzalez
Grassley
Green
Gude
Guyer
Haley
Hamilton
Hanley
Harris
Heckler, Mass.
Helstoski
Henderson
Holt
Howard
Hubbard
Hyde
Jeffords
Johnson, Calif.
Johnson, Pa.
Jordan
Karth
Kastenmeier
Krebs
LaFalce
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lott
McCormack
McDade
McFall
McKinney
Madigan
Matsunaga
Meeds
Metcalfe
Meyner
Mezvinsky
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moorhead, Calif.
Moorhead, Pa.
Mosher
Mottl
Murphy, Ill.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
O'Brien
O'Neill
Ottinger
Passman
Patten, N.J.
Perkins
Pike
Pressler
Price
Railsback
Rangel
Regula
Reuss
Richmond
Rinaldo
Roe
Rogers
Roncalio
Rosenthal
Roush
Roybal
Russo
Ryan
Sarasin
Scheuer
Schroeder
Seiberling
Sharp
Shriver
Simon
Slack
Smith, Iowa
Spellman
Spence
Steed
Steelman
Stuckey
Studds
Thone
Tsongas
Van Deerlin
Vander Veen
Vanik
Vigorito
Waxman
Wirth
Wright
Young, Alaska
Young, Fla.
Zablocki
Zeferetti

NAYS—80

Abdnor
Adams
Allen
Anderson, Calif.
Andrews, N.C.
Armstrong
Ashley
AuCoin
Bingham
Bonker
Brown, Mich.
Brown, Ohio
Burleson, Tex.
Burlison, Mo.
Carr
Clawson, Del
Cleveland
Collins, Tex.
Conable
Cornell
Crane
Daniel, R. W.
Danielson
Dellums
Derwinski
Duncan, Oreg.
Edgar
Edwards, Calif.
Erlenborn
Evans, Colo.
Evins, Tenn.
Fountain
Fraser
Goodling
Hammerschmidt
Hicks
Hightower
Hughes
Hutchinson
Jarman
Johnson, Colo.
Jones, Okla.
Kemp
Lagomarsino
Landrum
Latta
Leggett
McDonald
McEwen
McHugh
Mahon
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mills
Moore
Moss
Pattison, N.Y.
Pettis
Poage
Pritchard
Quie
Rees
Robinson
Rousselot
Satterfield
Shuster
Solarz
Stephens
Stratton
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Treen
Ullman
Weaver
Wiggins
Yates

NOT VOTING—174

Anderson, Ill.
Archer
Ashbrook
Baucus
Beard, Tenn.
Bedell
Bell
Bevill
Boggs
Bolling
Bowen
Brademas
Broomfield
Broyhill
Burgener
Burke, Calif.
Burton, John
Butler
Carney
Carter
Cederberg
Chappell
Clancy
Cohen
Collins, Ill.
Conlan
Conyers
Corman
Cotter
de la Garza
Dent
Derrick
Devine
Diggs
Dodd
Downing, Va.
du Pont
Emery
Esch
Eshleman
Fenwick
Flowers
Foley
Frenzel
Frey
Fuqua
Giaimo
Goldwater
Gradison
Hagedorn
Hall
Hannaford
Hansen
Harkin
Harrington
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Hefner
Heinz
Hillis
Hinshaw
Holland
Holtzman
Horton
Howe
Hungate
Ichord
Jacobs
Jenrette
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kasten
Kazen
Kelly
Ketchum
Keys
Kindness
Koch
Krueger
Litton
Long, La.
Lujan
Lundine
McClory
McCloskey
McCollister
McKay
Macdonald
Madden
Maguire
Mann
Martin
Mathis
Mazzoli
Melcher
Milford
Mink
Moffett
Mollohan
Montgomery
Morgan
Murphy, N.Y.
Myers, Ind.
Nichols
Nix
Obey
O'Hara
Patterson, Calif.
Paul
Pepper
Peyser
Pickle
Preyer
Quillen
Randall
Rhodes
Riegle
Risenhoover
Roberts
Rodino
Rooney
Rose
Rostenkowski
Runnels
Ruppe
St Germain
Santini
Sarbanes
Schneebeli
Schulze
Sebelius
Shipley
Sikes
Sisk
Skubitz
Smith, Nebr.
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steiger, Ariz.
Steiger, Wis.
Stokes
Sullivan
Symington
Teague
Thompson
Thornton
Traxler
Udall
Vander Jagt
Waggonner
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wolff
Wydler
Wylie
Yatron
Young, Ga.
Young, Tex.

The Clerk announced the following pairs:

Mr. Thompson with Mr. Kazen.
Mrs. Boggs with Mr. Staggers.
Mr. Hébert with Mr. Anderson of Illinois.
Mr. Howe with Mr. Bell.
Mr. Sikes with Mr. Esch.
Mr. Waggonner with Mr. Eshleman.
Mrs. Keys with Mr. Heinz.
Mr. Bowen with Mr. Macdonald of Massachusetts.
Mr. Wolff with Mr. Madden.
Mr. Murphy of New York with Mr. Lujan.
Mr. Chappell with Mr. Maguire.
Mr. Bevill with Mr. Clancy.
Mr. Conyers with Mr. Kelly.
Mr. de la Garza with Mr. McCloskey.
Mr. Derrick with Mr. Archer.
Mr. Hays of Ohio with Mr. Frenzel.
Mr. Dodd with Mr. Goldwater.
Mr. Krueger with Mr. Cohen.
Mr. Jones of Tennessee with Mr. Hillis.
Mr. O'Hara with Mr. Frey.
Mr. Rodino with Mr. Gradison.
Mr. Rostenkowski with Mr. McCollister.
Mr. Morgan with Mr. Lundine.
Mr. St Germain with Mr. Conlan.
Mr. Pepper with Mr. Burgener.
Mr. Foley with Mr. Hansen.
Mr. Nix with Mr. Montgomery.
Mr. White with Mr. Paul.
Mr. Riegle with Mr. Snyder.
Mr. Charles H. Wilson of California with Mr. Skubitz.
Mr. James V. Stanton with Mr. Steiger of Wisconsin.
Mr. Rooney with Mr. Wampler.
Mr. Roberts with Mr. Ruppe.
Mr. Fuqua with Mr. Carney.
Mr. Sarbanes with Mr. Carter.
Mr. Teague with Mr. Long of Louisiana.
Mr. Baucus with Mr. Broomfield.
Mr. John Burton with Mr. Emery.
Mrs. Collins of Illinois with Mrs. Fenwick.
Mr. Giaimo with Mr. Hechler of West Virginia.
Mr. Cotter with Mr. Hefner.
Mr. Dent with Mr. Broyhill.
Mr. Flowers with Mr. Harsha.
Mr. Harkin with Mr. Ichord.
Mr. Bedell with Mr. Kasten.
Mr. Hawkins with Mr. Steiger of Arizona.
Mr. Diggs with Mr. Butler.
Mr. Hayes of Indiana with Mr. Vander Jagt.
Mr. Harrington with Mr. Jones of Alabama.
Mr. Jacobs with Mr. Hungate.
Mr. Jenrette with Mr. Kindness.
Mr. Charles Wilson of Texas with Mr. Wydler.
Mr. Young of Georgia with Mr. Cederberg.
Mr. Mann with Mr. Whalen.
Mr. Randall with Mr. Myers of Indiana.
Mr. Downing of Virginia with Mr. Litton.
Mr. Preyer with Mr. Jones of North Carolina.
Mr. Mathis with Mr. Quillen.
Mr. McKay with Mr. Udall.
Mr. Melcher with Mr. Young of Texas.
Mrs. Mink with Mr. Mollohan.
Mr. Moffett with Mr. Peyser.
Mr. Nichols with Mr. Rose.
Mr. Pickle with Mr. Runnels.
Mr. Risenhoover with Mr. J. William Stanton.
Mrs. Smith of Nebraska with Mrs. Sullivan.
Mr. Stark with Mr. Thornton.
Mr. Symington with Mr. Horton.
Mr. Traxler with Mr. Ashbrook.
Mr. Brademas with Mr. Beard of Tennessee.
Mrs. Burke of California with Mr. Devine.
Mr. Corman with Mr. du Pont.
Mr. Hannaford with Mr. Hagedorn.
Mr. Obey with Mr. Martin.
Mr. Holland with Mr. Hinshaw.
Mr. Koch with Mr. McClory.
Mr. Mazzoli with Mr. Hall.
Mr. Santini with Mr. Rhodes.
Mr. Shipley with Mr. Schneebeli.
Ms. Holtzman with Mr. Sebelius.
Mr. Sisk with Mr. Milford.
Mr. Patterson of California with Mr. Schulze.
Mr. Stokes with Mr. Walsh.
Mr. Yatron with Mr. Wylie.
Mr. Whitten with Mr. Bob Wilson.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EILBERG. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 365 just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1737. An act to amend the Public Health Service Act to encourage the establishment of uniform standards for licensing and regulation of clinical laboratories, and for other purposes.

The message also announced that the Vice President, pursuant to Public Law 90-206, reappointed Mr. Joseph Meglen of Montana and Mr. Bernard G. Segal of Pennsylvania, from private life, as members of the Commission on Executive, Legislative, and Judicial Salaries.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I ask for this time for the purpose of inquiring of the distinguished majority leader the program for next week.

Mr. O'NEILL. Mr. Speaker, if the distinguished acting minority leader will be courteous enough to yield to me, I will be delighted to answer.

Mr. MICHEL. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, the program for the week of May 3, 1976, is as follows:

On Monday, we will have the Consent Calendar. That will be followed by S. 3065, Federal Election Campaign Act amendments, conference report. Following that, we will have the conference report on H.R. 7656, beef research and information.

There are 11 bills under suspension of the rules. Votes on suspensions will be postponed until the end of all suspensions. The bills are as follows:

H.R. 5465, Indian employment.

H.R. 12018, Helen Keller Center.

H.R. 12207, Rural Electrification Act amendments.

H.R. 5523, fish and wildlife programs.

H.R. 11505, marine protection research and sanctuaries authorization.

H.R. 13035, national sea-grant college and programs.

H.R. 11920, use of exchange funds.

House Concurrent Resolution 570, arms control and disarmament negotiations.

H.R. 12168, natural gas pipeline safety.

H.R. 13359, Virginia Islands loan.

S. 2115, authority for limited Reserve mobilization.

On Tuesday, we will consider the Private Calendar. Following that, we will consider H.R. 9803, child day care centers, consideration of veto. Then we will consider one bill under suspension: H.R. 12216, Domestic Volunteer Service Act and two other bills: H.R. 12704, Environmental Protection Agency authorization, open rule, 1 hour of debate; H.R. 12234, land and water conservation fund, with an open rule and 1 hour of debate.

On Wednesday, we will consider H.R. 8410, Packers and Stockyards Act amendments, with an open rule and 1 hour of debate; followed by H.R. 9043, flexible work schedules for Federal employees, open rule, 1 hour of debate.

On Thursday, we will consider H.R. 10451, nuclear career incentives, subject to a rule being granted. Following that, we will consider H.R. 13350, energy research and development authorization subject to a rule being granted.

On Friday, we will consider H.R. 12394, military construction authorization, with an open rule and 2 hours of debate.

Conference reports may be brought up at any time.

Mr. Speaker, any further program will be announced later.

And may I respond further to the minority leader by saying that we anticipate a Friday session next week and we anticipate a Friday session the following week. There are some 50 pieces of legislation, as we view it, that must be reported from committee by May 15 in order to conform with the budget control and impoundment law.

Mr. MICHEL. May I ask the distinguished majority leader two questions about Tuesday.

The majority leader mentioned that the child day care veto message would be considered second, is that correct, rather than first on that day?

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield, it always has been the normal procedure to put a veto message on immediately following the Private Calendar. We will consider the veto right after the Private Calendar.

Mr. MICHEL. Mr. Speaker, as the distinguished majority leader knows, there are three primaries that day, and there are a number of Members who have expressed some concern, who want to vote on the veto message, but necessarily will be absent on that day.

Has any consideration been given to putting that off until Wednesday? Is it all that important to have that veto message considered on Tuesday?

But I guess that was a unanimous-consent request that it be moved forward to that day.

Mr. O'NEILL. Yes, it was. It was a unanimous-consent request that we put it forward to that day.

Mr. MICHEL. Would it be inappropriate to extend that 1 day, by unanimous consent?

Mr. O'NEILL. It would be unusual for us to change it without discussing it with the committee chairman.

The SPEAKER. The Chair recalls that the chairman and ranking member both asked that it be put forward, but they did not name a date. So it seems to me that that can be a matter easily taken care of on Monday. I am sure they will be agreeable to that.

Mr. MICHEL. If we could keep that flexible, I think there are a number of Members who have expressed their views.

The SPEAKER. The Chair would not recognize a unanimous-consent request without the presence of the chairman and the ranking member.

Mr. MICHEL. I understand that. But I would like to think that maybe this exchange would be at least some basis for giving it consideration.

Mr. O'NEILL. If the gentleman will yield, I am sure there would be no objection to such consideration, so far as the leadership is concerned. I am sure that I express the sentiments of the leadership and the Speaker, so far as that is concerned. We will be happy to talk about this on Monday.

Mr. MICHEL. Mr. Speaker, I thank the gentleman.

ADJOURNMENT TO MONDAY, MAY 3, 1976

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourn today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJUSTMENT ASSISTANCE TO U.S. STAINLESS STEEL TABLE FLATWARE INDUSTRY — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-483)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

As required by Section 203(b)(2) of the Trade Act of 1974, I am transmitting this report to the Congress setting forth my determination to provide adjustment assistance to the U.S. stainless steel table flatware industry producing flatware covered by the affirmative finding of March 1, 1976 of the United States International Trade Commission (USITC) under section 201(d)(1) of the Trade Act. As my decision does not provide import relief to that industry, I am setting forth both the reasons why I have determined that import relief is not in the national economic interest and other actions I am taking to help the flatware industry, workers, and communities.

I have decided, considering the interests of both the American consumers and producers, that expedited adjustment assistance is the most effective remedy for the injury to the U.S. stainless steel table flatware industry and its employees as a result of imports.

My decision was based upon my evaluation of the national economic interest. A remedy involving import restraints would have resulted in higher prices for American consumers at a time when lowering the rate of inflation is essential.

Import restraints would also have exposed industrial and agricultural trade to compensatory import concessions or retaliation against U.S. exports. This would have been detrimental to American jobs and damaged U.S. exports.

Adjustment assistance can benefit the

smaller enterprises which have been seriously injured. Import relief would disproportionately benefit firms which produce a substantial part of domestic output, and which are able to compete with imports.

Adjustment assistance is consistent with the President's efforts to control inflation, including costs to all consumers, which import restrictions would raise.

In considering the effect of import restraints on the international economic interests of the United States, as required by the Trade Act of 1974, I have concluded that such restraints would be contrary to the U.S. policy of promoting the development of an open, nondiscriminatory and fair world economic system. The goal of this policy is to expand domestic employment and living standards through increased economic efficiency.

I have directed the Secretaries of Commerce and Labor to give expeditious consideration to any petitions for adjustment assistance filed by stainless steel flatware firms producing articles covered by the USITC report, and their workers, and communities.

GERALD R. FORD.

THE WHITE HOUSE, *April 30, 1976.*

ERDA INTRUDING IN CALIFORNIA NUCLEAR BALLOT CAMPAIGN

(Mr. WEAVER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WEAVER. Mr. Speaker, this year several States, among them Oregon and California, will have on their ballots initiative measures designed to safeguard against hazards of nuclear powerplants.

I oppose nuclear power, but regardless of how one feels about the nuclear issue, we should all be united on one point regarding these initiative campaigns—they are State issues, and no Federal funds should be spent directly or indirectly in those initiative campaigns.

I have with me a copy of an ERDA pamphlet entitled "Shedding Light on Facts About Nuclear Energy." I have been told it is a part of the "performance awareness" program of ERDA, a program designed to improve the performance of ERDA employees and the employees of ERDA's contractors. But of the 100,000 pamphlets printed, almost 80,000 were sent to California, the first State to vote on a nuclear initiative, and another 6,800 went to Washington State, where an initiative drive is underway.

Why did the ERDA office in San Francisco receive 28,800 pamphlets and the D.C. office only 1,200? Why did the southern California office receive 11,400 and the Chicago office only 200?

It is evident that ERDA is intruding into the California nuclear ballot campaign.

Even if there is an explanation for the allocation of these brochures, there is no explanation for the biased and inaccurate manner in which they are written. Listen to an example from the text:

MYTH

"We can't safely handle or store the radioactive wastes from nuclear power plants. It is immoral to pass on to future generations the risk associated with managing these wastes for thousands of years."

FACT

The solidified wastes from power reactors can be handled by permanent storage in underground salt beds, or in other stable geologic formations which have been isolated from the environment for hundreds of millions of years. No management will be necessary by future generations.

ERDA has its myths and facts confused. ERDA Administrator Seamans stated just a few weeks ago before the Energy and Environment Subcommittee that the waste management problem has not yet been solved.

I look forward to exploring some myths and facts with ERDA, especially the myth that ERDA is an objective analyst of our energy options.

LEGISLATION TO RECOGNIZE NEED TO ATTRACT AND RETAIN HIGHEST QUALIFIED PERSONS TO SERVE AS MEMBERS OF FEDERAL ADMINISTRATIVE JUDICIARY

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 10 minutes.

Mr. DUNCAN of Tennessee. Mr. Speaker, I am today introducing legislation to recognize the need to attract and retain the highest qualified persons to serve as members of the Federal administrative judiciary. The proceedings over which these judges preside are broad in scope, infinitely varied and complex and have tremendous social, economic, and political impact upon millions of Americans. The need for adequate compensation to recruit and retain the highest qualified persons is urgent in the case of Federal administrative law judges, as it is for all Federal judges.

The Administrative Procedure Act—APA—enacted nearly three decades ago, recognized the necessity of insuring fundamental due process and fairness in the administrative law proceedings of the executive departments and regulatory agencies. This was accomplished chiefly by the creation of a corps of administrative law judges—then called hearing examiners—whose qualifications are determined by competitive examination, who are selected on merit, and who serve with statutory safeguards for the independence and impartiality of their decisions.

The corps of administrative law judges presently numbers about 800 judges who serve in 23 executive departments and regulatory agencies. Each judge has been appointed under section 11 of the APA and serves under the same statutory safeguards for judicial independence.

The processes used in screening members of the bar for appointment to this position under the APA are stringent. Through a special Office of Administrative Law Judges in the Civil Service Commission, applicants must undergo a thorough investigation of their character and professional qualifications and must successfully complete written and oral examinations to test their judicial capacity and fitness. In practice, only a small percentage of applicants are selected to fill the position of administrative law judge.

As a vacancy arises for a judgeship, the names of qualified candidates are referred to the particular agency involved in the order of the rating achieved through the testing of eligible judicial applicants. The need for high standards in the selection process and insulation from politcial influence is made clear by the fact that the administrative law judge position is the only absolute and unconditional career appointment in the executive departments and regulatory agencies.

The independence of the administrative law judges is further insured by the APA's provision that a judge can be removed only for cause found by the Civil Service Commission after an APA hearing. In addition, under APA provisions, a judge may withdraw from a case if he deems himself to be disqualified to consider a particular matter; ex parte communications with the judge are forbidden; the agencies are required to assign cases to the judges on a rotational basis to the extent practicable; and agencies are not permitted to assign judges duties inconsistent with their judicial functions. Thus, at the core of the APA's guarantees of due process for parties and interests appearing before Federal agencies are the act's safeguards for the merit selection and independence of the administrative law judges who conduct hearings under the act.

In recognition of the unique judicial position of administrative law judges in the Federal agencies, their thorough screening for judicial qualifications by competitive examination, and the APA's special safeguards for their judicial independence and impartiality, the Civil Service Commission changed the title of APA hearing examiners to "administrative law judge" after thorough study of this question in public rulemaking proceedings (37 Federal Register 16787, August 19, 1972). The legislation which I am introducing would ratify the earlier administrative action by the Civil Service Commission.

In addition, because no other employees in the executive and regulatory agencies are selected under comparable standards for judicial qualifications or protected by statutory safeguards to insure the independence of their decisions, the Commission, after further thorough study, promulgated a regulation forbidding the executive departments and regulatory agencies to use the title "Judge" for any position other than an administrative law judgeship filled under section 11 of the APA (39 Federal Register 20185-20186, June 7, 1974).

These regulations are most important in preserving for the public the special credentials that signify the careful judicial selection process and the APA safeguards of judicial independence that apply to appointments made under section 11 of the APA.

The administrative law judges are presently classified and compensated under the general schedule of civil service pay grades, even though their position is obviously not suited to this career ladder concept. I call particular attention to the fact that these judges are the only career employees exempt from agency pay and job classifications, performance ratings, and quality pay increases. The reason for these exemptions is apparent. It is clearly appropriate that the salary of these judges, like that of other Federal judges, be set by separate statute rather than under a schedule of career ladder pay grades.

The administrative law judges are now classified at the GS-15 or -16 level, depending upon the Civil Service Commission's "evaluation" of the level of the cases they handle. This difference in compensation is not justified on any rational basis. It merely creates an artificial distinction which is not realistic, efficient, or equitable. All APA judges must possess the same basic qualifications. Indeed, the costs involved in transferring GS-15 judges to fill GS-16 vacancies in other agencies and the consequent loss of continuity of agency programs more than offset the "savings" in the pay differential imposed among the judges. As concluded in a report of the Federal Administrative Law Judges Conference—FALJC—on this issue:

> * * * (T)he separate pay classifications of the administrative law judges create needless competition and turnover among judges who are drawn to higher-paying judgeships in other agencies. Inter-agency transfers based solely, or primarily upon pay considerations obviously work an adverse impact on the continuity of agency programs.

FALJC has therefore recommended that the administrative law judges be removed from the general schedule of pay grades and placed under a separate, uniform salary. Similarly, after thorough study of the utilization and pay of administrative law judges, a special committee appointed by the Civil Service Commission has recommended that the judges be removed from the CSC general schedule of grades and placed under a single Government-wide salary (Report of Committee on the Study of the Utilization of Administrative Law Judges, Civil Service Commission, July 30, 1974, p. 31).

It is for the above reasons that I, today, introduce this legislation which will provide a separate, uniform salary for Federal administrative law judges set at 90 percent of the salary of U.S. district court judges. Since the average compensation of administrative law judges today is nearly 90 percent of the salary of district court judges, this amendment will preserve the same essential relationship between the salaries of both groups of judges, while at the same time formally recognizing the kinship between all Federal judicial posts. It also will achieve an equitable uniform salary for administrative law judges. Finally, let me stress the fact that this move to give proper recognition to our administrative judiciary will promote greater acceptability of their decisions and thereby prevent further aggravation of the heavy dockets in our regular Federal courts.

ESTABLISHMENT OF NATIONAL POWER GRID

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BADILLO) is recognized for 30 minutes.

Mr. BADILLO. Mr. Speaker, I am submitting today for reintroduction a bill which would establish a new National Power Grid Corporation for purposes of equalizing our Nation's regional bulk power distribution. I have previously either cosponsored, endorsed, or supported similar bills every since I was first elected to Congress in 1970. Although this legislation is extremely crucial as a means of providing adequate electrical capacity to our larger metropolitan centers; unfortunately, the Congress has yet to adopt any legislation which would facilitate such a concept.

The need for a National Power Grid is greater today than it has even been before. Nearly every major urban area is already operating at or near its peak load capacity of electrical energy generation. As these peak loads are strained into brownouts and blackouts, either by heat waves or by prolonged cold periods, these cities, already financially hard pressed, are forced to pour in huge amounts of new capital in an effort to raise the limits of their peak capacities. Thus, the small gain achieved in peak capacity causes a dramatic increase in the overall cost and price of electricity per kilowatt hour. Even though the utility company operates at total capacity only on an occasional basis, the ordinary citizen's utility bill constantly reflects the increased cost of carrying that capacity. This entire problem could be obviated if, instead of building unnecessary levels of capacity in the densely populated urban areas, electrical power could be shipped in bulk from any point in the Nation to meet the increased needs as they arise. In that way, our electrical energy capacity could be used more fully, at a greater percentage of its potential. A National Power Grid would save the cost of unused peak capacity, and the electrical energy consumer would be getting more for his/her dollar.

The legislation which I am now introducing is direct and straight forward in its approach to a solution of this problem. This bill would establish a National Power Grid Corporation which would be responsible for the construction and operation of large-scale generating plants and a nationwide system of transmission lines. The Corporation would be financed by tax-exempt bonds and directed by a three-man Board, composed of one member representative of the interests of private utilities, one member from public utilities, and one member representative of consumers.

The power available from the National Grid would be marketed to utilities in the various regions of the United States by a series of "Regional Bulk Power Supply Corporations." As the sole marketer of the National Grid's power, they would be responsible for the construction and operation of a series of transmission lines in the region for the purpose of distributing the power to the utilities. The utilities in turn would market the power to the final consumer. The Regional Corporations would be directed by a board similar to the National Board and would be largely independent of the National Corporation. They would submit to the National Corporation each year a projection of their demand 10 years in the future. The National Corporation would then contract with them to supply that amount of power.

Control over the Regional Corporations by the National Corporation would be limited to two specific means. The Regional Corporation would be authorized to issue its own tax-exempt bonds, but these bonds would not be guaranteed by the U.S. Government unless approved by the National Corporation. Second, any electric utility in the area served by a Regional Corporation would be able to appeal any action of that Corporation to the National Board for an administrative review. The National Board could then, on the basis of that review, order the Regional Board to take appropriate remedial action.

Rates for power sold to the Regional Corporations would be at the lowest level possible consistent with the responsibility of the National Corporation for environmental protection, on a postage stamp basis throughout the country; that is, a uniform rate irrespective of particular generating or transmission costs. The Regional Corporation would charge for transmission on a simple unit cost basis, taking into account the same environmental responsibility.

Both the National and Regional Corporations are given heavy environmental protection responsibilities. The Corporations are directed to "treat all decisions regarding the siting and design of facilities as a significant aspect of land use planning in which all environmental, economic and technical issues with respect to a facility would be resolved in an integrated fashion." In the resolution of competing environmental interests, the Corporation is required to give "all possible weight to the protection of the environment." In addition, the National Corporation is obligated to coordinate its activities with those of the Energy Research and Development Administration. On an annual basis, the National Corporation would devote a minimum of $250 million to research, principally in the area of environmental protection and land use and the development of alternative methods of electric power generation. These alternative methods include, but are not limited to, solar power, wind power, hydropower, biochemical conversion, thermonuclear fusion, magnetohydrodynamics and fuel cells.

I believe that this bill is extremely meritorious and I urge its prompt consideration by the House Interstate and Foreign Commerce Committee. As our country becomes more and more dependent on foreign energy sources every day, it is important to realize that there are measures which we could take to put our own house in order and limit this foreboding dependency. This measure is both immediately practicable and urgently needed and I urge my colleagues to consider it favorably.

CONGRESS SHOULD RESIST ATTEMPTS TO MAKE COMMISSARIES SELF-SUPPORTING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, last year the House overwhelmingly supported a House concurrent resolution which I cosponsored expressing opposition to any change in the present method of providing financial support for military commissaries and I am hopeful that the House will again resist any attempts to make commissaries self-supporting.

It has become very fashionable to attack the military, and there are continuing attempts to cut back and erode away many of the benefits promised them, one in particular being the commissary. The administration is again pushing for its proposal to make commissaries self-sustaining and it is looking for Congress to support what can only be construed as a breach of faith with our Armed Forces.

One of the major arguments offered in support of doing away with commissaries is that military compensation is now competitive with public and private pay and therefore military people need no supplemental benefits. To make this argument is like trying to compare apples and oranges. Civilian employees are not subject to frequent moves every few years, 24-hour alert duty assignments, long unaccompanied overseas duty and the possibility of injury, personal disability or death in battle. In short, civilian employees and their families do not endure the many vicissitudes of military life.

We also must consider that to change the commissary system would be like changing the rules of the game at halftime. For many who have already retired from the Armed Forces and for many who are currently in the middle of their chosen careers this would be a disaster as well as being unjust.

A very important ingredient of any military force is morale, and you cannot place a price tag on morale. You can only sustain this enthusiasm, discipline, confidence, and the willingness to endure hardships which must be a part of our armed forces through actions and deeds. Congress has promised persons entering the military service commissary benefits, and we must not go back on our word. If these military families cannot trust us to honor our commitments, then who can they trust?

Let us consider for a moment the impact the administration's proposal will have on the military personnel. Those hardest hit will be the hundreds of thousands of lower grade personnel. Of the entire duty force, 67 percent are in pay grades E5 and lower and receive less than $7,000 annually in pay and allowances.

But above all the retirees will suffer greatly, especially those whose retired pay is tied to depressed pay scales of the years prior to the midsixties. Even with the cost-of-living formula, almost one-half of this group receive less than $4,000 annually. These retirees are struggling as it is to keep up with the fantastic increase in the cost of living, and to burden them with additional expenses at this time is totally unreasonable.

Mr. Speaker, anyone who has talked with the dedicated military professional knows that it is not salary alone that keeps him in the Armed Forces. If that were the case many would have departed a long time ago for the relative stability of the private sector. But what keeps him there is the knowledge that he is doing a job that needs to be done to keep this great Nation free, and all he asks in return is that the Government keep its word.

If we vote to do away with the commissary system we will be breaking faith with millions of military families and they will be waiting to see what pormises the Government will break next. While everyone talks about their support for a strong defense from the President on down, many of their actions will produce just the opposite effect. We must support our military forces by more than just words; we must show them through our actions that we are behind them and are willing to live up to our obligations and commitments as they in turn are willing to live up to theirs.

I hope that all of my colleagues in the House will agree that we must retain the present commissary system and I urge those Members of the Senate to also reconsider their views on any plans they might have to phase out commissary subsidies. The future of our country rests not only on the decisions we make on complicated military matters but also on how we respond to the needs of our military personnel.

SOCIAL SECURITY ADMINISTRATION FAILURE TO REHABILITATE DRUG ADDICTS AND ALCOHOLICS UNDER SSI PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, section 1611 of the Supplemental Security Income Act states:

> (3) (A) No person who is an aged, blind, or disabled individual solely by reason of disability (as determined under section 1614 (a) (3) shall be an eligible individual or eligible spouse for purposes of this title with respect to any month if such individual is medically determined to be a drug addict or an alcoholic unless such individual is undergoing any treatment that may be appropriate for his condition as a drug addict or alcoholic (as the case may be) at an institution or facility approved for purposes of this paragraph by the Secretary (so long as such treatment is available) and demonstates that he is complying with the terms, conditions, and requirements of such treatment and with requirements imposed by the Secretary under subparagraph (B),

It seems obvious that original congressional intent was twofold: primarily to prevent individuals with drug or alcohol habits from using Federal funds to support those habits; and second, to encourage these individuals to undergo treatment in rehabilitative facilities and programs. While precise figures are not available, it is estimated that there are some 400,000 daily drug addicts in the United States. Alcoholism is said to affect some 9 to 10 million Americans.

Both of these conditions are extremely debilitating, and frequently lead to job loss, inability to hold a job, poverty, and dependency. While difficult to treat, both conditions are distinct from other types of more "traditional" and generally irreversible disabilities covered by social security. By requiring these individuals to undergo rehabilitative treatment it is hoped that they can return to productive lives and that costs to these SSI programs can be held at a minimum.

How well is this program functioning? According to figures provided by the Social Security Administration, in the month of February 1976, only 18 alcoholic disability determinations were made, 13 drug addict determinations, and 2 combined alcoholic-drug disability determinations. These figures compared to a total of 31,798 disability determinations in February.

According to the latest available figures, in May 1976, out of a total of 1,949,-555 disability recipients under SSI, only 6,990 will be classified under the drug addict category and 2,749 under the alcoholic disability category. Some 73 individuals were classified as disabled under both alcoholic and drug addict conditions.

These figures are incredibly low and indicate that the program is encountering extremely serious problems.

It is particularly interesting that these problems appear to have occurred largely under Social Security's administration of the SSI program. This can be seen by the fact that of the 6,990 drug addict cases, only 205 have been accepted as certified new cases since January 1, 1974, when Social Security began running the adult welfare programs. There have been only 481 certified new cases of alcoholic disability under SSI between January 1, 1974, and May 1, 1976.

In other words, the vast majority of drug and alcoholic disability cases now receiving assistance under SSI were received and approved under the pre-January 1, 1974, grandfathered State-administered adult welfare programs of aid to the aged, aid to the blind, and aid to the disabled. Under Social Security's operation, the program has become virtually comatose.

From these figures, it is obvious that we should reexamine both the law and the administration of this program. It is my understanding that Social Security has serious problems with the provision. The law requires that in addition to a program of rehabilitation for drug and alcoholic disabled, that payment be made through a representative payee. This is a responsible third party who helps the disabled person manage his finances and, hopefully, insures that the SSI money is spent wisely. Social Security has apparently found it virtually impossible to find responsible relatives and other third parties who are willing to stand as representative payees—a sort of guardian's job—in these difficult cases.

The Ways and Means Public Assistance Subcommittee has reported a bill, H.R. 8911, which would permit waiver of the representative payee requirement in cases where waiver,

> Would be of significant therapeutic value to him and that there is substantial reason

to believe that he would not misuse or improperly spend the funds involved.

It is not clear, however, that changes in legislative language are the only answer. There appears to be a failure of "will" or initiative at Social Security to make this problem effective or to actively work for its improvement.

The absurdly low nature of these figures may be "explainable" through a number of administrative problems. First, it appears that Social Security may have so narrowly defined the definition of medical determination of alcoholism and drug addiction that section 1611 is virtually eliminated as a working part of the program. Second, since alcoholics frequently have other disabling diseases—though these often stem from their addiction—Social Security may accept these individuals into SSI, but classify them as disabled under another category, thus frustrating congressional intent to provide rehabilitation of these individuals. Third, Social Security has failed to develop effective referral services, so that these individuals could apply for rehabilitative programs thereby becoming eligible for program benefits; and fourth, it has failed to develop an effective outreach system, such that eligibles could apply for benefits and rehabilitative services available to them.

In any event, the Ways and Means Oversight Subcommittee, which I chair, is presently in contact with the Social Security Administration in an effort to obtain an explanation of these incredibly low figures. In addition, the subcommittee will be holding additional hearings, including field hearings, on the administration of the SSI program. We would like to invite comments at these hearings from groups concerned about alcoholism and drug abuse rehabilitation.

IN MEMORY OF POLICE OFFICERS WHO DIED IN THE LINE OF DUTY LAST YEAR

The **SPEAKER** pro tempore. Under a previous order of the House, the gentlewoman from New Jersey (Mrs. MEYNER) is recognized for 5 minutes.

Mrs. **MEYNER**. Mr. Speaker, the House of Representatives once again is considering legislation to provide Federal death benefits to survivors of firefighters and police officers killed in the performance of their duty. Both the 92d and the 93d Congresses agreed that measures such as these should be passed, but adjournment came without reconciliation between the House and Senate versions of the bill. The present bills are an excellent product of the knowledge gained by the two previous attempts.

In the years since this long-overdue legislation was first introduced, the annual number of fallen police officers and firefighters has risen inexorably. In **1961**, the number of policemen killed was 37; by 1974, the number slain had risen unbelievably to 130. The Uniform Crime Code shows that the problem is critical:

Year:	*Number killed*
1961	37
1962	48
1963	55
1964	57
1965	53
1966	57
1967	76
1968	64
1969	86
1970	100
1971	129
1972	114
1973	131
1974	130
1975	124

In the first 2 months of this year, 24 police officers were killed, and we have a long, hot summer ahead.

The highest frequency of police killings comes as a result of routine disturbance calls. The scenario is not pleasant: A policeman emerges from a one- or two-man car and faces the barrel of a firearm at a distance of 1 to 10 feet. At that range, criminals do not miss.

If the policeman's duty is dangerous and deserving of Federal compensation, consider the fireman. Since 1963, a total of 1,130 professional firemen were killed in the line of duty. This excludes the thousands of volunteer firemen who give their lives each year and on whom no accurate national figures are available. A recent study published in Parade magazine, however, rated the fireman's profession as the Nation's most dangerous with more possibility of death than either mining or law enforcement.

Many opponents of this legislation argue that this is a responsibility which belongs to the States and municipalities. The fact is, however, that despite the ever-mushrooming cloud of urban violence that threatens all civil servants, States and localities have failed to provide adqeuate life insurance protection. I take pride in the fact that the State I represent does have a fine insurance program, but this, unfortunately, is not typical. The International Conference of Police Associations reports, for example, that 29 States pay no compensation whatsoever to the survivors of a police officer killed in the line of duty.

As we all know, police officers and firemen generally are young men, in their early thirties, with wives and children. Individual life insurance rates for them are prohibitive. Yet, across the country death benefits for these public servants are minimal.

The argument that this legislation would only generate more bureaucratic growth does not apply here. Under H.R. 365 and H.R. 366, $50,000 would be paid directly to the bereaved families according to eligibility rulings made by State and local authorities. An office of only five employees is expected to administer the whole program for the Nation.

Mr. Speaker, in a real sense, our country is at war today—in back alleys and dark hallways, banks, and carryouts, parks, and tree-lined streets. The battleground can be in our own backyards or in the minds of the policemen and firefighters who confront fatal danger every day. We cannot let these heroes remain unprotected; we must enact a reasonable program of survivor benefits as outlined in the legislation before the House today.

Though H.R. 365 and 366 will not begin to compensate bereaved families for the loss of a loved one, they may help to ease the burden. Though H.R. 365 and 366 may not make more young people want to become police officers and firefighters at least we all will have acknowledged our reasonable debt to the courageous few who have served and lost in the battle against crime and fires.

Mr. Speaker, at this time I would like to memorialize those police officers who died in the line of duty last year. Perhaps it will help us to associate faces and family situations with otherwise cold statistics.

The list follows:

LAW ENFORCEMENT OFFICERS FELONIOUSLY KILLED IN THE LINE OF DUTY—1975

KEY

PD—Police Department.
SO—Sheriff's Office.
BIA—Bureau of Indian Affairs.
DPS—Department of Public Safety.
DEA—Drug Enforcement Administration.
RR—Railroad Police.

1. Abrams, Arthur—PD Alorton, Illinois—June 5, 1975.
2. Aleshire, Donald R.—PD Mount Holly, New Jersey—March 28, 1975.
3. Alfred, Earl L.—PD Slidell, Louisiana—August 13, 1975.
4. Anderson, James E.—PD San Antonio, Texas—July 1, 1975.
5. Anderson, Leland D.—PD Austin, Texas—June 6, 1975.
6. Andrews, Earl F.—SO Tarrant County, Texas—June 7, 1975.
7. Armstrong, James K.—PD Bensalem Township, Pennsylvania—April 15, 1975.
8. Atkins, Robert—PD Town of Summit, Wisconsin—January 26, 1975.
9. Bamsch, John T.—PD Houston, Texas—January 30, 1975.
10. Beck, David E.—SO Mobile County, Alabama—November 17, 1975.
11. Begay, Burton—Navajo Tribal Police, Tuba City, Arizona—November 17, 1975.
12. Birdsall, Robert R.—PD Long Beach, California—September 15, 1975.
13. Blackwell, Billy W.—PD Lewisburg, Tennessee—February 1, 1975.
14. Blevins, Jessie J., Jr.—SO Monroe County, West Virginia—February 21, 1975.
15. Bostick, James M.—RR Illinois Central Gulf, Gulfport, Mississippi—March 2, 1975.
16. Brooks, William R., III—Arkansas State Police—February 27, 1975.
17. Budgin, Frank—PD New York City, New York—February 2, 1975.
18. Burns, Richard P.—PD Newark, New Jersey—February 23, 1975.
19. Calhoun, Richard H.—PD Houston, Texas—October 10, 1975.
20. Cali, Joseph—PD Chicago, Illinois—May 19, 1975.
21. Chavez, Gilbert R.—PD Phoenix, Arizona—June 16, 1975.
22. Colon, Salvador C.—Police of Puerto Rico—November 7, 1975.
23. Cooke, Albert E.—SO Waller County, Texas—April 18, 1975.
24. Curry, Carter L—PD Doddsville, Mississippi—April 2, 1975.
25. Daniels, William—PD Philadelphia, Pennsylvania—December 16, 1975.
26. Davis, Guy T.—North Carolina Highway Patrol—September 2, 1975.

27. De Bruno, Donald L.—PD Denver, Colorado—December 10, 1975.

28. De Cuypere, Mark C.—PD Hampton, Virginia—May 22, 1975.

29. Deeds, Merritt W.—SC Sonoma County, California—August 23, 1975.

30. Dirks, Roy H.—SO Lane County, Oregon—April 11, 1975.

31. Dodge, Thomas R.—PD Two Rivers, Wisconsin—September 10, 1975.

32. Dowing, Douglas O.—PD Ypsilanti, Michigan—July 11, 1975.

33. Dunigan, Thomas P.—SO Morgan County, Indiana—December 26, 1975.

34. Eubanks, Hugh E.—PD Bolivar, Tennessee—March 17, 1975.

35. Fairchild, Robie F.—SO Johnson County, Kentucky—August 23, 1975.

36. Farmer, Manuel, III—PD East St. Louis, Illinois—May 25, 1975.

37. Flora, Jonathan P.—PD Anchorage, Alaska—September 8, 1975.

38. Gaither, Wayne H.—SO Davie County, North Carolina—May 30, 1975.

39. Garcia, Joseph R.—PD New York City, New York—January 20, 1975.

40. Gifford, Gary V.—Nevada Highway Patrol—October 14, 1975.

41. Giglio, Matthew F.—SO Nassau County, New York—December 16, 1975.

42. Glover, Andrew—PD New York City, New York—September 16, 1975.

43. Greene, Warren R.—PD Indianapolis, Indiana—December 20, 1975.

44. Griffin, Hugh R.—North Carolina Highway Patrol—September 14, 1975.

45. Guy, Samuel M.—PD Atlanta, Georgia—January 7, 1975.

46. Halloran, Richard F.—PD Boston, Massachusetts—November 6, 1975.

47. Hallum, Alvin D.—PD Dallas, Texas—August 21, 1975.

48. Haralson, Willis R.—PD Cordele, Georgia—May 4, 1975.

49. Harl, Gary D.—PD Arlington, Texas—July 16, 1975.

50. Harris, Johnny O.—PD Muskegon Heights, Michigan—June 24., 1975.

51. Hollis, Darden—SO Los Angeles County, California—January 1, 1975.

52. Huskey, Jerry D.—PD Gatlinburg, Tennessee—June 14, 1975.

53. Hussey, John T.—PD Springdale, Arkansas—December 21, 1975.

54. Hutchinson, John W.—Kentucky State Police—June 4, 1975.

55. Hyche, Richard M.—PD Ontario, California—October 15, 1975.

56. Ivey, Jerry R.—PD Salina, Kansas—June 13, 1975.

57. James, Michael H.—Colorado State Patrol—December 18, 1975.

58. Jaramillo, Samuel—PD Springerville, Arizona—September 25, 1975.

59. Jernigan, Aerl—SO Atascosa County, Texas—December 21, 1975.

60. Johnson, Artimus—PD Philadelphia, Pennsylvania—October 20, 1975.

61. Jones, Warren D.—PD Sarasota, Florida—April 5, 1975.

62. Jordan, Steve W.—PD Rock Hill, South Carolina—December 31, 1975.

63. Kline, Donald R.—PD Hagerstown, Maryland—December 13, 1975.

64. Laabs, Donald R.—PD Manitou Springs, Colorado—December 18, 1975.

65. Lee, Maricus B.—PD Phenix City, Alabama—May 31, 1975.

66. Leusch, Vincent L.—PD Los Angeles, California—September 12, 1975.

67. Lewis Franke N.—PD Long Beach, California—December 13, 1975.

68. Lilly, David L.—PD Beckley, West Virginia—May 12, 1975.

69. Lindblom, Steven D.—SO Madera County, California—August 16, 1975.

70. Loftin, William J.—PD Cincinnati, Ohio—August 26, 1975.

71. Lonchiadis, James—PD Shrewsbury, Massachusetts—March 5, 1975.

72. Looper, Rufus F., III—SO Greenville County, South Carolina—February 1, 1975.

73. Lopez, Philip N.—BIA, Towaoc, Colorado—April 1, 1975.

74. Magar, J. C.—Oklahoma Highway Patrol—June 29, 1975.

75. Mailloux, Henry P.—PD Fort Worth, Texas—November 29, 1975.

76. Maldonado, Sixto, Jr.—PD Firebaugh, California—August 19, 1975.

77. Maynard, Frank T.—PD Dyersburg, Tennessee—July 25, 1975.

78. McConnon, Michael—PD New York City, New York—January 3, 1975.

79. McConagh, William V.—New York State Police—December 14, 1975.

80. McGaughey, George W.—PD Montgomery, Alabama—March 15, 1975.

81. Mestdagh, Russell D.—PD Kansas City, Missouri—January 2, 1975.

82. Middleton, Harvey L.—SO Berkeley County, South Carolina—May 11, 1975.

83. Mowbray, Wallace J.—Maryland State Police—August 9, 1975.

84. Mull, Dan—SO McMinn County, Tennessee—August 20, 1975.

85. Murray, Edward W., Jr.—PD Cleveland, Ohio—July 2, 1975.

86. Obradovich, Dennis L.—PD Milwaukee, Wisconsin—August 17, 1975.

87. Olson, Wayne W.—PD Town of Summit, Wisconsin—January 26, 1975.

88. O'Neal, Allen K.—SO Crawford County, Georgia—January 25, 1975.

89. Owens, Donald E.—PD Bloomington, Indiana—August 15, 1975.

90. Parker, Ronald A.—SO St. Johns County, Florida—January 12, 1975.

91. Pribble, Frank M.—SO San Bernardino County, California—July 6, 1975.

92. Prochaz, William A.—PD Bedford Heights, Ohio—November 10, 1975.

93. Reddy, Frederick—PD New York City, New York—September 16, 1975.

94. Renigar, Jack C.—SO Forsyth County, North Carolina—May 30, 1975.

95. Richter, Randal K.—PD Montgomery, Ohio—May 22, 1975.

96. Ridenour, Timothy B.—PD Baltimore, Maryland—October 27, 1975.

97. Rivera, Felix C.—Police of Puerto Rico—October 23, 1975.

98. Roman, Abraham F.—Police of Puerto Rico—September 7, 1975.

99. Scala, John P.—PD New York City, New York—January 24, 1975.

100. Schroth, Thomas J.—PD Exeter, California—October 22, 1975.

101. Sebold, Louis D.—PD St. Louis, Missouri—October 5, 1975.

102. Sheehan, William E.—PD Westwood, Massachusetts—February 11, 1975.

103. Simmons, William D.—SO Sangamon County, Illinois—March 8, 1975.

104. Smith, William E.—PD Denver, Colorado—January 23, 1975.

105. Sparks, Robert G.—PD Glenolden, Pennsylvania—March 25, 1975.

106. Starling, C. L.—PD Attalla, Alabama—February 22, 1975.

107. Stewart, Michael D.—SO Jacksonville, Flordia—April 27, 1975.

108. Stolz, Robert—SO Mobile County, Alabama—November 17, 1975.

109. Swafford, Johnny A.—SO Rhea County, Tennessee—November 13, 1975.

110. Sweeney, Patrick E.—DPS U.S. Virgin Islands—October 27, 1975.

111. Tardiff, Joseph R., Jr.—PD New Orleans, Louisiana—February 28, 1975.

112. Treadway, Roger L.—SO Fayette County, West Virginia—October 8, 1975.

113. Trumbette, Ronald—PD Philadelphia, Pennsylvania—May 23, 1975.

114. Turner, Alfred R.—California Highway Patrol—December 4, 1975.

115. Vazquez, Rafael H.—Police of Puerto Rico—May 17, 1975.

116. Vazquez, Thomas V.—Police of Puerto Rico—July 6, 1975.

117. Villanueva, Wilmer F.—Police of Puerto Rico—April 25, 1975.

118. Wallace, Larry D.—DEA, Guam—December 19, 1975.

119. Walters, Clyde A.—PD Elko, Nevada—February 17, 1975.

120. Watts, James—PD Detroit, Michigan—March 15, 1975 (occurred in 1974).

121. White, Thomas E.—PD Wolfe City, Texas—July 8, 1975.

122. Williams, Anthony W.—PD Tampa, Florida—November 3, 1975.

123. Williams, Bobby L.—PD Adrian, Michigan—June 30, 1975.

124. Wingo, Cled N.—PD Atlanta, Georgia—July 23, 1975.

125. Wurst, William C.—PD Hainesport, New Jersey—March 28, 1975.

126. Yost, Gary—PD Akron, Ohio—August 23, 1975.

127. Young, James D.—Georgia State Police—May 4, 1975.

HOME SERVICES AND CATASTROPHIC INSURANCE FOR OLDER AMERICANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 15 mintues.

Mr. FRASER. Mr. Speaker, today I am introducing the Older Americans Home Services and Catastrophic Insurance Act.

This act accomplishes four important objectives in improving health care in the United States.

First. It provides Federal funding to States which elect to create a program of services to the elderly designed to keep them in their homes as long as they wish and as long as they are able to stay.

Second. It creates a new "delivery" system for health care, by establishing community based care centers which would be the point of coordinating and monitoring the services needed by each elderly person.

Third. When home care is no longer possible, it provides full funding for long-term nursing home care without any means test, thus removing one of the principal causes of older persons going onto the welfare rolls in order to qualify for public help to meet long-term nursing home costs. This funding for long-term nursing home care would begin 2 years after the home care provisions take effect.

Fourth. It incorporates an improved and simplified version of President Ford's proposed catastrophic coverage for the elderly, but without any reduction in benefits to the elderly under existing medicare coverage.

The problems of the elderly are not being adequately met by the existing medicare program. It fails to meet the need of many elderly people for long-term care. It is in everyone's interest to enable the elderly to stay in their homes as long as possible.

Medical care is just one component of complete health care. For the well-being of older persons, we must find ways to reduce the daily stress and fears associated with disabling or catastrophic illness, insufficient health care, costly, dehumanized institutional care, inadequate nutrition, and lack of transportation and homemaker services. Older age can become a struggle for survival. A comprehensive, well-coordinated system of services on a community level and protection against catastrophic illness are needed to help reduce the stresses of old age.

The legislation I am offereing aims to provide all persons who which to stay in their own homes with adequate home health and homemaker care.

Beneficiaries would not be burdened with additional premiums. The services would be financed through general revenues, and provided under the direction of community-based home care centers run by the elderly and disabled themselves. Each community center would serve as a central point where information on services is available to the elderly and disabled of the community.

VOLUNTARY STATE PARTICIPATION

Participation by the States would be voluntary. States would be eligible for Federal grants to cover 75 percent of the cost of the program. Each participating State would contribute 25 percent of the cost. Each State would establish a new State agency, or designate an existing agency, to administer the program. The State agency, in turn, would establish or designate community and regional home care agencies throughout the State. States would have the option to utilize existing structures, such as multicounty health services boards, to operate the program or establish new public or private nonprofit agencies to carry out the purposes of this act.

COMMUNITY HOME SERVICE BOARDS

Each community home care center would be run by a board with a majority representation of older and disabled persons. The centers would evaluate and certify the home care needs of the community and contract with public or nonprofit providers to deliver needed services. At the option of the State agency, "for profit" services could be authorized.

EVALUATION

Each community board would be charged with continuing evaluation of the delivery system. If additional services are needed, the community board could apply to the State agency for a grant. Each board would be required to make an annual accounting to the State agency, and the State agency would submit an annual report to the Department of Health, Education, and Welfare.

SERVICES

Long-term care services provided through the community center will include home health care, preparation and serving of meals, nutritional services, homemaker services—personal care and household tasks, essential shopping, simple household repairs—transportation, rehabilitation services—physical therapy, speech therapy—and other services reasonably necessary for maintenance outside of an institution.

OTHER CARE

Day care, foster home care, and community mental health center outpatient services would be provided.

Long-term institutional care would also be an eligible service under this act. However, funding for institutional care would not be provide until 2 years after the State home services plan is approved. The intent of this provision is to assure a system of home services is in place before beginning the funding for institutional care.

CATASTROPHIC BENEFITS

Title II of my proposal would provide catastrophic illness coverage for every person under medicare without an increase in premiums, deductibles or coinsurance.

This provision would take off all durational limits on hospital services under medicare without changing the present system of deductibles and coinsurance. But places a ceiling of $500 on deductibles and coinsurance for each hospital stay and a ceiling of $250 on deductibles for doctor bills.

NEED

A number of studies substantiate the need for alternatives to institutional care.

An HEW study estimates that between 14 and 24 percent of the country's 1.1 million nursing home patients are unnecessarily maintained in institutions because of a lack of alternative care. A recent paper by the University of Michigan School of Public Health places the number at 35 percent. Other reports indicate the figure may be as high as 40 percent.

The National Council of Senior Citizens estimates that 1 out of 6 older Americans who are not in institutions are in need of direct health and social services if they are to remain in their own homes and communities.

The National Association of Home Health Agencies estimates that home health agencies are serving less than 15 percent of the projected national need.

According to the report of the Select Committee on Aging on Health and Long-Term Care, 54 percent of the Nation's counties have no medicare-certified home health agencies.

COST EFFECTIVENESS

More than humanitarian motives are involved. Home care is cheaper than institutionalizing the elderly.

There is convincing evidence that home care saves the taxpayers money. It has been estimated that providing home health care to persons needlessly institutionalized would reduce costs by as much as $700 million nationwide. It is calculated that home care is 3½ times less expensive per patient than hospital care and 4 to 5 times less than nursing home care.

In my district, in the city of Minneapolis, dramatic savings to taxpayers are being achieved by the Minneapolis Age and Opportunity Center, an innovative nonprofit organization initiated in 1973 by its executive director, Mrs. Daphne Krause.

In the case of one elderly person, taxpayers were saved $8,051 over a 3-year period and continue to save $223 per month. A number of other case studies presented to Senate and House subcommittees conclusively supports the cost-effectiveness of home care.

In addition, the legislation I propose could provide new employment opportunities in every community.

One of the most humane gestures we could make as a Congress would be to provide these services without restriction or limitation.

STATUS OF THE PUBLIC LAW 480 RICE EXPORT PROGRAM AS OF APRIL 30, 1976

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 15 minutes.

Mr. ALEXANDER. Mr. Speaker, for some time I have been making a regular report on the progress the administration is making toward reaching the objective it established last year for rice exports under the Public Law 480, food-for-peace program. Today I would like to make my fourth report a part of the CONGRESSIONAL RECORD.

I am pleased to be able to report that substantial progress has been made on this program since my last report, though there is considerable distance to go toward the objective of selling 850,000 metric tons and getting it shipped in this current marketing year.

As the chart below indicates, agreements have been signed with Guinea, Indonesia, and Syria for a total of 160,000 tons of rice. It is my understanding that purchase authorizations and invitations for bids on these sales should be issued in the near future.

The United States has been negotiating a rice sale agreement with India since March 22. It is my understanding that an agreement with India for the sale of 100,000 tons of rice will probably be signed early next week. Originally, the objective was to sell 200,000 tons of rice to India.

As it appears that India will take only 100,000 tons of rice, U.S. negotiators are exploring the possibility of sales agreements with other eligible nations, including Indonesia.

The chart below summarizes the status of the Public Law 480 rice program thus far during this current marketing year. It should be noted that recent substantial progress on completion of the Public Law 480 program has had a beneficial effect on rice prices. With the recent sale to Zaire, rice prices returned to the level reached by the October sale to Bangladesh.

The chart follows:

STATUS OF PUBLIC LAW 480 RICE PROGRAM

1975–76 MARKETING YEAR, CURRENT THROUGH APR. 30, 1976

[In thousands of metric tons]

	Bangladesh	South Korea	Portugal	Zaire	Guinea	India	Indonesia	Syria	Total
Allocations approved by interagency staff committee:									
Date									
Amount									
Negotiations initiated:									
Date						Mar. 22, 1976			
Amount						[1] 100			100
Agreements signed:									
Date	Mar. 30, 1976				Apr. 21, 1976		Apr. 19, 1976	Apr. 20, 1976	
Amount	50				10		100	50	210
Purchase authorizations issued:									
Date	Apr. 20, 1976								
Amount	[2] 52								52
Invitations for bids issued:									
Date									
Amount									
Programs completed:									
Date									
Amount	170	[2] 112	[2] 45	27					354
Total	220	[2] 164	[2] 45	27	10	[1] 100	100	50	[1] 716

[1] These figures are lower than in the previous charts because of India's apparent decision to take only 100,000 of the 200,000 tons of rice which allocated to her.

[2] Both South Korea and Portugal normally buy brown rice. These figures are the milled equivalent on the USDA formula of 90 percent extraction from brown rice. The rice industry uses an 85 percent extraction formula.

REPORT ON WHAT CITIES ARE DOING TO END DISCRIMINATION BASED ON AFFECTIONAL PREFERENCES

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the U.S. Supreme Court in its recent decision by a vote of 6 to 3 has in effect allowed States to prosecute and imprison consenting adults for participating in homosexual acts. The decision of the court affirmed without comment last fall's 2-to-1 decision by the Fourth Circuit Federal Appeals Court which upheld a Virginia State law prohibiting consensual sodomy. Without regard to their own sexual preference, many people, both heterosexual and homosexual, expressed horror and outrage at this decision. Hopefully, other circuits will not agree with the fourth circuit in future cases testing the same issue, and the Supreme Court will confront the issue directly in a future case.

Our colleagues may not be aware of the recent American Psychiatric Association's resolution which was adopted on December 15, 1973, and reads as follows:

RESOLUTION OF THE AMERICAN PSYCHIATRIC ASSOCIATION

Whereas homosexuality per se implies no impairment in judgment, stability, reliability, or general social or vocational capabilities;

Therefore be it resolved that the American Psychiatric Association deplores all public and private discrimination against homosexuals in such areas as employment, housing, public accommodation, and licensing and declares that no burden of proof of such judgment, capacity, or reliability shall be placed upon homosexuals greater than that imposed on any other persons;

Further, the American Psychiatric Association supports and urges the enactment of civil rights legislation at the local, state and federal level that would offer homosexual citizens the same protections now guaranteed to others on the basis of race, creed, color, etc.;

Further, the American Psychiatric Association supports and urges the repeal of all discriminatory legislation singling out homosexual acts by consenting adults in private.

It is outrageous that individuals should be subject to discrimination based on their affectional preferences and deprived of equal rights in the areas of employment, housing, public accommodations, and other Federal programs. There is legislation now pending in the House, H.R. 166, of which I am a cosponsor, which would prohibit such discrimination. That legislation is cosponsored by: Ms. ABZUG, Mr. BADILLO, Mr. BINGHAM, Mr. BROWN, Mr. JOHN L. BURTON, Mrs. CHISHOLM, Mr. DELLUMS, Mr. FAUNTROY, Mr. FRASER, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. KOCH, Mr. MCCLOSKEY, Mr. MINETA, Mr. MITCHELL, Mr. NIX, Mr. RANGEL, Mr. RICHMOND, Mr. ROSENTHAL, Ms. SCHROEDER, Mr. SOLARZ, Mr. STARK, Mr. STUDDS, and Mr. WAXMAN.

Recently, I thought it would be helpful to ascertain from those localities which have already enacted legislation such as we propose, what their experience has been as a result of having been the leaders in this field. With the thought it would be of assistance in helping to resolve questions that our colleagues may have and help persuade them to become cosponsors of H.R. 166, I am setting forth the correspondence I have had with a number of mayors of various cities along with some additional material provided by the mayors which I thought particularly pertinent.

The correspondence follows in alphabetical order:

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., March 22, 1976.

DEAR MR. MAYOR: I am interested in bringing to the attention of Congress the experience of your city since its enactment of legislation which prohibits discrimination against individuals because of their affectional and sexual preference, in the areas of employment, housing, and public accomodations. I am a sponsor of legislation which would do that on a federal level, to wit H.R. 166, and I would like to share your comments with my colleagues so as to remove unfounded and prejudiced opinions which some of them have on this subject. Whatever opinion you may have on this matter and whatever facts you can provide bearing on the subject would be most helpful.

I am writing to the Mayor of every city which has enacted legislation on this subject. It is my hope to be able to place the various responses I receive in the CONGRESSIONAL RECORD on April 12th and so I would appreciate having your response as soon as possible.

Sincerely,

EDWARD I. KOCH.

[Letter from Human Rights Department, Detroit, Mich., Coleman A. Young, Mayor, Apr. 21, 1976]

Hon. EDWARD I. KOCH,
Congress of the United States,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: Mayor Coleman Young asked me to reply to your letter dated March 22, 1976, regarding our experience relative to discriminatory actions in housing, employment and public accommodations against persons because of their sexual orientation, since the adoption by referendum of our new City Charter in 1974.

The new City Charter of the City of Detroit mandated the Human Rights Department to secure the equal protection of the law for each person and to insure equality of opportunity for all persons. "No person shall be denied the enjoyment of civil or political rights or be discriminated against in the exercise thereof because of race, color, creed, national origin, age, handicap, sex, or sexual orientation."

In fulfilling this responsibility Mayor Young issued a proclamation designating June 21–29, 1975, as Gay Pride Week.

The Mayor and the Human Rights Department are firmly committed to identifying and assisting groups struggling to gain their rights and organizing for self determination.

We are unable at this time to present documented cases of discrimination against persons because of sexual or affectional orientation because we are still awaiting passage, by the City Council, of an enabling ordinance which will authorize the Human Rights Department to take action.

In anticipation of enabling legislation, we have put together, through research, personal interviews, and the workshop, a profile on sexual orientation which is enclosed.

We hope that this material will be of assistance to you in your deliberations on H.R. 166.

If we can be of further assistance please do not hesitate to contact us.

Sincerely yours,

Agnes H. Bryant,
Director, Human Rights Department.

Office of County Executive,
April 12, 1976.

Hon. Edward I. Koch,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Koch: I have received your letter of March 22nd requesting information on the experience of this jurisdiction since its enactment of legislation which sets forth a public policy in the area of human rights. Howard County's legislation was enacted November 10, 1975, and became effective January 9, 1976. The law is just now being implemented and therefore we have no significant experience on which to evaluate the new law at this time. I can provide you with some background information, however, which you may find helpful.

The first human rights legislation enacted by the County Council of Howard County established a Human Relations Commission. This Commission was the forerunner of our present Human Rights Commission and was authorized through legislation enacted in April, 1969, the result of public concern and interest.

The Commission from its inception concerned itself with pursuing and formulating positive social policies that would bring about the elimination of discrimination in areas of housing, employment, equality in education, law enforcement, and community relations. Task force committees were formed to center in on these specific areas. Each task force was established to work closely with appropriate county agencies and organizations in order to achieve the goals of elimination of discrimination in the specified areas.

Legislation which has now been culminated in the enactment of our present "Human Rights" bill resulted both from the early efforts of the Human Relations Commission and from the process of several bills being introduced by our legislative body over the course of the year 1975. The first two bills introduced were defeated. From those early versions, the present bill was drafted and was co-sponsored by me and by the five Council members. Much public interest was in evidence through the many public hearings, with both advocates and opponents to the bill.

As I indicated in the foregoing, our new legislation has so recently become law I can offer no data that could be passed on to you for your present purposes. I am enclosing a copy of the bill for your information. I trust that the bit of historical background which proceeded the enactment of our legislation will be of some benefit to you in your endeavors.

Sincerely,

Edward L. Cochran,
County Executive.

[Letter from Jeffrey M. Friedman, Mayor, Austin, Tex., Mar. 31, 1976]

Hon. Edward I. Koch,
House of Representatives,
Washington, D.C.

Dear Congressman: I appreciate your interest in Austin's ordinances regarding discrimination. I have enclosed a copy of our Equal Employment Opportunity Commission ordinance passed last fall, as well as an ordinance that was passed last Thursday, March 25, prohibiting discrimination in places of public accommodation.

We in Austin are very proud of both pieces of legislation since it is my belief that they represent a tremendous stride forward in legislative change and eliminating discrimination.

The EEOC Ordinance, from what I have been able to ascertain, is one of the few pieces of such legislation that includes discrimination on the basis of sexual orientation. In addition, we have recently received a grant from the federal government to establish the EEOC to hear complaints and to process cases here in Austin.

The Public Accommodations Ordinance has the same clause regarding sex orientation, as well as race, color, religion, sex, national origin, age or physical handicap: and the definitions, I believe, are very carefully delineated.

As you can see, I believe that both ordinances are well drafted and with as much enforcement power as the City of Austin can put behind them. I would hope that any legislation on the Federal level would also have broad enforcement power and include the physical handicap and the sex orientation provisions.

I wish you success in passage of your bill. I hope I have provided all of the information you need. If however, I can be of additional assistance, please don't hestitate to call on me.

Sincerely,

Jeffrey M. Friedman,
Mayor.

[Letter From the City of Portland, Oreg., Neil Goldschmidt, Mayor, Apr. 20, 1976]

Hon. Edward I. Koch,
House of Representatives,
Congress of the United States,
Washington, D.C.

Dear Representative Koch: I'm sorry for the delay in responding to your March 22, 1976, correspondence in which you requested information regarding the City of Portland's experiences enacting its resolution barring discrimination in employment based upon sexual preference.

The City of Portland passed on December 18, 1974, a resolution (a copy of which is attached) promoting a policy of non-discrimination in City employment relative to personal sexual preference of any individual. Since the enactment of this resolution, a significant number of individuals, some of whom have been long-time City employees, and others who were applicants for City employment, have contacted the City's Affirmative Action Officer for counseling and advice relative to their rights based on this resolution. Likewise supervisory personnel have also sought clarification and interpretation of the resolution as it applies to their employees.

Overall, it is my opinion that since the enactment of this resolution the City has not experienced any negative impacts on its personnel operation in either recruiting, employment or general employee relations.

The City of Portland's Affirmative Action Officer presently is serving on a special task force established by Governor Straub, which has been delegated the responsibility to recommend legislation for the State of Oregon which would protect the rights of homosexuals in the areas of employment, housing and public accommodations.

Since the City's resolution only prohibits discrimination in employment, you might be interested in contacting Governor Straub's office to find out what progress has been made to date in developing this comprehensive legislation.

I hope this information proves useful to you as supportive documentation for your federal legislation in this area.

Sincerely,

Neil Goldschmidt.

Board of Hennepin
County Commissioners,
Minneapolis, Minn., April 5, 1976.

Hon. Edward I. Koch,
U.S. House of Representatives,
Washington, D.C.

Dear Congressman Koch: Thank you for your letter of March 22 concerning proposed federal legislation (H.R. 166) which would prohibit discrimination against individuals because of their sexual or affectional preference.

Hennepin County has taken a strong position against such discrimination. We do not believe that a person's sexual or affectional preference has any bearing on his/her ability to perform on the job. I have enclosed a copy of the County's official affirmative action policy which identifies those persons who shall be protected against discrimination in all areas relating to employment in Hennepin County.

The County has established an eight-person Affirmative Action Programs Department whose objectives is to ensure aggressive implementation of this policy at all levels. The department's activities include investigation of all formal and informal complaints of alleged discrimination filed by Hennepin County employees and applicants. Since the County's policy was amended to include sexual/affectional preference, three such charges were filed by gay persons. Knowing that there are gay persons working for Hennepin County at all levels, coupled with the small number of complaints we've received, reaffirms our position that sexual preference is not related to job performance.

We applaud your efforts and offer our support in your attempts to secure protection for gay persons at the federal level. Equal employment opportunity will only become reality when selection of employees is based on job-related performance criteria and not on abstract, unfounded fears based on race, sex, disabilities, sexual/affectional preference, etc.

Good luck!

Sincerely,

Richard O. Hanson,
Chairman.

[Letter from the City of San Jose, Calif., Janet Gray Hayes, Mayor, Mar. 30, 1976]

Hon. Edward I. Koch,
House of Representatives,
Washington, D.C.

Sir: Thank you for your recent letter in which you expressed an interest in the City of San Jose's policy concerning non-discrimination on the basis of sexual preferences.

This policy was brought to the attention of the City Council by representatives from the local homosexual community who were concerned about employment discrimination based on their sexual preferences. The issue was referred to the City's Affirmative Action Advisory Committee, which recommended the adoption of the attached non-discrimination policy. Since the adoption of the policy, and based on the presentations made before the Affirmative Action Advisory Committee, it has been our experience that the primary concern of the homosexual community is that they not be denied access to employment based on sexual preferences. They have not requested categorization as a protected group under our Affirmative Action Plan and have not indicated a concern with under-representation in the work force. To date, we have had no complaints of discrimination under the new policy.

Very truly yours,

Janet Gray Hayes,
Mayor.

VILLAGE OF ALFRED,
Alfred, N.Y., March 25, 1976.
Congressman EDWARD I. KOCH,
1126 Longworth Building,
Washington, D.C.

DEAR MR. KOCH: I am pleased that you are making an effort to provide for the rights of homosexuals. In May 1974 the Alfred Village Board voted on an amendment to an existing human rights law which protected individuals from discrimination because of their sexual orientation.

At the time people were upset because they did not understand the major issue—protection of individual rights. We did not act to make homosexuality legal nor did we condone homosexuality. What we emphatically said was that discrimination against any person on the grounds of personal sexual inclination is wrong and we would not condone it.

Arguments were raised on the grounds that the Bible does not condone homosexuality. However, governments are secular and the Bible cannot be the sole basis of civil authority. Fears were expressed that Alfred would become the gay capital of the world. Needless to say this has not occurred. In fact, the number of gays in the community has decreased in the past two years. To put it clearly and forthrightly, the quality of life in Alfred has not deteriorated because of the action of the Village Board. I think that the opposite has occurred. Because the Village Board acted before we had discrimination against homosexuals the tone of the people has changed. There is a willingness to understand and to discuss the issues without sneering or snide comments. The quality of discussion has increased. And this does not mean that homosexuality is an accepted lifestyle, but it is understood and dealt with rationally. And this is the function of government—to act before crisis situations arise.

I sincerely hope that the Congress can act without peripheral issues interfering.

Sincerely,
GARY S. HOROWITZ,
Mayor.

CITY OF CUPERTINO,
Cupertino, Calif., April 21, 1976.
Hon. EDWARD I. KOCH,
Congressman, 18th District, New York, 1126 Longworth Office Building, Washington, D.C.

DEAR CONGRESSMAN KOCH: Please excuse the delay in not replying to your letter of March 22, 1976, concerning our city's position regarding discrimination on account of sexual preference. My term as Mayor expired March 9th, and as a result, there was a mixup in my getting your letter.

Regarding the subject matter, approximately two years ago our city was considering a staff proposal on affirmative action. In that regard, there was a citizen in our community who requested from the Council that we amend our policy so that sexual orientation or preference was included among the areas in which we agreed not to discriminate in hiring for city employees. This request was presented to the Council and accepted with very little debate. Our Personnel Director stated that as a practical matter we did not engage in any such discrimination, and we on the Council felt that such a prohibition in the affirmative action policy was appropriate. This was not an overall communiy prohibition, however, and since the inclusion of this in our affirmative action policy, we have had no complaints of violation.

The inclusion of this statement in the policy received very litle, if any, publicity, and we have had no community objections to the best of my knowledge.

I hope this information is what you had in mind.

Yours very truly,
JAMES E. JACKSON,
City Councilman.

CITY OF MOUNTAIN VIEW,
Mountain View, Calif., April 6, 1976.
Hon. EDWARD I. KOCH,
Washington, D.C.

DEAR CONGRESSMAN KOCH: Mayor Moss asked me to respond to your letter of March 22, 1976 concerning the enactment of legislation prohibiting discrimination against individuals because of sexual preference.

Please find attached a copy of the report to the City Council and the resulting resolution on this matter. The report was adopted by our City Council on March 21, 1975 and not only prohibits discrimination on the basis of sexual preference for employment with the City of Mountain View, but also prohibits such discrimination by contractors or suppliers of the City of Mountain View. Though the City does not have a specific official policy concerning discrimination in housing and public accommodations, the City has strongly supported the housing rights of the individual and our policies on employment are reflective of the Council position.

If I can be of further assistance, please do not hesitate to call or write to me.

Sincerely,
RALPH L. JAECK,
Assistant City Manager.

[Letter from the City of Saint Paul, Minn., Lawrence D. Cohen, Mayor, April 20, 1976]

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: Your letter dated April 14, 1976, addressed to Mayor Lawrence D. Cohen regarding our affectional or sexual preference ordinance has been referred to this office for response.

Attached hereto please find copy of Ordinance No. 15653 amending Chapter 74 of the St. Paul Legislative Code pertaining to the Department of Human Rights, to include prohibition against discrimination because of affectional or sexual preference.

If there is any other way that I may be able to assist you, please advise me accordingly.

Very truly yours,
DONALD LEWIS,
Director.

CITY OF SAINT PAUL: ORDINANCE

An ordinance amending Chapter 74 of the Saint Paul Legislative Code, pertaining to the Department of Human Rights, to include prohibition against discrimination because of affectional or sexual preference.

The Council of the City of Saint Paul does ordain:

Section 1. That Chapter 74 of the Saint Paul Legislative Code be and the same is hereby amended in the following particulars:

That Section 74.01 is deleted therefrom in its entirety and the following substituted in lieu and in place thereof:

74.01—Declaration of Policy. The Council finds that discrimination in employment, education, housing, public accommodations, and public services based on race, creed, sex, color, national origin or ancestry, or affectional or sexual preference adversely affects the health, welfare, peace and safety of the community. Persons subject to such discrimination suffer depressed living conditions, poverty, and lack of hope, injuring the public welfare, placing a burden upon the public treasury to ameliorate the conditions thus produced, and creating conditions which endanger the public peace and order. The public policy of Saint Paul is delared to be to foster equal opportunity for all to obtain employment, education, housing, public accommodations, and public services without regard to their race, creed, sex, color, national origin or ancestry, or affectional or sexual preference and strictly in accord with their individual merits as human beings.

CITY OF BLOOMINGTON,
Bloomington, Ind., April 15, 1976.
Congressman EDWARD I. KOCH,
House of Representatives
Washington, D.C.

DEAR CONGRESSMAN KOCH: The City of Bloomington last year passed Amendments to our Human Rights Ordinance prohibiting discrimination as to sexual orientation, marital status and age in the areas of employment, housing, education and public accommodations. I submitted the sexual preference and marital status amendments for the purpose of assuring full civil rights to all members of the Bloomington community.

Previously, the Human Rights Commission issued a finding of no jurisdiction in a case involving alleged employment discrimination against a homosexual woman.

To the best of my knowledge, only one case—yet to be resolved—has since been filed with our Commission in the sexual preference area. The male complainants in this case against the management of a local tavern-night club, allege sex discrimination in that their dancing together was abruptly terminated. Our Human Rights attorney, Bruce Wackowski, has sent me a brief memo (enclosed) concerning his thoughts on this matter. I would note that our Ordinance does not purport to interfere with or abolish Indiana laws as to sodomy and similar offenses, but is based on the theory that the status of being a homosexual should not be a matter of arbitrary discrimination against civil rights.

I wish you every success with your efforts for civil rights reform at the National level. Enclosed also are copies of the City Council minutes containing the discussion before passage of the controversial Amendments.

Sincerely,
FRANCIS X. MCCLOSKEY,
Mayor.

GOVERNMENT OF THE DISTRICT OF COLUMBIA,
Washington, D.C., April 26, 1976.
Hon. EDWARD L. KOCH,
U.S. House of Representatives
Washington, D.C.

DEAR CONGRESSMAN KOCH: This is in response to your requests to Mayor Walter E. Washington for information concerning the city's experience under D.C. Code, Title 34, the Human Rights law which prohibits discrimination on the basis of sexual preference.

The Director of the Office of Human Rights has provided the following information:

Since the passage of Title 34, November 16, 1973, the Office of Human Rights has received 17 complaints alleging discrimination on the basis of sexual orientation. Of these complaints, eight have been in the area of private employment, eight in the area of public accommodations and one in the area of housing.

Of the eight private employment complaints, four have been closed (two with a no probable cause finding and two administratively) and four are still open (two are in conciliation and two are still under investigation).

Of the eight public accommodations complaints, three have been closed (all were conciliated satisfactorily with the facility opened to the public) and five are still open (two are in conciliation, one is awaiting public hearing and two are still under investigation). The one housing complaint was closed with a no probable cause finding.

I hope this information will be useful to you. Please let me know if I may be of further assistance.

Sincerely yours,

JUDITH ROGERS,
Special Assistant for Legislation.

CITY OF SANTA BARBARA, CALIF.,
April 21, 1976.

Congressman EDWARD I. KOCH,
Longworth Office Building,
Washington, D.C.

DEAR CONGRESSMAN KOCH: Mayor Shiffman has asked that I respond to your inquiry about the City of Santa Barbara's legislation prohibiting discrimination against individuals because of "affectional or sexual preference."

Enclosed please find a copy of Resolution No. 8166 adopted by the City of Santa Barbara on December 30, 1975 which I believe answers your inquiry.

Sincerely,

JOHN L. SCOTT,
City Administrator.

Attachment.

RESOLUTION No. 8166

(A resolution of the Council of the City of Santa Barbara expressing support of non-discriminatory employment practices and repealing Resolution Nos. 7674 and 8113)

Whereas, the City of Santa Barbara believes that the only valid criteria for employment or personnel actions in the City service are the needs of the service and the job-related qualifications and merit of the people involved; and

Whereas, discrimination in employment based on race, creed, color, national origin, political affiliation or beliefs, sex, age, sexual orientation, or physical handicap (except where such are bona fide occupational characteristics) is unlawful, unjust, wasteful, and not in keeping with the established philosophy that the City of Santa Barbara should be a model employer; and

Whereas, a program of Affirmative Action has been developed, designed and implemented in furtherance of the goal of equal employment opportunity;

Now, therefore, be it resolved by the City Council of the City of Santa Barbara, that it expresses its support of these efforts to maintain and strengthen the City's commitment to non-discriminatory employment practices.

Adopted December 30, 1975.

CITY OF PALO ALTO,
April 16, 1976.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: The Mayor has asked me to respond to your March 22, 1976, request for information regarding our city's experience in regard to legislation which prohibits discrimination against individuals because of their affectional and sexual preference.

I am forwarding a copy of our Affirmative Action Policy Statement which clearly states that no person shall be discriminated against because of sexual preference. If you should have any further questions, please feel free to contact our office or Susie Ryerson in the City of Palo Alto Personnel Department (415-329-2394).

Sincerely,

GEORGE A. SIPEL,
City Manager.

CITY OF PALO ALTO: AFFIRMATIVE ACTION POLICY STATEMENT

It is the policy of the City of Palo Alto that employment and promotion be based on merit and fitness, and that all employment actions be free of personal and political considerations, and in no way be affected or influenced by race, religion, creed, color, national origin, ancestry, sex, physical handicap, neurological handicap, sexual preference, or age, except where such are bona fide occupational qualifications. In order to establish and maintain equal opportunity for all and to remedy the effects of past practices, the City, through a program of Affirmative Action, will take aggressive steps to increase the utilization of ethnic minorities and women in all job categories and in all segments of the work force where deficiencies exist. This Affirmative Action concept will extend to all employment and personnel practices in the City organization.

In pursuit of this policy, positive, realistic Affirmative Action plans will be developed and implemented which will require the support and cooperation of all City employees. To be truly successful, Affirmative Action must become a way of doing business. To this end, the City seeks to become a model for equal employment opportunity within the community.

GEORGE A. SIPEL,
City Manager.

[Letter from the city of Madison, Wis., Paul R. Soglin, mayor, Mar. 25, 1976]

Mr. EDWARD I. KOCH,
U. S. House of Representatives,
Washington, D.C.

DEAR MR. KOCH: To be quite frank, very little has happened since the City of Madison enacted legislation prohibiting discrimination on the basis of sexual preference. The ordinance preventing such discrimination was adopted in a relatively quite and conscientious manner. Since that time, the City has continued to monitor both the public and private sector for patterns of discrimination, just as we continue to monitor discrimination that may take place on the basis of sex, race, color or creed.

For those who are leery of such legislation, I must point out that there have been no cataclysmic upheavals.

In other words, the City of Madison has taken this matter in stride, as it would any other reform or amendment to our City ordinances. If anything has characterized the adoption of our legislation in regard to this matter, it is the fact that it has been uneventful.

Sincerely,

PAUL R. SOGLIN,
Mayor.

[Letter from the city of Seattle, Wes Uhlman, mayor Apr. 7, 1976]

Hon. EDWARD I. KOCH,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR MR. KOCH: Two Seattle City Ordinances prohibit discrimination in employment or housing due to a person's sexual or affectional preference. The Executive Department's Office of Women's Rights (OWR) has the responsibility for enforcing these provisions of the laws.

Since October of 1973, OWR has received fifteen formal complaints alleging bias in employment or housing due to sexual orientation. Only one complaint has been through the hearing process. The Seattle Women's Rights Commission found in favor of the complainant. This decision was reversed in Seattle Municipal Court and we are in the process of an appeal to the Superior Court of Washington.

Seven of the complaints have been filed within the past two weeks and most cases are still under investigation. Seattle's Open Housing Ordinance was passed just last August. The first case under this new law is based on sexual orientation. I am forwarding copies of the Seattle Fair Employment Practices and Open Housing Ordinances for your information. Also enclosed is a pamphlet which is distributed to Seattle's Citizens to advertise the existence of these laws and to inform them how and where to file a complaint.

Discrimination against sexual minorities appears in two forms: overt prejudice in housing and employment and the more subtle effects caused by society's stereotyped views and attitudes towards individuals not in the 'majority'.

These often inaccurate views have deprived people of human dignity, justice and civil rights. One of the first steps in securing equal rights is to guarantee them under the law. Therefore, I will be interested in the progress of H.R. 166.

Sincerely,

WES UHLMAN,
Mayor.

TOWN OF CHAPEL HILL, N.C.,
April 23, 1976.

Mr. EDWARD I. KOCH,
1126 Longworth Office Building,
Washington, D.C.

DEAR MR. KOCH: The employment policy of the Town of Chapel Hill is as follows:

ARTICLE IV. EMPLOYMENT POLICY

SEC. 14-28 Statement of Policy.

The Policy of the Town is to foster, maintain, and promote equal employment opportunity. The Town shall select employees on the basis of applicant's qualifications for the job and award them, with respect to compensation and opportunity for training and advancement, including upgrading and promotion, without regard to age, sex, race, color, religion, national origin, affectional preference, or marital status.

This Statement of Policy was adopted September 16, 1975. As far as I am able to determine there have been no difficulties related to items specified in this statement of policy since its promulgation.

Sincerely,

JAMES C. WALLACE,
Mayor.

CITY OF ANN ARBOR, MICH.,
April 19, 1976.

Hon. EDWARD I. KOCH,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: The enclosed information regarding our experiences under the local ordinance prohibiting discrimination against persons because of sexual preference has been compiled by our Human Rights Department as the totality of its activities since 1972. It is not a large volume of data but hopefully when added to information received from other communities, they will provide you with a meaningful sample.

Sincerely,

ALBERT H. WHEELER,
Mayor.

MEMORANDUM

To: James C. Slaughter, Director.
From: Raymond E. Chauncey, field representative.
Re: Sexual preference complaints filed with the Ann Arbor Human Rights Department.
Date: April 7, 1976.

The City of Ann Arbor Human Rights Ordinance pertaining to sexual preference was passed by City Council on July 10, 1972, which prohibits discrimination against any person or persons based upon their sexual preference in the areas of housing, employment and public accommodations.

During the period from March 12, 1973 through February 23, 1976 the Human Rights Department received a total of eighteen sexual preference complaints in the following areas:

Public Accommodations, 12.
Employment, 4.
Housing, 2.

[Letter from the City of Berkeley, Warren Widener, Mayor, Mar. 26, 1976]

Hon. EDWARD I. KOCH,
Longworth Office Building,
Washington, D.C.

DEAR SIR: This is in response to your letter of March 22, 1976 regarding legislation passed by the City of Berkeley prohibiting discrimination against individuals because of their sexual preference.

Attached is a copy of Resolution No. 46,148–N.S. which was adopted by our City Council on October 30, 1973. As you will note, this resolution prohibits discrimination on the basis of sexual orientation by any contractors or vendors doing business with the City of Berkeley. It further provides that wherever the term "sex" appears in the Personnel Ordinance and the Personnel Rules and Regulations, that this phrase shall be deemed to include "sexual orientation" as defined in the resolution. Our affirmative action plan also has a similar prohibition against sexual orientation discrimination in City employment.

This legislation was adopted at the urging of the homosexual community here in Berkeley as well. In urging this legislation the groups representing the homosexual community were concerned only with prohibiting discrimination on the basis of sexual orientation, as opposed to establishing separate goals and timetables for the actual employment of homosexual individuals. Thus our affirmation action plan does not have express goals for hiring members of this segment of the community. However in our employment practices there is an active effort to insure that homosexual individuals are not in fact discriminated against and they are encouraged to apply for all positions for which they qualify.

I trust this information will be of assistance to you in adopting your legislation. If I may be of further help please let me know.

Sincerely,

WARREN WIDENER, *Mayor.*

The following study was prepared by the Human Rights Department of the city of Detroit, and sent with the letter of reply from that city:

PROFILE OF SEXUAL ORIENTATION

Homosexuality is generally accepted in western society as a pathological occurrence. Even though social and legal laws provide punishment against such practice these laws do not answer certain inherent questions, such as: Is it a state of mind or a form of behavior? Must it be conscious or unconscious? Is it universal or is it a specific form of pathology? Is it caused by familial disturbances or imbalances or is it a reflection of broader sociological factors.

There are avid proponents on both sides of each question, but there is still not enough known to answer any of the questions with certainty.

Little is known also regarding the identity and number of homosexuals in the population.

According to the findings of Dr. A. C. Kinsey and his associates (1948) in their book *Sexual Behavior in the Human Male* it is impossible to determine the number of persons who are homosexual or heterosexual. Human beings cannot be classified simply homo or hetero. The state of sexual being is on a continuum. A human being may be located at different points on the scale at different periods of his or her life. (See charts)

This state is also true of all of natures' animals. Thomas Szasz, a noted psychiatrist stated, "It is fundamental of taxonomy that nature rarely deals with discrete categories. Only the human mind invents categories and tries to force facts into separate pigeonholes."

Since the morbidity rate cannot be clearly determined, we can only estimate the number and study the distribution of various degrees of heterosexual-homosexual balance in the population.

MALES

The following figures (for white males) are the result of the Study of Kinsey, Pomeroy, and Martin (1948). Today it is estimated that 10% of the male population are exclusively homosexual although there are no figures to confirm this belief.

Thirty-seven percent of the total male population has at least some overt homosexual experience to the point of orgasm between adolescence and old age. This accounts for nearly 2 males out of every 5 that one may meet.

Fifty percent of the males who remain single until age 35 have had overt homosexual experience to the point of orgasm, since the onset of adolescence.

Fifty-eight percent of the males who belong to the group that terminate their education in high school, 50 percent who terminate at the grade school level, and 47 perment of college level males, have had homosexual experience to the point of orgasm if they remain single to the age of 35.

Sixty-three percent of all males never have overt homosexual experience to the point of orgasm after the onset of adolescence.

Fifty percent of all males (approximately) have neither overt not psychic homosexual experience after the onset of adolescence.

Thirteen percent of the males (approximately) react erotically to other males without having overt homosexual contacts after the onset of adolescence.

Thirty percent of all males have at least incidental homosexual experience or reactions over at least a three year period between the ages of 16 and 55. This accounts for one male out of every 3 in the population who is past the early years of adolescence.

Twenty-five percent of the male population has more than incidental homosexual experience or reactions for at least three years between the ages of 16 and 35. In terms of averages, one male out of approximately every four has had or will have such distinct and continued homosexual experience.

Eighteen percent of the males have at least as much of the homosexual as the heterosexual experience in their histories for at least three years between the ages of 16 and 55. This is more than one in six of the white male population.

Thirteen percent of the population has more of the homosexual than the heterosexual experience for at least three years between the ages of 16 and 55. This is one in eight of the white male population.

Ten percent of the males are more or less exclusively homosexual for at least three years between the ages of 16 and 55. This is one male in ten in the white population.

Eight percent of the males are exclusively homosexual for at least three years between the ages of 16 and 35. This is one male in every 13.

Four percent of the white males are exclusively homosexual throughout their lives after the onset of adolescence.

FEMALES

In the study *Sexual Behavior in the Human Female* by Kinsey, Pomeroy, Martin, and Gibbard (1953) it was found that: between 11 percent and 20 percent of the unmarried females and 8 percent to 10 percent of the married females in the sample were making at least incidental homosexual responses, or making incidental or more sepecific homosexual contacts in each of the years between 20 and 35 years of age. Among the previously married females, 14 percent to 17 percent were in that category.

Between 6 percent and 14 percent of the unmarried females, and 2 percent to 3 percent of the married females, were making more than incidental responses, and/or making more than incidental homosexual contacts in each of the years between 20 and 35 years of age. Among the previously married females, 8 percent to 10 percent were in that category.

Between 4 percent and 11 percent of the unmarried females in the sample, and 1 percent to 2 percent of the married females, had made homosexual responses, and/or had homosexual experience at least as frequently as they had made heterosexual responses and/or had heterosexual experience in each of the years between 20 and 35 years of age. Among the previously married females, 5 percent to 7 percent were in that category.

Between 3 percent and 8 percent of the unmarried females in the sample and something under 1 percent of the married females, had made homosexual responses and/or homosexual experience more often than they had responded heterosexually and/or had heterosexual experience in each of the years between 20 and 35 years of age. Among the previously married females, 4 percent to 7 percent were in that category.

Between 2 percent and 6 percent of the unmarried females in the sample, but less than 1 percent of the married females, had been more or less exclusively homosexual between the ages of 20 to 35 years of age.

Judd Marmor, a clinical Professor of Psychiatry, UCLA, cognizant of the skew of the Kinsey Report defined homosexual as "one who is motivated in adult life, by a preferential erotic attraction to members of the same sex and who usually (but not necessarily) engaged in overt sexual relations with them." This definition is the one used in this paper.

In a study "Psychosexual Development in Health and Disease" Paul Hack and Joseph Zukin found that of 193 world cultures 28 percent accepted homosexuality, 14 percent rejected it, 58 percent had partial acceptance or equivocation. The Batak people of Northern Sumatra function as homosexual from ages 9 or 10 to 19, then switch to heterosexual activity without any resulting problem.

There are about 800 gay groups in the United States. There are gay studies in 50 colleges, gay dances in churches, gay synagogues, gay alcoholic anonymous groups, a lesbian credit union, a gay Nazi Party and a Jewish lesbian group. All of these groups are pressuring for changes and reforms in laws.

According to the Detroit Police Department there are approximately 20 gay bars and 3–4 lesbian bars in Detroit.

In the Detroit area there are two clusters where many gays are located, the Palmer Park area, and Indian Village. Otherwise, in Detroit, gays are located city-wide.

Civil Rights laws for homosexuals have been difficult to enact because of the myths surrounding the question of homosexuality. These myths will have to be dispelled before the full question of civil rights for gays is accomplished. Some of these myths are as follows:

MYTH 1

Male homosexuals are effeminate, limp wristed individuals and female homosexuals are "butch" or masculine in appearance.

Only 15 percent of the male homosexuals are easily recognizable and only 5 percent of the female homosexuals or lesbians are masculine ("butch") in appearance.

A noted psychologist who was also chairperson of the Task Force on Homosexuality for the National Association for Mental Health concluded that "there is no essential relation between effeminacy or masculinity of body build, manner of speech and homosexuality."

MYTH 2

Homosexuals are perverted pederasts who seduce unsuspecting young boys and girls.

Each year less than 1 percent homosexuals are arrested for attacking youths.

Most homosexuals hold the same view as heterosexuals on child molesting. In 1965 a study by the Institute for Sex Research showed that those who are arrested for sex offenses with boys under 16 are generally bisexual. Such perverts are preoccupied with satisfactory sexual urges with both young boys and young girls.

MYTH 3

All homosexuals are promiscuous.

Many homosexuals, if not most, in the visible gay culture are promiscuous but we are reminded that homosexuals lack most of the social-cultural factors which tend to provide a supportive atmosphere of a stable relationship. Many maintain stable relationships in spite of the criminal status of homosexuality in most states which does not tend to foster stable homosexual relationships.

Most of the major western countries have discarded archaic laws prohibiting homosexual acts between consenting adults excepting 42 states in the United States.

MYTH 4

Homosexuals are neurotic or pathologic personalities, caused by over protective mothers or harsh fathers.

It is true that there are males and females who were raised in disturbed familial situations, but there are an equal number of heterosexuals who were raised in disturbed familial atmospheres or situations.

Some psychiatrists in the Freudian tradition believe that homosexuality is a neurotic distortion of the total personality (polymorphous perverse sexuality) and that each person goes through a stage of homosexuality in childhood. In normal development a person passes through this stage into heterosexuality with some latent homosexual tendencies. A distortion of the personalities (castration complex in males and penis envy in females) or arrested development prevents some from developing beyond this stage.

Other psychiatrists are beginning to doubt the validity of this assumption. Few claim to know the one answer to the reason why there are homosexuals.

In several psychological studies in matched sets of homosexuals and heterosexuals (Evelyn Hooker, 1957), (Thompson, 1960), (Friedman, 1975), (Thomas R. Clark, 1975), (Marvin Siegelman, 1967) and many others, no significant differences was found between the two groups in personal adjustment, self-confidence, self-evaluation, etc. In fact in the Siegelman study it was found that lesbians tended to function better than heterosexual women. Lesbians scored higher on autonomy, spontaneity, sensitivity to one's own needs and feelings, goal direction and self-acceptance.

PROBLEMS AND CONCERNS

According to members of the gay community, their most pressing problems are: police harassment, discrimination in employment, lack of sympathetic medical treatment (mental and physical) failure of institutions and the public to recognize gay relationships, lack of recreation facilities, and lack of communication between white male homosexuals, lesbian and black (male and female) homosexuals.

Police Harassment (Enticement and Entrapment).

In many cities, vice squads from time to time send plainclothes policemen into homosexuals gathering places, especially bars. This decoy pretends to be gay in order to draw a pass from a homosexual—sometimes making a pass himself—then arrests the victim of the entrapment.

In Detroit the Police Department has deemphasized the deployment of decoys into gay bars. The Police Department use decoys usually (75% of the time) as a result of citizen complaints of molestation of straight citizens or children in rest rooms, in parks such as Belle Isle, River Rouge, Chandler, Palmer Park, and in adult movie houses.

There were 321 arrests in 1974. In the eleven months of 1975, 138 arrests were made.

Because of the stigma attached to homosexual arrests and because many of the men have families and jobs, the judges in Traffic Court usually reduce the charge to disorderly conduct with a stiff warning on first offenses. Repeaters are usually the more effeminate type of homosexual or cross dressers.

EMPLOYMENT

Since 1950 the U.S. Government has excluded homosexuals from federal employment and from jobs in private industry requiring security clearance. In October, 1973 a federal district judge (Society for Individual Rights, et al. vs. Hampton) ordered the Civil Service Commission to "cease excluding or discharging" all homosexuals from government service. July 3, 1975 the Commission revised its policy and stated that homosexuality *per se* is no longer grounds for non-appointment to or dismissal from Civil Service positions. In order to dismiss or not hire a homosexual, it must be shown that there is a connection between his/her homosexuality and his/her ability to perform the job.

Homosexuals are also excluded from the military service and separated with less than honorable discharge from the military if homosexuality is discovered.

The Secretary of the Navy Instruction 1900.9A (amended July 31, 1972) sums up the military policy as follows: "Members involved in homosexuality are military liabilities who cannot be tolerated in a military organization. In developing and documenting cases involving homosexual conduct, commanding officers should be keenly aware that members involved in homosexual acts are security and reliability risks who discredit themselves and the naval service by their homosexual conduct. Their prompt separation is essential."

This military policy is now being tested in the case of the Air Force Sergeant Leonard Matlovich, who, after a lengthy trial, was "less than honorably discharged" from the service because he announced that he was homosexual. His service record had been very good including a stint in Vietnam.

The National Gay Task Force has taken up the fight the conclusion of which can have far reaching effects. The Gay Task Force expects to fight the discharge up to the U.S. Supreme Court.

School Boards throughout the country use psychological tests and other methods to exclude homosexuals from the teaching profession. In 1969 the California Supreme Court ruled that homosexuality in itself is not a cause for disqualifying a teacher. The District of Columbia and San Francisco school boards among others have banned discrimination in the hiring of gay teachers.

Several major corporations have erased the barriers to hiring gays. Among them are AT & T, the Bank America, IBM, NBC, and Honeywell.

There are laws limiting or prohibiting homosexuals from becoming licensed for certain occupations because of stipulations or prohibitions against convictions of a criminal offense, "moral turpitude" or the stipulation that the person applying for a license must be of "good moral character." Since homosexual acts are classified as illegal and perceived as immoral, licensing for many occupations can be denied.

According to the American Civil Liberties Union handbook *The Right of Gay People*: "The vagueness of the phrases 'good moral character' and 'moral turpitude' virtually insures the uneven and inconsistent application of licensing restrictions to gays and other persons possessing any number of personal characteristics not possessed, or not admitted to, by most members of society."

In all states discrimination in employment is legal. It is necessary for city by city to pass ordinances prohibiting discrimination. East Lansing; Ann Arbor; Minneapolis; Washington, D.C.; are among those cities that has passed these ordinances prohibiting discrimination because of sexual orientation in employment, etc.

Proof of discrimination in employment is very difficult to obtain because of a lack of data and the fact that many times gay people are reluctant to press a discrimination complaint because they do not want the knowledge of their sexual orientation to become public record.

HEALTH CARE

According to spokespersons in the gay community, there is very little sympathetic health service provided for those persons who are overtly homosexual. Most private physicians and medical personnel are either unaware of how venereal diseases are transmitted by lesbians or are uncooperative about treating it.

Male homosexuals have a high incidence of anal venereal disease. It is necessary for them to request a special test to detect this form of the disease. They are, according to them, usually ridiculed or moralized to by medical personnel.

The Social Hygiene Clinic of the Detroit Department of Health does have the resources and knowledge for the above tests. They also have investigators who have the responsibility of tracking down all contacts who may be sources of venereal infections for treatment. Social Hygiene Personnel are available for speaking engagements to all groups. They have spoken on gay radio programs and before gay groups.

Mental health facilities place more of their emphasis on trying to change the homosexual behavior to heterosexual behavior through psychoanalysis, psychotherapy, and aversive conditioning in behavior therapy but with little success. The Task Force on Homosexuality of the National Institute of Mental Health has estimated that roughly ¼ or 25 percent of the exclusively homosexual individuals who wish to change can achieve some measure of heterosexual functioning. Little emphasis is placed on providing the ¾ or 75 percent of the homosexuals who do not wish to change with support with which to break down the stereotypes and prejudices instilled by society not only in the general public but also in the homosexual persons' psyche.

Lack of institutional and public support for gay relationships

Teachings of the Old and New Testaments provide the basis on which the hostility and fear of homosexuality was built and exists today.

Many societies in ancient times condoned and encouraged homosexual behavior. Others have treated homosexual behavior as morally debased.

Some theological scholars have written that from the time of the Babylonian captivity when their numbers were diminished by hostile forces, Jews placed strict taboos on homosexual practices. Their overruling concern was to rebuild a nation, therefore, procreation and the growth of lineages was emphasized.

Laws and sanctions against homosexual behavior were introduced because nothing could be allowed to interfere with the Jews struggle for survival.

In the Old Testament, Leviticus 18:22, the Jews were warned that "You shall not lie with a male as with a woman. It is an abomination."

Later the Christian religion also inculcated these teachings and taboos of the Old Testament.

The disciple Paul in his letters to the Corinthians (6:9–10) exhorted Christians that "Neither the immoral nor idolators, nor adulterers, nor homosexuals . . . will inherit the Kingdom of God."

Against this background liaisons between homosexuals are looked upon with disfavor and social ostracism usually ensues.

The ostracised pair have no legal rights as a couple. If one member has had a prior heterosexual marriage or alliance from which children were born, he/she usually loses custody of the children. Not only is placement of the child with the homosexual partner fought by the aggrieved partner, but also by the grandparents (on both sides), the courts and child welfare agencies.

Only a few of the cases have gone to trial. Most parents prefer to keep the knowledge of their homosexuality from the general public, therefore, most cases are decided in favor of the heterosexual partner prior to trial.

In the cases on record, four cases were decided against lesbian mothers. Two were in California, one in Oregon and one in Georgia. (*Nadler vs. Supreme Court of California*). The California Court of Appeal reversed a decision of a family court stating that "It must be proved that the mother's homosexuality is detrimental to the best interest of the child." The mother still lost custody of the child.

In the Georgia case *Bennett vs. Clemens, S.C. Ga, 1973*, custody was given to the grandparents. In the Oregon case, *Hofflower vs. Hofflower*, the father was given the child and the lesbian mother, visitation rights. In another California case, *Mitchell vs. Mitchell*, the children were placed in a foster home.

There are six cases on record in which custody was awarded to a lesbian mother. The most important one was in Michigan (People vs. Brown, 49. Mich. app. 358, 1973). The court awarded custody of six children to two lesbian mothers who were living together. The court found that the private sexual relationship of the mothers did not detrimentally affect the children. This was the first case where the mother was allowed to continue a homosexual liaison after custody was awarded to her. It has usually been the practice of the court to attach a stipulation that the lesbian couple should no longer live together.

In a recent case in Seattle, Washington, a sixteen year old youth was removed from his foster home and forbidden to see his foster parents, two homosexual men. The judges' decision was that they could not provide a proper home. The case is being appealed.

Lack of recreational facilities

With a few exceptions, gay bars are the only facilities where homosexuals can meet other homosexuals in a friendly, supportive surrounding. It is estimated that there are about 4,000 gay bars in the continental U.S.

The majority of these bars are for white male homosexuals only. Lesbians heretofore have been hesitant to frequent bars just as straight women in our society. They are more likely to form small social groups and socialize in homes.

For those male-female homosexuals who do not want to socialize in homes or frequent gay bars there are no facilities provided.

Lack of Communication Between Gay Groups (Males, Females, Blacks)

The homosexual subculture like the rest of society is fragmented by sexism and racism. There is, however, some movement to consolidate forces for a big push against discriminatory practices and inequitable application of sexual laws.

Most of the clubs, associations, and bars for white homosexual men are segregated economically, racially, and sexually. There are some exceptions. Women and minority men have very limited family ties. They are doubly discriminated against by straights and white homosexual men.

LAWS GOVERNING HOMOSEXUAL PRACTICES

Laws governing homosexual activities usually involve sexual conduct. The ACLU handbook states: "There are three classes of statutes under which gay people are arrested. Sodomy statutes or other statutes dealing with sexual conduct, statutes prohibiting soliciting for prohibited sexual conduct; and loitering or disorderly conduct statutes."

Sexual conduct in public, whether between gays or straights, is illegal. While straights who are apprehended will often be charged with disorderly conduct or lewd behavior and many escape with just a warning (for example Johns) gays are likely to be charged in addition to disorderly conduct, with violations of sodomy statutes in the 43 states retaining these statutes. Michigan is one of these states.

In 1955 the model penal code, a proposed penal code recommended to the states by the prestigious group of legal scholars of the American Law Institute, recommended that all sexual practices not involving force, adult activity with minors, or public conduct be excluded from the criminal law. In 1957, a specially appointed study committee in Great Britain issued a report known as the Wolfenden Report, recommending that private adult homosexual conduct be decriminalized.

In 1961 Illinois adopted the recommendations of the American Law Institute and exempted homosexuality from its model penal code. Consequently, Connecticut, Oregon, Colorado, Delaware, Hawaii, Ohio, and California eliminated law prohibiting private homosexual behavior between consenting adults. The Supreme Court of Florida declared the state's sodomy law unconstitutional but Florida still has a prohibition against unnatural and lascivious acts with another person which has been interpreted to cover acts formerly prohibited by the sodomy provision.

In 1973, the American Bar Association passed a resolution urging the states to repeal all laws that made criminal any form of consenting sexual conduct between adults in private.

On March 25, 1975 Bella Abzug and 23 Congressmen introduced a Bill, H.R. 5432, which would amend Title VII of the *Civil Rights* Acts of 1964 to ban discrimination based on sexual orientation.

Immigration laws, Section 1182 of Title VIII of the U.S. Code exclude those persons afflicted with "psychopathic personality", or *sexual deviation*, or a mental defect. The Supreme Court ruled in 1967 in *Boutilier v. Immigration and Naturalization Service* that an alien may be excluded as having a "psychopathic personality" if he or she is, at the time of attempted entry into the U.S. is a "homosexual." There are no clear definitions of "psychopathic personality" nor "homosexual" in the code.

STATUTES PERTAINING TO HOMOSEXUAL PRACTICES

Sodomy statutes

Prohibits anal intercourse. Most sodomy laws do not include women. Georgia recently rewrote the law to include sex between lesbians.

Solicitation statutes

Prohibits solicitation of or requesting another person to engage in conduct that is in itself prohibited by law.

Some of the states that have decriminalized consensual sodomy nevertheless retain statutes prohibiting solicitation for such acts. These statutes are subject to legal attack on the grounds that where the conduct itself is legal it cannot be illegal to ask someone to participate in it.

Loitering statutes

Prohibit being or remaining in a public place for no apparent purpose or being in a place for an illegal purpose. Some statutes are too vague to know what constitutes "no apparent purpose." For illegal purposes, if there is a law specifying the purpose, the prosecutor must be able to prove that the person was loitering for the specified illegal purpose.

Anti-Discrimination Ordinances have been passed in Minneapolis, Washington, D.C., Ann Arbor, and East Lansing, prohibiting discrimination against gays in housing, employment, public accommodation, etc.

The New Detroit City Charter prohibits discrimination because of sexual orientation and places jurisdiction for redress with the Human Rights Department.

An Ordinance which will enable the Department to address the grievances of gay people is presently in the process of enactment.

RECOMMENDATIONS

Staff recommends that the Human Rights Department:

1. Be sure that Rules and Regulations, when promulgated for complaints, should permit a third person to institute a complaint on behalf of a complainant, when the complaint might have adverse effects on the complainant. (I.E., public knowledge of homosexuality for those gay people who wish to remain closeted)

2. Encourage formation of medical counseling and information services, staffed with understanding and sympathetic personnel.

3. Encourage the organization or sharing of community facilities for those gay people who seek supportive recreational facilities but do not wish to frequent bars.

MICHIGAN LAWS APPLICABLE TO CONSENSUAL ADULT HOMOSEXUAL ACT

Acts	Type	Crime	Penalty
Sexual delinquency, MCLA: 750.10A	Sexually delinquent person, repetitive or compulsive acts		(Definition only).
Sodomy:			
750.85	Assault with intent to commit sodomy or gross indecency	Felony	NTE 10 yr or $5,000.
750.158	Crime against nature	do	NTE 15 yr.
Disorderly conduct: 750.167, No. 168	Indecent or obscene conduct in public; loitering	Misdemeanor	NTE 90 days and/or $100.
Lewdness: 750.335	Open and gross lewdness, lascivious behavior	do	NTE 1 yr or $500.
Indecent exposure: 750.335a	Indecent exposure	do	Do.
Gross indecency:			
750.338	Gross indecency between male persons	Felony	NTE 5 yr or $2,500.
750.338A	Gross indecency between female persons	do	Do.
750.340	Debaunching by males of males under 15 yr of age	do	NTE up to 5 yr.
Solicitations:			
750.448	Soliciting for prostitution or any lewd or immoral act	Misdemeanor	NTE 90 days and/or $100.
750.449	Admitting or place for purpose of prostitution, lewdness, or assignation.	do	Do.
750.450	Aiding and abetting above offenses	do	Do.
750.451	2d offenders (above)	do	NTE 1 yr and/or $500.
	3d and subsequent offenders	Felony	NTE 2 yr.
Sexual psychopaths: 720.301 to 720.310	Sterilization of mental defectives, moral degenerates and sexual perverts		
DETROIT ORDINANCES			
Disorderly conduct: 39-1-7	Assist in making noise, disturbances or improper diversion		
Disorderly person: 39-1-10	Loitering, rambling about or lodging or loitering in drinking saloons, etc.		
Prostitution, fornication, solicitation	Accost, solicit, or invite another by word, gesture, or other means		

HETEROSEXUAL-HOMOSEXUAL RATINGS FOR ALL WHITE MALES

		Heterosexual-homosexual rating: Active incidence total population—U.S. Corrections (percent)							
Age	Cases	X	0	1	2	3	4	5	6
5	4,297	90.6	4.2	0.2	0.3	1.2	0.3	0.2	3.0
10	4,296	61.1	10.8	1.7	3.6	5.6	1.3	.5	15.4
15	4,284	23.6	48.4	3.6	6.0	4.7	3.7	2.6	7.4
20	3,467	3.3	69.3	4.4	7.4	4.4	2.9	3.4	4.9
25	1,835	1.0	79.2	3.9	5.1	3.2	2.4	2.3	2.9
30	1,192	.5	83.1	4.0	3.4	2.1	3.0	1.3	2.6
35	844	.4	86.7	2.4	3.4	1.9	1.7	.9	2.6
40	576	1.3	86.8	3.0	3.6	2.0	.7	.3	2.3
45	382	2.7	88.8	2.3	2.0	1.3	.9	.2	1.8

DEFINITION OF SCALES

While the scale provides seven categories, it should be recognized that the reality includes individuals of every intermediate type, lying in a continuum between the two extremes and between each and every category on the scale.

The categories on the heterosexual-homosexual scales may be defined as follows:

0. Individuals are rated as 0's if all of their psychologic responses and all of their overt sexual activities are direct toward persons of the opposite sex. Such individuals do not recognize any homosexual responses and do not engage in specifically homosexual activities. While more extensive analyses might show that all persons may on occasion respond to homosexual stimuli, or are capable of such responses, the individuals who are rated 0 are those who are ordinarily considered to be completely heterosexual.

1. Individuals are rated as 1's if their psychosexual responses and/or overt experiences are directed almost entirely toward individuals of the opposite sex, although they incidentally make psychosexual responses to their own sex, and/or have incidental sexual contacts with individuals of their own sex. The homosexual reactions and/or experiences are usually infrequent, or may mean little psychologically, or may be initiated quite accidentally. Such persons make few if any deliberate attempts to renew their homosexual contacts. Consequently the homosexual reactions and experience are far surpassed by the heterosexual reactions and/or experience in the history.

2. Individuals are rated as 2's if the preponderance of their psychosexual responses and/or overt experiences are heterosexual, although they respond rather definitely to homosexual stimuli and/or have more than incidental homosexual experience. Some of these individuals may have had only a small amount of homosexual experience, or they may have had a considerable amount of it, but the heterosexual element always predominates. Some of them may turn all of their overt experience in one direction while their psychosexual responses turn largely in the opposite direction; but they are always erotically aroused by anticipating homosexual experience and/or in their physical contacts with individuals of their own sex.

3. Individuals are rated as 3's if they stand midway on the heterosexual-homosexual scale. They are about equally heterosexual and homosexual in their psychologic responses and/or in their overt experience. They accept or equally enjoy both types of contact and have no strong preferences for the one or the other.

4. Individuals are rated as 4's if their psychologic responses are more often directed toward other individuals of their own sex and/or if their sexual contacts are more often had with their own sex. While they prefer contacts with their own sex, they, nevertheless, definitely respond toward and/or maintain a fair amount of overt contact with individuals of the opposite sex.

5. Individuals are rated as 5's if they are almost entirely homosexual in their psychologic responses and/or their overt activities. They respond only incidentally to individuals of the opposite sex, and/or have only incidental overt experience with the opposite sex.

6. Individuals are rated as 6's if they are exclusively homosexual in their psychologic responses, and in any overt experience in which they give any evidence of responding. Some individuals may be rated as 6's because of their psychologic responses, even though they may never have overt homosexual contacts. None of these individuals, however, ever respond psychologically toward, or have overt sexual contacts in which they respond to individuals of the opposite sex.

X. Finally, individuals are rated as X's if they do not respond erotically to either heterosexual or homosexual stimuli, and do not have overt physical contacts with individuals of either sex in which there is evidence of any response. After early adolescence there are very few males in this classification, but a goodly number of females belong in this category in every age group. It is not impossible that further analyses of these individuals might show that they do sometimes respond to socio-sexual stimuli, but they are unresponsive and inexperienced as far as it is possible to determine by any ordinary means.

WHY MUST IT TAKE SO LONG BEFORE THEY SEE THE LIGHT?

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I have had correspondence with the Department of State relating to the discriminatory policy of the U.S. State Department against hiring qualified blind citizens as Foreign Service officers. I think that correspondence would be of interest to our colleagues and I am appending it.

Mr. Speaker, I am convinced that this barrier imposed by the U.S. State Department against blind personnel will ultimately crumble, but why must it take so long before they see the light.

HOUSE OF REPRESENTATIVES,
U.S. CONGRESS,
March 21, 1976.

Mr. SAMUEL M. PINCKNEY,
Deputy Assistant Secretary for Equal Employment Opportunity, Department of State, Washington, D.C.

DEAR MR. PINCKNEY: Enclosed is a copy of a letter I received from Rev. Jonathan May concerning the employment of blind personnel. He states that the State Department "refuses to hire qualified blind citizens as Foreign Service officers in overseas positions of 'world wide availability', solely on the grounds of blindness."

I would appreciate having your comments on what he believes to be a discriminatory policy of the State Department.

Sincerely,

EDWARD I. KOCH.

NATIONAL FEDERATION OF THE
BLIND OF CONNECTICUT, INC.,
S. Glastonbury, Ct., February 12, 1976.

Hon. EDWARD I. KOCH,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: As a blind person, I am writing to ask your assistance in removing a discriminatory policy of the U.S. State Department. The Department refuses to hire qualified blind citizens as Foreign Service officers in overseas positions of "world wide availability", solely on the grounds of blindness. Your blind constituents and friends of our country's organized blind movement, the National Federation of the Blind, may have already brought this discrimination to your attention.

During the past several months the NFB and some Congressmen have compelled the State Department to enter a dialogue on this issue. The State Department has reluctantly agreed to allow blind applicants to take the Foreign Service exam, to employ qualified blind people domestically, and look for a few selected locations overseas into which the Department feels a blind person might function. The Department is still intransigent in considering qualified blind persons for Foreign Service positions of world wide availability, inferring that a blind person would perform unacceptably, safeguarding American interests in physically primitive areas or politically unstable and dangerous situations. Such State Department claims are not medical facts, but unsubstantiated myths and assumptions which have the effect of relegating blind Americans to a demeaning second class citizenship. Obtuse officials in the State Department have refused to accept the fact that blind people live productive lives all over the globe, a number of whom successfully perform duties of great responsibility for lives and property. There also exist today, technical innovations and alternative techniques to sight which allow a blind person to examine confidential documents and function in most conceivable situations.

The State Department's behavior in this matter clearly contravenes the affirmative action intent of section 501 of the Vocational Rehabilitation Act of 1973 and seems to violate the equal rights guarantees of the U.S. Constitution. The many thousands of blind members of the National Federation of the Blind ask that you and your colleagues on the Appropriations Committee include in this year's appropriation bill for the State Department, an order requiring the Department to remove blindness as a restriction on overseas employment, and to have the Department consider qualified blind persons for overseas positions of world wide availability.

Your kind attention to ending this discriminatory conduct will be greatly appreciated. I remain,

Very truly yours,

Jonathan May,

Member, Human Rights Committee & National Executive Committee, National Federation of the Blind.

Department of State,
Washington, D.C., April 21, 1976.
Hon. Edward I. Koch,
House of Representatives.

Dear Mr. Koch: I refer to your letter of March 21 concerning Rev. Jonathan May's letter to you of February 12.

For some months now, and as a part of its effort to ensure that we do not maintain unnecessary barriers to employment, the Department has been actively engaged in an examination of the various questions related to employment of blind persons. The Deputy Assistant Secretary for Personnel and the Director of the Office of Recruitment, Examination, and Employment have had frequent consultations with me with members of my staff on this subject. We have jointly participated in extensive discussions with, among others, Mr. James Gashel, the National Federation of the Blind's Washington representative, in an effort to find answers to some of those questions.

Early in our discussions with the National Federation the Department made clear its readiness to hire qualified blind persons for positions in Washington; and, in fact, a blind person was recently hired as an editorial assistant. At the same time the considerations which in management's judgment require that rigorous physical standards for duty in the worldwide Foreign Service be maintained were explained to the Federation. Among those considerations is the fact that, unlike an employee in the Civil Service, a Foreign Service officer is not hired to fill a specific job in a particular place. Instead, the Foreign Service officer joins an organization which in the course of a career will assign the officer to many different places with greatly varying living and working conditions. The assignment principle on which the Foreign Service operates, and the relatively high physical standards which must accompany that principle, more closely resemble the situation of the military services than that of the domestic Civil Service.

Just within the last few days the Department has received a letter from the Interagency Committee on Handicapped Employees questioning the necessity for the present high physical standards for Foreign Service officers and requesting a review of those standards not only as they apply to blindness but to all other handicaps as well. This action by the Committee was prompted by an inquiry from a Member of Congress, which in turn was the result of a request to the Congressman from the National Federation of the Blind. The Department will, of course, be responding to the Committee's request. The officers of the National Federation will doubtless be in contact with the staff of the Interagency Committee, whom they already know, in order to ensure that the Federation's positions are thoroughly understood as the Department's study proceeds.

Sincerely,

Samuel M. Pinckney, Jr.,

Deputy Assistant Secretary for Equal Employment Opportunity.

House of Representatives,
Washington, D.C., April 30, 1976.
Mr. Samuel M. Pinckney, Jr.
Deputy Assistant Secretary for Equal Employment Opportunity, Department of State, Washington, D.C.

Dear Mr. Pinckney: I read your response of April 21 to my letter of March 21 and Rev. Jonathan May's letter to you of February 12. I am astounded that you would predicate your discrimination against the handicapped including the blind on the grounds that the foreign service requirements "more closely resemble the situation of the military services than that of the domestic Civil Service." I must say I think that is a ludicrous position.

I am delighted that the Interagency Committee on Handicapped Employees has questioned the necessity for these present physical requirements by Foreign Service officers, and that the State Department will, as you suggest, "be responding to the Committee's request." I hope that response is affirmative and immediate. I would appreciate being kept apprised of any developments on this subject.

Sincerely,

Edward I. Koch.

KIDNEY DONATIONS—THE GIFT OF LIFE

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, as you know I recently made a distribution of organ donor cards prepared by the National Kidney Foundation to the entire membership of the House and Senate. This was done in conjunction with the Foundation's current efforts to encourage more Americans to donate their body organs at death for use either in transplantation or for medical research.

As an example of what the organ donor program can mean, kidney transplantation has become an almost routine surgical procedure in the treatment of certain of the end-stage renal diseases. However, the chances of finding an excellent tissue match between unrelated persons is about 1 in 1,000. So, a very large pool of donors is necessary to find the "ideal" match for each patient. Each year, many thousands of patients could be helped if donated kidneys were available.

While kidney transplantation has proven to be the area in which the most successful results have been achieved, the medical profession continues to work to perfect transplantation techniques for other body organs. The success of research in these other areas will depend to a large extent on the willingness of people to participate in organ donor programs such as that sponsored by the National Kidney Foundation.

A few days ago I received a very thoughtful letter from Senator J. Glenn Beall, Jr., of Maryland pointing out that in Maryland—and in many other States—it is now possible for licensed drivers to indicate their desire to participate as organ donors by having this so designated on the driver's permit. I think this is an excellent idea and one that should be adopted by all the States. I would like at this time to insert Senator Beall's letter into the Record. I appreciate his interest and cooperation in encouraging more people to join in giving what is truly the gift of life.

U.S. Senate,
Washington, D.C., April 20, 1976.
Hon. Richard L. Ottinger,
Cannon House Office Building,
Washington, D.C.

Dear Congressman Ottinger: Thank you for your letter and enclosed copies of the National Kidney Foundation's Donor Cards.

I certainly think that this is a good idea and will see that they are appropriately distributed. In Maryland, through the State Motor Vehicle Administration, we have a program which permits donation of body organs in conjunction with the licensing process. Every two years in the State, one is required to secure a new driver's permit, and sent to each driver is a form permitting body organ donations upon death. If one so elects, the fact that he or she is a "organ donor" is stamped on the Maryland driver license.

With best wishes, I am

Sincerely yours,

J. Glenn Beall, Jr.

OGDEN REID, A GREAT ENVIRONMENTAL COMMISSIONER FOR NEW YORK STATE

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, yesterday our former colleague in the House, Ogden Reid resigned as commissioner of Environmental Conservation for the State of New York after 15 months in that job.

Mr. Reid brought to the commissionership the strongest commitment to environmental protection of anyone who has held that position in the history of the department. His vigorous pursuit of stopping the discharge of toxic chemicals into the Hudson River has been extraordinary, the more so at a time when so much is being made of the conflict—a false one, in my view—between environmental protection and economic recovery.

"Brown" Reid has done a superlative job as commissioner and has succeeded in setting a tone for the department's activities that will follow when he leaves. In fact, I am pleased to note that Governor Carey has appointed as his successor a man equally committed to the environmental cause—former assemblyman Peter Berle. The New York Times today editorialized on Commissioner Reid's outstanding service, which I would like to share with my colleagues.

Reid Out; Berle In

The excellent appointment of Peter A. A. Berle to succeed Ogden Reid as New York State's Commissioner of Environmental Conservation has spared Governor Carey the sharp criticism of those environmentalists who deplore Mr. Reid's departure under pressure. His administrative troubles—and he had his share—were not enough to warrant the loss to the state of an official whose devotion to the cause of an improved environment was strong and whose actions to advance that cause were vigorous and untiring.

In his *fifteen months in office*, Commissioner Reid has not been one to suffer bureaucrats gladly, particularly those he inherited or was obliged to take on for political reasons and who made no secret of their indifference to his environmental philosophy. In the light of his difficulties, his record of achievement looks all the more remarkable, including development of nine major environmental bills that all became law; the launching of a $2.7 billion sewage treatment program (the state's largest single job program); and the fight against General Electric's pollution of the Hudson River with PCB's.

Mr. Reid's conduct of the G.E. battle is believed to have been a source of friction between Governor Carey and himself. The company no longer denies that its activity has in fact poisoned the river with toxic chemicals; it agrees to stop, in prescribed stages, but asks that it not be held responsible for the river's restoration.

It should not, in fact, be held solely responsible—the Federal and state governments have been just as culpable for having allowed the deadly process to continue until Mr. Reid acted to stop it. But since the company's share in that culpability is unquestioned, requiring it to make partial restitution would be an historic precedent and one that Governor Carey should support and promote.

The Governor's choice of Mr. Berle, a man with unimpeachable credentials as an environmentalist—and a public servant of skill and integrity besides—is a hopeful sign that the Governor will do just that.

SECRETARY KISSINGER'S LUSAKA COMMITMENTS

(Mr. GUDE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, Secretary Kissinger's remarks in Lusaka, Zambia, in which he outlined a comprehensive U.S. policy toward southern Africa, are to be commented. They have been long awaited by those of us who want to see the liberation struggles in southern Africa settled in a just way.

Secretary Kissinger's Lusaka commitments are an important first step in tackling the problems; it is now up to Congress to act in conjunction with the administration in taking decisive action upon these commitments. That is why I am introducing, on the House side, a resolution introduced yesterday by Senator Percy and seven of his colleagues. This resolution in support of the new U.S. policy toward Africa seeks to unite Congress behind the administration's proposals. We cannot afford another divisive foreign policy episode like the one which occurred over the Angolan situation. Cooperation by Congress with the administration is the only way to insure a swift and fair realization of the proposals contained in the Secretary's speech.

FOREST SERVICE PAYMENTS TO COUNTIES

(Mr. BROWN of California asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BROWN of California. Mr. Speaker, I would like to call attention to a matter involving our counties and the U.S. Forest Service, a matter which should be clarified immediately so that my colleagues will support the growing movement for change.

Across the Nation, the major source of revenue for our counties is that derived from property taxes. This revenue is needed for health, education, and community programs. National forest land, though part of a county's total acreage, is tax exempt. It thus provides no revenue to the locale, while it drains county funds for the necessary road construction and other improvements required by the tourists who come to these public forest areas.

To compensate counties for this obvious inequity, a system was established in 1908 providing for the payment to each county of 25 percent of the net timber sale incomes within the national forest acreage of that county.

The problem with such a formula being based on percentage of timber sales instead of payments calculated on total land area or payment in lieu of taxes, is twofold. First, counties with low-quality timber acreage receive little in payment for the land, while those containing timber species in high demand receive much more per acre in payments. Second, the poorer counties, some of which have 20 to 30 percent of their land set aside as national forests, are forced to push for rapid large scale timber harvesting to insure a flow of payments by the Forest Service. They need these funds for the development of their communities and cannot stop to consider the possibility that the national forest lands within their county lines might not be able to sustain the erosive effects of heavy harvesting, or that the land might be better suited for some other forest use, such as recreation, wilderness, wildlife protection, et cetera.

There is a solution to these problems, one that is found in the National Forest Timber Management Reform Act of 1976, H.R. 11894. If counties are offered a choice of 75 cents per acre or a payment under the present system, then many of the poorer counties, or those with less valuable timber, would be assured a steady flow of income—and in most cases a much higher one than at present—to help pay for roads, improvements, and local needs, while those now receiving adequate remuneration for the land can elect to remain under the present system.

I call the attention of my colleagues to the following statements and tables which summarize the complexities of this issue far better than I have just done, and point out the diversity in payments to the various States and each national forest total under the present 25 percent formula. Changes must be made. The material follows:

Forest Service Payments to Counties: Minnesota

National Forest land, according to the U.S. Constitution's prohibition on governmental units taxing each other, is tax exempt. For this reason, and the fact that county governments are heavily dependent on property taxes as a source of revenues, the counties which contain sizeable amounts of National Forest land are intimately concerned with landownership patterns.

The fiscal impact on the taxability of state and local governments by the Federal Government's retention of the Forest lands caused concern at an early date, and in 1908 Congress passed an act whereby 25 percent of stumpage sale receipts from the federal forest reserves would be returned to the counties in which the timber was cut to be used for public schools and roads.[2] The legislative history of the 1908 act and others that have provided for the sharing of net revenues from forest products and oil and gas, as well as other leasable minerals, clearly reflects that the payments to the county's governments were intended as compensation for the fact that the lands in question would no longer be available for private ownership and property taxation.[3]

As recently as 1968, the Public Land Law Review Commission recommended that:

"If the national interest dictates that lands should be retained in Federal ownership, it is the obligation of the United States to make certain that the burden of that policy is spread among all the people of the United States and is not borne only by those states and governments in whose area the lands are located. Therefore, the Federal Government should make payments to compensate state and local governments for the tax immunity of Federal lands." [4]

Today, however, the pressures of new social and economic circumstances requires an evaluation as to the extent that the Federal Government has met its commitment to provide for compensation to local governments for public land ownership.

Approximately 300,000 acres of the Chippewa National Forest are located in Itasca County, Minnesota, which accounts for 17.33 percent of the county's land acreage. The Forest Service provided a total of $20,068 in shared revenues to Itasca County in 1966. In addition Itasca County received $7,485 in free goods and services from the Forest Service for a total direct benefit of $27,553. During that same time period Itasca County paid $110,000 for the maintenance of county roads within the boundary of the Chippewa National Forest. This resulted in a net direct loss of $82,447 to Itasca County. In addition, it was calculated that the county carried the indirect burden of a loss of $144,491 because of the exemption of National Forest lands to property taxation.[5]

By 1974, although the total acreage of the Chippewa National Forest had remained stable, the cost of maintenance of Itasca County roads within the forest had risen to a total of $635,000 [6] while shared revenues amounted to $26,693 or $0.09 per acre.

In 1971 and 1972 Itasca County conducted a survey of the market values, and resulting

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Footnotes at end of article.

tax assessments, of privately owned lakeshore lots and 40 acre tracts within the Chippewa National Forest. The survey showed an average lakeshore market value of $11.26 per foot; $9,000 for each summer home per 2,000 feet of lakeshore; and $700 per 40 acre tract. Upon further calculation it was found that for the 299,655 acres of Chippewa National Forest land within Itasca County there would be a total average market value of $21,193,044. With potential property tax revenues amounting to $822,700 or $2.74 per acre.[7] Present land values suggest that the current tax earnings from Chippewa National Forest lands would be approximately $1,400,000 at $4.90 per acre.[8]

It should be noted that in 1974 there were 14 National Forests which paid revenues to counties in excess of $2.74 per acre. With the highest amount, $8.47 per acre, paid by the Siuslaw National Forest in Oregon. (See Table I). And there were 111 National Forests which paid their respective counties more than the $0.09 per acre that Itasca County received from the Chippewa National Forest.

Testifying before a recent Forest Service hearing, Itasca County Administrator Lloyd Nesseth summarized the situation as such:

"Itasca County and other counties in northern Minnesota are facing a severe financial crisis due to the large percentage of public owned lands. It is absolutely essential that some method of financing (in lieu of taxes) be developed if these counties are going to survive. The land owned by the U.S. Forest Service in Minnesota is of high value. The Chippewa National Forest has over 1,000,000 feet of high grade lake shore and river footage. In Itasca County, this land has a value of $100 to $500 per running foot on today's market. This frontage, if in private ownership and developed, would provide a greatly increased tax base. We do not advocate any such a change, but at the same time it is very unfair to tax private resident land owners to provide the entire finances for services necessary to maintain property which is utilized and enjoyed by people from areas outside this county."[9]

There are several other secondary impacts that are created by the present revenue sharing system. Initially, it can be seen fairly clearly that with increasing fiscal limitations counties find the present shared revenues to be insufficient to warrant payment for a well maintained county road system within National Forest boundaries. Additionally, since the roads are primarily used by residents from outside the county there exists not only an inadequate economic incentive to maintain the roads, but also a lack of political incentive.[10]

Another type of impact that is increasingly beginning to occur revolves around the requirement for total forest revenues to increase so that county revenue payments will also rise.

Unlike property taxation in which the county government or voters can increase the mileage rate to obtain needed revenues the county government has no direct control as to what amount of revenues may be obtained from National Forest lands. Thus, it becomes necessary for the county government to take the role of a lobbyist for increased revenue producing activity on National Forest lands. And since recreation and wilderness provide few revenues the demand is for the more intensive and greater revenue producing uses, timbering and mining.

Therefore, you get instances like in the Superior National Forest where one county is advocating logging in the Portal Zone of the wilderness, Boundary Waters Canoe Area.[11] (The logging is currently halted by a court order.) And another has been requesting that the Superior National Forest grant a lease to the International Nickel Corporation (INCO) for the purpose of operating a copper-nickel open pit mine within one-quarter mile of the Boundary Waters Canoe Area. This request has been made even before INCO has completed submitting the various applications and years before an environmental impact statement will be completed.[12] The pressure for these requests is not solely for the acquisition of increased shared revenues. Northern Minnesota has since the decline of the Iron Range mining activity in the 1950's been in need of new employment opportunities. So when a new logging or mining operation is proposed the Forest Service has little economic or political basis to dissuade the counties avid support of the proposals irrespective of the costs to the forest.

From the foregoing information it can be seen why there has grown a considerable amount of interest in the manner that the Federal Government compensates for public landownership. When a county, such as Itasca County, ends up paying more for serving the National Forest than it receives in shared revenues, it is easy to conclude that the current compensation method is hardly fair. And when that same method can compensate counties for one national forest at the rate of $8.47 per acre (Siuslaw National Forest. Oregon) while another can pay only $0.01 per acre (Challis National Forest, Idaho) it can hardly be viewed as equitable.

In 1968, the Public Land Law Review Commission concluded that:

". . . The existing system of revenue sharing is not equitable, and that the Federal taxpayer is financing a program that has little relation to the purpose it was originally designed to accomplish.

It is axiomatic that expenditure requirements determine the tax levels needed to produce the revenue to meet the costs of government. Since the ad valorem tax system has been the foundation for the financing of programs providing municipal services, the Commission believes that all landowners must share in payment for these services. This should not exclude the Federal Government as a landowner . . .

Believing, as the Commission does, that the tax level represents the actual need for revenue, Federal payments related to the level of state and local taxes levied on private owners should be in proportion to the services received and burdens imposed by Federal ownership.[13]

The only National Forest lands that do attempt to make payments to counties somewhat relative to the market value of the land, as opposed to the revenues it produces, is the Boundary Waters Canoe Area, a semi-wilderness in the Superior National Forest. According to the Thye-Blatnik Act of 1948 the Boundary Waters Canoe Area (BWCA) is exempt from the 25 percent shared revenue payments to counties. In their place the three BWCA counties (Cook, Lake and St. Louis) receive an annual payment equivalent to three-quarters of one percent of the "fair appraised value" of the BWCA lands within each respective county. The Forest Service, by authority of the Secretary of Agriculture, determines the "fair appraised value" of the BWCA lands at ten year intervals, and their determination is conclusive and final.

Although the BWCA annual payment to counties of three-quarters of one percent of the "fair appraised value" of the lands has generated greater total and per acre revenues for the three counties (See Table II) it still suffers from some of the same inadequacies as the 25 percent shared revenue payment system. The three BWCA counties received an average of $0.35 per acre from the Forest Service as payment for the BWCA lands located within their boundaries, while they only received $0.05 per acre as payment for the non-BWCA lands. However, even with a payment of $0.35 per acre the BWCA counties rank behind the counties of 71 other National Forests, all of which are paid by the 25 percent shared revenue system.

In 1972 the St. Louis County Auditor estimated that the 767,068 acres of Superior National Forest lands, including 195,543 acres of BWCA lands, had a market value of $12,273,088. The ad/valorem real estate tax on that value would have amounted to $1,506,521.43 in revenues to St. Louis County. Yet, the Forest Service only paid St. Louis County a total of $91,328.34 in BWCA payments and shared revenues in 1972.[14]

It should also be noted that unlike county governments the Forest Service re-appraises the value of the BWCA lands once every ten years. This method does not account for the annual increase in value of the land. Comparative private recreational land has increased tremendously, the past ten to fifteen years. Therefore, counties have had no opportunity to obtain any economic benefit from public or private actions that has increased the value of BWCA lands. Over a period of ten years this could amount to a significant sum in lost revenues.[15]

And finally, the payments that are made by the Forest Service under thhe BWCA "fair appraised value" payment system, as with the 25 percent shared revenue system, bears little relationship to the finances to the county. Nor, to the types and costs of services provided by the counties within BWCA and Superior National Forest boundaries.

The unfairness and inequities of the 25 percent shared revenue system are just as evident, although not as blatant, in the BWCA "fair appraised value" payment system. Although it is recognized that Forest Service expenditures must be held to the minimum necessary to provide essential programs, the Federal Government, as a landowner, must pay its way. In the interests of fairness and equity it is neecssary that the Federal Government institute a system of payments in lieu of taxes (PILT) based on the equivalent or near equivalent to taxes that would have been assessed if the lands hadn't been in Federal ownership.

The level at which a payment in lieu of taxes system should be established is certainly open to question. However, it has been suggested that even if the PILT level was established at fifty percent of what the National Forest land would be assessed at if it were in private ownership it would be of greater value to counties than the present revenue sharing system.[16] One county official suggested that if a PILT system was instituted the Federal Government could keep all of the rest of the money it currently pays to the county.[17] Although not all counties would be so eager to give up all other sources of Federal revenues the interest in the establishment of a PILT system has been increasing.

The National Association of Counties, and its Western Region District, have long supported a system of payments in lieu of taxes for federally owned tax exempt lands. In a recent resolution they noted that, "Many county governments throughout the United States are suffering financially by virtue of a high percentage of public lands within the boundaires, which limits their ad valorem tax base, and they urgently need the relief that would be provided under such a system."

However, many areas would probably be opposed to a change from the 25% shared revenue system to the payment in lieu of taxes system. This opposition would be generated by those counties that currently enjoy a high rate of shared revenues due to high rates of timber harvesting. Additionally, those counties that contain the Oregon and California Railroad Revested Lands would be alarmed particularly, since they receive 50 percent of the revenues generated on those Bureau of Land Management lands.[19]

Therefore, in the interest of fairness, and political expediency, a payment in lieu of taxes system should not be substituted for

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the present shared revenue system, but should be a complimentary alternative available to counties that find the present system unjust.

In conclusion it should be apparent that the existence of a payments in lieu of taxes system would not prescribe equal payments to all counties containing federally owned land. What it would do is to begin to equalize the payments made to counties with varied natural resources but similar burdens in the provision of public services to National Forest lands. Secondly, it would begin to provide a mechanism in which county governments would be able to receive revenues from the Federal Government, as it does from private property owners, in relation to the cost of providing needed services. This final point was of significance to the Public Land Law Review Commission in the formulation of their recommendation for a payments in lieu of taxes system when they noted:

"The important point is that under a payments-in-lieu-of-taxes system, the Federal Government would expect, and would be entitled to, the same services received by a regular taxpayer from the state and local governments—no more and no less."[20]

FOOTNOTES

[1] Footnote 1 omitted.

[2] 16 U.S.C. Sec. 500 (1964).

[3] *Revenue Sharing and Payments in Lieu of Taxes*; EBS Management Consultants, Inc.; Public Land Law Review Commission Study Report; 1968.

[4] Recommendation 101; *One Third of the Nation's Land*; Public Land Law Review Commission Report; 1968.

[5] *Revenue Sharing and Payments in Lieu of Taxes*, part 4; EBS Management Consultants, Inc.; Public Land Law Review Commission Study Report; 1968.

[6] From testimony by Lloyd Nesseth, County Administrator; Itasca County, Minnesota; before Forest Service Hearings on the Program and Assessment for the Nation's Renewable Resources; Fort Snelling, Minnesota; September 19, 1975.

[7] Data compiled by J. G. O'Brien, Itasca Council Assessor and Lloyd Nesseth, Itasca County Administrator; July, 1971; Revised June, 1972.

[8] From testimony by Lloyd Nesseth.

[9] *Ibid.*

[10] Interview with Lloyd Nesseth; County Administrator; Itasca County, Minnesota; October 10, 1975.

[11] Interview with Bev Johnson; Cook County, Minnesota; October 9, 1975.

[12] Interview with Andy Anderson; consultant to Arrowhead Regional Development Commission; former Forest Supervisor, Superior National Forest; October 9, 1975.

[13] *One Third of the Nation's Land;* Public Land Law Review Commission Report; 1968.

[14] Letter from Willard C. Peterson; Deputy County Auditor; St. Louis County, Minnesota; to Floyd Anderson; Commissioner, First District; St. Louis County, Minnesota; June 12, 1972.

[15] Interview with Bev Johnson, Commissioner; Cook County, Minnesota; October 9, 1975.

[16] Interview with Lloyd Nesseth; County Administrator; Itasca County, Minnesota; October 10, 1975.

[17] Interview with Bev Johnson, Commissioner; Cook County, Minnesota; October 9, 1975.

[18] National Association of Counties; Resolution Supporting A System of Payments-In-Lieu of Taxes; 1975.

[19] Interview with Andy Anderson.

[20] *One Third of the Nation's Land.*

COALITION TO SAVE OUR NATIONAL FORESTS—"GIVING COUNTIES A DECENT BREAK"

The present system of sharing federal timber harvest receipts with counties provides for generally 25% of sale income to be disbursed to the counties containing the National Forest lands in which the timber harvesting takes place. This system is rife with problems for counties, such as: low payments to counties where timber is sold by the Forest Service at low prices; wide swings in county income when timber prices gyrate from year to year which lead to county budgetary planning problems; the concentration of National Forest management resources in timber production when other uses of particular National Forests, such as recreation, might provide a better tax base for county budgets; and pressures that can lead to overcutting of the forests lead eventually to their exhaustion as an economic resource for the county.

The current income sharing system has been under attack from many quarters for some time and legislation has been introduced in recent sessions of Congress to no avail; generally this is due to the opposition of successive Administrations on budgetary grounds and a lack of support from those corporate timber interests which have a vested interest in maximizing the harvesting of trees in the National Forests and their sale at the lowest possible prices.

The Randolph/Brown bill directs that changes be made in timber sale accounting (Section 16) which could increase the county share of harvest income receipts appreciably. Counties are also provided the alternative within their jurisdictions (Section 17) instead of the 25% of timber sale receipts under the current sharing arrangements. This increase could also be a fiscal boon to many counties.

It is also important to note that the National Forest Timber Management Reform Act of 1976 will provide the following job opportunities in counties with National Forests:

An increase in Forest Service employment to upgrade the quality of multiple-use planning and timber management activities in our National Forests.

Increases in sales of that timber harvesting equipment and the hiring of people to implement the improvements in timber production from the National Forests.

An increase in private sector jobs as more wood fibre processors are encouraged to incorporate technologies now available for utilizing in a full range of wood produces those major portions of harvested trees heretofore wasted.

TESTIMONY OF SI KAHN, AUTHOR, "THE FOREST SERVICE AND APPALACHIA," HOUSE AGRICULTURE COMMITTEE HEARINGS ON "NATIONAL FOREST TIMBER MANAGEMENT REFORM ACT," MARCH 22, 1976

My name is Si Kahn, and I am a former resident of Fannin County, Georgia, an Appalachian county in which over 40% of the land is owned by the United States Forest Service. I am also a former member of the Board of Directors of the Fannin County Taxpayers Association, a local organization concerned with problems of county government and taxation.

During 1972 and 1973, I undertook a comprehensive study of the effect of Forest Service policies on Fannin County and other counties in the Southern Appalachians in which National Forests are located. This research was supported by a grant from the John Hay Whitney Foundation, a private non-profit organization concerned with educational and governmental change. The results of this work were published by the Foundation in 1974 under the title THE NATIONAL FORESTS AND APPALACHIA. Today I would like to briefly summarize the data and conclusions contained in that report, and their relevance to the legislation being considered by this Committee.

The largest single landowner in the Southern Appalachians is not a coal or oil corporation, not a land or timber company, but the United States government. Through the Forest Service, the Federal government owns over five million acres of land in the Appalachian areas of Georgia, Kentucky, North Carolina, Tennessee, Virginia and West Virginia—an area of over 8,000 square miles.

On the local level, the amount of National Forest land in many Southern Mountain counties is staggering. In the six states named above, there are 37 counties where the Forest Service owns over 20% of the land. In 14 of these, more than 40% of the land is in National Forests, ranging up to a high of 61%.

Before 1911, *none* of this land was owned by the Federal government. All of it was owned privately, and was subject to local property taxes. The gradual acquisition of so much land by the Forest Service over the past 65 years has meant the gradual destruction of local tax bases, as formerly private lands moved off the tax digest and onto the rolls of exempt property. This has meant both decreased revenue for public services, and increased taxes on local property owners.

While it is difficult to estimate the exact amount of the tax loss, it is probable that based on average values for the land and effective tax rates in the counties involved, the Appalachian National Forests cost local governments nearly $10 million a year in lost tax revenues—money that could go to support roads, schools, health programs, and other public services which are desperately needed in this area.

The Forest Service answer to this loss of tax revenue is the 25% Fund, authorized by the Weeks Act of 1911. Under this system, 25% of the income from timber sales within a National Forest are paid to the counties in which these lands are located. In many Western states, where the National Forests provide a supply of high-priced saw timber, these payments may go as high as as six dollars per acre per year. But in Appalachia, where the market value of timber is much lower, and where lands are increasingly being set aside for wildlife and recreation, the average payment is less than 14¢ an acre. This is less than one fourth the average payment throughout the country, an considerably less than what the property taxes alone would have been if the land were still in private hands. The *total* Forest Service payment to Appalachian counties in 1972 in place of taxes on over five million acres of land was only $734,641.08. Compare the 25% Fund payments in 1972 in the following states:

In North Carolina, 21¢ an acre.
In Texas, $1.23 an acre.
In Kentucky, 17¢ an acre.
In Mississippi, $1.40 an acre.
In Tennessee, 15¢ an acre.
In Oregon, $2.12 an acre.
In West Virginia, 11¢ an acre.
In Louisiana, $2.16 an acre.
In Virginia, 5¢ an acre.

Or compare the average 13.5¢ an acre payment for all Appalachian counties with those in other National Forests:

In Lassen National Forest, California, $2.63 an acre.

In Pisgah National Forest, North Carolina, 13.1¢ an acre.

In Gifford Pinchot National Forest, Washington, $3.10 an acre.

In Daniel Boone National Forest, Kentucky, 17¢ an acre.

In Homochitto National Forest, Mississippi, $3.82 an acre.

In Jefferson National Forest, Virginia, 4¢ an acre.

In Siuslaw National Forest, Oregon, $6.43 an acre.

One last comparison. If Pocahontas County, West Virginia, were located in the Siuslaw National Forest, it would have received a payment from the Forest Service in 1972 of almost $4 million. Instead, it received less than $40,000. It is ironic that some of the poorest counties in the nation receive such a small share of what is supposedly a national resource. But as long as Forest Service payments are tied to the value of timber sold rather than to the value of the land taken out of the tax digest, these inequities will continue to exist.

An additional problem with the current system of payments also derives from the use of timber sales to determine payments to counties. Variations in sales from year to year make it impossible for counties to predict the amount of revenue they will receive in any given year. For example, in 1969, during the period of greatest clear-cutting in the Monongahela National Forest, counties received 25.9¢ an acre. By 1972, this had dropped to 11.9¢ an acre. In Pocahontas County, revenue from the Forest Service dropped from $73,050 to $33,931—a loss of $39,119. To those of you who deal in million- and billion-dollar budgets, this may not seem like a great amount. But for a county with a population of 8,640 it is a serious revenue loss.

In all the counties in the Appalachian National Forests, the losses are significant. Partly because of a lack of growth due to a lack of land outside the National Forests, these counties today are among the poorest and least populous in the nation. According to 1970 Census data, the average population of the fourteen Appalachian counties with over 40% National Forest land is less than 9,000 people. The average rate of poverty in 1970 was 29.2%—more than *twice* the average for the United States as a whole. Not one of these counties had a poverty rate less than the national average. The County Judge of one of these counties, Keith Ballew of Polk County, Tennessee, stated in 1971:

"In my opinion, I think the U.S. Government, through the U.S. Forest Service, has helped in creating the underdeveloped or poverty areas by their system of buying and holding land within the Appalachian region."

The situation as it now exists in the Southern Mountains violates both the letter and the spirit of equal protection laws. It is grossly unfair that the financial burden of providing timber and recreation for the Eastern United States should fall so heavily on some of the poorest citizens in the country—yet this is exactly what is happening. It is ridiculous to spend millions for campsites in communities which lack funds for schools, hospitals, health care, transportation, water systems, sewage disposal, housing—yet this is what is happening.

HR 11894 will not solve the problems of Appalachia, but it will begin to remedy an injustice that has been ignored for too long. Section 17 of the proposed Act provides counties with the option of electing a flat 75¢ an acre payment for National Forest lands within their boundaries, or to continue receiving payments under the old system. The proposed 75¢ payment is over five times the average payment now received by Appalachian counties, and is more than fifteen times the minimum payment. The new system will provide an additional $3 million a year in badly needed revenue to those Appalachian counties within the National Forest system.

In addition, revenue to the counties will be tied to the amount of land which is taken out of the tax base, rather than to the amount of timber which is taken off the mountain. This will eliminate the pressure now placed on mountain people to allow unnecessary cutting in the name of local revenue. It will also stabilize the annual payments, allowing local governments to plan and budget more efficiently.

HR 11894 is an important step—the first new step since 1911—toward improving and stabilizing the situation in the Appalachian National Forests. I would like to thank the Committee for allowing me to appear in its support.

NF ACREAGES, 25 PERCENT PAYMENTS AND PAYMENTS PER ACRE BY STATES—1972

State	NF acreage	Payment	Payment/ acre
Alabama	634, 741	253, 632	$0. 400
Alaska	20, 723, 028	882, 143	. 042
Arizona	11, 371, 781	1, 696, 462	. 149
Arkansas	2, 456, 010	867, 825	. 353
California	20, 046, 125	20, 735, 012	. 034
Colorado	13, 748, 719	817, 108	. 059
Florida	1, 081, 449	562, 731	. 520
Georgia	842, 066	342, 035	. 406
Idaho	20, 304, 235	4, 183, 596	. 206
Illinois	247, 572	38, 071	. 153
Indiana	167, 288	15, 725	. 094
Kentucky	616, 757	104, 669	. 170
Louisiana	594, 849	1, 286, 618	. 162
Maine	49, 638	9, 927	. 216
Michigan	2, 690, 646	302, 980	. 113
Minnesota	2, 047, 553	158, 546	. 077
Mississippi	1, 136, 278	1, 594, 260	1. 403
Missouri	1, 428, 078	594, 790	. 416
Montana	16, 703, 917	4, 143, 473	. 248
Nebraska	256, 079	23, 730	. 093
Nevada	5, 108, 731	139, 080	. 027
New Hampshire	683, 203	147, 642	. 216
New Mexico	8, 952, 987	744, 833	. 083
North Carolina	1, 135, 421	234, 761	. 207
North Dakota	756	0	. 000
Ohio	153, 917	22, 026	. 143
Oklahoma	243, 914	126, 568	. 519
Oregon	14, 882, 002	31, 571, 209	2. 121
Pennsylvania	495, 773	311, 201	. 628
Puerto Rico	27, 998	2, 354	. 084
South Carolina	598, 271	605, 678	1. 012
South Dakota	1, 123, 355	127, 989	. 114
Tennessee	613, 780	91, 990	. 150
Texas	659, 192	809, 300	1. 227
Utah	7, 987, 081	198, 269	. 025
Vermont	243, 383	139, 985	. 575
Virginia	1, 535, 755	72, 160	. 047
Washington	10, 624, 553	10, 096, 140	. 950
West Virginia	949, 960	104, 706	. 110
Wisconsin	1, 489, 401	198, 719	. 133
Wyoming	8, 674, 534	318, 168	. 037
Total	183, 330, 776	106, 419, 679	. 580

ACREAGES, 25-PERCENT PAYMENTS, PAYMENTS PER ACRE BY NATIONAL FORESTS AND STATES—1972

State: National forest	Acreage	Payment	Payment/ acre
Alabama:			
Bankhead	179, 225	$60, 029	33. 4¢
Conecuh	83, 955	78, 784	93. 8¢
Talladega	360, 783	111, 363	30. 9¢
Tuskegee	10, 778	3, 455	32. 1¢
Alaska:			
Chugach	4, 722, 971	30, 806	0. 6¢
Tongass	16, 000, 057	851, 337	4. 3¢
Arizona:			
Apache	1, 188, 644	245, 438	20. 6¢
Coconino	1, 823, 399	385, 854	21. 2¢
Coronado	1, 712, 555	86, 878	5. 1¢
Kaibab	1, 711, 510	387, 413	22. 6¢
Prescott	1, 250, 727	36, 981	3. 0¢
Sitgreaves	814, 203	414, 065	50. 2¢
Tonto	2, 870, 743	139, 831	4. 9¢
Arkansas:			
Ouachita	1, 329, 498	690, 004	51. 9¢
Ozark	1, 105, 869	160, 518	14. 5¢
St. Francis	20, 643	17, 303	83. 8¢
California:			
Angeles	649, 553	75, 680	11. 7¢
Clevleand	393, 912	40, 287	10. 2¢
El Dorado	654, 653	1, 824, 469	$2. 79
Inyo	1, 777, 361	202, 300	11. 4¢
Six Rivers	965, 193	1, 897, 155	$1. 97
Klamath	1, 669, 782	2, 056, 168	$1. 23
Lassen	1, 056, 041	2, 776, 082	$2. 63
Los Padres	1, 749, 500	41, 017	2. 3¢
Mendocino	872, 595	614, 395	70. 4¢
Modoc	1, 678, 049	598, 165	35. 6¢
Plumas	1, 151, 935	3, 035, 892	$2. 64
San Bernardino	624, 677	120, 696	19. 3¢
Sequoia	1, 119, 517	589, 490	52. 7¢
Shasta	1, 017, 555	854, 369	84. 0¢
Sierra	1, 285, 501	724, 111	56. 3¢
Stanislaus	895, 894	1, 434, 261	$1. 60
Tahoe	727, 058	1, 185, 274	$1. 63
Trinity	1, 035, 548	2, 359, 599	$2. 28
Calaveras Big Tree	380	0	0
Toiyabe	631, 968	22, 386	3. 5¢
Rogue River	53, 840	205, 076	$3. 81
Siskiyou	33, 604	78, 130	$2. 33
Northern Redwoods	2, 009	0	0
Colorado:			
Arapaho	993, 486	70, 718	7. 1¢
Grand Mesa	346, 143	13, 857	4. 0¢
Gunnison	1, 663, 279	39, 031	2. 3¢
Pike	1, 104, 793	27, 901	2. 5¢
Rio Grande	1, 850, 069	223, 679	12. 1¢
Roosevelt	781, 919	29, 195	3. 7¢
Routt	1, 124, 928	56, 693	5. 0¢
San Isabel	1, 107, 291	16, 439	1. 5¢
San Juan	1, 867, 195	190, 428	10. 2¢
Uncompahgre	943, 878	49, 421	5. 2¢
White River	1, 938, 633	99, 013	5. 1¢
Manti La Sal	27, 105	728	2. 7¢
Florida:			
Apalachicola	557, 446	246, 915	44. 3¢
Ocala	336, 771	118, 210	32. 2¢
Osceola	157, 232	197, 605	$1. 26
Georgia:			
Chattahoochee [1]	738, 076	197, 024	26. 7¢
Ocoee	103, 990	145, 010	$1. 39
Idaho:			
Boise	2, 642, 453	551, 867	20. 9¢
Caribou	971, 992	29, 709	3. 1¢
Challis	2, 447, 707	19, 326	0. 7¢
Clearwater	1, 676, 476	644, 098	38. 4¢
Coeur D'Alene	723, 369	569, 206	78. 7¢
Kaniksu	892, 250	495, 315	55. 5¢
Nez Perce	2, 198, 492	410, 212	18. 7¢
Payette	2, 307, 322	405, 636	17. 6¢
Salmon	1, 767, 777	40, 304	2. 3¢
St. Joe	863, 572	705, 199	81. 7¢
Sawtooth	1, 729, 349	104, 654	6. 1¢
Targee	1, 312, 327	84, 460	6. 4¢
Bitterroot	460, 812	71, 495	15. 5¢
Kootenai	46, 395	38, 125	82. 2¢
Cache	263, 942	13, 983	5. 3¢
Illinois: Shawnee	247, 572	38, 071	15. 3¢
Indiana: Hoosier	167, 288	15, 725	9. 4¢
Kentucky:			
Daniel Boone [1]	615, 796	104, 632	17. 0¢
Jefferson	961	37	3. 9¢
Louisiana: Kisatchie	594, 849	1, 286, 618	$2. 16
Maine:			
NE Experiment Station	3, 964	0	0
White Mountain	45, 944	9, 926	21. 6¢
Michigan:			
Hiawatha	861, 084	94, 943	11. 0¢
Huron	420, 324	51, 283	12. 2¢
Mainistee	489, 250	56, 509	11. 6¢
Ottawa	915, 377	100, 107	10. 9¢
Minnesota:			
Chippewa	649, 978	86, 750	13. 3¢
Superior	1, 397, 575	71, 796	5. 1¢
Mississippi:			
Bienville	177, 092	235, 360	$1. 33
Desoto	501, 033	480, 618	95. 9¢
Holly Springs	144, 646	59, 127	40. 9¢
Homochitto	189, 078	722, 622	$3. 82
Delta	59, 179	48, 842	82. 5¢
Tombigbee	65, 250	47, 688	73. 1¢
Missouri:			
Clark	799, 878	544, 905	68. 1¢
Mark Twain	628, 200	49, 884	7. 9¢
Montana:			
Kaniksu	446, 966	248, 107	55. 5¢
Beaverhead	2, 113, 397	35, 933	1. 7¢
Bitterroot	1, 115, 083	173, 016	15. 5¢
Custer	1, 113, 746	41, 367	3. 7¢
Deerlodge	1, 174, 431	38, 185	3. 3¢
Flathead	2, 364, 768	1, 046, 888	44. 3¢
Gallatin	1, 714, 913	29, 380	1. 7¢
Helena	969, 053	11, 570	1. 2¢
Kootenai	1, 767, 275	1, 451, 148	82. 1¢
Lewis and Clark	1, 834, 652	18, 099	1. 0¢
Lolo	2, 089, 633	1, 049, 775	50. 2¢
Nebraska:			
Nebraska	140, 376	14, 626	10. 4¢
Samuel R. McKelvie	115, 703	9, 103	7. 9¢
Nevada:			
Eldorado	40	182	$4. 55
Inyo	60, 576	6, 903	11. 4¢
Toiyabe	2, 520, 031	87, 275	3. 5¢
Humboldt	2, 528, 084	44, 717	1. 8¢
New Hampshire: White Mountain	683, 203	147, 642	21. 6¢
New Mexico:			
Apache	616, 328	129, 372	21. 0¢
Coronado	68, 936	3, 554	5. 2¢
Carson	1, 393, 974	126, 147	9. 0¢
Cibola	1, 600, 265	66, 999	4. 2¢
Gila	2, 698, 079	148, 567	5. 5¢
Lincoln	1, 103, 220	51, 342	4. 7¢
Santa Fe	1, 472, 185	218, 847	14. 9¢
North Carolina:			
Nantahala [1]	451, 989	100, 695	22. 3¢
Pisgah [1]	481, 954	63, 347	13. 1¢
Cherokee [1]	327	46	14. 1¢
Croatan	156, 046	44, 700	28. 6¢
Uwharrie	45, 105	25, 971	57. 6¢
North Dakota: Souris	756	0	0
Ohio: Wayne	153, 917	22, 026	14. 3¢
Oklahoma: Quachita	243, 914	126, 598	51. 9¢
Oregon:			
Klamath	23, 904	29, 406	$1. 23
Deschutes	1, 600, 300	2, 043, 530	$1. 28
Fremont	1, 194, 662	1, 084, 589	90. 8¢
Mount Hood	1, 076, 637	3, 408, 469	$3. 17
Malheur	1, 454, 121	1, 169, 621	80. 4¢
Ochoco	846, 855	720, 985	85. 1¢
Rogue River	518, 693	1, 976, 589	$3. 81
Siskiyou	882, 054	2, 050, 768	$2. 32
Siuslaw	615, 446	3, 954, 784	$6. 34

ACREAGES, 25-PERCENT PAYMENTS, PAYMENTS PER ACRE BY NATIONAL FORESTS AND STATES—1972—Continued

State: National forest	Acreage	Payment	Payment/acre
Umatilla	1,079,073	446,978	41.4¢
Umpqua	846,621	3,391,560	$4.01
Wallowa	973,830	349,562	35.9¢
Whitman	1,264,729	612,918	48.5¢
Willamette	1,616,240	9,388,258	$5.81
Winema	888,837	943,176	$1.06
Pennsylvania: Allegheny	495,773	311,201	62.8¢
Puerto Rico: Caribbean	27,998	2,354	8.4¢
South Carolina:			
Francis Marion	249,025	352,637	$1.42
Sumter	349,246	253,040	72.5¢
South Dakota:			
Custer	73,489	2,729	3.7¢
Black Hills	1,049,866	125,259	11.9¢
Tennessee: Cherokee[1]	613,780	91,990	15.0¢
Texas:			
Angelina	154,537	158,180	$1.02
Davy Crockett	161,478	317,717	$1.97
Sabine	184,767	118,626	64.2¢
Sam Houston	158,410	214,776	$1.36
Utah:			
Caribou	6,995	211	3.0¢
Sawtooth	71,161	4,303	6.0¢
Ashley	1,285,040	24,122	1.9¢
Cache	415,276	21,433	5.2¢
Dixie	1,884,467	28,734	1.5¢
Fishlake	1,426,554	29,223	2.0¢
Mantila Sal	1,237,378	33,307	2.7¢
Uinta	812,358	25,331	3.1¢
Wasatch	847,892	31,601	3.7¢
Vermont: Green Mountain	243,383	139,985	57.5¢
Virginia:			
George Washington[1]	933,488	48,001	5.1¢
Jefferson[1]	602,267	24,159	4.0¢
Washington:			
Kaniksu	282,970	157,149	55.5¢
Umatilla	311,367	128,953	41.4¢
Okanogan	1,499,398	562,702	37.5¢
Gifford Pinchot	1,251,031	3,877,118	$3.10
Colville	943,871	462,873	49.0¢
Mount Baker	1,818,351	779,145	42.8¢
Olympic	1,544,410	1,905,345	$1.23
Snoqualmie	1,229,776	1,893,017	$1.54
Wenatchie	1,743,479	329,834	18.9¢
West Virginia:			
George Washington[1]	100,386	5,162	5.1¢
Jefferson[1]	18,245	733	4.0¢
Monongohela[1]	831,329	98,811	11.9¢
Nicholas	23,540	17,655	75.0¢
Greenbrier	100,884	75,663	75.0¢
Pocahontas	284,590	213,443	75.0¢
Randolph	176,603	132,452	75.0¢
Grant	16,098	12,074	75.0¢
Pendleton	68,908	51,681	75.0¢
Preston	3,897	2,923	75.0¢
Tucker	93,994	70,496	75.0¢
Webster	64,784	48,588	75.0¢
Wisconsin:			
Chequamegon	839,055	69,391	8.3¢
Nicolet	650,346	129,328	19.9¢
Wyoming:			
Caribou	7,868	241	3.1¢
Targhee	330,108	21,247	6.4¢
Black Hills	174,738	20,849	11.9¢
Ashley	91,959	1,726	1.9¢
Wasatch	37,762	1,529	4.0¢
Bighorn	1,107,342	44,751	4.0¢
Medicine Bow	1,093,149	65,686	6.0¢
Shoshone	2,431,948	27,091	1.1¢
Teton	1,687,941	102,198	6.1¢
Bridger	1,711,719	32,845	1.9¢

[1] Designates Appalachian National Forests.

DR. JAMES S. COLEMAN'S ADDRESS TO THE JOINT SESSION OF THE MASSACHUSETTS STATE LEGISLATURE

(Mr. MOAKLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOAKLEY. Mr. Speaker, I would like to share with my colleagues in the U.S. Congress, the remarks of Dr. James S. Coleman as presented in an address to a joint session of the Massachusetts State Legislature on March 30, 1976. State Representative Raymond L. Flynn has furnished the text on Dr. Coleman's address to me.

Dr. Coleman, an eminent professor in sociology at the University of Chicago and a respected author and scholar, has spoken out at great length on the serious and adverse affects that compulsory school busing has brought on many of ous and adverse affects that compulsory areas. In his address Dr. Coleman substantiates his intensive research and study which proves that forced school busing has created economic, educational, and social chaos in the city of Boston.

As I stated in my speech before my colleagues in the Democratic Caucus of Wednesday, November 19, 1975, white student enrollment in Boston public schools between 1973 and 1975 has dropped by approximately 50 percent. I reported to my colleagues at that time that "racial balancing has led to racial imbalancing. Desegregation has led to resegregation."

In short, busing to achieve racial balance has had an opposite effect. Before court-ordered busing, 61 out of 202—or 30 percent of Boston's schools—were racially imbalanced. Today, 115 out of 165—or 70 percent of Boston's schools—are racially imbalanced.

I commend Dr. Coleman's remarks, which follow in their entirety, to the attention of all my colleagues:

COURT ORDERED SCHOOL BUSING

(By Dr. James S. Coleman)

I want to express my pleasure at being here to address you, along with my surprise at being invited to do so. This is not the surprise of an academic scholar in being taken seriously by persons who make decisions and take action, for scholars have in recent years come to be taken very seriously in current affairs. It is rather surprise at your creation of a direct dialogue unmediated by television, newspapers, newsmagazines, or even written research reports, between those who make policy and one who carries out research which is relevant to that policy. This is a rare occasion, one which few legislatures bring about, and I want to commend the legislature of Massachusetts for doing so.

The occasion, I will assume, reflects the depth of your concern with the problem of school desegregation, the problem of bringing about an integrated society, and the problem of bringing justice and equity to all citizens of Massachusetts. I will do my utmost to respond with the seriousness and responsibility which that concern warrants.

What I will try to do in this session is to first indicate the goals that are intended to be achieved in school desegregation, then to present some research results that are relevant to certain of these goals, next to lay out what I feel are the necessary requirements for a viable policy of school integration, and finally to indicate the kinds of policies that meet those requirements. I will not, despite what the Boston Globe has to say, recommend to you specific courses of action, such as still another compulsory bussing plan. I trust they will report correctly what I have to say today; but even if they do not, the dialogue today is a direct one.

The first goal in school desegregation is that of achieving equal protection under the law for all children regardless of race. This means, since the landmark 1954 *Brown* decision in the U.S. Supreme Court, the elimination of de jure segregation, that is, the elimination of dual school systems where they exist, and the elimination of official practices by school systems which bring about segregated schools. A second goal, related to the first, but distinct from it, is the goal of increasing the educational gains of disadvantaged children, particularly minority children, black, Spanish American, and others. This goal came to be linked to school desegregation by research results, which showed that disadvantaged children achieved more highly on standardized tests in schools that had a middle class majority. The best known of this research, known as the "Coleman Report," I and others carried out in the U.S. Office of Education under the Civil Rights Act of 1964. Since school desegregation has become widespread, a large amount of additional research on this topic has been carried out. I will mention briefly some of the results of that research later.

A third goal in school desegregation is that of helping to achieve an integrated society, one in which racial distinctions play a smaller part than at present, and in which a person's skin color is not an overriding social characteristic. This too is related to the first goal, but goes beyond it. It was the main impetus behind the decision to desegregate in the 1960's by school boards in many smaller northern systems which had not practiced de jure segregation, but had residential segregation which led to extensive segregation in the schools. Examples are: Evanston, Illinois; White Plains, New York; Ann Arbor, Michigan; and Berkeley, California.

All three of these goals are important ones for our society to achieve. But it is important to keep in mind these distinct goals of school desegregation for three reasons. First, although they appear at first glance compatible, it turns out that they are not always so, and that sometimes actions taken to achieve one are harmful to the others. Second, the instruments of government that are appropriate to each of these goals are somewhat different. The courts are the appropriate instrument, or at least the instrument of final resort, for the first, school authorities and teachers are the appropriate instruments for the second, with possible aid from legislative actions; and school boards, state legislatures, and the Congress are appropriate instruments for the third. Finally, research results are differentially applicable to the three goals. They are not directly applicable to the first. Research results on what happens to children educationally, particularly disadvantaged minority children, under conditions of school segregation and desegregation are of course directly relevant to the second goal. And research results on how school desegregation effects the broader integration of society are relevant to the third goal. In particular, the effects of school desegregation on demographic changes which may strengthen or weaken the integration of society are relevant.

With these distinctions in mind, I will review briefly research results that are relevant to the second and third goals, for it is these two goals which actions of this legislature might help achieve.

The effects of school desegregation on achievement of disadvantaged minority children.

The so-called Coleman Report, published in 1966 under the Civil Rights Act of 1964, showed that disadvantaged children performed better on standardized tests in schools that were predominantly middle class, and that middle class children did not perform worse in schools with substantial proportions of disadvantaged children. Since there are too few middle class minority children to bring about majority middle class schools without desegregation, this result has direct implications for desegregation, implying that desegregation would improve the performance of blacks without lowering that of whites.

This result was subject to some questioning and some reanalysis. Questions concerned the possible selectivity of disadvantaged children in middle class schools, since most of the integration existing at that time was that due to residential proximity of blacks and whites. And the reanalysis showed that some portion of the apparent effect vanished when stronger controls for the social backgrounds of children were taken into account.[1] Nevertheless the research results remained, and were widely used in support of school desegregation.

Since that time, there have appeared results on the actual effects of school desegregation on achievement in particular school districts, which are more directly relevant to the issue. In general, these results can be summarized by saying that achievement benefits of school desegregation for blacks are sometimes found, sometimes not, and where they are found, are generally small, much smaller than would have have been predicted from the Coleman report. David Armor, in a study of the Metro plan in the Boston area in 1972, found no benefits. Nancy St. John, in summarizing the effects for a large number of individual desegregation studies, finds erratic and small positive effects. Since her review, some other research has been similarly disappointing. An extensive study of long-term system-wide desegregation in Riverside, California finds no achievement increases, a study of Pasadena arrives at similar conclusions, and a study of busing in Waco, Texas shows negative effects.[2] A very recent analysis of National Assessment results, released on March 17, shows what appears to be a beneficial result: although there are declines in achievement for nearly all groups throughout the country in recent years, black children in the Southeast have *increased* achievement in science since 1969.

This period has been the period of greatest desegregation in the South. But the further analysis shows that this increase has been in schools that have remained all-black, just as in the integrated schools. Thus an explanation other than the racial composition of the school is necessary for these encouraging results.[3]

Altogether, the current evidence indicates that the presumed benefits of school desegregation for black achievement are sometimes present, but not uniformly so, and are small when they are found. Thus the earlier hope that school desegregation would constitute a panacea for black achievement, or contribute substantially to the goal of increasing black achievement, appears to have been misplaced.

Similarly, most of the studies mentioned earlier have found that the psychological effects (such as effects on self-esteem) and the attitudinal effects (such as interracial attitudes) of school desegregation are not uniformly in a positive direction, and are sometimes negative. Altogether, I believe we can say from the research results on the educational effects that school desegregation is seldom harmful (though where there is extensive turbulence, the short-term effects may be educationally harmful to both blacks and whites), sometimes beneficial, but not sufficiently so that school desegregation can be a major policy instrument for increasing black achievement and self-esteem.

THE DEMOGRAPHIC EFFORTS OF SCHOOL DESEGRATION

Now I would like to turn to research results relevant to the third goal of achieving social integration. The effects that have been most extensively studied are the effects of desegregation on the racial stability of the schools, and most particularly on the loss of whites from the schools. The questions are: does this effect exist? if so, under what conditions? and what are its long-term consequences for the integration of the schools and of society?

The answers to these questions are fairly complex. First of all, it has been shown that in many small systems, when the proportion black in the system is not large, especially in the North and West, but also to a considerable extent in the South, desegregation does not have strong effects on loss of whites, and in fact, any effects are difficult to detect statistically. The fact that this holds true even in the South has meant that Southern desegregation, primarily in 1970, has made its schools the least segregated in the Nation. Several studies have shown the absence of statistically observable effects in the North and West. Jane Mercer found this in California, and Christine Rossell found this in the North generally.[4] However, when the proportion black is high, then even in small districts, system-wide desegregation does have very strong effects on loss of whites from the public schools. This has been observed only in the South, for it is only there that small school systems have high proportions of blacks. Charles Clotfelter found in a study of desegregation involving system-wide racial balance in Mississippi counties that as the percentage black increased from 40% to 80%, the percentage of whites leaving those districts and enrolling in private schools increased from about 20% to about 90%.[5] And Luther Munford found, in another Mississippi study, that as the percentage black increased from 40% to 90% the percentage of whites who left the public schools in the first year increased from about 5% to about 90%. For every 10% increase in proportion of black children in those schools, an additional 16% of white children left the schools.[6] And in a study of Florida countywide desegregation, Michael Giles and his associates showed that when the percentage black was below about 30%, the loss of whites was small. In some smaller districts in the North such as Pasadena, California and Pontiac, Michigan, where the proportion black was substantial then there has been substantial loss of whites as well.

I should point out that these results do not imply that whites will always escape a circumstance in which the schools are majority black. In the neighborhood in which I live in Chicago, the school has been a majority black school with a stable population for 25 years. But such patterns of integrated school stability depend upon integrated neighborhood stability, they depend on continuous efforts by blacks and whites working together, and are seldom achieved by administrative or judicial fiat.

When we turn to desegregation in large cities, the picture includes an additional complexity, that is, the existence or absence of predominantly white suburbs outside the district which is desegregating. A few large cities, primarily in the South, have countywide school districts, including all or nearly all the suburbs in the metropolitan area. These cities include Tampa, St. Petersburg, and Miami, in Florida; Charlotte, North Carolina; and Nashville, Tennessee. In these countywide systems, all with a small proportion of black or other minority population, the loss of whites is not large (averaging about 5% in the first year of desegregation), and for those located in areas which are experiencing a population boom, as in Florida, the loss appears to be confined to the first year, with succeeding years showing the population gains characteristic of the region as a whole.

The situation, however, is quite different in central city school districts, surrounded by predominantly white suburban school districts. This is characteristic of most large cities in this country, and particularly so in the large cities of the East and Midwest. It is true to a lesser extent for medium-sized cities. Desegregation in such cities brings about a substantial loss of whites in the first year, and a continuing loss beyond the first year. The results of my own research over the past year show this. As an example, for the nine largest central-city school districts which underwent substantial desegregation between 1968 and 1974, I examined the loss of whites in years before, during and after desegregation. Two years before desegregation, the average loss was 4.1%; one year before, it was 4.8%. In the year of desegregation, it jumped to 12.4%, almost three times as great. In the four years following desegregation, it went down, but not to the pre-desegregation level: to 7.0%, 6.7%, 10.1%, and 8.1%.

In a similar tabulation, David Armor has examined these losses for a set of 16 cities which have the following characteristics: in all of them, desegregation occurred through court order; all were in 1968 20,000 or larger in number of students; all have substantial suburbs for whites to move to, and all had proportion blacks in the range of 20% to 50%. There was an overlap of only four cities between the nine I just described and Armor's 16. Armor found an average loss of 2% per year in the two years before desegregation 10% in the year of desegregation and the year after, and an average loss of 7% per year in the next two years, the second and third years following desegregation. Although the cities were largely different ones, those results correspond closely to my own.

These results are serious in their demographic consequences for our large cities: for with blacks constrained within the city both by economics and and by suburban residential discrimination, and whites given an additional incentive to leave by desegregation measures in the central city, the metropolitan area becomes composed of black schools in the city and white schools in the suburbs.

Even more generally, it is important to see those results in the context of broader patterns of migration that are occurring in this country. There are two major components to the current migration patterns. One is to the South and Southwest, to the "sun belt" as it has recently been called, and the other is away from major metropolitan centers. For the first time in history, the metropolitan area population, not just the central city population, has begun to decline. The movement is a movement of the segment of the population that is white, middle class, and young, the segment with most mobility. Whether this is labelled escapism, or whether it is seen as an attraction for the natural environment, it is there, and it affects most greatly the large, older urban centers of the Northeast and Midwest. They are no longer attractive to many of the young most able to move. And their moves increase the separation of blacks and whites, as they increase the decline of our older metropolitan areas.

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[1] See Marshall Smith, in F. Mosteller and D. Moynihan, *On Equality of Educational Opportunity*, Random House, 1972.

[2] See David Armor, The Evidence on Busing, *The Public Interest*, Summer 1972, pp. 90–126; Nancy St. John, *School Desegregation*, New York: Wiley, 1975; Desegregation: a Longitudinal Study. Ralph Gerard and Norman Miller, Plenum Press, 1975, and Lawrence Felice, Mandatory Busing and Minority Student Achievement: New Evidence and Negative Results. Unpublished paper.

[3] See National Assessment of Educational Progress, "Science Achievement: Racial and Regional Trends, 1969–73." March 17, 1975.

[4] See Jane Mercer, and Christine Rossell, "School Desegregation and White Flight", *Political Science Quarterly*, 1976, Vol. 90, pp. 675–695.

[5] Charles Clotfelter "School Desegregation, 'Tipping', and Private School Enrollment," *Journal of Human Resources*, VII, 1976, pp. 29–50.

[6] Luther Munford, "Desegregation and Private Schools," *Social Policy*, 1976, Vol. 6, No. 4, pp. 42–45.

If these trends were not serious enough, there is another aspect of the desegregation effects I have described earlier: these effects are only for the "average" city which has undergone desegregation. In a city with a high proportion of blacks, then desegregation, even when it is less than full-scale racial balance, brings about a much larger loss of whites than in a city with a low proportion of blacks. For example, I carried out a statistical analysis of desegregation in the largest central cities, and my estimates show that when there is desegregation that is sufficient to bring about a 9% loss in the first years in a district with a 25% black school population, that same amount of desegregation would bring about a 24% white loss in the first year if the district had 75% black rather than 25%. For an extreme example, in Detroit last summer, there was a court case for school desegregation. Detroit had 75% blacks in its schools last year. The plaintiff's desegregation plan was one to create racial balance, within about 5%, in all Detroit schools. The estimates I just described, based upon large central-city desegregation which occurred between 1968 and 1973, would lead to the prediction that if the plaintiff's plan of full-scale racial balance had been adopted (which it was not), Detroit's schools would be 95% black today, that is nearly all black central city schools and nearly all white suburban ones.

When the proportion black is substantial, but smaller than .75, such sharp consequences are not immediate; the effect is a snowballing one: after some whites leave, the proportion of black is greater, leading still more whites to leave.

Boston presents an example, though far from the most extreme, of what happens when extensive desegregation is imposed in a central-city school district. In the five years before desegregation, there had been a loss of approximately 4.5% of whites per year. In 1974, when desegregation took place, there was a loss of 16.1%, over three times as great. And in 1975, the additional loss, using figures for December 31, 1975, is 15.5% if students are kept on the rolls who never came to school throughout the fall. If they are not included, the figure is even worse, a loss of 18.9% of the 1974 white enrollment—or altogether, in two years, a loss of 32% of the 1973 white enrollment, almost one-third.

Altogether, then, when we look at the effects of school desegregation for the third goal, the goal of achieving social integration in America, the results are mixed. In small school districts, in rural areas, and in countywide metropolitan districts, then extensive school desegregation, even compulsory racial balance, has not led to social segregation through a loss of whites from the schools—so long as the proportion black in the schools is low. Because it has not led to demographic instability, it has probably been beneficial, in both the short run and the long run, to the goal of social integration. But at the other extreme, that is in large cities, with available suburbs, and with a moderate to high proportion black, school desegregation, in particular compulsory racial balance, has proved disastrous to social integration, by greatly accelerating the loss of whites from the cities, and leading to racially divided metropolitan areas, with a black central city and white suburbs. The extent of this impact is not yet evident, because it is a snowballing effect, which has had only a short time to operate. But it is a policy that, carried out in the name of accomplishing the first goal of desegregation, that is, elimination of de jure segregation, acts to defeat the third goal, the goal of achieving social integration. If this policy of racial balance, ordinarily imposed by a court order, is required to overcome de jure segregation then we confront an insoluble dilemma: an action necessary to bring about equal protection under the law for blacks and whites has the overall effect of defeating social integregation among blacks and whites. However, I believe the dilemma to be a false one: that seldom if ever is compulsory racial balance in a large school system necessary to overcome de jure segregation. Rather, straightforward elimination of de jure segregation in large cities would constitute primarily a redrawing of school attendance zones to eliminate jerrymandering, and would have little impact, one way or another, on the third goal of achieving social integration. That goal must be achieved by much more long range policies, involving residence at least as much as schools, policies that recognize both the needs and desires for ethnic community and those of ethnic integration.

The achievement of that third goal in our metropolitan areas must involve a variety of policies, including those that attract middle class whites into the city, and those that make the suburbs available to blacks commensurate with their rising incomes.

This is not by any means to say that imposing racial balance in city schools is the only policy that has led to increasingly black central cities and white suburbs. Freeway construction, FHA mortgage policies, the inability to control crime, and other policies have been responsible as well. But there is probably no single action that has had as strong and immediate an effect in removing whites from already substantially black central cities than the policies of racial balance in the schools, where those policies have been put into effect in large central cities.

These various research results raise finally the question of what should be the characteristics of school desegregation policies if the three goals, eliminating of de jure segregation, benefiting achievement of disadvantaged children, and achieving social integration, are to be realized. First, I believe it must now be recognized, although I did not at one time believe this to be so, that school desegregation is not a central instrument for achieving the second goal. It is neither necessary nor sufficient for improving the achievement of disadvantaged children. Imaginative and varied patterns of interaction with children from other social classes and ethnic groups can be an important and valuable element in education, but to paraphrase Wilson Riles, Superintendent of Schools in California, it is not necessary for a black child to sit next to a white child in order to learn.

Second, the first goal, of eliminating de jure segregation should be recognized for what it is, and as quite separate from the goal of achieving racial integration in society. Elimination of de jure segregation, properly done, will in large cities neither greatly aid nor greatly harm the racial integration of the society. By itself, it cannot be an important instrument for the latter goal in large cities where blacks and whites are largely separated by residence. When it has been used as such, it has helped defeat, rather than achieve this third goal, as I have indicated in the statistics I presented.

Third, the third goal, achieving an integrated society, is one for which government policies can be decisive, but only if the policies recognize that they require active support and implementation by ordinary families, of all racial groups: families whose actions and attitudes in the long run will determine the success of the policies. These policies must, by their very nature, be carried out primarily by legislatures, for most are outside the reach of the courts, and beyond the scope of local jurisdiction.

What I would like to suggest, then, are certain requirements that school policies should meet if they are to aid in achievement of the goal of achieving a racially integrated society.

1. Any policy should insure equal treatment for all children, regardless of race, ethnicity, or social origin.

2. Any policy designed to aid in achieving an integrated society should be one which facilitates and encourages social integration of whites, blacks, and other minorities, and one which prevents exclusion by one group of members of another; but it should allow members of each group to be in minority or majority situations. It is not an appropriate aim of policy, for example, to "eliminate racially identifiable schools," which is a euphemism, for eliminating all-black schools.

3. Any policy should not by design or consequence be punitive on families or children, whether in the name of redressing past wrongs or for other purposes. Much of the error in school desegregation policy has been the result of an unarticulated punitiveness which has no place in achieving positive social goals.

4. If a policy imposes additional constraints in order to increase the degree of racial integration in schools, it should impose those constraints on schools or school districts, and not on families or children, through arbitrary school assignment. To do the latter creates an incentive for those with money to leave the school system, either for private schools, for the suburbs, or for another metropolitan area, altogether, and a disincentive for persons to move into the area. A policy should attempt to achieve integration through increasing the options available to families and children, not through restricting options. Such an increase is especially important for blacks and other minorities, and for low-income families, for their residential options have been severely limited through residential discrimination or economic constraints.

5. Any policy must not treat differentially city and suburbs, despite the fact that there are different school systems involved. To do so increases the relative attractiveness of the suburbs for middle class families, especially whites, and directly defeats the goal of social integration of blacks and whites.

These requirements for a policy are, taken together, quite restrictive. They imply that no political subdivision below the state can take appropriate integrative action—not a city, not a suburb, for integration must involve the metropolitan area as a whole. Thus they imply that a state legislature is one of the few arms of government that can take appropriate action. And they imply that whatever policies a legislature does impose cannot assign children to specific schools distant from their home, that is, cannot involve compulsory bussing.

I will describe a policy that meets these requirements, to illustrate what I feel is a feasible school desegregation policy. I am not recommending such a policy to you, because it would be presumptuous of me to tell you what should be done in Massachusetts.

A policy which meets these criteria would be one of educational entitlements: each child in a metropolitan area would be entitled to attend any school in the metropolitan area, whether it is in his school district or not, so long as it does not have a higher proportion of his own racial group than the school to which he would be assigned on the basis of residence. With this entitlement would go the provision of transportation, so that the plan sounds like a "voluntary bussing plan, across school district lines." But it is not that, for each family and child would be able to choose either his neighborhood school or nearly any other school in the district. Every school would be required to accept out-of-attendance-zone students up to something like 15% of its total student population, a percentage small enough so that double shifts would not be required, but large enough to provide a wide opportunity for choice. State aid to education would necessarily be modified in such a way that a child's per-pupil expenditure followed him to his new district. The plan would be most important for blacks and low income families, who are excluded by economics or discrimination from certain residential areas. But it would not by any means be a one-way movement, because especially at the high school level, the city can offer specialized schools and alternative schools that a suburb cannot, schools which can attract young people from the suburbs. The plan could be described as one in which every school in the metropolitan area becomes a magnet school, for each school would be required to attract its student body. It is this aspect of such a plan, incidentally, that often makes school administrators uncomfortable with it: it is much easier to assign captive student bodies to schools than to compete for students.

Obviously, such a school desegregation plan will not "eliminate racial segregation" in the schools of the metropolitan area. But to do that is, as I have said, a wholly inappropriate and even racially discriminatory goal. It would weigh most heavily upon black children, for each black child would be in an extreme minority; neither blacks nor Spanish-Americans could choose to be in a school where they were in a racial majority.

This sketches the outlines of a plan which would meet the criteria that I believe are necessary if school desegregation is to aid the goal of stable racial integration in the society. It is not the only such plan, and school desegregation is not the only kind of policy that can aid integration. But it is one policy that I believe would do so. I should mention as an aside that an important litmus test of any school desegregation policy you might develop, to determine whether its principle is a sound one, is that it be equally effective if the racial composition of the metropolitan area were reversed. If it would not, then the principle on which it is based is likely an unsound one.

I will conclude by expressing my belief that not only is it desirable for state legislatures to develop creative policies that move toward the goal of a racially integrated society; it is important that they do so. For it is in the absence of such policies that plaintiffs have often felt, and understandably so, that only by redefining de jure segregation in a very inclusive way, and only by use of the courts, could any progress toward the third goal be made. As I have indicated by the statistics I have given, those actions have in the large cities instead taken us farther from that goal rather than closer to it. It thus becomes especially important for state legislatures to initiate those policies that will aid stable social integration, and will make their cities and metropolitan areas more attractive places for families of all groups to live and raise their children.

Again, I want to express my pleasure at being here, and to commend you for creating occasions such as this, in which there can be a direct dialogue between those who make policies and one who carries out research relevant to those policies.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. Collins of Illinois (at the request of Mr. O'Neill), for April 30, through May 5, 1976, on account of official committee business.

Mr. Corman (at the request of Mr. O'Neill), after 3:45 today, on account of official business.

Mr. Derrick (at the request of Mr. O'Neill), for today, on account of illness in the family.

Mr. Jones of Tennessee (at the request of Mr. O'Neill), for today on account of official business.

Mr. Wolff (at the request of Mr. O'Neill), for today, on account of official business.

Mr. Wydler (at the request of Mr. Rhodes), for today, on account of attending the funeral of a close personal friend.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Bauman), to revise and extend his remarks, and to include extraneous matter:)

Mr. Duncan of Tennessee, for 10 minutes, today.

(The following Members (at the request of Mr. English) to revise and extend their remarks and include extraneous material:)

Mr. Badillo, for 30 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Vanik, for 5 minutes, today.

Mrs. Meyner, for 5 minutes, today.

Mr. Fraser, for 15 minutes, today.

Mr. Alexander, for 15 minutes, today.

Ms. Holtzman, for 15 minutes, today.

Mr. Morgan, for 60 minutes, on May 5, 1976.

Mr. Flood, for 60 minutes, on May 5, 1976.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Koch to revise and extend his remarks notwithstanding they exceed 10½ pages of the Congressional Record at an estimated cost of $2,168.

Mr. Perkins, to extend his remarks immediately following the remarks of the gentleman from New Jersey (Mr. Dominick V. Daniels) in the Committee of the Whole today.

Mr. Brown of California and to include extraneous material, notwithstanding the fact that it exceeds 4½ pages of the Record and is estimated by the Public Printer to cost $1,287.

Mr. Moakley, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $858.

The following Members (at the request of Mr. Bauman) and to include extraneous matter:

Mr. Duncan of Tennessee.

Mr. Edwards of Alabama.

Mr. Wiggins.

Mr. Spence in two instances.

Mr. Young of Alaska.

Mr. Gilman.

Mr. Hagedorn.

Mr. Walsh.

Mr. Brown of Michigan in three instances.

Mr. Horton.

Mr. Rhodes.

Mr. Rousselot in two instances.

Mr. Symms.

(The following Members (at the request of Mr. English) and to include extraneous matter:)

Mr. Risenhoover.

Mr. Anderson of California in three instances.

Mr. Gonzalez in three instances.

Mr. Murtha.

Mr. Harkin.

Mr. Hawkins in two instances.

Mr. Mazzoli.

Mr. Long of Louisiana.

Mr. Eckhardt.

Mr. Milford.

Mr. Gaydos.

Mr. Carney

Mr. Boland in two instances.

Mr. Edwards of California in two instances.

Mr. Roush in three instances.

Mr. Wirth.

Mr. Scheuer in two instances.

Ms. Abzug in two instances.

Mr. McDonald of Georgia in four instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1737. An act to amend the Public Health Service Act to encourage the establishment of uniform standards for licensing and regulation of clinical laboratories, and for other purposes; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 10230. An act to establish a science and technology policy for the United States, to provide for scientific and technological advice and assistance to the President, to provide a comprehensive survey of ways and means for improving the Federal effort in scientific research and information handling, and in the use thereof, to amend the National Science Foundation Act of 1950, and for other purposes.

ADJOURNMENT

Mr. ENGLISH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 32 minutes p.m.), under its previous order, the House adjourned until Monday, May 3, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3155. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize appropriations during the fiscal year 1976 for the procurement of Naval vessels and research, development, test and evaluation for the Armed Forces, and for other purposes; to the Committee on Armed Services.

3156. A letter from the Director, D.C. Unemployment Compensation Board, transmitting the annual report of the Board for calendar year 1975, pursuant to section 313(c) of title 46, District of Columbia Code; to the Committee on the District of Columbia.

3157. A letter from the Assistant Secretary of Labor, transmitting a report on efforts by the Department of Labor to elicit comments on proposed new standards under the Occupational Safety and Health Act; to the Committee on Education and Labor.

3158. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting a proposed amendment to regulations governing the guaranteed student loan program, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

3159. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recommendations contained in the annual report of the National Advisory Council on Adult Education, March 20, 1975, and actions taken thereon, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

3160. A letter from the Deputy Assistant Secretary of Defense, transmitting notice of a proposed change in the Department's system of records, pursuant to 5 U.S.C. 552a (o); to the Committee on Government Operations.

3161. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. 76-13, finding that it is in the national interest of the United States to sell up to $5 million of agricultural commodities to Portugal under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, pursuant to section 103(d)(3) of the act; to the Committee on International Relations.

3162. A letter from the Administrator, Federal Energy Administration, transmitting a report on changes in market shares for aviation gasoline, jet fuel, middle distillate fuel oil, residual fuel oil, motor gasoline, and propane sales by refiners and independent marketers, pursuant to section 4(c)(2)(A) of the Emergency Petroleum Allocation Act of 1973; to the Committee on Interstate and Foreign Commerce.

3163. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of January 1976, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

3164. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a report on applications for orders authorizing or approving the interception of wire or oral communications, covering calendar year 1975, pursuant to 18 U.S.C. 2519; to the Committee on the Judiciary.

RECEIVED FROM THE COMPTROLLER GENERAL

3165. A letter from the Comptroller General of the United States, transmitting a report on additional costs incurred by the United States in stationing NATO-committed forces in Europe instead of at home; jointly, to the Committees on Government Operations, Armed Services, and International Relations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REUSS: Committee on Banking, Currency and Housing. H.R. 12934. A bill to promote the independence and responsibility of the Federal Reserve System; with amendment (Rept. No. 94-1073). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 2749. A bill to name a portion of the site of the Anthony J. Celebrezze Federal Building in Cleveland, Ohio, the George Washington Square (Rept. No. 94-1074). Referred to the House Calendar.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 9398. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 3-year period; with amendment (Rept. No. 94-1075). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 12118. A bill to amend the Independent Safety Board Act of 1974 to authorize additional appropriations and for other purposes; with amendment (Rept. No. 94-1076). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 12972. A bill to authorize a local public works capital development and investment program; with amendment (Rept. No. 94-1077). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. S. 3161. An act to authorize the Secretary of the Interior, with the approval of the Architect of the Capitol, to locate flagpoles on the U.S. Capitol Grounds in order to fly the flag of each of the States of the United States, and its territories and possessions with amendment (Rept. No. 94-1078). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRICE: The Joint Committee on Atomic Energy. H.R. 12387. A bill to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes; with amendment (Rept. No. 94-1079). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 13359. A bill to authorize loan funds for the Government of the Virgin Islands, and for other purposes; (Rept. No. 94-1080). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CORMAN (for himself, Mr. Burke of Massachusetts, Mr. Vander Veen, Mr. Helstoski, and Mr. Mikva):

H.R. 13476. A bill to amend the Internal Revenue Code of 1954 to deny certain benefits to taxpayers who participate in or cooperate with the boycott of Israel; to the Committee on Ways and Means.

By Mr. DUNCAN of Tennessee:

H.R. 13477. A bill to amend title 5 of the United States Code to change the title of hearing examiners to administrative law judge, to provide that the salary of each such official shall be 90 percent of the salary of U.S. District Court judges, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FRASER:

H.R. 13478. A bill to establish a comprehensive program of home care services for aged and disabled individuals, to provide for the creation of community home care centers and State home care agencies as part of a new administrative structure for the organization and delivery of such services, and to provide catastrophic health insurance coverage (under the medicare program), with financing from general revenues, for such individuals; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. FRASER (for himself and Mr. Allen):

H.R. 13479. A bill to amend the Interstate Commerce Act to provide that no pipeline company engaged in the transportation of oil may transport oil through its pipelines if that company has an interest in such oil; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE (for himself, Mr. Howe, and Mrs. Spellman):

H.R. 13480. A bill to amend the Higher Education Act of 1965 to require the Commissioner of Education to make payments of interest for eligible students within 30 days of receipt of a proper voucher, and for other purposes; to the Committee on Education and Labor.

By Ms. HOLTZMAN (for herself, Mr. Edgar, and Mr. Drinan):

H.R. 13481. A bill to amend the Federal Rules of Evidence to permit fair and effective prosecution for rape by providing that evidence of an individual's prior sexual conduct is not admissible in any action or proceeding if an issue in such action or proceeding is whether such individual was raped or assaulted with intent to commit rape; to the Committee on the Judiciary.

By Ms. HOLTZMAN (for herself, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Bedell, Mr. Benitez, Mr. Bonker, Mr. Bowen, Mr. Buchanan, Mr. Burgener, Mr. Burke of Florida, Mr. John L. Burton, Mr. Carter, Mr. Conyers, Mr. Corman, Mr. Dominick V. Daniels, Mr. de Lugo, Mr. Downey of New York, Mr. du Pont, Mr. Edgar, Mr. Edwards of California, Mr. Fascell, Mr. Fauntroy, Mr. Florio, and Mr. Ford of Tennessee):

H.R. 13482. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for certain diagnostic tests and examinations given for the detection of breast cancer; to the Committee on Ways and Means.

By Ms. HOLTZMAN (for herself, Mr. Fraser, Mr. Harrington, Mr. Helstoski, Mr. Hicks, Mr. Hughes, Mr. Hungate, Mr. LaFalce, Mr. Lagomarsino, Mr. Lehman, Mr. Lent, Mr. Melcher, Mr. Metcalfe, Mr. Mezvinsky, Mr. Mineta, Mr. Minish, Mrs. Mink, Mr. Mitchell of New York, Mr. Mitchell of Maryland, Mr. Moorhead of Pennsylvania, Mr. Moss, Mr. Oberstar, Mr. Ottinger, Mr. Patten, and Mr. Peyser):

H.R. 13483. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for certain diagnostic tests and examinations given for the detection of breast cancer; to the Committee on Ways and Means.

By Ms. HOLTZMAN (for herself, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. Rose, Mr. Rosenthal, Mr. Roybal, Mr. Santini, Mr. Scheuer, Mrs. Schroeder, Mr. Solarz, Mrs. Spellman, Mr. Stark, Mr. Steed, Mr. Stuckey, Mr. Symington, Mr. Traxler, Mr. Tsongas, Mr. Waxman, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Won Pat, Mr. Yatron, and Mr. Young of Georgia):

H.R. 13484. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for certain diagnostic tests and examinations given for the detection of breast cancer; to the Committee on Ways and Means.

By Mr. McCLORY (for himself, Mr. Anderson of Illinois, Mr. Carter, Mr. Del Clawson, Mr. Collins of Texas, Mr. Conlan, Mr. English, Mr. Ketchum, Mr. Lagomarsino, Mr. McCloskey, Mr. McDonald of Georgia, Mr. Milford, Mr. Mollohan, Mr. Moorhead of California, Mr. Rees, and Mr. Wiggins):

H.R. 13485. A bill to amend the Voting Rights Act of 1965 to limit certain aspects of its coverage for other than racial groups; to the Committee on the Judiciary.

By Mr. McEWEN (for himself, Mr. Rooney, Mr. Peyser, Mr. Horton, Mr. Walsh, Mr. Kemp, Mr. Solarz, Mr. Zeferetti, Mr. Addabbo, Ms. Holtzman, Mr. Lundine, Mr. LaFalce, Mr. Gilman, Mr. Richmond, and Ms. Chisholm):

H.R. 13486. A bill authorizing appropriations for the 1980 Olympic winter games at Lake Placid, N.Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. NATCHER:

H.R. 13487. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. O'HARA:

H.R. 13488. A bill to amend the Tariff Schedules of the United States with respect to the entry of horses; to the Committee on Ways and Means.

By Mr. RODINO (for himself, Mr. Brooks, Mr. Flowers, Mr. Sarbanes, Mr. Seiberling, Ms. Jordan, Mr. Mezvinsky, Mr. Mazzoli, Mr. Hughes, Mr. McClory, and Mr. Railsback):

H.R. 13489. A bill to amend the Antitrust Civil Process Act to increase the effectiveness of discovery in civil antitrust investigations, and for other purposes; to the Committee on the Judiciary.

By Mr. ROONEY (for himself, Mr. McEwen, Mr. Preyer, Mr. Metcalfe, Mr. Scheuer, Mr. Lent, Mr. Delaney, Mr. Stratton, Mr. St Germain, Mr. Pattison of New York, Mr. Roe, Mr. Biaggi, Mr. Thompson, Ms. Abzug, Mr. McHugh, Mr. Nowak, Mr. Bingham, Mr. Koch, Mr. Hanley, Mr. Rangel, Mr. Mitchell of New York, Mr. Wydler, Mr. Conable, and Mr. Fish):

H.R. 13490. A bill authorizing appropriations for the 1980 Olympic winter games at Lake Placid, N.Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. TSONGAS:

H.R. 13491. A bill to amend the Internal Revenue Code of 1954 to provide that a disabled individual shall be entitled to the same tax treatment available to an individual who has attained age 65 with regard to gain from the sale or exchange of his principal residence; to the Committee on Ways and Means.

By Mr. TSONGAS (for himself and Mr. Dodd):

H.R. 13492. A bill to amend title 18, United States Code, so as to establish certain guidelines for sentencing, establish a U.S. Commission on Sentencing, and for other purposes; to the Committee on the Judiciary.

By Mr. BREAUX:

H.R. 13493. A bill to amend the Federal Civil Defense Act of 1950 to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief, and for other purposes; to the Committee on Armed Services.

By Mr. McDADE:

H.R. 13494. A bill to amend the Federal Civil Defense Act of 1950 to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief, and for other purposes; to the Committee on Armed Services.

By Mr. SHARP:

H.R. 13495. A bill to terminate the authorization of the navigation study and survey of the Wabash River, Ind.; to the Committee on Public Works and Transportation.

By Mr. TEAGUE (by request):

H.R. 13496. A bill to amend title 38 of the United States Code to provide increased awards of service-connected compensation to certain blinded veterans who are suffering from additional disabilities; to the Committee on Veterans' Affairs.

H.R. 13497. A bill to terminate the authority for the pursuit of flight training programs by veterans and for the pursuit of correspondence training programs by veterans, wives, and widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. WIRTH:

H.R. 13498. A bill to amend the Water Resources Planning Act, the Water Resources Research Act of 1964, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JACOBS:

H.J. Res. 932. Joint resolution to amend the Constitution of the United States to provide for balanced budgets and elimination of the Federal indebtedness; to the Committee on the Judiciary.

By Mr. ROBINSON:

H.J. Res. 933. Joint resolution to provide for appointment of John Paul Jones to the grade of Admiral in the U.S. Navy; to the Committee on Armed Services.

By Mr. GUDE:

H. Res. 1171. Resolution supporting the Secretary of State's policy toward Africa; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. PIKE introduced a bill (H.R. 13499) for the relief of Elmeada Richards Winter and Amos Emanuel Winter, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

The SPEAKER presented a petition of Wilma R. Bloom, San Clemente, Calif., and others, relative to Rule 43, Section 10 of the Rules of the House of Representatives, which was referred to the Committee on Standards on Official Conduct.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 12384

By Mr. O'NEILL:

Page 40, after line 24, insert the following:

Sec. 612. (a) In order to provide to any community in which a major military installation is located an opportunity to adjust to the closure of, or a major reduction in operations at, such installation, none of the funds authorized to be appropriated by this Act may be used in any manner to effect, or in connection with—

(1) any closure of any major military installation within the United States,

(2) any reduction in the operations at any major military installation within the United States, if such reduction exceeds by more than 50 percent the level of operations existing on March 1, 1976, at such installation, or

(3) any construction, conversion, or rehabilitation of any other military installation which will, or may be, incurred as a result of the transfer of operations and personnel to such other installation by reason of any closure or reduction referred to in paragraph (1) or (2),

before the close of the 1-year period beginning on the date on which the Secretary of the military department concerned submits in writing to the Congress notification of his intention to effect such closure or reduction and includes with such notification a report containing the reasons for, and the effect of, such closure or reduction.

(b) Each report required to be submitted pursuant to subsection (a) shall include the estimated fiscal, economic, budgetary, and military effects of the proposed closure or reduction, including, but not limited to, estimates of—

(1) the amount of unemployment compensation which will be paid to persons who are unemployed as a result of such closure or reduction;

(2) the amount of manpower retraining and relocation expenses which will be expended for persons so unemployed; and

(3) the military construction and rehabilitation costs (including housing) which will be incurred at other military installations in order to accommodate personnel transferred thereto as a result of such closure or reduction.

(c) As used in this section, the term "major military installation" means a military installation or facility employing not less than 100 personnel, whether military or civilian, or both.

Page 41, line 1, strike out "Sec. 612." and insert "Sec. 613.".

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the Congressional Record of April 29, 1976, page 11945.

HOUSE BILLS

H.R. 13136. April 8, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13137. April 8, 1976. Judiciary. Amends the Voting Rights Act of 1965 to repeal the prohibitions against voting qualifications, prerequisites, tests, or devices which abridge the right of a citizen to vote who is a member of a language minority.

Repeals the requirement that State and other political subdivisions make available registration and voting materials, and voting assistance in languages other than English.

H.R. 13138. April 8, 1976. Interstate and Foreign Commerce. Amends the Regional Rail Reorganization Act to require the Consolidated Rail Corporation to maintain and preserve for the period of one year after conveyance all rail properties designated in the final system plan for conveyance to a profitable railroad and subsequently conveyed to the Corporation.

Authorizes States to purchase such rail properties during such period.

Authorizes an acquiring railroad to enter into a purchase agreement for rail properties in the absence of an employment offer to the employees of the selling railroad.

H.R. 13139. April 8, 1976. Banking, Currency and Housing. Increases the amount authorized to be appropriated under the Housing Act of 1959 for loans for housing for the elderly and handicapped program.

H.R. 13140. April 8, 1976. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish a program to make available to the public for cultivation small plots of unused public land.

H.R. 13141. April 8, 1976. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish the Eutaw Springs National Battlefield Park in South Carolina.

H.R. 13142. April 9, 1976. Post Office and Civil Service. Prohibits the United States Postal Service from changing the nature of postal services provided by any post office unless such change is approved in an election by persons regularly using such facility.

H.R. 13143. April 9, 1976. Banking, Currency and Housing. Provides Federal assistance under specified housing programs for more dwelling units which are heated or cooled by solar energy.

H.R. 13144. April 9, 1976. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to direct the Law Enforcement Assistance Administration to make citizen anticrime patrol assistance grants to residents' organizations which demonstrate a need for assistance.

H.R. 13145. April 9, 1976. Ways and Means. Amends the Old-Age, Survivors, and Disability Insurance program of the Social Security Act to provide that the remarriage of a widow, widower, or parent shall not terminate his or her entitlement to widow's, widower's, or parent's insurance benefits or reduce the amount thereof.

H.R. 13146. April 9, 1976. Education and Labor. Amends the Higher Education Act of 1965 to require the Commissioner of Education to make Federal interest subsidy and administrative cost allowance payments to holders of loans under such act on behalf of the borrower within 30 days of receipt by the Commissioner of an itemized voucher in such form as the Commissioner shall by regulation prescribe.

H.R. 13147. April 9, 1976. Education and Labor. Amends the Higher Education Act of 1965 to require the Commissioner of Education to make Federal interest subsidy and administrative cost allowance payments to holders of loans under such act on behalf of the borrower within 30 days of receipt by the Commissioner of an itemized voucher in such form as the Commissioner shall by regulation prescribe.

H.R. 13148. April 9, 1976. Ways and Means. Stipulates that with regard to any obligation which is issued by, or in behalf of, any State or possession of the United States, any political subdivision of the foregoing, or the District of Columbia, the interest paid on such obligation and received by the purchase thereof shall be included in gross income, under the Internal Revenue Code.

Directs the Secretary of the Treasury to pay to the issuer of such obligation such portion of the interest as is deemed appropriate taking into account current market yields on obligations of the issuer and on similar obligations.

H.R. 13149. April 9, 1976. Post Office and Civil Service. Requires the United States Postal Service to consider specified factors in determining the need for an existing third- or fourth-class post office.

H.R. 13150. April 9, 1976. Veterans' Affairs. Increases from ten to fifteen years the delimiting period after which no education assistance shall be afforded eligible veterans, certain wives of veterans, or the widows or orphans of veterans.

H.R. 13151. April 9, 1976. International Relations; Interstate and Foreign Commerce. Amends the Export Administration Act of 1969 to direct the Secretary of Commerce to require reports of requests to take actions furthering or supporting restrictive trade boycotts. Requests the Secretary of Commerce to prohibit furnishing information regarding race, religion, sex, or national origin of certain persons to implement restrictive trade practices. Imposes penalties for violation of such regulations.

Amends the Security Exchange Act of 1934 to require disclosure of the residence, nationality and nature of ownership of the purchases and owners of certain securities.

Permits restriction of transfers, voting rights, payment of dividends, or sale of such securities for violation of disclosure regulations.

H.R. 13152. April 9, 1976. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to make a detailed study to scientifically determine if there is a causal relationship between the amputation of an extremity and cardiovascular disorders that are subsequently incurred by service-connected amputee veterans.

H.R. 13153. April 9, 1976. Veterans' Affairs. Provides for increases in the rates of disability compensation paid by the Veterans' Administration to disabled eligible veterans. Increases the rates of dependency and indemnity compensation for the survivors of disabled veterans.

H.R. 13154. April 9, 1976. Veterans' Affairs. Extends the period of eligibility during which qualified disabled veterans may be afforded vocational rehabilitation.

H.R. 13155. April 9, 1976. Rules. Amends the Impoundment Control Act of 1974 to provide that any amount of budget authority proposed to be rescined or reserved by the President shall be made immediately available for obligation if either House of Congress (before the expiration of the 45-day period for disapproval by congressional inaction prescribed by present law) disapproves such rescission or reservation.

Permits either House of Congress to direct the Comptroller General to bring a civil suit to enforce the provisions of this Act.

H.R. 13156. April 9, 1976. Atomic Energy. Amends the Atomic Energy Act of 1954 to authorize the Nuclear Regulatory Commission to prescribe and collect fees and charges for services rendered or licenses issued under the provisions of such Act or under the Energy Reorganization Act of 1974.

Stipulates that no fees or charges shall be imposed on any other Government agency except for licensing of utilization facilities for the production of electrical or heat energy.

H.R. 13157. April 9, 1976. Judiciary. Establishes the Crime Victims Compensation Commission to make annual and supplemental grants to qualifying State programs to assist in covering the costs of paying compensation to the victims of specified crimes.

H.R. 13158. April 9, 1976. Judiciary. Establishes the Crime Victims Compensation Commission to make annual and supplemental grants to qualifying State programs to assist in covering the costs of paying compensation to the victims of specified crimes.

H.R. 13159. April 9, 1976. Banking, Currency and Housing. Amends the Housing and Community Development Act to revise the allocation formula for assistance under the Community Development programs. Increases the funds authorized to be appropriated for grants to States and local governments.

H.R. 13160. April 9, 1976. Interior and Insular Affairs. Designates specified areas within the following national parks and national monuments as wilderness: (1) Bandelier National Monument, New Mexico; (2) Gunnison National Monument, Colorado; (3) Chiricahua National Monument, Arizona; (4) Great Sand Dunes National Monument, Colorado; (5) Haleabrala National Park, Hawaii; (6) Isle Royale National Park, Michigan; (7) Joshua Tree National Monument, California; (8) Mesa Verde National Park, Colorado; (9) Pinnacles National Monument, California; and (10) Sagusio National Monument, Arizona.

Revises the boundaries of Isle Royale National Park, Michigan and Pinnacles National Monument, California.

Directs the Secretary of Agriculture to review the suitability of specified lands in Coronado National Forest, Arizona, for designation as wilderness.

H.R. 13161. April 9, 1976. Interior and Insular Affairs. Amends the Land and Water Conservation Fund Act of 1965 to authorize additional appropriations for preservation of outdoor recreation resources. Revises procedures for providing financial assistance to States.

Amends the National Historic Preservation Act of 1966 to establish a historic preservation fund from revenues collected from mining leases and leases on the Outer Continental Shelf.

H.R. 13162. April 9, 1976. Ways and Means. Permits States, under the Emergency Unemployment Compensation Act of 1974, to elect to provide for the payment of emergency unemployment compensation benefits on the basis of area "emergency on" or "emergency off" indicators. States that such election may be made in the time and manner which the Secretary of Labor prescribes, and shall be irrevocable.

H.R. 13163. April 9, 1975. Armed Services. Amends the Federal Civil Defense Act of 1950 to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief.

H.R. 13164. April 9, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to establish the National Museum of Afro-American History and Culture in the vicinity of Wilberforce, Ohio.

H.R. 13165. April 9, 1975. Interstate and Foreign Commerce. Amends the Emergency Petroleum Allocation Act of 1973 to prohibit the President from exempting crude oil, residual fuel oil, or refined petroleum products from pricing regulations under such Act.

H.R. 13166. April 9, 1976. International Relations. Establishes a Commission on Security and Cooperation in Europe.

Authorizes and directs the Commission to monitor the acts of the signatories to the Final Act of the Conference on Security and Cooperation in Europe (Helsinki Agreement) with respect to their compliance with the articles of such Act; particularly with regard to the provisions relating to Cooperation in Humanitarian Fields.

H.R. 13167. April 9, 1976. Ways and Means. Amends the Tariff Schedules of the United States to permit duty-free importation of any aircraft engine used as a temporary replacement for an aircraft engine being overhauled within the United States if duty was paid on such replacement engine pursuant to a previous importation.

H.R. 13168. April 9, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13169. April 9, 1976. Veterans' Affairs. Provides that under such regulations as the Administrator of Veterans' Affairs may promulgate, payment of premiums on United States Government Life Insurance for certain persons who have attained the age of 70 shall be waived.

HOUSE JOINT RESOLUTIONS

H.J. Res. 890. March 31, 1976. Appropriations. Appropriates funds for a comprehensive, nationwide influenza immunization program.

H.J. Res. 891. March 31, 1976. Post Office and Civil Service. Designates the month of April 1976 as "Columbian Squires Month."

H.J. Res. 892. March 31, 1976. Post Office and Civil Service. Authorizes and requests the President to issue annually a proclamation designating the first week of May of each year as "Clean Air Week."

H.J. Res. 893. March 31, 1976. Post Office and Civil Service. Designates September 8 of each year as "National Cancer Day."

H.J. Res. 894. March 31, 1976. Post Office and Civil Service. Designates April 15 of each year as "Holocaust Remembrance Day."

H.J. Res. 895. March 31, 1976. Post Office and Civil Service. Designates April 15 of each year as "Holocaust Remembrance Day."

H.J. Res. 896. April 1, 1976. Post Office and Civil Service. Authorizes and requests the President to issue a proclamation designating the fourth Sunday in September each year as "National Good Neighbor Day."

H.J. Res. 897. April 1, 1976. Post Office and Civil Service. Designates April 13, 1976, as "Thomas Jefferson Day."

H.J. Res. 898.—April 1, 1976. Post Office and Civil Service. Designates April 13, 1976, as "Thomas Jefferson Day."

H.J. Res. 899. April 1, 1976. Post Office and Civil Service. Designates April 13, 1976, as "Thomas Jefferson Day."

H.J. Res. 900. April 1, 1976. Post Office and Civil Service. Designates April 13, 1976, as "Thomas Jefferson Day."

H.J. Res. 901. April 1, 1976. Post Office and Civil Service. Designates April 13, 1976, as "Thomas Jefferson Day."

H.J. Res. 902. April 1, 1976. Post Office and Civil Service. Designates April 13, 1976, as "Thomas Jefferson Day."

H.J. Res. 903. April 1, 1976. Post Office and Civil Service. Designates April 13, 1976, as "Thomas Jefferson Day."

H.J. Res. 904. April 1, 1976. Post Office and Civil Service. Designates April 13, 1976, as "Thomas Jefferson Day."

H.J. Res. 905. April 1, 1976. Post Office and Civil Service. Designates April 13, 1976, as "Thomas Jefferson Day."

H.J. Res. 906. April 1, 1976. Post Office and Civil Service. Designates April 13, 1976, as "Thomas Jefferson Day."

H.J. Res. 907. April 1, 1976. Post Office and Civil Service. Designates April 13, 1976, as "Thomas Jefferson Day."

H.J. Res. 908. April 2, 1976. Post Office and Civil Service. Designates April 8, 1976, as "National Food Day."

H.J. Res. 909. April 5, 1976. Post Office and Civil Service. Designates April 25, 1976, as "Hudson River Day."

H.J. Res. 910. April 5, 1976. Post Office and Civil Service. Authorizes the President to issue a proclamation designating a week as "National Lupus Erythematosus Week."

H.J. Res. 911. April 5, 1976. International Relations. Directs the President to seek an arrangement with Canada calling for an immediate moratorium on the killing of the eastern timber wolves.

H.J. Res. 912. April 6, 1976. Judiciary. Proposes a constitutional amendment which provides for the removal from office of any judge of the Supreme Court of the United States whom the Congress determines to be unable to efficiently discharge any of the critical duties of his office by reason of a permanent mental or physical disability.

H.J. Res. 913. April 6, 1976. Post Office and Civil Service. Designates the week beginning on April 18, 1976, as "National Private Property Week."

H.J. Res. 914. April 7, 1976. Post Office and Civil Service. Designates the week beginning April 4, 1976, as "National Drafting Week."

H.J. Res. 915. April 7, 1976. Interior and Insular Affairs. Authorizes the American Legion to place in the District of Columbia on land of the national park system the bell which is known as the American Legion's Freedom Bell.

H.J. Res. 916. April 8, 1976. Post Office and Civil Service. Designates September 8 of each year as "National Cancer Day."

H.J. Res. 917. April 8, 1976. Post Office and Civil Service. Authorizes the President to issue annually a proclamation designating the seven-day period commencing on April 30 of each year as "National Beta Sigma Phi Week."

H.J. Res. 918. April 9, 1976. Post Office and Civil Service. Authorizes and requests the President to issue annually a proclamation designating the first week of May of each year as "Clean Air Week."

H.J. Res. 919. April 9, 1976. Post Office and Civil Service. Designates September 8 of each year as "National Cancer Day."

H.J. Res. 920. April 9, 1976. Post Office and Civil Service. Designates September 8 of each year as "National Cancer Day."

HOUSE CONCURRENT RESOLUTIONS

H. Con. Res. 596. March 30, 1976. Directs the Clerk of the House of Representatives to make specified corrections in the enrollment of the bill H.R. 8617.

H. Con. Res. 597. March 30, 1976. International Relations Expresses the objection of Congress to the proposed sale to Egypt of C–130 aircraft as described in transmittal number 76–74.

H. Con. Res. 598. March 30, 1976. International Relations Expresses the sense of the. Congress that the peoples of Lithuania, Latvia, and Estonia should be given the right of self-determination Calls for free elections in the Baltic States, under the auspices of the United Nations.

H. Con. Res. 599. March 30, 1976. International Relations. Expresses the objection of Congress to the proposed sale to Egypt of C–130 aircraft as described in transmittal number 76–47.

H. Con. Res. 600. March 31, 1976. Ways and Means. Expresses the sense of the Congress that the President shall seek the elimination of surety deposit requirements on vegetable protein products imposed by the European Economic Community. Provides that if the President shall fail to eliminate such requirement, he shall obtain full compensation for such actions under article XXIII of the General Agreement on Tariffs and Trade.

H. Con. Res. 601. March 31, 1976 Ways and Means. Expresses the sense of the Congress that the President shall seek the elimination of surety deposit requirements on vegetable protein products imposed by the European Economic Community. Provides that if the President shall fail to eliminate such requirements, he shall obtain full compensation for such actions under article XXIII of the General Agreement on Tariffs and Trade.

H. Con. Res. 602. April 2, 1976 International Relations. Objects to the proposed sale to the Arab Republic of Egypt of C–130 aircraft.

H. Con. Res. 603. April 5, 1976. International Relations. Expresses the objection of Congress to the proposed sale to Egypt of C–130 aircraft as described in transmittal number 76–47.

H. Con. Res. 604 April 5, 1976. Post Office and Civil Service. Expresses the sense of Congress that the U.S. Postal Service should not close or otherwise suspend the operation of any post office during the 6-month period beginning on the date of adoption of this resolution.

H. Con. Res. 605. April 5, 1976. International Relations. Directs the President to express the request of the U.S. Government that the Government of the Union of Soviet Socialist Republics provide Valentyn Moroz with the opportunity to accept the invitation of Harvard University to join the Harvard Ukrainian Research Institute for the 1976–77 academic year.

H. Con. Res. 606. April 6, 1976. International Relations Expresses the sense of Congress that the Soviet Union should release Georgi Vins from imprisonment and allow freedom of religion in that nation.

H. Con. Res. 607. April 7, 1976. Post Office and Civil Service. Expresses the sense of Congress that the U.S. Postal Service should not close or otherwise suspend the operation of any post office during the 6-month period beginning on the date of adoption of this resolution.

HOUSE RESOLUTIONS

H. Res. 1116. March 30, 1976. Rules. Establishes a House select committee to investigate and to study the circumstances surrounding the death of John F. Kennedy.

H. Res. 1117. March 30, 1976. Appropriations. Disapproves the proposed deferral of budget authority for the Forest Service, Department of Agriculture (proposed deferral number D76–036).

H. Res. 1118. March 30, 1976. Appropriations. Disapproves of proposed budget deferral D76–105, relating to budget authority for the special supplemental food program (WIC) administered by the Food and Nutrition Service of the Department of Agriculture.

H. Res. 1119. March 30, 1976. Appropriations. Disapproves of proposed budget deferral D76–105, relating to budget authority for the special supplemental food program (WIC) administered by the Food and Nutrition Service of the Department of Agriculture.

H. Res. 1120. March 30, 1976. Sets forth the rule for the consideration of H.R. 12572.

H. Res. 1121. March 31, 1976. Authorizes and directs the House ad hoc Select Committee on the Outer Continental Shelf to transmit its findings and report to the House no later than May 4, 1976.

H. Res. 1122. March 31, 1976. Authorizes the Clerk of the House of Representatives to answer certain interrogatories in a certain judicial proceeding.

H. Res. 1123. March 31, 1976. Rules. Amends Rule X of the House of Representatives to transfer jurisdiction over Federal impact aid programs from the Committee on Education and Labor to the Committee on Ways and Means.

H. Res. 1124. April 1, 1976. Judiciary. Authorizes Representative Henry Helstoski to appear in response to a subpoena issued in a certain judicial proceeding.

H. Res. 1125. April 1, 1976. Rules. Creates a seven member select committee in the House to conduct a full and complete investigation and study of the circumstances surrounding the deaths of John and Robert Kennedy, Martin Luther King, and the attempted assassination of George Wallace.

H. Res. 1126. April 1, 1976. Post Office and Civil Service. Designates the week beginning April 4, 1976, as "National Rural Health Week."

H. Res. 1127. April 1, 1976. Sets forth the rule for the consideration of H.R. 3863.

H. Res. 1128. April 5, 1976. Interstate and Foreign Commerce. Disapproves the exemption of residual oil fuel from the mandatory petroleum allocation and price regulations as proposed in the energy action numbered 1, transmitted to the Congress on March 29, 1976.

H. Res. 1129. April 6, 1976. Appropriations. Disapproves of proposed budget deferral D76–105 as set forth in the President's message of March 18, 1976, relating to the Department of Agriculture, Food and Nutrition Service, special supplemental food program (WIC).

H. Res. 1130. April 6, 1976. Rules. Establishes in the House of Representatives the Select Committee on Nuclear Proliferation and Nuclear Export Policy.

EXTENSIONS OF REMARKS

A COMMENT ON AUTO INDUSTRY PROFITS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 29, 1976

Mr. BROWN of California. Mr. Speaker, I found the reports in the morning newspapers about the extremely high profits for General Motors Corp. to be quite interesting. According to news accounts, General Motors had its second best quarter in history, with over $800 million in profits. General Motors, we may all remember, has been claiming that it has been severely hurt by Federal air pollution and fuel economy standards. They have used, quite effectively, the high unemployment in the auto industry as an excuse to attack the Clean Air Act's auto emission standards.

Unemployment is a serious problem, and few Members of Congress would support any policy which would increase unemployment. While there has never been any evidence that the auto emission standards that we have required for public health reasons has caused unemployment, this charge continues to be made. It is for this reason that I find the unusually high profits for GM to be interesting. It is also interesting to note that these profits are being made, in part, because of major price increases that the auto industry has made. These price increases occurred during a time that there was a moratorium on auto emission standards, which completely disproves the charge that these standards are the cause of the price rises.

Mr. Speaker, I would like to conclude these remarks by urging all Members to support auto emission standards which will be effective in controlling air pollution, and further urge Members to resist demagogic attempts to convince them to support further delays.

At this time I wish to insert two articles on this matter in the RECORD.

[From the Los Angeles Times, Apr. 29, 1976]

GM'S PROFITS ZOOM TO NEAR-RECORD LEVEL—2ND BEST QUARTER 13 TIMES BETTER THAN 1975 PERIOD

DETROIT.—General Motors Corp. Wednesday reported near-record profits of $800 million for the first three months of 1976, more than 13 times the anemic earnings it produced in the same year-ago period.

It was the second best quarter ever for the world's largest auto company. Worldwide sales were $11.4 billion, up 50% from $7.6 billion a year ago and a record for any quarter in the firm's history.

GM is the third U.S. auto company to show a sharp recovery in the first quarter from a year ago, when the industry was mired in its worst depression in four decades. Financial analysts say the industry's current turnaround is the most dramatic in history.

GM's earnings of $2.78 per share compare with $59 million, or 20 cents a share, in the first three months of 1975, when profits fell to a 29-year low for the quarter.

The auto giant's return, on the high side of analysts' forecasts, fell short of the all-time quarterly record of $817 million the firm earned during the first quarter of 1973.

Sales were up 19% from the previous quarterly record of $9.6 billion set in the first period of 1973.

Ford Motor Co., the nation's No. 2 auto maker, is expected to release its first-quarter results today. Analysts say the firm, which lost $106 million in the same year-earlier period, will show a profit of between $230 million and $280 million.

Worldwide factory sales of GM cars and trucks in the quarter totaled 2.12 million units, up 54% from 1.38 million a year ago but down 12% from the first-quarter record of 2.4 million in 1973. U.S. car and truck sales totaled 1.54 million, up 63% from the year before.

GM Chairman Thomas A. Murphy, the industry's most optimistic forecaster, has raised his estimate for 1976 U.S. car and truck sales twice within the past week. He now predicts car sales for the year could reach 10.8 million, the third highest in history.

[The Wall Street Journal, Apr. 29, 1976]

GM NET SURGED TO NEAR RECORD FOR FIRST QUARTER—PROFIT WAS $800.5 MILLION, UP FROM $59.2 MILLION IN 1975; SALES CLIMBED 50 PERCENT

DETROIT.—Its profit rebounding far faster than its volume, General Motors Corp. posted near-record earnings in the first quarter.

The No. 1 auto maker's profit of $800.5 million, or $2.78 a share, in the period contrasted sharply with its dismal performance in the 1975 first quarter, when net income was only $59.2 million, or 20 cents a share, the worst first quarter since 1946.

Dollar sales in the quarter climbed much more slowly than profit, rising 50% to a record $11.2 billion from $7.61 billion in the 1975 period.

As a result, GM's profit margin, or net, income as a percentage of sales, recovered considerably to 7% from 0.8% a year earlier.

In the auto industry, rising production can result in an even sharper rise in profit once certain high fixed costs are recovered. Taking note of this, GM executives said that the increase in first quarter earnings from a year earlier "reflected higher volume and related factors, which contributed about $1.50 to the per-share earnings." They added that the higher results were also aided by "intensive programs to control costs and improve operating efficiency."

Though providing clear evidence of a general auto industry recovery, GM's first quarter earnings slightly trailed earlier estimates by some analysts that the company would earn $2.80 a share in the first period; they also fell shy of the company's record 1973 first quarter profits of $817 million, or $2.84 a share. Per-share profit for the 1976 quarter was the second highest income for the period, however.

Though GM didn't mention it in announcing quarter profit rebound, it is clear the giant auto maker's results were also aided by the price increase put through on current model cars last fall. GM raised new car base prices at that time more than $200 a unit.

STRONG RECOVERY

The boost was made at a time when auto makers were expecting an auto-sales recovery, but since then the recovery has been even greater than anticipated. Because car prices are normally pegged to an advance estimate of sales volume, the stronger-than-expected auto market tends to increase per-car profits even further.

Moreover, GM as well as other auto makers, have been selling a greater proportion than expected of larger model cars this model year. Traditionally, Detroit's profit return on these higher-priced large cars has been greater, and these units are also often more heavily loaded with highly lucrative optional equipment.

GM's profit rebound was apparently further aided by the fact that sharp gains in U.S. car and truck output from a year earlier were achieved with a fairly modest increase in its work force. GM said its domestic car and truck production rose 63% from weak year earlier output to 1.5 million units from 944,000. But its hourly work force in this year's period averaged 375,000 people, up only 16% from 322,000 a year earlier.

GM's world-wide factory sales of 2.1 million cars and trucks in the just-ended period were about 54% ahead of depressed shipments of 1.4 million units a year earlier. At that time, GM as well as other auto makers were forced to curtail their output sharply to control heavy inventories of unsold vehicles. This year's first quarter factory sales, however, still trailed record 1973 first quarter shipments of 2.4 million units by some 12%.

THREE ACCOUNTING CHANGES

GM said its first quarter earnings reflected three accounting changes that together reduced earnings two cents a share. One change, relating to foreign currency translations, increased earnings 10 cents a share. However, the effect of a change relating to allowances for losses on foreign investments and a provision for a change to the last-in; first-out, or LIFO, method of valuing certain U.S. inventories equaled a reduction of 12 cents per share in earnings.

A GM spokesman explained that, while the proposed change to LIFO from the first-in, first-out method is still under study, it's expected to involve most GM's U.S. inventories. Under LIFO, the cost of goods sold is based on the most recent prices on raw materials and other inventory items, thus reducing inflation's ballooning effect on profit.

None of the changes resulted in restatement of earlier period results, the company added.

Commenting on the company's results, GM chairman Thomas A. Murphy and president Elliott M. Estes credited the increasingly rapid recovery of their industry to a "sharp upturn in consumer confidence, rising employment and a continued gain in real personal income."

INCREASED OUTPUT PLANNED

These factors are apparently continuing to buoy auto makes' prospects for the balance of this year as well. All the Big Three auto makers, as previously reported, are planning increased U.S. car production in the current quarter from soft 1975 levels, which is expected to continue to help profits. And recently GM's Mr. Murphy increased his estimate of the strength of the overall new-car market for this year, predicting 10.5 million sales, up from a prior forecast of 10.3 million. There were 8.6 million deliveries in 1975.

Such forecasts depend on a peaceful settlement of this fall's auto labor contracts, but Mr. Murphy and Mr. Estes yesterday reiterated their "hopes that new contracts will be negotiated without the damaging effects" of a strike.

* * * * *

COURTS OF TERROR

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. SCHEUER. Mr. Speaker, Harrison E. Salsbury, the distinguished New York Times columnist and specialist in Soviet affairs, has reviewed Telford Taylor's new book "Soviet Criminal Justice and Jewish Emigration." The review, which appeared in the New York Times on April 18, is a stark reminder of the pervasive tyranny of our partner in "détente."

The article follows:

COURTS OF TERROR

(By Harrison E. Salisbury)

Among the ironies of Stalin's role none exceeds the promulgation of the "Stalinist" Constitution in 1936, the final work of the brilliant—too brilliant—Nikolai Bukharin. Shortly after completing this task, Bukharin was arrested and, in contravention of the provisions of the "most democratic Constitution in the world," sentenced to death and shot in the basement of Lubyanka prison. Telford Taylor and a group of American jurists recently attempted to use the Bukharin principles of Soviet justice to assist Soviet Jews and others who have been persecuted by Soviet authorities for their efforts to leave the Soviet Union and emigrate to Israel.

The Soviet Constitution upon which the possibly quixotic American effort was based can hardly be improved—on paper. The citizen is guaranteed the right to work, to rest, to leisure, to the eight-hour day, to old age security, to protection in event of workers' disability and to education. Women are guaranteed equal rights under the law. No discrimination because of nationality or race is permitted. All Soviet citizens are guaranteed freedom of conscience, the separation of church and state, freedom of religious (and anti-religious) propaganda, freedom of speech, of press, of assembly, street parades, demonstrations and meetings, freedom of organization, inviolability of person, freedom from arrest without court or procurator's order, inviolability of home and privacy of correspondence. Yet there is only slightly more concordance today between the word and the deed of Soviet justice than there was in Stalin's day. As Taylor concludes: "Soviet laws governing criminal court procedures have enlightened safeguards . . . but if the trials of these Jews are any guide the paper guarantees are worthless when important state interests are involved."

The effort initiated by Taylor and his associates was based on the proposition that if legal briefs were submitted without publicity to Soviet authorities, demonstrating that in terms of their own Constitution and statutes Soviet law had been violated, Soviet authorities might be induced to reconsider the cases of would-be emigrants to Israel and alleviate the condition of those imprisoned.

The idea of such an effort had occurred to several New York attorneys, and Taylor was brought into the project in 1973. He had been the American prosecutor at the Nuremberg trials and while there had become acquainted with the Soviet prosecutor, Roman Rudenko, who now serves as the Soviet Procurator General, a position roughly corresponding with that of the United States Attorney General. Taylor thought his friendship with Rudenko might prove useful.

The Americans, of course, had no legal standing to plead cases under Soviet law but they felt that careful briefs, informally submitted to Rudenko, might bring to his attention facts of which he was unaware. Friends and relatives of imprisoned Jews were interviewed in the United States and Israel. Study of the relevant portions of the Soviet laws and procedures was carried out and a series of meetings was held with Rudenko and other Soviet officials. The meetings were, for the most part, polite and courteous. There were even promises of consideration, but in the end not one tangible result was forthcoming. No Soviet official conceded the slightest illegality in these documented wanton abuses of their own jurisprudence. Nor was any act of clemency taken that could be traced to the Taylor effort.

Finally, despairing of positive results, Taylor and his associates decided to make the record public in the hope that publication "may in some way aid or comfort the victims of these abuses and their friends and relatives." Taylor had concluded that the miscarriages of justice were not accidental but directed by the highest officials. "It was," he said, "State policy to discourage Jewish emigration without appearing to prohibit it.

"Whatever the basis of the accusations, the State had a governing interest not only to ensure conviction and punishment of the accused but to warn other potential emigrants that they might meet a like fate.

"In this latter purpose unfair trials were more effective than fair ones. Accordingly this book may be regarded as an account of the prostitution of Soviet justice to serve Soviet ends."

Taylor's group sought to intervene in only 23 cases involving fewer than a hundred individuals, but the American lawyers found no evidence to suggest that these violations of due process were particularly unusual.

The Taylor study also found that Soviet authorities routinely charged would-be Jewish emigrants with crimes that they did not commit, tried them under statutes that bore no relevance to their acts, hindered their defense, failed to try the defendants on the principal issues of the cases, forbade them to employ counsel of their own choice, hampered and/or intimidated counsel who were employed, violated Soviet statutes on prison rights, forbade religious observances guaranteed by law and even permitted former Nazi trustees to terrorize Jewish prisoners.

Rudenko replied to the mass of evidence and argument submitted by Taylor with only a categorical denial that there had been any defects in Soviet justice. However, among the cases were those of several Jews who had been involved in an escape plan that would include a hijacking of a Soviet airliner in Leningrad. The plan was never carried out and, under Soviet law, the participants were, at the very most, guilty of nothing more than a plot to seize Soviet property (the aircraft). They were, however, convicted of treason and sentenced to death—a sentence later modified after an outburst of world indignation. Rudenko lectured Taylor on the seriousness of the crime of hijacking. Taylor pointed out that the defendants had been convicted not of hijacking but of treason—a crime they had not committed. Rudenko's revelaing reply was that at that time there had been no Soviet law on the statute books explicitly punishing hijacking.

As Taylor noted: "This was tantamount to an admission that the treason statute had been invoked because a properly applicable statute was lacking." Or, as Gilbert and Sullivan long ago put it: "Let the punishment fit the crime."

Taylor concedes that many Americans may feel that any idea of Soviet "justice" is a contradiction in terms and that "it is altogether foolish to expect that any amends will be made." But he believes that this view is superficial, and he is supported by a group of Soviet dissenters known as "legalists," headed by Valery Chalidze, now resident in New York.

Chalidze believes that Soviet authorities must be reminded at every turn of their country's codes and Constitution. He is firmly convinced that over a period of time and with growing awareness of their rights by Soviet citizens there may be the beginning of an approach toward rule by law and not by dictatorial whim.

One bit of evidence suggests an underlying Soviet sensitivity to Constitutional questions. An effort to draft a new Soviet Constitution began in January 1959. In the past 17 years there have been periodic reports that the day of a new and better Constitution is near. At the 25th Party Congress Party Secretary Brezhnev renewed this pledge. The work, he said, is going forward "carefully, without haste, so as to weigh as exactly as possible every problem that arises and then put forward the draft for an all-people's discussion."

Words, as Bukharin's Constitution so clearly has shown, are no guarantee of Soviet liberties. But this long effort over new words and a new draft suggests that somewhere in the hidden recesses of the ruling oligarchy there may be a struggle to close the gap, at least slightly, between Soviet myth and Soviet reality.

MR. LLOYD G. HUGHES

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. EDWARDS of California. Mr. Speaker, on May 19, a retirement dinner to honor Mr. Lloyd G. Hughes for his 20 years of service in public education will be held at Memorial High School in Newark, Calif. While I am unfortunately unable to be present at this special occasion, I would like to take this opportunity to express my own thanks and very best wishes to Lloyd.

A graduate of the Unviersity of Redlands and San Jose State University, Lloyd began his teaching career at Fremont's Washington High School in 1956. Since that time, he has also worked as a guidance counselor for various southern Alameda County schools and for the past several years, has served as counselor and division chairman for career education at Memorial High School in Newark. He is a member of the California Teachers Association, the National Education Association, and the National Teachers Association.

Lloyd will be retiring June 30, 1976, and I am sure he will make the fullest use of his retirement years. A man with a wide variety of interests—demonstrated by his many years of active involvement with Boy Scouting in the Tri City area and with Irvington Presbyterian Church—I have no doubt that he will continue to actively participate in the community.

In appreciation for his long commitment to our young people and to the field of education, I join his friends, his wife Yvonne, and his family in wishing Lloyd Hughes a fruitful and satisfying retirement.

"SHOE DECISION: OUT OF STEP"

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. GAYDOS. Mr. Speaker, President Ford's recent Easter weekend decision not to limit imports of foreign-made shoes is an indication that the Chief Executive's paces are out of step with the rest of the Nation's concerted efforts to boost the American economy and employment.

Imported footwear has already captured 40 percent of the nonrubber footwear market in this country. Last year, more than 287 million pairs of imported shoes found their way into American shoe shores. Meanwhile, domestic shoe producers and their employees found it difficult, sometimes impossible, to keep up with the surging influx of foreign products. According to the U.S. News & World Report—

> Since 1969, the number of companies making nonrubber shoes in the U.S. has dropped from nearly 600 to about 350. Chief import competition has come from Italy, Spain, Taiwan, South Korea and Brazil.

Despite these facts, the pleas of AFL-CIO President George Meany, and the recommendations of several International Trade Commission officials, no tariffs or quotas are going to be imposed on foreign manufacturers. That could mean that more American shoe workers will find that their struggling companies may have to give them their "walking papers."

People who have supported Mr. Ford's decision are under the impression that the lack of import restrictions will keep their shoe prices down. And of course, consumers like to hear that. But I wonder if they have heard what kinds of repercussions this easy access for foreign shoemakers will have on our own factories and economy.

One of my colleagues has praised the President's "sound decision" in a recent article for the RECORD. He believes that only a "narrow interest" group would benefit from restraints. He states that the White House decision "has been greeted with the ritual shrieking and fist-shaking by those Senators and Congressmen whose constituents work in shoe factories." But the fact is, here is one Congressman who does not have a shoe factory in the district and who has voiced some criticisms on behalf of the public interest.

The crumbs that are being handed out to laid-off shoe workers is called adjustment assistance by some. Most of the time this translates into unemployment compensation, job retraining, or relocation for other work. In my eyes, this falls short of a satisfactory solution to the problem. American workers want the dignity of employment, not the degrading fate of a welfare recipient. And the idea of telling these unemployed that they should get retrained or relocated for another career only reflects a flippant and unrealistic attitude since changing jobs is one of those things which is much easier said than done, especially for older laborers.

We in Congress are responsible to the people we represent, and together, we represent some 7 million jobless citizens. Do unlimited shipments of shoes from other countries help their situation? If you ask me, something about this whole shoe business just does not smell quite right.

NEW FOCUS ON "ETHNIC PURITY"

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. BIAGGI. Mr. Speaker, the April 26, 1976, edition of Newsweek magazine carried an analysis of the changing face of ethnic voters. No longer do the old stereotyping cliches fit these elements of the melting pot. Rather their actions, reactions, voting patterns, and ambitions have been less predictable, but certainly more cohesive within each ethnic group. The new pot is now a polyglot.

For the benefit of my colleagues, I am inserting the full text of the article in the RECORD at this point:

THE POLITICS OF ETHNICITY

(By Kenneth L. Woodward)

The most interesting result of Jimmy Carter's remarks on "ethnic purity" was not so much the fuss over his wording as the fact that most of the Presidential aspirants turned out to agree with his policy. None of the candidates favors Federal initiatives to break up ethnic neighborhoods (though most would step in to stop housing discrimination). In the post-liberal politics of 1976, ethnicity is very much in and the melting pot is very much out. The last decade has brought a new sense of ethnic pride and awareness in the U.S., and politicians have done considerable homage to the country's ethnic subcultures.

When a social trend like this is discerned, academic researchers are quick to fasten onto it, and in some cases they have been the first to do the discerning. Spurred on by grants from the Rockefeller and Ford foundations, scholars have embarked on dozens of ethnic-research projects. In 1972, Congress gave its own blessing to ethnic scholarship by passing the Ethnic Heritage Studies Act, which authorized $15 million for research. The research has turned up some interesting—and often surprising—judgments about the political views and impact of American ethnic groups.

MYTHS

According to political sociologist Richard Hamilton of Canada's McGill University, ethnic ties are the main influence on voting behavior. In his book "Retraining Myths," published last year, Hamilton argues that a person's contacts with his family, school, church and neighborhood are more important in determining his political outlook than his economic status or any other factor.

As expected, ethnic cohesiveness is strongest in traditional neighborhoods. Yet, Hamilton finds, ethnic ties persist even in the newer suburbs where third-generation families still tend to socialize with people of the same ethnic and religious background. Thus, despite upward mobility, Hamilton reports that white Protestants tend to be the most conservative group at every income level, and Catholics tend to be more liberal than any other group except Jews.

Hamilton also finds that upper-middle-class elites, who seem culturally assimilated, actually follow many of the same group instincts as neighborhood ethnics. These elites, he argues, grow up in similar suburbs, attend the same privileged schools and live in similarly affluent enclaves. In fact, writes Hamilton, it was the elite readers of the elite publications—mainly the white Protestants—who were the most hawkish in their support of the Vietnam war. They were also the group most affected by the mass media's eventual turn against that war in the late '60's. "They, in short, 'came around' to the moderate blue-collar position," Hamilton concludes.

The block-voting habits of the working classes were analyzed by Mark Levy and Michael Kramer in "The Ethnic Factor," published in 1972. Reviewing a dozen years of election returns from 2,000 precincts, the authors found that white ethnics were so tied by tradition to the Democratic Party that they generally voted for Democrats even when the candidate took some positions more liberal than their own. Slavic-Americans, for example, are the least assimilated white ethnic group and the closest to blacks at the lower economic levels, yet they consistently produced healthy majorities for liberal Democrats. Even Irish-Americans, the most assimilated of the white ethnics, supported Democratic candidates by a margin of 2 to 1.

Sociologist Andrew Greeley, director of the Center for the Study of American Pluralism in Chicago, has also offered impressive evidence that the hyphenated American is not a reactionary hard-hat. In "Ethnicity in the United States," published in 1974, Father Greeley presented statistics to measure the response of white ethnics—mainly Irish, Italian and Slavic Catholics—against those of "mainstream America" on key social issues. Greeley reported that the Catholic ethnics were more likely than other Americans (except Jews) to have opposed the war in Vietnam from the outset; that after the Watergate revelations, they turned against former President Richard Nixon earlier and more strongly than did other segments of the population, and that they were less likely than the average Democratic voter to defect from the party when liberal Sen. George McGovern was its presidential nominee in 1972. Unfortunately, Greeley concluded, the political liberalism of white ethnics had escaped notice by intellectuals and journalists because the latter had willfully misinterpreted the ethnic factor in U.S. politics.

Sociologists Nathan Glazer and Daniel Patrick Moynihan—a political figure himself—published a controversial essay in Commentary magazine in October 1974 that offered several reasons why the politics of white ethnics have been misunderstood by liberal intellectuals. White ethnic solidarity, they argued, confounds the "liberal expectancy" that the emphasis on individual achievement in modern societies dilutes the ties of family and ethnic heritage.

CLASS

Ethnic cohesiveness also flies in the face of another theory favored by liberal intellectuals—the Marxist assumption that class interests based on economic status overshadow differences based upon religion, language and other ethnic attachments. As it turns out, said Moynihan and Glazer, the modern American welfare state has forced ethnics to function as economic self-interest groups in order to achieve a larger slice of government benefits.

It also seems likely that liberals have misunderstood white ethnics because they have seen them in juxtaposition to blacks—the whites' neighborhood cohesion, their clustering in schools and jobs have all been too glibly regarded as symptoms of racial bias. One of the main contributions of the new research on ethnicity has been to focus on the positive rather than negative, side of white ethnic solidarity. And that is one of the reasons that politicians besides George Wallace now find it acceptable to cultivate the ethnic voter again.

FINANCIAL ANALYST ADVOCATES INCREASED AUTHORIZATION FOR LOAN GUARANTEES FOR SYNTHETIC FUELS

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. TEAGUE. Mr. Speaker, Arthur Treman, Jr., managing director of Dillon, Read & Co., urged Congress to increase the $2 billion authorization provided for loan guarantees for synthetic fuels in H.R. 12112. He felt the broad scope of energy technology that could be produced under H.R. 12112 warranted the increased funds.

He did not discuss the need for a synthetic fuels program but restricted most of his comments to the specific area of financing requirements for commercial sized demonstrations of high Btu coal gasification and those characteristics of oil shale technology that the two have in common. He feels that these demonstration projects will never become a reality and we will never be able to test their workability or refine their processes if we do not use a Federal loan guarantee program to get the first ones built, even though he does not personally endorse the general concept of loan guarantees.

Several characteristics of large demonstration synthetic fuel facilities necessitate their being backed by a Federal guarantee in order to attract investor capital for construction. He enumerates the following:

First. Each project will be of commercial size, larger than any other previously built with this technology;

Second. Their construction period will span out over several years making them vulnerable to changing economic conditions; long construction periods also stretch out the time before principal can begin to be repaid;

Third. All projects of this nature are capital intensive requiring vast sums of money before they are operational;

Fourth. Synthetic fuel facilities will be subject to the regulatory decisions of the Federal Power Commission; and

Fifth. Both oil shale and coal gasification processes are dependent on mining for conversion feedstock which in turn makes them subject to environmental restrictions.

These factors would have a cumulative effect of discouraging possible lenders because, according to Mr. Treman:

> Institutional lenders are expected to provide a substantial portion of the requisite capital and that they act in a fiduciary capacity. In such capacity, they are charged with the protection of the funds of their beneficiaries, the saving and investing public. To the extent that they perceive a greater degree of risk in one project relative to the many other investment alternatives available, they cannot be expected to advance funds to that project. Furthermore, state laws impose requirements and limitations on the type and degree of investment risk they can take.

In addition to the proposed loan guarantees, Mr. Treman offered that additional capital funds would be available to finance project construction if our present tax laws were amended to provide project tax credits up to 100 percent of sponsor taxes, if the sponsor is engaged in energy activities that are addressed in H.R. 12112. Presently there is a tax limitation that such credits can only be utilized to a maximum of 50 percent of taxes payable. Since many projects will generate large investment tax credits we could attract more construction money by increasing the tax credit to 100 percent.

Mr. Treman feels that the loan guarantee provision of H.R. 12112 represents a comprehensive attack on the energy problem and could result in extensive benefits for the Nation as a whole. He states that—

> The most important aspect of H.R. 12112 is that it gets the job started—the job of developing energy technologies, including synthetic fuels technology.

IN MEMORIAM—JAMES W. KNIGHT

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. GONZALEZ. Mr. Speaker, every American city of much consequence had, a few years ago, one or two individuals who were known simply as the top politicians. These politicians can best be understood as the people who made urban government work for the people. They were seen as heirs to the seedy mantle of Tweed, but they were not dishonest; these new politicians did not have their personal interests at heart, but the interests of the people they served.

James W. Knight was for many years the supreme politician in San Antonio. He knew more than anybody else how to get elected, and how to run an election. Jimmy Knight knew how things worked, and how to get things done. He was the first and last of his kind in my city, and he will be missed—because of what he knew and what he could do, and because he rendered enormous service to his community.

During his 59 years, Jimmy Knight served as the San Antonio street commissioner, and four terms as the county Democratic chairman. From 1962 until his death a few weeks ago, he was county clerk of Bexar County. Jimmy Knight started working in politics at the age of 15, and witnessed the city grow, lived through the end of old-time bossism, through reform movements, and into the management orientation. He understood all these things, mastered them all, and through them all kept doing what he thought best for the people of San Antonio and Bexar County. Because nobody knew San Antonio politics better than Jimmy Knight, he was the man to see if you had real political ambition. Franklin Roosevelt, Lyndon Johnson, and many, many others, sought Jimmy out, depended on him, and worked with him. He was called lieutenant to many a prominent politician, but those who really had any knowledge of the man understood that Jimmy Knight was his own man, and belonged to nobody.

Jimmy at one time had severe personal problems. He became overweight; he drank too much. But he was wise enough to recognize his problems, and had the determination to overcome them. Jimmy disciplined himself, worked hard, and ended a stronger man than he had ever been before.

I will miss Jimmy Knight. All of us in San Antonio will. He knew how to get things done, and done right. His was a strong hand, and his life was one of those that helped make politics in San Antonio a decent and honorable profession. Politics came a long way in his lifetime, not a little because of his personal efforts. He set new standards; others had to live up to those standards. Jimmy Knight was one of a kind.

OHIO MYASTHENIA GRAVIS PUBLIC AWARENESS MONTH

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. CARNEY. Mr. Speaker, recently I was advised by one of my constituents, Mrs. Pat Niswonger, that the month of May 1976, has been designated as "Ohio Myasthenia Gravis Awareness Month." Mrs. Niswonger is chairman of the "Friends of Myasthenics," greater Youngstown area, 1733 Lucretia Drive, Girard, Ohio 44420.

Myasthenia Gravis is a serious neuromuscular illness that has no known cause or cure. Many people who suffer from extreme muscle fatigue, drooping eyelids, double vision and/or difficulty with chewing, swallowing, or breathing may be victims of myasthenia gravis. This illness affects each individual in different ways and the very same individual may experience different degrees of strengths and weaknesses throughout his life. Thirty years ago, 85 percent of the myasthenia gravis victims died within the first 5 years. Today, through research, early diagnosis and proper treatment, 85 percent of MG victims live. Early diagnosis is very important for more effective treatment.

The primary purpose of the Ohio chapter of the Myasthenia Gravis Foundation is to help raise research funds for an attack on this disabling disease which, though more prevalent than was ever realized, is rare in the Ohio area, and to make the public more aware of MG. As Mrs. Niswonger said in her letter to me:

> The light at the end of the tunnel could be made brighter if you would help us with public awareness and by supporting our efforts to help conquer M.G.

Scientists are exploring several possible causes of myasthenia gravis, but funds are desperately needed in order to achieve a breakthrough in knowledge of the cause and cure of this disease. Therefore, "Friends of Myasthenics," a newly formed group representing the greater Youngstown area, have scheduled a fundraising affair to be held at 1 p.m., on Saturday, May 15, 1976, at the Liberty Smorgasbord, 114 Liberty Street, Youngstown, Ohio. Taking part in the program will be Ohio chapter president and founder, Mrs. Charles "Lois" Siemer, who will speak and show a short film entitled, "Strength for Tomorrow." In addition, Dr. Harvey Friedman, chairman of the Ohio chapter's medical advisory board, and a local neurologist, will speak on myasthenia gravis.

Although I will be unable to attend the luncheon and program sponsored by the "Friends of Myasthenics" in the greater Youngstown area, I want to take this opportunity to heartily commend them for their work to combat this dreaded disease, and to wish them every success in their fundraising efforts.

NATIONAL RAISIN ENERGY WEEK

HON. JOHN KREBS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. KREBS. Mr. Speaker, my colleague, the Honorable B. F. Sisk, and I would like to join in a statement commemorating National Raisin Energy Week.

In this Bicentennial Year, it is important that we give special recognition to the significant role the American agricultural community has played in the development of our country. An important segment of this community is the raisin industry.

This year, the period of May 1 through May 8 has been designated as National Raisin Energy Week and we are proud to recognize it as such. Virtually every U.S. raisin is produced in our two congressional districts in California. A staggering 35 percent of the total world raison supply originates in the San Joaquin Valley.

American consumers, recognizing the nutritious and tasteful qualities of raisins, are currently purchasing record-high quantities of this California-grown product.

San Joaquin Valley raisins have been a major feature at recent important national and international food industry conferences, such as the Associated Retail Bakers of America Convention, held in Philadelphia, and the U.S. Food Show, held in London. The National Restaurant Association Show, scheduled for the latter part of May in Chicago, and the American School Food Service Convention, scheduled to take place in Honolulu in August, will also focus on raisins.

The California Raisin Advisory Board, after much time and effort, has developed American Bicentennial menu plans in conjunction with the Potato Board and the Cling Peach Advisory Board. These meal plans are now being used in thousands of schools nationwide. The California Raisin Advisory Board has also sent information kits to many of the school food service directors. These special kits offer assistance in the utilization of raisins purchased by USDA for use in three very worthwhle programs: The school lunch program, the child nutrition program, and the elderly feeding program.

American parents recognize the food value of raisins and are now buying packages as snack food for their children.

In fact, because they are a quick, wholesome energy source, California raisins have been selected as the official snack of the 1976 Summer Olympic Games, soon to be held in Montreal.

The California Raisin Advisory Board has been putting forth commendable efforts to promote the benefits of raisins both here and abroad. In our opinion, the Federal Raisin Advisory Board, the Raisin Administrative Committee, and all of the individual growers and packers deserve special attention for the important work they do: making available much needed food to a hungry world. This industry has contributed much to both our Nation's economy and well-being, as well as to the well-being of our neighbors around the world.

BRITAIN BARS "KGB EXPERT"

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. McDONALD of Georgia. Mr. Speaker, recently Great Britain barred a known Soviet KGB agent from attending an international conference under false pretenses. This is commendable. At one point, you will recall, Great Britain expelled 115 known agents of the Soviet Union several years ago. One wonders, therefore, how many hundreds of such agents are now wandering about the United States and why known KGB agents should not be barred from the United States? The article from the London Daily Telegraph of April 7, 1976, follows:

BRITAIN BARS "KGB EXPERT"

Britain has barred a Soviet language professor from attending a London conference on the grounds that he was a suspected official of the KGB, the Soviet security police.

The decision, taken last month by the Home Office, was disclosed yesterday by the Moscow newspaper *Sovietskaya Kultura*, organ of the Soviet Ministry of Culture.

It complained that Prof. Vitali Kostomarov was refused a visa to visit Britain for a meeting of the executive committee of the International Association of Teachers of Russian Language.

PRESIDENT ABSENT

The four-day conference was held last week at the School of Slavonic Studies in London; and another delegate, Academician Mikhail Khrapchenko, president of the association, was unable to attend because his visa was issued at the last minute.

Whitehall sources confirmed yesterday that Prof. Kostomarov, director of the Pushkin Russian Language Institute in Moscow since 1967, had been barred.

The Home Office was understood to have decided that his presence at the conference was "not conducive to the public good." But it was known that British security officials had identified the professor as a "known KBG agent."

NOT COLLECTED

Other officials said that Academician Khrapchenko had been told he would be given a visa for Britain but had failed to collect it from the Embassy in Moscow.

Sovietskaya Kultura said that "certain circles" in Britain were trying to prevent implementation of the European Security Conference agreements on broadening East-West contacts.

The Home Office refused to issue several entry visas to Russian officials in January to attend a meeting of the steering committee of an international disarmament conference held last month at York University.

SPIRIT OF '76 ESSAY CONTEST WINNER

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. LONG of Louisiana. Mr. Speaker, recently the Oakdale Jaycees and the Great Southern Mortgage and Loan Corp. sponsored an essay contest on the theme, the "Spirit of '76". Although the contest was open to junior and senior high school students from all of Allen Parish, the winner was an eighth grade student from Oakdale, Miss Shirley Strother.

Shirley, who is 14 years old and will be entering ninth grade next year at Oakdale Junior High, is the daughter of Gloria and Riley Strother of Oakdale. She is interested in reading, drawing and painting and may be headed for a very promising career in journalism. I had the pleasure of meeting Shirley and her parents when they came to Washington to present me with a copy of the "Spirit of '76" painting which Shirley had received as prize-winner. I was impressed with her poise and maturity and would like to share her moving and articulate tribute to the "Spirit of '76" with my colleagues in the House:

THE SPIRIT OF '76

(By Shirley Strother)

". . . for Yesterday is but a Dream and Tomorrow is only a Vision, but Today well-lived makes every Yesterday a Dream of Happiness and every Tomorrow a Vision of Hope."

Upon rising from sleep a lone man climbs the creaking stairs that lead to the ship's deck. Looking out, he expects to see water, but instead—Land!

Can you imagine our forefathers' feelings when they first set foot on American soil—the fears they must have experienced when they left their homes and set sail to a new beginning; the prayers that they hoped would soon be answered? Today it is impossible for us to know the hurt that left them so lonely when they arrived here at this new home and knew they might never see their family and friends again. Yet they were still willing to toil at their labors and work toward making their dreams come true—if not for themselves, for their posterity.

Realizing all of this challenges us to an awareness that we, too, are founding fathers—the founding fathers of the next two hundred years.

After all, it is our generation that sent men to the moon, satellites to orbit the earth, and astronauts into space to form a polite friendship with the Russian Cosmonauts.

To accept this challenge however, we first must remember why our past is so significant now. Because of the Bicentennial (our country's two hundredth birthday and anniversary) and all of its celebrations we are becoming more thoroughly aware of our heritage. People of every nationality live in this "melting pot" country of ours, so naturally the celebrations of a second hundredth birthday are very festive.

Without a doubt this Bicentennial Birthday Party will leave a lasting mark on America's history. This "party" could possibly be the tie that brings the country's people together again for working together in the festivities of our two hundredth anniversary could easily teach us to work together during hardships.

Centuries from now, new generations of Americans will look back upon what we have done as their forefathers and hopefully they will smile. As we smile upon our forefathers, we, too, wish to be smiled upon. When these future generations gaze into the past and study our generation, they will recall our victories as well as our defeats, our accomplishments as well as our failures, and although we will no longer breathe the free air of this, our great country, our patriotic spirit, existing in the future as it does in 1976, will remain forever.

Glancing back over two hundred years of America and saying "Yesterday is but a Dream"—the Pilgrims' dreams come to mind; those same dreams that have so unselfishly been fulfilled not only in past centuries but in this, our very own time. Then saying "Tomorrow is only a Vision"—this Vision is our Dream, the Dream that will help make America a better place not only for ourselves but for our offspring.

Much more importantly however, is the question: Has Today been well-lived? For if "today" was not well-lived by our forefathers, America would not be celebrating its two hundredth birthday—and if today is not well-lived by Americans now—then what hope at all do future generations receive?

These are the thoughts that we hope to convey to all Americans in this golden year as we exclaim "Happy Birthday America! You're quite a lady!"

THE SPIRIT

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. BROWN of Michigan. Mr. Speaker, this year the United States marks its 200th year as an independent Nation.

Our national experience, past and present, means something slightly different to each of us, and rightly so, for only in this way is the continuing presence of the individualism exemplified by our country's Founding Fathers attested to.

A constituent of mine, Mr. Arthur Fettig, nobly expresses his vision of "The Spirit" of America in a poem. A sales force consultant, Mr. Fettig tells us that what is wrong with America today will be made right again by, "selling the dedication and devotion and that mutual concern that made it all begin."

I am pleased to submit Mr. Fettig's poem which has been included in The Poetry Society of Michigan's 40 Salutes to Michigan Poets anthology:

THE SPIRIT

(By Art Fettig)

Of 1776, what was the spirit?
Revolution? Freedom? Independence?
No. I think the prevailing spirit
Was selling.
Selling one another. Selling like selling
Had never been done before. Or since.
Salesmen saying, "But as for me,
Give me liberty or give me death."
Saying, "I only regret that I have but one life
To give for my country."
Saying, "Let us all hang together,
Or assuredly we will hang alone."
And signing, "We mutually pledge to each other
Our lives, our fortunes, and our sacred honor."
Selling the world an exciting concept; that men,
Real men, could rule their own destiny.
And what is wrong with America today
Will be made right again with selling.
Selling the dedication and devotion and
That mutual concern that made it all begin.

INSANITY AWARD

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. HARKIN. Mr. Speaker, SANE—A Citizens' Organization for a Sane World—on April 15, 1976, issued its first "Insanity Award." That "Insanity Award" was awarded to the Federal Preparedness Agency, and I cannot think of a more appropriate agency nor a more appropriate reason for the dubious distinction of receiving this award. The "Insanity Award" is awarded to that agency, department, or bureau, et cetera, or other arm of the bureaucracy that, through its actions, policies, directives, etc. best exemplifies misguided policies which border on the absurd.

While the subject of the award does not lend itself to humor, since all out nuclear war can in no way be termed "humorous," I feel that SANE's approach in issuing this "Insanity Award" is really the only sane way to deal with subjects like "Doomsday Planning."

The text of the award follows:

INSANITY AWARD—PRESENTED BY SANE, A CITIZENS' ORGANIZATION FOR A SANE WORLD

To: The Federal Preparedness Agency

For: Assuring that, when a nuclear attack wipes out our society, our top Government Bureaucrats will be safe inside a mountain west of Washington, D.C.

In this regard, the Federal Preparedness Agency demonstrates Insanity of the Highest Order. The plan to relocate selected officials inside Weather Mountain represents extreme foresight. Those of us who stand to benefit by the survival of the bureaucracy—even though we personally perish in the blast and fallout—are encouraged by the detail and precision of your efforts.

Not only have you made bunkers for the bureaucrats, you have assembled rooms full of advanced technological gadgets for them to play with; you have provided cooks to make their meals and secretaries to take their dictation; you have buried money to enable them to purchase radioactive rubble after the war; you have even constructed a wondrous, windowless office underground so the bureaucrats will feel right at home.

The Federal Preparedness Agency has assured that paper-pushing normalcy continues under holocaust conditions.

The Agency has every right to be proud. Those bureaucrats who emerge from the hole in the mountain will represent the distillation of years of planning and selection. Only those on the "A" *list*, deemed "essential and noninterruptable", will be sped to the safety of the Federal Relocation Arc. No wives, no children, no grandparents, not to mention no house pets—will be allowed inside.

Those who survive the nuclear holocaust will represent the finest the government wanted to save: Themselves.

COMMITTEE ON INTELLIGENCE

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. MILFORD. Mr. Speaker, in an editorial this week, the Dallas Times Herald expresses serious doubts whether a permanent oversight committee in the area of intelligence can be effective without leaking like a sieve.

I believe the questions raised by this editorial, which deals with recommendations of the Senate Select Committee on Intelligence, are worthy of our attention, and I would like to have this editorial appear in the Record.

The congressional track record in the area of keeping national secrets is, indeed, a miserable one, and I think the Times Herald is fully justified in its skepticism. At the same time, having served on the House Select Committee on Intelligence, I am convinced that a full-time Committee on Intelligence is absolutely essential.

My resolution to create such a committee, House Resolution 1095, takes an approach which, I hope, meets the Times Herald's objections. In addition to establishing a committee, my resolution would establish a strict procedure for congressional release of classified materials, and strict punishment for those, members or staff, who would release such materials on their own:

[From the Dallas Times Herald,
Apr. 29, 1976]

THREATS TO SECURITY

The issue: The Senate intelligence committee's recommendation for reforming intelligence agencies.

The Democratic majority of the Select Senate Committee on Intelligence is ready to endanger the security of the United States to prove a point—that intelligence gathering agencies, and especially the CIA have gone to extremes and committed abuses which go far beyond the intent of their creation.

This majority would prove the point by passing detailed restrictive legislation for monitoring and controlling the operations of the agencies, again especially the CIA.

The intent of the committee regarding hamstringing of U.S. intelligence is apparent from recommendations in its report covering investigation of the spy agencies' foreign activities.

Certainly, the committee performed a service in revealing excesses, abuses and waste in the operations of the nation's intelligence apparatus. These lapses should be corrected.

But in its welter of recommendations—86 of them—the committee would not merely impose needed reforms, it would so straitjacket the agencies as to strip them of their effectiveness.

The core recommendation, in particular, is untenable on this ground. It proposes the creation of a single congressional committee with virtually unlimited powers in the monitoring and control of the intelligence agencies.

This oversight super committee would be kept informed in detail on the activities and operation of the CIA and other spy agencies and would be authorized to release this information to the public if it elects to do so.

The experience with congressional committees foretells clearly what would happen if that recommendation becomes law. What information the committee did not formally release—and that no doubt would be considerable—it would leak.

The result would be to keep the whole world informed on U.S. intelligence activities and the knowledge this nation possesses about adversaries' plans and intents.

Also, the committee would be informed in advance of foreign covert operations which would just about nullify the possibility of such operations.

Efficient, effective foreign intelligence is vital to the security of this country. The Senate committee's proposals, if enacted into law, would effectively guarantee the absence of anything more than a token U.S. intelligence program.

ALABAMA RATED HIGH

HON. JACK EDWARDS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. EDWARDS of Alabama. Mr. Speaker, Alabama has a good climate for business, second only in the Nation to the State of Texas.

This is the opinion of a U.S. consulting firm whose primary objective is to study geographic areas on behalf of companies wishing to make capital investments for new or expanding businesses and industries.

The Fantus Co., a subsidiary of Dun and Bradstreet, Inc., gave this high rating to Alabama's business environment in a report it prepared at the request of the Illinois Manufacturer's Association. The report is a 221-page study which gives detailed reasons for its ranking of Alabama and other States.

Company officials said the rating was made to give corporate executives a general idea of what the business environment is like in States where business and industry might be considering capital investments.

The Fantus rating system considered factors such as the tax structure in each State, labor laws, unemployment compensation, worker's compensation, size and cost of government, welfare costs, and trends, State indebtedness and similar State and local government-related conditions.

Not reflected in the survey were recent increases in unemployment compensation costs in some States and the effect of State pollution control standards and programs, Fantus Co. officials said.

In addition to Alabama and Texas, the Fantus Co. placed Virginia, South Dakota, South Carolina, North Carolina, Florida, Arkansas, Indiana, and Utah in its list of top 10 States.

The report pointed out that in every one of the top 10 States except Indiana, the "right to work" law is in effect. That is, the law in those States says a person has the option of joining a union where he works, but union membership cannot be made compulsory as a condition for employment.

Alabama's per capita property tax load in comparison to the other States was rated the lowest. This was considered a favorable factor for prospective business to consider.

There were many other questions asked about each State. The general legislative attitude toward business and industry by government at the State and local levels played a big role in determining the quality of the business climate.

Also included in the study was the U.S. Department of Labor's Manpower Report to the President covering the years 1967 through 1974. The report reflected the net manufacturing jobs won or lost by each State during the period. From 1967 to 1974, Alabama won 50,000 new manufacturing jobs. This performance resulted in a 16.8 percent increase, ranking Alabama 19th overall in this particular category.

There is a great deal of competition among the States for new industrial jobs and this report is certainly good news to our State; especially after Mobile and some of Alabama's other large cities were unfairly given low "quality of life" scores from a separate firm that admittedly used outdated and incomplete data.

Alabama's favorable ranking in providing an attractive business climate is the result of many years of hard work on the part of many people. From the individual citizen to management and labor to government, every person continues to be a strong link in this important chain.

I hope this report of the Fantus Co. is given wide publicity throughout the country and will result in more industries for our State and more jobs for our people.

FORMER CONGRESSMAN WINT SMITH IS DEAD

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 1976

Mr. SHRIVER. Mr. Speaker, yesterday afternoon in Mankato, Kans., funeral services were held for Wint Smith, a distinguished American and patriot, who served in the House for 14 years before retiring in 1960. Wint Smith was a rugged individualist who believed strongly in free enterprise and our American way of life.

He served his country in many ways—ranging from Army border patrol duty before World War I to service in the Congress from the old Sixth District of Kansas. During World War II he rose to the rank of brigadier general and served with distinction in the European theater.

His many careers included organization of the Kansas Highway Patrol in 1934. He initiated actions to help eliminate bank robberies and crime in Kansas.

Wint Smith was a dedicated conservative both in and out of the Congress. He was forthright in speaking out on his beliefs. His voice will be missed in Kansas.

Mrs. Shriver and I join in expressing our sorrow and heartfelt sympathy to his widow, Blanche, and to other members of his family.

SPIRIT OF INDEPENDENCE

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. BROWN of Michigan. Mr. Speaker, today we hear much about the disillusionment and apathy felt by many Americans, particularly the young, toward their government. It is a welcome relief when an individual steps forth and refuses to submit to this attitude.

Patrick Stafford, a young man from Michigan's Third Congressional District, is such an individual. In an essay that won the Michigan State contest for the 1975–76 VFW voice of democracy scholarship program, Patrick dedicates himself to values which contributed to the founding of America: freedom of opportunity, the spirit of adventure, and foresight.

It is my pleasure and I am proud to submit Patrick's essay to my colleagues as testimony to the spirit of independence that still exists in America.

The essay follows:

1975–76 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM BY MICHIGAN WINNER, PATRICK STAFFORD

To me our bicentennial heritage means 200 years of living proud and free. But, even more than that, it means reflecting back upon nearly 500 years of American struggles to gain, and maintain freedom. From almost the very beginning, it seemed certain that the new land was going to be molded into a new country. At first, people came to conquer and to reap the riches of the land. The next ones that came were striving for religious freedom. And the ones after that came to find room to roam and for adventure. And the last came for opportunity.

These themes are the bloodline of our bicentennial heritage. What do these themes mean to me? Well, to begin with, all of these themes have been incorporated into our blood because this is what was in our forefathers' blood. I find that it is my duty as an American to never quit and to always strive to be the best. It also means worshipping God in the ways I choose and not condemning those religions around me because they have opinions different from mine. It means too, following through on my inherited spirit of adventure and traveling around the United States and avidly supporting our programs.

Finally, it means keeping our country the land of opportunity. It means keeping the United States the gateway for those that are in want. Many of our ancestors were immigrants and I feel they would be very happy that we are still the gateway. Yes, those who come in by our gate shall be taken in and cared for, and they shall find their green pastures. I feel that all of these very special feelings of never quitting, religious freedom, adventure and helpfulness have all been formed into my bloodline from my forefathers' bloodlines.

But, what our bicentennial heritage really means to me goes far deeper than the bloodline. It goes to the heart. For our bicentennial heritage means to me fighting for freedom and democracy wherever it is being fought for. It means respecting and upholding the law. It means working for what our forefathers worked for, the betterment of our country. Why, to me, it means even looking at our historical documents, especially the Declaration of Independence, and making it my duty, my duty, to understand what has happened and what they mean. For our forefathers accomplished something nobody else has ever accomplished. They made this country free from foreign powers. But not only this, they made our government run, of the people, for the people, and by the people. Each of our forefathers fought to keep this just government for us. The changes they made, they made for the ones coming after them, for they knew that much of it would not be achieved during their lifetimes. And this is what our bicentennial heritage truly means to me, the love of our country, government, forefathers and the things they strove for. It means also going out and making America better for those that come after me. I know that our bicentennial heritage means being able to go out and look with reverence and awe at the United States flag, for it represents America and its values. America, I love what you stand for.

REPLY TO FORD'S ATTACK ON THE FULL EMPLOYMENT BILL

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. HAWKINS. Mr. Speaker, on Monday, President Gerald Ford addressed the annual convention of the U.S. Chamber of Commerce at Constitution Hall here in Washington. This address constituted an open political attack on H.R. 50-S. 50, The Full Employment and Balanced Growth Act of 1976, authored by Senator HUMPHREY and myself and cosponsored by nearly 120 Members of the House. It is clear that this attack by the President was utilized as a means of distracting public attention from his own dismal economic record which constitutes the worse economic performance of any President since the Great Depression.

Tuesday, April 27, 1976, I made a statement at a press conference in reply to Mr. Ford's remarks.

I would like to make available the prepared text of that statement to the Members:

STATEMENT OF U.S. REPRESENTATIVE AUGUSTUS F. HAWKINS

Yesterday in a prepared statement addressing the Convention of the U.S. Chamber of Commerce at Constitution Hall here in Washington, President Ford delivered an openly political attack upon the Full Employment legislation authored by Senator Humphrey and myself.

President Ford in his remarks saw fit to attack the Full Employment proposal (H.R. 50–S. 50) as a means of distracting public attention from his own pathetic record and the worst economic performance of any President since the Great Depression.

The massive support which this legislation has been gaining among the American people of all walks of life and in the Congress itself has finally smoked Mr. Ford out. We now know that he opposes any truly effective program to secure the right to a job for all American citizens. We now know that he rejects lowering unemployment to 3% or less even by 1980. He, in fact, openly revealed that his economics is based upon politics from a "crystal ball."

The facts are of course that the Full Employment and Balanced Growth Act would force Mr. Ford to smash that "crystal ball" and get down to planning for full employment and production, instead of using his crystal gazing as an excuse for condemning millions of Americans to perpetual unemployment, especially women, the youth, the poor, and the minorities. Bluntly speaking, Mr. Ford's position is both sexist and subtly racist.

The President's extravagant claims of "recovery" must be viewed against what he admits was the "bottom of the worst recession in 40 years" which occurred during his administration.

Little comfort can be taken in his boast of unemployment not exceeding 10% when by his definition millions of destitute unemployed persons were not counted because they had given up searching for jobs or were employed only part-time. Even "officially" the rate increased from 5.4% under his faltering leadership to 9% in May 1975.

His attacks on the Federal budget and his Presidential vetoes of domestic priorities in health, education and human resources must also be assessed against the costs which the American people must bear in years to come. Recent studies indicate the following increases in recession-related disorders:

A 15 to 25 percent increase in heart attack deaths.

A 30 to 35 percent increase in alcoholism.

A 15 to 20 percent increase in the infant death rate.

A 15 to 100 percent increase in mental disorders.

A 15 to 25 percent increase in suicides.

Economically the the costs of his policies are:

$20 billion in unemployment insurance benefits annually.

A $7 billion increase in welfare costs.

$30–45 billion loss in Federal revenues annually.

Apparently Mr. Ford believes it is better to spend billions in unemployment compensation than investing in productive jobs mainly in the private sector in which he professes great confidence.

The President's attack on H.R. 50 indicates he intends to continue violating the Employment Act of 1946. Mr. Ford drops all pretense of striving for maximum employment in this nation. This speech is remarkable for its rejection of any Presidential responsibility, causing the worse recession in this nation since the Great Depression; a responsibility which Mr. Ford as Minority Leader of the House, then Vice President and finally President for the last 22 months shares a heavy responsibility. Who can forget the misguided Whip Inflation Now (WIN) programs with Mr. Ford's printing those silly buttons. His advocacy of increased taxes quickly reversed into supporting Congressional tax reduction. It is precisely these misguided policies or no policies at all that pushed us deeper into the worse recession in 30 years. Who can take pride in knowing that the nation's workers have real income today that is less than it was 8 years ago? Who can take pride in an economy that has its factories running about two-thirds capacity, and when correctly counted, over 10% of its workforce without jobs?

Mr. Ford says we are doing better. When a man gets sick, he eventually either gets better or dies, but when he gets better, he certainly tries to avoid becoming seriously ill again. This is precisely what H.R. 50 is designed to do. Mr. Ford has been flying blind—or worse with the American economy for too long. H.R. 50 would give him a pair of glasses and some road signs.

In his derisive nonsense about the purpose of the Hawkins-Humphrey Bill to reduce unemployment to 3% within 4 years, the President states that "this recession will be long forgotten by then." On this the President may be right, because most competent forecasters feel that his policies if allowed to continue will plunge us into an even worse recession than the most recent one well before 1980.

I cannot emphasize strongly enough that Mr. Ford's speech profoundly deceives the American people from an economic standpoint. Unfortunately, this is a continuation of the simplistic type of economics that he and his confidence-men economics advisers have been pawning in snake-oil fashion on the American public, who they expect to swallow it.

Considering the nature of the economic performance during more than 7 years of the Nixon-Ford policies including two recessions, and several years of economic stagnation, President Ford's bragging about where we are today reminds me of a person looking at a man drowning in a river and who, each time his head pops up above the water, shouts "he's up again" instead of throwing him a life preserver.

Mr. Ford's political diatribe against the Hawkins-Humphrey Bill is an insult to the American people and the Congress, because it offers not one word of meaningful analysis of the Bill. What President Ford says about the Bill could have been said by him without reading a single line of its instructive provisions. It is said that President Ford, in his campaign against Ronald Reagan, is going to such lengths in looking backward instead of forward. He states that the evil consequences of the Hawkins-Humphrey Bill, if enacted, "defy rational calculation." But he himself offers no rational discussion of this Bill whatsoever.

The Full Employment and Balanced Growth Act requires the President to submit programs and policies within 90 days to provide opportunities to America's youth, women, poor and minorities. Additionally he must submit proposals within 90 days to the Congress to provide essential support for city and local budgets, and employment programs at the local level. Within 180 days he must submit a comprehensive program for dealing with regional and structural unemployment among women, youth, minorities and other disadvantaged sectors of our society, and in those areas of the country with chronically high unemployment.

Obviously the President does not want to be required to submit to Congress any type of programs such as these which effectively puts the nation back to work and gives jobs to the most needy groups in our society. The

crux of this issue is that he wants to be able to keep talking about jobs while he does nothing. H.R. 50 forces him to put his actions where his mouth is. H.R. 50 may be a "boondoggle" to President Ford, but it is an economic bill of rights for the American people.

SOLAR ENERGY

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. RHODES. Mr. Speaker, I would like to call to the attention of my colleagues an incisive commentary on solar energy by two distinguished scientists, who warn that expectations may well outrun performance in harnessing the power of the Sun.

They note that solar power has been intensively studied for 100 years but that no economically feasible method has been discovered to store the Sun's energy. They also warn of serious consequences that could develop if we "jump the gun" and fail to follow through on development of fossil and nuclear power production facilities.

Dr. Aden Meinel of the University of Arizona, and his wife, who is a member of the State's Solar Energy Commission present a very thoughtful and penetrating look at the realities of solar energy utilization today, and prospects for the future. I urge that my colleagues take the time to read this trenchant view of a field that has become the subject of rash promises and unfounded conjecture.

Text of the article, written by Robert Reilly of the Arizona Republic's Southern Bureau is as follows:

TUCSON.—Heating and cooling homes across the nation by using sunshine may never be economically feasible, according to two exports on solar energy.

Dr. Aden Meinel, an astronomy professor at the University of Arizona and his wife, Marjorie, a member of the state's Solar Energy Commission, said they have become hesitant about solar energy as a replacement for the nation's dwindling supplies of oil and natural gas.

The Meinels say solar energy is technologically feasible but there are other drawbacks, such as the inability to store large amounts of heat from sunshine for any length of time. This raises questions as to whether solar power is really the answer to the country's future needs, as millions are being led to believe.

"The dream of many is that the sun will become a major energy resource, eventually to supplant fossil fuels entirely," Meinel said. "This dream has been frustrated in the past and could be once more as the perpetual barrier of economics is faced. The sun is yet to be domesticated."

What concerns the two scientists is that other sources of potential energy, such as nuclear power, will be stalled by environmental groups in the belief that there is no need to worry because solar energy will take care of the demand.

"The closest thing to economic reality with assured energy supplies could well be the fast-breeder reactor," Meinel said. "To foreclose this option, assuming the other options are just around the corner, could mean placing the destiny of civilization into the simple picture given by the old proverb: A bird in the hand is worth two in the bush. We are not even sure that there are any birds in the exotic energy (solar, wind power) bush."

Meinel is the founding director at Kitt Peak National Observatory and his wife is a member of the Solar Energy Panel in the Office of Technology Assessment, which was established by Congress.

In an interview, at the U of A last week, the Meinels brought up issues in the solar energy situation, starting with costs.

Based on a 15-year-life period of an energy unit, it costs a typical household 16 cents a square foot a year for natural gas, 62 cents a square foot for electricity and $150 a square foot for solar energy, provided the system is installed by a contractor.

A typical solar unit installed professionally for healing and cooling costs $10,000. There is no telling how well the system will work or how long it will last.

Since there is no practical way to store solar energy for any length of time, a backup energy system which would cost extra would be needed in states that have frequent cloud cover and long periods when the sun doesn't shine.

"The inability to store solar and wind energy has a major impact on its economics," Meinel said. "One can only use that energy gathered close to the time of gathering. This means that in the case of solar energy if we use it for heat, we can only use that amount available within a day or two . . . Sunshine may be available at other times of the year, but if we cannot use it, it is lost without long-term storage."

Meinel said 75 years ago it was believed that energy storage from solar cells was just around the corner, but it hasn't been developed yet. And the question remains whether utility companies can afford to have large nonsolar power plants ready to be used only when there isn't enough sun to operate heating and cooling systems.

There are also potential economic drawbacks to large solar farms that could technically bring power to millions of homes.

Enough solar collectors could be placed in Arizona to transmit energy to the rest of the country either by converting solar power to hydrogen gas and sending it through pipes already in existence or by converting the power to helium energy for delivery through underground cables.

Yet there is no idea how much this would cost. The 10-megawatt solar station the government plans to build in conjunction with local private utilities is expected to cost $70 million to $100 million. The station, which will provide electricity via a half acre of mirrors to about 2,000 homes, would only provide about 1 per cent of the power needed for Phoenix and 2 per cent needed in Tucson.

A spokesman for the state said such a plant should cost $25 million or so to keep costs in range. Instead, the 10-megawatt station is costing about five times too much, he said, adding that one of the four contractors is studying ways to reduce costs on such plants.

"If we can't reduce the costs and can't get other sources, an electric bill may be $300 a month instead of $30," the state official said.

"The basic concept used in the 10-megawatt station is 2,000 years old," Meinel said. "Archimedes (the Greek mathematician, physicist, and inventor) tried it.

"Almost all of the solar energy modes being pursued today were around a century ago."

Despite their concern about the economic feasibility of using the sun as a major source of energy, the Meinels believe Arizona should do all it can to obtain the National Solar Research Institute and the 10-megawatt solar power plant.

The state must have its proposal in for the National Solar Institute by July 15. A decision is expected in December.

The placement of the 10-megawatt solar power plant seems to be a contest between Arizona and California, as both states have ample sites and adequate sunshine. Three utilities—Arizona Public Service Co., Tucson Gas and Electric Co. and the Salt River Project—are doing most of the plan preparation in cooperation with the state. A federal decision is expected between October and January.

"If the power station doesn't work out, solar energy will be in real trouble," Meinel said.

THE POLISH CULTURAL SOCIETY OF AMERICA INC. MAKING A KEY CONTRIBUTION TO AMERICAN BICENTENNIAL

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. BIAGGI. Mr. Speaker, it is my privilege and pleasure to submit for the RECORD, the 1975–76 Report on the Polish Cultural Society of America, Inc. The society is a national organization committed to serving the interests and needs of the 11 million members of the Polish American community.

In the past year, the society has become actively involved in this Nation's celebration of our Bicentennial. Among their more important projects has been the establishment of a special Polish Heritage American Bicentennial Celebration which consists of a series of important and varied cultural programs of special interest to Polish Americans.

The society takes great pride in its patriotism to America. They have as one of their most basic purposes "to undeviatingly support the Constitution of the United States of America." They represent in an exemplary fashion the Polish American community of this Nation and we are proud of their work on behalf of the American Nation.

I congratulate the society and their national chairman, a good friend, Mr. Raymond H. Paluch, for completing a most successful and productive year. I extend my best wishes for continued successes in all future endeavors. The society's report follows immediately:

1975–76 REPORT ON THE POLISH CULTURAL SOCIETY OF AMERICA, INC.

Mr. President and distinguished members of Congress, it is a great pleasure to report that the "Polish Cultural Society of America, Inc.," P.O. Box 31, Wall Street Station, New York, New York 10005, is a loyal American Service Organization which endeavors to represent the best interests of 11,000,000 Loyal and Dedicated Americans of Polish Heritage throughout the Nation.

The National Chairman of the Polish Cultural Society of America is Mr. Raymond H. Paluch, a distinguished businessman, patriot, and Past Commander of the New York State Veterans Association, as well as an active member of many civic organizations engaged in philanthropic, elemosynary, social, and humanitarian endeavors.

BASIC PURPOSE

The basic purpose of the "Polish Cultural Society of America" is . . . "to undeviatingly support the Constitution of the United States of America . . . and the Institutions of Freedom and Democracy embodied in our American Bill of Rights as enunciated in the first 10 Amendments to the Constitution." Membership in the Polish Cultural Society of America, Inc., and in its subdivisions, is open without any restrictions, whatsoever, to all Loyal Americans irrespective of race, color, creed, sex, or country of origin.

SUBDIVISIONS

In addition to its General Membership, the organization has founded and maintains the following Sororal and Fraternal Orders to carry out the aspirations of its varied Cultural, Artistic, and Patriotic functions on all levels of society. Among these subdivisions are the following preeminent Orders and Fellowships:

"The Society of the Friendly Sons of Copernicus"—"The Polish Hall of Fame"—"The Polish Anti-Defamation League"—"The Copernicus International Philatelic and Numismatic Societies."

ACTIVITIES

Among the myriad activities of the Polish Cultural Society of America are the issuance of its Quarterly Newspaper and Newsletter: "The Friends of Poland News." Likewise, the Organization has attempted to initiate and maintain: "The Polish Radio Hour . . . The Polish International Travel Club . . . Copernicus International Library, Cultural Centre, and Astronomical Observatory."

POLISH HERITAGE AMERICAN BICENTENNIAL CELEBRATION

In addition to conferring many Civic, Humanitarian, Scientific and Artistic Awards, "The Polish Heritage American Bicentennial Celebration" program, includes: *A Polish Film Festival—*Presentation of Polish Opera—*Symphony Concerts and Ballets—*Touring Polish Art Exhibits—*Historic Reenactments—*Sports Events—Special Theme Exhibits—*University, College, TV, Radio and Educational Forums. One of the highlights of the Polish Heritage American Bicentennial will be the induction of Haym Salomon, financier of the American Revolution, into the Polish Hall of Fame. Mr. Salomon, the first Polish Jew to arrive in America, died in 1785 and was buried in a pauper's grave. This year the U.S. Postal Service has honored Salomon with the issuance of a special commemorative stamp. Another Bicentennial Feature will be the honoring of the career of Tadeusz Kosciuszko, who played a major role in winning America's independence.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago today, on April 30, 1776, the Continental Congress recommended to the colonies that, except for green tea, they should end the price controls which they had earlier imposed on various items. Those controls had been meant to be temporary, covering only the merchandise on hand when they had been imposed. Congress felt it would be wise to remove the controls because the available goods were nearly consumed, and "a further supply must be obtained at an extraordinary risk and expense, and it is reasonable that adventurers should be encouraged by a prospect of gain adequate to the danger which may be incurred in the importation."

SECRECY, POWER, AND FREEDOM

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. SCHEUER. Mr. Speaker. the New Yorker magazine, in its April 26 "Notes and Comments" column, discusses the unchecked growth of executive power and secrecy, to which we in Congress also contribute—most recently in the issue of the release of the select committee's report on the CIA and the resolution to investigate Daniel Schorr's role in its publication.

I commend to my colleagues' attention the New Yorker's excellent comments on the deeply disturbing direction in which we are headed:

NOTES AND COMMENT

In the aftermath of the Constitutional crisis of the Nixon years, few things have been more surprising than the tendency not merely to ignore the kinds of abuse that brought the crisis about but to institutionalize them and ratify them in law. For example, a bill is now under consideration in Congress which would make it a crime for anyone in government to give "properly classified" information to any "unauthorized person" outside government. The solution that this bill offers to the problem of abuses of governmental power is to make sure that no one will ever find out about them. If it should be passed, it would be the broadest legislation to guarantee government secrecy in the country's history.

The President has proposed a similar law dealing with intelligence secrets. When he was asked how, with this law in effect, abuses would be uncovered, he answered simply that in the future there weren't going to be any abuses. Meanwhile, Attorney General Edward H. Levi has issued "guidelines" for the F.B.I. which would permit it to investigate members of groups whose actions "will" break federal law and have the result of "substantially impairing—for the purpose of influencing U.S. government policies or decisions—the functioning of the government of the United States." Since it can be imagined that anybody one day "will" break the law, and since all political opposition can be seen as "influencing" one policy or another—in fact, opposition can thwart a policy altogether—these guidelines would seem to permit any investigation whatever.

The sharp reversal of attitude toward government secrecy and secret police power which is embodied in these new proposals follows a broad pattern of public response to matters touching upon the conflict between national security and the law. In this pattern, the advocates of traditional Constitutional principle win cases but at the same time lose ground in the law. It first emerged, perhaps, in the Pentagon Papers case, in which the side favoring strong First Amendment rights won the right to publish the Papers but in winning it left on the books the first precedent in American history for the government's imposing "prior restraint"—which is to say censorship—of newspapers.

The pattern appeared again in the legal battle over the release of President Nixon's tapes, in which the President was forced in a unanimous Supreme Court decision to yield up the tapes but in which the concept of "executive privilege" gained a foothold in the law. In that decision, the justices spoke of a "presumptive privilege," and said that it was "fundamental to the operation of government and inextricably rooted in the separation of powers under the Constitution." "Presumptive" was the right word: the privilege is not mentioned either in the Constitution or in any law. A few months ago, President Ford invoked this still cloudy but now legally grounded privilege in refusing to supply a House committee with certain information that it had asked for. A string of legal victories was leaving behind it a trail of adverse precedent.

A comparable result was achieved in Congress's main attempt in recent years to restrict the power of the President—the War Powers Act, of 1973. The act places the President under the obligation to seek Congressional approval within sixty days for any warfare he has launched. Seen in one way, this requirement looks like a restriction on Presidential power; but, seen in another way, it looks like an extra grant of power, since the Constitution fails to formally allow the President any warmaking in the absence of Congressional approval. In other words, the net effect of the act was to formally expand the President's warmaking power.

Of course, the whole question of the warmaking power is rendered nearly meaningless by the fact that the President can blow up the whole world in a minute without asking anyone's approval: the letter of the present law would require the President to consult with Congress on his war policy within sixty days after the end of the world. It is, in fact, this brute reality—the staggering de facto power of the President in our time—that underlies the entire conflict between national security, on the one hand, and the rights and balanced powers of the Constitution, on the other. Justice Potter Stewart, who favored permitting publication of the Pentagon Papers, acknowledged as much, in a tone of almost weary resignation, in this concurring opinion on the case. "In the governmental structure created by our Constitution, the executive is endowed with enormous power in the two related areas of national defense and international relations," he wrote. "This power, largely unchecked by the legislative and judicial branches, has been pressed to the very hilt since the advent of the nuclear-missile age. For better or for worse, the simple fact is that a President of the United States possesses vastly greater Constitutional independence in these two vital areas of power than does, say, a prime minister of a country with a parliamentary form of government."

Justice Stewart went on to say that "the responsibility must be where the power is" and that "the executive must have the largely unshared duty to determine and preserve the degree of internal security necessary to exercise that power successfully." He hoped, howeved, that this nearly omnipotent, unchecked executive branch would, of its own volition, decide that "a very first principle of that wisdom would be an insistence upon avoiding secrecy for its own sake." In our day, it is thoughts like these that hold sway over the minds of men in government whenever they address themselves to the role of national security in the law, no matter what crisis the nation may have just been through in the real world.

It appears that, at a level deeper than any mere events—even if the events include the resignation of a President—an all but irresistible compulsion flowing from the demands of national security has tended over the years to constrict liberty. Following the Second World War, the clandestine abuses of the executive branch existed for many years in nearly perfect secrecy, outside public debate and outside the law. The national-security system in those years did not so much abrogate the Constitutional system as grow up alongside it, so that while the Constitution was not cast aside, it was not applied, either. Today, for the first time, the full scope of the executive's abuses has been made known, and the nation is squarely faced with the question of whether or not it wants them to continue. The national-security system, deprived of its refuge outside the law, is now seeking a place for itself within the law—or, at least, in a space where the law has agreed that the law shall not apply. It is to provide this space that judges and legislators now busy themselves writing what amounts to a series of footnotes to the Constitution—footnotes that tend to cancel its main provisions. And this particular moment in the story of national security and the law is important not only because of what is being done now but because of what has gone before.

The changes being made now are on a far smaller scale than those that threatened during the Constitutional crisis of the Nixon period, but they acquire heightened meaning because they come after the unmistakable warning afforded by that crisis of where the path we are now following leads. No country has ever received clearer warning that its freedom was in danger without actually losing that freedom than the United States received in the last years of Nixon's Presidency. But today it seems that the lessons of that time have been stood on their head. The nation's response to the attempted takeover of the nation by the executive branch is to increase the power of the executive branch; its response to being deceived on an unpredented scale is to increase government secrecy; and its response to abuses of secret-police power is to issue to the secret police a license for even wider action. More profound, almost, than the question of where the country is now heading, therefore, is the question of whether any possible experience is left that can serve as a warning, or whether the country is simply immune to experience. Now that we have shown ourselves capable of forgetting so much, it becomes hard to imagine what will turn us back.

SPIRIT OF ’76—OUR HERITAGE

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. BROWN of Michigan. Mr. Speaker, a constituent of mine, Kevin S. Kreger, recently placed fifth in the 1976 Reader's Digest Association—Boy Scouts of America National Public Speaking Contest.

As a result, he was awarded a $300 college scholarship and was named to the Boy Scouts of America delegation which presented the Scouts annual report to President Ford.

The general topic for all speeches was "Spirit of ’76—Our Heritage." Contestants' approaches varied greatly, however, and Kevin decided to build his speech around what patriotism means to us in our Bicentennial Year.

In a most interesting manner, he presents two contrasting views of war, patriotism, and death and asks his listeners to decide for themselves their meaning in this Bicentennial Year.

Mr. Speaker, with the thought in mind that my colleagues might find Kevin's remarks of special interest, I am including them in the RECORD.

Kevin is the son of Mr. and Mrs. Delana Kreger of Homer, Mich. He is a member of troop 156, sponsored by the Homer Lions Club.

The remarks follow:

THE GENESIS OF PATRIOTISM

Breathes there the man, with soul so dead,
Who never to himself hath said,
This is my own, my native land!
Whose heart hath ne'er within him burn'd
As home his footsteps he hath turn'd
From wandering on a foreign strand!
If such there breathe, go, mark him well;
For him no Minstrel raptures swell;
High though his titles, proud his name,
Boundless his wealth as wish can claim;
Despite those titles, power, and pelf,
The wretch, concentered all in self,
Living, shall forfeit fair renown, And
doubly dying, shall go down
To the vile dust, from whence he sprung,
Unwept, unhonor'd, and unsung.

Patriotism, that's the title of the poem and that's what I want to talk to you about. The term patriotism is nebulous and has used to imply many things over the past 200 years. Foremost among them was the idea which Patrick Henry conveyed when he gave his famous statement, "give me liberty or give me death."

This phrase is echoed throughout the pasts of American history, until it has become firmly cemented among the American people that your life for your country is the ultimate form of patriotism to ensure the continuance of democracy.

But the truth of that statement today is what concerns me. For instance, you may ask, why were people so hung up on patriotism back around 1776? Well, stop and think about it. You have a group of people thrown into a hostile environment, threatened by the tyranny of the Englishmen. Is it any wonder they struck back for liberty which they could see and feel. No, no, it wasn't any wonder that people gave their lives for their country, for their freedom.

It was 200 years ago when Patrick Henry made that statement, and so many things have happened. There has been a change of attitudes, a change of priorities, and a change of times. America is no longer a small calm, united colony. In 1776, their lifestyle gave them a common goal. In 1976 our technology gives us security and diversity. And so, the American attitude toward the worthiness of patriotism has also changed.

In recent years, people have begun to ask questions which were once asked only by pacifists. This startling and rapid growth of public concern has recently been bolstered by the advent of the television. For the first time during the Vietnamese war, the people could see and feel the cold, bloody specter of battle. The first glimpses of reality forced their way into the intimacy of the home and some people reacted; maybe, over reacted. Now they could see that war isn't always bravery and stars and stripes, but blood and gore all too grotesquely real.

The questions I now ask you, are the questions they asked and I think you should ask yourselves. Are today's wars giving us a safe world for democracy? Or, are they merely an excuse used for the advancement of U.S. foreign policy? Have we gained liberty from any contemporary war? Is democracy worth the price it imposes on some of its citizens? Is the sacrifice worth the benefit?

I started out my speech with an extreme view of patriotism from colonial times. But what about the views of a wounded soldier who is forced to fight in a contemporary war.

Patriotism. I want you to compare and decide as I finish my speech with some selections from "Johnny Got His Gun" as he explains the other view of the war.

"You'll have a chance to die for your country. Why, well people have always been fighting for liberty. America fought a war in 1776 for liberty. Lots of guys died. And, in the end, does America have anymore liberty than Canada and Australia, who didn't fight at all? Can you look at a man and say, he's an American who fought for his liberty. So maybe a lot of men with wives and children died back in 1776, when they didn't need to die at all. They're dead now anyway. There's nothing noble about death. After you're dead the thing you traded your life for won't do you any good, and chances are, it won't do anybody else any good either. I would trade democracy for life. I would trade independence and freedom for life. You take the wars and give me back my life. There's nothing noble about dying. You're worth nothing dead, except for speeches. What's noble about being dead? Because when you're dead, mister, it's all over. It's the end. You're dead mister, and you died for nothing. You're dead mister, dead. Plan the wars, you masters of man. Plan the wars and point the way; and we, we will point the gun."

I presented two contrasting views on war, patriotism, and death. Ultimately, it is up to you, my listeners, to decide what does patriotism mean in our bicentennial year?

FINANCIAL DISCLOSURE

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. MURTHA. Mr. Speaker, there can be no doubt events of recent years have left the American people cynical about the honesty and integrity of many elected officials. Since the overwhelming number of individuals in Government service are sincere, dedicated, and honest individuals, this is unfortunate. I believe the situation makes it incumbent on each Government officials to be as open and forthright as possible with the citizens he or she represents.

For that reason, Mr. Speaker, I am glad to insert into the CONGRESSIONAL RECORD my third annual financial disclosure statement. This statement is aimed at two goals: First, indicating that in my private finances I have no conflicts of interest that prevent me from working on behalf of the citizens I represent; second, to show how I have used taxpayer funds in operating the offices of the 12th Congressional District.

I am very pleased to insert this voluntary statement:

FINANCIAL STATEMENT

PART I: PERSONAL FINANCES

A. Taxes

1975 Federal income tax paid to December 31, 1975, $8,840.

1975 Pennsylvania State income tax paid to December 31, 1975, $1,014.

1975 Cambria County, Pa., real estate tax on personal residence paid to December 31, 1975, $521.

B. Sources of all income

Salary of U.S. Congressman (total for 1975), $45,550.

Wages from Johnstown Car Wash of which I am Secretary (through December 31, 1975), $2,700.

Interest on savings account (held jointly with my wife/total through December 31, 1975/account at the Dale National Bank, Johnstown), $705.

Interest from the estates of my grandfather and mother who died in 1975, $1,377.

Interest from dividends held in the estates I inherited in 1975, $72.

Honorariums received:

Boeing-Vertol Corp. (for speech), $1,000.

Gulf Oil Co. (for speech at public forum), $1,000.

Central Pennsylvania Coal Producers (for speech), $1,000.

[Note: $1,000 of honorariums went for constituent services as noted later in report.]

Total income for 1975, $53,404.

C. Holdings and interests

1. Living accommodations. My wife and I jointly own the same home we have lived in since 1961. This is also the home of my three children. Currently my daughter is living at Indiana University of Pennsylvania which she attends as a freshman. The house is located at 109 Colgate Avenue in Westmont Borough, Johnstown. In Washington I rented an apartment during 1975 within walking distance of the Capitol.

2. Stocks. I own stock in the Johnstown Car Wash located on Roosevelt Boulevard. I have served as Secretary of the Car Wash organization since 1966. This year I inherited stock from my grandfather. It consists of a small number of shares of AT&T and 1st Tyler Bank of Sistersville, West Virginia.

3. Bonds. The only bonds I own are U.S. Savings Bonds.

4. Loans. The only money I owe is to the Dale National Bank where I have been banking since 1958. The loans are for routine home and family costs.

5. Transportation. I own a 1975 Ford and my wife owns a 1973 Ford.

6. Other assets. The only other assets I have are life insurance policies with a cash value, and a joint savings account at the Dale National Bank.

PART II: OFFICE REPORT

A. Office supply account

In 1975, I received $6,500 for the purchase of office supplies including paper, envelopes, stationary, paper clips, pencils, recording supplies and other daily office needs for the entire year. The office used $6,391.82. The remainder was carried into 1976.

An additional cost to this fund I would like to note is the purchase of American flags flown over the U.S. Capitol. In general, I ask persons requesting flags to pay for the flag themselves. There are cases, however, where a constituent or organization deserves to be honored for outstanding service to our area or the nation. In such instances I purchase the flags from this account. Examples during 1975 included several charitable institutions, the family of a deceased veteran, and individuals who made outstanding civic contributions. I feel this is a proper use of funds to commemorate special occasions.

B. Postage

During 1975 the postage allowance for each Congressman was $1,140. This is to purchase stamps for official business use not covered by the Congressional frank. This includes air mail and foreign postage. The occasion where our office uses it most is in purchasing special delivery stamps where it is important that we return a report or inquiry to a constituent as quickly as possible. The entire sum was expended in 1975.

C. Transportation

Each Congressman was reimbursed during 1975 for 27 trips to and from his district, or a total of $2,324.40. This is the same type of reimbursement a company would give to an employee traveling on official business. I traveled between Washington and the 12th Congressional District every weekend in 1975 that Congress was in session with only 1 or 2 exceptions. I traveled by car which I drove myself in virtually every case. My total travel to and from the 12th Congressional District greatly exceeded the total amount. I accepted the full reimbursement to which I was entitled of $2,324.40.

I believe these weekly trips are essential to hold Congressional Workshops, office hours, and other meetings to keep in touch with the people and give the citizens an opportunity to meet and talk with me, so I can hear their views and opinions.

D. Staff

In 1975, I was permitted a maximum of 18 staff positions and an annual staff salary of $230,061.00. Of this amount I filled all positions, but returned $19,477.44 to the Treasury in unused funds.

I have seven persons in my Washington office. This includes: an administrative assistant; a legislative assistant; a secretary; three case workers to handle black lung, social security, veterans, military, and other problems involving the federal government; and a receptionist.

The other staff members serve throughout the five district offices located in Johnstown, Kittanning, Indiana, Punxsutawney, and Somerset. All the staff members located in the district offices and all but two of my Washington staff either presently live or formerly lived in the 12th Congressional District. These are all dedicated, talented individuals. A single Congressman cannot handle all the problems of representing the citizens and researching major issues. These people are a tremendous help to me in serving the people, and the district office staff provide a vital link in each community between the citizens and myself.

E. Telephone and telegraph

My allotment of telephone and telegraph messages was 125,000 units for 1975. A unit is a term equivalent to one-quarter of a phone minute. Said differently, four units equal one minute of time on the phone. These units cover long-distance calls. Unused units can be carried over to the next year. In 1974, I had 9,656 units remaining on December 31. Thus, for 1975, I had a total of 134,656 units. I used 103,262 leaving me with 31,394 which I carried over to 1976. These units are used for long distance calls to the 12th Congressional District on official business. My staff is instructed not to accept collect calls in order to make the most economical use possible of these units.

F. District offices

All of the district offices are in federal buildings except for the office in Indiana. Federal building space is rent free, so my total rental cost was $1,836. I was allowed $2,400 to cover rentals for three different offices, which means a total of $564 was returned to the Treasury unspent.

I am also allowed a total of $2,000 to cover district office expenses. This includes routine office needs and upkeep of facilities. The entire amount was spent in 1975.

G. Communications allowance

Beginning in 1975 the House authorized $5,000 to each member for the production and printing of newsletters, questionnaires, and similar correspondence qualifying as official business and mailable under the legal requirements of the frank. The fund covers production costs such as printing ink, stencils, machine rental, paper, and other direct supplies.

In 1975 I used the full amount for the printing of two district-wide newsletters, a district-wide questionnaire, a number of smaller citizen polls, and other official communication with our citizens.

In 1974 I used funds from my salary to pay these costs. I had started a communications fund prior to creation of the new House fund. Included in it was $1,000 from the honorariums I received. With creation of the Congressional fund, I disbanded the citizens committee. All the funds were used only for official communication on government business with the citizens of the 12th Congressional District. I believe such communication is essential to strengthen contact between myself and the citizens and to help bring Washington closer to the people.

H. Government travel

In February, at the personal request of President Ford, I accepted membership on an eight-member, bipartisan Congressional delegation to visit Vietnam and Cambodia to reassess U.S. policy in that area. The cost of this trip was borne by the executive branch from their normal travel funds.

COSTS OF PCB CLEANUP IN THE HUDSON RIVER ILLUSTRATES NEED FOR TOXIC SUBSTANCES CONTROL LEGISLATION

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. ECKHARDT. Mr. Speaker, the New York Times reported this week that the costs of cleaning the upper Hudson River of the highly toxic chemical, polychlorinated biphenyls, may exceed $20 million. The contamination has been caused by industrial discharges of the chemical into the Hudson, and has resulted in the Hudson River being closed to commercial fishing for the first time in history. PCB's are a toxic substance capable of causing skin lesion, destroying cells in vital body organs, adversely affecting reproduction, and inducing cancer and death. PCB's have been discovered in the Great Lakes, the upper Mississippi River, and off the southern California coast, and Federal officials estimate that it may be 10 to 20 years before some of our waters will be suitable for commercial fishing.

PCB's have been produced commercially for the past 45 years, yet only recently has knowledge about the health and environmental effects of the chemical been developed. Unfortunately, this information has been developed too late to prevent massive exposure to the chemical. It is estimated that some 700 million pounds of PCB's have been produced and used in the United States. Of that amount more than half has already entered the environment; most of it is contained in landfills, contaminated soils, bottom sediments of rivers, lakes and coastal waters, and in air and water. Because the chemical was not adequately evaluated before there was widespread exposure, our only course of action is to try to prevent further damage and to repair, insofar as we can, the damage that has already occurred.

The great costs of cleaning the Hudson River indicate the folly of waiting for the adverse effects of a chemical to show up in our environment. Instead, we must begin finding out what chemicals may be hazardous before they go out into the market place. The costs in human lives, lost environmental resources, and dollars are too great.

The toxic substances control legislation, H.R. 10318, through its premarket notification and testing provisions, will enable us to keep dangerous chemicals off the market. In this manner, we can prevent chemically caused harm, rather than merely reacting to it.

Opponents of effective toxic substances legislation argue that the legislation will be too costly to the chemical-producing industry. I think the price tag for saving just one area from ruin by a single chemical indicates that the prices to society resulting from an absence of effective legislation will be far greater.

Mr. Speaker, I thought my colleagues would find the New York Times article most instructive. Therefore, I include it in the RECORD at this time:

[From the New York Times, Apr. 26, 1976]

PCB CLEANUP COST PUT AT $20 MILLION

(By Richard Severo)

It may cost more than $20 million to cleanse the upper Hudson River of the toxic chemical PCB's, and the State Department of Environmental Conservation plans to ask General Electric to pay "the entire cost of cleaning up the river it has damaged."

The estimate and strategy were indicated by Philip Gitlen, the department lawyer who is handling the state's case in an administrative hearing now under way in Albany. The hearing resumes today.

The company, which was found guilty of violating the state's water-quality standards last Feb. 9 because of its discharge of PCB's into the Hudson River from two capacitor plants north of Albany, has reportedly offered to pay the state at least $2 million in an out-of-court settlement.

Moreover the company has agreed to reduce its discharges of PCB's—polychlorinated biphenyls—to virtually none by June 1, 1977, to conform to new Federal standards.

PENALTY RESISTED

According to a statement made over the weekend by the Commissioner of Environmental Conservation, Ogden R. Reid, the major impediment to a settlement is the company's insistence in private negotiations that it not be required to pay a formal penalty for reclamation of the river, because that would constitute setting a national precedent. The money would be paid as a research grant or in some other way not onerous to the company.

Mr. Reid has not indicated what he thinks of General Electric's cash offer.

When the company's guilt was determined, the hearing examiner, Prof. Abraham D. Sofaer of the Columbia Law School, said that "the evidence that G.E. is responsible for the high concentrations of PCB's in the upper Hudson's water, sediment, organisms and fish is overwhelming." He added that the Department of Environmental Conservation had established "that other sources contributed negligible amounts of PCB's to the river."

"There is but one basic issue," said Mr. Gitlin. "Will the sediments already contaminated mean that, in the future, fish will be contaminated at unacceptable levels, long after General Electric stops using PCB's or reduces its discharges into the river to virtually nothing?" The department believes it has the evidence to support that assertion. General Electric's lawyer, N. Earle Evans, a veteran of litigation in environmental matters in cases involving other companies, feels that the state has not yet presented the evidence it needs to make its case, and in the last week he has made it clear he plans to cross-examine each witness closely.

POLLUTION NEAR TWO PLANTS

According to a Study prepared by the state, 458,000 pounds of PCB's are in the Hudson River, 81 percent of them within 10 miles of the two G.E. capacitor plants at Fort Edward and Hudson Falls. It is estimated that 84,000 pounds of the substance were discharged into the river by the company between 1966 and 1972.

The company was able last year to bring its discharges down to two or three pounds a day, and a spokesman for G.E. said yesterday that the discharge level had been lowered even further, to about a pound.

The company would not be able to reduce the discharge much further without making major changes in the two plants, which it is apparently willing to do. The two plants are very old, with antiquated systems of pipes and drainage.

Even small amounts of PCB's in the water are regarded as quite serious by public health officials, since the chemical has caused cancer in laboratory animals. Moreover General Electric conceded last November that at least 65 of its employes had become ill over a 15-year period from their work with PCB's. The illnesses included nausea, dizziness, eye irritation, allergic dermatitis, asthmatic bronchitis and fungus infections. More medical research is being conducted.

DANGER IS SPREADING

Testimony presented last week indicated that between 5,000 and 10,000 pounds of PCB's were moving down the Hudson River at a rate of between four and 10 miles each year, and according to research by the Department of Environmental Protection, types of PCB's that were abandoned years ago by the company are still being found both in the river sediments and in fish.

Commercial fishing for most species has been banned by Commissioner Reid, and people have been advised not to eat Hudson River fish.

The state has not yet decided just how the PCB's could be removed from the upper Hudson, between Troy and the two G.E. plants. The $20 million estimate is based on an approach that uses dredging, but no firm decisions have been made on that yet.

If dredging were used, about 1.5 million cubic yards of sediment would have to be removed, transported to a special site and incinerated with equipment capable of generating temperatures well in excess of 2,000 degrees Fahrenheit. PCB's are sticky but heavier than water. Thus, while they tend to "stick" to particles suspended in the water, they also tend to settle to the bottom.

J. P. STEVENS WORKERS FIGHT FOR UNION

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Ms. ABZUG. Mr. Speaker, the experiences of two women workers have recently come to my attention. The stories of these two women are disturbing enough. The fact is, however, that they are typical of the experience of thousands of women and men who work for the J. P. Stevens Co. J. P. Stevens is the second largest textile corporation in the United States. Stevens operates 85 plants, almost all of them in the South. The company employs 44,000 workers, about half of them are women, and none of them have a union contract. The Textile Workers Union of America has conducted a 13-year campaign to organize the Stevens workers. The response of the Stevens company to the union campaign is illustrated by the experience of Maurine Hedgepeth of Roanoke Rapids, N.C.:

> I was always a real good worker, but when I joined the union, all of a sudden, I wasn't a good worker any more. I mean I was working just as good but they didn't want to see me doing good work. I testified on behalf of other workers before the NLRB in September 1964. Two weeks after that I went on pregnancy leave. I was supposed to go back to work in January 1965. When I went back to get my job they told me there were no jobs available. And they'd fired my husband the day before Christmas, after twenty-five years as a loom fixer. A new baby and neither of us had a job. The Stevens company made it real clear that they didn't like me telling the truth to the Labor Board. In 1969 I was reinstated with back pay. Four years is a long time to wait.

Four years is certainly a long time to wait to return to a job. Four years is too long to wait when a worker has been fired illegally for union activity. But 4 years is the length of time many workers like Maurine Hedgepeth, have had to wait. Why? There are too many built-in delays under current labor law. A worker who has been a victim of unfair labor practices finds that the remedy of law is slow, that justice is delayed, and in too many cases justice delayed is justice denied.

Maurine Hedgepeth is not the only worker who has been fired by J. P. Stevens for union activity. The company has been ordered to reimburse 289 workers over $1.3 million in back pay, because the company fired them illegally. They were fired for only one reason: to discourage unionism.

But firing workers is not the only response of J. P. Stevens to union sentiment among its employees. Listen to Addie Jackson, a black woman of Statesboro, Ga.:

> At J. P. Stevens, before we started organizing, it wasn't too much different than slavery. No lunch hour. Just eat your sandwich while running your machines. I thought that was the most terrible thing I ever heard of. And then Stevens closes the plant. They shut us out . . . that's what they said they'd do and that's what they did. Teach us a lesson.

Rather than bargain in good faith with the union, as they had been ordered, J. P. Stevens closed their Statesboro plant and threw 350 people out of work.

J. P. Stevens has fired workers for union activity and closed a plant where the union was strong because the legal sanctions against this activity amount to a slap on the wrist. The Stevens Co.'s campaign has succeeded. The Textile Workers Union has lost most of the elections at Stevens plants due to the company's illegal methods of intimidation toward union supporters.

Five of these elections were subsequently set aside by the NLRB because of massive violations of the law by J. P. Stevens. Two other cases are pending. But while the union is forced to fight the company for years in court, textile workers go without the protection of the union they desire. Stevens employees are paid 31 percent less than the national average for factory workers. Addie Jackson, still unemployed a year after the Statesboro plant was closed, speaks for thousands of Stevens workers who want not just a union contract but dignity:

> But if they should reopen they would see the same people with the same things in their hearts. Even though they closed it and made it hard for us we still want the same things and we'd still be strong and still be for the union.

But Stevens workers have won an important victory. In August 1974, some 3,500 workers at seven J. P. Stevens plants in Roanoke Rapids, N.C., voted to join the Textile Workers Union of America. Despite the election and despite orders to bargain in good faith with the union, the company has refused. Why? At the recent meeting of J. P. Stevens shareholders in New York on March 2, 1976, a shareholder raised the issue of the cost of the company's anti-union campaign. The response of management was this:

> The Company's costs directly or indirectly attributable to the union organizing and related activities are not material in the Company's overall operation. . . .

The cost of violating the law, in other words, is cheap. And J. P. Stevens will do so, as long as it cost so little to continue illegal and immoral practices that deny its employees the basic right to organize and bargain collectively.

The process of unionization for these workers is still in its beginning stages. But the organizers will not give up. They are determined to gain their long overdue rights to a union.

TOWARD A BALANCED ENERGY R. & D. PROGRAM

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. TEAGUE. Mr. Speaker, the issuance this month of the revised plan and program of the Energy Research and Development Administration offers encouragement to those of us who are convinced that this Nation, through cooperative and constructive interactions of its various branches and agencies of Government, can successfully make progress toward the development of a balanced national energy policy which will meet the needs of the American people and provide for their security.

In particular, the new ERDA plan demonstrates a rapid and gratifying response to the intensive efforts put forth by the House Science and Technology Committee and other congressional groups, assisted by a very thorough analysis of the ERDA program by the Congressional Office of Technology Assessment, to assign energy conservation a priority level in our national research and development program equivalent to that assigned to the development of new energy supply options.

In the 10 months that have elapsed since the issuance of the initial ERDA plan and program in July 1975, just such a shift toward more balanced priorities has taken place. In his press conference announcing the agency's revised plan, ERDA Administrator Robert C. Seamans, Jr., acknowledged the constructive role played by the Congress in helping to influence the increased importance assigned to research in the area of energy conservation. Seamans, in response to a question, said:

> The Congress does feel, as a body, that conservation is important. . . . The most thorough review of our study came from the Office of Technology Assessment, which is . . . an office of the Congress. And I believe we have addressed many of the issues that they brought to our attention, and conservation was one of them.
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> #### CONVERT TO CONSERVATION
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> Saving energy is cheaper than producing it—and the payoff comes far sooner. That conclusion has long been argued by environmentalists and conservation-minded energy experts; at least the Energy Research and Development Administration has accepted it as Government policy. A series of energy conservation programs is now to be assigned the same high priority in Administration planning that formerly went only to industry-backed measures to develop new energy supplies.
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> ERDA's revised comprehensive energy development plan submitted to Congress Monday, goes part way toward meeting forceful criticism by the Congressional Office of Technology Assessment. That analysis charged last October that ERDA (successor agency to the Atomic Energy Commission) was still pursuing "a narrow, hardware-oriented approach" to energy problems, ignoring non-technological issues such as incentives for individual energy-saving initiatives and public ignorance of—or even resistance to—new processes.
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> If there may still be room for doubt about how extensive ERDA's newfound interest in conservation will turn out to be, other arms of the Government are gradually starting to move in the right direction. Last year's comprehensive energy legislation authorized disbursal of a yearly $50 million to help the states on localized energy conservation programs; the funds will be available only to states which have already implemented first steps toward more efficient use of energy within their jurisdiction.
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> The Federal Energy Administration has set efficiency targets for the ten most energy-intensive industries and is requiring the fifty largest companies in each of those industries to file periodic reports of their progress toward meeting those targets. The Senate has passed a stiff measure, proposed by the Administration, to withhold Federal mortgage money from localities that fail to adopt an energy-efficient building code: unfortunately this bill is being blocked in the House of Representatives.

It is important to note, Mr. Speaker, that findings of the House Science Committee and of OTA, in no means diminish the importance of ERDA's important mission to develop new energy supply technologies, including those programs in nuclear energy carried over from the former Atomic Energy Commission. In this connection, I think it is pertinent to quote from the OTA analysis, published in October 1975, dealing with the original ERDA plan and program:

> Under the Atomic Energy Commission, nuclear power enjoyed substantial funding compared to that available for alternative energy sources. Though the existence of ERDA is expected to bring about a more appropriate balance, the need for nuclear power has never been greater, and many problems remain. Research and development to find solutions to these problems may require expansions in what is still by far the biggest part of ERDA's budget.

It is obvious, Mr. Speaker, that there will be no single solution to the challenge of meeting the energy problems which confront the Nation now, and those which face us on down the road. Efforts will be required to promote both conservation and more efficient energy utilization, and to bring new energy sources into use. To achieve such a coordinated strategy, the best talents must be brought to bear, and the legislative and executive branches of the Government must act constructively to carry out their responsibilities for establishing and executing a balanced national energy policy.

Following is an editorial from the April 22, 1976, New York Times, and an excerpt from the 1976 revised ERDA plan, entitled, "Assessment of the Plan by Others." They indicate that just such a constructive relationship has taken place in influencing the Ford administration to give higher precedence to energy conservation research:

> The next major step to promote energy conservation is likely to be a detailed program of tax rebates and credits as incentives to homeowners and small-businessmen who insulate or otherwise retrofit for the purpose of saving energy. Senator Kennedy and Representative Drinan, both of Massachusetts, have taken the lead on this legislation in Congress.
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> Effective conservation of energy is a slow and complicated process, but even more so is the development of new energy sources—as the latest ERDA report acknowledges. Both are essential in the coming decade to reduce this country's vulnerability to foreign oil supplies.
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> #### ASSESSMENT OF THE PLAN BY OTHERS
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> The importance of the review of the National Plan by others is expressed in Congressional requirements. In 1975 Congress requested the Office of Technology Assessment to conduct a formal review of the National Plan.[1] Also, The Non-Nuclear Energy Research and Development Act directs the Council on Environmental Quality to undertake an ongoing assessment of the adequacy of attention to environmental protection and energy conservation in the energy R&D programs. In conducting this assessment CEQ is to hold annual public hearings, which in 1975 focused on a number of aspects of the National Plan.[2] In addition, the external review of the Plan includes the solicitation of comments from State and regional energy representatives, public and special interest groups, industry, the general public, and other government agencies. This section summarizes the most important comments

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[1] United States Congress, Office of Technology Assessment, An Analysis of the ERDA Plan and Program, October 1975.

[2] Council on Environmental Quality, Summary Report on 1975 Public Hearings: Environmental Effects and Energy Conservation Aspects of the Nonnuclear Energy RD&D Programs, January 1976.

and discusses how they influenced the Plan. Other government agencies provided initial input to the first National Plan in the area of program implementation. (Summaries of their energy RD&D programs were contained in Volume 2 of ERDA-48.) In the current Plan, other agency input and review to Volume 1 (The Plan) and Volume 2 (Program Implementation) were solicited.

REVIEW BY OTA AND PUBLIC HEARINGS HELD BY CEQ

The OTA review and CEQ hearings on the National Plan for Energy RD&D produced the most comprehensive and wide ranging comments on the Plan. In general, the review and comments were most useful in highlighting those areas where the Plan could be made more responsive to the energy problems facing the country. The comments can be grouped according to three primary issues:

The basis for planning and program execution and the resulting priorities should be reexamined. Criticisms included: excessive reliance on a hardware-oriented approach; inadequate emphasis on conservation; too little attention to nontechnical impacts resulting from technology development; too little focus on near-term energy problems; imbalance between energy supply and demand RD&D; overemphasis on high technology, capital-intensive energy supply alternatives such as electrification; inadequate emphasis on solar energy; inadequate emphasis on commercialization; lack of established goals for the basic research program; lack of importance given to environmental control and protection; and management policies that appear inadequate to achieve goals.

The degree of cooperation and coordination with others should be increased. Criticisms included: insufficient provision for coordination and cooperation with international concerns, Federal agencies, state and local governments, and the general public in energy planning and policy making.

The analysis supporting the Plan should be more comprehensive. Shortcomings were noted in: economic and socioeconomic analysis; cost/benefit analysis; resource assessment; foreign policy options; physical, environmental, institutional, and social constraint analysis; and net energy analysis.

The current Plan reflects the OTA comments and criticisms, and comments expressed to CEQ at its hearings, particularly in the sections dealing with near-term initiatives; the conservation program priority; major environmental issues; increased coordination with others; analysis of energy and economic relationships, including constraint and net energy analysis; and the role of basic research. However, many of the issues raised are complex, and have not been resolved in this document. ERDA will continue to incorporate these comments in future revisions of the Plan.

Other comments obtained from the OTA review and the CEQ public hearings indicated that the Federal mission, as expressed in the goals of the Plan, was too narrow. A related issue was the need for an expanded national energy RD&D program deflecting circumstances following the Arab oil embargo. A significantly higher budget was suggested to accommodate the adoption of a broader mission and the urgent need for energy solutions. These issues were underscored in the OTA review:

> ERDA's Plan in many instances acknowledges the need for such a broad perspective and program. In fact, the problems are not so much within the Plan itself—which is a serious and praiseworthy initial effort—but in the lack of a broad commitment and coordination when the Plan, Program and Budget are considered together.[3]

Chapter III summarized the ERDA portion of the national energy RD&D budget and program implementation. The funding levels in this program implementation plan reflect the Administration and Congressional assessments of the current energy situation subject to the effective utilization of manpower, facility, and budget resources.

Certain issues highlighted in the OTA review and CEQ hearings (e.g., the desirability of greater energy independence as an energy policy goal) require broad public policy discussion since they affect large segments of U.S. society. Decisions on these issues cannot be made singularly by government agencies or by narrow segments of society. The Plan can, however, help focus on these issues by providing supporting analysis and forums for discussion. For example, preliminary conclusions regarding the impact of energy policy on other sectors of the economy are presented later in this chapter in a separate discussion on energy systems analysis studies.

HAWKINS LAUDS MEXICAN HUMAN RIGHTS TRADITION

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. HAWKINS. Mr. Speaker, it pleases me to be able to call to the attention of the Members the attached article concerning the present—and historical—position and commitment of the nation of Mexico to political liberties throughout the world. I am particularly pleased to note that the flowering of this commitment to human rights is taking place under the Presidency of Lic. Luis Echeverria Alvarez, whom both Senator MANSFIELD and I have the honor to nominate for the Nobel Peace Prize for this year. The article from the New York Times of Wednesday, April 28, 1976, follows:

MEXICO A HAVEN FOR LATIN EXILES AS RIGHTIST REGIMES TIGHTEN CURBS

(By Alan Riding)

MEXICO CITY, April 27.—"We knew Mexico's tradition on asylum and we remembered the way Mexico helped the Chileans," recalled a Uruguayan doctor and Communist Party militant, now a political exile, "so I grabbed my wife and children and we headed for the embassy."

The doctor sat around Mexico City's Hotel Versailles with other Uruguayan leftists who have recently fled the country. "We just don't know what is happening to our friends and relatives," a woman historian said. "We were lucky to get out. The Mexican Embassy is now surrounded by soldiers and it's difficult to get in."

With right-wing governments continuing to tighten their grip on the South American republics, Mexico is becoming perhaps the last safe haven and political center in Latin America for leftist exiles from the entire region."

Outside the Hotel Versailles, which has become the first home in Mexico for growing numbers of South American exiles, the distinctive Argentine accents of a mother and two children identified members of a group of refugees who had just arrived from Buenos Aires.

MEXICO IS GENEROUS

"Mexico is extraordinarily open and generous with political exiles," said Dr. Ricardo Obregón Cano, former Governor of the Argentine province of Córdoba and now secretary general of a group called the Argentine Solidarity Committee. "No other country offers such personal and political security."

Although Venezuela, Colombia and Costa Rica, the only three Latin American countries generally considered to be democratic, have received some exiles in recent years, they have reportedly done so reluctantly.

"The Venezuelan Embassy in Montevideo actually turned away a refugee who was then immediately arrested," one Uruguayan exile recalled bitterly. "Colombia took five refugees against its will, while Costa Rica and Peru also closed their doors. But, at the last count, there were more than 100 exiles in the Mexican Embassy."

Mexico's tradition of granting asylum to political exiles goes back to the late 1930's when thousands of republican refugees from the Spanish Civil War were welcomed here by the left-leaning President, Gen. Lázaro Cárdenas.

Even during the 1950's and 60's, when more conservative regimes governed Mexico, leftist opponents of the repressive regimes of Brazil, Guatemala, Nicaragua and Haiti as well as right wing exiles from the Cuban Government of Fidel Castro were granted asylum here.

But, under President Luis Echeverria Alvarez, this tradition has been transformed into an active instrument of foreign policy that enables the Government to contrast its new liberalism with the strident conservatism of many South American regimes.

As a result, during the last three years Mexico has not only opened the doors of its embassies to persecuted leftists, put pressure on other governments to allow them to fly into exile and tried to negotiate the release of political prisoners, but has also been willing to sacrifice good relations with military regimes in order to protect their political opponents.

Mexico's warm welcome for refugees from Chile's military junta marked the beginning of this more aggressive policy in dealing with the problem of repression of leftists in several South American republics.

In part, this reflected the close friendship between President Echeverria and the late President Salvador Allende Gossens of Chile. The Mexican leader personally invited Dr. Allende's widow, Ortensia Bussi de Allende, to reside here and he later gave her a home in Mexico City.

TIES WITH CHILE BROKEN

But Mr. Echeverria also went out of his way to grant permanent or temporary asylum here to more than 3,000 Chilean leftists, including such prominent figures as former Foreign Minister Clodomiro Almeyda Medina and former Minister of Economy Pedro Vuskovic Bravo. And once the Mexican Embassy in Santiago was cleared of refugees, Mexico broke off diplomatic relations with the Chilean junta in November 1974.

The next wave of exiles came from Argentina, beginning in October 1974, after the Government of President Isabel Martinez de Perón swung to the right and a right-wing terrorist group, the Argentine Anti-Communist Alliance, began an offensive against leftists and even moderate opponents of the regime.

According to Dr. Obregón Cano, who now acts as a dental consultant as well as informal adviser to refugees, 450 to 500 Argentines, including two former university rectors, Rodolfo Puiggros and Raul Leguzzi, and former Interior Minister Esteban Righi, have taken up exile here since then. Most left Argentina after attempts or threats against their lives.

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[3] United States Congress, Office of Technology Assessment, An Analysis of the ERDA Plan and Program, October 1975, p. 4.

After the military coup against the Government of Mrs. Perón on March 24 this year, a new wave of exiles was expected to reach Mexico, but so far few have arrived. "The first thing the junta did was to surround all embassies, close the airports and even block all roads leading out of the country," Dr. Obregón Cano said in an interview. "This time the junta doesn't want any leftists to escape."

Like Argentina's new regime, the military-dominated Government of President Juan Maria Bordaberry in Uruguay does not recognize any of the country's own nationals as political refugees and therefore it refuses to grant them formal exile status.

Since the Uruguayan Army virtually took over the Government in June 1973, not only has the Tupamaro guerrilla movement been crushed but the Congress has also been closed, labor and student organizations have been outlawed and, according to exile sources, about 6,000 opponents of the regime have been imprisoned.

Last October, a new wave of repression against the Uruguayan left began, leading the London-based Amnesty International organization to denounce arbitrary arrests on a mass scale in Uruguay and the application of "institutionalized torture" against political prisoners there. Soon after, many who feared arrest began seeking asylum in the Mexican Embassy.

"The Uruguayan Government is furious with Mexico," one exile said, showing a visitor an editorial from the pro-Government Montevideo newspaper La Mafiana that carried the headline, "Mexico on the Dangerous Path Toward Communism."

"It would like to expel the Mexican ambassador, but it doesn't want to draw too much attention," the exile said.

In Mexico, though, the Uruguayan situation has already become something of a cause célèbre, at least among newspaper readers. Almost daily the newspapers here carry detailed accounts of repression and torture in Uruguay alongside reports of Mexico's assistance to opponents of the Bordaberry Government.

As in the cases of Chilean and Argentine exiles before them, this publicity should help the Uruguayans find jobs as well as sympathy in Mexico. For example, government offices and state universities know immediately that it is official policy to help the Uruguayan exiles.

Yet, even apart from the anxiety they feel over the situation of relatives back home, the Uruguayans are finding their first weeks in Mexico less than easy. "We know that Mexico has its own serious unemployment problem, said one recent arrival from Montevideo who, like many of his colleagues, asked that his name not be published. "And we also now that many of the teaching and professional vacancies have been filled by Chileans and Argentines."

Until they find work, however, they are under no pressure to leave the modest comfort of the Hotel Versailles, where the Government has agreed to pay for their rooms and meals for an indefinite period. "Obviously we want to find work," one young exile said, "but the Government seems to understand the difficulties."

Exiles arriving from Argentina, on the other hand, have the advantage of finding an established exile organization, including not only the Solidarity Committee but also a cultural center known as Argentina House. "We don't concern ourselves about the political position of each exile," Dr. Obregón Cano said, "so long as they are political refugees. Most of us are Peronists, but we also help people from other parties."

JOURNALIST FINDS WORK QUICKLY

For example, thanks to assistance from established exiles, an Argentine journalist from Córdoba recently found a job and obtained immigrant status in Mexico within a month of his arrival here, even though he belonged to the former radical opposition party.

In contrast, 30 months after the coup against President Allende, the Chilean exile community is showing signs of disintegration, with traditional political differences now reflected in bitter divisions and infighting.

Part of Mexico's attraction for exiles is that, while it is as safe as many distant European countries, South Americans finding asylum here do not feel so out of touch with events back home.

"I'm so relieved I stayed here," said a former aide to President Allende who was also offered refuge in East Germany. "Here we're still in Latin America, people speak Spanish, it's more familiar, we don't feel so far from home. And, of course, the newspapers are full of news from Chile."

FEDERAL GOVERNMENT AND POLLUTION CONTROL

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. HAGEDORN. Mr. Speaker, the House Public Works Committee recently approved H.R. 9560, amending the Federal Water Pollution Control Act. One of the most potentially far-reaching of its provisions is the so-called Breaux amendment, redefining "navigability" for purposes of the act. I strongly supported this measure, believing that it represents a major step in restoring to States and localities control over their own natural resources. The effect of the amendment will be to sharply limit the authority of the Federal Government over waters located entirely within the boundaries of a single State.

While I strongly appreciate the need to preserve and maintain our Nation's scarce resources, including its wetlands, I do not believe that this requires uniform Federal regulations and permits, replete with their attendant bureaucracies. Minnesota citizens are as conscious of the need to maintain healthy water resources as are any citizens in the United States. They do not need to see their taxes go to pay for 7,000 more Federal employees to see that they do this.

The following is my testimony presented on April 7 to the Lake Minnetonka Conservation District on the general subject of the Federal Government and pollution control in purely State and local waters:

Testimony of Hon. Tom Hagedorn

Once again, the heavy hand of the Federal government has come down harshly upon the citizens that it is supposed to be serving. The U.S. Army Corps of Engineers has proposed that owners of most docks and related structures along the shorelines of all of Minnesota's "navigable" waters be required to secure permits before placing them into the waters. At a time when Washington is running up deficits on the order of $70 billion annually, and at a time when it is clear that the overwhelming majority of citizens are fed up with intrusive, big government, it is sheer absurdity for a government agency to attempt to assert new authority over more than 10,000 bodies of water in the State of Minnesota alone.

On behalf of a worthy cause—the preservation of the integrity of our nation's waterways—the Federal government has increasingly demonstrated a lack of perspective as to the proper role of the State, and the need to balance other important social and economic concerns. I would like to take a brief look at the legislative background of the regulations that the Army Corps is now relying upon to restrict the rights of shoreland property owners:

The Rivers and Harbors Act of 1899, 30 Stat. 1151, section 10, introduced a program of permits to be administered by the Army Corps of Engineers covering the location of any structure or impediment to navigation within the navigable waters of the United States. Section 9 of this same Act similarly required permits prior to the construction of bridges, causeways, dams, or dikes which threatened navigation. Since the clear purpose of the Act was to facilitate free navigation along the nation's waterways, its scope was logically limited to those waterways which were, in fact, navigable. Consistent with Article I, section 8 of the U.S. Constitution, it also required that the body of water had to be navigable across more than one State, with no intermediate land links.

This traditional and limited concept of "navigability" evolved gradually over the years into a more expansive one that came to contemplate the past navigability of a waterway, as well as its potential navigability. The most recent definition by the Corps of its jurisdiction in 1972 included, "all waters which are presently used, or were used in the past, or susceptible to use in their natural condition or by reasonable improvement as a means to transport interstate commerce shoreward to their ordinary highwater mark and all waters which are subject to the ebb and flow of the tide shoreward to their mean highwater mark." Thus, a lake such as George Lake in New York which had last been navigable more than 200 years ago was encompassed under this new interpretation. At the same time, the interstate component of the traditional "navigability" definition was watered down to require merely that the waterway could or would serve as one link in conjunction with land transportation with the interstate movement of commerce. Included within the extremely broad parameters of this new definition were essentially recreation-oriented bodies of water such as Lake Minnetonka, navigation along which is confined strictly within the borders of Minnesota.

The reason behind such an increasingly comprehensive definition was clear; the focus of the Act was shifting from a primarily commercial purpose to a primarily environmental purpose. Where once the Corps had even encouraged the construction of docks and other structures which could potentially facilitate commercial navigation, now structures which could in no way threaten to impede the flow of navigable commerce were challenged because they interfered with the pristine character of the water. While no one would underestimate the importance of such an objective, there is controversy as to whether or not this is properly a decision for the all-knowing social engineers in Washington, rather than of the States and local communities directly and physically involved. Lake Minnetonka, for example, has traditionally been subject to protective State and local regulation.

The other major law which has resulted in growing chaos for users of State waterways is the Federal Water Pollution Control Act of 1972. Section 13 of the Rivers and Harbors Act, also known as the Refuse Act of 1899, unconditionally prohibited the deposit of refuse into the navigable waters of the United States, although allowing the Corps to issue deposit permits when it determined that "anchorage and navigation would not be injured thereby." Clearly, this section, like sections 9 and 10, was also aimed at preventing obstructions to navigation, not primarily (or even secondarily) at achieving purer waters. The potential of the Act for this latter purpose remained unrecognized until the 1960's when it was re-discovered by environmental groups. As a result, however, of the absolute nature of the proscriptions in the Refuse Act, it was soon superseded by the provisions of section 404 of the Federal Water Pollution Control Act.

Two types of permit programs were established under this Act, in addition to the permit programs remaining under sections 9 and 10 of the Rivers and Harbors Act. One of these was to be administered by the Environmental Protection Agency, and regulated discharges into navigable waters. The permit certifies that the discharger has complied with applicable effluent limitations and water quality standards. EPA is allowed to delegate this permit authority to State agencies having physical jurisdiction over the waters involved, following submission of an approved State plan.

The other permit program is to be administered again by the Army Corps, and regulates dredging and filling operations within the nation's navigable waters. Since the Corps is so deeply involved in its own dredging and filling activities in its role as overseer of the Army's Civil Works Program, these operations were carved out of the general discharge provisions in order that one Federal agency (EPA) not be deeply involved in regulating the activities of another. No State involvement is presently contemplated by this second permit program.

In April of 1974, the Corps promulgated regulations enforcing its responsibilities under the Act, relying upon the same interpretation of "navigability" that it had been using with respect to the Rivers and Harbors Act, i.e. past, present, or future navigability. Difficulties arose, however, by virtue of section 502 of the Act which simply defined the term "navigable waters" to mean the "waters of the United States". Finally, in *Natural Resources Defense Council* v. *Callaway*, 7 ERC 1784, decided in early 1975 by the U.S. District Court for the District of Columbia, it was held that this definition meant to encompass something more than the traditional definition of "navigability" and ordered the Army Corps to issue regulations which recognized this. In *July of 1975*, the Corps published its final proposed regulations, greatly extending the purview of its jurisdiction under the Federal Water Pollution Control Act, to be phased in over a two year period. Phase I, immediately effective, extended permit procedures to include wetlands adjacent to traditionally regulated navigable waters; Phase II, effective July 1, 1976, initiated regulation over primary tributaries of navigable waters, natural lakes greater than five acres in surface area and their adjacent wetlands; and Phase III, effective July 1, 1977, initiated regulation of other waters, generally up to the headwaters, where streams flow less than five cubic feet per second. As a result, substantial numbers of dredge and fill activities, never before subject to Corps permits, were now subject to them, whether or not they had a significantly adverse impact on waterways, and regardless of whether or not the waterway was navigable or in interstate commerce.

I have introduced legislation on several fronts which, I believe, will remedy the chaos caused by growing Federal regulation of the natural resources of the States. H.R. 11943 would amend the Federal Water Pollution Control Act and re-define "navigable waters" as it applies to Corps permit authority to include "all waters which are presently used, or are susceptible to use in their natural condition or by reasonable improvement as a means to transport interstate commerce shoreward to their ordinary high water mark, including all waters which are subject to the ebb and flow of the tide shoreward to their mean high water mark. . . "

Not only would this legislation nullify the Callaway decision, and limit the Corps permit authority to genuinely navigable waters, it would also prevent the absurdity of the George Lake case where the Corps had to go back more than two centuries to discern traces of past navigability. Most normal agricultural operations would then also be free from Corps regulation, with States being free to enact their own regulatory mechanisms, if they so choose. I intend also to establish a legislative record on this, or a similar bill, which makes it clear that it is not the Act's intent simply to shift regulatory jurisdiction from the Corps to EPA under their point source discharge permit program, but that it is intended to completely clear Washington out of these activities.

H.R. 12422, which I have introduced with Rep. Frenzel, would enable the Corps to delegate their permit authority under the same Act, to any State, much in the manner that the Environmental Protection Agency is allowed to. It would also allow them to delegate their responsibilities under the Rivers and Harbors Act, section 10 (wharves, piers, breakwaters, etc.), to the States. The State permit program must be effectively designed to preserve the integrity of waterways. With respect to both Acts, the delegation of authority is applicable only to "navigable" waters (using the 1975 regulations) which lie wholly within a State, and for which there is no regular or substantial waterborne interstate transportation of commercial goods.

Finally, H.R. 12420 represents the most limited and specific solution to the Lake Minnetonka situation. It would simply state that Lake Minnetonka is not a navigable water body within the definition of any Federal law. H.R. 12420, also introduced along with Rep. Frenzel, is not the most desirable solution to a problem affecting thousands of bodies of water across the nation, but it is a stopgap approach to eliminating overlapping and intrusive Federal regulation of a body of water only questionably "navigable" by any reasonable definition of that term. I would refer you to the excellent study on this subject by the Minnehaha Creek Watershed District.

The problem in Lake Minnetonka, as elsewhere in the country, is not the wisdom of specific Army Corps regulations. The modified regulations issued last week are clearly an improvement over the initial ones, but the root problem remains. And that is the propriety of the Federal government, through the Corps, deciding in the first place what is good for Lake Minnetonka. Our form of government is both a limited, and a Federal one. The functions of the Federal government are limited and sharply defined, and its functions are shared with other levels of government; it cannot run roughshod over the decisions of the States. I am amused when I hear the argument that Federal regulations of intrastate waters is made necessary because the States have failed in their responsibilities to regulate them properly.

This, of course, assumes that the decision-making priorities of Washington are incontrovertible and that the States are acting "properly" only when they abide by these same priorities. It fails to recognize that the absence of regulation or State actifity may be every bit as much a conscious decision as is the affirmative act of regulation. It is also worth noting that there are at least fifteen existing programs, all on the Federal level, which are designed to deal with the worst abuses of our nation's wetlands.

Legislation is desperately needed to eliminate the need for citizens to have to clear with the Federal government their decisions to plow their own fields, divert streams on their own lands, or fill irrigation ditches on their property. It is desperately needed to correct the anomalous situation by which certain operations, e.g. dock construction, are regulated by one law (applicable only to "navigable waters"), while other operations, e.g. dredging and filling, are regulated by another law (applicable presently to "waters of the United States"), despite the fact that both operations may be involved in many resource improvement activities. State laws and regulations may frequently compound the situation still further. Finally, legislation is desperately needed in order to save our nation from misguided pollution control programs that threaten to cost the Federal government up to $150 million, necessitating as many as 7,000 additional Federal employees, and costing private individuals applying for permits, as much as $2 billion. In short, initiating controls on the social engineers in Washington who all know best how to employ our country's natural resources, is as good a place as any to start reforming the regulatory structure of this country.

Thank you very much for the opportunity to testify before your hearings. I wish to extend my thanks to you for holding these very important hearings.

ATTACHMENT

Alternative Laws and Programs Already Designed to Protect Wetlands—

(1) The Water Bank Act.

(2) The Rural Development Act.

(3) The Coastal Zone Management Act.

(4) The Marine Protection Research & Sanctuaries Act.

(5) The Appalachian Regional Development Act.

(6) Watershed Protection & Flood Prevention Act.

(7) The Land & Water Conservation Fund Act.

(8) The Federal Aid in Fish Restoration Act.

(9) The Federal Aid in Wildlife Restoration Act.

(10) The Migratory Bird Conservative Act.

(11) The Fish & Wildlife Coordination Act.

(12) Forestry Cooperative Programs.

(13) Great Plains Conservation Program.

(14) Soil and Water Program.

(15) The Wetlands Acquisition Act.

KENTUCKY IN THE REVOLUTION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. MAZZOLI. Mr. Speaker, the American Revolution can be viewed from two perspectives: the courage of a new nation to break the bondage of the past and the determination of each of the 13 original States to support the national cause of freedom, liberty, and equality.

Regardless of the fact that Kentucky entered the Union as the 15th State in 1792, some 16 years after the Declaration of Independence, its early settlers were a conspicuous—and zealous—force in the revolutionary struggle.

An emminent Kentucky historian, Frank Rankin, delivered the following remarks to a Bicentennial symposium on "Kentucky in the Revolution."

I would like to share with my colleagues this vivid account of Kentucky—the "Happy Hunting Ground" as the Indians called it—and the hope it embodied for the American colonists in search of a more perfect union.

The article follows:

KENTUCKY IN THE REVOLUTION

I would like to dedicate this afternoon's reflections to the memory of "The George Washington of the West"—General George Rogers Clarke, the conqueror of the northwest. This afternoon, we are here to contemplate the happenings in Kentucky during the American Revolution and their relation to the struggle that was being waged on the other side of the mountains, on the high seas, and the diplomatic capitols of Europe. I say to you, but for the leadership, the imagination and daring of this 25 year old Clarke, there would be no observance here today and there might not be any Bicentennial to commemorate. These things we would do well to reflect on, in these discussions of today.

During the past three of four years, it has been most interesting to note, in my travels along the Eastern Seaboard, the proprietary interest of those good people as they smugly regard the Bicentennial as their own "tea party" and regard the happenings in their own theatre as "the whole show." The war in their backyard, they pass idly by. I believe that the conversation and comments of today's forum will show that the American Revolution, rightly began out here in 1763 when as the result of the Treaty of Paris, England acquired so much territory that it resulted in governmental problems. George III issued his royal proclamation, restraining his "dutiful" subjects from encroaching upon this newly acquired territory lying immediately west of the Appalachian watershed. This land, the English Sovereign benevolently wished to reserve for his recently acquired Indian subjects—and most importantly the royal fur trade. Naturally, the prospective settlers, eyeing the land of promise that lay beyond the mountains were upset. By a 1763 yardstick, the seaboard was already crowded and some of the land already worn out. The colonists were by nature adventurous souls, or they never would have come to these shores in the first place.

The Indians were already restless and resentful. All they had to do, was to view what had happened on the Atlantic Seaboard and they could know what would soon happen to that paradise of hunting lands on this side of the mountains. More deadly than the long rifle was the plow and the husbandman. Kentucky was a particular "a special kind of a place"—a vast great hunting ground-it was a place were the Indians did not live-it was there they hunted, and-the Cherokees, Iroquois, and Shawneed wanted it left undisturbed.

All kinds of problems now surfaced, especially with the temptation of land speculation rearing its ugly head. Foremost in the land grabbing schemes were the astute Benjamin Franklin and Sir William Johnston. The Commonwealth of Virginia also looked well to the West eyeing the tempting world behind the Appalachian range. The stage was now set for the trek over the mountains, through the pass and the other route that went down the river. In 1770 George Washington set the land rush in motion on the Big Sandy: here the first claim stake that was driven bore his initials.

The resulting years brought increasing Indian trouble. The venturesome pioneers poured over the mountains and down the rivers. First the scouts, then the surveyors and then the settler to vex the already troubled Indians. Thomas Walker, Daniel and Squire Boone, Christopher Gist. The McAffee brothers, Thomas Bullitt, John Todd, Benjamin Logan, George Croghan, James Harrod, Simon Kenton, John Findley and the celebrated Long Hunters penetrated the Wilderness in these most exciting times. The Indians, in despair saw their hunting ground despoiled, the salt licks desecrated and the abundance of game disturbed. They raised their tomahawks and scalping knives in desperation. The land dripped with blood. Chief Dragging-Canoe, as he witnessed Richard Henderson's land purchase in 1775 propheticaly warned as his words rang out—"you have bought a fair land, but there is a cloud hanging over it. You will find its settlement dark and bloody." The smoldering ruins of burned cabins and mangled bodies bore mute evidence of the Indian answer to the settling of the land. The blood that was spilled on the snow covered streets of Boston came much later than that of this blood letting the Indians loosed in their prelude to the War on the Atlantic Coast in 1775 and 1776.

When General George Washington took command of the American army on July 3, 1775, the British made their strategic move to counter it, with a made to order war in the West. Washington had many sturdy frontiersmen in the army he had assembled in Massachusetts. The British, by unleashing a hord of savages in the West, burning, scalping and killing, envisioned a reign of terror that would strike fear into the hearts of the frontier recruits when they realized that their families and hearthsides were the target. Then there would be wholesale desertions and Washington's army would fold. This war in the West was *not* to be a gentleman's war.

Lieutenant General Sir Henry Hamilton had already acquired the infamous designation as the "hair buyer" and from his headquarters in Detroit masterminded the plot. Facing him from Kentucky was destings angel, George Rogers Clarke, who assumed the leadership of the settlers. Clarke was well qualified to lead. In late 1776, representing Kentuckians, he made the trip from Harrodsburg, where he was chosen, to the Virginians Assembly at Williamsburg to enlist aid. Here he not only secured 500 pounds of powder on his own terms, but was instrumental in breaking up Richard Henderson's land machinations. Clarke's bold forthright statement, "If a country war is not worth protecting, it wasn't worth claiming." was the clinching argument that won him the powder. Clarke had had good support from Governor Patrick Henry, Thomas Jefferson and George Wythe, who were much taken with his fine soldierly presence. But Clarke had almost as much trouble getting the powder out, as he had in getting it—but it finally did reach its destination, not before it was needed.

It was at Harrodsburg, that Clarke "dreamed dreams and saw visions" of the Conquest of the Northwest. The powder that he brought back was not, in itself, enough to protect the settlements—aggressive positive action had to be taken quickly. Hamilton, from his Detroit stronghold, had begun to enlist the Shawnee, Wyandott and other tribes to scourge the settlers, all the way from Fort Patt to the Falls of the Ohio. The inhabitants of the wilderness were fleeing into the stockades and heading for Cumberland Gap to get out.

Facing the threat of Hamilton's nefarious schemes. Clarke would have to counter with a strike at Kaskaskia, Cahohia and Vincennes before Hamilton and his infamous legions could come down to strike Kentucky. Time was the essence, for the power strike was Hamilton's.

This daring and audacious plan born in the first permanent settlement of the West at Harrodsburg, was carried out of Kentucky over the famous Wilderness Road. This was Clarke's second trip to Williamsburg and there the problem was laid before Governor Patrick Henry. As the result in secret orders, Clarke was authorized to proceed. He was advanced 1200 pounds of depreciated currency, was appointed a Lieutenant Colonel, and was authorized to raise seven companies of militia, each to contain 50 men. The open letter he displayed was authorization to go to the relief of Kentucky. The secret and private instructions were to capture Kaskaskia.

Thus the plan of the Northwest Conquest was born. How it was effectuated is history. This is the reason we are here today to talk about this phase of the Revolution. If it had not succeeded, the West would have been laid waste in ashes and blood. Without the protection of Clarke's Northwest Campaign, the thirteen Colonies' back door would have collapsed and the dream of Independence would have vanished into thin air. The forces of destiny then rendezvoused at the Falls of the Ohio. Despite the disappointments of unfilled promises, desertions and cowardice, the undaunted Clarke went forward to one of the most amazing victories of our infant Nation. On June 25th, the little army, of 175 men, if that can be called an army, pushed off from the 7 acre Corn Island, opposite what was to become Louisville. They moved up stream about a mile and a half to get in position, and then went over the rapids. To add to the drama, this thrilling act was staged in a total eclipse of the sun.

Kaskaskia and Cahokia fell like ripe plums into the hands of Clarke and his magnificent followers, but it only accomplished by audacious daring and the enduring fortitude that characterized the expedition. Then Vincennes fell into their hands as the result of splendid frontier diplomacy.

Success had smiled broadly on this valiant band.

Hamilton, from his Detroit fortress, was soon on his way to retake Vincennes and put down this threat to the British domination of the West. It wasn't an easy journey for Hamilton in a cruel Mid-West winter, but the town's fickle French surrendered to Hamilton as easy as they capitulated to the Americans. Strangely with Vincennes in his possession, Hamilton, suddenly submitted to procrastination. If he had then moved on Clarke at Kaskaskia, he certainly would have annihilated him. However, he dawled away, waiting for spring time, and opportunity passed him by.

Not so, with the "Washington of the West," who was grimly waiting at Kaskaskia. With the verve and daring that characterized this brilliant commander, he set out to recapture Vincennes—with the victory that would put the seal on the Conquest of the Northwest for the American Patriots.

How that little band surmounted the icy waters of the cruel winter on that brilliant

March is a tale of heroism supreme. The surprise was complete—Clarke and the "American rabble" outsmarted the complacent Hamilton with his British and Indian allies. The surrender was accomplished. "Hair buying" Hamilton and twenty-four of his men were marched away in shackles down through Kentucky on their way to Williamsburg, the colonial Virginia capitol. Ironically, they passed through Harrodsburg, on the Wilderness Road, where Clarke had dreamed his dream of conquest.

It is unfortunate that in the years ahead, the capture of Detroit which could have been the capstone of the Clarke plan never turned out to be practical. It was an elusive dream, that was not pragmatic. Men, money (which had dwindled to nothing) and preoccupation with the defense of their own heartstones doomed this expedition.

The accomplishments of Clarke's Northwest Conquest can be described as "a giant forward step" in the Revolutionary War and the one that saved Kentucky and the West, but we must not oversimplify it. The heroic defenses of Boonesboro, Bryant Station, Logans Station and the other settlements is a story in itself. The years ahead, until the last battle of the Revolution was fought at Blue Licks, are illuminated with the fires of burning cabins and settlements, the blood curdling war whoops, the anguished cries of settlers as they gave up their lives in the struggle for a land they cherished so desperately.

OKMULGEE, OKLA., BICENTENNIAL SEAL

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. RISENHOOVER. Mr. Speaker, one of the great and obvious trends today is that the people of America are demanding that controls over their lives and their Government be returned to the people.

When a new direction is decided, it will come from the countryside, the small towns and cities in the form of stronger local self-government. The flow of power is away from Washington—and I believe that was the intention of our Founding Fathers 200 years ago.

Even in our Bicentennial, some of the greatest innovation has sprung from individuals working within their own communities. An example is Okmulgee, Okla., and work on that city's Bicentennial seal.

I ask unanimous consent that a column written by Jim Haney of the Okmulgee County News, be printed in the RECORD telling about a seal designed by Joe Foster and Jo Newnam of the Okmulgee Daily Times. These are competitive newspapers—but in unison for our Bicentennial as the column demonstrates:

PUBLISHER'S CORNER

(By J. R. Haney)

Well it's official now. The Okmulgee Bicentennial Seal was and is the first city seal to be established for the Bicentennial in the United States. The seal was created by Joe Foster and Jo Newnam of the Daily Times. The seal was later proclaimed by the City of Okmulgee on June 14, 1975 as the Official City of Okmulgee Bicentennial Seal.

The Okmulgee, Oklahoma, Official Bicentennial City Seal was conceived and designed in the month of May, 1975. The initial purpose of designing such an emblem was brought about by the need of a symbol in keeping with the national celebration of 200 years of American Freedom, the American Revolution Bicentennial 1776–1976, and yet, at the same time set uniquely apart from the rest of the nation.

The seal was designed by Jo Newnam and Joe A. Foster, both of the Okmulgee Daily Times, combining their thoughts and efforts to produce an emblem that would truly portray the city of Okmulgee in it's historical relationship to the United States and the American Revolution Bicentennial Celebration.

Okmulgee qualified as a Bicentennial City in 1973. It was May 5, 1974, when the official designation was made. The ceremonial raising of the Bicentennial Flag, displaying the American Bicentennial Emblem, took place May 8, 1974.

Okmulgee was the sixth city in Oklahoma to qualify as a Bicentennial City. We were presented the 15th official Bicentennial Flag and was the First City in the United States to qualify without the aid of federal or state funds. These facts inspired the pride that brought about the creation of the Official Bicentennial Seal for the City of Okmulgee.

The seal appropriately represents the citizens and historical heritage of Okmulgee. In the center stands the Creek Council House as it must have appeared in 1878. In 1867 Okmulgee was selected as the site of the Creek Capitol and a two story log structure Council House was built to house the governmental offices of the Creek Nation. Around the Council House, the city of Okmulgee grew. In 1878, a permanent Council House, made of native stone, replaced the original. It stands today, the only Creek Council House in the nation and designated by the Congress of the United States as a National Landmark . . . no other single object could better represent Okmulgee.

The Creek Nation, a proud people from which Okmulgee grew, is represented by the Plow and Sheaf of Wheat extracted from their flag and signifying to all the world that they are agriculturists; and not a nation of nomadic wanderers. History books tell us that the Creeks, in 1828–36, being agriculturists symbolized their seal with a sheaf of wheat signifying their Christian influence of the biblical story of Joseph's dream of "binding the sheaves in the fields". . . also, the Plow in front of the wheat is a prophecy, "Behold, the day comes, saith the Lord, that the plowman shall overtake the reaper. . ." The importance of the Creek Nation in Oklahoma history is signified in the Oklahoma State Seal in the lower right hand ray of the five pointed star. The sheaf of wheat and plow of the Creek Nation can be seen.

Caressed in the flag of the United States, this seal represents Okmulgee's citizenry in it's entirety, past and present, as a vital part of this great nation . . . and always looking to an unlimited future.

On the 26th day of June, 1975, Governor David L. Boren signed the proclamation declaring this emblem to be the official Bicentennial Seal of the City of Okmulgee.

July 19, 1975, Claude A. Cox, Principal Chief of the Creek Nation (the first elected Chief since Oklahoma statehood) issued a proclamation declaring the official Bicentennial Seal of the City of Okmulgee also as the official Bicentennial Seal of the Creek Nation. In reference to the Bicentennial seal including the Plow and Sheaf of Wheat extracted from the Great Seal of the Creek Nation and the Creek Council House as it's centerpiece, Chief Cox proclaimed, "The Creek Nation Heritage dates back to the early 1700's in Georgia and their removal to Oklahoma in the 1800's ("Trail of Tears"). This heritage compliments the total history of the State of Oklahoma and the United States."

911—HOT LINE FOR EMERGENCIES

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. ROUSH. Mr. Speaker, I am today adding several more States to the list of those having the "911" as the single emergency number in some of their communities.

The additions follow:

Systems location	Date		Population served (thousands)
	In service	Scheduled	
AMERICAN TELEPHONE & TELEGRAPH			
Iowa:			
Ames	October 1974		42.0
Burlington	October 1970		35.0
Clinton	February 1972		37.0
Iowa City	November 1974		55.0
Waverly		July 1975	8.0
West Virginia:			
Beckley	December 1973		45.0
Richwood	May 1972		4.1
Summersville	January 1970		4.0
Weirton	October 1974		25.0
Wisconsin:			
Eau Claire	September 1971		60.0
Lady Smith (Rusk County)		June 1975	5.0
New London	September 1972		6.0
Whitewater	May 1971		50.0
Virginia: Nelson County	March 1970		10.0
INDEPENDENT TELEPHONE COMPANIES			
Virginia:			
Manassas	1968		150.0
Nokesville	1968		
Triangle	1968		
Quantico	1968		
Dale City	1968		
Woodbridge	1968		
Independence Hill	1968		
Occoquan	1968		
New Market	August 1972		2.8
Mount Jackson	do		3.3
Basye	do		1.3
Edinburg	do		3.8
Woodstock	do		6.3
Toms Brook	do		1.9
Strasburg	do		5.1

MULTIPLE USE OF OUR PUBLIC FORESTS—THE 20-YEAR WAR

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. BROWN of California. Mr. Speaker, yesterday I brought up the point, before this distinguished body, that in the last 20 years little progress has been made in enforcing guidelines of multiple use in our national forests. I inserted a statement made in 1960 by Mr. McArdle, then Chief of the Forest Service, which underscored the similarities between our debate today and the one back in 1960.

To further emphasize my point, I insert in the RECORD a statement made by Russell W. Peterson, Chairman of the President's Council on Environmental Quality, in October of 1975 before the American Forestry Association. His remarks carefully outline the pressures by the forest industry to move away from the policy of multiple-use management of our national forests, and the many reasons why we must act now to insure the future protection of the beautiful, ecological diversity of our public forests.

The article follows:

MANAGEMENT OR GAMBLE

THE NEED FOR CAUTION ON PUBLIC FORESTS

It is routine courtesy for every speaker to express his pleasure at being invited to address an audience. Your invitation, however, brought me more than routine pleasure, inasmuch as this year is such an important one in the history of the American Forestry Association. Yours is, I believe, the oldest National conservation organization in the United States—a forerunner, in a sense, to the public concerns that led to the creation of the Council on Environmental Quality. Hence, I am honored at being permitted to share this 100th birthday celebration with you.

'Way back in 450 B.C., Artaxerxes I, King of Persia, tried to restrict cutting of the legendary cedars of Lebanon. My modest research does not indicate whether Artaxerxes succeeded in this endeavor, but at least it proves that governmental regulation of the forest industry has a long history.

It has also, I was surprised to learn, a somewhat violent one. In 1772, the residents of Weare, New Hampshire, rioted when an officer of the King attempted to confiscate 270 pine logs reserved to provide masts for his Majesty's ships; on that occasion, two armed regiments had to be dispatched to enforce the law. By 1853, we had managed to change our government—but not our intense feelings about forests. In that year, an official from the Land Office in Washington barely escaped lynching when he tried to repossess some timber that had been cut from government-owned land around Manistee, Michigan. The government's answer, again, was force: armed sailors from the *USS Michigan* had to be landed to restore order. And earlier this year, following a state court ruling that restricted the cutting of redwood trees, Governor Brown of California was decapitated in effigy.

Decapitation in effigy is, to be sure, a vast improvement over an actual lynching. Nevertheless, as a government official preparing to talk about a resource that has stimulated so much controversy in the past, I must confess to a certain tingling sensation around my neck—particularly when it is clear that we are building to more confrontation about timber in the near future.

Between 1942 and 1972, the U.S. demand for wood and wood products increased by 65 percent. According to the U.S. Forest Service, that demand will double again by the year 2000. At present, annual growth of timber in the U.S. exceeds cutting—but that surplus condition won't last long. Within two decades or so, projected demand for forest products will outrun annual harvest, both on privately owned timber land and on the publicly owned lands managed by the Forest Service.

That day of reckoning is being hastened by the rapid cutting of old-growth timber on privately owned lands in the West. This makes short-term economic sense from a corporate standpoint, no doubt; stockholders in a private lumber corporation might support this rapid cutting.

But as a stockholder in a public lumber trust—the 92 million acres of our National Forests—the rapid harvest of old-growth trees on private lands gives me considerable anxiety. Inevitably, industry will reach the point when their old-growth stands have been completely cut, and the new stands have yet to achieve maturity. Lumber productivity will fall off sharply, there will be a mounting gap between supply and demand, and industry will have to come after our lands—the forests that you and I and 213 million other American own in joint partnership. Heavy pressure will be placed on Congress and the Administration to increase the allowable cut on Forest Service lands.

Indeed, there are already signs of this mounting pressure. As you know, the Panel on Timber and the Environment recommended, in its 1973 report to the President, that average cutting on four western forests be boosted 39 percent. Industry sources also urge—as reflected in the "Green Paper" advertisements currently being sponsored by the American Forest Institute—that productivity on Federal lands be increased through intensive, high-yield forestry.

On their face, these proposals seem quite plausible. The Forest Service admits that the land under its management produces 50 percent less wood fiber per acre than industry-owned lands. Timber is a commercially valuable natural resource, and in a time of economic slump, it would seem desirable to boost productivity in every way we can. It's relatively easy to place a monetary value on wood and wood products, to total employment figures for the industry, and to point out, in short, the enormous economic value that forestry contributes to the nation. On the other hand, it's extremely difficult to place a dollar-figure on such other forest values as recreation, protection of wildlife habitat, and aesthetics.

Thus, the private timber industry will have several powerful arguments to present to Congress, the Administration, and the public when it urges an increase in allowable cut. Those who support the conservative harvest policies now followed by the Forest Service will undoubtedly be criticized as Utopian visionaries; increasing productivity and harvest on the Forest lands, by contrast, will be seen as the hard-headed, no-nonsense, practical thing to do.

My remarks today will tend toward the Utopian, visionary point of view. What I want to argue, however, is that a conservative attitude toward our use of the public forests is the hard-headed, no-nonsense, practical course to take.

Let me begin by pointing out that there are excellent reasons for the comparatively low productivity of Forest Service lands. The industry owns more productive lands, their stands are younger and more vigorous, and the intensive forestry practices used by industry produce wood faster. These practices include growing stands of trees all of the same age; artificial planting—generally of one species, thus establishing a monoculture; control of competing vegetation by fire, chemical, and other means; use of chemicals such as pesticides and fertilizers; the breeding of new genetic strains of "super" trees; and proper thinning as the stand matures.

The Forest Service also employs these practices, but generally to a lesser extent. The principal reason is that timber production is only one of the uses mandated for the publih forests by law. In 1970, the Public Land Law Review Commission tried to alter their concept of "multiple-use" by recommending that some public lands should be "classified for timber production as the dominant use." Environmentalists protested this recommendation, and the Forest Service has never adopted it.

Yet the conservative, multiple-use policies of the Forest Service could be changed by law. It would be well, therefore, to consider the possible impact that a switch to intensive, high-yield management might have on our public forests.

You know what the common objections to high-yield forestry are. First among them is its tendency to favor monoculture: to promote extensive stands of single species of trees, of the same age. A basic principle of ecology is that diverse ecosystems are much more resistant to attack than ecosystems in which genetic variety has been cut to a minimum. Sometimes nature itself develops nearly pure stands of single tree species without man's intervention—especially after fires; no matter how the monoculture is created, however, its susceptibility to disaster is heightened.

Modern agriculture depends on monoculture: our farmers grow fields of wheat *or* of corn *or* of sugar-beets, rather than simply tolerating whatever smorgasbord of crops nature sees fit to provide. But farmers learned that some hybrid strains, bred to provide man with the greatest amount of food, have gained that productivity at the expense of some self-protection. In 1970, 15 percent of the corn crop was lost when a high-yielding variety widely adopted in the southern states, proved unusually susceptible to leaf blight. The high-yielding varieties of Green Revolution wheat, remarkable as they are, have a high potential for widespread loss, owing to their genetic uniformity.

Silviculture, I realize, is not strictly analogous to the annual culture that characterizes most food-farming, and I do not mean to push a false parallel. The point I wish to make, rather, is this: an agriculture as varied and productive as that of the United States can weather a single year's crop failure. Agronomists can diagnose the difficulty fast, and—usually—supply a quick remedy. And consumers can eat cheap potatoes for a season instead of high-priced bread. But if foresters make a mistake with their crop, even the swiftest diagnosis may not repair the damage. If blight or a pest or a defect shows up when a stand of trees is 20 years old, we will be paying for that error for 20 years.

There are some suggestions that high-yield forestry is flirting with that kind of long-term, hard-to-reverse, error. Maximizing growth of the Douglas fir in a single forest, for example, requires suppression of the alder. Yet the alder fixes nitrogen, creating fertilizer with the aid of the sun, and passes it through the soil to the Douglas fir, which cannot nourish itself in this fashion. In addition, the alder—it is widely believed—suppresses root-rot, to which the Douglas fir is particularly susceptible when it is 20 or 25 years old. Indications are, in sum, that the alder and the Douglas fir are not entirely competitors, but partners.

Intensive, high-yield forestry need not, I realize, eliminate all other uses of forests. Progressive timber companies manage their own lands for multiple use, proving that high timber productivity is not necessarily incompatible with protection of watersheds and wildlife habitat, grazing, and recreational use. Nevertheless, multiple-use of any finite land system ultimately involves tradeoffs; at some point, an increase in timber harvest must be purchased at the expense of one or more other values. And some practices necessary to accelerated management will compel tradeoffs that we may not anticipate.

For example, mature or dead trees, and logs, are essential for some forms of forest wildlife. Fully 40 percent of forest bird species nest in cavities in dead trees and logs. Snags in national forests in California are used by 30 species of birds, 20 species of mammals, and thousands of other organisms, many of which are primary food for higher forms of wildlife. If timber production were to dictate the removal of dead teres and snags on a large scale, species of birds and other forms of wildlife that require mature forests might be reduced to relic populations.

In addition, accelerated management frequently calls for the extensive use of herbicides, to control competing plants and thus stimulate the growth of young trees. But the use of herbicides also short-cuts the successional stages of a forest—the series of modifications that occurs naturally after forest-land has been cleared. Each stage in this natural succession is accompanied by changes in soil condition, by a different set of plants, and by different species of wildlife that feed on the plants. Probably 80 percent of wildlife in eastern and western forests—including deer—are successional; they cannot exist in dense forests whose floors have been swept clean of understory by chemicals.

These are some of the impacts that we can anticipate from intensive, high-yield forestry. But if there is a single lesson from ecology that every citizen of the modern world should learn, it is that not all impacts *can* be anticipated. The earth has its own decision-making process—its own stubborn, sometimes mysterious and often nasty way of responding to man's hopeful interventions. History gives us a right to take pride in the astounding ability of the human species to manipulate our environment for our own benefit. But ecology warns us to maintain a certain caution about the limits of human expertise, and the brevity of man's experience on this planet. When we talk about intensive, high-yield forestry, we are talking about a quite novel, still experimental intervention in an ecosystem that has been evolving for millions of years. Despite the achievement that high-yield forestry represents, it is well to exercise caution before extending it to the public lands—for we have paid again and again a price for the misplaced certitude of experts.

Experts in civil engineering built the Aswan Dam; they knew about concrete and irrigation and the number of kilowatts that could be generated by a turbine-blade with a certain pressure from the Nile River behind it. But they didn't know about the water hyacinth and the aquatic snail and the blood-fluke, or what happens when an annual, turbulent flood is suddenly tamed to a quiet, smooth-flowing river. In consequence, millions of Egyptian farmers are infected with a debilitating disease called schistosomiasis. Experts built the St. Lawrence Seaway, which permitted ocean traffic to enter the Great Lakes from Atlantic ports; they knew about the costs of transportation, the expense of shifting a cargo from a ship to a train to a truck, the problems of designing canal locks that would permit an ocean-going vessel to enter the Lakes. But they didn't know about the sea lamprey, which can swim better than any freighter, and which entered the Lakes along with the ships, destroying a fishing industry. Experts in chemistry developed phosphate detergents that enabled American women to wash washes whiter than white—but they didn't think about the capacity of municipal sewage systems to break down these new bubbles, and so, for a while, our waters were frothing at the mouth with an indigestible threat to our health.

Each of these examples reminds humans that our earth has its own response to our ingenuities, and that the best-laid plans of our experts have oft gone astray. I think the work that has been done in the development of high-yield forestry is admirable—but I also believe that we have not yet had sufficiently extensive experience with it to adequately appraise all the risks it entails. Prudent risk is the name of the game in free enterprise, and industry is entitled to take those risks on its own lands. But the public lands are a public trust, and we are not entitled to gamble them on a promising but unproven technology.

Does that mean nothing should be done to ease the projected shortage of wood?

No. I think several steps can be taken. The Forest Service itself recognizes that it can improve timber-management on its own lands, without going to monocultures or adopting timber production as the dominant use. In response to the Forest and Rangeland Renewable Resources Planning Act of 1974, the Forest Service has published a draft of alternate plans for the use and development of these resources out to the year 2020; this program should provide the best basis we have ever had for sound, public forest management. In addition, the Forest Service has begun testing a more liberal cutting policy on the Gifford Pinchot National Forest in Washington State. The crucial element in this decision was a long-term commitment of funds necessary to guarantee an accelerated program of reproduction and intensive timber culture. If this test proves successful, other national forests in the Pacific Northwest are likely to follow suit.

Better resource-use is another possibility, and the Forest Service is working on that. For example, its research arm—in cooperation with HUD and the American Plywood Association—has developed a new construction material made of the ground-up particles from the inner part of a log; this process has the potential of doubling the usable wood products derived from a tree. Another Forest Service project, the Sawmill Improvement Program, has documented increases in production of 11 percent through improved sawing and milling techniques.

Finally, we should find out about those legendary four million citizens whose woodlots compose 59 percent of our forested land but account for only 30 percent of the wood fiber. How many of their lots are large enough to merit commercial management? How many of those owners are interested in commercial production? We simply do not know enough about these four million to make sensible proposals regarding timber production on their land—but that land is undoubtedly the sleeping giant of the timber industry. One private firm, of which I am aware, has initiated a program to help interested private owners make their holdings more productive. In return for its help, the company obtains the right to buy the timber at competitive prices.

Hence there are many ways of increasing timber production without increasing the allowable cut on public lands, or risking them on a high-yield management that concentrates on only one forest resource. We should not allow a projected wood shortage to panic us into reversing conservative policies on the forests that belong to all of us.

The Centennial of the American Forestry Association is in itself a reminder of the long public interest in forests, and an occasion for remembering how difficult it was for us to rescue some part of our national forest inheritance in the days when industry had no interest in replanting the lands it had cleared. But your centennial is also an opportunity to look forward. A century from now, your successors will look back and render a judgment on the quality of the stewardship your policies reflect.

You look back with pride at the work of your own predecessors, who did so much to protect our forests in days when even the Government was wasteful with them. I hope, in the coming conflict over supply and demand, you will continue to support a policy of long-term conservation, and reject the counsels of short-term convenience. We can and should learn to manage our public lands for greater productivity—but we should not squander them, and we have no right to gamble them, for they are a trust we owe to the future.

DAY OF HOLOCAUST—DAY OF INFAMY—DAY OF AGONY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. GILMAN. Mr. Speaker, the wars are over, the battles done. World War II, Korea, and Vietnam are now history. The world witnessed an abnormal amount of suffering and death in those war years. While those conflicts have now taken their place in the recorded chronicle of mankind, we can never, and must never, forget the barbarism of Nazism in World War II. It is important for the world to recall that one man's hostility can engulf an entire nation—an entire continent—that one man's bigotry can generate a tide of hatred that spelled death for millions of people.

April 27 marked the 33d anniversary of the Holocaust, it commemorates the last day of the Warsaw Ghetto uprising in 1943, the day which marked the end for the 35,000 heroic Jews who were hemmed in the Warsaw Ghetto and who were fighting an impossible war against the vast multitude of the Nazi Army.

April 27, Holocaust Day, is the day set aside by freedom-loving people throughout the world to commemorate the senseless slaughter and extermination of the 6 million Jews who were the victims of insanity, hate, and militarism. It is a time for remembering that it happened while millions watched in silence. It is a time to remember that it could readily happen again.

As we reflect and question why it is distressing to recognize that many nations have not come very far from that somber past.

Take, for instance, the infamous vote a few months ago in the United Nations in which the concept of Zionism was labeled, by a majority of the member nations, as being synonymous with racism. Such distorted reasoning emanating from a reputable international parliamentary body, gives ample reason for believing that a Holocaust could very readily happen again.

As former U.N. Ambassador Daniel Moynihan said, in debating the Zionism resolution:

> The abomination of anti-Semitism has been given the appearance of international sanction. The General Assembly today grants

symbolic amnesty, and more, to the murderers of the six million European Jews.

Henry Owen in the Tuesday, April 27 edition of the Washington Post, stated:

> April 27, which was the last day of the Warsaw uprising, is set aside, in varying degree in different countries, to commemorate six million men, women and children who died in the Holocaust. Survivors tell us that these victims' wish was, above all, to be remembered. We should remember them, not only in love and pity, but also in thinking on the moral meaning of these events.

Mr. Owen goes on to say that it was not entirely the fault of the Nazis, although the major share of blame can be lodged against that party:

> It (the Holocaust) was mainly the Nazis' fault, but we miss the central point if we think of it as being solely their responsibility. The Holocaust has more to tell us than that. . . . It was the work not only of the instigators, but of an entire generation which, when faced with evil, for the most part did nothing. . . .

The survivors of the Holocaust have set forth an important message—a message that emanates from the blood and tears of the Warsaw Ghetto:

> As this great American nation approaches its 200th anniversary, we, the survivors of the Holocaust, sense that history can repeat itself if the people do not remain ever vigilant in the defense of freedom and human dignity, wherever it stands endangered.
>
> We therefore reaffirm our commitment to this nation's founding principles of "Life, liberty, and the pursuit of happiness" and ask all humanity to follow these principles so that the tragedies we have witnessed might never happen again.

I am proud that our great Nation is not one of these silent observers, but has consistently fought bigotry in the past and is fighting it now in responding to this latest attack in the United Nations on Israel and on World Jewry. While some members of the world community have not yet learned the lesson of the Holocaust—some, thank God, will never forget.

911—HOT LINE FOR EMERGENCIES

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. ROUSH. Mr. Speaker, I am today adding several more States to the list of those having the "911" as the single emergency number in some of their communities:

Systems location	Date		Population served (thousands)
	In service	Scheduled	
AMERICAN TELEPHONE & TELEGRAPH			
Washington:			
Mercer Island	April 1971		19.8
Port Angeles	October 1972		16.5
Puyallup	December 1969		15.0
Renton	May 1971		22.0
Seattle	April 1971		600.0
INDEPENDENT TELEPHONE COMPANIES			
Washington:			
Everett	March 1973		80.0
Edmonds	September 1973		79.0
Lynwood	do		
Mountlake Terrace	do		
Clinton	July 1972		10.0
Freeland	do		
Langley	do		
Westport	September 1971		3.0
Alaska:			
Anchorage	October 1973		138.5
Chugiak		October 1975	3.5
Cordoua		July 1976	2.2
Eagle River		October 1975	7.2
Fairbanks		September 1976	40.0
Haines	October 1974		1.3
Juneau		October 1975	16.0
Ketichan		July 1976	12.5
Kodiak	January 1968		7.0
Sitka	June 1973		7.5
Wyoming:			
Mountainview	1973		2.0
Fort Bridger	1973		
Lyman	1973		
AMERICAN TELEPHONE & TELEGRAPH			
Wyoming:			
Afton	June 1971		3.5
Basin	July 1970		3.5
Cheyenne	July 1974		55.0
Cody	April 1972		6.0
Evanston	April 1970		4.9
Gillette	August 1969		4.5
Glendo	October 1972		2.0
Green River	January 1970		3.5
Greybull	June 1970		2.0
Jackson	do		1.4
Kemmerer	March 1972		3.0
Lovell	December 1974		2.5
Lusk	November 1974		2.0
Meeteetse	October 1973		.1
Moorcroft	December 1974		1.0
Powell	August 1972		5.0
Riverston	February 1970		6.8
Rock Springs	January 1970		10.3
Thermopolis	November 1969		3.9
Wheatland	January 1970		2.3

HARLEM SCHOOL OFFERS INNOVATIVE PROGRAMS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. RANGEL. Mr. Speaker, I would like to bring to the attention of my colleagues the fine work of John and Jamelle Patterson, founders of the Patterson School for Heritage and Learning.

The Patterson School, which opened March 12, is located in the Sugar Hill area of Harlem and is designed to orient black youngsters to their cultural heritage. In addition to providing black students with an excellent opportunity to learn more about Black history, the school also trains the students in traditional educational areas.

The Patterson School represents the culmination of many months of hard work on the part of a number of outstanding citizens in the Harlem community. It is clearly an innovative educational alternative and will hopefully soon become an established learning institution.

For the benefit of my colleagues, I would like to include in the RECORD an article which appeared in the April 17 edition of the New York Times. It fully explains the importance of the school and details the Patterson's worthy contributions to the city of New York. The text of the article follows:

AFTER-SCHOOL SCHOOL FOR BLACK YOUNGSTERS IN SEARCH OF HERITAGE

(By Charlayne Hunter)

"In many ways, it's hard raising a black kid in New York City," said Millie Thunder in explaining why she had enrolled her 6-year-old daughter in the Patterson School for Heritage and Learning, which opened March 11. "They're usually always tokens and that can be devastating."

Fred J. Benjamin, radiologist whose 7-year-old son, Freddie, is also there, agreed.

"In private schools," he said, there are usually only about two or three blacks. And once a kid becomes aware that he's black, he gets confused because his background is pretty much left out in those situations."

Nestled in a quiet corner of Harlem's Sugar Hill, the Patterson School at 144th Street and Convent Avenue is an after-school school that is teaching their heritage to black youngsters, from kindergarten through 12th grade.

In the process, it also seeks to strengthen their skills in such areas as mathematics, language arts and reading.

For several years, John and Jamelle Patterson, parents of two black schoolage children and founders of the school, had not only heard of difficulties in schooling from their predominantly middle-class black friends, but had lived them, as well.

The Pattersons, who had tried both private and public schools for their children, had both had been extremely active in educational circles in the city.

A STARTLING DISCOVERY

It was while struggling with the problem of what to do in their own home, that they decided that something should be done for black youngsters in general.

As a result of informal discussions with teachers and others in both public and private schools, Mrs. Patterson came across what she considered a startling discovery.

"By fourth grade," she recalled the other day, "black youngsters start falling behind and staying behind. And even in private schools, the scores of black youngsters were collectively lower than those of whites."

This ultimately led her to the conclusion last May that there was a correlation between a student's ability to achieve and a positive self-concept.

"That's when we decided to start our own school."

In the next 10 months, there was a flurry of late-night meetings and early-morning reading sessions, curriculum planning, hiring teachers and an extensive search for the right facility.

Through it all, the Patterson's experience in and contacts with the educational community facilitated their effort.

Mr. Patterson, a lawyer, had already established three other institutions—the first black brokerage firm on Wall Street, Patterson & Co.; the Interracial Council for Business Opportunity and the South Bronx Overall Economic Development Corporation, of which he is currently president.

To help make their dream a reality, the Pattersons assembled a board of advisers that included Mr. Patterson's brother, Raymond, an author and lecturer at City College; Dr. Beryl Banfield, president of the Council on Interracial Books for Children; Dr. Gloria Blackwell, Mrs. Patterson's mother, who is chairman of the English department at Clark College in Atlanta; Lerone Bennette, senior editor of Ebony magazine; John Henrik Clarke, historian and professor at Hunter College, and Dr. Francis Roberts, president of the Bank Street College of Education.

"To my knowledge," said Mrs. Patterson, the 29-year-old president and director of the 60-pupil institution, "it's the only school of its kind. There are lots of alternative schools, as well as Hebrew, Chinese and Japanese schools that have been in existence for 50 years or more. But in the black community, there's nothing like it."

Dr. James P. Comer, professor of psychiatry and associate dean of the Yale Medical School, and also a member of the advisory board, agreed that the school was unusual.

"One of our problems has been that we have had no mechanism, except the black church—when we were immersed in the church—for transmitting our struggle or our tradition of excellence and hard work from generation to generation," he said.

'OR NOT AT ALL'

"And each generation wakes up saying, 'Why are we in this condition?' And the mainstream culture isn't going to tell you because they're struggling with it. They don't know how to integrate it into theirs. So they've treated it marginally or negatively or not at all."

The school's emphasis is on African heritage and tradition, and a major aspect is the role of the extended family. The school has taken the role of a surrogate family in many instances, providing the youngsters with background on their heritage that they are not receiving elsewhere, either in their homes or in their regular schools.

Integrating heritage into the curriculum is easy, once there is the commitment to do it, said Mrs. Patterson, whose educational experiences range from high school in Orangeburg, S.C., to Wesleyan, where she received her Master of Arts in teaching. (She did further postgraduate work at Harvard and the University of Strasbourg, in France.)

"In learning how to compute averages, for example," she explained, "I learned by computing Babe Ruth's batting average. Here, at the Patterson School, we'll use Aaron's."

A major point of departure in the school's historical emphasis, Mrs. Patterson said, is that black history is taught from the perspective that the African continent was one of the first to emerge as land, and that human life, and the first civilization, began there.

"It's not about being militant or separatist," Mrs. Patterson said in explaining the school's motivation. "It's about why we have not been able to get along in this pluralistic society. Only the dominant group's culture has been emphasized. The more you know about your culture and heritage, the more productive you are and the more confidence you have in dealing with others.

"Normally, our kids are taught that their heritage is in slavery, in chains," she went on, "instead of in the context of the continuum of history in which they are direct descendants of thousands of years of kings and queens.

"Every group has been enslaved, but they never allude to that part of their history. The Europeans, instead, dressed it up and called it serfdom and kept on going."

Mrs. Patterson said that the new school, which was established with the help of grants from the New York Urban Coalition, Bankers Trust and Chemical Bank, expected to be self-supporting. The minimum tuition is $30 a month for one two-hour session a week, and the maximum is $80 a month for 15 hours. There are adjustments in tuition for income levels, and limited scholarships available for low-income students.

Situated on the fifth floor of an educational building recently purchased by the Convent Avenue Baptist church, the school can accommodate about 200 students.

Bryan Derek Haley, a 12-year-old junior-high-school student, said he was attending the Patterson School because he likes math a lot and because "the teachers are not always screaming and cussing at you."

PROMINENT FIGURES

Sitting in a room surrounded by portraits of such prominent black figures as Langston Hughes and John Henry, Bryan said that he had also learned a lot about such people.

"I knew it," he explained. "But I didn't know there was such a lot of them. I just knew Frederick Douglass and Shirley Bassey."

ON THE PLAYING FIELDS OF BUDAPEST

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. McDONALD of Georgia. Mr. Speaker, anyone who doubts the ultimate purpose of the Communist movement should read the article I am about to place here in the CONGRESSIONAL RECORD. It concerns the number of hours that schoolchildren in the Soviet Union and her Eastern European satellites devote to military training. This training brings their young men into the army already partially trained, and we have to remember that all these nations have compulsory military service for all young men with some small exceptions. Many of these courses are taught by military officers from nearby units with real weapons. These are not just drill teams for their soccer games. I commend this article by Mr. Izbicki that appears in the London Daily Telegraph of March 29, 1976, to the attention of my colleagues:

ON THE PLAYING FIELDS OF BUDAPEST

(By John Izbicki)

What would be your reaction if your 13-year-old son or daughter came home from school and announced that he or she had been shown how to load and fire a light machine gun? What would you say if you knew that Sandhurst officers were teaching your children, in the normal course of a school day, about psychological and chemical warfare, how to use rocket-powered artillery weapons, and that, for good measure, they threw in a lecture or two on thermonuclear devices?

A horrifying thought? Not to parents in Hungary, East Germany, Czechoslovakia, Poland, Bulgaria, Rumania and Russia. There, such lessons are a compulsory part of the curriculum. Parents are powerless to stop them—afraid to protest.

My evidence is a remarkable book I have acquired called "On National Defense for Educators." It is a 289-page teachers' manual on the military training of schoolchildren, written in Hungarian and published in Budapest last year by Zrinyi Military Publishers, part of the Hungarian Ministry of Defence. Its authors are Dr. Laszló Bodó, deputy director of the National Paedalogical Institute of Hungary, and three army colonels, Dr. Josef Kovács. Dr. Lajos Móricz and Dr. Josef Csépe (their doctorates are in Military Sciences).

Col. Kovacs is among the contributors to the official (and classified) "Handbook for Officers" (published by Zrinyi, Budapest, 1972) which was edited by Col. Moricz, while Col. Csepe contributed to "Studies in Military Education" (Zrinyi, 1973).

I have had the book examined by independent and authoritative source and I am satisfied that it is both genuine and accurate.

According to this manual, all pupils, both boys and girls, from the seventh grade of Hungarian general schools, must undergo courses in military training. This means that children of 12 or 13 are compelled to learn about "the defense of the fatherland: the service branches of the Hungarian People's Army and its special units; Civil Defence Knowledge, its tasks and purposes; Target Shooting, theory and practice, body positions, aiming, pulling the trigger—air and small-bore rifle."

In the next grade they are taught about the armed forces of the Warsaw Pact countries, and particular reference to technical appliances in Civil Defence; shooting and how to correct errors in aiming.

Both year groups have "inter-squad competitions" and obstacle course races.

Secondary schools (age 14–17) are given more advanced courses and 80 hours are devoted over the four-year period to items ranging from the "pursuit of imperialism and European Security" and "what the Army expects from recruits" to "thermonuclear, chemical, and biological combat material" and the "tricks and knacks" of firing submachine guns.

There are 4,736 general schools in Hungary which in 1974–75 had 1,039,600 pupils, and 528 secondary schools with 102,079 pupils at secondary grammar level, and 107,570 at vocational level. Of the pupils, 58.6 percent are girls.

The manual gives details of secondary school courses in other Warsaw Pact countries:

Russia allocates 140 hours over the four forms of secondary school with two hours a week devoted to "National Defense." Lessons include driving army vehicles and radar operations.

Poland (164 hours at two hours weekly) has special courses on psychological warfare and subversion.

Rumania (140 hours) gives courses in national defence and military communication.

East Germany (no hours specified) goes in for something called "military athletics."

Bulgaria (99 hours)—no further details given.

Czechoslovakia (99 hours) is among the most interesting in view of the 1968 uprising and Soviet invasion. Here, the "special tuition directive" states that courses should concentrate on ". . . vigilance and the reasons for secrecy, behavioral expectations for keeping or protecting secrets; the reception of military information," and (whatever this may mean is unclear) "conduct regulations which control behaviour for the keeping of secrets."

Lessons in "civil defence" are conducted by the form teacher in all cases, while specialist lectures are given by regular officers and warrant officers. What is more, Army garrison and border guard units of all Warsaw Pact States have strong links with schools.

Homework is set and prizes given to the writers of the best essays.

Apart from the compulsory curriculum, most pupils also attend "militarised activities" at summer camps and the various national Pioneer Corps—Communist version of the Hitler Youth movement.

The manual advises teachers to question pupils on their reactions and observations on meeting with soldiers and their conversations with relatives who are doing their national service. The implication of such advice seems ominous—and probably is.

Courses, under the general heading of "National Defence Knowledge," were introduced into Hungarian schools by decree No. 54/1968 and first implemented at the beginning of the academic year 1968–69. A new law to be enforced on July 1 strengthens the system.

Reasons for such teaching include preparation for compulsory national service and "the efficacy of military training. Our youth must be moulded so that political and vocational interests should be of equal importance. We must educate them on active socialist patriotism and armed comradeship."

Another version refers to a *Paedogocical Review* (Vol. 23, No. 11) article headed "National Defence Education and the Secondary Schools" and states: "They (pupils) should not learn after but *before* joining the armed forces, who our enemies are . . . Brotherly friendship towards the community of Socialist countries should be ripened long before joining the armed forces."

Last week, Alexander Solzhenitsyn told us in a broadcast that the British were unconcerned about the dangers looming from the East, that we were being "lulled into thinking that these fine island . . . will never be blown sky high."

CHILD AND FAMILY SERVICES ACT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. LEHMAN. Mr. Speaker, although the barrage of misinformed criticism of the Child and Family Services Act has slackened off, I am still concerned that many people remain very apprehensive about the legislation. I would like to take these few moments to address the issue and restate some of the reasons for my support of it.

Much of the opposition took the form of unsigned circulars alleging that the bill would "Sovietize" child rearing in this country and give the Federal Government the power to come between parents and their children. These allegations are based on either complete misunderstanding or deliberate falsification.

This legislation, in fact, meets very specific needs of our society. Single-parent families have been increasing in this country for a number of years, and census figures show that over 11 million pre-school children, or one in six, now live in single-parent homes.

Over one-half of all mothers with children now work, and over one-third of all mothers with pre-school children are in the labor force.

Licensed day care centers can accommodate only around one-sixth of the pre-school children with working parents.

Clearly, we need the assurance that children whose parents must work have access to child care that simulates and supplements the home.

This is the intent of the Child and Family Services Act. The very first words in the bill, after the title, are:

> The Congress finds that the family is the primary and the most fundamental influence on children; child and family service programs must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents or legal guardians request such services.

The section goes on to say:

> It is essential that the planning and operation of programs be undertaken as a partnership of parents, community, private agencies and State and local government with appropriate supportive assistance from the Federal Government.

Later language in the bill is equally precise in its intent:

> Nothing in this Act shall be construed or applied to infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, physical, or other development of their children.

Clearly, the primary role of the parent is underscored and the family unit preserved, not threatened, by this legislation.

As a member of the Subcommittee on Select Education, and a cosponsor of the bill, I have participated directly in the development of this legislation. While baseless charges have focused on the supposed negative aspects of it, this bill has many fine points.

The availability of quality, voluntary day care and other services such as nutrition, summer programs, and medical care, will protect and preserve the role of the parent and the health and development of the child, thus strengthening family life. Moreover, parents are given every opportunity in the bill to participate at all levels in the development and implementation of programs. Dade and Broward Counties have 8,000 single-parent families with 17,000 young children, and this bill would provide child care resources now beyond their reach and go a long way toward easing the pressures now on them.

This legislation is particularly important in providing the means and incentive for those now on welfare to join the labor force. Day care is now provided for children of welfare mothers. At present, should a mother find work and go off welfare, her children would lose their eligibility for day care. The Child and Family Services Act would help remove this obstacle, and the 10,000 Dade County welfare mothers would be freed to work if the bill's child care services were available to them.

The bill has many more positive benefits, but it is very costly. It is for this reason, and not because of the unreasonable and baseless fears generated, that passage is very unlikely in this session of Congress. Despite the cost, this is a vital program, one which protects and develops this Nation's most precious resources, our children and our future.

THE INFLUENCE OF THE CONSUMER IN TODAY'S SOCIETY

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. WALSH. Mr. Speaker, the rights of consumers have become an important issue before the American public, and rightly so. Today's consumers are highly informed and demand the best of our free enterprise system.

I want to share with you the remarks of Nancy Harvey Steorts, Special Assistant to the Secretary of Agriculture for Consumer Affairs, at a speech she presented at Syracuse University, Syracuse, N.Y. Mrs. Steorts spoke at the April 7 Bernice M. Wright Memorial Lectureship at the Syracuse University College of Humanities.

It is my belief that her remarks are timely and important and carry a message of tremendous interest to a broad spectrum of public constituencies.

The speech follows:

THE INFLUENCE OF THE CONSUMER IN TODAY'S SOCIETY

Consumers are an important influence in today's society. They keep the free-market system, free. But to do this effectively, consumers must be kept informed, and must play a part in formulating the decisions which affect them.

Over the past few years, there has been a growing concern among consumers that they, in fact, are not being properly informed and are not participating as they should in the decision-making processes of both government and industry.

As a result, they have started to raise their voices, demanding their rightful role.

Just what is it that consumers want?

The answer is very simple.

Consumers want assurances that the products and services they buy are safe, of high quality, and are made available at a fair price.

Today we are faced with a new breed of consumers. Consumers who are more enlightened and more demanding. No longer are they satisfied with a passive role, as government and industry formulate policies and programs which affect their safety and pocketbooks.

Ours is a government of participation. For many in the past, this meant going to the polls on the first Tuesday in November, then going about their merry way until the next election.

This is not the way of today's consumers. Their idea of participation is quite a bit more expansive. They are demanding a larger voice in the decision-making process.

Rather than ignore or oppose this changing attitude, both government and industry should welcome it as an additional tool in the difficult process of decision-making.

Consumers, too, need to recognize that this role carries a greater responsibility for them to be better informed. But it is the responsibility of government and industry to keep them better informed.

The most logical approach is one of cooperation, where all parties listen to one another, work hard to get the facts, and come to a mutual understanding.

WHAT ARE THE CONSUMERS' MAIN CONCERNS TODAY?

Consumers are concerned about all aspects of the marketing chain—from the farm to the grocer's shelves, and, rightly so. They are seeking better information to help them make the right choices for their needs and desires.

At the point of purchase, one of the best information tools is the label on the product. Although most food products comply with current Federal packaging and labeling laws and regulations, improvements are needed so that labels tell consumers what they need to know to compare and select those products best suited for them.

The need for better labeling information was pointed out recently in a study conducted by the General Accounting Office. Their study recommended:

Full disclosure of all ingredients on packaged food products.

Percentage labeling.

Nutritional labeling.

Quality Grading.

A uniform dating system for perishable and semi-perishable goods.

A uniform unit pricing program.

While some of these recommendations already are in use, they either do not go far enough, lack uniformity, or are voluntary. Because of these shortcomings it is very difficult for a consumer to pick up a product and compare one with another and make a rational buying decision.

Besides being concerned about what information appears on labels, consumers are also raising questions about packaging. Is there a need for so many different sizes for the same product? Is it really necessary for the package to contain expensive artwork? Is it necessary for everything to be packaged, particularly produce?

While some prepackaging is convenient for some consumers, it is not for others. The consumer who wants to buy just two apples may forget about the whole thing when faced with a five pound bag.

With the knowledge that an estimated one-and-one-half million people around the world do not receive an adequate diet, consumers are concerned about the wasting of food.

In every harvesting operation, there are some leftovers which are missed by the harvester or which go unsold because the product is made for processing. Yet the product may be perfectly good to be eaten fresh. Last year, for example, California producers were ready to plow under hundreds of bushels of cling peaches because processors didn't need any more of the product. Rather than see them plowed under, the Berkeley Co-op bought tons of these peaches and sold them to consumers at a substantial savings.

What a waste this would have been! How can such waste be tolerated when some members of our society are not getting enough to eat? It is a challenge for us to find economical ways to get these products to the market at a price that will cover costs.

Another example of how this waste can be eliminated, also comes from California. Some producers and even processors and packers are cooperating in a program which supplies senior citizens with food that otherwise would be wasted. The senior citizens—known as the "grey bears" ask farmers for permission to pick the remains of crops after regular harvest. They also ask food processors and packers for culls and mispackaged foods. But they are not asking for handouts. The able-bodied members of the group go into the fields or warehouses and get the food. Then they bag it for distribution.

There are other low-income groups in our society who could benefit from such a program.

There is further concern about waste in other sectors of the food delivery system.

In my discussions with consumers, the complaint most mentioned about restaurants is that many of them tend to serve too much food for the average eater.

Why not offer patrons a variety of portions with appropriate adjustments in price? A number of restaurants around the country are doing just this. They find that by offering a choice of portions, there is not only less waste, but less cost. In addition, they are finding that many people who were reluctant to dine out before, are now doing so because of the reduced portions and accompanying reduced prices.

Although industry is beginning to respond to these consumer concerns, there is still much to be accomplished.

This was acknowledged by a nationwide consumer survey conducted last fall for the Food Distribution Council of Supermarket Institute, which is composed of food retailers and wholesalers. The results show that a negative view of business still persists in the public mind. They also show that consumer anxiety about economic well-being has continued to dominate the mood of the country since the Institute's first survey in the summer of 1974.

The recent survey shows that food buying patterns developed by consumers as they tried to cope with inflation over the past few years, is now a way of life.

More than 70 percent of the respondents said they still are buying fewer snacks and luxury items, picking store brands over name brands, and taking advantage of bargains. Over 60 percent said they do more meal planning, buy less convenience foods, and buy specials even though they had not planned to. And more than half the respondents said they buy cheaper meat cuts and buy less meat.

I think we've all noticed this trend of returning to the basics. We see an increase in home gardens, a massive return to home canning, and an upsurge in the number of people preparing meals from scratch rather than depending on convenience foods. Consumers are much more nutritionally aware today and are demanding food of high nutritional quality.

Consumer concerns also are finding their way into the annual stockholders' meetings of large corporations.

Over the past few years, financial pages of our newspapers have carried stories of how activist stockholders have disrupted the decorum of annual stockholders' meetings by asking questions about company practices. Boards of Directors who thought this was just a quirk or a passing fancy were greatly mistaken.

The ranks of activist stockholders have grown. According to a report by the Investor Responsibility Research Center in Washington, a nonprofit group, many more companies will learn this year that it's no longer "business as usual".

Last year, activist stockholders proposed 95 resolutions dealing with social responsibilities of management at 63 corporations. These have dealt with such concerns as: construction of nuclear plants . . . competition in the drug industry, and nutritional content of foods, just to name a few.

This year, the report shows stockholders are proposing at least 336 such resolutions at 217 corporations.

It's quite obvious consumers are not willing to take a passive role in today's society.

HOW CAN THE INDUSTRY AND GOVERNMENT GAIN THE CONSUMERS' CONFIDENCE?

It will take strong commitment and leadership with an understanding that actions speak louder than words.

There are those who are ignoring the consumer movement, hoping it will go away.

There are those who realize there is a consumer movement, but are only paying it lip service.

Then there are the enlightened ones who recognize the right of consumers to have a voice in the programs and policies which affect them, and are doing something about it.

What are some of the more progressive leaders in business and industry doing to meet this consumer challenge?

One of the big steps is including consumer representation on their Boards of Directors.

Another positive step is the inclusion of a highly placed executive officer whose primary responsibility lies in consumer affairs.

Other steps being taken, include the establishment of consumer advisory boards and the sponsorship of seminars where all sides have a chance to express their views and hear the views of others in their effort to reach equitable solutions to various problems.

These steps are being used with great success in some of our industries today. One major supermarket chain which has been listening to and working with consumers for the past few years has come to the realization that their role is not as the distributors for producers' products, but purchasing agents for their shoppers.

Because of their involvement with consumers, they knew that their customers preferred safe toys, rather than cheap toys . . . that sugar may be desirable in the diet but not in the traditional quantities . . . and that technological advances may be made only in step with human capabilities.

What is the government doing to meet this consumer challenge?

I'm happy to say that there is a growing realization in Washington, that government must be responsive to consumers.

At the request of President Ford last April, the 17 Federal Departments and Agencies developed plans to ensure that consumers are involved in the decision-making processes and that the Departments and Agencies are more responsive to consumers.

It is unfortunate that some consumer advocates denounced the entire concept of improved consumer representation within a Federal Department or Agency. They insist that a separate Consumer Protection Agency is the only way to assure consumers that their voice will be heard when decisions are being made.

Yet, in the regional briefings held across the country on these plans, we found that individual consumers were in favor of improved consumer responsiveness within a Department or Agency. With suggestions and recommendations offered at these briefings, the final version of the Department of Agriculture's Consumer Representation Plan should be an effective one. Of course, the real test of this plan will come at the time of decision-making. Will the consumer be fully involved? I believe it should be given a chance. One year should give consumers the opportunity to see if the plans are serving their needs. If, they are not, then there should be further consideration of an independent consumer agency.

I am convinced that there is a commitment on the part of the decision-makers in the Department of Agriculture to have full consumer input before decisions are made. A commitment which began in July 1973, with my appointment as Special Assistant to the Secretary of Agriculture for Consumer Affairs. My appointment was a first, not only for the Department of Agriculture, but also, it was the first time any Federal Agency established such a position—a full time consumer affairs advisor reporting directly to the Secretary.

I think this action was indicative of a growing realization among the leaders of the Department of Agriculture that this is a new era in which Government wants to be sensitive to the needs of the consumer and wants to respond to those needs.

It is in this background that we have held day-long conferences, bringing consumers, food editors and consumer reporters together with Department staff members for an overview of the Department's policies and programs. Also, we have brought together industry and consumers in an effort to give each side a better understanding of the problems and concerns they each face.

On numerous occasions we have brought consumers together with key Department staff members for specific briefings on such important issues as marketing orders, grain reserves, export policies, grading, grass-fed beef, meat margins, rice legislation, nutrition labeling and mechanical deboning of meat.

Consumers' comments are now actively sought when changes are contemplated in Department regulations.

Another area of consumer participation at the Department of Agriculture is on task forces and advisory committees which could result in policy changes.

These groups, composed of consumer, industry and Department representatives, are beneficial not only in pointing the Department in the right direction, but also are beneficial to consumers and industry. It gives consumers an opportunity to explain their desires and needs, and it gives industry a chance to explain the problems they face in meeting specific regulatory requirements. Most importantly, industry and consumers usually find that mutually acceptable solutions can be found.

These are just a few of the consumer-oriented projects underway at the Department of Agriculture. With our Consumer Representation Plan, we plan to continue and expand on these and search out new areas in which consumers can be involved.

If the Department of Agriculture is to make sound decisions, it needs input from all sectors of our society, the producer, the processor, the retailer and consumer. In the past it was usually members of industry who were most active in letting their desires be known, but now, consumers' views are being actively sought.

State and local governments, also, are aware of their responsibility to consumers. Each state, plus the District of Columbia, Puerto Rico, Guam and the Virgin Islands, have a consumer office or a consumer division within a state office. Similar offices exist in over 100 counties and in a number of large cities. The trend indicates that over the next few years we should see an increase in the number of new consumer offices on the local level and an expansion of services they provide.

All of these efforts are aimed at keeping consumers informed so that they can make the right choices in today's complex marketplace. But this is not enough. There is a need to educate consumers so that they will better understand the information being supplied to them.

In a message to a consumer education conference in Washington, D.C. a few months ago, President Ford noted:

"In the last decade, the buyer's Bill of Rights has become a way of life in our country. These rights include information, choice, safety and the right to have complaints satisfactorily resolved. The time has now come to recognize a fifth right—one without which consumers cannot gain the full benefit of the other four. This is the right to consumer education.

"It is my earnest hope that consumer education will become an integral part of regular school instruction, community services and educational programs for people out of school. Only in this way can we insure that consumers have the assistance necessary to plan and use their resources to their maximum potential and greater personal satisfaction."

I think you can clearly see that there is a commitment from the Federal Government to be responsive to the consumer.

This is the new way to do business. Both industry and government must be ready and willing to involve consumers in the decision-making processes and be responsive to their needs.

As I noted a moment ago, there is a need to educate consumers so they can more fully participate in today's complex society. There is also a need for the academic community to prepare graduates for the increasing number of consumer positions which will have to be filled in both government and industry.

WHAT DOES THIS MEAN TO THE ACADEMIC COMMUNITY?

The academic institutions must adjust their curriculums to meet this new need. We must have eminently qualified personnel to represent the needs of the consumers. The individuals selected for these positions must have a strong background in consumer affairs to truly represent the consumer.

Currently, there are few colleges and universities with broad-based curriculums which give their graduates a well-rounded background in consumer affairs.

A University such as Syracuse with such a diversity of courses in its individual colleges is in an excellent position to design a graduate curriculum which would include courses in economics, food and fiber composition, natural resources, nutrition, public health, business, journalism, political science, and law. The colleges of Human Development, Business, Liberal Arts, Journalism, Forestry, Law, and the Maxwell School of Citizenship are ideal for providing the leadership for such interdisciplinary curriculums.

The individual consumer needs to be represented today by qualified consumer advocates who understand and are knowledgeable about all facets of our free-enterprise system. Thus, expertise in this field of consumer affairs is essential.

May I challenge Syracuse University to be among the first Universities in the nation to offer such a graduate degree in Consumer Affairs.

In conclusion, let me emphasize that the influence of the consumer is a great asset to today's society, if our free-market system is to flourish.

911–HOTLINE FOR EMERGENCIES

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. ROUSH. Mr. Speaker, I am today adding several more States to the list of those having the "911" as the single emergency number in some of their communities:

Systems location	Date		Population served (thousands)
	In service	Scheduled	
AMERICAN TELEPHONE & TELEGRAPH			
Tennessee:			
Athens	June 1973		35.0
Bolivar	August 1972		23.0
Brownsville	August 1969		18.0
Camden	December 1974		14.0
Carthage	June 1972		6.0
Clarksville		August 1975	62.0
Cleveland	June 1970		55.0
Clinton	October 1971		33.0
Columbia	November 1969		48.0
Cumberland Gap	October 1971		2.0
Dayton	June 1960		17.0
Decatur	November 1971		1.0
Dickson	August 1970		26.0
Etowah		June 1975	5.0
Franklin	March 1971		25.0
Gallatin	June 1969		28.0
Gatlinburg	May 1972		3.0
Germantown		June 1975	2.0
Halls	October 1971		5.0
Harriman	June 1969		36.0
Hendersonville	June 1972		7.0
Humboldt	July 1969		13.0
Jefferson City	December 1972		22.0
Jellico	April 1974		7.1
Kingston	March 1974		4.0
Knoxville	January 1973		266.0
Lafollette	April 1974		2.3
Lawrenceburg	May 1971		17.0
Lebanon	October 1969		28.0
Lyles	December 1971		1.0
Madisonville	September 1971		9.0
Manchester	October 1973		13.0
Maryville	November 1968		65.0
Memphis		June 1975	701.0
McEwen	November 1973		1.2
Milan	July 1971		11.0
Morristown	do		48.0
Murfreesboro	January 1969		56.0
Nashville	April 1972		485.0
Newport	July 1971		26.0
Oakridge	May 1971		32.0
Paris	December 1974		20.0
Portland	May 1974		11.0
Pulaski	July 1972		19.0
Rockwood	Apr. 1971		5.0
Rogersville	Nov. 1973		25.0
Sevierville		June 1975	6.0
South Pittsburg	Aug. 1972		20.0
Spring City	do		4.0
Tullahoma		Jan. 1975	15.0
Waverly	Nov. 1973		12.0
Utah:			
Bountiful	July 1969		30.0
Orem City	July 1974		26.0
Salt Lake City		July 1975	400.0

THE GODS OF THE COPYBOOK HEADINGS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. McDONALD of Georgia. Mr. Speaker, a letter to the editor is not the usual sort of thing that a Member of Congress places in the Extension of Remarks, but the item that follows I found to be so unusual that I am doing so. The last 10 years or so has seen the American people go through a series of convolutions which might be best entitled "reinventing the wheel." As a people, we have listened to certain leaders who claim to have found a new set of morals, short cuts in learning and preached that government can and should do everything. Now we are painfully rediscovering that even in Washington the supply of money is not endless and that with every new Government program, some part of our individual liberty is eroded. Thus, I commend this letter to the editor which appeared in the Sun in Springfield, Ohio, some time ago. The letter follows:

ON DEFYING THE DEEP-LAID WISDOM OF "THE GODS OF THE COPYBOOK HEADINGS"

In 1919, the immortal Rudyard Kipling wrote a poem, fairly sparkling with gems of insight, called, "The Gods of the Copybook Headings." In its lines, the Gods of the Copybook Headings were the advocates of the eternal truths, the God-ordained, immutable laws of the Universe. The Gods of the Market-Place were those who promoted Modernism, Humanism, Spohistication, Cynicism, Collectivism, and the other follies of arrogant men.

Kipling wrote:

"As I pass through my incarnations in every age and race,
I make my proper prostrations to the Gods of the Market Place.
Peering through reverent fingers I watch them flourish and fall,
And the Gods of the Copybook Headings, I notice, outlast them all.

"We were living in trees when they met us. They showed us each in turn
That Water would certainly wet us, as Fire would certainly burn;
But we found them lacking in Uplift, Vision and Breadth of Mind,
So we left them to teach the Gorillas while we followed the March of Mankind.

"We moved as the Sipirit listed. They never altered their pace,
Being neither cloud- nor wind-borne like the Gods of the Market Place;
But they always caught up with our progress, and presently word would come
That a tribe had been wiped off its icefield, or the lights had gone out in Rome."

* * * * *

"When the Cambrian measures were forming, They promised perpetual peace.
They swore, if we gave them our weapons, that the wars of the tribes would cease.
But when we disarmed They sold us and delivered us bound to our foe.
And the Gods of the Copybook Headings said: 'Stick to the devil you know.'"

* * * * *

"In the Carboniferous Epoch we were promised abundance for all,
By robbing selected Peter to pay for collective Paul;
But, though we had plenty of money, there was nothing our money could buy.
And the Gods of the Copyboook Headings said: 'If you don't work you die.'"

"Then the Gods of the Market tumbled, and their smooth-tongued wizards withdrew,
And the hearts of the meanest were humbled and began to believe it was true
That All Is Not Gold That Glitters, and Two and Two Make Four—
And the Gods of the Copybook Headings limped up to explain it once more."

Today, we are reaping the whirlwind of years of sowing the wind of Collectivism. Too many Americans have allowed our Constitution to be subverted by the entrenched Gods of the Market-Place. Too many Americans have ceased to be vigilant for our Liberty, forgetting that Eternal Vigilance Is the Price of Liberty.

Having intentionally kept up a contrived inflation, the gangsters who run our government and their "smooth-tongued wizards" in the communications media tell us that the "solution" to inflation is for us, the citizens, to buy less, tighten our belts, make sacrifices, permit still higher taxes. As if, somehow, it is "inflationary" when we spend our money, but it is "fighting inflation" when the government spends the confiscated fruits of our labor.

Having brought on "shortages" by government interference with all our productive activity—through vicious taxes, controls, "allocations," "priorities," and regulations of all kinds—the entrenched Gods of the Market-Place now tell us that we need more controls, even rationing, to "solve" the problem of shortages. All of their "solutions" to their intentionally-created problems give more power to them and produce increasing slavery for us.

How long are Americans going to believe them? Will it take actual police-state slavery before enough citizens wake up to what is happening?

Our Constitution gives the government no authority to do practically any of the things it is doing today. The Ninth and Tenth Amendments clearly prohibit government meddling in any area not specifically delegated in the body of the Constitution. Thus, the Founding Fathers of our Republic prohibited government from doing anything in health, education, "welfare," personal income, religion, or any type of business activity. But there they are, criminally interfering with almost every aspect of our daily lives. And "respectable" commentators, completely ignoring Constitutional limitations, urge more and still more control by the politicians as a "solution" to the problems they have already caused.

It is now time for Americans to allow the Gods of the Copybook Headings to "limp up to explain it once more." It is time for more of us to realize that we are the victims of a vicious con-game which is planned to end with our complete enslavement.

It is time to force government out of the areas where it does not belong—to force the abolition of the hundreds of unConstitutional bureaucracies from OSHA to the EPA to the IRS to the Federal Reserve System; to abolish the personal income tax and to end government involvement in education—both of which were laid down by Karl Marx in the Communist Manifesto as major steps toward enslaving a free country; to cut the quantity of government down to one-half, one-fourth, one-tenth of its present monstrous, bloated size; to slash taxes and let the man who earned his money keep his money; to fire every federal judge, including every one of the nine on the Supreme Court, who subverts our Constitution.

How? By getting on the backs of the politicians with both feet and demanding that they stop violating their oaths of office to uphold and defend the Constitution. And by not getting off their backs until they have slashed government down to proper constitutional size. By demanding that they stop inflation by stopping the deficits and by once again making our money freely redeemable in gold at a realistic price. By demanding that they cease promoting more Marxism as a "solution" to the problems already brought on by decades of Marxism. By refusing to replace Marxist Congressman "A" with Marxist Congressman (or woman) "B", but with a constitutional conservative. By letting, in the words of Jefferson, ". . . no more be heard of confidence in man, but bind him down from mischief by the chains of the Constitution."

The penalty for not forcing the present gangster-government to stop stealing our God-given rights was expressed by Kipling in the closing lines of his poem:

"And that after this is accomplished, and the brave new world begins
When all men are paid for existing and no man must pay for his sins,
As surely as Water will wet us, as surely as Fire will burn,
The Gods of the Copybook Headings with terror and slaughter return!"

DAVID TODD LEMMON.

Springfield 45502.

URANIUM TALKS REPORT ANSWERED

HON. WILLIAM H. HARSHA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. HARSHA. Mr. Speaker, as the world comes to depend more and more on nuclear power for its electricity, this country will be called upon to expand its capacity to produce fuel for nuclear power plants. Uranium Enrichment Associates, which is the creation of the Bechtel Corp., one of the world's largest privately owned construction and engineering companies, has submitted a plan to build an expansion facility expected to cost $5.7 billion. Some of Bechtel's competitors suspect that the company's plan to build this enrichment plant and two nuclear generating stations, is the result of its unusually close relations with both the Ford and Nixon administrations. These competitors say Bechtel may have been aided in Washington by former Government officials it has recently hired. Since last year, it has hired two former Cabinet members and the former general manager of the Atomic Energy Commission.

UEA wants to build this tremendously expensive plant near Dothan, Ala. The cost of the plant would be $3.5 billion and the two power stations would cost $2.2 billion, and would provide needed electricity for the new facility.

Because of the recognized need for massive capital investment, Bechtel initially experienced difficulty acquiring partners for UEA. However, in March of 1974, it hired Robert Hollingsworth, general manager of the AEC, as its manager of manpower services. That May it hired George Schultz, the former Secretary of the Treasury, as executive vice president and a director. Recently Mr. Schultz moved up to president. In 1975, it hired

Caspar Weinberger, the former Secretary of Health, Education, and Welfare, as vice president, director, and special counsel. These three comprise a highly talented and expensive stable of expertise toward acquisition of Government approval for a plan that could cost the American taxpayer $3.1 billion for enriched uranium expansion.

It is not difficult to see why the Government has shelved plans to do the job itself. Mr. Percy Brewington, Jr., an official at the Energy Research and Development Administration says the shelved plans were drawn up by his staff and showed how the Government could build an addition to its enrichment plant in Portsmouth, Ohio, costing $2.1 billion, considerably less tha than amount UEA is proposing to spend on a plant of roughly the same capacity.

In a recent Associated Press article appearing in the Columbus, Ohio Dispatch, Bechtel attempts to respond to an earlier AP report on the UEA plan and the presence of former White House officials on the Bechtel payroll.

Anybody that believes the response by Bechtel to the previous story by the Associated Press that Messrs. Hollingsworth, Schultz, and Weinberger had no part in this high-level negotiation, is politically naive.

Following is the response of Bechtel Corp. to the AP story:

Uranium Talks Report Answered

San Francisco.—The Bechtel Corp., a major partner in Uranium Enrichment Associates, which is proposing a private enrichment plant, says two former White House officials, now Bechtel directors, had no role in negotiations with the government on the project.

Bechtel issued a statement commenting on an Associated Press report on the uranium enrichment plan, which noted that George P. Schultz and Caspar W. Weinberger, both budget directors under former President Richard M. Nixon, now are on Bechtel's board of directors.

The AP report did not suggest that either Shultz or Weinberger was involved in negotiations with the government.

"In the discussions between UEA and the federal government on uranium enrichment, George P. Schultz and Caspar Weinberger of Bechtel have had no contact with the federal government. By policy and practice, they have not used and will not use their experience in senior government positions to represent Bechtel or its clients with the federal government," Bechtel said Thursday.

The Associated Press reported that the proposal by Bechtel, Goodyear Tire and Rubber Co. and the Williams Co.'s to build a private uranium enrichment plant would require government support that would increase the cost of atomic fuel to consumers some $700 million a year.

Quoting from the group's own proposal, testimony by its chairman Jerome W. Komes, an interview with a project officer within the U.S. Energy Research and Development Administration and other documentation, the story reported that the private project would:

Add its own profit and the cost of federal taxes and royalties to the cost of enriched uranium, which the federal government now processes at cost for atomic utilities.

Require the government to abandon its own non-profit pricing and charge a higher "commercial" price to encourage potential customers to deal with the private plant, whose price would be higher still.

Require the government to buy part of the private plant's initial output, involving up to $1 billion in tax money, whose lost interest would be repaid by the government's uramium enrichment customers.

Bechtel's statement charged "There are many inaccuracies, distortions, and unsupported conclusions in the Associated Press story on uranium enrichment."

But the statement did not support this with any specific examples.

Asked to cite any inaccuracies in the story, Bechtel's assistant manager for public relations, George Coffey, said he was unable to do so.

Instead, the statement offered a description of benefits seen by Bechtel in the UEA plan.

It said, "Rather than burdening the U.S. budget, the UEA plant will in its normal life earn $3 billion to $4 billion in taxes and royalties paid to the government, and earn for the nation $8 to $10 billion in favorable balance of payments.

"UEA will pay more than $2.7 billion in federal income tax over the 25-year life of the plant; about $200 million in state income taxes and over $400 million in property and other local taxes to the benefit of local governments."

LAW ENFORCEMENT PROGRAM

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. YOUNG of Alaska. Mr. Speaker, I am concerned about the President's 1977 budget for the law enforcement programs in the United States. With increasing crime rates, it is our duty to pursue every course of action to allow the citizens of our country the freedom to walk the streets without fear of danger to their lives or property. Without this freedom, I say he has lost one of his most fundamental rights, due to tyranny by a minority. And we are in the process of losing our freedom.

In the past, when our freedom was threatened, we fought. Our Bicentennial celebration is a tribute to one of those fights, and this country has never been slow to protect our citizens. Yet this time we are turning our backs. Crime threatens us more every day, and we fight less and less.

Some simple statistics make a better point than words. In 1974, according to the most recent evidence available for statistical analysis compiled by the Law Enforcement Assistance Administration and the FBI, crimes were up over 200 percent over a similar period about a decade earlier. 10,192,000 crimes were reported nationwide in 1974, up from 8,666,200 in 1973, and every indication is that the rate is still growing. Most revealing is that these figures underestimate the actual number by more than four times, according to a publication released by the Law Enforcement Assistance Administration. Clearly we must fight harder than ever before.

In spite of this, the President's budget for fiscal year 1977 has cut back funding for the FBI's field training program, the Law Enforcement Assistance Administration, and the FBI National Academy. The law enforcement education program—LEEP—has been entirely cut out of the budget. All of these programs have greatly aided law enforcement officials in better fighting crime, through the use of better enforcement techniques and officer training, and we need them now more than ever.

The Law Enforcement Assistance Administration's LEEP program provides potential law enforcement officers with tuition loans to allow them to attend law enforcement programs at colleges around the Nation. The students subsequently pay off the loan once they become employed at various enforcement agencies. Presently funded at $40 million, the education program currently has enrolled 100,000 students, all of whom are receiving vital training to help them better enforce the law. In Alaska, the LEEP program has been rated at or near the top as a highly valuable service. In Kodiak, Alaska, alone, more than 40 percent of the law enforcement officers have participated in the LEEP program.

The FBI Field Training and National Academy programs have offered vital services to local law enforcement agencies. In Alaska in 1975 a total of 435 officers attended 34 schools for 227 hours of instruction, and four officers attended the National Academy. The President's budget proposes a cut in this program of over $7,800,000, and local law enforcement agencies will have to bear the burden of the cost of education for these officers at a cost of $2,000 per pupil per year in fiscal year 1977, and at $4,000 per pupil in 1978. This will mean a loss right away of $29,000 to Alaskan agencies, which is an additional burden they can hardly afford. Yet the harm does not stop at Alaska's borders. Many believe, myself included, that the cost of educating FBI students' attendance will not only lower attendance, but it will also spell the eventual end of the academy. The impact will bring a loss of field training in new crime fighting techniques, less well-educated officers, and higher crime. In a letter to me dated April 19, 1976, FBI Director Clarence Kelley stated:

> There is no question in my mind that limitations in training will only produce significant, adverse impacts on law enforcement's capability to reduce crime.

The situation is especially serious in Alaska, because Alaska is unique. Law enforcement officers of Alaska face problems daily that would confound the average officer. The massive expanse of land—Alaska is two and a half times the size of Texas—combined with the small population require that small numbers of officers cover large territories. The many different races of people in the State, all with varied social and cultural backgrounds sometimes make easy communication and cooperation with enforcement agencies difficult. The seriously fluctuating levels of employment that come with the development of our vast resources, combined with increasing population as a result of the Alaska pipeline also adds further to the difficulty of enforcing the laws. We are lucky to have some very fine officers in our State, but they must not be ignored by the Federal Government.

I support the President's attempts to trim our budget, but these programs are vital. The least we could do would be to await the results of the national manpower development survey which is assessing the effectiveness of the LEAA at a cost of $1 million. I am confident that this survey will support our position.

It is unfortunate that a Nation committed to reducing crime should reverse direction and change its priorities. It is the responsibility of the Congress to take affirmative action here, and insure that sufficient funding go to this high priority item.

SUPPRESSION OF INNOVATION: PART VI—RX: MEDICAL FREEDOM OF CHOICE

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. SYMMS. Mr. Speaker, a number of publications devoted to news of interest to certain patients have been running articles regarding the problems caused by the 1962 amendments to the Food, Drug, and Cosmetic Act. The following article is from the May 1976 issue of Arthritis News and it reaches some sound conclusions. As many of my colleagues are aware, I have introduced legislation to repeal the "effectiveness" clauses of the 1962 amendments. This article plainly points out that a determination of drug effectiveness is a highly subjective decision, which is better left to individual physicians and their patients—not to a far-removed governmental agency.

The article follows:

FDA—AN INEVITABLE FAILURE

The Food and Drug Administration has been assailed from all sides. Congress, consumer advocates, research foundations, and doctors have accused the FDA of laxity, corruption, incompetence, conservatism, and a general misapprehension of the principles of scientific research. These complaints are usually voiced by two groups whose aims conflict with each other: those who take the view that government regulation of any kind is bad, and particularly in the matter of personal health; and those who concede the need for regulation of food and drugs but claim that the FDA isn't doing the job because of organizational and legal flaws.

The Food and Drug Administration was largely free of such assaults until the 1962 Kefauver-Harris Amendment, which gave the FDA the responsibility of determining the effectiveness in addition to the safety of a drug. The FDA soon found it hard to evaluate the benetfits of new drugs scientifically and consequently issued new regulations to meet its own needs and defend its posture. These new regulations in effect gave the FDA the freedom to ban new drugs arbitrarily.

By minimizing any beneficial results from a substance and magnifying its potential side effects, virtually any drug may be denied approval. Another tactic the FDA employs is to withhold the results of testing under the pretense that the process of determining effectiveness is incomplete.

A DRUG LAG

According to Dr. William M. Wardell of the University of Rochester in New York, this overrestrictive policy is depriving American medicine of the most effective drugs, particularly in heart, lung, and blood vessel diseases. This drug lag can be measured by the drop in the number of new therapeutic chemical agents introduced in the U.S. (from 49 to 13 a year) in the past 15 years, making this country one of the lowest in rank in the West. Wardell compared the U.S. to Britain in the area of respiratory illness. Since 1962, six new drugs have appeared which were found to be safer and longer-acting than comparable medication used in this country.

Another questionable responsibility given the FDA is the right to release drugs only to be used for the treatment of diseases it has approved. This restriction has tied the hands of many doctors who have discovered alternate uses for some medications. Dr. Ray Gifford, a Cleveland heart specialist, reports remarkable success in treating hypertension with proparanol, a drug the FDA has released only for the treatment of cardiac arrythmias (abnormal heartbeat). Dr. Gifford, like many other doctors, has decided to ignore this regulation.

Several drugs with diverse applications have suffered under this biased policy. The most publicized example is that of DMSO, a drug introduced a few years ago as a "miracle cure" for cancer, arthritis, burns, and headaches. The advocates of this drug were perhaps overzealous in their claims, yet the FDA arbitrarily ignored their clinical findings, and banned the drug without evidence of human toxicity.

The FDA seems equally contemptuous of those drugs developed for treatment of relatively rare diseases. Pharmaceutical companies are discouraged from putting money and energy into drugs which have a limited use. One drug company named Ciba formulated a drug effective against iron poisoning in children. The market for this drug is small, yet it has life-saving import. Nevertheless, the FDA held the company to years of needless testing and expense before the antitoxin was released.

The most wrongheaded restrictive policy of the FDA is its regulation of the specific dosage of every drug. Every doctor knows that the tolerance of a particular medication varies widely from patient to patient, as does the response of the disease itself to the treatment. In the case of antibiotics and other drugs used to treat infectious diseases, the infectious agent often builds up an immunity to the drug after it has been used routinely over a number of years. Thus, vastly higher dosages may be needed to acquire the former results. For example, the FDA in 1942 set the maximum dosage of penicillin at 600,000 units per day. Now it is known that as much as 10,000,000 units per day are sometimes needed. Still, the archaic regulation remains on the books.

TOO MUCH POWER, TOO LITTLE MONEY

What are the reasons for these inequities and abuses in the FDA? One reason is that the agency has been given enormous responsibility and legal power without adequate funding to execute this responsibility. Thus, the FDA may focus its energies on whatever drug it wishes to investigate, approve, or ban, while those issues it chooses to avoid may be added to the heavy backlog with the excuse that the agency is understaffed and overextended.

When recent scandalous exposes of contamination in processed foods pointed to FDA laxity in food supervision, agency officials testified that they have a budget for only 210 inspectors to cover the 60,000 food plants in the U.S. At the same time, the FDA seems to have little trouble financing expensive pet causes such as the suppression of the harmless drug DMSO.

CORRUPTION

As one of the most powerful agencies in the federal government, the FDA has its share of corruption, with a history of conflict of interest, payoffs and kickbacks. A report by Ralph Nader's Health Research Group asserts that the FDA hires as consultants men who are actively involved in research of drugs for pharmaceutical companies. One such consultant was recently indicted on a charge of conflict of interest. The approval of the highly dangerous drugs thalidomide and Mer-29, which cause birth defects and blindness, has generated suspicion that the FDA might have released the drugs with knowledge of their toxicity. Dr. John Nestor, an FDA physician-scientist who are instrumental in finally taking both drugs off the market, was subsequently transferred without advance notice to another department.

"Under the guise of reorganization," says Nader's report, these actions again raise the serious yet unresolved question of who the FDA protects, the public or the industries it allegedly regulates."

PCB, an industrial chemical hundreds of times more toxic than DDT, is being found in increasing quantities in the environment and food supply. Dr. Albert Kolbye, deputy director of the FDA's Bureau of Foods, expressed an inexplicable lack of concern for the problem, and it will apparently take the passage of a bill now before Congress to ban PCB or restrict its use.

The FDA's motives behind the ban of cyclamates is also highly questionable. The sugar substitute was withdrawn from the market because of a bogus experiment done by the FDA scientist Jacqueline Verret. Verret injected chicken eggs with cyclamates and evolved tissue disorders which any number of "safe" substances could induce when given in such massive doses. Some critics have speculated that the FDA's decision was somehow influenced by the refined sugar industry which was concerned by the inroads cyclamates were making as a sweetener. The commissioner of the FDA stated last month that he is currently reconsidering the ban.

AN INEVITABLE FAILURE

But the general failure of the FDA can be best explained by the impossibility of the task it has been assigned. Physiology is without question one of the most paradoxical and confusing of sciences. Medical scientists confess their ignorance of how many of the most basic physiological processes in the body work, and speculate that they will remain so unenlightened for several decades.

The introduction of a strange, new drug in the human system adds one unknown quantity to another and further compounds our ignorance of the situation. The FDA's job is to make prompt decisions on the basis of scant, often contradictory experimental and clinical findings which have little value in determining the long term effects of drugs. Many of the agency's decisions are consequently made arbitrarily and under pressure.

The government might begin to correct the situation by admitting the impossibility of police-like regulation of something so complex as drugs and their effects. Except in the case of drugs of clearly dangerous toxicity, the practice of banning a drug might be replaced with warning labels explaining what harmful and beneficial effects have been found to date and leaving the final choice and responsibility to the doctor and the patient. In this way the Food and Drug Administration could evolve into a consumer-safety agency designed in the interest of the public, not governmental bureaucracy.

SOLAR ENERGY IN COLORADO

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. WIRTH. Mr. Speaker, this year the Energy Research and Development Administration will select from many proposals which offer management arrangements and site locations for the Solar Energy Research Institute. This Institute will perform analysis, assessment, and research activities in support of ERDA's solar energy program, which I consider to be of the highest importance in our future energy picture.

While many States would meet the minimum requirements for the location of the SERI, it is doubtful that any State can exceed Colorado's overall desirability for the siting of this facility for a number of reasons. First, there is considerable awareness and interest in solar energy in Colorado. The State has the largest number of solar heated homes, numerous solar equipment manufacturers, and several university-based solar research programs.

Colorado presents a variety of circumstances favorable to solar energy development: demand for energy has been rising rapidly, natural gas is becoming increasingly scarce, numerous social and environmental concerns may constrain the use of fossil fuels, and high levels of insolation exist in much of the State. The high quality of living, with outstanding recreational and educational opportunities, will facilitate the recruitment of an excellent corps of scientists and engineers.

The Colorado State Legislature is actively interested in encouraging solar energy use, and has adopted or considered several solar energy laws. This high level of interest in solar energy is evidence that these decisionmakers are familiar with the issues presented by solar energy development and are determined to overcome any obstacles which prevent the application of the results of our solar research. The Colorado Legislature has again demonstrated their strong interest with the passage of House Joint Resolution No. 1034, which follows:

House Joint Resolution No. 1034

Whereas, The dependence of this nation on foreign energy sources threatens the well-being and economic independence of this nation; and

Whereas, Development of alternative energy sources is a highly desirable method of dealing with the energy crisis; and

Whereas, Solar energy is one of the most promising alternative energy sources available to this nation; and

Whereas, The state of Colorado offers unique opportunities for a Solar Energy Research Institute because of its pioneering effort in the solar energy field, its educational facilities with interest and capabilities in solar energy studies, its pool of scientific and technological manpower, its relatively clear and sunny climate, and a strong interest in the development and use of alternative energy sources; now, therefore,

Be It esolved by the House of Representatives of the Fiftieth General Assembly of the State of Colorado, the Senate concurring herein:

That this General Assembly strongly supports the proposed location of the Solar Energy Research Institute in the state of Colorado and urges the Governor, the members of Congress from the state of Colorado, and the committee working on this effort to continue and to redouble their activities on behalf of the location of said institute in this state.

Be It Further Resolved, That this General Assembly assures the Energy Research and Development Administration that it will act to make certain that adequate land is provided for the Solar Energy Research Institute if Colorado is chosen as the location for said institute and that it will provide other necessary support to ensure the success of this program.

Be It Further Resolved, That copies of this resolution be transmitted to the Governor, the members of the Congress of the United States from Colorado, and the committee working to have the Solar Energy Research Institute located in Colorado.

MARLIN TOY CO. VERSUS GOVERNMENT

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. ROUSSELOT. Mr. Speaker, last June 23, I brought to the attention of this body the sad experience that Ed Sohmers, general manager of Marlin Toy Co., had with the faceless bureaucrats of Washington's regulatory network. His is only one of the many regretful stories that can be heard every day in this town that points up the sad state of the small businessman who is being held at bay as the victim of Government regulation. It is heartening to know, however, that there are others, certain members of the administration in particular, who occasionally try "to go to bat for the little guy." In this light it was especially refreshing to learn of Secretary of the Treasury Simon's recent speech in Dallas, Tex. Given before the Small Business Association multiagency conference on March 16 of this year, his remarks were witty, incisive, and gave an accurate—if somewhat disappointing—view of the effect of Government regulation on the small businessman in our country.

During the course of the speech he related the sad experience of Ed Sohmers and Marlin Toy Co. The Sohmers incident is an important one with which my colleagues should be familiar and bears repeating at this point in the Record:

Consider another example of the growth of government regulation and paperwork and its impact on a small business.

It is the case history of one Ed Sohmers, a typical American businessman, who honestly and conscientiously tried to comply with Federal rules and regulations.

Mr. Sohmers' story was cited in a paper last year on "The New Wave of Government Regulation of Business" by Dr. Murray L. Wiedenbaum, a former assistant secretary for Economic Policy at Treasury.

Ed Sohmers was general manager of Marlin Toy Products, Inc., a Wisconsin company that made a toy cited as unsafe in November 1972 by the U.S. Food and Drug Administration. The toy, a plastic ball containing colored pellets, was declared unsafe, the FDA said, because if it broke open a child could swallow the pellets. No matter that Marlin had been marketing the toy since 1962 and had received no complaints.

Mr. Sohmers recalled the toy at a cost of $95,000, removed the pellets and thought his problems were over.

But as he and his 85 employees were preparing for the 1973 holiday season making the toy and other products—a new Federal Agency—The Consumer Product Safety Commission—took over the safety regulation of toys and other products. In the process, some of the paperwork on the Marlin plastic toy went astray. Shortly thereafter, the Commission published a banned products list and sure enough, the Marlin plastic toy was on the list.

Ed Sohmers' protest fell on deaf ears. The erroneous list had been distributed to thousands of toy shops and the Commission refused to recall its 250,000 copies "Just to take one or two toys off the list," as they put it.

Predictably, the incorrect list caused order cancellations from all over the country. Marlin found itself with a $1.2 million loss and had to lay off all but ten of its 85 workers, many of whom were handicapped.

As Marlin's toy business plummeted, its paperwork problems skyrocketed:

Mr. Sohmers had to write more than 700 letters in an effort to obtain enabling legislation that would permit him to sue for damages.

He spent two weeks and $15,000 gathering documents for an appraisal company to prove the loss of business.

Three employees had to work two seven-day weeks pouring through documents that went back to the founding of the business in a household kitchen in 1947, in order to answer government inquiries.

And while all this was going on, the Justice Department, pleading a heavy workload, was able to obtain delays on the company's court action against the government.

Today, Marlin is out of the toy business.

Marlin Toys difficulties are just one example of the thousands of bureaucratic bungles that have taken their toll in both human and financial terms. In this case, government regulatory overkill took a tragic economic toll on human beings. Many of Marlin's discharged employees, especially the handicapped, could not find other jobs.

While Secretary Simon's account of the Marlin Toy Co. was certainly revealing of Government's ineptness and bureaucratic bungling, it was also fair and factual. Predictably, however, the story did not please everyone. In response to Simon's remarks, Richard O. Simpson, Chairman of the U.S. Consumer Product Safety Commission wrote Secretary Simon the following letter:

U.S. Consumer Product
Safety Commission,
Washington, D.C., March 30, 1976.

Re: Marlin Toy Products, Inc. v. United States Cong. Ref. Nos. 2-74, 1-75

Hon. William E. Simon,
Secretary, Department of Treasury,
Washington, D.C.

Dear Mr. Secretary: On March 16, 1976, you delivered a speech in Dallas, Texas at a conference on government assistance to small business. During that speech, you cited as an example of the "bureaucratic bungles that have taken their toll in both human and financial terms," the experience of the Marlin Toy Products, Inc. Your speech related that as a result of paperwork going astray, a toy produced by that company was erroneously included in a banned toy list by this Commission in 1973. It was suggested that as a direct result the company lost $1.2 million, discharged 75 employees, "many of whom were handicapped," and eventually went out of the toy business.

Although your statements accurately reflect the allegations Marlin Toy Products, Inc., has made, I believe it inappropriate for you to publicize them when those very allegations are being contested by the government in court. In order to determine whether in fact the claims made by Marlin Toy Products, Inc., have substance, the Congress referred the matter to the United States Court of Claims. The case, styled as above-reference, is being defended by the Civil Division of the U.S. Department of Justice. The government's position is that the principal cause of the company's problems results from its own mismanagement.

I suggest that comments on such pending cases are inappropriate. If, however, you must discuss the case publicly, you should at least be aware of the government's position.

Also, I suggest that your reference to the Marlin case may be an excellent example of "shooting from the lip" which you seem to decry in the opening paragraph of your text, and which we find all too often in the rhetoric accompanying regulatory reform discussions.

Sincerely,

RICHARD O. SIMPSON,
Chairman.

Not to be outdone, Secretary Simon penned this terse reply to the Simpson correspondence:

THE SECRETARY OF THE TREASURY,
Washington, D.C.

DEAR MR. SIMPSON: I struck a nerve. If anything, your letter reinforces my belief that your Commission's erroneous inclusion of a toy made by Marlin Toy Products, Inc., on a "banned products list" in October 1973 was a compelling example of regulatory bungling that caused severe hardship both in human and financial terms.

You contend that my reference to the Marlin case in the Dallas speech was "inappropriate" on grounds the claim of government error and other matters "are being contested by the government" in the U.S. Court of Claims as a result of Marlin's effort to seek damages.

However, by your own admission—in letters to Mr. Sohmers of Marlin in March 1974 and to Senator Eastland in July 1974—the listing was indeed an error committed by the Consumer Product Safety Commission. Furthermore, a letter to Marlin from the Commission's Bureau of Compliance only a few weeks before the erroneous listing stated that the toy in question could not be considered to constitute a hazard. So it appears obvious that the question of government error is already conceded and is not "being contested" at all.

How else were my remarks inappropriate? Was it inappropriate to mention a mistake made by the U.S. Government rather than to try to cover it up? Was it inappropriate to raise the issue in a public forum in the first place? I think not. If anything, we need more, not less, open discussion of regulatory and other matters that have a direct impact on businesses and individuals throughout the country. Certainly, these matters cannot, and should not, be immune from public scrutiny.

The President has made regulatory reform a priority of his Administration. I support that effort and believe that it is up to all of us in government to show the public that those regulations found to be useful and in the public interest will be administered fairly and efficiently. It was that goal—not "rhetoric"—that prompted my remarks in Dallas.

I intend to continue with a studied determination in this endeavor to point up the inefficiencies, waste, and bureaucratic bungling in the government and the incredible burden it imposes on all of the citizens of this great country.

I invite your valuable participation in this critical effort.

Sincerely yours,

WILLIAM E. SIMON.

The Marlin Toy Co. episode is not yet resolved, and it may be several months before the last chapter in the drama is finally written. But with champions like Secretary Simon taking part in the fray, we can hope that the ending to the Marlin Toy Co. fiasco will be a happy one.

ECONOMIC IMMORALITY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. McDONALD of Georgia. Mr. Speaker, Anthony Harrigan provides an excellent analysis of the immorality of income redistribution in a newspaper column entitled "Economic Immorality," dated for release on April 17, 1976.

Quoting Harvard Prof. Peter J. Rusthoven, Mr. Harrigan points out that income redistribution, whether by the Government directly taking it from some people and giving it to others or by the back-door method of taxation policy, denies the concept of individual responsibility and thus individual morality. The result is a loss of incentive and the destruction of freedom.

The column follows:

ECONOMIC IMMORALITY

In a recent syndicated column, Tom Wicker, New York Times associate editor and liberal political activist, hailed the new federal tax bill as "the beginning of a new and long overdue course for American liberalism—toward a policy of redistributing income."

Mr. Wicker's candid comment should make Americans realize that political redistribution of income—socialism, in other words—is at hand.

Sen. George McGovern proposed redistribution of wealth in his famous $1,000 per person handout proposal during the 1972 presidential election—a proposal that helped cost him the election. Now, redistribution of income is to be accomplished by a backdoor method—by the new tax legislation, that is.

What is the morality—or immorality—of redistributing income? This is a question thoughtful citizens should ask themselves.

Fortunately, this question has been carefully studied—and answered—in a brilliant essay "On Redistributing Income" by Peter J. Rusthoven, one of the editors of the Harvard Law Review.

In a special report issued by the United States Industrial Council Educational Foundation, Mr. Rusthoven points out that "there is a growing push in leftwing academic and political circles for the idea that substantive equality is a virtual prerequisite for the moral legitimacy of American society." He notes that the American idea that a man should be rewarded according to his worth "is coming in for increasingly bitter attack."

Thoughtful citizens, steeped in American values, undoubtedly are shocked at the notion that our country's wealth be divided without regard to the merit or contribution of the individual.

At the core of the position held by the redistribution advocates, says Mr. Rusthoven, "lies the belief that there are no differences in human behavior for which the individual human being is really responsible."

He goes on to say that "in other words, the advocates of income distribution base their arguments, ultimately, on a rejection of the notions of individual responsibility. It follows that they must reject as well any meaningful notion of individual morality."

This is a very powerful argument. It makes clear that a radically equal society, in which income is redistributed from the frugal and energetic to the irresponsible and lazy, must be an immoral society. It must be a society devoid of a moral scheme in rewards.

We see the outlines of such an immoral society in the welfarism of our era which has created a huge, sullen, dependent under class that lives off the work and savings of energetic, self-reliant citizens.

The end result of political redistribution of income, Mr. Rusthoven convincingly explains, would be the breakdown of liberty. "Quite simply," he writes, "the fact is that any such attempt would entail the virtual destruction of economic freedom as we know it. It is perfectly apparent, for example, that the theory of a free market economy is inconsistent with the attempt to render each man the material equal of his brethren."

Thus the threat posed by the new tax bill is far worse than anything that can be described in terms of deficit spending. The threat, insofar as income redistribution is concerned, is the undermining of the moral basis of a society in which respectable, working citizens are rewarded.

The authors of the new tax legislation, like Sen. McGovern in 1972, are striking at the system of incentives in our society. These incentives have a foundation in morality.

THE WEST AND SOUTHERN AFRICA

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 30, 1976

Mr. SPENCE. Mr. Speaker, all of us are concerned about recent events in southern Africa. Once again, western influence—and American influence in particular—is in decline. I believe that Members of Congress have an obligation to carefully review Secretary of State Kissinger's recent policy recommendations relative to Africa, and make their own views known to the people and to the President.

Aligning ourselves with the United Nations' embargo is no solution, Mr. Speaker. We would only be cooperating with an organization which is neither effective nor friendly to our interests, while weakening our own economy. Neither do I believe that we should encourage, even indirectly, revolutionary violence in southern Africa. To me, it is totally inconceivable that we could contemplate donating taxpayers' dollars to the Marxist "Republic" of Mozambique—surely, one of the worst governed nations in the entire world.

As we all know, the British have long maintained that the present Rhodesian Government is illegal. They consider Rhodesia to be still one of their colonies. Thus, I think that the views of some Englishmen who do not totally agree with their Government on this point may be especially interesting and instructive.

A good example was an editorial which recently appeared in the Free Nation, the publication of an organization in England which strongly opposes totalitarianism in any form. The chairman is Lord DeL'isle, and the members include Field Marshall Sir Gerald Templer and Winston Churchill, the son of the Prime Minister. I believe that this editorial, entitled "The West in Southern Africa," which appeared in the March 1976 issue of the Free Nation, published by the National Association for Freedom, is worthy of our careful consideration at this time, and I insert it to be reprinted in the CONGRESSIONAL RECORD at the conclusion of my remarks:

THE WEST AND SOUTHERN AFRICA

British public opinion is deeply divided over the current struggle for southern Africa, even if many politicians seem to be, for once, united in the view that there is nothing that can be done. We have just witnessed the conquest of Angola by Soviet arms and Cuban soldiers, and are now witnessing preparations for a Communist-backed invasion of Rhodesia.

The Cubans, the all-purpose mercenaries of the Soviet bloc, are being ferried all over the African continent—to Mozambique, to Guinea-Bissau, to Somalia, to Algeria and the western Sahara (to take part in a new war with Morocco) and even to Syria and the Golan Heights. We have seen this down-at-heel little sugar-growing republic of 8 million people sending its troops all over Africa, while some of our public leaders have been telling us that there is nothing that Britain, as a second-rate power with a population of just 55 million, can do.

Correction: Mr. Wilson did, of course, find something to do. Forewarned of the move by the pro-Marxist regime in Mozambique—which has distinguished itself by torturing white Portuguese prisoners—the British Government promptly handed out £10 million of taxpayers' money to help the Mozambicans to "apply sanctions" to Rhodesia. Mrs. Judith Hart, MP, darling of the Tribunite Left, soon turned up in neighbouring Lesotho to promise that even more British money will be on the way. It is money that will serve, indirectly, to finance the invasion of Rhodesia by Communist-backed guerrillas who are sworn never to negotiate with Mr. Smith.

Now you don't have to approve of Mr. Smith to see that it is vital for the West to take a stand in southern Africa. Crucial strategic interests are at stake, and if the Russians succeed—through their proteges—overrunning Rhodesia they will rightly conclude that the West will probably stand by making clucking noises when they strike at South Africa and (who knows how soon?) at the soft underbelly of Europe. We are, in fact, facing a series of tests. Each time we fail one, the test gets harder. The West failed in Angola. It cannot afford to fail in Rhodesia.

DOUBLE STANDARDS

But as things stand, no Western government—and certainly not the British government—is going to do anything effective to defend Rhodesia against outside aggression so long as Mr. Smith is governing on the present basis. Most members of the United Nations, including Britain, regard his government as an illegal regime. If the Europeans in Rhodesia were an African tribe, things might well be different. But it seems that in Africa, only whites are capable of being 'racists'. The nasty things that go on farther north—like the summary execution of 31 military rebels in Lagos this week—receive little attention and excite little passion compared with that aroused by Rhodesia or South Africa.

BRITAIN'S ROLE

But it is no good just complaining about double standards. What is needed is a basis for effective Western action to prevent further Communist expansion in southern Africa—which involves enlisting the support of moderate black African leaders. Arguably, Britain would only be able to intervene—given the political will, which is doubtful, and the troops, which could be scraped together with difficulty—under two sets of circumstances.

The *first* would be for Mr. Smith to say he had been a bad boy, and hand responsibility for Rhodesian affairs back to the British government. (Rhodesia is still, theoretically, a British colony). The *second* would be for Mr. Smith and Mr. Nkomo to arrive at some kind of settlement which Britain might then agree to police against foreign intervention. The second possibility is still a real one despite all the difficulties. Mr. Smith needs to reduce the persent isolation of the white Rhodesian settlers; Mr. Nkomo's only hope of maintaining control of the nationalist movement in the face of the challenge from the guerrilla left is through a negotiated settlement. A British pledge to defend such a settlement might help to bring it about—but it is most unlikely to be given by Mr. Wilson.

If all else fails, and Rhodesia slides into a race war which the Communist power would be able to exploit while Western countries stood gaping in the background, the only role Britain would be left to play would be that of helping to resettle those whose lives and property were at risk.

SENATE—*Monday, May 3, 1976*

The Senate met at 12 noon and was called to order by **Hon. Floyd K. Haskell**, a Senator from the State of Colorado.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, who governs the nations with justice and mercy, touch our hearts with the warmth of Thy love and our minds with the wonder of Thy wisdom. Enlarge our human powers by the awareness of Thy presence while we work. Infuse our lives with the qualities of character which fit us for the times in which we live. May we see beyond the baffling and bewildering events of this age, the mysterious but certain movement of Thy spirit and the unfoldment of Thy coming kingdom.

Spare us, O God, from the cynicism and skepticism which cloud the holy vision of a better nation in a better world. Grant that all who serve in the Government of this Nation may honor their offices by service pleasing to Thee, and in association with the leaders of other nations concert their best efforts for peace and justice in the world.

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., May 3, 1976.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Floyd K. Haskell, a Senator from the State of Colorado, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. HASKELL thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, April 29, 1976, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet until 1 p.m. or until the end of morning business, whichever comes later.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendars Nos. 725, 726, 727, and 729.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SUPPLEMENTAL EXPENDITURES BY THE SELECT COMMITTEE TO STUDY GOVERNMENTAL OPERATIONS WITH RESPECT TO INTELLIGENCE ACTIVITIES

The resolution (S. Res. 435) authorizing supplemental expenditures by the Select Committee To Study Governmental Operations With Respect to Intelligence Activities for an inquiry and investigation relating to intelligence activities carried out by or on behalf of the Federal Government, was considered and agreed to, as follows:

Resolved, That section 2 of S. Res. 377, 94th Congress, agreed to March 1, 1976, is amended by striking out "$450,000,, and inserting in lieu thereof "$515,000".

WATER RESOURCES PLANNING ACT AMENDMENTS

The bill (H.R. 11876) to amend the Water Resources Planning Act (79 Stat. 244) as amended, was considered, ordered to a third reading, read the third time, and passed.

REINSTATEMENT AND VALIDATION OF U.S. OIL AND GAS LEASE

The bill (H.R. 2782) to provide for the reinstatement and validation of U.S. oil and gas lease No. U-014571, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

INTERSTATE COMPACT TO CONSERVE OIL AND GAS

The Senate proceeded to consider the joint resolution (S.J. Res. 126) consenting to an extension and renewal of the interstate compact to conserve oil and gas, which had been reported from the Committee on Interior and Insular Affairs with amendments as follows:

On page 1, line 4, strike "until Congress withdraws its consent," and insert "to December 31, 1978,";

On page 12, line 2, strike "continue to make a biannual" and insert "make a biennial";

On page 12, line 3, strike "as provided in section 2 of Public Law 92-322, Ninety-second Congress,";

On page 13, line 1, insert the following:

"(b) The Attorney General shall also review the activities of any advisory committees to the Commission and the States, and not later than June 30, 1978, report to Congress as to whether the activities of any such advisory committees could tend to create or maintain situations inconsistent with the antitrust laws of the United States."

So as to make the joint resolution read:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to an extension and renewal from September 1, 1974, to December 31, 1978, of the interstate compact to conserve oil and gas, as amended, which was signed in its initial form in the city of Dallas, Texas, the 16th day of February 1935, by the representatives of Oklahoma, Texas, California and New Mexico, and at the same time and place was signed by the representatives, as a recommendation for approval to the Governors and legislatures of the States of Arkansas, Colorado, Illinois, Kansas, and Michigan, and which, prior to August 27, 1935, was presented to and approved by the legislatures and Governors of the States of New Mexico, Kansas, Oklahoma, Illinois, Colorado, and Texas, and which so approved by the six States last above named was deposited in the Department of State of the United States, and thereafter was consented to by the Congress in Public Resolution Numbered 64, Seventy-fourth Congress, approved August 27, 1935, for a period of two years, and thereafter was extended by the representatives of the compacting States and consented by the Congress for successive periods, without interruption, the last extension being for the period from September 1, 1971, to September 1, 1974, consented to by Congress by Public Law Numbered 92-322, Ninety-second Congress, approved June 30, 1972. The agreement to amend, extend, and renew said compact effective September 1, 1971, duly executed by representatives of the States of Alabama, Alaska, Arizona, Arkansas, Colorado, Florida, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Michigan, Mississippi, Montana, Nebraska, Nevada, New Mexico, New York, North Dakota, Ohio, Oklahoma, Pennsylvania, South Dakota, Tennessee, Texas, Utah, West Virginia, and Wyoming has been deposited in the Department of State of the United States, and reads as follows:

"AN AGREEMENT TO AMEND, EXTEND AND RENEW THE INTERSTATE COMPACT TO CONSERVE OIL AND GAS

"WHEREAS, on the 16th day of February, 1935, in the City of Dallas, Texas, there was executed 'An Interstate Compact to Conserve Oil and Gas' which was thereafter formally ratified and approved by the States of Oklahoma, Texas, New Mexico, Illinois, Colorado and Kansas, the original of which is now on deposit with the Department of State of the United States;

"WHEREAS, effective as of September 1, 1971, the several compacting states deem it advisable to amend said Compact so as to provide that upon the giving of Congressional consent thereto in its amended form, said Compact will remain in effect until Congress withdraws such consent;

"WHEREAS, the original of said Compact as so amended will, upon execution thereof be deposited promptly with the Department of State of the United States, a true copy of which follows:

"'AN INTERSTATE COMPACT TO CONSERVE OIL AND GAS

"'Article I

"'This agreement may become effective within any compacting State at any time as prescribed by that State, and shall become effective within those States ratifying it whenever any three of the States of Texas, Oklahoma, California, Kansas, and New Mexico have ratified and Congress has given its consent. Any oil-producing State may become a party hereto as hereinafter provided.

"'Article II

"'The purpose of this compact is to conserve oil and gas by the prevention of physical waste thereof from any cause.

"'Article III

"'Each State bound hereby agrees that within a reasonable time it will enact laws, or if the laws have been enacted, then it agrees to continue the same in force, to accomplish within reasonable limtis the prevention of:

"'(a) The operation of any oil well with an inefficient gas-oil ratio.

"'(b) The drowning with water of any stratum capable of producing oil or gas, or both oil and gas, in paying quantities.

"'(c) The avoidable escape into the open air or the wasteful burning of gas from a natural gas well.

"'(d) The creation of unnecessary fire hazards.

"'(e) The drilling, equipping, locating, spacing or operating of a well or wells so as to bring about physical waste of oil or gas or loss in the ultimate recovery thereof.

"'(f) The inefficient, excessive or improper use of the reservoir energy in producing any well.

"'The enumeration of the foregoing subjects shall not limit the scope of the authority of any State.

"'Article IV

"'Each State bound hereby agrees that it will, within a reasonable time, enact statutes, or if such statutes have been enacted then that it will continue the same in force, providing in effect that oil produced in violation of its valid oil and/or gas conservation statutes or any valid rule, order or regulation promulgated thereunder, shall be denied access to commerce; and providing for stringent penalties for the waste of either oil or gas.

"'Article V

"'It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations.

"'Article VI

"'Each state joining herein shall appoint one representative to a commission hereby constituted and designated as THE INTERSTATE OIL COMPACT COMMISSION, the duty of which said Commission shall be to make inquiry and ascertain from time to time such methods, practices, circumstances, and conditions as may be disclosed for bringing about conservation and the prevention of physical waste of oil and gas, and at such intervals as said Commission deems beneficial it shall report its findings and recommendations to the several states for adoption or rejection.

"'The Commission shall have power to recommend the coordination of the exercise of the police powers of the several states within their several jurisdictions to promote the maximum ultimate recovery from the petroleum reserves of said states, and to recommend measures for the maximum ultimate recovery of oil and gas. Said Commission shall organize and adopt suitable rules and regulations for the conduct of its business.

"'No action shall be taken by the Commission except: (1) By the affirmative votes of the majority of the whole number of the compacting states represented at any meeting, and (2) by a concurring vote of a majority in interest of the compacting states at said meeting, such interest to be determined as follows: Such vote of each state shall be in the decimal proportion fixed by the ratio of its daily average production during the preceding calendar half-year to the daily average production of the compacting states during said period.

"'Article VII

"'No state by joining herein shall become financially obligated to any other state, nor shall the breach of the terms hereof by any state subject such state to financial responsibility to the other states joining herein.

"'Article VIII

"'This compact shall continue in effect until Congress withdraws its consent. But any state joining herein may, upon sixty (60) days' notice, withdraw herefrom.

"'The representatives of the signatory states have signed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States, and a duly certified copy shall be forwarded to the governor of each of the signatory states.

"'This compact shall become effective when ratified and approved as provided in Article I. Any oil-producing state may become a party hereto by affixing its signature to a counterpart to be similarly deposited, certified, and ratified.

"'Done in the City of Dallas, Texas, this sixteenth day of February, 1935.'

"WHEREAS, the said 'Interstate Compact to Conserve Oil and Gas' in its initial form has heretofore been duly renewed and extended with the consent of the Congress to September 1, 1971; and

"WHEREAS, it is desired to amend said 'Interstate Compact to Conserve Oil and Gas' effective September 1, 1971, and to renew and extend said compact as so amended:

"NOW, THEREFORE, THIS WRITING WITNESSETH.

"It is hereby agreed that effective September 1, 1971, the Compact entitled 'An Interstate Compact to Conserve Oil and Gas' executed within the City of Dallas, Texas, on the 16th day of February, 1935, and now on deposit with the Department of State of the United States, be and the same is hereby amended by amending the first paragraph of Article VIII thereof to read as follows:

"'This compact shall continue in effect until Congress withdraws its consent. But any state joining herein may, upon sixty (60) days' notice, withdraw herefrom.'

and that said compact as so amended be, and the same is hereby renewed and extended. This agreement shall become effective when executed, ratified, and approved as provided in Article I of said compact as so amended.

"The signatory States have executed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States and a duly certified copy thereof shall be forwarded to the Governor of each of the signatory States. Any oil-producing state may become a party hereto by executing a counterpart of this agreement to be similarly deposited, certified, and ratified.

"Executed by the several undersigned states, at their several state capitols, through their proper officials on the dates as shown, as duly authorized by statutes and resolutions, subject to the limitations and qualifications of the acts of the respective State Legislatures.

"THE STATE OF ALABAMA
By --------------------------, Governor
Dated: --------------------------
Attest: --------------------------
Secretary of State (SEAL)

"THE STATE OF ALASKA
By --------------------------, Governor
Dated: --------------------------
Attest: --------------------------
Secretary of State (SEAL)

"THE STATE OF ARIZONA
By --------------------------, Governor
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Secretary of State (SEAL)

"THE STATE OF ARKANSAS
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Secretary of State (SEAL)

"THE STATE OF COLORADO
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"THE STATE OF FLORIDA
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"THE STATE OF NEW YORK
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"THE STATE OF NORTH DAKOTA
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"THE STATE OF OHIO
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"THE STATE OF OKLAHOMA
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Secretary of State (SEAL)

"THE COMMONWEALTH OF PENNSYLVANIA
By --------------------------, Governor
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Attest: --------------------------
Secretary of State (SEAL)

"THE STATE OF SOUTH DAKOTA
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Secretary of State (SEAL)

"THE STATE OF TENNESSEE
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"THE STATE OF TEXAS
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"THE STATE OF UTAH
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Secretary of State (SEAL)

"THE STATE OF WEST VIRGINIA
By --------------------------, Governor
Dated: --------------------------
Attest: --------------------------
Secretary of State (SEAL)

"THE STATE OF WYOMING
By --------------------------, Governor
Dated: --------------------------
Attest: --------------------------
Secretary of State (SEAL)

SEC. 2. (a) The Attorney General of the United States shall make a biennial report to Congress, for the duration of the Interstate Compact to Conserve Oil and Gas as to whether or not the activities of the Interstate Oil Compact Commission and of the States under the provisions of such compact have been consistent with the purposes as set out in Article V of such compact.

(b) The Attorney General shall also review the activities of any advisory committees to the Commission and the States, and not later than June 30, 1978, report to Congress as to whether the activities of any such advisory committees could tend to create or maintain situations inconsistent with the antitrust laws of the United States.

SEC. 3. The right to alter, amend, or repeal the provisions of the first section of this joint resolution is hereby expressly reserved.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the executive calendar beginning with New Reports.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations will be stated.

U.S. COAST GUARD

The second assisant legislative clerk proceeded to read sundry nominations in the U.S. Coast Guard.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

DEPARTMENT OF DEFENSE

The second assistant legislative clerk read the nomination of Eugene V. McAuliffe, of Massachusetts, to be an Assistant Secretary of Defense.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read sundry nominations in the Coast Guard, in the National Oceanic and Atmospheric Administration, in the Air Force, and in the Marine Corps, placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

BUT THE PATIENT DIED

Mr. MANSFIELD. Mr. President, a year ago the end of last month marked the end of our misadventure or tragedy in Indochina. It was an error which cost us much in men and money and a great deal of prestige: 55,000 Americans dead; 393,000 Americans wounded; a cost of approximately $150 billion to date; and, according to the "Statistical Abstract of the United States, 1973," a U.S. Department of Commerce publication, it is estimated that this tragedy ultimately will cost us $352 billion and extend well toward the end of the first half of the next century.

Mr. Anthony Lewis of the New York Times has written a commentary entitled "But the Patient Died," under date of April 29, in that newspaper. This applies primarily to Cambodia, one of the most peaceful of all countries in Southeast Asia, if not the world, until our intervention and our participation, now one of the most isolated and hermetically sealed countries in the world.

I ask unanimous consent that this article by Mr. Lewis be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

But the Patient Died

(By Anthony Lewis)

On April 30, 1970, six years ago tomorrow President Nixon ordered United States forces into Cambodia. It is a day that will live in the shame of Americans who know the good in their country and suffer when evil is done in its name.

Mr. Nixon and his national security adviser, Henry Kissinger, gave assurance that the Cambodian operation would be limited in purpose and means and time. It was none of those things. It began five years of wanton, cruel, useless destruction: the destruction of a civilization. If there is a reckoning, in this life or another, some Americans will bear a heavy burden for what they did to Cambodia.

This is a time of remembrance generally for the tragedy of American intervention in Indochina. It all came to an end just one year ago: April 30, 1975, when the American-supported Government in Saigon surrendered. How much farther away it seems. How quickly we blot the unpleasant from memory.

A small, moving new book brilliantly evokes the reality of America in Vietnam. It is "The Last Day," a Vintage paperback by John Pilger, who was in Saigon for The London Daily Mirror at the close. He intersperses scenes of the disordered American evacuation, marked by illusions, inhumanities, lies. It is a difficult book to read without tears.

But Cambodia was worse. Very little of what goes wrong in the world deserves to be called evil; most is mere mistake. But Congressman Paul McCloskey, Republican of California, was right when he saw Cambodia in early 1975 and said that what American policy-makers had done there was "greater evil than we have done to any country in the world."

In Vietnam, the American intervention could be ascribed to ignorance. And the original mistake was hard to undo. Once in, U.S. officials found it hard to get out while preserving intact the image of strength that they regarded as vital to world order.

But there were no such excuses in Cambodia. In 1970 no rational American official could believe that more would mean less war in Indochina. None could plead ignorance or inadvertance.

Indeed, the very way the invasion was announced suggested that its well-spring was not reason but obsession. "We will not be humiliated," Mr. Nixon said: We would not act like "a pitiful, helpless giant." Mr. Kissinger said his own assistants who opposed the invasion were insufficiently "manly" and showed "the cowardice of the Eastern Establishment."

The President and his men said their aim was only to clean out sanctuaries of the Vietnamese Communists. They promised that the U.S. would not get involved in Cambodia's emerging civil war, would not supply military advisers to the Lon Nol regime just installed in Phnom Penh by a coup, would not fly any air missions in Cambodia except against the Vietnamese. The promises were quickly broken.

In the next three years and three months American planes dropped 400,000 tons of bombs on Cambodia. The U.S. sent $2 billion in aid to Lon Nol—and kept the civil war going for five terrible years.

A country that had once been a demiparadise, where the poorest never went hungry, became a charred wasteland of starving refugees. A tenth of Cambodia's population, 600,000 people, were killed. Half the population was made homeless.

The evil of 1970 was mercilessly repeated. When the Vietnam "peace" was signed in 1973, Mr. Nixon shifted the B-52's to Cambodia, using them there without a shred of authority in any law or resolution or treaty —very likely the most flagrant Presidential violation of the Constitution in our history. When the end became inevitable, in 1974, Mr. Kissinger still refused to work for a settlement that would mitigate the damage. His policy was to fight to the last Cambodian.

In 1970 many foresaw that the sending of American forces into Cambodia would enlarge the war, but few could imagine the extent of the human and political disaster. The end result has been not only to decimate Cambodia but to give it one of the most xenophobic governments on earth, hating outsiders and reportedly imposing terrible cruelties on its own people.

One wonders about the American officials responsible. Apart from external accountability, does any one of those men ever think of Cambodia, look into himself and despair?

Mr. MANSFIELD. Mr. President I express the hope that while Vietnam has been mentioned seldom if at all in this campaign, what we did there and what was not accomplished there and what was accomplished there never will be forgotten by the American people and that never again will we become involved in a tragedy of this nature, because it was the kind of war that under no circumstances this Nation could have won.

Mr. HUGH SCOTT. Mr. President, I hope that never again will we become involved in foreign military ventures on the soil of any other Nation, save in our own defense or in situations which grievously threaten our national interests. The record of Vietnam and Cambodia is filled with misjudgments, with errors, with mistakes, with tragedy.

I think we also owe to the record to point out that as we debated the withdrawal from Cambodia, it was the minority leader of the House at that time and I who notified the then President, in June of that year, that we would not be able to continue to support any military actions in Cambodia and specifically the bombing at that time. The minority leader was Gerald Ford. The measure to forbid further bombings, effective on a date fixed in that measure was passed.

However, in the course of preparing for these evacuations, there were numerous discussions in the Committee on Foreign Relations. I well remember the point being made by some of the members of that committee with respect to confidence in the new Government of Cambodia that would soon take over, the Khmer Rouge, that they had it on good authority that not more than about eight people would be executed for their crimes. Some of those eight people were well known as leading officials of that government.

To show how wrong we can be on various sides of an argument, the latest reports are that about 600,000 people have been murdered in Cambodia by the present government. That contrasts pretty sharply with the eight about whom we received such warm assurances as to the limitation of the reaction of that government.

Oddly, I think the American people expected more violence in Vietnam and less in Cambodia, and it has worked out the other way. The Vietnamese people seem to have gone in more for reeducation and the process of unification, and the Cambodians have gone in for the destruction of whole classes of population, whole categories, including virtually all the educated people of that country.

So I think it ought to be a salutary lesson that nobody is entirely right and nobody is entirely wrong when we get into these debates.

I yield back the remainder of my time.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin (Mr. Proxmire) is recognized for not to exceed 15 minutes.

A CLOSER LOOK AT THE B-1'S PERMFORMANCE ADVANTAGES

Mr. PROXMIRE. Mr. President, of all the many defenses raised in behalf of the B-1 program, perhaps the most often heard is the significant improvement the B-1 will provide to U.S. strategic bombing capability. And clearly the B-1 does embody some noteworthy advances that make it desirable in certain respects. Certainly for more than $2 billion the American people should be getting something for their money. After all, this is $100 for every man, woman, and child in the country.

Some of the advantages cited for the B-1 over the B-52 are: Supersonic capability; greater hardening against thermal overpressure from nuclear effects; improved takeoff capabilities; higher penetration speeds; lower radar cross-section; and larger payload.

This list of major advantages has been steadily shrinking since the inception of the B-1 program. Forever lost to this list are greater range, lower infrared signature, and many others. And as will now be described even the still-existing advantages are open to question.

A. SUPERSONIC CAPABILITY

Of all the advantages cited for the B-1, supersonic capability is undoubtedly one of the most over-rated and least understood. The B–1's supersonic capability makes the plane suffer very severe penalties in terms of weight, cost, complexity, and subsonic performance. Yet in terms of any realistic strategic mission, the B–1's supersonic capability will simply not be used; thus, it should probably fall under a category headed "disadvantages."

The chief justification for making any strategic bomber supersonic is to enhance its penetration capability. Since bombers can never hope to outrun missiles, it makes little difference whether a bomber arrives at its target in 5 hours rather than 10. Spending less time over hostile airspace is desirable, however, if doing so does not jeopardize the bomber's mission. The issue is whether the reduction in time spent over hostile airspace is worth the increase in bomber vulnerability stemming from greater radar and infrared visibility, reduced range, and other factors that accompany supersonic flight.

The B–1 will be capable of supersonic flight only at medium and high altitudes, since its supersonic on-the-deck requirement was dropped many years ago. Because supersonic flight consumes so much fuel, the B–1 would only fly supersonically over or near Soviet airspace. Yet high altitude penetration for bombers was ruled out years ago, even for the supersonic FB–111 and the old B–58, because such a flight mode makes a bomber easily visible to radar. As a result, all the emphasis in recent years has been on low level penetration for bombers. In addition to radar vulnerability, a B–1 flying supersonically would be much more vulnerable to infrared-seeking weapons and tracking devices. This arises because at supersonic speeds, especially at Mach 1.6, the B–1's engines will have their afterburners turned on. Under these conditions, the B–1 IR signature will light up like a Christmas tree, providing a much easier target for surface-to-air heat-seeking missiles.

RANGE REDUCTIONS

As if this were not bad enough, the range of the B–1, which is already seriously below its design goal will be sharply reduced by supersonic operation. The "fuel mileage"—specific fuel consumption—of jet engines typically deteriorates by a factor of anywhere from two to four during afterburner operation. For example, the FB–111's fuel mileage deteriorates by a factor of 4.3 at maximum supersonic capability over its normal subsonic operation.

Thus supersonic operation would slash the B–1's range still more; this would decrease the B–1's target coverage and evasive maneuvers capability while increasing its tanker dependence Indeed, the combat mission requirements for the B–1 apparently do not include a supersonic, high altitude requirement: Should the need arise, the B–1 could also penetrate at supersonic speeds at high altitude. An extreme example of the impact of supersonic capability on B–1 range is seen by the fact that a B–1 operating supersonically for its whole mission would not be capable of reaching the Soviet Union and returning.

These performance costs are only the direct costs of the B–1's supersonic capability. Less direct but no less important are the penalties embedded in the B–1's design by its supersonic capability. An entirely subsonic B–1 could use more efficient jet engines—similar to those on the 747 and DC–10—that would extend the B–1's range and lower its infrared signature. Thus the B–1 is denied longer range, lower IR signature, greater target flexibility, heavier payload, greater evasive maneuver capability, shorter take-off distance, and thus overall higher survivability, all because of its supersonic capability. Additional subsonic compromises had to be made in the fuselage and wing design in order to give the B–1 a supersonic capability.

SWING-WING ISSUE

The Air Force claims that the cost of the supersonic capability is relatively low because even a subsonic-only B–1 would have to have the swing wing for acceptable flying qualities during on-the-deck penetration. While the swing wing does improve the B–1's penetration flying qualities at low altitude, there are other ways to do this. It is not clear that bomber designers would want to give a subsonic penetrator a swing wing, since that choice incurs a substantial weight, volume, and complexity penalty in the design. In fact, Boeing and General Dynamics, who competed with Rockwell for the B–1 contract, submitted alternative fixed-wing designs to the Air Force along with their swing-wing proposals. And as late as 1 year ago in an effort to reduce costs, the Air Force was reexamining the need for a variable sweep wing.

In a letter on the feasibility of conducting a cost-effectiveness study on the B–1's supersonic capability the GAO said:

> One of the important factors that must be considered when trying to determine whether the supersonic capability should be eliminated is that the design of the aircraft for the high subsonic speed mission gives it an inherent supersonic capability. (Letter of Dec. 24, 1975, from the Comptroller General of the U.S., B–163058, page 2.)

The GAO explains:

> The low-altitude, high subsonic speed and the fast-base escape requirements dictate a design with the swing-wing and high thrust engines. According to the Air Force, the additional flexibility of supersonic speed is worth the small additional cost. (Ibid.)

GAO appears correct in one regard—a swing-wing design possibly would be desirable for a subsonic bomber. There the similarity ends. For instance, a subsonic penetrating bomber would have engines far different from those on the B–1. High bypass ratio turbofans, such as those powering the 747 and DC–10, would give the subsonic bomber extremely high thrust at takeoff without the need for a fuel guzzling afterburner such as that required by the B–1 engines. These ultra-high efficient turbofans simply cannot be used on supersonic aircraft. It is a certainty that a subsonic-only version of the B–1 would have radically different, and much more efficient, designs for the fuselage, the engines, and the wing itself.

The recent Air Force announcement that the B–1 top speed will be slashed from Mach 2.2 to Mach 1.6 offers insight into the real value of the much-vaunted supersonic capability. The Air Force adopted this modification in order to reduce the spiraling B–1 costs, but in fact, the program cost savings realized will only be $240 million.

In other words, the Air Force traded off half of the supersonic capability of the B–1 for a mere 1-percent savings in total program costs. If supersonic capability is such a critical necessity for our next strategic bomber, why did the Air Force sell half of it for such a pittance? The Air Force maintains that all features eliminated from the B–1 were done on the basis of cost-effectiveness. Senate Armed Services Committee hearings, fiscal year 1977, part 10, page 5553. So if the cost savings of eliminating supersonic capability are that small, the effectiveness of supersonic capability must be miniscule.

It should also be noted that at Mach 1.6 the B–1 could not begin to outrun anything but the oldest current Soviet interceptors.

I. DOLLAR COST OF SUPERSONIC CAPABILITY

The dollar cost of supersonic capability should also not pass unnoticed. The Air Force claims that the cost is only 15 percent of the procurement cost. GAO letter report, December 24, 1975. This, of course, ignores the substantial performance cost just discussed. Even if one accepts the Air Force estimate, which others dispute as being too low, the cost of supersonic capability would amount to a cost of $3 billion. That amount would be more than enough to pay the $2.1 billion cost of re-engining the B–52 fleet. Yet this $3 billion will be spent for a supersonic capability that is strategically useless and which degrades the vital subsonic performance of the plane.

And there are doubts over that 15 percent figure. As stated earlier, the present costly designs of the fuselage and airfoil are all made necessary by the supersonic requirement, and possibly that of the swing wing as well. Other Air Force officials a few years ago put the monetary cost of the supersonic capability at 20 to 30 percent, and other officials higher still. In 1968, the Defense Department estimated the cost to be as much as 30 percent higher than a subsonic bomber.

Also, maintenance costs have been traditionally higher for supersonic aircraft than for subsonic ones.

II. AIR FORCE JUSTIFICATION FOR SUPERSONIC CAPABILITY

In the face of all these cost mission and performance drawbacks to the B–1's supersonic capability, why does the Air Force want this expensive option? The following responses are usually heard:

First. It can be used to burst through a Soviet AWACS threat;

Second. It can be used once the Soviet air defense threat has been seriously degraded;

Third. It can be used in some parts of the world of potential U.S. interest where defenses against high altitude penetrations do not exist;

Fourth. Supersonic capability forces the Soviets to divert resources in order to defend against such a penetration mode; and

Fifth. Supersonic capability gives the B–1 added flexibility which a subsonic-only bomber would not have.

Each argument merits individual attention.

First. Supersonic capability can be used to enable the B–1 to burst through a Soviet AWACS—SUAWACS—threat. This argument is unconvincing, for the B–1 or any supersonic bomber. In order to fly supersonically, the B–1 will have to leave the safer environment of low-level penetration and climb to high altitude. In exchange for the higher penetration speed, the B–1 would be vastly more visible to the Soviet AWACS radar and ground-based radars. And the greatly increased infrared signature of the B–1 at these speeds would make it much more vulnerable to surface-to-air and air-to-air missiles. A cheaper and much more effective alternative for the SUAWACS threat would be an anti-SUAWACS missile. The Air Force started to work on the Hound Dog 2 as a SUAWACS killer, but for some reason halted its development. It should be pointed out that the Hound Dog 2 could be carried by the B–52 but not by the B–1.

The bomber defense missile, which is being studied by the Air Force and which will be compatible with both the B–52 and B–1, is a much more appropriate and cheaper method for countering a SUAWACS threat than is supersonic capability.

Second. Supersonic capability can be used once the Soviet air defense threat has been seriously degraded.

This argument is puzzling. If Soviet air defenses are degraded so much that supersonic high altitude penetration is feasible, why would not subsonic high altitude penetration be feasible as well? It is conceivable that a narrow set of circumstances could exist where supersonic but not subsonic high altitude penetration would be feasible. Yet it seems foolish to spend so much for such an unlikely event, especially considering the tremendous range penalty of supersonic flight.

Third. Supersonic capability can be used in some parts of the world of potential U.S. interest where defenses against high altitude penetrators do not exist.

The same reasoning used in the second argument applies here as well. If defenses against high altitude penetrators do not exist, then there would be no reason to fly supersonically. Subsonic high altitude flight would be just as effective and would not reduce the plane's range and target flexibility as supersonic flight does.

Fourth. Supersonic capability forces the Soviets to divert resources in order to defend against such a penetration mode.

The basis for this argument is that defense against supersonic high altitude penetration requires a substantially different sort of hardware than defense against subsonic penetration. Whatever the merits of this resource diversion argument are, it ignores the fact that the Soviets must defend against a supersonic bomber threat anyway, no matter what Congress decides on the B–1. The Soviets must defend against our supersonic FB–111 and the French Mirage IV–A. Forward-based and carrier-deployed supersonic U.S. aircraft also have a nuclear strike potential against the U.S.S.R. Not knowing ahead of time to which targets these aircraft would be directed, the Soviets already have to defend many of their targets against the possibility of a supersonic aircraft attack. Admittedly the FB–111 cannot now reach all targets in the Soviet Union when it is based in the United States. But in their air defense planning the Soviets would have to hedge against the possibilities of: Substantial refueling; one-way missions; and forward deployment of the FB–111's in a crisis.

Fifth. Supersonic capability gives the B–1 added flexibility which a subsonic-only bomber would not have.

On the face of it this seems to be true: Since the B–1 can fly both supersonically and subsonically, it will be capable of performing a supersonic mission should the need ever arise. But this is a narrow and incorrect interpretation of flexibility. In return for a capability that has been strategically obsolete for 15 years, the B–1 must sacrifice flexibility in range, payload, tanker dependency, evasive maneuver capability, and infrared signature, among others. It was precisely over this issue that there arose strong controversy within the Air Force, the Office of the Secretary of Defense, the National Security Council, and the Office of Management and Budget in 1969 and 1970. The White House and OMB made such strong arguments against the B–1's supersonic capability that it took the threat of resignation by the then-Deputy Secretary of Defense, David Packard, before the White House gave in and approved the supersonic capability.

And as shown earlier, this obsolete and unnecessary supersonic capability is costing the United States a minimum of $3 billion. This alone should give one pause about the B–1 program.

B. HARDENING AGAINST NUCLEAR EFFECTS

In any new strategic bomber, improving its survivability against the effects of nuclear blast is desirable. In times past it might have been conceded that this is a critically important advantage for the B–1, primarily for prelaunch survivability. However, recent statements by high Defense Department officials have almost completely discounted the value of this advantage in prelanuch survivability. In his 1975 testimony before the Senate Armed Services Committee, Dr. Malcolm Currie, Director of Defense Research and Engineering, stated that the joint strategic bomber study "has brought out that the hardness of the KC–135's can assure an adequate level of prelaunch survivability."

Since the B–52 is of the same generation as the KC–135 and has similar takeoff characteristics, this would seem to alleviate concern that the B–52 as it now exists would not have an adequate level of prelaunch survivability. Furthermore, the fact that the B–52 will be on active SAC duty through the 1990's offers assurance that the B–52 has an acceptable level of hardness against nuclear attack. And as will be discussed later, a B–52 with new engines will have improved takeoff performance. Thus, though the B–1 is superior to the B–52 in hardening against nuclear effects, this advantage is not of overriding importance.

C. IMPROVED TAKEOFF CAPABILITIES

This is another advantage that up until a few months ago seemed to be of measurable importance. The B–1 was to have a shorter takeoff capability and quicker reaction time than the B–52, enhancing its prelaunch survivability. But once again, Dr. Currie's statement on "the adequate level of prelaunch survivability" of the KC–135 calls this belief into question. The KC–135 is basically no more dispersable than the B–52, and cannot fly away any faster, so one must conclude that the B–52 even as it now exists is not unacceptably inferior to the B–1 in this respect. And as will be described later, a B–52 retrofitted with new engines will have nearly the same takeoff distance as the now-degraded takeoff distance of the B–1. Thus, the B–1 may have little better takeoff capabilities than a cheaply modified B–52.

D. HIGHER PENETRATION SPEED

Higher penetration speed is chiefly important because it reduces the time a bomber must spend over hostile territory. This then reduces the bomber's vulnerability to air defenses. Yet the Joint Strategic Bomber Study found that the performances of the B–1 and B–52 in penetration were extremely sensitive to the performance of their electronic countermeasure, ECM. This would indicate that, all things equal, higher penetrating speed is desirable, but that overall penetration success is much more dependent upon the ECM package contained in the bomber than on its penetration speed. This is reminiscent of what the Department of Defense was saying some years ago:

> The most important factor in manned strategic weapons systems appears to be the weaponry and penetration aids carried; the characteristics of the carrier are a secondary consideration, except as they relate to penetration aid effectiveness. (Hearings on Military Posture, House Armed Services Committee, February–April 1967, pages 499–500.)

Furthermore, as will be discussed later, the penetration speed of the B–52 can be improved with new engines. One anonymous source within the industry has stated that a reengineered B–52 with additional structural modifications could have the same peneration speed—mach 0.85—as the B–1.

E. LOWER RADAR CROSS SECTION

This is certainly a big advantage that the B–1 has over the B–52, though once again the Joint Strategic Bomber Study seems to indicate that ECM is the most important variable in assessing bomber penetrability. Furthermore, from the point of view of radar detectability, the B–1 is at a great disadvantage compared to the cruise missile. The cruise missile is practically invisible to radar, having the radar cross-section of a seagull.

F. LARGER PAYLOAD

Mr. President, the so-called larger payload advantage is very puzzling, to say the least. Some B–1 enthusiasts go so far as to claim that the B–1 will carry three times the payload of the B–52. "Why the B–1?" North American Rockwell brochure. While it is true that the B–1 can carry three times the number of SRAM's internally that the B–52—24 versus 8—this is almost meaningless, as the B–52 carries an extra 12 SRAM's under its wings, and four additional conventional weapons—Mark–28 gravity nuclear bombs—in its forward bomb bay, making a total of 24 weapons per B–52, the same number as the B–1 carries. "Modernizing the Strategic Bomber Force," Quenbeck and Wood, the Brookings Institution, 1976, page 25. Thus B-1 payload advantage over the B-52 thus simply melts away.

Industry sources state that the B-1 will probably never carry any weapons externally because of the resulting range degradation which the B-1 can ill-afford. Maj. Gen. H. M. Darmstandler, special assistant for the B-1 to the Air Force Chief of Staff, told a group of congressional staffers that carrying the ALCM externally would result in "a 15 percent degradation of range." U.S. Senate staff briefing, May 15, 1975.

Furthermore, the total weapons capacity of the B-52 could be increased beyond that of the B-1 by relatively simple modifications. By extending the bomb bay aftward, the B-52 could be modified to carry two or even three SRAM rotary launchers internally. This should not require stretching the aircraft fuselage. Including the twelve missiles it can carry externally, the B-52 could thus carry a mix of 28 or possibly 36 SRAM's and cruise missiles. Again note that the B-1 can carry only 24.

DISAPPOINTMENT WITH AIR FORCE HANDLING OF B-1 DATA

Mr. President, I want to express my disappointment with the way the Air Force has handled this exchange of information. At the beginning of this series of speeches, I thought that the purpose would be to disseminate as much information about the B-1 as possible. In order to do this, I told the Air Force that I would put their replies to my speeches in the RECORD. I have done so and I will continue to do so.

In addition to this, as an experiment, I provided a full copy of my speech several days in advance to the Air Force. In turn, they promised to provide me with whatever response they might choose to make. This seemed to be a fair way of handling a complicated issue—even more than fair in that the Air Force would in effect have the last word on the day of my speech.

Well, several things have gone wrong. When the Air Force reply arrived in my office the morning of my first speech, my staff asked if this was the full response or was there more that had been provided to the press or other people. My staff was assured by two Air Force officials that indeed this was the full response. Only later did the Air Force admit that in addition to this reply to my office they had made available a different and much more extensive rebuttal to the Senator from Arizona (Mr. GOLDWATER).

I have no objection to the Senator from Arizona being the spokesman for the Air Force on the B-1 or for the Air Force to prepare a rebuttal for him. But it does seem that the Air Force was not honoring its original commitment. This makes me wonder whether the Air Force can really be objective in this issue. If you ask the fox to justify chicken stealing, you might expect an eloquent statement about social justice or survival of the fittest. But the fox is not exactly an impartial observer. His way of life is at stake. So it is with the Air Force.

Mr. President, I would now like to comment on portions of the rebuttal provided to the Senator from Arizona and to my office by the Secretary of the Air Force.

First, the Air Force goes to great lengths to discredit my example of the range of the B-52. Conveniently for the Air Force argument, they delete the following sentence in my remarks. That sentence reads:

> Of course, in a strategic mission its range would be less than this but it is probably greater than that of the B-1.

Thus I made the very point the Air Force objects to. And yet they spent so much energy trying to rebut this point that I wonder if they even read the speech. Surely it is selective perception of the worst type to conveniently drop out the very sentence of my speech which qualifies the range data on the B-52.

Second, the Air Force states that the additional life cycle costs of the B-1 are closer to $8 billion rather than the $40 billion figure I use. My figure was meant to include all program costs. Not just the life cycle costs but the basic procurement costs of $21 billion plus the uncounted associated costs which the Air Force admits will cost $8 billion and which I think will be much higher. Thus the real total program costs will be at least $30 billion and will be over $40 billion with a new tanker system. The Air Force says they will not require a new tanker, but all the evidence, including a recently disclosed OMB memorandum point to a new tanker program costing at least $10 billion.

Third, I note that the Air Force always compares the characteristics of the B-1 bomber with the B-52 G model, never the B-52 H model. Why? Because the B-52 H has turbojet engines which are more efficient than the turbofan engines of the B-52 G. Since about half the B-52 fleet consists of B-52 H's, it is obvious that the Air Forces seeks to state the worst case and overlook the more favorable comparisons with the B-52 H's.

Fourth, the Air Force costs for the SRAM assume that the B-1 does not carry a full complement of SRAMs—only about one-half a load. Thus, the Air Force SRAM dollar figures understate full weapon payload costs. I used figures assuming a full SRAM load. The Air Force should supply the costs of the other weapons on each B-1 for an accurate comparison.

Fifth, I still have not received the information I requested from the Air Force in the first speech. They criticized some of my data but neglected to provide the hard evidence to support their own case. Therefore, I again call upon the Air Force to provide that data. I am speaking of a full comparison of the original specification of the B-1 in 1969, when initially presented to Congress, compared to its degrated specifications today. I am referring to an itemization of the performance degrations in the B-1. And the costs of reengineering the B-52 and the studies that have been performed on this subject; and whether or not the 747 or other wide bodied jets could be used for stand-off bomber platform and what studies have been done on this subject, and the full life cycle costs of the B-1 coupled together with the full production cost of the B-1. Those are highly relevant statistics which are critical to the Air Force case. But so far they have been lacking.

SUMMARY OF ARGUMENTS

In conclusion, Mr. President I want to summarize the principal arguments of this second speech.

First, it appears that the alleged performance advantages of the B-1 bomber are exaggerated or useless compared to other bomber alternatives.

For example, its supersonic capability is vastly overrated and causes severe penalties in terms of weight, cost, and mission. The low level supersonic capability for the B-1 has been dropped. Now it must use its supersonic capability at high and medium altitudes where it is vulnerable to radar detection. Furthermore, due to the tremendous heat exhausted in supersonic flight, the B-1 will be more vulnerable to heat seeking missiles.

Supersonic flight also decreases the range of aircraft since it uses so much more fuel. A B-1 flying supersonic for an entire mission would not be able to get to the U.S.S.R. and back.

Supersonic flight therefore will most likely be used only over enemy airspace if at all. There the B-1 faces a trade off between less time over target and increased vulnerability due to its heat production.

The U.S.S.R. has the most heavily defended airspace on Earth. We will be flying into the teeth of their defenses—not a wise military strategy. There is a very real probability that these attacks into the U.S.S.R. could result in very high attrition rates resulting in what could be suicide missions for our pilots.

Bomber flight time to target involving hours matters very little when missiles can reach the same targets in 30 minutes. Already the Air Force has reduced the supersonic capability of the B-1 dramatically from Mach 2.2—2.2 times the speed of sound—to Mach 1.6. This makes the B-1 far too slow to outrun modern Soviet fighters.

The supersonic capability of the B-1 will cost at least $3 billion, or more than enough to reengine the B-52 fleet and produce a very effective subsonic bomber.

In view of these facts, the supersonic capability of the B-1 is of very little value and in fact has great costs.

Claims by the manufacturers of the B-1 that it can carry three times the payload of the B-52 are erroneous. While it is true that the B-1 can carry three times more short-range attack missiles—SRAM's—internally than the B-52—24 versus 8—this is almost meaningless as the B-52 carries an extra 12 SRAM's under its wings and 4 additional weapons in its forward bomb bay, making a total of 24 weapons per B-52 or the same as the B-1 will carry.

The B-1 probably will not carry external weapons because of the 15 percent reduction in range that requires. Furthermore the B-52 can be modified to carry even more SRAM launchers internally. Including 12 external missiles, the B-52 could carry a mix of at least 28 and possibly 36 SRAM's and cruise missiles while the B-1 carries 24.

As for a smaller radar image, the B–1 clearly is better off than the B–52. But the B–1 is far larger and more susceptible to detection than the cruise missiles which could be launched by a stand-off bomber platform—another cost effective alternative to the B–1.

The higher penetration speed of the B–1 can be adequately compensated for in the B–52 by new engines, but even then the most essential item is electronic countermeasures. These "black boxes" confuse enemy radars and missiles. The Air Force has testified that these black boxes are one of the most important factors in manned bombers. Yet they can just as easily be placed in B–52's as B–1's.

Beyond all the technical arguments, there are real bureaucratic reasons why the Air Force and its supporters in Congress are so adamant about spending $22 billion for the B–1. These are simply:

Every pilot wants the newest, latest aircraft. And the Air Force is dominated by pilots from World War II. Without the B–1, they might eventually have to fly unexciting stand-off bomber platforms.

Without the B–1 bomber, the Air Force might not be able to justify so many positions for generals and other high-ranking officers.

These are the parochial attitudes that lie behind the technical arguments but nonetheless help determine major funding decisions. That is why it is impossible to get an objective analysis from the Air Force on the B–1. Jobs and pestige are at stake.

Mr. President, I yield the floor.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Arizona (Mr. Goldwater) is recognized for not to exceed 15 minutes.

STRATEGIC CONCEPTS AND THE ROLE OF THE B–1

Mr. GOLDWATER. Mr. President, the debate on the B–1, in my opinion, should now get into the strategic area.

We have spent about 10 years arguing about money, and I think we are all pretty well aware of that amount and the amounts that we can expect, but there are one or two things I would like to comment on before my basic remarks on strategy.

The Senator has just stated that the B–1 is not living up to its expectations.

Yesterday, the B–1 reached a top speed of 2.1 mach, 1,350 miles per hour.

Mr. President, I ask unanimous consent that a release from the Air Force concerning that performance be printed at this point in the Record.

There being no objection, the news release was ordered to be printed in the Record, as follows:

B–1 Flies Twice the Speed of Sound

Edwards AFB, Calif., April 30, 1976.—The Air Force's first prototype B–1 bomber flew faster than twice the speed of sound today during its 21st test mission. It was the aircraft's fastest speed to date.

A top speed of 2.1 Mach (approximately 1,350 m.p.h.) was achieved over the Pacific along a flight path extending from Washington State to the California-Mexico border. Acceleration and air induction control system tests were conducted during the run at altitudes up to 50,000 feet. Supersonic speeds were maintained for 25 minutes during the mission.

Today's top speed marks the completion of the initial phase of high Mach testing and approaches the limits to which the B–1 prototypes will be flown. Prior to today's flight, the highest speed achieved by the B–1 was 1.9 Mach, approximately 1,255 m.p.h.

Other test events during the 7 hour and 16 minute flight achieved two performance climbs, cruise and penetration performance evaluations, a minimum speed investigation and two aerial refuelings.

Crew members for the flight were Rockwell's Doug Benefield, pilot; Air Force Colonel Ted Sturmthal, copilot; and Pat Sharp, Air Force flight test engineer.

Two B–1 prototypes are currently undergoing flight testing at Edwards. The second B–1, an offensive avionics test aircraft, has completed three flights. A third prototype is expected to fly for the first time this summer.

Including today's flight, the two B–1 aircraft have completed 165 hours and 54 minutes of successful flight testing. Six hours and 23 minutes of that time has been at supersonic speeds.

Air Force System Command's Aeronautical Systems Division at Wright-Patterson AFB, Ohio, is responsible for overall B–1 system development and procurement. Rockwell International's B–1 Division at Los Angeles is the B–1 system contractor; the General Electric Company of Cincinnati makes the aircraft's F101 engines.

Total Flight Hours, Aircraft #1: 152 hours and 14 minutes (31 flights).

Total Fight Hours Aircraft #2: 13 hours and 40 minutes (3 flights).

Mr. GOLDWATER. Mr. President, the Senator stated that every pilot wants the newest aircraft and that the Air Force is dominated by pilots from World War II.

The truth, Mr. President, is that the average age of SAC aircraft commanders is 31 years, and if copilots are included, the average age of all SAC pilots is 29 years. In other words, they were not even born when World War II had ended.

Less than 25 percent of general officers have promotion list service dates that would have permitted service in World War II.

All pilots want good airplanes, just like all people want good in anything that they purchase.

Mr. President, another remark that the Senator has repeatedly made is about supersonic capabilities at low altitude.

This aircraft will fly 0.85, which is 85 percent of mach 1, at elevations below 500 feet. No other aircraft we have in the bomber class will do that. The highest speed of the B–52 is about 390 miles an hour.

I say to my friend from Wisconsin that we do not have any new aircraft engines. We have to build them. We are way behind in engines.

Mr. President, it should be noted that the B–1 has never been planned to fly supersonic at low altitudes. It was considered in the very early stages, but not incorporated in the final approved plan.

Also, it is ridiculous to consider that the B–1, or any bomber, would ever want to fly an entire mission supersonic. That has never been planned; it never would be planned. We could never carry enough fuel in the aircraft or the tankers necessary to accomplish that.

The subsonic penetration speed, which has been demonstrated in flight, allows the B–1 to fly beneath enemy radar coverage. The B–1 will not have to fly at high or medium altitudes unless the mission calls for it.

Mr. President, our country's strategic forces are designed for one basic purpose—to make the United States so strong no other country would attack us or our allies for fear of the consequences. The United States has a national policy that we will not launch a surprise first strike nuclear attack against a potential enemy. To make certain a potential enemy will not launch a surprise attack against us, we have developed a strategic force known as the Triad.

The cornerstone of this force is deterrence. The United States has a force of bombers, land-based missiles, and submarine-launched missiles. The complementary characteristics of this force mix form a credible deterrent denying potential enemies any options for a successful knockout blow against our country. In addition, the Triad compounds the offensive and defensive problems of an adversary attempting to defeat or defend against U.S. forces. It maintains an important hedge against uncertainties and assures that a major technological advance against any one element will not negate the effectiveness of the entire force. It permits countering a temporary vulnerability in any one element; and, denies the adversary the opportunity for undue concentration of his resources against any single strategic force element.

Mr. President, many people do not understand these facts—so let me give an example. To hit our bombers, the enemy must strike quickly or they are away. To hit missile silos, he must have a high degree of accuracy. He knows that if he goes for the bombers with his relatively short range submarine launched missiles, the nuclear detonations would occur on U.S. territory well before his more accurate silo based missiles could arrive at our missile silos. Our missiles would be launched in retaliation before they could be destroyed. If he tries for our silo missiles first, the bombers would be away long before the accurate long-range missile could get there, leaving nothing for the submarine-launched weapons to hit. And in either case he pays the price of certain retaliation. The Soviet Union knows this and the price they know must be paid keeps them from starting the war.

"What are the unique things a bomber can do?" some ask. Missile systems are better—more modern, up to date, faster. They used bombers in World War I—this is the space age. Well, sometimes slow is better. Bombers take some time to get where they are going. They, therefore, do not constitute a first strike threat. Furthermore, they give people time to think about eventualities, thoughts which may be so overwhelming the bombers will not have to be used.

Bombers are also very visible. Missiles sit hidden in silos or in submarines. They are always there. They can be forgotten. But a difference can be seen between bombers on the ground in their usual places, bombers on the ground in unusual places, and bombers in the air. They are noticed when they move and that very visibility has deterrent features, a nation may realize it is coming too close to the edge.

If bombers do have to be used, they deliver many weapons with high accuracy.

I might say, Mr. President, with all this talk about our missiles, we have never tested one intercontinental ballistic missile with a warhead. So I do not buy, offhand and quickly, the argument that we have superior accuracy in our missiles. We have not tried them. But bombers, we know of their accuracy. The bombers can destroy the hard targets that the slight inaccuracies of the missiles would cause them to miss. The bombers have people on board who can assess damage and make decisions on that assessment. Finally, the bomber can be used again if that becomes necessary to salvage what is left.

The bomber that provokes the correct thought—makes the Soviets reach the proper conclusion—must be capable of hitting him where it hurts and he must know that it can.

Today the manned bomber force is constituted primarily of B-52 G and H aircraft. These aircraft will be 19 to 23 years old in 1981. The bomber force must be modernized in order that the Triad remain viable.

Mr. President, the Soviets keep trying to break the balance. They develop new missiles, better and more accurate, to jeopardize our silo based missiles. They deploy new defenses to keep our bombers out and they have massive civil defense programs to protect their industry and their population from our ICBM and submarine-launched missiles.

We must respond to this continually increasing threat to our deterrent capability, for if we do not the unthinkable will come true. If the Soviet Union believes that they have the advantage, they will use it, and all the things we stand for could be lost because of our vulnerability.

I might say at this point, Mr. President, while I cannot recite this as accurate, I am informed that the Soviets are busy putting all their command posts, all their communications centers, and their industries, underground.

If this is true—and I am not saying it is true—this could present a problem for this country that would require the complete rethinking of our strategic concepts, but it would not mean the rethinking of the bombers because they would be needed more than ever in a case like this.

How should we respond? The oldest part of the Triad is the bomber, the B-52. The last of these was built in 1962, over 14 years ago. One task of this system is the most demanding mission of all, deep penetration of the enemy heartland to accurately place weapons on hard, well defended targets that cannot be confidently eliminated by our missile force. The B-52 still works well, but against the increasing Soviet defense will not be able to do the job effectively much longer. We know it, and the Soviet Union knows it.

If we hung all those extra missiles under the wings of the B-52, as my friend from Wisconsin suggests, we would have an airplane barely able to take off, and one that would probably cruise at less than 200 miles an hour and would be the most vulnerable bomber that we have ever put up; even more vulnerable than bombers we flew in World War II.

The question is not whether to upgrade this capability, but how to do it. Many proposals have been made. "Modify the B-52," some say, that has worked before. But the aircraft is slow, it cannot fly as low as necessary, and it would be better if it could carry more weapons. "Modify the FB-111," others say, it is a good aircraft, it is fast and flys low. These things are true, but the FB-111 is what the names implies, a fighter-bomber and it is good at that job; it is just not a heavy bomber. It flys fast, but not long enough, it flys low, but does not carry enough payload. Still others advocate cruise missiles—they are new, they should be good. But they cannot think like a man and avoid trouble, they are slow, they are range limited and they may not be as accurate where accuracy is at a premium and they do not carry electronic countermeasures.

This brings us to the B-1. It is all the things the others are not. It takes off fast to escape attack, it flies low and fast and far, it carries many weapons, it has good ECM, and it has a man there to think for it.

We rely heavily on our bomber force to maintain the strategic balance. As I indicated earlier, the bombers hit all targets including the hard targets which require the most accuracy. They make up less than one-quarter of our delivery vehicles, yet they carry half our megatonnage. We know from experience they will work, but we have never fired the other weapons in the Triad in anger. Our bomber must be the best, and the best is the B-1. Without it, the Soviets will write off the U.S. bomber force in about 10 years as an effective contributor to the strategic balance. With it, we can maintain the precarious balance we now have established, and the Soviets will know we still mean to maintain this balance. Some say the systems we have are sufficient and, now that we have them, we need to do nothing more than maintain them, and reduce defense spending accordingly. The French adopted a similar attitude following the First World War, mentally defending themselves with the Maginot Line. But they learned that there is no one defense. A new technological application characterized by the swift Panzers simply ran around the line, not over it.

We must not allow ourselves to adopt a similar Maginot Line mentality. The role and significance of the manned strategic bomber have not been diminished in any way by the advent of the missile and space age. The mission of the manned bomber, however, has become more demanding and exacting. We need a more capable, not a less capable bomber. We need the B-1.

I suggest to my colleagues that, before we decide, let us consider the consequences.

Mr. President, earlier this year I wrote a letter to Gen. Russell Dougherty, who is Commander in Chief of the Strategic Air Command, and asked him questions that I thought were pertinent relative to the debate that would take place in the Chamber of the Senate concerning the B-1. He has answered these questions in a beautifully written, wonderfully reasoned letter.

To conserve time, I ask unanimous consent that this letter of General Dougherty be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of the Air Force,
February 23, 1976.

Hon. Barry Goldwater,
U.S. Senate,
Washington, D.C.

Dear Senator Goldwater: In your letter of 31 January 1976 you outlined the nature of the principal issues you foresee in Congressional consideration of the FY77 Defense budget, with focus on those associated with the B-1 procurement request in the President's budget. You indicated that it would be helpful in your deliberations within the Armed Services Committee and the Senate to have my views, as Commander in Chief, Strategic Air Command, on: (1) the requirement for the B-1; (2) why Strategic Air Command does not support the various alternatives to the B-1 that have been suggested: (3) the value of keeping a manned system as part of the strategic equation; and (4) any other matters that I consider relevant to your deliberations.

I appreciate the opportunity to be heard on these important issues and am pleased to provide my views as requested—views that you should feel free to use as you and your colleagues in the Senate see fit.

If you would indulge me in a reordering of the questons you have posed, I would first like to address the "value of keeping a manned system as part of the strategic equation"—for I consider the "requirement for the B-1" as subordinate to (and flowing from) a more generic and fundemental U.S. Strategic Requirement for a fully modern manned penetrating bomber:

If deterrence of attempted coercion, intimidation, or direct attack on the sovereignty of the United States (and those allies we choose to associate with our vital national interests) is to remain the basic tenet of our national security policy, U.S. authorities must continue to have the assurance of a panoply of relevant and diversified military capabilities that can support them in any and all actions necessary to preserve that sovereignty . . . no matter what the circumstances of confrontation.

A hardened, long-range, manned penetrating bomber offers a uniquely capable and dependable strategic delivery system that spreads itself reliably and capably across the broadest possible spectrum of those required military capabilities. When completely modernized and manned with skilled, ingenious military crews, such a penetrating bomber offers the United States an overall flexibility of choice and application that is unmatched by any other weapons system. It can:

Carry a larger number of weapons (conventional or nuclear) than any other strategic delivery system—to any fixed targets, anywhere, under a wide variety of circumstances.

Achieve unequalled accuracies in long-range delivery under all circumstances; and, through self-contained sensors, offers our only long-range capability against mobile or imprecisely located targets.

Provide a highly visibile deterrent force, one that can be used as a recognizable expression of national determination and resolve in either preplanned or ad hoc contingency situations.

Accommodate (or readily be adapted to) the delivery of multiple types of conventional and nuclear weapons—highly accurate gravity delivered, standoff-launched cruise, ballistic, semi-ballistic or defensive weapons—in large quantities, for multiple or selective delivery.

Through *design growth* characteristics, adapt rapidly in tactics and/or avionics to negate or avoid unanticipated defenses and other threats.

Drive an enemy requirement for extensive diversion of his resources to defensive (vice offensive) systems—but still can be designed with the flexibility to penetrate those defenses if penetration is required for assurance.

Provide us the most effective and economical way to redress the already serious (and worsening) imbalance in deliverable megatonnage vis-a-vis the Soviet Union.

Provide a simultaneous capability for long-range, real (or near real) time strike assessment deep within enemy territory with the flexibility of striking alternate planned targets or withholding unnecessary attacks and retaining weapons.

Be launched as a visible expression of active deterrence, yet be recalled without expenditure of ordnance, even after launch, should the deterrent objectives be achieved.

Provide our nation an assured capability to extract severe penalties on an enemy society, regardless of any unexpected degradation or blunting of our SLBM or ICBM force; thus providing insurance against unexpected defenses or failure of any aspect of our strategic ballistic missile systems.

Be used repeatedly. Depending on the nature of conflict, substantial recovery can be anticipated—thus enabling rearming and reuse for any required strategic purpose in subsequent warfighting or war terminating activities.

Exploit superior U.S. technology and capability; for we can build, maintain and operate a flexible, modern delivery system of this type better than any potential adversary.

Be applied across the spectrum of military capabilities—and is uniquely useful for an infinite number of lesser contingency missions; without loss of ultimate capability as a major delivery system for large nuclear payloads.

Survive blunting attacks and reliably be protected from destruction on the ground through tried, proven launch procedures of Strategic Air Command, adapted to reasonable expectations of our modern detection and warning systems.

We know what we can do with a manned delivery system. With a modernized manned penetrating delivery system in our mix of major strategic weapons systems, we are confident of our ability to continue to provide our National Authorities assurance of a viable deterrent posture, under all circumstances of threat or attack. Without it, we are not confident that we can provide such assurances in the future.

Turning now to my views on the requirement for the B-1 (and I will not repeat the statistics and details of program characteristics, costs, etc. which are matters of record with the Congress):

Simply stated, I view the B-1 as the best candidate vehicle reasonably available to satisfy the future requirement for a modern manned penetrating bomber—and to provide the U.S. with the diversified characteristics that are and will be needed in our complementary mix of strategic delivery systems. Not only do I view it as the best, I do not see any other comparable system that can reasonably be expected to do this job as I think it must be done for assurance—or for long-term economics.

We are satisfied that the B-1, as it has evolved, will provide our nation with the most efficient and effective manned penetrating weapons system ever conceived. It will accomplish the varied missions that could be required of it with an assurance we do not believe possible in other alternatives that have been proposed and considered.

Strategic weapons planning is dynamic, complex, and demanding. In the thirty year experience of Strategic Air Command with such planning and with the analyses of the plans for efficiency and completeness, SAC achieved a measure of expertise in applying strategic weapons systems to the jobs to be done that is unparalleled. When that expertise is applied to the future problems of maintaining a credible strategic deterrent force, the performance characteristics of such a force containing the B-1 clearly exceed those of a force mix of other, alternative weapons systems. These expert analyses support our individual judgments that no other system reasonably available to us will do the job as well, as efficiently, or as long into the future as will the B-1.

As we now have it, the B-1 development represents a careful blend of operational requirements, modern technological feasibility, fiscal constraints and life-cycle support considerations. It is a real thing—a modern manned penetrating bomber that has been conceived, developed and tested to the point that we are confident that it will perform the future requirements for such a delivery system and give us a viable weapon system mix. It is not a paper study or a theoretical analysis of what might be or what might satisfy future requirements. The B-1 is here, it is timely, and it is competent—postulated alternatives meet none of those criteria.

Your third question is "Why Strategic Air Command does not support the various alternatives to the B-1 that have been suggested?" You are correct, we have not supported those alternatives for the overall reason that none of them has stood the tests of long-term sufficiency, cost effectiveness, or supportability over the years ahead. They may have superficial or analytical appeal to some, but they don't measure up with those of us who must maintain and operate our deterrent forces.

To some degree, all the alternatives suggested are either an upgrading of existing equipment that offers expensive short-term improvement without long-term sufficiency, or inadequate performance to remain viable under anticipated high threat situations.

The various models of the B-52 have provided us a magnificient penetrating bomber; its design has given us the inherent growth potential to adapt to changed penetration tactics, offensive and defensive avionics enhancement, and to accommodate to improved types of air-launched missiles and bombs. But the operational B-52 has carried a primary deterrent load for over 20 years, and its ability to adapt to change and modification is not infinite—regardless of its sterling performance throughout those two decades. The basis B-52 technology is that of the 1950s. The aircraft is soft to blast effects; its launch and escape time is relatively long; its radar reflectivity is great; it has no supersonic capability; it cannot penetrate at extremely low altitudes; it is expensive to man and maintain; its design characteristics preclude flexibility in dispersal and deployment. Importantly, even though modified and upgraded, it would be perceived as "nothing new" in the dynamics of deterrence.

Our serious study of the major B-52 modifications proposed as an alternative to the B-1 procurement (e.g., larger engines, redesigned wing, fuselage extension, etc.) leads us to the reasoned conclusion that these improvements will not provide the modern characteristics needed for the future and are, in sum, expensive stopgap measures that would provide neither an adequate nor a cost effective, long-term vehicle to do what we see as required. While I could support these B-52 modifications as desirable to upgrade its viability during the remaining time it is part of our strategic force, they do not offset or obviate the requirement for the B-1. Also, such extensive modification program would cause a protracted reduction in our operational bomber inventory when the need for these deliver systems is increasing.

One of the principal alternatives that has been advanced is an improved and enlarged version of the FB-111. This alternative has the initial appeal of offering a more modern and higher perfomance penetrator since the FB-111 is basically a hard and fast aircraft with low radar reflectivity. However, our continuing analysis of the various proposals for FB-111 upgrade has led to the conclusion that the extensive modification required to make the FB-111 comparable to the B-1 would be, in effect, an entirely new aircraft with all the expense, time, and testing required. The basic FB-111 design is already an adaptation of a fighter/bomber aircraft; and it does not have the growth potential to compete, efficiently, with the B-1 without such a major redesign that, in effect, it is a new aircraft.

In our view, the redesign suggestions that have been advanced leave us with an aircraft that lacks growth potential, does not have the desired low-level range and payload characteristics; and, in order to do the job required, would have to be procured, manned, and supported in such large numbers that it is neither an economical or efficient long-term alternative to the proposed B-1 force.

As respected as the FB-111 is within Strategic Air Command's manned penetrating bomber force, we have a pragmatic recognition of its limitations in size and range, neither of which can adequately be overcome by modification. In fact, and in perception, such an alternative is considered inadequate for the future requirements of our manned bomber force.

The other alternative that seems to have attracted the attention and support of some analysts is a large, "stand-off" aircraft armed with air launched cruise missiles. Standing alone as an alternative for the B-1, I think this approach to solving our complex future problems of deterrence would be extremely dangerous, if not ineffective and grossly deficient. The concept of an air launched cruise missile does have appeal to us, however, as a secondary and lesser included mode of attack for use within our overall strategic force mix. This weapons development offers the possibility in the future for compensating an inability to attack an expanding enemy target system with a limited number of delivery vehicles through the extended use of obsolescing, penetrating bombers (e.g., the early models of the B-52) that in future years may no longer have a high probability of being able successfully to penetrate in depth. Such weapons could be useful in low threat areas and contingency situations to degrade peripheral defenses and attack shallow targets, provide interdiction support in land or sea areas, thereby augmenting the potential firepower of our primary manned penetrating forces.

As an alternative for the B-1, the concept suffers from serious inflexibility since the stand-off aircraft are, by design, unable to penetrate under any circumstances; the result is a serious erosion of flexibility and overall capability in our manned bomber force. A penetrating bomber can always be adapted to utilize and exploit any advantages of a stand-off air launched cruise missile, while still retaining the important advantage of not being limited to a stand-off role and being able to extract high levels of damage against deep targets, including those requiring a high order of accuracy and yield to achieve reasonable damage levels.

The question of vulnerability of a large stand-off missile launching aircraft is, in itself, sufficient for us to discount this as a primary weapons delivery mode for our strategic forces. Its patent lack of credibility in future years would seriously (if not totally) degrade its deterrent value.

The air launched cruise missile is viewed by us as a potentially valuable adjunct to our total force flexibility to handle a constantly expanding threat and target system and, possibly, as an economical, efficient way to challenge an enemy to maintain expensive area and terminal defenses—thus diverting resource allocation from his offensive capabilities against us. It is not yet tested; its operational utility, accuracy, cost and efficiency stand as important unknowns.

I would advise those in positions of responsibility for our overall deterrent and defensive capabilities not to pursue this alternative except as an additive capability for possible use in future years—it is not adequate as a primary weapons system for deterrence.

You have courteously offered me an opportunity to present "any other comments" that I consider relevant to you and your colleagues' determinations on the B–1 issue. I would like to accept this invitation to address the issue of relative cost of the B–1; for I, as any responsible American, recognize the impact of such an expensive weapons system on our national budget and our nation's fiscal resources.

At the outset, I am reminded that much of the cost of this long-term production program will be returned to our nation's economy (and our Treasury) in the form of wages, goods, services and tax receipts generated through classic economic multiplier effects. Notwithstanding these economic realities, however, I think the overall cost of the program, which is the rallying cry of many opponents, must be placed in perspective in order to be understood; i.e.,

In describing the critical role of our nation's strategic forces, Secretary Rumsfeld said (in his 1977 Defense Report): "Without the foundation of adequate strategic nuclear forces, the United States and its Allies cannot hope to deter aggression and contribute to some semblance of international stability . . ." Within the context of that critical, central role for our strategic forces, the cost of those forces (Air Force, Navy, Army—offensive and defensive—procurement, O&M, personnel, RDT&E, and military construction) is seen in perspective as but a small fraction of our present and projected total obligational authority (in constant FY77 dollars) in the DOD budgets for 1977–1980 (i.e., 1977—9.1%; 1978—9.5%; 1979—9.5%; 1980—10.5%). These projections include the anticipated B–1 procurement requests.

In my view, there is no weapons delivery system program that is more important, more critical, or offers more deterrent utility within the total mix of our strategic forces than the B–1. Without such a capable, flexible, and visible strategic weapons delivery system, our deterrent forces would be seriously deficient across the potential spectrum of confrontation and/or conflict. Yet, the widely publicized "20 billion dollar" B–1 program appears in far better perspective if it is viewed as a percentage of the DOD budget requests in those years: i.e., 1977—1.4%; 1978—1.7%; 1979—2.1%;1980—2.6%.

In the context of its central importance to our nation's future security—and as an average of 1.95% of our expected DOD budget requests during these years—the "20 billion dollar B–1 program" appears far more understandable to me . . . and, I hope, to the Congress and the nation.

In sum, I see no real alternative to the B–1 from among the suggestions that have been advanced. If we are denied timely production of this aircraft and rapid introduction of the B–1 into our operational inventory, it is my opinion that the nation's deterrent force mix soon will be seriously deficient in its ability to maintain an essential balance—real or perceived—with the strategic forces of the Sovet Union.

Respectfully,

RUSSELL E. DOUGHERTY,
General, USAF,
Commander in Chief.

Mr. GOLDWATER. Mr. President, I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes.

WAIVER OF CALL OF THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE B–1 BOMBER

Mr. PROXMIRE. Mr. President, I want to say once again how delighted I am the Senator from Arizona (Mr. GOLDWATER) has chosen to respond to my arguments against the B–1. I believe this is a useful debate.

I would like to reiterate the specific points I made in the course of this second speech were not rebutted by the Senator from Arizona. I talked about how much the supersonic capability is vastly overrated; how the supersonic flight decreases the range of the aircraft; how it most likely will be used only over enemy airspace, if at all; how this is a very vulnerable aircraft when it flies at high altitudes where, of course, it will be vulnerable to Soviet missiles in the most heavily defended airspace in the world.

I might say that many of the arguments by the Senator from Arizona—and they are very thoughtful and well-expressed arguments—will be met by subsequent speeches which I intend to give. As I said, this is one of six speeches. A little later this week, and then in the following weeks, I expect to be giving the other speeches on the other aspects of this aircraft.

I cannot avoid the conclusion that this is an expenditure that cannot possibly be justified. We will have not only a more economical Defense Department and Air Force if we do not fund the B–1, but we will have a more effective, far more effective, Air Force and military force if we do not go ahead with this $21 billion expenditure on a weapons system which was obsolete years ago and would not come on the scene for 5 or 6 years.

WHY NOT DISCLOSE BRIBES?

Mr. PROXMIRE. Mr. President, in recent months, nearly 100 of America's blue chip corporations have admitted to paying corporate bribes overseas. For a large number of companies doing business overseas, bribes to foreign officials was a way of life.

In the Banking Committee's investigation of bribery, however, we found that a number of other companies apparently had strict policies of refusing to pay bribes and did not suffer for their greater integrity. The idea that bribes must be paid in certain parts of the world is simply a myth.

The legislation before the committee S. 3133 would end corporate bribery, first by requiring a systematic program of disclosure to the SEC of all overeas consultant payments and second, by flatly prohibiting such payments to foreign public officials.

Disclosure is the heart of this legislation. The disclosures that the SEC is currently receiving are in part predicated on the idea that such payments are material to investors, and must be disclosed under existing law. S. 3133 would require systematic disclosure of all such payments, per se, whether or not materiality were asserted.

I was delighted to read a column in a recent Wall Street Journal agreeing that disclosure is the best remedy to put an end to corporate bribery. Indeed all defenders of the free enterprise system should abhor bribery, because it interferes with the basic premise of free enterprise—that the marketplace rewards the most efficient producer.

As Lindley Clark, Jr. commented in the Journal, "full disclosure is a large part of the solution."

Mr. President, I ask unanimous consent that the text of this article as it appeared in the Journal be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Speaking of Business

(By Lindley H. Clark, Jr.)

VIRTUES OF DISCLOSURE

Over the past several months the Securities and Exchange Commission has been hearing confessions from some of the nation's major corporations—confessions that they have made "questionable" payments either abroad or at home.

The questionable payments are quite a mixed bag. Some have been outright bribes or illegal political contributions. Some have been very large, and some have been so small that the SEC lawyers wondered why companies chose to report them. Some have been carefully hidden away in the company's accounts, with or without the connivance of top management. Some have been openly reported.

Where do we go from here? Well, bribery is illegal just about everywhere, and certainly one way to start would be to enforce the existing laws that are on the books. If we can't make the present laws work it's no answer simply to pile up new ones.

But what we have here is no neat collection of black-or-white cases; a distressing number come in various shades of gray. American multinationals are in a sort of moral-political-economic quandry, one that is made all the more difficult for them because it is so imperfectly understood by the public.

American businessmen every day are engaged in courting customer good will—and in trying to get along with all of the various branches of government that oversee their operations. Ethical problems can and do arise here as well as overseas; the U.S. has no monopoly on morality.

Salesmen take customers to lunch, to a baseball game, to the theater. Manufacturers' representatives, offering the products of several companies, travel the U.S. making sales on commission. The manufacturers aren't likely to know what the "rep" does with the commission.

There have been efforts, some reasonably successful and others less so, to draw lines. If a salesman entertains a private customer it may be considered perfectly proper; if he does the same thing for the purchasing agent of a city government it may be improper. The public has a right to expect that its representatives won't profit personally, or even enjoy hunting-lodge weekends, because of the way they spend the public's money.

Gray areas will continue to exist. How do we deal with them? The Internal Revenue Service of all organizations, may have pointed a way.

As income tax rates have mounted, the federal government obviously has acquired a larger stake in the way that business taxpayers spend their money. If business expenses are considered to be "ordinary and necessary," companies can deduct them from income in figuring their taxes. That means that the government partly subsidizes all of those customer lunches and jaunts to the theater.

More than a decade ago, the IRS began looking much more closely at business-expense accounts. Most importantly, the service began requiring much more documentation of such expenses, more disclosure. Expense accounts still are abused, perhaps, but it's a fair guess that disclosure has cut down the abuses.

Last week Roderick Hills, chairman of the Securities and Exchange Commission, in effect suggested that disclosure was a partial solution to the foreign payments problem. He said that U.S. companies can continue making payments "extorted" by foreign tax, customs and other officials as the price of doing business overseas. Nothing the SEC has done "interferes" with such "grease" payments. Mr. Hills insisted, provided they are accurately entered on the public's books and that management knows they are being made.

Some of the questionable payments were channeled through secret funds or otherwise hidden because company employees knew, or feared, that top management would not approve. Some such payments were hidden because top management knew, or feared, that the public would not approve. Morality is not an absolute; it's a matter of public perceptions. At one point in China, after all, it was perfectly moral to drown female babies.

The SEC disclosures already have accomplished a lot, although many multinational companies may view the chief result as confusion. The disclosures have forced international organizations to think about international ethics. The U.S. cannot and should not try to impose its own standards on all of the world, even after it finally decides what its standards really are.

The Organization of Economic Cooperation and Development has finally drafted an ethical code that will apply, in one way or another, to most of the world's industrial nations. The United Nations also is working on a system of rules. Enforcement still is an open question, but it will be some help to have clear and consistent standards.

U.S. multinationals may be mainly aware of the public payoff uproar in the U.S., but the disclosures may also be bringing changes overseas. In some cases they may make it more difficult for foreign government functionaries to solicit bribes: even an authoritarian regime can't be completely contemptuous of public conceptions.

It helps to get things out into the open air. U.S. companies do themselves and the business community a service by voluntarily examining their own operations and revealing what they find. In any reasonable time frame, high standards of morality aren't likely to be bad for business.

Part of the public's misperceptions of American business stems from a lack of knowledge. Many Americans, for instance, think the big oil companies were primarily responsible for the energy problems and believe it would be a fine thing to break them up. More openness, more candor from the business community would be a help.

Some companies may not be able to stand the heat. In a few cases, in fact, corporate managers already are deliberately drawing back from foreign operations at least partly because of the payoff controversy.

As the world economy becomes ever more integrated, however, the world's nations have to learn how to work together. Working together won't be improved by secret agreements, by decisions to condone bribes or payoffs, but by open covenants, openly arrived at. Full disclosure is a large part of the solution.

Mr. PROXMIRE. Mr. President, I yield the floor.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 12 noon tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE PANAMA CANAL ZONE AND THE NATIONAL WILL

Mr. THURMOND. Mr. President, on Sunday, May 2, an editorial appeared in the Washington Star entitled "Much Ado About Panama." The thrust of the editorial advocates the Neville Chamberlain approach to the Panama Canal Zone. It is being embraced now by some as the issue heats in the campaign for the Presidency.

To me this argument is a symptom of a sickness, which touched our land during and after the Vietnam war. The arguments of this group are pointed toward avoiding a difficult foreign policy situation at any cost. The end result of such illogical reasoning is simple. If a foreign policy position is likely to cast the United States as an unpopular power in the eyes of other nations—give it up. Should we find ourselves in a position which may provoke a confrontation with a small or large power, it is best to give in. When all the trappings are stripped away, we see loss of national will and sense of purpose. If we follow those who espouse such a course, our country will become a second rate power. There will be contempt for us in the eyes of the world, not good will or respect.

The answer, to those who would lead us down the Neville Chamberlain path, appeared in the Strategic Review—Winter 1976.

Mr. President, I ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Star, May 2, 1976]

MUCH ADO ABOUT PANAMA

A hot issue for Republicans in the Texas primary to the astonishment of those who thought gunboat diplomacy went out with high-button shoes, was the dire threat to the Panama Canal. Gov. Ronald Reagan has been giving President Ford a hard time about it. He contends that Americans "bought, paid for and own" Teddy Roosevelt's Big Ditch and claims that the President and Ambassador Ellsworth Bunker (who is negotiating a new treaty) are plotting to give up American "sovereignty" in the Canal Zone to that "tinhorn dictator," Gen. Omar Torrijos Herrera.

Down in Dallas, according to late reports, they're so wrought up that "Save the Panama Canal Clubs" are flourishing.

This largely phony flap is a timely reminder that in presidential elections, imaginary or transitory issues often heat people under the collar unduly. Who today remembers—or cares—that 16 years ago the fate of the Republic was said to hang upon the defense of Quemoy and Matsu, two small offshore islands in the Straits of Formosa?

The Canal, which the U.S. indeed built and "paid for" (after a fashion—Secretary of State Elihu Root told TR speaking of the intrigue surrounding its acquisition, "Mr. President, you . . . were accused of seduction and you have conclusively proved that you were guilty of rape.") is of substantially greater real and symbolic importance to Americans, and Texans, than Quemoy and Matsu were in 1960.

But the Canal is thought by most students of the matter to be a wasting strategic asset and an economic liability. The 99-year treaty under which the U.S. exercises suzerainty (not sovereignty) in the Canal Zone is a bone in the throat of Panamanian nationalists; and according to Mr. Robert Keatley of the Wall Street Journal, the Canal could be put out of whack for up to two years by a lunchbox full of dynamite applied at one of the locks. The Canal, moreover, doesn't pay for its cost of operation and carries an ever-decreasing volume of U.S. merchant and military tonnage.

Such considerations do not always cool hot heads. Governor Reagan is quite right in saying that the U.S. has no *legal* obligation to negotiate a new Panama treaty; but diplomacy often needs to be anticipatory. The inflexible approach Mr. Reagan counsels in such emotional terms could be self-defeating if the Canal becomes the target of guerrilla warfare.

The possibility of what General Torrijos has called "the Ho Chi Minh route" is not easy to think about coolly, but it is a factor to be borne in mind. Accordingly, the last three U.S. administrations have made it our policy to reinsure American interests for the foreseeable term of the Canal's usefulness, which is usually put at 25 years. They have reasoned, correctly in our view, that if American interests could be secured in a new treaty with some concessions to Panamanian pride and nationalism, both parties at interest would benefit.

There is, of course, no guarantee that the policy would work, or that a new treaty would quiet down General Torrijos and assure orderly operation of the Canal. It's a gamble, if you like. In any case, Mr. Bunker's treaty must in due course be laid before the Senate. There any actual—as distinguished from imaginary—"giveaways" may then be openly debated.

To stand pat, as Governor Reagan counsels us to do, is to make another sort of gamble—a gamble that American refusal to alter the legal status quo could incite a scene of ugly disorders in the Canal Zone threating the ditch with sabotage and presenting the need for military intervention.

Should that happen, Governor Reagan and the 37 neo-Rough Riders of the Senate who threaten to torpedo a new treaty would bear heavy blame for the consequences. Presumably they would be the first to volunteer for a Panama expeditionary force.

[From the Strategic Review—Winter 1976]

PANAMA: STRATEGIC PITFALL

(By Lt. Gen. V. H. Krulak, USMC (Ret.))

The author: General Krulak is a Director of the United States Strategic Institute. From 1964 to 1968 General Krulak served as Commanding General, Fleet Marine Force, Pacific. He is now Director of Editorial and News Policy of the Copley Newspapers and President of the Copley News Service, San Diego, California. General Krulak's article, "Mainland China: The View From Taiwan," was published in the Summer 1975 issue of Strategic Review.

IN BRIEF

The case for giving up the Panama Canal rests on three points: that the Canal Zone is really Panamanian property; that the United States is exploiting the Panamanians, robbing them of Canal operating profits that are rightfully theirs. In fact, the 1903 treaty granted the United States perpetual sovereignty over the Canal Zone. It is more accurate to say that Panama pressured the United States because Panamanians were fearful that a canal would be built across Nicaragua instead of Panama. The United States paid Panama for the right to build the Canal and for clear title to the Canal Zone, and currently voluntarily pays Panama $2 million a year, although the Canal has been a losing venture during the past few years. Due largely to Canal-related employment, Panamanians have a living standard equalled by few other Latin American states. The Canal is still strategically important to the United States and economically important to the United States and to the world. Only because of the Canal is the United States able to risk what amounts to having a bare bones, one-ocean navy. There is no indication from their current behavior that the Panamanian dictator and his Marxist military government would not capriciously bring about major changes in the economy and security of our nation if they were ever in a position to exercise authority over the operation of the Canal. Most Latin Americans understand these factors as do the American people at large.

We live in a time when revisionists serve up historical fiction to meet every ideological need. No current issue of importance has undergone more distortion of historical fact or present reality than is represented by the massive campaign afoot to popularize U.S. relinquishment of sovereignty in the Panama Canal Zone.

This should surprise no one. A principle of the greatest importance is involved here. It is the latest pressure-point for erosion of U.S. prestige as well as the ability to control its future. With the Soviets gaining port facilities of the greatest strategic importance all around the globe to serve their growing naval power, Panama, apart from the Canal as a strategic asset, must be viewed as a key location in the Western Hemisphere.

Basically, the drumfire of propaganda in both the U.S. print and electronic media rests its case on three points:

First, the contention that the Canal Zone is really Panamanian property and that the Republic of Panama never relinquished its sovereign rights to the area;

Second, that the United States pressured Panama into giving us a position on the Isthmus of Panama in 1903, using deception, force and threats to accomplish something that contravened the desires of most Panamanians themselves;

And finally, that the United States is even now exploiting the Panamanians, robbing them of Canal operating profits that are rightfully theirs.

All three of these contentions are contrary to fact. None has any basis in truth.

Sovereignty

As to the matter of sovereignty, there is no question whatever. The Canal Zone is not in any sense Panamanian territory. The 1903 Hay-Bunau-Varilla Treaty with Panama was unequivocal in this regard, granting the Canal Zone to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power or authority."

The treaty is in no way less positive or final than the treaty of 1803 through which President Jefferson bought Louisiana from Napoleon, or the treaty of 1867 which formalized the purchase of Alaska from Czarist Russia.

The reality is that the 558 square mile Canal Zone is United States territory, a fact that the United States Supreme Court subsequently confirmed in a formal opinion—(*Wilson* v. *Shaw*, 204 U.S. 24, January 7, 1907).

Among other things, the lengthy Court opinion says:

> The title to what may be called the Isthmian or Canal Zone, which at the date of the act was in the Republic of Colombia, passed by an act of secession to the newly formed Republic of Panama. The latter was recognized as a nation by the President. A treaty with it, ceding the Canal Zone, was duly ratified, 33 Stat. 2234. Congress has passed several acts based upon the title of the United States, among them one to provide a temporary government, 33 Stat. 429, another, fixing the status of merchandise coming into the United States from the Canal Zone, 33 Stat. 843, another, prescribing the type of canal, 34 Stat. 611. These show a full ratification by Congress of what has been done by the Executive. Their concurrent action is conclusive upon the courts.

The Supreme Court opinion in this area is summarized in the words, "It is hypercritical to contend that the title of the United States is imperfect, and that the territory described does not belong to this Nation. . . ."

Second, the United States did not pressure the Panamanians. It would be more accurate to say that they pressured us.

Following liberation from Spain at the beginning of the nineteenth century, Panama joined Venezuela and Ecuador in uniting with Colombia. The union did not work. Venezuela and Ecuador split off first and Panama subsequently became disenchanted with the behavior of Colombia because of its exploitation of the people of the Panamanian region. Beyond this, the Panamanians were fearful that a canal would be built across Nicaragua instead of Panama, because of Colombian in competence and lethargy. Consequently, the Panamanians were more than glad to negotiate a profitable agreement with the United States.

As an element of their agreement with the United States, Panama was paid fairly for the United States, Panama was paid fairly for both the right to build the Canal ($35 million) and for clear title to the Canal Zone ($160 million). The country has flourished in the ensuing seventy-two years and now, largely due to Canal-related employment, the one and one-half million Panamanians have an annual per capita income of $1,000 and a living standard equally by few other Latin American states.

Finally, the allegation that the U.S. is robbing Panama of Canal revenues is totally without foundation. We give Panama a voluntary $2 million a year payment (up from an original $430,000). And there are no profits. Although toll collections exceed $114 million annually, the Canal has been a losing venture for us during the last few years.

Significance of the Canal

Quite apart from the sophistry that characterizes the campaign of those who want to see us out of Panama, Americans need to take a hard look at just what it would mean to us were the authority over the vital lifeline actually conveyed to the present government of Panama.

It is a Communist government. The Communist Party is the only party recognized in the country. Others are outlawed. The principal government officials are all Marxists—including the chief of state, Omar Torrijos, a National Guard lieutenant colonel who seized power by force from the elected president, Dr. Arnulfo Arias, in 1968.

Freedom of speech and of the press have been totally stifled, the Church harassed, the national Congress closed, and national elections have been suspended indefinitely.

Hatred and defamation of the United States are as much a national policy as are close ties with the Communist world, most particularly the Soviet Union and Cuba.

The attitude of the military government is one of inflexible determination to achieve total authority over the Canal, or to punish everyone involved if this effort is unsuccessful. In late 1974 the acting ambassador to the United States from Panama, speaking in a television interview, was unequivocal. He said that if the Panamanian government is unsuccessful in its treaty negotiations with the U.S. "there will be no Canal for anybody, not for us, not for the United States, not for the world."

Torrijos mirrored this view last August, when he said, "We're going to make ourselves independent. What we have to decide is at what price. The day the people begin acts of sabotage nobody can control them. Because the Canal is as indefensible as a newborn child."

All of this is a thinly disguised threat of violence that neither the United States nor the rest of the world can tolerate, for the 14,000 ships that transit the Canal annually are an important element of the world's lifeline.

The fact is, Torrijos and his followers cannot be regarded as reponsible men, and if they were ever in a position to exercise authority over the operation of the Canal, they could capriciously bring about major changes in both the economy and the security of the United States. Nor is there any indication from their current behavior that they would not be willing to do so.

By jacking up the Canal tolls to American shipping they could add substantially to transportation costs, and thus to the cost of end items in our marketplace.

Alternatively, by closing down the Canal at their own whim, they could double the cost of maritime fuel for a voyage from the west to the east coast of the United States, and more than double the average transit time from coast to coast. When it is realized that fully 8,000 ships a year carry cargo through the Canal, destined for U.S. ports, the resultant increase in retail costs of the commodities is evident.

A common argument is that the Canal has largely lost its strategic value to the United States because our principal combatant ships are too large to get through the locks. Actually, a total of only thirteen ships in the U.S. Navy have beams too great to permit passage through the waterway. The remainder of the fleet, some 470 ships—not to speak of an equal number in reserve—can use the Canal, and do so, beneficially.

In the past two and one-half years some 750 U.S. Navy ships transited the waterway bound east or west on affairs related to our national security. Had all these ships—for any reason—been obliged to take the Cape Horn route, the increased fuel requirement would have been on the order of 26,000 barrels, which is to say about $20 million worth of precious petroleum. And were a combatant crisis also involved, the additional thirty to thirty-five days of steaming could well be of decisive tactical importance.

In truth, the Panama Canal is an essential link between the naval forces of the United States deployed in the Atlantic and in the Pacific. It is only because of the waterway that we are able to risk having what amounts to a bare bones, one-ocean navy.

However, without absolute control of the Canal and the essential contiguous land, the United States could not accept the hazard of a one-ocean navy. It would be essential at once to initiate construction of fleets independently able to meet a crisis in either the Atlantic or the Pacific—a massive expenditure which we are now spared only because of our control of the Canal.

These factors are appreciated throughout Latin America, where all but the far left governments see it as something quite different from the issue of anticolonialism that has swept around the world. The Canal Zone does not share the history of Portuguese, French or British mercantile colonialism in Africa. It is not a Nigeria or a Chad. The Panama Canal is a sensitive trust—one which the United States has never sought to exploit for its own exclusive advantage.

Most Latin Americans understand this. In their own interest they realize that the critical strip, measuring only 5 per cent of the total area of the Republic of Panama, must never be permitted to fall into irresponsible hands.

Strategic realities

At a recent meeting of the Inter-American Press Association in Sao Paulo, Brazil, the attitude of Latin American publishers and editors was cold and clear. It was best expressed by a Chilean who said, "You would be doing yourself and us a major disservice if you were to back off one centimeter from your present position in Panama."

And a Venezuelan, in speaking of the concessions the U.S. has already offered, made pointed reference to the futility of appeasing communism, quoting Aleksandr Solzhenitsyn on the subject of what he calls, "shortsighted concession; a process of giving up and giving up and giving up, and hoping that perhaps at some time the wolf will have eaten enough."

Even more to the point, these strategic and economic realities are generally understood by the American people at large and, through this understanding, there is a very substantial popular sentiment against any action which would diminish our sovereignty over the Canal Zone.

What is less well known is the fact that since 1968 the United States has been involved in negotiations with Panama over our position in the Canal Zone. Between 1970 and 1975 the U.S. has proposed a number of concessions—relinquishment of the "in perpetuity" clause of the 1903 treaty, increase in dollar payments and cession of certain port facilities. Then, in 1974, the U.S. agreed to sit down with representatives of Panama and work out a comprehensive agreement that would initially give the Panamanians jurisdiction over the Canal Zone and, ultimately, would actually transfer both ownership and operating responsibility of the Canal to Panama.

We are doing exactly that right now. Ambassador Ellsworth Bunker, operating under those guidelines, is at work on a Caribbean island, developing the details with representatives of Panama.

Ultimately, of course, it will all have to come before the U.S. Congress for ratification, and no American legislative body in history has had a more sobering task than the one the legislators will face when they contemplate a treaty that diminishes or relinquishes our precious sovereignty in Panama. If the Congress concludes that the U.S. can risk sharing those fifty vital miles of lifeline with a hostile Communist government; even worse, if it agrees to give the Canal away, it will have done this country more harm than a dozen succeeding Congresses could repair.

ASSISTANCE TO THE STAINLESS STEEL INDUSTRY—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of April 29, 1976, the following message from the President of the United States was received on April 30, 1976, and today was referred to the Committee on Finance:

To the Congress of the United States:

As required by section 203(b)(2) of the Trade Act of 1974, I am transmitting this report to the Congress setting forth my determination to provide adjustment assistance to the U.S. stainless steel table flatware industry producing flatware covered by the affirmative finding of March 1, 1976 of the United States International Trade Commission (USITC) under section 201(d)(1) of the Trade Act. As my decision does not provide import relief to that industry, I am setting forth both the reasons why I have determined that import relief is not in the national economic interest and other actions I am taking to help the flatware industry, workers, and communities.

I have decided, considering the interests of both the American consumers and producers, that expedited adjustment assistance is the most effective remedy for the injury to the U.S. stainless steel table flatware industry and its employees as a result of imports.

My decision was based upon my evaluation of the national economic interest. A remedy involving import restraints would have resulted in higher prices for American consumers at a time when lowering the rate of inflation is essential.

Import restraints would also have exposed industrial and agricultural trade to compensatory import concessions or retaliation against U.S. exports. This would have been detrimental to American jobs and damaged U.S. exports.

Adjustment assistance can benefit the smaller enterprises which have been seriously injured. Import relief would disproportionately benefit firms which produce a substantial part of domestic output, and which are able to compete with imports.

Adjustment assistance is consistent with the President's efforts to control inflation, including costs to all consumers, which import restrictions would raise.

In considering the effect of import restraints on the international economic interests of the United States, as required by the Trade Act of 1974, I have concluded that such restraints would be contrary to the U.S. policy of promoting the development of an open, nondiscriminatory and fair world economic system. The goal of this policy is to expand domestic employment and living standards through increased economic efficiency.

I have directed the Secretaries of Commerce and Labor to give expeditious consideration to any petitions for adjustment assistance filed by stainless steel flatware firms producing articles covered by the USITC report, and their workers, and communities.

GERALD R. FORD.

THE WHITE HOUSE, *April 30, 1976.*

REPORT OF THE U.S. SINAI SUPPORT MISSION—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of April 29, 1976, the following message from the President of the United States was received on April 30, 1976, and today was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am transmitting herewith the First Report of the United States Sinai Support Mission. The Report describes the manner in which the Support Mission is carrying out its mandate to implement the United States' responsibility for the early warning system in the Sinai, as specified in the Basic Agreement between Egypt and Israel of September 4, 1975, and the Annex to the Basic Agreement. This Report is provided to the Congress in conformity with Public Law 94–110 of October 13, 1975.

The Report includes an account of American participation in the establishment of the Sinai early warning system during the first six months following the enabling legislation, a report on the current status of the early warning system, and a discussion of the actions now under way which will permit the Sinai Support Mission to conclude its construction and installation phase by early summer. When this preparatory period has been completed and we have had an opportunity to observe the ongoing operations of the early warning system, we will be better able to assess the feasibility of making technological or other changes that could lead to a reduction in the number of American civilians assigned.

As you know, the functions which the American volunteers are performing were requested by the Governments of Egypt and Israel. We have accepted responsibility for these functions, with the concurrence of both Houses of the Congress, because we believe the United States has an important stake in a stable Middle East.

The early warning system in the Sinai is an important investment in peace. It helps support the Basic Agreement between Egypt and Israel which represents a significant step toward an overall settlement. Continuing presence of the system provides in itself an important contribution to stability in the area and to the creation of a climate of confidence so necessary for further progress toward a just and durable peace.

GERALD R. FORD.

THE WHITE HOUSE.

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILL SIGNED

Under authority of the order of April 29, 1976, a message from the House of Representatives was received on April 30, 1976, stating that the Speaker had signed the following enrolled bill:

H.R. 10230. An act to establish a science and technology policy for the United States, to provide for scientific and technological advice and assistance to the President, to provide a comprehensive survey of ways and means for improving the Federal effort in scientific research and information handling, and in the use thereof, to amend the National Science Foundation Act of 1950, and for other purposes.

The enrolled bill was signed by the Vice President on April 30, 1976.

MESSAGES FROM THE HOUSE

At 12:03 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (S. 371) to provide for the striking of medals commemorating the contributions by individuals of various ethnic backgrounds who contributed to the founding of the United States of America, with an amendment in which it requests the concurrence of the Senate.

The message also announced that the House has agreed to the concurrent resolution (S. Con. Res. 109) setting forth the congressional budget for the U.S. Government for the fiscal year 1977 (and revising the congressional budget for the transition quarter beginning July 1, 1976), with an amendment in which it requests the concurrence of the Senate.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 7108) to authorize appropriations for environmental research, development, and demonstration; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Teague, Mr. Brown of California, Mr. Ambro, and Mr. Winn were appointed managers of the conference on the part of the House.

The message also announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 365. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain firefighters who die in the performance of duty;

H.R. 366. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty;

H.R. 12987. An act to authorize appropriations for fiscal year 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, for carrying out title VI of the Comprehensive Employment and Training Act of 1973, and for other purposes; and

H.R. 13294. An act to provide for the striking of medals commemorating the American Indian heritage.

At 2:50 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 9721) to provide for increased participation by the United States in the Inter-American Development Bank, to provide for the entry of nonregional members and the Bahamas and Guyana in the Inter-American Development Bank, to provide for the participation of the United States in the African Development Fund, and for other purposes; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and the Mr. Reuss, Mr. Gonzalez, Mr. Stephens, Mr. Tsongas, Mrs. Boggs, Mr. Johnson of Pennsylvania, and Mr. Hyde were appointed managers of the conference on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Haskell) laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE ASSISTANT COMPTROLLER GENERAL—(S. Doc. No. 94–178)

A letter from the Assistant Comptroller General of the United States reporting, pursuant to law, on the release of budget authority; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Agriculture and Forestry, and Armed Services, and ordered to be printed.

PROPOSED LEGISLATION ON NARCOTIC DRUGS

A communication from the President of the United States transmitting a draft of proposed legislation to increase the effectiveness of the criminal justice system in protecting the American people from narcotic drugs (with accompanying papers); to the Committee on the Judiciary.

PROPOSED LEGISLATION BY THE DEPARTMENT OF THE NAVY

A letter from the Secretary of the Navy transmitting a draft of proposed legislation to approve the sale of certain naval vessels and for other purposes (with accompanying papers); to the Committee on Armed Services.

PROPOSED LEGISLATION BY THE GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE

A letter from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to authorize appropriations for the procurement of naval vessels and research, development, test and evaluation for the Armed Forces (with accompanying papers); to the Committee on Armed Services.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Additional Costs of Stationing U.S. Forces in Europe (with an accompanying report); to the Committee on Armed Services.

PROPOSED LEGISLATION BY THE SMALL BUSINESS ADMINISTRATION

A letter from the Administrator of Small Business transmitting a draft of proposed legislation to amend the Small Business Investment Act of 1958 (with accompanying papers); to the Committee on Banking, Housing and Urban Affairs.

REPORT OF THE OFFICE OF FEDERAL PROCUREMENT POLICY

A letter from the Administrator, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report of the activities and accomplishments of the Office of Federal Procurement Policy, Office of Management and Budget, for the year ending December 31, 1975 (with an accompanying report); to the Committee on Government Operations.

PROPOSED NEW SYSTEMS OF RECORDS

Four letters reporting, pursuant to the Privacy Act of 1974, on proposed new systems of records; one from the Deputy Assistant Secretary of Defense; two from the Assistant Secretary of Health, Education, and Welfare; and one from the Secretary of the Postal Rate Commission (with accompanying papers); to the Committee on Government Operations.

REPORT OF THE FEDERAL ENERGY ADMINISTRATION

A letter from the Administrator of Federal Energy reporting, pursuant to law, on changes in market shares for petroleum products for the period January 1972—December 1975; to the Committee on Interior and Insular Affairs.

PROPOSED CONTRACT FOR RESEARCH PROJECT

A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, a proposed contract for a research project entitled "Development of Skip and Guide Designs" (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED ACTS ADOPTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA

Three letters from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of three proposed acts adopted by the Council (with accompanying papers); to the Committee on the District of Columbia.

PROPOSED LEGISLATION BY THE DEPARTMENT OF STATE

A letter from the Assistant Secretary of State transmitting a draft of proposed legislation for the relief of Mary Vance Trent (with accompanying papers); to the Committee on Foreign Relations.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Computer-Related Crimes in Federal Programs" (with an accompanying report); to the Committee on Government Operations.

REPORT OF THE OFFICE OF MANAGEMENT AND BUDGET

A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, a report relating to recommendations contained in the Annual Report of the National Advisory Council on Adult Education for March 1975 (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORT OF THE ADMINISTRATIVE OFFICE OF THE U.S. COURTS

A letter from the Director of the Administrative Office of the United States Courts transmitting, pursuant to law, the annual report of the Director relating to interception of wire or oral communications during calendar year 1975 with an accompanying report); to the Committee on the Judiciary.

PROPOSED AMENDMENTS TO THE BUDGET REQUEST FOR THE DEPARTMENT OF DEFENSE

A letter from the General Counsel of the Department of Defense transmitting information relevant to proposed amendments to the budget with the fiscal year 1977 for the Department of Defense (with accompanying papers); to the Committee on Armed Services.

PETITIONS

The ACTING PRESIDENT pro tempore (Mr. Haskell) laid before the Senate the following petitions which were referred as indicated:

Senate Concurrent Resolution No. 59 adopted by the Legislature of the State of Hawaii; to the Committee on Finance:

"SENATE CONCURRENT RESOLUTION No. 59

"Requesting the Congress of the United States to enact legislation to cancel the indebtedness of the States to the Federal account in the unemployment compensation trust fund for advances to pay unemployment benefits

"Whereas, unemployment is not unique to Hawaii but is a nation-wide problem reflecting the economic ills confronting the United States; and

"Whereas, Congress early recognized that unemployment and the alleviation of the suffering occasioned therefrom was a federal, as well as a state, problem with the enactment of Titles III and IX of the Social Security Act in 1935, thereby fostering the development of our federal-state cooperative system of unemployment compensation under the aegis of the U.S. Department of Labor; and

"Whereas, a crisis has developed in this federal-state cooperative system because the present economic recession has extended over an unduly long period and has caused the depletion of state trust fund accounts maintained for the payment of unemployment benefits within the Unemployment Compensation Trust Fund, a pooled federal fund where all employer contributions are deposited for subsequent payment of benefits; and

"Whereas, at least thirty-two states, including Hawaii, have already been compelled to request advances from the Federal Unemployment Account in the Unemployment Compensation Trust Fund to pay benefits to their citizens because the amounts credited to their own accounts in the trust fund have already been depleted and more states will undoubtedly be compelled to seek such advances; and

"Whereas, Congress has reiterated its position that unemployment and the alleviation of suffering occasioned therefrom is a federal, as well as a state, problem by extending the payment of unemployment benefits through Congressional action; and

"Whereas, the repayment of the funds advanced will be an undue burden for the states during this period of economic adversity and they will be unable to repay such advances without assessing substantially higher taxes against employers; and

"Whereas, if employers in Hawaii and the other states are assessed these additional amounts to repay the advances, it will undoubtedly further compound the economic problems presently confronting the states and the nation; now therefore,

"Be it resolved by the Senate of the Eighth Legislature, Regular Session of 1976, the House of Representatives concurring, that the Congress of the United States be respectfully requested to enact legislation cancelling or forgiving the indebtedness of the states to the Federal Unemployment Account in the Unemployment Compensation Trust Fund for funds advanced to the states for the payment of unemployment compensation benefits; and

"Be it further resolved that certified copies of this Senate Concurrent Resolution be transmitted to the Speaker of the House of Representatives of the United States Congress, the President of the Senate of the United States Congress, members of the Hawaii's Congressional delegation, and the Secretary of Labor of the United States."

House Concurrent Resolution No. 57 adopted by the Legislature of the State of Hawaii; to the Committee on Interior and Insular Affairs:

"HOUSE CONCURRENT RESOLUTION No. 57

"Requesting the U.S. Congress to enact legislation to compensate or to make reparation to Hawaiians for damages suffered by them at the time of annexation

"Whereas, prior to the annexation of Hawaii by the United States of America, the administering of all lands of Hawaii was provided for by the monarchy; and

"Whereas, such lands were historically used by and for the benefit of all the Hawaiian people; and

"Whereas, the Hawaiian life style is intertwined with the land and since the Hawaiian people have been deprived of the use of the land, the Hawaiian lifestyle has been seriously altered; and

"Whereas, after the overthrow of the monarchy, the government of the United States displayed a blatant disregard and disrespect for the Hawaiian heritage by acquiring lands which heretofore provided for the benefit, liberal use, and enjoyment of the aborigine or native Hawaiians; and

"Whereas, aborigine or native Hawaiians were deprived of certain property or property rights as the result of the annexation of these islands by the United States of America without compensation; now, therefore,

"Be it resolved by the House of Representatives of the Eighth Legislature, State of Hawaii, Regular Session of 1976, that the Congress of the United States of America be respectfully requested to enact legislation to compensate the aborigine or native Hawaiians, deemed entitled thereto, for damages suffered by them as a result of the annexation of the Hawaiian Islands to the United States of America; and

"Be it further resolved that duly certified copies of this Resolution be transmitted to the President of the United States of America; the Vice President of the United States of America; the President Pro Tem of the Senate of the Congress of the United States of America; the Speaker of the House of Representatives of the Congress of the United States of America; to the Chairman of the Interior and Insular Affairs Committee of the Senate of the Congress of the United States of America; to the Chairman of the Interior and Insular Affairs Committee of the House of Representatives of the Congress of the United States of America; to the Honorable Hiram L. Fong, and the Honorable Daniel K. Inouye, Senators from the State of Hawaii, and to the Honorable Spark M. Matsunaga, and the Honorable Patsy T. Mink, Representatives from the State of Hawaii of its United States of America."

House Concurrent Resolution No. 59 adopted by the Legislature of the State of Hawaii; to the Committee on the Judiciary:

"HOUSE CONCURRENT RESOLUTION No. 59

"Requesting congressional action to establish adjustable quotas for immigration without restriction for immediate family

"Whereas, currently 380,000 immigrants enter the United States each year, thereby expanding the labor supply and inflating unemployment; and

"Whereas, immigrant problems place a heavy burden on public education and welfare agencies and cause substantial costs to U.S. taxpayers; and

"Whereas, those 'gateway' states receiving the largest number of immigrants bear a disproportionately large share of the cost and effort in assimilating the new arrivals into American society; and

"Whereas, for 15 years the State of Hawaii has had the nation's highest per capita rate of immigration, a rate which in 1974 was 4.4 times the U.S. average; and

"Whereas, in the last five years the Department of Education has enrolled 14,152 foreign-born students in Hawaii's public schools; and

"Whereas, the International Longshoremen's and Warehousemen's Union has made a policy statement in favor of adjusting immigration quotas and granting federal assistance to gateway states; and

"Whereas, the State Commission on Manpower and Full Employment has made similar recommendations to the federal government; now, therefore,

"Be it resolved by the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1976, the Senate concurring, that the Congress of the United States is requested to amend the Immigration Act in the following ways:

"(1) to make immigration quotas adjustable to current employment conditions, so as to prevent an oversupply of labor in any U.S. job market, such determination to be made by the U.S. Department of Labor in consultation with the unions of the affected workers; and

"(2) to restrict the categories of eligibility for immigration, especially those that contribute to the 'brain drain' from the less developed countries but excepting those that pertain to the immediate relatives (as defined by the U.S. Immigration and Naturalization Service) of U.S. citizens and resident aliens; and

"Be it further resolved that the Congress of the United States be requested to appropriate special funds for social, health and economic services for immigrants to states and localitites having more immigrants per population than the national average, the amount of funding to be set according to both the number of immigrants and the amount of services provided by the particular state or locality; and

"Be it further resolved that copies of this Concurrent Resolution be sent to the Presiden of the United States, the Vice-President, the Speaker of the U.S. House of Representatives, the Attorney General of the United States, the Director of the Immigration and Naturalization Service, the Secretary of the Department of Labor, U.S. Senators Hiram L. Fong and Daniel K. Inouye, and U.S. Representatives Spark M. Matsunaga and Patsy T. Mink."

A resolution relating to the right-to-life group, adopted by the Council of the City of Bedford, Ohio; to the Committee on the Judiciary.

A resolution adopted by the National Advisory Council on Health Professions Education relating to administration of health manpower grant proposals; to the Committee on Labor and Public Welfare.

A resolution adopted by the Council of the City of Youngstown, Ohio, relating to disclosure of price information by pharmacies; to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PASTORE, from the Joint Committee on Atomic Energy, with amendments:

S. 3107. A bill to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes (Rept. No. 94–772).

By Mr. HUMPHREY, from the Committee on Foreign Relations, without amendment:

S. 3103. A bill to provide for increased participation by the United States in the Asian Development Fund (Rept. No. 94–773).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 2996. A bill to authorize the Secretary of the Interior to permit the relocation of the John Witherspoon statue, and for other purposes (Rept. No. 94–774).

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. 365. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain firefighters who die in the performance of duty; and

H.R. 366. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the perfomance of duty; to the Committee on the Judiciary.

H.R. 12987. An act to authorize appropriations for fiscal year 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, for carrying out title VI of the Comprehensive Employment and Training Act of 1973, and for other purposes; to the Committee on Labor and Public Welfare.

H.R. 13294. An act to provide for the striking of medals commemorating the American

Indian heritage; to the Committee on Banking, Housing and Urban Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. CHILES:

S. 3359. A bill to establish a Commission on Federal Aid Reform. Referred to the Committee on Government Operations.

By Mr. NELSON:

S. 3360. A bill to authorize employees and agencies of the Government of the United States to experiment with flexible and compressed work schedules. Referred to the Committee on Post Office and Civil Service.

By Mr. PEARSON:

S. 3361. A bill to provide for the striking of medals commemorating the American Indian heritage. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. SPARKMAN (by request):

S. 3362. A bill to provide authorization for a United States contribution to the International Atomic Energy Agency in support of its safeguards activities and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. STEVENS:

S. 3363. A bill to amend title 5 of the United States Code to provide vacation leave for residents of Alaska serving a tour of duty at a hardship station in Alaska. Referred to the Committee on Post Office and Civil Service.

By Mr. KENNEDY (for himself, Mr. BUCKLEY, Mr. PHILIP A. HART, and Mr. HUGH SCOTT):

S. 3364. A bill to revise the economic regulation of air transportation. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHILES:

S. 3359. A bill to establish a Commission on Federal Aid Reform. Referred to the Committee on Government Operations.

COMMISSION ON FEDERAL AID REFORM

Mr. CHILES. Mr. President. Today I am introducing another piece of legislation designed to bring a new sense of order and control over Federal spending—a bill to create the Commission on Federal Aid Reform.

SCOPE OF FEDERAL AID SPENDING

The legislation is important, first, simply because it involves the outlay of over $60 billion a year in Federal aid, assistance and grant outlays now pouring out to States, counties, local governments, colleges, nonprofit groups and other recipients.

Federal aid to States and localities alone rose from $2.2 billion in 1950; to $6.8 billion in 1960; to over $60 billion this fiscal year.

When grants to nongovernmental institutions such as private organizations, universities, and individuals are added to these figures, the growth is even more apparent.

There are now over 500 different authorizations enacted by Congress. The Catalog of Federal Domestic Assistance lists 1,030 separate programs that have evolved from these authorizations.

PROBLEMS

But, to my mind, this legislation is still more significant because of the problems arising from Federal aid spending.

First, Federal assistance suffers from phenomenal bureaucratic waste and inefficiency. One State witness recently told the subcommittee that 30 percent of the Federal money was going to nonproductive overhead.

Second, the redtape has created regulatory and management knots, tying up programs and preventing delivery of needed services to the public.

Finally, and perhaps most important in my mind, Federal aid programs have caused unplanned and unwanted changes in the relative roles, responsibilities and authorities of Federal, State, and local government.

SHIFTS IN GOVERNMENTAL POWERS

Far too many recipients of Federal aid are starting to feel that Federal authority—often unseen and often unappreciated—comes wrapped in green.

They sense that Federal aid, no matter how important the goals, is not simply given: It seems to be exchanged for sacrificed control autonomy, and independence of State and local government.

This situation has gone too far. We see the same kind of negative reactions we have seen in Federal contracts, where most of the subcommittee's reforms have been concentrated.

Business circles have developed a folklore warning about taking a Federal contract: Take it and you also take the Federal Government's way of doing business—your accounting, property, buying, and management systems must become federalized.

The same fear of back-door federalized control cannot continue to grow with recipients of Federal aid and assistance.

Especially in this campaign year, these fears have grown into real, yet somehow vague concerns over the power of the Federal Government. Some conservatives call out to castrate Washington's power. Some liberals insist we should expand it to serve more valid needs. And moderates tend to call to make the use of that power more efficient.

I do not feel comfortable with that level of debate.

What we all deeply feel is the need to rationalize and control the shifting balance of authorities between Federal, State, and local government. We need to say clearly who is responsible for setting the goals, structuring the programs, administering the actions and evaluating the results.

Today, we cannot do that because Federal aid and assistance seems to be a beast without a brain. We see only a mass of bureacratic tentacles sprouting from each agency, from each categorical program, from each block grant.

NEED TO DO MORE

The President has cast his lot with block grants as the answer to these problems.

But look at the 5-foot stack of Government regulations Governor Askew showed us that came along with one block grant for safe streets from the Law Enforcement Assistance Administration—LEAA.

And look at the second 5-foot pile of Florida regulations needed to comply with the Federal regulations.

In theory, I think the concept of block grants is good. State and local managers do need more flexibility to meet local needs. The categorical nature of many grant programs is one problem.

But the glaring lack of and central management control over Federal bureaucrats promotes the incredible redtape we see in many programs, both block grants and categoricals.

I asked State witnesses recently whether they found themselves still stuck with unnecessary redtape and regulations in block grant programs. The answer was that they continue to struggle with the same problems you have in categoricals.

What they stressed was the need to have the Federal Government manage itself, and not have the agencies going off on their own divergent ways.

Today, nobody can find an "M" in "OMB" and the administration again objected to my legislation (S. 1437) to take just a first step to controlling assistance transactions.

This legislation to create a Federal Aid Reform Commission is, more than anything else, a step toward building a controllable brain for Federal assistance, a system of policies and procedures that we can understand, control, and make responsive to democratic inputs.

PROVISIONS OF THE BILL

The bill would establish a 15-member Commission on Federal Aid Reform to develop a comprehensive Government-wide policy for Federal assistance.

The Commission would be composed of two Members from the Senate; two from the House; two from State government; two from local government; the Comptroller General; the Director of Office of Management and Budget; a college or university administrator; and four members from outside government.

The Commission would study all statutes, policies, procedures, and related practices followed by executive agencies with respect to the delivery of Federal assistance to be aimed at developing a comprehensive system of control for Federal aid and assistance.

In so doing, the Commission would examine how functional program consolidations, increased recipient flexibility, and decentralization of program authority to State and local governments could be facilitated under a system of Government-wide guidance.

Organizational arrangements within the executive and the Congress will be considered to insure the continuing administration of such a system.

A final report would come to the Congress and the President within 2 years after the Commission's first meeting. Six months after submission, the Office of Management and Budget would be required to coordinate the views of the executive branch on recommendations made, implement accepted recommendations within executive authority, propose needed legislation, and inform Congress of the reasons for any rejections.

The Comptroller General would also report at least once every 6 months for 2 years on the status of actions taken on the Commission's final report, just as they have done to prompt reform on the Procurement Commission's recommendations.

PROPECTS FOR A COMMISSION

I believe we have already made substantial progress in building a new, more efficient system for controlling the Federal Government's $70 billion a year in contracting.

The congressional Commission on Government Procurement laid the foundation for the reforms we have pushed for the past 3 years. Now, we are saving over $100 million a year with the potential for billions as the new structure goes into effect. We passed a law to create a central White House Office of Federal Procurement Policy to bring uniformity to the maze of regulations and redtape. We have new policies going into effect for major systems acquisition. We have made legal and procedural moves to put mission controls over spending, with a clear focus on basic national needs.

Of the Procurement Commission's 149 recommendations, 6 are now in law, 25 are in pending legislation, and another 71 recommendations have been adopted by the executive branch.

I believe we need the same basic review of our Federal aid and assistance policies and I further believe this Commission can build a new foundation with meaningful results.

The need for a Government-wide system of guidance for Federal assistance programs is analogous to the need for the Office of Federal Procurement Policy for procurement. The primary concern is to get a "handle" on the entire process for Federal assistance and to promote better understanding and guidance.

Compared to the Federal procurement system, the so-called grant system is primitive, underdeveloped.

This bill to create a Commission on Federal Aid Reform should bring some sunshine to an area which is presently clouded over with complexity and confusion.

Mr. President, I ask unanimous consent that S. 3359 be printed in the Record following this statement. There being no objections, the bill was ordered to be printed in the Record, as follows:

S. 3359

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Aid Commission Act".

FINDINGS

Sec. 2. The Congress hereby finds that—

(a) Spending through Federal aid and assistance programs to State and local government and other recipients has grown to comprise a substantial portion of the Federal budget and to become a primary means to promote national policies.

(b) The growth in size and number of Federal assistance programs has shifted and confused the relative roles, responsibilities, and authorities between the Federal government and recipients. Many of these changes are unplanned, unproductive and unintended.

(c) These shifts in relative roles, responsibilities and authorities, prompted by federal aid spending practices, raise fundamental issues over the ability of Federal, State, and local government to execute their respective responsibilities for meeting public needs.

(d) Federal aid programs, viewed as a whole, are fragmented, complex, inconsistent, and confused with respect to accountability and responsibility for performance. Piecemeal, incremental growth of bureaucratic conditions and red tape has placed an undue and costly burden on those state and local governments and other recipients of federal aid and the taxpayers who pay for it.

(e) The Commission on Government Procurement recognized and documented the differences between federal procurement and federal grant-type assistance and recommended studying the feasibility of developing a comprehensive system of guidance for all federal assistance programs.

(f) Federal aid and assistance programs require a rational system of guidance in order to rebalance the authorities of Federal, state and local government and other recipients and to provide for the efficient and effective delivery of public services.

DECLARATION OF POLICY

Sec. 3. It is hereby declared to be the policy of the Congress to—

(a) Establish a comprehensive system of guidance for Federal aid and assistance designed to—

(1) Eliminate unnecessary administrative requirements, red tape and regulation of State and local governments and other recipients of Federal assistance;

(2) Provide more effective and efficient delivery of Federal aid intended to meet public needs; and

(3) Enable the Federal executive branch, Congress, State and local governments, and other recipients to rebalance and control their respective roles, responsibilities, and authorities;

(b) Provide for effective organizational arrangements within the executive and legislative branches of the Federal Government to insure the continuing implementation, administration and oversight of a comprehensive system of guidance for Federal aid and assistance.

DEFINITIONS

Sec. 4. For the purposes of this Act, the term—

(1) "Federal aid and assistance" means those agreements and relationships entered into by the Federal Government with State and local governments, private organizations; or any other recipients, the primary purpose of which is the transfer of money, property, services, or anything of value in order to accomplish a public purpose of support or stimulation authorized by Federal statute, and not the acquisition of property or services for the direct benefit or use of the Federal Government, including but not limited to those programs referred to in the Catalog of Federal Domestic Assistance;

(2) "State government" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, any agency or instrumentality of a State, and any multi-State, regional, or interstate entity which has governmental functions;

(3) "local government" means any unit of government within a State, a county, municipality, city, town, township, local public authority, special district, intrastate district, council of governments, sponsor group representative organization, other intrastate government entity, or any other instrumentality of a local government;

(4) "other recipient" means any person or recipient other than a State or local government who is authorized to receive Federal assistance and includes any charitable or educational institution.

ESTABLISHMENT OF THE COMMISSION

Sec. 5. To accomplish the policy set forth in Section 3 of this Act, there is hereby established a Commission to be known as the Commission on Federal Aid Reform (hereafter referred to as the "Commission").

FUNCTIONS OF THE COMMISSION

Sec. 6. (a) The Commission shall study and investigate statutes, policies, rules, regulations, procedures, and practices followed by the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities and other authorities of the Federal Government involving Federal aid and assistance and the extent to which these facilitate or impede the policy set forth in section 3 of this Act.

(b) To accomplish the policy set forth in section 3 of this Act, the Commission shall consider—

(1) the manner in which alternative Federal aid and assistance relationships can be designed to clarify the roles, responsibilities and authorities of the Federal government, State and local government, and other recipients;

(2) means to accommodate and improve the special management capacities of state and local government and other recipients;

(3) means to improve the quality, efficiency, economy and performance of organizations and personnel engaged in Federal assistance activities;

(4) the legal status, responsibilities, and liabilities, of the parties and participants in assistance programs and the legal procedures which apply. Such consideration shall include gaps, omissions, duplications, and inconsistencies in laws, regulations, and directives relating to assistance programs which discourage state and local government and other recipient initiative and flexibility in assistance programs;

(5) the nature, extent, and utility of competition in Federal aid and assistance awards;

(6) the extent to which profit-making organizations should qualify for Federal aid and assistance awards;

(7) recommendations of the Commission on Government Procurement, the Advisory Commission on Intergovernmental Relations, and the Commission on Federal Paperwork; and

(8) other matters as the Commission may decide affect Federal aid and assistance.

(c) The Commission shall examine how functional program consolidations, increased recipient flexibility, and federal decentralization of program authority will be facilitated by a system of government-wide guidance for Federal aid and assistance programs.

(d) The Commission shall make a final report to the Congress and the President within two years of the date of the first meeting of the Commission. The final report shall contain a review of its findings and its recommendations for changes in organizational arrangements, statutes, policies, rules, regulations, procedures, and practices. In the event Congress is not in session at the end of such two-year period, the final report shall be submitted to the Clerk of the House of Representatives and the Secretary of the Senate. The Commission may make such interim reports and recommendations as it deems advisable.

(e) Not later than six months after submission of the Commission's final report, the Office of Management and Budget, in coordination with other authorities of the Executive Branch, shall

(1) formulate the views of the Executive Branch agencies on the recommendations of the Commission;

(2) to the extent permitted by law, im-

plement recommendations of the Commission which are accepted by the President; and

(3) propose legislation needed to carry out other recommendations of the Commission which are accepted and notify the Congress of the reasons for those recommendations which are rejected.

(f) At least once every six months for two years after submission, the Comptroller General shall report to the Congress on the status of actions taken on the Commission's final report.

MEMBERSHIP OF THE COMMISSION

SEC. 7. (a) The Commission shall be composed of 15 members consisting of—

(1) three members appointed by the President pro tempore of the Senate, two from the Senate who will not be members of the same political party and one from outside government;

(2) Three members appointed by the Speaker of the House of Representatives, two from the House of Representatives who shall not be members of the same political party and one from outside government;

(3) Two members, appointed by the President of the United States, from officials of State government who shall not be members of the same party;

(4) Two members, appointed by the President of the United States, from officials of local government who shall not be members of the same party:

(5) the Comptroller General of the United States;

(6) the Director of the Office of Management and Budget;

(7) One member appointed by the President of the United States, from the community of College and University administrators;

(8) Two members, appointed by the President of the United States from outside government who shall have a publicly recognized expertise in the management of governmental services from the journalistic, legal or other professions.

(b) The Commission shall select a Chairman and a Vice Chairman from among its members.

(c) Eight members of the Commission shall constitute a quorum.

(d) Any vacancies in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 8. (a) Except as provided in subsection (b), members of the Commission shall each receive as compensation the daily equivalent of the annual rate of basic pay in effect for grade GS–18 for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission.

(b) Members of the Commission who are Members of Congress or who are full-time officers or employees of the United States shall receive no additional compensation for their service on the Commission.

(c) While away from their homes or regular places of business in the performance of service for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

POWERS OF THE COMMISSION

SEC. 9. (a) The Commission, or at its direction, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of the Act, hold such hearings, sit and act at such times and places, take such testimony, receive such evidence and administer such oaths, as the Commission or such subcommittee or member may deem advisable. Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing within the United States. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such subcommittee or member.

(b)(1) The Commission may require by subpoenas the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers and documents as the Commission may deem advisable. Subpoenas may be issued under the signature of the Chairman or Vice Chairman and may be served by any person designated by the Chairman or Vice Chairman. The subpoenas of the Commission shall be served in a manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(2) If a person issued a subpoena under paragraph (1) is guilty of contumacy or refuses to obey such subpoena, any district court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may, upon application made by the Attorney General of the United States, order such person to appear before the Commission or a subcommittee or member thereof, to produce evidence or to give testimony touching the matter under inquiry. Any failure of any such person to obey any such order of the court may be punished by such court as a contempt thereof.

(3) Notwithstanding paragraphs (1) and (2), a person shall be excused from testifying or from producing such books, records, correspondence, memoranda, papers or documents or other evidence in obedience to a subpoena if such person states in writing to the court offering his attendance and testimony that the required testimony or evidence may tend to incriminate him or subject him to a criminal penalty.

(c) The Commission may appoint and fix the compensation of such personnel as it deems advisable without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and such personnel may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at a rate not to exceed the maximum rate authorized by the General Schedule. In addition, the Commission may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for the maximum rate authorized by the General Schedule.

(d) The Commission is authorized to negotiate and enter into contracts with public or private organizations and educational institutions to carry out such studies and prepare such reports as the Commission determines are necessary in order to carry out its duties.

SUNSHINE PROVISIONS

SEC. 10. (a) Each meeting of the Commission, or any committees or subcommittees thereof, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings on the same subject for a period of no more than fourteen calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated in paragraphs (1) through (6) would require the meeting to be closed followed immediately by a record vote in open session by a majority of the members of the Commission or committee or subcommittee, when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(2) will relate solely to matters of Commission staff personnel or internal staff management and procedures;

(3) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(4) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(5) will disclose information relating to the trade secrets or financial or commercial information pertaining to a given person if—

(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(B) the information has been obtained by the Government on a confidential basis other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(6) may divulge matters required to be kept confidential under other provisions of law or Government regulations.

Whenever any hearing conducted by the Commission or committee or subcommittee thereof is open to the public, that hearing may be broadcast by radio or television, or both, under such rules as the Commission may adopt.

(b) Whenever disorder arises during a Commission meeting that is open to the public, or any demonstration of approval or disapproval is indulged in by any person in attendance at any such meeting, it shall be the duty of the Chair to enforce order on his own initiative and without any point of order being made by a member. When the Chair finds it necessary to maintain order, he shall have the power to clear the room, and the Commission may act in closed session for so long as there is doubt of the assurance of order.

(c) The Commission shall prepare and keep a complete transcript or electronic recording adequate to fully record the proceedings of each meeting whether or not such meeting or any part thereof is closed unless the majority of the members of the Commission or committee or subcommittee thereof vote to forgo such a record.

(d) Public notice of all Commission meetings for the purpose of establishing recommendations shall be given not less than ten days prior thereto.

(e) To the maximum extent practicable, the Commission shall provide for public review of recommendations to be made in its final report prior to submission as provided for in section 3 of this Act.

COOPERATION WITH FEDERAL AGENCIES

SEC. 11. (a) Each department, agency, instrumentality or other authority of the Federal Government is authorized and directed to furnish to the Commission, upon request made by the Chairman, such data, reports, and other information not otherwise prohibited by law as the Commission deems necessary to carry out its functions under this Act.

(b) The head of each department, agency, instrumentality or other authority of the Federal Government is authorized to provide to the Commission such services as the Commission requests on such basis, reimbursable or otherwise, as may be agreed between the department or agency and the Chairman or Vice Chairman of the Commission. All such requests shall be made by the Chairman or Vice Chairman of the Commission.

TERMINATION OF THE COMMISSION

SEC. 12. One hundred and twenty days after submission of the final report provided for in section 6 of this Act, the Commission shall cease to exist.

AUTHORIZATION OF APPROPRIATIONS

SEC. 13. There are hereby authorized to be appropriated to the Commission such sums as may be necessary to carry out the provisions of the Act.

By Mr. NELSON:

S. 3360. A bill to authorize employees and agencies of the Government of the United States to experiment with flexible and compressed work schedules. Referred to the Committee on Post Office and Civil Service.

COMPRESSED AND FLEXIBLE WORK SCHEDULE EXPERIMENTS IN FEDERAL AGENCIES

Mr. NELSON. Mr. President, today I am introducing legislation to provide for a 3-year experimental study of flexible and compressed work schedules in executive agencies of the Government. The House Post Office and Civil Service Committee already has considered similar legislation and on April 12, 1976, reported a bill to the full House (Rept. No. 94–1033).

The use of a flexible or compressed work hours program is not a new idea or concept. It has been tested and is being used in many Western European and Scandinavian countries. In this country, the General Accounting Office has reported that 3,000 organizations employing over 1 million workers have implemented a 4-day, 40-hour workweek. Statistics from the Civil Service Commission show that the Federal Government has 28,000 employees from 30 different organizations engaged in limited flexible work hours programs. And various efforts to establish alternative working schedules in the private sector also are well underway.

Just a few weeks ago, for example, three corporations—the Nestle Co., Control Data, and Northwestern Mutual Insurance Co.—testified about their flexible work hours programs at a hearing of the Senate Labor and Public Welfare's Subcommittee on Employment, Poverty, and Migratory Labor. Each of these companies expressed satisfaction with their flexitime programs, and in the words of one of the witnesses, "everybody gained, nobody loses" with a flexible work hours program.

As measured by absenteeism, job satisfaction and staff turnover, each of the companies reported favorable results with their flexitime programs. And, each of the companies was very optimistic about the application of alternative work schedules to the public sector.

Under current Federal statutes, however, the use of flexible and compressed work hours employment in the Federal sector is limited because the Fair Labor Standards Act and title 5 of the United States Code require overtime pay for work in excess of 8 hours a day and 40 hours a week. This bill, in part, will modify certain provisions of these laws that prohibit experimentation of flexible and compressed hours programs in governmental agencies. This will allow the Federal Government to study, under carefully controlled conditions, alternatives to traditional work schedules. The General Accounting Office, the Civil Service Commission, and numerous individuals, private organizations and Government agencies all have recommended changing these provisions of the law.

With the establishment of an experimental program, it will be possible to evaluate the effects of flexible and compressed work schedules on energy usage, commuter traffic, utilization of mass transit facilities, service to the public and efficiency of Government operations.

The initiation of such an experimental program also would give individuals with special problems such as physical handicaps, child-care or other family responsibilities an opportunity for gainful employment in executive agencies. Right now, many of these individuals cannot conform to traditional work schedules and therefore are excluded from the Federal work force.

Mr. President, a rather succinct emplanation of alternative work schedules was printed in the House report filed with H.R. 4093 on April 12. So that Members and the public understand what kinds of experiments would be possible under this legislation, I ask unanimous consent that this explanation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXPLANATION OF ALTERNATIVE WORK SCHEDULES

The flexible work schedule

The basic concept of flexible work schedules is a simple one. Fixed times of arrival and departure are replaced by a working day which is composed of two different types of time: core time and flexible time. Core time is the designated number of hours during which all employees must be present. Flexible time is all the time designated as part of the schedule of work hours within which employees may choose their time of arrival and departure from the office within limits consistent with the duties and requirements of their positions.

The two basic elements of flexible work schedules are that (1) the employee must be present during core time and (2) the employee must account for the total number of required hours within a specified time period. Beyond this, the precise working hours are established consistent with the accomplishment of the organization's operational responsibilities and providing for some degree of employee choices consistent with these responsibilities. There can be many variations of flexible work schedules. Currently, however, the configurations which may be introduced in the Federal Government are extremely limited because of statutory constraints.

While only the best basic versions of flexible work schedules can presently be introduced, these offer flexibility and advantages not available under fixed-hour schedules. Following are examples of the flexible hour schedules currently being tested within the Federal Governmnt. For the sake of illustration, the following hours of operation will be presumed: Office open from 6:00 a.m. to 6:00 p.m. and a core time established each day from 10:00 a.m. to 2:00 p.m.

(a) *The scheduled floating day.*—The employee pre-selects his or her arrival time within the flexible time band, in this case 6:00 a.m. to 10:00 a.m. Once selected, this becomes the employee's fixed schedule until the next selection period.

(b) *The flexible floating day.*—Just as in the previous instance, the employee selects an arrival and departure time within the flexible time band; however, he or she is free to vary this time between the hours of 6:00 a.m. and 10:00 a.m. to the extent this is consistent with and supportive of the mission of the organization, so long as the employee is present during the core time and completes an eight-hour day.

No additional flexibility is permissible under current law. Even the concept of the Flexible Floating Day has been implemented through regulations and laws which never envisioned this type of arrangement and are not particularly well suited to its implementation.

The following are examples of the major types of variations which could be tested. For purposes of these examples the same hours of operation as were used earlier will be presumed.

(a) *The flexible or variable day.*—A core time may be established on each day on which the organization will be open for business, or it may be established only on certain of these days, depending upon the degree of flexibility which is desired. The employee is permitted to vary the length of each day within prescribed limits within the hours of operation, so long as he or she is present during the core time and completes the basic 40 hours within the work nine hours one day and seven hours the next in order to more effectively perform the job and to permit accommodation to a particular requirement in his or her personal life.

(b) *The flexible or variable biweekly pay period.*—This is perhaps the most flexible of the work schedules and may be particularly well suited to research and development activities and jobs requiring little interaction with others or where interaction is largely self-initiated by the employee. In this configuration, the employee has the option to vary within prescribed limits, not only the length of each day, outside of the prescribed core time, but also the length of each workweek. This is accomplished by building up an account of "credit hours," within a biweekly pay period which may be applied against the required number of hours in succeeding weeks. For example, an employee might choose to work 50 hours in one week in order to work 30 hours the following week.

In each of these illustrations it is assumed that the establishment of the operational hours and the core times are consistent with organizational requirements and mission objectives.

The compressed work schedule

The compressed work schedule is distinctly different in concept from a flexible work schedule, but each represents an alternative to the traditional, scheduled five-day workweek.

The most popular form of the compressed work schedule is the four-day, ten-hours per day model. However, a compressed work schedule can be any schedule which is established over less than five full days each week. It may be three, four or four and one-half days. Among the newer configurations of compressed work schedules is the "5-4/9 plan." In this arrangement, the employee works approximately nine hours per day for five days the first week and nine hours per day for four days the second week. Under this model, the employee receives 26 additional days off each year and each work day is extended by only one hour. By alternating the work force as to days off under any compressed work schedule, service can be maintained five days a week if that is considered desirable. The compressed work schedule has the practical effect of extending the length of each work day to some level beyond eight hours, while reducing the total number of days or portions of days during which work is performed by an individual employee.

Mr. NELSON. There are two key features of this bill which are different from the one approved by the House Post Office and Civil Service Committee on April 12.

First of all, the House Committee bill mandates that every executive agency initiate a program to provide flexibility in the scheduling of work hours. This provision has been strongly objected to by the Civil Service Commission because it would violate the purposes of a carefully controlled study and make the systematic administration of such a program difficult. Based on these considerations, the bill I have introduced allows Federal agencies to determine voluntarily whether or not they will participate in the experimental program.

Second, in the House Committee bill, the Civil Service Commission is given authority only to provide educational material, technical aids, and assistance to participating executive agencies in establishing an alternative work hours program. That authority, in my opinion, is insufficient to insure the effective and efficient implementation of a test program.

This bill gives the Civil Service Commission direct responsibility for the development, installation, and evaluation of the 3-year test program.

As this legislation is written, the Civil Service Commission would be required to develop, within 6 months after enactment of the legislation, a comprehensive plan to provide for the establishment of flexible and compressed work schedule experiments within executive agencies. While developing the comprehensive plan, the Civil Service Commission would be required to consult with the Federal Energy Administration, the Environmental Protection Agency, the Department of Transportation, the General Services Administration, the Department of Labor, and the Department of Housing and Urban Development.

In developing the comprehensive plan, the Civil Service Commission would have to include a sufficient number of program experiments to provide a representative sample of organizations of different activity, size, and geographic location and to permit adequate testing of the impact of these schedules on such factors as Government operations, service to the public, mass transit facilities, energy consumption, and increased full-time, part-time and job-sharing opportunities. And, the Commission would be required to take into account the present and past efforts in the private and public sectors to rearrange work schedules. This provision would provide a procedural safeguard to help prevent repetitious and unproductive efforts from occurring.

In order to insure the successful implementation of an experimental alternative work hours program, the Civil Service Commission is required by this legislation to monitor and modify the comprehensive plan on a continuing basis.

After the comprehensive plan is completed and approved by the Civil Service Commission, every executive agency head and chief personnel officer would receive a copy of the plan to help them determine whether or not that agency should participate in the experimental program. Every agency would be required to reply back to the Civil Service Commission within 45 days after the receipt of the plan insuring that every agency would at least consider the possibility and potential of a flexible or compressed work hours program.

Both of these provisions—making the flexible hours program in executive agencies voluntary and giving the Civil Service Commission authority to develop, install, and evaluate such an experimental program—make improvements on what already is a very good bill. And I am hopeful the Senate Post Office and Civil Service Committee can focus on these two provisions when it considers this legislation.

Like the House bill, this legislation permits Federal employees flexibility in the scheduling of their work hours only to the extent consistent with the fulfillment of the duties and requirements of their positions. It insures that an employee receives premium pay for any work which constitutes overtime under the flexible or compressed schedule and it prohibits Federal employees from being coerced into participating in a flexible or compressed schedule experiment. And, the bill also includes a provision that makes these alternative work schedules the province of collective bargaining where employees are organized into an exclusively recognized labor unit.

Mr. President, the need for this kind of legislation has been well documented in congressional hearings before the House and the Senate. With a 2.8-million-person work force, the Federal Government is the largest employer in the United States. Potentially, it is one of the most fertile testing grounds for experimenting with programs that improve the quality of working life. Right now there is a very good opportunity to test flexible and compressed work schedules in the Federal Government, and I am hopeful this legislation can move forward in the Senate Post Office and Civil Service Committee as soon as possible.

By Mr. PEARSON:

S. 3361. A bill to provide for the striking of medals commemorating the American Indian heritage. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. PEARSON. Mr. President, today, I am introducing legislation that would authorize the U.S. Bureau of the Mint to strike a commemorative medal to recognize the historical, cultural, and social contributions of American Indians.

This commemorative medal will be used to commemorate the opening of the Mid-America All-Indian Center in Wichita, Kans. This center is a nonprofit organization formed by members of the Indian community. Its purpose is to serve the needs of all Indian people and to perpetuate and share the Indian cultural heritage with the non-Indian community. The Mid-America All-Indian Center is significant not only to the people of Kansas but to all native American Indians and has been officially recognized by the American Revolution Bicentennial Administration for its Bicentennial significance.

The Mid-America All-Indian Center will provide a National Center for Indian Social Services and Cultural Heritage through an Urban Social Services Center and a National Cultural Center. The Urban Social Services Center is designed to stimulate the educational and economic advancement of American Indian people through programs in manpower training, health related services, social services, and Indian arts and crafts programs.

The National Cultural Center will serve to preserve and perpetuate the cultural heritage and current tribal cultures of all Indian people. It will provide a National Museum and Library of North American Indians, programs for instruction and exhibition of Indian arts and crafts, arenas for social and cultural activities, and a permanent outdoor exhibition area for displaying authentic Indian lodging and living areas representative of tribal cultures nationwide.

Today, there is an increasing interest in Indian culture as an increasing number of Indian people are looking for involvement and cultural identity. The National Cultural Center and Urban Social Service Centers will serve to meet these needs by preserving the cultural heritage of the Indian people both locally and nationally. Moreover, it will provide for improved education and understanding between Indian and non-Indian cultures.

Mr. President, commemorative medals must be national in character, significant to all people, and they must honor events contributing to the advancement of the history of the country or individuals who have performed superior deeds or achievements in their services to the Nation. Certainly, no single group better fits these criteria than the American Indian.

Presently, there are no other efforts being made for a Bicentennial commemorative medal to honor the Indian people of our Nation. I believe it is appropriate that we have such a medal; and, in doing so, to provide for the preservation and dissemination of our Indian culture through a National Indian Center.

Mr. President, I ask unanimous consent that my bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3361

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That (a) in commemoration of the American Indian heritage, the Secretary of the Treasury (hereinafter in this Act referred to as the "Secretary") shall strike and deliver to the Mid-America All-Indian Center, Incorporated, of Wichita, Kansas (hereinafter in this Act referred to as the "center"), not more than one hundred thousand sterling silver and bronze medals 1-5/16 inches in diameter, with suitable emblems, devices, and inscriptions to be determined by the center, subject to approval by the Secretary.

(b) Such medals—

(1) are national medals within the meaning of section 3551 of the Revised Statutes (31 U.S.C. 368); and

(2) may be disposed of by the center at a premium.

SEC. 2. (a) Except as provided in subsection (b), the medals authorized to be struck and delivered under section 1 shall be delivered at such times as may be required by the center in quantities of not less than two thousand, but no such medals shall be struck after December 31, 1977.

(b) The Secretary shall deliver—

(1) five hundred sterling silver medals, the first two hundred and fifty of which shall be numbered in sequence, and

(2) five thousand bronze medals,

by May 23, 1976, or as soon thereafter as is feasible, in order that such medals may be used in conjunction with the center's grand opening week.

SEC. 3. The Secretary shall cause the medals authorized to be struck and delivered under section 1 to be struck and delivered at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses, and security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for the full payment of such costs.

By Mr. SPARKMAN (by request):

S. 3362. A bill to provide authorization for a U.S. contribution to the International Atomic Energy Agency in support of its safeguards activities and for other purposes. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request, I introduce for appropriate reference a bill to provide authorization for a U.S. contribution to the International Atomic Energy Agency in support of its safeguards activities and for other purposes.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their comments and attention.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill and a justification be printed in the RECORD at this point, together with the letter from the Assistant Secretary of State for Congressional Relations to the President of the Senate dated April 21, 1976.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 3362

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "International Atomic Energy Agency Safeguards Activities Act of 1976".

SEC. 2. It is the policy of the United States to strengthen the Safeguards program of the International Atomic Energy Agency and in order to implement this policy to contribute funds to assist the Agency in meeting the challenge of effectively implementing nuclear safeguards at a time when international utilization of nuclear power for growing energy needs is rapidly increasing.

SEC. 3. There is hereby authorized to be appropriated $5,000,000 for contributions to the International Atomic Energy Agency toward its Safeguards activities, which amount is authorized to remain available until expended: *Provided,* That such sums shall be in addition to any other contribution to the International Atomic Energy Agency by the United States pursuant to any other provision of law.

DEPARTMENT OF STATE,
Washington, D.C., April 21, 1976.

HON. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith proposed legislation which would implement the President's decision, announced in his Energy Message to Congress of February 26, 1976, "that the US should make a contribution of up to $5 million in the next five years to strengthen the safeguards program of the International Atomic Energy Agency." The proposed legislation would authorize the appropriation of up to $5 million over a period of five years (FY 1977–81) to the Department of State for contribution to the International Atomic Energy Agency to strengthen its safeguards program.

The contribution would promote US national interests by strengthening the capacity of the International Atomic Energy Agency to fulfill its important role in preventing nuclear proliferation by deterring the diversion of nuclear materials to nonpeaceful purposes. A detailed justification explaining the proposed authorization is enclosed.

A budget amendment in the amount of $1 million for fiscal year 1977 to cover the initial installment of the proposed five-year contribution is being prepared for transmittal to the Congress in the near future.

The Office of Management and Budget advises that there is no objection to the presentation of this proposed authorizing legislation to the Congress and that its enactment would be in accord with the program of the President.

Sincerely yours,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

JUSTIFICATION

The proliferation of nuclear weapons is one of the most ominous dangers threatening the peace of the world and the security of the United States. The threat of proliferation is growing as more nations, induced by the rise in costs of fossil fuels, look to nuclear energy to satisfy their power needs. Our international nuclear policies are designed to avoid this danger through a cooperative approach which recognizes the need to supply material and equipment to serve nuclear energy needs under strict safeguards and controls. Our principal multilateral instruments for avoiding proliferation remain the Non-Proliferation Treaty and the safeguards of the International Atomic Energy Agency. These safeguards entail techniques to account for nuclear materials reinforced by containment and surveillance measures, including periodic and sometimes continual inspections. They are designed to prevent the diversion of nuclear material by the risk of early detection.

The task of the International Atomic Energy Agency in implementing its safeguards is becoming increasingly more formidable as it is called upon to assume responsibility for more complex facilities and increasing volumes of nuclear material. It is essential that during this growth process the IAEA be capable of maintaining the vigilance necessary to detect any diversion of nuclear material from peaceful purposes.

Accordingly, given the central importance of the Agency's system to US non-proliferation objectives, it is in the US national interest to supplement the regular sums expended on safeguards by the Agency in sufficient amount to strengthen the safeguards program during its period of expansion. The President therefore announced, in his Energy Message to Congress of February 26, 1976, his decision that the US should make a special contribution of up to $5 million in the next five years to strengthen the safeguards program of the International Atomic Energy Agency.

This initiative, designed to enhance the Agency's capability to perform its rapidly expanding safeguards task with increased effectiveness, emphasizes promising technical areas of safeguards development in which the United States would help support defined incremental activities. These include training, safeguards information system modifications and improvements (Automated Data Processing), instrument development and operational testing, safeguards criteria and related studies, and such other activities as experience and consultations with Agency representatives would indicate to be appropriate.

This authorization would provide for the total $5 million cost of the proposed safeguards program over its five-year duration. Annual appropriations of about $1 million each would be required to effectuate the program.

By Mr. STEVENS:

S. 3363. A bill to amend title 5 of the United States Code to provide vacation leave for residents of Alaska serving a tour of duty at a hardship station in Alaska. Referred to the Committee on Post Office and Civil Service.

Mr. STEVENS. Mr. President, today I am introducing legislation which would end the current inequitable treatment accorded certain civil service employees in Alaska by the Federal Government.

Presently, a Federal employee recruited outside the State of Alaska for duty in my State is provided a trip back to his home in the "lower 48" for himself and his family every 2 years, at Federal expense, after his initial tour of duty. This authorization is contained in subsection 5728(a) of title 5 which provides that, under such regulations as the President may prescribe, an agency shall pay the expenses of round-trip travel of an employee and the transportation of his immediate family from his post of duty outside the continental United States to the place of his actual residence at the time of appointment or transfer for vacation leave when he has satisfactorily completed a prescribed tour of duty and has agreed to serve another at the same or another post of duty outside the continental United States.

Unfortunately, Alaskans who sign up for a tour of duty in a remote section of my State are not accorded this same benefit. Consequently, there is an untenable situation in which two Federal employees, working side by side in a remote section of my State, doing the same job, working the same number of hours, are treated and paid differently. The employee recruited in the "lower 48" has transportation for him and his family to his home in the "lower 48" paid. This transportation cost or special benefit for these employees can be considerable, depending on the employee's family.

Now, the Alaskan who may have signed up, say in our largest city of Anchorage, for a remote duty assignment at Adak on the Aleutian chain does not have this fringe benefit. He is not paid the same salary for the same work. This policy has created a second-class citizen of certain Federal employees simply because they happen to have been residents of the State of Alaska prior to their signing up for service in a remote area.

This situation has created a serious morale problem, causing friction between Alaskans and the non-Alaskans.

My bill would allow for this same citizen from Anchorage who signed up for duty in Adak to receive this turnaround leave benefit to his point of origin, Anchorage, under the same rules and guidelines as now governs those Federal employees recruited outside my State. The remedy for this inequity is too long overdue. The General Accounting Office has stated:

> Limiting the benefits to persons with original residences in the continental United States appears to be inequitable to native Alaskans who are employed by the Government.

I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3363

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5728 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) Under such regulations as the President may prescribe, an agency shall pay from its appropriations to an employee whose actual place of residence is in Alaska at the time of his appointment or transfer to a post of duty in Alaska which is designated as a hardship station the expenses of round-trip travel of such employee, and the transportation of his immediate family, but not household goods, from such post of duty to such place of residence after such employee has satisfactorily completed an agreed period of service at such post of duty and is returning to such place of residence to take leave before serving another tour of duty at the same or another post of duty at a hardship station in Alaska or at another post of duty outside of the continental United States and Alaska under a new written agreement made before departing from such post of duty.".

(b) The amendment made by subsection (a) applies to employees serving at a post of duty at a hardship station in Alaska on and after the date of enactment of this Act.

By Mr. KENNEDY (for himself, Mr. BUCKLEY, Mr. PHILIP A. HART, and Mr. HUGH SCOTT):

S. 3364. A bill to revise the economic regulation of air transportation. Referred to the Committee on Commerce.

AIR TRANSPORTATION ACT OF 1976

Mr. KENNEDY. Mr. President, I am today introducing the Air Transportation Act of 1976. This bill is designed to reform Federal economic regulation of the airline industry.

The Subcommittee on Administrative Practice and Procedure, which I chair, spent 18 months studying how the Civil Aeronautics Board regulates entry, pricing and other aspects of the airlines industry. The subcommittee found that most scheduled air fares are much higher than they would be without rigid regulation and that strict price and entry controls serve no important public purpose. The subcommittee issued a unanimous report in February of this year. The subcommittee report concluded that Congress should enact legislation designed to encourage price competition, and easier entry into the industry. The report further recommended that a policy that relies heavily upon competition should be introduced gradually to allow a reasonable transition period for the industry to adjust. The Air Transportation Act of 1976 implements the major recommendations of the subcommittee report.

The Senate Aviation Subcommittee on April 6 began hearings on legislative proposals to reform CAB regulation. I testified before the Aviation Subcommittee on that date at which time I presented an earlier but essentially similar draft of the Air Transportation Act. There is no need to repeat here, Mr. President, what was said there. I would like to point out, however, that since my testimony before the Aviation Subcommittee, the CAB itself has endorsed the major recommendations of the Administrative Practice and Procedure Subcommittee's report. The CAB also recommended congressional action to implement new competitive policies.

Since these concepts have long since been endorsed by President Ford and the administration, there is now unanimity among the branches and agencies of Government which have recently studied airline regulation. The only area of question concerns the precise form legislation should take. President Ford, the CAB, and I have presented legislation proposals. The bill I am introducing today, Mr. President, is, in my view, more comprehensive and better designed to bring about the low air fares and healthy industry that is in everyone's interest. I hope that the legislation I introduce today will be acted upon in this Congress.

I ask unanimous consent to have printed in the RECORD the Air Transportation Act of 1976, its summary and section-by-section analysis, and my remarks of April 6 before the Senate Aviation Subcommittee.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 3364

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, divided into titles and sections according to the following table of contents, may be cited as the "Air Transportation Act of 1976".

TABLE OF CONTENTS OF THE AIR TRANSPORTATION ACT OF 1976

TITLE I—GENERAL PROVISIONS

Sec. 101. Amendments to the Federal Aviation Act of 1958.
Sec. 102. New Definitions to Expand Charter Air Transportation.
(a) Advance purchase charter.
(b) Inclusive tour charter.
(c) Supplemental air carrier.
(d) Supplemental air transportation.
(e) Renumbering of definition paragraphs.
Sec. 103. Revision of Declaration of Policy.
Sec. 104. Effective date of this title.

TITLE II—REVISION OF PRESENT REGULATION AND LIMITATION TO FOREIGN AIR TRANSPORTATION

Sec. 201. Redesignation of present "Title IV" as "Title IV–A".
Sec. 202. Limitation of Title IV–A to Foreign Air Transportation.
Sec. 203. Revision of the certificates of public convenience and necessity—Section 401 of the Act.
(a) Notice and disposition of application.
(b) Deletion of limitation imposed on 401 (d) (1) and (2) certificates.
(c) Joint supplemental and scheduled authority.
(d) Certain conditions prohibited.
(e) Certain restrictions upon charter service prohibited.
Sec. 204. Revision of postal ratemaking elements.
Sec. 205. Effective dates of provisions of this title.

TITLE III—ECONOMIC REGULATION OF DOMESTIC AIR TRANSPORTATION: NEW SUBTITLES IV–B (PERMANENT) IV–C—(TRANSITION)

Sec. 301. Amendment to Table of Contents.
Sec. 302. Addition of new subtitles IV–B (permanent provisions relating to interstate and overseas air transportation) and IV–C (transitional provisions relating to interstate and overseas air transportation).
Sec. 303. Amendments to Subtitle 10 of the Act—Repeal of certain subsections of section 1002—Board Ratemaking Authority.
Sec. 304. Expansion of Postal Service Contract Authority.
Sec. 305. Effective Dates of Provisions of this title.

TITLE I—GENERAL PROVISIONS

AMENDMENT TO THE FEDERAL AVIATION ACT OF 1958

SEC. 101. Except as otherwise provided, wherever in this Act an amendment is expressed in terms of an amendment to or deletion of or addition after a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Aviation Act of 1958, 72 Stat. 731, as amended.

NEW DEFINITIONS TO EXPAND CHARTER AIR TRANSPORTATION

Advance purchase charter

SEC. 102. (a) Section 101 is amended by renumbering paragraphs (2) through (19) thereof as paragraphs (3) through (20) and by inserting after paragraph (1) the following new paragraph:

"(2) 'Advance-purchase charter' means a charter trip arranged pursuant to a contract between an air carrier or foreign air carrier and a person acting as a charter organizer, and sold by such charter organizer to members of the general public on an advance purchase basis."

Inclusive tour charter

(b) Section 101 is further amended by renumbering paragraphs (20) through (34) as paragraphs (22) through (36), and by inserting after paragraph (20) the following new paragraph:

"(21) 'Inclusive tour charter' means a charter trip which combines air transportation, pursuant to a contract between an air carrier or foreign air carrier and a person selling inclusive tours, and land arrangements at one or more points of destination, sold to members of the public."

Supplemental air carrier

(c) Section 101 is further amended by amending paragraph (35) to read as follows:

"(37) 'Supplemental air carrier' means an air carrier holding a certificate authorizing it to engage in supplemental air transportation."

"SUPPLEMENTAL AIR TRANSPORTATION

(d) Section 101 is further amended by amending paragraph (36) to read as follows:

"(38) 'Supplemental air transportation' means charter trips, including advance-purchase charter trips, inclusive tour charter trips, and other types of charter trips as authorized by the Board."

"RENUMBERING OF DEFINITION PARAGRAPHS

(e) Section 101 is further amended by renumbering paragraphs (37) through (38) as paragraphs (39) through (40).

REVISION OF DECLARATION OF POLICY

SECTION 103. (a) Section 102 is amended to read as follows:

"DECLARATION OF POLICY: THE CIVIL AERONAUTICS BOARD

"SECTION 102. In the exercise and performance of its powers and duties under this Act, the Civil Aeronautics Board shall consider the following among other things, as being in the public interest, and in accordance with the public convenience and necessity:

"(a) The encouragement and development of a sound air transportation system responsive to the public need for adequate, efficient, low-cost service, and adapted to the present and future needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense;

"(b) The regulation of air transportation in such manner so as to provide reasonable wages, costs, working conditions, and profits in, and to provide reliable public service from air transportation and coordinate transportation by air carriers;

"(c) The promotion of adequate, economical, and efficient service by air carriers at reasonable prices, primarily through maximum feasible reliance upon price and service competition both among existing air carriers and with new air carriers.

"(d) Regulation in a manner that encourages to the extent practicable maximum reliance on price and service competition in foreign air transportation, with appropriate recognition of the differences between interstate and overseas air transportation on the one hand, and foreign air transportation, on the other;

"(e) The promotion, encouragement and development of safety in air commerce.

EFFECTIVE DATE OF THIS TITLE

SEC. 104. The provisions of this title shall become effective upon enactment of the "Air Transportation Act of 1976".

TITLE II—REVISION OF PRESENT REGULATION AND LIMITATIONS TO FOREIGN AIR TRANSPORTATION

REDESIGNATION OF PRESENT "TITLE IV" AS "SUBTITLE IV–A"

SEC. 201. Strike the words, "Title IV—Air Carrier Economic Regulation," where they appear in the table of contents and immediately before Sec. 401 and insert in their place, "Title IV–A—Economic Regulation: Foreign Air Transportation."

LIMITATION OF SUBTITLE IV–A TO FOREIGN AIR TRANSPORTATION

SEC. 202. Add a new section 400 before section 401 as follows:

"SEC. 400. The provisions of subtitle IV–A shall apply only to the regulation of foreign air transportation."

REVISION OF THE CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

Notice and disposition of application

SEC. 203. (a) Amend section 401(c) to read as follows:

"(c) Upon the filing of such application, the Board shall give notice to the public. Any interested person may file with the Board a protest or memorandum of opposition to or in support of the issuance of a certificate. To the extent necessary to resolve a genuine and material issue of fact, such application shall be set for a public hearing on the record. Otherwise, it shall be granted or dismissed within 60 days of filing. Any such order of dismissal shall be deemed a final order of dismissal subject to judicial review. The Board shall dispose of any application set for hearing within 240 days of the filing. If the application has not been disposed of within 240 days, it shall be deemed to have been granted, unless the Board finds that the failure to dispose of the application was due in substantial part to the dilatory behavior of the applicant.

Joint supplemental and scheduled authority

(b) Strike out in the first sentence of paragraph (3) of subsection 401(d) the following: ". . . to any applicant not holding a certificate under paragraph (1) or (2) of this subsection . . ."

(c) Add new paragraph (4) at the end of subsection 401(d) to read as follows:

"(4) An air carrier holding or applying for any certificate under this Act may hold or apply for any other certificate under this Act."

Certain conditions prohibited

(d) In paragraph (1) of subsection 401(e) strike the period and insert a colon and at the end thereof add the following new sentence:

"*Provided,* however, that the Board may not impose a closed-door, single-plane service, mandatory stop, or long-haul restriction in interstate or overseas air transportation on any new certificate or amendment to an existing certificate of an air carrier."

Certain restrictions upon charter service prohibited

(d) Add a new paragraph 401(e)(7) as follows:

"(7) Regulations governing advance purchase charter trips shall not require that participants purchase the transportation or pay any deposit more than thirty days prior to departure, prohibit the charter organizer from selling up to twenty-five percent of the seats at any time prior to the departure date, require a prorated price, prevent the organizer from assuming the commercial risk of the venture, require that the trip exceed three days in the Western Hemisphere or seven days in other areas, impose any maximum length of stay requirements or otherwise unduly restrict the availability or marketability of such charters. An inclusive tour charter trip shall be sold at a price which is just and reasonable for the charter air transportation and just and reasonable for the land arrangements. A supplemental air carrier may not sell or offer for sale an inclusive tour charter trip in air transportation by selling or offering for sale individual tickets directly to members of the general public, and may not control or be under the control of a person authorized by the Board to make such sales unless, upon application and after notice and hearing, the Board approves such selling and offering, or such relationship of control."

REVISION OF POSTAL RATEMAKING ELEMENTS

SEC. 204. Strike subsection 405(b) and insert in lieu thereof the following new subsection 405(b):

"(b) Each air carrier shall, from time to time, file with the Board and the Postmaster General a statement showing the points between which such air carrier is authorized to engage in air transportation and all schedules, and all changes therein, of aircraft regularly operated by the carrier between such points, setting forth in respect to each such schedule the points served thereby and the time of arrival and departure at each such point. The Postmaster General may designate any such schedule for the transportation of mail between the points between which the air carrier is authorized by its certificate to transport mail or otherwise serves. No change shall be made in any schedules designated except upon ten days' notice thereof as herein provided. No carrier shall transport mail in accordance with any schedule other than a schedule designated under this subsection for the transportation of mail."

EFFECTIVE DATES OF PROVISIONS OF THIS TITLE

SEC. 205. The provisions of this title shall become effective 180 days after enactment of this Act, except as otherwise provided by sections 480 and 481 of the Federal Aviation Act of 1958, as amended by section 302 of this Act.

TITLE III—ECONOMIC REGULATION OF DOMESTIC AVIATION: SUBTITLES IV–B—(PERMANENT) AND IV–C—(TRANSITIONAL)

AMENDMENT TO TABLE OF CONTENTS

SEC. 301. Insert in the table of contents at the appropriate point the following new listings:

"SUBTITLE IV–B—ECONOMIC REGULATION: DOMESTIC AIR TRANSPORTATION

"SEC. 450. Limitation to domestic air transportation.
"SEC. 451. Certificate of fitness.
  "(a) Certificate required.
  "(b) Application.
  "(c) Notice and hearing.
  "(d) Issuance of certificate.
  "(e) Terms and conditions.
  "(f) Effective date and duration.
  "(g) Continuing requirements.
  "(h) Suspension and revocation.
  "(i) Transfer of certificate prohibited.
  "(j) Certain rights not conferred by certificate.
  "(k) Compliance with labor legislation.
"Sec. 452. Insurance and Bonding.
  "(a) Insurance.
  "(b) Bonding.
"SEC. 453. Accounts, records, and reports.
  "(a) Filing of reports.
  "(b) Disclosure of stock ownership.
  "(c) Disclosure of stock ownership by officer or director.
  "(d) Form of accounts.
  "(e) Inspection of accounts and property.
"SEC. 454. Filing of intercarrier agreement.
  "(a) Power to inquire and obtain reports.
  "(b) Prohibited interlocking relationships.
  "(c) Profit from transfer of securities.
"SEC. 455. Tariffs of air carriers.
"Sec. 456. Tariffs of air carriers.
  "(a) Filing of tariffs required.
  "(b) Observance of tariffs.
  "(c) Changes in tariffs.
  "(d) Filing of divisions of rates and charges.
  "(e) Flexible tariffs.
  "(f) Board authority to prescribe maximum rates and practices of air carriers.
  "(g) Standards for Board ratemaking.
  "(h) Suspension of rates.
  "(i) Authority to prescribe divisions of rates.
  "(j) Authority to establish through air transportation service.
"Sec. 457. Filing of schedules.
"Sec. 458. Common carrier duties.
"Sec. 459. Air carrier conduct.
  "(a) Unfair and deceptive practices prohibited.
  "(b) Regulations.
  "(c) Certain practices prohibited.
  "(d) Authority to investigate.
"SEC. 460. Alteration or discontinuance of air service.

"SEC. 461. Transportation of mail.
"(a) Postal rules and regulations.
"(b) Mail schedules.
"(c) Maximum mail load.
"(d) Tender of mail.
"(e) Foreign Postal Arrangement.
"(f) Transportation of Foreign Mail.
"(g) Evidence of performance of mail service.
"(h) Emergency mail service.
"(i) Experimental airmail service.
"(j) Free travel for postal employees.
"SEC. 462. Rates for transportation of mail.
"(a) Authority to fix rates.
"(b) Ratemaking elements.
"(c) Payment.
"(d) Treatment of proceeds of disposition of certain property.
"(e) Statement of Postmaster General and carrier.
"(f) Weighing of mail.
"(g) Availability of appropriations.
"Sec. 463. Classification and exemption of carriers.
"(a) Classification.
"(b) Exemptions.

"SUBTITLE IV-C—ECONOMIC REGULATION: TRANSITION PERIOD

"Sec. 480. Continuance of certificates of public convenience and necessity until the fourth anniversary of the Air Transportation Act of 1976.
"(a) Continued Effectiveness of Section 401.
"(b) Effective Date of Section 451.
"Sec. 481. Continuance of Special Operating authorizations until the fourth anniversary of the Air Transportation Act of 1976.
"Sec. 482. Discretionary Expansion of Scheduled Service.
"(a) Effective date.
"(b) Limited discretionary authority for passenger carriers.
"(c) Limited discretionary authority for cargo carriers.
"(d) Carriage of mail and cargo.
"(e) Combination of discretionary authority and other authority.
"(f) Permissible rates.
"(g) Limitations upon rate increases.
"(h) Limitations upon reductions in service.
"(i) "Scheduled air transportation" defined.
"SEC. 483. Permanent certification for continuous operations.
"SEC. 484. Liberalization of authority to serve new routes.
"(a) Application.
"(b) Applicability of terms and conditions of section 401.
"(c) Grandfather rights.
"Sec. 485. Relaxation of restrictions on entry into the domestic airline industry.
"(a) Application.
"(b) Restrictions on operations of new entrants.
"(c) Applicability of section 482.
"(d) Exclusion of certain carriers.
"(e) Disposition of applications.
"(f) Effective date of this section.
"Sec. 486. Grandfather rights for obtaining certificates of fitness upon the fourth anniversary of the Air Transportation Act of 1976.
"Sec. 487. Carrier obligations regarding points served in March 1976 until the fourth anniversary of enactment of the Air Transportation Act of 1976.
"(a) Effective date.
"(b) Restrictions on reduction of service.
"(c) Filing of complaints.
"(d) Cooperation between air carriers.
"(e) Authority to require essential minimum service.
"(f) 'Direct costs' defined.
"Sec. 488. Carrier obligations regarding points served in March 1976 during the period from the fourth anniversary of the Air Transportation Act of 1976 until the tenth anniversary of that Act.
"(a) Effective date.
"(b) Restrictions on reduction of service.
"(c) Authority to require essential minimum service.
"(d) Carrier's right to recover losses.
"Sec. 489. Requirements regarding tariff filings.
"(a) Effective date.
"(b) Notice of certain tariff changes.
"(c) Board notice of tariff suspensions.
"Sec. 490. Guarantee of service to points served in March 1976 until the tenth anniversary of the Air Transportation Act of 1976.
"(a) Effective date.
"(b) Maintaining essential service.
"(c) General definition of essential air service.
"(d) Determination of essential minimum service to specific points.
"(e) Contract subsidy authority.
"(f) Procedure for awarding contracts.
"(g) Terms of subsidy contracts.
"(h) Encouragement of noncontract essential service.
"(i) Ineligibility for other subsidy payments.
"(j) Eligible participants.
"(k) Termination of contracting authority.
"Sec. 491. Review of the local service subsidy program.
"Sec. 492. Consolidation, merger, and acquisition of control of domesic air carriers until the tenth anniversary of the Air Transportation Act of 1976.
"(a) Effective date.
"(b) Acts prohibited.
"(c) Power of Board.
"(d) Interests in ground facilities.
"(e) Jurisdiction of accounts of noncarriers.
"(f) Investigation of violations.
"(g) Presumption of control.
"Sec. 493. Pooling and other agreements until the tenth anniversay of the Air Transportation Act of 1976.
"(a) Effective date.
"(b) Authority of the Attorney General and Secretary of Transportation.
"(c) Approval by Board.
"(d) Burden of proof.
"Sec. 494. Antitrust law immunity until the tenth anniversary of the Air Transportation Act of 1976.
"(a) Effective date.
"(b) Immunity conferred.
"(c) Projection of employees.
"Sec. 495. Transitional Board authority to prescribe rates and tariffs of air carriers until the fourth anniversary of the Air Transportation Act of 1976.
"(a) Effective date.
"(b) Board authority and fare flexibility."

ADDITION OF NEW SUBTITLES IV-B—(PERMANENT PROVISIONS RELATING TO INTERSTATE AND OVERSEAS AIR TRANSPORTATION) AND IV-C—(TRANSITIONAL PROVISIONS RELATING TO INTERSTATE AND OVERSEAS AIR TRANSPORTATION)

SEC. 302. Add new subtitles IV-B and IV-C, immediately following subtitle IV-A, as designated by sec. 201 of this Act, to read as follows:

"SUBTITLE IV-B—ECONOMIC REGULATION: DOMESTIC AIR TRANSPORTATION

"LIMITATION TO DOMESTIC AIR TRANSPORTATION

"SEC. 450. The provisions of this subtitle IV-B shall apply only to the regulation of interstate and overseas air transportation.

"Certificate of fitness

"Certificate Required

"SEC. 451. (a) No air carrier, except any air carrier exempted herefrom, shall engage in any interstate or overseas air transportation unless there is in effect a certificate of fitness issued by the Board authorizing such air carrier to engage in air transportation.

"Application

"(b) Application for a certificate of fitness shall be made in writing to the Board and shall be so verified, in such form, contain such information, and accompanied by such proof of service upon interested persons, as the Board shall by regulation require.

"Notice and Hearing

"(c) Upon the filing of such application, the Board shall give due notice to the public. Any interested person may file with the Board a protest or memorandum of opposition to or in support of the issuance of a certificate. To the extent necessary to resolve a genuine and material disputed issue of fact, such application shall be set for a public hearing on the record. Otherwise, it shall be granted or dismissed within 60 days of filing. Any order of dismissal shall be deemed a final order of dismissal subject to judicial review. The Board shall dispose of any application for a certificate of fitness within 180 days of the filing. If the application has not been disposed of within 180 days, it shall be deemed to have been granted, unless the Board finds that the failure to dispose of the application was due in substantial part to the dilatory behavior of the applicant.

"Issuance of Certificate

"(d) The Board shall issue a certificate of fitness upon a finding that the applicant is fit, willing, and able to perform the air transportation applied for.

"Terms of Certificate

"(e) Each certificate issued under subsection (d) shall authorize the holder to engage in scheduled and supplemental interstate and overseas air transportation between any points and shall not be restricted as to the type, nature, or frequency of service which may be provided between such points.

"Effective Date and Duration

"(f) Each certificate shall be effective until suspended or revoked, as hereinafter provided, or until the Board shall certify that operation thereunder has ceased.

"Continuing Requirements

"(g) Every holder of a certificate of fitness shall be under a continuing obligation to maintain its fitness, willingness, and ability to perform air transportation for which it has applied and which it holds itself out to the public as performing, and to conform to the provisions of this Act, and the rules and regulations thereunder.

"Suspension and Revocation

"(h) (1) The Board shall by order, entered after notice and hearing on the record, suspend or revoke any certificate for failure of the holder to fulfill the requirements as set forth in subsection (g) of this section; *Provided*, That no such certificate shall be suspended or revoked, except as provided in paragraph (h) (2) of this section, unless the holder thereof fails to comply, within a reasonable time to be fixed by the Board, with an order of the Board commanding obedience to the requirements of subsection

(g) or to the order (other than an order issued in accordance with this provision), rule, or regulation found by the Board to have been violated.

"(2) If the Board determines that the failure of a carrier to fulfill the requirements as set forth in subsection (g) requires, in the interest of the rights, welfare, or safety of the public, immediate suspension of such carrier's certificate, the Board shall temporarily suspend such certificate without notice or hearing, for not more than 30 days.

"(3) Upon temporarily suspending a carrier's certificate pursuant to paragraph (h) (2), the Board shall immediately enter upon a hearing on the record to determine whether such certificate should be suspended or revoked and, pending the completion of such hearing, the Board may further temporarily suspend such certificate for additional 30 day periods aggregating not more than an additional 60 days.

"(4) If a carrier whose certificate has been suspended pursuant to paragraph (h) (2) removes the disability which occasioned the emergency suspension, the Board shall immediately terminate the suspension of such certificate and may terminate any pending proceeding commenced under parargaph (h) (3), but nothing in this paragraph shall preclude the Board from conducting proceedings pursuant to paragraph (h) (1) of this subsection or from imposing on such carrier a civil penalty for any violation of the provisions of this title or the regulations or orders of the Board thereunder.

"Transfer of Certificate Prohibited

"(i) No certificate may be transferred.

"Certain Rights Not Conferred by Certificate

"(j) No certificate shall confer any proprietary, property, or exclusive right in the use of any airspace, Federal airway, landing area, or air-navigation facility.

"Compliance With Labor Legislation

"(k) (1) Every air carrier shall maintain rates of compensation, maximum hours, and other working conditions and relations of all of its pilots and copilots who are engaged in interstate air transportation within the continental United States (not including Alaska) so as to conform with decision numbered 83 made by the National Labor Board on May 10, 1934, notwithstanding any limitation therein as to the period of its effectiveness.

"(2) Every air carrier shall maintain rates of compensation for all of its pilots and copilots who are engaged in overseas or foreign air transportation or air transportation wholly within a Territory or possession of the United States, the minimum of which shall be not less, upon an annual basis, than the compensation required to be paid under said decision 83 for comparable service to pilots and copilots engaged in interstate air transportation within the continental United States (not including Alaska).

"(3) Nothing herein contained shall be construed as restricting the right of any such pilots or copilots, or other employees, of any such air carrier to obtain by collective bargaining higher rates of compensation or more favorable working conditions or relations.

"(4) It shall be a condition upon the holding of a certificate by any air carrier that such carrier shall comply with sections 181–188 of Title 45.

"(5) The term 'pilot' as used in this subsection shall mean an employee who is responsible for the manipulation of or who manipulates the flight controls of an aircraft while under way including take-off and landing of such aircraft, and the term 'copilot' as used in this subsection shall mean an employee any part of whose duty is to assist or relieve the pilot in such manipulation, and who is properly, qualified to serve as, and holds a currently effective airman certificate authorizing him to serve as, such pilot or copilot.

"Insurance and Bonding

"Insurance

"Sec. 452. (a) Each air carrier shall comply with regulations issued by the Board governing the filing and approval of policies of insurance or plans for self-insurance, in the amounts prescribed by the Board, conditioned to pay, within the amount of such insurance, amounts for which the certificate holder may become liable for bodily injuries to or the death of any person, or for loss of or damage to property of others, resulting from the operation or maintenance of aircraft.

"Bonding

"(b) The Board may, by regulation or otherwise, require any air carrier to file a performance bond or equivalent security arrangement, in such amount and upon such terms as the Board shall prescribe, to be conditioned upon such air carriers making appropriate compensation to travelers and shippers by aircraft, as prescribed by the Board, for failure on the part of such carrier to perform air transportation services in accordance with agreements therefor.

"Accounts, Records, and Reports

"Filing of Reports

"Sec. 453. (a) The Board is empowered to require annual, monthly, periodical, and special reports from any air carrier; to prescribe the manner and form in which such reports shall be made; and to require from any air carrier specific answers to all questions upon which the Board may deem information to be necessary. Such reports shall be under oath whenever the Board so requires. The Board may also require any air carrier to file with it a true copy of each or any contract, agreement, understanding, or arrangement, between such air carrier and any other carrier or person, in relation to any traffic affected by the provisions of this Act.

"Disclosure of Stock Ownership

"(b) Each air carrier shall submit annually, and at such other times as the Board shall require, a list showing the names of each of the stockholders or members holding more than 5 per centum of the entire capital stock or capital, as the case may be, of such air carrier, together with the name of any person for whose account, if other than the holder, such stock is held; and a report setting forth a description of the shares of stock, or other interest, held by such air carrier, or for its accounts in persons other than itself. Any person owning, beneficially or as trustee, more than 5 per centum of any class of the capital stock or capital, as the case may be, of an air carrier shall submit annually, and at such other times as the Board may require, a description of the shares of stock or other interest owned by such person, and the amount thereof.

"Disclosure of Stock Ownership by Officer or Director

"(c) Each officer and director of an air carrier shall annually and at such other times as the Board shall require transmit to the Board a report describing the shares of stock or other interests held by him in any air carrier, any person engaged in any phase of aeronautics, or any common carrier, and in any person whose principal business, in purpose or in fact, is the holding of stock in, or control of, air carriers, other persons engaged in any phase of aeronautics, or common carriers.

"Form of Accounts

"(d) The Board shall prescribe the forms of any and all accounts, records, and memorandums to be kept by air carriers, including the accounts, records, and memorandums of the movement of traffic, as well as of the receipts and expenditures of money and the length of time such accounts, records, and memorandums shall be preserved; and it shall be unlawful for air carriers to keep any accounts, records, or memorandums other than those prescribed or approved by the Board: *Provided*, That any air carrier may keep additional accounts, records, or memorandums if they do not impair the integrity of the accounts, records, or memorandums prescribed or approved by the Board and do not constitute an undue financial burden on such air carrier.

"Inspection of Accounts and Property

"(e) The Board shall at all times have access to all lands, buildings, and equipment of any air carrier or foreign air carrier and to all accounts, records, and memorandums, including all documents, papers, and correspondence, now or hereafter existing and kept or required to be kept by air carriers, foreign air carriers, or ticket agents, and it may employ special agents or auditors who shall have authority under the orders of the Board to inspect and examine any and all such lands, buildings, equipment, accounts, records, and memorandums. The provisions of this section shall apply, to the extent found by the Board to be reasonably necessary for the administration of this Act, to persons having control over any air carrier, or affiliated with any air carrier within the meaning of section 5(8) of the Interstate Commerce Act, as amended.

"Inquiry into air carrier management

"Power to inquire and obtain reports

"Sec. 454. (a) For the purpose of exercising and performing its powers and duties under this Act, the Board is empowered to inquire into the management of the business of any air carrier and, to the extent reasonably necessary for any such inquiry, to obtain from such carrier, and from any person controlling or controlled by, or under common control with, such air carrier, full and complete reports and other information.

"Prohibited Interlocking Relationships

"(b) It shall be unlawful, unless such relationship shall have been approved by order of the Board upon due showing, in the form and manner prescribed by the Board, that the public interest will not be adversely affected thereby—

"(1) for any air carrier to have and retain an officer or director who is an officer, director, or member, or who as a stockholder holds a controlling interest, in any other person who is a common carrier or is engaged in any phase of aeronautics;

"(2) for any air carrier, knowingly and willfully, to have and retain an officer or director who has a representative or nominee who represents such officer or director as an officer, director, or member, or as a stockholder holding a controlling interest, in any other person who is a common carrier or is engaged in any phase of aeronautics.

"(3) for any person who is an officer or director of an air carrier to hold the position of officer, director, or member, or to be a stockholder holding a controlling interest, or to have a representative or nominee who represents such person as an officer, director, or member, or as a stockholder holding a controlling interest, in any other person who is a common carrier or is engaged in any phase of aeronautics;

"(4) for any air carrier to have and retain an officer or director who is an officer, director, or member, or who as a stockholder holds a controlling interest, in any person whose principal business, in purpose or in fact, is the holding of stock in, or control of, any other person engaged in any phase of aeronautics.

"(5) for any air carrier, knowingly and willfully, to have and retain an officer or director who has a representative or nominee who represents such officer or director as an officer, director, or member, or as a stockholder holding a controlling interest, in any person whose principal business, in purpose or in fact, is the holding of stock in, or control of, any other person engaged in any phase of aeronautics; or

"(6) for any person who is an officer or director of an air carrier to hold the position of officer, director, or member, or to be a stockholder holding a controlling interest, or to have a representative or nominee who represents such person as an officer, director, or member, or as a stockholder holding a controlling interest, in any person whose principal business, in purpose or in fact, is the holding of stock in, or control of, any other person engaged in any phase of aeronautics.

"Profit From Transfer of Securities

"(c) It shall be unlawful for any officer or director of any air carrier to receive for his own benefit, directly or indirectly, any money or thing of value in respect of negotiation, hypothecation, or sale of any securities issued or to be issued by such carrier, or to share in any of the proceeds thereof.

"Filing of intercarrier agreements required

"SEC. 455. Every air carrier shall file with the Board a true copy or, if oral, a true and complete memorandum, of every contract or agreement or any modification or cancellation thereof, (whether enforceable by provisions for liquidated damages, penalties, bonds, or otherwise) affecting air transportation and in force on the effective date of this section or hereafter entered into, between such air carrier and any other air carrier, foreign air carrier, or other carrier.

"Tariffs of air carriers

"Filing of Tariffs Required

"SEC. 456. (a) Each air carrier and each foreign air carrier shall file with the Board, and maintain for public inspection, tariffs showing all rates, fares, and charges for air transportation between points served by it, and between points served by it and points served by any other air carrier or foreign air carrier when through service and through rates have been established, and showing to the extent required by regulations of the Board, all classifications, rules, regulations, practices, and services in connection with such air transportation. Tariffs shall be filed, posted, and published in such form and manner, and shall contain such information, as the Board shall by regulation prescribe. The Board is empowered to reject any tariff so filed which is not consistent with this section and such regulations. Any tariff so rejected shall be void. The rates, fares, and charges shown in any tariff shall be stated in terms of lawful money of the United States, but such tariffs may also state rates, fares, and charges in terms of currencies other than lawful money of the United States.

"Observance of Tariffs

"(b) No air carrier nor any ticket agent shall charge or collect a different compensation for air transportation, or for any service connected with air transportation, than the rates, fares, and charges specified in the currently effective tariffs of such air carrier.

"Changes in Tariffs

"(c) No change shall be made in any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, specified in any effective tariff or any air carrier except after notice of the proposed change filed, posted, and published in accordance with subsection (a) of this section. Such notice shall plainly state the change proposed to be made and the time such change will take effect.

"Filing of Divisions of Rates and Charges Required

"(d) Every air carrier shall keep currently on file with the Board, if the Board so requires, the established divisions of all joint rates, fares, and charges for air transportation in which such air carrier participates.

"Flexible Tariffs

"(e) A carrier may file and specify in a tariff a reasonably definite procedure or formula providing for flexible pricing of air transportation.

"Board Authority to Prescribe Maximum Rates and Practices of Air Carriers

"(f) Whenever, upon complaint or its own initiative and after notice and hearing on the record the Board finds that (i) competition from actual or potential carriers is insufficient to maintain a just and reasonable the rate, fare, or charge actually charged or by a carrier between two points and that (ii) the rate, fare or charge actually charged or collected for air service between such points is unjust or unreasonable, the Board shall determine and prescribe the just and reasonable maximum rate, fare, or charge for air service between such points.

"Standards for Board Ratemaking"

"(g) In exercising and performing its powers and duties under subsection (f) of this section the Board shall take into consideration, among other factors—

"(1) the need in the public interest for adequate and efficient transportation of persons and property by air carriers at the lowest cost consistent with the furnishing of such services;

"(2) the quality and type of service required or preferred by the public in each market;

"(3) the need of each carrier for revenue sufficient to enable such air carrier, under honest, economical, and efficient management, to provide adequate and efficient air carrier service;

"(4) the effect of rates upon the movement of traffic;

"(5) the desirability of a variety of price and service options such as peak and off-peak pricing or other pricing mechanisms to improve economic efficiency; and

"(6) the desirability that individual air carriers determine prices in response to the particular competitive market conditions experienced by the individual carrier.

"Suspension of Rates

"(h) Whenever any air carrier shall file with the Board a tariff stating a new individual or joint (between air carriers) rate, fare, or charge for interstate or overseas air transportation or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the Board is empowered, upon complaint or upon its own initiative, at once, and, if it so orders, without answer or other formal pleading by the air carrier, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such rate, fare, or charge, or such classification, rule, regulation, or practice; and pending such hearing and the decision thereon, the Board, by filing with such tariff, and delivering to the air carrier affected thereby, a statement in writing of its reasons for such suspension, may suspend the operation of such tariff and defer the use of such rate, fare, or charge or such classification, rule, regulation, or if the proceeding has not been concluded and a final order made within such period, the Board may, from time to time, extend the period of suspension, but not for a longer period in the aggregate than one hundred and eighty days beyond the time when such tariff would otherwise go into effect; and, after hearing, whether completed before or after the rate, fare, charge, classification, rule, regulation, or practices goes into effect, the Board may make such order with reference thereto as would be proper in a proceeding instituted after such rate, fare, charge, classification, rule, regulation, or practice had become effective. If the proceeding has not been concluded and an order made within the period of suspension, the proposed rate, fare, charge, classification, rule, regulation, or practice shall go into effect at the end of such period: *Provided,* That this subsection shall not apply to any initial tariff filed by any air carrier: *And Provided, further,* That the Board shall not suspend any proposed tariff because of the proposed rate, fare, or charge stated therein unless the Board is empowered to find such proposed rate, fare, or charge unjust or unreasonable and empowered to determine and prescribe the lawful fare, rate, or charge under section 456(f).

"Authority To Prescribe Divisions of Rates

"(i) Whenever, after notice and hearing, upon complaint or upon its own initiative, the Board is of the opinion that the divisions of joint rates, fares or charges for air transportation are or will be unjust, unreasonable, inequitable, or unduly preferential or prejudicial as between the air carriers or foreign air carriers parties thereto, the Board shall prescribe the just, reasonable, and equitable divisions thereof to be received by the several air carriers. The Board may require the adjustment of divisions between such air carriers from the date of filing the complaint or entry of order of investigation, or such other date subsequent thereto as the Board finds to be just, reasonable, and equitable.

"Authority To Establish Through Air Transportation Service

"(j) The Board shall, whenever required by the public convenience and necessity, after notice and hearing, upon complaint or upon its own initiative, establish through service and the maximum joint rates, fares, or charges for interstate or overseas air transportation, or the classifications, rules, regulation, or practices affecting such rates, fares or charges, and the terms and conditions under which such through service shall be operated.

"FILING OF SCHEDULES

"SEC. 457. Each air carrier engaging in scheduled air transportation shall, from time to time, and in accordance with such regulations as may be adopted by the Board, publish and file with the Board a statement showing the points between which such air carrier proposes to engage or is engaging in scheduled air transportation, and all schedules, and all changes therein of aircraft regularly operated by the carrier between such points, setting forth in respect of each such schedule the points served thereby and the time of arrival and departure at each such point.

"COMMON CARRIER DUTIES

"SEC. 458. Every air carrier shall provide and furnish interstate and overseas air transportation upon reasonable request therefor and, to the extent it holds itself out to the public as engaging in such air transportation, shall provide reasonable through service in such air transportation in connection with other air carriers, including establishment and equitable division of joint fares, and shall provide safe and reasonable service, equipment, and facilities in connection with such transportation.

"AIR CARRIER CONDUCT

"Unfair and Deceptive Practices Prohibited

"SEC. 459 (a) No air carrier or its agent, or foreign air carrier or its agent shall engage in unfair or deceptive practices in air transportation or the sale of air transportation.

"Regulations

"(b) The Board shall adopt rules and regulations defining unfair or deceptive practices within the meaning of this section and providing for the enforcement of this section and the rules and regulations thereunder.

"Certain Practices Prohibited

"(c) Unfair or deceptive practices within the meaning of subsection (a) of this section shall include, but not be limited to the following:

"(1) failure to provide to purchasers reasonable information concerning lower cost air service which is available from the same air carrier and which would substantially fulfill the needs of the purchaser;

"(2) failure to provide reasonable information to passengers about schedule delays;

"(3) failure to offer reasonable compensation for lost, misplaced, delayed or damaged baggage while such baggage was under the custody or control of an air carrier or its agent.

"(4) limiting legal liability for death, injury or loss due to negligence; and

"(5) other acts or omissions which the Board shall determine by rule or regulation.

"Authority to Investigate

"(d) Upon its own initiative, or upon complaint by any person, the Board may investigate and determine whether any air carrier has been or is engaged in activities prohibited by this section or by regulations of the Board issued hereunder. If the Board shall find, after notice and hearing, that any air carrier is or has been engaged in such activities, it shall order such air carrier to cease and desist therefrom and may pursue such other remedies, including the assessment of civil penalties; as authorized by law.

"ALTERATION OR DISCONTINUANCE OF AIR SERVICE

"Sec. 460. Except as otherwise specifically provided in this Act, each air carrier may reduce, increase or otherwise alter the level of air service, or cease all air service to a point it is authorized to serve.

"TRANSPORTATION OF MAIL

"POSTAL RULES AND REGULATIONS

"Sec. 461. (a) The Postmaster General is authorized to make such rules and regulations, not inconsistent with the provisions of this Act, or any order, rule, or regulation made by the Board thereunder, as may be necessary for the safe and expeditious carriage of mail by aircraft.

"Mail Schedules

"(b) Each air carrier shall, from time to time, file with the Board and the Postmaster General a statement showing the points between which such air carrier is authorized to engage in air transportation, and all schedules, and all changes therein, of aircraft regularly operated by the carrier between such points, setting forth in respect to each such schedule the points served thereby and the time of arrival and departure at each such point. The Postmaster General may designate any such schedule for the transportation of mail between the points between which the air carrier is authorized by its certificate to transport mail or otherwise serves. No change shall be made in any schedules designated except upon ten days' notice thereof as herein provided. No air carrier shall transport mail in accordance with any schedule other than a schedule designated under this subsection for the transportation of mail.

"Maximum Mail Load

"(c) The Board may fix the maximum mail load for any schedule or for any aircraft or any type of aircraft; but, in the event that mail in excess of the maximum load is tendered by the Postmaster General for transportation by any air carrier in accordance with any schedule designated or ordered to be established by the Postmaster General under subsection (b) of this section for the transportation of mail, such air carrier shall, to the extent such air carrier is reasonably able as determined by the Board, furnish facilities sufficient to transport, and shall transport, such mail as nearly in accordance with such schedule as the Board shall determine to be possible.

"Tender of Mail

"(d) From and after the issuance of any certificate authorizing the transportation of mail by aircraft, the Postmaster General shall tender mail to the holder thereof, to the extent required by the Postal Service, for transportation between the points named in such certificate for the transportation of mail, and such mail shall be transported by the air carrier holding such certificate in accordance with such rules, regulation, and requirements as may be adopted by the Postmaster General under this section.

"Foreign Postal Arrangement

"(e)(1) Nothing in this Act shall be deemed to abrogate or affect any arrangement made by the United States with the postal administration of any foreign country with respect to transportation of mail by aircraft, or to impair the authority of the Postmaster General to enter into any such arrangement with the postal administration of any foreign country.

"(2) The Postmaster General may, in any case where service may be necessary by a person not a citizen of the United States who may not be obligated to transport the mail for a foreign country, make arrangements, without advertising, with such person for transporting mail by aircraft to or within any foreign country.

"Transportation of Foreign Mail

"(f)(1) Any air carrier holding a certificate to engage in foreign air transportation and transporting mails of foreign countries shall transport such mails subject to control and regulation by the United States. The Postmaster General shall from time to time fix the rates of compensation that shall be charged the respective foreign countries for the transportation of their mails by such air carriers, and such rates shall be put into effect by the Postmaster General in accordance with the provisions of the postal convention regulating the postal relations between the United States and the respective foreign countries, or as provided hereinafter in this subsection. In any case where the Postmaster General deems such action to be in the public interest, he may approve rates provided in arrangements between any such air carrier and any foreign country covering the transportation of mails of such country, under which mails of such country have been carried on scheduled operations prior to January 1, 1938, or in extensions or modifications of such arrangements, and may permit any such air carrier to enter into arrangements with any foreign country for the transportation of its mails at rates fixed by the Postmaster General in advance of the making of any such arrangement. The Postmaster General may authorize any such air carrier, under such limitations as the Postmaster General may prescribe, to change the rates to be charged any foreign country for the transportation of its mails by such air carrier within that country or between that country and another foreign country.

"(2) In any case where such air carrier has an arrangement with any foreign country for transporting its mails, made or approved in accordance with the provisions of paragraph (1) of this subsection, it shall collect its compensation from the foreign country under its arrangement, and in case of the absence of any arrangement between the air carrier and the foreign country consistent with this subsection, the collections made from the foreign country by the United States shall be for the account of such air carrier: *Provided*, That no such air carrier shall be entitled to receive compensation both from such foreign country and from the United States in respect of the transportation of the same mail or the same mails of foreign countries.

"Evidence of Performance of Mail Service

"(g) Air carriers transporting or handling United States mail shall submit, under signature of a duly authorized official, when and in such form as may be required by the Postmaster General, evidence of the performance of mail service; and air carriers transporting or handling mails of foreign countries shall submit, under signature of a duly authorized official, when and in such form as may be required by the Postmaster General, evidence of the amount of such mails transported or handled, and the compensation payable and received therefor.

"Emergency Mail Service

"(h) In the event of emergency caused by flood, fire, or other calamitous visitation, the Postmaster General is authorized to contract, without advertising, for the transportation by aircraft of any or all classes of mail to or from localities affected by such calamity, where available facilities of persons authorized to transport mail to or from such localities are inadequate to meet the requirements of the Postal Service during such emergency. Such contracts may be only for such periods as may be necessitated, for the maintenance of mail service, by the inadequacy of such other facilities. No operation pursuant to any such contract, for such period, shall be deemed air transportation within the purview of this Act. Payment of compensation for services performed under such contracts shall be made, at rates provided in such contracts, from appropriations for the transportation of mail by the means normally used for transporting the mail transported under such contracts.

"Experimental Airmail Service

"(i) Nothing contained in this Act shall be construed to repeal in whole or in part the provisions of section 6 of the Act entitled "An Act to provide for experimental airmail service, to further develop safety, efficiency, economy, and for other purposes", approved April 15, 1938, as amended. The transportation of mail under contracts entered into under such section shall not, except for section 451(j) and 463(b), be deemed to be air transportation as used in this Act, and the rates of compensation for such transportation of mail shall not be fixed under this Act.

"Free Travel for Postal Employees

"(j) Every air carrier carrying the mails shall carry on any plane that it operates and without charge therefor, the persons in charge of the mails when on duty, and such duly accredited agents and officers of the Post Office Department, and post office relating to the transportation of mail by aircraft, as the Board may by regulation prescribe, upon the exhibition of their credentials.

"Rates for transportation of mail

"Authority To Fix Rates

"Sec. 462. (a) The Board is empowered and directed, upon its own initiative or upon petition of the Postmaster General or an air carrier, (1) to fix and determine from time to time, after notice and hearing, the fair and reasonable rates of compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith (including the transportation of mail by an air carrier by other means than aircraft whenever such transportation is incidental to the transportation of mail by aircraft or is made necessary by conditions of emergency arising from aircraft operation), by each holder of a certificate authorizing the transportation of mail by aircraft, and to make such rates effective from such date as it shall determine to be proper; (2) to prescribe the method or methods, by aircraft-mile, pound-mile, weight, space, or any combination thereof, or otherwise, for ascertaining such rates of compensation for each air carrier or class of air carriers; and (3) to publish the same.

"Ratemaking Elements

"(b) In fixing and determining fair and reasonable rates of compensation under this section, the Board, considering the conditions peculiar to transportation by aircraft and to the particular air carrier or class of air carriers, may fix different rates for different air carriers or classes of air carriers, and different classes of service. In determining the rate in each case, the Board shall take into consideration, among other factors, (1) the condition that such air carriers may hold and operate under certificates authorizing the carriage of mail only by providing necessary and adequate facilities and service for the transportation of mail; (2) such standards respecting the character and quality of service to be rendered by air carriers as may be prescribed by or pursuant to law; and (3) the need of each such air carrier for compensation for the transportation of mail sufficient to ensure the performance of such service, and, together with all other revenues of the air carrier, to enable such air carrier under honest, economical, and efficient management, to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the Postal Service, and the national defense. In applying clause (3) of this subsection, the Board shall take into consideration any standards and criteria prescribed by the Secretary of Transportation, for determining the character and quality of transportation required for the commerce of the United States and the national defense.

"Payment

"(c) The Postmaster General shall make payments out of appropriations for the transportation of mail by aircraft of so much of the total compensation as is fixed and determined by the Board under this section without regard to clause (3) of subsection (b) of this section. The Board shall make payments of the remainder of the total compensation payable under this section out of appropriations made to the Board for that purpose.

"Treatment of Proceeds of Disposition of Certain Property

"(d) In determining the need of an air carrier for compensation for the transportation of mail, and such carrier's 'other revenue' for the purpose of this section, the Board shall not take into account—

"(1) gains derived from the sale or other disposition of flight equipment if (A) the carrier notifies the Board in writing that it has invested or intends to reinvest the gains (less applicable expenses and taxes) derived from such sale or other disposition in flight equipment, and (B) submits evidence in the manner prescribed by the Board that an amount equal to such gains (less applicable expenses and taxes) has been expended for purchase of flight equipment or has been deposited in a special reequipment fund, or

"(2) losses sustained from the sale or other disposition of flight equipment.

Any amounts so deposited in a reequipment fund as above provided shall be used solely for investment in flight equipment either through payments on account of the purchase price or construction of flight equipment or in retirement of debt contracted for the purchase or construction of flight equipment, and unless so reinvested within such reasonable time as the Board may prescribe, the carrier shall not have the benefit of this paragraph. Amounts so deposited in the reequipment fund shall not be included as part of the carrier's used and useful investment for purposes of section 462 until expended as provided above: *Provided*, That the flight equipment in which said gains may be invested shall not include equipment delivered to the carrier prior to April 6, 1956, with respect to the sale or other disposition of flight equipment whether or not the Board shall have entered a final order taking account thereof in determining all other revenue of the air carrier.

"Statement of Postmaster General and Carrier

"(e) Any petition for the fixing of fair and reasonable rates of compensation under this section shall include a statement of the rate the petitioner believes to be fair and reasonable. The Postmaster General shall introduce as part of the record in all proceedings under this section a comprehensive statement of all service to be required of the air carrier and such other information in his possession as may be deemed by the Board to be material to the inquiry.

"Weighing of Mail

"(f) The Postmaster General may weigh the mail transported by aircraft and make such computations for statistical and administrative purposes as may be required in the interest of the mail service. The Postmaster General is authorized to employ such clerical and other assistance as may be required in connection with proceedings under this Act. If the Board shall determine that it is necessary or advisable, in order to carry out the provisions of this Act, to have additional and more frequent weighing of the mails, the Postmaster General, upon request of the Board shall provide therefor in like manner, but such weighing need not be for continuous periods of more than thirty days.

"Availability of Appropriations

"(g) The unexpended balances of all appropriations for the transportation of mail by aircraft pursuant to contracts entered into under the Air Mail Act of 1934, as amended, and the unexpended balances of all appropriations available for the transportation of mail by aircraft in Alaska, shall be available, in addition to the purposes stated in such appropriations, for the payment of compensation by the Postmaster General, as provided in this Act, for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between points in the continental United States or between points in Hawaii or or in Alaska or between points in the continental United States and points in Canada within one hundred and fifty miles of the international boundary line. The unexpended balances of all appropriations for the transportation of mail by aircraft pursuant to contracts entered into under the Act of March 8, 1928, as amended, shall be available, in addition to the purposes stated in such appropriations, for payment to be made by the Postmaster General, as provided by this Act, in respect of the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between points in the United States and points outside thereof, or between points in the continental United States and Territories or possessions of the United States, or between Territories or possessions of the United States.

"Classification and exemption of carriers

"CLASSIFICATION

"SEC. 463. (a) The Board may from time to time establish such just and reasonable classifications or groups of air carriers for the purposes of this title as the nature of the services performed by such air carriers shall require; and such just and reasonable rules and regulations, pursuant to and consistent with the provisions of this title, to be observed by each such class or group, as the Board finds necessary in the public interest.

"Exemptions

"(b) (1) The Board, from time to time and to the extent necessary, may (except as provided in paragraph (3) of this subsection) exempt from the requirements of this title or any provision thereof, or any rule, regulation, term, condition, or limitation prescribed thereunder, any air carrier or class of air carriers, if it finds that the enforcement of this title or such provision, or such rule, regulation, term, condition, or limitation is or would be an undue burden on such air carrier or class of air carriers by reason of the limited extent of, or unusual circumstances affecting the operations of such air carrier or class of air carriers and is not in the public interest.

"(2) Any air carrier that engages in interstate or overseas air transportation solely with aircraft having a capacity of less than 56 passengers or sixteen thousand pounds of property shall not be required to obtain a certificate from the Board if that carrier conforms to such reasonable financial responsibility and reporting requirements as the Board may by regulation impose, and the appropriate regulations of Federal Aviation Administration. The Board shall by regulation increase the passenger or property capacities specified in or determined pursuant to this paragraph when consistent with the public interest. The Board shall review the passenger and property capacities specified or determined pursuant to this paragraph a minimum of once every 4 years.

"(3) The Board shall not exempt any air carrier from any provision of subsection (k) of section 451 of this title, except that (A) any air carrier not engaged in scheduled air transportation, and (B), to the extent that the operations of such air carrier are conducted during daylight hours, any air carrier engaged in scheduled air transportation, may be exempted from the provisions of paragraphs (1) and (2) of such subsection if the Board finds, after notice and hearing, that, by reason of the limited extent of, or unusual circumstances affecting, the operations of any such air carrier, the enforcement of such paragraphs is or would be such an undue burden on such air carrier as to obstruct its development and prevent it from beginning or continuing operations, and that the exemption of such air carrier from such paragraphs would not adversely affect the public interest: *Provided*, That nothing in this subsection shall be deemed to authorize the Board to exempt any air carrier from any requirement of this title, or any provisions thereof, or any rule, regulation, term, condition, or limitation prescribed thereunder which provides for maximum flying hours for pilots or copilots."

"SUBTITLE IV-C—ECONOMIC REGULATION: TRANSITION PERIOD

"Continuance of certificates of public convenience and necessity until the fourth anniversary of the Air Transportation Act of 1976

"Continued Effectiveness of Section 401

"SEC. 480. (a) Notwithstanding section 400 of this Act, and except for subsections 401 (g), (h) and (j), section 401 shall continue to apply to interstate and overseas air transportation, until the fourth anniversary of the enactment of the Air Transportation Act of 1976.

"Effective Date of Section 451

"(b) Section 451 shall not become effective until the fourth anniversary of enactment of the Air Transportation Act of 1976.

"Continuance of special operating authorizations until the fourth anniversary of the Air Transportation Act of 1976

"SEC. 481. Notwithstanding section 400 of this Act, Board authority to issue special operating authorizations under section 417 of this Act shall continue to apply to interstate and overseas air transportation, as well as foreign air transportation, until the fourth anniversary of the enactment of the Air Transportation Act of 1976.

"Discretionary expansion of scheduled service

"EFFECTIVE DATE

"SEC. 482. (a) This section shall be effective 180 days after enactment and shall expire on the fourth anniversary of enactment.

"Limited Discretionary Authority for Passenger Carriers

"(b) Any air carrier certificated under section 401(d)(1) of the Act and which operated in excess of 50 million available seat-miles in air service pursuant to its certificate in the previous calendar year, any supplemental air carrier certificated pursuant to section 401(d)(3) and which provided in excess of 500 million available seat-miles in supplemental passenger air transportation in the previous calendar year, and any intrastate air carrier certificated or licensed by a state regulatory authority which operated in excess of 100 million available seat-miles in scheduled passenger air service in the previous calendar year and which reports its available seat-miles to the Board may perform interstate and overseas scheduled air transportation to any and all points of its choosing in addition to that transportation otherwise authorized, subject to the following limitations on the level of such additional operations—

"(1) After 180 days but before the first anniversary of enactment of this provision, each air carrier may perform service authorized under this section in an amount that does not exceed 500 million available seat-miles;

"(2) After the first anniversary but before the second anniversary of enactment of this provision, each air carrier may perform service authorized under this section in an amount not to exceed 1.5 billion available seat-miles;

"(3) After the second anniversary but before the third anniversary of enactment of this provision, each air carrier may perform service authorized under this section in an amount not to exceed 3 billion available seat-miles;

"(4) After the third anniversary but before the fourth anniversary of enactment of this provision, each air carrier may perform service authorized under this section in an amount not to exceed 4 billion available seat-miles.

"Limited discretionary authority for cargo carriers

"(c) Any all-cargo carrier certificated under the Act may engage in interstate and overseas scheduled cargo air transportation in addition to that which it is certificated to perform to any and all points of its choosing, subject to the following limitations:

"(1) After 180 days but before the first anniversary of enactment of this provision, each all-cargo carrier may perform service authorized by this section in an amount not to exceed 25 million available ton-miles;

"(2) After the first anniversary but before the second anniversary of enactment of this provision each all-cargo carrier may perform service authorized under this section in an amount not to exceed 40 million available ton-miles;

"(3) After the second anniversary but before the third anniversary of the enactment of this provision each all-cargo carrier may perform service authorized under this section in an amount not to exceed 60 available ton-miles;

"(4) After the third anniversary but before the fourth anniversary of enactment of this provision each all-cargo carrier may provide service authorized under this section in an amount not to exceed 75 million available ton-miles.

"Carriage of mail and cargo

"(d) All air carriers designated in subsections (b) or (c) of this section shall be permitted to carry mail and cargo on any flights performed pursuant to this section.

"Combination of discretionary authority and other authority

"(e)(1) Operations conducted pursuant to this section may be combined with any other authority held by the carrier to permit single-plane and single carrier services and otherwise to allow carriers to perform services using combinations of the carrier's existing authority and the authority conferred in this section.

"(2) Carriers performing operations under this section must in connection with those operations comply with the provisions of the Act governing interstate and overseas scheduled air transportation performed pursuant to section 401(d)(1), such additional reasonable reporting requirements that the Board may require; and the provisions of this section. Nothing in this section shall modify the privileges or obligations of air carriers in connection with air transportation performed pursuant to authority other than that conferred in this section.

"Permissible rates

"(f) No air carrier performing air service pursuant to this section may charge, collect or demand a rate, fare or charge for that service that is not authorized to be charged, collected or demanded for service performed pursuant to a certificate of public convenience and necessity as governed by sections 456 and 495 of the Act.

"Limitations upon rate increases

"(g)(1) Air carriers providing service under this section shall not with respect to such service increase any fare, rate, or charge for that service except upon 30 days notice thereof filed with the Board.

"(2) The Board may, if the public interest so requires, order an air carrier filing such notice not to implement the proposed increase for a period not to exceed 180 days, except that the Board shall allow the proposed increase to be implemented if and to the extent it is reasonably intended to provide revenues for increases in costs incurred since the implementation of the then effective rate, fare, or charge.

"Limitations upon reductions in service

"(h)(1) Air carriers providing service pursuant to this section shall not with respect to such service substantially reduce the level of capacity between any two points except upon 30 days notice thereof filed with the Board.

"(2) The Board may, if the public interest so requires, order the air carrier filing such notice not to implement the proposed substantial capacity reduction between such points for a period not to exceed 180 days, except that the Board shall allow the proposed reduction to be implemented if and to the extent it is reasonably intended to adjust capacity to reflect a general decline in demand for air service between such points that occurred since the then current level of capacity was initially offered.

"Scheduled air transportation defined

"(i) For purposes of this section (scheduled air transportation) means air transportation performed between two or more points, with a minimum of five round trips per week, pursuant to published flight schedules which specify the time, days of the week and places between which such flights are performed.

"PERMANENT CERTIFICATION FOR CONTINUOUS OPERATION

"SEC. 483. Any carrier engaging continuously for twelve consecutive months in nonstop scheduled air transportation between any two points pursuant to the authority conferred in section 482 and with respect to which the Board has not suspended a proposed fare increase under subsection 482(g), nor suspended a proposed substantial capacity reduction under subsection 482(h), may apply to the Board for a certificate authorizing unrestricted nonstop scheduled air transportation between such points. The Board shall process applications under this paragraph for certificates in accordance with the provisions of subsections 451 (b), (c), and (d) as if those subsections were in full force and effect. In the case of a certificate applied for and granted pursuant to this paragraph, the particular operations conducted hereunder shall be governed by the provisions applicable to scheduled interstate and overseas service provided pursuant to section 401(d)(1). Any carrier holding a certificate pursuant to this paragraph on the fourth anniversary of the enactment of Section 451 shall be issued a certificate of fitness pursuant to section 486. Breaks in service occasioned by labor disputes or by factors beyond the control of the carrier shall be deemed not to break the continuity of services rendered before and after the break in service, but such periods of time shall not be counted toward meeting the requirement that service be offered for twelve months.

"LIBERALIZATION OF AUTHORITY TO SERVE NEW ROUTES

"Application

"SEC. 484. (a) Any person may apply for a certificate under this paragraph to perform nonstop scheduled air transportation between any two points not receiving nonstop schedule air transportation pursuant to certificated operations under section 401(d)(1), section 483, or this section. The Board shall process applications under this paragraph in accordance with the provisions of subsections 451 (b), (c), and (d), as if those subsections were in full force and effect.

"Applicability of terms and conditions of section 401

"(b) In the case of a certificate applied for and granted pursuant to subsection (a) of this section, the particular operations conducted pursuant to such certificate shall be governed by the provisions applicable to scheduled interstate and overseas service provided pursuant to section 401(d)(1).

"Grandfather rights

"(c) Any carrier holding a certificate pursuant to this section on the fourth anniversary of the enactment of section 451 shall be issued a certificate of fitness pursuant to section 486.

"RELAXATION OF RESTRICTIONS ON ENTRY INTO THE DOMESTIC AIRLINE INDUSTRY

"Application

"SEC. 485. (a) The Board shall process and dispose of applications for certificates of fitness as if section 451 were in full force and effect, according to the following limitations:

"(1) After the first anniversary but before the second anniversary of enactment of this provision, the Board shall issue no more than two certificates of fitness;

"(2) After the second anniversary but before the third anniversary of enactment of this provision, the Board shall issue no more than three certificates of fitness;

"(3) After the third anniversary but before the fifth anniversary of enactment of this provision, the Board shall issue no more than five certificates of fitness.

"Restrictions on Operations of New Entrants

"(b) An air carrier holding a certificate of fitness pursuant to this section shall not perform operations prior to the fourth anniversary of enactment of this provision except to the extent air carriers are authorized to perform discretionary operations under subsection 482 (b).

"Applicability of Section 482

"(c) Operations performed pursuant to this section shall be governed by the provisions governing discretionary operations pursuant to section 482.

"Exclusion of Certain Carriers

"(d) Air carriers authorized to provide discretionary scheduled service under subsection 482(b) shall not be eligible to receive certificates of fitness under paragraph (a)(2) of this section.

"Disposition of Applications

"(e) Applications for certificates of fitness filed prior to the fourth anniversary of enactment of section 451 shall be processed and disposed of in the chronological order in which they were filed. In the event that more than one application is filed on the same day, the Board shall by lot assign the relative order by which such applications filed on the same day shall be processed and disposed of.

"Effective Date

"(f) This section shall be effective upon enactment and shall terminate on the fourth anniversary after enactment.

"GRANDFATHER RIGHTS FOR OBTAINING CERTIFICATES OF FITNESS UPON THE FOURTH ANNIVERSARY OF THE AIR TRANSPORTATION ACT OF 1976

"SEC. 486. On the fourth anniversary of enactment of the Air Transportation Act of 1976, the Board shall reissue in the form of certificates of fitness under section 451 all existing certificates then in effect, under which service is being provided, and granted pursuant to sections 401(d)(1), 483, 484, and 485.

"Carrier Obligations Regarding Points Served in March 1976 Until the Fourth Anniversary of Enactment of the Air Transportation Act of 1976

"EFFECTIVE DATE

"SEC. 487. (a) This section shall become effective 180 days after enactment of the Air Transportation Act of 1976 and shall terminate upon the fourth anniversary of the enactment of that Act.

"Restrictions on Reductions of Service

"(b) An air carrier certificated may not reduce the level of air service to a point if to do so would result in less than essential air service (as generally defined pursuant to subsection 490(c) of the Act) being provided to a point receiving scheduled interstate air service during the month of March 1976 from a carrier certificated under § 401(d)(1) and named in such certificate, unless upon application by the carrier the Board authorizes such reduction. The Board shall, after notice and hearing, authorize such reduction if:

"(1) the carrier has operated the service at issue below fully allocated costs (including a reasonable return on investment), considering subsidy payments made pursuant to this Act, for a period immediately preceding the application of at least one year, except that the Board may require continuation of service for a period of time necessary to complete procurement proceedings under section 490 of this Act, but in no event to exceed 180 days;

"(2) if the carrier has operated the service at issue below the direct costs for that service for a period of at least three months immediately preceding the application, except that the Board may order the air carrier to continue to provide essential air service, as specified by the Board, for a period of time necessary to complete procurement proceedings under this Act but in no event to exceed 90 days, in which case the air carrier providing the specified essential air service pursuant to Board order to do so shall be reimbursed by the Board in an amount equal to the direct costs incurred by the carrier in providing the service reduced by the revenues and subsidies, if any, received by such carrier for providing the service; or

"(3) if essential air service will be provided by another carrier.

"Filing of Complaints

"(c) Any interested person may file with the Board a protest or memorandum of opposition to or in support of any application under this section.

"Cooperation Between Air Carriers

"(d) The Board may require any air carrier reducing its service to a level below essential air service, or ceasing all air service to a point to establish reasonable cooperative working relationships with any air carrier providing replacement services.

"Authority to Require Essential Minimum Service

"(e) The Board may require the carrier to continue providing air service to a point if the local community or State or other public body agrees to provide sufficient support to assure that the carrier's total revenues, including any subsidy payments pursuant to this Act, for the route or part thereof, cover fully allocated costs (including reasonable return on investment) for the specific service at issue.

" 'Direct Costs' Defined

"(f) As used in this section, 'direct costs' means the direct operating cost of providing the service to which a rate, fare, or charge applies, and shall not include such items as general and administrative expenses, depreciation, interest payments, amortization, capital expenses, costs associated with the development of a new route or service, or other fixed costs or costs which do not vary immediately and directly as a result of the service at issue.

"Carrier Obligations Regarding Points Served in March 1976 During the Period From the Fourth Anniversary of the Air Transportation Act of 1976 until the Tenth Anniversary of that Act

"EFFECTIVE DATE

"SEC. 488. (a) This section shall become effective upon the fourth anniversary of the enactment of the Air Transportation Act of 1976 and shall terminate upon the tenth anniversary of that Act.

"Restrictions on Reductions of Service

"(b) No implementation of any schedule change may be made by any air carrier except upon 30 days' notice of such schedule change filed with the Board as provided in this section if such schedule change would result in less than essential air service (as generally defined in subsection 490(c)) being provided to a point receiving scheduled interstate air srevice during the month of March 1976 from a carrier certificated under paragraph 401(d)(1) and named in such certificate.

"Authority To Require Essential Minimum Service

"(c) If, upon application of any interested person or its own initiative, the Board reasonably believes that the implementation of a notice of schedule change filed pursuant to this Act will result in less than essential air service being provided to a point receiving scheduled interstate air service during the month of March 1976 from a carrier certificated under paragraph 401(d)(1) and named in such certificate, it may within 30 days of the filing such notice order the carrier to provide essential air srevice, as specified by the Board, to that point for a period not to exceed 90 days from the day of filing such notice, or until essential air service is provided by another carrier, or until the Board withdraws an order under this subsection, whichever comes first.

"Carrier's Right To Recover Losses

"(d) Any air carrier that provides the specified essential air service pursuant to Board order to do so under subsection (c) of this section shall be reimbursed by the Board in an amount equal to the fully allocated costs incurred by the carrier in providing the specified essential air service (including a reasonable return on investment but not including opportunity costs) reduced by the revenues received by such carrier in providing the specified essential air service.

"Requirements Regarding Tariff Filings

"EFFECTIVE DATE

"SEC. 489. (a) This section shall become effective upon enactment and shall terminate on the fourth anniversary of enactment.

"Notice of Certain Tariff Changes

"(b) If the effect of any proposed tariff change would be to institute a rate, fare, or charge that is not within the zone of fares which the Board is prohibited by law from suspending under section 495, then such proposed change shall not be implemented except after 60 days' notice filed in accordance with subsection 456(a).

"Board Notice of Tariff Suspensions

"(c) In exercising its power to suspend tariffs under subsection 456(h), the Board shall file and deliver the statement in writing of its reasons for such suspension, as required under subsection 456(h), at least 30 days before the time when the affected tariff would otherwise go into effect.

"Guarantee of Service to Points Served in March 1976 Until the Tenth Anniversary of the Air Transportation Act of 1976

"EFFECTIVE DATE

"SEC. 490. (a) This section shall become effective upon enactment of the Air Transportation Act of 1976 and shall terminate upon the tenth anniversary of the enactment of that act.

"Maintaining Essential Service

"(b) The Board shall, according to the provisions of this section, insure that each point receiving interstate scheduled air transportation during the month of March 1976 by an air carrier holding a certificate issued pursuant to section 401(d)(1) and named in such certificate shall receive essential air service.

"General Definition of Essential Air Service

"(c) Within 180 days of enactment of this section, the Board, after notice and hearing pursuant to section 553 of title 5, United States Code, shall establish general definitions of 'essential air service', including maximum and minimum levels, types, and other characteristics of such service, for the class of points referred to in subsection (a) of this section.

"Determination of Essential Minimum Service to Essential Points

"(d) If, upon application of any interested person or its own initiative, the Board determines that there is probable cause to believe that a point referred to in subsection (a) of this section is or will be receiving less than essential air service as generally defined under subsection (b) of this section, the Board shall specifically determine what is essential air service for such point. The Board shall specifically determine the essential air service for such point with due regard for the following factors:

"(1) the general definition of essential air service under subsection (c) of this section;

"(2) the alternative modes of transportation available to the affected communities and the extent to which these alternative modes substantially fulfill the needs of those communities;

"(3) the present and future needs of the affected communities;

"(4) the extent to which the affected communities or States or other public bodies are able or willing to provide financial assistance to support, in whole or in part, essential air service to the affected communities;

"(5) the frequency, timing, and type of

equipment for air service economically appropriate to the affected communities;

"(6) the cost of service to such point;

"(7) the integration of air service to such point with air service to other points; and

"(8) the views of the affected communities, the appropriate agencies of the government of each State of which the affected communities are a part, and the Secretary of Transportation.

"Contract Subsidy Authority

"(e) If the Board determines that a point is or will be receiving less than essential air service as specifically determined pursuant to subsection (d) of this section, the Board is authorized to and shall enter into an essential air service contract with an air carrier by which such air carrier undertakes to provide essential air service to the point.

"Procedure for Awarding Contracts

"(f) The Board shall award contracts hereunder in accordance with the provisions of title III the Federal Property and Administrative Services Act of 1949 as amended (41 U.S.C. 251 et seq.), except that: (1) no contract under this section may exceed three years or be renewed; (2) no increase in contract price may be made for the benefit of an air carrier after the contract has been entered into except for increases in costs attributable to governmental action; (3) in any negotiation pursuant to this section no preference shall be given to a carrier because of prior service to the point, or prior service under this section; (4) the Board shall require in each contract reasonable assurance of reimbursement in the event of default by the air carrier, including reimbursement for the cost of obtaining another air carrier to provide the air service which the defaulting carrier undertook to provide; and (5) the Board shall not be bound by those provisions of title III of the Federal Property and Administrative Services Act of 1949, as amended (41 U.S.C. 251 et seq.) that the Board, after notice and hearing under section 553 of title 5, United States Code, determines are not consistent with the purposes of this section.

"Terms of Subsidy Contracts

"(g) A contract between the Board and an air carrier under this section shall specifically include:

"(1) the minimum frequency required to be performed by the carrier;

"(2) the maximum rates and fares the air carrier may charge;

"(3) minimum passenger capacity requirements in respect to the aircraft to be operated by the carrier; and

"(4) such other specifications, conditions or requirements that the Board may deem to be in the public interest.

The Board shall determine the specifications required or permitted under paragraphs (1) through (4) herein so that, to the maximum extent practicable, the specifications are substantially similar to the Board's specific determination of essential air service pursuant to subsection but in no event shall the specifications or other terms of the contract obligate the Board to pay for service that significantly exceeds the level of service received by the particular point during the calendar year 1976.

"Encouragement of Noncontract Essential Service

"(h) The Board shall not inhibit in any way the provision of nonsubsidized air service; nor shall the Board award or negotiate contracts for air service where essential air service will otherwise be available.

"Ineligibility for Other Subsidy Payments

"(i) Air service provided pursuant to contract under this section shall not be eligible for Federal subsidy payment under any other provision of this Act.

"Eligible Participants

"(j) Any air carrier authorized or eligible to provide air service under any provision of this Act, or any air carrier fit, willing, and able to provide air service pursuant to this section may be eligible to provide service under this section.

"Termination of Contracting Authority

"(k) This section shall terminate on the tenth anniversary of enactment of this section. The termination of this section shall not affect the disbursement of funds under, or the carrying out of, any contract commitment, or other obligation entered into pursuant to this section prior to the date of termination."

"REVIEW OF THE LOCAL SERVICE SUBSIDY PROGRAM

"SEC. 491. It is the policy of the Congress to seek means by which the air carrier local service subsidy program may be altered, by eliminating or avoiding the payment of subsidy where other means are available to finance service or where service is not required or consistent with the public interest. To this end, the Secretary of Transportation shall undertake a study of the current local service carrier subsidy program and potential alternative subsidy plans and make recommendations to Congress for any necessary or desirable changes in the subsidy system or exclusive adoption of alternative subsidy plans within 18 months of the date of enactment of this section. The Secretary shall consult with leaders of the communities now receiving subsidized or contract air service and with those of other interested communities, the local service air carriers, the commuter air carriers exempt from certification requirements, carriers who have submitted bids or otherwise participated in the contract service procedure under section 490, representatives of the employees of those carriers, the Chairman of the Civil Aeronautics Board, the appropriate transportation authorities of the several States, and the relevant committees of the Congress. As part of this study and with the assistance of the Board, the Secretary shall identify the current cost of local service subsidy involved in providing service at each point and determine a recommended specific quantity and quality of service to each point for which subsidy should be paid and the estimated cost of providing the specific service at each point.

"Consolidation, Merger, and Acquisition of Control of Domestic Air Carriers Until the Tenth Anniversary of the Air Transportation Act of 1976

"EFFECTIVE DATE

"SEC. 492. (a) This section shall become effective upon the enactment of the Air Transportation Act of 1976 and shall terminate upon the tenth anniversary of the enactment of that Act.

"Acts Prohibited

"(b) It shall be unlawful unless approved by order of the Board as provided in this section—

"(1) For two or more air carriers, or for any air carrier and any other common carrier or any person engaged in any other phase of aeronautics, to consolidate or merge their properties, or any part thereof, into one person for the ownership, management, or operation of the properties theretofore in separate ownerships;

"(2) for any air carrier, any person controlling an air carrier, any other common carrier, or any person engaged in any other phase of aeronautics, to purchase, lease, or contract to operate the properties, or any substantial part thereof, of any carrier;

"(3) for any air carrier or person controlling an air carrier to purchase, lease, or contract to operate the properties, or any substantial part thereof, of any person engaged in any phase of aeronautics otherwise than as an air carrier;

"(4) for any foreign air carrier or person controlling a foreign air carrier to acquire control, in any manner whatsoever, of any citizens of the United States engaged in any phase of aeronautics;

"(5) for any air carrier or person controlling an air carrier, any other common carrier, any person engaged in any other phase of aeronautics or any other person to acquire control of any air carrier in any manner whatsoever: *Provided*, That the Board may by order exempt any such acquisition of a non-certificated air carrier from this requirement to the extent and for such periods as may be in the public interest;

"(6) for any air carrier or person controlling an air carrier to acquire control, in any manner whatsoever, of any person engaged in any phase of aeronautics otherwise than as an air carrier; or

"(7) for any person to continue to maintain any relationship established in violation of any of the foregoing subdivisions of this subsection.

"Power of Board

"(c) Any person seeking approval of a consolidation, merger, purchase, lease, operating contract, or acquisition of control, specified in subsection (a) of this section, shall present an application to the Board, and thereupon the Board shall notify the persons involved in the consolidation, merger, purchase, lease, operating contract, or acquisition of control, and other persons known to have a substantial interest in the proceeding, of the time and place of a public hearing. Unless, after such hearing, the Board finds that the consolidation, merger, purchase, lease operating contract, or acquisition of control will not be consistent with the public interest or that the conditions of this section will not be fulfilled, it shall by order approve such consolidation, merger, purchase lease, operating contract, or acquisition of control, upon such terms and conditions including appropriate conditions for the protection of labor, as it shall find to be just and reasonable and with such modifications as it may prescribe: *Provided*, That the Board shall not approve any consolidation, merger, purchase, lease, operating contract, or acquisition of control which would tend to create a monopoly or monopolies and thereby restrain competition or jeopardize another air carrier not a party to the consolidation, merger, purchase, lease, operating contract, or acquisition of control; and the Board shall not approve such a transaction—

"(1) if it would tend to create a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of air transportation in any part of the United States; or

"(2) whose effect in any section of the country may be to lessen competition substantially unless the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by significant transportation needs that cannot be substantially satisfied in any less restrictive way. Parties attacking the transaction shall have the burden or proving anticompetitive effects; those defending the transaction shall have the burden of proving significant transportation needs that cannot be substantially satisfied in any less restrictive way. Any reviewing court shall apply its independent judgments when reviewing on an agency record the application of the standards in paragraphs (c)(1) or (c)(2) of this section: *Provided further*, That if the applicant is a carrier other than an air carrier, or a person controlled by a carrier other than an air carrier or affiliated therewith within the meaning of section 5(8) of the Interstate Commerce Act, as amended, such applicant shall for the purposes of this section be considered an air carrier and the Board shall not enter such an order of approval unless it finds that the transaction proposed will promote the public interest by enabling such carrier other than an air carrier to use aircraft to public advantage in its operation and will not restrain competition: *Provided further*, That, in any case in which the Board determines that the transaction which is the subject of the application does not effect the control of an air carrier directly engaged in the operation of aircraft in air transportation, does not result in creating a monopoly, and does not tend to restrain competition, and determines that no person disclosing a substantial interest then currently is requesting a hearing, and determines that neither the Department of Justice nor the Department of Transportation is requesting a hearing, the Board, no sooner than 30 days after publication in the Federal Register of notice of the Board's intention to dispose of such application without a hearing (a copy of which notice shall be furnished by the Board to the Attorney General and the Secretary of Transportation not later than the day following the date of such publication), may determine that the public interest does not require a hearing and by order approve or disapprove such transaction, *Provided further*, That the Board shall dispose of all applications filed pursuant to subsection 492(c) within 240 days of filing.

"Interests in Ground Facilities

"(d) The provisions of this section and subsections (b) and (c) of section 454 shall not apply with respect to the acquisition or holding by any air carrier, or any officer or director thereof, of (1) any interest in any ticket office, landing area, hangar, or other ground facility reasonably incidental to the performance by such air carrier of any of its services, or (2) any stock or other interest or any office or directorship in any person whose principal business is the maintenance or operation of any such ticket office, landing area, hangar, or other ground facility.

"Jurisdiction of Accounts of Noncarriers

"(e) Whenever, after the effective date of this section, a person, not an air carrier, is authorized, pursuant to this section, to acquire control of an air carrier, such person thereafter shall, to the extent found by the Board to be reasonably necessary for the administration of this Act, be subject, in the same manner as if such person were an air carrier, to the provisions of this Act relating to accounts, records, and reports, and the inspection of facilities and records, including the penalties applicable in the case of violations thereof.

"Investigation of Violations

"(f) The Board is empowered, upon complaint or upon its own initiative, to investigate and, after notice and hearing, to determine whether any person is violating any provision of subsection (a) of this section. If the Board finds after such hearing that such person is violating any provision of such subsection, it shall by order require such person to take such action, consistent with the provisions of this Act, as may be necessary, in the opinion of the Board, to prevent further violation of such provision.

"Presumption of Control

"(g) For the purposes of this section, any person owning beneficially 10 per centum or more of the voting securities or capital, as the case may be, of an air carrier shall be presumed to be in control of such air carrier unless the Board finds otherwise. As used herein, beneficial ownership of 10 per centum of the voting securities of a carrier means ownership of such amount of its outstanding voting securities as entitles the holder thereof to cast 10 per centum of the aggregate votes which the holders of all the outstanding voting securities of such carrier are entitled to cast.

"Pooling and Other Agreements Until the Tenth Anniversary of the Air Transportation Act of 1976

"EFFECTIVE DATE

"SEC. 493. (a) This section shall become effective upon the enactment of the Air Transportation Act of 1976 and shall terminate upon the tenth anniversary of the enactment of that Act.

"Authority of Attorney General and Secretary of Transportation

"(b) After any agreement is filed, in accordance with section 455 of this Act, the Board shall give notice of the agreement to the Attorney General and the Secretary of Transportation within 10 days of the receipt of the agreement. The Attorney General or the Secretary of Transportation may request the Board to hold a hearing on the record to determine if the agreement is consistent with the provisions of this Act, and if so requested, the Board shall hold such a hearing. If the Attorney General or the Secretary of Transportation believes that any agreement which has been previously approved by the Board has anticompetitive implications or no longer serves a transportation need, the Attorney General or the Secretary of Transportation may request the Board to hold a hearing on the record to determine whether the agreement remains consistent with the provisions of this Act. If so requested, the Board shall hold such a hearing, and may, after such a hearing disapprove the agreement.

"Approval by Board

"(c) The Board shall by order disapprove any contract or agreement whether or not previously approved by it—

"(1) that fixes rates, charges, fares, or commissions or otherwise fixes prices (except for joint rates, fares, or charges) or divides markets, including any agreement controlling capacity;

"(2) that restrains trade or may lessen competition substantially unless the anticompetitive effects of the contract or agreement are clearly outweighted in the public interest by significant transportation needs that cannot be susbtantially satisfied in any less restrictive way; or

"(3) that it finds to be contrary to the policies of this Act, adverse to the public interest, or in violation of this Act.

The Board shall approve all other agreements.

"Burden of Proof

"(d) In any proceeding before the Board involving the application of the standards set forth in paragraphs (c)(1) or (c)(2) of this section the parties attacking the proposed contract or agreement shall have the burden of proving anticompetitive effects, and the parties defending the proposed contract or agreement shall have the burden of proving significant transportation needs that cannot be substantially satisfied in any less restrictive way. Any reviewing court shall apply its independent judgment when reviewing on an agency record the application of the standards set forth in paragraphs (c)(1) or (c)(2) of this section.

"Antitrust Law Immunity Until the Tenth Anniversary of the Air Transportation Act of 1976

"EFFECTIVE DATE

"SEC. 494. (a). This section shall become effective upon enactment of the Air Transportation Act of 1976 and shall terminate upon the tenth anniversary of the enactment of that Act.

"Immunity Conferred

"(b) Any person affected by any order made under sectons 454(b), 492, or 493 of this Act shall be, and is hereby, relieved from the operations of the antitrust laws, as designated in section 1 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, and of all other restraints or prohibitions made by, or imposed under, authority of law, insofar as may be necessary to enable such person to do anything in air transportation authorized, approved, or required by such order; *Provided*, That *no approval granted* under section 492 shall provide immunity from attack under section 2 of the Sherman Act (15 U.S.C. 2); *Provided further*, That no approval granted under section 493 shall provide immunity from the antitrust laws after the tenth anniversary of enactment of the "Air Transportation Act of 1976".

"Protection of Employees

"(c) Appropriate labor protective conditions shall be attached to any Board order issued pursuant to sections 492 and 493, if such conditions are consistent with the public interest.

"Transitional Board Authority To Prescribe Rates and Practices of Air Carriers Until the Fourth Anniversary of the Air Transportation Act of 1976

"EFFECTIVE DATE

"SEC. 495. (a) This section shall become effective upon enactment and shall terminate on the fourth anniversary of enactment.

"Board Authority and Fare Flexibility

"(b) Whenever, after notice and hearing upon complaint or its own initiative, the Board shall be of the opinion that any individual or joint rate, fare, or charge demanded, charged, collected or received by any air carrier for interstate or overseas air transportation, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, is or will be unjust or unreasonable, the Board shall determine and prescribe the lawful rate, fare, or charge (or the maximum or minimum, or the maximum and minimum thereof) thereafter to be demanded, charged, collected, or received, or the lawful classification, rule, regulation, or practice thereafter to be made effective: *Provided*, That as to rates, fares, and charges for overseas air transportation, the Board shall determine and prescribe only a just and reasonable maximum or minimum, or maximum and minimum, rate fare, or charge. The Board may in no event find any proposed rate, fare, or charge to be unjust or unreasonable or otherwise unlawful unless:

"(1) with respect to any proposed increase filed after 180 days but before the fourth anniversary of enactment of this provision, the proposed tariff would be more than 10 per centum higher than the tariff in effect one year prior to the filing of the proposed tariff;

"(2) with respect to any proposed decrease filed within 180 days of the enactment of this provision, the proposed tariff would be more than 20 per centum lower than the tariff in effect on the day of the enactment of this paragraph; or

"(3) with respect to any proposed decrease filed after 180 days but before the first anniversary of the enactment of this provision, the proposed tariff would be more than 40 per centum lower than the tariff in effect on the day of enactment of this paragraph; or

"(4) with respect to any proposed decrease filed after the first anniversary but before the fourth anniversary of the enactment of this provision, the propsed tariff would be more than 60 percent lower than the tariff in effect on the day of enactment of this paragraph.

AMENDMENTS TO SUBCHAPTER 10, SECTION 1002

SEC. 303. Stike subsections (d), (e), (g), (h), and (i) of Section 1002.

POSTAL SERVICE CONTRACT AUTHORITY

SEC. 304. Section 5402(a) of title 39, United States Code, is amended to read as follows:

"(a) If the Postal Service determines that service by certificated carriers between any two points is not sufficiently adequate, efficient or economical for its purposes, it may contract for the transportation of mail by air with such carriers in such manner and under such terms and conditions it deems appropriate.

EFFECTIVE DATES OF PROVISIONS OF THIS TITLE

SEC. 305. (a) The provisions of subtitle IV–B of the Federal Aviation Act of 1958, as amended by section 302 of this Act, shall become effective 180 days after enactment of this Act, except that sections 455 and 456 of subtitle IV–B shall become effective upon enactment, and except as modified by sections 480 and 481 of title IV–C of the Federal Aviation Act of 1958, as amended by section 302 of this Act.

(b) The provisions of subtitle IV–C of the Federal Aviation Act of 1958, as amended by section 302 of this Act, shall become effective as provided in each provision of subtitle IV–C.

(c) Sections 303 and 304 of this Act shall become effective upon enactment of this Act.

(d) Notwithstanding the applicability to interstate and overseas air transportation of the appropriate provisions of subtitle IV–A of the Federal Aviation Act of 1958, as amended by Title II of this Act, during the first 180 days after enactment of this Act, sections 455, 456, 489, 492, 493, 494, and 495 of the Federal Aviation Act of 1958, as added by Title III of this Act, shall govern interstate and overseas air transportation upon enactment of this Act.

THE AIR TRANSPORTATION ACT OF 1976—INTRODUCED BY SENATOR EDWARD M. KENNEDY: STATEMENT OF NEED AND SUMMARY

INTRODUCTION

The Air Transportation Act of 1976, proposed by Senator Edward M. Kennedy would over a period of four years introduce fundamental changes into federal economic regulation of domestic air transportation. It is the product of an 18-month study of airline regulation by the Senate Subcommittee on Administrative Practice and Procedure, chaired by Senator Kennedy. In February 1976 the Subcommittee produced a unanimous Report on the subject supported by nine volumes of hearings, studies, and other data. The Air Transportation Act of 1976 is based on the evidence of the Subcommittee's record and reflects the Report's major policy recommendations. That report urged Congress to enact legislation to lessen economic regulation over the airline industry. It demonstrated that increased reliance upon price competition and market forces would bring lower air fares and a healthier airline industry.

Since the draft of that report was released last summer, President Ford has proposed legislation intended to reform airline regulation (Aviation Act of 1975—S. 2551). The Administration bill would be one mechanism to implement the policy recommendations contained in the Subcommittee report and deserves serious consideration. The Air Transportation Act of 1976—the Kennedy bill—is nevertheless more comprehensive in its revision of aviation law and better implements the major recommendations of the Administrative Practice Subcommittee.

Last month, the agency responsible for current regulation—the Civil Aeronautics Board—forcefully endorsed the policy of moving from economic regulation to reliance on competition. In addition, the Board unaminously recommended that Congress enact legislation to accomplish the changeover in a gradual but comprehensive fashion. With the Board itself urging fundamental change, there is a clear and convincing unaminity among all branches and units of government that have recently studied the issue. This unanimity cuts across ideological and political party lines.

BACKGROUND

The Civil Aeronautics Board today regulates the economic activity of domestic air transportation. Created in 1938 as an independent agency, the Board was charged to promote a then infant airline industry and to encourage its development. Over the years the Board succeeded in fulfilling these functions and today the airline industry is a mature and significant participant in the commerce of the nation. Although the Board's regulation of the industry in past years may have embodied the appropriate policy for that era, the realities of today's economy demand that outmoded regulation be revised and in most respects discarded.

The Board interpreted its charge to promote and encourage the airline industry to mean the promotion and encouragement of existing airline firms. Although never contemplated or intended by Congress in 1938, the CAB has since its creation never allowed a new trunk carrier to enter the industry, although the route networks of the existing carriers have grown dramatically over the years. The only significant entry since 1938 has been the emergence of the so-called local service carriers and the supplemental carriers: the former received permanent certification by an act of Congress over the objections of the CAB, and the latter are not allowed by the Board to perform scheduled service.

Entry, then, has been limited only to deciding which existing certificated airline firm receives authority to fly a particular route, rather than which new firms should be certificated to provide scheduled service. Although the CAB since 1950 has received 79 applications for trunk service from companies who wanted to enter the domestic scheduled airline industry, it has granted none of them.

The Board's record on route awards to existing certificated carriers is also troubling. Beginning in the late 1960's, after a private meeting with airline executives, the Board instituted a route moratorium. The moratorium was a device by which the Board refused to set for hearing competitive route applications. The moratorium was implemented without a vote by the Board, without consumer or community input, and continued for over five years despite the Federal Aviation Act's command that the Board must hear route applications as speedily as possible. Apart from the procedural improprieties, the moratorium illustrates the kind of regulatory response we might expect when the current Act is viewed by the Board as a change to protect existing firms from competition. Even before the adoption of the route moratorium, the Board granted between 1964–1969 only 11 percent of the applications of existing carriers to fly major routes.

The CAB has also exercised extraordinary authority over the fares airlines charge the public. Instead of allowing consumer demand and competitive forces to determine price, the CAB exercises its statutory power to regulate both the maximum and minimum prices for interstate air fares. In wielding its authority over air fares, the Board is guided by imprecise, and in some respects conflicting, statutory standards.

The policy statement of the current Federal Aviation Act in effect requires the Board to set low fares for consumers, to ensure efficient service for air travelers and communities, and to set fares high enough to guarantee good profits for air carriers. This has proved to be a nearly impossible task in the 1970s, and promises to become even more difficult in the future. The industry consists of different carriers with different revenues. Cost conditions and consumer demand are volatile and change continuously. The needs of all travelers and all communities are not similar and also change continuously. It is little wonder then that the Board's rate regulation has not produced low fares for consumers, has not tailored air service to particular conditions and needs of different travelers and communities, and is currently not producing reasonable profits for all carriers.

There is an enormous body of practical evidence that indicates what air fares and air service would be like without CAB control over prices. The intrastate airlines of California and Texas which are not regulated by the CAB regularly fly passengers to large and small communities for 30–50 percent less than fares charged by CAB-certificated carriers over comparable routes and, not coincidentally, 30–50 percent less than the fare that would be required if the CAB fare formula were applied. Aircraft manufacturers have produced data showing that their planes could be flown profitably and efficiently at fares 20–50 percent lower than CAB regulated fares. Economic analyses based on actual airline costs show profitable operations could be performed at fares from 30–50 percent lower than actual fares. Finally, charter carriers, using equipment identical to scheduled carriers, continually fly passengers domestically and internationally at fare levels consistent with those of the intrastate carriers, the projections of aircraft manufacturers, and the predictions of economic analyses. The CAB itself firmly stated that regulation has raised air fares above what they would otherwise be.

The need, then, for fundamental reform in federal regulation of domestic aviation is demonstrable and clear. Objective students of regulation agree that reform should move to more liberal entry policies and less restrictive rate control—in short, toward a more competitive airline industry. Simultaneously, a more faithful adherence to the policies of the antitrust laws dealing with mergers and other business arrangements will be required if the competitive forces are to operate beneficially. On this there is substantial agreement.

The question, however, of over what period of time and to what extent these changes should be made invite different responses even from those who agree in principle on the shape reforms should take. Senator Kennedy's Air Transportation Act of 1976 is thus in many respects different than the Administration's bill and the legislative proposals offered by the Board.

SUMMARY OF BILL

First 4 years

The Air Transportation Act of 1976 is intended to gradually reform federal regulation of airlines over a four-year period. During the first four years after the Act becomes effective, existing scheduled and supplemental carriers and large intrastate carriers would be allowed to provide limited levels of scheduled service beyond what they are authorized to provide under current regulation. CAB approval would not be required for them to provide this additional service. Instead, whether or not to utilize this additional authority is within the discretion of each eligible air carrier. The levels of additional service allowed to be offered by each carrier under this discretionary authority provision increase each year. After the first year, for example, an eligible carrier would be able to provide roughly two daily round trips coast-to-coast. By the final year of the transition eligible carriers would be allowed to offer four billion available seat-miles of scheduled service in any markets of their choosing—this would be enough authority for one carrier to provide, for example, a commuter service in the heavily travelled Boston-New York-Washington corridor as well as offer two round-trips per day coast-to-coast.

In addition, during the transition period, the Board would be allowed to certificate a limited number of new airline companies under vastly liberalized entry standards and procedures. Under this provision the Board would be required to determine whether new applicants meet requisite financial and safety standards before granting a certificate. The Board, however, would not be allowed to deny applications on the ground that an existing carrier deserves protection from competition. A potential maximum of ten new firms could enter the industry in the next four years under this provision. This limited number of new companies could provide service during the four-year transition but could not exceed the levels of additional service allowed to be provided by the eligible carriers under the discretionary authority provision.

Finally, entry and route applications during the transition period could still be filed under current section 401(d), in which case the applicant would have to show that the public convenience and necessity require the service applied for. However, the Board would have to dispose of such applications within 240 days and thus could not allow applications to linger undecided for years.

The transitional entry provisions of the Kennedy bill and the Administration's bill should be contrasted. For example, the Kennedy bill's discretionary authority provision is quite different than a provision in the Ford bill that allows some airlines to increase their service without CAB approval.

First, the provision in this bill would take effect 6 months after enactment, rather than five years as in the Ford bill.

Second, supplemental or charter carriers would be allowed to participate in the route expansion program under this bill but not under the Ford bill. Third, the Ford bill uses a detailed formula and classification system that grants substantially more route authority to the large certificated airlines and thus discriminates against smaller and perhaps more innovative air carriers. The Kennedy bill, on the contrary, treats all carriers equally and allows them to expand equally each year during the transition.

The primary transitional entry mechanism in the Kennedy bill, for moving from a tightly regulated industry to a more competitive industry, is the freedom given all carriers to expand service beyond present levels without Board approval, and the provisions allowing a limited number of new carriers to obtain certificates under liberalized entry standards. The Ford proposal would not liberalize entry or route awards as comprehensively in the next four years. Instead the Ford bill would utilize a route restriction removal program during that period. While removing route and service restrictions would effectively grant substantial additional authority to some of the existing carriers (and much less to others), it would do nothing for large intrastate and certificated supplemental carriers—the carriers most likely to innovate and compete through lower fares. Unreasonable restrictions on certificated carriers should be removed from existing certificates; the provisions of the Kennedy bill also would accomplish this result, but without relying exclusively on restriction removal—with its built-in inequities—as the primary transition mechanism.

The Board's ratemaking authority—especially its current power to suspend and declare unlawful proposed air fares that are below air fares currently charged by existing carriers—is substantially limited during the four-year transition under the Kennedy bill. The Board would be prohibited from preventing carriers from lowering fares below what they are now—20 percent in the first 6 months, 40 percent in the next 6 months and 60 percent in the final 3 years of the transition. The Board would also be prohibited from preventing carriers from increasing prices 10 percent or less above the previous year's prices. During this four-year period, of course, the Board would be free to allow price decreases or increases that do not fall within these precise limits if such price changes meet the ratemaking standards established by the Board. The zone-of-reasonableness proposal in the Kennedy bill goes farther than the Ford bill and allows carriers greater flexibility to offer reduced air fares. The transitional rate provisions of the Kennedy bill also help to insure that travelers and travel agents will receive reasonable notice before fare changes take effect.

The intention of the transitional entry and rate provisions is to introduce effectively but gradually more competition into the industry over the first four-year period, so that air travelers will begin quickly to receive the benefit of lower air fares, additional air service, and new innovations in the offering of air service. The additional but limited entry and route expansion will create an atmosphere in which new air service will be offered to take advantage of the flexible pricing mechanism of the rate provisions. Even if added entry and route expansion occur at very low levels, existing carriers will be motivated nevertheless to utilize the flexible rate mechanism to keep fares low because of the very real threat that potential competitors will enter a market where fares are too high or service is otherwise deficient.

The Kennedy bill contains special regulatory mechanisms to insure stability during the transition period. These give the Board additional powers and impose on carriers unique obligations and limitations insofar as discretionary, new operations are involved. Managerial decisions in the airline industry are presently made in a highly regulated environment. Thus, while the industry is structurally and, to the extent allowed by regulation, behaviorally highly competitive, nearly 40 years of regulatory constraints have shaped the responses and initiatives of those who manage interstate scheduled airlines. Normal economic change and uncertainty that plague all corporate planning may be compounded during the transition by a substantially changed regulatory framework, especially relating to prices and entry. In an exercise of caution particularly adapted to this transition period, the bill therefore imposes constraints intended to reinforce managerial caution regarding potentially disruptive discretionary activities.

The two most important constraints apply to those carriers which choose to avail themselves of the provisions allowing limited scheduled operations without Board approval. These so-called discretionary operations will be subjected to rate and level-of-service requirements that are materially more stringent than those imposed on Board-approved operations. For one thing, the Board will be empowered to suspend any rate increase applying to discretionary operations for a six-month period unless the carrier shows that the increase is cost-related. For another thing, substantial reductions in service with respect to discretionary operations will be subject to filing and suspension provisions. Unless the reduction is due to a decline in demand, the Board may, if the public interest requires, suspend the effectiveness of the proposed reduction for 6 months. The limited number of new carriers certificated during the transition period under the liberalized entry standards would be subject to these constraints also.

Burdening new air operations with requirements more imposing than those applicable to ordinary certificated operations should help make the transition more orderly. Air line managers will be cautious in setting initial fares and levels of service for new discretionary service if lurking in the background is extraordinary CAB power to prevent sudden fare increases or service decreases. Thus the lower prices and additional services expected to be introduced through discretionary operations are more likely to remain permanent features of scheduled operations. The Administration bill does not require discretionary operations to be conducted in this manner.

Another major feature of this bill guarantees that small communities now receiving certificated service will continue to receive scheduled air service during the transition and for 6 years thereafter. Although under CAB regulation the Board has freely allowed certificated carriers to withdraw from markets that are unprofitable, there are some who believe that lessening regulation will somehow lessen the legal or financial motivation for carriers to serve marginal routes and thus hasten the current withdrawal trend. The marginal routes over which this concern has been expressed are estimated to comprise less than 1 percent of total domestic air service. An underlying premise of the bill is that current regulation should not be maintained on 99 percent of air service simply to protect less than the remaining 1 percent, especially when the cost imposed on the 99 percent amounts to hundreds of millions and probably billions of dollars in excess air fares.

Moreover, regulation even with subsidy has not itself done a particularly effective job in providing service to marginal points. Certificated airlines have withdrawn from 173 points in the last 16 years, so that more than 30 percent of the communities receiving certificated air service in 1960 do not receive it today A recent Department of Transportation study demonstrates, in fact, that although service to small communities has actually increased, it has done so as a result of the services provided by commuter air carriers exempted from CAB regulation (and certification requirements). Non-regulated commuter service is growing much faster than certificated service. This service is provided and growing despite the fact that no service obligations are imposed on the unregulated commuter carriers. Also, since lower air fares brought about by less regulation stimulate consumer demand, the level of air service should increase to large and small communities.

Nonetheless, small communities are completely protected in this bill by a service guarantee program that, unlike current CAB regulation, ensures that communities now receiving certificated service will continue receiving air service for the next decade.

Also unlike current CAB regulation, this program ensures that air service will be specifically tailored to the particular needs of particular communities. And finally, unlike current CAB regulation, this program will ensure that federal money will be spent in the most efficient manner, making that subsidy program more economical than it has been in the past.

The service guarantee program in the Kennedy bill requires the CAB to establish general definitions and ranges of 'essential service' to most communities. If service is about to fall or does fall below that level, the Board is required to procure by contract a replacement carrier. The Board also has authority to subsidize temporarily the incumbent carrier to provide continuation of essential service while the Board completes its procurement proceedings.

The current local service subsidy program will, under this bill, continue in effect alongside this new service guarantee program. It is expected, however, that future subsidy will be provided under the new program and that, as the current tendency of carriers to withdraw from routes serving smaller communities continues, disbursements under the old subsidy program will decrease. The bill requires DOT to submit to the Congress in 18 months a comprehensive study on the entire question of federal subsidy of domestic air service. Further legislative change in the subsidy programs may very well be needed.

On March 29, 1976 the Secretary of Transportation announced an amendment to the Ford bill which in most respects is similar to the service guarantee program outlined here.

During the transition period, service obligations of air carriers are clarified. Carriers will be allowed to alter service or withdraw from markets if to do so does not eliminate essential service to the community. Otherwise, to withdraw from any market a carrier must seek approval from the Board—as it must do in all cases under present regulation—and the Board must allow withdrawal if the carrier is operating below cost or if there is a replacement carrier willing to provide service. In effect, a carrier cannot be required to maintain money-losing service on any route under any circumstances, and can only be required temporarily to maintain service it would prefer to drop if it is not losing money and if the result of dropping service would be that a community now receiving certificated service would receive less than essential service. Thus, although existing carriers would be subject to potentially more competition during the transition period, they will not be required to meet that competition with one hand tied behind their backs. Reforming government regulation must be done even-handedly. Airlines should not be required to provide unprofitable service and at the same time be forced to compete in price and services with others who do not have that obligation. The standards for withdrawal for the transition period under the Kennedy bill are similar to those imposed permanently under the Ford bill.

Another major intent of these transition provisions is to minimize potential dislocations of current airline employees. Ultimately more competition and less regulation should increase overall employment. Lower air fares will increase demand and thus air traffic will grow at a much larger rate than it otherwise would. Air carriers will have new passengers to service and additional employment opportunities should result. The work force as a whole will be benefited.

Current airline firms, however, may alter current operations in response to competitive forces. New firms may enter the industry and perhaps some existing firms will not succeed as well as others in this new environment. Accordingly, fears have been expressed that the transition may become a period of uncertainty for airline employees as well as management. The shorter the period of uncertainty, however, the better it will be. Thus, the transition period provided for in the Kennedy bill is shorter than under the Ford bill. Moreover, the revised functions of the Board under this bill take account of the special problems of airline employees: the policy statement of the bill requires the Board to do just that. This new policy will help shape Board decisions on many matters, including its review of intercarriers agreements. Finally, although the bill requires the Board to apply stricter antitrust standards in reviewing mergers and other carrier agreements, it will allow for approval of mergers in a manner that protects the legitimate needs of airline employees.

The Ford bill, although requiring stricter antitrust standards to be applied by the Board, contains no protection for the legitimate interests of airline employees. If a transition is to protect airline stockholders, managers, towns now receiving scheduled service, and other parties whose interests are in some respects thought to be dependent on current regulation, then it should also treat airline employees with similar sensitivity.

Permanent Reform

At the end of the four-year transition, the regulatory reform measures of the Kennedy bill will become fully effective.

Entry will be governed under a new provision by which the Board is required to allow a carrier to offer domestic air service if the carrier is fit, willing, and able to do so. The fit, willing and able standard is part of present law and is one with which the Board has had considerable experience. Essentially, this standard is met if the carrier can demonstrate it is willing and financially able to perform air service and comply with safety requirements imposed by the FAA. This bill changes present law by omitting the public convenience and necessity standard by which the Board has frozen out new applicants in order to protect the competitive advantages of existing carriers. This new provision also imposes strict procedural and time requirements on the Board to ensure that applicants will receive a decision in a reasonable period of time. When this new entry provision becomes fully effective, those carriers then holding scheduled certificates would automatically receive the new certificate of fitness.

The certificates to be granted under this provision will not be limited to specific routes or city pairs. Instead, under a certificate of fitness a carrier will be authorized to conduct domestic air service in markets of its choosing, provided that it complies with the other provisions of the Act. There is no compelling reason to impose costly procedural and regulatory certification burdens each time an already certificated carrier decides to begin air service on a route it did not previously serve. The original certification decision, the successful performance of certificated service in other markets, and a history of compliance with the continuing duties of certificated carriers establish that the carrier is fit, and able to perform additional certificated service. The carriers initiative in filing schedules and voluntarily assuming common carrier service obligations under the act for a new route—the decision to invest money, equipment, and business reputation in new air service—is sufficient evidence of the carrier's willingness to perform a particular service. Additional economic certification requirements with its delay and costly procedures would serve no substantial purpose. Of course, the Board will be able to readjust insurance and bonding requirements on carriers to reflect the actual operations and route systems served by the carriers. These new certificates of fitness will not be restricted and will be issued to all currently certificated carriers after 4 years. One effect of this provision will be to remove all route restrictions imposed on existing carriers at that time.

The certificate of fitness is fundamentally different than the entry provisions of the Ford bill which would retain the Boards authority to deny certificates on purely protective grounds. By retaining the public convenience and necessity standards under current section 401(d)(1) of the Federal Aviation Act, the Ford bill reduces substantially the prospects for new carriers' being allowed to enter the industry. Moreover, except for a limited discretionary authority provision which does not take effect until 1981, the Ford bill would still require existing carriers to go through costly new certification simply to obtain authority to fly a new route. Although existing carriers would be allowed to sell or transfer their certificates to anyone fit, willing, and able to perform air service, there is no reason to think that this possibility will provide meaningful entry into the industry. The danger of limiting entry to this extent is that the flexible rate provisions of the Ford bill will not be utilized to the extent they otherwise would be to lower air fares. It is the threat of quick entry by a competitor that helps keep prices low, but under the Ford proposal this threat would not be as effective as it should be.

The subsidy and service-guarantee provisions applicable to the transition would continue in effect until 1986. It is contemplated that those communities now receiving certificated service will be self-supporting. In any event, the nation's air service needs can be reassessed at that period and the contract air service program can be reenacted if necessary.

After the transition period, carriers under this bill would be free to alter service without Board approval. In effect, there would be no service obligations imposed on them, except that while the service guarantee program is in effect, 30 days notice will be required before a carrier may reduce service below the essential minimum found to be required by a community. This is to allow the Board time to contract for a replacement carrier.

With the service guarantee provision, there is no need to require carriers to do business in places they choose not to. They should have flexibility to the maximum possible extent consistent with the public interest.

The Ford bill, on the other hand, requires carriers to submit to notice and hearing proceedings before the CAB in order to withdraw from a route, and in some circumstances the Board can force the carriers to remain in the market for up to one year even if service is not profitable.

After the four-year transition this bill would repeal all minimum ratemaking power of the Board. There is no public policy reason why the government should prevent price decreases. The fear expressed by some existing carriers concerning the possibility of predatory pricing is adequately met by the operation of antitrust laws which makes truly predatory pricing illegal. There is absolutely no evidence that there will be predatory pricing in the airline industry. The most recent example of the CAB using the predatory pricing justification for discouraging low fares turned out to be a simple case of protecting the high-priced scheduled carriers from the low-priced supplemental carriers.

This bill further removes Board power to control maximum rates in ordinary circumstances. Under the Kennedy bill the threat of entry will police price increases. There remains, however, an emergency provision by which the Board may set maximum rates in circumstances where there exists no actual or potential competition and where rates are unjust or unreasonable. It is unlikely that such a situation will ever occur, but it is reasonable to include such a provision to protect fully the interests of travelers.

The Ford bill allows the Board to continue to establish maximum and minimum rates to a limited extent. Although the Board would be forbidden from finding a rate unlawful if it is above the direct costs of the carrier, it is potentially burdensome to require carriers to prove their direct costs in order to reduce prices below a level disapproved by the CAB. With regard to authority over maximum rates, however, the Ford bill stands on firmer ground. Since the Ford proposal does not, as pointed out earlier, allow for sufficient entry by new and existing firms, there is the danger that carriers will simply tend to raise their rates if free to do so. Under the Ford reform proposal, therefore, maximum ratemaking authority might be a potentially useful protection for air travelers.

After the four-year transition, the merger and carrier-agreement provisions of the Kennedy bill remain fully effective, thus requiring the Board to view these transactions on stricter antitrust standards than they now do, but allowing otherwise anticompetitive arrangements if they are the only means to achieve an important transportation need. In 1986, however, the Board's power to approve mergers and exempt other transactions from enforcement of the antirust laws shall expire. By that time, the adjustments required by this reform legislation will have been fully made by management, employees, and other interested parties affected by the industry. At that time, there is no reason why the antitrust laws should not be fully applicable to the airline industry. If there still exists in 1986 conditions requiring special treatment for this industry, Congress can act in the appropriate fashion at that time.

AIR TRANSPORTATION ACT OF 1976: SECTION-BY-SECTION ANALYSIS AND COMPARISON WITH CURRENT LAW

TITLE I—GENERAL PROVISIONS

Bill, Sec. 101—Amendment to the Federal Aviation Act of 1958.

This section provides that amendatory language refers to the Federal Aviation Act of 1958, as amended, ("FAA") unless otherwise indicated.

Bill, Sec. 102—New definitions to expand charter air transportation.

These new definitions incorporate the provisions of S. 421 (introduced by Senator Cannon, cosponsored by Senator Kennedy) which expand the availability of charter air service by stating explicitly that "one-stop inclusive tour charters" and "advance purchase charters" and "charter air service" within the meaning of the FAA. In the past, the dreadth of the term "charter" has been the cause of much doubt and litigation, as well as a statutory amendment in 1968.

Bill, Sec. 103—Revision of the declaration of policy.

This section revises the declaration of policy of the FAA and requires the CAB to follow this policy in all actions. The new policy statement places greater emphasis upon "maximum feasible competition" and explicitly recognizes the possible differences between foreign and domestic air transportation. The new policy statement reads as follows:

"(a) The encouragement and development of a sound air transportation system responsive to the public need for adequate, efficient, low-cost service, and adapted to the present and future needs of the foreign and domestic commerce of the United States, of the Postal Service and of the National Defense;

"(b) The regulation of air transportation in such manner so as to provide reasonable wages, costs, working conditions, and profits in, and to provide reliable public service from air transportation and coordinate transportation by air carriers;

"(c) The promotion of adequate, economical, and efficient service by air carriers at reasonable prices, primarily through maximum feasible reliance upon price and service competition both among existing air carriers and with new air carriers.

"(d) Regulation in a manner that encourages to the extent practicable maximum reliance on price and service competition in foreign air transportation, with appropriate recognition of the differences between interstate and overseas air transportation on the one hand, and foreign air transportation, on the other.

"(e) The promotion, encouragement and development of safety in air commerce."

Bill, Sec. 104—Effective date of this title.

Title I shall become effective upon enactment of the Bill.

TITLE II—REVISION OF PRESENT REGULATION AND LIMITATION TO FOREIGN AIR TRANSPORTATION

Bill, Sec. 201—Redesignation of present Title IV as "Title IV–A".

This section makes appropriate changes in the table of contents and hearings in the FAA.

Bill, Sec. 202—Limitation of Title IV–A to foreign air transportation.

This section adds a new section 400 to the FAA, which immediately precedes the present subchapter dealing with economic regulation (redesignated subtitles IV–A), and limits the scope of that subtitle to foreign air transportation.

Bill Sec. 203—Revision of the certificates of public convenience and necessity.

These changes will permanently affect international aviation and will affect domestic aviation until the fourth anniversary of the enactment of this Act when certificates of public convenience and necessity are superceded by certificates of fitness under new sec. 451.

Subsection (a) amends current subsection 401(c) to explicitly provide for formal hearings of certificate applications and to require the Board to dispose of such applications within a maximum of 240 days. This provision replaces the "as speedily as possible" standard of current law.

Subsections (b) and (c) amend current subsection 401(d) to permit a carrier to hold both scheduled and supplemental certificates. Present law is unclear on this point.

Subsection (d) amends current paragraph 401(e)(1) to prohibit the Board from imposing certain restrictions upon new operating authority. These restrictions—closed door, single-plane, mandatory stop, long haul—have, in the past, been used primarily to protect carriers from competition among themselves.

Subsection (e) adds new paragraph 401(e)(7) to limit the Board's authority to restrain the natural growth of low-cost charter service by the imposition of artificial barriers. Under this amendment the Board may not require charter passengers to pay a deposit toward their fare more than thirty days before departure, prohibit the last minute sale of up to twenty-five percent of the tickets, require the charter operator to make last minute fare adjustments if a last minute passenger is added or subtracted, require the charter tour operator to cancel a flight rather than accepting a business loss if the tour sells poorly, require minimum stays of more than three days in North America or more than seven days elsewhere, require maximum stays in any case, or impose other conditions upon charter service which unduly restrict their availability. This amendment encompasses the major provisions of S. 42 (authored by Senator Howard Cannon and cosponsored by Senator Kennedy) with some revisions.

Bill Sec. 204—Revision of postal rate making elements.

This section revises subsection 405(b) of the FAA to eliminate the authority of the Postmaster General to compel a carrier to perform additional air service to carry the mail.

Bill Sec. 205—Effective date of provisions of this title

This section provides that this title shall become effective 180 days after enactment except as otherwise provided. The major exceptions are the continued applicability to domestic air transportation of the current "certificates of public convenience and necessity" and the "special operating authority" until the fourth anniversary of enactment, as these are modified by title II of this Act and by other provisions in title III.

TITLE III—ECONOMIC REGULATION OF DOMESTIC AIR TRANSPORTATION: NEW SUBTITLES IV–B (PERMANENT) AND IV–C (TRANSITIONAL)

This title III constitutes a new, final scheme for the regulation of domestic air transportation (subtitle IV–B) and a transitional phasing in of this statutory scheme (subtitle IV–C).

Bill Sec. 301—Amendment to the table of contents

This section adds appropriate new listings to the table of contents of the FAA.

Bill Sec. 302—Addition of new subtitle IV–B

This section inserts new subtitles IV–B and VI–C governing regulation of domestic air transportation. These subtitles are inserted as a long quoted passage which is described section by section in the following material:

New subtitle IV–B—permanent

FAA Sec. 450. Limitation to domestic air transportation

This section limits subtitle IV–B to interstate and overseas air transportation.

FAA Sec. 451. Certificate of fitness

This section provides a new "certificate of fitness" which will replace the current, more restrictive "certificate of public convenience and necessity."

Subsection (a) provides that no one may engage in interstate or overseas air transportation without a certificate of fitness.

Subsection (b) provides that application for a certificate of fitness shall be in writing and in a form prescribed by the Board.

Subsection (c) requires the Board to notify interested parties of an application and to dispose of the application within 60 days if there are not material facts in dispute. If there are material facts in dispute, the application must be set for hearing and disposed of within 180 days. If these time limits are not met, the application shall be deemed granted.

Subsection (d) requires the Board to grant a certificate of fitness if the applicant is "fit, willing, and able" to perform the proposed air transportation.

Subsection (e) provides that a holder of a certificate of fitness may operate between any two points in interstate or overseas air transportation (i.e., domestic commerce). The certificate of fitness may not restrict the type, nature, or frequency of service. Current law restricts certificates of public convenience and necessity to certain routes (terminal points and intermediate points) authorizes the Board to impose restrictive conditions and requires the CAB to separate "charter" service from "scheduled" service. The present law, however, prohibits the CAB from restricting equipment type or schedules.

Subsection (f) provides that the certificate of fitness shall be effective until suspended or revoked.

Subsection (g) provides that each holder of a certificate of fitness shall be under a continuing duty to maintain a level of fitness, willingness, and ability which is appropriate to the service each carrier offers to the public.

Subsection (h) authorizes the Board to hold a hearing on the record to determine whether a carrier has failed to comply with its duty to maintain its fitness, willingness, and ability. If the Board determines that a carrier has failed in this duty, the Board shall order compliance with the specific orders, rules, or regulations found to have been violated. If the carrier fails to comply with such an order to comply within a reasonable time, the Board shall suspend or revoke the carrier's certificate of fitness.

The Board is also authorized to immediately suspend a certificate in the interest of the "rights, welfare, or safety of the public." Such an emergency suspension may last no more than 30 days, to be extended for a total of not more than 60 days, and a hearing on the record shall immediately be undertaken by the Board in such a case.

The suspension and revocation authority in the Bill is similar to that under current law. Sec. 401(g).

The emergency suspension power conforms to the present Board authority with respect to supplemental carriers. Sec. 401(n)(4).

Subsection (i) provides that no certificate may be transferred. This subsection eliminates current Board authority to approve such a transfer. Sec. 401(h).

Subsection (j) provides that no certificate shall confer any proprietary, property, or exclusive rights in the use of any airspace or airway. This conforms to current law. Sec. 401(i).

Subsection (k) provides that each certificate holder shall comply with appropriate labor legislation. No change is made in current law. Sec. 401(k).

Certain provisions of current certificates of public convenience and necessity have been omitted. Present subsection 401(j) concerning abandonment is superseded by new FAA section 487 (transitional), 488 (transitional) and 460 (permanent) in this Bill. Subsections (l) and (m) dealing with air mail carriage have been eliminated as unnecessary in light of the maturity of the present industry and the Postmaster General's contract authority. Sec. 401(n) regarding supplemental and scheduled carriers is omitted since certificates of fitness shall be applicable to both types of carriers.

FAA Sec. 452. Insurance and bonding

Subsection (a) requires each carrier to comply with Board regulations governing filing and approval of plans of insurance for injuries to person or property that a carrier may cause in providing air service.

Subsection (b) provides that the Board may also require a carrier to file a performance bond to provide appropriate compensation in case a carrier fails to meet its contractural or common carrier obligations.

These sections allow the Board to apply to scheduled carriers the Board's current powers with respect to supplemental carriers concerning insurance and bonding. Sec. 401 (n)(1) and (2).

FAA Sec. 453. Accounts, records, and reports

Subsection (a) provides that the Board may require the carriers to submit whatever accounts, records, and reports may be required to administer the FAA.

Subsection (b) requires each carrier to disclose the names of persons holding more than 5 percent of the carrier's stock or capital.

Subsection (c) requires each carrier to disclose for each officer and director of the carrier the stock held in any air carrier.

Subsection (d) provides that the Board may require uniform accounting by the carriers.

Subsection (e) empowers the Board to inspect the books and property of the carriers as may be necessary to administer the FAA.

This section is the same as current law. Sec. 407.

FAA Sec. 454. Inquiry into air carrier management

Subsection (a) empowers the Board to inquire into the management of any business or person which controls an air carrier. This is the same as current law Sec. 415.

Subsection (b) prohibits, except with Board approval, interlocking relationships between air carriers and other carriers or firms engaged in other phases of aeronautics. No change is made in current law. Sec. 409(a).

Subsection (c) prohibits an air carrier officer or director from accepting personal compensation for the sale of, hypothecation, of or negotiation for transfer of any stock by the company. No change is made in current law. Sec. 409(b).

FAA Sec. 455. Filing of intercarrier agreements

This section requires every carrier to file with the Board a copy of every agreement between or among air carriers or other carriers.

This section is substantially the same as current law. Sec. 412(a). The Board's current authority to immunize such agreements from the antitrust law, sec. 412(b), is modified by the Bill (see FAA section 493 and 494, below), and eventually phased out after 10 years.

FAA Sec. 456. Tariffs of air carriers

Subsection (a) requires each carrier to file with the Board and keep open to the public a list of all rates and fares as well as a description of all other services performed in connection with air transportation, and limitations upon liability arising out of such transportation.

This subsection is the same as current law. Sec. 403(a).

Subsection (b) requires each carrier to adhere to the tariffs filed. Present law, sec. 403(b), permits refunds and discounts in special cases. Removing this provision requires that such special discounts must also be on file with the Board.

Subsection (c) requires that changes in tariffs shall also be filed. Current law requires such changes must be filed at least 30 days in advance of their proposed date of effectiveness. This requirement is eliminated in the Bill.

Subsection (d) requires each carrier to file with the Board divisions of rates and tariffs. This conforms with current law Sec. 403(d).

Subsection (e)3 explicitly permits carriers to file a tariff which provides a reasonably definite procedure for determining a flexible fare. This subsection is intended to permit flexible pricing or stand-by service and other innovative fare proposals without violating subsection (b). No parallel provision exists in current law.

Subsection (f) authorizes the Board to set maximum rates and fares whenever, after notice and hearing on the record, the Board determines that a fare or rate is unjust or unreasonable and that actual or potential competition from other airlines is insufficient to maintain reasonable fares. Current law authorizes the Board to set fares and rates, or maxima or minima. Sec. 1002. The Bill substantially narrows this authority and moves it from the procedural title, title 10, to this section on tariffs.

Subsection (g) prescribes policy considerations which the Board must take into account in setting maximum rates under subsection (f). These criteria differ from the corresponding provision in current law, sec. 1002(e), in placing greater emphasis upon maximum feasible competition, permitting greater flexibility in price/service combinations (such as off-peak pricing), and stressing the need to develop fares appropriate to particular markets.

Subsection (h) provides that the Board may suspend changes in fares in those markets in which it would otherwise be empowered to set fares in accordance with subsection (g). Suspension automatically initiates a hearing into the lawfulness of the fare or rate and such suspension cannot last more than a total of 180 days. This section is the same as current law Sec. 1002(g), except that it is confined to markets within the ambit of the more limited ratemaking authority of the Board.

Subsection (i) authorizes the Board to establish just and reasonable divisions of rates or fares when, after notice and hearing, it determines that existing divisions are unjust or unreasonable. This situation arises when one carrier is selling a "through" ticket for a flight on the carrier itself and a second carrier and the through fare must be divided between the two carriers. This section is the same as current law. Sec. 1002(h).

Subsection (j) authorizes the Board to establish through service and maximum joint rates whenever it determines, after notice and hearing, that such are required by the public interest. This section is substantially the same as current law, except that the Bill limits Board authority to the setting of maximum joint rates.

FAA sec. 457. Filing of schedules

Each carrier performing scheduled service is required to file such schedules with the Board. The duty is presently required by current Sec. 405(b).

FAA Sec. 458. Common carrier duties

This section requires each air carrier to provide air transportation upon a reasonable request therefore and to provide reasonable through service. This section substantially follows current law except that the legal duty to charge just and reasonable rates is eliminated since the Board's authority to establish such fares and rates has largely been eliminated by the Bill.

FAA Sec. 459. Air carrier conduct

Subsection (a) prohibits an air carrier from engaging in unfair or deceptive practices in the provision or sale of air transportation.

Subsection (b) authorizes the Board to issue regulations to define unfair or deceptive practices.

Subsection (c) statutorily defines certain practices as unfair or deceptive: failure to inform passengers of substantially lower priced air service which is available from the same carrier, failure to offer reasonable compensation for loss, damage, or delay of baggage while the baggage was in the custody of the carrier, and limitation of liability for death or loss caused by negligence.

Subsection (d) provides that the Board may initiate an investigation under this section and that if a violation of this section is found, the Board shall, after notice and hearing, issue a cease and desist order or pursue such other remedies as authorized by law.

Current law contains a general proscription against unfair or deceptive practices. The primary innovation of the Bill is to specify certain practices as unfair or deceptive.

FAA Sec. 460. Alteration or discontinuance of air service

This section provides that each air carrier may alter or eliminate its service to any point. This does not substantially alter what has been the practical effect of current law. Sec. 401(e)(4), 401(j), 404. Rather, this section makes explicit what heretofore has been implicit—that a particular airline in a competitive airline industry should not be saddled with regulatory requirements to serve certain points. Service to points is guaranteed in some instances, however, under new section 490.

FAA Sec. 461. Transportation of mail

Subsection (a) authorizes the Postmaster General to make appropriate rules and regulations for the carriage of air mail. No change is made in current law. Sec. 405(a).

Subsection (b) requires each carrier to file with the Board and the Postmaster General a statement of the schedules of all regularly scheduled flights. The Postmaster General is authorized to designate any flight for the carriage of air mail. Current law, sec. 405 (b), also authorizes the Postmaster General to disapprove any schedule and to require a carrier to perform additional flights in order to carry the mail. This latter authority has been eliminated in the Bill.

Subsection (c) authorizes the Postmaster General to fix a maximum load. No change has been made in current law. Sec. 405(c).

Subsection (d) requires the Postmaster General to tender air mail to the holder of a certificate authorizing the transport of air mail. No change is made in current law. Sec. 405(d).

Subsection (e) provides that nothing in the FAA changes the authority of the Postmaster General to make arrangements with foreign nations or nationals for the transport of air mail to or within foreign countries. No change is made in current law. Sec. 405(e).

Subsection (f) authorizes the Postmaster General to regulate the carriage of air mail from foreign countries to the United States in accordance with international agreements. No change is made in current law. Sec. 405 (f).

Subsection (g) requires air carriers to submit proof of carriage of the air mail as the Postmaster General may require. No change is made in current law. Sec. 405(g).

Subsection (h) authorizes the Postmaster General to contract for the carriage of the air mail if a calamity prevents the certificated carrier from so doing. No change is made in current law. Sec. 405(h).

Subsection (i) authorizes the Postmaster General to contract for the carriage of air mail to conduct experiments designed to improve air mail service. No change is made in current law. Sec. 405(j).

Subsection (j) provides for free travel for postal employees on official business. No change is made in current law.

FAA Sec. 462. Rates for transportation of mail.

Subsection (a) authorizes the Board to determine, after notice and hearing, rates for the carriage of air mail. No change has been made in current law. Sec. 406(a).

Subsection (b) provides what criteria shall be used to establish mail rates. Subsection (b)(3) provides for the payments of operating subsidies as part of the mail payment. No change has been made in the current law. Sec. 406(b). Thus, the current local service subsidy program is retained.

Subsection (c) provides that the Postmaster General shall pay compensation for the carriage of the mail and the Board shall pay the operating subsidies. No change has been made in current law. Sec. 406(c).

Subsection (d) prohibits the Board from taking certain revenues into account when determining the carrier's need for mail subsidy. No change has been made in current law. Sec. 406(d).

Subsection (e) provides that the Board may require certain information in any application for change in the mail subsidy rate. No change has been made in current law. Sec. 406(e).

Subsection (f) provides that the Postmaster General may weigh the mail. No change has been made in the present law. Sec. 406(f).

Subsection (g) provides that unexpended money authorized under the 1928 and 1934 air mail acts may be used by the Postmaster General to pay for air mail carriage under the FAA. No change has been made in current law. Sec. 406(g).

FAA Sec. 463. Classification and exemption of carriers.

Subsection (a) authorizes the Board to establish just and reasonable classifications for the purpose of administering the Act. No change is made in current law. Sec. 416(a).

Paragraph (b)(1) authorizes the Board to exempt any air carrier from any part of the Act if such an exemption is in the public interest. No change is made in current law. Sec. 416(b).

Paragraph (b)(2) statutorily exempts a carrier operating aircraft having a capacity of less than 56 seats or less than 16 thousand pounds from regulation if the carrier conforms to reasonable reporting and financial responsibility requirements. This provision is new.

Certain sections of current law have no corresponding sections in the new subtitle IV-B. Current sec. 408 authorizing the Board to approve mergers is phased out in a new section 492 added by new subtitle IV-C. Current sec. 414 granting the Board the authority to immunize certain carrier actions from the antitrust laws is also phased out. New FAA sec. 494. Current sec. 410 authorizing the Board to approve or disapprove certain loans from the United States, is eliminated as anachronistic. No Board action has been undertaken under this section in many years. Lastly, current sec. 413, which provides that "direct control" shall be deemed the same for legal purposes as "indirect control", is eliminated as so obvious as to be unnecessary and superfluous.

New subtitle—IV-C—Transition

FAA Sec. 480. Continuance of certificates of public convenience and necessity until the fourth anniversary of the Air Transportation Act of 1976

This section provides that the certificates of public convenience and necessity, except for subsections 401(g), (h), and (j), shall continue in effect until the fourth anniversary of this Bill. The certificates of fitness under new section 451 of the Act are not made fully effective until then. This means that currently certificated carriers would retain their certificates and, except as otherwise provided below, would be restricted to flying the routes named in their certificates. In addition, during the first four years existing carriers and new firms could still apply for scheduled authority over particular routes under § 401(d)(1).

FAA Sec. 481. Continuance of special operating authorizations until the fourth anniversary of the Air Transportation Act of 1976.

This section provides that special operating authorizations under present section 417 of the FAA shall continue in effect until the fourth anniversary of this Bill.

FAA Sec. 482. Discretionary expansion of scheduled service

Subsection (a) provides that this section shall become effective 180 days after enactment of this Bill and shall terminate on the fourth anniversary of this Bill when the certificates of fitness under new section 451 will become effective.

Subsection (b) provides that all air carriers of substantial size—all the trunk, local service, and the large supplemental and intrastate carriers—may expand their business in a limited manner during the transition period without having to submit to the certification process at the Board. The level of scheduled interstate service allowed under this provision increases during the transition period.

Paragraph (b)(1) provides that during the period 180 days after enactment until one year after enactment of this Bill, each carrier may offer up to 500 million additional "available seat-miles" in markets which the carrier is not authorized to serve. "Available seat-miles" is a measure of the service offered by a carrier; it is obtained by multiplying the number of seats offered for sale times the number of miles of the flight. A billion available seat-miles represents approximately 566 round trips by a Boeing 747 between New York and Los Angeles (less than 2 round trips per day on a yearly basis) or approximately 1356 round trips over that route by a Boeing 707.

Paragraph (b)(2) increases the limitation during the period from the first anniversary to the second anniversary of the Bill to 1.5 billion available seat-miles.

Paragraph (b)(3) increases the limitation during the period from the second anniversary to the third anniversary of the Bill to 3 billion available seat-miles.

Paragraph (b)(4) increases the limitation during the period from the third anniversary to the fourth anniversary to 4 billion available seat-miles.

Subsection (c) provides similar discretionary authority for limited expansion of the all-cargo carriers. Between 180 days after enactment and 1 year after enactment, the all cargo carriers may expand 25 million available ton-miles, from the second to the third anniversary, 60 million available ton-miles, from the third to the fourth anniversary, 75 million available ton-miles.

Subsection (d) authorizes carriage of mail and cargo under the discretionary authority granted by this section.

Paragraph (e)(1) permits carriers to combine discretionary authority with current authority in any manner they deem desirable.

Paragraph (e)(2) provides that new discretionary operations shall be subject to the same rules and conditions as scheduled operations under section 401 (as amended by this Bill).

Subsection (f) requires the carriers offering discretionary authority to conform to the transitional pricing restraints under new section 456 and 495 of the FAA.

Subsection (g)(1) provides that any carrier offering discretionary service under this section must provide 30 days notice of increases in fares, rates, and charges. The Board may delay the effective date of such increases in fares, rates, and charges for up to 180 days, except to the extent that such increases are needed to cover cost increases.

Subsection (h) provides that any carrier offering discretionary service under this section must provide 30 days notice before substantially reducing the level of capacity offered. The Board may delay the effective date of such capacity reductions for up to 180 days, except to the extent that such decreases in capacity may be necessary to reflect a general decline in demand.

Subsection (i) defines scheduled service for the purpose of this section as a minimum of five roundtrips per week between two points in accordance with published schedules.

FAA Sec. 483. Permanent certification for continuous operation

This section provides that any carrier who has performed twelve months continuous nonstop scheduled air transportation along any route under new FAA sec. 482 may acquire certification for such routes under the procedures and standards provided by new FAA sec. 451(b), (c), and (d). However, service with respect to which the Board has delayed a fare increase or capacity reduction shall be ineligible under this section.

Any carrier holding authority under this section at the fourth anniversary of this Bill shall be issued a certificate of fitness under new FAA sec. 451 on that date.

Interruptions in service due to labor disputes shall not be deemed to destroy continuity of service but such periods of interruption shall not be counted toward the requisite twelve month minimum.

FAA Sec. 484. Liberalization of authority to serve new routes

Subsection (a) provides that any person may apply for a certificate to offer nonstop service along any route not currently receiving nonstop service and such applications shall be treated under the procedures and standards of secs. 451(b), (c), and (d).

Subsection (b) provides that such service shall be conducted in accordance with the conditions applicable to certificated authority under 401(d)(1).

Subsection (c) provides that any carrier holding a certificate under this section on the fourth anniversary of the Bill shall receive a certificate of fitness.

FAA Sec. 485. Relaxation of restrictions on entry into the domestic airline industry

Subsection (a) provides that the Board shall process and dispose of applications for certificates of fitness as though sec. 451 were in effect subject to the limitation that no more than 2 certificates shall be granted between the first and second anniversary of the Bill, no more than 3 certificates shall be granted between the second and third anniversaries of the Bill, and no more than five certificates between the third and fourth anniversaries of the Bill.

Subsection (b) provides that the levels of operations under the certificates issued under this section shall be limited in accordance with the provisions of new FAA sec. 482(b).

Subsection (c) further provides that the restrictions upon fare increases and capacity reductions under new FAA sec. 482 shall also apply to service under this section.

Subsection (d) provides that carriers authorized to offer scheduled service under 482 (b) shall be ineligible to offer service under this section.

Subsection (e) provides that applicants under this section shall be processed in chronological order and that applications filed on the same day shall be drawn by lot and disposed of in that order.

Subsection (f) provides that this section shall become effective upon enactment of the Bill and ineffective upon the fourth anniversary of the Bill's enactment.

FAA Sec. 486. Grandfather rights for obtaining certificates upon the fourth anniversary of the Air Transportation Act of 1976

This section provides that on the fourth anniversary of the enactment of the Bill, the Board shall issue certificates of fitness under 451 to all carriers currently holding certificated authority under secs. 401(d)(1), 483, 484, or 485.

FAA Sec. 487. Carrier obligations regarding points served in March 1976 until the fourth anniversary of enactment of the Air Transportation Act of 1976.

Subsection (a) provides that this section shall become effective 180 days after enactment of the Bill and shall terminate upon the fourth anniversary of the enactment of the Bill.

Subsection (b) provides that no air carrier may reduce the level of air service to any point below what the Board determines is "essential air service" unless the Board approves such a service reduction. The levels of "essential air service" are those set by the Board pursuant to new FAA sec. 490(c); they apply only to the points receiving certificated service in March 1976.

Paragraph (b)(1) provides that the Board may approve such a service reduction request if the carrier demonstrates, after notice and hearing, that the revenues from service provided have been less than fully allocated cost (including a reasonable return of investment) for a period of at least one year immediately preceding the request. The Board may also require the carrier to continue service for up to 180 days.

Paragraph (b)(2) provides that the Board may approve such a service reduction request if the carrier demonstrates, after notice and hearing, that the revenues from the service provided have been below direct operating costs for a period of at least three months immediately preceding the request. The Board may also require the carrier to continue service for up to 90 days. In such a case the carrier shall be reimbursed by the Board by the amount direct costs exceed revenues.

Paragraph (b)(3) provides that the Board shall approve such a service reduction request if another carrier will provide the essential service.

Subsection (c) provides that any interested person may file with the Board a protest or memorandum in opposition to or support of any service reduction.

Subsection (d) provides that the Board may require any air carrier reducing air service below the essential level to establish reasonable cooperative working relations with another carrier willing to provide replacement service.

Subsection (e) provides that the Board may require the carrier to continue providing essential service to a community if the community or State or other public body agrees to guarantee that the carrier will cover fully allocated costs (including a reasonable return of investment).

Subsection (f) defines "direct costs" under this section to mean the direct operating cost of providing the service to which the rate, fare, or change applies, excluding general administrative expenses, depreciation, interest payments, amortization, capital expenses, and the like.

FAA Sec. 488. Carrier obligations regarding points served in March 1976 during the period from the fourth anniversary of the Air Transportation Act of 1976 until the tenth anniversary of the act.

Subsection (a) provides that this section shall become effective upon the fourth anniversary of the Bill and terminate upon the tenth anniversary.

Subsection (b) prohibits a carrier from implementing any schedule change which would reduce service below the essential minimum service standards set by the Board except upon 30 days notice. These standards, set pursuant to new FAA sec. 490(c) apply only to points receiving service from a trunk or local service carrier in March 1976.

Subsection (c) authorizes the Board to order a carrier to continue service at the essential service level for up to 90 days from the date of the notice of the schedule change or until service by a replacement carrier is instituted.

Subsection (d) provides that the Board shall reimburse any carrier required to continue service under subsection (c) in the amount by which total allocated costs exceeded revenues.

FAA Sec. 489. Requirements regarding tariff filings.

Subsection (a) provides that this section shall become effective upon enactment of this bill and terminate upon the fourth anniversary of enactment.

Subsection (b) impose a (sec. 403(c)) sixty day notice requirement for filing tariff changes but restricts this requirement to tariff changes which are beyond the zone of fare flexibility provided by new FAA sec. 495.

Subsection (c) requires the Board to exercise its suspension authority under new FAA sec. 456(h) at least 30 days before the tariff change would otherwise become effective.

FAA Sec. 490. Guarantee of service to points served in March 1976 until the tenth anniversary of the Air Transportation Act of 1976.

Subsection (a) provides that this section shall become effective upon enactment of the Bill and shall terminate upon the tenth anniversary of the Bill.

Subsection (b) requires the Board to ensure that each point that received air service from a local service or trunk carrier in March 1976 shall continue to receive "essential air service."

Subsection (c) requires the Board to establish general criteria for "essential air service" to points 180 days after enactment, in accordance with the rulemaking procedures of the Administrative Procedure Act.

Subsection (d) provides that the Board may, upon its own initiative or the application of any interested person, investigate and determine whether a particular point is receiving essential air service. In so doing, the Board shall establish a specific definition of essential air service for that point in accordance with the following criteria: the general criteria set under subsection (c), availability of alternative modes of transport, needs of affected communities, financial assistance the communities are able or willing to provide, cost of air service, integration with other air service, and the views of the affected parties and the appropriate State and Federal officials.

Subsection (e) requires the Board to contract for additional air service to a point if essential air service is found to be lacking.

Subsection (f) provides the contracts under this section shall be drawn in accordance with the Federal Property and Administrative Services Act of 1949, as amended (government procurement provisions) except that: no contract may exceed 3 years or be renewed, no increase in the contract price may be made except to allow for cost increases due to governmental action, no preference shall be given to incumbent carriers, and contracts shall provide for reasonable assurance of reimbursement in the event of default by a carrier (including the cost of obtaining a replacement carrier). The Board may also relieve itself of those requirements of the Federal Property and Administrative Services Act that are found, after notice and hearing, to be inconsistent with the purposes of this section.

Subsection (g) provides that a contract under subsection (f) shall specify the minimum flight frequency, the maximum rate, fare, or charge, the minimum seat capacity of the aircraft, and such other items as the Board may require in the public interest. In no case may the contract provide for services which exceeds the service provided to the point during 1976.

Subsection (h) prohibits the Board from inhibiting the provision of unsubsidized service and prohibits the Board from awarding a contract if essential air service is otherwise available.

Subsection (i) provides that air service provided pursuant to a contract under this section shall be ineligible for a federal subsidy payment under any other section of the FAA.

Subsection (j) provides that any air carrier authorized or eligible to provide air service under any provision of the FAA or any air carrier fit, willing, and able to provide air service pursuant to this section, may be eligible to provide contract service under this section.

Subsection (k) provides that that termination of the effectiveness of this section shall not interfere with outstanding contracts entered into under this section.

FAA Sec. 491. Review of the local service subsidy program.

This section declares that it is the policy of Congress to improve and revise direct subsidy. The Secretary of Transportation is directed to study and evaluate alternative subsidy plans in consultation with all affected parties and report to Congress within 18 months of the enactment of the Bill. The Secretary is also directed to recommend the appropriate level of subsidized service for each point to which subsidized service should be made available.

FAA Sec. 492. Consolidation, merger, acquisition of control of the domestic air carriers until the tenth anniversary of the Air Transportation Act of 1976.

Subsection (a) provides that this section shall become effective upon enactment of the Bill and terminate upon the tenth anniversary of the enactment of the Bill.

Subsection (b) prohibits certain forms of joint control of and merger by two air carriers or by an air carrier and a carrier regulated by the ICC without approval of the Board. No change has been made in current law. Sec. 408(a).

Subsection (c) provides that any person seeking Board approval of a merger or joint control agreement shall apply to the Board, and the Board is required to notify all interested parties and conduct a public hearing. The Board is required to approve all such agreements found to be not inconsistent with the public interest or other provisions of this subsection, subject to such reasonable and appropriate conditions, including employee protective conditions, as the Board may find to be in the public interest. The broad rule is the same as current law, sec. 408(b), except that Board authority to attach appropriate employee protective conditions is made explicit.

The first proviso of subsection (c) provides that the Board may not approve an agreement under this section if it would violate the general standards of the antitrust laws, and the first proviso also states that a reviewing court may "apply its independent judgments" when reviewing Board determination of these antitrust standards. The new first proviso strengthens the current first proviso of sec. 408(b) by substituting the broad antitrust standards for the narrower prohibition against "creating a monopoly" and by providing for expanded court review.

The second proviso of subsection (c) provides that the Board shall not approve an agreement under this section if the applicant is not an air carrier unless such agreement "will promote the public interest by enabling such carrier other than an air carrier to use aircraft to public advantage in its operation and will not restrain competition." This is the same as the second proviso of current sec. 408(b).

The third proviso of subsection (c) provides that in certain de minimus cases the Board may approve an agreement under this section without a public hearing if 30 days notice has been given in the Federal Register and notice has been given directly to the Attorney General and the Secretary of Transportation. This proviso differs from the current third proviso to sec. 408(b) in that 30 days advance notice is required and notification must be made to the Secretary of Transportation as well as to the Attorney General.

The fourth proviso to subsection (c) provides that the Board shall dispose of all applications filed under this subsection within 240 days. No such provision appears in current law.

Subsection (d) exempts from this section and the new subsections 454 (b) and (c) interests in ground facilities such as hangars and ticket offices. No change is made in current law. Sec. 408(c).

Subsection (e) gives the Board jurisdiction over non-air carriers who acquire control of an air carrier pursuant to this section. No change is made in current law. Sec. 408 (d).

Subsection (f) authorizes the Board to investigate any person who may be violating subsection (b) of this section. No change is made in current law. Sec. 408 (e).

Subsection (g) establishes a presumption that any person owning 10 percent of the stock or capital of an air carrier controls the carrier. The Board may find otherwise. No change is made in current law. Sec. 408(f).

FAA Sec. 493. Pooling and other agreements until the tenth anniversary of the Air Transportation Act of 1976

Subsection (a) provides that this section shall become effective upon enactment of this Bill and shall terminate upon the tenth anniversary of the Bill.

Subsection (b) provides that the Board shall notify the Attorney General and the Secretary of Transportation of any agreements filed with the Board pursuant to new FAA sec. 455. If either official requests the Board to hold a hearing to determine whether a pending or already approved agreement will be or remains within the provisions of the FAA, the Board shall hold such a hearing.

Subsection (c) provides that the Board shall disapprove any agreement which fixes fares or commissions, (except for joint rates), divides markets, restrains capacity, substantially lessens competition in a manner which either is more restrictive than necessary or not responsive to transportation needs clearly outweighing the harm to the public interest, or otherwise adverse to the public interest or the policies of the FAA.

Subsection (d) provides that parties attacking a proposed agreement shall have the burden of proving the anticompetitive effects and the parties defending the agreement shall have the burden of demonstrating significant transportation needs that cannot be substantially satisfied by any less restrictive way. A reviewing court shall apply independent judgment when reviewing an agency record in such matters.

Current law, sec. 412(b), only states that the Board shall approve agreements in the public interest and disapprove others.

FAA Sec. 494. Antitrust law immunity until the tenth anniversary of the Transportation Act of 1976

Subsection (a) provides that this section shall become effective upon enactment of the Bill and shall terminate upon the tenth anniversary of enactment of the Bill.

Subsection (b) provides that Board orders under new FAA secs. 454(b), 492, and 493 shall immunize the parties involved from the antitrust laws but that this immunity shall in no case extend beyond the tenth anniversary of enactment of the Bill. This immunity differs from current law, sec. 414, in that the operations immunized must pertain to air transportation, and no immunity is given from the applicability of the criminal conspiracy section of the antitrust law (Sherman Act, sec.1).

Subsection (c) provides that the Board shall attach appropriate labor protective conditions to any order under sec. 492 or 493 of the FAA. No such provision exists in current law.

FAA Sec. 495. Transitional Board authority to prescribe rates and practices of air carriers until the fourth anniversary of the Air Transportation Act of 1976.

Subsection (a) provides that this section shall become effective upon enactment of the Bill and shall terminate upon the fourth anniversary of the Bill.

Subsection (b) continues the Board's current ratemaking power Sec. 1002(d), except that the Board may not find unlawful a fare which is: (1) not more than a 10 percent increase over the fare charged one year previously and (2) certain percentages less than the fares charged at the time of enactment, so that carriers can reduce future fares below current levels 20% in the first 6 months, 40% in the next 6 months, and up to 60% in the next 3 years. The Board's current authority under sec. 1002(d) is also modified by eliminating the language "unjustly discriminatory, or unduly preferential, or unduly prejudicial" as a basis for finding a rate, fare, or charge unlawful.

Bill Sec. 303. Amendments to Subchapter 10, sec. 1002

This section repeals the current subsections dealing with Board regulation of fares and rates.

Bill Sec. 304. Postal service contract authority

This section authorizes the Postmaster General to contract with any carrier for carriage of air mail if he finds that carriage by certificated air carriers between any two points is "not sufficiently adequate, efficient, or economical."

Bill Sec. 305. Effective dates of provisions of this title

This section provides for the effective dates of various provisions of this Title. The practical effect of this is that most of the revisions of regulation of domestic air transportation do not become effective until 6 months after enactment. In the meantime, interstate and overseas air transportation would be governed by and large by current law, except that the provisions regarding rate flexibility and intercarriers mergers and agreements would take effect immediately. After 6 months, the revisions would take effect except that during the transition period authority could still be granted under current section 401(d), as amended.

Testimony of Senator Edward M. Kennedy Before the Senate Subcommittee on Aviation Hearings on Legislation to Reform Federal Airline Regulation

Mr. Chairman, it is a pleasure to be here today to testify on legislative proposals to reform federal economic regulation of the airline industry. This is an issue of significance not only for those connected with the airline industry, but far more broadly, for the American people, who in the last several years have expressed themselves so clearly on the need for regulatory reform.

Since 1938 the CAB has had broad authority over airline fares, entry into the industry and route wards to existing carriers, and mergers and other agreements among air carriers.

For the past 18 months, I have had the opportunity to study CAB regulation of the airlines.

The Subcommittee on Administrative Practice and Procedure held extensive hearings and compiled a vast record on the operations of the CAB. We identified a multitude of procedural irregularities of the CAB's administrative processes and documented numerous violations of fundamental principles of administrative due process. But in the end, the Subcommittee not only recommended procedural reforms to the Board but also concluded that more basic legislative action was needed. Procedural adjustments, while desirable, cannot remedy the underlying defects of federal airline regulation.

It is therefore my firm conclusion that Congress should enact legislation that will drastically reduce the CAB's powers to control prices, to restrict entry and to confer antitrust immunities. The shift from the present system of heavy regulation to a more competitive environment should take place gradually. There should be a reasonable transition time to allow the industry to adjust. These are the objectives of the legislation I am proposing. The reasons for these recommendations are well-documented. The recent investigation of the CAB by the Administrative Practice and Procedure Subcommittee, which I chair, produced a 255-page report and 8 volumes of hearings and appendices. We began our inquiry in late 1974 to determine whether the Board's practices and procedures were both fair and effective. We wanted to know whether the CAB's procedures were fair: Are the CAB's decisions made after adequate public input and are they based on evidence? We also wanted to know whether the Board's practices were effective: Has the Board satisfied the nation's need for air service at the lowest cost consistent with furnishing that service?

We found that in too many cases the Board's practices and procedures were neither fair nor effective.

We found, for example, that the original 16 trunk carriers have shrunk through merger to 10 carriers. Not one new trunk carrier has been allowed into the industry since 1938. Since 1950, there have been 79 applications for trunk authority but not one has been granted and only 4 were granted hearings.

This is in spite of the fact that the industry has grown tremendously since 1938. Investment has grown from $7 million to well over 7 billion dollars. Revenue passenger miles have grown from 476 million to 150 billion.

This closed entry policy is also contrary to the intent of the original act. When the CAB was created in 1938, one of its chief sponsors, Senator McCarran declared that: "In the proposed bill there is nothing to prevent a little fellow with a new idea, with plenty of capital, from establishing an airline."

The Board's route award procedures have also been unfair, Mr. Chairman. The law requires the Board to dispose of applications for route authority as speedily as possible. Yet, after a series of private meetings with airline executives several years ago, the CAB simply decided that no more competitive route applications would be set for hearings. The so-called route moratorium was contrary to ordinary CAB procedures and was embarked upon with no public consultation or notice.

One of the more disturbing incidents involved board interference with the judicial responsibilities of administrative law judges. The CAB chairman's office instructed the Chief Administrative Law Judge not to set certain cases for hearing in spite of the fact that the full board had previously voted that those cases should be heard.

Under its power to exempt carriers from the antitrust laws, between 1970 and 1974 the Board administered a policy of encouraging capacity restriction agreements on major routes. This policy allowed airlines to agree among themselves to reduce service competition on major routes and offer fewer flights. The Board did not, however, require these same carriers to reduce their fares in proportion to their reduction in service. This policy was set without a hearing which, when finally held 4 years later, resulted in overturning these agreements.

And how has the CAB spent its time in enforcing its rules and regulations? CAB data showed that from January 1971 until October 1974 the Bureau of Enforcement spent about two-thirds of its field enforcement efforts trying to stamp-out low-cost travel that may have violated CAB rules. During the same period, the Bureau spent only 3 percent of its time investigating consumer complaints such as overcharging, bumping, and lost luggage. This allocation of enforcement personnel seems to reflect the importance the Board attaches to these comparative types of activities. Meanwhile the Subcommittee discovered that incomplete investigating files on possible illegal airline political contributions were locked away in a safe for nearly 18 months with no action.

These examples are very disturbing, Mr. Chairman, and the Board has responded in a positive fashion by overturning domestic capacity restriction agreements and by ending the route moratorium.

But, the basic problem of regulation is not procedural. As desirable as procedural reforms may be, they will not adequately overcome the fundamental fact that regulation is ineffective in bringing about low fares which consumers prefer.

The Subcommittee found, for example, that the airlines in California and Texas that are not regulated by the CAB offer fares that are 30–50 percent less than those charged by CAB carriers over comparable routes. The 445-mile flight from San Diego to San Francisco, for example, costs about $30 on intrastate airlines not regulated by the CAB. But, the 400 mile flight from Boston to Washington on a regulated carrier costs about $50. The Subcommittee carefully examined whether these differences were due to regulation, as the critics had been charging, or to other factors. The airlines and the CAB told us that differences in weather, traffic density, and a host of other factors accounted for the difference. But we discovered that those factors accounted for less than one-half the difference in fares. The secret in California and Texas is deceptively simple: they put more passengers on their planes than the CAB carriers do. This fuller plane, lower fare service seems to be the direct result of greater competition and innovation that comes with freedom from the stranglehold of CAB regulation. In Texas and California these lower fares have stimulated so much extra traffic that there are actually more flights instead of less, even those flights are somewhat more full.

Our Subcommittee found that studies by both Boeing and Lockheed demonstrated that it is economically and technically possible to provide the lower fare service throughout the United States. With an all-coach seating configuration, for example, profitable cross-country service could be provided in a B–747 flying an average from 50–70 percent full at fares that range from $75 to $95. In fact, World Airways has recently proposed scheduled service coast-to-coast for $89. Unfortunately, the CAB dismissed this application. Meanwhile, the current cross-country CAB-regulated fare is $179. The simple fact is that the CAB has failed to encourage low prices.

Although the air travelers have gotten poor paying the cost of unwise CAB regulation, the airlines have not gotten rich by any means. Where has the money gone? It has gone into half empty flights, in-flight movies, unwanted meals, and other frills. Regulation has not prevented competition in the airline industry. It has only prevented price competition. What is left is vigorous service competition.

This service competition, although demonstrating how competitively structured the industry actually is, has not been a healthy development for the airlines. Without freedom to compete in prices and without the pressure from new innovative entrants to hold fares down, the regulated carriers are flying with high fares in half-empty planes and using timely and frequent departures along with extraneous frills as the carrot to lure the thinning ranks of air travelers to their planes. Discount fares, although better than nothing, reflect in their restrictions and limitations the fact that with regulation everyday scheduled air travel is geared not to the average American but to the well-to-do.

Our goal should be to make air travel available to more Americans. Although air travel is not now the province of the rich, it is certainly not available on any large scale to the average citizen. The average family income of an air traveler is estimated at $25,000 per year, whereas the average family income of the population is nearly half of that. It is no wonder that more than 50% of all air travel is business travel. There are too many Americans who have never traveled by air because they simply cannot afford to. Only 1 out of every 4 adult Americans utilize air travel in any given year. Although historically air fares since 1938 have fallen in real dollar terms, this trend under recent regulation has been reversed. Since December of 1973 air fare increases have outpaced the rate of inflation.

It is becoming harder and harder for the working men and women of this nation to travel by air. The prospects for the future are not bright. The carriers tell us they will need more fare increases soon to offset recent losses.

The ineffectiveness of federal regulation to keep fares low cannot be cured by procedural reform. This is why both the unanimous Administrative Practice Subcommittee and the Administration believe that congressional action is required to bring about the low-fare air service that is both possible and desirable.

I am proposing for your consideration, Mr. Chairman, a bill designed to achieve that goal. The bill I will be introducing will drastically reduce C.A.B. control over entry, air fares, and carrier agreements. It will do so over a gradual transition period that in major respects will be completed in four years. During the transition, controls will be gradually lifted so that disruptions due to a changed environment are minimal and the low-fare benefits of increased competition are maximized.

My bill is different than the Administration's bill in some major and minor respects, but the basic objective of both bills is similar.

As you know, Mr. Chairman, in spite of the substantial benefits that less regulation would confer on our nation's travelers, there are some groups associated with the airline industry that are concerned with these reform proposals.

The concerns of those who oppose change deserve careful examination, Mr. Chairman. This is especially so at this stage where there are now two detailed pieces of proposed legislation before you. The legislative process should take account of the anxiety of those who have become comfortable with the status quo. Let me briefly examine some aspects of this anxiety.

First, most often expressed is the fear that less regulation will lead to less service to small communities. The argument is made that without government regulation, air carriers would be free to withdraw from unprofitable routes and small towns would thereafter lose service. For this reason, the present system of regulation must be maintained.

I have heard this argument made more often by the regulated airlines than the representatives of small communities, but both express sincere concern. The simple answer is that predicted loss of service is more imaginary than real. For example, there is no evidence to support the claim that airlines are providing much money-losing service to small communities that is subsidized by profitable operations on routes where the C.A.B. protects them from competition. The dense routes actually provide very little excess profits to pay for small-town service and, in any event, the C.A.B. has been allowing air carriers to discontinue service on routes on which they are losing money.

Most of the so-called small service does, in fact, pay for itself. A recent D.O.T. study demonstrated that those points subject to some risk of loss of scheduled service under total deregulation account for less than one-half of one percent of the nation's air travelers. My Administrative Practice Subcommittee estimated that the marginal routes of trunk carriers account for less than one percent of the total revenue passenger miles.

I do not believe we in Congress can justify regulating the entire airline system in a manner that keeps fares high on most routes simply to protect less than one percent of all air service and less than one percent of airline passengers.

Despite the overwhelming evidence that indicates that competition will not result in a serious reduction of air service, the bill I have drafted nonetheless contains added guarantees that towns now served by certificated air carriers will continue to receive scheduled service in the future. This guarantee is more than these towns receive under current regulation, which has permitted certificated carriers to drop nearly one-third of the points served in 1960 with no guarantee of replacement service. The service-guarantee provision in my bill is similar to an amendment to the administration bill which Secretary Coleman announced last week. In February I proposed that any air reform legislation should guard against the fears of small communities by a contract bid mechanism and I applaud the administration for proposing to amend the bill along these lines.

The second important group that has expressed strong reservations about change is management of unions that represent airline employees. Like the small towns who fear loss of air service, the affected unions are understandably concerned that a changed airline industry might adversely affect them. I believe, however, that the interests of employees will be enhanced in a more competitive airline industry.

Lower fares would result in increased demand and, in the long run, increased overall employment in the industry. This would come as welcome news to the flight attendants and mechanics who are presently furloughed. The wages paid by the C.A.B. regulated carriers to all groups of employees already compare quite favorably with those paid by the intrastate carriers in California and Texas.

C.A.B. regulation has never been particularly sensitive to the needs of airline employees and the Board has on occasion taken action adversely affecting their interests. Until very recently, the Board allowed air carriers to enter into capacity reduction agreements but ignored the arguments of employees that the agreements resulted in many lost jobs without benefiting the public. The Airline Pilots Association estimated that these agreements between two major carriers resulted in the loss of 1000 jobs.

Without adequate legislative reform, regulation is likely to continue like it has recently—high fares, low profits, capacity reduction devices and employee layoffs. Competition is more likely to bring about low fares, expanding air service, no capacity restriction agreements and more jobs.

Another concerned group consists of airline management. Most airline executives seem to favor the federal government regulating their business as long as the regulation benefits them. For example, the airlines would undoubtedly support legislative provisions that allow them to raise prices without C.A.B. approval. But they will be equally unenthusiastic toward relaxations of C.A.B. entry control. But, as we discovered in our investigation, without meaningful threat of new entry most existing carriers are likely to raise, not lower, prices if free to do so. This is why legislation must reduce C.A.B. entry control as well as rate control.

Frankly, Mr. Chairman, I do not expect management to be too excited by the prospect of having to run companies in a newly competitive environment where the stockholders look to management but management can no longer blame poor performance or lower profits on the C.A.B. Mistakes will be made in this new environment; some firms will do better than others; some executives will thrive and others will be replaced. That is what our American system is all about, what has made our business community by and large the most innovative and industrious in the world.

And as a matter of national policy, federal regulation should protect the competitive environment but should not, as airline regulation does, protect instead particular competitors.

The new rules, though, should not be ushered in all at once in the airline industry. Current airline management should be given an opportunity to adjust in an orderly fashion before final reform takes effect. That is why both my bill and the administration's bill do not provide for the changes to occur overnight. Moreover, there are ample safeguards built into my bill to guard against temporary instability and to minimize the effects of management miscalculation in the new environment.

In addition to small towns, labor and airline management, there are other groups whose prospects in a less regulated industry should be analyzed. For example, aircraft manufacturers are vitally interested in the airline industry. But it has been technology and favorable economic growth, not CAB regulation, that have been the primary determinants of the fate of the manufacturers.

The spate of aircraft orders in the 1960's has been followed by moth-balled aircraft and cancelled orders in the 1970's. The regulatory response to current excess capacity has been to employ artificial anticompetitive mechanisms to keep planes from flying. Less regulation would not cure overnight the problem of excess capacity, but the industry's own competitive response to the problem would be to stimulate demand through price reductions to fill those empty seats. The more quickly proposed reforms bring about the full benefits of increased price competition, lower rates and increased demand, the sooner the demand for new aircraft will pick up. My bill takes this fact into account in its establishment of a cautious but much more rapid transition than the Administration bill.

Also, aircraft manufacturers as a whole should benefit over time as new and existing firms are finally able to tailor their service to particular markets and thus create demands for aircraft different than those now flying. Under regulation, some of our major aircraft manufacturers are facing the prospect of no new aircraft orders during the final years of this decade. A more open competitive industry should help reverse that trend.

There are other groups of interested persons this Subcommittee will hear from. Those who invest in airlines or lend them money, the unregulated commuter carriers who should benefit enormously from reform, the communities which depend on air service, travel agents—all these interests will have to be taken into account.

But there is one final group, the largest group, which might not be represented here as forcefully and effectively as the more powerful interest groups, Mr. Chairman. It consists of the consumers of the country who ask that when government regulates, and when Congress acts, it does so with their interests as paramount.

The evidence is clear and overwhelming, Mr. Chairman. The time for study is drawing to a close. The responsibility for action is now in the hands of the Congress. The only real question is what type of transition arrangment is desirable—over what period of time and under what conditions should we move from regulation to competition.

I believe the bill I am offering provides a clear blueprint for legislative action. The proposed legislation offered by President Ford is an alternative that can help the Subcommittee sort out the options and sharpen the legislative process. Both bills, however, spring from the recognition that we in government have a responsibility to correct a transportation policy that has not served the larger public interest.

Mr. HUGH SCOTT. Mr. President, I am pleased to join with Senator Kennedy in cosponsoring the Air Transportation Act of 1976. The elimination of over-regulation will reduce air fares by as much as 50 percent. It will also encourage new and innovative service, which should benefit rural service in States such as Pennsylvania. Presently, with regulated fares and routes, the established airlines have a monopoly. With deregulation, service will improve as small and hungry airlines operate out of the small towns.

The airline industry is potentially highly competitive, but the Board's system of regulation discourages the airlines from competing in price and virtually forecloses new firms from entering the industry. The result is high fares and security for existing firms. But the result does not include high profits: instead the airlines—prevented from competing in price—simply channel their competitive energies toward costlier service, more flights, more planes, more frills. Thus, the skies are filled with gourmet meals, and Polynesian pubs; scheduled service is frequent. Yet planes fly across the continent 50 percent empty and fares are "sky high."

The remedy is for the Board to allow both new and existing firms greater freedom to lower fares and greater freedom to obtain new routes. This freedom should lead the airlines to offer service in fuller planes at substantially lower prices, a form of service that most consumers desire. I might note that only 2 days ago all the airlines raised their rates by 2 percent across the board, even those, arguably, who had no economic reason to do so.

I am a great believer in the free enterprise system, and I think that in the airline industry we must allow the marketplace to exercise its proper role in setting routes and prices, scheduling, and determining what companies can compete.

I would therefore urge my colleagues to study the provisions of the bill carefully. If the airline industry has grown dull and lethargic as a result of over-regulation, we should change our procedures. Lack of competition contributed to the decline and atrophy of our railroad industry, and we want to avoid a repetition of that sad history.

Senator Kennedy's bill will inject competition into the airline industry. Competition will provide new momentum and added lift to an industry approaching stall speed.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 1173

At the request of Mr. Curtis, the Senator from Florida (Mr. Chiles) was added as a cosponsor of S. 1173, relating to exemption for purposes of the Federal estate tax.

S. 2111

At the request of Mr. Clark, the Senator from Massachusetts (Mr. Brooke) was added as a cosponsor of S. 2111, a bill to restore United States compliance with international sanctions against Rhodesia.

S. 2475

At the request of Mr. Curtis, the Senator from New Hampshire (Mr. McIntyre) was added as a cosponsor of S. 2475, a bill to modify the distribution requirements of private foundations.

S. 2679

At the request of Mr. Case, the Senator from Rhode Island (Mr. Pell) was added as a cosponsor of S. 2679, to establish a commission to monitor compliance with the Helsinki accords.

S. 2795

At the request of Mr. Bartlett, the Senator from Nevada (Mr. Laxalt) was added as a cosponsor of S. 2795, a bill to amend the Hobbs Act to provide for penalties for the damages to employers.

S. 2936

At the request of Mr. Hansen, the Senator from South Carolina (Mr. Thurmond), the Senator from Kansas (Mr. Dole), the Senator from Montana (Mr. Mansfield), the Senator from Vermont (Mr. Stafford), the Senator from South Carolina (Mr. Hollings), and the Senator from Wyoming (Mr. McGee) were added as cosponsors of S. 2936, to amend part B of title XI of the Social Security Act to assure appropriate participation by optometrists in the peer review and related activities authorized under such part.

S. 3151

At the request of Mr. MANSFIELD, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 3151, to establish a program for gathering and analyzing information with respect to multinational enterprises, and for other purposes.

S. 3188

At the request of Mr. BROOKE, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 3188, a bill to amend the U.S. Housing Act of 1937 to extend the authorization for contracts for annual contributions, and for other purposes.

S. 3227

At the request of Mr. HUMPHREY, the Senator from Missouri (Mr. EAGLETON), the Senator from Vermont (Mr. LEAHY), and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of S. 3227, a bill to accelerate solar energy research and development within the Energy Research and Development Administration, and for other purposes.

S. 3262

At the request of Mr. BEALL (for Mr. JAVITS), the Senator from New Jersey (Mr. CASE) was added as a cosponsor of S. 3262, a bill extending the emergency unemployment program.

S. 3292

At the request of Mr. PEARSON, the Senator from Kentucky (Mr. HUDDLESTON) was added as a cosponsor of S. 3292, to amend the Social Security Act.

SENATE CONCURRENT RESOLUTION 105

At the request of Mr. BROOKE, the Senator from Rhode Island (Mr. PASTORE) and the Senator from Pennsylvania (Mr. HUGH SCOTT) were added as cosponsors of Senate Concurrent Resolution 105, regarding democracy in Italy.

SENATE JOINT RESOLUTION 179

At the request of Mr. BARTLETT, the Senator from Florida (Mr. CHILES) was added as a cosponsor of Senate Joint Resolution 179, to establish a National Bicentennial Day of Prayer of Thanksgiving and Guidance.

SENATE CONCURRENT RESOLUTION 113—SUBMISSION OF A CONCURRENT RESOLUTION AUTHORIZING ADDITIONAL COPIES OF "SOVIET SPACE PROGRAMS, 1971–1975"

(Referred to the Committee on Rules and Administration.)

Mr. MOSS (for himself and Mr. GOLDWATER) submitted the following concurrent resolution:

S. CON. RES. 113

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on Aeronautical and Space Sciences one thousand five hundred additional copies each of volumes 1 and 2 of its committee print entitled "Soviet Space Programs, 1971–1975", Ninety-fourth Congress, second session, prepared by the Congressional Research Service with the cooperation of the Law Library, Library of Congress.

NOTICE OF HEARING

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Monday, May 10, 1976, at 9:30 a.m., in room 2228, Dirksen Senate Office Building, on the following nominations:

Ralph B. Guy, Jr., of Michigan, to be U.S. district judge, eastern district of Michigan, vice Frederick W. Kaess, retired.

Laughlin E. Waters, of California, to be U.S. district judge for the central district of California, vice Jesse W. Curtis, retired.

Any persons desiring to offer testimony in regard to these nominations, shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

The subcommittee will consist of the Senator from Arkansas (Mr. MCCLELLAN); the Senator from Nebraska (Mr. HRUSKA); and myself as chairman.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

James R. Cooper, of Georgia, to be a member of the Board of Parole for the remainder of the term expiring September 30, 1978, vice Thomas R. Holsclaw, deceased.

Bruce R. Montgomery, of Tennessee, to be U.S. marshal for the eastern district of Tennessee for the term of 4 years, vice Leon B. Sutton, Jr., resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Monday, May 10, 1976, any representations or objections they may wish to present concerning the above nominations with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARING ON STATUS OF LAW OF THE SEA CONFERENCE

Mr. METCALF. Mr. President, the current New York session of the Third United Nations Conference on the Law of the Sea is scheduled to end this week. As the conference completes this latest round in a long series of discussions, I am reminded of the statement made by Mr. Carlyle E. Maw, then chief of the U.S. delegation, speaking before the Subcommittee on Minerals, Materials and Fuels last October. Mr. Maw said, "It is evident that the issue of the deep seabed regime and machinery is the chief obstacle to a speedy and successful conclusion of a Law of the Sea Treaty."

He also stated "We encourage private investors to develop their technology and to begin mining when they are ready."

On April 14, the Senate Interior and Insular Affairs Committee reported S. 713, the Deep Seabed Hard Minerals Act. On April 8 Secretary Kissinger announced major new concessions to the demands of the developing nations in the conference. In view of these developments, the subcommittee will on May 25 once again review the U.S. position in these ongoing and highly significant negotiations. This hearing will begin at 10 a.m. in room 3110, Dirksen Senate Office Building. It will be devoted to a report on specific progress at the current session, the probability of reaching by the end of this year an agreement acceptable to the United States, and recommendations for domestic legislation either to implement the treaty or to permit the United States to exercise at least some measure of control over our nationals as they head seaward to recover resources vital to our economy.

I have invited Ambassador T. Vincent Learson, Ambassador at Large and Special Representative of the President for the Law of the Sea Conference, and his associates to testify.

If there are questions about this hearing, they may be discussed with D. Michael Harvey, deputy chief counsel for the committee, 224–1076, or with Brit Englund, my administrative assistant, 224–2651.

NOTICE OF HEARING

Mr. JACKSON. Mr. President, I wish to announce for the information of my colleagues and the public that the hearing scheduled by the Senate Interior and Insular Affairs Committee on Thursday, May 6, on S. 2932, the Energy Conservation Act of 1976, will also include the members of the National Fuels and Energy Policy Study pursuant to Senate Resolution 45.

NOTICE OF HEARING

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public, the scheduling of a public hearing before the Energy Research and Water Resources Subcommittee of the Senate Committee on Interior and Insular Affairs.

The hearing is scheduled for May 6, beginning at 10 a.m. in room 3110 of the Dirksen Senate Office Building. Testimony is invited regarding S. 3283 and S. 1821, to authorize the Secretary of the Interior to construct, operate, and maintain the Oroville-Tonasket unit extension, Okanogan-Similkameen division, Chief Joseph Dam project, Washington.

For further information regarding the hearing you may wish to contact Mr. Russell Brown of the subcommittee staff on extension 41076. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Energy Research and Water Resources Subcommittee, room 3206, Dirksen Senate Office Building, Washington, D.C. 20510.

ANNOUNCEMENT OF OVERSIGHT HEARINGS ON THE REHABILITATION ACT OF 1973

Mr. RANDOLPH. Mr. President, as chairman of the Senate Subcommittee on the Handicapped, I wish to announce that a hearing will be held on the implementation of the Rehabilitation Act of 1973. We have scheduled the hearing for May 5, 1976, in room 4232, Dirksen Senate Office Building at 9:30 a.m. Our witnesses will be the Department of Labor; the Office of Civil Rights, Department of Health, Education, and Welfare; the Civil Service Commission; and the Interagency Committee mandated by section 501 of the Rehabilitation Act of 1973.

ANNOUNCEMENT OF HEARINGS

Mr. JACKSON. Mr. President, in accordance with the rules of the Committee on Interior and Insular Affairs, I wish to advise my colleagues and the public that the following hearings and business meetings have been scheduled before the committee for the next 2 weeks:

May 4: Joint meeting of Interior and Agriculture Committees, 10 a.m., room 324, business meeting; Markup of S. 2926, S. 3091, and S. 2851, legislation addressing issues raised by recent court decisions affecting timber cutting practices in national forests.

May 4: Indian Affairs Subcommittee, 10 a.m., room 3110, hearing; S. 2780, a bill to amend the Indian Claims Commission Act of August 13, 1946, and for other purposes.

May 5: Full Committee, 10 a.m.—room 3110, business meeting; Pending calendar business.

May 6: Full Committee and National Fuels and Energy Policy Study, 10 a.m., room 3302, hearing, S. 2932, Energy Conservation bill.

May 7: Full Committee, 10 a.m., room 3110, hearing; Nomination of Ronald G. Coleman to be Assistant Secretary of Interior.

May 10: Full Committee, 10 a.m., room 310, hearing; S. 3357, Federal loans to Virgin Islands bill.

May 11: Full Committee, 10 a.m., room 3110; hearing; S. 158, New River bill.

May 12: Full Committee, 10 a.m., room 3110, business meeting, Pending calendar business.

May 13 and 14: Full Committee, 10 a.m., room 3110, hearing; Proposal by the Crested Butte Development Corporation to develop new ski resort within East River Unit plan in Gunnison National Forest, Colo.

NOTICE OF RESCHEDULING OF HEARING

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public the rescheduling of a public hearing before the Energy Research and Water Resources Subcommittee of the Senate Interior and Insular Affairs Committee.

Originally, a hearing had been scheduled on S. 3283, legislation to authorize the construction of the Oroville-Tonasket extension unit reclamation project, for May 6.

The new hearing date is May 5, 9 a.m. in room 3110 of the Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

BETWEEN THE HIGH MOUNTAINS AND THE RAINBOWS

Mr. MANSFIELD. Mr. President, I am in receipt of a booklet of poems written by elementary school students at Crow Agency Public School. Most of the students are Crow Indians and, when they enter kindergarten, they speak fluent Crow but little or no English, although they learn the latter language quite rapidly. The Crow language has only recently gained a written form, having down through the ages been strictly an oral language—a language rich in story and song. The anthology, "Between the High Mountains and the Rainbows," was edited by Jane Bailey of Missoula, Mont., and is an excellent presentation by the students of the Crow Agency School.

When we speak of the arts, we should think of what the descendants of the first Americans have been able to contribute and to give them the recognition which they deserve.

Mr. President, I ask unanimous consent that this anthology of poems be printed in the RECORD.

There being no objection, the anthology of poems was ordered to be printed in the RECORD, as follows:

BETWEEN THE HIGH MOUNTAINS AND THE RAINBOWS

AN ANTHOLOGY OF POEMS FROM CROW AGENCY PUBLIC SCHOOL

(Edited by Jane Bailey)

Old Lady

If your son has a wife, old lady,
Single her out,
Look her over.

Her blowing breasts
Are like the spring moisture
That begins the new grass.
The new baby's eyes,
Close-set and blinking.

Under Chief Mountain

The cattails
Among the wide forest
Under Chief Mountan
Are my enemy.
You captured my body's child.
We were greater in number
Before you took him,
Our little man
Our captured one
Our little invincible one.
They almost hit us, but hah—
They passed over us.
They whistled by, little one;
They went clattering through.

An Indian

I am an Indian, long long time ago,
and I live in a village
between the high mountains
and the rainbows.—ADA SHANE.

Light Things and Dark

light like the shining
sun glazing the sky
burning like a match
moving swiftly and slowly around
the world as large as the noon.—TIM REAL BIRD.

The eyes are like glossy fires
The eyes are like sad people
The eyes are cameras that never run out of film—RICHARD BUTTS.

Long ago the horses were painted all colors.
Long ago there were tepees in circles like a round fire.
Long ago there were Indians that fought the white man.
The Indians were painted white and yellow.
Long ago the buffalo ran off the cliffs and died.
Long ago the Indians lived in tepees and they had made the tepees.
Today we live in houses other people made, the government made.
Today we drink out of glasses that are clean.
Long ago we drank with our hands from the Big Horn River.—ROSANNA BRAVO.

Snow is like a deep water full of cotton.—DENISE FITZPATRICK.

The tribes make the moon magic
and they turn into yellow and red
and all of the bright colors and dark colors
and the Indians laugh and holler.—VICKI BONKO.

My school is like buzzing
busy bees working their needles
at the teachers and trying
to get out of the school.
They do a little buzzing, buzzing
and do a buzzing geronimo
out the window.—EVALINE OLD ELK.

A Woman

A woman is like a lemon when she is mad.
A woman is like an apple, sweet and juicy.
A woman is like the four seasons, changing and changing and changing—CHARLOTTE YARLOT.

I found a magic dollar
when I picked up the magic dollar
It became the six million dollar man
and he ran away from me, he ran so fast
I couldn't catch up to him.—BRUCE WHITE.

I charm my friend to sleep
And never come back
I will put hot water in a big bowl
And put him in there
And boil him and get all his power
So he doesn't make people into frogs
And put his power on my body.
—MICHELLE MOCCASIN.

Dark Things Are Beautiful

As the sun sets down by the hill the first star comes out.
The wolf howls at the moon, that's how I know Pecos Bill is alive.
Of course I don't mind Suzy Lou but the deer, elk and the buck come out and feed till morning.—WILLY SPINT.

I would let my teacher sing a song and I will dance with Thelma
If my teacher doesn't sing I will say please sing a song.
Thelma wants to dance.
Will you sing, me and Thelma really want to dance
Thelma is going to cry if you don't sing
Hurry hurry Thelma is almost crying.
—MARY PRETTY WEASEL.

Wind

If I were wind I would rule the world
I would whisper in people's ears
I would rush through trees
Breaking limbs and pushing people down—TIM REAL BIRD.

When my head gets up it is as happy as someone on his birthday.
When my head is happy it is a bird singing.
When my head is mad it is a tornado.
When my head is sad it is a rain storm.
When my head is excited it is like going to a fair.
—MARY RUDY.

President Ford

President Ford is like an alligator.
Always snapping at something.
Signing papers by biting them.
Leaving nothing but his teeth marks
and the shreds of the paper.—MIKE KENNEY.

My teacher is like the saying,
should a woman offer
a fishing tip to a man?—Arthur Stewart.

School

School is fun. We have pencils
moving like machines and papers
are like wiggling worms traveling
everyplace a person goes. Books
are like people talking to us
and us talking back.

Ways of Looking at a Heart

I was looking at Heart.
I said to Heart—How old are you?
He said—Too old.
I said—Do you feel all right?—Yes.
Are you happy?—Yes.
Well how come you are crying?
I ain't crying.
Then come with me to the school.—Valerie Doyle.

The heart is like an elephant and a waterfall
It drinks water and it flows back down
It drinks water, it flows back down
Where it goes you'll never know
cause it drinks, flows back down
It drinks it flows back down
You'll never know where it goes.—Greg Dawes.

Wind

Wind whistling through the sky
slapping through each other's Doors
like a lightning across the sky.—Ada Shane.

I have a beautiful heart
that looks like two people in love
all day. It is hollow like the wind
blowing like a rose in my heart
and no one likes it
but I like my heart.
It beats like the wind.—Delean Holds.

My heart looks like a red apple
and my heart smells like apple
and my heart fell down and I
ate the Apple.—Carlene Birdin Ground.

I was born on a bull
when he stopped I fell off.
He looked at me and licked me
I didn't like it
I got a boxing glove and hit him
and he went to the moon.—Barney Old Horn.

Treasure

I once was discovered by Buccaneers
they fought to get me they even
made their enemies walk the plank
till one day someone bombed down the ship
I was hurt so bad I lost 20 carats
I lay there under the ocean.—Willy Spint.

Bilingual Poems

(Original poem in English)

Crow tribe are bad like bears
when they get mad they fight like dogs
and when they are happy they are like cats
eating and playing.

(Literal translation of the Crow)

The Crows are impatient.
They are bad,
They are like bears.
When they are angry
They are like fighting dogs
But when they are happy
They are like cats
They eat together, and they play together.—Robert Pickett.

(Original poem in English)

If I was Old Man Coyote
I would make two clans
and I would name one of them Sore Hands
because they always bead
and always work with their hands
and I would name another one Old Lodge
because some people always have
old old things and never give them away.

(Literal translation of the Crow)

If I were Old Man Coyote
I would make two clans.
One would be named Hands-not-Idle,
I say this because they are always working with their hands, always beading,
The other would be After-Long-Time Lodge,
I say this because they keep things, and after a long time they still don't give them away.—Carna Dawes.

Rodeo

Rodeo is horses riding in the sun.
Rodeo is dust flying in the ring.
Rodeo is the number one sport.
Rodeo is cowboy's sweat smelling the air.
Horses neighing in the chutes.—Shawn Ten Bear.

I have a heart it thumps like a drum.

A heart is like a car
that has a bad muffler.

My blood goes like an elevator.

In my heart I have
a high school band.

My heart ticks like a bomb.—Darren Singer.

The first I got on is holding
an ax, the ax is hard cold
and sharp with Blood running
down the corner of the ax.—Bentley Ten Bear.

My name is Larry Mahan, I am a Bullrider
and a Bronco Buster. When I first went to
a rodeo it smelled like cotton candy and
rotten cigars. I went to drink coffee and
I saw a pretty cowgirl who rode a Grampa
bull and she hugged that Bull like a hair. I
saw a Black cowboy ride a pig. The pig bucked
him on his round belly. He got up and
screamed 'Mama!' He ran home. When it was
my turn to ride the Bronco I shined my
Tony Lama Boots and got my saddle on the Bronco
and he started getting spooky but I got on
the bum. When I got on I got a chill
and took some Skol and the announcer said
'Shooting number seven, the horse is called
Diehard.' And the man said 'Get ready.'
'I am ready, let her out,' and I bucked
but I did not fall, I almost fell
off but I caught my balance
and the bell rang, I jumped off, ran to the gate
and I won a car and a horse trailer.—Bentley Ten Bear.

Dirty Pinky

I got a horse named Dirty Pinky.
He's mean as King Kong.
He can beat up Big Foot.
He will buck like midnight.
He's always in chute number five.
He could buck off Larry Mahan.
He could run a 25 second mile.
He can climb a cliff.
When he is mad he plows the ground and runs over people.
But he is afraid of me.
He could beat Secretariat in a race.
He never gets sick.
He kicks like a bee.—Mark Real Bird.

My bull bucks like the wind
and he has a tail like a tree
that is blowing in the wind
my bull has an eye like gold
that is bright and his teeth
and sharper than an ax.
His nose is like a tornado
when he smells he blows everything
around and his back
is like a hill.—Michelle Moccasin.

My heart feels like a wild bull
running in the sunlight
my heart feels like a wild black horse
running in the moonlight
and never stops running.—Kevin Old Coyote.

I had a bull, he is fast as a racehorse
he bucks like a whirlwind
his face is hard as a rock
he's got a diamond
in the middle of his face.—Gary Real Bird.

There I sit in the grandstands
watching the coyboys getting bucked off
their horses, hurting themselves, people screaming
for more and there I sit eating my hamburger
and tasting the dust.—Mike Kenney.

The Rodeo Cowboy

Once there was a cowboy
he was going to ride a bronco
it was the meanest bronco
he had ever seen.
He wasn't scared one bit
until he got in the chute.
He was scareder than heck
so he took some Skol
and then he spit it out.
He said with a shout.
'Let him out!'
Then the bronco
started buckin' and
it bucked through
the hay and then
it bucked for the
rest of the day.—George Slaughter.

Cowboys Wear Lipstick?

If men wore lipstick, dresses
and high heeled shoes and they had
long curly hair, carried a bag
had a Baby and a Husband,
had 13 children who ran away
with the boss and left
their mother and father behind,
they would end up at the funny farm.—Loreen Walks.

Dirty Pinky race Foolish Pleasure
and Foolish Pleasure die
Dirty Pinky Bucks like lightning
he bucked Larry Mahan off him
he's hard as a rock.—Gary Real Bird.

The rodeo clown eats the dirt
everytime.
The racing horse hears the sounds
of the thunder.
The Rodeo bull smells the dirt
of rain.
The Broncing horse hears the thundering
of the audience.
The Cowgirl eats the dust she leaves
behind.
The Rodeo Cowboy feels
the angry bulls.—
Karen Birdinground.

Rodeo Bull

A bull is trickier than a zebra
A bull is tougher than a Rhino
A bull is stinkier than Limburger cheese
A bull is a fierce animal
A Rodeo Bull is trickier and tougher
and stinkier. A Bull is noisey.
And most of all strong.—Alvin Not Afraid.

Indian

The Indian lived on the land a long time,
the Indian ate food from the land,
buffalo, elk, deer and antelope, rabbit too,
wild carrots and corn and blueberries.—Bruce Dawes.

Thunderstorm

A thunderstorm is a loud eery noise
ready to strike your eardrums:
A thunderstorm is like a cold damp swamp.
A thunderstorm is a great big ugly dark hand
realy to come out and grab you.
A thunderstorm is a bad mood person
yelling in the night.
A thunderstorm is a dark pit full of black bats.
A thunderstorm is a bitter lemon.—Makalia Gutierrez.

I would like to be a mud puddle
so the pigs would like to sleep in me
and the little pigs would like to play in me.—Larny.

Long ago wind blew in my face
as I was standing in the waving grass
watching buffalo run in the swaying grass.
And my people work
as the wind blows in their faces.—Lenora Pease.

I wish I was a river
I would go downstream.
I would see beautiful rivers
but not better than me. I
I would go to the ocean and see
sea horses starfish big whales.—Thomas Yarlott.

Long ago there were Indians that danced around their dead. When Indians died they were put in trees or on four-legged beds in some high place.
Long ago Buffalo roamed the distant prairies.
Long ago Indians made their tepees around one teppe like wild dogs around a dead dear.
Long ago Indians killed Buffalo for food and clothing.
Today white men kill Buffalo like an earthquake eating up the land.—Gilbert Walks.

A woman is like a pillow, all filled with feathers when she is happy.
A woman is like a broken record going on and on.
A woman is like a weed blowing in the wind when she is brushing her hair.—Lorri Old Coyote.

A tree fell down right in front of our house
and my great-grandfather couldn't lift it up
so he said—I couldn't lift that tree
so from now on we shall have our name,
Falls Down.—Dora Falls Down.

The Way Our Earth Was Created

The earth was created by Old Man Coyote.
First he created the mountains, he did this with a mighty blow of his fist.
Next he shaped the river beds, with his fingertips, very gently.
Then he created the prairie. First he smoothed out some of the mountains.—Julie Wilkinson.

Thousands of years ago, there were two moons
because the night god made two moons. The day
god, who was much smaller than the moon god,
lit one of the moons on fire while the moon god
had them on the shelf and when he went to get them
to put them in the sky, the one that was on fire
hurt his eyes so he threw it farther than the other
one. Now it's the sun.—Richard Butts.

A strong wind came from the ground
and everything flew up to the sky,
then the wind stopped.
Everything went back down again
except a bear was still up there
on a cloud. He didn't get off
he was too scared.
And I didn't have a name yet
so my Grampa said, 'From this day on,
our family's name will be Bear Cloud.'—Jolene Bear Cloud.

My heart beats like a thumping pillow
when kids are having a pillow fight and when
they stop my heart will go crazy
and fight my lungs and I will be breathing faster
than a speeding bullet and tickle all over.—Julie Ann Rondeau.

The Small Boy and the Cottonwood Tree

Once upon a time
there was a cottonwood tree
and this boy came along
and sat by
the cottonwood tree
and he did not know
what cotton was
he looked at it and said
Do you know me?
The cotton
just flew away
to the other tree
he tried to get it
he got the cotton
he ate it
and all the cotton came
out of the tres
he tried to get the other cotton
but he couldn't.—Gladys Sees the Ground.

School

School is full of noises here and everywhere.
Some of the sounds I hear are chalk
scribbing on the board. Other sounds
are here and there rumors being whispered.
I can hear the pencils being sharpened,
turned to hard poking points. I can hear
the scuffle of feet, moving chairs,
people goin downstairs. I can hear
the things around me, books and pages
flapping open. It sems when I walk by
the bricks whisper 'Hi.'—Cathrine Slaughter.

If I were wind I would
blow across your face like
a cold bitter knife,
I'd strike your face
like lightning,
I can blow anyone around I want
you cannot see me but I am there
I breathe on the earth now and then
I like to throw dust on everything
My breath is cold and bloody
like a scream in the night
I'll send chills down your back.
No one pushes me around for I am
the wind, no one can control me.—Makalia Gutierrez.

Sasquatch

I would live way up the mountains.
I would eat yellow stuff like lemons.
I am as tall as a telephone pole. When I walk the whole world shakes.
When people get me angry, I pick up
people and thrown them. They never
come back down.
When I scream people can't hear any more.—Sheldon Fitzpatrick.

When I am wind
I would lift an old lady.
If she wanted to go to San Francisco
I would take her there and put her down
slowly and lightly put her down and if she did not have a
Home I would go and look for a real tough pretty
Big Home and bring it with me.—Julie Ann Rondeau.

Sasquatch

Deep in the Columbia forest,
the fresh water holes
drop one to millions of drops a minute.
There is a special sound
like the screaming of the elk.—Theron Old Elk.

Cold is like an unplugged iron
like ice cream.
It is frozen mountain water
so cold like a dead tree.—Mark Arguello.

Sasquatch

I's Sasquatch. I'm real furry.
When it rains I get the clouds
with my bare hands.
Then I smash the clouds
and roll them down the mountains.
I holler every hour.
And have sharp teeth.—Scott Russell.

If I was Sasquatch I would go to New York City
and come out in the dark and go window shopping
I would get a bikini to go swimming in the the dark
so no one would laugh at me. Next one
I would get high heels for *mself*.—Angie Spotted Horse.

Arizona is the place.
I hear the birds sing, hear the wind blow
feel the sand and hear it more down a hill.
There's nothing there but me and Arizona.—Greg Dawes.

If I was the lighting
I would make the tree cry
And when the tree cries
Rain will fall.—Bruce Dawes.

Slow things are beautiful
the sun goes slow across the sky
like a tortoise going through the desert
like a caterpillar climbing a tree
like an angleworm going across the dirt.

Fast things are beautiful
a hot rod hitting 100 mph
like a horse running first in the race
like a wind blowing across the meadow.—Shawn Ten Bear.

The wind makes whirl pools in the water and lifts people in the air 1000 feet.
Wind makes tornadoes and wind makes fire spread and kill people.—Shannon Marsee.

INDEX OF CONTRIBUTORS

Mary Arguello, Jolene Bear Cloud, Carlene Birdin Ground, Karen Birdin Ground, Vicki Bonko, Rosanna Bravo, Richard Butts, Bruce Dawes, Carna Dawes, Greg Dawes.

Valerie Doyle, Dora Falls Down, Denise Fitzpatrick, Sheldon Fitzpatrick, Makalia Gutierrez, Delean Holds, Mike Kenney, Larny Little Owl, Shannon Marsee, Michelle Moccasin.

Alvin Not Afraid, Kevin Old Coyote, Evaline Old Elk, Theron Old Elk, Twila Old Elk, Barney Old Horn, Lenora Pease, Robert Pickett.

Gary Real Bird, Mark Real Bird, Tim Real Bird, Julie Ann Rondeau, Mary Rudy, Scott Russell, Gladys Sees The Ground, Ada Shane, Darren Singer, Catherine Slaughter, George Slaughter.

Willy Spint, Angie Spotted Horse, Arthur Stewart, Bentley Ten Bear, Shawn Ten Bear, Gilbert Walks, Loreen Walks, Bruce White, Julie Wilkinson, Charlotte Yarlott, Thomas Yarlott.

ONE MAN'S BATTLE AGAINST OSHA

Mr. BARTLETT. Mr. President, each of us is aware of instances within our own States of problems that have been created by the Occupational Safety and Health Act. These problems range from burdensome reporting and unnecessary paperwork to unreasonable criteria which have no application to a particular industry. The present law is drawn in a very inflexible manner, and no relief is provided for those who are in good faith trying to comply with the statutes and regulations.

Recently I had the opportunity to review an article which was reprinted in a number of publications, originally having been done by Raymond J. Larsen, the Northeast correspondent for "Metalworking News." This article concerns the plight of one businessman located in Fryeburg, Maine, who operates one of the more efficient and safe metalworking specialty companies. Mr. Dearborn has taken a positive position on what might seem to be a very small matter, but it is one based on the rights of individuals and businesses to operate without unjust and undue interference by the Federal Government.

I ask unanimous consent to have a copy of this article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

One Man's Battle Against OSHA

(By Raymond J. Larsen)

("I won't pay the damn thing. Paying it would make me a criminal and I'm no criminal. I'm a businessman trying to run an honest business."—Howard Dearborn, president, Howard Dearborn, Inc., Fryeburg, Maine.)

Basically, Howard Dearborn wants to be left alone. He does not want the government coming around telling him what to do (he calls it "damn government meddling"); he does not care at all for the increasing regulation Uncle Sam exerts over the operation of his precision machine shop in rural Fryeburg, Maine.

He has, you might say, a healthy mistrust of big government, and he cannot resist taking a potshot at it now and then. For example, when Warner & Swasey, Cleveland, ran an advertisement recently, entitled Memo to Washington: You'd Be Surprised What Most of Us Do Without—You Ought to Try It Sometime," he sent the president of W&S a letter which said:

"I sincerely agree that the relationship between the number of productive people in the United States and the number of unproductive people in government employed to regulate and harass the productive few is to the point of alarm. The productive few are paying the unproductive many to regulate and harass them. Yet the government cannot seem to understand why we have inflation."

With such an attitude, when the U.S. Occupational Safety and Health Administration (OSHA) announced that it was going to visit Dearborn's 18,000-sq. ft. plant last year, a collision was inevitable.

The fact that the collision took place on schedule is hardly news in itself. But its repercussions are still being felt, both by Dearborn and the federal government; and before everything is sifted out and settled, some hard questions about OSHA operations and its regulations will have to be answered.

Dearborn built the company that bears his name by designing and building special machinery for precision boring, honing and drilling of such difficult materials as beryllium, zirconium, titanium and stainless steel. His customers, most of them in the nuclear reactor field, send parts to his shop from all over the U.S.—sometimes reluctantly.

"If there were any place else for some of them to go other than way up here," he says, "they would. But there is no other place; we're it."

Because of his unique niche in metalworking, Dearborn has been free until now to turn his attention to those things that interest him most, such as the recent development of a new generation of machinery for making uniform-walled tubing.

But Robert McNeally's visit to Dearborn's plant June 24, 1974, changed all that. McNeally is a compliance officer of OSHA.

McNeally liked most of what he saw. He would later testify before the Occupational Safety and Health Review Commission that "the plant is in good physical condition. The housekeeping is fine. There were a few violations noted of the code, but I believe the company is very safety conscious and is doing its best to comply."

But because of one of those "few violations"—"nonserious" is how McNeally himself characterized it in his citation—the OSHA compliance officer decided that Dearborn, Inc. was liable for a fine of $25. And on July 5, the U.S. Labor Dept. sent Dearborn a Notification of Proposed Penalty in which he was informed that Howard Dearborn, Inc. was liable for a $25 fine because it had "failed to replace welding electrode cable which has damaged insulation and exposed bare conductors."

Howard Dearborn wouldn't pay. Instead, he hired Attorney Thomas D. Shaffner, who on Aug. 20, 1974, filed a response with the Review Commission. It said, in part:

"At the outset it should be made abundantly clear that the respondent is as interested as OSHA in providing a safe and healthy environment for its employees. In fact, a great deal of time, energy and money is expended in this regard.

A penalty is only useful as a deterrent to future conduct of the type for which the penalty was levied. Since the respondent is desirous of preventing any reoccurrence of the alleged unsafe condition, it wants the penalty to be levied against the person who created it and/or permitted it to exist. Thus the penalty must necessarily be levied against either the employee(s) actually using the welder or the foreman to whom the welders report or the superintendent of the plant.

"During the course of discussion of the alleged OSHA violation with the above described employees, however, it was learned that none of them knew of the subject OSHA regulation. If they had known of it, steps would have been taken to correct any deviation therefrom. To penalize a person for not knowing of a regulation of the U.S. government, without first advising such person, amounts to a violation of due process."

To make it clear that the violation itself was not the issue, Shaffner that same day notified T. R. Amirault, area director of the U.S. Dept. of Labor in Concord, N.H., that the "welding cable was actually replaced to alleviate any and all disputes with respect to the safety of its repaired condition."

On Oct. 29, 1974, a hearing was held in Portland, Me., before David J. Knight, administrative law judge for the Review Commission, and on June 26, 1975, Judge Knight issued his opinion. Knight found that the Dearborn plant "is in good physical condition, is safety conscious, and the compliance officer believes it does its best to comply with the regulations." But he went on to order that the $25 fine be enforced, saying that Dearborn, Inc., "was under obligation to advise its employees of the safe operations of the arc welding machinery" but failed to do so.

Dearborn still won't pay. "The first time I ever had anything to do with OSHA was the time the inspector came here," he says. "We never saw any book of rules and regulations or anything else. We got fined for not knowing, even though they never told us in the first place. There are so many people passing laws these days you couldn't read them all in one lifetime.

"We got the impression that the fine might have been partly to help pay for sending the inspector here. So we offered to pay an inspection fee; we offered to pay OSHA $100 to come up here and inspect the place and find everything that's wrong. But as for this fine, I won't pay the damn thing. Paying it would make me a criminal and I'm no criminal. I'm a businessman trying to run an honest business."

Because he felt so strongly about it, Dearborn instructed Shaffner to file an appeal, even though it already had cost him more than $3,000 in legal fees.

Notes Shaffner, "We went to court, we lost and we've appealed. Don't get me wrong, I don't really think we're going to win. But even after we've exhausted all of our avenues of appeal, the government still has to collect the $25. And that isn't going to be easy."

Shaffner says the government will have to put a lien on Dearborn's plant here and even sell it if it is serious about collecting the fine. "It isn't the money," he says, "it's the principle."

Will it really come to that?

"I won't pay it," insists Dearborn. "Someone has to change the system, and I guess that means us."

INDOCHINA 1 YEAR LATER

Mr. KENNEDY. Mr. President, 1 year ago the guns fell silent in Indochina, ending decades of violence and escalating conflict.

But although warfare has ended, the suffering from war continues. Throughout the area serious humanitarian problems remain. International relief and rehabilitation programs have now begun in the war-affected areas, with contributions from many countries and the active participation of several United Nations and international humanitarian agencies.

Regrettably, there has been, to date, no American contribution. It is as if we had erased Indochina from our minds.

But the aftermath of war, and America's traditional role in helping to heal the wounds of war, cannot and should not be so easily forgotten. As a recent editorial in the Los Angeles Times concluded:

> The United States, which made a seemingly limitless commitment of resources to the war, has found little to do for the peace, and is the poorer for it.

Mr. President, I commend the editorial of the Los Angeles Times to the attention of my colleagues, as well as that from the Boston Globe, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Apr. 29, 1976]

Indochina 1 Year Later

It is difficult to believe it was only a year ago that the last American military and diplomatic personnel were withdrawn from Saigon. In the ensuing months, Indochina has been largely erased from the American mind, its memory only occasionally revived by an imprudent political comment in the presidential campaign or a rare eyewitness account of events within the region.

We do not know much about what has been happening, but nothing we do know disputes the wisdom of Congress last year in forcing the end of the American venture by refusing supplementary funds.

The end of the war has not brought the end of the agony. Fortunately, however, the monsoon was favorable and a bumper rice crop has eased some of the dislocation. The war had converted these nations from independence through rice exporting to dependence on American food handouts.

The war also had converted these largely rural, agricultural nations into highly urbanized societies. Some estimates suggest that more than half the population of South

Vietnam had moved into cities. With the end of American dollars, the cities were left in desperate straits, and in both Cambodia and South Vietnam massive programs are under way to reduce the city populations and move millions back to the farms.

In Cambodia, this has been done at gunpoint, according to the reports of refugees and the observations of one Western diplomat who was admitted for a tour. And the mass movement of the Cambodians reportedly is continuing in what appears a desperate effort both to regain self-sufficiency in food and to impose a rigid Communist regime.

In South Vietnam, the program thus far appears to have been done with less duress. Officials plan, before the program is done, to have moved at least one-third of Saigon's swollen population of more than 3 million back to farms, and some accounts suggest that as many as 5 million may be moved. That is hardly a surprising figure when it is recalled that 10 million people, half of South Vietnam's population, were left refugees by the battles.

There have now been elections in both Cambodia and South Vietnam. The evidence suggests that the balloting afforded an opportunity only to approve what already was being imposed by the Communist leaders. In Vietnam it was the first step toward reunification.

All of this has transpired with remarkable indifference from the United States.

Some tentative talk about normalizing relations was quickly cut off by President Ford when his Republican challenger, Ronald Reagan, drew attention to the matter. The only substantive move toward reconciliation appears to be in the talks with American oil companies regarding resumption of offshore explorations.

There is one serious obstacle to establishing normal relations, and that is Hanoi's refusal to clarify the status of the Americans missing in action. The Vietnamese leaders have seized on this as their only bargaining chip. It is an abuse of the accepted conventions. But the alacrity with which the United States renounced its own peace obligations to help with the reconstruction of Southeast Asia is not a model of international rectitude either.

In the war, the 50 million people of Indochina were always the last to be considered. They were bombed, herded into "protective" perimeters, left homeless by forces irrelevant to their lives. The United States, which made a seemingly limitless commitment of resources to the war, has found little to do for the peace, and is the poorer for it.

[From the Boston Globe, April 30, 1976]

A YEAR AFTER SAIGON

Saigon fell one year ago today. Now there is nothing left of the American presence there but the aching scars and the bitter memories.

In this country it is almost as though we were trying to pretend that that bloody, hopeless war had never occurred, or a least that it never seriously concerned us. We do not recognize the Communist government, although it is fully in control of the country. We do not allow Americans to travel there and we still prohibit trade, except under special license, with Indochina. Of the approximately $100 million in international aid that goes to Indochina, only $8.6 million comes from the United States and all of that goes to Thailand.

Congress recently passed legislation to lift the trade embargo for six months on a trial basis in response to gestures made by the Vietnamese. But President Ford has said he would veto it. In February Sen. Kennedy proposed a Vietnam reconstruction aid bill but it did not even get out of committee despite the fact that we promised reconstrucion aid in the Paris Accord of 1973. The reluctance of the Vietnamese to locate our MIA's (also in the agreement), is the standard reason given for our refusal to deal with the Communists although no American MIA's are believed to be still alive and the Vietnamese are preoccupied with the backbreaking task of putting their country back together again.

It is understandable that there should still be bitterness in the United States about a war which cost more than 55,000 American lives but could not be won. It is understandable also that President Ford, whether he wants to or not, cannot buck such an emotional tide in an election year.

But Americans must face the facts that there has to be a normalization of relations sooner or later and that it is in our interest to bring it about. In humanitarian terms it makes little sense for us to withhold aid from a country in which we previously invested so many billions just because we disagree with its government. There are also American business interests to be considered and politically it does us no good at all to be the only major nation to refuse to deal with that country.

The United States has made too many mistakes in Asia in the past. We must not perpetrate another by indefinitely maintaining an aloof attitude towards the people and the problems of Indochina. In 1975 the administration asked for $1.3 billion for military aid for South Vietnam. It seems incredible that a year later we can afford nothing in the way of humanitarian help.

ARBOR DAY 1976

Mr. **HRUSKA.** Mr. President, on April 25 I was honored to be able to celebrate Arbor Day in this, our Bicentennial Year at the Arbor Lodge in Nebraska City, Nebr. I cannot think of anything in America more appropriate and symbolic for the celebration of our 200 years of existence than the tree.

J. Sterling Morton, founder of Arbor Day, once wrote about that day:

> Other holidays repose upon the past; Arbor Day proposes for the future.

This should be the spirit in which we celebrate our Bicentennial. The 200th year of America's creation from a wilderness of trees—which, then, symbolized the unknown—should be a challenge to all of us to look to the country's third century with determination to work constructively to resolve the Nation's ills.

Our revolutionary forebears put aside their hesitation in 1776 and proclaimed their independence. We, in 1976, should proclaim our independence from the fear of tomorrow. We should reassert our courage that our Nation can and will build a better future for all.

The American Revolution is yet unfinished. Its ideas were a challenge to men's minds and souls two centuries ago and continue to challenge men to look for and seek new goals.

The Bicentennial celebration is the way to a new American revolution—a peaceful revolution in which government at all levels is refreshed and renewed, and made truly responsive. This can be a revolution as profound, as far-reaching, as exciting, as that first revolution. It can mean that America will enter its third century as a young Nation new in spirit, with all the vigor and freshness with which it began its first century.

One of our first patriots, Thomas Paine, put our Revolution into perspective many years ago, he said:

> . . . To see it in our power to make the world happy—to teach mankind the art of being so—to exhibit, on the theatre of the universe, a character hitherto unknown—and to have, as it were, a new creation entrusted to our hands, are honors that command reflection and can neither be too highly estimated nor too greatly received.

I believe we can insure our "new creation" lives on in the Bicentennial celebrations throughout the land as they occur this year.

Mr. President, Arbor Day is a very special holiday for me. The broad purpose behind Arbor Day is that of conservation, of pointing out to both children and adults the need to maintain and protect at least certain portions of our great natural forests and woodlands. It is a day dedicated to trees, to their beauty and usefulness, and to their preservation.

At the April 25 Arbor Day program, the Arbor Lodge, once the home of Mr. Morton, was designated as a national historic landmark. This is a fine and fitting honor for this lovely and significant site.

In Latin the word "arbor" means "tree" and the role of trees in the holidays of mankind has been of the greatest importance from very early times. We need only think of those two ancient evergreens—the Christmas tree and the sacred pine tree representing the god Attis, which became the familiar Maypole. The May tree festivities lived on in France, despite efforts of the church to suppress them, and symbolized the French Revolution as the "Tree of Liberty." Also familiar in the Christian church is the Tree of Paradise which traveled through the years to become, in many legends, the holy Tree of the Cross.

The strong and flowering tree has always been the very embodiment of life. Our war dead have been honored on Memorial Day with the planting of trees as living monuments to their memory. It is said that during colonial times a bride would replant a tree from her father's garden in the soil of her new home. This surely, if unconsciously, was a symbol of the transplanting of life and of the start of the married couple's life together.

In Mexico the Aztecs planted a tree at the birth of a child, as if the child would gather strength from the overflowing vitality of his counterpart.

These last two examples in which trees are planted for future protection, bring us closer to the meaning of Arbor Day and also symbolize the importance of our Bicentennial Year.

The future protection for all of us is in the principles upon which this country was built.

Mr. President, we live in a country—and a world—of ordinary human beings—the same sort of men and women who lived here 200 years ago. Humanity has not changed all that much despite the fact that we are alive, and they are dead.

Our colonial forefathers, many of them

were highly educated for their time. Among them were the brilliant as well as the dull, the kind and the cruel, the thoughtful and the thoughtless, the generous and the selfish, the brave and the fainthearted, the devoted and the uncaring.

These were the men who devised the Constitution of the United States. That document came not entirely from their brilliance, but from their conflicts. They argued constantly with one another, and made concessions because failure to agree would end their dreams of a country where liberty was paramount.

Probably not one of the signers would agree with everything in the Constitution.

Yet that document turned out to be the miracle pilot for self-government—greater even than the Magna Carta.

It is that Constitution that has enabled the native born and the immigrants to build the United States into the greatest country on Earth, and to keep us free. We are a great people, but we have the same frailties of mankind that destroyed the hopes of other peoples in past centuries.

Underlying every phrase is a determination to achieve freedom. The people of the new nation were so apprehensive of the kind of oppressive government they had experienced from England, and which existed in Europe, that every compromise still rejected any danger of overpowering central authority.

Perhaps freedom was not everything to them, but they believed deeply that without freedom, all else was nothing.

Through our Constitution, this Nation quickly became the hallmark of freedom throughout the world. In our Bicentennial Year, it still is.

I cannot say forcefully enough, or loud enough, or often enough, that without our country, under its Constitution, there is little hope for the future of free men anywhere.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, in January of 1967, I vowed to speak daily on the Senate floor in favor of ratification of the Genocide Convention. I have committed myself to this regimen for several reasons. The Genocide Convention is a basic human rights document, and I consider our failure to ratify it inexcusable. I have tried to impress upon this body the misguided nature of its opposition to the treaty by meeting the criticisms to it and by highlighting the strengths. Today I want to address a common objection to the convention—that we should not ratify it because the Communist nations will not abide by it, their ratification notwithstanding.

This argument overlooks the basic function of the Genocide Convention. As with the enactment of any statutory prohibition, the function of the convention is to deter the acts outlawed by it. It does not insure that violations will not take place, but it will act as a deterrent. To say that others might not abide by the convention and thereby refuse our own endorsement is strange logic. We should not only endorse the convention in word, but we should also work for the enactment of the convention in deed. This means setting an example for other nations in upholding the cause of basic human rights.

Mr. President, I hope that my efforts over the last 9 years have had some effect in persuading the Members of this body to support the convention. I would like nothing better than to conclude my series of Genocide Convention speeches with the ratification of the treaty. I am confident that we will see this ratification in the very near future.

DEBATE SOON TO BEGIN ON THE MILITARY AUTHORIZATION BILL

Mr. GOLDWATER. Mr. President, we are very close to beginning debate on the military authorization bill. Particular attention will be paid to expensive weapons such as the B–1 and AWACS, and we will hear the same old story that has been heard over and over, that if we just spend this money on people, things would be a lot better. Well, let us turn that argument around and look at the waste that we have had in just a few programs and see what might have been bought with that wasted money. But before embarking on that, let me recite a statement by Dr. Seymour Melman, who is the national cochairman of SANE and is a critic of defense programs. In part, he said that Uncle Sam bought a C–5A aircraft with money that could have been used for Federal mental health programs. But the truth is that spending for all social programs is being increased vastly while the military inventory has gone into decline. Records have been kept on how some of that money, provided for social programs, has been administered; and, using the Melman formula, an attempt has been made to show how the money could have been put to more gainful ends, using the 1977 Pentagon shopping list. These are the items:

Early this week, District of Columbia police spread a net to catch local thieves and jailed more than 100 of them. Recovered property included, according to the local papers, $1.2 million in U.S. Government checks stolen during office hours from an unattended vault at the Department of Housing and Urban Development. With $1.2 million, the Defense Department could buy about 600 machine guns.

Senate investigators probing irregularities in the medicaid and medicare programs for the current fiscal year found "at least" $45 million in fraudulent or unnecessary payments to clinical laboratories. The Army is requesting $48.6 million, not much more than thrown away in the medical program, to buy 103 M–109A1 howitzers.

According to the Associated Press, the Social Security Administration made overpayments of $197 million to the Nation's elderly, blind, and disabled in the first 6 months of a new distribution system. That amount of money would more than pay for the 350 Harpoon antiship missiles requested by the Navy in fiscal year 1977. They are priced at $186 million.

According to the Washington Star, the Agriculture Department now lists as missing $8.7 million—suspected of being stolen—from the accounts of registered agents who sell food coupons for the Government. Again, the Army could have used this money. It would provide more than the $8.1 million sought to purchase 54 MX–204 howitzers, guns that can be carried in a helicopter and used for artillery support.

Again, according to the Washington Star, the Social Security Administration "has now admitted making $547 million overpayments since the supplemental security income program took over adult welfare programs for the States on January 1, 1974." That is almost enough money to pay for Air Force's entire AWACS program in fiscal year 1977. USAF has requested $474.7 million to buy six aircraft and $109.6 million for research and development on the project, a total of $584.3 million.

These examples will suffice. Our collection of news items illustrating waste in welfare programs is growing weekly. They are ignored, uniformly, by Senator HUMPHREY, Seymour Melman, and, presumably, Ruth Leger Sivard. They have resulted in no press releases by Representative LES ASPIN and no hearings, during the Christmas holidays, chaired by Senator WILLIAM PROXMIRE. The Department of Health, Education, and Welfare has no equivalent of ASPR—armed services procurement regulations—so far as we know, and its mismanagement is outside the pale of the Renegotiation Board.

When this year's Federal budget was sent to Congress a few weeks ago, it inspired at least a couple of newspaper cartoonists to depict the Defense Department as a monster machine or variety of a dinosaur, pushing "domestic needs" off the highway or gobbling up all the food in sight while millions starve. The fact is that defense spending, exclusive of retirement costs, is lower than it was 20 years ago. The welfare programs have increased at least sixfold. The cartoonists, and the antidefense zealots, simply do not read the news. On top of this, evidence indicates the Department of Defense probably is the best-managed agency of the Federal Government. Yet, the hunt for waste in the Pentagon goes on, while HUD leaves the office safe unattended and welfare programs are turned into a rip-off.

A recent public opinion poll, conducted by the New York Times and CBS News, shows that 70 percent of the American public agree that "the Federal Government should see to it that every person who wants to work has a job." Senator HUMPHREY will applaud that decision. But, the same survey discloses that only 37 percent of the people believe Government spending for military defense should be reduced.

Secretary Rumsfeld has defined the dilemma for Congress:

> The days are past wherein the defense budget dominated expenditures on domestic programs, and could provide an inexhaustible mother lode from which these more immediately appealing activities could expand.
>
> The FY '77 defense budget has been through one of the toughest federal budget scrubs ever. It is not padded. Further cuts

would require unacceptable reductions in national security. The days of finding funds for other programs by cutting defense on the premise that they'll never miss it are over. Additional savings, yes . . . but billions, no; not without cutting forces."

And later:

. . . we are already living in a world in which only one human being in five lives in real freedom, enjoying the political and civil rights we sometimes take for granted. Only one year earlier one in three had been considered free.

That is the trend, and it is a trend not included in the calculations of Ruth Leger Sivard that have so impressed HUBERT HUMPHREY.

LIBRARY OF CONGRESS STUDY ON THE DISC TAX SUBSIDY

Mr. KENNEDY. Mr. President, the Library of Congress has recently completed an analysis of DISC, the tax subsidy for exports enacted in 1971. The analysis concludes that DISC has had only marginal effects, if any, on jobs and exports, and that repeal of this tax subsidy would have no significant effect on U.S. jobs or exports.

I believe the study will be of interest to all of us in the Senate, and I ask unanimous consent that it be printed in the RECORD, together with a joint statement by Senator HASKELL and myself on the study.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT STATEMENT OF SENATORS KENNEDY AND HASKELL RELEASING A LIBRARY OF CONGRESS STUDY OF THE DISC TAX SUBSIDY

We are today releasing a Library of Congress study which concludes that "the repeal of DISC does not appear to have major implications for either domestic employment or the level of U.S. exports."

DISC is an export tax subsidy enacted in 1971. It allows U.S. corporations to avoid tax on part of their export earnings. The Congressional Budget Office estimates that the cost of DISC will be $1.4 billion in 1977 and will rise to $1.7 billion by 1981. In an April 13 Treasury Report and in accompanying testimony to Congress, Secretary Simon asserted that DISC was responsible for an increase of approximately $4.6 billion in exports in 1973, and that these additional exports provided 230,000 jobs for the U.S. economy.

Because of the current debate over the equity and efficiency of various subsidies, including DISC, and because the Senate Finance Committee will soon consider DISC in its mark-up on tax reform, we asked the Library of Congress to analyze DISC in general and the Treasury report in particular. The Study we are releasing yields four basic findings and conclusions:

Because of faulty methods, the Treasury report leads to an unreliable and excessive impact of DISC on exports and jobs.

Under alternative methods of economic analysis, smaller increases in exports and jobs might be attributable to DISC. But even these modest increases may prove to be illusory when the effect of the current international system of floating exchange rates is included in the analysis.

Even under economic assumptions most favorable to DISC, it produces a decrease of only 1.7% in the price of U.S. exports. Such fluctuations are common in international trade and have not disrupted U.S. exports in the past. Domestic inflation, devaluation of the dollar, the level of foreign demand and other international trade factors are much more important influences than DISC on U.S. exports.

To the extent that jobs are a factor at all, the effect of repeal of DISC would be more likely to slow the rate of growth of employment in export industries, rather than produce actual disclocations or job cutbacks. In any event, maintaining an appropriate level of overall fiscal stimulus in the national economy would guarantee that no jobs would be lost by repeal of DISC.

We feel that the Library of Congress study essentially demolishes the Treasury "jobs and exports" arguments, and that there is no justification for retaining the costly DISC subsidy in the tax laws. The Treasury conclusions on DISC are subject to so many questionable economic assumptions and dubious procedures that the conclusions are worthless. The remaining question is whether more acceptable economic methods of analysis can perceive any significant impact of DISC on jobs and exports. The Library of Congress concludes that they cannot.

In its study, the Library makes several alternative estimates of the impact of DISC on jobs and exports. The various estimates are summarized in the following table and explained more fully below:

EFFECT OF DISC

Economic assumptions	Exports (billion)	Jobs
1. (a) Full pass-through of DISC to prices: (b) High price elasticity (2.85); (c) Fixed exchange rates	$1.35	[1] 68,000-104,000
2. (a) ½ pass-through; (b) High elasticity; (c) Fixed exchange rates	.378	34,000-52,000
3. (a) Full pass-through; (b) Low elasticity (1.51); (c) Fixed exchange rates	.686	19,000-55,000
4. (a) ½ pass-through; (b) Low elasticity; (c) Fixed exchange rates	.191	9,550-27,500
5. No pass-through	0	[2] 0

[1] Best case.

[2] Worst case.

Under a "best case" approach—i.e. using economic assumptions most favorable to DISC—the Library of Congress study finds that the impact of DISC on U.S. exports could be a maximum of $1.4 billion, or less than one-third the Treasury's claim. Using the same "best case" assumptions, the impact of DISC on U.S. jobs is 68,000–104,000 or less than half the Treasury's claim.

Using the "worst case" assumptions—i.e., economic assumptions least favorable to DISC, the Library of Congress study found no effect of DISC on exports and no effect on jobs.

The remarkably large difference between even the Library of Congress "best case" estimate and the Treasury estimate results from the defective economic approach taken by the Treasury in preparing its estimates. The Treasury assumed that DISC was solely responsible for the increased exports of companies using DISC, compared to companies that did not use DISC. In many cases, however, DISC was simply a windfall to companies whose exports were already climbing and whose tax lawyers were adept enough to create a DISC. In July 1975, for example, President Lee Morgan of Caterpillar Tractor Co. testified before the House Ways and Means Committee that, although Caterpillar had received $9 million in DISC tax benefits:

"I am not really sure that we did anything extra in order to generate additional exports. Not much has happened, at least at our company, in order to earn the tax deferral that has come from DISC."

In other cases, the Treasury ignored data that conflicted with its assumptions, such as by excluding instances where non-DISC exports actually grew faster than DISC exports; this flaw alone accounted for $1.1 billion of the Treasury's $4.6 billion figure on exports.

The major contribution of the Library of Congress study is to put the economic analysis of DISC on a reliable footing. But, as the study notes, even the modest job and export figures in the upper range of the various Library of Congress estimates are probably too high. The "best case," for example, rests on three assumptions:

It assumes that DISC tax benefits are fully passed through by U.S. Corporations in the form of lower prices for exports. The study questions this assumption, on the basis of the high profit margins of corporations using DISC (17% compared to 8% for domestic manufacturing), suggesting that some of the tax benefits are not passed through to prices.

It uses the higher of two widely cited figures for the response of exports to lower product prices—i.e. the "price elasticity" of export sales.

It assumes an international system of fixed exchange rates, contrary to the flexible rate system in effect since 1971.

The effect of flexible exchange rates is to reduce the impact of DISC on exports and to increase imports. In fact, the study indicates that in certain conditions under floating exchange rates, DISC-induced job gains in the export industry could actually be more than offset by losses in jobs in other domestic industries; the losses would be caused by increased imports stimulated by appreciation in the value of the dollar in the wake of DISC. In actual operation, therefore, DISC may be causing a net loss of jobs, as a result of increased imports of labor-intensive products like automobiles, shoes and textiles.

No data, however, were available to quantify the effect of the current international system of floating exchange rates.

Finally, given the fast-growing nature of the export industry—U.S. exports rose from $43 billion in 1971 to $107 billion in 1975—the study concludes that, even accepting the Treasury figures, the result of repealing DISC would not be a net loss of jobs in the industry or any actual job dislocations. Instead, there would simply be a slowing down of the rate of growth of jobs in the industry. According to the study, export-related jobs increased by 1,350,000 in 1974 and by 465,000 in 1975, or more than enough to absorb even the job impact under the Treasury's inflated estimate.

We believe that the Library of Congress study makes a solid case for the repeal of DISC. The Treasury persuaded a reluctant Congress to enact DISC in 1971, at a time when the U.S. had large trade deficits. In 1976, after two devaluations of the dollar and the adoption of floating exchange rates, the picture is far different. In light of the absence of any proved beneficial effect of DISC on jobs and exports, it is time for this wasteful tax subsidy to be repealed. It is an unjustified windfall for U.S. firms and an unjustified subsidy for foreign consumers at the expense of the American taxpayer.

As the Treasury's own figures show, fully 52% of the net income of DISC operations accrued to 249 corporations with assets of $250 million or more, and 39% went to only 23 corporations.

The importance of the Library of Congress study transcends the DISC issue itself, because the study is one of the first significant economic analyses prepared for Congress of the practical effect of a tax subsidy. In this respect, the Study is an island of rationality in the sea of irrational economic arguments inundating Congress this year as we attempt to deal with tax reform.

Only last week, for example, the Finance Committee declined to act against real estate tax shelters as a result of the questionable economic argument that jobs would be affected. We have asked the Library of Congress to analyze this claim as well. We suspect that jobs in the housing industry have a great deal more to do with monetary policy, the Federal Reserve, and the state of Arthur Burns' digestion than they do with tax shelters that enable wealthy doctors, lawyers and corporate executives to escape taxes on their income by investing in real estate.

We commend the Library of Congress for the significant contribution it has made to the current debate. With the benefit of additional analyses like the present study, we hope the Senate can begin to make more informed judgments on tax expenditures in many areas as part of our overall goal of seeking the widest and most effective allocation of Federal resources, consistent with our national priorities and the Congressional budget process.

One other point should be made. As the Library of Congress notes, the Treasury report is very careful to point out the limitations of the Treasury approach, but the Treasury always ignores the limitations in making its estimates.

In fact, it is possible to find in the fine print of the Treasury DISC report all of the assumptions and cautions and limitations that the Library of Congress mentions and that make the Treasury figures on jobs and exports so unreliable. What is not so easy to find out is the rationale for the Treasury's grossly misleading presentation of the economic data on DISC, when the Treasury obviously was very well aware of the facts and assumptions that negate its own conclusions. Once lost, the credibility of the Treasury is not easily regained.

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
April 30, 1976.

To: The Hon. FLOYD K. HASKELL, ERNEST F. HOLLINGS and EDWARD M. KENNEDY.

The enclosed report "The Domestic International Sales Corporation (DISC) Provision and its Effect on Exports and Unemployment: A Background Report" is forwarded in response to your request for an analysis of the effect of DISC on U.S. exports and domestic employment. The report was prepared by Jane Gravelle, Kent Hughes, and Warren E. Farb of the Economics Division of CRS.

Sincerely,

NORMAN BECKMAN,
Acting Director.

THE DOMESTIC INTERNATIONAL SALES CORPORATION (DISC) PROVISION AND ITS EFFECT ON EXPORTS AND UNEMPLOYMENT: A BACKGROUND REPORT

(Jane Gravelle, Analyst in Taxation and Fiscal Policy; Kent Hughes, Analyst in International Trade and Finance; Warren E. Farb, Specialist in Macroeconomics Economics Division, April 30, 1976)

INTRODUCTION

The Domestic International Sales Corporation (DISC) provision was enacted as part of the Revenue Act of 1971. A number of critics contend that the DISC export incentive has been an inefficient and unnecessary tax subsidy. Supporters of the DISC provision argue that it has been important in stimulating exports and creating new jobs.

After providing a brief summary of exactly how a DISC operates, the present study proceeds to assess the economic impact of the DISC subsidy and the implications of its repeal. Initial attention is focused on a recently released Treasury Department study on the impact of DISC on the economy. An analysis of the Treasury's method for assessing DISC suggests that they have overestimated the impact of DISC on both exports and employment.

As an alternative to the Treasury approach, the present study evaluates the DISC mechanism in terms of its potential for reducing export prices and the impact of lower prices on the demand for U.S. exports. The study examines the possible role of DISC in three different cases depending on how much of the tax subsidy appears as a lowered export price and how much the demand of U.S. exports increases.

Under the assumptions most favorable to DISC (the 'best case' assumptions, from the point of view of stimulating exports,) the impact of DISC on U.S. exports is found to be about $1.4 billion or about $3.2 billion below the Treasury estimate of $4.6 billion. Under a "worst case" assumption, DISC had no effect on exports.

The substantially lower estimate of DISC induced export growth has similar implications for the impact of DISC on domestic export employment. The study's 'best case' assumption yields a DISC related increase in domestic employment of only 70 to 105 thousand in contrast to the Treasury's estimate of 230 thousand. A worst case assumption leads to no effect on export employment. In deriving their point estimates the Treasury and the present study's assumptions ignore the importance of flexible exchange rates. Under flexible exchange rates, a tax subsidy to exports may lead to an appreciated dollar that would mitigate the force of the subsidy on exports and act to increase imports. When all factors are considered, the study concludes that even the modest job increases suggested by the 'best case' assumptions may prove to be illusory.

Given the relatively minor role that DISC has played in increasing either exports or domestic employment, repeal of DISC would probably not cause a major reduction in either export or employment. The past growth rate of U.S. exports also suggests that repeal of DISC is more likely to slow the rate of increase in export related employment than to cause any actual dislocations or lower levels of employment.

EXPLANATION AND HISTORY OF DISC

The DISC provision allows a company to set up an export sales subsidiary which can defer part of its corporate tax liability. One half of the DISC income is taxable on a current basis to the parent corporation (whether actually distributed or not) and taxes are deferred on the remainder as long as it is reinvested in export operations.

Income from export sales may be allocated to the DISC on one of two bases: 50 percent of the combined taxable income of the parent and the DISC from export sales, or 4 percent of gross receipts from export sales, whichever is greater. In practice the 50 percent allocation rule is generally used. In effect this reduces the tax rate on taxable income from export sales from 48 percent to 36 percent (three-fourths of taxable income is subject to the tax—the one half attributed to the parent and one half of the remaining one half attributed to the DISC).

The DISC provision was first considered by Congress as part of Trade legislation in 1970. It was subsequently enacted in the Revenue Act of 1971. The primary purpose of DISC was to encourage exports and reflects concern with large annual trade deficits of the early 1970's. Two other arguments were advanced in support of DISC at time of enactment: (1) it would limit the impact of the export subsidies used by various foreign countries and (2) by partially deferring the tax on profits from domestic exports, it would reduce the incentive for U.S. firms to manufacture abroad created by the full deferral of tax on unrepatriated, foreign source profits.

Critics of the DISC provision argued that adjustments in exchange rates would be a more appropriate method of dealing with trade deficits, noting that movements in that direction were already taking place. They also argued that the DISC provision would result in a windfall profit for producers.

THE INTERNATIONAL MONETARY SYSTEM

Through most of the post-World War II era, international trade has been conducted under a regime of fixed exchange rates. Changes in the relative values of major currencies were infrequent and were to be permitted only in the cases of a "fundamental disequilibrium." The combination of persistent balance of payments deficits and a steady deterioration of the U.S. balance on merchandise trade put increasing pressure on the dollar. Finally, in August of 1971 the gold window was closed permitting the value of the dollar to depreciate downward against other major currencies.

FLEXIBLE EXCHANGE RULES AND EXPORT SUBSIDIES

Since the gold window has closed, the world has managed with a system of flexible though not freely floating exchange rates. Some currencies are specifically tied to other currencies and, therefore, move in direct harmony rather than floating in response to market forces. At other times, various major central banks have intervened in foreign currency markets to prevent depreciations or limit appreciation of one currency or another. In most cases, the interventions are made with an eye to protecting export markets and the level of domestic employment.

Although the existence of central bank intervention in foreign exchange markets has limited the flexibility of exchange rates it has by no means returned the system to a fixed exchange rate regime. Exchange rates are still free to fluctuate in response to market forces, differential rates of domestic inflation, varying rates of productivity growth, and in response to governmental policies designed to influence the level of exports or imports.

Under a fixed exchange rate regime, governmental attempts to subsidize exports can meet with certain predictable results. Assuming the demand for a country's exports are responsive to decreases in price (price elasticity of demand greater than one), a subsidy to exports that actually lowers price would increase the quantity of and the value of the country's exports. Depending on the country's initial trade position, it would either move to decrease its deficit or actually accumulate foreign trade reserves. The increase in exports may also have a favorable impact on domestic employment. If the country is suffering from unemployment and unused capacity, the increase in exports would cause an upsurge in employment and output. As with any increase in demand, the overall effect would be greater if the domestic money supply is also allowed to increase.

With fixed exchange rates, there are relatively few mechanisms that act to limit the effectiveness of an export subsidy. Increased domestic demand could lead to inflationary pressures that could in turn offset the effect of an export subsidy. International rules may severely restrict the extent to which any subsidy may be allowed. The impact of a subsidy may also be seriously limited by the countervailing activities of the country's major trading partners. For instance, in many cases the United States will impose additional tariff duties to offset an export subsidy adopted by another country.

Under a regime of floating exchange rates, the results of an export subsidy may be quite different. As with fixed exchange rates, a subsidy induced decrease in price of U.S. exports is assumed to bring forth greater foreign demand. With floating rates, however, the increased demand for U.S. dollars drives up the value of the dollar in terms of foreign currencies. The increased value of the dollar has two principal effects on trade. First, it tends to erode some of the price advantage given to U.S. exports by the original subsidy, and may increase competition in third country markets. Second, the increased value of the dollar would make foreign goods relatively less expensive and may lead to an increase in U.S. imports. By limiting the growth of U.S. exports and tending to increase U.S. imports, floating rates will act to limit the balance of trade and employment effects sought with the original export subsidy.

The actual assessment of an export subsidy program is made more difficult by a number of other problems. The preceding discussion focused entirely on the trade account. From almost the beginning of the Bretton-Woods system, capital flows have been a major factor in the international monetary system.

Depending on what other policies a country adopts, capital flows could easily swamp the effect of any export subsidy in the context of floating exchange rates.

Analysis under present circumstances is particularly tricky because the current international system is neither fully fixed nor fully flexible. It is possible that a combination of rigidities and market intervention may keep exchange rates essentially stable for several months at a time. The more stable are exchange rates, the more impact an export subsidy could have. Floating rates, however could quickly mitigate or even negate the impact of subsidy.

ESTIMATES OF THE IMPACT OF THE DISC SUBSIDY ON EXPORTS

Export subsidy: Some key questions

The range of export subsidies is surely vast. Even policies adopted largely for domestic reasons—for instance accelerated depreciation for capital equipment—may be partially justified for their alleged impact on exports. The particular focus of this study, however, is the Domestic International Sales Corporation (DISC). A U.S. company can receive a partial tax deferral on export profits if the exports are channeled through a DISC and meet certain other standards. The existence of DISC has divided U.S. trade into three categories—exports that receive the subsidy, exports that do not receive the subsidy, and imports.

In studying the impact of DISC on exports, imports, and employment in the presence of flexible exchange rates, the following questions should be considered:

To what extent are the deferred taxes passed on in the form of lower prices?

What effect do lower prices for U.S. exports have on the quantity and value of U.S. exports?

What impact does the increased demand for dollars have on the value of the dollar in foreign exchange markets?

How sensitive are U.S. imports to a decrease (via a depreciated currency) in the price of foreign exports?

What impact does the appreciated dollar have on DISC exports and non-DISC exports and imports?

How responsive is employment to changes in the level of exports and imports?

Lower taxes to lower prices

Neither economic theory nor empirical analysis has provided an answer to the effect of the corporate income tax on pricing decisions. Tax burden studies have generally assumed that the tax falls on capital, or partially on capital and partially on prices. Any analysis of the impact of DISC which assumes that the corporate income tax reduction is fully reflected in price is, therefore, assuming a "best case" from the viewpoint of increasing exports. However, the data presented in the Treasury report on DISC indicates substantial differences in profit margins between DISCs and similar domestic production, suggesting that the tax subsidy is not fully passed through to prices.[1]

DISC and their related suppliers typically earn a relatively high profit margin on sales. The combined profit margin of about 17.3 percent apparently earned by DISCs is much higher than the combined profit margin of 8.4 percent estimated for manufacturing and distribution of goods in the domestic economy.

These differences in profit margins cannot, of course, provide an answer to the effect of the DISC tax reduction on price. However, they do raise some questions as to the extent to which income tax reductions are passed through in the form of lower prices.

Demand for U.S. exports

Once the impact of the DISC provision on prices is assumed, the change in price can be translated into a change in export sales by use of a price elasticity of exports. Price elasticity measures the ratio of the percent change in quantity to the percentage change in price. The higher this price elasticity the greater the impact of the price reduction on export sales and revenues. If the price elasticity is greater than one, the result of a decline in price would be an increase in the value of exports by DISCs.[2] Estimates of the price elasticity of exports are generally greater than one, although the estimates vary.

To summarize, the calculation of the effect of DISC on exports requires (1) a calculation of the effects on the tax benefit on prices, (2) a calculation of the initial impact on exports, (3) a calculation of the adjustment in exchange rates, and (4) a calculation of the effect of this exchange rate adjustment on exports.

Assuming full passthrough of the tax benefits and assuming fixed exchange rates would tend to lead to a "best case" estimate of the impact of DISC on exports. Moreover, one or both of these assumptions have been commonly used in preparing estimates of the impact of DISC on exports.

Treasury department estimates of the impact of DISC on exports

In April, 1976, the Treasury Department released its 1974 annual report on the operation and effect of the DISC provision. This report contains an estimate of a $4.6 billion increase in the value of exports in DISC year 1974 as a result of DISC. The effect of DISC was assumed to be reflected in the difference between the growth rate of DISC and non-DISC exports. These estimates were prepared for the various product classes and the summed differences represent the estimate of the impact.

By is very nature, the post hoc approach has severe limitations. First, it assumes that DISC and non-DISC firms are equally affected by all other factors which affected the level and growth rate of exports including the devaluations of the dollar which occurred during the period under study. Second, it suggests that the decision to establish a DISC does not reflect prior export performance. Third, the post hoc method implies that there are no other relevant systematic differences between the DISC and non-DISC firms. In fact, DISC is more commonly used by large parent companies.

Large firms may have more easily met the transactions costs of establishing a DISC or may have been able to respond more quickly to export opportunities.

Firms with faltering export sales may have ignored DISC as they gradually withdrew from international trade or may have rushed to embrace DISC as a boosting sagging sales. The point is that the lack of correlation between the adoption of DISC and readily expanding export sales cannot be assured and casts considerable doubt on the Treasury results. The Treasury Report is very careful to point out these limitations, but does not allow them to influence its estimates.

The specific methodolgy used in the Treasury study also raises some questions. Essentially the Treasury has used non-DISC growth rates to calculate hypothetical export levels for DISC years 1973 and 1974. Actual and hypothetical export levels for 1974 are then compared to determine the 1974 impact of DISC. Estimates are made by product categories and then summed to produce the final result.

However, there are some product categories where the 1973–74 growth rate in non-DISCs is greater than the growth rate of DISCs. The Treasury approach dropped these non-conforming observations out of the estimate. Therefore, the $4.6 billion represents not the difference in growth rates for DISCs and non-DISCs, but the difference in growth rates for DISCs and non-DISCs in those categories where DISCs grew faster than non-DISCs.

An export subsidy induced reduction in export price would be expected to reduce revenues where the price elasticity for particular categories of exports is less than one. Using the Treasury methods to calculate a "negative" effect for DISC, the apparent loss of export revenues due to DISC is $1.1 billion, subtracting this amount from the Treasury estimate of $4.6 billion results in a total incremental effect of DISC of $3.5 billion.[3] However, as noted earlier, either of these estimates measures the impact of DISC with any certainty, because there is no way to be certain that the differences in the growth rates actually result from DISC.

Nor does the Treasury estimate allow for the impact of flexible exchange rates. An appreciating dollar can be expected to mitigate the effect of DISC export subsidy and reduce non-DISC exports. If this relative adjustment in DISC and non-DISC exports occurs, and the differences in exports are measured on a post hoc basis, the resulting estimate of the change in DISC exports would be too high, because of adding rather than subtracting the estimates. The following example, while in no way intended to reflect the actual magnitudes involved, illustrates this result.

Assume that DISCs and non-DISCs each start with $90 billion of exports and would have increased to $100 billion for that year through normal export growth. Assume further that DISC provisions initially result in an increase in DISC exports of $5 billion to $105 billion. Subsequent adjustments in the value of the dollar result in exports falling $1 billion for DISCs (back to a net $4 billion increase attributable to DISC) and falling by $1 billion for non-DISCs. The impact of DISC on the value of exports is then $3 billion ($5 billion reduced by $2 billion). However, an after the fact measurement such as Treasury's will result in a $5 billion difference. Non-DISCs would have increased by $9 billion (from $90 to $99 billion) while DISCs would have increased by $14 billion (from $90 to $104 billion). The difference measured after the fact would be $5 billion ($14 billion minus $9 billion) because that is the *observed* difference in the growth rates.[4]

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[1] Treasury Report, p. 7.

[2] If the price elasticity is one, no increase in the value of sales would occur from the price decline although an increase in quantity would occur. If the price elasticity is less than one, a price reduction would result in a fall in export values, although an increase in quantity would occur.

[3] As in the case of the Treasury Report, the two categories of exports where DISCs represent more than 80 percent are excluded, as being statistically unreliable. However, it is useful to note that in both of these cases non-DISC exports grew faster than DISC exports.

[4] The Treasury Report does contain several cautionary notes in this regard. In fact, such a note is contained in the beginning of the section on impact:

> Under a system of flexible exchange rates, an increase in exports may affect exchange rates in such a way as to limit, and perhaps completely offset, any trade advantage induced by an initial export expansion. . . . No allowance has been made in this analysis for the effect of flexible exchange rates (page 29).

The caution is not, however, reflected in the Treasury estimates.

In view of these significant limitations in approach in the Treasury study, it would be appropriate to view the $4.6 billion estimate as exactly what it is—a measure of the differential growth rates for DISCs for those product categories where DISC exports grew faster. It cannot be viewed as a measure of the impact of the DISC provision on the total value of U.S. exports.

Price elasticity estimates of export revenue and quantities

There are two major parameters involved in calculating the effect of DISC on export sales. The first is the extent to which a reduction in profits taxes is reflected in price reductions. The second is the price elasticity of exports after taking into account the effect of adjustments in exchange rates. Unfortunately, the measurement of these parameters is extremely uncertain.

Various price elasticity assessments of DISC have resulted in widely varying measures of the impact of DISC on export.[5]

All of these estimates are based on exports channeled through DISCs, and have also relied on price elasticity estimates generated from data prior to the change in the international monetary system. They do not fully reflect the mitigating impact of the flexible exchange rate system and are thus likely to be overstated.

The following calculations illustrate exactly how the use of price elasticities lead to varying estimates depending on the specific assumptions made. The estimate is based on the data reported in the 1976 DISC report for DISC year 1974 (which covers part of calendar year 1973 and part of calendar year 1974).

DISC net pre-tax income reported in that report is $3,148.5 million. The export gross receipts on taxable returns are $44,209.3 billion. The ratio of pre-tax income to gross receipts, is therefore, 7.1 percent. The Federal revenue loss for DISC in that period of $756 million (as reported by Treasury) is the pre-tax income times the effective tax savings of 24 percent (one-half of the corporate tax rate of 48 percent).

The following analysis illustrates the impact of DISC on exports based on three different assumptions regarding the shifting of the tax subsidy under two alternative price elasticities. Although the choice of a price elasticity is uncertain, two widely quoted studies report elasticities of 1.51[6] and 2.85.[7]

The shifting assumptions are: full shifting of the tax to price, shifting of one-half of the tax to price, and no shifting of the tax to price. The full shifting assumption represents a best case estimate of the impact of DISC on exports and the last a worst case estimate.

Under conditions of full passthrough of the tax subsidy to price the tax saving would result in a 1.7 percent reduction in prices (24 percent time 7.1 percent). Using an elasticity of 2.85 this would translate into a 4.8 percent increase in the volume of DISC exports and a 3.1 percent, or $1.35 billion, increase in export revenues.[8]

This amount can be compared with the $756 million in revenue loss estimated by Treasury. The same procedure using a price elasticity of 1.5 results in an increase in export volume of 2.56 percent, and an increase in export revenue of .86 percent or $378 million.

If only one-half of the tax reduction filters down to export prices, the reduction in price would be .85 percent. The resulting impact on export volume, assuming an elasticity of 2.85 would be 2.4 percent and on import revenues 1.6 percent, or $686 million. A 1.51 elasticity would yield an estimate of a $191 million increase in export revenue.

If none of the tax reduction shows up as a price reduction, there would be no impact on exports either in quantity or revenue.[9]

Assuming a relatively high price elasticity, (2.85) and assuming full passthrough of the effects of the tax reduction, therefore, yields a much smaller estimate of the impact of DISC on U.S. exports than that reported in the Treasury Department Report. One result, however, emerges—the estimates of the impact of DISC on exports are highly dependent upon the assumptions made.

EXPORT SUBSIDY AND EMPLOYMENT

Export subsidy and fiscal policy

A change in fiscal policy either through the tax side or the expenditure side is bound to have an effect on the overall U.S. economy. Although as a general rule expenditure increases are widely—but far from universally—expected to have a stronger stimulative impact on the economy than tax cuts, the actual impact depends on the form of the policy action. In an economy operating below full capacity actions stimulating demand are more likely to have faster and stronger influences on the economy than if the economy were at full employment.

If prices of exports fall as a result of DISC, causing an increase in demand for U.S. goods, employment will be generated. The effect, however, would be similar to any other fiscal policy action resulting in the same increase in demand. If the more widely held assumption of limited tax passthrough to prices as a result of a decrease in corporate tax liability is made, the immediate impact on U.S. employment would be minimal. In the long run the resulting increase in profits would filter through the economic system increasing consumption, but primarily for the owners of capital relative to the labor force. In any event, the distribution of the benefit of the tax cut would favor the owners of capital relative to labor more than if the tax cut directly affected disposable income.

The important factor to note, is that so long as only exports are being considered, the feedback effect on employment is identical to any similar increase in demand. The only way DISC could result in a greater impact on employment than any equal cut in corporate taxes in general is if it is assumed that for some reason only tax cuts through DISC are passed on as price decreases or if it is assumed that export demand is more responsive to price cuts than domestic demand. Without further elaboration it is difficult to see why either of these assumptions should be accepted.

A further complication in determining the impact of DISC on domestic employment is the reaction of imports. In an environment of flexible exchange rates an increase in U.S. exports that results in increased export receipts would be offset by an appreciation of the U.S. dollar. Dollar appreciation in turn would result in U.S. consumers facing reduced import prices. The reduction in import prices would lead to increased demand for imports and, therefore, a reduction in demand for the domestically produced competitive items. This reduction in demand would cause a reduction in domestic employment in these industries offsetting any increased employment generated by the assumed increase in export demand. Furthermore, if the U.S. should import goods that require more labor intensive production processes than export goods it is possible that the net change in domestic employment could be negative. In sum, whether or not the actual net change in employment is positive, zero, or negative, would depend on the final changes in demand for exports and imports, as well as the relative level of labor intensity involved in the productive processes of the goods involved.

Treasury estimate

The Treasury Report assumes that for every $20,000 of exports one job is created. Based on Treasury's $4.6 billion estimate of DISC generated exports, 230,000 jobs would have been created. Adjusting the Treasury calculations for apparent DISC induced losses in export revenues reduces the Treasury figure to $3.5 billion or 175,000 jobs. Even if the Treasury method is accepted as valid the employment estimate is probably overstated since it is based on average rather than incremental increases and is not adjusted for the effect of inflation.

Job impact based on price elasticity estimates

Applying the Treasury Standard of one job for each $20,000 in exports to CRS price elasticity based estimates of export growth gives quite different results. Using the full pass through or "best case" assumption and a price elasticity of 2.85 yields 68,000 new jobs. At the lower elasticity of 1.51 some 19,000 jobs would be created. If only half the tax benefit is passed through to prices, the results would be 34,000 for the high elasticity and 9,550 for the lower. If none of the tax benefit is reflected in lower export prices, there would be no job effect.

This calculation, however, understates the employment effect of export. It is the level of output—and not total revenues which affect jobs. The increase in employment would, therefore, be higher than those calculated here if increases in quantity rather than revenue are used. For example, if increases in output produced proportional increases in jobs, the estimates would be the number of jobs before the DISC effect multiplied by the percentage increase in output. Under this assumption, the best case estimates would be 104,000 for the higher price elasticity and 55,000 for the lower one. If half of the tax is shifted, the resulting employment effect would be 52,000 and 27,500 jobs, respectively. However, an increase in productivity, particularly in a slack economy, would be expected, so that a less than proportional increase in employment would be likely to occur, resulting in an increase in employment of less than 104,000 ("best case" estimate).

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[5] Thomas Horst, in testimony before the Senate Budget Committee (DISC: An Evaluation of the Cost and Benefits, November, 1975) reported a simple estimate based on a direct price elasticity calculation of $3.3 billion for 1974; in a paper supplied to the Committee which adjusted for other variables including pass through of the tax benefit in prices, a $2 billion figure was estimated. In the same hearings the Special committee on Export Trade reported an estimate of $6.3 billion. In a report published in September of 1975, the House Budget Committee estimated that based on price elasticity approach DISC increased exports by $243 million from 1972–1975.

[6] Houthakker and Magee, "Income and Price Elasticities in World Trade," Review of Economics and Statistics, 1969.

[7] Reported in the Senate Budget Committee Hearings by Horst, et al., p. 238 as unpublished paper by Goldstein and Kahn, "The Supply and Demand for Exports: A Simultaneous Approach," International Monetary Fund, 1973.

[8] The specific computation was done as follows. The equation: $x/1.7=2.85$ is solved for x, the percentage change in volume.

From this percentage change (4.845) the price change in price 1.7 is subtracted to yield a revenue in increase of 3.145 percent. Then the equation: $\$44,290=x+.03145x$ is solved for $x=\$42,939$.

The $1.35 billion change is the difference between $44,290 and $42,939.

[9] The preceding analysis has been extremely oversimplified. The processes of adjustment to changes in variables are much more complex than those described here. In addition, the price elasticities, particularly because they are derived from data predating the current international monetary system are uncertain.

Even if one of the preceding estimates actually measures the number of DISC related jobs in the export sector, the net effect of DISC on domestic employment would remain uncalculated. The overall impact would depend on the multiplier effect of an increase in exports, the countervailing implications of an increase in imports and the fiscal policy used to recoup revenues lost through the DISC subsidy.

POSSIBLE IMPACT OF REPEALING DISC

The preceding analysis has raised a number of questions about the efficacy of a DISC type export subsidy in the context of floating exchange rates. Even leaving aside the influence of floating rates, DISC appears to have entailed large amounts of foregone treasury revenues for very modest increases in exports. When the effect of an appreciated dollar on non-DISC exports and imports is included, DISC may well have had no positive impact on either the U.S. balance of trade or U.S. employment.

If DISC has had no impact on employment or exports, its elimination could be contemplated with relative equanimity. But what if the contrary is true? What if DISC has in fact had a genuine, albeit modest, role in increasing U.S. exports and employment, then what will be the impact of eliminating the DISC provision?

Looking first at the 'best case' estimates developed above, DISC has resulted in a 1.7 percent reduction in the price of U.S. exports, and an increase in the value of U.S. exports of $1.35 billion dollars. The DISC induced growth in exports might have accounted for approximately 70–100 thousand new jobs, fewer if jobs were lost in the import sector.

Working under the 'best case assumptions, repeal of DISC would simply reverse these results. The repeal of DISC might result in the loss of 70–100 thousand jobs and job opportunities in the export sector. Depending on the state of the economy and current economic policy, the loss of export jobs could result in a further loss of jobs throughout the economy.

In assessing the impact of DISC repeal, one is faced with three principal questions—How likely are the 'best case' assumptions? How many workers as opposed to job opportunities are likely to displaced? And how resilient is the export sector in the face of minor fluctuations in the price of U.S. exports?

The preceding discussion of the 'best case' assumptions suggests that they may be quite optimistic. These 'best case' assumptions suggest that the DISC tax deferral will be fully and immediately reflected in lower prices. The 'best case' also ignores the impact that flexible exchange rates may have on DISC exports, non-DISC exports, and imports. In sum, it is unlikely that the repeal of DISC would have anything near the impact suggested by the 'best case'.

Nor are the actual dislocations from the export sector likely to be as great as the number of export related job opportunities might indicate. The tendency has been for U.S. exports to grow over time in both current and real (corrected for inflation) terms. In making their estimate of DISC related employment, the Treasury applied a figure of one job for every $20,000 in exports to their estimate of the DISC caused increase in the value of exports. The Treasury approach yielded a total DISC related increase in jobs of 230,000. Similar procedures applied to the 'best case' estimates of export growth indicate that DISC generated 70,000 to 100,000 jobs. The same job/export standard applied to the current dollar growth in U.S. exports produces a 285,000 increase in export related jobs in 1972, 1,080,000 in 1973, 1,350,000 in 1974, and 465,000 in 1975. There would be no actual reduction in employment in the export sector from repeal of DISC. Under either Treasury or 'best case' assumptions, the total impact of repealing DISC would be on the rate of increase of jobs in the export sector.

There are some controversial points that must be considered to fully evaluate the Treasury estimates of DISC related employment. First, employment is much more directly related to the quantity of exports rather than their value. Second, the one job for every $20,000 in exports is based on an average relationship for 1973. Subsequent inflation would tend to raise the actual dollar job ratio and thus tend to overstate any employment effects. Third, the real increase in U.S. exports is much more modest than dollar value. However, following the Treasury approach the relative magnitudes involved can be judged while ensuring comparability of one approach to another.

In more general terms, how disruptive is the repeal of DISC likely to be? The answer appears to be not very. Even the 'best case' approach contemplates less than a 2 percent decrease in the price of U.S. exports. Price fluctuations of this kind are relatively common in international trade. Domestic inflation and the level of business activity abroad are much more important determinants of export behavior.

During a regime of flexible exchange rates, two percent swings in the value of the dollar and hence in the price of U.S. exports are relatively common. Certainly the past pattern of U.S. export behavior has not been disrupted by a two percent change in the price of U.S. exports.

Whatever the merits of the case, the repeal of DISC does not appear to have major implications for either domestic employment or the level of U.S. exports. Even under the "best" case assumptions, the reduction in exports is small and the employment impact involves little actual dislocation.

Summary

The analysis contained in the present study suggests that the impact of the DISC subsidy on exports and employment has been quite modest—particularly in comparison with other variables affecting international trade.

The post-hoc approach adopted by the Treasury appears to have several serious deficiencies. Reasonable assumptions about the price elasticity of demand for U.S. exports and the extent to which the DISC tax subsidy is actually reflected in lower export prices suggests rather minimal effects on either exports or employment. Allowing for the impact of flexible exchange rates on exports and imports would further reduce export and employment estimates.

The repeal of DISC does not appear to have major implications for either exports or the level of domestic employment. Even under assumptions that indicate significant DISC related employment, repeal appears to have a greater impact on the growth in employment in the export sector rather than an actual reduction in export related jobs. In any case, if a given level of fiscal stimulus is maintained there is no reason to expect that the employment effects are necessarily positive or that repeal of DISC will reduce employment.

LIMITED LEGISLATIVE AUTHORITY FOR THE SELECT COMMITTEE ON SMALL BUSINESS

Mr. HRUSKA. Mr. President, on last Thursday Senate official duties of high priority prevented my attendance in this Chamber when a rollcall vote was held on approving Senate Resolution 104. This is a resolution which amended the Senate Rules to confer legislative jurisdiction on the Select Committee on Small Business.

The resolution was approved by a vote of 71 yeas to 12 nays. Had I been present I would have voted yea. Official note of this is contained in the CONGRESSIONAL RECORD in the recorded proceedings pertaining to this vote. This resolution will rectify a serious oversight on the part of the Senate, namely the lack of direct committee representation for the backbone of the Nation's economy—small business.

The small businessman plays an extremely important role in determining our economic well-being. Until today, however, he has not had a separate focal point to bring before the Senate matters which are of concern to him. With the passage of this resolution, that oversight will be corrected. The small businessman will now have a *forum* through which he can present his concerns directly to the Senate.

That is as it should be, Mr. President. The House recitified this lack of direct representation in 1974, when it provided legislative authority for its own Select Committee on Small Business. It is high time we did the same.

The contributions of small business to our prosperity are manifold; 96.7 percent of all businesses are considered small. These businesses employ 55 percent of the total number of persons working in business in the United States. Perhaps most importantly as an indicator of the contributions of small business, this sector of the economy produces 43 percent of the gross national product.

It is clear from these facts that small business is only small in its individual parts. The sum of those parts is staggering. Yet it is the fate of those individual businesses that will determine whether the economy is growing or contracting, in an upswing or a decline. The problems of those individual businessmen, Mr. President, become the problems of the Nation. It is only fitting that we give small business the consideration and type of representation it deserves.

Twenty-six years ago the Senate created the Select Committee on Small Business. Since that time, it has often been proposed that the Select Committee be given legislative authority. In that 26-year period, the reasons for or against such a move have become well known. One fact, however, is clear. During those years the productive capability of small business compared to that of the remainder of the economy has declined. It is time that we gave this problem the attention it is due. Senate Resolution 104 will begin that process.

In conclusion, Mr. President, Senate Resolution 104 provides the type and quality of representation which small business needs and deserves. The favorable vote of my colleagues in the Senate approving the resolution is gratifying indeed.

NATIONAL ECONOMIC PLANNING

Mr. HUMPHREY. Mr. President, just the other day I received in the mail a form letter addressed to "Dear Senator" together with a paperback book, "The Politics of Planning, a Review and Critique of Centralized Economic Planning." The letter and the book came from a group called the Institute for Contemporary Studies, located in California.

I presume that an identical letter and book has been sent to each of my colleagues, and because the subject matter concerns a bill cosponsored by Senator Javits and myself, S. 1795, I wish to make a few remarks about the overall message the Institute for Contemporary Studies is attempting to convey.

In the first place, I should note that this is the same group which in 1975 published another paperback book entitled "No Time To Confuse." This book purported to respond to the Ford Foundation study entitled "A Time to Choose," which was completed in 1974. I bring this up because the tenor of "No Time To Confuse" was similar to the more recent publication. It was, in my judgment, an ideological attack on the Ford Foundation project and came close to being a smear campaign. It certainly was not a rational analysis of the excellent work conducted by the energy policy project of the Ford Foundation over a 2-year period.

For example, the Institute for Contemporary Studies criticized the Ford Foundation recommendation that energy conservation be made a matter of highest national priority, on the grounds that such a proposal could lead to a "planned society which works, if it works at all, only in the context of a police state."

Now such a conclusion about the Ford Foundation's recommendations is obvious nonsense, and it should come as no surprise that the more recent publication draws equally nonsensical conclusions about the Humphrey-Javits bill.

The first error that the Institute for Contemporary Studies makes is to assume that the Humphrey-Javits bill proposes "centralized" economic planning. The sponsors of S. 1795 have gone to great lengths to distinguish centralized planning from national planning. In fact, what we already have today at the Federal level is a form of centralized economic planning under the control and management of the President and a few of his handpicked advisers. These few, including the Secretary of the Treasury, the Chairman of the Federal Reserve Board, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, and the President's own White House economic adviser, dominate economic policy. One of the major objectives of the Humphrey-Javits bill is to break up the tightly held control of economic policy now in the hands of a few officials in the executive branch.

Therefore, to characterize the Humphrey-Javits bill as an effort to bring about "centralized" economic planning is a complete distortion. The Humphrey-Javits bill provides for democratic, long term economic planning. It provides procedures for broadening the base of economic policymaking to include Congress, the States and localities, and citizens.

As for the proposition that planning does not work, ask any corporation or nonprofit institution whether planning is worthwhile. Ask the Department of Defense, which has the most highly developed planning procedures of any Government agency.

The real question, as so many thoughtful persons have pointed out, is not whether the Nation should plan, but how it should plan.

In my judgment, planning can work. I also believe it is only a matter of time before our Government leaders comprehend the wisdom of adopting planning procedures.

LET'S STOP UNDERMINING THE CIA

Mr. GOLDWATER. Mr. President, recently a former colleague of ours, the Honorable Melvin Laird, wrote an article for the Reader's Digest entitled, "Let's Stop Undermining the CIA." I could not agree with him more; and I think that now that the select committee has finished over a year's delving into the CIA's activities it is time we read the reports, consider them, look at the legislation that is being proposed, consider that, and then answer the question as to which is best for the United States.

While I will not maintain that the CIA was the world's best intelligence organization, I can say that among the experts in this field around the world it was fast becoming the best collecting agency in the world, and my advisers tell me that they knew it would not be long until our ability to interpret the intelligence would be equal to our ability to gather it. If I can say one thing after the 15 months of the select committee, it is that the CIA came out looking pretty well; and if there are people to be blamed—and I am not saying they are to be blamed—those people lived in the White House.

I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Let's Stop Undermining the CIA

(If the United States is to continue as a flag-bearer against totalitarianism, says this former Secretary of Defense, it must protect and preserve our international intelligence network).

(By Melvin R. Laird)

We Americans are on the verge of doing ourselves what our worst enemies have been unable to do: destroy our intelligence services.

Last year, Senate and House committees began searching investigations of the Central Intelligence Agency. The investigators' intent was honorable, and they have brought to light malpractices that must be curbed. According to Congressional findings and CIA admissions, during the 29 years the CIA has existed—1947 to 1976—agency personnel perpetrated the following questionable acts of domestic espionage: They illegally entered four homes or offices, tapped the phones of 27 people, placed five U.S. citizens under surveillance and infiltrated ten agents into the anti-war movement. For over two decades, they opened private mail received by Americans from communist countries. Additionally, in examining possible foreign influence on the anti-war movement, the CIA accumulated files on approximately 10,000 American citizens.

The side effects of these investigations, however, have proved much more harmful to the country than the ills that Congress sought to remedy. As CBS commentator Eric Sevareid recently declared: "We've had Congressmen breaking solemn agreements with the Executive by leaking classified information in the name of higher laws of their selection. We have had journalists breaking their word on information received off the record by leaking it to other journalists, which is morally the same as publishing it themselves. And, worse, we've had zealots publishing the names of American intelligence personnel—which, in this time of terrorists everywhere, increases the risk of kidnapping and murder. To do this is to commit the moral equivalent of treason."

The dubious acts committed by the CIA have been distorted and magnified, while lurid charges flourished, often without a scintilla of substantiation. For example:

Allegation: The CIA jeopardized public health by conducting biological-warfare experiments in New York City subways. *Fact:* The Army, to assess vulnerability of the transit system to sabotage, placed some innocuous powder in a subway, then measured how far it was wafted down the tunnel. The test menaced nobody. The CIA had no part in it.

Allegation: The CIA placed secret informants on the White House staff to spy on the Presidency. Its chief White House "contact man" for a while was Alexander P. Butterfield, later director of the Federal Aviation Administration. *Fact:* Butterfield never had any connection with the CIA. For the past 20 years, like other agencies, the CIA, at White House request, has routinely assigned specialists to the Presidential staff.

Allegation: The CIA has assassinated foreign leaders and perhaps even some Americans. *Fact:* More than a decade ago, when a *de facto* state of war existed between the United States and Cuba, the CIA involved itself in unsuccessful plots to kill Fidel Castro. It also considered poisoning Patrice Lumumba of the Republic of the Congo. But the prosaic truth, as established by the skeptical Senate investigators, is that the CIA never assassinated anyone anywhere.

HEMORRHAGE OF SECRETS

As the CIA's legitimate secret operations are exposed and its sensitive intelligence-gathering methods irresponsibly illuminated, our first line of defense against attack—and our only defense against covert attack—is becoming increasingly paralyzed. In foreign parliaments and press, the feasibility of confidential collaboration with America has been publicly questioned. Some countries have stopped confiding in us almost entirely for fear their confidences will be broken by Congress or the press. Individual foreigners who have risked their lives to secretly serve the United States—including agents well placed in the Soviet bloc and the Third World—have quit out of fear of identification. The difficulty of enlisting reliable new foreign sources has increased greatly.

Meanwhile, scores of gifted American men and women in the CIA possessing priceless expertise and experience have been disgusted at the pillory with which their patriotism has been rewarded, and many have even left. Important intelligence undertakings, approved by Congressional committees and the President as essential to the national interest, have collapsed in the glare of publicity. For instance, disclosures that the United States has used submarines in Soviet territorial waters to monitor Russian weapons tests have greatly diminished the flow of this vital intelligence.

The hemorrhage of secrets is also destroying the CIA's capacity to *act* covertly in Western interests. Sometimes the discreet provision of money, information, advice and other requested help affords the only practical means of countering subversion abroad. Repeatedly, the Soviet Union has sought to subvert other nations by buying control of politicians, bureaucrats, journalists and trade-union leaders, by surreptitiously supplying vast sums to build the local communist party into the dominant political force. Plans to combat such subversion lose all effectiveness if announced. If identified, recipients of our assistance forfeit credibility and become instant targets of venomous attack by communists and others.

RECORD OF SUCCESS

In an ideal world, we would need neither intelligence services nor armed forces. But we must have both if we are to survive in the real world of 1976, which has become very unsafe for democracy and the United States. Of the earth's 158 nations, only 39 presently maintain democratic, representative governments and open societies. Many of the totalitarian nations are fanatic in their hostility to freedom and to America. Our access to many indispensable natural resources depends upon fragile regimes. The complex daily functioning of our society in threatened by the phenomenon of international terrorism. Meanwhile, the Russians—besides their worldwide subversion, fomenting of revolution and support of terrorism—persist in an enormous, costly effort to attain undisputed military supremacy with which they hope to intimidate the West into further retreat.

To cope with all these threats and uncertainties, we must keep ourselves continuously and accurately informed as to what is happening, especially in those areas shrouded in totalitarian secrecy. To repel covert aggression, we must resort at times to covert methods. President Harry Truman and Congress recognized this when they created the CIA in 1947. And this unchanged reality has been recognized by every subsequent President—and Congress, except the present one.

Having served first on one of the Congressional committees that oversee our intelligence apparatus, and later as Secretary of Defense, I am familiar with some of the accomplishments of our intelligence services. Consider:

During the past 25 years, the Soviet Union has not developed a single major new weapon without our knowing it well in advance. Without such knowledge, we undoubtedly would have wasted untold billions preparing to counter threats which did not actually exist. Current efforts to negotiate curtailment of the nuclear-arms race are possible only because our precise intelligence enables us to count every Soviet missile, submarine and bomber, and to monitor Soviet compliance with the treaties achieved. If we destroy the effectiveness of the CIA, we will destroy with it whatever hope there is of negotiating any significant disarmament.

Timely intelligence has helped avert war. During the 1973 Arab-Israeli conflicts, U.S. intelligence—live agents and technical surveillance—detected Soviet preparations to dispatch troops to the Middle East. Thus alerted, we were able to initiate urgent diplomatic and other actions that persuaded the Russians to forgo military intervention.

A few years ago, our agents—or spies, if you will—ascertained that one non-communist country was about to attack another. Details cannot yet be made public. But we quickly and privately brought the countries together, laid out the facts, induced them to negotiate. CIA espionage thus prevented a war.

Since late 1973, U.S. intelligence has given both Israel and Egypt considerable sense of security by continuously showing each what the other is doing militarily. Given proof that neither is about to pounce on the other, the Arabs and Israelis have been willing at least to try to devise a formula for Middle East harmony. Our intelligence has bought the necessary time.

Through infiltration of various terrorist movements, the CIA has aborted numerous plots. On at least two occasions, the CIA has forestalled assassins bound for the United States with orders to kill elected public officials. It has also thwarted plans to kill prominent American Jews with letter bombs.

While Israel's premier Golda Meir was visiting New York City on March 4, 1973, police rushed to busy midtown intersections and hauled away two cars with enough Soviet-made explosives to kill everybody within a 100-yard radius. The terrorist explosives were timed to detonate at noon, when streets would be most crowded. The disaster was prevented because we had advance warning of it.

Shortly before Christmas, 1973, the CIA learned that six small, hand-carried Soviet SA–7 missiles—extremely accurate against low-flying aircraft—were being smuggled in Libyan diplomatic pouches to Black September terrorists in Europe. The terrorists planned to shoot down a 747 landing in Rome. However, acting on CIA intelligence, European governments disrupted the operation and spared the lives of hundreds of holiday travelers.

The CIA has frustrated communist subversion of other nations. After World War II, the Soviet Union sponsored a massive clandestine effort to impose communist dictatorships on a weakened Western Europe. Communist operatives, dispensing millions of dollars, organized strikes to block Marshall Plan aid and engender chaos. They infiltrated the press, tried to buy elections. By providing intelligence, money and counsel, the CIA gave anti-totalitarian factions a fighting chance to resist. Given this chance, the Europeans proceeded to build healthy democracies, indispensable to our own welfare.

During the 1960s, with Soviet backing, Cuba tried to ignite guerrilla warfare and violent revolution in Latin America. While quietly urging needed social reforms, the CIA offered Latin Americans the intelligence and training they needed to repel Cuban aggression. The communists were defeated in Bolivia, Venezuela, Brazil, Uruguay, Guatemala and the Dominican Republic. Much the same pattern was repeated in sections of Africa where the Russians sought to establish new colonies for themselves. In the Middle East, too, the CIA has repeatedly aborted Soviet plots to seize control of Arab nations.

In retrospect, it is obvious that not all of the covert actions undertaken by the United States in the past 20 years have been wise or justified. I strongly believe that we never again should attempt to use military force covertly. Military action can succeed only if understood and endorsed by the public as well as Congress. However, if we abandon our capacity to discreetly help those who wish to resist externally inspired subversion—totalitarianism of either the left or right—we will reduce ourselves to a choice of abandoning them entirely or sending in the Marines.

In sum: If we allow our intelligence services to be rendered impotent, we will signal friend and foe alike that we lack both the will and the means to complete with totalitarianism. Unable to protect ourselves, or our friends abroad, America will shrink into isolationism, and our economy, denied essential foreign resources, will shrivel. Then we, and certainly our children, will discover too late that there is no place to hide from totalitarianism.

As a former Secretary of Defense, I believe that we should maintain armed forces stronger than those of any potential enemy. But without an equally strong intelligence service, our nation can never be secure. I know that. So do our friends and antagonists throughout the world.

LINOWITZ ON LATIN AMERICA

Mr. KENNEDY. Mr. President, I want to call to the attention of my colleagues two recent articles by Sol Linowitz, the distinguished former Ambassador to the OAS, on Latin American policies.

Mr. Linowitz continues to be a leading spokesman for an alternative policy toward Latin America, an alternative that is surely needed after the failures of the recent past.

In the article in Saturday Review, Mr. Linowitz comments on some of the elements of a new policy. I urge it to my colleagues for their consideration.

I ask unanimous consent that the article "Reflections on Kissinger's Latin American Foray" by Ambassador Linowitz, be printed in the Record.

Also, in a recent article in the Los Angeles Times, he points to some of the major areas of tension and among those cites the need for a firm stand against violation of human rights in the hemisphere. In this area particularly, it is frustrating and sad that the administration, in our Bicentennial Year, must be reminded of the need not only to advocate respect for human rights in public forums, but to act in defense of those rights as well.

I also ask unanimous consent that the article, "Dangerous Times Ahead Unless We Can Agree," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Reflections on Kissinger's Latin American Foray

(By Sol M. Linowitz)

Secretary Henry Kissinger's recent Latin American trip once again focused fleeting attention on the relationship between this country and Latin America. For a number of months Latin Americans had been waiting patiently for the long-promised visit by the American Secretary of State. When it came, its impact was, in a word, underwhelming. For its major features appear to have been a reaffirmation of familiar promises of economic cooperation and the signing of a new consultative agreement with Brazil that caused predictable indignation and concern in a number of other Latin American countries.

When Secretary Kissinger undertook the trip, he was all too aware of the fact that his November 19, 1974, call for a "New Dialogue" with Latin America had left behind a deep and widespread sense of disappointment. For once again words were not translated into action, and the "New Dialogue" remained a slogan without substance. On this trip Kissinger was clearly determined to avoid overblown expectations, and in this he unquestionably succeeded.

One can quarrel with what Kissinger did or did not achieve during the trip, but certainly no one can take issue with his premise that we can no longer take Latin America for granted. The simple fact is that we are in a new ball game with Latin America. No longer can we treat Latin Americans patronizingly. No longer can we threaten to take our bat and ball and go home.

For the world has changed, Latin America has changed, and the United States has changed. Today the hard fact is that we need Latin America just as much as Latin America needs us. And what we need is not only Latin American oil and raw materials but also—as the vote on the U.N. anti-Zionist resolution clearly demonstrated—their cooperation and support in the global arena. This calls for a whole new approach and a drastic change in our perceptions about our relationships in this hemisphere.

The first point to be recognized is simply that interdependence has displaced security, in its narrow sense, as the *raison d'être* for American foreign policy. Today there are a number of other important centers of power in the world besides the superpowers. Transnational forces, including the multinational corporations, have become featured actors on the international scene. The line between domestic and foreign policy has become increasingly blurred, and our interests abroad have become inextricably intertwined with our interests at home.

When we talk of security in this kind of a world, we have to think not only of military and political power but also of oil and copper and bauxite. We have to consider what the urgent prospect of world famine resulting from the scarcity of food and fertilizer will mean to our own future. We have to ponder the impact that the population problem on this planet will have on us—and the fact that 4 billion people dwell on this earth and by the turn of the century there will be 8 billion or more.

While these dramatic changes have been taking place in our international system—multipolarity, transnationalism, scarcity of raw materials and food stuffs, population growth—tremendous changes have also been taking place within the various countries and regions of Latin America. Rapid urbanization and mass communications have produced political awareness among people who do not yet participate in the economic growth of their countries. As a result, governments face increasing demands to provide jobs and services. To meet these internal demands, Latin Americans have sought freer access to the markets of the United States and other developed nations for their manufactured and semi-maufactured products and their raw-material exports. They have also sought better access to both capital and technology.

In their search for helpful responses to these needs, Latin Americans have become increasingly active participants in the world community beyond the confines of our hemisphere. So we have begun to hear new voices coming out of Latin America—voices of identity, voices of nationalism, voices of outrage at lingering dependency.

Meanwhile, as we know all too well, we have also been undergoing drastic changes at home. No longer do we dominate world economic and military affairs as we once did. No longer is it appropriate or feasible for the United States to try to be a policeman or tutor everywhere in the world. Moreover, in the face of the challenges we have been confronting—unemployment, racial conflict, the long war in Vietnam, the major crisis of governmental leadership—we have found our coherence as a nation severely strained and tested by an energy crisis, commodity shortages, and worldwide inflation.

Deeply aware of these changes and concerned about their impact, the Commission on U.S.-Latin American Relations—an independent group of 23 private citizens, some having held high government positions*—recently issued a report based on an analysis of hemispheric affairs. In the report that was presented to the President and to the Secretary of State, the commission arrived at the following conclusions:

The premises of past American policies, from the Monroe Doctrine to the Alliance for Progress to Mature Partnership, have been seriously undermined by the major changes in the world, in Latin America, and in the United States.

Our policies in the future must be based on the recognition of the fact that Latin America is not our "sphere of influence" to be insulated from the rest of the world, and that Latin American countries are playing an increasingly active and important role in a world of growing interdependence.

U.S. policies must also recognize that there is a diversity among Latin American countries and that our interests do not require ideological conformity. We must respect their independence and their capacity to act independently.

Our mutual concerns today center not on military security but on economic development, on the well-being of our citizens, on the coherence of our societies, and on the protection of individual liberties—all goals that cannot be attained in isolation or at the expense of our neighbors.

Both self-interest and our fundamental values requires that we nurture our common interests and historic ties in the Americas and cooperate in building a more equitable and mutually beneficial structure of international relations.

Pursuant to these conclusions, the commission made 33 specific recommendations for action by the United States. They included: an end to covert U.S. intervention in the internal affairs of Latin American countries such as took place in Chile; strengthening of efforts to assure protection of human rights in the hemisphere; developing an initiative in seeking to normalize relationships with Cuba; signing and ratification of a new Panama Canal treaty; encouraging arms-limitation agreements in the hemisphere; repeal of the Hickenlooper and Gonzalez amendments and avoiding other threats, such as unilateral economic sanctions; elimination of the U.S. veto power over fund operations of the Inter-American Development Bank strengthening OAS counciliation and peacekeeping capacities; elimination of travel and migration restrictions to and from Latin America; enactment of a generalized trade preference that would be truly helpful to Latin America; establishment of a regional system for exchange of commodities supply-and-demand projections and exploration of mechanisms to offset wide fluctuations in commodity supply, demand, and price; collaboration between the United States and Latin America in the development of codes of conduct defining rights and responsibilities of foreign investors and governments as well as the establishment of impartial fact-finding mechanisms; and U.S. assistance in the development of scientific and technical capabilities.

Little has been done since the issuance of the commission's report and recommendations to improve the general climate of relationships in the hemisphere. The trend toward divisiveness and indifference is a matter of real concern. Erosion of mutual trust and respect has increased as U.S.-Latin American relations have been clouded by revelations of covert intervention in Chile; by the sharpening differences within the hemisphere over how to respond to major violations of fundamental human right; by the failure to make real progress in the vital area of economic cooperation; and by the continuing uncertainty concerning the strength of the U.S. commitment to the solution of hemispheric problems.

During his trip Secretary Kissinger did undertake to deal with some of the economic concerns, but more—much more—remains to be done:

The revelations regarding CIA involvement in Chile make it imperative that the United States renounce clearly and forthrightly any unilateral intervention—overt or covert—in the internal affairs of Latin American countries. An unequivocal Presidential declaration reinforced by a congressional resolution is called for. Any equivocation on this score will be regarded as inconsistent with our professed support of a mutually respective world order in which governments are responsible for their own policies and actions.

The reports of extensive repression in Chile and elsewhere underscore the importance of having the United States take a much firmer stand in implementing its proclaimed commitment to the protection of fundamental human rights. The United States should press for an international investigation—by the United Nations or the OAS—of alleged repressive practices, and should cease providing aid and support to regimes that systematically violate human rights. At the same time, measures for providing relief to the victims of repression should be made effective.

Although negotiations with reference to a new treaty with Panama for the Panama Canal are slowly making progress, in an election year there will be great temptation to try to make the canal a political issue. To do so would be to prejudice the negotiations in a manner that might well endanger the possibility of settlemen. It is important for the President strongly to reaffirm his support for the new treaty negotiations now under way, and for the administration to begin to build requisite public and congressional backing for the treaty.

New tensions and developments have interrupted progress in the normalization of relations with Cuba. Cuba's position with reference to Puerto Rico and its intervention in Angola have imposed roadblocks to such normalization. Despite these setbacks, the United States must stand ready to explore in the right way and at the right time such measures as lifting the blockade on food and medicine to Cuba in return for an appropriate Cuban response.

Steps such as these will be helpful as indications of our commitment. But basic problems will remain, and one that is least recognized is the failure of the United States to learn that what we have in common with Latin America is a good deal more than Latin America itself. Secretary Kissinger took this into account in the consultative agreement entered into with Brazil. But Latin America consists of much more than Brazil. In international arenas such as the United Nations, we cannot assume an easy or permanent mutuality of interest between us and the countries of Latin America. We must expect that the Latin American countries will act in ways which they determine to be best for themselves—whether or not these will be helpful or harmful to the United States. Therefore, it is in our best interest to try to work with the countries of Latin America in developing common approaches to global issues so that the Latin American countries will in turn find it in their own interest to cooperate with us.

We will not begin to deal realistically with Latin America until we recognize that in Latin America we are playing for high stakes, much higher than in so many other parts of the world that over the years have absorbed our attention and have been given so much higher priority on our list of concerns. For what we are playing for is a chance to work with our neighbors in shaping our own hemisphere and in trying to bring into being the kind of world we have so long sought—one free from war and want.

Dangerous Times Ahead Unless We Can Agree

(By Sol M. Linowitz)

To most Americans, Latin America is a homogeneous glob of countries and people, one indistinguishable from the other. Few Americans can name a Latin American president. Far fewer can name a Latin American artist, author or musician. Except for occasional attention to the shenanigans of Castro, the chilling tales of repression or torture in one Latin American country or another, or an explosion in the hemisphere, James Reston's dictum still stands: Americans will do anything for Latin America except read about it.

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*The members of the commission were: W. Michael Blumenthal, G. A. Costanza, Prof Harrison Brown, Prof. Albert Fishlow, Prof. Samuel B. Huntington, Nicholas de B. Katzenbach, Theodore M. Messer, Charles A. Meyer, Dr. J. George, Harrar, Rita Hauser, Dr. Alexander Heard, Henry J. Heinz II, Andrew Heiskell, Rev. Theodore Hesburgh, Lee Hills, Arturo Morales-Carrison, Peter G. Peterson, Elliot L. Richardson, William D. Rogers, Nathaniel Samuels, Prof. Kalman Silvert, and Dr. Clifton Wharton, Jr. Sol M. Linowiz served as chairman.

But a lot has been happening in Latin America while we were not reading and looking. And the Latin America Henry Kissinger sees today is far different from the one of a few years ago. For suddenly Latin America has changed; the relations between Latin America and the rest of the world have changed; and the relations between Latin America and the United States have changed.

We are in a new ball game with Latin America and old assumptions are no longer relevant. No longer can we treat Latin America patronizingly and take it for granted. No longer can we threaten to take our bat and ball and go home.

Today we need Latin America as much as Latin America needs us, for we are living in an interdependent world when security means more than military and political power. When we think of security we have to think of oil and copper and bauxite. We have to think of what we can do to improve the prospects for a peaceful and cooperative world. And these are problems we confront here in our own hemisphere.

In Latin America today, millions of people who have not yet become part of the economic system of their countries have through rapid urbanization and mass communication acquired political awareness. Faced with increasing demands to provide jobs and services, Latin American countries have pressed for freer access to the markets of the United States and other developed nations for their manufactured and semi-manufactured products.

At the same time we have been hearing new voices from Latin America—voices of nationalism, voices of independence, voices of outrage at lingering dependency. Some have been asserting their independence stridently and provocatively. Others have done so more quietly, but also resentfully. To Latin Americans the United States remains a giant in a crowded room.

Two years ago, Secretary of State Kissinger called for a new dialogue between the nations of the hemisphere. Latin American expectations were again raised but once again remain unfulfilled. In recent months we have witnessed a continued erosion of mutual trust and respect as U.S.-Latin American relations have been clouded by revelations of covert intervention in Chile; by sharpening differences in the hemisphere over how to respond to major violations of fundamental human rights; by the failure to make real progress in the vital area of economic cooperation; and by continuing uncertainty as to the strength of the commitment by the United States to the solution of hemispheric problems.

If one thing is clear it is that we are headed for difficult and dangerous times if we continue to focus our attention and concern on other parts of the world and ignore our own hemisphere. Venezuela is a major exporter of oil to the United States. Other Latin American suppliers of important commodities—bauxite, copper, iron ore, sugar—speak of increasing prices or curtailing production without regard to the effect on the American economy. Argentina and Brazil have turned to other nations for technical assistance in the development of nuclear power plants. Panama is supported by virtually every other country in the hemisphere in its insistence that the outdated 1903 Panama Canal Treaty be revised.

What are the major areas of tension?

Trade and investments: Economic matters are a vital concern to the countries of Latin America today. As they continue to grow and develop it is likely that their economic interests will diverge from those of the United States. Such differences are inevitable. But confrontation can be avoided if the United States pursues policies that reflect a sensitivity to the problem. In an address to the United Nations, Secretary Kissinger launched new initiatives and a broad constructive approach to the economic problems affecting Latin America and the rest of the developing world. But in Latin America there is great concern that once again words will not be implemented by actions. We must make clear to Latin America that significant initiatives will be carried into practice this time.

A new Panama Canal Treaty: There is virtually unanimous support for a revision of the treaty throughout Latin America. It is one issue on which all the countries seem to have made common cause. It is therefore of the utmost importance that the Administration's support for the new treaty negotiations be strongly reaffirmed. An unequivocal commitment must be made to assure necessary Congressional and public support.

A firm stand against violation of human rights in the hemisphere: Documented reports have continued to substantiate allegations of torture and repeated violations of basic human rights in some Latin American countries. But there has been no strong protest from the United States. The United States should make clear that it is ready to press for an international investigation—by the United Nations or by the Organization of American States—of alleged repressive practices and to cease providing aid and support to regimes which systematically violate human rights. No other position is consistent with the principles to which we have so long expressed our commitment.

Relations with Cuba: Clearly Cuban intervention in Angola and its position with respect to Puerto Rico constitute major roadblocks to the formalization of relations between the United States and Cuba. It is important, however, that the United States let Latin America know that it stands ready, in return for an appropriate Cuban response, to move toward normalization of relations. Initial measures could include lifting the blockade on food and medicine.

Steps such as these will be helpful indications of our commitment, but basic problems will remain. We will have to understand that Latin American countries will continue to act in ways which they determine to be best for them—whether or not these will be helpful or harmful to the United States. We cannot assume an easy or permanent mutuality of interests. It is simply in our best interests to try to work cooperatively with the countries of Latin America.

By the same token, Latin America will have to recognize that in this changed world it will have to assume responsibility for its own future and that it must fulfill that responsibility with discipline and self restraint. Kicking Uncle Sam around may be great fun, but it can also be costly in terms of investment, tourist travel, development of markets and in many other ways. The heart of the matter is that all of us—both in the United States and in Latin America—are playing for high stakes at a critical time. We can all win if we work together to shape the kind of hemisphere we seek—one free from war and free from want.

DISMAL RECORD ON ENERGY LEGISLATION

Mr. BARTLETT. Mr. President, an editorial appearing in the March 24, 1976 issue of Energy Information newsletter capsules aspects of Congress dismal record on energy legislation.

I ask unanimous consent that this editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Crude Production Milestones Reflect Impact of Unwise Political Decisions

The general press has recently given prominent publicity to the fact that crude oil imports, at least for one reporting period, rose above domestic production. The stories had a sort of incredulous and plaintive tone which seemed to say, "We've been expecting this, but we didn't really believe it would happen."

It was bound to happen. The "help" extended to the petroleum industry over the past few years, particularly, has been instrumental in making sure that dependence on foreign energy sources would increase.

Look at the record:

1969-changes in the tax laws took $600 million annually from the petroleum industry's cash flow.

1973-crude price controls instituted.

1975-percentage depletion was substantially done away with. This hit annual cash flow another lick worth at least $1.5 billion.

1976-effective February 1, composite crude oil prices were rolled back.

1976-decontrol of interstate gas prices beaten and a threat of intrastate controls intensified.

1975–1976-and continuing . . . the threat of forced dismemberment cast a cloud of fear and uncertainty over the entire industry.

Through some or all of the period since 1969 emotional and extreme environmental concerns curtailed leasing and exploration, construction of the Alaska Pipeline, etc. And, official assessments of domestic potential since the 1973 embargo have been universally pessimistic, creating the attitude in the public and political mind that it's not really very important to intensify our exploration and development efforts because they can't really help much.

That's not a comprehensive record. But it is enough to make the point. Whether a decline of domestic production to a point below imports could have been averted with maximum effort is not clear. But it is clear that the actions cited and the continuing pressures placed on the industry forestalled maximum effort and hastened the day when imports exceeded domestic production.

Confronted by crisis, the country's reaction was one of disillusioned injury. Without comprehension of the problem, the public placed the blame on the energy-providers and turned to its politicians to "Get us out of this mess."

The sum total of the help extended is pretty well summed up in the record above. All in all, it is rather remarkable that things are not worse than they are.

ROZELLE RUNS WRONG WAY—WHY?

Mr. PROXMIRE. Mr. President, last Tuesday the distinguished chairman of the Communications Subcommittee, the Senator from Rhode Island (Mr. Pastore), announced to the Senate that the commissioner of the National Football League had agreed to observe the antiblackout law for another two seasons even though it had expired last December 31.

Now, I happen to be happy about that result—happy because I am a football fan, and happy because I proposed such a law 6 years ago and introduced a bill to that effect 5 years ago.

But I am also unhappy—unhappy, because law has been made without action by the legislative branch and without action by the executive branch of Government as the Constitution requires.

I am also unhappy, because the "extension" of the law for 2 unofficial years shows that the Government exercises control over the press that was not envisioned by the first amendment.

Does anyone suppose for a second that the distinguished Senator from Rhode Island would have been able to acquire such an agreement from Mr. Rozelle had there been no governmental control over the content of broadcasting?

The NFL fought the passage of the antiblackout bill. It lost. Now, victory in sight with the impasse between Senate and House conferees, Rozelle picks up the ball and runs to the wrong goal: "Wait a minute, PROXMIRE. Don't you have this all messed up? Aren't you the guy who wanted to free broadcasters from governmental control? Yet, aren't you now advocating it?"

A little background before I go on.

The antitrust laws contain an exception that permits professional football, baseball, basketball, and hockey leagues to act in concert to package television agreements and to black out games on home sets. In other words, the Congress and the President had given the sports business the privilege of legally conspiring so that the public could see big league games on their home screens.

But the control was through the teams. Broadcasters were free to buy or not to buy. But, of course, they bought—and buy—because sports attract big audiences, and big audiences attract advertising dollars in large amounts.

So to control the telecasting of home games in home areas, all the Congress needed to do was to put a few strings on the exemption to the antitrust law. Since the televising of sold-out games would cost the club owners nothing, that was the route to take. And because only pro football games were sold out with any regularity, baseball, basketball, and hockey would not be injured.

And most important to me—at least in retrospect—there were no controls over the first amendment rights of broadcasters. And there were no economic sanctions involved either, for broadcasters were generally anxious to carry profitable sports shows, advertisers were ready to sponsor them, and viewers were eager to watch.

But the bill that became law and the law that will now be honored in absentia by the NFL invalidates any agreements that might exist for the blackout of home games. It did that by adding a new section to the Communications Act. In other words, it is a governmental regulation over the content of broadcast programing.

One version of the bill that did not pass was much less subtle. It would have ordered television broadcasters—and cable operators, too—not to honor contracts calling for blackouts. And that would have been accomplished by inserting a new subsection under the section of the Communications Act dealing with the allocation of broadcast licenses.

So now we come to the present: a law that is no longer a law but which will be honored by the one sport that was the cause for its passage in the first place.

Why?

Without ascribing motives to anyone's action, it seems that it can safely be assumed that the National Football League will benefit from voluntarily abiding by the spirit of the expired legislation, because of the money involved.

In 1973, when the legislation was being considered, each team in the league got about $1.5 million from TV rights. The sale of television rights is vital to the profit-and-loss statement of each team.

That being true, the NFL cannot afford to offend the Government that controls television, and the Government in this area is controlled by the Congress and the heads of the committees with jurisdiction.

The NFL can afford to be magnanimous when it comes to the blackout law.

Right now, because of complex regulations—governmental regulations—professional sports organizations that sell television rights may not switch next season, or the following, or the season after that to pay TV. No, there has to be a gap of many years—long years without any revenue from the sale of TV rights.

But pay TV is starting to show signs of growing. Right now, according to the National Observer, there are about 500,000 pay-cable subscribers. That could double this year.

Some 3,400 cable systems serve about 11 million homes—and those cables run by another 20 million homes—all potential customers.

To tap even that market means a lot more money than at the turnstiles and the networks combined.

If pay TV takes off—and it is too early to tell if it will, really, what with all kinds of Federal regualtions—sports could prove to be a bonanza.

There was a time in arguing against the antiblackout legislation that professional sports interests bemoaned the possibility of stadia becoming studios with cheer tracks instead of laugh tracks.

But with pay TV to pour $2 and $3 admissions from millions upon millions of home tubes—instead of $11 to $15 from 53,000 seats—to cite one NFL team's situation—there would be a gargantuan pot to split instead of just a huge one.

And who has the say about all of this?

The Government.

Pete Rozelle is not running the wrong way. He is running toward pay dirt.

REFLECTIONS ON PUERTO RICO

Mr. KENNEDY. Mr. President, I would call attention to a recent lecture by the distinguished president of the University of Puerto Rico, Dr. Arturo Morales Carrion, at the University of Massachusetts in Boston.

Dr. Morales Carrion has been a leader both in the field of education in hemisphere affairs as well as a noted historian.

His discussion recalls much of the special history of the people of Puerto Rico, of their relationship with the United States, and of the need to continue to examine and reform the flaws that remain in the unique Commonwealth institution.

I ask unanimous consent that his lecture be printed in the RECORD.

There being no objection, the lecture was ordered to be printed in the RECORD, as follows:

I am delighted to have the opportunity of participating in the lecture series at the University of Massachusetts on "Spanish Speaking People in Urban America" and I wish to thank President Woods, Chancellor Golino and Professor Marshall for inviting me here.

It is my pleasure to bring all of you a most cordial and fraternal greeting from the University of Puerto Rico. We feel honored that you have dedicated the opening lecture in your series to Puerto Rico. Let me express the hope that this occasion will prove to be the first in a fruitful series of inter-changes between our Universities in the years to come.

At the outset, I should like to dwell briefly on one theme: this is the year when the American Republic celebrates its Bicentennial. For over 75 years—more than one third of the Bicentennial—Puerto Rico has been linked politically with the United States. Puerto Ricans have been United States citizens for 59 years. And yet, a question is in order: Do we know each other well? Is American public opinion aware of what Puerto Rico is all about, as an island, as a people, as a cultural fact?

If we turn to the history books which tell us about the growth of the American republic, we find very scant reference to Puerto Rico. If we take, for instance, the excellent textbook put out by the late Richard Hofstadter, William Miller, and Daniel Aaron, The United States: The History of a Republic (N.Y., Second ed., 1967), Puerto Rico suddenly appears in connection with the Spanish-American War. It is ceded, of course, by Spain in the Treaty of Paris. It is mentioned in connection with the Insular Cases brought before the U.S. Supreme Court, and then it vanishes into thin historical air.

An outstanding diplomatic textbook, Thomas A. Bailey's A Diplomatic History of the American People (N.Y., Seventh Ed., 1964), tells us that President McKinley decided to take Puerto Rico in order to banish Spanish power completely from the Americas. Linking Puerto Rico with the Philippines, the author recalls how "Senator Pettigrew of South Dakota declared, wih no little truth, that bananas and self government could not grow on the same section of land." Having disposed of Puerto Rico as a banana split, he leaves it to disappear in its thick tropical foliage.

The great scholar, Samuel Eliot Morison, in his Oxford History of the American People (N.Y., 1965), does much better. He duly points out that the island was ceded by Spain, and in describing the organic acts of Congress correctly infers that "the parallel with the Old British empire is suggestive". As early as 1965, he takes note of the Puerto Rican migration to the United States, a feat of historial insight when compared with the performance of his eminent colleagues concerning the island.

There are, of course, special studies on Puerto Rico, but the vast majority of Americans seldom hears about them. Absent from U.S. history books, which are more concerned with Cuba, Hawaii or the Philippines, Puerto Rico remains an unknown world, a baffling land, coveted by the tourist agencies, defined by traveling journalists, so near, in many ways, and yet so far apart. It is now the subject of a radical literature, tinged with anti-yankismo, which has become good business for capitalistic publishing enterprises. There are fat profits to be made in telling how radical and anti-U.S. Puerto Ricans should be. Puerto Rico is debated at the U.N. as another Vietnam or Angola, or Mozambique, by people who do not have the faintest idea of what or where the island is. A few days ago in Paris it was even stated that life in Puerto Rico today is worse than in France under the Nazi occupation! For many of us who live and toil in Peurto Rico, the stories now being told about the island and its people seem often to be like Alice's adventures after she went through the looking-glass. They could have been written by Tweedledee if not Tweedledum.

The facts of history, though, are even stranger than this contemporary fiction. Puerto Rico's ties with the U.S. mainland do not date back for only three quarters of a century. It was not General Nelson Miles who first debarked from an American ship in Puerto Rico. It was the crew of the sloop *Dragon*, one of the first Massachusetts privateers, which sailed to the island in the XVII Century and engaged there in illegal trade. Long before the affair at Lexington, a host of seamen from what became the Middle Atlantic and New England states began trading with Puerto Rico. We sent our sugar and molasses to help you produce your "rumbooze" or "Killdevil". Rum has always been a close bond between us! You sent us flour from the Eastern seaboard. We were part of the extended triangular trade that flourished in colonial times between America, Africa and the West Indies. Throughout the Nineteenth Century, it was the sugar we sold and the flour we bought in the United States that paid enough duties to support the Spanish budget and enabled Spain to keep its military and bureaucratic hold over the island.

At one stage in the 1830's we received Ralph Waldo Emerson's brothers, Charles and Edward. They went to the West Indies and Puerto Rico to escape from Bostonian winter weather and from the scourge of TB. Their letters are found in the collection of the Ralph Waldo Emerson Memorial Association at Harvard. It was Charles Emerson who first lectured on Puerto Rico to New England audiences.

While I was preparing this lecture I was shown the reports in the New York Times about the zero temperatures, the ice and snow, and bitter winds that were assailing New York and New England last week, and I could not resist the temptation to include here an extract from a lecture that Charles Emerson delivered before the Concord Lyceum in January, 1833.

Both Emersons, I should note, were firm believers in such traditional New England virtues as thrift, self-reliance and hard work, and both were staunchly anti-Catholic, so that they had some serious criticisms of the way of life they found in sunny, Catholic Puerto Rico. They, of course, did not know of the Irish Boston that was to come!

But they came to recognize some virtues as well. As Charles said in his remarks at Concord:

"If they are not energetic enough in efforts to improve their condition, they are exceedingly good humored in tolerating all its disadvantages. They are a people of beautiful manners. Their courtesy seems to be a constituent part of their language . . . We know, however, that the character of a language is only a reflection of the character of the people which speek it. There was something very agreeable in the greetings of acquaintances in the streets. They never passed one another with hasty step and slight recognition as in our busy towns, but always found time for a hearty and affectionate salutation . . . This looked, to be sure, as if they had nothing to do, but it also looked as if doing nothing had had a very good effect on their tempers. Our streets are colder than those of St. Johns and a man may be excused for brushing quickly by his friend when the thermometer stands at 20 or 30 degrees below freezing—but it must also be confessed that the manners of New Englanders are by no means their best part, and we might well learn of the West Indians to recommend ourselves to one another's regard by a more frank and cordial address".

In the 1840's we began receiving your abolitionist literature, to the great dismay of the Spanish authorities. Plans were afoot to extend the Underground System to fugitive slaves from the island. From some documents I have found, I suspect strongly that more than a few American sea captains were willing to introduce—or allow the introduction—into Puerto Rico of inflammatory literature against Spanish power.

There is no doubt that the pull and attraction of the U.S. market greatly encouraged the commercial production of sugar in Puerto Rico. The ups and down of U.S. prices, the fluctuations in the tariff and import duties, greatly affected Puerto Rico's economy long before the Spanish-American War. Economic gravitation in sugar was a fact before 1898. Not so direct investment, which lagged well behind that in Cuba.

There was another link which took time to develop: the strategic link. Preoccupation with Cuba dwindled Puerto Rico's importance in the overall struggle for Caribbean supremacy. Faced with active Southern privateering during the Civil War, however, the victorious North felt the need for coaling stations in the Caribbean after 1865. Samana Bay in Santo Domingo became the initial objective. But the Spanish-American War revealed the importance of Puerto Rico. It was Admiral Mahan who pointed out, in no uncertain terms, that Puerto Rico was for the United States in the Caribbean, that Malta was for England in the Mediterranean—the key, indeed, to naval and imperial hegemony.

From the building up of the naval base in Culebra to the relinquishing of the naval interest in the island last year, we have a history of three quarters of a century in which Puerto Rico's strategic significance was a dominant factor in American policy. The U.S. would "muddle through" in devising what type of colonial system would prevail: economic investments would flow to the sugar economy to develop a full plantation model after 1900 and later, after 1950, to help the process of industrialization. U.S. rule from Washington would swing from aggressive to tolerant paternalism, but the crucial, though less obvious, fact—made clear in two World Wars—was the strategic location of the island as the gateway to control of the Middle Caribbean.

Another salient fact of Puerto Rico's history is that throughout the 19th Century we imported people of many origins but they became largely homogeneous. We go from 150,000 inhabitants in 1800, to 600,000 in 1860, and to one million by the turn of the century, making Puerto Rico one of the most densely populated areas in the Western Hemisphere.

Today with 3.1 million inhabitants, Puerto Rico's population density is close to a 1,000 per square mile, a figure that has great socioeconomic implications for a small island.

From 1800 to 1900, to repeat, we imported people. They came from all regions of Spain, from Corsica, from the Canary Islands, from Africa, from Louisiana, Haiti, Venezuela and the Lesser Antilles. At the end of the Century, we had a British group in the South: we had Germans conducting a flourishing trade with Hamburg; we had Dutch and Danes. That all these migrants were forged into a Puerto Rican type, with a common language and an emerging cultural ethos, is amazing. Even more than Manhattan has Puerto Rico been a melting pot, one that is specially noteworthy because in Puerto Rico the whole idea of minorities never took root. You may have had class and economic including racial prejudice. But the general thrust was towards homogeneity despite great differences in ethnic origin.

How this melting pot came to be could well constitute the subject of a social history. On this occasion we can mention just two decisive factors.

The first was a Spanish decree of 1815, known in Puerto Rico as the *Cédula de Gracias*. This decree marked the formal abandonment by Spain of its long cherished exclusivist doctrine, for it opened Puerto Rico to trade with the United States and to settlement by foreigners. Many are the records in the archives of Puerto Rico which show that so-and-so, native of Ireland, or Curacao, or France, or Austria, obtained naturalization by virtue of the *Cédula de Gracias*.

The second is that slavery ended peacefully in Puerto Rico in 1873, thanks in no small measure to the efforts of the Puerto Rican abolitionists, and to the gradual decline of the institution itself. A report from the British Consul in Puerto Rico to the Foreign Office in London in 1866, which came to light only a few years ago, noted that, "Puerto Rico contains 600,000 inhabitants, of whom 308,430 are white and 292,750 are colored. Of these, 41,600 only, or 7 per cent, are slaves, and this condition of things must be borne in mind when the Spanish colonies are spoken of, for nothing can be more dissimilar than those of Cuba and Puerto Rico".

Thus, a Puerto Rican may be blonde or black; may show some traces of an Indian heritage; or may look Corsican or Sicilian. Or he may have a French, Danish, British or German surname. And, of course, he may look Andalusian, or may be taken for a Catalan. But let no one be fooled; he *is* a Puerto Rican.

Census classifications based on Spanish surnames will not tell the whole ethnic story about Puerto Ricans. He or she may be an Antonini or an Oppenheimer, a Gautier, a Todd, a Bothwell, a Girod, a Chardón, a Mattei, a Colberg, a Riefkohl, a Petrovich and be 100 per cent Puerto Rican.

For the Puerto Ricans in Puerto Rico the Spanish language has been the great catalyst, the obvious cultural link. The American educators who at the turn of the century thought that Puerto Ricans spoke a "patois" that could be easily swept away were greatly disappointed. These naive souls found themselves besieging a Gibraltar—a citadel that was never taken. In pressing to downgrade or eliminate Spanish, they touched a raw nerve.

Their failure was everybody's gain, but their attempt left deep psychological scars and a sense of estrangement which can still be felt even today, a generation after the language issue was resolved. Indeed, probably the greatest single barrier separating many Puerto Ricans from their American counterparts has been the so-called language question. From a rational standpoint, it is a senseless controversy. No educated Puerto Rican should reject English, the universal language of our times. By the same token, no educated American should resent Puerto Rico's attachment to Spanish as a core of its culture and its character. Spanish, after all, is not a picturesque dialect lost in a linguistic sea. It is one of the greatest, most dynamic and powerful languages of our times—a macro-language we may call it—ranking with Chinese, English and Russian as one of the main world languages. If some projections are right, Spanish will be the language of the largest number of people in the Western World in the XXI century.

It is a big mistake for educators anywhere to force any language down a people's throat. All they do is to create resentment and cultural trauma. Learning a language should be an attractive experience, a gateway to new revelations, never an instrument for psychic disruption or cultural denigration.

Puerto Ricans in Puerto Rico have taken and will take many things from the towering technological civilization that the U.S. has been exporting around the world: consumerism, supermarkets, speedways, Coca-Colas and Burger Kings. They may enjoy air conditioning, minis and midis, blue jeans and long hair. They may even use American slang. They will however, retain their Spanish; will blend its accent with West Indian sounds; will add all kinds of words with a plastic, dynamic, linguistic, élan. Knowledge of English may be good for the professions or the chores of trade; but in Puerto Rico when it comes to loving, swearing, singing and enjoying human company, you naturally turn to Spanish.

Puerto Ricans here of the second or third generation may well find the same high fulfillment using English. They are fighting their way in a tough world, starting sometimes at the very bottom of the social ladder. Some feel highly rejected by the surrounding social milieu, and then also find, on visiting Puerto Rico, that they do not feel entirely at home.

The great migratory wave that gained momentum after the Second World War—a two-way phenomenon—has, indeed, divided Puerto Ricans into two segments, two communities, two social groups: the inner community, closer to the Island's mores; the outer community, now struggling for its place in a competitive and often hostile world. In some ways we have become different. Human beings are always defined or explained or shaped by interactions with their environment. Even within our tight, huddled Island, we see differences emerging between our vast San Juan metropolitan area, suffering from so many urban ills, protecting itself behind its grilled ironworks, and the more open, friendlier and natural society of the countryside. We are developing in the face of contrasting environments, different life-styles and behavior patterns—the anthropologists may speak of subcultures—and yet we have a yearning for a core identity as Puerto Ricans. As Puerto Ricans we should work for cultural understanding, not for aggressive tribal isolation. This feeling could be a powerful centripetal force among all Puerto Ricans—the inner, the outer, the urban, the rural, as well as those from other places who feel the pull of the land and eventually become part of us—provided we don't turn it into an ideological shibboleth. It is better to extend a friendly hand than to raise a clenched fist.

We want a Puerto Rico where man has reached a more fruitful ecological balance and has created a society less acquisitive and more geared to service and understanding. We are stressing not a return to old ways but a reaffirmation of enduring human values, especially those which are related to sensitivity, compassion, and respect for human life and for the individual.

Buffeted by conflicting political winds, in the face of an economic recession that has thrown a monkey wrench into the high-pressured growth we experienced in the 1960's, we are turning inward in search for a wiser and more humane way of life. We are discovering new delights in our cultural self-expression, in our natural surroundings, in our flora and fauna. Never have I seen so many young people in Puerto Rico interested in our old dance forms or in learning to play the quitar or the *cuatro* and singing the rich medleys of our folklore. Traditions which seemed to be dead are suddenly reviving. People are reading more Puerto Rican literature and history than ever before. Gardening, along with a renewed love for our plants and trees, is growing in popularity. Amidst our social disorganization, in greater or lesser degree the product of negative social imports, I see signs here and there of a new generation with a stronger, deeper, attachment to the land, the songs, the traditions, the language.

There are many things in our contemporary Puerto Rico about which one may despair, some of which we share with urban communities on the mainland, and some of which are basically our own: the high incidence of crime; the unemployment among young people; the bleak economic picture brought by the energy crisis and the recession; the lack of adequate educational facilities and the heart-rending shortcomings in basic learning skills; the excessive politicization of life; the deterioration of sectors of the natural environment; and the development of a Puerto Rican-type of rat-race.

But there are also other things behind the looking glass: a passion for knowledge among so many students; the smiles on so many young faces; a rebirth of spiritual interest in art, religion and human communications. And in spite of the drug addicts, or the would-be terrorists, a desire for understanding and conviviality.

There are surely many emerging traits among Puerto Ricans here which many also point the way to a new rebirth. It is not for us in Puerto Rico to tell the Puerto Ricans here what to do or how to behave. We should come here not to give prescriptions, but to extend a friendly hand. We should come to explain to U. S. communities what the real Puerto Rico is like. We should help people pierce through all the grotesque distortions and diatribes and see the struggles of a society that, no matter how torn by conflicting political views, holds firmly to democratic ideals and is deeply concerned with shared human values. Contrary to Senator Pettigrew and Professor Bailey, we surely do have bananas, and plenty of them, growing along with democracy on the same section of land and we are anxious to defend and nurture both, simultaneously, on the same ground.

Here I must emphasize one fact. We are not of a piece with Kalamazoo or Topeka, nor are we like Orono or Salem. But neither are we going the way of Angola, Mozambique or Cuba. We are not meddling with any people's life, but to put it bluntly, many of us are getting sick and tired of U.N. ambassadors meddling in our affairs, or of people who can't locate Puerto Rico on the map telling us what we should do or what we shall be.

We hold to the tenet of self-determination but we need no support on that from U.N. delegations because we are exercising it in the best way to exercise it—in free election every four years. Anyone who really gets an insight into our values and commitments will readily see that, like most people everywhere, we may enjoy the standard patterns of a technological civilization, but we also want to be ourselves.

Like everybody else, we are fighting a stiff battle against recession and our urban problems. The statistics on our unemployment may be distressing. One out of every five members of the labor force is looking for work, Governor Hernández Colón reported to the Legislature a few days ago. Our average income level may be low by U. S. standards. Inflation has hit us badly. But we are not despairing; we are reacting. We have an industrial development unmatched in the Caribbean. Our social infrastructure is way ahead of most countries in the world. The proportion of our school age population going to school at all levels, including 115,000 in post-secondary education, is larger than that of most countries of the world including some of the wealthiest nations. We are dissatisfied with our productivity. We have to have more discipline and more know-how as well as more learn-how. But we are all alive and moving and by no means ready to fall prey to the dark forebodings of Casandras from the right or the left. It is my fervent hope that in this area of quiet resolve and dedication we shall have a meeting of minds with the Puerto Ricans of the outer community and with all peoples of good will and emphathetic understanding.

I began this lecture with a reference to the American Bicentennial and a question about how well Puerto Ricans and Americans of whatever origin know each other after three quarters of a century of political association. I have tried to show that there are some serious deficiencies to be corrected. A Bicentennial year is an ideal time to start that process.

For most of its two hundred years, the United States has been strongly nationalistic, thinking of itself as the chosen land, as God's country, and to be sure it has been favored by Divine Providence in many ways. But it is now beginning to understand an observation that Ralph Waldo Emerson made in his Journal: "Nationality is often silly; every nation believes that the Divine Providence has a sneaking kindness for it". The nation has begun to look upon the world with a broader vision, and, I may add, with greater insight and understanding. It has been chastened by recent events and its learning the pitfalls and perils of what Senator William Fulbright called "the arrogance of power".

That empathetic insight has to turn inward as well as outward, to take fuller account of the essencial character of "this nation of immigrants", as John F. Kennedy called it.

One of the deep, powerful strains in the United States is the Hispanic or Latin-American strain. Largely submerged over two centuries, it is now coming to the surface in many sections of the land: the West, the South, the Middle West, the Northeast. Whether culturally or politically or ethnically, it is here to stay. It, too, claims a share of the right to "Life, Liberty and the Pursuit of Happiness". National recognition of that claim is in order. For the "Latin" strain can no longer be boxed in; it has learned to speak through the ballot box, that exemplary boxer of many a political ear.

As part of this empathetic understanding of which I speak there should be keener awareness of what Puerto Rico and Puerto Ricans are all about; of their perplexities and doubtes; their struggles and their hopes; and their own search for identity. I congratulate you, therefore, for leading the way with this series of lectures. It is for universities to break new ground and, in extending the frontiers of knowledge, to probe—always deeper—into the human condition.

TESTIMONY BY W. W. JOHNSON ON GOVERNMENT OVERREGULATION

Mr. THURMOND. Mr. President, a distinguished citizen of Columbia, S.C., Mr. W. W. Johnson, has recently given testimony before the platform committee, Democratic National Committee, Atlanta, Ga., concerning overregulation by the Federal Government. Mr. Johnson, president of Banker's Trust of South Carolina, makes some telling points on the effect of overregulation by the Federal Government, on the consumer and business.

Mr. President, I ask unanimous consent that his testimony be printed in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

PREPARED TESTIMONY BY W. W. JOHNSON

My name is W. W. Johnson. I am president of Bankers Trust of South Carolina—an enterprise of 1,500 employees, owned by 4,700 shareholders, and serving in the neighborhood of 230,000 depositors in 38 cities and towns. As head of a business institution, it is my job to know the South Carolina marketplace and to understand the way its people think. And, as a financial specialist, it is my task to keep current with nationwide opinions on business and governmental issues. Therefore, it may not be presumptuous of me to say I believe the views expressed here generally reflect those of the majority of consumers and businessmen throughout America.

Both sectors are becoming increasingly discontented with the excesses of government regulation. The consumer knows that ultimately he is going to foot the bill, and the businessman knows that in addition to the tax burden, his efforts to stay in business are perpetually threatened by decisions made by men in government who are not responsible to the electorate.

Of the $130 billion a year that is required to finance government red tape, it is not easy to quantify the cost to the consumer, but perhaps this can be understood more readily when you consider the following estimates:

Item: A large automobile manufacturer says requirements for additional safety and environmental equipment have added $610 to the cost of an average automobile.

Item: In transportation, food retailers claim that federal rules add $250 million a year to the cost of shippers, and, of course, these costs are passed on to the consumer.

Item: It has been estimated that the government paperwork costs each hospital patient $4 extra every day he is in the hospital.

The consumer's need to understand and support reform of government regulations is great. Without significant reform, these bureaucracies will continue to add needlessly to the everyday costs of the consumer.

The businessman's burden is even more onerous when it is considered that his decisions are not even his own; yet, when the decisions prove wrong, he alone faces the music.

These agencies tell businessmen whom they may hire, how they must advertise, and how products are to be made. They dictate safety standards to excess they place restrictions on the treatment of personnel, and they require the filling out of thousands of forms, taking up an annual 130 million man-hours to do the job.

The businessman no longer has the freedom to make profit-and-loss decisions. These decisions are controlled and influenced by bureaucrats who are insulated from pressures of management responsibility. Decision-making is moving away from professional managers who must respond to the marketplace to non-professional managers in government—who are answerable to no authority other than their own agencies. They do not share the responsibility for the losses, the costs and the extra work they cause. There isn't a great deal of company decision-making that isn't controlled or influenced by one or more federal agencies.

The real tragedy is that small businessmen—indeed, all businessmen—have no appeal. It appears the bureaucracy has emerged as the most powerful and independent branch in the country. Where we once considered the three branches of government—the courts, the legislature and the executive branch—we now must consider a fourth. It is that vast group of agencies, commissions, administrations and bureaus created by legislative action. As the chairman of U.S. Steel pointed out: "The agencies' directors and administrators are appointed, usually for periods longer than those who are elected to office, and they are, in effect, answerable to no one. Their staff members are protected, and perpetuated by civil service."

The decision-making rights of every citizen and every business is being placed in the hands of this growing group that is totally out of the mainstream of the political election system.

This power without accountability will lead to the dissolution of the free market system unless it is brought under control. And, the corrective process must be generated very soon.

The private sector of America is the support of the entire political and economic system. Some regulation of the private sector is necessary and desirable, but when controls are excessive and sustaining as we now know them to be, then the ability of the free market to function is impaired.

Already it is late. There is ground lost that can never be regained. Eventually, however, by acting immediately and decisively, the tide may be slowed before the system is damaged beyond repair.

Until now excesses of regulation had not been perceived as threat enough to command widespread attraction. But, today, with continued unemployment and inflation, the movement is no longer insidious. It is being felt at the lowest levels of the economy and in the household of every American. The public is finally understanding the perils of overregulation. The voter is experiencing directly the diversion of his resources from productive work to compliance activities. Businessmen, workers and consumers alike are sensing the erosion of freedoms in a super-controlled environment. At no time since the first agnecy was created in 1887 has there been such a groundswell for regulatory reform. And, while this problem is not subject to easy solutions, it appears that a movement toward reform must be planned now, or there will be a severe backlash later.

I think it is appropriate that the leadership of the Democratic Party give serious consideration to the cost and economic consequences of over-regulation, and how the trend can be reversed. I know that the solutions are going to be exceedingly difficult, but the alternatives may be disastrous.

I thank you for the opportunity to appear before you, and I appreciate the courteous attention shown me.

NATIONAL COMMISSION FOR MANPOWER POLICY EVALUATES HUMPHREY-HAWKINS BILL—S. 50

Mr. HUMPHREY. Mr. President, the Senate is now in the process of holding hearings and evaluating the Full Employment and Balanced Growth Act of 1976 (S. 50) which I introduced in the Senate several weeks ago. As most of you know, this bill makes a Federal commitment to reduce unemployment to 3 percent within 4 years of enactment, with an associated broad range of economic policies to make that goal realistic.

As I have said on many occasions, the purpose of Senate review is to perfect legislation, and I welcome critiques of the bill so that that can be done. But today, I want to call to the attention of my colleagues what is essentially a favorable evaluation. What is particularly noteworthy about this evaluation, in my opinion, is that it comes from the National Commission for Manpower Policy. This is primarily an independent group that was created to advise both the President and Congress on manpower policy.

In a letter to Congressman AUGUSTUS HAWKINS, the sponsor of the companion bill in the House, the Chairman of the Commission, Eli Ginzberg, a scholar of great ability in the area of manpower policies, made these remarks about the bill:

Dr. Ginzberg indicated first that the Commission shared the conviction that opportunities for jobs for all Americans willing and able to work should be placed at the very top of the Nation's agenda for an activist manpower policy. This is essentially the policy declaration of the Humphrey-Hawkins bill.

Dr. Ginzberg went on to say that the Commission is appalled, as are supporters of S. 50, by the cumulative human, social and economic waste resulting from the serious shortfall in jobs which is particularly severe since late 1974, but characteristic of most of the post-World War II period. In my opinion, this waste of human and capital resources is the heart of the matter, for it undermines the overall function of the economy and our ability to achieve other national priority needs.

The Commission also apparently understands that higher levels of unemployment do not mean lower inflation. They understand that increased economic production means more productivity and is largely anti-inflationary. Let me quote what the Commission itself has said about unemployment and inflation:

> The threat of renewed inflationary pressures does not justify the continuation of policies that carry excessive human and economic costs which this year will exceed $200 billion in lost output alone. . . . In considering the cost of putting individuals back to work it should be noted that there are also substantial costs to doing nothing. It has been estimated that for every percentage point increase in the unemployment above four percent, the federal deficit increases by almost $16 billion.

The Commission understands the relationship of the budget to the economy, and how the economy in turn affects the budget. They reject the notion that our large Federal deficits are primarily the result of runaway spending in Washington. The following is what the Commission said on this matter:

> The Commission fully understands the national desire to exercise budgetary restraint and place a ceiling on deficits. It notes, however, that the present federal budget deficits are due in part to the recent recession with its high levels of unemployment which have resulted in large increases in transfer payments and lower tax revenues. The cost for providing more employment opportunities through expansionary macroeconomic policies would be lessened over the long run by the extent to which the federal payments are reduced and federal tax receipts are increased.

Dr. Ginzberg also indicated that many of the policies advocated in the Humphrey-Hawkins bill are sensible and are the same policies being advocated or investigated by the Commission. He pointed out that the Commission shares the conviction expressed in our bill that the accomplishment of a full employment goal requires the careful articulation of general economic policies and selective manpower policies. One of the major purposes of our bill is to formally marry macroeconomic and manpower policy. Dr. Ginzberg also indicated that the Commission is sympathetic with the range of countercyclical proposals in S. 50, with the need for strengthened youth employment policies, and the use of reservoirs of employment projects as a last resort employment measure.

In addition, the Commission agrees with our bill on the need for "improved integration of income maintenance programs and full *employment* programs." I am pleased to see that the Commission endorsed putting people to work rather than keeping them on the dole, when the dole is what is costing the American taxpayer exorbitant amounts of money.

Dr. Ginzberg closed his letter with the expression that the Commission's work is running very much on the same track with what is contained in the Humphrey-Hawkins bill. He said:

> I hope that my specific comments convey to you the frequent parallelism between the Commission's preliminary approach to employment problems and the proposals contained in H.R. 50. You can be assured that as the Commission moves ahead to deepen its analysis and formulates its recommendations, it will give close attention to H.R. 50.

Mr. President, we are grateful for this thoughtful letter from Dr. Ginzberg. I believe it reflects support for many of the provisions in the Humphrey-Hawkins bill. At the same time, I want the record to show that the Commission has reservations about some aspects of this bill, and suggestions for further improvement. And as they study the bill more closely, I feel certain they will have additional comments for the Congress.

Mr. President, in order that the record be complete with respect to the letter we have received from Dr. Ginzberg, I ask unanimous consent that this letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

National Commission
for Manpower Policy,
March 25, 1976.

Congressman Augustus F. Hawkins,
U.S. House of Representatives,
Washington, D.C.

Dear Congressman Hawkins: I appreciate your courtesy to permit me to comment on HR-50 by letter rather than by appearing formally at the hearings which your Sub-Committee is holding. The National Commission for Manpower Policy has explored many issues contained in HR-50 during the past several months and my comments are informed by these discussions. However, I want to stress that the Commission will not complete its recommendations on an employment strategy for the nation until it finalizes its Second Annual Report to the President and the Congress which is due in the fall of 1976. Hence my comments must be viewed as indicative of the present thinking of the Commission, not as reflections of its considered conclusions.

1. The Commission shares with HR-50 the conviction that opportunities for jobs for all Americans able and willing to work should be placed at the very top of the nation's agenda for an activist manpower policy. In its first annual report, the Commission outlined manpower policy "as a set of commitments and programs aimed at facilitating the employability of all persons able and willing to work; the strengthening of the manpower infrastructure to enhance the matching of people and jobs; and providing various types of specialized support in the form of temporary jobs, income support and other types of manpower assistance to individuals and groups when the economy is unable to provide adequate employment opportunities." To effectuate such a comprehensive approach will require many of the elements in HR-50.

2. The Commission is appalled as is HR-50 by the cumulative human, social, and economic wastes resulting from the serious short-fall in jobs particularly severe since late 1974 but characteristic of most of the post-World War II period.

The Commission noted in its first annual report "that the threat of renewed inflationary pressures does not justify the continuation of policies that carry excessive human and economic costs, which this year will exceed $200 billion in lost output alone" and that "In considering the cost of putting individuals back to work, it should be noted that there are also substantial costs to doing nothing. It has been estimated that for every percentage point increase in the unemployment rate above 4 percent, the federal deficit increases by almost $16 billion—$14 billion because of reduced tax receipts and $2 billion because of increased transfer payments. The process also works in reverse."

3. The Commission is convinced as is HR-50 that the danger of renewed kindling of inflationary pressures cannot justify a macro-policy that will leave us with such excessively high unemployment rates as have been calculated by both OMB and CBO under their present estimates.

The Commission in its first annual report further noted:

"That the present inflationary pressures did not arise from a shortage of workers and their amelioration should not be sought and cannot be achieved by continuing high levels of unemployment.

"The Commission fully understands the national desire to exercise budgetary restraint and place a ceiling on deficits. It notes, however, that the present federal budget deficits are due in part to the recent recession with its high level of unemployment which has resulted in large increases in transfer payments and lower tax revenues. The cost providing more employment opportunities through expansionary macro-economic policies would be lessened over the long run by the extent to which federal transfer payments are reduced and federal tax receipts are increased.

"In times of excessive inflationary pressures, when a cooling of the economy may be considered desirable—although recent experience raises serious questions about the unemployment-inflation trade off—selective demand management, that is, public job creation, income support, and other manpower programs can provide some cushion in mitigating some of the adverse effects of a deflationary policy."

4. The Commission shares with HR-50 the conviction that the accomplishment of a full employment goal requires the close articulation of economic and manpower policies. The Commission noted in its annual report that "An important aspect of the development of manpower policy is its interrelationship with macro-economic policy. Although macro-economic policies have the primary role in determining the level of aggregate employment, manpower policy can supplement the effective use of fiscal, monetary and budgetary policy in maximizing employment, particularly by addressing structural or geographic problems.

* * * * *

5. Some caution is indicated in establishing a single rate of unemployment as an absolute target. However, the need to set some measurable objectives is appreciated. However, a single rate cannot alone suffice since the distribution of unemployment and its consequences is not spread evenly across the population. Therefore, caution is suggested in developing an operational standard for "full employment"—not however in the pursuit of that goal.

6. The Commission agrees with the emphasis in HR-50 that stresses that a full-employment program must provide "productive non-wasteful jobs."

7. The Commission also agrees with HR-50 that there is "widespread duplication and contradiction among federal departments and agencies." I am forwarding at this time the Commission's special report, *Manpower Program Coordination*. In both this special report and its First Annual Report, the Commission made a number of recommendations for improving the interrelationships among manpower programs. In its First Annual Report the Commission concluded: "that substantial gains can be made from improved coordination of manpower and related programs, but this can be accomplished only if constructive actions are taken at every level—federal, state and local." It is the hope of the Commission that Congress will through future legislation facilitate and mandate coordinaion of existing and future manpower legislation.

8. The Commission agrees with HR-50 in the need for improved integration of income-maintenance programs and full employment policies.

As its First Annual Report states: "The Commission supports early action to convert transfer payments into wages for workers who have been unemployed for long periods of time." Accordingly, the Commission is exploring how a proportion of the estimated $40 billion of emergency income transfer payments in fiscal year 1976 can be converted to creating employment opportunities for the unemployed in the public sector, as well as exploring new approaches for maintaining and expanding job opportunities for the unemployed and potentially unemployed in the private sector.

With regard to the Unemployment Insurance System, the Commission has recommended:

Enactment of legislation to improve the coverage, benefit levels, and financing of the system.

A study to determine ways UI can be transformed in part into a manpower support program with emphasis on expanding training opportunities and mobility assistance.

A study of the various types of work-based earning programs that might be established for the long term unemployed in lieu of further extension of UI or forcing those who have exhausted their benefits onto welfare roles. (The Commission offered as one possibility community development projects which offer employment and training opportunities to the long term unemployed in inner cities and rural areas.)

Elimination of duplication and inefficiencies in work test procedures used in UI, Food Stamps, and Work Incentive programs.

9. The Commission is sympathetic with the range of countercyclical proposals of HR-50 without as yet having had an opportunity to assess them in detail.

10. While the Commission has staff work under way with respect to regional and structural employment policies it is unable at this time to comment on these provisions in HR-50 because it has not yet had a detailed discussion on these policy matters.

11. The Commission shares the concern expressed in HR-50 with the need for strengthened youth employment policies. It is currently issuing a volume of expert papers on this subject which will shortly be available.

12. The Commission is sympathetic to the proposal centered in HR-50 relating to "Reservoirs of Employment Projects" although it has not as yet had the opportunity to explore their potential.

13. The Commission is in accord with the proposal of HR-50 for a Congressonal determination as to priority of claimants for public service employment jobs and other

types of manpower services. In particular family income should be a primary consideration. In its Second Interim Report to the Congress the Commission recommended: "that Congress etablish a maximum family (or household) income ceiling for persons to become eligible for PSE jobs." The Commission advanced this recommendation on the basis of the inequity of having secondary wage earners of some families competing with unemployed family heads of other families for a limited number of publicly supported jobs.

Two additional views of the Commission which pertain to the objectives of HR–50 may be of interest.

In the Commission's First Annual Report, it was noted that "Addressing the continued problems will require significant changes in many of the present concepts and policies, a considerable redirection of many of our programs, and some restructuring of our economic and manpower institutions."

The report went on to state that "In assessing the state of our nation's manpower policy in the fall of 1975, it is this growing acceptance of chronically high unemployment which the Commission judges to be its most critical and the most disquieting finding. If the nation—and its leadership—continues to accept as inevitable a high level of unemployment and consequently lessens its search for early and effective remedies, the unemployed and the nation will have become the victims of a self-fulfilling prophecy."

As indicated in the beginning of this communication, the Commission is presently in mid-stream in formulating its detailed proposals with respect to a national manpower policy, including employment strategy. However, I hope that my specific comments convey to you the frequent parallelism between the Commission's preliminary approach to employment problems and the proposals contained in HR–50. You can be assured that as the Commission moves ahead to deepen its analysis and formulates its recommendations it will give close attention to HR–50.

I am also enclosing a copy of my remarks prepared for the Joint Economic Committee's National Conference on Full Employment since they supplement some of the comments set out above.

Sincerely,

Eli Ginzberg,
Chairman.

TAX FREEDOM DAY

Mr. DOLE. Mr. President, most holidays are observed on approximately the same date each year. We celebrate our independence annually on July 4. Christmas always falls on December 25. Even the federally mandated Monday holidays come at about the same time each year. But on Saturday, we celebrated a different kind of "holiday"—one that must be observed at a later date each year.

Saturday was "Tax Freedom Day," the day when the average wage earner gets through working to pay his local, State, and Federal taxes and starts working for himself and his family. Last year, we could have celebrated Tax Freedom Day a couple of days earlier. The year before last, we could have celebrated Tax Freedoy Day perhaps 4 days earlier. And, just as surely, we will have to "celebrate" a day or two later next year.

That is, unless we in politics—national, State, and local—awaken to the consequences of profligate spending and taxation at all levels of government.

It is a sad state of affairs when the average American wage earner must work nearly 4 months out of each year just to support government. But as long as the trend toward big government continues, we should expect this unfortunate and inequitable situation to prevail.

HOPE FOR THE FUTURE

In 1976, there is at least a glimmer of hope that we in Congress and our elected representatives at all levels of government are beginning to recognize the gravity of the problem. New York City's recent brush with municipal bankruptcy has focused national attention on the need for proper fiscal management at all levels of government. Politicians and government officials are beginning to learn what the American taxpayer has known for years—that there are fiscal limits within which everyone, including governments, must operate. No longer can we expect the public to stand idly by while taxes continue the unending upward spiral mandated by big government.

Suddenly, fiscal responsibility has become fashionable among politicians of all persuasions. Those who in earlier years embraced the "spend and tax" philosophy of big government now question whether Government can or should attempt to solve every problem in contemporary society. I welcome this phenomenon. For unless the surge toward bigger government is slowed—and, ultimately, halted altogether—the very underpinnings of the American economy may be jolted by a well-justified taxpayers' revolt.

WHO IS TO BLAME?

Who is to blame for this unfortunate situation, and what can be done to correct it? I believe that we in Ccngress have the obligation to take the first steps toward restoring fiscal responsibility to the Federal bureaucracy and, thus, reducing the tax burden on our constituents. After all, it was Congress which passed the laws that led to big government. And it is Congress which is in the position to reform or repeal the costly programs which have led us into the present fiscal morass.

The time for action is now. The consequences of profligate spending by Government—any government—have been vividly demonstrated by New York City's financial crisis. Streamlined Federal, State, and local governments can continue to provide an adequate level of public services without incurring huge budget deficits. Moreover, the restoration of fiscal responsibility at all levels of government can lead to lowered taxes, less government interference in our private lives, and more jobs for our citizens.

I commend our distinguished colleague from Maryland (Mr. Beall) for bringing Tax Freedom Day to our attention. Hopefully, the Congress will favorably consider his legislation, Senate Joint Resolution 189, to officially designate Tax Freedom Day.

If we—the elected representatives in Government—take seriously the problems of overspending and overtaxation, we can reverse the alarming trends of recent years. Then, hopefully, in future years, we can celebrate Tax Freedom Day at an earlier date each year.

DEVELOPMENT OF SOYBEAN PRODUCTION

Mr. HUMPHREY. Mr. President, I wish to share a recent report by Mr. Roderick Turnbull, director of public affairs of the Kansas City Board of Trade, regarding the development of soybean production in the United States which came largely after World War II. This report basically sketches how the U.S. soybean became the "wonder crop" and how Brazil has now become a major competitor on the world market.

The article includes a comment by the American Soybean Association urging greater research to enable the U.S. grower to increase per acreage production, a need which has long been recognized as one most important in the soybean business.

A second article in the April 21 issue of the Wall Street Journal by Jerry E. Bishop is entitled "Pfizer is Developing a Hybrid Soybean That Could Increase Yields 20 Percent to 30 Percent." This article almost takes up where the Turnbull report leaves off, and it indicates that new seeds have been developed which will require 2 or perhaps 3 years to test fully.

Pfizer may have found a way to develop a hybrid soybean seed which utilizes bees to provide the pollination needed.

Mr. President, I ask unanimous consent that these two articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

The Board of Trade of Kansas City,
Missouri, Inc.

(By Roderick Turnbull)

DIRECTOR OF PUBLIC AFFAIRS, KANSAS CITY BOARD OF TRADE

Kansas City.—Soybean interests including farmers, processors, the grain trade and the U.S. Department of Agriculture all seem to have come to a realization recently that currently and from now on, American growers will have plenty of competition on world markets.

This contrasts with the past when the U.S. farmer had almost a monopoly on world trade in soybeans.

The realization obviously isn't something that was an overnight discovery. But it does appear that somewhat suddenly everybody is talking about the situation.

One reason for this, of course, is price. And one major factor in current world prices is Brazil.

Brazil, once a nonentity in the business, has captured a respectable share of the world market and promises to take even more. At the same time, soybean oil never has had a full monopoly on the world vegetable oil market, and now palm oil, a relative newcomer at least as to size, has become a new challenger.

So, the U.S. soybean, the "wonder crop" now must compete for its share of the market. To some, the situation is scary. Other analysts regard the developments as natural and they are confident not only that American farmers can compete, but that the world eventually will want all the soybeans that are grown, both for the oil and the high protein meal.

Perhaps it was inevitable that the world, considering the demand for soybean and soybean products, would find a way either to grow more of this crop or produce competitors. High prices in America and the embargo a few years ago added impetus to the development.

The soybean earned its title as a wonder or Cinderella crop by its rapid growth in America. The bean itself is as old as history, but it wasn't until after World War II that it burgeoned in this country.

In the 1920's and early 1930's, soybeans were grown in America primarily for hay, and reports at the same time said it wasn't particularly good hay. Most of the beans harvested were used for seed. In the latter part of the 1930's, the soybean acreage got a boost because this commodity could be grown in land taken out of production of the so-called basic crops under government control programs.

The first real send-off for soybeans came with World War II, when this nation and the world needed more edible oils. The U.S. soybean production jumped from 90 million bushels in 1939 to 204 million in 1946. While it was the demand for oil that primarily spurred U.S. soybean production during the war, it was also during the war that a new appreciation developed for soybean meal as a protein supplement in livestock and poultry feed. This was helped along by an improvement in quality of the meal.

The export demand for soybeans and the products began to expand in the 1950's. So did domestic usage. The result was the soybean acreage increased almost every year, and every year there seemed to be a market for what was produced. The United States not only was the world's greatest producer, but it had a lion's share of the export market. It still does have a major share of the market, but Brazil is climbing.

Don Paarlberg, Director of Agricultural Economics of the USDA, recently put together some data on soybeans relative to the U.S., Brazil and the world market.

Production of soybeans in Brazil, he said, rose from 1.5 million metric tons in 1970 to 9.7 million tons in 1975, and the current harvest is being estimated at over 11 million and up to 12 million tons. By 1985, he said, Brazil is expected to be producing about one-fourth of the world's soybeans compared with 15 percent in 1975. The U.S. proportion of world soybean production has declined from 73 percent as recently as 1973 to two-thirds in 1975. In 1985, when Brazil is supposed to be producing about one-fourth of the world's production, the U.S. share may be down to 60 percent or less.

Ironically, as Paarlberg pointed out, Brazil is using U.S. production techniques, but the yields there are slightly below America's averages. Apparently, production costs in Brazil are competitive with those in the U.S., Paarlberg indicated. However, he added, their transportation and storage facilities are far less efficient.

Secretary Earl L. Butz has expressed the opinion that there is a potential market big enough so that both the U.S. and Brazil can expand production. He has suggested that both countries use their energies to build this market.

The America Soybean Association urges greater research to enable the U.S. grower to produce more to the acre, thereby reducing production costs.

It might be pointed out that this isn't the first time soybean growers have been worried. Some authorities in 1969 contended soybeans were in trouble because prices were too low to give growers a profit, yet not high enough to make them competitive with other crops such as corn.

Despite this prediction, soybean prices in a few years reached the highest level in history. All of which may indicate that it is difficult to predict what actually is ahead for anything.

[From the Wall Street Journal, Apr. 21, 1976]

PFIZER IS DEVELOPING A HYBRID SOYBEAN THAT COULD INCREASE YIELDS 20 PERCENT TO 30 PERCENT

(By Jerry E. Bishop)

NEW YORK.—A hybrid soybean that potentially could increase yields 20% to 30% is being developed by Pfizer Inc., a diversified drug and chemical maker.

The first field plantings to see if commercial quantities of hybrid seed can be produced are under way in California and will be started soon in Iowa.

"We're past the greenhouse stage," Roland M. Hendrickson, vice president, agricultural products, said. He estimated it will require two years, or possibly three, to determine fully the hybrid's commercial potential.

"By next summer we should have enough (hybrid seed) to plant a commercial field," Mr. Hendrickson said. At that time, Pfizer should know if it can get enough hybrid seed an acre from the parent plants to produce a commercial product. It also should be able to determine if the hybrid plants will yield enough to attend the farmers.

If successful, the Pfizer seed would become the first hybrid soybean to become commercially available. Agricultural scientists have been trying unsuccessfully for years to develop a commercial hybrid soybean.

Pfizer received a patent on the new hybrid soybean in September but has said little about it. In remarks at the company's annual meeting yesterday. Gerald D. Laubach, president, made only a passing reference to the new plant. "The major economic and social contribution to hybrid seed corn will hopefully be duplicated with the soybean—where Pfizer genetics last year reported a significant advance," Mr. Laubach said. Later Mr. Hendrickson said Mr. Laubach was referring to the receipt of the patent.

Hybrid plants result from cross pollinating two different strains of the same plant. This produces a hybrid seed that is planted the following season to produce the new hybrid crop. The seed from the hybrid crop, however, is sterile and the farmer each year has to buy a new supply of hybrid seed. For corn and feed grains this situation has led to a large hybrid seed industry. The development of hybrid soybeans presumably would lead to a fairly large hybrid seed business.

Pfizer researchers apparently found a way around the major obstacle to hybrid soybeans. Unlike corn, where the male tassle and female pistil are in different places on the plant, the male and female organs in the soybeans are contained inside the same floret, or bud. Ordinarily, the soybean floret stays tightly closed until the plant pollinates itself. This makes cross pollination between two strains to produce hybrid seed almost impossible on a large scale where hundreds of acres of plants have to be cross-pollinated.

Pfizer researchers overcame this problem with the help of bees, Mr. Hendrickson said. The company uses two strains of natural soybean plants that have been bred to produce a loosely bound floret. The florets are loose enough to be penetrated by leaf-cutter bees that then can carry the pollen from one strain to another.

Commercial swarms of bees commonly are used by farmers to pollinate such crops as alfalfa. To produce hybrid soybean seed, Pfizer presumably would use swarms of the leaf-cutter bees for the cross-pollination.

One question Pfizer has to work out, Mr. Hendrickson said, is the yield of hybrid seed. The bees couldn't cross-pollinate every plant, so some seeds harvested wouldn't be hybrid seed. But the hybrid seeds are a different size than natural seed and might be able to be sorted out mechanically, he said. "These are the kind of questions we have to work out in the next year or two," Mr. Hendrickson said.

Under experimental conditions Pfizer has obtained hybrid plants with soybean yields 50% higher than natural soybean plants, the executive said. However, the production of hybrid seed may be too low with this variety. "We may have to go with a second generation, so maybe we will have to shoot for a 20% to 30% increase in yield," he said.

At the shareholders' meeting, Pfizer reported first quarter earnings rose 10% to \$37.9 million or 54 cents a share, from \$34.4 million, or 49 cents a share, a year earlier. Sales climbed 29% to \$455.1 million from \$380.3 million.

Research and development spending this year will rise to \$95 million from \$79 million in 1975, Edmund T. Pratt, chairman and chief executive officer, said.

GOVERNMENT HANDOUTS

Mr. BARTLETT. Mr. President, each of us is constantly receiving requests for assistance to increase funds for particular programs or to assist a particular group or individual in seeking assistance from a Federal program. Some of these requests have great validity and assist in needed areas or affect a large number of persons toward a better life. Other requests are very marginal and, in some cases, actually waste taxpayers' dollars. Today I have the opportunity to bring to your attention an interesting request from Mr. John E. Kirkpatrick, who has been one of the more significant benefactors in the State of Oklahoma.

Mr. Kirkpatrick has assisted numerous groups and individuals over the years with both money and personal time. His efforts have often been in coordination with Federal grant-in-aid programs.

The letter I present today is self-explanatory, but I believe that Mr. Kirkpatrick has expressed the feeling that many citizens have about the ability of this country's Federal Government to pay for items and programs that have been, and currently are, supported by local contributions. Mr. Kirkpatrick implies that the Federal Government must more carefully analyze its expenditures and reduce them whenever possible.

I ask unanimous consent to have John E. Kirkpatrick's letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 29, 1976.

Hon. DEWEY BARTLETT,
140 Russell Senate Office Building,
First and "C" Streets NE.,
Washington, D.C.

DEAR DEWEY: I have been asked by the National Committee for Symphony Orchestra Support to write to you recommending an increase in their Federal Grants.

I am most certainly opposed to this being done. The Federal Government simply does not have the money to spend on such unimportant things that benefit such a limited portion of our population. It is very difficult to muster up decent crowds for Symphonies. It is also very difficult to give away tickets. For the past twenty-five years, I personally have been one of the principal supporters of the Oklahoma City Symphony. I feel it is appropriate for me to do so. I do not, however, feel it is the responsibility of the Federal Government to support local Symphonies; rather, that the local citizenry who happen to be interested in this particular activity provide the necessary support.

Very truly yours,

JOHN E. KIRKPATRICK.

INDIAN WATER RIGHTS IN CENTRAL ARIZONA

Mr. KENNEDY. Mr. President, all Americans place high premiums on health, education, housing and jobs. But to American Indians, land and water have always led the list of those matters deemed essential for both present livelihood and future survival. For Indians know that any threats to or diminution of their land and water rights may constitute threats to their very existence.

This is why tribes fought so hard during the last century to stem the movement of whites across their lands. And this is why they have been struggling ever since to maintain those land and water rights which they retained when they relinquished the vast portion of their holdings to the white man.

Congress and the Executive have, over the past 8 years, reawakened to the needs and problems of American Indians. Slowly, but surely, we have moved to right old wrongs, to undo the injustice of the past, to restore property illegally taken. The list of things to be done, however, remains long.

One unfinished item on our national agenda is insuring to the five Indian tribes of central Arizona sufficient water for future economic self-sufficiency. To this end I introduced on April 13, S. 3298, a bill to settle the water rights of those five tribes and to provide them with sufficient water for their present and future uses.

The junior Senator from Arizona has suggested to this body that my introduction of this bill was precipitous. I would like to take this opportunity to respond briefly to his comments in the RECORD of April 26.

First, Mr. President, I would like to reject as completely untrue the Senator's contention that I told him or anyone else that I would refrain from introducing the bill without consulting further with him. The Senator did seek such an assurance. But while indicating that I understood his position, I specifically and deliberately declined to give any assurance regarding introduction of the bill. Indeed, my staff had spent considerable time with Senator FANNIN's staff in an attempt to understand all aspects of potential opposition to the bill; my conversation with the two Senators from Arizona was the normal courtesy they had a right to expect, and was simply by way of advising them in advance of my interest in introducing the bill. I gave no pledge or promise or commitment whatsoever to Senator GOLDWATER, and he is seriously mistaken in asserting otherwise. Nor did I give any such pledge to Senator FANNIN. I might say that I resent having the value of my word attacked by Senator GOLDWATER, or anyone else. I emphatically deny the Senator's allegation, and ask him to comprehend that my word is not given simply because it is sought.

Senator GOLDWATER observed that someone had sold me "a bill of goods" on this bill. That is hardly the case.

As I stated upon introducing S. 3298, I first learned of the grievous water problems of the five central Arizona tribes when my Subcommittee on Administrative Practice and Procedure held hearings in 1971 and 1972 on Federal failures to protect Indian natural resources. Our hearings took us to the Gila River Reservation in January 1972, where we heard from tribal representatives of the problems they faced. The legislation I have introduced is entirely consistent with data gathered at that time, and incidentally, the material provided the Interior Committee in 2 days of hearings last October.

I was convinced by leaders from the five tribes to introduce this bill, because they certainly know most directly and personally what the tribes' needs are. While I fully recognize, as I stated earlier, that the terms of the legislation are by no means impervious to adjustment and compromise through the legislative process, I am fully satisfied that it generally represents the most constructive and sensible approach to an equitable resolution of this difficult and complex problem.

Senator GOLDWATER stated that the problem at issue is purely a State matter, and went on to assert that it is one which "Arizonans and their Indians have long ago solved." This argument is reminiscent of the one which used to be heard here to the effect that the cavalry solved the Indian problem 100 years ago at Wounded Knee. The so-called solution to the Indian water rights problem in Arizona has been for non-Indians to deprive Indians of water which had been theirs for 2,000 years, and to which, under applicable Supreme Court doctrine, they remain entitled in large degree. It is precisely because the tribes repudiate the "solutions" proposed so far as fatal to their future that we now have legislation before Congress.

Nor does S. 3298 address itself to strictly a State matter. The distinguished Senator, whose office is adorned with a remarkable display of Indian art, surely understands that the rights and well-being of Indian peoples constitute a fundamental Federal obligation, over which Congress always retains plenary jurisdiction. The Senator also knows that the many Federal reclamation projects so vital to his State, including the Central Arizona Project for which American taxpayers will pay an estimated $1.7 billion, would not exist save for authorization by Congress and expenditure of tax moneys of Massachusetts, as well as Arizona, residents.

The issues underlying S. 3298 are not greatly different from those involving the Colorado River tribes which were before the U.S. Supreme Court in Arizona versus California. These are Federal issues. They are national issues. They are no more issues of only local interest than the settlement of Alaska Native Claims or restoration of tribal status to the Menominees of Wisconsin. Ever since Congress returned Blue Lake to the Taos Pueblo Indians, we have rejected the argument time and again that Indian interests are local interests or that Indian rights are to be left to the States for protection or resolution. As one who is mindful of the inescapable Federal fiduciary obligation to Indian tribes, I for one will not abdicate my responsibility as a U.S. Senator in favor of State interests.

The Senator from Arizona suggests that a group of tribal attorneys are the source of this legislation, and that it promises to bring them "a major fee of 20 percent." Let me assure my distinguished colleague that if he will reread the bill he will discover that it entails no funds for lawyers whatsoever; in fact, it entails no funds for the tribes. Many suggestions have been made to give the Indian tribes money in lieu of water; the tribes have rejected this course, however, and I believe wisely so. Attorneys who contributed to the drafting process did so on the instructions of their tribal clients, who are quite as entitled to the benefit of legal counsel as any other person or groups.

Contrary to the mistaken impressions of some, S. 3298 would not reduce the total amount of cultivated land in Arizona. Rather, it would substitute for a few hundred non-Indian agriculturalists thousands of presently destitute Indian farmers, whose water rights are paramount.

Nor would the legislation impede construction and operation of the central Arizona project. Rather, its construction would be necessary for the delivery of at least 44 percent of the water which would be acquired by the tribes under the bill.

The legislation would not prejudice the question whether Orme Dam should be built on the Fort McDowell Reservation. That question should be decided solely by the people of the Fort McDowell Indian community.

Mr. President, I admit to being somewhat baffled as to why the mere introduction of this piece of proposed legislation has caused such consternation among certain interests in Arizona. No one is attempting to resolve a difficult and complex issue unilaterally or by fiat. All that is involved here is the initiation of the democratic process of legislative consideration, a process which should be as open to Indians as to Arizona municipal, industrial, and agricultural interests or any other groups in our society who seek to petition Congress for the redress of grievances.

Mr. President, I have proposed a legislative solution to the water rights dispute involving the five central Arizona tribes. But this is certainly not the tribes' only alternative. If a legislative resolution is not forthcoming, the tribes may well turn to the courts.

There has been growing sentiment among some of the tribes and their representatives to seek to reopen the Kent and Gila River court decrees, which they believe to be flagrantly inconsistent with Supreme Court rulings on Indian water rights. They may also move to obtain an adjudication of Indian rights to San Pedro River water. And in the interim, they may well be able to delay or interrupt the progress of the central Arizona project itself.

If the people of Arizona would prefer to have the matter of the water rights of the five tribes settled in the courts, they may have that opportunity. For I do not doubt that the tribes will pursue this course if the Congress does not adopt a legislative solution, such as the one contained in S. 3298.

At the same time, Mr. President, litigation is always costly for all parties involved. It is extremely time consuming: water rights adjudications can be particularly lengthy, taking decades for final resolution. And court orders frequently do not take adequately into account the equitable interests of those—in this case, the non-Indians—who may assert legal positions which the courts do not find valid. Legislative action can be swifter, surer, and more sensitive to the needs of all parties. That is why I introduced S. 3298.

This is a matter of interest, concern and responsibility for all people—not just for Indian people or the people of Arizona. We must all face up to it and fashion a swift and effective legislative remedy here in the Congress of the United States.

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, I wish to report that, according to current U.S. census approximations, the total population of the United States as of May 1, 1976, reached 215,398,292. This represents an increase of 1,683,017 Americans since May 1 of last year. It also represents an increase of 129,350 since April 1 of this year, that is, in just one short month.

Thus, in this last year, we have added enough additional people to our population to nearly fill the cities of: Washington, D.C. and Baltimore, Md. And in 1 month our population has grown enough to more than fill a city the size of Medford, Mass.

THE STIGMAS OF DISCHARGE

Mr. McGOVERN. Mr. President, earlier this month I voted in support of Senator CRANSTON's amendment to the Senate concurrent budget resolution which would have added $800 million to the budget for veterans' benefits and services. Unfortunately the amendment was tabled by a vote of 53 to 21. Had it passed, however, we could have come closer to meeting some of our important commitments to veterans, such as cost-of-living adjustments, GI bill reform, and improvements of health care facilities and treatment. As it stands now, many of these critical concerns of veterans will be ignored.

The frustration that many veterans must have felt after this vote has given me cause to talk about another group of veterans—those who were probably not even aware of this amendment or what it might have meant for veterans. These are the veterans with less than honorable discharges, the veterans who have already been ignored for years. Most of them would not receive a penny in VA benefits, no matter how generous the President or Congress decided to be.

For one reason or another, these individuals were denied honorable discharges, the tickets to VA benefits and frequently to employment. Often, the reasons they have been issued the less than honorable discharges are not justified, but the consequences are always harsh. Bad papers, as they are referred to, can be an indelible stain covering a veteran's spirit and ambitions and blotting out his hopes and plans.

Recently, an article by free-lance journalist Peter Slavin, himself a veteran of Vietnam, appeared in the Washington Post describing the difficulties and desperation that follow so many veterans holding bad papers. Last fall, I introduced a bill, S. 1254, which would represent a step toward what Mr. Slavin recommends in his article—removal of the inequities of the discharge system by improving the appeal procedure for the many thousands of young veterans who have been released from the Armed Forces with less than honorable discharges. Mr. President, I think that my colleagues, after reading this article entitled "The Stigmas of Discharge," will agree that clearly this situation is unfair and must be changed. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, April 18, 1976]

THE STIGMAS OF DISCHARGE

(By Peter Slavin)

Marine Pfc. Leon Coates, who was wounded in a mortar barrage in Vietnam, was given an Undesirable Discharge in 1969 for "drug abuse," although no charges were ever brought against him. Why the discharge? Coates says his superiors were out to get him, that they "were paranoid" about black power and he was "talking plenty of black nationalism."

Back home in Washington, Coates could not get a job. "Every time they'd see I'd been in the service, they'd ask to see my DD214 (discharge paper)," he recalls. ". . . A couple times I knew I had the job and, as soon as the interviewer knew I had an Undesirable Discharge, it went out the window." He says the fire department told him, "We do not even consider people with discharges less than Honorable."

Those days were "a struggle." His discharge disqualified him for both unemployment compensation and veterans benefits. After nine months, Coates found a part-time job as a janitor, but only by hiding the fact that he'd been in the service. He has gotten other jobs since, as a messenger, stock clerk and newspaper editorial aide, but always by concealing the nature of his discharge, as he was advised to do by people on the job.

With legal help, Coates finally got his discharge upgraded in 1974. That qualified him for the GI Bill's educational aid, and today he is working and studying for a BA in journalism. "I was one of the lucky ones," he observes.

Since 1950, over 1.5 million American veterans have been the victims of "bad papers"—discharges carrying a black mark which haunts them all their lives. Many holders of bad papers are denied veterans benefits, and all face social stigma and a host of economic handicaps, including discrimination by employers, unions and colleges. In particular, they are apt to be turned away from jobs with state and local governments, jobs with federal contractors and posts requiring bonds or a security clearance.

For many, a bad paper is a ticket to America's underclass. And for the poor, the semi-educated, blacks and Latinos, a bad paper may be a bar to ever leaving it. Prison statistics suggest that a large number of veterans with bad papers, unable to find decent jobs, turn to crime.

The numbers and proportions of bad discharges rose dramatically during the Vietnam years. From 1965 through 1973, 446,000 enlisted personnel received a less than fully honorable discharge. Few of those given a bad paper had been convicted of a court-martial offense. Many had fought in Vietnam; some were decorated, some wounded. But their discharge papers made them little better in the eyes of civilians than deserters or draft dodgers.

Perhaps because it has been largely unknown, the question of bad papers has always been a neglected problem. The problem has grown worse since Vietnam. In the past four years, one GI in every nine has received a less than Honorable Discharge. Last year bad discharges were issued at the highest rate in 25 years.

The public, unfortunately for veterans, tends to believe there are simply two kinds of discharge, Honorable and Dishonorable. In fact, there are five. They are, in descending order, Honorable, General, Undesirable, Bad Conduct and Dishonorable.

Honorable discharges are awarded for "honest and faithful service," General discharges for "satisfactory service," and Undesirable discharges for "unsatisfactory service." Bad Conduct and Dishonorable discharges are punitive; they follow a court-martial conviction for certain offenses. In most cases, recipients of a punitive discharge forfeit all veterans' benefits.

SEVERE CONSEQUENCES

At the heart of the discharge problem lie the Undersirable and General discharges. Although they result from administrative action rather than criminal convictions, they too have severe consequences. General discharges are regarded as "under honorable conditions," and in 1944 Congress authorized the entire array of valuable veterans benefits for nearly all those holding them. But Congress left it to the Veterans Administration to decide the eligibility of those with Undesirable discharges. In practice, the VA has denied benefits to nearly all those with Undesirables, a policy to which Congress has given silent approval. A veteran denied benefits can only turn to higher authority within the VA; he cannot appeal to the courts.

Civilian society tends to cast a jaundiced eye on anyone with other than an Honorable Discharge. Studies show that private and public employers, unions and colleges are all apt to count administrative discharges against veterans. Such discharges may be enough to blackball them entirely.

An administrative discharge can dog a veteran for years. In 1965, a New York City schoolteacher received an Undesirable Discharge for homosexuality; in 1975, he privately expressed fear it would prevent his getting tenure with the school system.

In 1974, a computer programmer found the federal government refused to consider hiring him because he was given an Undesirable Discharge some 25 years earlier.

The law now offers relief against some job discrimination based on discharge. But the problem goes beyond employment. Those who work with veterans holding administrative discharges report that they suffer discrimination of many kinds. They find it harder, if not impossible, to obtain credit, licenses, rental housing, mortgages, life and medical insurance. Their discharge raises questions about their character and makes them "bad risks."

Social observers have noted that the term "undesirable" conjures up a far worse image than does "bad conduct." So an Undesirable Discharge may provoke far more prejudice from society than the criminally tainted Bad Conduct Discharge.

Ironically, the acts which earn administrative discharges are often neither criminal nor serious. An Undesirable Discharge may result from friction between a GI and his first sergeant. Or from smoking marijuana. For some during the Vietnam years, it came from frequenting GI coffee houses or exercising the right to protest the war.

Attorneys David F. Addlestone and Susan H. Hewman, two of the country's foremost experts on discharge, put it this way: "Frequently, the only 'crime' is an inability to conform totally or to adapt to military life or to the whims of a commander."

Some administrative discharges seem a product of racial bias. An investigation of military justice by a Pentagon-appointed civilian-military task force found that in 1970–72 black enlisted men received bad discharges at more than double the rate of other GIs, even after making some allowance for differences in aptitude and education. The task force found that many black servicemen felt administrative discharges were used to get rid of black GIs considered outspoken or militant. The investigators heard accounts of officers harassing black soldiers until they agreed to take an administrative separation.

This points to still another failing: the lack of due process in administrative discharge proceedings. In some situations a GI facing administrative release has a right to a hearing before a board of officers. But Addlestone says that "a sense of futility, bad advice and immaturity" cause "the vast majority" of GIs to waive the hearing and to leave the discharge decision to the commanding officer, subject to approval by higher authority. "The General discharge," he concludes, "is normally awarded without a hearing."

Even worse, so are Undesirable discharges. It works this way: A GI in trouble may be threatened with a court-martial unless he accepts an Undesirable discharge. Fearing the stockade primarily, a GI will take an Undesirable discharge, especially as it is a ticket to what he most wants under the circumstances—to get out of the service fast. Hardly any GIs realize the consequences of an administrative discharge, observers say, and some have been led to believe such discharges can easily be changed later.

In many of the cases, says Addlestone, the GI would have been better off if he had chosen trial by court-martial. He might have been acquitted. And even if convicted of a typical offense, say 30-plus days AWOL, he would have served his time and probably returned to duty. Had he shaped up afterwards, he still could have earned an Honorable discharge, and his minor court-martial conviction would cause little trouble in civilian life compared to the impact of an Undesirable discharge.

The military itself has admitted that commanders frequently resort to administrative discharges to avoid holding courts-martial, which take time, evidence and substantial due process to win. Given the severe consequences of administrative discharges, some critics maintain the military has thus turned them into an alternative means of punishing service members. Nothing in the law, they say, authorizes this practice.

THE VIETNAM YEARS

After declining in the first years of the Vietnam War, the number of administrative discharges shot upward beginning in fiscal 1970. In 1964–69 the number of General and Undesirable discharges averaged 32,000 per year, but by fiscal 1972 they had soared to 81,000. Percentage-wise, they accounted for only 4.1 per cent of all discharges during the first years of the war, but by fiscal 1972 they amounted to 9.7 per cent.

None of the reasons for the upsurge do the military much credit. Perhaps the main cause was the little-known manpower crisis.

According to David Cortright, who wrote the powerful book "Soldiers in Revolt" after spending 1968–71 in the Army, evasion and defiance of the draft, enlistment, re-enlistment and desertion rates all reached critical levels during the war. Indeed, in fiscal 1971, more men applied for conscientious objector status than enlisted. The success of middle class youth in beating the draft by hook or crook, says Cortright, meant that an abnormally high share of poorer class men, traditionally those with the greatest difficulty in adapting to military life, entered the ranks. Presumably, their inaptitude made these men particularly susceptible to bad discharges.

Another factor apparently was an officer response to the so-called GI resistance movement, the agitation in the ranks against the war and racial discrimination and in favor of greater rights for the enlisted men. Internal turmoil grew so great, critics contend, that many commanders responded in panic and used discharges to oust the men they believed were endangering the combat effectiveness of their units.

In 1973, the Navy handed discharges—most of them Generals—to 2,959 sailors. Cortright believes this was an effort to get rid of dissenters and notes that it followed a series of incidents climaxed by the black rebellions aboard the carriers Kitty Hawk and Constellation. The Navy denies that the discharges were the result of the shipboard disorders and describes them as "a pilot early release program" for "substandard performance."

Discharges were also used to weed out unpromising new personnel, with growing numbers of recruits issued an Honorable or General discharge during their first six months on duty. In the navy, the recruit attrition rate jumped from 2.5 per cent in fiscal 1968 to nearly 10 per cent in fiscal 1972; in the Marines, from 4.2 per cent in fiscal '68 to 22 per cent in fiscal '71.

In addition, in the late 1960s thousands of GIs were court-martialed and/or issued administrative discharge for use or possession of drugs or for drug-induced offenses, such as "disrespect" or short absences without leave to purchase drugs. In July 1971, the military instituted a drug "amnesty" program, but this neither ended punishment nor repaired the damage done by the bad discharges.

An overriding cause for the jump in bad discharges during the Vietnam period was the legislation in 1969 adding greater due process to the court-martial system. This made use of administrative discharges to get rid of unwanted personnel more attractive than ever. Officers were well aware that even minor transgressions—being five minutes late, wearing an improper uniform—could serve as the basis of an administrative discharge. At the same time, unit commanders were under pressure to trim personnel in line with the cutback in military manpower accompanying the troop withdrawal from Vietnam.

In short, commanders had every incentive in 1969–73 to use administrative discharges to get rid of unwanted GIs.

THE PROBLEM GROWS

The continuing climb in bad discharges in the post-Vietnam era is more surprising, but a few possible reasons can be offered. First, there remain the advantages of administrative discharges over courts-martial in dealing with problem GIs. Second, the military still has drug problems. Third, all four services are now volunteer in the true sense for the first time since 1941; and studies reportedly show that volunteers are more apt to get into trouble than draftees, presumably because their higher expectations for military service make them less tolerant of its shortcomings. At the same time, the ever more technical nature of military occupations puts less intelligent recruits increasingly in line for menial work, frustration and perhaps an outburst of foolish behavior.

Finally, hard economic times have presented the services with more would-be recruits than they need, thereby enabling them to drop personnel deemed substandard. And, in fact, in 1973 the Army and Navy initiated "marginal performer" discharge programs to speed up the removal of unsatisfactory personnel through "simplified procedures" for issuing Honorable and General discharges. By last December, an estimated 20,000 enlisted persons had received General discharges in mid-tour under these programs.

The military claims any veteran who gets a bad discharge through error or injustice can have it changed through administrative review of his case. However, discharge review has proven more of a remedy on paper than in practice. Since the mid 1960s, only about 1 veteran in 27 issued a bad discharged has gotten it upgraded. And many, if not most, upgrades are only to a General discharge, still a bad paper.

Discharge review is a three-tier system. Each service has a Discharge Review Board, composed of military officers. If a Review Board turns down a veteran's request for upgrade, he may appeal to his service's Board for the Correction of Military Records. Correction boards consist of civilian employees of the Defense Department. If a correction board rules against a veteran, he can appeal to a federal court. Very few take that last step within the alloted time out of ignorance of their right to do so and because of the legal expenses.

Official figures indicate that a veteran has little chance (roughly 1 in 6) of winning an upgrade, unless he appears personally before a board. But correction boards rarely grant hearings; they prefer everything in writing. And they sit only in Washington, forcing the few petitioners invited to make a trip they may be unable to afford. The burden falls unequally on minority group members with their lower average income.

Review boards do grant hearings to all, but for years they, too, met only in Washington. Last year, in reaction to congressional criticism, the Pentagon authorized traveling and local review boards.

So far, regionalization has paid off: requests for appearances have climbed. In response, the Army and Air Force have temporarily made access to their review boards easier. The Air Force is currently holding hearings, in rotation, in four cities and at seven bases; the Army is holding hearings in 13 locations. The Army is also sending a board member equipped with videotape machinery to veterans in "the hinterland" to record testimony for the full board's consideration.

The services stress, however, that these changes are not necessarily permanent. Their continuation will depend on financial and manpower resources and on the extent of the demand.

Few veterans even realize they can challenge their discharge. Between fiscal 1967 and 1975, some 548,000 bad discharges were issued, but only 62,000 veterans petitioned the various review boards.

Few who apply have adequate legal assistance. The Red Cross and old-line, charter veterans organizations such as Veterans of Foreign Wars represent thousands of veterans without charge, but they do not use lawyers, and observers say they are too swamped with applicants to prepare cases adequately.

Another problem: discharge review proceedings are short on due process. The boards lack subpoena power and pre-trial evidentiary procedures, have only the broadest written standards for making decisions and deny or approve upgrades without stating their reasons. Rulings are "haphazard" and "arbitrary," hinging "on the personalities and predilections of individual board members," says attorney Susan Hewman. The army review board defends the procedures on the ground that boards only settle questions of fact, not of law. But some attorneys maintain this is an oversimplification.

Finally, the boards are too few in number and the members of some boards hold other jobs. The result: case backlogs ranging from a few months to two years.

Despite everything, some veterans win their cases. The advantages of aggressive, savvy legal help and a personal appearance are clear from the accomplishments of the American Civil Liberties Union and the National Military Discharge Review Project at Georgetown University Law Center in Washington. Attorneys and law students working for these groups, which say they take all but hopeless cases, have represented 162 veterans and won upgrades for 81 per cent. If 4 or 5 bad discharges can be overturned, they say, something obviously is wrong with discharge practices.

ARTICLE BY MELVIN R. LAIRD ON THE CIA

Mr. THURMOND. Mr. President, an excellent article by former Secretary of Defense Melvin R. Laird reference the Central Intelligence Agency appeared in the May 1976 issue of the Reader's Digest.

Entitled "Let's Stop Undermining the CIA," Secretary Laird has boiled down to a few words the heart of this issue.

I urge every Member of the Congress and every reader of the Congressional Record to carefully study this article and the valid conclusions drawn by this distinguished American.

Mr. President, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Let's Stop Undermining the CIA

(By Melvin R. Laird)

(Note.—Melvin R. Laird was a U.S. Congressman from Wisconsin for 16 years, before serving as Secretary of Defense from 1969 to 1973. He is now Reader's Digest's senior counsellor for national and international affairs.)

We Americans are on the verge of doing ourselves what our worst enemies have been unable to do: Destroy our intelligence services.

Last year, Senate and House committees began searching investigations of the Central Intelligence Agency. The investigators' intent was honorable, and they have brought to light malpractices that must be curbed. According to Congressional findings and CIA admissions, during the 29 years the CIA has existed—1947 to 1976—agency personnel perpetrated the following questionable acts of domestic espionage: They illegally entered four homes or offices, tapped the phones of 27 people, placed five U.S. citizens under surveillance and infiltrated ten agents into the anti-war movement. For over two decades, they opened private mail received by Americans from communist countries. Additionally, in examining possible foreign influence on the anti-war movement, the CIA accumulated files on approximately 10,000 American citizens.

The side effects of these investigations, however, have proved much more harmful to the country than the ills that Congress sought to remedy. As CBS commentator Eric Sevareid recently declared: "We've had Congressmen breaking solemn agreements with the Executive by leaking classified information in the name of higher laws of their selection. We have had journalists breaking their word on information received off the record by leaking it to other journalists, which is morally the same as publishing it themselves. And, worse, we've had zealots publishing the names of American intelligence personnel—which, in this time of terrorists everywhere, increases the risk of kidnapping and murder. To do this is to commit the moral equivalent of treason."

The dubious acts committed by the CIA have been distorted and magnified, while lurid charges flourished, often without a scintilla of substantiation. For example:

Allegation: The CIA jeopardized public health by conducting biological-warfare experiments in New York City subways. Fact: The Army, to assess vulnerability of the transit system to sabotage, placed some innocuous powder in a subway, then measured how far it was wafted down the tunnel. The test menaced nobody. The CIA had no part in it.

Allegation: The CIA placed secret informants on the White House staff to spy on the Presidency. Its chief White House "contact man" for a while was Alexander P. Butterfield, later director of the Federal Aviation Administration. Fact: Butterfield never had any connection with the CIA. For the past 20 years, like other agencies, the CIA, at White House request, has routinely assigned specialists to the Presidential staff.

Allegation: The CIA has assassinated foreign leaders and perhaps even some Americans. Fact: More than a decade ago, when a de facto state of war existed between the United States and Cuba, the CIA involved itself in unsuccessful plots to kill Fidel Castro. It also considered poisoning Patrice Lumumba of the Republic of the Congo. But the prosaic truth, as established by the skeptical Senate investigators, is that the CIA never assassinated anyone anywhere.

HEMORRHAGE OF SECRETS

As the CIA's legitimate secret operations are exposed and its sensitive intelligence-gathering methods irresponsibly illuminated, our first line of defense against attack—and our only defense against covert attack—is becoming increasingly paralyzed. In foreign parliaments and press, the feasibility of confidential collaboration with America has been publicly questioned. Some countries have stopped confiding in us almost entirely for fear their confidences will be broken by Congress or the press. Individual foreigners who have risked their lives to secretly serve the United States—including agents well placed in the Soviet bloc and the Third World—have quit out of fear of identification. The difficulty of enlisting reliable new foreign sources has increased greatly.

Meanwhile, scores of gifted American men and women in the CIA possessing priceless expertise and experience have been disgusted at the pillory with which their patriotism has been rewarded, and many have even left. Important intelligence undertakings, approved by Congressional committees and the President as essential to the national interest, have collapsed in the glare of publicity. For instance, disclosures that the United States has used submarines in Soviet territorial waters to monitor Russian weapons tests have greatly diminished the flow of this vital intelligence.

The hemorrhage of secrets is also destroying the CIA's capacity to act covertly in Western interests. Sometimes the discreet provision of money, information, advice and other requested help affords the only practical means of countering subversion abroad. Repeatedly, the Soviet Union has sought to subvert other nations by buying control of politicians, bureaucrats, journalists and trade-union leaders, by surreptitiously supplying vast sums to build the local communist part into the dominant political force. Plans to combat such subversion lose all effectiveness if announced. If identified, recipients of our assistance forfeit credibility and become instant targets of venomous attack by communists and others.

RECORD OF SUCCESS

In an ideal world, we would need neither intelligence services nor armed forces. But we must have both if we are to survive in the real world of 1976, which has become very unsafe for democracy and the United States. Of the earth's 158 nations, only 39 presently maintain democratic, representative governments and open societies. Many of the totalitarian nations are fanatic in their hostility to freedom and to America. Our access to many indispensable natural resources depends upon fragile regimes. The complex daily functioning of our society is threatened by the phenomenon of international terrorism. Meanwhile, the Russians, besides their worldwide subversion, fomenting of revolution and support of terrorism—persist in an enormous, costly effort to attain undisputed military supremacy with which they hope to intimidate the West into further retreat.

To cope with all these threats and uncertainties, we must keep ourselves continuously and accurately informed as to what is happening, especially in those areas shrouded in totalitarian secrecy. To repel covert aggression, we must resort at times to covert methods. President Harry Truman and Congress recognized this when they created the CIA in 1947. And this unchanged reality has been recognized by every subsequent President—and Congress, except the present one.

Having served first on one of the Congressional committees that oversee our intelligence apparatus, and later as Secretary of Defense, I am familiar with some of the accomplishments of our intelligence services. Consider:

During the past 25 years, the Soviet Union has not developed a single major new weapon without our knowing it well in advance. Without such knowledge, we undoubtedly would have wasted untold billions preparing to counter threats which did not actually exist. Current efforts to negotiate curtailment of the nuclear-arms race are possible only because our precise intelligence enables us to count every Soviet missile, submarine and bomber, and to monitor Soviet compliance with the treaties achieved. If we destroy the effectiveness of the CIA, we will destroy with it whatever hope there is of negotiating any significant disarmament.

Timely intelligence has helped avert war. During the 1973 Arab-Israeli conflicts, U.S. intelligence—live agents and technical surveillance—detected Soviet preparations to dispatch troops to the Middle East. Thus alerted, we were able to initiate urgent diplomatic and other actions that persuaded the Russians to forgo military intervention.

A few years ago, our agents—or spies, if you will—ascertained that one non-communist country was about to attack another. Details cannot yet be made public. But we quickly and privately brought the countries together, laid out the facts, induced them to negotiate. CIA espionage thus prevented a war.

Since late 1973, U.S. intelligence has given both Israel and Egypt considerable sense of security by continuously showing each what the other is doing militarily. Given proof that neither is about to pounce on the other, the Arabs and Israelis have been willing at least to try to devise a formula for Middle East harmony. Our intelligence has bought the necessary time.

Through infiltration of various terrorist movements, the CIA has aborted numerous plots. On at least two occasions, the CIA has forestalled assassins bound for the United States with orders to kill elected public officials. It has also thwarted plans to kill prominent American Jews with letter bombs.

While Israel's premier Golda Meir was visiting New York City on March 4, 1974, police rushed to busy midtown intersections and hauled away two cars with enough Soviet-made explosives to kill everybody within a 100-yard radius. The terrorist explosives were timed to detonate at noon, when streets would be most crowded. The disaster was prevented because we had advance warning of it.

Shortly before Christmas, 1973, the CIA learned that six small, hand-carried Soviet SA-7 missiles—extremely accurate against low-flying aircraft—were being smuggled in Libyan diplomatic pouches to Black September terrorists in Europe. The terrorists planned to shoot down a 747 landing in Rome. However, acting on CIA intelligence, European governments disrupted the operation and spared the lives of hundreds of holiday travelers.

The CIA has frustrated communist subversion of other nations. After World War II, the Soviet Union sponsored a massive clandestine effort to impose communist dictatorships on a weakened Western Europe. Communist operatives, dispensing millions of dollars, organized strikes to block Marshall Plan aid and engender chaos. They infiltrated the press, tried to buy elections. By providing intelligence, money and counsel, the CIA gave anti-totalitarian factions a fighting chance to resist. Given this chance, the Europeans proceeded to build healthy democracies, indispensable to our own welfare.

During the 1960s, with Soviet backing, Cuba tried to ignite guerrilla warfare and violent revolution in Latin America. While quietly urging needed social reforms, the CIA offered Latin Americans the intelligence and training they needed to repel Cuban aggression. The communists were defeated in Bolivia, Venezuela, Brazil, Uruguay, Guatemala and the Dominican Republic. Much the same pattern was repeated in sections of Africa where the Russians sought to establish new colonies for themselves. In the Middle East, too, the CIA has repeatedly aborted Soviet plots to seize control of Arab nations.

In retrospect, it is obvious that not all of the covert actions undertaken by the United States in the past 20 years have been wise or justified. I strongly believe that we never again should attempt to use military force covertly. Military action can succeed only if understood and endorsed by the public as well as Congress. However, if we abandon our capacity to discretely help those who wish to resist externally inspired subversion—totalitarianism of either the left or right—we will reduce ourselves to a choice of abandoning them entirely or sending in the Marines.

In sum: If we allow our intelligence services to be rendered impotent, we will signal friend and foe alike that we lack both the will and the means to compete with totalitarianism. Unable to protect ourselves, or our friends abroad, America will shrink into isolationism, and our economy, denied essential foreign resources, will shrivel. Then we, and certainly our children, will discover too late that there is no place to hide from totalitarianism.

As a former Secretary of Defense, I believe that we should maintain armed forces stronger than those of any potential enemy. But without an equally strong intelligence service, our nation can never be secure. I know that. So do our friends and antagonists throughout the world.

ECONOMIC RECOVERY

Mr. McGOVERN. Mr. President, the signs that our economy is finally beginning to move out of the deepest and most protracted slump since the Great Depression are encouraging. But as Hobart Rowen, the distinguished financial columnist, observed in a recent article, recovery is proceeding in spite of, rather than because of, administration policies.

Quoting Prof. Otto Eckstein of Harvard, Mr. Rowen argues that three key measures—extension of the 1975 tax cuts, Federal aid to New York City and continued controls on oil prices—are responsible for the slowdown in the inflation rate and the general upturn in economic activity. The administration vigorously opposed all of these measures, but now wishes to take credit for their results.

I am not surprised at a sudden lapse of memory in an election year, but I do hope that the current wave of positive economic news will not obscure the fact that this administration has shown an extraordinary capacity to do precisely the wrong thing at the wrong time for the wrong reasons.

When a tax cut was plainly in order to stimulate a sagging economy, for example, the President came out for a tax increase. When cost-push inflation, fueled mainly by food and fuel price increases, was raging, the administration lobbied hard for an end to oil and natural gas controls. And now that the administration's own strategy of paying welfare rather than creating jobs for the unemployed has produced a record Federal deficit, the administration would have us believe that the deficit, rather than the people who purposely produced it, is our most important economic problem.

Mr. President, I ask unanimous consent that the Rowen article, which appeared in the April 25, 1976 edition of the Washington Post, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, April 25, 1976]

FORD'S "DEFEATS" MAY CLINCH VICTORY ON ECONOMY ISSUES

(By Hobart Rowen)

Harvard Professor Otto Eckstein has been saying that a Democratic Congress has assured the election of President Ford by defeating him on all economic issues that could have hurt him. Exaggeration? Maybe not.

The key to economic recovery has been the extension of the 1975 tax cut into this year (originally vetoed), the federal bail-out of New York City, and an energy bill that—at least temporarily—is keeping a lid on petroleum prices.

Without the tax cut extension, the smart first-quarter annual growth rate of 7.5 per cent in the gross national product, of which Mr. Ford is now so proud, would have been aborted by the equivalent of a tax increase.

Aid to New York City, which President Ford fought for months, reduced the country from the depths of a crisis of confidence. And the energy bill, over which the President agonized and finally signed despite his distaste for controls—along with good luck on food prices—explains the spectacularly low 3.7 per cent inflation rate.

"The Democrats put the fuel in the tank," says a former Johnson administration official, "and the Republicans are enjoying the ride."

But the public has a short memory. So as the President campaigns around the country claiming that his "steady" hand on the economy should get the credit for the recovery and lessened unemployment, there is little doubt that he is scoring points.

The economic mismanagemnt of the Nixon-Ford years is consigned to history. If the Democrats should win, it will be despite economic recovery, not because the nation suffered the worst recession in 1974-75 since the Big Depression.

The important economic question is what lies ahead. There can be little doubt that the news is going to be mostly good for the rest of this year and well into 1977.

The duration of four post-war recoveries (omitting an extraordinary cycle covering the Vietnam period) averaged 36 months. Should the present recovery last that long, it would carry through the first three months of 1978. But the good news that lies immediately ahead will be in terms of growing GNP, increased production and sales, and booming corporate profits. The same pace won't necessarily hold for jobs.

Consider this: A solid 7 per cent expansion in the economy for 1976 as a whole would produce a GNP annual rate of about $1.3 trillion in the fourth quarter, $60 billion over the pre-recession peak of $1.24 trillion in the fourth quarter of 1973.

But the unemployment rate, according to revised administration projections, still would be about 7 per cent, compared with 4.8 per cent in that peak fourth quarter in 1973.

Let's assume that the administration has a private, even more optimistic scenario, showing unemployment down to 6.5 per cent by year's end. Why hasn't the jobs recovery paralleled the upturn in the gross national product?

The persistence of unemployment is testimony to the terrible cost of recession in a steadily expanding population and labor force.

Over the three-year period to the end of 1976, real GNP had to grow about 13 per cent just "to stand still." But actual growth, assuming a continued upturn, will have been only 5 per cent.

It will take another 2 to 2½ years of economic expansion at an unprecedented 7 per cent or better each year to bring the unemployment rate down to where it was late in 1973.

So, euphoria over what is unquestionably a good first-quarter report should give way to a calm perspective. Half of the fast-paced growth, after all, was in inventory building rather than final consumption. There was zero growth in real government spending.

The pact of inflation, moreover, doubtless will quicken as recovery continues. That's only natural. But pressures from the union wage side could worsen the trend. Some economists, notably Pierre Rinfret, believes that industrial capacity bottlenecks are likely to develop more quickly than Federal Reserve Board figures show. Treasury Secretary William E. Simon, briefed by Rinfret, tends to agree.

The President is placing all his bets for a sustained recovery in 1977 on a booming private economy. But even if such a scenario pans out, the jobless rate is likely to hang high, without an additional government spur.

And that, essentially, is what divides the Republicans from the Democrats. The G.O.P. would settle for a slow recovery and sticky unemployment rates to insure no recurrence of a serious inflation. Democrats, looking at the jobless levels, would play the risks the other way.

FARMERS FOR FULL EMPLOYMENT

Mr. HUMPHREY. Mr. President, as a part of a growing national coalition, I am pleased to report that the National Farmers Union has endorsed the Full Employment and Balanced Growth Act of 1976. In an excellent newsletter, the National Farmers Union provides the facts and figures that led them to this conclusion. I think my colleagues will find some of their arguments interesting and useful.

As many of you know, the so-called Humphrey-Hawkins bill is a general economic policy act designed to strengthen and supplement the Employment Act of 1946. It is not a simple jobs bill. Instead, it provides a broad range of policies to improve Government management of the economy, stimulate production and employment in the private sector, restrain inflation, and carefully target special employment policies for chronically depressed areas, the young, and for other hard to employ people in our society. Federal employment is used only as a last resort and principally as a substitute for increased welfare expenditures. This is a work bill, not a welfare bill.

The Farmers Union supports the bill because they recognize that boom and bust is neither a good farm policy, nor a good national economic policy. Farmers feel they would be better off without the severe ups and downs of the past 3 years, and they recognize that the policies of S. 50 and H.R. 50 would serve to stabilize the American economy.

The farmers also realize that there is a discernible, positive relationship between low rates of unemployment and fair farm prices and incomes. The last time the Nation enjoyed both full employment and farm parity is when they occurred together in 1952 and 1953. This is because as production and employment rise, incomes of our families rise, which allow them to increase their purchases for food and other essentials. Food consumption studies show that food purchases increase in response to a decline in the number of jobless citizens.

The farmers also recognize that full employment means economy in Government. Because of disastrously high unemployment, the Federal food stamp program is under heavy strain in a very costly period. This is also true of unemployment compensation and our welfare system. Each percentage point increase in unemployment adds about $5 billion to the Federal deficit in increased expenditures for food stamps, unemployment compensation, and other welfare expenditures.

The principal way to end the spiralling costs of welfare, and the degradation to families who are in poverty, is to substitute work for income support to the maximum extent feasible.

The Farmers Union also supports the bill because they understand that full employment would lead to a condition in which the Federal budget would be in balance. The Nixon-Ford economic policies of maintaining high unemployment—essentially, a reserve army of the unemployed to drive down wages—has brought this Nation Federal deficits of almost $200 billion since fiscal year 1970. That is the largest peacetime record of Federal deficits in U.S. history. It is a national scandal and should be labeled so.

In short, the National Farmers Union supports the Full Employment and Balanced Growth Act of 1976 because they know that the achievement of full employment is the foundation upon which all our other national objectives and priorities must be built. They realize that the loss of $200 billion in economic production each year, because of the Nixon-Ford policies of economic stagnation, is like pouring money down a rathole. They realize that the people of this country are workers, who want to build and produce and play a productive role in our society.

The National Farmers Union has also published a comprehensive review of the main issues of the full employment debate. This Farmers Union special issue, titled "Jobs," is one of the best overall discussions of the Full Employment and Balanced Growth Act. It also reports on the views of many economic experts and community leaders as they relate to full employment problems in general and S. 50 in particular. The material presented here will be most useful to all interested in the employment problems of the U.S. economy.

Mr. President, I ask unanimous consent that the National Farmers Newsletter of April 1976, and the special issue on "Jobs" be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the National Farmers Union, Apr., 1976]

100,000,000 Jobs—Why It Matters to U.S. Farmers

100 MILLION JOBS—A FULL EMPLOYMENT TARGET FOR 1980

In 1980 or soon thereafter, the United States will need 100 million jobs to sustain a full employment situation for its labor force. In 1975, by comparison, the U.S. labor force was estimated at 92.6 million persons. There were 7.8 million workers among the full-time unemployed, with another 2.8 million part-time unemployed.

Congress is now considering H.R. 50—S. 50; the "Full Employment and Balanced Growth Act of 1976," which would require measures to reduce unemployment to no more than 3% of the labor force as soon as possible, but in any event within 3 or 4 years of enactment.

National Farmers Union supports the improvement of the Employment Act of 1946 as proposed in H.R. 50—S. 50, regarding this as important both to the national economy generally and to the economic well-being of farmers.

In March, 1945, Farmers union challenged the nation to think in terms of 60 million jobs to assure a "full-employment" economy within a year after the close of the war. Farmers Union's proposal, the "Patton Amendment," eventually emerged as the Employment Act of 1946.

STABILITY, RATHER THAN "BOOM-AND-BUST"

"Boom-and-Bust" is neither a good farm policy, nor a good national economic policy. Farmers feel they would be better off without the severe ups and downs of the past three years, but recognize that they are hurt too by recession and high unemployment.

Farmers recall that in the boom and bust cycles, they are typically the first to suffer and the last to recover.

STRONGER FOOD DEMAND, BETTER FARM PRICES

Under conditions of full employment, food demand and farm prices would both strengthen and become more dependable.

There is a discernible, positive relationship between low rates of unemployment and fair farm prices and income. The last time the nation enjoyed both full employment and farm parity was when they occurred together in 1952–53. This relationship is neither accidental nor coincidental. Over the past 15 years, almost without exception, low unemployment has tended to be accompanied by low farm prices.

STRONGER PURCHASING POWER FOR FOOD

Food consumption studies show that food purchases increase in response to a decline in the number of jobless.

As incomes increase among low-income families, average food expenditures rise toward levels which provide nutritionally adequate diets. In contrast to the 15 to 16% of spendable income which average families expend for food, low-income families tend to spend 20 to 25%.

UPGRADING THE DIET OF AMERICAN FAMILIES

Full employment and stronger food purchasing power tends to reflect itself in upgrading of diets rather than a mere increase in per-capita calorie intake.

Nutritional studies indicate that as incomes rise, families tend to redirect their food spending in favor of meat, milk, eggs, poultry, fats, proteins, fruits and vegetables. These are the products for which producers tend to get a larger share of the consumer food dollar.

REDUCTION OF FOOD STAMP, WELFARE AIDS

High unemployment forces many families to seek food stamps and other federal or state welfare aid, as has been demonstrated during the past two years.

Because of disastrously high unemployment, the federal food stamp program is under heavy strain and very costly. One recent study has indicated that for every 100 people who become unemployed, 60 persons join the food stamp rolls.

In contrast, a condition of full employment would reduce food stamp rolls and other assistance programs, bringing families back into the market economy.

One study has indicated that full employment would remove 6 million persons from the food stamp program, of the present total of 19 million recipients. The other 13 million are the young, the old or disabled, who are not in the work force, and therefore would not be affected by the full employment program directly.

FARMERS—VICTIMS OF INFLATION

The spiralling costs of farm production and family living have been among the heaviest burdens borne by U.S. farm families in the past three years. Inflation has tended to nullify price and income gains which farmers otherwise would have made.

Prices paid by farmers have virtually doubled over the level of ten years ago.

High unemployment is not a cure for inflation. The two tend to go together. This is why attempts to reduce inflation by maintaining abnormally high rates of unemployment have not succeeded.

This also explains why little improvement is anticipated either in employment or reduction of inflation.

Since the "Full Employment and Balanced Growth Act of 1976" is designed principally to achieve its goals through stimulating the private business sector, it should tend to encourage a situation of general price stability.

BALANCING THE FEDERAL BUDGET

Full employment would lead to a condition in which the federal budget could be regularly in balance.

Measures to reduce unemployment would require substantial private and public investment. However, these costs would be minimal in comparison with the current high cost of unemployment.

Each 1% of unemployment costs the government about $17 billions in unemployment compensation, welfare aids and foregone tax revenues.

The budget for the current fiscal year will be about $50 to $60 billions out of balance. Under conditions of full employment, government revenues would be up sufficiently and expenditures down sufficiently to bring the budget into balance.

WHO'S HURT BY THE DEFICIT IN NATIONAL PRODUCTION AND INCOME

The American people suffer a reduction in family income because the business economy is functioning far below capacity, making poor use of resources and resulting in high unit costs.

The U.S. national economy is currently operating at a deficit estimated at about $200 billion a year. With full employment and full production prevailing, the Gross National Product (GNP) would be $200 billions higher, a situation which would result in high average family income and a stronger tax base.

The standard of living and the quality of life would both improve with full employment. Similarly, governmental units would have a level of revenues which would allow needed investments to be made.

RURAL JOB OPPORTUNITIES, END TO RURAL MIGRATION

A condition of full employment would assure better job opportunities in Rural America.

This would assist the unemployed and under-employed in rural communities. It would tend to make unnecessary the exodus from rural areas to urban centers.

In the past three years, the movement of people out of agriculture has declined, not because economic conditions have been good in farming, but because of the absence of off-farm employment.

JOBLESSNESS STILL AT TOLERABLE LEVELS

Although unemployment has receded somewhat from the 8.5% level of 1975, the situation is still too drastic to be tolerable. The true level of unemployment is still in excess of 10%, the full-time unemployment in February was 7.6%, but the rate for some groups was much higher: construction workers, 15.5%, nonfarm laborers 14.1%, teenagers 19.2%, non-white teenagers 35%.

[From Fairness Union Service Special "Jobs"]

New Humphrey-Hawkins Full Employment Act Provides Tools To Put Americans Back To Work

(By Milton D. Hakel)

In sharp contrast to Ford Administration economic policies which see little prospect of reducing joblessness much below 7 per cent by the end of this decade, a new "Full Employment and Balanced Growth Act" has been introduced in the Congress, mandating achievement of national full employment (not more than 3 per cent unemployment) within three or four years of enactment.

Co-sponsoring S. 50-H.R. 50 are U.S. Sen. Hubert H. Humphrey of Minnesota, Chairman of the U.S. Joint Economic committee, and Rep. Augustus F. Hawkins of California, chairman of the equal opportunities subcommittee of the U.S. House committee on education and labor.

Currently, official government data estimates national unemployment at 7.6 per cent of the labor force, but it is clear that the figure understates the nature and the extent of unemployment. (See additional data, page four of this section).

The House and Senate bills, introduced March 16th, are revised and improved versions of the legislation originally introduced in January, 1975. Nine Senators have joined Humphrey as authors of the bill on the Senate side, while some 120 House members are backing the House version, among them such prominent House leaders as Speaker Carl Albert, majority leader, Congressman Richard Bolling, Education and Labor committee Chairman Carl Perkins and Banking committee chairman Henry S. Reuss.

In addition to this strong and growing support in the Congress, Senator Humphrey noted at a March 12th press conference that the bill has the support of the AFL–CIO, the National Farmers Union, many governors, mayors, local government officials and a broad array of church, community and business groups, in a coalition known as the National Committee for Full Employment.

Tony T. Dechant, president of National Farmers Union, has termed adoption of "full employment" legislation as vital to a "full production, full employment and full parity" economy.

"Farmers Union understands very well that farmers' customers must have jobs and must earn good incomes in order to buy and use the abundance our farms can produce," he said.

AFL–CIO President George Meany has said his organization backs the measure without reservation and believes it to be achievable.

"The measure would really implement the Employment Act of 1946," Meany said, in contrast to the "trickle-down" theory of economics prevailing in the Nixon-Ford Administrations.

"The opportunity to find a job at decent pay must be made a fundamental economic right, commented Leonard Woodcock, president of the United Auto Workers.

"For nearly three decades, the Employment Act of 1946 has promised but never mandated a national policy of full employment," Woodcock explained. "The millions of people chronically ill and cyclically unemployed are testimony to the failure of the nation to move beyond a stated aim to the actual implementation of a full employment."

Sen. Humphrey stressed that the bill is designed largely to achieve full employment through the private sector.

"It is a general economic policy bill that proposes fundamental reform in the management of the economy so that full employment and balanced growth are achieved and maintained," he said.

Last Time United States Had Full Employment, Full Parity—They Occurred Together

The last time farmers of the nation enjoyed 100 per cent of parity prices was in 1952 under Harry Truman—the last time the U.S. had unemployment as low as 3 per cent was in 1952–53, U.S. Senator Hubert H. Humphrey recently pointed out.

"I think it's more than a coincidence that the last time we had either full parity or full employment was when we had them together," he declared.

"Although recent statistics show some decline in the numbers of jobless, the reality is that the American economy faces some fundamental long-term problems which seriously threaten the strength and vitality of our capitalistic system," Humphrey maintains.

Asking how many more times our producers will have to be "burned by volatile markets?" Humphrey declares it is time to turn away from the neglect and failures in national farm and food policy.

If there is any parallel in which the Ford Administration is failing as badly as in food policy, Humphrey asserts it would be in its policies relating to "employment, inflation and economic growth."

"Something is wrong with a farm policy which rarely lets farmers see the benefits of high productivity and high prices—which allows farmers to go broke—and something is wrong with economic policy which has lost the nation about $500 billion in production of goods and services in the 1970–75 period. We will not tolerate waste instead of spurring productivity. We now give people welfare payments instead of work," he charged.

Late Wright Patman Began His "Full Employment" Effort in 1934

Rep. Wright Patman, the vice chairman of the U.S. Joint Economic Committee who died early in March, was a pioneer of the full employment concept.

Patman, looking for a way to rally the country from depression, proposed a bill calling for expansion of the national money supply until there could be substantially full employment without inflation.

Patman's bill chose as a recovery target the attainment of employment levels of 1926, when unemployment was just under 2 percent

When the backers of another bill in the mid-40's were looking for the ideal House author, they chose the Texas populist. He helped enlist 72 other House members as cosponsor and served as the chief House spokesman.

"To my mind it will be impossible to have free enterprise survive in this country *unless* something is done in the direction of full employment and full production. We must create a climate that is such that it will encourage private business to employ people and keep them substantially and generally employed up to the limit," he said in testimony in September, 1945.

Patman went on to pilot the bill successfully through the U.S. House.

In 1975, Patman became an enthusiastic co-sponsor of the Hawkins bill, H.R. 50.

Along With Farm Parity, Full Employment Rates High Priority With Farmers Union, Says Tony Dechant

Strong purchasing power in the hands of city and worker families is the economic engine which over the years has generated the development of an efficient and productive family farm system of agriculture in the nation, Tony T. Dechant, president of National Farmers Union, has stated in testimony to the U.S. Joint Economic committee.

"That's why Farmers Union leaders more than 30 years ago were in the forefront of the sponsors and supporters of the Employment Act of 1946," he said.

"We wanted it to be a full employment act and we still do—that's why we are supporting the Humphrey-Hawkins approach.

"In our society, working at a decent job at decent wages confers purchasing power—the right to eat, to be sheltered, to be clothed, to support a family," he explained. "Full employment is the way to achieve the production of maximum wealth in goods and services for all of us to share."

The Farmers Union official declared that the national Administration, by tolerating extremely high rates of unemployment and by its willingness to accept them for the balance of this decade, is sharply reducing available purchasing power of the nation's citizens for food.

"Right now with extremely small supplies of pork, the slow liquidation of the beef cattle herd and with an absolute shortage of milk, we are courting nutritional disaster for the American people," Dechant insisted.

Patton Amendment Turned Reconversion Plan Into Employment Act of 1946

Although Congressional amendments are rarely named after laymen, it was the "Patton Amendment" which turned the Congress from consideration of the Kilgore postwar reconversion plan to a plan for postwar planning for full employment.

James G. Patton, president of National Farmers Union, had been espousing full employment planning since 1942. It was in

August, 1944 that Patton's comprehensive amendment to the Kilgore Bill was widely circulated. Such notable Senate leaders as Thomas of Utah, Johnson of Colorado, Wallgren of Washington, Wagner of New York, LaFollette of Wisconsin, Pepper of Florida, Hill of Alabama, Guffey of Pennsylvania and Truman of Missouri were then co-sponsors of the Kilgore bill.

In January, 1945, the Patton proposal was introduced as a separate bill by Montana Senator James Murray.

In August, 1945, hearings, Patton declared that unemployment compensation, defensible as it may be as a last resort, was no substitute for jobs.

"The day that the Congress writes into law the declaration that the people of the United States are determined to end employment forever—to have done for good with boom-and-bust cycles—that day may well become one of the landmarks in history," Patton said.

Patton pointed out that the nation's farmers have a stake in full employment because "it offers an opportunity to go forward with an agricultural program."

"This country has gone too far along the road of abundance for it to turn back and try to travel again the old road of scarcity," he told the 1945 hearing. "Thus, full employment has become indispensible for agriculture as well as for industry."

But Patton was doomed to frustration and disappointment when the 1946 legislation was watered-down to something much less than a total commitment to end unemployment.

The crushing blows were dropping of the word "full" from the title of the bill and the concession which was made to Senator Robert Taft of Ohio, changing the terminology from a "right" to employment to an "opportunity" for employment.

Patton has been contemptuous of the way in which the 1946 Act has been ignored and misused in some administrations, allowing unconscionable levels of unemployment to prevail.

Now, Patton sees the 1976 proposal as the chance to pick up the original basic commitments of the 1946 proposal and to go beyond them to economic management adaptable to today's conditions.

NEXT ADMINISTRATION, CONGRESS WILL HAVE TOOLS NEEDED, SAYS HAWKINS—UNITED STATES AT ECONOMIC CROSSROADS, BUT HAS BETTER ALTERNATIVES, SAYS HUMPHREY

The "Full Employment and Balanced Growth Act of 1976" provides better answers to the economic crises of the past five years, sponsors of the bill insist.

"Under this law, the next Administration and the next Congress will work together to translate into reality the individual right of all adult Americans able, willing and seeking employment to opportunities for useful paid employment at fair rates of compensation," said Rep. Augustus F. Hawkins, chief House author.

"It mandates consistent and coordinated policies and programs to replace the chaos, inconsistency and irresponsibility that have characterized the recent years of unemployment, inflation and stogo, roller-coaster economics," he said.

Reviewing the tragic consequences of the economic "stagflation" which has settled over the land, Senator Humphrey listed:

Ten million unemployed right now, 20 million at one time or another during the last two years, affecting as many as 65 million people in the families of household units affected.

Inflation of food, clothing, housing, construction and medical costs imposing a crushing burden.

Federal deficits of $187 billion since fiscal 1970.

Reduced business sales and profits, underutilized capital, retarded investment and widespread business failures.

Enormous social costs, in crime, poor health, family problems.

"We stand today at a historic crossroad. We can accept the economic policies that have brought stagflation and, according to the Administration's own economic projections, continue that stagflation for the foreseeable future," Humphrey said. "Or we can reject the discarded economic doctrine of the past several years and replace it with a new economics that puts all of America's resources back to work."

The Full Employment proposal, Humphrey explained, emphasizes a broad strategy which begins with the idea that work and productivity are better than waste and welfare.

"The bill does not end at the right of Americans for useful jobs at fair wages," he said. "It is a general economic policy bill that proposes fundamental reform in the management of the economy so that full employment and balanced growth are achieved and maintained.

"All of the reforms provided in the bill are set in the context of achieving a goal of reducing unemployment to 3 percent of the adult labor force as promptly as possible, but within no more than four years after the date of enactment of this act.

"Such a commitment, and the policies to support it, can restore the strength of the economy and the wellbeing of our people," Humphrey concluded, "thus renewing the confidence in America of our people."

WHAT IS H.R. 50—S. 50—FULL EMPLOYMENT ACT OF 1976?

The Full Employment and Balanced Growth Act of 1976 establishes the right of all adult Americans able, willing, and seeking to work to opportunities for useful paid employment at fair rates of compensation. To support that right, the act commits the U.S. Government to fundamental reform in the management of the economy so that full employment and balanced economic growth are achieved and sustained. This includes the creation of a permanent institutional framework within which the President, the Federal Reserve Board, and the Congress are systematically encourged to develop and establish the economic goals and policies necessary to provide productive employment for all adult Americans, as well as the mandating of specific employment programs to achieve the goal of 3 per cent unemployment as promptly as possible, but within not more than 4 years after the date of the enactment of this act.

SECTION-BY-SECTION ANALYSIS

Sections 1 and 2. These sections include the title, table of contents, and general findings. Among the most important general findings are: (1) the high social and economic costs of unemployment; (2) the need for explicit economic goals and a coordinated economic policy among the President, the Federal Reserve Board and Congress; (3) that inflation is often aggravated by high unemployment; and (4) that there must be direct employment and anti-inflation policies to supplement aggregate monetary and fiscal policies to achieve and maintain full employment and balanced growth.

TITLE I—ESTABLISHMENT OF GOALS, PLANNING AND GENERAL ECONOMIC POLICIES

Sec. 101.—Statement of purpose. The purpose of this title is to declare the general policies of the act, to provide an open process under which annual economic goals are proposed, reviewed, and established; to provide for the develop of a long-range Full Employment and Balanced Growth Plan, to provide for economy in government measures, to insure that monetary, fiscal, anti-inflation and general economic policies are used to achieve the annual economic goals, to support the long-range goals and priorities of the Full Employment and Balanced Growth Plan, and generally to strengthten and supplement the purposes of the Employment Act of 1946.

Sec. 102.—Declaration of policy. The Employment Act of 1946 is amended to declare that all adult Americans able, willing, and seeking work have the right to useful paid employment at fair rates of compensation. Moreover, the Congress further declares that the Federal Government use all practical means, including improved anti-inflation policies to promote full employment, production and purchasing power.

Sec. 103—Economic goals and the economic report of the President. The Employment Act of 1946 is amended to require the President in each annual Economic Report to recommend numerical goals for employment, production, and purchasing power, as well as policies to support these goals and achieve balanced growth and full employment of the Nation's human and capital resources promptly as possible.

Sec. 104.—Full employment and balanced growth plan. The Employment Act of 1946 is amended to establish a process of long-range economic planning, through the Council of Economic Advisers, to analyze developing economic conditions, to recommend long-term goals for full employment, production, and purchasing power, and to propose priority policies and programs to achieve such goals and to meet national needs. A long-term full employment goal is set at 3 per cent adult unemployment, to be attained as promptly as possible, but within not more than 4 years after the date of the enactment of this act.

Sec. 105.—Economy in Government. This section establishes policies and procedures to improve the effectiveness of the Federal Government through the comprehensive planning framework established under this act. In conjunction with the submission of each Full Employment and Balanced Growth Plan, the President shall submit proposals for improving the efficiency and economy of the Federal Government, including, but not limited to, a review of existing Government rules and regulations to determine if they still serve a purpose, and an annual evaluation of 20 per cent of the dollar volume of existing Federal programs.

Sec. 106.—Fiscal and monetary policies. The Employment Act of 1946 is amended to require that monetary and fiscal policies be utilized in the optimum manner necessary to achieve full employment and balanced growth, including the requirement that the President determine the extent to which fiscal policy can be relied upon to achieve our economic goals and priorities, so that it becomes possible to estimate what supplementary job creation and anti-inflation policies must be utilized to achieve the objectives of this act.

This section also requires the Federal Reserve Board to make an independent report to the President and Congress, in conjunction with each Economic Report, identifying the extent to which the Federal Reserve will support the economic goals recommended in the President's Economic Report and, if the Federal Reserve Board does not support such goals, to provide a full justification of why and to what extent its policies will differ from those recommended by the President. If the President determines that the Board's policies are inconsistent with proposed economic goals and priorities, the President shall make recommendations to the Board and Congress to ensure closer conformity with the purpose of this act.

Sec. 107.—Anti-inflation policies. The Employment Act of 1946 is amended to require that each Economic Report contain a comprehensive set of anti-inflation policies to supplement monetary and fiscal policy, including, but not limited to, analyzing inflationary trends in individual economic sectors; actions to increase the supply of goods, services, labor, and mechanism for critical materials in short supply; recommendations to increase productivity in the private sector; recommendations to strengthen and enforce the antitrust laws; and recommendations for administrative and legislative actions to promote reasonable price stability if situations develop that seriously threaten national price stability.

Sec. 108.—Council of Economic Advisers. The Employment Act of 1946 is amended to require the Council of Economic Advisers to prepare the Full Employment and Balanced Growth Plan, to consult with the Advisory Committee, and to meet other requirements under this act.

Sec. 109.—Advisory Committee on Full Employment and Balanced Growth. The Employment Act of 1946 is amended to establish a 12-member private Advisory Committee on Full Employment and Balanced Growth to advise and assist the Council of Economic Advisers on matters relating to the Economic Report and this act. The members of the committee shall be appointed proportionately by the President, the Speaker of the House of Representatives and the President pro tempore of the Senate in a manner broadly representative of the Public.

TITLE II—COUNTERCYCLICAL, STRUCTURAL AND YOUTH EMPLOYMENT POLICIES

Sec. 201.—Statement of purpose. This title establishes supplementary employment policies to close the employment gap, if one should exist, between the levels of employment achieved through aggregate monetary and fiscal policy and the employment goals established in sections 103 and 104. Accordingly, this title establishes a system of comprehensive and flexible employment policies to create jobs in both the private and public sectors of the economy. These supplementary employment policies shall vary according to economic conditions and the other actions taken under this act, but focus broadly upon reducing cyclical, structural, regional, youth unemployment, and unemployment due to discrimination. This title also establishes a Full Employment Office within the Department of Labor to use special means for training, assisting, and providing employment for those people who are otherwise unable to find employment. Finally, this title mandates improved integration of income maintenance programs and full employment policies.

Sec. 202.—Countercyclical employment policies. This section requires the development and submission by the President, within 90 days of the enactment of this act, of a coherent and flexible countercyclical program to reduce high unemployment arising from cyclical movements in the economy. This comprehensive program shall include, as appropriate, public service employment, standby public works, antirecession grants for State and local governments, skill training in both the public and private sectors, and other programs. Moreover, this program shall be automatically implemented during periods of high unemployment, allocate employment assistance to areas of highest unemployment, provide for a well-balanced combination of job creation and related activities in both the private and public sectors, and incorporate transitional mechanisms to aid individuals in returning to regular employment as the economy recovers.

Sec. 203.—Coordination with State and local governments and private sectors economic activity. This section requires the development of policies that facilitate harmonious economic action between the Federal Government, regions, States, localities and the private sector. As a primary effort to achieve these ends, the President is required to submit legislation, within 90 days of the enactment of this act, creating a permanent, countercyclical grant program that will serve to stabilize State and local budgets during periods of recession and high unemployment. This program shall be automatically implemented when the national unemployment exceeds a specified level and distribute its funds to those areas of most serious unemployment.

Sec. 204.—Regional and structural employment policies. This section requires the establishment of comprehensive employment policies designed to reduce the chronic underutilization of human and capital resources in certain areas of the country and in specific groups within the labor force. As a primary effort to reduce unemployment in chronically depressed areas, the President is required within 180 days after the date of enactment of this act to submit legislation providing on institutional means to make credit available: (1) for public and private investment in economically depressed regions, inner cities, and economic sectors; and (2) to provide an alternative source of capital funds for local and State governments to finance public facilities.

Sec. 205.—Youth employment policies. This section requires the development and submission by the President, within 90 days of the enactment of this act, of a comprehensive youth employment program to: (1) foster a smoother transition from school to work; (2) prepare disadvantaged youths with employment handicaps for self-sustaining employment through education, training, medical services, counseling and other support activities; (3) develop methods of combining training with work, including apprenticeship and on-the-job training in the private sector; and (4) provide job opportunities in a variety of tasks including conservation, public service activities, inner-city cleanup and rehabilitation and other jobs of value to States, local communities, and the Nation.

Sec. 206.—Full Employment Office and job reservoirs. To insure that full employment is achieved under this act, the President, through the Secretary of Labor, shall develop policies and programs to provide job opportunities to adult Americans who, despite a serious effort to obtain employment, are unable to do so in the general economic environment, or through any of the other provisions of this act. There is established within the Department of Labor a Full Employment Office to assist the Secretary of Labor in providing such job opportunities through counseling, training, and referral to job opportunities in the private sector and in positions drawn from sections 202, 204, and 205 of this act. Additional job opportunities will be provided, subject to regulations on job need and eligibility, through reservoirs of federally operated or approved employment projects, to be phased in by the President in conjunction with the annual employment recommendations required under section 3 of the Employment Act of 1946, and to achieve 3 per cent unemployment within 4 years of enactment of this act.

Sec. 207.—Income maintenance and full employment policies. This section requires that full empolyment policies: (1) provide quality jobs that strengthen income and eliminate substandard earnings; (2) integate existing income maintenance polices with the full empolyment policies established by this act; and (3) substitute work for income maintenance to the maximum extent feasible.

TITLE III—POLICIES AND PROCEDURES FOR CONGRESSIONAL REVIEW

Sec. 301.—Statement of purpose. This title establishes procedures for congressional review and action with respect to the annual economic goals in the Economic Report, the Full Employment and Balanced Growth Plan, the report of the Board of Governors of the Federal Reserve System, and the other policies and provisions of this act. This title also establishes a Division of Full Employment and Balanced Growth within the Congressional Budget Office to assist the Congress in meeting its responsibilities under this act.

Sec. 302.—General congressional review. This section establishes the responsibilities of the Joint Economic Committee, the Committees on the Budget, and other appropriate committees of Congress.

Sec. 303.—Congressional review of economic goals in economic report. This section requires the Joint Economic Committee to review and make recommendations to Congress on annual numerical goals for employment, production, and purchasing power proposed by the President under section 3 of the Employment Act of 1946. The Joint Economic Committee shall submit such recommendations to the Committees on the Budget of both Houses, for incorporation in the first concurrent budget resolution, subject to such modifications as necessary to fulfill the objectives of this act and to meet the requirement of section 3A of the Employment Act to achieve full employment within not more than 4 years after the date of enactment of this act.

Sec. 304.—Congressional review of full employment and balanced growth plan. This section provides for congressional review of the Full Employment and Balanced Growth Plan, including reports to the Joint Economic Committee from the standing committees of Congress on matters that relate to the plan, public hearings before the Joint Economic Committee, and consideration of State and local views on the plan. Following the above actions, the Joint Economic Committee shall report a concurrent resolution to Congress approving, disapproving or modifying the proposed plan, with such a resolution serving as a long-term guide to the Congress with respect to the goals, priorities, polices, and programs recommended in the plan. The President is to be notified of changes in the proposed plan, for such, actions as deemed appropriate.

Sec. 305.—Division of full employment and balanced growth. This section establishes a Division of Full Employment and Balanced Growth within the Congressional Budget Office to assist the Joint Economic Committee in the discharge of its duties under this act, particularly with respect to long-term economic analysis and planning, and to assist other committees and Members of Congress in fulfilling their responsibilities under this act.

Sec. 306.—Exercising of rulemaking powers. This section provides that the provisions of this title, other than section 305, be incorporated into the rules of the House of Representatives and Senate, respectively, with full recognition of the constitutional right of either House to change such rules.

TITLE IV—GENERAL PROVISIONS

Sec. 401.—Nondiscrimination, No person in the United States shall on the ground of sex, age, color, religion, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this act. The Secretary of Labor is empowered to enforce such nondiscrimination through the Attorney General, title VI of the Civil Rights Act of 1964, and such other actions as may be provided by law.

Sec. 402.—Labor standards. This section provides that policies and programs implemented and mandated under this act shall provide that those empolyed are paid equal wages for equal work, and that the policies create a net increase in employment through work that would not otherwise be done. The section further prescibes a range of labor standards applicable to particular situations of employment.

Sec. 403.—Authorizations. Being a general economic policy act, the sums authorized for appropriation are those necessary to establish long-range economic planning, the Advisory Committee on Full Employment and Balanced Growth, the establishment of the Full Employment Office and job reservoirs, and other administrative matters. The authorizations and appropriations for other programs mandated under this act are to be determined in conjunction with each separate piece of legislation.

Highlights of the Humphrey-Hawkins Full Employment and Balanced Growth Act

The proposed Full Employment & Balanced Growth Act seeks to assure that every American able to work will have the opportunity for a useful job at fair wages.

It establishes a national goal of bringing the unemployment rate down to 3 per cent or less within four years—and keeping it there. It sets up procedures for the President, the Federal Reserve Board and Congress to pull in the same direction of full employment, production and purchasing power.

As a starter, the bill directs the President's Council of Economic Advisers to shape both long-term and short-term plans for a full employment economy. The council would be assisted by an advisory committee representing the major groups in the economy.

It requires the Federal Reserve Board, which now has almost unchecked power over the money supply and interest rates, to report to the President and Congress on the policies it plans to follow in order to further the full employment goals—or to justify its refusal to do so.

The bill accepts the fact that government monetary and fiscal policies may not always be sufficient to achieve the full employment goal. Therefore, it directs the President to submit to Congress within 90 days a "countercyclical" program to keep down unemployment when the private sector falters. This would be permanent legislation, triggered by rising unemployment and phased out as the economy improves.

The President is directed to consider in shaping his legislation proposals such ingredients as public service jobs and accelerated public works. The final form of the legislation would, of course, be determined by Congress.

A separate section of the bill requires the President to submit "a permanent, countercyclical giant program that will serve to stabilize state and local budgets during periods of recession and high unemployment."

Other provisions require development of special programs to utilize the nation's economic and human resources in "chronically depressed areas" and establishment of a comprehensive youth employment program. This would be designed to ease the transition from school work and to provide job training for youth with employment handicaps.

The bill seeks to hold down federal costs in non-priority areas by providing an annual review of 20 per cent of the government's continuing programs to determine if they still serve a need.

It also directs the Council of Economic Advisers to keep an early-warning watch for inflationary signs and to recommend actions to promote price stability if inflation threatens.

What They Say About H.R. 50—S. 50

Senator Jacob Javits, N.Y.—This is the 30th anniversay of the Employment Act of 1946. The irony of the situation lies in that we are further away from the promise of that legislation than we were then.

Economist Hendril Houthakker—We have not yet found a good way of combining reasonably full employment with reasonable price stability. Public concern forces policy makers to counteract inflation even at the expense of employment. Even if the public were prepared for it, continued inflation would probably not ensure continued high employment.

Economist Byron Johnson—We who were economists in Washington during World War II know that this nation can do better, because it has done better, under far more strains than we now face. It is not enough to want to fight inflation, as the Administration does. For the high unemployment it tolerates not only has a heavy economic cost—it places an unreasonable social and political cost upon the whole nation.

Economist Walter Heller—The public may oppose big spending and bothersome controls, yet support good programs and measures to speed the return to full employment. To be sure, this road is posted with 55-mile-an-hour speed limit signs, but also with reminders that the minimum speed is 45 miles per hour.

Bishop James S. Rausch—(U.S. Catholic Conference)—Bishop Rausch cited the National Conference of Catholic Bishops which declared that "opportunities to work must be provided for those who are able and willing to work. Every person has the right to useful employment, to just wages, and to adequate assistance in cases of real need."

Rev. Arthur B. Keys, Jr.—(National Council of Churches)—Rev. Keys said that his organization considers full employment a prerequisite for social progress in other areas. He said the federal government has a "duty and an obligation to assure a job for every person willing and able to work."

Rabbi A. James Ruben—(American Jewish Committee)—Rabbi Ruben said that the committee fully supports the goals and concepts of the Humphrey-Hawkins Full Employment and Balanced Growth Act of 1976.

Unemployment Today?—How Much Is Tolerable?

(By Dr. Leon H. Keyserling)

Unemployment reached a peak of 8.9 percent in May, 1975, averaged 8.5 per cent for the year and had declined to just under 8 per cent at the end of the year.

These figures, however, understated the real extent of unemployment.

Dr. Leon H. Keyserling, who helped inspire and draft the Employment Act of 1946 and then gave leadership to implementation of the system as chairman of the President's Council of Economic Advisers under President Harry S. Truman, has estimated the current levels of unemployment as follows in a new study published in January, 1976, entitled "Toward Full Employment Within Three Years:"

In December, 1975, full-time unemployment was 8.3 per cent of the labor force.

The full-time equivalent of part-time unemployment was 1.7 per cent.

Concealed unemployment of those no longer counted as unemployed because they have been discouraged from active search for jobs by the scarcity of job opportunities was equal to 1.2 per cent of the labor force.

Dr. Keyserling said that the number of unemployed in all three categories was 10.6 millions in December, 1975 and this equalled a total of 11.2 per cent true unemployment.

More light on the depth and character of unemployment is indicated in data from the U.S. Joint Economic Committee and the Congressional Budget Office.

Joblessness among workers in particularly distressed industries, of course, is severe. Among construction workers, for example, unemployment is 15.5 per cent.

Among non-white teenagers more than one-third—a total of 35.2 per cent—are without work.

Half of today's unemployed are under the age of 25 years.

The average duration of unemployment has doubled in the past year.

From January, 1974 to November, 1975, the percentage of heads of households who were without work increased from 2.9 per cent to 5.6 per cent.

When the Employment Act of 1946 was adopted, it was considered that full employment would prevail if unemployment was at 3 per cent or below.

During the decade of the 1950's this 3 per cent goal was still adhered to by economists and national leaders as a reasonable and attainable figure.

President Dwight Eisenhower's Commission on National Goals said in November, 1960, that "we must seek to keep unemployment consistently below 4 per cent of the labor force."

In January, 1962, in the Economic Report of the President, John F. Kennedy said that "in the existing circumstances, an unemployment rate of about 4 per cent is a reasonable and prudent full employment target."

Now, in 1975 and 1976, it appears that Administration economists consider that an unemployment rate of 6 per cent would be acceptable.

Sponsors of the Humphrey-Hawkins bill consider that a 3 per cent target for unemployment is reasonable, attainable and essential.

FOREIGN POLICY ASSOCIATION POLLS THOUSANDS ON U.S. FOREIGN POLICY

Mr. SPARKMAN. Mr. President, the Foreign Policy Association is the oldest nationally based grassroots international affairs organization in the United States. FPA, which conducts the yearly great decisions program, met in Washington for a conference on "Great Decisions in U.S. Foreign Policy."

On Tuesday, April 27, 109 members of the group from 37 States, including, I might add, George M. Faulk of the University of Alabama in Tuscaloosa, met with Senators Dick Clark, Claiborne Pell, and me to discuss foreign policy and report on an interesting survey taken by the association.

Literally thousands of Americans discussed eight topics during the year and then expressed their opinions in written form so that there could be a general picture of what informed citizens thought about the subjects.

I believe it is important for Congress to be aware of the opinions of such an impressive and involved group, seriously interested in the operations of our foreign policy.

With that in mind I ask unanimous consent that a brief summary of those opinions in the form of a statement from the Foreign Policy Association be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record as follows:

Statement of Foreign Policy Association

For the first time in the 22-year history of the nationwide Great Decisions discussion program, the Foreign Policy Association has conducted a national tabulation of opinion ballots. The ballots permit participants to express their views on eight major foreign policy issues confronting the nation. This year's topics were Arabs vs. Israelis, Our Mediterranean Commitments, Latin America and the U.S., Asia After the Vietnam War, The American Dream Among Nations, The U.S. in the World Economy, India, and Rethinking U.S. Foreign Policy.

Over 60,000 participants in 47 states and the District of Columbia took part in the Great Decisions program and submitted an average of 5,000 ballots on each topic.

ARABS VS. ISRAELIS

A large majority favored the creation of a Palestinian state, but less than half would recognize the PLO as representing the Palestinians. Large majorities favored the presence of U.S. technicians in the Sinai and an active U.S. role in mediating between Arabs and Israelis. Arms sales to Israel were favored by about half, but arms sales to Egypt by less than a third. Most ballots opposed either U.S. or NATO security guarantees to Israel.

OUR MEDITERRANEAN COMMITMENTS

A sizable majority favored maintaining the U.S. Sixth Fleet at its present level, but opinion was almost evenly divided on whether or not to match any build-up of Soviet naval strength. A majority opposed any intervention in Portugal by the U.S. alone to prevent a Communist takeover, but a slight plurality would accept NATO intervention for this purpose. A large majority opposed the idea of abandoning our bases in Spain and making a new agreement until a democratic government is established there. A clear majority opposed any U.S. attempt to exert political and economic pressure on Italy in order to prevent Communists from being taken into a coalition. On the Cyprus dispute, a majority were opposed to pressing Turkey to make concessions to Greece and opposed the use of arms sales for this purpose. An even stronger majority favored letting Greece and Turkey settle the Cyprus dispute by themselves.

LATIN AMERICA AND THE U.S.

Regarding the Panama Canal, only 18 percent favored the U.S. giving up effective sovereignty. However, 47 percent expressed approval of a new treaty which would limit the right to defend and operate the canal within a definite time period. Opinion was almost evenly divided on lifting restrictions on direct trade with Cuba. There was overwhelming support for maintaining profitable economic and friendly relations with all Latin American nations, with a smaller majority favoring some official disapproval of the repressive policies of authoritarian regimes. There was also a majority for amending the 1974 Trade Act which now denies preferential treatment to Venezuela and Ecuador.

ASIA AFTER THE VIETNAM WAR

A large majority opposed renouncing the U.S.-South Korean defense treaty; a smaller majority would maintain U.S. military forces in South Korea at their present level for use against any invasion from the North. However, a clear majority favored gradual removal of the U.S. military presence from Korea. The security of Japan is regarded as vital to the United States by an overwhelming majority, which favored continuing the U.S. "nuclear umbrella." Opinion was divided on whether to press Japan to increase her conventional defense forces. Concerning Taiwan and the People's Republic of China, a majority favored the "Japanese formula"—full diplomatic recognition of the PRC while continuing economic relations, as well as the bilateral defense treaty, with Taiwan. A large majority supported a policy looking toward eventual independence for Taiwan. A majority would establish diplomatic relations with Vietnam. An overwhelming majority favored a continuing U.S. military presence in the Philippines.

THE AMERICAN DREAM AMONG NATIONS

The majority supported a U.S. foreign policy which favors U.S. national interests, conforms to moral principles based on the Judeo-Christian tradition, and seeks friendly relations with all nations which are important to the U.S. for economic or security reasons. However, the majority did favor official disapproval of repressive practices of authoritarian regimes. A majority also believed the CIA should continue covert activities important to national security.

THE U.S. IN THE WORLD ECONOMY

The Great Decisions respondents clearly supported implementation of Secretary Kissinger's September 1975 UN proposals aimed at cooperation between rich and poor nations. The respondents were clearly opposed to the third-world proposal for a "new international economic order" to redistribute the world's wealth. A small majority preferred reliance on a free market and existing economic institutions to promote growth and prosperity.

INDIA

The respondents' views on India supported maintenance of friendly relations with diplomatic correctness while at the same time avoiding official U.S. disapproval of Mrs. Gandhi's actions. A cut-off of aid drew little support. Only a minority would renew the embargo on arms shipments to Pakistan.

RETHINKING U.S. FOREIGN POLICY

On detente with the Soviet Union, over two-thirds favored continuing the present policy. There was similar support for maintaining our present commitment to NATO and pressing for a united Western Europe. Two out of three respondents favored strengthening the UN and making it a major instrument of U.S. policy. There was substantial support for a temporary—but not permanent—surrender of sovereignty to resolve specific global problems like nuclear proliferation. A small plurality spoke for a supranational world government.

GUN CONTROL

Mr. McGOVERN. Mr. President, I would like to call the attention of my colleagues to an editorial on gun control which appeared in the April 16, 1976, issue of the Rapid City Journal.

In the past, the Rapid City Journal has generally opposed Federal legislation to increase regulation of firearms and ammunition, a position shared by many South Dakotans. It is interesting to note, therefore, that this influential newspaper has commented favorably upon the gun control bill recently approved by the House Judiciary Committee.

As the Journal editorial points out, gun control is a topic which arouses very strong emotions. In many of our high crime urban areas, law enforcement officials and a clear majority of the public support strong measures to limit or to eliminate access to handguns of all kinds. In other areas, however, where crime is not so great a problem as it is in the cities, many people are concerned that additional Federal gun control legislation will eventually lead to undue restrictions on the legitimate rights of sportsmen, gun collectors, and individuals who wish to keep guns for self-protection.

The House Judiciary bill, which bans the sale of so-called Saturday night specials and imposes mandatory minimum jail sentences for Federal crimes in which a gun is used, is not likely to be greeted with great enthusiasm by partisans of either side in the gun control controversy. Gun control opponents argue that any bill, even a relatively limited one, sets the precedent for tighter regulation in the future. Many supporters of stronger controls, on the other hand, would no doubt agree with a recent Washington Post editorial which described the House Judiciary bill as "worse than nothing."

I, for one, do not believe that the rights of sportsmen and collectors would be endangered in any serious way by a ban on cheap, easily concealed handguns. As a hunter, I know that there is no sporting use for these inferior weapons. In fact, I believe that the longer we permit criminals and potential criminals to acquire these weapons easily, the more likely it is that aroused public opinion will eventually lead the Congress to adopt stringent limitations on all gun ownership.

The case against the cheap handgun—"the Saturday night special"—is overwhelming. A recent study conducted by the Bureau of Alcohol, Tobacco, and Firearms of the Department of the Treasury, for example, found that 71 percent of 10,617 guns seized by police in street crime arrests in 16 cities were in the "Saturday night special" category. And according to Chicago Police Chief James M. Richford, an analysis of armed robberies in that city in the first 10 months of 1974 showed that of 11,626 reported incidents, 10,646 involved an offender armed with firearms. In 95 percent of these cases, the weapon was a handgun.

That said, however, I think it is necessary to point out, as South Dakota Gov. Richard Kneip has stated that gun control legislation offers no panacea in the struggle against street crime. In the short run, at least, handgun registration and control would probably have little effect on the flow of guns to criminals. This is so because handguns, already abundant in our country, can be stolen from legal owners or purchased illicitly on the black market. If addicts can obtain illegal heroin on our streets, criminals will be able to obtain illegal guns.

I agree with Governor Kneip that no single measure will be sufficient to end the wave of vicious crime and senseless violence in our country. Handgun controls may help, but I believe that the provisions in the House Judiciary bill for mandatory minimum sentences for those convicted of using guns in committing Federal crimes may have a much greater immediate effect, particularly if States and localities enact companion legislation. With mandatory sentencing in effect, many of the habitual criminals, who commit a high proportion of crimes in this country, will either have to find a new line of work or be prepared to spend long stretches behind bars.

Mr. President, both sides in the gun control debate make important points to which we should give the most careful consideration in framing gun-related legislation. I hope that we shall be able to put rhetoric aside on this emotional issue and strike a fair balance between the real interests involved.

In order to illustrate the range of views which responsible Americans bring to the gun control question, I ask unanimous consent that editorials from the April 16, 1976, Rapid City Journal and the April 21, 1976, Washington Post be printed in the Record. In addition I ask unanimous consent to print a letter dated March 4, 1975, in which Governor Kneip outlined the position he continues to hold on gun control and another letter, dated April 15, 1976, from Baltimore City Council President Walter S. Orlinsky on the tragic shooting death of Baltimore City Councilman Dominic Leone.

There being no objection, the material was ordered to be printed in the Record, as follows:

New Gun Control Proposal Reasonable

Gun control legislation that appeared to be dead has been given new life in the U.S. House of Representatives.

The House Judiciary Committee Tuesday reversed an earlier stand and sent to the House floor a modified control bill that omits some features opponents criticized in earlier legislation.

The new proposal would ban the manufacture and sale of small, inexpensive handguns commonly referred to as "Saturday night specials" and would set minimum mandatory prison sentences for crimes involving use of guns.

The legislation would not affect guns already in the hands of private owners.

The bill proposes to extend standards of a 1968 law which bans importation of Saturday night specials to domestic production and sales. The standards spell out which handguns are banned such as pistols less than six inches in length and revolvers with barrels less than four inches in length.

The mandatory penalties for use of a gun in a violent crime include a prison term of at least one year for a first offense and two to twenty-five years for repeat offenders. Those sentences, which couldn't be suspended by a judge or run concurrently with any other jail term, would be in addition to prison terms already provided for the crime involved.

Gun control is a highly emotional subject. Opponents view any efforts at control as the opening wedge in a drive to prohibit private ownership of firearms of any kind.

It would appear, however, that the compromise legislation which will go to the floor of the House following the Easter recess addresses the most critical problem concerning guns—their use in the commission of crimes.

The restriction on the small, cheap handgun would not affect the type of gun which most law-abiding citizens want to own for recreational purposes or to protect their person or property. If would however be a deterrent to traffic in, and use of, easily concealed weapons in the commission of street crimes.

While we recognize regulation can lead to more and stricter regulations, we think the new proposal has merit and is in the interest of the majority of law-abiding Americans. We would oppose further restrictions but think outlawing of the Saturday night special and mandatory jail sentences for the use of guns in the commission of violent crimes is not unreasonable.

[From the Washington Post, Apr. 21 1976]

A Gun Bill Worse Than Nothing

The latest incarnation of a gun control bill on Capitol Hill, voted out of the House Judiciary Committee last week, is more symbolic than substantive. It symbolizes the strength and tenacity of the arms makers and gun lobbyists. The bill's defenders say little more for it than that it is, after all, a bill on the general subject of gun control.

Well, that's something to be able to tell the folks back home. But we trust they won't be fooled into thinking that this is a serious gun control bill. About the time last week that this thoroughly compromised piece of legislation was struggling out of the Judiciary Committee, the folks back home in Baltimore were getting a taste of the real world of handguns. A frustrated and deranged citizen went berserk in the Baltimore city hall with a .38 caliber handgun. When it was over, a city councilman was dead and several people were injured. It is just this kind of senseless slaughter that Rep. Martin Russo (D-Ill.) had in mind when he sought to ban the manufacture of concealable handguns last month. The bill containing his important amendment was sent back to subcommittee by a vote of 18–17. The Russo bill was far from perfect; it met what you might call a minimum standard of decency.

Would that the same could be said for its successor. In the new bill, the concealability standard is gone. A provision that would establish by law a national tracing center to systematically track down the sources of handguns used in crime is gone. Instead, the bill bans the manufacture of cheap handguns, which is an exceedingly modest contribution to the problem of handgun proliferation. The gun that killed the Baltimore councilman, for example, would have had no difficulty passing the Judiciary Committee bill's standards.

If the compromisers in the Judiciary Committee could have hung onto the national tracting center provision in the bill, that might have been its one saving grace. The defeat of that provision points to the fine hand of the gun lobbyists. There is now a tracing center in the Treasury Department, established by regulation rather than by law, and limited in its scope. The kind of tracing center this legislation anticipated would have been a different story, and a potentially embarrassing one to the arms purveyors. That is so because under this law a truly effective tracing process could have been established, one that might have shed light on the sordid underside of the gun business. If and when such a tracing center comes into existence it will be theoretically possible for the police to trace back to its source every gun used in a violent crime. Many of the guns involved in violent crime in this country are relatively high-quality guns that have been stolen, often very soon after manufacture. A full-scale tracing center would reveal the pattern of those thefts and might impart vital information on how guns wind up in the hands of the underworld.

Rep. Thomas F. Railsback (R-Ill.) led the way in killing the tracting center provision, just as he led the way in killing the whole of the concealability bill. This time, his argument was that a tracing center looks to him like the thin end of a long wedge called gun registration. It is in fact no more than a passive police tool that might tell us a great deal about the relationship of guns and crime.

What, then, is left to commend in this sorry legislative performance? One of the groups working for a sane firearms policy in this nation of 40 million handguns has suggested that passing this bill in the House might afford the opportunity for improvement by conference, a risky proposition when the alternative is considered. What happens if no improvement materializes in conference? We are left with this tattered compromise as the law for years to come. Such a result would be undesirable for a number of reasons, not the least of them that Congress can do better if it tries again in a non-election year. It is unfortunate that this bill is all the crime subcommittee of the Judiciary Committee has to show for a long and arduous effort. The subcommittee worked diligently for a serious bill. It was, if you please, outgunned. The result is a bill that is worse than no bill at all.

State of South Dakota,
Pierre, S. Dak., March 4, 1975.

Hon. George McGovern,
U.S. Senate,
Washington, D.C.

Dear George: Thank you for your recent letter and for providing me the opportunity to outline our views concerning possible gun control legislation.

I read with interest the editorial you enclosed. My approach to gun control legislation deals directly with the question, "How will that legislation impact on the problem?" It seems that in those areas where gun control legislation has been enacted, it has had little or no impact on major crimes involving guns. It might be well to note that legislation offers no panacea.

George Bennett, my Secretary of Public Safety, has provided information which is worth noting. Only about 58% of the total major felonies end up as convictions. During the years 1964–1973, 858 law enforcement officers were slain. Some 77% of the identified assailants had records of previous arrests. Approximately 59% had been *convicted* of a crime before. (This needs to be correlated to the 58% conviction rate noted above.) Nearly two-thirds of these were free through parole or pardon at the time the officers were killed.

Our current laws are quite specific in prohibiting the carrying of a concealed weapon. This gives us the authority to deal with the criminal element and their weapons without additional legislation. I do not believe that the registration of guns would change the attitude or habits of the criminal. Since he is already in violation of the law by carrying a concealed weapon, it seems unreasonable to think that he would alter his association with guns because of additional laws on registration and control. The flow of illegal guns to the criminal element will not be prevented and probably would not even be reduced by gun control legislation.

The registration of all handguns is not objectionable. It is not commonly recognized but I believe that the fact that most households do have guns does act as a deterrent to the criminal element. The degree of this deterrence is not known but must exist.

The confiscation of all weapons could eliminate their use in the crime of passion resulting from friend and family quarrels but a careful evaluation of these types of crimes indicates that in the absence of a gun, other weapons are just as effective.

One action that could reduce the use of firearms in criminal activities would be for the courts to treat any crime involving the use of a gun as a major crime and issue judgments accordingly. Those individuals who are convicted of violent crimes involving weapons are identifiable and should pass special psychological tests before being considered for parole.

In summary, we support the registration of *handguns* and encourage the strong enforcements of the current law concerning the carrying of concealed weapons. The difficulty of eliminating illegal gun flow to the criminal element must be a consideration of any new laws that are passed. We should not enhance the criminals' ability to disadvantage society by controlling only the weapons owned by law abiding citizens.

Sincerely,

Richard F. Kneip,
Governor.

Baltimore City Council,
Baltimore, Md., April 13, 1976.

Dear Senator: Dom Leone died today. He was a City Councilman in Baltimore, Maryland. There is no real reason that you who are elected to represent vast populations should take more notice of this than any other stupid act of senseless violence which hour by hour takes place in this vast land of ours. His death is not as prominent as the death of Abraham Lincoln, John Kennedy, Martin Luther King or Robert Kennedy—it is just a passing event like all too many others, except to those who loved and respected the departed. It is the price we pay for living in the world's greatest democracy.

Let me just tell you that Dom Leone would have gladly borne any burden or paid any price, including his very life, for his country. What is not clear to me, however, is that the concept of devotion to our country includes being gunned down because the National Rifle Association and their allies think we should allow our citizens the untrammeled right to carry around and use at will their "Saturday night specials." No one can convince me that Thomas Jefferson, on whose birthday Dom Leone died, conceived of the "Saturday night special" as one of man's inalienable rights.

I hope you will consider this as you vote on the weak, but better-than-nothing, House Gun Bill. How many more must die in this senseless, stupid and wasteful way before we choose to protect our inalienable right to life from the "Saturday night special" whose only purpose is to take life? God only knows.

Sincerely,

WALTER S. ORLINSKY.

TRIBUTE TO BEA JOHNSON

Mr. DOLE. Mr. President, I would like to take a few moments to pay tribute to a woman who devoted the last years and months of her life to the fight against cancer.

Bea Johnson, of Mission Hills, Kans., was a remarkable woman who led the 1975 Johnson County Cancer Crusade and helped turn it into the most successful fundraiser ever held in that area. A nationally known radio, television, and newspaper commentator, Bea last year made a film detailing her personal battle with cancer and her hopes for the future of cancer research. This film has been shown all over the country and has solicited enormous support for the cancer crusade.

Although that personal battle with cancer ended last Thursday, the work she began will go on through the many volunteers she enlisted and inspired.

I ask unanimous consent that two newspaper articles from the Johnson County Sun newspapers be printed in the RECORD. They detail, much better than I could, the outstanding life Bea Johnson led—her contributions and strengths serve as an inspiration to us all.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

CANCER FIGHTER BEA JOHNSON DEAD

Mrs. Bea Johnson, 5620 High Drive, Mission Hills, nationally known radio, television and newspaper commentator, died Thursday, April 29, at St. Luke's hospital after living with cancer for the past two years.

Mrs. Johnson, who has concentrated the last months of her life in enlisting volunteers in the fight to end the threat of cancer, said she felt the most important thing she ever had done was her work with the American Cancer Society and the Cancer Crusade.

Last year she was co-chairman of the Cancer Crusade in Johnson County, helping guide a drive which raised the greatest amount of money in the Crusade's history in the county. She was serving this year as honorary co-chairman of the campaign.

In recognition of her contribution to the fight against cancer, former Governor Robert Docking, chairman of the Kansas Cancer Crusade, announced the establishment of the Bea Johnson Memorial Fund for the American Cancer Society.

"Bea's greatest wish was that the fight against cancer be carried on by her fellow volunteers," Docking said. "She asked that she be remembered through contributions to the American Cancer Society, and for that reason we have established the Bea Johnson Memorial Fund. We are asking Kansans to remember her by making a special contribution in her name."

Mrs. Johnson was a native of Warrensburg, Mo., and a graduate of the University of Missouri School of Journalism. She entered the field of journalism by writing a newspaper column when she was only 15, and the column later became a syndicated feature.

For 26 years Mrs. Johnson was known for her broadcasts on KMBC and KFRM radio and later KMBC–TV in Kansas City. She did a daily television program, "Bea Johnson's Happy Home."

She is survived by her husband, R. Dean Johnson; two daughters, Jill Jones of Shawnee, and Becky Keller of Malibu, Calif.; a sister, Mrs. Betty McDowell of Kansas City; and four grandchildren.

Funeral services will be at 11 o'clock Saturday morning at the Country Club Christian Church, 6101 Ward Parkway. Burial will be at Johnson County Memorial Gardens.

The family requests that donations be made to the Bea Johnson Memorial Fund of the Kansas Division of the American Cancer Society in lieu of flowers.

BEA JOHNSON'S CAREER SPANNED CONTINENTS, YEARS

(By Judy Katz)

On Bea Johnson's desk for two years lay a statement about fear. Facing pain and the certain knowledge of death, this anonymous quote had meaning for her:

"Fear is a wild horse that needs a tight rein, for it is both friend and foe, both good and evil, and to live effectively, man must learn to master it."

Over a year ago, Mrs. Johnson talked to this reporter about her terminal cancer and said frankly: "I'm not a brave person. I'm the biggest coward in the world. I'm always looking under the bed when I'm home alone!" But she faced known death and she turned it in her own lifetime into a triumph of hope for other people.

Her career as a television personality, national speaker, tour entrepreneur and interviewer of the heads of state of almost every major foreign power meant less to Bea Johnson than her most recent job, that of cochairman of the Johnson County Cancer Crusade.

Bea helped turn the 1975 Cancer Crusade into the most successful fund raiser of all time. The Johnson County Crusade set a new record last year, doubling the amount raised in any previous year.

This year, although Bea Johnson's health has not permitted her to take an active part in the Crusade, she was named Honorary Co-Chairman. Shirley Rose again accepted the responsibility of heading the Johnson County drive.

HER LAST WORK

The film that Bea Johnson made last year, detailing her personal battle with cancer and her hopes for the future of cancer research has been shown all over the country. Everywhere people respond with tears and more importantly to Bea, their support.

Talking directly to her audience, Bea Johnson relates in the film how cancer will affect everyone. The statistics tell the story, she says Two out of three families will have someone in their family suffer from cancer; one out of four women will have cancer.

Bea Johnson often told her daughters, Becky and Jill, she felt her work for the American Cancer Society was the most important thing she had ever done.

The statement has even more meaning when one looks at Bea Johnson's career.

Born in Warrensburg, Mo., and graduated from the University of Missouri School of Journalism, Bea was a radio and TV commentator on KMBC–KFRM and KMBC–TV for 26 years. Her daily television program was called "Bea Johnson's Happy Home."

KINGS AND PRESIDENTS

A correspondent to national and international Big Four conferences, Bea Johnson interviewed presidents, prime ministers, kings and dictators. She was the first woman journalist to interview Premier Khrushchev in his office.

In interviewing these government leaders, Bea said: "If you are to report honestly on today's world and the heads of state who manipulate its fate, you must go to each country to talk to them and their people."

To this end, she organized annual tours to foreign countries for national journalists and arrange for them to interview heads of state and other powerful personages.

Simultaneously with the television show and annual tours, Bea Johnson was speaking nationally about her travels and experiences. In all, she traveled to some 47 states on her lecture circuits and at several, her dinner companion at the banquet preceding the speeches was a young senator named John F. Kennedy.

AWARDS AND HONORS

In response, the country showered Bea Johnson with awards and even more duties. She won 12 of the nation's top radio-television awards, including McCall's Golden Mike award for the broadcaster accomplishing the greatest community service in America; the Zenith award for excellence of programs and distinguished service to American TV; the Ohio State award for outstanding programs directed to women and the Matrix Table Award presented last year by the Kansas City chapter of Women in Communication.

Bea Johnson was named to national committees by both Republican and Democratic presidents, including the Defense Advisory Committee-Women's Division. She was a national director of American Women in Radio and TV, a charter member of the first People to People council, national director of the Advertising Federation of America, national board chairman and president of Gamma Alpha Chi, national advertising fraternity, docent at the Nelson Atkins Gallery and active in the Kansas City Art Institute and an active member of the Philharmonic Association.

"The life of Bea Johnson is a testimonial of service, concern and love," said U.S. Rep. Larry Winn, a long-time friend of the Johnson family. "Her life represents the finest qualities in public service and personal devotion. Her service to the American Cancer Crusade is unparalleled anywhere in America.

"We will miss her deeply, but we will treasure the memory of her total commitment of service to others," Winn said.

It is a fitting epitaph for a gallant woman. Bea Johnson will be missed by more than her many friends. She will be missed by the thousands of cancer sufferers and their families who will all gain from the love and concern she showed for them.

ANIMAL WELFARE AMENDMENTS

Mr. GRIFFIN. Mr. President, recently President Ford signed into law the Animal Welfare Act Amendments of 1976, which should provide better protection for animals in transit, as well as help curb the practice of animal fighting

This morning, the Washington Post reported an unfortunate incident that demonstrates the need for this important legislation—legislation which I was pleased to cosponsor and which has been more than 6 years in the making.

A few days ago, the Christian Science Monitor ran an article which does a good job of summarizing the major points of this legislation.

Mr. President, I ask unanimous consent that both of these articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, May 3, 1976]

Sixteen Horses Are Found Dead After Plane Flight

Rio De Janeiro, May 2.—Sixteen of 52 horses flown yesterday from the United States were dead on arrival aboard a single plane at Sao Paulo International airport; authorities reported today.

Veterinary surgeon Flamarion Suhro said the animals may have died as a result of a sharp change in pressure aboard the aircraft; but he stressed that the cause of death could only be proved by autopsies. All but one of the dead horses were pregnant mares.

Six of the survivors were foals born shortly before the flight. All were receiving medical treatment before being handed over to the importers, a group of breeders in Presidente Prudente, Sao Paulo state.

[From the Christian Science Monitor, Apr. 26, 1976]

New Law Hits Animal "Sports" Fighting, Injurious Shipping

(By David Anable)

New York.—A six-year effort to guarantee the humane treatment of animals in transit has finally succeeded.

President Ford's signing of the Animal Welfare Act amendments last week enables uniform standards to be established for the humane treatment of the hundreds of thousands of animals which are shipped around the United States every year.

In addition, the new legislation strikes out against the growing "sport" of dogfighting as well as cockfighting. It makes it illegal to sponsor an animal fight or to deliver, buy, sell, or transport an animal in interstate commerce for fighting purposes.

The only exception to the anti-fighting rule is that the law does not cover cockfighting in those states (five of them) where cockfighting is legal.

Humanitarians greeted the passage of the legislation with emotion and relief. There had been some fears earlier that President Ford would veto the legislation, mainly because of what the White House termed "the federal police force implications" of enforcing the ban on animal fighting.

However, the overwhelmingly favorable votes in both houses of Congress appear to have caused the White House to go along with the legislation. The final version was approved in the House, 332 to 31, and in the Senate 90 to 0.

Up to now, weak state laws or poor enforcement of them have enabled dogfighting to grow into a popular underground "sport" with its own related publications and events staged around the country.

Many have been appalled by this development. They point out that this is a viciously cruel pastime.

Dogs are trained to kill using animals such as kittens, chickens, then set against each other in a contest in which they chew each other to a mangled standstill and often death. Heavy betting keeps the "sport" alive.

The cruelty frequently involved in transporting animals also has become the focus of greater concern in recent years, especially with the growth of the pet and puppy farm business.

This can vary from the thoughtless or callous leaving of caged animals to bake at airline terminals in scorching summer sun or to freeze in sub-zero winds. Or it may involve the dispatch of puppies, kittens, and other animals in flimsy, splintering crates so as to save the dispatcher the dollar outlay on decent equipment.

The new legislation permits the Secretary of Agriculture to lay down minimum standards for such things as crates, feed, water, ventilation, and veterinary care. If this legislation is properly applied and enforced, and that is where the next test lies, it is hoped it will save many animal lives.

FBI STANDS IDLY BY WHILE BROADCASTER IS MAIMED FOR ANTI-CASTRO STATEMENTS

Mr. HELMS. Mr. President, last Friday a bomb exploded in the automobile of Mr. Emilio Milian in Miami as he left station WQBA after his evening broadcast. I know Mr. Milian as a courageous and outspoken broadcaster who is not afraid to tell his Spanish-speaking audience the truth about U.S. policy in Cuba, and the aggressive actions of Fidel Castro against the free people of the world. Whoever placed the bomb in Mr. Milian's car obviously sought to put an end to the voice that has been warning hundreds of thousands in the Miami area daily against communism. The terrorists failed to stop his voice, but they succeeded in seriously injuring his body. I am informed that the injuries required the emergency amputation of both legs below the knee, and that doctors are now fighting to save his left arm.

Mr. President, I have spent most of my adult life as a broadcaster, and I know what it means to go on the air and accept the full consequences of broadcasting news and opinion to the public. But needless to say, I have never thought that the consequences should include maiming and death. Freedom of speech is a constitutional right in the United States, and it is a right which should be enjoyed without the chilling effect of terror.

It is for this reason that I am appalled by the failure of the Federal Bureau of Investigation to probe adequately the continuing wave of terrorism in the Miami area. There should be some way to establish with certainty whether or not the terrorist acts are the product of Castro's agents in the United States; yet the Bureau seems to adopt an attitude of helplessness and ho-hum as though the Cuban exile community were somehow bringing the terrorism upon themselves.

Yet there has been ample warning that the terrorism is part of a calculated strategy to diminish anti-Castro expressions of sentiment. It is not by coincidence that Emilio Milian was attacked. Last fall, three anti-Castro leaders in Miami were threatened with death in an underground Castroite paper circulated in the Miami area, entitled "Verde Oliva." Shortly after the paper was published, one of the three, Rolando Masferrer was brutally assassinated on October 31, 1975. The second one threatened with death by the Castro underground was Emilio Milian. On April 30, Mr. Milian was felled, but not killed by the bomb. Now only one of the trio marked for death remains untouched, Mr. Jorge Mas. How long will the Federal Bureau of Investigation wait? Will Mr. Mas be struck down as well?

Shortly after the death of the late Mr. Masferrer, Mr. Milian and Mr. Mas came to my office in Washington. They vowed that they would not let up in leading the fight against what at that time seemed a growing acceptance of so-called "normalization" of relations with Castro. Both men had the courage of their convictions, and in the ensuing months they redoubled their efforts to arouse public opinion on the issue.

At that time I contacted the FBI, and strongly suggested that they look into the threats, and, if necessary, arrange protection. But the Washington Office of the FBI showed a massive disinterest in the matter, saying that it was up to the local authorities to handle the investigation.

Yet the fact of the matter is that we have a situation with international implications. If foreign agents are operating in the United States, then the FBI should be investigating the matter. If broadcasters are being threatened, physically assaulted, and maimed for life because of exercising their constitutional right to use the airwaves, then the FBI should be investigating the matter.

I am writing today to the Director of the FBI and once more asking that the Bureau take a strong role in this affair. The Bureau was warned once before, and nothing was done. It is time for action, and it is time to protect the lives of those who are being threatened by Castro's agents.

RECESS UNTIL 1 P.M.

Mr. ROBERT C. BYRD. Mr. President, if no Senator seeks recognition at this time, I move that the Senate stand in recess until the hour of 1 p.m. today.

The motion was agreed to, and at 12:45 p.m. the Senate took a recess until 1 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer, Mr. Johnston.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

NATIONAL RANGELANDS POLICY ACT OF 1976

The PRESIDING OFFICER. Under the previous order, the hour of 1 p.m.

having arrived, the Senate will now proceed to the consideration of S. 2555, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2555) to establish a national rangelands rehabilitation and protection program.

The Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "National Rangelands Policy Act of 1976".

Sec. 2. Findings, Purpose, and Definitions.—

(a) The Congress finds that—

(1) despite increased efforts and expenditures of the Bureau of Land Management and individual users of the western public rangelands, many areas of the rangelands are producing less than their potential, a condition which threatens the livelihood of such users and the economic stability of neighboring communities, present levels of meat production, the quality and availability of scarce western water supplies, United States obligations to Mexico concerning the salinity level of the Colorado River, the maintenance of wildlife habitat, and the viability of flood prevention programs;

(2) the rangelands will remain in an unsatisfactory condition and some areas may decline further under present management levels; and

(3) this condition can be corrected by a national commitment to a program of improved management of the rangelands, a program which would provide the additional benefits of increased soil and watershed stability; protection of water quality and maintenance of present water production levels; expansion of the forage resource and a consequent rise in livestock production; enhancement, protection, and maintenance of wildlife habitat; reduced flood danger; and economic stabilization of communities and individuals dependent on such lands.

(b) The Congress hereby finds a necessity for, and declares a national commitment to, the rehabilitation and protection of the rangelands. It is the purpose of this Act to establish a program to identify the current rangeland conditions and trends; to plan and effect actions to correct deficiencies in such lands; and to restore such lands to, and maintain them in, as full productive capacity as feasible.

(c) For the purpose of this Act—

(1) "Secretary" means the Secretary of the Interior; and

(2) "rangelands" means lands administered by the Secretary through the Bureau of Land Management on which there is domestic livestock grazing, or other lands so administered which the Secretary determines may be suitable for domestic livestock grazing.

Sec. 3. Rangelands Inventory.—The Secretary shall develop within five years of the date of enactment of this Act, and maintain on a continuing basis thereafter, a comprehensive and appropriately detailed inventory of all rangelands. This inventory shall identify the resources of and deficiencies in the rangelands and shall be kept current so as to reflect changes in conditions.

Sec. 4. Rangelands Rehabilitation and Protection Program.—The Secretary shall develop, maintain, revise as necessary, and implement a rangelands rehabilitation and protection program for the improved management of the rangelands, which shall have as its purpose the correction of the deficiencies in the rangelands as inventoried pursuant to section 3 and the rehabilitation of such lands within thirty years of enactment of this Act. Thereafter, such program shall provide for the maintenance of, or improvement in, the productive capacity of such lands achieved at the conclusion of such period in a manner consistent with the protection and enhancement of resource values identified by this Act and with the multiple use, sustained yield concept of land management. Such program shall include plans for the various areas of the rangelands, which plans specify the actions, and the schedule thereof, to be undertaken on such areas within said thirty-year period. Such plans may identify areas of the rangelands which, because of their small relative size, minor resource value, scattered land ownership, or other reasons, are unsuitable for the improved management required by this Act and provide for appropriate management of such lands to arrest further decline in, and protect the multiple use values of, such lands.

Sec. 5. Rangelands Management.—The Secretary shall manage the rangelands in accordance with the rangelands rehabilitation and protection program.

Sec. 6. Participation of State and Local Governments, Users, and the Public.—The Secretary, by regulation, shall establish procedures, including public hearings or meetings where appropriate, to give State and local governments, users of the rangelands, and the public adequate notice and an opportunity to comment upon the rangelands rehabilitation and protection program during its preparation and implementation.

Sec. 7. Rangelands Report.—The Secretary shall prepare a rangelands report no later than two years after the enactment of this Act and at five year intervals thereafter. Such report shall be made available to the public and submitted to the Congress no later than one hundred and twenty days after the close of the appropriate fiscal year. The report shall include, in appropriate detail, an analysis of the condition of the rangelands, the implementation of the rangelands rehabilitation and protection program, and the advances made in meeting the purpose of this Act.

Sec. 8 Authorizations.—There are hereby authorized to be appropriated for the purpose of this Act additional funds over and above amounts already appropriated to the Bureau of Land Management in fiscal year 1976 for livestock management, soil and water, and wildlife, as follows: an increase of $10,000,000 in fiscal year 1977; additional increases of $5,000,000 per year each and every year in fiscal year 1978, 1979, and 1980; and increases of $500,000 per year each and every year from fiscal year 1981 through and including fiscal year 2006. Any increased amounts as authorized herein not appropriated in one or more years shall be authorized for appropriation in any subsequent year.

Sec. 9. Construction of Law.—Nothing in this Act shall be construed to diminish the authority of the Secretary under any existing provision of law.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HASKELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HASKELL. Mr. President, I shall make a very brief statement on S. 2555.

This is a bill that emerged from the Committee on Interior and Insular Affairs without a dissenting vote. What it seeks to do is to be responsive to a report of the Bureau of Land Management to the Senate Appropriations Committee which showed that the public lands were deteriorating at a very alarming rate throughout the West. The purpose of the bill is to be responsive to this report and to establish a program to rehabilitate the rangelands.

I am very pleased, as author of the measure, to say that the bill has the support of the American Cattlemen's Association, the support of environmentalists, and the support of the Department of the Interior.

Mr. President, I ask unanimous consent to have printed in the Record the purpose section of the report on S. 2555.

There being no objection, the section was ordered to be printed in the Record, as follows:

PURPOSE

S. 2555, as ordered reported—the National Rangelands Policy Act of 1976—would direct the Secretary of the Interior to esablish an $895.5 million, 30-year program to improve the quality of the rangelands on lands administered by the Bureau of Land Management (BLM). The legislation would also require that this rangeland be administered to insure full productive capacity consistent with the multiple use, sustained yield concept of land management.

The bill reflects several of the recommendations outlined in the January, 1975, Range Condition Report of the Bureau of Land Management to the Senate Committee on Appropriations. This document disclosed a number of disturbing facts about the condition of BLM rangeland. Among other things, the Report noted that 28 percent of the range is in poor condition and 5 percent is in bad condition. Although excellent efforts by both the BLM and grazing permittees have resulted in real improvement in the condition of various portions of the range, the Report projects that in 25 years the productive capability of the range could further decrease by as much as 25 percent if present management levels continue unchanged. To fully reverse this trend and rehabilitate the range, the Report contained an outline of a program which is similar to that proposed in S. 2555.

The BLM estimated that such a program could increase potential forage for livestock by 39 percent and for big game animals by 32 percent. The additional indirect benefits such as reduced erosion, improved flood control, enhanced water quality, reduced salinity in the Colorado River, and better watershed conditions add up to an estimated $125 million in annual benefits. A comparison of these benefits with an initial cost of $10 million and an annual average cost of $29.85 million discloses a very favorable cost-benefit ratio.

Mr. HASKELL. If it were not for the fact that the distinguished Senator from Nevada (Mr. Cannon) has an amendment, I would move for passage of the bill, because I do not think there is any controversy. I understand, however, that the Senator from Nevada has an amendment, so I will now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FANNIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FANNIN. Mr. President, I strongly endorse S. 2555, a bill to rehabilitate and protect our national rangelands. In January of 1975 the Bureau of Land Management published a range condition report. This document disclosed some disturbing information regarding the condition of BLM rangeland. Twenty-eight percent of our range is in poor condition and 5 percent is in bad condition. If these poor and bad conditions are not remedied, it is projected that the productive capacity of the range could be decreased by as much as 25 percent in the next 25-year period.

This bill, passed unanimously by the Interior Committee, calls for a management plan to be adopted by the BLM which will insure that the lands are in fact rehabilitated. This plan covers a 30-year period and in my estimation is one of the most critical pieces of legislation in this Congress. I hope that my colleagues would support this effort to bring greater productivity from our rangelands by this important step forward.

Mr. President, I yield to the distinguished Senator from Idaho.

Mr. McCLURE. Mr. President, I support the proposed legislation, and I wish to underscore the statements that have been made by the distinguished Senator from Colorado and the distinguished Senator from Arizona in support of this measure.

I think no one can ignore the fact that we have invested too little in natural resources management over the last many years. It has not had the kind of budgetary priority that it should have had. I and others, both in the budget process and in the appropriations process, have sought to increase the amount of money channeled into natural resource management, with the rangelands being one of several aspects of that problem. However, like many other things that for a long time have been involved, it is too easy to put off this year what might be left until next year or the year after.

I think that is exactly what we are dealing with in the National Rangelands Policy Act, as we try to establish a direction for the management of these portions of the public domain which will increase the investment that we are willing to put in, as the landowner and the land manager, with respect to long-term improvement of these rangelands.

The fact that we may have found some bad range management practices in some of the areas of our country is too well-known, I believe, to require any further explanation now. But I believe it does also underscore the necessity for having some better plan for the management of these areas, rather than simply pointing to current bad conditions and, in effect, only attempting to assess the blame upon some individual or individuals or agency of Government; because the Federal Government is a composite made up of many, one part of which is Congress, and Congress has not done its part in discharging Federal responsibility in the management of rangelands.

I have not yet determined in my mind whether this is the appropriate place to offer an amendment to lead to the solution of a particular problem which is now confronting a great many people in the Western United States who are, in the lexicon of the days, the users of these public lands. I refer to the dilemma with which the livestock men are confronted today, as they see grazing fees increase in the face of a deteriorating condition of the range, or in the face of the way in which we try to meet that problem by reducing the numbers of animals that may graze on a particular unit of land.

One of the directions in which I think we can and should go is to move to get the user, himself, to make some of the investment which needs to be made in terms of the improvements upon Federal lands.

A great many of the livestock people who use Federal lands, both on the Forest Service and Bureau of Land Management lands, are quite willing and they are very much able and ready to make an investment of their own capital in the improvement of the rangelands. It would not require the Federal Government to make the total investment.

There are a couple of reasons why that has not been done in the past. The major reason is that the permit for the use of lands is a permit which is of limited time. It is justifiably limited in the sense that the permittee has no legal right to the continuation of the permit except within the term of years set forth in the permit.

Mr. President, I ask unanimous consent that Winfred Craft, of the Interior Committee, have floor privileges during the consideration of this measure.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

Mr. HASKELL. Mr. President, may I add to that a request that Mr. Steven Quarles, of the Interior Committee staff, be granted the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, the kinds of range improvement that might be called upon under this act include such things as better fencing in order to provide the grazing units so that we can install rest rotation which has now had a very wide acceptance among land managers as an appropriate tool not only for the benefit of the forage that is produced for domestic livestock but also for the benefit of the wildlife that inhabit the same ranges, and ultimately for the benefit of the land itself. But rest rotation requires better fencing than we have on many of our western lands today.

Who is to make the investment in the fencing that is thus required if, indeed, the livestock owner, who grazes on those lands, has no right to the land, no right to the grazing on those lands?

We need better and more watering areas, sometimes in the development of a spring, sometimes it may require the installation of small catch basins; oftentimes it will require the installation of piping for some distance.

Sometimes it will require the installation of piping in order to spread the animal use over a larger area and thus both improve the lands and improve the grazing possibilities for the livestock user; but it also, and quite obviously, has a great deal of enhancement for wildlife purposes as well as domestic livestock.

Who is to make that investment in the watering improvements that are made on the public lands? Who will do the brush control and the reseeding of the public lands? Nearly all of that has now been done under Federal contract. The livestock owner, the permitholder, is oftentimes very, very interested in doing that himself, and he would be prepared to make that kind of management investment if there were any guarantee to him that he would get the benefit of it or that he would receive some reimbursement for it.

We are now engaged in hearings, which are of very great importance to people in the Western United States as well as the rest of the people of the United States who own these public lands, to determine the question or attempting to determine the question of what the appropriate fee should be for the grazing on the public lands.

I have proposed that the Federal land managers, both in the Forest Service and in the Bureau of Land Management, be permitted to develop regulations under which at least a portion of the grazing fee could be offset against the improvements which the permitholder might install upon the lands which he is permitted to use.

The results of such an action, I think, would be very beneficial to the land itself, to the wildlife that occupies the land and to the permitholder. The permitholder is faced with rising costs in a whole variety of areas, from the labor that is hired to the fencing materials that are purchased. Everyone knows how iron and steel products have gone up in price. They are caught in the cost-price squeeze, as everything that they invest costs more and, right now, the cattle market is in another period of decline. It had not really recovered from the earlier decline caused primarily by Federal wage and price controls that stayed on too long.

So the present planned increase in grazing fees comes at a time when the permitholder is most uniquely unable to cope with that increased cost.

There are efficiencies that can be brought to bear in the management which a private landholder or landuser can do more easily than can a Federal land manager. I refer particularly to items like that of fencing.

I sat in the hearings last week, and will repeat here today, and I told a story that came to me recently at a meeting I had in Salmon, Idaho, in which livestock growers were very, very insistent that something be done to respond to their problems.

They gave as an example the tremendous cost to the Federal Government and to the taxpayers of simple matters such as fencing where, because of the consolidations of ranger districts on the forest in that particular area, the people who were on the public lands are now situated some miles away from the land which they manage. Where the land management units for administrative efficiency have been consolidated into larger and larger units, it is obvious that some portion of the units is physically located farther away from the point of management. I have an example of the Leadore ranger district in Idaho in which the distances traveled to the fencing site are now such that they travel about 2½ hours to get to work, they take an hour off for lunch, and they travel another 2½ hours to get back to the point from which they started. They actually work on the ground about 3 hours. We pay for 8 hours a day. The result is that the fencing costs in that particular area have gone up to about $18 a rod.

There is absolutely no sense in that kind of management except that which is supposed to be improved management efficiency because of consolidation of management units.

No livestock operator in that area could survive if he managed his own livestock spread in the same way. He would have been out of business a long time ago.

If we were to permit the livestock operators on those units to install that fencing at their own expense, and give them credit for it against their grazing fee, they would be able to install the fencing at much less cost to the taxpayers of this country, and at a lower cost to the rancher who must ultimately bear his share of the costs of those improvements.

That is just one example of the kind of thing that I think could be brought to bear if we were to adopt the amendment which, I believe, would be helpful in allowing the permitholder to, in essence, work out a portion of the grazing fee which is being charged to him.

Unfortunately, I suppose, there will be some who believe that is some kind of a ripoff for the taxpayer, that somehow we will have given an advantage to the livestock operator by allowing him to work out a portion of the cost of his presence upon the public lands of the West.

But, as I have already tried to point out, I think it enhances the management of the public lands rather than decreases their management, and it enhances the kind of range rehabilitation work which we are talking about doing in this legislation. It reduces the cost to the Federal taxpayer and it reduces the cost to the livestock owner in direct costs.

It seems to me that there is great merit to this kind of an approach which would permit better management at lower costs to all of the taxpayers.

Having said that, I do not want anyone to understand that I am not in support of the basic legislation. I am. I support it because I think it is badly needed. I think it is overdue, and I am not at all certain it will be matched with the kind of appropriations that will be authorized in terms of long-term management. But I am very serious about the necessity of getting more money put into the management of the public lands, and passing this bill today will assist at least in pointing toward that necessity, but it does not guarantee success in the budgetary process.

I have been in the other body and this one for over 9 years, and I have watched this progress over all of this period of time as we try year after year to get increased funding.

The tendency to postpone until next year those items that do not have to be taken care of this year are the precise reason we are in the difficulty we are in.

The directions that this act takes are commendable, but they will be commendable only if they induce greater funding of management of these resources. They are commendable and will actually result in an improvement of the range only if the words embedded in this statute are matched by the actions in the appropriations process that add the flesh to the bare skeleton of management which is set forth in this legislation.

Perhaps I am not as certain of it as I should be. Perhaps my doubts that we will be able to get the full funding of this bill are unwarranted. But I think the experience would indicate that my doubts are warranted. If that is true, we have to find some other way of getting the job done that we seek to get done or to supplement the efforts that will be made under this legislation, because this legislation does not accomplish the goal, it only sets the goal and sets the direction.

I believe it will be necessary, if we are going to achieve the goal, to add some strength, some muscle, some fiber and sinew on that skeleton that we are erecting in this bill, and that comes by way of money, in many respects, and the appropriations process is one. I think my amendment could be a very useful addition in the direction which we seek to go.

I would welcome the support of the floor manager, the distinguished Senator from Colorado. I think he recognizes, as I do, the need for better management. I would welcome his support for this legislation. I know he is aware, as I am aware, that the livestock operators do stand ready to make some capital investments to supplement the efforts of the Federal Government, if we can find a way in which to do it.

I would welcome his comments on the direction which I seek to take under an amendment which would allow, at least, not to exceed 50 percent of the amount due the Federal Government from the grazing permitee in the form of range improvement work.

It would be not only his own labor, but the materials he furnished, the reasonable value, and the cost of doing that range improvement work in private hands.

Mr. HASKELL. Mr. President, I say to the distinguished Senator from Idaho that, as he points out it is an authorization bill, and I would be pleased to go with him to the Appropriations Committee to be sure it is implemented and that we actually get the money. With the objective of range improvement and assistance to the cattle industry, and also for the good benefit of all the people who use the range for any purpose, the bill is certainly meritorious.

On the other hand, as far as the distinguished Senator's concerning in-kind contributions by users of the range to count against fees, I would be constrained to oppose that.

I suppose, basically, I do so for two reasons. I think it would provide great difficulties of proof, great difficulties of administration.

Along those lines, I have a copy of a letter addressed to the distinguished Senator from Idaho from Mr. Berklund, who I believe is the Director of the Bureau of Land Management, opposing such an amendment.

Mr. President, I ask unanimous consent the letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

April 29, 1976.

Hon. James A. McClure,
U.S. Senate,
Washington, D.C.

Dear Senator McClure: This is in further response to your letter of April 2 suggesting that part of the grazing fees be tendered in work improvement. We are assuming the suggestion relates to the stockman working out a portion of his grazing fee charge by performing some type of work on Federal lands, rather than paying in currency as now required. This is a rather unique proposal and, without more detail, rather difficult to evaluate.

The Taylor Grazing Act is the authority by which the Secretary collects a grazing fee for grazing use of the public lands. Section 3 of the Taylor Grazing Act states, "The Secretary of the Interior is authorized to issue or cause to be issued permits to graze livestock on such grazing districts to such bona fide settlers, residents, and other stock owners as under his rules and regulations are entitled to participate in the use of the range, upon the payment annually of reasonable fees in each case to be fixed or determined from time to time. . . ." In our view, additional congressional action would have to be enacted to provide authority for the substitution of work for United States currency as payment for grazing fees.

Provided such workout authority did exist, there would be insurmountable pitfalls that would stand in the way of the success of any such procedure. The present grazing fee structure recognizes and takes into consideration range improvement depreciation and maintenance cost, and any change would necessitate that these items be deleted, and the grazing fee would be correspondingly increased. Other problems would include:

(a) With 20,000 operators and 8,000 allotments, a special record system would have to be established to insure proper accounting of work credits and cash amounts due.

(b) The question of employee/employer relationship, ranging from accident responsibility and scheduled work assignments to Social Security coverage, would have to be resolved.

(c) Would the rancher himself have to perform the work or could he send his hired help to perform the work?

(d) Ranchers working out grazing fee charges would displace private contractors presently engaged in range improvement work with no assurance of work quality or quantity.

(e) Most stockmen are themselves fully occupied during the short work season generally available for the workout proposal.

(f) There is not a uniform distribution of operators in relationship to where the work needs are identified each year. As an example, Nevada, with 49 million acres, has about 860 operations; whereas Montana, with 8.3 million acres, has over 3,700 operators.

(g) If workout arrangements are authorized for payment of grazing fees, then this procedure or right would logically have to be extended to others who use or purchase public land resources.

(h) A workout procedure would serve to increase the opportunities for additional disagreements between the BLM and ranchers over authorized projects, wage rates, work and project quality, project specifications, project supervision, and work priorities.

(i) Present regulations require payment of grazing fees before grazing use is made, and any change would only complicate the present simple billing/collection procedure at a time when people are complaining about complex Government procedures.

(j) The Taylor Grazing Act (Section 10) presently requires that 12½ percent of the grazing use fee be paid at the end of each fiscal year to the State from which the moneys were collected to be expended as each State legislature may prescribe for the benefit of the county or counties in which the grazing districts producing such moneys are situated.

We have adopted a procedure that facilitates installment billing and payment in advance of grazing use in lieu of advance billing on an annual basis. Our 1976 grazing fee billing statistics show that out of over 9,000 billings already issued, only 24 users have requested installment payments. We do not have any alternative suggestion to the present grazing fee billing and collection system which can accommodate seasonal or installment payments and reduce the economic impact on the user while maintaining the integrity of the law and regulations.

Sincerely yours,

CURT BERKLUND,
Director.

Mr. HASKELL. Mr. President, additionally, the counties, as the Senator is aware, receive a percentage of the grazing fees.

If we allowed in-kind contributions as opposed to cash, I am not quite sure how we would satisfy the obligation to the county. So as far as that aspect of the Senator's amendment, I would be constrained to oppose it.

In the last week in the joint markups of Agriculture and Interior Committees on the timber range bills, we have been attempting to reform provisions permitting timber purchasers on national forest lands to construct roads and deduct them from the revenue they pay the Federal Government. Such grants have resulted in the tail wagging the dog. By that I mean, the private users of the public lands will be able to dictate policy to the public land management agencies. Over the last several years appropriations to the Forest Service for construction of roads have dropped drastically and instead the Forest Service is almost totally dependent on the private timber purchasers for road construction.

In addition a percentage of the receipts from timber sales on national forest lands are turned over to counties. The counties have been in absolute opposition to the reduction of these receipts through granting timber purchasers road credits.

What has happened in timber purchaser credits could happen in grazing permittee credits. We would find a continuing decline in Federal funds for improvements on and rehabilitation of the range. Instead, the BLM and the Forest Service could become overly dependent on grazing permits for range work. In addition the counties would surely suffer reduction in payments because of reduced payments in grazing permit fees.

In addition this provision could result in an administrative quagmire. A special records system would have to be established by the BLM and the Forest Service to insure proper accounting of work grants in cash amounts from some 20,000 operators. As such grants are earned income to the permittee, the BLM and the Forest Service would have to report to the IRS on each individual permittee who makes use of these provisions. Present regulations require payment of grazing fees before grazing use is made and any change would only complicate the present simple billing and collecting procedures at a time when people are complaining about complex Government procedures.

Finally such a provision would serve to increase the opportunity for additional disagreements between the BLM and permittees over authorized projects, wage rates, work and project quality, project specifications, project supervision, and work priorities.

I would point out to my colleagues that this amendment is opposed by the administration for many of the reasons I have suggested.

Mr. President, I strongly urge the rejection of this amendment.

Mr. CANNON. Will the Senator yield?

Mr. HASKELL. I am delighted to yield to the Senator.

Mr. CANNON. Is not the purpose of the grazing fee program to permit the fees to go back into range improvements and help upgrade the range?

If the answer to that is "yes," then what is the objection to the proposal of the Senator from Idaho? That would simply give a credit for constructive range improvement that might have been put in on behalf of the individual rancher himself, just alleviating the Government from that responsibility, if they ever see fit to exercise it.

Mr. HASKELL. I said earlier, I say to the distinguished Senator from Nevada, there is, of course, several purposes served by the charging of grazing fees, one of which would be to give revenues to counties in which the public lands are situated.

If my memory serves me correctly, 12½ percent of cash payments go to local governments, go to counties, and I think this is one of the purposes. If there was a contribution in kind, I am not quite sure how the county would get its 12½ percent.

Additionally, I say to the distinguished Senator from Nevada that the accounting for the so-called in-kind contributions would impose a tremendous burden on the Bureau of Land Management, would make it very difficult—what is the value of the fence, what did he pay for the fence posts, what did he pay for the wire, was it second hand, was it new?—this type of thing would introduce complications that I am afraid would bog down the system.

Mr. CANNON. If the Senator would permit, I say that I do not know anything that could take place that would bog the system down more than it is at the present time. So I am not very much impressed by his letter from the Director of the Bureau of Land Management opposing this amendment because the Director of the Bureau of Land Management, it seems to me, is opposed to anything—just opposed to anything, period. He wants to manage the lands without getting them in shape, without doing something of benefit about them.

Let me point out, in my own State of Nevada where the Bureau of Land Management has the responsibility of carrying out environmental impact statements, I am told it is going to take them 13 years to complete the environmental impact statements in my State, in all the districts in my State, and when we have a district that the EIS has not been completed, they cannot make the improvements on the range.

Mr. HASKELL. Will the Senator yield?

Mr. CANNON. Yes, I will yield.

Mr. HASKELL. I am aware of that problem the Senator mentioned of these EIS's, but I think that is an entirely separate and different problem from what is argued. It is separate from allowing in-kind contributions in lieu of a cash contribution for grazing fees.

It is a problem, but I do not see how we can take care of it within the context of this particular legislation, nor is the Senator from Idaho's amendment addressed to that.

Mr. CANNON. I realize that I was going a little beyond that. But let me ask the Senator this question, then. If this bill goes through would this provide the Bureau of Land Management additional funds so that they could speed up the process of completing their environmental impact statements?

This is for a range improvement, and if they cannot make the range improvements until they complete the statements, and it is going to take them 13 years to complete the statements, it seems to me this money given them would help them rush those statements through a lot faster so that we could start some of these range improvement programs.

Will the Senator agree?

Mr. HASKELL. I understand the Senator's question. Just let me consult with counsel.

Mr. McCLURE. Will the Senator yield?

Mr. HASKELL. Just 1 second.

Mr. CANNON. I do not have the floor.

Mr. HASKELL. I would like to answer the Senator from Nevada, but I would like to consult with counsel before I do.

I think the answer would appear to be this. The moneys authorized in this bill would go directly into land improvements.

This, in turn, would allow the moneys otherwise going through the grazing fees to be used to try to speed up the preparation the EIS's about which the Senator is talking.

I think the Senator has raised a genuine problem. I am not sure this bill solves it. I think it helps. I do not think the Senator from Idaho's amendment addresses itself to the problem. But I am very sympathetic with the problem and it is a real one.

Mr. CANNON. The thing that gives me some concern here, the Senator says this permits the funds to be used for range improvements, yet in my own State, for example, there has not been one environmental impact statement concluded in any of the districts in my State.

On the schedule that we have, there will be one district concluded in the fiscal year 1977. There will be one concluded in 1978, and so on. For the first 5 years there will only be one district a year.

Until they get the first statement completed, they cannot even go ahead with any range improvements. It seems to me we are getting the cart before the horse here.

Mr. HASKELL. I hope the Senator and I, the Senator from Idaho, the Senator from Montana, can get together and address ourselves to that problem, because that is a horrendous problem. But I respectfully suggest that falls without the scope of this bill.

Mr. HANSEN. Mr. President, I share the views of the distinguished Senator from Nevada and the Senator from Idaho.

Senator McGEE and I met with a group of stockmen some time ago and this specific subject that is addressed by the McClure amendment was the main thrust of our meeting.

The fact is that Congress has been rather niggardly in appropriating sufficient funds to the Forest Service and to the Bureau of Land Management in order that they could undertake and initiate and complete those improvements needed to make these lands even more productive than they are now.

We had testimony from a number of people that recalled that the Forest Service in issuing 10-year permits this year has called upon stockmen to assume the responsibility for maintaining fences and other kinds of range improvements.

As the Senator from Idaho pointed out, many of these tasks can be done by permittees for just a fraction of what it would cost if they were to be accomplished by Forest Service personnel. I note my good friend from Montana, the distinguished junior Senator, is in the Chamber, and I expect he has had similar experiences in his State of Montana, where people who are out on the range, on the job, can easily put in twice as much time rebuilding a fence or fixing up a water trough, a well, or whatever it may be, than could be accomplished by an employee of the Forest Service or the BLM who had to go from a headquarters town by pickup out on the range trying to get there to do a job. Oftentimes, half or more of his time will be consumed en route.

It seems to me we make these points:

No. 1, there can be no doubt at all but what much more will be accomplished through the McClure amendment than could be accomplished with the same expenditure of funds otherwise.

Now to go to the second point. How are we going to determine what the contribution has been in dollars?

I do not think that is going to be any real problem. The Forest Service constructs a lot of fence by contract, and the ranchers do. I do not think that will be any problem at all. I am certain that it will result in a savings of money for the Federal Government.

Point No. 3: The distinguished Senator from Colorado asks, what about the funds that are to be returned to the counties? I venture to say that there will be adequate funds paid to the BLM under this bill so as to make that no problem at all. I do not think there will be any problem at all in saying categorically there will be more than sufficient money to come in to insure that the Federal Government will have cash on hand to make the payments back to the counties and subdivisions of government which are called for in the basic law.

I would hope very much that this amendment will be agreed to and attached to the bill. I hope the distinguished manager of the bill is willing to accept it. All of the testimony I heard leaves no doubt that we will get more work done, it will be done more cheaply by far than could be done if it were not to be performed by the permittee, we will have adequate funds to repay the counties, and there will not be any accounting problems as a result of it.

I hope very much the amendment will be agreed to.

Mr. CANNON. Will the Senator from Idaho yield?

Mr. McCLURE. I will be happy to yield.

Mr. CANNON. Will the Senator permit me to be a cosponsor of this amendment?

Mr. McCLURE. I would be happy to. I thank the Senator for his support.

Mr. HASKELL. Does the Senator intend to press this to a vote?

Mr. McCLURE. I would hope that we could have a vote, yes. I understand there is another amendment.

Mr. HASKELL. There is another amendment. Furthermore, there is an agreement, as I understand it, that there will not be any rollcall votes until 3:30. I was merely asking the Senator if he was intending to press this to a vote. I would want to ask for the yeas and nays when we have enough Senators in the Chamber.

Mr. McCLURE. Unless the Senator proposes to avoid the vote by agreeing to the amendment, for which I would be very happy.

Mr. HANSEN. It would be an act of statesmanship, Mr. President. [Laughter.]

Mr. CANNON. If the discussion has all been terminated on that amendment and the Senator wants to withdraw it, I will offer mine and we can talk to it and then we can vote on both of them.

Mr. HASKELL. If the Senator from Nevada will yield, I have but one more comment on the amendment.

The Senator from Wyoming indicated that there would be no accounting problems on figuring out what the inkind contribution was. I would like to say to my friend from Wyoming that it seems to me not only do we have an accounting problem, but we have an income tax problem because, by providing property to satisfy an obligation, which in this case would be the grazing fee, there is going to be a realization of income in the event that the property contributed has a lesser cost basis in the hands of the rancher than the fair market value which was assigned to it as a satisfaction of this obligation.

For all these reasons, I feel that the amendment of the distinguished Senator from Idaho will cause great difficulties to the Department, to the rancher and to the counties. I just say that in response to the Senator from Wyoming.

Mr. McCLURE. It would be my purpose, because of the agreement which we have already reached this afternoon that there be no record votes prior to 3:30, that we can set this amendment aside and go to the amendment of the Senator from Nevada and discuss it as well.

Before doing that, let me make just these comments: I had not intended to put the letter of the Director of the Bureau of Land Management into the discussion or ask that it be printed in the RECORD today simply because I think upon reflection he might find that letter to be a source of acute embarrassment. If I ever saw a letter that tried very hard to grasp at the most minute of possible reasons to object to an amendment, this is it. Many of those reasons assigned are so specious as to be almost laughable. I say that with very great respect and regard for the Director of the Bureau of Land Management, who is a personal friend of mine as well as a resident of the State of Idaho.

I have a very high regard for him, for his talent and his ability. But it is obvious that his full talents and abilities were not directed toward analyzing this proposal and coming up with constructive comments concerning the proposal.

Let me read the paragraphs numbered A through J as his reasons and discuss them.

First of all, he says there are so many of these operators and allotments that a special recordkeeping system would have to be instituted.

There are 20,000 operators and 8,000 allotments, as he says, and every one of them has records kept on them now. It does not require a new recordkeeping system. The recordkeeping system is already in existence. As a matter of fact, if the BLM does anything well it is keep records. At times, they do a much better job of that than they do of managing the land.

I have no doubt that the army of employees they have can find time to keep the records. They keep them now.

The second paragraph is a question of employer-employee relationship.

That is completely specious. This letter was obviously drafted by somebody who was not an attorney, raising an issue which is a legal issue and which has absolutely no substance. Any attorney could set it aside after 3 minutes of consideration.

The third one is, would the rancher himself have to perform the work or could he send his hired help to perform the work.

If someone can tell me what that has to do with the amendment, I would perhaps suggest there is substance to it. But that is completely specious. It has nothing to do with the issues.

The third is the ranchers working out

grazing fee charges would displace private contractors presently engaged in range improvement work with no assurance of work quality or quantity.

That, again, is the kind of argument that is raised when you do not have any good ones. There are, of course, a few private contractors involved but we *might, in this light,* require that a rancher does no improvement work, that he has to contract all of it. That would make just as much sense. This, again, is no reason to oppose the amendment.

The next one is most stockmen are themselves fully occupied during the short work season generally available for the workout proposal.

I submit if they are too busy to keep up the fences and do the work on the range they are not going to be on the range anyhow. This is only permissive; it is not mandatory. If he feels he does not want to do the work, he does not have to. That is a matter of negotiation under the regulations which would be promulgated under my amendment.

The next one is that there is not a uniform distribution of operators in relation to the need.

I never said there was.

It points out that there may be greater need in Nevada than there is in Montana, for instance. But that has absolutely nothing to do with the merit of it. It is simply a means to supplement, where that supplement is available, the meager means of the Federal Government in range improvement work.

The next objection has to do with others who use or purchase public land resources, and if we do it for grazers we have to do it for everybody else.

Again, most other people are not being asked to make an investment in public land resources, or the improvement of the public land resources. I would say also that so far as those who are now harvesting timber on public lands they do now get credit. If, as a matter of fact, there is to be the question of treating people alike, then the grazers ought to be getting credit just as the timber operators get credit for the amount of money they invest. As a matter of fact, we are just now having a joint markup between the Agriculture and Forestry Committee and the Interior Committee on a Forest Practices Act. That is one of the issues involved, how do we get the credit back and what effect does it have upon the revenues?

So it is being worked out for timber operators and I am sure it can be worked out as far as livestock operators are concerned.

The next one has to do with the work out procedure would serve to increase the opportunities for additional disagreements between the BLM and ranchers over authorized projects, wage rates, work and project quality, project specification, project supervision, and work priorities.

Of course it does.

Any time that we have people working together in more complex arrangements, of course, there are more opportunities for disagreement. But I submit there are also more opportunities for agreement. It might even enhance the relationship between the manager and the managed in this instance.

The next one is that the regulations now require that fees be paid in advance. That is true. They are in the instance of the livestock operator.

But again, let us take a look at the timber operation in which the fee is not paid in advance. They are permitted to work out a portion of the fee in the instance of the timber operator, and that does not pose any insuperable obstacle.

The last one was the one that the Senator from Colorado raised with respect to apportionment of money to counties, and that again is something that can be taken care of very easily, remembering that grazing fees are also set upon the public lands with due consideration of the cost of operating on public lands as compared to a similar cost of operating on private lands.

So this is not an unmixed blessing for the livestock industry for an unmitigated disaster for the Federal land manager. I think it is a reasonable attempt to do a better job of management on the public lands with justice for the landowner, the Federal Government, and the citizens of the country, as well as the person who is using the forage on that to produce the red meat that is in some great abundance in our markets today. I think it is a justifiable and usable amendment.

Let me conclude only, Mr. President, by saying that any comment that I made about the need for rangeland improvement should not be allowed to completely obscure the fact that much of our Federal range is in good shape. It needs good management. I can beneficially use the investment that will be made in better management practices. But we should not lose sight of the fact that much of the range is not in the disastrous condition that is often pictured by people who are remote from the range.

In saying that I do not want to completely obscure the other side of that question that there are places and there are instances where land management has not been sufficiently good; it does need enhancement because the lands in those areas have suffered from the lack of management practices that we seek to have implemented under this bill and under my amendment. That is further reason, I believe, for the passage of my amendment.

Mr. HANSEN and Mr. METCALF addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. METCALF. Mr. President, will the Senator from Wyoming yield?

Mr. HANSEN. I yield to the Senator from Montana.

Mr. METCALF. I am here as a surrogate for the manager of the bill. I would like to ask a question, however.

What would happen in revenue sharing operations where we give revenue sharing to the county? Would not this amendment and the amendment of the distinguished Senator from Nevada permit double payment? I am asking the author of the amendment.

Mr. McCLURE. Does the Senator mean because we have revenue sharing in addition to this?

Mr. METCALF. Yes.

Mr. McCLURE. That would be true of anything. That would be true of the timber management bill, too.

Mr. METCALF. The Senator and I have been marking up and working on the timber management bill, and the Senator from Idaho has contributed significantly to that bill. I think we adopted a good many of the amendments that he proposed.

Mr. McCLURE. That is true of the Senator from Montana, I might add.

Mr. METCALF. The Senator from Montana submitted amendments to the bill under his name, but many of the amendments that were submitted are amendments that were turned in to the committee by the Senator from Idaho.

But this seems to be inconsistent with the same sort of management operations that the Senator from Idaho has participated in in the timber management bill.

Fifty percent of the amount due the Federal Government goes for range improvement work. We did not provide that 50 percent of the money due the Federal Government for timber would go to roads or reforestation work. It would seem to me that this would be a very difficult sort of a problem to carry out, in addition to the problems raised by the Senator from Colorado.

Mr. McCLURE. I shall respond to my good friend in this way. We do under the present forest management practices require that timber purchaser do a great deal of work that would be done otherwise by the Federal land manager. That work has been progressively shifted from the shoulders of the Federal Government, as land owner, to the shoulders of the timber purchaser, as the operator on the land, simply because we did not provide enough money in a direct appropriation for the appropriate management of the public lands.

But this is not as broad as that. This gets down to the question of who is going to build the fence and who is going to pay for it. How do we get enough money in there so that we can build a fence so that we can go to forest rotation management or appropriate grazing units? We have not appropriated enough money to do that and do it well. Where are we going to get enough money to put in the stock watering devices that are necessary and helpful also in not just land management but in the utilization of the range by game animals and I would say, as the Senator knows, greatly enhance the upland game birds?

There is the question of how do we get a brush control project put in and paid for. A lot of this could be done by the livestock operator if he can take that investment and offset it against the fees that otherwise would be charged to him during the period of his use of that range.

And, as the Senator knows, he has a permit not for the removal of a certain number for forage. We do not do that in the same way on grazing as we do on timber. But he has for a designated number of animal units over a designated period of time. So I do not think it is inconsistent.

Mr. METCALF. Mr. President, will the Senator from Wyoming continue to yield for just a moment.

Mr. HANSEN. I am happy to continue to yield.

Mr. METCALF. As the Senator from Idaho and the Senator from Wyoming know I have long insisted that the management of our BLM lands, our rangelands, which are the most fragile lands in America, is a disgrace for those of us in America. The Congress shares fully in the blame as we have failed to appropriate adequate money to manage it. If I were a trustee of an estate and failed to manage that way I would be fearful of a lawsuit suggesting that I had failed to meet my fiduciary duty.

Nevertheless, it would seem to me that under the Taylor Grazing Act, with the continuity that we have had, because of some reduction of forest fees as against fees for other grazing permits, we have called upon people who participate in grazing on the public lands, whether it is Forest Service or BLM lands, to help us take care of our Federal responsibility on the management of Federal lands.

One of the things that we have tried to prevent always, from the enactment of the Taylor Grazing Act in 1934 on, is to say that "You will have, because you have participated and helped us manage, a title, a right in the Federal lands." It would seem to me that this is one of the first steps, not the steps that would have been taken before, but one of the first steps to say that, "When you make a contribution to management of the Federal lands, you are getting a right that has to be compensated by the Federal Government if a higher use of the Federal lands is taken care of."

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. HANSEN. I yield.

Mr. METCALF. Fine.

Mr. HANSEN. I would like also to respond in due time. I yield first to the Senator from Idaho.

Mr. McCLURE. I thank the Senator from Wyoming for yielding.

First, let me say there is that old argument about whether the user of any portion of the public lands has a legal right or a vested right. I do not attempt to raise that by my amendment because it would be contemplated under my amendment that the regulations established would clearly set forth that the recovery of capital investment that might be made would have to be within the term of the permit itself, and we do give grazing permits for a period of time. I think from a legal standpoint it is clear that there is no vested legal right that so far as the Federal Government is concerned gives that permit holder a property right as against the Federal Government.

But I would think that if there is a grazing permit for a period of years, as they are, that the permittee will be encouraged to make a larger investment in the appropriate management of that land than he is now encouraged to do and that the recovery of the capital, limited by this amendment, would be also limited by the term of years for which that permit still was in existence.

Mr. METCALF. I thank the Senator from Wyoming for yielding to me. I am also delighted to have his comments.

Mr. HANSEN. I think in light of what has been said by the distinguished Senator from Idaho, there really is not too much point in my taking a lot of time except to say that I agree completely with my colleague from Idaho. I think if there is any doubt on this point we can spell it out specifically in the bill.

I have talked with a number of stockmen. We have held hearings on my amendment to include some new criteria in establishing what the AUM grazing fee is going to be. On this point, specifically, last week when hearings were held under the chairmanship of Senator HASKELL's subcommittee, we made this exact point, and I asked the various witnesses there testifying if they would not agree that there would be no implied granting of a right, by virtue of whatever language we need in that amendment, to them as grazers and each of them, responding individually, assured us that they would be perfectly willing to do that.

So I think we have a clear legislative record on that.

I appreciate the concern of my good friend the Senator from Montana in raising the issue, and I am happy to respond to him that I think we have laid that old bugaboo to rest. There is no doubt about that.

With respect to the overall point, thinking of the points that were made by the distinguished Senator from Idaho in calling attention to a letter from the Director of the BLM, Mr. Berklund, I share the high regard that Senator McCLURE has for the Director of the BLM; but, somehow, these points seemed not to measure up to his normal perception, to say the very least.

I think we should have in mind that this exact way of doing things has been suggested by the Forest Service in many other areas. The Senator from Montana has spoken about the roadbuilding that has been given as part of the responsibility for a timber operator, for one very good reason: He could get the job done more cheaply than the Forest Service could get it done any other way. I am certain that the same end result will flow in this instance.

There is every reason to go forward with this amendment, because it will do this: It will insure that we will get a great deal more done in the way of building range improvements by cooperating with the permittees than we possibly could get otherwise.

Second, I underscore one other point that Senator McCLURE made, and it is that when this bill was first drafted, I think essentially the language was that we note and deplore the fact that the public lands of the West are deteriorating. There is plenty of technical and professional evidence to the contrary, that they have not been deteriorating. As a matter of fact, I think that those people who know what the situation was prior to the passage of the Taylor Grazing Act would agree that the biggest single thing wrong with the lack of a national policy in those days was that there was no responsibility, there was no assignment of a specific area to be grazed to any individual stockman. It was a first-come, first-served operation.

My father, who was raised in Idaho, told me that he recalled as a young man, sheep were shipped into the State of Idaho—I say to my good friend from Idaho—by Nevada sheepmen. As the snow receded in the higher mountain country in Idaho, they grazed a lot of that area.

I am not trying to point the finger of blame at any one section of the country. I say that simply because there was no national policy, it was "get there first and get it quickly." That is exactly what then obtained. At that time there was no doubt that the ranges were deteriorating.

We have not had as much money as many of us would like to have to invest in this very important resource, which can contribute significantly to the economic welfare and benefit of small communities, as can the public lands of the West. Nevertheless, with the passage of the Taylor Grazing Act, with the assignment of a specific grazing area to a stockman—while there was no guarantee that he was going to be able to graze that in perpetuity—he knew that, absent changes in the law or changes in the administration, he would be able to continue to graze it year after year.

What happened? Exactly what happens when you give an individual the right to use something rather exclusively, even though it may be only for grazing. He takes an interest in it. He starts developing water. He generally fences it. He is going to see that he does not overgraze it. It is true that in the West most of these things have occurred.

I recall that an agricultural economics professor of mine at the University of Wyoming used to say that when public land passed into private ownership, its value increased from 3 to 5 times; because when a person owns something, he takes an interest in it. If it can be irrigated, he will put water in it. He is going to plow it. He is going to fence it in and protect it. Similarly, this same interest manifests itself in the interest and protection a permittee exhibits toward the public lands of the West since the Taylor Grazing Act was passed.

I think we can do a better job, and that is what this bill addresses. That is why I am so enthusiastic in support of the amendment by the Senator from Nevada. I am a cosponsor of it. It makes good sense. By assuring a stockman a right to use an area, he is going to take better care of it.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. HANSEN. I am happy to yield.

Mr. CANNON. I agree with the Senator in his assessment.

I ask him a further question: Is it not a fact that the condition of the grazing lands in the West is very water-dependent? Therefore, if you have a dry year, less than average moisture in the hills, then the range will look bad the following year. On the other hand, if you have a good, heavy moisture year, then the range will look great. So it is really dependent as much as the climate and the moisture as it is on any other one factor. Is that not a fact?

Mr. **HANSEN.** My friend from Nevada is correct. He is very perceptive, as we all know, and he is a very educated student of public lands of the West, as he has demonstrated to my great pleasure many, many times.

In the East, in this lush country, rainfall is measured in feet on an annual basis. In some parts of Wyoming, where we get 7 inches on the average, it is measured in inches. If a person from the East were to travel across Wyoming, on Interstate 80, follow the Union Pacific, or go into Nevada, he would probably find much credence in the statement that these lands have been overgrazed and they appear to be deteriorating.

The fact is that that is a very poor way of judging those lands. The only meaningful way to judge in order to see what the trend is—deterioration or improvement—and whether they can be made even better, is for qualified scientists to go on those lands and to make some comparisons over a period of time. I say to the Senator from Nevada that when that has been done, so as to even out these fluctuations in rainfall in one year as compared with another, the trend generally has been up. They have become more productive. They are better.

I recall that a very distinguished botanist at the University of Wyoming who came to Wyoming as a young man, surveyed the Red Desert. The Senator from Nevada has crossed the Red Desert in Wyoming, I suspect, a number of times. Sometimes, the distance from one plant to another is not inches; it may be feet. There is bare ground between the plants. The average person who goes out there certainly would find much substance and perceptiveness in one who says, "These lands have been practically destroyed." The fact is that Dr. Aven Nelson, who was head of the Botany Department at the University of Wyoming for a number of years, made a very exhaustive and scientific survey of the vegetative cover in the Red Desert. He retraced his steps 50 years later and used the same techniques. He counted plants in a square rod of the Red Desert at a number of locations. To the great surprise of most people who would cross southern Wyoming, he found that there was more forage on the ground when he did the second examination of that area than he found the first time.

Mr. **CANNON.** There are many areas in my State where very good management has been carried out in fencing and giving land a chance to rest and in reseeding. In some of the valleys in my State, the range is in better condition than I ever have seen it in the last 25 years because of the good management practices which have been put into effect. Unfortunately, we cannot put those kinds of improvements into effect now until the environmental impact statements have been completed. So, on much of the range that needs improvements, we are going to be held up from doing something.

On the other hand, in many areas where work has been done, fencing has been put in, water holes developed, this land is in far better condition than ever before.

Another unfortunate thing is that we get caught up in the desire to fix sort of artificial guidelines or artificial rules and regulations. There are areas in my State in which, if we follow the rule that BLM indicates, cattle will not be able to live, because they will have to travel too far to forage and too far to water.

Unfortunately, they have not been dealing with those ranchers who have been ranching there, through their families, for a hundred years and have made a living, because cattle can live there. You cannot provide a rule or regulation that is going to govern every part of this country.

Mr. **HANSEN.** I say to the Senator from Nevada that the statement he has just made reminds me of the fact that, aerodynamically, the bumble bee cannot fly, but it does become airborne some way or other. I think the Senator's point is well made.

I would be glad to yield to the Senator from Montana.

Mr. **METCALF.** I want to be recognized on my own time.

Mr. **McCLURE.** Mr. President, I want to offer this amendment, and I send the amendment to the desk.

The **PRESIDING OFFICER** (Mr. FANNIN). The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. **McCLURE.** Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

> On page 10, after line 6, insert the following: Sec. 10.
>
> The Secretaries of Agriculture and Interior are authorized and directed to develop regulations permitting the payment of up to 50 percent of the amount due the Federal Government from grazing permittees in the form of range improvement work.

Mr. **McCLURE.** Mr. President, does the Senator from Montana wish to discuss this amendment?

Mr. **METCALF.** Yes.

Mr. President, I have very little to say about this amendment. The distinguished Senator from Wyoming was reminiscing about the early days in Wyoming and how the range was supportive of a good many cattle, wildlife, and water fowl; and the Senator from Nevada suggested that the range is better now than it was 25 years ago.

My mother, who lives across the street from me in Washington, moved out to Montana, in an area that is administered by the Bureau of Land Management. She told me that when she was a little girl, her father came up through the grass in central Montana, and the grass was higher than a man on horseback.

That was the kind of grass where the buffalo roamed, and where the deer and the antelope played, and she said that there were just trails through that grass, that you could just see a man on horseback moving.

Well, you go into that area now. It is better than it was 25 years ago, I will say that to the Senator from Nevada, as a result of the Taylor Grazing Act, but it is not as good as it was when the Indians were out there and when we had the kind of normal historic regeneration.

The whole point is that the Taylor Grazing Act has helped us restore the land, but the Taylor Grazing Act specifically said that we will not give the lessee, the permittee, a fee right, a title on the public lands if it is going to go into some other additional use, nor would we give him compensation for the improvements he makes on the permittee land.

I have long thought we have neglected our BLM lands. We have appropriated money for a National Park System, we have appropriated money for a National Forest System. The orphan, the neglected area of public lands, is the most fragile land in American and that is the BLM land. Nevertheless, it would seem to me that this series of amendments, started by the Senator from Idaho, will start to move away from the provisions of the Taylor Grazing Act that said:

> Well, we encourage the permittee, the lessee, the man who owns the base property, to use public land as far as his ranch is concerned, we encourage him to increase his investment in that land and build it up. And he gets a grandfather clause so that he can meet any bid on the land, and so forth, but we do not give him a property right in it.

And this is beginning to give him a property right.

Mr. **McCLURE.** Mr. President, I understand the concern expressed by the Senator from Montana, and if I shared that concern I would suggest we write into the amendment some specific language that says it shall not do that. I would be perfectly willing to do that because it is not my intention to move in the direction of a vested property right as a matter of law between the permittee and the Federal Government.

I think there are some rights between the permittee and his landowner and it does affect the value of private property, it ought to be included in some way in some of the other laws, but certainly not in the sense of a property right as in opposition to the Federal Government's property rights.

I think we make a mistake if all we do is look back to the Taylor Grazing Act of 1935 and say that what we did then must control what we do now, because we certainly have learned a great deal about range management in the intervening 40 years.

We do know that we can do a better job of management than simply regulating the numbers of domestic livestock that may be out there at a given piece of range during a given period of time.

We have learned that we can manage by rest rotation, which requires fencing, that we can manage by the location of watering holes, that we can manage by the removal of brush in appropriate places, that we can manage by the seeding of better varieties that will yield more forage.

I think that very essential change makes it so important now that we recognize the need for those practices which, rather than requiring nothing, require the investment of capital; if we are going to get the kind of job done that we want to get done we have to encourage that investment of capital, and that is what this series of amendments is intended to do, of which mine is just one.

If there be no further debate at this time on my amendment, Mr. President, I ask unanimous consent that further consideration of this amendment be temporarily laid aside so that we might get to another amendment to be offered by another Member of this body.

Mr. HANSEN. Mr. President, if the Senator would withhold that for just a moment, let me make one further observation that I suspect may be of interest to a wider constituency than is the amendment as presently drafted. The experience of the Game and Fish Commission in the State of Wyoming has been that by virtue of the presence of domestic livestock on the Wyoming ranges, both cattle and sheep, and the improvements that have been put in place by stockmen, including such things as stock water ponds and wells, removal of brush where it has been excessive, a sharp escalation of practically all kinds of game has occurred.

There was a time, perhaps about 40 years ago, when an antelope was a rare sight in Wyoming. Now we have areas of the State where multiple permits can be issued. We find that there are more antelope and, particularly, more female antelope, than there are hunters to take them.

This has come about—so I am told by people in the Game and Fish Department—because so much more of our State is available to them by the presence of water in areas and by the range improvements installed by stockmen. They have prospered and the antelope have prospered.

The same thing can be said of deer. We have transplanted elk in different parts of Wyoming, and they, too, are prospering.

There has also been a sharp increase in the upland bird populations of Wyoming. All of these things, the game and fish people tell me, have resulted in no small degree because of the presence of man. Fence lines with the extra feed they provide contribute cover for upland birds after harvest. These are important factors in the survival in times of adversity for those bird populations.

It ought not to go unnoticed that here is a case of the stockman doing things which harmonize exceedingly well with the wildlife and bird populations of Western States.

Mr. McCLURE. Mr. President, I renew my earlier request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk proceeded to read the amendment.

Mr. CANNON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 9, between lines 15 and 16, insert the following:

Sec. 8. Duration of Grazing Leases.—(a) Except as provided in subsection (b) of this section, permits and leases for domestic livestock grazing on (1) lands within the purview of the Taylor Grazing Act (43 U.S.C. 315) and the Act of August 28, 1937 (43 U.S.C. 1181a–1181j) or (2) lands within the national forest or administered in connection therewith, shall be issued for a term of ten years. Such permits or leases shall be issued subject to such terms and conditions as the Secretary of the Interior, in the case of such permits or leases under his jurisdiction, or the Secretary of Agriculture, in the case of such permits or leases under his jurisdiction, deems appropriate and consistent with applicable Federal law, including the authority of the Secretary concerned to cancel, suspend, or modify a grazing permit or lease, in whole or in part, pursuant to the terms and conditions thereof, or to cancel or suspend a grazing permit or lease for any violation of a grazing regulation or of any term or condition of such grazing permit or lease: *Provided,* That such terms and conditions shall provide that, except in cases of emergency, no permit or lease shall be canceled under this subsection without two years' prior notification.

(b) Permits or leases may be issued by the Secretary concerned for a period shorter than ten years where the Secretary concerned determines that—

(1) the land is pending disposal; or

(2) the land will be devoted to a public purpose prior to the end of ten years.

(c) So long as (1) the permittee or lessee is in compliance with the rules and regulations issued and the terms and conditions in the lease specified by the Secretary concerned, and (2) the permittee or lessee accepts the terms and conditions to be included by the Secretary concerned in the new permit or lease, the holder of the expiring permit or lease shall be given first priority for receipt of the new permit or lease.

(d) Whenever a permit or lease for grazing domestic livestock is canceled in whole or in part, in order to devote the lands covered by the permit or lease to another public purpose, including disposal, the permittee or lessee shall receive from the United States a reasonable compensation for the adjusted value, to be determined by the Secretary concerned, of his interest in authorized permanent improvements placed or constructed by the permittee or lessee on lands covered by such permit or lease, but not to exceed the fair market value of the terminated portion of the permittee's or lessee's interest therein.

On page 9, line 16, strike out "Sec. 8." and insert in lieu thereof "Sec. 9.".

On page 10, line 4, strike out "Sec. 9." and insert in lieu thereof "Sec. 10.".

Mr. CANNON. Mr. President, I will say this amendment is submitted on behalf of Senator Hansen and myself, and I ask unanimous consent that Senator McClure be included as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, permittees grazing on Federal lands have for many years advocated using their own funds to provide needed improvements in the ranges they use. These improvements include such things as fencing, water development, and reseeding. The users of such permits are the first to recognize when improvements are needed and the form they should be. They are vitally interested in the condition and capacity of the ranges they use. Overgrazing is not in their interests nor in the interests of the Nation.

Mr. President, I would point out that this is an arrangement which should be a partnership arrangement between the Federal Government and the users of the range because they are all desirous of having the range produce to the best of its capacity for the benefit of everyone.

Unfortunately, present BLM policies discourage the investment of private capital in range improvements. The bill before us today provides almost $900 million for range improvement programs over a 30-year period. I believe this money is needed and I support the bill. However, I feel also that many of the range lands for which this assistance is directed would be well on the way to improvement if ranchers had had adequate incentive in the past to invest their own resources. For this reason, Mr. President, I have submitted for consideration of the Senate an amendment which provides that range permits shall be for 10-year periods and that a permit shall not be canceled without a 2-year prior notice.

While permits are not normally canceled, they presently are extended for 1 year at a time. I believe the tenure provided by this amendment will encourage ranchers to invest in range improvements. Additionally, the amendment provides that when grazing of livestock is canceled in order to devote the lands to other purposes, reasonable compensation shall be granted the permittee for any authorized permanent improvements placed on the land.

Mr. President, that envisions the fact that if a man was given a permit for a 10-year period and he put in permanent improvements on the lands, and his permits were canceled at the end of 8 years, then he would have to be compensated based on the 10-year-life timespan of those improvements which he had made.

The grazing of livestock on public lands is one of its most efficient and desirable uses, consistent, of course, with the multiple-use concept. The Bureau of Land Management and the livestock industry are in partnership in the stewardship of this national resource. I believe the proposed amendment gives greater substance and meaning to that partnership.

Mr. President, I hope the Senate will adopt this amendment.

The PRESIDING OFFICER. The Senator from Montana.

Mr. METCALF. I yield to the Senator from Alabama.

VISIT TO THE SENATE BY MEMBERS OF THE PARLIAMENT OF NEW ZEALAND

Mr. SPARKMAN. Mr. President, we are honored to have some distinguished visitors with us today. I call attention to the Honorable Sir Roy Emile Jack, the Honorable James Brendan Bolger, the Honorable William Francis Birch; and the Honorable Brian Peter MacDonell. and the Honorable Norman John Kirk, all from the New Zealand Parliament.

Mr. President, I ask unanimous consent to have printed in the Record a biographical sketch of each one of these distinguished visitors from New Zealand.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HON. SIR ROY EMILE JACK, SPEAKER-DESIGNATE OF THE HOUSE OF REPRESENTATIVES, GOVERNMENT MEMBER OF PARLIAMENT FOR RANGITIKEI

Born at New Plymouth in 1914, Sir Roy's home has been at Wanganui for virtually the whole of his life. He was educated at Wanganui Collegiate School and Victoria University of Wellington, graduating LL.B.

He was a judge's associate from 1935–38 and served in the RNZAF from 1939–45. In 1945 he joined his late father's legal firm, of which he continues to be a member. He was elected to the Wanganui City Council in 1946 becoming deputy mayor in 1947, an office he held until 1955, when he withdrew from the council.

He was elected to Parliament in 1954 for the Patea electorate. From then until the present he has represented an electorate which has seen major changes of boundaries and name (to Waimarino and then to Rangitikei); but a substantial area of the land he represents now he has represented during the whole of his Parliamentary career.

Sir Roy was Deputy Speaker of the House of Representatives 1961–66, Speaker 1967–72, and in 1972 was Minister of Justice and Attorney-General. During the 1972–75 Parliament he was a member of the Statutes Revision, Library, and Arts Council Bill select committees.

He is married and has one daughter. His hobbies include music, reading, gardening, skiing, and flying.

MR. JAMES BRENDAN BOLGER, PARLIAMENTARY UNDER-SECRETARY TO THE MINISTER OF AGRICULTURE AND FISHERIES, MAORI AFFAIRS, AND TO THE MINISTER IN CHARGE OF THE RURAL BANKING AND FINANCE CORPORATION, GOVERNMENT MEMBER OF PARLIAMENT FOR KING COUNTRY

Born and educated in Taranaki, Mr. Bolger is aged 40. Before entering Parliament he held office at many levels in farming organisations. He is experienced in dairy, sheep and beef farming, and farms sheep and beef cattle as well as running a Hereford cattle stud.

Mr. Bolger became an M.P. for King Country in 1972, and was an Opposition spokesman on meat and wool affairs until last year. In December 1975 he was appointed Parliamentary Under-Secretary to the Minister of Agriculture and Fisheries, a post he still holds.

He is married with six children.

MR. WILLIAM FRANCIS BIRCH, SENIOR GOVERNMENT WHIP, GOVERNMENT M.P. FOR FRANKLIN

Born in Pukekohe and aged 41, Mr. Birch was educated at Hamilton Technical College. Upon qualifying in 1957 he began practice as a surveying and engineering consultant, working on flood protection, roading and development projects.

He became a member of the Pukekohe Borough Council in 1956 and has served as Deputy Mayor and Finance Committee Chairman.

Mr. Birch was elected a Member of Parliament for Franklin in 1972, and from 1974–75 he was Junior Opposition Whip. In December 1975 he became Senior Government Whip.

Mr. Birch is married with four children.

MR. BRIAN PETER MACDONELL, OPPOSITION M.P. FOR DUNEDIN CENTRAL

Born in Dunedin in 1935 and educated there at Christian Brothers' High School. He entered banking in 1953 and was with the Australian and New Zealand Banking Group in Dunedin until 1963, serving for a time as a national councillor of the Bank Officers' Union.

He entered Parliament in 1963 when he won the Dunedin Central seat which he still holds. Between 1972 and 1975 he was Parliamentary Under-Secretary to the Minister of Trade and Industry and also to the Minister of Energy Resources.

During his Parliamentary career he has shown a particular interest on environmental issues, and has introduced five Private Member's Bills on the subject.

Mr. MacDonell is keen on sea fishing. He is married with four sons.

MR. NORMAN JOHN KIRK, OPPOSITION M.P. FOR SYDENHAM

Born in 1947, Mr. Kirk was a Printing Trades Scholarship winner in 1969, and prior to entering Parliament was the Hawke's Bay Organiser of the Wellington Branch of the Hotel and Hospital Workers' Union.

He was elected as Member of Parliament for Sydenham in 1974 at the by-election caused by the death of his father, the Right Hon. N. E. Kirk, Prime Minister from 1972 to 1974. Mr. Kirk is currently a member of the House and Petitions select committees.

He is married with one son.

RECESS

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Senate stand in recess for 5 minutes so that Members might meet our friends from New Zealand.

There being no objection, the Senate, at 2:26 p.m., recessed until 2:31 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. FANNIN).

NATIONAL RANGELANDS POLICY ACT OF 1976

The Senate continued with the consideration of the bill (S. 2555) to establish a national rangelands rehabilitation and protection program.

Mr. McCLURE. Mr. President, I think perhaps there are one or two questions that can be at least discussed, and I hope laid to rest in the discussion.

The Taylor Grazing Act provides that no permittee shall be permitted to go into permission and use of an allotment on the public lands until and unless he compensates the prior permittee for the value of the improvements placed upon that allotment by the prior permittee.

It is suggested that in my amendment the provision that a portion of the value be offset against grazing fees might permit a double payment.

It is also suggested that the section of the amendment offered by the Senator from Nevada calling for the repayment to the permittee by the Federal Government of the value of the improvements would add a second payment or perhaps a third payment because they come from different sources.

It has been my thought that the regulations developed pursuant to my amendment as well as those pursuant to the existing Taylor Grazing Act would not permit that double payment.

They would require an offset, and it would be my thought that that would also be done under the amendment offered by the Senator from Nevada, that there would be no double payment. There would be no payment made by the Government to the permittee if it had been offset against his grazing fee. There would be no payment from the second permittee to the first if there had been an offset or a payment by the Federal Government.

Would that be the understanding of the Senator from Nevada

Mr. CANNON. Mr. President, I say to the Senator from Idaho, that certainly would be my understanding. I think it is quite clear, for example, in my amendment here it says the permittee or the lessee shall receive from the United States a reasonable compensation for the adjusted value to be determined by the Secretary concerned of his interest, and so on.

Now, the contemplation in my amendment is that if another permittee is going to be given part of that term, he should come up with the reimbursement of that part of the fee. But the man who had the permit should not be reimbursed twice either because he has put his improvement in and gotten credit against the grazing fee or because he has put them in and has not depreciated all those improvements.

But the Secretary clearly has the authority to establish the rules and regulations and it would be clearly the intent that a permittee would not be compensated twice.

We probably would have the situation where the balance of payment would be taken for some other reason other than the grazing by another permittee.

For example, the way the wild horse population is expanding now, and beyond what was ever contemplated under the purpose of the act, and where they are destroying range—they are four times as hard on the range as a cow—they may have to eventually try to take land for this specific purpose unless we can get that act changed, because it is quite clear BLM is not able to keep the horse population down to the 1971 level, as they were charged with doing.

So if they would ask the balance of the permit for some other purpose other than issuing to another permittee, I can see then the Federal Government should be required to compensate for the balance of that undepreciated value.

Mr. McCLURE. But the Senator's contention under his amendment, the Federal Government would make no compensation for those if another permittee were allowed on?

Mr. CANNON. Absolutely, and this would be a matter for the Secretary under his rules and regulation making authority to make clear that that would not happen.

Mr. McCLURE. It would be my intent neither the second permittee nor the Federal Government under the provisions of the Taylor Grazing Act or under the amendment would be entitled to any compensation which had already been offset against grazing fees.

Mr. CANNON. That is correct. There is no intent here to provide a windfall for anyone, but simply to reimburse them for improvements they have made in good faith and are not able to use during the life of the permit, which in my amendment here would be a life of 10 years.

The Secretary presently could do that. They do not, as a matter of practice, but they could do it, I believe, under present law.

This would say they can issue a 10-year permit and then these rules would apply.

I thank the Senator.

Mr. HASKELL. Mr. President, I am strongly opposed to this amendment. I believe it is unnecessary from the standpoint of the grazing permittees and would be unfortunate from the standpoint of the public interest. As I understand the reason for this amendment it is to provide greater security to grazing permittees. However, I am at a loss to understand why such permittees presently do not have such security. The Taylor Grazing Act has perhaps the strongest preference rights language of any statute dealing with permits for use of public lands. Owners of base ranches have almost an assured right to permits and thereafter have preference rights for each renewal. I have not found in my tenure as chairman of the Environment and Land Resources Subcommittee any significant number of incidents demonstrating of a lack of security in grazing permits.

In addition, I would point out to my colleagues that the Taylor Grazing Act permits, although it does not require, 10-year permits. The language of the Cannon amendment requires 10-year permits but also would allow cancellation or termination of those permits during their life for a number of reasons. I cannot see any significant differences between the Cannon amendment and existing law in so far as providing additional security to permittees.

However, until the Department of the Interior completes the task of preparing allotment management plans for its grazing lands, I believe any permit statute provision requiring lengthier terms for permits should not be enacted. Upon the completion of the allotment management plans, when the range has been adequately planned and allotments have been established on the true capability of the range, I believe we can properly consider lengthier permit terms.

Subsection (d) of the permit would require the payment to a permittee for the authorized improvements on permit land whenever a permit is canceled in whole or in part. To a large extent this would be nothing more than double accounting. In effect the formula for computing grazing fees already takes into account improvements on the land and is adjusted therefor. In addition, the permittee depreciates those improvements in the payment of taxes. Both the administration and environmentalists are opposed to this provision in that it is regarded as the first step towards making the permits a right rather than a privilege requiring compensation whenever a permit is terminated or canceled.

Mr. President, this entire provision is found in the House version of the BLM Organic Act. It is in that form opposed by both the administration and environmental communities. Yet the amendment before us today does not even include several safeguard provisions found in the House version. For example, it would not permit the establishment of shorter permit terms when "it will be in the best interest of sound land management." In addition it would not tie permits to either the land use planning of the BLM or the requirements of allotment management plans.

Mr. President, I would hope we would not adopt the amendment of the Senator from Nevada. I cannot imagine greater security than is now given permittees under the Taylor Grazing Act. I know that when ranches change hands they have fee land and permit and, the purchaser takes into consideration and raises the purchase price because of the permit land, even though the permits are on a year-to-year basis.

Frankly, I believe the present scheme offers the flexibility and offers the security required. I would hope that we do not change the system at the present time.

I am also very fearful that if the amendment of the Senator from Nevada is adopted, the administration will veto the bill, as the administration opposes his position. I am very anxious to get on with improving the rangelands. For the reasons stated, I hope we will not adopt the amendment of the distinguished Senator from Nevada.

I yield the floor.

Mr. METCALF. Will the Senator yield for a unanimous consent request on a different matter?

Mr. HASKELL. I yield.

ORDER FOR EXTENSION OF TIME FOR FILING COMMITTEE REPORTS ON S. 713

Mr. METCALF. Mr. President, on April 14, 1976, on behalf of the Senate Committee on Interior and Insular Affairs, I filed a favorable report on S. 713, the Deep Seabed Hard Minerals Act. Pursuant to a unanimous consent agreement made upon introduction of S. 713, the bill was then jointly referred to the Committees on Armed Services, Commerce, and Foreign Relations for 30 days.

Under that agreement, the bill would have to be returned to the Senate Calendar on May 14, 1976. However, I have been informed that the chairman of the respective committees are agreed that this time agreement would not allow their committees adequate time for fair and adequate consideration of this important piece of legislation. Consequently, it has been requested that the original unanimous consent agreement, concerning referral of S. 713 to the three committees, be changed to allow them until June 2, 1976, to consider S. 713. Mr. President, the Senate Interior Committee has no objection to this extension of time.

Therefore, I ask unanimous consent that the period for rereferral of S. 713 to the Committees on Armed Services, Commerce, and Foreign Relations be extended until June 2, 1976.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

NATIONAL RANGELANDS POLICY ACT OF 1976

The Senate continued with the consideration of the bill (S. 2555) to establish a national rangelands rehabilitation and protection program.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the Cannon amendment, the McClure amendment, and on final passage with a single show of hands.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. I call for the yeas and nays on all three, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that while there would be a 15-minute limitation on the first rollcall vote, the next two votes, and incidentally, they will be in rapid succession, be limited to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. For the further information of the Senate, it is anticipated that without question following the disposal of this bill, if not before, we will take up the conference report on the Federal Election Commission.

Mr. President, I ask unanimous consent that at the conclusion of the vote on the Cannon and McClure amendments the Senate then go to the committee amendment as amended and then to the third reading of the bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. That third reading will be immediately followed by a rollcall vote on final passage and that rule XII be waived.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

VITIATION OF ORDER FOR ROLLCALL VOTE ON FINAL PASSAGE—S. 2555

Mr. MANSFIELD. Mr. President, after talking with the interested Members, I ask unanimous consent that the order entered for a rollcall vote on final passage be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the chair. I make that request because if, before 3:30, the Federal Election Commission conference report comes over from the House of Representatives, it would be the leaders' intention at that time, with Senator Cannon in attendance and Senator Hatfield in attendance, to call up that conference report.

There being no objection, the Senate, at 2:41 p.m., recessed, subject to the call of the Chair; whereupon, at 2:49 p.m. the Senate reassembled when called to order by the Presiding Officer (Mr. HELMS).

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the conference report on the Federal Election Commission be called up at this time.

The PRESIDING OFFICER. Without objection, it is so orderd.

Mr. CANNON. Mr. President, I submit a report of the committee of conference on S. 3065 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HELMS). The report will be stated by title.

The second assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the RECORD of April 28, 1976, beginning at page 11661.)

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

ORDER FOR VOTE TO OCCUR ON CANNON AMENDMENT AT 3:30 P.M. FOLLOWED BY THE VOTE ON McCLURE AMENDMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the Cannon amendment occur at the hour of 3:30 p.m., followed by a vote on the McClure amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes.

Mr. CANNON. Mr. President, in order that Senators may be notified that the conference report on the Federal Election Commission bill is pending, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I ask unanimous consent that Claudia Ingram of my staff be accorded the privilege of the floor during the course of debate on the conference report on the Federal Election Campaign Act Amendments of 1976.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask unanimous consent that Ed Hall of the committee staff be accorded the privilege of the floor during consideration of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that during the consideration of this bill, Andrew Gleason, Larry Smith, Barbara Conroy, Karleen Millnick, and James Schoener have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that during the consideration of this bill, Bob Perkins, of Senator BROCK's staff, and Debbie Roberts, of my staff, have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask unanimous consent that Peggy Parish and Bill Cochrane have the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, on March 24, 1976, the Senate passed S. 3065 by a vote of 55 to 28 amending the Federal Election Campaign Act of 1971. On April 1, 1976, the House of Representatives adopted amendments to S. 3065 which the Senate subsequently disagreed to on April 5, asking for a conference on the disagreeing votes of the two Houses. Senators HOWARD CANNON, CLAIBORNE PELL, ROBERT C. BYRD, MARK HATFIELD, and HUGH SCOTT represented the Senate at the ensuing conference.

The conferees, after meeting on April 7, 8, 12, 13, 27, and 28, 1976, recommend that the Senate recede from its disagreement to the amendments of the House and agree to the amended text of S. 3065, as approved by the conferees and set forth in the report of the conference. The report of the conferees was approved by the House of Representatives today.

The details of the amendments agreed to by the conferees are set forth in the conference report and I will not attempt to review all of them at this time. Many of the matters which were debated and voted upon on the Senate floor are retained in the conference substitute. Some, however, met with strong disagreement from the House conferees and a compromise satisfactory to the conferees on both sides was reached.

S. 3065 as amended in conference represents a fair compromise of the differences of both Houses of Congress. It is also legislation which reaffirms the commitment of the Congress to the improvement of our electoral process, the very foundation of our democratic system of government.

This legislation remedies the constitutional defects which the Supreme Court found to exist in the Federal Election Campaign Act Amendments of 1974, and thus creates an independent six-member commission appointed by the President, with the advice and consent of the Senate, to administer, interpret, and enforce the Federal election campaign laws of our country.

This legislation also addressed other matters necessitated by the Supreme Court's decision by codifying a number of the Court's interpretations of the campaign finance laws, and filling gaps and vacuum areas resulting from the Court's having voided virtually all limitations on the expenditure of funds in election campaigns.

The conference substitute requires, as did both the Senate bill and House amendments, political committees and persons to report independent expenditures in excess of $100 in a calendar year expressly advocating the election or defeat of a clearly identified candidate. Such a reporting requirement was upheld by the Supreme Court and is present in a less definitive form in existing law. In addition, the Federal Election Commission will be required to prepare and issue current indices which will enable the public and other candidates to know how much money is being spent on behalf of particular candidates.

With regard to reporting requirements, S. 3065 as it passed the Senate required corporations, labor organizations, and other membership organizations to report expenditures directly attributable to communications to stockholders and members, explicitly advocating the election or defeat of clearly identified candidates in excess of $1,000 per candidate per election.

The House amendment did not contain a similar provision. The conference substitute retains the principal of such reports, not required under existing law, and provides that the cost of such communications devoted to express advocacy of the election or defeat of a clearly identified candidate shall be reported if such costs exceed $2,000 per election.

However, the cost of a communication will not be reportable if the communication is primarily devoted to subjects other than the advocacy of the election or defeat of a candidate. In adopting this substitute, the conferees agreed upon certain guidelines which are set forth in the conference report.

The conferees accepted the provisions of the Senate bill setting a $5,000 threshold for waiving quarterly reports of contributions and expenditures of candidates in nonelection years. The House amendment had a $10,000 figure. The conferees also adopted the Senate proposal that committee treasurers and candidates who demonstrate that best efforts have been used to obtain and submit information will be deemed in compliance with the reporting requirements of the act. The conference bill further provides that records need only be kept as to the identity of contributors in excess of $50.

The conference substitute combines many of the enforcement provisions contained in both the Senate bill and the House amendment, giving the Federal Election Commission expanded and more varied civil enforcement powers. As these are described in detail in the conference report I will not discuss them at this time. However, I would welcome any questions my colleagues might have with respect to these enforcement provisions.

The conferees agreed to a modification of the advisory opinion procedures of the Commission. An advisory opinion may be requested by any Federal officeholder, any candidate for Federal office, any political committee, or the national committee of any political party, concerning the application of a general rule of law stated in the act, or the application of a general rule of law prescribed by the Commission as a rule or regulation, to a specific factual situation. Section 108(a) of the conference bill prohibits the Commission from proposing general rule of law in any form other than as a rule or regulation pursuant to the congressional review procedures of the act. General rulemaking was never intended to be the function of the advisory opinion process. This section clarifies the intent of the Congress in this respect, and requires the Commission to conform their prior advisory opinions to these provisions within 90 days of enactment.

The conference bill prohibits opinions of an advisory nature other than pursuant to the advisory opinion procedure. The bill also expands those who would be able to rely upon an advisory opinion to include any person involved in any specific transaction or activity which is indistinguishable in all its material aspects from the transaction or activity with respect to which the advisory opinion is issued.

The conference substitute amends the procedure for congressional review of Commission rules and regulations by clarifying that Congress may disapprove any provision or series of interrelated provisions which state a single separable rule of law. The proposal in the Senate bill shortening the review time was deleted by the conferees, thus retaining the 30-legislative-day period of existing law.

With respect to limitations on contributions, the conference substitute is a fair compromise between the Senate bill and the House amendment. A person, as defined in the act, will be subject to the existing limitation of $1,000 per election per Federal candidate. As under present law, earmarked contributions and contributions made to a candidate's authorized political committees are considered to be contributions to that candidate. A person may also not make contributions to any political committee established and maintained by a national political party which in the aggregate exceed $20,000 in a calendar year. A person is further prohibited from making contributions to any other political committee which in the aggregate exceed $5,000 in a calendar year. Individuals would still be subject to the $25,000 aggregate limitation on all contributions in a calendar year in existing law.

A multicandidate political committee, as defined in the act, may contribute a total of $5,000 to a Federal candidate and his authorized political committee in any election campaign. A multicandidate political committee would be limited to an aggregate of $15,000 in a calendar year which it could give to any political committee of a national political party and to an aggregate of $5,000 in a calendar year it could give to any other political committee. These latter limitations, however, would not apply to transfers between political committees of the same political party.

The provisions permitting the Republican or Democratic Senatorial Campaign Committees and the national committee of a political party to make a contribution of $20,000 to a candidate to the Senate in a calendar year was amended to reduce this amount to $17,500.

The other provisions of the Senate bill and the House amendment relating to limitations on contributions and certain expenditures were similar and are reflected in the conference substitute.

The conference substitute also contains a fair compromise between the Senate bill and the House amendment pertaining to the solicitation by corporations and labor organizations of voluntary contributions to separate segregated funds. It follows the structure of the Senate bill, permitting corporations to solicit voluntary contributions from stockholders and executive or administrative personnel, and labor organizations to solicit their members. The conference bill would clarify the definition of executive or administrative personnel to include individuals employed by a corporation who are paid on a salary, rather than hourly, basis and who have policymaking, managerial, professional, or supervisory responsibilities. In addition to the above, corporations and labor organizations would be able to solicit all employees and stockholders twice a year in writing by mail to their residences with the proviso that the solicitation be designed so that the party making the solicitation cannot determine who makes a contribution of $50 or less as a result of such solicitation and who does not make such a contribution.

The conference bill adopted the House provisions giving trade associations rights to solicit stockholders and executive or administrative personnel of member corporations.

The conference report, at page 63, states as follows:

> The conference substitute follows the House amendment with regard to the solicitation by a trade association of stockholders and executive or administrative personnel (and their families) of a member corporation of such trade association. The conference substitute contains the provision of the Senate bill permitting a membership organization, cooperative, or corporation without capital stock, or a separate segregated fund established by such organizations, to solicit contributions to such a fund from members of such organization, cooperative, or corporation without capital stock. In light of the fact subsection (b)(4)(D) governs solicitations by a trade association of the stockholders and executive or administrative personnel of a member organization, then the term "membership organization" in subsection (b)(4)(C) is not intended to include a trade association which is made up of corporations.

A question has come up as to the purpose of the phrase "the term 'membership organization' in subsection (b)(4)(C) is not intended to include a trade association which is made up of corporations."

First of all, this language was included to preclude a trade association, which is also a membership organization, and which desires to solicit the stockholders and employees of a member corporation, from avoiding the limitations of 321(b)(4)(D), which limit such solicitation to stockholders and executive or administrative personnel of the member corporation, and further provides that the member corporation must consent to such solicitation and only give its consent to one trade association in a calendar year.

Second, it applies only to trade associations with corporate members and is intended to regulate the solicitation of the stockholders and executive or administrative personnel of such corporate members. A trade association which is a membership organization may, of course, solicit its other members, such as individuals, partnerships, et cetera, under 321(b)(4)(C).

In most other respects the provisions of the Senate bill related to corporate and labor union political action committees were ratained, except the definition of stockholder, which was omitted, leaving the interpretation of this term to general corporate law.

The conference bill contains limitations on honorariums, increasing the existing limit per speech from $1,000 to $2,000 and the yearly aggregate from $15,000 to $25,000. In addition, actual travel and subsistence expenses for the recipient of the honorariums and spouse or aide as well as amounts paid or incurred for any agent's fees or commissions are explicitly excluded from the honorarium limitations.

Finally, the conference bill includes the provisions of both the Senate bill and the House amendment pertaining to the termination of matching funds for inactive Presidential primary campaigns and the return of excess public funds not used to defray qualified campaign expenses.

In conclusion, this legislation corrects many of the defects, inequities, and inconsistencies in the campaign finance laws which the Congress and others have observed since passage of the 1974 amendments. It clearly reflects the original intent of the Congress in 1971 and 1974, and at the same time, restructures the campaign finance laws, both to give the Federal Election Commission more extensive and flexible civil enforcement and regulatory powers, as well as to provide for a more balanced and equitable operation of these laws.

Mr. President, as this legislation has been extensively debated in both Houses of the Congress, it is now of critical importance that the Senate act expeditiously to approve the report of the conferees.

I would be happy to yield to any questions or comments on any part of the conference report after first yielding to the Senator from Oregon (Mr. HATFIELD).

I ask unanimous consent, Mr. President that a brief summary that I have had prepared here citing the key provisions of the proposed Federal Election Campaign Act amendments as reported by the Senate and House conference, be reprinted at this point in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

KEY PROVISIONS OF PROPOSED FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976, S. 3065, AS REPORTED BY SENATE-HOUSE CONFERENCE, APRIL 28, 1976

1. Reconstitution of Federal Election Commission:

Composed of 6 members, no more than 3 of whom may be affiliated with the same political party, plus the Secretary of the Senate and the Clerk of the House, ex officio, without the power to vote.

4 members to take major action.

Members may not engage in any other business, vocation or employment. One year to terminate such activity.

All outstanding proposed rules and regulations must be submitted to Congress for review after effective date of Act.

2. Definitional Changes:

Contract or promise to pay must be in writing to be a contribution.

Legal and accounting services rendered to national committee and to candidate to assure compliance with Act, are not contributions or expenditures.

Contribution does not include gifts, etc., to national or state committees of political party designated for construction or purchase of office facilities not used for campaign purposes. Must be reported, however.

3. Recordkeeping and Reporting:

Detailed records required only for contributions in excess of $50 rather than in excess of $10.

Demonstration of best efforts by political committee treasurer or candidate will be deemed compliance with reporting requirements.

In non-election years, candidates need file quarterly reports only if contributions or expenditures or both were in excess of $5,000 in any quarter.

Reporting required for independent expenditures in excess of $100 in support of, or in opposition to, a candidate.

Reporting of cost of communications to stockholders and members by corporations, labor unions, and other membership organizations advocating election or defeat of candidate in excess of $2,000 per election.

4. Powers of Commission:

Commission given primary exclusive jurisdiction for civil enforcement of the Act, and the public financing provisions of the Internal Revenue Code.

5. Advisory Opinions:

Advisory opinions shall relate to the application of a general rule of law stated in the Act or prescribed by rule or regulation, to a specific factual situation.

General rule of law may be initially proposed only as rules and regulations subject to Congressional review and disapproval. General rules of law may not be stated through advisory opinion procedures.

Advisory opinions may be relied upon by person involved in transaction or activity of advisory opinion and person involved in transaction or activity, indistinguishable in all its material aspects from transaction or activity of advisory opinion.

6. Congressional Review of Regulations:

In reviewing regulations proposed by the Commission, the Congress may disapprove any provision or series of interrelated provisions which states a single separable rule of law.

7. Enforcement:

New detailed enforcement procedures involve: notarizing complaints; notifying persons involved of alleged violations; conducting expeditious investigations; providing an opportunity for a person under investigation to rebut; requiring the Commission to correct violations by informal methods of conciliation; giving the Commission power to bring civil action when conciliation fails; imposing of civil fines by a court or by the Commission as a condition to a conciliation agreement; giving the Commission power to refer a criminal violation which is knowing and willful directly to Attorney General without conciliation.

8. Contributions and Expenditures Limitations:

Persons may contribute to a candidate and his authorized political committee up to $1,000 in the aggregate per election; up to $20,000 in a calendar year to a political committee of a national political party; up to $5,000 to any other political committee in a calendar year.

Multicandidate political committees may contribute to a candidate and his authorized political committees, up to $5,000 in the aggregate per election; up to $15,000 in a calendar year to a political committee of a national political party; up to $5,000 in a calendar year to any other political committee.

Limitations regarding committee contributions do not apply to transfers between national, state, district, or local committees of the same political party.

Provisions to curtail vertical proliferation of contributions by political committees.

Republican or Democratic Senatorial Campaign Committees or the national committee of a political party, or any combination of such committees, may contribute up to $17,500 to a candidate for the Senate in an election year.

Expenditure limits retained; for Presidential candidates who accept public funds; and for national and state committees of political parties.

9. Transfer of a Number of Title 18 Criminal Provisions Related to Federal Elections to the Federal Election Campaign Act of 1971.

10. Contributions by Corporations and Labor Organizations:

General solicitation of contributions by corporations is limited to stockholders, and executive or administrative personnel and their families.

The term "executive or administrative personnel" means individuals employed by a corporation who are paid on a salary rather than on an hourly basis, and who have policymaking, managerial, professional or supervisory responsibilities.

General solicitation by labor unions is limited to union members and their families.

Both corporations and unions may twice during a year solicit by mail all employees, officers, stockholders, union members, and their families.

Trade associations may solicit stockholders and executive or administrative personnel of member corporations with limitation of one trade association per corporation.

11. Honorarium Limitations:

$2,000 limitation for any appearance, speech, or article, and $25,000 total calendar year limitation.

Actual travel and subsistence expenses for recipient and spouse or aide, as well as amounts paid or incurred for any agent's fees or commissions are excluded from the limitations.

12. Criminal Penalties:

Criminal penalty for a knowing and willful violation of the Act which involves the making, receiving, or reporting of any contributions or expenditures having a value in the aggregate of $1,000 or more during a calendar year. For certain sections, the amount involved is less.

Fine up to $25,000 or 300% of contribution or expenditure involved, imprisonment for up to 1 year, or both.

A conciliation agreement may be used as evidence of the defendant's lack of intent or knowledge to commit the offense in a criminal action brought with respect to the specific act, or failure to act, which is the subject of the conciliation agreement.

13. Termination of Payments for Lack of Demonstrable Support and Return of Funds:

A Presidential candidate loses eligibility to receive public matching funds if he receives less than 10% of his party's votes cast for all Presidential candidates in two successive primaries in which he authorized his name to be placed on the ballot, or in which he failed to certify that he was not an active candidate.

Candidates who cease to actively seek nomination or election in one or more states must return public funds not used for qualified campaign expenses.

Mr. CANNON. Mr. President, I yield to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, the Federal Election Commission has been without operating authority for almost 6 weeks. Presidential candidates who entered the 1976 Presidential primaries with the understanding that Federal matching funds would be available to them if certain criteria were met soon found themselves without matching funds in the middle of some important races. One can only speculate whether the absence of Federal funds truly served as a setback to their respective campaigns. One need not speculate, however, which Presidential candidates were hampered by the lack of funds, since the results in Saturday's Texas primary showed that the Republican Presidential race is still very much alive.

The Supreme Court and the President of the United States urged the Democratic-controlled Congress to enact a simple bill providing for the reconstitution of the Federal Election Commission. The enactment of such a bill would have taken only a few hours instead of weeks. Such a bill would have permitted the steady flow of matching funds to Presidential candidates of both parties. However, the majority part of the Congress seized upon the Supreme Court decision in Buckley against Valeo as an opportunity to remake the election laws in a manner more to their party's liking.

Mr. President, I originally supported the concept of enacting a bill providing for the simple reconstitution of the Federal Election Commission. Upon seeing that a simple reconstitution was impossible, I worked toward getting the best possible bill through the Senate, and through the Senate-House conference. Considering the fact that the minority party does have rights, but not the votes, I believe the best possible bill from a Democratic-controlled Congress has been achieved. There are provisions in the conference bill which are not to my liking. But I am realistic enough to believe the Republican Party had better take what it can get when it is the minority party. Mr. President, I urge my Republican colleagues to study this measure very carefully, and then consider whether there is any possibility of getting a better bill from this Congress. I believe that once they have taken such a prospect into consideration, they will decide to vote in favor of the adoption of this conference bill.

Mr. President, I would have liked to have signed my name to a conference report providing for the simple reconstitution of the commission. But it was the will of the majority party not to take this road. After weeks of debate and consideration, the Senate has the opportunity to vote on a measure to reestablish the Federal Election Commission. While this measure somewhat weakens the commission, I suggest to my colleagues that if we are to have any type of independent watchdog machinery in operation for the November elections then we had better support this measure. If we do not, if the Senate rejects the conference bill, there is no way of knowing how much more time will be required to formulate a new bill, if one is formulated at all.

Therefore, I urge the support of the conference report.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. I wonder if the chairman or Senator HATFIELD would respond to a few questions? I ask them for clarification of my own mind.

Mr. President, we have changed this bill on union reporting for money spent specifically advocating the election or defeat of a specific candidate from $1,000 per individual election to $2,000 aggregate, as I understand it.

Mr. CANNON. The Senator is correct.

Mr. PACKWOOD. Then we said specifically in the law, and the report says on page 63:

> The conferees agreed that section 301(f) (4)(C), as amended by the conference substitute, makes reporting requirements applicable * * *

I assume there, because there is no other reference to reporting requirements, that we are talking about section 304(f) of the same reporting requirement that all other political campaigns have to report, under the same timetables and all of that, once the threshold is reached. I realize there is no reporting until we reach the threshold. Then they follow the same reporting requirements that everybody else follows?

Mr. CANNON. Yes, provided they come within that limitation.

Mr. PACKWOOD. Yes.

Mr. CANNON. The $2,000.

Mr. PACKWOOD. They must qualify both in terms of the substance of what they are doing and the $2,000 threshold.

Mr. CANNON. The Senator is correct.

Mr. PACKWOOD. Once they reach that, the FEC makes them report just like everybody else has to report.

Now, I am curious——

Mr. HATFIELD. Mr. President, will the Senator yield at that point? I think the chairman is correct, but I think that ought to be further clarified. That matter was not specifically discussed, so this assumption, I think, is a reasonable assumption, but if the chairman thinks I am wrong I would like to be corrected. It is my recollection that this question which the Senator has just addressed himself was never specifically debated in the committee.

Mr. PACKWOOD. That is the reason I asked it because I come to the same conclusion the Senator and the chairman come to because I do not know what other conclusion you reach because it makes reference to reporting, and there is only one reporting law we are talking about, and there are no other reporting regulations one is required to meet. So I assume there is no——

Mr. HATFIELD. There is no legislative history, to my knowledge, that would give this other interpretation.

Mr. CANNON. There was initially no reporting requirement for that provision at all.

Mr. PACKWOOD. Right.

Mr. CANNON. The Supreme Court said they had the right to communicate with their members, and the Senator offered the amendment, as I recall——

Mr. PACKWOOD. Right.

Mr. CANNON. Which the Senate adopted. We required reporting for amounts over $1,000. The conference changed that to the amount of $2,000, but a cumulative amount, so it would apply even though it might have been for several candidates, and you would not separate it out. For example, if you had three candidates and $3,000 total expenditure even though the expenditure for each candidate might be $1,000, it is the cumulative figure of $2,000 which would trigger the reporting requirement.

Mr. PACKWOOD. Then, on the trade association and the requirement that a business can only be solicited by one trade association, in what manner does the corporation give that assent? Can they file a letter once a year and say that X Trade Association can solicit it or how does it work?

Mr. CANNON. We do not prescribe here what the manner of consent ought to be. I would assume that perhaps the FEC would prescribe a rule that would apply generally to all trade associations.

The purpose there was that if you had a number of organizations that belonged to a number of different trade associations they would not be subjected to a barrage of solicitations. But the corporation can say, This trade association we belong to, is the one designated which can make the solicitation under the provisions of the act.

Mr. PACKWOOD. I understand the barrage and I agree with it.

Can a corporation that is a conglomerate, that has totally unrelated subsidiaries, can those subsidiaries be solicited by different trade associations so long as it is only one trade association soliciting each one?

Mr. CANNON. A similar provision was proposed and rejected in conference which would have allowed divisions, if there were divisions, to be solicited by a separate trade association. This would not be permitted under the conference bill.

Mr. PACKWOOD. So that the parent corporation then has to make an election as to which trade association, even though they may have substantially diverse interests in their subsidiaries——

Mr. CANNON. I am sorry, I did not get that last statement.

Mr. PACKWOOD. So the situation is you have got a parent corporation and it owns a bakery, it owns a real estate company, it owns an automobile distributorship. That automobile distributorship, if they made an option, the parent corporation, to solicit, say, the bakers trade association can solicit them; they could not say they want the bakers trade association to solicit the bakers organization and the automobile dealers association to solicit their automobile division, no crossover. I am not suggesting that one trade association representing the bakers could solicit the automobile dealers or vice versa, but the Senator is saying that the corporation has to make an election, and only one trade association can solicit, period.

Mr. CANNON. Well, if it is just simply a separate corporation which is a subsidiary of a parent organization, that might be a situation there where they could elect to be solicited by their own trade association, completely unrelated from a conglomerate head. It would appear that a separate corporate organization, could designate its own trade association. But if it is simply a branch of a parent organization, then the one-time solicitation would apply.

Mr. PACKWOOD. Did we stick pretty much to the same definition of managerial, executive personnel that we had in the Senate bill as it passed?

Mr. CANNON. If the Senator will turn to page 62 of the conference report, I think it is reasonably close. I think it is a little more specific. This is explained at subparagraph 2 at the bottom of the page:

> 2. The conference substitute follows the Senate bill in using the term "executive or administrative personnel" throughout section 321 rather than "executive officer". The conference substitute defines that term to mean an employee who is paid on a salary, rather than hourly, basis and who has policymaking, managerial, professional, or supervisory responsibilities. The term "executive or administrative personnel" is intended to include the individuals who run the corporation's business, such as officers, other executives, and plant, division, and section managers, as well as individuals following the recognized professions, such as lawyers and engineers, who have not chosen to separate themselves from management by choosing a bargaining representative; but is not intended to include professionals who are members of a labor organization, or foremen who have direct supervision over hourly employees, or other lower level supervisors such as "strawbosses".

Mr. PACKWOOD. That definition sounds—although there is no reference to it here—very much like the wage and hour-fair labor standards definition of executive-administrative professional. Does the chairman know if the conference had that in mind in coming toward this conclusion?

Mr. CANNON. It was discussed It was an attempt to follow it somewhat, but it was not necessarily intended to say that this is the provision in the Fair Labor Standards Act.

I think we were trying to use terms that had a general, commonly recognized meaning, so that it would eliminate any confusion, though not to specifically tie it into the Fair Labor Standards Act as such.

Mr. PACKWOOD. I might ask the chairman this, and I will read from the hearings of the conference. This is Congressman BRADEMAS asking the question:

> So if Joe Smith, candidate, has a problem, he wants information, he can write or get in touch with the Commission and say would you please give me this information, and the Commission is able under this understanding to say here is the answer to your question, here is the information you want.
>
> That is a distinct situation, however, from the issuance of an advisory opinion, the power to issue which is defined by numbers 1 through 3 here.

Of course, I am getting to the situation where a candidate can write or call the Commission and get that kind of opinion from them.

Mr. CANNON. If the Senator will turn to page 44 of the committee report:

> 4. While the rules just stated govern all opinions of an advisory nature, these provisions do not preclude the distribution by the Commission of other information consistent with the Act.

We very clearly prescribed how and under what terms and conditions the commission could issue an advisory opinion. It had to be the application of a general rule of law stated in the act, or set forth in a prescribed rule or regulation, to a specific factual situation.

But here, we wanted to make it clear that the Commission has other responsibilities under the act.

I would interpret from what the Senator read that the Commission could make known that kind of information under its general powers under the act, and it would not constitute an advisory opinion.

Mr. HATFIELD. Will the Senator yield?

Mr. PACKWOOD. Yes.

Mr. HATFIELD. I would agree with the interpretation given by the chairman, but I think it ought to have one or two further comments made about it.

The chairman has said that an advisory opinion has set forth a criterion, and then he cited those other sections, but I think it has to be borne in mind that under no circumstances can the commission give an opinion based upon a hypothetical circumstance or situation. They may be able to cite a certain law or a certain regulation existing already in a known fact situation, which would be the closest to that they could come.

But as far as taking a hypothetical circumstance and rendering some kind of advice and counsel, I do not think the chairman implied that, but I would certainly want the record clear. My understanding is that the commission is precluded from doing that very thing, even beyond the advisory opinion rule it might be planning.

Mr. PACKWOOD. This is exactly the point.

Again, let me read something Chairman HAYS said:

> I think 4 takes care of a good deal of your problem, while the rules just stated govern all opinions of an advisory nature—

The PRESIDING OFFICER. The chair would interrupt the Senator.

NATIONAL RANGELANDS POLICY ACT OF 1976

The Senate continued with the consideration of the bill (S. 2555) to establish a national rangelands rehabilitation and protection program.

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 2555, and the question is on agreeing to the amendment of the Senator from Nevada. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Maine (Mr. HATHAWAY), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from New Mexico (Mr. MONTOYA), the Senator from California (Mr. TUNNEY), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Michigan (Mr. PHILIP HART) are necessarily absent.

I further announce that the Senator from Connecticut (Mr. RIBICOFF) and the Senator from New Hampshire (Mr. DURKIN) are absent on official business.

I also announce that the Senator from Maine (Mr. MUSKIE) is absent because of illness.

I further announce that, if present and voting, the Senator from Connecticut (Mr. RIBICOFF) would vote "no."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY), the Senator from Utah (Mr. GARN), the Senator from Maryland (Mr. MATHIAS), and the Senator from Texas (Mr. TOWER) are necessarily absent.

I also announce that the Senator from New York (Mr. JAVITS) and the Senator from Ohio (Mr. TAFT) are absent on official business.

The result was announced—yeas 40, nays 40, as follows:

[Rollcall Vote No. 160 Leg.]

YEAS—40

Allen
Baker
Bartlett
Beall
Bellmon
Brock
Burdick
Byrd, Robert C.
Cannon
Curtis
Dole
Domenici
Eastland
Fannin
Goldwater
Griffin
Hansen
Hatfield
Helms
Hollings
Hruska
Inouye
Laxalt
McClellan
McClure
McGee
McGovern
Moss
Packwood
Pearson
Roth
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Stevens
Stone
Talmadge
Thurmond
Young

NAYS—40

Abourezk
Bentsen
Biden
Brooke
Bumpers
Byrd, Harry F., Jr.
Case
Chiles
Clark
Culver
Eagleton
Fong
Ford
Glenn
Hart, Gary
Haskell
Humphrey
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
McIntyre
Metcalf
Mondale
Morgan
Nelson
Nunn
Pastore
Pell
Percy
Proxmire
Randolph
Schweiker
Stafford
Stevenson
Symington
Weicker

NOT VOTING—20

Bayh
Buckley
Church
Cranston
Durkin
Garn
Gravel
Hart, Philip A.
Hartke
Hathaway
Huddleston
Javits
Mathias
Montoya
Muskie
Ribicoff
Taft
Tower
Tunney
Williams

So Mr. CANNON's amendment was rejected.

Mr. McCLURE and Mr. MOSS addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. MOSS. Mr. President, I ask unanimous consent that I might proceed to present a message from the House and the appointment of conferees.

The PRESIDING OFFICER. Is there objection? Without objection, the unanimous-consent request is agreed to.

The Senater from Utah is recognized.

CONGRESSIONAL BUDGET, 1977

Mr. MOSS. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on Senate Concurrent Resolution 109.

The PRESIDING OFFICER (Mr. HANSEN) laid before the Senate the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 109) setting forth the congressional budget for the U.S. Government for the fiscal year 1977 and revising the congressional budget for the transition quarter beginning July 1, 1976, as follows:

Strike out all after the resolving clause, and insert:

> That the Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1976—
>
> (1) the recommended level of Federal revenues is $363,000,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $14,800,000,000;
>
> (2) the appropriate level of total new budget authority is $454,071,000,000;
>
> (3) the appropriate level of total budget outlays is $415,435,000,000;
>
> (4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $52,435,000,000; and
>
> (5) the appropriate level of the public debt is $713,710,000,000, and the amount by which the temporary statutory limit on such debt should accordingly be increased (over amounts specified in section 3(5) for the transition quarter) is $67,510,000,000.
>
> SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares pursuant to section 301(a)(2) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on

October 1, 1976, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $112,000,000,000.

(B) Outlays, $100,600,000,000.

(2) International Affairs (150):

(A) New budget authority, $9,200,000,000.

(B) Outlays, $6,500,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $4,600,000,000.

(B) Outlays, $4,500,000,000.

(4) Natural Resources, Environment, and Energy (300):

(A) New budget authority, $14,800,000,000.

(B) Outlays, $15,703,000,000.

(B) Agriculture (350).

(5) Agriculture (350):

(A) New budget authority, $2,262,000,000.

(B) Outlays, $2,029,000,000.

(6) Commerce and Transportation (400):

(A) New budget authority, $19,910,000,000.

(B) Outlays, $17,740,000,000.

(7) Community and Regional Development (450):

(A) New budget authority, $6,500,000,000.

(B) Outlays, $6,200,000,000.

(8) Education, Training, Employment, and Social Services (500):

(A) New budget authority, $24,617,000,000.

(B) Outlays, $23,004,000,000.

(9) Health (55H):

(A) New budget authority, $39,250,000,000.

(B) Outlays, $38,200,000,000.

(10) Income Security (600):

(A) New budget authority, $156,764,000,000.

(B) Outlays, $139,228,000,000.

(11) Veterans Benefits and Services (700):

(A) New budget authority, $20,459,000,000.

(B) Outlays, $19,975,000,000.

(12) Law Enforcement and Justice (750):

(A) New budget authority, $3,400,000,000.

(B) Outlays, $3,500,000,000.

(13) General Government (800):

(A) New budget authority, $3,497,000,000.

(B) Outlays, $3,470,000,000.

(14) Revenue Sharing and General Purpose Fiscal Assistance (850):

(A) New budget authority, $7,347,000,000.

(B) Outlays, $7,351,000,000.

(15) Interest (900):

(A) New budget authority, $41,400,000,000.

(B) Outlays, $41,400,000,000.

(16) Allowances:

(A) New budget authority, $4,990,000,000.

(B) Outlays, $2,960,000,000.

(17) Undistributed Offsetting Receipts (950):

(A) New budget authority, —$16,925,000,000.

(B) Outlays, —$16,925,000,000.

SEC. 3. The Congress hereby determines and declares in the manner provided in section 310(a) of the Congressional Budget Act of 1974, that for the transition quarter beginning on July 1, 1976—

(1) the recommended level of Federal revenues is $86,000,000,000;

(2) the appropriate level of total new budget authority is $96,300,000,000;

(3) the appropriate level of total budget outlays is $101,200,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light economic conditions and all other relevant factors is $15,200,000,000; and

(5) the appropriate level of the public debt is $646,200,000,000, and the amount by which the temporary statutory limit on such debt should accordingly be increased is $19,200,000,000.

Mr. MOSS. Mr. President, I move that the Senate disagree to the House amendment, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to and the Presiding Officer appointed Mr. MUSKIE, Mr. MAGNUSON, Mr. MOSS, Mr. MONDALE, Mr. HOLLINGS, Mr. CRANSTON, Mr. BELLMON, Mr. DOLE, Mr. BEALL, and Mr. DOMENICI conferees on the part of the Senate.

NATIONAL RANGELANDS POLICY ACT OF 1976

The Senate continued with the consideration of the bill (S. 2555) to establish a national rangelands rehabilitation and protection program.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the Cannon amendment was rejected.

Mr. HASKELL. Mr. President, a point of order.

Mr. MANSFIELD. I move to lay that motion on the table.

Mr. HASKELL. A point of order, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. HASKELL. Was the Senator on the prevailing side?

Mr. McCLURE. Mr. President, it was a tie vote. There was no prevailing side.

Mr. FORD. Mr. President, we cannot understand what is going on.

The PRESIDING OFFICER. Did the Senator vote in the negative?

Mr. McCLURE. The Senator voted in the affirmative.

The PRESIDING OFFICER. The Senator was not on the prevailing side, therefore, is not eligible.

Mr. McCLURE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLURE. Mr. President, in a tie vote is it not in order for a Senator on either side to ask for reconsideration?

The PRESIDING OFFICER. The Senator must vote with the prevailing side or not vote in order to move to reconsider.

Mr. McCLURE. What is the prevailing side if there is a tie vote?

The PRESIDING OFFICER. A negative vote is the prevailing side.

Mr. McCLURE. Excuse me.

The PRESIDING OFFICER. The negative vote is the prevailing side on the tie vote.

Mr. McCLURE. Mr. President, is that the ruling of the Chair?

The PRESIDING OFFICER. That is the ruling of the Chair.

Mr. MANSFIELD. Let us vote on the McClure amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment by the Senator from Idaho.

Mr. CANNON. Mr. President, I send an amendment to the desk to the amendment of the Senator from Idaho.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MANSFIELD. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. I believe the agreement was fairly ironclad, that immediately following the vote on the Cannon amendment the vote would occur on the McClure amendment; the Senate would then go to third reading and a voice vote and final passage which would occur; is that correct?

The PRESIDING OFFICER. The Senator is correct but an amendment to the McClure amendment is in order at this point without debate.

Mr. MANSFIELD. Mr. President, there was no stipulation made to that effect because I thought it was crystal clear, to use an old expression, that the vote would occur on the amendment to be followed by a vote on another amendment to be followed by third reading, to be followed by final passage. There was no stipulation made for amendments to amendments, motions, appeals, or anything else.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

The PRESIDING OFFICER. For the agreement, to exclude amendments would require that intervening amendments be out of order.

Mr. CANNON. I have been advised by the Parliamentarian that an amendment is in order. This is precisely the same amendment we voted on.

The PRESIDING OFFICER. That is the ruling of the Chair.

Mr. McCLURE. That was from 10 to 5 years. It is otherwise identical. It is added as an amendment to follow the last part of the McClure amendment.

The PRESIDING OFFICER. Debate is not in order.

The amendment will be stated.

Mr. HASKELL. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HASKELL. Is this amendment in order?

The PRESIDING OFFICER. The amendment is in order as an amendment to the McClure amendment.

Mr. MANSFIELD. Vote. Ten minutes.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Nevada (Mr. CANNON) for himself and Mr. HANSEN proposes an amendment. At the end of the amendment of the Senator from Idaho (Mr. McCLURE) add a new section:

The amendment is as follows:

On page 5, between lines 14 and 15, insert the following:

SEC. 8. Duration of Grazing Leases.—(a) Except as provided in subsection (b) of this section, permits and leases for domestic livestock grazing on (1) lands within the purview of the Taylor Grazing Act (43 U.S.C. 315) and the Act of August 28, 1937 (43 U.S.C. 1181a–1181j) or (2) lands within the national forest or administered in connection therewith, shall be issued for a term of five years. Such permits or leases shall be issued subject to such terms and conditions as the Secretary of the Interior, in the case of such permits or leases under his jurisdiction, or the Secretary of Agriculture, in the case of such permits or leases under his jurisdiction, deems appropriate and consistent with applicable Federal law, including the authority of the Secretary concerned to cancel, suspend, or modify a grazing permit or lease, in whole or in part, pursuant to the terms and conditions thereof, or to cancel or suspend a grazing permit or lease for any violation of a grazing regulation or of any term or condition of such grazing permit or lease: *Provided*, That such terms and conditions shall provide that, except in cases of emergency, no permit or lease shall be canceled under this subsection without two years' prior notification.

(b) Permits or leases may be issued by the Secretary concerned for a period shorter than ten years where the Secretary concerned determines that—

(1) the land is pending disposal; or

(2) the land will be devoted to a public purpose prior to the end of ten years.

(c) So long as (1) the permittee or lessee is in compliance with the rules and regulations issued and terms and conditions in the lease specified by the Secretary concerned, and (2) the permittee or lessee accepts the terms and conditions to be included by the Secretary concerned in the new permit or lease, the holder of the expiring permit or lease shall be given first priority for receipt of the new permit or lease.

(d) Whenever a permit or lease for grazing domestic livestock is canceled in whole or in part, in order to devote the lands covered by the permit or lease to another public purpose, including disposal, the permittee or lessee shall receive from the United States a reasonable compensation for the adjusted value, to be determined by the Secretary concerned, of his interest in authorized permanent improvements placed or constructed by the permittee or lessee on lands covered by such permit or lease, but not to exceed the fair market value of the terminated portion of the permittee's or lessee's interest therein.

Mr. MANSFIELD. Vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment and a 10-minute rollcall has been agreed to.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays, because they were not ordered on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Vote.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Idaho (Mr. Church), the Senator from California (Mr. Cranston), the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Hartke), the Senator from Maine (Mr. Hathaway), the Senator from Kentucky (Mr. Huddleston), the Senator from New Mexico (Mr. Montoya), the Senator from California (Mr. Tunney), the Senator from New Jersey (Mr. Williams), and the Senator from Michigan (Mr. Philip A. Hart), are necessarily absent.

I further announce that the Senator from Connecticut (Mr. Ribicoff) and the Senator from New Hampshire (Mr. Durkin) are absent on official business.

I also announce that the Senator from Maine (Mr. Muskie) is absent because of illness.

I further announce that, if present and voting, the Senator from Connecticut (Mr. Ribicoff) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley), the Senator from Utah (Mr. Garn), the Senator from Maryland (Mr. Mathias), and the Senator from Texas (Mr. Tower) are necessarily absent.

I also announce that the Senator from New York (Mr. Javits) and the Senator from Ohio (Mr. Taft) are absent on official business.

The result was announced—yeas 45, nays 35, as follows:

[Rollcall Vote No. 161 Leg.]

YEAS—45

Abourezk
Allen
Baker
Bartlett
Beall
Bellmon
Brock
Burdick
Byrd, Robert C.
Cannon
Curtis
Dole
Domenici
Eastland
Fannin
Goldwater
Griffin
Hansen
Hatfield
Helms
Hollings
Hruska
Inouye
Laxalt
Long
Magnuson
McClellan
McClure
McGee
McGovern
Moss
Packwood
Pearson
Pell
Roth
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stone
Talmadge
Thurmond
Young

NAYS—35

Bentsen
Biden
Brooke
Bumpers
Byrd, Harry F., Jr.
Case
Chiles
Clark
Culver
Eagleton
Fong
Ford
Glenn
Hart, Gary
Haskell
Humphrey
Jackson
Johnston
Kennedy
Leahy
Mansfield
McIntyre
Metcalf
Mondale
Morgan
Nelson
Nunn
Pastore
Percy
Proxmire
Randolph
Schweiker
Stevenson
Symington
Weicker

NOT VOTING—20

Bayh
Buckley
Church
Cranston
Durkin
Garn
Gravel
Hart, Philip A.
Hartke
Hathaway
Huddleston
Javits
Mathias
Montoya
Muskie
Ribicoff
Taft
Tower
Tunney
Williams

So Mr. Cannon's amendment to Mr. McClure's amendment was agreed to.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE and Mr. MOSS moved to lay the motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Senator from Idaho, as amended. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Idaho (Mr. Church), the Senator from California (Mr. Cranston), the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Hartke), the Senator from Maine (Mr. Hathaway), the Senator from Kentucky (Mr. Huddleston), the Senator from New Mexico (Mr. Montoya), the Senator from California (Mr. Tunney), the Senator from New Jersey (Mr. Williams), and the Senator from Michigan (Mr. Philip A. Hart) are necessarily absent.

I further announce that the Senator from Connecticut (Mr. Ribicoff) and the Senator from New Hampshire (Mr. Durkin) are absent on official business.

I also announce that the Senator from Maine (Mr. Muskie) is absent because of illness.

I further announce that, if present and voting, the Senator from Connecticut (Mr. Ribicoff) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley), the Senator from Utah (Mr. Garn), the Senator from Maryland (Mr. Mathias), and the Senator from Texas (Mr. Tower) are necessarily absent.

I also announce that the Senator from New York (Mr. Javits) and the Senator from Ohio (Mr. Taft) are absent on official business.

The result was announced—yeas 41, nays 39, as follows:

[Rollcall Vote No. 162 Leg.]

YEAS—41

Abourezk
Allen
Baker
Bartlett
Beall
Bellmon
Brock
Burdick
Byrd, Robert C.
Cannon
Curtis
Dole
Domenici
Eastland
Fannin
Goldwater
Griffin
Hansen
Hatfield
Helms
Hruska
Laxalt
Long
McClellan
McClure
McGee
McGovern
Moss
Packwood
Pearson
Roth
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stone
Talmadge
Thurmond
Young

NAYS—39

Bentsen
Biden
Brooke
Bumpers
Byrd, Harry F., Jr.
Case
Chiles
Clark
Culver
Eagleton
Fong
Ford
Glenn
Hart, Gary
Haskell
Hollings
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Magnuson
Mansfield
McIntyre
Metcalf
Mondale
Morgan
Nelson
Nunn
Pastore
Pell
Percy
Proxmire
Randolph
Schweiker
Stevenson
Symington
Weicker

NOT VOTING—20

Bayh
Buckley
Church
Cranston
Durkin
Garn
Gravel
Hart, Philip A.
Hartke
Hathaway
Huddleston
Javits
Mathias
Montoya
Muskie
Ribicoff
Taft
Tower
Tunney
Williams

So Mr. McClure's amendment, as amended, was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment, as amended, was agreed to.

Mr. CANNON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed

for a third reading and was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (S. 2555), as amended, was passed as follows:

S. 2555

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Rangelands Policy Act of 1976".

Sec. 2. Findings, Purpose, and Definitions.—

(a) The Congress finds that—

(1) despite increased efforts and expenditures of the Bureau of Land Management and individual users of the western public rangelands, many areas of the rangelands are producing less than their potential, a condition which threatens the livelihood of such users and the economic stability of neighboring communities, present levels of meat production, the quality and availability of scarce western water supplies, United States obligations to Mexico concerning the salinity level of the Colorado River, the maintenance of wildlife habitat, and the viability of flood prevention programs;

(2) the rangelands will remain in an unsatisfactory condition and some areas may decline further under present management levels; and

(3) this condition can be corrected by a national commitment to a program of improved management of the rangelands, a program which would provide the additional benefits of increased soil and watershed stability; protection of water quality and maintenance of present water production levels; expansion of the forage resource and a consequent rise in livestock production; enhancement, protection, and maintenance of wildlife habitat; reduced flood danger; and economic stabilization of communities and individuals dependent on such lands.

(b) The Congress hereby finds a necessity for, and declares a national commitment to, the rehabilitation and protection of the rangelands. It is the purpose of this Act to establish a program to identify the current rangeland conditions and trends; to plan and effect actions to correct deficiencies in such lands; and to restore such lands to, and maintain them in, as full productive capacity as feasible.

(c) For the purpose of this Act—

(1) "Secretary" means the Secretary of the Interior; and

(2) "rangelands" means lands administered by the Secretary through the Bureau of Land Management on which there is domestic livestock grazing, or other lands so administered which the Secretary determines may be suitable for domestic livestock grazing.

Sec. 3. Rangelands Inventory.—The Secretary shall develop within five years of the date of enactment of this Act, and maintain on a continuing basis thereafter, a comprehensive and appropriately detailed inventory of all rangelands. This inventory shall identify the resources of and deficiencies in the rangelands and shall be kept current so as to reflect changes in conditions.

Sec. 4. Rangelands Rehabilitation and Protection Program.—The Secretary shall develop, maintain, revise as necessary, and implement a rangelands rehabilitation and protection program for the improved management of the rangelands, which shall have as its purpose the correction of the deficiencies in the rangelands as inventoried pursuant to section 3 and the rehabilitation of such lands within thirty years of enactment of this Act. Thereafter, such program shall provide for the maintenance of, or improvement in, the productive capacity of such lands achieved at the conclusion of such period in a manner consistent with the protection and enhancement of resource values identified by this Act and with the multiple use, sustained yield concept of land management. Such program shall include plans for the various areas of the rangelands, which plans specify the actions, and the schedule thereof, to be undertaken on such areas within said thirty-year period. Such plans may identify areas of the rangelands which, because of their small relative size, minor resource value, scattered land ownership, or other reasons, are unsuitable for the improved management required by this Act and provide for appropriate management of such lands to arrest further decline in, and protect the multiple use values of, such lands.

Sec. 5. Rangelands Management.—The Secretary shall manage the rangelands in accordance with the rangelands rehabilitation and protection program.

Sec. 6. Participation of State and Local Governments, Users, and the Public.—The Secretary, by regulation, shall establish procedures, including public hearings or meetings where appropriate, to give State and local governments, users of the rangelands, and the public adequate notice and an opportunity to comment upon the rangelands rehabilitation and protection program during its preparation and implementation.

Sec. 7. Rangelands Report.—The Secretary shall prepare a rangelands report no later than two years after the enactment of this Act and at five year intervals thereafter. Such report shall be made available to the public and submitted to the Congress no later than one hundred and twenty days after the close of the appropriate fiscal year. The report shall include, in appropriate detail, an analysis of the condition of the rangelands, the implementation of the rangelands rehabilitation and protection program, and the advances made in meeting the purpose of this Act.

Sec. 8. Authorizations.—There are hereby authorized to be appropriated for the purpose of this Act additional funds over and above amounts already appropriated to the Bureau of Land Management in fiscal year 1976 for livestock management, soil and water, and wildlife, as follows: an increase of $10,000,000 in fiscal year 1977; additional increases of $5,000,000 per year each and every year in fiscal years 1978, 1979, and 1980; and increases of $500,000 per year each and every year from fiscal year 1981 through and including fiscal year 2006. Any increased amounts as authorized herein not appropriated in one or more years shall be authorized for appropriation in any subsequent year.

Sec. 9. Construction of Law.—Nothing in this Act shall be construed to diminish the authority of the Secretary under any existing provision of law.

Sec. 10. Rangeland Improvement Work.—The Secretaries of Agriculture and Interior are authorized and directed to develop regulations permitting the payment of up to 50 percent of the amount due the Federal Government from grazing permittees in the form of range improvement work.

Sec. 11. Duration of Grazing Leases.—(a) Except as provided in subsection (b) of this section, permits and leases for domestic livestock grazing on (1) lands within the purview of the Taylor Grazing Act (43 U.S.C. 315) and the Act of August 28, 1937 (43 U.S.C. 1181a–1181j) or (2) lands within the national forest or administered in connection therewith, shall be issued for a term of five years. Such permits or leases shall be issued subject to such terms and conditions as the Secretary of the Interior, in the case of such permits or leases under his jurisdiction, or the Secretary of Agriculture, in the case of such permits or leases under his jurisdiction, deems appropriate and consistent with applicable Federal law, including the authority of the Secretary concerned to cancel, suspend, or modify a grazing permit or lease, in whole or in part, pursuant to the terms and conditions thereof, or to cancel or suspend a grazing permit or lease for any violation of a grazing regulation or of any term or condition of such grazing permit or lease: *Provided,* That such terms and conditions shall provide that, except in cases of emergency, no permit or lease shall be canceled under this subsection without two years' prior notification.

(b) Permits or leases may be issued by the Secretary concerned for a period shorter than ten years where the Secretary concerned determines that—

(1) the land is pending disposal; or

(2) the land will be devoted to a public purpose prior to the end of ten years.

(c) So long as (1) the permittee or lessee is in compliance with the rules and regulations issued and the terms and conditions in the lease specified by the Secretary concerned, and (2) the permittee or lessee accepts the terms and conditions to be included by the Secretary concerned in the new permit or lease, the holder of the expiring permit or lease shall be given first priority for receipt of the new permit or lease.

(d) Whenever a permit or lease for grazing domestic livestock is canceled in whole or in part, in order to devote the lands covered by the permit or lease to another public purpose, including disposal, the permittee or lessee shall receive from the United States a reasonable compensation for the adjusted value, to be determined by the Secretary concerned, of his interest in authorized permanent improvements placed or constructed by the permittee or lessee on lands covered by such permit or lease, but not to exceed the fair market value of the terminated portion of the permittee's or lessee's interest therein.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. CANNON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HASKELL. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 2555.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business this afternoon it stand in adjournment until the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR COMMITTEES TO MEET UNTIL 12 NOON TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may meet until 12 noon tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR GOLDWATER TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized tomorrow morning, after the usual courtesies, that the distinguished Senator from *Arizona (Mr.* GOLDWATER) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the conference report on S. 3065. The clerk will report the conference report.

The legislative clerk read as follows:

> Conference report on S. 3065, an act to amend the Federal Election Campaign Act of 1971.

Mr. PACKWOOD. Mr. President, I believe when the unanimous-consent order came into effect at 3:30 I was in the midst of a question to the Senator from Nevada (Mr. CANNON) and the Senator from Oregon (Mr. HATFIELD) concerning—I want to use the words carefully, I do not want to say advisory opinions, but concerning—advice that can be given by the Federal Election Commission to a candidate who writes in trying to seek some direction from the Federal Election Commission as to whether or not a candidate can or cannot do a certain thing.

I wonder if I might pose the question again and have the Senator from Nevada answer. Is it permissible under this conference report language for a candidate who has not yet undertaken a particular action—in this sense it is a hypothetical action, and a candidate is seeking advice—who has not yet taken an action, to contact the Commission and ask the Commission's opinion and get an answer from the Commission as to whether or not the contemplated action is permissible under the law?

Mr. CANNON. If the question relates to a specific factual situation, which it could well do even though it is prospective, and relates to the application of a general rule of law stated in the act, or in chapter 95 or 96 of the Internal Revenue Code, or if it has already been prescribed as a rule or regulation, he could be so advised.

Mr. PACKWOOD. That is perfect. What we have is the Commission cannot make new law on this information, advisory opinion, but to the extent of existing law, or they have already issued, which has gone through Congress and been approved, the Commission is free to offer its advice to that extent.

Mr. CANNON. The Senator is correct.

Mr. PACKWOOD. I thank the chairman very much.

Mr. CANNON. For the benefit of Senators, I would like to announce that there will be no further rollcall votes this evening.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER (Mr. HANSEN). The Senator from Connecticut.

Mr. WEICKER. Mr. President, I rise to comment on the matter before us and the matters that are not before us.

Specifically, we have a piece of legislation concerned with our Federal election process and, most specifically, concerned with the financing of Presidential campaigns.

Time and again, the comment has been made, this legislation is Watergate reform, which brings me to the purpose of my discussion this evening and for the days that follow.

The legislation that is Watergate reform legislation is not, in two instances, even out of committee, never mind on the floor of the U.S. Senate.

The third instance, even though it is out of committee, it has not been discussed on the floor of the U.S. Senate.

I would like to read, if I might, the recommendations of the Watergate Committee on this business of public financing on page 572, article numbered 7:

> 7. The committee recommends against the adoption of any form of public financing in which tax moneys are collected and allocated to political candidates by the Federal Government.
>
> The Select Committee opposes the various proposals which have been offered in the Congress to provide mandatory public financing of campaigns for Federal office. While recognizing the basis of support for the concept of public financing and the potential difficulty in adequately funding campaigns in the midst of strict limitations on the form and amount of contributions, the committee takes issue with the contention that public financing affords either an effective or appropriate solution. Thomas Jefferson believed "to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors, is sinful and tyrannical."
>
> The committee's opposition is based like Jefferson's upon the fundamental need to protect the voluntary right of individual citizens to express themselves politically as guaranteed by the first amendment. Furthermore, we find inherent dangers in authorizing the Federal bureaucracy to fund and excessively regulate political campaigns.
>
> The abuses experienced during the 1972 campaign and unearthed by the Select Committee were perpetrated in the absence of any effective regulation of the source, form, or amount of campaign contributions. In fact, despite the progress made by the Federal Elections Campaign Act of 1971, in requiring full public disclosure of contributions, the 1972 campaign still was funded through a system of essentially unrestricted, private financing.
>
> What now seems appropriate is not the abandonment of private financing, but rather the reform of that system in an effort to vastly expand the voluntary participation of individual citizens while avoiding the abuses of earlier campaigns.

Now I cite this passage because I think it points out very clearly how soon we forgot the matters which came to our attention as a Senate and the American people not so many years ago.

To have this measure come on the floor and to have it argued as being worthy of passage, because it is Watergate reform is absolutely incorrect. It is not true. If we want Watergate reform, that is what we have not done.

I will state exactly what those measures are. They are the legislation presently bottled up by a combination of Rules and other Senate committees called oversight of CIA, FBI. I understand the Rules Committee has a bill coming forth on the floor of the Senate on May 10 which is nowhere near the legislation passed by the Senate Government Operations Committee. In fact, it is another study committee. But certainly the congressional oversight of the intelligence community needs correction and yet we have not acted on it in 3 years.

Privacy of individual tax returns. That is what is commonly known as the Weicker-Litton bill. It has had hearings both before Ways and Means and the Finance Committees. It is still bottled up in the Finance Committee. It has not come to the attention of the Senate. That is a Watergate reform.

Last, the Watergate reform bill itself, which encompasses full financial disclosure by elected officials, the establishment of a Department of Governmental Corruption in the Justice Department, the criteria by which a special prosecutor would be selected, and the creation of a Congressional Office of Legal Counsel. That is Watergate reform, and, as I say, that bill has not yet come to the Senate floor.

So let us understand then why it is that this Senator is more than a little upset as to the priorities of the Congress of the Untied States.

Apparently when it comes to political campaigns, apparently when it comes to getting a hand in the taxpayers' pockets, there is a great urgency about our actions. There is an intensity that associates with our actions as, indeed, there are self interests that need to be served, and we do so under the guise or within the Trojan horse of campaign reform, Watergate reform.

But when it comes to keeping our mind on the business of the United States, specifically its Constitution, specifically its political and governmental systems, then that legislation just moves at a very slow pace.

I suppose the question that came to my mind is, what do we do about it? Between a combination of the bureaucracies here, none of which want to relinquish any authority or power, the senatorial committees, none of which want to go ahead and relinquish any power, the executive branch of Government, which would just as soon see this whole thing fade away into the mist, the matter of reform is almost dead.

It seems to me, the last chance is to have the American people focus on our actions and to demand that we do pay attention to the priorities of the Nation rather than priorities of self.

It is my hope in the next several days there will be a demand from the American people that every Member of this body go on record as to whether or not he favors oversight of our law enforcement intelligence community, whether he favors strict regulations protecting taxpayer privacy, whether the systems be put into place to assure that many of the abuses of Watergate do not occur again.

That is the nature of this exercise. I

freely admit I think the basic legislation itself is wrong and I am against it, but I am not here to go ahead and filibuster that. I will vote against it.

At no time will we have such a contrast as between the priorities of the Congress and the priorities of the Nation as when we have before us the reform legislation, unattended, and the campaign legislation which has all the interest and procedures behind it.

As I said, I am not asking, Mr. President, that the Senate pass the matters that I have referred to. I just want an up-and-down vote. If we do not have the up-and-down vote before the Fourth of July, it is dead. It is not only dead for the year 1976, it is dead forever. It will not be voted on in any manner, shape, or form.

All I can say, we have already just taken a look at oversight legislation. I remember everybody felt that in order to have effective intelligence, law enforcement agencies accountability was necessary. Every Senator came before the committee, before his local media, and said, "Yes, we have to have some form of oversight."

The administration sent them up by the droves, even the Secretary of State and the Director of the CIA himself said that we have to have some sort of oversight.

That was months ago when the heat was on. Now, as I stand on this floor this evening, there is no push at all from the executive branch of Government and, indeed, it seems to be the political thing to do, to go back to the status quo.

At this time, Mr. President, if I may, I would like to read the address which I gave just this past Saturday at the University of Virginia Law School on the occasion of Law Day.

(Mr. HELMS assumed the Chair at this point.)

Mr. WEICKER. Mr. President, I read these comments made on Saturday because I think they best describe, after long thought, the principles that are involved in the discussion for the next several days:

Rights and liberties are a great challenge to every American generation.

But as we celebrate Law Day 1976 we seem to have forgotten that without excellence of procedures, rights and freedoms are going nowhere but out.

For every great right you enjoy as an American citizen, I can show how the key to that right is grounded in sound procedure.

Trial by jury.

The right to counsel.

Search warrant procedures before the invasion of one's home and private papers.

Innocent until proved guilty.

Rules of evidence that protect from hearsay and innuendo.

Due process.

I submit that procedure as much as substance upholds our government of laws. What is disheartening as we celebrate our bicentennial is that one of the most critical of all procedures—oversight of government by the elected—is being dropped from democracy's manual.

The media, the public, and most of our leaders are all too willing to say that sensational revelations and successful prosecutions are enough.

I know they are not.

The work of reform in the sense of procedures that protect our institutions and constitution has yet to advance one iota.

First and foremost is the need for genuine oversight procedures by the Congress. We need these to challenge and discipline the conduct of unelected officials, especially in the abuse-prone areas of secret government.

There should be a place for an American citizen to go when his own government turns against him—specifically, an Office of Official Corruption in the Justice Department. There should be full financial disclosure by all elected officials. Rigid procedures for protecting taxpayer privacy should be precisely legislated.

If some of these ideas sound vaguely familiar, they should. They are the important side of the crimes and abuses of the 1970's. They address the real issues of Watergate, of the Agnew case, of the misuse of the IRS, and of abuses of secret agencies such as the FBI and CIA.

Every one of these concepts is contained in legislation that is before the Congress this very minute—has been before the Congress for three years. And right now not one of them faces the prospect of becoming a reality.

As we revel in the prosperity of our first two hundred years, we are abandoning the protections that must be in place if there is to be value to a tricentennial.

Have we not learned the lesson of history, ancient and modern, that a system of government that depends on the good intentions and faith of men in power will, in the long run, be less reliable and more subject to abuse than a system of laws, which depends on independent standards secured by ongoing institutions?

Have we failed to learn the companion lesson of history, that no system of government and justice can, or should, survive if it comes to depend for its continued effectiveness on citizens' abdication of their basic rights in response to the blackmail of societal or personal selfishness—no matter whether that selfishness is apathy, bigotry, laziness or self-imposed ignorance?

No democratic system worth preserving should have to fear that its people will become aware of what their government is doing, and thereby exercise their right to control its conduct.

In the whirlwind of revelations, we seem to have missed the point, that there has been a common thread to the drama of recent years. That ever-recurring theme has been the failure of institutions and procedures.

Let us review the record.

My individual views in the Senate Watergate Report began with the observation that "Watergate was not a whodunit."

I went on to explain that Watergate was "a documented, proven attack on laws, institutions and principles."

The report then proceeded to enumerate 189 separate violations of the Constitution. As I stated at the time, "every major substantive part of the Constitution was violated, abused, and undermined during the Watergate period."

The important facts were not a break-in at Democratic Headquarters. Rather, they were such items as "an executive branch that approved a master intelligence plan (known as the Huston Plan) containing proposals that were specifically identified by that executive branch as illegal."

How did the executive get away with it? Simple. Nobody was looking, particularly in the Congress.

Over and over again, the record established with facts governmental abuse of our laws, systems and ideals. I was frankly amazed by a recent New York Times editorial which, commenting on the Church Committee report, stated, "It contains few disclosures that were not in the public domain. Thus the Committee did little to enrich the foundation of fact and public understanding required to achieve the legislative remedies which it found necessary and desirable."

You've got to be kidding. Three years of fact upon fact upon fact, Watergate Committee, Church Committee, House Judiciary Committee, Woodward and Bernstein, Special Prosecutors, SEC reports, Grand Juries, trials, press investigations and revelations, kiss and tell books, the Schlesinger report, Rockefeller Commission. Ladies and gentlemen, story-telling time in the USA had best give way to law-making.

And that is why I stand on my feet this evening and will tomorrow, and for as many days as it is possible to do so, to get us to do the business that will put matters aright in this country. No one else has the power to do that except this body along with the House and the executive branch of Government—

The incredible is that nothing has changed legally.

Except some of my colleagues have the gall to come in here and propose, as the great reform of the national nightmare of the past 3 years, Federal financing of Presidential campaigns with the intonation that, after that is through with, will have Federal financing of senatorial campaigns and congressional campaigns.

How did they ever get our priorities so screwed up?

There is still no effective oversight mechanism. There is still no independent prosecutor. There is still no financial disclosure by government officials. There is still no procedure to protect your tax return information from being misused.

Before Watergate there was the explanation of ignorance for the state of our government affairs. But now we know.

So, no more excuses of ignorance. No more speculations as to what it is that everyone is doing.

Very frankly, that knowledge that we now possess holds us to a higher standard of responsibility. If we do not do anything the alternative, de facto, is a nation in the gutter.

There are two ways our laws are made in this country: De jure, through the legislative legal processes, and de facto, as a matter of doing.

Before these abuses were laid out on the table, it would have been impossible to establish them as custom or as law. However, with everyone's full knowledge, these matters go uncorrected, it is only a matter of time before they then become the policies, laws, and customs of this Nation.

Maybe they are already there after 3 years. Maybe they are already that.

I noticed that many of the things that were spoken of in the years past have been laughed off by inaction. They are starting to creep into acceptance by the American people as a part of our political processes and governmental processes.

The Church and Pike committees have clearly documented its use by the CIA and the FBI. What do the findings of these investigations tell us about oversight procedures?

Begin with money. The House investigations tell us that some $10 billion is spent each year on spy activities and related expenses. Senate committee estimates are reported closer to $9.7 billion.

That comes to about 16 percent of all controllable expenditures by the Federal Government each year—in other words, 16 percent of the money left over after automatic spending, such as social security.

How closely did oversight scrutinize this huge chunk of funds? The answer is almost unbelievable. The investigations reveal, as just one example, that a few years ago the CIA could find literally nobody in Congress—a Congressman, Senator, or staffer—who would even listen to a budget presentation.

For years, J. Edgar Hoover told absolutely nobody in Congress what he spent on intelligence. Until last year, the executive branch had never even totaled up what we spend on domestic intelligence.

Why is the Congress surprised, then, when they discover waste and duplication in secret agency spending. Duplications alone are estimated to have cost an average of $1 to $2 billion a year for the last 10 years.

The response to these findings is even more bizarre. In an effort to get some type of compromise on setting up a new oversight committee, it has been proposed that the budget authority be taken away from the new committee and left in the hands of those who have ignored their responsibility for years.

That is not oversight. That is "blindsight."

It is my understanding that in the proposal of the Rules Committee on oversight, the proposal does little more than to set up another study committee. No budgetary authority is given to the committee, and its duration is limited. It would be comprised of the members of the various Senate committees that have not been doing their job over the past year.

It woud have investigatory or subpena authority. It would have no legislative or budget authority. It would, in effect, be a study commission.

What a testament to the impotence of this Congress and more specifically the Senate and more specifically the Rules Committee.

The House investigation revealed that just last year the United States finally ended its participation in a secret war in the Mid-East.

In 1972, Dr. Kissinger and the President, against the advice of the CIA and State Department, authorized the CIA to give massive military aid to the Kurds, who were fighting for their independence in Iraq.

You may never have heard of the Kurds, but tens of thousands of people died with your weapons. You were not told, much less asked, about it. Even more important, Congress was not told, for almost a year after our intervention.

That is no oversight. It is hindsight. So, now that we have learned about the failure of oversight to keep us appraised of such rudimentary events as wars, what do we do? We investigate those people in the House that brought you the bad news. And we cite this as a good example of how Congress cannot be trusted with oversight.

The Senate committee revealed that we tried to assassinate foreign leaders who disagreed with us. What the Senate did not tell you was that the chairmen of the two oversight committees in Congress were fully briefed about these plans at least 3 years ago.

They launched no investigation.

Why? Probably because the entire contingent of full-time staff support for CIA oversight committees in both Houses of Congress consisted of one person—and he was retired intelligence official.

Note the urgency when it comes to financing of Presidential campaigns, the rush to grab for the money and the incredible staffing, both as to the members and those who assist them on the Federal Election Commission. But when it comes to the business of oversight of the Intelligence and the Law Enforcement Committee, there is one staff member in both Houses.

That is not oversight. It is "weaksight."

As a final example, we have the case of the Italian elections. For years, the Communists have been gaining power because they offer one simple thing—relief from the debilitating corruption of Italian politics.

So, what does the U.S. Ambassador and Secretary of State offer in response? An attempt to buy the 1972 election for $10 million.

Not so smart, you say. It does not make sense that our Congress—leaders of the world's greatest democracy—would approve of that, because sooner or later, it is bound to catch up with us.

Well, do not be surprised, because Italy is just a classic example of the "shortsight" that the old committees have applied to oversight.

The fact is that too often recently we have tried to buy, bribe, coerce, or connive our way to short-term successes throughout the world regardless of the means necessary to achieve this.

Congress did not worry about its shortsight because they knew that the true story would never be told.

You see the overseers—those who now insist that no change is needed—had arranged it so they could not tell you the truth even if they wanted to.

That is right. They had adopted a system of classification of secrets that was controlled entirely by the executive. As of January 1, 1976, for example, there were 15,466 persons in the executive branch who could classify information. There was nobody in Congress, nobody, who could declassify.

Keep in mind that not a single classifying official in the executive branch is elected. Those officials charged with oversight are elected. I would say that is democracy turnd upside-down.

Certainly it is not oversight. It is "foolsight."

Would not any wrongdoer have loved going before the oversight committees of the Congress, instead of the committees of Mr. Ervin and Mr. Rodino? How different history would have been.

One thing emerges clearly. We know for sure what we do not have. Call it what you will—blindsight, hindsight, weaksight, shortsight, or foolsight—we do not have oversight.

Oh, yes, but we do have time to go ahead and make sure that Federal money is made available for the campaigns of the various Presidential candidates. The creation of an effective system to oversee the intelligence community is essential to the well-being of the Nation. It does not make any difference in the election sense. The Nation has done rather well in 200 years. But the Nation is not doing very well in the areas to which I have referred. But they can wait—as they waited last year and the year before and the year before that; and, on the basis of what apparently is coming out of the Rules Committee, as we will wait for the future.

My last hope, then, is not in the Senate of the United States. It is not in the House of Representatives. It is not with the President of the United States. It is not with the agencies. It is with the people of this country. The ball is in their court.

Let me say it very simply: You are not going to get any greater ethics or any greater excellence or any better solutions devised in the Oval Office, on the floor of the Senate, or on the floor of the House than you will get in the voting booths of this country. One is a reflection of the other.

The American people have been spectators in this process for too long, and the time has come now for them to express themselves as to what is important in their minds. Is it somebody's political campaign, or is it the Constitution of this country, under which their children are going to have to live? Is it the governmental and political systems of this country which have done so well by all of us, or is it an additional bumper sticker or campaign button that is important? That is what this debate is about. Let the Senators go on record as to where their priorities lay.

On this business of people expressing themselves, I recall that as I was growing up in the Northeast, it was the thing to do to point the finger at southern Senators and blame them for a lack of civil rights laws. It was those southern Senators, using rule XXII, who were to blame for the lack of civil rights laws in this Nation. Oh, no. It was not that easy. The Nation, itself, did not want civil rights laws—North and South. When the Nation finally got hold of its conscience and demanded action, it got action, regardless of rule XXII. That is what the Nation is going to have to do right now, if they want to go ahead and put this aright.

The game is only half over, and most all have picked up and gone home. Maybe "out to lunch" would be more descriptive.

What irony.

Because when this Nation was founded, we made much of the idea that we were to be "a government of laws and not of men."

Yet, as we approach the 200-year mark, nobody is asking what we have learned from two centuries of American laws at work.

We sell trinkets. We organize parades.

But is anyone concerned with the emerging dominance of men over laws in this country?

Perhaps it is because it is so easy to nod approval when some Fourth of July orator pays homage to "our government laws," with nobody ever having to explain what it really means.

The explanation is basic. People who founded this Nation wanted protection from men in power. And they wanted accountability, secured through institutions and procedures.

That is why they wrote into the Constitution that "a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time." Would they not be surprised to learn that 16 percent of our controllable spending is never published?

Maybe a government of laws sounds too academic. But there are some very practical things happening because good systems of law are not in place to protect us from man-made abuses and neglect.

Ten billion dollars spent without scrutiny is not academic.

Being on an enemies list is not academic.

Participation in the killing of thousands of Kurds is not academic.

Tax audits as political retaliation is not academic.

Buying an Italian election is not academic.

Overthrowing a freely elected government in Chile is not academic.

The problems are neither academic nor over. You say, we remember what went wrong from Watergate to the CIA, and nobody would try it again. You say, the President has issued Executive orders to prevent a reoccurrence.

This gets to the heart of the matter.

We are a nation of laws, not memories.

We are a nation of laws, not executive orders.

To view the national nightmares of the 3 years past as thrills and entertainment fails our children who will pay the price in their liberties. Those nightmares were: First, real; and second, our mistakes.

It is we who should pay the price. In law. Today.

Those were the comments I made 2 days ago in this first of the areas I have been discussing—the matter of oversight. They clearly show the history of abuse.

As we stand on the floor of the Senate this evening, each Senator would have to tell his constituents that, despite that record of abuses and despite the principles that are expounded, no action has been forthcoming from the Senate, from the Congress of the United States.

I recall when Senator MANSFIELD appeared before the Committee on Government Operations and testified as to oversight. He said:

> When the oligarchs in the Senate got through with me, we only had 28 votes.

He has been having this battle for 20 years. Again I quote Senator MANSFIELD:

> They were able to win because they had the hierarchs in the Senate in their pockets, and they were just loathe to change, as the CIA was to face up to change.

For 20 years he has waged that battle. I suppose I have no right to complain. For me it has been only a 3-year battle.

However, what should be of great concern to every American, aside from the constitutional principle, which I have mentioned, is that which is being proposed here in the way of accountability. Accountability would provide more effective intelligence-gathering, more effective law enforcement. There is a direct relationship between effectivenes and accountability. Without accountability the trouble starts.

Mr. President, to review where we stand on these various matters, let me insert in the RECORD at this time, a rundown as to the various pieces of legislation: Senate Resolution 400, which is intelligence oversight; the Watergate Reform Act, S. 495; and the tax privacy bill.

First, as to intelligence oversight, this legislation was introduced more than 20 years ago by Senator MANSFIELD.

In September of 1974, together with Senator BAKER, I introduced a measure calling for a joint congressional oversight committee.

In January of 1975, the Senate Government Operations Committee, responding to current pressures, reported legislation to create a permanent standing committee on intelligence. The resolution was simultaneously referred to the Committee on the Judiciary and the Committee on Rules and Administration.

The Rules Committee will report Senate Resolution 400 today. As reported, the Rules Committee proposes a Senate select committee on intelligence. The committee will be composed of 11 members—8 from Appropriations, Armed Services, Foreign Relations, and Judiciary, and 3 members at large. The select committee would have only oversight, investigatory and subpena authority but not legislative or budget authority.

I should like to read at this time an explanation of the action of the Rules Committee on this legislation:

> The Committee on Rules and Administration has given careful and due consideration to the establishment in the Senate of a Standing Committee on Intelligence Activities, as proposed by Senate Resolution 400. In the Committee's judgment the creation of such a standing committee at this time would be precipitate.

Twenty years for Senator MANSFIELD, 3 years for Senator WEICKER, and everything in between on this very subject, and it is going to be precipitate—let me repeat:

> The Committee on Rules and Administration has given careful and due consideration to the establishment in the Senate of a Standing Committee on Intelligence Activities, as proposed by Senate Resolution 400. In the Committee's judgment the creation of such a standing committee at this time would be precipitate and unwise, and constitute an overreaction to the recently disclosed and certainly undesired illegal and unauthorized activities within certain agencies of the Federal intelligence community.

It is an overreaction because all we want to do is to have Congress—in this case the Senate of the United States—perform the duties imposed upon it by the Constitution of the United States.

Nowhere in that document is an exemption given to any agency of Government from the accountability procedures of oversight by the Congress, nowhere.

No one has asked that the secrets of the CIA, in the sense of names and addresses and locations of agents or sources be revealed; none of that is asked by Senate Resolution 400. Senate Resolution 400 is an expression that oversight, in this instance, is of such importance that it has to be a primary function, not a secondary function, of some other committee, but a primary function of a Senatorial committee.

I will grant the best motives to my colleagues as to why it is they did not do their job over the last 20 years. It was specifically because they were too busy doing other things. As everybody knows, the oversight function in the sense of the FBI and CIA was a secondary function of the Armed Services Committee, or a secondary function of the Foreign Relations Committee. So again, granting them the best of motives or the best of excuses, I will accept that they did not perform their duties because there were other duties that were their primary function.

But that is no help to the people of the country. They are the ones who have to go ahead and live with these agencies. They are the ones who have to live with the abuses of these agencies.

I think that every one of us would agree that certainly we want an effective intelligence-gathering agency, and certainly we all want effective law enforcement. But there is no reason why we have to choose between that and the Constitution of the United States. That is the scare tactic that has been bandied about this town for the last several months.

I believe we can have intelligence-gathering and law enforcement and it can be constitutional, but not if there is no oversight procedure. That, in effect, is what is imposed on us by the Constitution. But, de facto, we have managed to shunt it aside, and when I read a comment that it is an overreaction to merely ask that we perform these legislative duties, imposed on us by the Constitution, I find incredible.

It goes on in this report, which we will all be reading:

> The Committee on Rules and Administration feels that the creation of any new standing committee of the Senate is a very serious undertaking.

You bet your last $2 bill it is. Far more serious, however, I would say are the unattended-to abuses of the past several years:

> The Committee on Rules and Administration feels that the creation of any new standing committee of the Senate is a very serious undertaking and should not be engaged in, if at all, until all implications of the action are thoroughly explored over a considerable period of time. In this Committee's judgment the time frame for such an important determination has not been available, especially in view of the Senate's direction to this Committee to report Senate Resolution 400 by April 30, 1976.

I realize that sometimes we get out of touch with reality around this place, but to make a statement like that in a Senate report—let me enumerate once again what we are talking about.

We are talking about the Schlesinger report, we are talking about the Rockefeller Commission report, we are talking about the Church committee report, we are talking about the House Intelligence Committee report. I might add that the Hoover Commission report of 1955 on the same matters and also made very similar recommendations. These are the ones specifically that gear-in on this subject—never mind the Watergate or the House Judiciary reports, which are specific. And then somebody has the gall to make that kind of a statement. Maybe they are right, maybe they are right on that committee. Maybe the American people are going to go ahead and forget:

> Two other factors have influenced the Committee's position in this respect. First, it would certainly appear unwise to rush into the creation of a new Standing Committee on Intelligence Activities before the Members of the Senate had an opportunity to study and digest the findings of the present Select Committee to Study Governmental Operations With Respect to Intelligence Activities, whose final report is in the process of being released. Secondly, since the Senate has just created a new Select Committee to Study the Senate Committee System, with a mandate to report to the Senate by February 28, 1977, it would certainly appear logical that any proposal to create a Standing Committee on Intelligence Activities should receive consideration by that Select Committee in conjunction with its overall study of committee jurisdictions.

I just hope the American people are listening to these reports and these words—delay after delay after delay; postponement after postponement after postponement, but not when it comes to people's political funding, not when it comes to political funding. Oh, that is urgent, that receives the highest priority. How ridiculous.

I know, Mr. President, that it is not going to be physically possible for me to forever delay the Federal Election Commission legislation. It is not my intention to do that, but I just do not think that ever before have the reverse priorities of Congress been in sharper focus than at this time, when the most serious legislative matters are put on the back burner and the ones that serve our own partisan interests have become a No. 1 priority.

Leaving the intelligence oversight for a minute and moving on to a status report of the other legislation, the Watergate Reform Act, that is S. 495, was introduced by Senator Ervin and the members of the Select Committee on Presidential Campaign Activities in December of 1974. The bill was voted to be reported by the Government Operations Committee on April 9, 1976. A detailed report is being prepared and the committee expects to report the bill to the Senate on Monday, May 10. There undoubtedly will be a referral to at least one other committee, maybe two.

On the matter of tax privacy, in the 93d Congress over 18 months ago the Weicker-Litton bill was introduced to protect the confidentiality of tax returns. Since that time this legislation has received strong editorial support and has been sponsored by over half the House and over one-third of the Senate Members. Extensive Senate hearings have been held by the Finance Committee and the House Ways and Means Committee.

Congressman Litton and I have testified on the following days: April 28, 1975, before the Senate Finance Committee on administration of the IRS Code; on July 10, 1975, before the House Ways and Means Subcommittee on the IRS; January 28, 1976, before the full Ways and Means Committee; on March 14, 1976, before the Privacy Commission.

Bills are still pending before the Senate Finance Committee and the House Ways and Means Committee. The Finance Committee has begun 5 weeks of markup sessions on tax reform legislation, and the Joint Committee on Internal Revenue Taxation staff has prepared a background paper on tax privacy.

There is a possibility that the Finance Committee may take it up before the end of May. However, there is a fear of the staff that the privacy issue will be laid aside because it is too controversial and there is not enough time to consider it.

So there you have the status report as to the real Watergate reform not the Federal Election Campaign Act amendments that is referred to in the Rules Committee by the chairman and others as being Watergate reform when, indeed the Watergate Committee specifically recommended against public financing. There is the status.

I ask unanimous consent at this time that there be printed in the Record at this point an editorial of the Washington Post of Sunday, May 2, 1976.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A FAILURE OF OVERSIGHT

> A slender Senate Rules Committee majority threatens to make a farce out of the Senate intelligence inquiry by (1) launching a tame—and utterly redundant—inquiry of its own and (2) blocking establishment of an effective permanent intelligence oversight committee. Offhand, we can think of no greater triumph of pettiness over public interest in recent time. The Rules majority, led by Chairman Howard Cannon (D-Nev.), speaks for the standing committees (especially Armed Services and Appropriations). The first thing to remember about these committees is that they did a lackadaisical and inept job of oversight in the past. The next thing to know is that they remain pretty much the captives of the agencies they are supposed to oversee, and that they do not wish to yield any of their responsibilities and prerogatives to a new oversight panel. To recite these failings and frail ties is to demonstrate the magnitude of what has—or, more accurately, has not—been done.
>
> The temporary Senate intelligence committee, which went out of business with its reports on foreign and domestic intelligence last week, is under some criticism for failing to time its biggest investigatory explosions for the period in which the oversight issue would be the first order of business in Congress. But come, now. Who can forget the earlier stark and stunning committee reports on official U.S. efforts to solve diplomatic problems with other nations by murdering their leaders or toppling their governments? Even the foreign-intelligence report issued last Tuesday, whose contents the committee negotiated out with the executive branch in order to avoid stalemate and gain consensus, had a full complement of abuses crying to be corrected by meaningful oversight. The CIA, for instance, was revealed to have bent to White House and Pentagon pressure and doctored a crucial intelligence report bearing on Soviet strategic intentions. The extent of loose and in some cases nonexistent policy control over covert actions was detailed as never before.
>
> One could go on. The point is that the need for effective oversight has been proven beyond any serious question. To restore oversight to the very panels whose inadequacy has been so thoroughly demonstrated is an exercise in the unthinkable. Intelligence oversight is not the primary business of any of these committees, anyway. They all have plenty to do without keeping an exclusive lock on a responsibility they have discharged so poorly in the past. The whole effort to put intelligence under the rule of law is in the balance. This effort requires not just establishment of a new oversight committee but passage of comprehensive new legislation to define and delimit the tasks of intelligence. The committee issue, however, is rightly seen as a crucial test case.
>
> Wittingly or not, the Senate barons balking committee change are handmaidens of executive abuse and patsies for executive power. Is this really the role that men like John Stennis and James Eastland, for instance, believe that a U.S. senator should play? The full Senate should reject the Rules Committee caprice when the matter comes to the floor in May, and construct oversight machinery that offers some hope of preventing recurrence of the abuses that the Church committee has so carefully and persuasively catalogued.

(At this point Mr. Ford assumed the chair.)

Mr. WEICKER. I would say that editorial states it rather well, Mr. President. It lays before the U.S. Senate the issue in very clear terms.

I do not want to take overly much time because I am sure we will have another go at it when we actually do get the legislation before us.

I feel that this is not the substance of what we are supposed to be discussing here. We are supposed to be discussing the FEC conference report, but they are inextricably wound.

All the time and attention that is paid to that agency and that principle could well be used in furthering the reform legislation denied this country for so long.

I think, Mr. President, what I will do at this time is read the individual views appearing in that Watergate report. As I stated earlier, many of the matters have gone uncorrected. It is the reason why I stand here before the Senate this evening.

I might add, this report was written before I had any knowledge of tapes or what was on those tapes. So it all had to be constructed or reconstructed. Here it is in May of 1976, this report was issued in June 1974, and nothing in that report has been refuted by either subsequent tapes or testimony, or whatever we have:

A STILLNESS

> In the early 1970's, several independent events took place in the United States of America. On the surface they appeared to lack a common bond.
>
> In June of 1969, a Louis Harris poll found that 25 percent of all Americans felt they had a moral right to disregard a victim's cry for help. Over the next several years, this

mood took the form of countless incidents of looking the other way when men and women were assaulted and murdered in full view of entire neighborhoods.

On May 1, 1970, at Kent State University in Ohio, a group of students who refused an order to disperse were fired upon by the National Guard, killing William Schroeder, Sandy Scheuer, Jeffrey Miller, and Allison Krause, and wounding nine others. Ten days later, at Jackson State University in Mississippi, police who had been called in to protect firemen from violence, opened a 28-second fusillade into and around a dormitory, killing Phillip Gibbs and James Earl Green, and wounding 12 others.

During 1971, a decision was reached by the administration to conduct the President's reelection campaign with a special committee totally separate and insulated from the political party which would renominate that President.

In early 1972, a young radio reporter in Miami stood outside a supermarket trying to get people to sign a copy of the Bill of Rights. Seventy-five percent refused, many saying it was Communist propaganda.

In February of 1972, it was revealed that International Telephone & Telegraph had allegedly offered a campaign contribution of $400,000 in return for the Justice Department dropping an antitrust suit against ITT. The suit was dropped on Presidential order, but when the Attorney General was questioned about the President's role by a Senate committee in March, he lied.

On June 17, 1972, burglars employed by the Committee to Re-Elect the President were arrested inside the headquarters of the Democratic National Committee with bugging equipment and large sums of cash.

In December of 1972, having failed to obtain congressional approval for a reorganization of the Cabinet, the administration moved autonomously to establish three or four "supersecretaries" and to place various executive office employees in key sub-Cabinet posts. The obvious goal was to create a White House-directed network of decision-making and reporting quite apart from the formal Cabinet structure which remained subject to congressional scrutiny.

In February of 1973, the White House held a peace-with-honor reception to celebrate the end of the Vietnam war. Only those Congressmen who had supported the President's Vietnam policies were invited, implying that those who had questioned our involvement in Vietnam were either against peace or were dishonorable.

Some of these incidents were matters of life and death and were well publicized. Others were matters of principle and were little noticed at the time.

In each instance a significant outrage had taken place.

What was common to all?

In each instance no one complained.

A constitutional stillness was over the land.

THE UPROAR

American decency, idealism, honesty and reverence for the Constitution that some had thought bought off has been stirring and reasserting itself for many months now.

Yes, a few still cry treason when questions are asked.

A few still espouse the end as justifying the means.

A few still goggle at an American title rather than the title of American.

But it was only yesterday, June 17, 1972 to be specific, that today's few were part of a large American majority.

Why the turnaround?

The truth!

Because Frank Wills discovered taped doors at the Watergate, America's doors didn't close in all our faces.

CONSTITUTIONAL DEMOCRACY IN THE ERA OF WATERGATE

For this Senator, Watergate is not a whodunit.

It is a documented, proven attack on laws, institutions, and principles.

The response to that attack was and is a Nation of laws at work, determining whether men shall prevail over the principles of a constitutional democracy. It has been and will be the testing of a great experiment in government begun some 200 years ago.

Laws, institutions, and principles were squarely before this committee, to be debated, probed and documented, in order to assert remedies and reassert time-honored concepts. Guilt or innocence was not an issue. This was a fact-finding body; it was a legislative body; and those duties go to the heart of what Watergate was all about.

In keeping with the committee's duties, this is a report of facts and evidence, leading to legislative recommendations. To document the abuse of laws, institutions, and principles, the facts and evidence are presented, first, as they bear on the basis of our laws, the Constitution; second, as they relate to the institutions of our Government; and third, as they affect the principles of our political system.

I. THE CONSTITUTION

One of the most disturbing facts about the testimony presented to this committee is that so much of it went relentlessly to the heart of our Constitution.

To appreciate what happened to the Constitution, it is useful to divide the seven articles and 26 amendments into substantive versus procedural provisions. The substantive sections lay out rights, powers, and duties. The procedural areas address somewhat more technical and administrative matters. The important point is that the essence and strength of the Constitution springs from its substantive areas, primarily the first three articles, the first 10 amendments and the 14th amendment.

Evidence presented to this committee can and will demonstrate that every major substantive part of the Constitution was violated, abused, and undermined during the Watergate period.

It is a record built entirely on the words of the participants themselves. Tragically, it focuses on the most prodigious article of the Constitution, article II, which sets out the powers and duties of the Executive. It includes the most significant individual rights guaranteed by the first 10 amendments, our Bill of Rights. And it encompasses the Fifth and 14th amendments' guarantees of due process of law, the foundation of our system of justice.

A. The Executive

Of all the issues confronting the Constitutional Convention at Philadelphia, the nature of the Presidency ranked as one of the most important. Indeed, the resolution of that issue is often cited as one of the most significant actions taken.

Most State constitutions prior to that time had weak executives and strong legislatures. The decision to create a President, as opposed to plural administrators, was a reluctant recognition of the advantages of a strong executive.

Nevertheless, the convention took steps to contain presidential power. Only after deciding the method of selecting a President, his term, mode of removal, and powers and duties did the convention agree to the concept of a strong President.

This bit of history, indicating that the delineation of the President's office and powers preceded the creation of his position in the constitional scheme, is quite important. It demonstrates that Executive power is to be exercised within the framework of the Constitution, and particularly, within the guidelines of article II, which lays out the powers and duties of that office.

This is much of what Watergate is all about, and it bears a close look at article II.

The issue at stake is the exercise of potentially awesome Presidential power. As to that issue, article II contains two points of significance. First, its opening words state: "The executive Power shall be vested in a President of the United States of America." This grant of Executive authority, with no words of limitation, has, from the time of Jefferson, been the basis for expanding the Presidential office and activities.

However, the initial broad authority is offset by a second significant factor, the enumeration of Executive powers later in article II. These declare in part that the President is to be Commander-in-Chief, make treaties, appoint ambassadors and other officers, grant pardons, and take care that the laws are faithfully executed.

It is worth noting that experience has eventually placed limits on the general powers. The President has been allowed, as a practical matter, to exercise those additional powers that fall naturally within his range of activities.

The important point, however, is that no President has been, or can be, allowed to conduct the executive branch in conflict with the Constitution taken as a whole, and certainly not in conflict with express sections of the Constitution, such as the Bill of Rights, or article I (the legislature) or article III (the judiciary). This then is the proper context for examining facts.

Article II of the Constitution, by which the Presidency was created, was violated from beginning to end by Watergate.

There is massive evidence of misuse of the awesome general powers that reside in the executive department.

There is equal evidence documenting abuses of the enumerated duties.

1. GENERAL POWERS AND DUTIES

The facts show an executive office that approved a master intelligence plan containing proposals that were specifically identified as illegal, that proposed setting up a private intelligence firm with a "black bag" or breaking and entering capability as secret investigative support for the White House, that set up its own secret police, that used its clandestine police force to violate the rights of American citizens, that hired a private eye to spy on its enemies, including their personal lives, domestic problems, drinking habits, social activities and sexual habits.

That circulated an enemies list, that developed plans to "use the available Federal machinery to screw our political enemies, that knew of an illegal break-in connected with the Ellsberg case and concealed that fact rather than report it to appropriate authorities, that used a Presidential increase in milk support prices to get $5,000 from the milk producers to pay for the Ellsberg break-in, that recruited persons for that break-in on the false pretense of national security, that offered the presiding judge in the Ellsberg trial the FBI Directorship at a clandestine meeting in the midst of the trial, that ordered a warrantless wiretap on a news columnist's telephone, that wiretapped 17 newsmen and government officials in an operation that was outside proper investigative channels.

That suggested firebombing the Brookings Institute, that set up an Intelligence Evaluation Committee outside the legitimate intelligence community to disseminate information that should have been restricted to individual agencies, that used the Secret Service to wiretap the President's brother, that kept $350,000 in left-over 1968 campaign funds in a safe in the Chief of Staff's office, that used most of those funds as hush money for the Watergate burglars, that approved a large contribution from the milk producers association after being told it was meant to gain access to and favors from the White House.

That received and passed on information about an IRS audit of one of the President's friends, that arranged for a tax attorney for the friend, that contacted the IRS as well as the Justice Department in a number of other tax cases involving friends of the President, that planned and possibly carried out a break-in at the office of a Las Vegas publisher, that suggested a break-in at the apartment of the man who attempted to assassinate Governor Wallace, that contemplated a break-in at the Potomac Associates offices, that tried to rewrite history by making up bogus State Department cables to falsely connect the Kennedy administration with the assassination of President Diem, that attempted to get reporter William Lambert to use the phony cables in a story, that tried to plant false stories connecting the President's opponent with communist money and the crimes alleged in the Ellsberg case.

That installed an elaborate system of taping conversations between the President and his staff or visitors, that told Federal investigators to stay out of the Ellsberg matter, that undertook a clandestine operation to hide a key witness in the ITT case in a Denver hospital where she was interrogated by Howard Hunt in disguise, that authorized and funded from within the White House a dirty tricks operation including scurrilous literature, late night telephone campaigns and advertising designed to offend local interests, seemingly sponsored by Democratic candidates, and physical disruptions directed against Presidential opponents, that planted spies, hecklers, and pickets in the Muskie and Humphrey campaigns, that participated in discussions of a campaign against Democrats to include prostitutes, mugging, kidnapping, bugging, and burglary.

That pressed for adoption of Liddy's Watergate plan, that was told of the authorization and budget for Liddy's plan, that believed it had received transcripts of illegal wiretaps and never reported that crime, that was warned of the planned break-in at the Watergate and did nothing to stop it, that knew the full scope of Liddy's activities shortly after the Watergate arrests and kept those facts from proper authorities, that shredded Watergate evidence in the Chief of Staff's files, that tried to use one of its executive branch agencies as a "cover" for the Watergate operation.

That was the scene of meetings at which high officials plotted to use the power and influence of the Presidency to cover up crimes and obstruct justice, that saw advisers invoke the power of the Presidency to use an FBI Director in ways that would eventually cause him to resign, that used the President's fundraising powers to collect illegal corporate contributions, to raise funds to finance a crime, and to collect bribes for a criminal case.

That discussed using the President's clemency prerogatives as early as July 1972, to keep the lid on Watergate and other crimes, while misleading the American people by calling Watergate a third-rate burglary, that made offers of clemency for improper purposes, that announced, in a Presidential statement, a Dean investigation clearing the White House, when there had in fact been a coverup not an investigation and the President had never, ever talked to Dean about Watergate, that discussed, in the oval office, unethical out-of-court contacts with the presiding judge in one of the Watergate civil suits, that purposely lied to the FBI and a Federal grand jury, that encouraged campaign officials to commit perjury and plead the fifth amendment to obstruct justice.

That used the President's personal attorney and White House staff to pay criminal hush money, and to pay for a private eye operating out of the White House, that used its influence to get raw FBI files for improper purposes, that prevailed upon the FBI not to interview certain witnesses, that used patriotic concern for the Presidency to pressure defendants to plead guilty in a criminal case.

That used its influence to get special treatment for high officials before a Federal grand jury, that plotted to cover up the Segretti story and denounced in the harshest terms those who uncovered the story, that noted "it would assuredly be psychologically satisfying to cut the innards from Ellsberg and his clique," that obstructed congressional investigations of Watergate and related matters, that filed Watergate countersuits for the distorted purposes of using subpena powers to delve into the financial and sexual activities of political opponents, that made numerous misleading or false statements about Watergate to the American people.

That failed to promptly inform proper authorities about knowledge of crimes involving White House officials, that forced the resignation of a Special Prosecutor, Attorney General, and Deputy Attorney General when their Watergate prosecution took an independent position, that suggested using the Attorney General's powers to keep a Republican opponent off the primary ballot in Florida, that used the Executive's authority over the media's regulatory agencies to intimidate the media, that ordered a personal tax audit, surveillance by an FBI agent and Secret Service agents, an an antitrust action, all in response to a newspaper article about one of the President's friends.

That tried to punish foundations with views different than White House policy by pressuring the IRS to review their tax-exempt status, that set up a program to insure that Government contracts, grants, and loans would, as a matter of Government policy, be political rewards, that treated the Presidential pardon as a political tool, that used its power over the tax-collection agency to gather intelligence on and harass political opponents, that issued instructions to hire a shaggy person with a McGovern button, to sit in front of the White House, and counter demonstrators at the funeral of J. Edgar Hoover, that infiltrated as Quaker vigil in front of the White House, that used the agency that is supposed to guard the President to spy on the President's political opponent, that ordered 24-hour surveillance of a political opponent, that used the departments to dredge up potentially embarassing information on Presidential contenders, and then leaked it to the press, that used White House influence to obtain CIA equipment for the Ellsberg break-in, that used its entrustment with our national security to convince four Cubans to burglarize a political party.

That ordered an FBI investigation of an unfriendly newsman to harass him, that proposed leaking confidential FBI files to embarrass the producer of a satirical movie, that used its control of important Watergate evidence and the privilege known as executive privilege to aid those supporting the President and to deprive or delay those in opposition, that made plans to eliminate professionals in government service who placed their professional responsibilities above questionable White House political demands, that participated actively and formally in a campaign organization while drawing White House staff salaries, that ran secret letter-writing campaigns against Republican Senators, and that generally emasculated the Republican Party.

That . . . all of that . . . violated the concept of executive power in article II of the Constitution. Extensive as the record is, it represents only selected examples.

The important point is that it is certainly not what our Founding Fathers had in mind when they envisioned the Presidency.

2. ENUMERATED POWERS AND DUTIES

The enumerated powers and duties of the President's office are set forth beginning with section 2 of article II. That section grants the President direct power over Cabinet officers. Much testimony before this committee demonstrated how those officers were used on behalf of the President's office.

For example, an Attorney General, for a significant period of time, ran the President's reelection campaign while still in office at the Justice Department. His reason for this role was that, "it is very, very difficult to turn down a request by the President of the United States," even though the Attorney General himself later testified that he felt such a role in politics while still in office was wrong. As an illustration of the extent of that role, memos from CRP, such as one entitled "Grantsmanship," suggesting an effective method of "insuring that political considerations" be used in Federal programs, were sent to the Attorney General from May 1, 1971, onward. At one point, it was even suggested that the Attorney General wield the power of his office to keep a Republican contender off the primary ballot in Florida. That campaign role also included an extraordinary meeting in the Attorney General's very office, to review plans for bugging, mugging, burglary, prostitution, and kidnaping.

Another Attorney General was placed in the awkward position of being asked immediately after the Watergate break-in to help get Mr. McCord out of jail before he was identified. He was soon thereafter warned of White House concern with a too aggressive FBI investigation. He was then asked to provide raw FBI Watergate files, improperly, to the White House. That same Attorney General was later used as a secret contact with this committee's investigation of Watergate, and was then removed from office in an apparent connection with the Watergate affair. He eventually became the first Attorney General in history convicted of a crime, for his testimony about Presidential interference in an antitrust case involving a major contributor.

A third Attorney General was forced to resign his office when he backed the special prosecutor's procedure for obtaining Watergate evidence from the White House.

An Assistant Attorney General was also asked to provide raw FBI Watergate files, again improperly, to the White House, and was later told by the President not to investigate the Ellsberg break-in. A Deputy Attorney General was forced to resign when he backed the special prosecutor's decisions in the Watergate case. An Assistant Attorney General gave confidential Justice Department and FBI intelligence information to the President's reelection campaign, at the direction of the White House.

Three Attorneys General, a Deputy Attorney General, and two Assistant Attorneys General. And all this was done on behalf of the Presidency, which has a constitutional responsibility to "take Care that the Laws be faithfully executed."

With respect to other Cabinet officers, a Secretary of Commerce with all the authority as to corporate affairs that goes with that position, was placed in charge of raising funds for the President's reelection, including, as it turns out, a number of illegal corporate contributions. A Secretary of Treasury met with a milk producers association and supported their request for higher price supports. After the President granted higher support prices, the milk producers arranged for him to be offered at least $10,000 in cash for his personal use, a transaction for which he has been criminally indicted. . . .

And I think the Record should point out, of which he was absolved, declared not guilty.

. . . He later aided them in tax and antitrust matters at a time when a large contribution to the President from the milk producers was being arranged.

The Commissioner of the Internal Revenue Service was criticized because "practically every effort to proceed in sensitive areas is met with resistance, delay, and the threat of derogatory exposure." The Director of the CIA, according to his own testimony and that of his assistant, was called to the White House and asked to use the CIA to cover up Watergate. The Acting Director of the FBI was brought to the White House and given material from the safe of one of the Watergate burglars, to keep it hidden, an act which resulted in his eventual resignation. That same Acting Director turned over raw FBI files on Watergate to the White House, perhaps illegally, when assured it was at the President's request, which request the President has confirmed in public statements. He was rewarded by being left to "twist slowly, slowly in the wind" while his nomination to permanent Director was pending before the Senate, even though the President had reportedly already abandoned him.

This is how the officers in the departments and agencies were used by the White House, and it is clear that those activities did not pertain to "any subject relating to the Duties of their respective offices," as the Constitution requires in its grant of Presidential authority in this area.

Immediately following the section in article II granting authority over departments and agencies, is a section giving the President the "power to grant Reprieves and Pardons for Offenses against the United States."

There is undisputed testimony that defendants in the Watergate criminal case were offered clemency in exchange for their silence. Aside from the issue as to who authorized the officers, they were particularly firm in the case of one defendant who was apparently ignoring the game plan. It must be recalled that only the President can grant clemency, and that by his own admission he discussed clemency as early as July 1972, when Watergate was being described as only a "third-rate burglary."

There is the well-documented case of a request from a former Senator, and close friend of the President, for a pardon on behalf of a prominent Jewish figure in Florida, because of the political advantage that would follow. That pardon was granted. The beneficiary then gave the President's campaign $30,000.

Article II also gives the Executive the power to appoint ambassadors. Whereas this has often been a source of political reward, there is substantial evidence of an unusually well-organized and enforced program of ambassadorships for sale, in return for specific support in the 1972 Presidential campaign.

Along with appointive power for ambassadors, the Executive has appointive power over lesser "Officers of the United States." This power was used, for example, as a reward for at least one participant in Watergate, who received a prominent position in the Department of Commerce. Another CRP official in charge of certain spy activities pointedly reminded the White House of the work he had done when he applied for employment after the election. Plans were also drawn up to use this appointive power in the President's second term to get rid of officials, across the board, who rightfully placed their professional responsibilities in the way of White House political demands.

These enumerated powers and duties of the executive are followed with the duty to "take Care that the Laws be faithfully executed." Evidence was presented to this committee of a break-in by a White House unit, which break-in contributed to a mistrial in a major national security case, the Ellsberg case. Illegal use of wiretaps and agent provocateurs by the administration was the direct cause of mistrials or dismissals in most major conspiracy cases brought by the Federal Government during this same period.

This was an executive branch that conspired to present perjury, lie to the FBI, and pay for the silence of key witnesses in the Watergate case. This was the Executive that knew of a break-in related to the Ellsberg case and failed to take any action or report that fact. This was the Executive that told an Assistant Attorney General not to investigate the Ellsberg matter. This was the administration that learned of the Watergate planning sessions, budget approval, that received illegal wiretap transcripts, and covered up or failed to promptly report White House involvement in Watergate as those facts became known.

This is the White House that pressured the IRS, the Antitrust Division of Justice, the CIA, the FBI, the Secret Service, and the FCC to enforce laws not "faithfully," but "selectively."

This is the same White House in which the President said in a conversation with John Dean on September 15, 1972. "We have not used the power in this first 4 years as you know. We have never used it. We have not used the Bureau (FBI) and we have not used the Justice Department but things are going to change now." The following months may or may not have been a change from what had been going on in 1970, 1971, and 1972, but they certainly were a sad chapter for our system of laws.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS PASTORE AND PELL ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, Mr. Pastore and Mr. Pell be recognized each for not to exceed 15 minutes and that they may determine between themselves as to whom will go first.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATORS GOLDWATER AND BARTLETT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, after the orders for the recognition of Mr. Pastore and Mr. Pell have been completed, Mr. Goldwater and Mr. Bartlett be recognized for not to exceed 15 minutes and in that order.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RESUMPTION OF CONSIDERATION OF THE CONFERENCE REPORT ON THE FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the orders for the recognition of Senators on tomorrow or at 11 a.m., whichever is later, the Senate resume consideration of the then unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE ON THE JUDICIARY TO MEET ON WEDNESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet on Wednesday afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 10 a.m. tomorrow.

After the two leaders or their designees have been recognized under the standing order, Mr. Pastore and Mr. Pell will be recognized, each for not to exceed 15 minutes; and it is to be determined between them as to which Senator will proceed first.

Upon the completion of those two orders, Mr. Goldwater and Mr. Bartlett will be recognized, each for not to exceed 15 minutes and in the order stated.

At the conclusion of the orders for the recognition of Senators, or at 11 a.m., whichever comes later, the Senate will resume consideration of the conference report on the Federal Election Campaign Act. It is hoped that there will be a final vote thereon tomorrow. That remains to be seen. Other matters could come up during the day. That also remains undetermined.

ADJOURNMENT UNTIL 10. A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and, at 6:01 p.m. the Senate adjourned until tomorrow, May 4, 1976, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate **May 3, 1976**:

In the Coast Guard

The following officers of the U.S. Coast Guard for promotion to the grade of rear admiral:

Wayne E. Caldwell, Charles E. Larkin, Jr., Anthony F. Fugaro, and Norman C. Venzke.

The following rear admiral of the U.S. Coast Guard to be Commander, Pacific Area, U.S. Coast Guard, with the grade of vice admiral while so serving:

Rear Adm. Austin C. Wagner, Commander, Pacific Area.

DEPARTMENT OF DEFENSE

Eugene V. McAuliffe, of Massachusetts, to be an Assistant Secretary of Defense.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE COAST GUARD, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, AIR FORCE AND MARINE CORPS

Coast Guard nominations beginning Leonard P. Brooks, to be commander, and ending Edwin J. Roland, Jr., to be commander, which nominations were received by the Senate and appeared in the Congressional Record on April 9, 1976.

National Oceanic and Atmospheric Administration nominations beginning William J. Lounsbery, to be lieutenant, and ending David C. McConaghy, to be lieutenant (j.g.), which nominations were received by the Senate and appeared in the Congressional Record on April 26, 1976.

Air Force nominations beginning Ronald R. Ackerman, to be lieutenant colonel, and ending Robert A. White, to be major, which nominations were received by the Senate and appeared in the Congressional Record on April 12, 1976.

Marine Corps nominations beginning Robert H. Starek, to be lieutenant colonel, and ending Alexander S. Wukman, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on April 9, 1976.

HOUSE OF REPRESENTATIVES—*Monday, May 3, 1976*

The House met at 12 o'clock noon.

The Chaplain, the Reverend Edward G. Latch, D.D., offered the following prayer:

By this all men will know that you are My disciples, if you have love for one another.—John 13: 35.

Almighty God, our Heavenly Father, who art ever seeking to lead Thy children in right paths, grant Thy light and Thy truth unto the Members of this House of Representatives that they may be given wisdom to know Thy ways, courage to walk in them, and strength to continue until their life's end.

Bless our land and the people who live on it. By Thy grace heal our national wounds, forgive our misdoings, renew our minds, and give us the spirit to trust Thee more fully and to love one another more sincerely. So shall we make our Nation good in her greatness and great in her goodness.

In the spirit of the Master we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

CHANGING THE MEMBERSHIP OF THE NATIONAL ARCHIVES TRUST FUND BOARD

The Clerk called the bill (H.R. 10374) to amend section 2301 of title 44, United States Code, to change the membership of the National Archives Trust Fund Board.

There being no objection, the Clerk read the bill as follows:

H.R. 10374

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2301 of title 44, United States Code, is amended by deleting the first sentence and substituting in lieu thereof the following sentence:

"The National Archives Trust Fund Board shall consist of the Archivist of the United States, as Chairman, and the chairman of the House of Representatives Committee on Government Operations and the chairman of the Senate Committee on Post Office and Civil Service.".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL EMPLOYEE WITHHOLDING FOR TAXES IMPOSED BY CERTAIN NONINCORPORATED LOCAL GOVERNMENTS

The Clerk called the bill (H.R. 10572) to amend title 5 of the United States Code to provide that the provisions relating to the withholding of city income or employment taxes from Federal employees shall apply to taxes imposed by certain nonincorporated local governments.

There being no objection, the Clerk read the bill as follows:

H.R. 10572

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of section 5520(c) of title 5, United States Code, is amended to read as follows:

"(1) 'city' means any unit of general local government—

"(A) which—

"(i) is classified as a municipality by the United States Bureau of the Census, or

"(ii) is a town or township which, in the determination of the Secretary of the Treasury, (I) possesses, powers and performs function comparable to those associated with municipalities, (II) is closely settled, and (III) contains within its boundaries no incorporated places as defined by the United States Bureau of Census; and

"(B) within the political boundaries of which five hundred or more persons are regularly employed by all agencies of the Federal Government; and".

(b) The amendment made by subsection (a) shall take effect on the date of the of enactment of this Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That paragraph (1) of section 5520(c) of title 5, United States Code, is amended to read as follows:

"(1) 'city' means any unit of general local government which—

"(A) is classified as a municipality by the Bureau of the Census, or

"(B) is a town or township which, in the determination of the Secretary of the Treasury—

"(i) possesses powers and performs functions comparable to those associated with municipalities,

"(ii) is closely settled, and

"(iii) contains within its boundaries no incorporated places, as defined by the Bureau of the Census,

within the political boundaries of which 500 or more persons are regularly employed by all agencies of the Federal Government; and".

SEC. 2. The amendment made by the first section of this Act shall take effect on the date of the enactment of this Act.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Consent Calendar.

UNITED STATES SHOULD PURCHASE SURPLUS GRAIN TO CREATE FOOD BANK

(Mr. WEAVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEAVER. Mr. Speaker, according to the Washington Post, the CIA is scheduled to release today a study of weather and food production in the world, which warns that there will be political and economic upheavals beyond comprehension because of critical food shortages caused by adverse weather which will reduce crop production and cause worldwide starvation.

Mr. Speaker, it is time for the United States to create a strategic U.S. grain reserve. The time is running out, as the CIA report so clearly indicates.

Mr. Speaker, I plan to introduce a bill requiring the Government to purchase massive amounts of surplus grain and oil seeds and deposit them in the food bank. The food bank would have the double purpose of propping grain prices in times of surplus and assuring future food supplies.

Today we are selling grain to the Soviets, at prices often below the cost of production. Instead, the Government should purchase this grain and hold it for our own security or for higher prices abroad or for humanitarian relief which, considering the CIA report, will be essential before long.

PROHIBITING MEMBERS OF CONGRESS FROM BEING REIMBURSED FOR ANYTHING BUT COACH CLASS AIRLINE FARES

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, as the sponsor of House Resolution 560 to prohibit Members of Congress from being reimbursed for anything but coach class airline fares. I take more than a passing interest in who sits where on airplanes. On my way into Washington Sunday I saw Admiral Rickover on my flight sitting happily in the coach section with the rest of us.

Many important personages take the approach that the higher their status the more tax dollars should be expended on their care and feeding. That is one reason everyone's tax bill is so high.

Rickover believes otherwise, and I want to commend him for his thrifty attitude.

So I am always curious as to who is riding in first class and who is riding in tourist class. Yesterday I had more than an interesting event occur when I observed Admiral Rickover, who has always been one of my great heroes, climb aboard the plane and go back to the tourist section with the rest of us. I really want to commend the admiral because I think he sets a good example for all of us to follow and also set an example for when the taxpayers do their additions.

MAJOR LOOPHOLE IN CAMPAIGN REFORM BILL

(Mr. PEYSER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEYSER. Mr. Speaker, although I am in favor of campaign spending reform legislation, today I will attempt to amend the campaign reform bill due to a major loophole in the legislation. The loophole enables Senate campaign committees to contribute $17,500 to their candidates in a primary election.

My experience with the Republican National Senate Committee has convinced me that the public is being deceived by the manner in which these funds are solicited and dispersed, and I will move to defeat that kind of action by the Congress. What we have provided by this legislation is a way that Senate incumbents can get their hands on money that the public contributes in good faith, only to be deceived.

CONFERENCE REPORT ON S. 3065, FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976

Mr. HAYS of Ohio. Mr. Speaker, I call up the conference report on the Senate bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CALL OF THE HOUSE

Mr. WIGGINS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 222]

Andrews, N.C.
Andrews, N. Dak.
Badillo
Bell
Brinkley
Buchanan
Chisholm
Clancy
Clay
Cochran
Collins, Ill.
Conlan
Conyers
Cotter
de la Garza
Dellums
Dickinson
Diggs
Dingell
Drinan
du Pont
Eckhardt
Edgar
Edwards, Ala.
English
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fascell
Fish
Florio
Flowers
Foley
Ford, Tenn.
Giaimo
Gibbons
Gonzalez
Green
Hammerschmidt
Hayes, Ind.
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Hinshaw
Hungate
Hyde
Jenrette
Johnson, Colo.
Jones, Ala.
Jones, Tenn.
Kazen
Kindness
Krueger
Litton
McDonald
Macdonald
Madden
Mann
Matsunaga
Michel
Mikva
Mills
Mollohan
Moorhead, Pa.
Murphy, Ill.
Murphy, N.Y.
Nichols
Nix
O'Hara
Pepper
Pickle
Randall
Rees
Riegle
Roberts
Rodino
Ruppe
Santini
Sarbanes
Satterfield
Shuster
Skubitz
Stanton, James V.
Stark
Steelman
Steiger, Ariz.
Stuckey
Symington
Taylor, Mo.
Teague
Tsongas
Udall
White
Wilson, C. H.
Winn

The SPEAKER. On this rollcall 335 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONFERENCE REPORT ON S. 3065, FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976

The SPEAKER. The Clerk will read the statement.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of April 28, 1976.)

Mr. HAYS of Ohio (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER. The gentleman from Ohio (Mr. HAYS) is recognized for 30 minutes.

GENERAL LEAVE

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include extraneous material on the conference report under consideration, and that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report.

The SPEAKER pro tempore (Mr. ROSTENKOWSKI). Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is not my desire to bore the Members with a long dissertation on the conference report, but I feel an obligation to explain the basic—what seems to me the basic—outlines of the report. I propose to take about 10 minutes to do that, and then to yield to the other side, and then, lastly, to take time to answer Members' questions or to engage in whatever colloquy is necessary.

Mr. Speaker, the basic outlines of the Federal Election Campaign Act Amendments of 1976 were conceived in this body, and as chairman of the House conferees I am pleased to be able to report that the conference substitute is faithful to the House bill in all major respects. In submitting the conference report to you, I shall first briefly outline the major compromises arrived at by the conferees; then, since these compromises relate only to certain relatively narrow points, for the Members' convenience, I shall, in summary form, restate the essential outline of the bill; and, finally, I shall detail a few technical points that are of particular importance.

The conference substitute provision reconstituting the Commission is the same as the bill that passed the House except that two of the Commission's six members are to be appointed every other year rather than one Commissioner being appointed each year, and, except that detailed provisions governing the transfer of functions from the old Commission to the new Commission are included. The most important of these provisions is one assuring that only those rules and regulations consistent with these amendments will have continuing effect.

The conference substitute contains two amendments of substance to the definitional sections of the present law that were not contained in the bill as it passed the House. First, the provision of legal and accounting services to a national political party in connection with such party activities as a convention, or to a political committee or candidate in order to comply with the requirements of the act are excluded from the terms "contribution" and "expenditure" so long as the compensation received by the lawyer or accountant is paid by his regular employer.

Mr. Speaker, as I have said previously on dissertations on the Federal Election Campaign Act, it is a little like the Duke of Devonshire when he was presenting the budget of Queen Victoria, and looked up halfway through to find a number of the Members asleep. He said, "Damn boring, isn't it?" I suppose the same could be said about this, except that what I am putting in the RECORD now may be used by a lot of Members to refer to when the persons handling their campaign funds are asking them questions about what is legal and what is not.

Mr. Speaker, second, the exclusion of communications by a membership organization to its members and of a corporation to its stockholders from the term "expenditure" is qualified by requiring the reporting of the cost of communications which expressly advocate the election or defeat of a clearly identified candidate, other than those included in a communication primarily devoted to another subject, if the total amount spent in connection with an election is over $2,000.

The central purpose of this provision is to reach internal communications which are similar to the campaign literature put out by a candidate and his authorized committee. It follows that the provision does not reach editorials in union or corporate newspapers or similar statements made in the course of other activities. The Senate bill contained a more onerous reporting requirement which would have covered insubstantial costs and which in addition would have created serious accounting difficulties. The conference substitute is designed to pinpoint the major area of concern expressed by the proponents of the Senate provision while eliminating the defects I have just noted.

The provisions relating to the organization of political committees and to the act's reporting requirements contained in the bill that passed the House are unchanged except that the House conferees accepted the Senate proposal which requires political committees to keep records only as to contributions of over $50, rather than as to contributions of over $10 as required by present law; and accepted also the Senate provision that relieves political committees which receive and expend a total of less than $5,000 in a quarter from the off-year reporting requirements. The conferees also eased the burdens placed on candidates and political committee treasurers by including in the conference substitute the Senate provision stating the commonsense rule that candidates and treasurers are to be considered to have complied with the recordkeeping and reporting requirements of the act if they have used their best efforts to obtain and submit all required information.

The House conferees struck what I believe to be a statesmanlike compromise on the much-debated subject of the Federal Election Commission's authority to announce generally applicable principles of law through advisory opinions. That compromise permits the Commission to issue advisory opinions that are not reviewable by Congress but provides that those opinions shall be limited to applying to specific concrete factual situations generally applicable principles stated in the act itself or in rules and regulations which have survived congressional scrutiny. The paramount authority of Congress to prevent the Commission from disregarding legislative intent is therefore assured while the Commission's ability to respond promptly to legitimate requests for guidance concerning the meaning of the law as applied to particular facts is preserved. In this subject area, as when the Congress delineates the scope of authority accorded the courts in cases arising from an administrative agency, it is difficult, if not impossible, to do more than state the congressional mood. For, there is no bright line between the announcement of a general principle and the application of such a principle to a particular factual situation. But any fair-minded person will instantly grasp the message of the provision regarding advisory opinions. That provision announces the congressional determination that the Commission is to rely exclusively on its rulemaking authority to elaborate the meaning of the basic provisions of the law, and is to utilize its authority to render advisory opinions only to answer the residual questions created by unique circumstances that can never be fully anticipated in drafting generally applicable rules but which, because of the infinite variety of possible factual situations, inevitably arise.

With the exception of three narrow points, the provisions spelling out the civil enforcement authority granted to the Commission, and the criminal enforcement authority granted to the Department of Justice contained in the bill as it passed the House remain unchanged.

First, in conformity with the understanding stated in House Report No. 94–917, the conference substitute contains explicit statutory language permitting the Congress to veto a provision or interrelated series of provisions proposed by the Commission which state a single, separable rule of law. The statement of the managers makes it plain that this veto power does not include the authority to revise proposed regulations by disapproving a particular rule, phrase or sentence contained in a proposed rule or regulation.

Second, the House conferees agreed to delete the provision which, under certain circumstances, would have precluded the Commission and the courts from relying on properly prescribed rules and regulations.

Finally, the House conferees also agreed to the Senate proposal to delete the provision in the present law permitting the disqualification of candidates who have not filed reports.

The basic contribution limitations stated in the conference substitute represent an accommodation between the Senate bill and the House amendments. The conference substitute permits an individual or other person to contribute a maximum of $1,000 per election to a candidate; $20,000 per year to the political committees of a national political party; and $5,000 per year to any other political committee. The limitations on multicandidate committees are $5,000 per election to a candidate; $15,000 per year to the political committees of a national political party; and $5,000 per year to any other political committee. In addition, the conference substitute retains the provision applicable only to contributions by the senatorial campaign committees to candidates for the Senate, which states a $17,500 contribution limit in a calendar year.

The so-called antiproliferation rules contained in the bill as it passed the House are modified in two respects: To permit unlimited transfers between the political committees of a single political party; and to permit the transfer of funds between the principle campaign committees of an individual running for two separate Federal offices.

The extent to which corporations and unions may engage in political activity created perhaps the greatest amount of controversy. In this area, as in the others I have already described, the conference substitute follows the basic outline of the House amendments. However, certain provisions of the Senate bill which were designed to meet the objection that corporations had been unduly restricted were modified and included in the conference substitute.

First the general rules applicable to all other corporations are extended to the companies regulated by the Public Utility Holding Company Act.

Second, the individuals with whom a corporation may communicate on political subjects, reached through registration and get-out-the-vote drives, and solicited for contributions to a political fund was broadened to include professional employees who are not represented by a bargaining agent and supervisory employees other than foremen who directly supervise rank-and-file employees.

Third, the conference substitute includes a requirement that any person soliciting an employee for a contribution to a political fund must advise that employee that the money will be used for a political purpose and that he is free not to make a contribution.

Fourth, the conference substitute includes the Senate provision permitting membership organizations, cooperatives, and corporations without capital stock to solicit their members for contributions to a political fund.

Finally, the conferees agreed to a provision permitting corporations to solicit their stockholders and all their employees by mail twice a year, in a manner which assures the anonymity of those who do not choose to contribute or contributes $50 or less. A labor organization representing any employee of that corporation or its subsidiaries, branches, divisions, and affiliates is granted a correlative right subject to the understanding that the corporation has the choice of either providing the union with the necessary mailing list or retaining a third person to make the mailing.

Aside from the question concerning the maximum amount that a person may contribute to a political committee in cash, the provisions in the Senate bill and the House amendment which recodify the provisions formerly contained in paragraphs 611–617 of title 18, United States Code, were essentially the same. The conference substitute follows the Senate bill in providing that cash contributions over $100 are prohibited. With regard to the former 18 United States Code paragraphs 611 and 617, the conference substitute utilizes the language contained in the Senate bill.

The conference substitute makes the following changes in the provisions stating the act's criminal penalties:

As in the House amendment, the basic rule is that knowing and willful violations relating to the making, receiving, or reporting of contributions or expenditures where the amount involved is $1,000 or more is punishable by a fine not in excess of $25,000 or three times the amount involved, or imprisonment for not more than 1 year, or both.

However, the threshold amount for criminal violations: of the prohibition on coercive solicitation of contributions to a corporate or union political fund, of the prohibition on the making of contributions in the name of another, and of the prohibition on contributions in currency, is $250. Finally, knowing and willful violations of the ban on fraudulent misrepresentation of compaign authority are punishable as a crime without regard to the amount involved.

The conferees effected one change of substance to the prohibition in the bill as it passed the House concerning the public financing of Presidential elections.

The conference substitute provides that an individual cannot continue to receive matching funds if he fails to secure 10 percent or more of votes cast in two consecutive primaries.

As is often the case, the Senate took this occasion to deal with a number of extraneous subjects and the House conference refused to accept the Senate proposals. Thus, the provisions in the Senate bill relating to mass mailings, to a commission to study the Presidential nominating process, and to financial disclosure by Federal officers and employees are not contained in the conference substitute.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, am I correct in saying that it is the intent of the conferees that a Presidential candidate who has suspended his active candidacy may continue to receive matching payments for the purpose of deferring debts incurred prior to the suspension of his active candidacy, and that in such a situation the 30-day limit would not apply?

Mr. HAYS of Ohio. That is correct.

Mr. Speaker, that would have meant 400,000 employees. I am reliably informed; and 400,000 reports are not—I repeat—are not contained in the conference substitute.

But the House conferees did agree to an authorization for the Commission of $6 million for fiscal year 1976, $1.5 million for the transition period and $6 million for fiscal year 1977.

Mr. Speaker, I know that several Commissioners are sitting in the gallery; and although we are not allowed to address the gallery, I hope they will understand that they will not be able to come back for separate money, because as far as this chairman is concerned, they will not get it since it is not within the budget.

Finally, the House conferees insisted that the prohibition on honorariums contained in the present law, which was repealed by the Senate bill, be retained, and we insisted that it be retained—and this is the trading point—we agreed to an amendment which increased the net amount that may be received on a single occasion to $2,000, and the total net amount which may be received in 1 year to $25,000.

Mr. Speaker, if I had been thinking properly, we probably would have made that not $25,000, but set the ceiling at half of 1-year's salary. I think that might have gotten the message to the Senate even better than the $25,000 limitation.

Mr. HAYS of Ohio. The provisions of the conference substitute I have just detailed are based upon the following basic judgments.

First, that the proper response to the Supreme Court's decision in Buckley against Valeo was to reconstitute the Federal Election Commission in a manner which permits the President to appoint all six voting members subject to Senate confirmation.

Second, that the Commission should be accorded the independent powers necessary to enforce the law promptly and efficiently but subject to effective safeguards to assure that the Commission does not thwart the legislative will, or disregard the congressional determination that speedy settlement of complaints is preferable to the time-consuming and expensive process of litigation. The relevant provisions are those regarding advisory opinions, review of regulations, and the mandatory conciliation procedure embody these judgments.

Third, having reconstituted the FEC, it was deemed appropriate to centralize the authority to deal with complaints alleging on any theory that a person is entitled to relief because of conduct regulated by this act, other than complaints directed to the Attorney General and seeking the institution of a criminal proceeding in the Commission. Having taken that step, it has also been deemed appropriate to provide a system of civil sanctions for all violations except for substantial violations committed with a specific wrongful intent, for which criminal penalties are preserved.

Fourth, the Supreme Court did not simply overturn the method of selecting the Commission. It also ruled that a central feature of the regulatory scheme of the 1974 act—that dealing with independent expenditures—impermissibly intruded on the right of individuals and groups to use their resources to state their own views on political matters. That ruling required extensive revisions in the act's reporting requirements and in the provisions regulating contributions. In essence what has been done is to provide added reporting and disclosure concerning independent expenditures; and to sharpen the line between such expenditures and activity—such as reproducing a candidate's materials—which is the effective equivalent of making a direct contribution. In line with the distinction it drew between the making of independent expenditures and the making of contributions, the Court upheld the overall $25,000 limitation the 1974 act imposed on the amount an individual may contribute to political committees in 1 year. That limitation was intended to apply to contributions to political committees that made their own contributions to candidates and to political committees that utilize their resources to make expenditures supporting or opposing particular candidates. For in neither case is the right of an individual or group to state its own views inhibited, and in both a failure to regulate the right to provide a third person with added resources would perpetuate the evils against which the Congress legislated in 1971 and again in 1974. Thus, the scope of the additional contribution limitations imposed by the conference substitute is intended to be coextensive with the scope of the $25,000 limitation on contributions by an individual. Yet another major step to strengthen the contribution limitation provisions is the one that assures that closely connected entities cannot defeat the contribution limitations stated in the bill. To achieve this objective the complex and amorphous control criteria embodied in the 1974 act are replaced by a far simpler formal relations test whose meaning is spelled out in detail in the conference report.

The final major feature of the conference substitute is the elaborate compromise which protects rank and file employees from the coercive pressure inherent in direct solicitation by their employer to a corporate political fund. The accommodation reached grants corporations the right to use treasury money for such solicitations but conditions that right by imposing appropriate safeguards to assure that reprisals cannot be taken against an employee who does not contribute or who refuses to contribute as much as management wishes him to give.

Turning now to the narrow technical aspects of the conference substitute, there are several points that it is appropriate to underline.

It is intended that the grant to the Federal Election Commission of exclusive primary jurisdiction should be read generously. While that phrase is one utilized in other areas of the law, and as such has been accorded different meanings at different times and in different circumstances, the intent of this legislation is to centralize administration in the FEC to the maximum possible extent. By the same token it is our intent that the same rules apply whether the complaint concerns political activities by an individual, a corporation, or a membership organization such as a union.

Perhaps the most important phrase used in the enforcement section is "knowing and willful." As explained in House Report No. 94–917, that phrase refers to actions taken with full knowledge of all the facts and a recognition that the action is prohibited by law.

As all those who have followed this legislation know, two of the most controversial issues have been the extent to which corporations and membership organizations, including unions, should be required to report internal political communications, and the extent to which corporations should be allowed to solicit contributions from employees. With regard to the provision added to paragraph 301(f)(4) to settle the first of these disputed issues I wish to make it clear that when a single occasion is devoted to communications on a variety of subjects, even those relating to politics, the costs are reportable only if the major portion of the time—or in the case of a publication, the space—is devoted to advocating the election or defeat of a candidate. It should also be noted that while the $2,000 threshold figure is per election and not per candidate, it is also on a per organization basis. If several organizations finance a single covered communication, they are each chargeable only with the amount they have spent. Each corporation and union is only responsible for the amount of money it actually spends. As to the provisions of the new paragraph 321 dealing with corporate solicitations of employees, it should be noted that as indicated in the conference report, a corporation can directly solicit employees who also own stock—stockholder employees—only as part of an overall solicitation of stockholders and by and only utilizing staff methods as employed in soliciting nonemployee stockholders. This rule provides the necessary minimum measure of protection to employees who happen also to own a few shares of their corporate stock but who would, of course, be subject to employer coercion if they could be singled out and treated differently from the nonemployee stockholders. I would also emphasize that the House conferees refused to accept the broad and artificial definition of stockholder contained in the Senate bill. Like the rule I have just noted, this action was predicated on our determination to provide maximum protection for employees. And, for the same reason, the House conferees were not amenable to including a narrow definition of the term solicitation. Just as we left the definition of the term stockholder to the general corporate law, we determined that any action could fairly be considered a request for a contribution should be treated as a solicitation.

Mr. ULLMAN. Mr. Speaker, I concur with and join in this respect.

I rise to ask a question concerning the interrelationship between the Federal Election Campaign Act and section 527(f) of the Internal Revenue Code of 1954, which imposes a tax on otherwise tax-exempt entities if they engage in certain political activities. Can you advise me as to whether the bill before us broadens the scope of the terms political "contribution" and "expenditure" for the purposes of the Election Campaign Act? I raise this question because both the Federal Election Campaign Act and section 527(f) of the Internal Revenue Code are designed to deal with activities designed to influence the political process.

Section 610 of title 18 of the United States Code, which I understand is to become section 321 of the Federal Election Campaign Act, was understood by the tax-writing committees as permitting three specified types of expenditures by labor unions and trade associations.

First, section 610 specifically permitted labor unions and trade associations to spend money for internal communications with members, stockholders, and their families—but not to the general public—which might involve support of particular candidates.

Second, section 610 specifically permitted labor unions and trade associations to spend money to conduct nonpartisan registration and get-out-the-vote campaigns aimed at their members, stockholders, and families.

Third, section 610 specifically permitted labor unions and trade associations to spend money to establish, administer, and solicit contributions to separate segregated funds to be used for political purposes.

The tax-writing committees, in connection with enactment of section 527 of the Internal Revenue Code, understood that those particular categories of expenditures would not be subject to tax under section 527, when made by labor unions exempt under section 501(c)(5) of the Internal Revenue Code or when made by trade associations exempt under section 501(c)(6) of the Internal Revenue Code.

It was our intention, in order to promote uniformity and simplicity of regulation, that the tax law match the then existing Campaign Act restrictions.

I am concerned as to whether the statute before us is changing the campaign laws so that, in this respect, they will no longer match the tax laws.

Mr. HAYS of Ohio. The proposed amendments to the Federal Election Campaign Act agreed to by the conferees do not broaden the class of activities which are considered to constitute a political "contribution" or "expenditure"; indeed, with respect to corporations and trade associations, the amendments broaden the class of activities that are not considered to constitute the making of a political "contribution" or "expenditure" for the purposes of section 321 of the Campaign Act, but these changes are narrowly confined and should not have an effect on the interplay between that act and section 527 of the Code.

Mr. ULLMAN. Thank you for your comments. I am pleased to have this confirmation that the changes made by the Campaign Act now before the House in this area are not substantial. Since the tax laws on this point are not amended by the Campaign Act, this will result in some small differences between the tax law and the Campaign Act, but I am confident that this small difference will not create significant problems in the administration of these two laws.

Mr. HAYS of Ohio. Mr. Speaker, I have a summary of several pages, 26 items long, which I have already received permission to include with my remarks; and I submit that at this point.

The summary follows:

SUMMARY

To summarize, and to place those individual provisions in context, S. 3065, as amended in the conference substitute now provides in general:

1. That the six appointed commissioners shall be named by the President with the advice and consent of the Senate to serve staggered six-year terms and that no more than three members be from the same Party (the Secretary of the Senate and the Clerk of the House shall continue as ex-officio nonvoting members of the Commission).

2. The present commissioners will serve until new commissioners are appointed. Upon appointment, commissioners must terminate any outside employment within one year of confirmation.

3. Major actions by the Commission including initiation of civil suits, referral of criminal violations to the Justice Department, the establishment of guidelines or forms, and the issuance of advisory opinions would require an affirmative vote of four of the six commissioners.

4. Political committees are required to keep detailed records only for contributions in excess of $50. The demonstration of best efforts to obtain and submit required information by a treasurer of a political committee or candidate will be deemed compliance with reporting requirements. In non-election years, quarterly reports need only be filed if contributions and expenditures were in excess of $5,000 in such quarter.

5. The value of legal and accounting services to a national party or to a candidate or to a political committee are not considered as contributions or expenditures if the person paying for the services is the regular employer of the individual rendering the services.

6. Advisory opinions shall relate to the application of a general rule of law, which is stated in the Act or which has already been prescribed as a rule or regulation, to a specific factual situation. General rules of law may be initially proposed by the Commission only as rules or regulations subject to congressional review and not through the advisory opinion procedure.

7. Anyone involved in a transaction or activity which is indistinguishable in its material aspects from a transaction or activity upon whch an advisory opinion has been rendered may rely upon that advisory opinion.

8. Any person may file a written, signed, and notarized complaint with the Commission. The Commission may not act upon an anonymous complaint.

9. If the Commission determines that a person has committed or is about to commit a civil violation of Federal election law, it must for a period of up to 30 days try to correct such violation by informal methods of conciliation, conference, and persuasion. Complaints filed less than 45 days but not more than 10 days before an election will be subject to a concilation period of not less than one-half the number of days remaining in the election period. Unless a conciliation agreement is violated, the Commission will be barred from any further action. All conciliation agreements and determinations by the Commission will be made public immediately so that the 30-day conciliation period is terminated.

10. If the Commission is unable to settle an apparent violation of this act through conciliation, it may bring a civil action. The commission will have exclusive primary jurisdiction over civil actions to enforce the law.

11. The bill establishes a judicial appeals procedure for any person aggrieved by an order of the Commission dismissing his or her complaint or by the Commission's failure to act.

12. When the Commission has probable cause to believe that certain classes of knowing and willful offenses have been committed which are subject to fines up to $25,000 and

imprisonment up to one year, it may refer such apparent violations to the Attorney General for appropriate action.

13. Any FEC member of staff employee who discloses that an individual is being investigated by the Commission, without the written consent of the person being investigated, is subject to fine.

14. After prescribing rules and regulations the Commission will be required to transmit such rules or regulations to each House of Congress. For the purpose of reviewing regulations either House may disapprove any provision or series of interrelated provisions which states a single separable rule of law within 30 legislative days after submission.

15. Whenever a committee of the House of Representatives reports any resolution relating to a proposed rule or regulation of the Commission, it is in order at any time to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to. Although the motion to proceed to the consideration of the resolution is not debatable, debate may be conducted with respect to the contents of the resolution.

16. No person is permitted to contribute more than $1,000 per election to a candidate or his authorized committee; more than $5,000 per year to any other political committee; or more than $20,000 per year to a political committee established and maintained by a national political party. However, the overall limitation of $25,000 on the total contribution an individual may make is retained in the Conference Substitute.

17. No multi-candidate political committee would be permitted to contribute more than $5,000 per election to any candidate or his authorized committee; more than $5,000 per year to any other political committee; or more than $15,000 per year to the political committee established and maintained by a national political party.

18. Locals of a union, subsidiaries of a corporation, and other similarly structured groups are treated as part of the parent with respect to the $5,000 limitation on contributions to any one candidate or political committee.

19. Corporations are prohibited from soliciting contributions from anyone other than their stockholders, executive and administrative personnel and their families. Labor organizations are prohibited from soliciting contributions from nonmembers. A single trade association may only solicit funds from stockholders and executives and administrative personnel of member corporations (and their families). A membership organization, cooperative or corporation without capital stock or their separate segregate fund may solicit contributions from their members. However, a corporation or labor organization may make two written solicitations during the calendar year from any stockholder, executive or administrative personnel, or employee of a corporation. The solicitation is to be addressed to the residence and must state the political purpose and the person's right to refuse to contribute without any reprisal.

20. Corporations, labor organizations and other membership organizations must report costs of communications devoted to the express advocacy of the election or defeat of a clearly identified candidate, other than those contained in communications primarily devoted to other subjects, whose cost exceeds $2,000.

21. Anyone making independent exepnditures for the benefit of candidates for Federal office must file reports containing information comparable to that required of political committees.

22. Whenever an expenditure is made financing a communication that advocates the election or defeat of a candidate, such communication must be clearly identified as authorized by a political candidate or committee, or if not authorized by a candidate or committee, it must clearly identify the person making or financing the expenditure.

23. Honorariums are limited to $2,000 for each occurrence and $25,000 per calendar year excluding amount of travel and subsistence expenses for spouse or aide and agents' fees.

24. No person seeking the Presidency would be eligible for federal funds if more than $50,000 of his own funds or of the funds of his immediately family is spent.

25. If the Secretary of the Treasury determines there are insufficient monies in the dollar check-off fund to make payments to candidates, no monies would be available to make such payments from other sources.

26. Candidates who cease to campaign actively for the Presidency, or who fail to receive 10% or more of the vote cast in two consecutive primaries in which they are actively campaigning, would no longer be eligible to receive federal funds. In either case, a former candidate must return to the Treasury Department all funds received that are not being used to defray qualified campaign expenses.

Mr. Speaker, I had better end my remarks here and let the gentleman from California (Mr. WIGGINS) take some time.

Mr. WIGGINS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker and Members, election control laws are in their nature very partisan. I suppose that there will be strongly partisan Members of this body who will find that this conference report does not meet the partisan standards which they have set for acceptability. I say that with respect to both Democratic and Republican Members.

I want all the Members to know that this bill, dealing as it does, with an exceptionally emotional subject having partisan overtones has not been written by the AFL–CIO, nor has it been written by the U.S. Chamber of Commerce, nor was it drafted in the Democratic Caucus, and, quite obviously, it was not drafted in the Republican conference either.

This bill, partisan in nature with respect to its subject matter, deals, in my opinion, fairly with the subject and attempts to reconcile strongly held views by the AFL–CIO, the U.S. Chamber of Commerce, and Republican and Democratic groups. It reconciles these views fairly in my opinion and in a way which furthers the public interest.

Since this work was completed, I have been subjected to questions and comments by our colleagues, both for and against the conference report. Some of our friends in this Chamber do not believe there should be an election commission at all, and if you find yourselves in that category, you must vote against the conference report because we reconstituted the election commission.

Some Members of the body believe there ought to be an election commission, but are fundamentally opposed to public financing in any of its aspects. If you find yourselves in that position, I suppose you must vote against the conference report because public financing is continued with respect to Presidential candidates.

Parenthetically, Mr. Speaker, I also am opposed to public financing for the Presidential races and all others but a personal sense of fairness requires that I support the conference report. The time to deal with the issue of public financing is not in midelection when hundreds of thousands of dollars have already been dispensed. Fairness dictates that we postpone the ultimate resolution of the question of public financing until after the present election is over. Early in the next Congress, we should readdress this issue. Accordingly, those, who like me oppose public financing, still, out of fairness, ought to support this conference report.

Some have urged a simple reconstitution of the Commission and nothing more. That too is a position which I supported originally, but early on I came to the conclusion that any bill reported by this Congress must address itself to SUNPAC because the majority, for reasons which are plain, feels that the SUNPAC Advisory could not stand without modification. I believe any bill coming out of this Congress is going to have to deal with SUNPAC.

Second, the majority feels quite strongly that SUNPAC would not have occurred but for the abuse by the Commission of its powers to issue advisory opinions. Whether we like it or not, that issue is going to have to be dealt with in any bill approved by this Congress.

Mr. THOMPSON. Mr. Speaker, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from New Jersey.

Mr. THOMPSON. This Member of the majority who has studied the rule on SUNPAC, which is Advisory Opinon 223, does not feel that way. The genesis I feel for SUNPAC is the Federal Election Commission's misinterpretation, and a clear misinterpretation, of the legislative intent.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. WIGGINS. Mr. Speaker, I yield myself 1 additional minute.

The issue of advisories, and the issue of the Sun Oil Advisory in particular, will not go away by urging a simple reconstitution. This Congress is going to deal with those issues, now or later.

Mr. Speaker, in my remaining 30 seconds, let me say that we have dealt with both of those highly volatile, emotional, and, yes, partisan subjects, fairly and in a way which furthers the public interest.

Mr. Speaker, I strongly urge that, unless there is some conceptual opposition to the Commission under any circumstances, we vote for the conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. WIGGINS. I understand that. The gentleman has made that clear in earlier discussions on the floor.

Mr. FRENZEL. Mr. Speaker, I intend to support the conference committee report on S. 3065, the Federal Election Campaign Act amendments. I voted against the House bill when it was passed. I am not wholly satisfied with the conference committee report, but I am impressed that it is a great improvement over either the House or the Senate version and represents a good faith practical effort on the part of the conferees to produce a bill that will not unreasonably mess up our election laws, but will solve the problem of the Supreme Court decision.

I congratulate the House conferees, including the distinguished gentleman from Ohio, chairman of the House Administration Committee, with whom I have had and still have sharp disagreements on election laws, for producing what I think is about as good a bill as could possibly have come out of the two versions presented to the conferees.

After the House bill was passed, I criticized the following features in it: First, it reduced the independence of the Election Commission; second, it made unnecessary changes in the law in the middle of an election period; third, it created self-serving incumbent-protection devices; fourth, it reduced disclosure requirements and maintained existing loopholes; and fifth, it gave special fundraising preferences to union PAC's over their corporate counterparts.

Some of these flaws remain, but the conference committee tried to deal with each of them and in a number of instances made some notable improvements.

The worst remaining flaw is the attack on the independence of the FEC. The advisory opinion section is still bad, although it has been improved somewhat. The veto in whole or in part is still bad, but it has also been improved over the House version. If we were considering these features apart in a separate bill, I would certainly vote against it.

Many of the unnecessary changes in the law are still in it. There is still a great problem, because these suggestions are going to become law without proper hearings by our committee. That means we will have trouble with those parts of the law and with regulations which have to be drawn to help us make them work. Members of this House will criticize the FEC in the future for interpretation of these law changes, particularly with respect to the new civil processes, but I hope that those of us who are here now will remember that it is our vote.

On the positive side, it should be said that the conciliation process is a good idea, even if it has not had proper hearing. The emphasis on conciliation is good, and there should be less incentive on the part of potential political activists to decide that the law is too harsh for their own political participation.

The bill is still self-serving. It still provides for the conversion of excess contributions to personal use, for occasional transfers between committees, for outrageous increases in allowable honoraria, for audit of Presidential candidates before congressional candidates. In the overall, however, these are not nearly as important factors as in the need for us to reconstitute the FEC.

In the field of disclosure, the conference committee did some of its best work. The acceptance of the Packwood-Wiggins amendment on disclosure of union and corporate communications to members, employees, and stockholders is a terribly important feature. The reporting requirements during off-election years have been improved.

The conferees also did good work on the old chapter 610 now section 321. This part of the conference report defined to eliminate the SUNPAC decision, advisory opinion 23 of the FEC, was the last thing the conference committee settled. Philosophically, I find the settlement offensive, but from a practical standpoint, I believe that both unions, corporations and more importantly, their members, employees, and stockholders, will be able to participate responsibly in the political process. The conference version is better than the House or Senate bills. I do not believe that it will thwart any reasonable attempt at nonpartisan, good-Government-type activities on the part of either unions or corporations.

The particularly thorny problem of making one party's lists available to another party was solved in a responsible way. Perhaps without that final compromise, there would have been no bill.

Because I desperately want the FEC to be reconstituted, I commend those responsible especially for the last compromise, but generally for their work on the whole bill.

Mr. Speaker, even though the bill has many flaws, some of which I have pointed out here, I do not believe there is any flaw so significant in the bill that it needs to be vetoed. I would still prefer simple reconstitution of the FEC. That is obviously not a political possibility. Nor is there a good possibility to improve section 321 or the advisory opinion section after veto. Therefore, I intend to vote for the conference report as a responsible and practical compromise, and I urge Members of the House to do the same.

Mr. Speaker, there is one particular section that has concerned many Members. That is section 321 dealing with the SUNPAC decision. It has caused some concern because some of our large corporations who conduct nonpartisan good-Government-type information and educational activities are afraid that they may be restricted in some way. The Sears Roebuck Co. is one example of companies who are concerned.

In reading section 321, which was the old section 610, and in looking at the committee report, Mr. Speaker, I find no restriction on educational good-Government activities conducted by corporations which seek to inform and to educate their employees. Just because that kind of activity is not specifically exempted under this law, as an expenditure, I see no reason why any corporation should worry that such activity is illegal or subject to restrictions.

I do not believe such conduct is prohibited nor defined as an expenditure either expressly or implicitly in the law, or in conference report.

Mr. JOHN L. BURTON. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from California.

Mr. JOHN L. BURTON. I thank the gentleman for yielding.

Then it is the gentleman's feeling that there is nothing in the conference report that would in any way prevent a company, say, like Sears, Roebuck from having a Good-Government Day where they invite various officials and elected officials into their stores to talk to their employees on a nonpartisan good-Government basis?

Mr. FRENZEL. I certainly do not. It seems to me this bill expands the possibilities for unions and corporations rather than contracts the possibilities.

Mr. WIGGINS. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Speaker, I appreciate the gentleman yielding.

I share the views expressed by the gentleman in the well that the traditional good-Government activities conducted by the Sears corporation which permits candidates to come in before their employees to speak on issues of importance to the candidates in a forum setting is neither a contribution by the corporation nor by a political action committee organized by it, nor an expenditure by either. In my opinion such activities are not prohibited by this act. Such activities may continue if this bill is adopted.

The SPEAKER pro tempore. (Mr. ROSTENKOWSKI). The time of the gentleman from Minnesota has expired.

Mr. WIGGINS. Mr. Speaker, I yield the gentleman from Minnesota 1 additional minute.

Mr. JOHN L. BURTON. Mr. Speaker, I wonder if the gentleman from Minnesota would yield to the chairman of the committee to find out if the chairman agrees with the statements made by the gentleman from California.

Mr. FRENZEL. I yield to the gentleman from Ohio (Mr. HAYS).

Mr. HAYS of Ohio. Mr. Speaker, I agree with the statement, of course always bearing in mind that these arrangements must be equitable and nonpartisan.

Mr. FRENZEL. I thank the gentleman for his contribution.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. WIGGINS. I yield 1 minute to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I would like to comment on the remarks of both my colleague, the gentleman from California and my colleague, the gentleman from Minnesota. Nobody who is opposed to this bill said that the good-citizenship programs were in jeopardy. The concern was that it is understood by the way the conference report is written that the get-out-the-vote program may be sidetracked because of hazy language. The Members have just argued on a point that was never at issue. So to try to imply that Sears, Roebuck and other corporations, and it is not just large corporations, are concerned about the get-out-the-vote program, I would point out this bill was not considered a total attack on the good-Government programs.

Mr. WIGGINS. Mr. Speaker, let me inform the gentleman that the right of corporations to engage in nonpartisan get-out-the-vote efforts is expanded under this bill and not limited in any way. Whatever rights Sears had under the old law remain in existence and are in fact expanded since their get-out-the-vote efforts can be directed at executive personnel as well as stockholders.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, I commend the gentleman in the well and the gentleman from California (Mr. Rousselot) for their comments with respect to the issue raised by the gentleman from Minnesota (Mr. Frenzel). There is nothing in the conference report which makes unlawful any good-Government activity which is permissible under present law.

Mr. HAYS of Ohio. Mr. Speaker, I yield 4 minutes to the gentleman from Indiana (Mr. Brademas).

Mr. BRADEMAS. Mr. Speaker, I rise in support of the conference report on S. 3065, the Federal Election Campaign Act Amendments of 1976.

Mr. Speaker, I would first like to pay a word of tribute to the distinguished chairman of the House Administration Committee, the gentleman from Ohio, Wayne L. Hays, for his leadership on this important legislation, as well as to other members of the committee, particularly the gentleman from New Jersey (Mr. Thompson); the chairman of the Elections Subcommittee, the gentleman from Pennsylvania (Mr. Dent); the gentleman from Georgia (Mr. Mathis); the gentleman from South Carolina (Mr. Davis); and the gentleman from California (Mr. Wiggins).

Mr. Speaker, this measure revises and makes improvements in the landmark campaign reform legislation passed by Congress in 1974.

In addition to reconstituting the Federal Election Commission to meet the requirements set down by the Supreme Court in Buckley against Valeo, the conference report closes some of the loopholes left by the Court's decision in that case, applies "truth in advertising" requirements to so-called independent expenditures, and clarifies the political activities permitted to corporations and labor unions.

Mr. Speaker, rather than merely restate all of the details of the bill, which are well described in the conference report, I would like to make several observations about what the bill does and does not do.

First, Mr. Speaker, the bill transfers to the President the right to nominate, and with the advice and consent of the Senate, to appoint, the six voting members of the Federal Election Commission. In other respects, however, the makeup of the Commission will remain essentially unchanged. The Clerk of the House and the Secretary of the Senate will continue to serve on the Commission, ex officio. The Clerk and Secretary will not have the right to vote, but otherwise will be accorded all of the other rights, including participation in Commission meetings, which belong individually to the six Presidentially appointed Commissioners.

This arrangement, I should add, does not violate the decision of the Supreme Court in the above mentioned case, for it is in the act of voting that the Commissioners collectively exercise the administrative powers granted to the Commission by the statute, powers which the Court said may only be exercised by officers of the executive branch.

The conference report also leaves unchanged requirements of the act with respect to the point of entry for reports required to be filed by candidates for Federal office. Reports shall continue to be filed with the Clerk of the House or the Secretary of the Senate, according to the office being sought by the candidate involved.

Mr. Speaker, the conference report makes no change in the provisions of current law governing the promulgation by the Commission of rules and regulations. The conference report makes clear, however, that the Commission is not permitted to use the advisory opinion procedure to circumvent the requirement that proposed rules and regulations be submitted for congressional review. Advisory opinions may be issued only with respect to specific fact situations, and, even more important, the Commission may not issue any advisory opinion which has the effect of stating a general rule of law not previously stated in either the act or a regulation which has survived the congressional review process. The prohibition applies to all opinions of an advisory nature rendered by either the Commission or its employees, including opinions of the Commission's general counsel. This would not, of course, prevent the Commission from providing information of a routine nature to candidates and the general public.

The enforcement powers of the Commission are in no way weakened, and, indeed, are strengthened.

The Commission is given exclusive primary jurisdiction over all enforcement actions, and it may continue to conduct its own litigation, including litigation in the Supreme Court.

Mr. Speaker, one of the effects of the Supreme Court's decision in Buckley against Valeo was to nullify the $1,000 ceiling on independent expenditures made by an individual or group. Independent expenditures are expenditures which are made on behalf of a candidate without his authorization or against a candidate's opponent without the authorization of the candidate.

The effect of this ruling by the Supreme Court would allow individuals or special interest groups to spend unlimited amounts on behalf of a specific candidate, or against specific candidates.

In order to close this loophole, the conferees agreed to accept the House provision requiring that any independent expenditure must be in fact independent. The conference report, in complete accord with the guidelines of the Supreme Court, specifies that independent expenditures must be made without the cooperation or the suggestion of any candidate. Otherwise, the contribution limits elsewhere in the bill of $1,000 by an individual or $5,000 by a group will apply.

Moreover, Mr. Speaker, the bill requires that an individual or any committee making independent expenditures for or against a candidate must report all such expenditures to the Federal Election Commission on the same basis as a political committee, that is to say, on a regular and cumulative basis.

The bill also requires that billboards, television advertisements, and other similar public announcements financed by independent expenditures, and which advocate the election or defeat of a candidate, must include a conspicuous statement identifying the person making the expenditure.

I believe that these "truth in advertising" requirements for independent expenditures will both help prevent sharp practices and further reduce the corrupting influence of big money in Federal elections.

Finally, Mr. Speaker, the conference report resolves, I believe fairly, one of the most controversial issues involved in this legislation—the respective activities allowed the corporations and labor unions in Federal elections.

I might say first, Mr. Speaker, that essential to an understanding of these provisions of the conference report is that we have not sought to change the rules laid down by the 1971 and 1974 election laws with respect to corporate and labor union political activities.

Rather, the current controversy has arisen solely because the Federal Election Commission, through the advisory opinion process, has sought to change the rules notwithstanding the clearly articulated intent of Congress.

In 1971 Congress recognized that corporations and labor unions had legitimate and sometimes competing interests in the outcome of Federal elections. Congress therefore allowed such organizations to establish separate, segregated political funds for the purpose of making contributions, subject to the limitations of the act on contributions, to candidates for Federal office.

Moreover, Congress sought to establish a balance between the political activities allowed to corporations and labor unions in order that the extent of political activities carried on by either kind of entity might not burgeon so as completely to overwhelm the activities of the other.

Congress specifically did not allow either corporations or labor unions to cross-solicit contributions from each other's respective constituencies. Because the rationale for allowing a corporation to play a role in Federal elections was the legitimate interests of its owners and management, Congress restricted the solicitation rights of a corporation to its stockholders and managerial employees. And because the rationale for allowing labor unions to play a role in Federal elections was the legitimate interests of its members, Congress restricted the solicitation rights of a labor union to its members.

Mr. Speaker, this system worked well for a number of years, until last winter when a majority of the members of the Federal Election Commission arrogated to themselves the right to change the rules.

In December, 1975 in an advisory opinion issued at the request of the Sun Oil Co., the Commission announced that it would allow a corporation to solicit all of its employees, including wage and hourly workers, organized and nonorganized.

Corporate managers were not slow to respond. Literally hundreds of corporations have established new political action funds since the Sun Oil opinion was issued, and many of them have already accumulated very large amounts of cash.

Mr. Speaker, the action of the Federal Election Commission in this matter has turned the statute on its head. For the Commission has given corporations large and small the green light to go ahead to solicit everyone they can possibly reach. Moreover, by deciding the question via the advisory opinion route, rather than proposing its interpretation of the law as a proposed regulation, the Commission effectively circumvented the review process Congress carefully designed to curb precisely this kind of administrative abuse.

It is therefore grossly misleading to suggest that the inclusion in this bill of provisions clarifying the political activities permitted to corporations and labor unions is an attempt to "change the rules" in midstream.

On the contrary, what the conference committee has done is to restore the rules which governed Federal elections from 1971 until the Commission's Sun Oil decision last December.

We have, moreover, done so in a manner that is fair and evenhanded.

A labor union, like a corporation, may establish only one political committee, so that the limitations the act imposes on contributions may not be avoided.

Similarly, a labor union, like a corporation, must report voter registration and get-out-the-vote expenditures made on behalf of a specific candidate in excess of $2,000 per election.

And a labor union, like a corporation, may solicit contributions from the nonorganized employees of a company only twice a year, and then only by mail.

Mr. Speaker, if the word "fairness" implies a balancing of rights, this bill represents an equitable balance between the rights of corporations and labor unions. It is the product of deliberation, negotiation and compromise.

It is a good bill supported by members of the conference committee of both parties.

It is strongly supported by Common Cause, which has been a vigorous champion of campaign reform.

It will bring to an end the hiatus in Federal matching funds which during the last month has hampered candidates for President in both parties.

I urge all Members to cast their vote in favor of the reasonable provisions embodied in this bill in order that we might send it to the President without further delay.

And I would then urge the President to sign the measure into law. A veto would be most irresponsible on his part. We must have clean elections in this country.

Mr. THOMPSON. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from New Jersey.

Mr. THOMPSON. Mr. Speaker, I thank the gentleman and I would like to associate myself with the gentleman's remarks. Having been one of those who engaged in a colloquy to establish the rules in 1971, I felt very strongly about the misinterpretations of the Commission in handing down SUNPAC. I must say that the final solution arrived at by the conference, thanks to the chairman, the gentleman from Ohio (Mr. HAYS), the gentleman from California (Mr. WIGGINS), the gentleman in the well and others, it seems to me an eminently fair solution to this difficult problem.

Mr. BRADEMAS. Mr. Speaker, I thank the gentleman from New Jersey.

Mr. WIGGINS. Mr. Speaker, I yield such time as he may consume to the gentleman from South Dakota (Mr. PRESSLER).

Mr. PRESSLER. Mr. Speaker, the Federal Election Commission Act amendments conference report has today been voted on by this body. The first time we in the House voted on these amendments, I cast a "no" vote because I was opposed to certain aspects of the bill which I felt harmed our Federal election process rather than made it more accountable. However, I today cast an "aye" vote, because certain changes in the conference committee were made in the bill which made it more acceptable and I feel strongly that we must act on this legislation to insure the orderly continuation of the electoral system presently in force.

These changes included deleting a House provision, which had required the FEC to submit all future advisory opinions to the Congress as regulations for congressional approval as well as any advisory opinions issued after October 15, 1974. In addition, the conference report does provide for more equal solicitation by corporate and union political action committees. Both groups—corporate and labor—must report carefully all expenditures in communicating to their members in regard to helping or defeating candidates.

I am not fully satisfied with this legislation; but it has been changed sufficiently in the House-Senate conference to cause me to vote "aye."

Mr. WIGGINS. Mr. Speaker, I yield 2 minutes to the distinguished minority leader, the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, I recently received a statement from the President, as follows: "The President as previously stated favors a simple reconstitution of the Federal Election Commission consistent with the Supreme Court decision. However, the President will carefully review the congressional approach and make a decision consistent with the orderly and responsible conduct of the election process."

I think any fair interpretation of this statement is that the President has not made up his mind whether he would sign this bill or whether he would not.

I would like to state, however, that the reason we are here is that the Supreme Court found that parts of the act of 1974 were unconstitutional; mainly, the part dealing with the way the Federal Election Commission was put together. It seems to me, and I expressed myself in this manner at that time, that it would have been much wiser on the part of the House and of the Senate to reconstitute the Commission as the Supreme Court required and not to go into the nuts and bolts of the election law during an election year. It seems to me there is much to be gained by having some idea just what sort of law we operate under in this election. It seems to me we should not change the rules as we cross the stream. It does not serve any good purpose.

I recognize that this bill has as one of its main thrusts the idea of trying to do away with the SUNPAC decision of the FEC.

I can understand why some of the gentlemen on my right would want to do that, because it does guarantee the right of free speech for a corporation and allows the corporation actually to ask its own employees to contribute funds for political purposes. Personally, I do not see anything bad about free speech. When the first amendment is brought up in other contexts, I think most people, both on my right and on my left, support the application of it liberally so that all people can let other people know how they feel on matters like this.

The SPEAKER pro tempore (Mr. MCFALL). The time of the gentleman from Arizona has expired.

Mr. WIGGINS. Mr. Speaker, I yield 1 additional minute to the distinguished minority leader.

Mr. RHODES. I ask the question, why would not the board of directors and management of a corporation be under the same types of rules and have the same privilege of communication as other people?

I congratulate the committee on this—the committee has tried to take away some of the unfair tilt of the 1974 law toward organized labor. Nevertheless the tilt, if this bill becomes law, would still be very strongly pro-union and anti-business, and it will be very strongly pro-Democratic and very strongly pro-incumbent. Therefore, I find myself unable to support this bill.

Again, I congratulate the Members who worked on this. They worked hard, they worked long, and I think they came up with a bill which is much better than the one we started out with, but even so the tilt is still there, the bias is still there, and I cannot support it.

Mr. WIGGINS. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Speaker, while I support and now will vote for this bill, I must say that I take very strong exception to one section of the bill, and I do not quite understand how it even worked its way into the program at all. This deals with the section on page 18 which says that the Senate committee, the Senate campaign committees will be authorized to give $17,500 to senatorial candidates in their primary and general elections.

My own experience in this area in dealing with my own party, the Republican National Senate Committee, clearly shows that these committees operate arbitrarily, discriminatorily and, in cases, deceptively. These funds are used strictly to protect incumbents. In reality, they are the antithesis of campaign reform, and I am very surprised the conferees allowed this to become part of the bill. It seems to me that we should be protecting the public against what we know to be the misuse of funds.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I assume the gentleman is saying all these things, these bad things, about the Republican Senatorial Campaign Committee, and not about the Democratic committee. I do not know what they do or how they do it, but the Democratic committee does not operate that way.

Mr. PEYSER. I say to the chairman, I have stated it very plainly about who I am speaking right now. I cannot say what the Democratic committee does, but I was going to ask the chairman a question as to the reason why this section (h) on page 18 ever became part of this act, because I do not think it refers to anything we have discussed in the House.

Mr. HAYS of Ohio. Well, it refers to the fact that we have placed a prohibition of $5,000 on these committees, and the Senate simply would not buy it. Under the rules of comity, in order to get a bill, I had to let them more or less set the limits on their campaign committee, but on the House committees we retained the original $5,000. I would have been a lot happier if we retained it all up and down the line.

Mr. PEYSER. I thank the gentleman.

Mr. WIGGINS. Mr. Speaker, I yield 1 minute to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Speaker, I thank my colleague for yielding to me. I think all of us who care very much about election reform were bitterly disappointed with the House bill when it left the House, particularly as it limited disclosure. I voted against it, but I am now persuaded that this bill, although still imperfect, deserves support.

The gentleman from Indiana, who was in the well earlier, said very clearly that we must have clean elections; and, indeed, we must. We are not going to get them if we continue to clip the wings of the Federal Election Commission, if we continue to restrict its powers. But neither will we help reform without a Commission.

Mr. Speaker, there are several clauses in this bill which has come from the conference with which I do not agree. But I do not think we can stand here, crying for election reform, urging election reform, and voting against every bill that comes down the pike with at least some election reform in it.

This bill at least re-establishes the Commission; it contains some election reform, and I, therefore, intend to reverse my previous vote and support it.

Mr. WIGGINS. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. VANDER JAGT).

Mr. VANDER JAGT. Mr. Speaker, if I could have the attention of the distinguished chairman, the gentleman from Ohio (Mr. HAYS), I take this time in order to clarify some of the language in this bill as it relates to contribution limitations.

I believe the language is clear, but because it is a long and complex bill I just want the legislative intent to be crystal clear for any future interpreters.

The present law allows an individual to give all or any part of his annual $25,000 limit to a multicandidate committee. This bill changes this in the following way:

If an individual wishes to contribute to a multicandidate committee, such as a corporate or union political action committee, he may give up to $5,000 to each such committee. However, his aggregate contribution still may not exceed his $25,000 annual limit. An individual may use his entire annual limit by contributing to the committees established or maintained by a national political party, but no more than $20,000 may be given to any one such committee.

Mr. HAYS of Ohio. Mr. Speaker, if the gentleman will yield, that is correct. No more than $20,000 to any one.

Mr. VANDER JAGT. An individual under both present law and this bill may not contribute more than $1,000 per candidate per election.

Unlike individuals, qualified multicandidate committees under present law do not have an annual $25,000 limit. This remains the case in S. 3065. Likewise, such a committee may not contribute more than $5,000 per election to any one candidate or to committees which operate exclusively on behalf of that candidate.

So there is no change there.

S. 3065 does make a substantial change in the amounts which multicandidate committees may transfer to other multicandidate committees. As I read the bill the restrictions would be as follows:

A multicandidate committee may transfer to any other multicandidate committee $5,000 per year. However, if the recipient of this transfer is a committee established and maintained by a national political party, then the limit would be $15,000 per year. Any number of these transfers to various party committees may be made by the same multicandidate committee.

Is that correct?

Mr. HAYS of Ohio. That is correct.

Mr. VANDER JAGT. I thank the gentleman.

Finally, on this section, if all committees which are involved in the transfer are national, State, district, or local committees—including any subordinate committee thereof—of the same political party, then none of the limitations apply.

Mr. HAYS of Ohio. That is correct.

Mr. VANDER JAGT. I note with great interest that the conference report states that the term "political committee established and maintained by a national political party" includes the Senate and House campaign committees. Since I am the chairman of the National Republican Congressional Committee, and since the gentleman from Ohio is the chairman of the Democratic National Congressional Committee, I wish the RECORD to clearly indicate that, although our respective committees are categorized as "established and maintained by a national political party" for purposes of sections 320 (a) (1) (B) and 320(a) (2) (B), that is not necessarily the fact of the matter, except for the purposes of those two sections and those two sections alone. For all other purposes, our committees are creations of the representatives of the two political parties which have been elected to the House. Speaking for my committee, I can state unequivocally that the Republican Congressional Committee is not maintained by, nor is it in any way subordinate to the Republican National Committee.

However, it is clearly the conferees' intent that the House and Senate Campaign Committees are each entitled to receive up to $20,000 from an individual and up to $15,000 from any multicandidate committees.

Mr. HAYS of Ohio. Mr. Speaker, I will say to the gentleman that I agree with him. No matter how these committees are created, for the purposes of the law they are considered to be created that way and, therefore, they come under broader restrictions than any restrictions they might otherwise come under.

Mr. VANDER JAGT. Mr. Speaker, I thank the gentleman.

For the purposes of section 320(a) (1) (B) and section 320(a) (2) (B) that I cited, our committees are considered to be created in that way but they are not considered to be created in that way under any other sections?

Mr. HAYS of Ohio. The gentleman is correct.

Mr. VANDER JAGT. Mr. Speaker, I thank the gentleman very much.

Mr. HAYS of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Speaker, as the chairman of the committee knows, I have been working to try to get legislation which would prohibit political candidates from converting political contributions to personal use. Such a provision was contained in the Senate bill, but it was deleted in conference because of objections by the House committee.

I would like to know whether the gentleman generally supports the concept that we should not let political candidates convert political contributions to personal use.

Mr. HAYS of Ohio. Mr. Speaker, if the gentleman will yield, I think that general concept would be supported by the House. There were real problems in working out the details in conference, especially in cases where a Member was retiring and had a fund which he accumulated. The fund may have been accumulated about 2 years ago, and the question was: What do you do with it? It might be thought almost impossible to prorate it back to the individual contributors, especially since some of them have no records as to whether they contributed, for instance, another $10, and pending further study, we just could not come up with an acceptable provision.

I do not fault the general idea, and I think that some day we will be able to work something out in this area.

Mr. BEDELL. The gentleman believes the idea has merit if we could get a proper provision drafted?

Mr. HAYS of Ohio. That is right.

Mr. BEDELL. Mr. Speaker, I thank the gentleman.

Mr. HAYS of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. Obey).

Mr. OBEY. Mr. Speaker, as some Members know, I have not been especially happy with the section of this bill which increases the honorarium limitation for Members of the Senate.

I simply want to take this opportunity to announce that in the future I intend to publish two lists in the Congressional Record. One will be a list of the Members of Congress who vote against a pay raise and then accept it. The second list will be of those Members of Congress who vote against a pay raise and then in that calendar year received more in outside speaking fees than the amount of that pay raise.

Mr. Speaker, I think that will eliminate a lot of phony talk by some Members of Congress and, in particular, some Members of the Senate who are singing "Sweet Holy Jesus" on the issue when in actuality they are playing hypocritical games.

Mr. HAYS of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. Seiberling).

Mr. SEIBERLING. Mr. Speaker, I would like to ask the distinguished committee chairman for a little further explanation on the multicandidate committee. As I understand it, there is no limit on the number of multicandidate committees that could be created, but if they are created under the control of or their organization is instigated by a national committee, they will all be treated as one committee; is that true?

Mr. HAYS of Ohio. The gentleman is correct.

Mr. SEIBERLING. Is there anything in this bill which defines what constitutes control or instigation by a national committee? I ask that because I can see how they might be suggesting the formation of many multicandidate committees and yet actually avoid the limitations on contributions.

Mr. HAYS of Ohio. Mr. Speaker, if the gentleman will yield, I think the intent is pretty clear that they shall be the single source of reporting. I do believe there is an unclear area there. We will just have to see how it works, and if it is abused, perhaps we can remedy it later on.

Mr. SEIBERLING. Would it be the intent of this conference report that if there is any participation by a national committee in the formation of a multicandidate committee, that would constitute sufficient control for the purposes of this bill?

Mr. HAYS of Ohio. Yes.

Mr. WIGGINS. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. Mr. Speaker, I rise in opposition to the conference report to accompany S. 3065, the Federal Election Campaign Act Amendments. The Federal Election Campaign Act of 1974 was enacted, supposedly, to let the public know who is giving money and help to a candidate and to prevent violations of the public trust by individuals who would use financial aid to unduly influence or coerce an elected official. The campaign law has, since 1974, become the instrument for the creation of a commission which has issued numerous regulations and requirements involving pages of forms and reports to be completed by the various candidates for public office. I do not oppose disclosure of campaign contributions or expenditures, but I do question whether or not the Federal Election Campaign Act provides fair and impartial treatment for all candidates and their supporters.

The conference report before us today does not resolve these inequities, nor does it improve the campaign law. The Congress has not, through these amendments in S. 3065, dealt effectively with the inequities in the 1974 Act. The conferees failed to resolve the basic favoritism in the law toward labor bosses. The voice has been taken away from business in the political arena—and not just big business. Why do labor and business not have the same rights to involve themselves in political activities? The vast majority of American workers—86 million or more—are not members of labor unions—approximately 18 million union members. Certainly they desire fair and equal treatment under the law. This conference report does not provide this equal treatment.

I urge my colleagues to consider the ramifications of this legislation which has been hastily written to make us all appear free of any taint of "Watergate." We owe our constituents more than the mere appearance of virtue and candor. I shall vote against the conference report to accompany S. 3065.

Mr. WIGGINS. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. Devine).

Mr. DEVINE. Mr. Speaker, I intend to vote against this conference report, and at the proper time will make a motion to recommit without instructions.

I am concerned about the public financing provisions generally, as has been demonstrated by all of the early Presidential candidates. I am concerned about what appears to be a balance in favor of the organized labor slush funds.

Mr. Speaker, it seems to me that John Gardner and his Common Cause organization have presumed to position themselves between the public and the Congress. They presume to speak for the public and to tell the Congress what we ought to do, and they position themselves between the Congress and the public by telling the public what a bad job Congress is doing.

Mr. Speaker, it seems to me that a simple motion to recommit to permit this bill to go back to committee and report it back to reconstitute the Commission under the Supreme Court guidelines would be in the public interest. Therefore, Mr. Speaker, I will submit a motion to recommit at the proper time.

Mr. WIGGINS. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. O'Brien).

Mr. O'BRIEN. Mr. Speaker, with due respect for the distinguished leadership of the House in the conference, and I doubt that we could have gotten better, I oppose the report.

Let me tell the Members why as quickly as I can. There is a church near London on whose cornerstone is carved this extraordinary bit of tribute:

> In the year 1653 when all things sacred in the kingdome were either profaned or demolished, this church built by Sir Richard Shirlye, whose singular praise it was to do the best things in the worst of times.

Mr. Speaker, while these may not truly be termed the worst of times for the U.S. Congress, if the reputation of the legislative branch of the Federal Government is the sole criteria, certainly there have been better ones. Hardly a day passes that I do not read in the paper, see on television, or hear on the radio, some commentary or editorial demeaning and degrading the quality of the Congress. Some of that negative and frequently vicious criticism is unavoidable, but an appreciable amount of it can be laid at the doorstep of the Capitol for our own ineptitude, negligence and willingness to cut corners to suit our convenience.

Just a year ago, according to a Harris survey, only 18 out of each 100 persons interviewed had confidence in the U.S. Congress. As recently as 2 months ago we lost one-half of the 18. Put another way, 91 out of 100 Americans have lost their faith and trust in the Congress.

What bothers me most about this situation can be summed up rather briefly: A reputation once damaged is not easily restored, and restoration takes time—a very long time—and the reputation of this distinguished body—which in my opinion is the finest legislative body in the world—is at its very lowest.

But once in a great while there comes an opportunity to take a dramatic step toward restoration of congressional character, a step that would go a long way toward bringing public recognition of the quality that is truly present here in the Capitol. Such an opportunity is presented to us in the form of the 1976 amendments to the Federal Election Campaign Act of 1974, particularly the House version thereof. As one of our colleagues eloquently stated in a recent interview published in the local paper: "The times call for uncommon honesty" and uncommon honesty is exactly what is called for in the House version, and in particular section 103 of the House amendments.

And unless we in the House really fight to enforce our will and compel the

Senate to yield, we will have lost this critical opportunity and further degrade our stature and diminish our prestige.

I direct your attention to section 103 (a) which changes the recordkeeping requirements to allow political committees to accept contributions of less than $50 without having to record one iota of information about the contributor. This is a loophole that would allow a donor to make a series of $49 contributions without having them reported. The conference committee's bill set up a three-tiered system for reporting contributions. The political committees would be required to file full reports of contributions over $100 with the FEC. They would maintain their own internal records of contributions between $50 and $100, and would have to report any aggregation of these contributions exceeding $100 to the FEC. But the committees would not have to record any information about contributions less than $50, whether they are anonymous or not.

We must all ask ourselves what was the original intent of the Federal Election Campaign Act? In my estimation, Congress intended that candidates for Federal political offices be insulated from pressures which may be exerted by large financial contributors by placing a ceiling on the amount which an individual may contribute to a political committee. This bill sets that limit at $1,000. The original legislation also sought to disclose the source of political contributions by requiring campaign committees to keep records of all contributions in excess of $10.

The proponents of the change allowing anonymous contributions of up to $50 insist that campaign committees have been shackled with paperwork and time-consuming verification procedures for minimal contributions. I will agree that recordkeeping is a complicated task, but I cannot go along with the notion that it is an unnecessary, burdensome task. Do not we all keep records of who our contributors are for future campaign reference? Are we willing to forego keeping records on the $30 or $40 contributor and risk running into difficulties later on when we discover that he or she has contributed more than $100, and thus must be reported to the FEC?

These are basic questions which we, as participants in this highly complicated election process must face everyday. Are you really going to realize a net reduction in paperwork from this provision? Are the national campaign committees, with their automated data storing banks really going to benefit? I assert that this paperwork is fixed to a large degree and that the only real gain which we may all achieve is that we just will not have to be as accurate as has been hitherto required.

Now let us examine the possibility for fraud which this provision opens. The FEC, in an opinion of counsel, let us accept contributions of less than $10 without having to fully identify the contributor by name, address, and occupation. This is a sensible sum, a typical donation, given both through the mails and at "pass the hat" affairs. But $50 contributions represent a different situation entirely. It would take only 21 anonymous contributions for an individual to effectively escape the $1,000 limitation on personal contributions stipulated in section 320 of this same act. There is absolutely nothing in this bill which protects a candidate from excessive padding of his campaign coffers in this way. Again, we must ask ourselves, are we abiding by the original intent of Federal election and campaign reform—disclosure of the source of contributions a candidate receives?

I urge all my colleagues in the House to consider the ramifications of this provision and to question whether this conference report addresses the campaign excesses of the past and provides a mechanism for avoiding any future excesses.

If the 94th Congress wishes to leave an epitaph not unlike that of Sir Richard Shirley, it should defeat the conference report and insist upon one that does not overlook what campaign reform is all about—namely, disclosure.

Mr. WIGGINS. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Speaker, I regretfully find myself in the position of having to oppose this conference report.

The effect of it, if passed and signed, would be, one, to further inhibit the ability of the Commission to do its work, and two, to further favor incumbents over challengers.

Perhaps most serious, Mr. Speaker, it also puts Congress in the posture of discouraging the American people from fully participating in the political process.

In at least two ways, the conference bill places a chill on the participation of the citizen in our elections. First, it sets a ridiculously low threshold on the amount a citizen can spend—no more than $100—without personally filing a report to the authorities. Certainly this provision serves to discriminate against the individual who prefers to exercise his or her political rights through independent expenditures. It also enables incumbent officeholders to easily spot all constituents who may be spending modest sums to aid the candidacy of an opponent. I can see no other reason for this specially designated threshold of $100.

The conference bill also violates the first amendment rights of the private citizen by saying one may not finance the distribution or republication in whole or in part of any campaign ad or other materials used by a candidate or the candidate's agents, without it falling under the contribution limits. This provision clearly violates the spirit of the Supreme Court's decision of January 30.

I feel it necessary to remind my colleagues of the most important ruling in that decision. The Court said:

> The First Amendment denies government the power to determine that spending to promote one's political views is wasteful, excessive, or unwise. In the free society ordained by our Constitution it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.

Mr. Speaker, the conference report fails to heed that ruling. It is a bad bill.

Mr. WIGGINS. Mr. Speaker, I yield 30 seconds to the gentleman from Louisiana (Mr. TREEN).

Mr. TREEN. Mr. Speaker, I appreciate the gentleman's yielding.

I asked for the time for the purpose of asking whether or not the gentleman from California (Mr. WIGGINS) or the gentleman from Ohio (Mr. HAYS) would be kind enough to respond to a grave concern which I have about a conference report provision having to do with eligibility for matching Federal funds for Presidential candidates.

Under the bill—as agreed to by the conference—if a Presidential candidate receives less than 10 percent of the primary vote in two consecutive elections, he cannot thereafter receive any matching funds. As I understand it, in some States a candidate can be placed on the primary ballot whether he wants it or not. Also, how is one to determine what a "primary" is for the purposes of this provision? On Saturday, Presidential primary contests for delegates were conducted in Texas and Louisiana. But, there was no statewide primary vote in either State on which to determine the percentages obtained by the various candidates.

I just think it grossly unfair, and repugnant to our notions about election opportunity, to withhold matching funds if a candidate fails to receive more than 10 percent of the vote in two successive primaries. I will vote against the conference report because of this fundamental inequity.

The **SPEAKER** pro tempore (Mr. McFALL). The time of the gentleman has expired.

Mr. WIGGINS. Mr. Speaker, I yield myself such time as I may consume in order to make a quick response to the statement just made by the gentleman from Louisiana (Mr. TREEN). He contends the elimination on some Presidential candidates is inequitable. Equities are not absolutes. They are balanced. We balanced the equities here and resolved the problem of candidates receiving public money who have failed to demonstrate any national following over a period of time. Our solution may be imperfect, but it is not bad.

Mr. Speaker, we are going to vote in just a moment. I believe an affirmative vote on this conference report is a blow for better election laws. What we have tendered for your approval today is better legislation than the 1974 act. It is a better bill than the 1971 act. I urge an "aye" vote on the conference report.

Mr. HAYS of Ohio. Mr. Speaker, I yield the balance of my time to the gentleman from Pennsylvania (Mr. DENT), the chairman of the Subcommittee on Elections.

Mr. DENT. Mr. Chairman, it has been a long time since we started talking about this legislation in our subcommittee, and the subcommittee has had many hours and many days of hearings. I can honestly say that this is not a good bill. It is not a bad bill, but it is a fair bill, considering how many experts there are in this particular field of endeavor legislatively. The gentleman from Ohio (Mr. HAYS) stated on the floor that there were 435 experts, but that when we got to conference we found out there were 535 experts and some of the 100 experts in the other body were equally an expert, or they thought they were.

No group can write this kind of legislation without having some parts of it that may be contested, debated, and probably changed in future laws. But the real thrust of this legislation is to try to put together something that will give us an opportunity to be able to run without harassment and hopefully with some idea being built up in the minds of the people of these United States that Congress is an important body, that its Members, in general, are good, honest citizens, and that the brush that has been painted with so broadly may now be narrowed down to those amongst us who may be at fault.

So the legislation tries to limit the best it can the kind of contributions that one can get and the amount that one can get. I for one have a very sincere opinion that we will never be able to have real election law enforcement until we can find some way to prohibit the use of excessive funds.

Our committee can give the Members example after example, by chapter and by verse of campaigns where half a million dollars was spent between two opponents trying to get a seat in the Congress of the United States. That does not do Congress any good.

There is another phase we will have to get into and I am sorry we could not do too much about it, and that is concerning the FEC, and it is significant in view of the fact that in all the campaigns that my attention has been directed to that my attention was also called to the fact that a great number of violations were committed by the media on equal time and on fair treatment and all those sort of things, such as when a candidate will be given an hour's time on the so-called Public Service Broadcasting System and then the interrogator will direct questions to that candidate, questions that we know that that candidate had no knowledge of whatsoever, and would have had no idea what the question was all about except by preparation before the so-called Public Service Broadcast went on.

I merely point out these items to the Members that the Congress will have to be dealing with in the future, and I think that perhaps these changes can be made, but at least, in my humble opinion, this may be my last primary.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Ohio.

Mr. HAYS of OHIO. Mr. Speaker, I would like to briefly answer the statement made by the distinguished minority leader when he said that this was changing the rules in the middle of the game. Let me say that at any time the Commission issues a new rule that that is changing the rules, or introducing something new. As a matter of fact, any time the Congress passes a new law that changes anything that is in the present law, then that is changing the rule in the middle of the game for somebody. So if we adopted that theory, and carried it out to its ultimate end, we would never pass any legislation at all—and maybe that would be a good thing. I am not here to argue that, but its application to this particular legislation alone in my judgment just does not lodge.

Mr. DENT. I thank the gentleman.

We need not go to sleep and believe that this is a last effort. We will be changing the rules again and again and again as the problems come up that always do when we put into action any piece of legislation.

I want to say to the gentlewoman from New Jersey that we did not in any way, in my opinion anyway—and I believe the members of the conference and the members of both committees that have tangled with this problem for a long time know—cut down or made the Commission less effective. Perhaps we ought to look in every one of our jurisdictions and the committees that we serve on. Something that is becoming a great issue in America today is the rampant runaway activities of the bureaus and the agencies created within them. We may not realize it, but today one of the issues in the last campaign that just came through was the issue of bureaucracy, as if every individual Member in this Congress has something he can say collectively to the bureaucrats. We cannot do it.

The SPEAKER pro tempore. The time of the gentleman has expired. All time has expired.

Mr. ANDERSON of Illinois. Mr. Speaker, I rise in support of this conference report on the Federal Election Campaign Act Amendments of 1976. While many of us would have preferred the cleaner, quicker and more orderly route of simply reconstituting the Federal Election Commission along the lines suggested by the Supreme Court, I would suggest we can no longer afford the luxury of that opinion unless we want to start from scratch and risk throwing the whole present campaign process into total jeopardy and confusion.

In reviewing this conference report, I am impressed by the extent to which the legislation adopted by the House has been even further improved. I think our conferees are to be commended on presenting us with a report which should be acceptable to an overwhelming majority in both Houses and to the President. Our earlier fears about attempts to undermine the independence of the FEC have been, for the most part, allayed by changes made in the House and in conference to restore the FEC to full strength. The bill before us today is a far different animal than the gutted and defanged campaign watchdog which originally emerged from the House Administration Committee.

Mr. Speaker, no one, including myself, is totally happy with every aspect of this bill. That is the nature of any compromise. But I think we have to judge this final package on the basis of two criteria: First, does it give the FEC sufficient independence and authority to carry out its original mandate; and second, does it permit the full spectrum of interested individuals and groups sufficient freedom and flexibility to participate in and contribute to the American electoral process. I think this conference report addresses both criteria in the affirmative.

Mr. Speaker, a third factor involved in our decision today is what impact any further delay on this necessary legislation will have on the present ongoing campaigns. While it is regrettable that we must be legislating under the pressure of Supreme Court deadlines and in the very midst of an election campaign, it is nevertheless a matter over which we have no control and for which we have no alternative. That is not to say the Congress could not have dealt with this in a more expeditious fashion; I think we could have accomplished the most pressing mandate—simple reconstitution—in a much shorter time period than 3 months. But that is no longer what is at issue here. What is at issue is whether the Congress and the President can now bring this matter to a final resolution without further distorting the present campaign and without further contributing to public doubts and cynicism about our real intentions. We erected a very intricate and precise mechanism for partial public financing of Presidential primary campaigns in the 1974 Federal election reform law. Candidates have planned their campaigns on the basis of that source of funding. Any attempt to block putting that financing mechanism back on track now, no matter how well-intentioned or justified, would be perceived by the public as playing the most dangerous game of politics with our political process—the very type of games we attempted to outlaw with these Watergate reforms in the first place.

Mr. Speaker, I urge this House to give its overwhelming approval to this conference report, just as I have urged the President to sign it when it reaches his desk.

Mr. HAYS of Ohio. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. DEVINE

Mr. DEVINE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. DEVINE. In its present form, most assuredly, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DEVINE moves to recommit the conference report on the bill, S. 3065, to the committee of conference.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. STEIGER of Wisconsin. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 291, nays 81, not voting 60, as follows:

[Roll No. 223]

YEAS—291

Abdnor
Abzug
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Bafalis
Baldus
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Broyhill
Burgener
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Carney
Carr
Carter
Cederberg
Chisholm
Clay
Cleveland
Cohen
Conable
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
du Pont
Early
Edgar
Edwards, Calif.
Eilberg
Emery
Erlenborn
Evins, Tenn.
Fary
Fenwick
Fish
Fisher
Fithian
Flood
Florio
Flynt
Foley
Ford, Mich.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Gradison
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Hightower
Hillis
Holland
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jordan
Karth
Kasten
Kastenmeier
Kemp
Keys
Koch
Krebs
LaFalce
Lagomarsino
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lundine
McCloskey
McCollister
McCormack
McDade
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reuss
Richmond
Rinaldo
Robinson
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
St Germain
Sarasin
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Slack
Smith, Nebr.
Solarz
Spellman
Staggers
Stanton, J. William
Stephens
Stokes
Stratton
Studds
Sullivan
Talcott
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Wampler
Waxman
Weaver
Whalen
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—81

Archer
Armstrong
Ashbrook
Bauman
Beard, Tenn.
Bowen
Brown, Mich.
Brown, Ohio
Burke, Fla.
Burleson, Tex.
Byron
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Collins, Tex.
Crane
Daniel, Dan
Devine
Duncan, Tenn.
English
Findley
Goldwater
Grassley
Hammerschmidt
Hansen
Harsha
Hébert
Holt
Hutchinson
Ichord
Jarman
Jones, N.C.
Jones, Okla.
Kazen
Kelly
Ketchum
Landrum
Latta
Lent
Lott
Lujan
McClory
McDonald
McEwen
Mahon
Miller, Ohio
Montgomery
Moore
Mottl
Myers, Ind.
Obey
O'Brien
Paul
Poage
Quillen
Randall
Rhodes
Risenhoover
Rousselot
Runnels
Ryan
Satterfield
Schneebeli
Sebelius
Shuster
Skubitz
Smith, Iowa
Snyder
Spence
Steed
Steiger, Wis.
Symms
Taylor, Mo.
Teague
Treen
Vander Jagt
Waggonner
Walsh
Wydler
Young, Alaska

NOT VOTING—60

Adams
Andrews, N. Dak.
Badillo
Bell
Brinkley
Buchanan
Cochran
Collins, Ill.
Conlan
Conyers
de la Garza
Dickinson
Eckhardt
Edwards, Ala.
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fascell
Flowers
Ford, Tenn.
Giaimo
Green
Hayes, Ind.
Hechler, W. Va.
Heinz
Hinshaw
Hungate
Hyde
Johnson, Colo.
Jones, Ala.
Jones, Tenn.
Kindness
Krueger
Macdonald
Madden
Mann
Michel
Mollohan
Murphy, N.Y.
Nichols
Nix
O'Hara
Pepper
Riegle
Roberts
Rodino
Ruppe
Santini
Sarbanes
Stanton, James V.
Stark
Steelman
Steiger, Ariz.
Stuckey
Symington
Tsongas
Udall
White
Wilson, C. H.

The Clerk announced the following pairs:

On this vote:

Mr. Rodino for, with Mr. Roberts against.

Mr. Andrews of North Dakota for, with Mr. Nichols against.

Mr. Adams for, with Mr. Michel against.

Mr. Esch for, with Mr. Dickinson against.

Mr. Badillo for, with Mr. Conlan against.

Mr. Murphy of New York for, with Mr. Steiger of Arizona against.

Until further notice:

Mr. Giaimo with Mr. Green.

Mr. Jones of Tennessee with Mr. Conyers.

Mr. de la Garza with Mr. Macdonald of Massachusettts.

Mr. Evans of Colorado with Mr. Udall.

Mr. Jones of Alabama with Mr. O'Hara.

Mr. Krueger with Mr. Symington.

Mr. Pepper with Mrs. Collins of Illinois.

Mr. Mollohan with Mr. Eckhardt.

Mr. Stark with Mr. Buchanan.

Mr. Nix with Mr. Sarbanes.

Mr. Santini with Mr. Edwards of Alabama.

Mr. Buckley with Mr. Cochran.

Mr. Evans of Indiana with Mr. Eshleman.

Mr. Ford of Tennessee with Mr. Hayes of Indiana.

Mr. Fascell with Mr. Steelman.

Mr. Riegle with Mr. Heinz.

Mr. Hungate with Stuckey.

Mr. Madden with Mr. Ruppe.

Mr. Mann with Mr Hechler of West Virginia.

Mr. Flowers with Mr. Kindness.

Mr. James V. Stanton with Mr. Hyde.

Mr. Bell with Mr. White.

Mr. Charles H. Wilson of California with Mr. Tsongas.

Mr. RANDALL changed his vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 9721, AUTHORIZING APPROPRIATIONS FOR THE INTER-AMERICAN DEVELOPMENT BANK AND THE AFRICAN DEVELOPMENT BANK

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9721) to provide for increased participation by the United States in the Inter-American Development Bank, to provide for the entry of nonregional members and the Bahamas and Guyana in the Inter-American Development Bank, to provide for the participation of the United States in the African Development Fund, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. REUSS, GONZALEZ, STEPHENS, and TSONGAS, Mrs. BOGGS, and Mr. JOHNSON of Pennsylvania, and Mr. HYDE.

CONFERENCE REPORT ON H.R. 7656, BEEF RESEARCH AND INFORMATION ACT

Mr. FOLEY. Mr. Speaker, I call up the conference report on the bill (H.R. 7656) to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer information, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of April 15, 1976.)

Mr. FOLEY (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I yield such time as he may consume to the distinguished vice chairman of the Committee on Agriculture and chairman of the House conferees, the gentleman from Texas (Mr. POAGE).

Mr. POAGE. Mr. Speaker, the matter before us at this time is the conference report on H.R. 7656.

Mr. Speaker, this is a bill which would enable cattle producers to establish, finance, and carry out a coordinated program of research on their own. It is an effort to allow those producers to coordinate their own program of research, their own program of information, their own program of market development for beef and beef products—all at their own expense.

The bill does not involve the expenditure of any public funds. All of the expenditures will be made by payments by the producers themselves. No producer will be required to make or to continue expenditures.

Mr. Speaker, I want to reiterate that this bill requires the expenditure of no public funds. All of those expenditures will come from the producers themselves. Nor does this bill impose upon the producer the requirement that he expend funds for this program against his wishes.

The bill does provide for the collection of certain fees as the meat passes through the processors, but it also provides for the return to the producer of all that he has paid in, if he makes the request that it be returned.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. POAGE. Certainly, I am happy to yield to the Speaker of the House.

Mr. ALBERT. Mr. Speaker, I do not want to take time to make a speech on this subject, but I would like to say this: that having studied this subject and having studied the fluctuations in beef production, in beef prices, and in the weather, et cetera, I cannot believe that any Members who want to be sure that the American consumer is going to have his best chance to have an ample supply of one of his favorite foods, beef—because certainly that is the ultimate goal of this bill—can vote against his conference report.

This bill is not only a producer's bill, it is a consumer's bill. It is becoming more and more clear to all of us that the strength of America in the future, vis-a-vis all the other nations of the world and particularly the large nations of the world, is going to depend on its ability to continue its agricultural mastery and to improve our great agricultural system which is already the best in the world. This bill goes in that direction, and it certainly has my wholehearted support.

Mr. POAGE. I thank the distinguished Speaker.

Mr. Speaker, we deeply appreciate those well thought out comments. The Speaker of the House has said better than I could say just exactly what this bill does.

This bill does give producers an opportunity to work together for the development of the most efficient method of beef production known anywhere in the world, and certainly any increases in the efficiency of production always under our system works for the benefit of the ultimate consumer who pays the bill. If we make the production processing and distribution of beef more inefficient and most costly, the cost must be reflected to the consumer. This bill attempts to make that production more efficient, and therefore, less costly to the consumer.

Mr. HIGHTOWER. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Texas.

Mr. HIGHTOWER. Mr. Speaker, I wish to ask this question of the distinguished gentleman from Texas (Mr. POAGE): In talking to some of our colleagues, there seems to be a concern that any cost of such a board would increase the cost to the consumer, and that this would mean an add-on to the consumer's cost. Is that the gentleman's interpretation of this bill?

Mr. POAGE. Mr. Speaker, I do not think that is true at all. I think that the interpretation that the Speaker placed in this bill is a correct one.

I believe that if we could make the production of beef more efficient so that it would be less costly, we would achieve a saving to the consumer. I think that is fundamental under our American competitive system.

Mr. HIGHTOWER. We, of course, understand that is the goal, but what is the immediate effect of the cost of the board? Where does that come in the market process, and is that not an extra cost that the consumer would have to pay?

Mr. POAGE. Mr. Speaker, the immediate effect would be to add about three-tenths of 1 percent to the cost of the beef as it is processed by the processor. That three-tenths of 1 percent would in my judgment be made up many times by increased efficiency and by less costly methods of production.

After all, that is exactly what we all want to achieve. That is the only way we can get a higher standard of living for everybody. In that way we produce more cheaply and we make production more efficient, and to the extent we increase efficiency we increase living standards without increasing inflation. This is the only way we can do that.

Mr. HIGHTOWER. But, Mr. Speaker, there are many things that affect prices at the market, and the price at the market might or might not be affected by this because it is not going to be paid by the wholesaler when he goes to the processor to buy the beef.

Mr. POAGE. Mr. Speaker, in my judgment the three-tenths of 1 percent, when the market is rather sluggish as it is today, would be passed back to the producer; when the market is rapidly rising, it would be passed on to the consumer.

I think there is no question about that, but in this case it is so small, that we will not be able to make the calculation. However, on the total amount of beef in the United States it comes to a rather sizable amount, but for any one individual, there is no way by which we are going to be able to make that calculation at the grocery store or even back in the hands of the producer. In any event, the way this will move will depend on which way the market is moving.

Mr. HIGHTOWER. Of course, the gentleman from Texas (Mr. POAGE) has been here a long time.

In visiting around on the floor here today, I got the impression that any time we have a bill out of the Committee on Agriculture, some people are going to raise the question: "Is there some kind of subsidy in it?"

I have had that question asked of me, and I assured the questioner that there was no subsidy.

Is that the gentleman's understanding of the bill?

Mr. POAGE. That is absolutely correct. There is no subsidy to anyone in this, any more than there is a subsidy to labor when the U.S. Government conducts elections in a plant to determine whether or not that plant will be unionized.

The U.S. Government carries on those operations, and the U.S. Government pays at least a part of the cost; but in this case the U.S. Government will not even pay the cost of the election.

Mr. HIGHTOWER. The cost of the election would be paid by the producer?

Mr. POAGE. Exactly, and the cost of the operation will be paid by the producers. There will be no payment by the U.S. Government.

Mr. HIGHTOWER. I thank the gentleman.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Speaker, I thank the gentleman for yielding.

First of all, I would like to express my support for the conference report. I do not think consumers or producers should expect miracles out of this program, but it is one that certainly does not impose any expense on the Public Treasury, and I think it is well worth an experimental period of examination.

In the event that a referendum should be turned down, would the expense, in that event, that rather remote event, would be borne by the Government?

Mr. POAGE. No; the bill requires the producers to post a surety bond to pay for the referendum. Of course, if the program is approved the costs would be paid out of the assessments but if there had been no funds collected, it would be paid by those producers who paid for the bond.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Speaker, I was wondering whether the committee is aware of the general attitude of the producers out in the countryside on this legislation.

Are most of the farm organizations behind this measure at this time, and do we have pretty good grassroots support for it?

I myself am strong for it, and I believe the people I represent are strong for it.

However, the gentleman knows more about the national situation with respect to the legislation.

Mr. POAGE. I assume the gentleman asks about the Farm Bureau?

Mr. MAHON. Right.

Mr. POAGE. The Farm Bureau opposed the conference report on this bill the first time it came back. They did so because they felt the referendum provisions were not adequate.

We have adopted the referendum provisions word for word as they were suggested, just as provided in the amendment of the gentleman from Montana (Mr. MELCHER), which was turned down on the floor of the House, but is now included in the bill.

That provides that there must be, first, a registration of all cattle producers and that that must be completed at least 10 days before a referendum may be held in order that there may be no question about the right of an individual to vote when he comes up and wishes to participate in the referendum.

Then there is a requirement that there must be a two-thirds vote of those who are eligible, and that a majority of those eligible must actually vote in that referendum. These are more burdensome requirements than I know have ever been placed on any of these development bills. There are a great many segments of agriculture that have been operating under legislation generally similar to this, fruits, vegetables, wool, and cotton all operate under something comparable to this. In industry practically every plant in the United States is subject to a referendum of the workers to determine whether or not they want a union to represent them. This is not a new or an unusual requirement. But a requirement that first a majority shall participate and then two-thirds of that majority shall vote for it, is far more burdensome than has ever been required as far as I know on any of these referendums. That is in the bill. That is what the Farm Bureau asked for and, as I understand, the Farm Bureau is supporting the bill at the present time.

Mr. BEDELL. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Iowa.

Mr. BEDELL. Mr. Speaker, on that point, the last conference report, as I understand it, depended upon the number of cattle rather than simply the number of cattle feeders, and, as I understand, that has been changed in this conference report?

Mr. POAGE. That is correct.

Mr. BEDELL. Mr. Speaker, I voted against the previous conference report but I want to commend the gentleman from Texas for his work on this and I shall support this conference report.

Mr. Speaker, I rise in support of the revised conference report to H.R. 7656, the Beef Research and Information Act.

When the conference report for this legislation was first presented to the House on December 15, 1975, I unfortunately was unable to support the changes from the original House version on referendum and voting procedures which had been made by the House/Senate conference committee.

It was with great regret that I voted to send the conference report to H.R. 7656 back to the joint committee for further consideration because I have supported this legislation, first in the House Agriculture Committee and then during its original passage in the House.

It is my understanding that the revised conference report reinstates the original House provision that at least two-thirds of the producers must express their approval with at least 50 percent of the registered producers voting and also mandates the registration of producers 10 days prior to the referendum.

With these important changes, I am pleased to support the passage of this conference report and I would urge my colleagues to add their votes to approval of this legislation.

Mr. GRASSLEY. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Iowa.

Mr. GRASSLEY. Mr. Speaker, I am going to support this conference report, but I want to help make it as plain and simple as we can, that the farmer is paying for the cost of this program, and not the consumer. I thought maybe the gentleman suggested that at one time the consumer might pay the cost. But, as a matter of fact, and I have done this myself, when CHUCK GRASSLEY takes his cattle to the packing plant, he gets his check written that has deducted from it the checkoff. I am paying for that out of my gross income.

It has been suggested by certain consumer groups that well, in fact, "Can't you negotiate for a higher price?" Well, as a matter of fact, if I want to sell my livestock on that particular day at that packing plant, the buyers are not going to pay any more than they have to pay on the market on that date. There is no way in which I can say that I want to get a higher price than that which they are paying, that I want say 34 cents a pound but in addition that I want an extra quarter cent a pound to cover the cost of the checkoff.

So there is no way I can pass it on to the consumer.

Mr. POAGE. You cannot pass it on to the consumer. Of course that is a cost of production, just the same as is the cost of the labor at the packing plant. The same as the cost of feed, the same as the cost of transportation. It is a very minor cost, but it is a cost of production and those costs of production of course are paid directly by the farmer.

Mr. GRASSLEY. That is right.

Mr. POAGE. The gentleman is exactly right, it is paid directly by the farmer, not the processor.

Mr. GRASSLEY. And my check stub will show that deduction?

Mr. POAGE. That is correct.

At the same time, I think that in the long run we must recognize, and I think it would be unfair to the House to fail to recognize, the economics of this thing, and all of the other costs. All production costs have to be paid either by the producer or the consumer. There is no one else to pay them. The processors cannot stay in business and pay all the costs, so the costs are passed on in one direction or another. When the price is weak, when the market is weak, the producer pays it all. There is no way that he can pass it on. When there is a scramble for the product, people will voluntarily pay all additional costs. I think that we must recognize that, and I would not want to try to deceive anybody about it or not think that is not an economic fact.

I do not want to impose too long on the Membership. I had intended to set out just what this bill does, but I believe the questions have pretty well pointed out what the bill does. It does try to give to producers of livestock the same kind of opportunity to develop for themselves at their own expense the same kind of production tools that are given to labor, that are given to a number of other elements of agriculture, and that have worked for a great many segments of our economy. We see no reason why it should not work for this segment of the economy without any burden to anyone.

Bear in mind that the real crux of this thing is that if we can reduce the cost of production, we can give to everybody a higher standard of living, and that is what we are trying to do—reduce the total cost of production.

Mr. SEBELIUS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, we just heard a very excellent presentation of the subject by our able vice chairman and chairman of the Subcommittee on Livestock and Grain, with whom I have the privilege of serving as his counterpart as the ranking Republican member.

I appreciate this opportunity to clarify the intent and benefit of the proposed Beef Research and Information Act to both producers and consumers.

Unfortunately, there was confusion regarding this bill when the original conference report was considered in December. Since that time, the disagreement in farm country regarding the referendum provisions has been resolved. The major farm groups now support the bill. The referendum section is the original referendum section approved by the House of Representatives by a vote of 229 to 189.

Briefly, the bill provides for a referendum among registered cattle producers. Bonafide cattle producers will register not less than 10 days prior to the date of the referendum. To be approved, two-thirds of the producers voting in the referendum must vote yes and at least 50 percent of the registered producers must vote in the referendum. In short, the beef producers will make the final decisions at no expense to the taxpayer or the Federal Treasury.

H.R. 7656 will establish research funds to improve beef marketing, develop new and different beef products and develop new techniques in the preparation and preservation of meat products. The plan also calls for continued nutritional research that will benefit consumers who desire more knowledge of the nutritional value of beef and beef products.

The program will also authorize more research on cattle and forage for more efficient and economical beef products. There is a need to conduct research on cattle diseases, cattle feed rations and efficiency, genetics and environmental considerations. At the moment the industry is facing a standstill in developing new means to increase production—with little Federal money committed to further agricultural research in this important area.

The program will also help develop better means of product distribution. There is a need to move beef from the point of production to the point of consumption as efficiently as possible—improving processing, transportation, storage, and handling. Such improvements could be a factor in lowering retail beef prices. The Beef Board may at its discretion supply producers with current and projected supply and demand statistics. This will help producers in the prices they receive for beef and consumers in the prices they pay for beef.

H.R. 7656 will also enable the Beef Board to develop foreign markets to allow production to be maintained at full capacity and provide a climate of stability for the industry. This would benefit the U.S. balance of payments through increased marketing abroad while boosting our domestic economy.

Under this program, the cattlemen will spend their own money on beef production and marketing research designed to improve beef production efficiency and minimize fluctuations in supply. This will help producers in the prices they receive for cattle and consumers in the prices they pay for beef.

Again, I emphasize that this program will cost the Government nothing. The act sets a precedent for other agricultural checkoff programs by requiring cattlemen to post a bond to cover referendum expenses or the administrative cost in auditing or other miscellaneous expense.

It is obvious that most cattlemen favor this self-help approach to solving their problems. However, if an individual cattleman does not wish to participate, he may request a refund of the modest deduction and get it. In this way, the program is voluntary and democratic.

In summary, this bill has been proposed by the beef producers of America. It is a plan aimed at promoting more efficient and economical production of beef. It would strengthen the economy of the beef industry. It would assure consumers of an adequate and reliable supply of beef at affordable prices. The success or failure of the program will be decided by producers in the best interests of consumers at no cost to the Government or the taxpayer.

I feel this bill is a credit to the many farmers and ranchers who comprise this Nation's livestock industry. The livestock industry has experienced hard times and seesaw markets in recent years, but beef producers are strong willed and self-reliant independents who do not ask for handouts. Rather they ask only for legislation which will allow them to spend their own money to promote their product through research and education. I urge my colleagues to support this legislation and allow the livestock industry to establish a truly self-help program.

Mr. WAMPLER. Mr. Speaker, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from Virginia (Mr. WAMPLER).

Mr. WAMPLER. Mr. Speaker, I rise in support of the conference report on the Beef Research and Information Act, H.R. 7656.

This matter came before the House on December 15, 1975. During the conference on H.R. 7656 in December, 1975, the House conferees adopted a conference substitute that largely adopted the language of the Senate version as it had to do with the referendum provisions that would take place after the enactment of the bill as it related to a Department of Agriculture order on the adoption or nonadoption of an enlarged beef research and information program.

Although I supported the conference report in the House, I did have certain misgivings about the adoption of the Senate language. We in the House had supported in the full committee an amendment by Mr. MELCHER to use referendum procedures as set forth in the House version of H.R. 7656. The plan as we originally provided in our version of the bill required that adequate hearings be held by the Secretary of Agriculture and after that the plan had to be approved by two-thirds of the eligible producers voting, provided that the persons voting constituted at least half of those who had registered prior to the referendum. The plan was to be detailed and an order prepared by the Secretary, and it was pursuant to this order that the livestock producers would vote.

The Farm Bureau was very strongly in favor of registration prior to the actual referendum and one vote for each producer, and it was on these provisions that we conceded to the Senate in the conference.

In the course of our further conference with the Senate after the matter was recommitted to conference by a vote on December 15, 1975, we have come to agreement with them in that the Senate has agreed to the House version on the handling of the referendum, and more particularly, as it relates to prior registration.

In a somewhat humorous vein, it has been stated that the Senate version of H.R. 7656 was a "one cow-one vote" bill, while the House version was a "one man (producer)-one vote" bill. The wisdom of our House version has now prevailed, and I see no reason why this conference report should not be adopted by a substantial margin.

Mr. Speaker, I wish to insert the following additional remarks on how this program will be operated for the information of the Members and their constituents who may be interested in this particular piece of legislation.

BEEF RESEARCH AND INFORMATION ACT, H.R. 7656

The beef cattle industry leaders of America have proposed a new and far-reaching self-help plan—(1) a plan aimed at promoting more efficient and economical production of beef, (2) strengthening the economy of the cattle industry, and (3) assuring consumers of an adequate and reliable support of beef at prices they can afford. This plan, known as the Beef Research and Information Act, H.R. 7656, will be producer financed at little cost to the taxpayer.

H.R. 7656 will establish research funds to improve beef marketing, develop new and different beef products, and develop new techniques in the preparation and presentation of meat. The plan also calls for continued nutritional research that will benefit consumers who desire more knowledge of the nutritional value of beef and beef products.

The program will also authorize more research on cattle and forages for more efficient and economical beef production. There is a need to conduct research on cattle diseases, cattle feed rations and efficiency, genetics and environmental considerations. At the moment the industry is facing a standstill in developing new means to increase production—with little Federal money currently committed to further agricultural research in this important area.

The program will also help develop better means of product distribution. There is a need to move beef from the point of production to the point of consumption as efficiently as possible—improving processing, transportation, storage and handling. Such improvements could be a factor in lowering retail beef prices. The Beef Board may at its discretion supply producers with current and projected supply and demand statistics. This will help producers in the prices they receive for beef and consumers in the prices they pay for beef.

H.R. 7656 will also enable the Beef Board to develop foreign markets to allow production to be maintained at full capacity and provide a climate of stability for the industry. This would benefit the U.S. balance of payments through increased marketing abroad while boosting our domestic economy.

Under this program, the cattlemen will spend their own money on beef production and marketing research designed to improve beef production efficiency and minimize fluctuations in supply. This will help producers (in the prices they receive for cattle) and consumers (in the prices they pay for beef).

Again, I emphasize that this program will cost the government very little. The Act sets a precedent for other agricultural check-off programs by requiring cattlemen to post a bond to cover out-of-pocket referendum expenses.

It is obvious that most cattlemen favor this self-help approach to solving their problems. However, if an individual cattleman does not wish to participate, he may request a refund of the modest deduction and get it. In this way, the program is voluntary and democratic.

I feel this bill is a credit to the many farmers and ranchers who comprise this nation's livestock industry. The livestock industry has experienced hard times and seesaw markets in recent years, but beef producers are strong willed and self-reliant independents who do not ask for handouts. Rather they ask only for legislation which will allow them to spend their *own* money to promote their product through research and education. I urge my colleagues to support this Conference Report and allow the livestock industry to establish a truly self-help program.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from Ohio.

Mr. ASHBROOK. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the conference report on H.R. 7656, the Beef Research and Information Act. Passage of this act will benefit the beef industry as well as the consumer.

H.R. 7656 has correctly been described as self-help legislation. It will allow cattle producers to pool their money on a voluntary basis to finance research, consumer information, and marketing in regard to cattle and beef products. This will permit the development of national programs that should help the beef industry to remain a strong and productive facet of our economy.

The spinoff from these activities should also prove advantageous to the consumer. The research envisioned in this bill, for example, could well lead to better feeding methods, lower production costs, and greater marketing efficiency. This would make possible a reduction in beef prices. The consumer education aspect could also prove beneficial to the consumer.

I want to stress that this legislation will cost the American taxpayer nothing. There are no Government subsidies, no target prices, and no Federal handouts. Cattle producers will put up their own money to support these programs. Furthermore, any producer who does not want to participate can get his money refunded upon request.

This act, Mr. Speaker, will aid the beef industry, an industry of key importance to our Nation's economy. I urge the adoption of the conference report.

Mr. SEBELIUS. Mr. Speaker, I yield 3 minutes to the gentlewoman from Nebraska (Mrs. Smith).

Mrs. SMITH of Nebraska. Mr. Speaker, I rise in support of the conference report on H.R. 7656, the Beef Research and Information Act, and respectfully urge its adoption.

The cattle producers in Nebraska, and especially in the Third District, have been waiting a long time for the passage of this legislation. They have sought this type of self-help program which we believe will lower beef production costs, improve beef products, develop more industry research, promote merchandising and marketing efficiency, and provide the consumer with more information and assistance.

Differences over the referendum procedures between the House and Senate versions which resulted in the recommittal action in the House have been resolved.

I commend the members of the Beef Industry Development Task Force for reaching agreement on the referendum procedure. This agreement laid the groundwork for reconvening the conference and for bringing out the conference report upon which we are voting today.

This understanding and agreement was worked out with the cooperation of industry and farm leaders interested in improving the economic outlook of cattle producers who have suffered disastrous setbacks the past 2 or 3 years.

The adoption of this conference report will be a big step toward helping this segment of our agricultural economy back on the road to prosperity. Because of sharp fluctuations in the marketplace the last few years, unprecedented financial losses have occurred. The adoption of this self-help plan can help stabilize beef supplies which will help producers and consumers alike.

To those who speculate that a program of this kind will increase the price of beef, I would like to quote a statement by O. J. Barron Jr., chairman of the Beef Development Task Force:

> There are many opportunities for increasing the efficiencies in the distribution and marketing of beef which can lower the price to the consumer. At present, producers who own a beef animal and feed it for 1 to 2 years receive only about 65 percent of the retail beef dollar while middlemen who own the product for 1 to 2 weeks receive about 35 percent. If the latter figure can be reduced . . . and it can be reduced . . . both consumers and producers would benefit.

The Beef Research and Information Act will strengthen the Nation's economy. I urge my colleagues to support this conference report. It is important to put this plan in operation as quickly as possible.

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Missouri (Mrs. Sullivan).

Mrs. SULLIVAN. Mr. Speaker, although I represent an urban congressional district, I have cast many, many votes over the past 23 years in behalf of the farmers of this country and I have worked on behalf of numerous bills to aid the agricultural economy. All of the Members who have been here for any significant number of years, on both sides of the aisle, know that as a consumerist I have nevertheless always recognized the great importance of maintaining a prosperous agriculture. Many will remember that the legislation I introduced which became the Food Stamp Act grew out of the fact that as a city Democrat voting consistently for farm support programs, I was appalled in 1954 by the fact that we were building up huge surpluses of Government-owned food which we were desperately trying to give away abroad, while people in this country went hungry. The solution, as I saw it, was not to do away with the farm programs intended to prevent form bankruptcy but to see to it that hungry Americans shared in this great food abundance. And today, nearly 20 million Americans are sharing in our food abundance through the food stamp program, and buying, I might add, lots of beef.

As a member of the National Commission on Food Marketing, in 1964–66, I studied in depth the problems of farmers in obtaining a fair return for their essential products and I think I demonstrated a real concern for the very real problems of farmers. So I make no apologies for strongly opposing this special interest, anticonsumer beef closed shop bill involving a compulsory dues checkoff for every pound of beef marketed in this country—a dues checkoff to be paid by the consumer at the checkout counter of the food store.

The money is to be used to brainwash consumers into buying more beef. As I told the House last October 2 when we debated this issue:

> The problem is not to convince consumers to eat more beef—they eat about as much now as they can afford, and perhaps more than they should. What they need to learn from the meat industry, or anyone else who can provide the information, is how the consumer can pay for additional purchases of beef.

I hold to the same view today.

I remind my colleagues from agricultural areas that it was just 3 years ago in this House that they were instrumental, along with the Members on the other side of the aisle, in killing the legislation from the House Committee on Banking and Currency which would have rolled back the disastrous inflation of phase III of the Nixon stabilization program to the levels of prices and interest rates prevailing on January 11, 1973, when phase II ended and phase III began. The farmers then could see only the dancing mirage of ever higher farm prices at that time; they failed to see that the inflation they were supporting would eventually bankrupt thousands upon thousands of farmers through higher costs and the catastrophe of soaring interest rates.

And now they come in and ask for this closed shop beef checkoff citing the squeeze between farmers' costs and prices. So they ask the consumers of this country to pay a special dues assessment on every pound of beef in order to use the money to mount a Madison Avenue campaign to get consumers to buy more beef.

If the ranchers and feedlot operators want to mount a Madison Avenue advertising campaign for more sales of beef, let them pay for it themselves. The only aspect of free enterprise in this closed shop beef checkoff is that those who would benefit from it, or hope to benefit from it, would get a free ride at the consumers' expense.

The conference report does not even contain any effective provision for effective consumer representation on this Beef Promotion Board. That was an important consideration in the House's rejection of the conference report we considered last December 15. It is still a bad deal for consumers, and should be defeated.

Mr. SEBELIUS. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. Peyser).

Mr. PEYSER. Mr. Speaker, first, I want to mention again the fairness with which our former chairman, the gentleman from Texas (Mr. Poage) presented the case here, particularly in answer to some questions on whether or not the consumer pays any price for this legislation. It is apparent that any time production costs increase, the price of the product increases. There is no question about that.

What I would like to question, as I look through the report, I notice amendment No. 1 dealing with false or misleading claims; the Senate in its bill says that there shall not be any false or misleading claims on behalf of cattle and misleading statements with respect to quality. Well, I think that is a very good stand. That the Senate would agree that we should not make misleading claims is commendable and that the House accepted that is equally commendable; but misleading claims in the beef industry from the beef industry has been demonstrated by the recent beef regrading program, where somehow the cattle producers are totally convinced that it is in the best interest of the public to regrade the beef, to put a lower quality of beef in the market at the same high prices. I do not think that is in the best interest of the public. I think that is misleading.

There is another amendment dealing with the submission of the annual budget of the Beef Board to the committee. In the House we said that the Beef Board should submit its budget to the House committee and the Senate committee for approval. The Senate did not think that was proper and the House receded, so we lose whatever control we might have had on that legislation.

The next item speaks of the consumer representation on the Research Board. Here the Senate, recognizing for the first time that consumers should have something to say on this legislation and on what the board does, the Senate bill said that 25 percent of the committee should be made up of organized consumer groups having a background and a knowledge of this food industry. That particular amendment was stricken by the House conferees. So here, the one opportunity we had of having a little bit of a balance—even though the odds would be four to one against the consumer groups—a little balance on there, and that was stricken.

Now, it just does not seem to me that we are playing fair with the public on this type of legislation. I do not agree that the bill is a good bill to start with, but what has come out of conference makes it far worse than the bills that were in either House.

Mr. SEBELIUS. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. Conte).

Mr. CONTE. Mr. Speaker, I rise in strong opposition to the conference report to H.R. 7656, the Beef Research and Information Act. This is the third time I have had to speak against the beef rip-off bill, and I hope this is the last.

I urge my colleagues to vote against the conference report and kill this wasteful and unnecessary legislation.

When I first spoke against this bill in October, I said it was a "bum steer." In December, when the conference report came before the House for the first time; I put aside the jokes and pointed out how this was special interest legislation to promote the sale of a commodity that Americans were already buying in abundance.

Nothing has been done since December to change my opinion. The Beef Research and Information Act remains a choice morsel of special interest fat and a rip-off on consumers.

I warn my colleagues that if this bill passes, it will set a dangerous precedent. Congress would be besieged by lobbyists for other farm commodities demanding equal treatment.

Several commodities already enjoy the privileged status of having their own congressionally charted "research and promotion" office. But these offices have not served the public interest well.

Since 1970, the research and promotion office for cotton producers, known as Cotton, Inc., has been a continuous scandal of boondoggles and shenanigans at taxpayer expense. In that time, Cotton, Inc., has lavishly wasted $26 million in taxpayer subsidies on fancy office furnishings, snob appeal advertising campaigns and outrageous executive salaries.

For example, as I pointed out to the House last year, the chief executive at Cotton, Inc., gets a salary twice as large as the Secretary of Agriculture.

A few other commodities also have congressionally chartered research and promotion offices, including wheat, potatoes, wool and mohair. Opening the gate to beef producers will guarantee that every farm commodity lobby will be demanding the same preferential treatment.

The administration shares this view. The Office of Management and Budget has stated that "the involvement of the Federal Government in the promotion of a particular commodity at the expense of other commodities would compel other commodity groups to seek similar assistance in order to maintain their share of the food market. The net effect of such action would be to unnecessarily increase costs to both producers and consumers."

The Beef Research and Information Act would require every cattle producer to pay a small percentage from the sale price of his cattle to the beef board. This "checkoff" requirement would have the same effect as imposing a "value-added" tax on all beef products. The beef board, which wouldn't have a single consumer representative among its 68 appointed members, would determine how to spend the $45 to $60 million collected.

Beef producers need to sell their cattle at a fair price. But their prospects will be worse with the addition of a value-added tax. That tax would cause higher beef prices, which would certainly meet with consumer resistance.

Four months ago, the House rejected this conference report by a wide margin, 263 to 112. Except for one change—which abolished the ridiculous "one cow, one vote" principle, this is the same bill, and I urge my colleagues to reject it.

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. Richmond).

Mr. RICHMOND. Mr. Speaker, this measure is a sweetheart bill which will create a slush fund for the Nation's cattle barons and cause a substantial increase in meat prices at the supermarket.

This was a bad bill when the House considered it last fall. It was a bad bill when the House rejected the first conference report. This conference report is no better.

This bill will create a totally unnecessary advertising, promotion and research campaign for cattlemen, paid for by consumers, probably out of plush Madison Avenue offices.

But, cattlemen already spend $5 million a year advertising beef on TV, and the USDA already spends $50 million a year on cattle research, 5 times the amount that it spends on human nutrition research.

This bill is unfair because it will raise the price of beef, and will not help the small, family cattlemen. This bill will only take a little more from their pockets so a few agribusiness cattle barons can profit.

Cattle producers do not need more advertising; they need rural development funds, pollution control grants, operating loans, relief from chemical contamination of their livestock and real assistance in getting more leverage in the marketplace.

The farm groups know that. That is why the Farmers Union, the National Farmers Organization and the National Association of American Meat Promoters oppose this bill. And that is why the Consumer Federation of America and the Amalgamated Meat Cutters Union oppose this bill.

Let us stop wasting the time of the House of Representatives on ill-conceived legislation which costs consumers, costs cattlemen and feeds the pockets of Secretary Butz' agribusiness friends.

This matter also has become even more urgent when we read a CIA report which my office recently had declassified corroborated by Dr. Reid A. Bryson, the world's leading climatologist.

Let me quote the short article in the April 30 edition of the New York Times:

The article from the New York Times is as follows:

C.I.A. WEATHER STUDY CITES GLOBAL CRISIS

Washington, April 30.—A report from the Central Intelligence Agency warns of global political and economic upheaval almost "beyond comprehension" because of climatic changes that have already occurred.

The report says the world has entered a period of adverse weather that will reduce crop production and cause widespread famine and starvation.

The unfavorable weather is likely to last for at least 40 years and possibly centuries, the report added.

Based on a study by Dr. Reid A. Bryson of the University of Wisconsin, the report states that long-term changes in the weather may cause a major drought in India every four years resulting in the starvation of 150 million people, a major famine in China every five years and the loss of the Soviet wheat fields in Kazakhstan.

The report will not be made public until Monday, but a copy was obtained by The Associated Press.

The world reserve would have to supply 30 to 50 million metric tons of grain each year to prevent the death of 150 million Indians, the report said.

China, with a major famine every five years would require a supply of 50 million metric tons of grain, and the Soviet Union would lose Kazakhstan for grain production, thereby showing a yearly loss of 48 million metric tons of grain, it added.

Canada, a major exporter, would lose over 50 percent of its production capability and 75 percent of its exporting capabilities, and Northern Europe will lose 25 to 30 percent of its present production capability, while the Common Market countries would "zero their exports," the report said.

As examples of the change in climate that is taking place the report cited record high rains and cold spells for the last three years from Burma to the United States.

Another C.I.A. report, made public last year, said grave food shortages would prompt increasingly desperate attempts on the part of the powerful, but hungry nations, to get grain any way they could. Massive migrations, sometimes backed by force, would be a live issue, and political and economic instability would be widespread.

Mr. SEBELIUS. Mr. Speaker, I yield myself such time as I may consume to respond to a couple of the arguments that have been made.

Mr. Speaker, I would like to respond to several of the Dear Colleague letters I have received, and I would like to say to the gentlewoman from Missouri (Mrs. Sullivan) that I did indeed vote against the rollback powers which included beef prices. At that time I offered an amendment on the floor of the House, called the Sebelius rollup bovine gestation amendment, wherein I tried to point out the point that you cannot order these things on supply and demand, you create artificial situations. And the gist of my amendment was to order the cow to have the calf in exactly half the time. The amendment made more sense than disturbing economic laws.

Mr. Speaker, I cannot say that we are getting anywhere when the farmer sells at wholesale, buys retail, he pays the freight both ways. My colleague, the gentleman from New York (Mr. Peyser), says that the charge will be a production cost and that will be added on. We cannot add it on. We sell it for what is offered. That is exactly why the seller is being charged in this situation. It is not an added-on tax. Also, we did put in the language of the report that the Secretary could name five consumer advisers and that we will pay their expenses.

Mr. FOLEY. Mr. Speaker, will the gentleman from Kansas yield to me?

Mr. SEBELIUS. I yield to the gentleman from Washington (Mr. Foley).

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Speaker, I would like to take this opportunity to congratulate the gentleman from Kansas (Mr. Sebelius) and the other conferees who worked on this conference report.

Mr. Speaker, I would like to ask the gentleman a question regarding the conference committee's decision with respect to the cost of the referendum.

Is it not true that the cost of the referendum will be borne by the producers, whether it is approved or not, and that all related out-of-pocket expenses will be carried by the producers as well? The only Government cost will be that of salaries that are already being paid now and would have to be paid under any circumstances. Is that not correct?

Mr. SEBELIUS. That is correct.

Mr. FOLEY. Because this is an important point, I want to avoid all possible misunderstanding as to the potential Federal liability for the costs of the referendum. Whether it is ultimately approved by the producers or not, I repeat that they will still pay the costs of the referendum.

Mr. SEBELIUS. Mr. Speaker, I thank the chairman of the committee, because he has been very understanding while we tried to solve the problem of the beef producer.

I have letters here from 83 organizations that are supporting this beef research bill. I will not name them, but two of the general farm organizations are the American Grange and the American Farm Bureau Federation, and almost every State cattle organization is very much in favor of it.

Mr. Speaker, I would like to reflect very briefly on what was previously referred to, the recommendation of our colleague, the gentleman from Oregon (Mr. Weaver), when he said in his letter that:

> Cattle producers have been hard hit in recent years by high costs and by the glut of beef which has held down prices. I know it has been a trying and difficult period for them, as they tried to stay in business until the market changed.
>
> Now, the market has changed. Prices of beef have risen sharply in the last month or so.

That is the very point I tried to make as to why we need this bill, to level out the price fluctuation, and to have more understanding so that there can be deliveries to the market.

If you are tired of the ups and downs of beef prices, you should vote for this conference report and let the farmers and the stockmen try to solve their problems.

I received a letter from Jane Claybrook, speaking for Private Citizen, wherein she refers to the fact that the only thing different in this bill is the fact that we changed the referendum. The referendum is what was needed the last time. So now we have one-man, one-cow, one-vote. Now that is what is in this bill.

We have that in this bill, plus the five consumer advisories that we pay for.

Mr. Speaker, for the benefit of our colleagues, the gentleman from California (Mr. Wiggins) and the gentleman from New York (Mr. Scheuer), who talk about the "beef rip-off act," I would like to refer them to an article in the Kansas Stockman entitled "The Real Beef Rip-Off," which talks about all the Chicago supermarkets and the union rules so they cannot offer meat after 6 p.m. and many other cost consuming problems.

Those are the problems we want to study. I am not disregarding the problem of the beef cutter or anybody else. I want to study these problems, and the stockmen and the farmers want to study the problem. They want to find out why they cannot price their own product; that is the sad thing about this. The gentleman from Texas (Mr. Poage) has known about this and has studied law here in Congress for 30 years, and he has been trying to explain the problem.

They raise an objection to the value-added tax. It is not a value-added tax, it is just the opposite. The seller pays it out of what he receives. It is not added to anything.

I would suggest to Mr. Biemiller, who wrote a very learned letter about his concerns, that he read the article I just referred to on the subject of "The Real Beef Rip-Off."

Mr. Speaker, I am not picking on anybody; I am just asking for a little compassion and a little concern for the beef man himself.

I have one further comment, Mr. Speaker, for those who are concerned about studying the pricing to the consumer. I am only sorry that my colleagues do not have the opportunity I have to buy beef out in western Kansas. Just last week I bought a side of beef on the hoof. You say, "How do you split that cow down the middle?" That must be done in a butcher shop.

I bought the side of beef from a farmer friend of mine who raises his own beef. For that beef I paid 74 cents a pound as it is hanging, and I am giving a processor, a little packing plant, 12 cents a pound for preparation, for cutting and wrapping and freezing that beef. So it is going to cost me 86 cents a pound for that beef.

I know all about the problems in the cities. There are problems of distribution, problems of marketing, and problems of transportation. We want to get to those problems, and we want to work on those problems for the mutual benefit of consumers and farmers and stockmen. I want the people in the cities to be able to buy beef at 86 cents a pound, too. We must figure out some way to get together to work out these things.

We have the same problems with the poor wheat farmers. It costs more to haul a loaf of bread from the bakery to the supermarket than for all the wheat that goes into that loaf of bread.

Mr. Speaker, this is what I am asking my colleagues to vote for today. I ask them to vote for this conference report and give us a chance.

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. Weaver).

Mr. WEAVER. Mr. Speaker, as a member of the Committee on Agriculture, I have supported almost all the bills which aid that fundamental part of our economy, the agricultural sector. We owe our farmers a great deal. They have a magnificent record, a record of producing food in abundance at low cost to us in this country.

Any bill that really helps our agricultural sector, the Members will find me supporting it. The truth, however, is that this bill before us today is not needed.

I am concerned about our cattlemen. They have suffered over the past number of years with low prices and rising costs of production, but the long cattle cycle is ending. The oversupply of cattle in this country, with the breeding herds being liquidated, now means a decreasing number of cattle and rising beef prices.

Mr. Speaker, let me quote from Doane's. This is an advisory service for the farmer. The quotation is as follows:

> Since the dreary days of February and March, feed cattle markets have improved substantially. * * * Choice slaughter steers were cashing a solid $45—up something like $10 in a month.

Below it says:

> Prices will probably run mostly in the $45 to $50 bracket on Choice steers for the remainder of the year. We tend to think this price range is more likely to be broken on the top side.

This lends credence to my contention that this bill is now unnecessary.

Mr. Speaker, let me also mention one thing that happens in a certain State to a similar program for eggs.

As we know, we have in this bill a provision that a cattleman can take his money back if he asks for it. In one certain State they have a bill like this for eggs, and the big producers take all their money back every month, saddling the little producer with the entire cost of the egg program.

The same thing could happen with this cattle bill. The big producers could get their money back, leaving the small cattlemen to foot the bill.

Mr. Speaker, I say, let us beat this conference report.

Mr. **SEBELIUS**. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, my good colleague, the gentleman from Oregon (Mr. Weaver), is saying that the farmer has it big right now.

However, at this moment the stockman is just about at the point where he can break even. If we look at the futures price of cattle for December, they were considerably lower than they are right now. They were much less. However, if we want to stop this and level it off a bit, vote for this report.

Mr. **FOLEY**. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. Scheuer).

Mr. **SCHEUER**. Mr. Speaker, the people of this country have become cynical about the extensive use of Government powers which have no clearly defined legitimizing purpose. For this Congress at this time to be putting the coercive force of the Federal Government behind a beef promotion program to me is bizarre.

The fact is, Mr. Speaker, if we were thinking about the health of Americans, we would be doing exactly the opposite. We would be trying to help Americans radically reduce their consumption of beef and other.

The famed Harvard professor of nutrition, Jean Mayer, told me last Friday:

> This bill is just one more example of the total lack of coordination in the executive branch of government. On the one hand we have HEW supporting enormous amounts of research which show that the consumption of high fat foods—particularly beef—promotes heart disease and stroke, while at the same time Agriculture is pushing promotion of beef.

Dr. Ernst L. Wynder, president of the American Health Foundation, said that Americans would be wise to limit consumption of meat and eggs to four times a week each and avoid dairy fats. He said this would not only help prevent the half a million premature deaths from heart disease but also reduce deaths from colon-rectal cancer.

This form of cancer, which is becoming more common every year, is expected to strike up to 99,000 Americans this year and take 48,000 lives annually.

The New York Times recently editorialized that "millions of Americans would benefit from a permanent semi-boycott of meat and related animal-derived foods. In the quantities eaten in this country, the juicy steak and the succulent pork chop are both enemies of good health, sources of the excess saturated fats which most medical authorities now agree help cause the hundreds of thousands of heart attacks—large numbers of them fatal—that plague the United States annually.

Mr. Speaker, the New York Times editorial went on to say as follows:

> The average American eats almost five pounds of meat a week, most of it cholesterol-rich beef and pork. This diet stands accused as the single largest killer of Americans. For years, nutritionists have been trying to tell Americans that (they) eat too much food altogether, and too much meat in particular.

Mr. Speaker, what this Nation really needs is not a beef promotion program, aided and abetted by the coercive powers of the Federal Government, but rather a federally assisted health information program informing the American public how they can radically improve their health and life expectancy by cutting their consumption of animal fats, beef, other meats, and dairy products included.

Mr. **FOLEY**. Mr. Speaker, I yield 2 minutes to the gentleman from Montana (Mr. Melcher).

Mr. **MELCHER**. Mr. Speaker, I opposed the previous conference report on the bill, but I am here today supporting this final version of the bill because I think it follows the democratic processes in conducting the referendum, and that was my previous objection to it. Now it has been changed to again conform to the language as the bill passed the House.

The money that will be collected, if the referendum by the producers carries, amounts to about $40 to $50 million a year; and every one of the producers who wants to get his money back can do so. He or she may apply for the money to be refunded, and it will be, under the terms of the bill.

Mr. Speaker, I think there is a desperate need for more cattle and other animal research in this country because we are not meeting the necessary needs.

It does involve public health, but, beyond that, this bill would put the $40 to $50 million subject of the dispensation by the board of producers, advised by consumers, into projects that will better enable consumers to buy beef at better prices. I would suggest that perhaps the first area studied by the board, once this is passed and if the referendum carries, would be to look into the metropolitan areas of the Northeast, including New York, Boston, and Philadelphia, and find out why beef continually and consistently costs more there. It is that type of problem on marketing that should be covered, and I hope that the board, with the use of this money, can perhaps solve it.

I commend the conference report to the Members of the House and I hope we get a resounding vote in favor of the conference report and send the bill to the President's desk for his signature and enactment into law.

Producers and consumers can and should benefit.

Mr. **RAILSBACK**. Mr. Speaker, the Beef Research and Information Act, H.R. 7656, will be helpful for improving conditions in the livestock industry. The bill will set up a fund and the mechanism to underwrite research and consumer education. This research could well mean improved feeding methods, a reduction in grain cost and a more nutritious beef product. This improvement would result in lower production costs and these lower costs could be passed on to the consumer in terms of quality beef at lower prices. The Beef Research and Information Act will mean benefits to both the farmer and the consumer and at no cost to the Federal Government. As an original cosponsor of the bill, I find that the conference report has eliminated the major objectionable features of the bill. I urge my colleagues to support this legislation.

Mr. **FOLEY**. Mr. Speaker, I rise in support of H.R. 7656, the Beef Research and Information Act. As the distinguished vice chairman of the Committee on Agriculture, Mr. Poage, has pointed out, approval of this legislation by the Congress would have the effect of simply allowing livestock producers to decide by referendum whether they wish to collectively undertake a national program of research, promotion, consumer education, and market development for cattle, beef, and beef products. Under this program money derived from cattlemen will be spent on research projects designed to increase the efficiency of beef production, improve the eating qualities of beef, improve nutrition and human health, develop new beef products, and facilitate improved methods of marketing and distributing beef. It is the committee's feeling that progress in any of these areas will help consumers while at the same time expanding markets for beef. Among other things, this bill would allow cattlemen to spend their own money on consumer education and information. Programs developed as a result of this legislation should supply consumers with valuable information on the economics of buying beef and beef products, on how to get more for the food dollar, and on how to select and prepare the most economical beef cuts. This is especially important in view of the fact that recent research findings support the thesis that the greatest contributing factors to the overall palatability of beef are cooking temperature and method of preparation rather than marbling and maturity.

The bill contains provisions designed to insure that the Federal Government incurs no costs in conducting the referendum or in the administration of the program. All Government expenditures are to be paid out of the assessments collected by the Beef Board.

Under the language of the conference report, the Government would be reimbursed for its out-of-pocket expenses incident to the conduct of the referendum, whether or not it is approved.

The main question we are deciding today is whether the House believes there is any merit in allowing producers to determine for themselves if the Beef Research and Information Act should in fact become operative. I should further like to remind Members that if the majority of livestock producers do not favor participation in this program, as some suggest, the referendum will ultimately fail.

I urge my colleagues to allow our Nation's producers, large and small alike, to make the final determination as to whether or not they wish to contribute to this program. I ask that you support this conference report.

Mr. Speaker, I yield myself the balance of the time; and in the few seconds I have remaining, I wish to urge my colleagues to support the work of the conference. It is a balanced conference report in my judgment that includes such protections as granting the Secretary authority to audit the funds of the board and to call another referendum if, in his judgment, this is needed. The bill, moreover will provide producers an opportunity to develop a coordinated program of research and information that will greatly benefit consumers in securing better beef at more reasonable prices, while at the same time enabling producers to produce larger quantities of higher quality beef.

Again, I urge the adoption of this conference report.

The **SPEAKER**. Without objection, the previous question is ordered on the conference report.

There was no objection.

MOTION TO RECOMMIT OFFERED BY MR. PEYSER

Mr. **PEYSER**. Mr. Speaker, I offer a motion to recommit.

The **SPEAKER**. Is the gentleman opposed to the conference report?

Mr. **PEYSER**. I am opposed to the conference report, Mr. Speaker.

The **SPEAKER**. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. PEYSER moves to recommit the conference report on the bill H.R. 7656 to the committee of conference.

The **SPEAKER**. Without objection, the previous question is ordered on the motion to recommit the conference report.

There was no objection.

The motion to recommit was rejected.

The **SPEAKER**. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appear to have it.

Mr. **PEYSER**. I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 200, nays 170, answered "present" 1, not voting 61, as follows:

[Roll No. 224]

YEAS—200

Abdnor
Alexander
Anderson, Ill.
Andrews, N.C.
Archer
Armstrong
Ashbrook
Ashley
AuCoin
Bafalis
Baucus
Bauman
Beard, Tenn.
Bedell
Bergland
Bevill
Blouin
Boggs
Bowen
Breaux
Breckinridge
Brooks
Brown, Ohio
Broyhill
Burgener
Burleson, Tex.
Burlison, Mo.
Butler
Carter
Cederberg
Chappell
Clausen, Don H.
Clay
Collins, Tex.
Conable
Crane
Daniel, Dan
Daniel, R. W.
Danielson
Davis
Dent
Derrick
Devine
Diggs
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
English
Evins, Tenn.
Findley
Fisher
Fithian
Flood
Flynt
Foley
Forsythe
Fountain
Frey
Fuqua
Gaydos
Ginn
Goldwater
Gonzalez
Goodling
Grassley
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hansen
Harkin
Harsha
Hays, Ohio
Hébert
Hefner
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Howe
Hubbard
Hutchinson
Ichord
Jacobs
Jarman
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Kasten
Kastenmeier
Kazen
Kelly
Ketchum
Keys
Krebs
Lagomarsino
Latta
Leggett
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lott
Lujan
Lundine
McClory
McCollister
McCormack
McEwen
McFall
McKay
Madigan
Mahon
Mathis
Meeds
Melcher
Milford
Miller, Ohio
Mills
Mineta
Montgomery
Moore
Moorhead, Pa.
Morgan
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
O'Brien
O'Neill
Passman
Patten, N.J.
Pettis
Pickle
Poage
Pressler
Preyer
Quie
Quillen
Railsback
Randall
Regula
Rhodes
Risenhoover
Robinson
Roncalio
Rose
Rousselot
Runnels
Satterfield
Schneebeli
Sebelius
Sharp
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Nebr.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steiger, Wis.
Stephens
Stratton
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Traxler
Treen
Ullman
Vander Jagt
Vigorito
Waggonner
Whitehurst
Whitten
Wilson, Bob
Wilson, Tex.
Winn
Wright
Wylie
Yatron
Young, Alaska
Young, Tex.

NAYS—170

Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Annunzio
Aspin
Baldus
Beard, R.I.
Bennett
Biaggi
Biester
Bingham
Blanchard
Boland
Bonker
Brademas
Brodhead
Broomfield
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Chisholm
Clancy
Clawson, Del
Cleveland
Cohen
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Delaney
Dellums
Derwinski
Dingell
Dodd
Downey, N.Y.
Drinan
du Pont
Early
Edgar
Eilberg
Emery
Erlenborn
Fary
Fenwick
Fish
Florio
Ford, Mich.
Fraser
Frenzel
Gibbons
Gilman
Gradison
Gude
Hannaford
Harrington
Harris
Hawkins
Heckler, Mass.
Helstoski
Holtzman
Horton
Howard
Hughes
Jeffords
Jordan
Karth
Kemp
Koch
LaFalce
Lehman
Lent
Levitas
Long, Md.
McCloskey
McDade
McDonald
McHugh
McKinney
Maguire
Martin
Matsunaga
Mazzoli
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Calif.
Mosher
Moss
Mottl
Murphy, Ill.
Myers, Pa.
Nolan
Nowak
Oberstar
Obey
O'Hara
Ottinger
Patterson, Calif.
Pattison, N.Y.
Paul
Perkins
Peyser
Pike
Price
Pritchard
Rangel
Rees
Reuss
Richmond
Rinaldo
Roe
Rogers
Rooney
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Sarasin
Scheuer
Schroeder
Schulze
Seiberling
Simon
Smith, Iowa
Solarz
Spellman
Stokes
Studds
Sullivan
Thompson
Tsongas
Van Deerlin
Vander Veen
Vanik
Walsh
Waxman
Weaver
Whalen
Wiggins
Wirth
Wolff
Wydler
Yates
Young, Ga.
Zablocki
Zeferetti

ANSWERED "PRESENT"—1

Edwards, Calif.

NOT VOTING—61

Andrews, N. Dak.
Badillo
Bell
Bolling
Brinkley
Buchanan
Cochran
Collins, Ill.
Conlan
Conyers
de la Garza
Dickinson
Eckhardt
Edwards, Ala.
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fascell
Flowers
Ford, Tenn.
Giaimo
Green
Hayes, Ind.
Hechler, W. Va.
Heinz
Hinshaw
Hungate
Hyde
Johnson, Colo.
Jones, Ala.
Jones, Tenn.
Kindness
Krueger
Landrum
Macdonald
Madden
Mann
Michel
Mollohan
Murphy, N.Y.
Nichols
Nix
Pepper
Riegle
Roberts
Rodino
Ruppe
Santini
Sarbanes
Stanton, James V.
Stark
Steelman
Steiger, Ariz.
Stuckey
Symington
Udall
Wampler
White
Wilson, C. H.
Young, Fla.

The Clerk announced the following pairs:

On this vote:

Mr. Krueger for, with Mr. Badillo against.

Mr. Symington for, with Mr. Riegle against.

Mr. Nichols for, with Mr. Stark against.

Mr. de la Garza for, with Mr. Udall against.

Mr. Fascell for, with Mr. Ford of Tennessee against.

Mr. Hungate for, with Mrs. Collins of Illinois against.

Mr. Jones of Alabama for, with Mr. Rodino against.

Mr. Jones of Tennessee for, with Mr. Murphy of New York against.

Mr. White for, with Mr. Nix against.

Mr. Flowers for, with Mr. Conyers against.

Mr. Landrum for, with Mr. Madden against.

Mr. Santini for, with Mr. Charles H. Wilson of California against.

Mr. Roberts for, with Mr. Heckler of West Virginia against.

Until further notice:

Mr. Giaimo with Mr. Bell.

Mr. Green with Mr. Michel.

Mr. Brinkley with Mr. Eshleman.

Mr. Eckhardt with Mr. Heinz.

Mr. Stuckey with Mr. Andrews of North Dakota.

Mr. Macdonald of Massachusetts with Mr. Edwards of Alabama.

Mr. Evans of Colorado with Mr. Esch.

Mr. Hayes of Indiana with Mr. Buchanan.

Mr. Pepper with Mr. Cochran.

Mr. Evans of Indiana with Mr. Conlan.

Mr. Dickinson with Mr. Hyde.

Mr. Kindness with Mr. Mollohan.

Mr. Mann with Mr. Ruppe.

Mr. James V. Stanton with Mr. Steelman.

Mr. Sarbanes with Mr. Steiger of Arizona.

Mr. Wampler with Mr. Young of Florida.

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the conference report on H.R. 7656, just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO FILE REPORT ON H.R. 12545

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until midnight tonight to file a report on the bill (H.R. 12545), the river basins authorization bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON SCIENCE AND TECHNOLOGY TO FILE REPORT ON H.R. 13350

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that the Committee on Science and Technology may have until midnight tonight, Monday, May 3, 1976, to file a report on H.R. 13350, to authorize appropriations to the Energy Research and Development Administration for fiscal year 1977.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

RESIGNATION AS MEMBER OF JOINT COMMITTEE ON ATOMIC ENERGY

The SPEAKER laid before the House the following resignation from the Joint Committee on Atomic Energy:

WASHINGTON, D.C.,
May 3, 1976.

Hon. CARL ALBERT,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: The heavy press of work on my two House committees no longer permits me to devote the time necessary to properly perform the duties of a Member of the Joint Committee on Atomic Energy. I therefore, Mr. Speaker tender my resignation from that most important committee secure in the knowledge that you will designate as my successor a Member fully competent to devote the time and attention the assignment demands.

I thank you for according me the privilege of service on this important and unique Congressional committee.

Sincerely,

JOHN E. MOSS,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

APPOINTMENT AS MEMBER OF THE JOINT COMMITTEE ON ATOMIC ENERGY

The SPEAKER. Pursuant to the provisions of 42 United States Code, section 2251, the Chair appoints as a member of the Joint Committee on Atomic Energy the gentleman from California (Mr. BROWN) to fill the existing vacancy, and the Senate will be notified of the action of the House.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 3(b) of rule 27, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule 15.

After all motions to suspend the rules have been entertained and debated and after those motions, to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

EMPLOYMENT PREFERENCE FOR CERTAIN EMPLOYEES OF THE BUREAU OF INDIAN AFFAIRS AND THE INDIAN HEALTH SERVICE

Mr. HENDERSON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5465) to allow Federal employment preference to certain employees of the Bureau of Indian Affairs, and to certain employees of the Indian Health Service, who are not entitled to the benefits of, or who have been adversely affected by the application of, certain Federal laws allowing employment preference to Indians, as amended.

The Clerk read as follows:

H.R. 5465

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for purposes of this Act—

(1) "eligible employee" means an employee who—

(A) is employed in a position in the Bureau of Indian Affairs of the Department of the Interior, or in the Indian Health Service of the Department of Health, Edution, and Welfare, under a career or a career-conditional appointment, and who has been so employed since June 17, 1974; and

(B) is not entitled to benefits under, or has been adversely affected by the application of—

(i) section 12 of the Act of June 18, 1934 (25 U.S.C. 472);

(ii) the first section of the Act of June 7, 1897 (25 U.S.C. 274);

(iii) the Act of April 30, 1908, and section 23 of the Act of June 25, 1910 (25 U.S.C. 47);

(iv) section 6 of the Acts of May 17, 1882, and July 4, 1884 (25 U.S.C. 46);

(v) section 2069 of the Revised Statutes (25 U.S.C. 45);

(vi) section 10 of the Act of August 15, 1884 (25 U.S.C. 44); or

(vii) any other provision of Federal law providing Indians preferential employment consideration for positions within the Federal competitive service; and

(2) "vacancy" means a vacancy in a position in the competitive service for which the minimum rate of basic pay is less than the minimum rate of GS-16.

SEC. 2. (a) Applicants for each vacancy occurring in the Department of the Interior (other than a vacancy in the Bureau of Indian Affairs) shall, except as provided in subsection (b) of this section, be considered in the following order:

(1) all eligible employees of the Bureau of Indian Affairs who are qualified to fill such vacancy, in the order of their ratings, and

(2) remaining applicants, in the order and number which would have occurred in the absence of this Act.

(b) The provisions of subsection (a) of this section shall not apply with respect to the filling of a vacancy—

(1) by transfer or appointment of a preference eligible who is entitled to additional points under section 3309(1) of title 5, United States Code;

(2) by reinstatement of a preference eligible who is entitled to additional points under section 3309 (1) or (2) of such title;

(3) by restoration of a person under chapter 43 of title 38, United States Code, relating to veterans' reemployment rights, or under section 8151 of title 5, United States Code, relating to an employee who sustained a compensable job-related injury or disability;

(4) by an employee of the Department of the Interior who has received a specific notice of separation by reduction in force;

(5) by an employee of the Bureau of Indian Affairs who—

(A) must be reassigned because of circumstances beyond his control which threaten his life or health, and

(B) cannot be reassigned to a position within the Bureau of Indian Affairs because of the operation of any provision of law referred to in paragraph (1)(B) of the first section of this Act; or

(6) by an employee of the Trust Territory of the Pacific Islands who is displaced by a Micronesian and must be returned to the United States.

SEC. 3. When an appointing authority has twice considered and passed over an eligible employee (disregarding any instance in which another eligible employee or an individual referred to in section 2(b) of this Act was appointed to the position), such eligible employee is entitled to appointment to the next occurring vacancy in such Department for which he applies, unless the appointing authority determines that compelling reasons exist for passing over such employee, and files such reasons in writing with the Civil Service Commission. The Commission shall make such reasons a part of the record of the eligible employee and may require the submission of more detailed information in support of the passing over of such employee. The Commission shall determine the sufficiency or insufficiency of the reasons submitted and shall send its findings to the appointing authority, who shall comply with the findings of the Commission. The eligible employee or his representative, on request, is entitled to a copy of—

(1) the reasons submitted by the appointing authority; and

(2) the findings of the Commission.

SEC. 4. An eligible employee who is passed over for compelling reasons determined to be sufficient by the Civil Service Commission under section 3 of this Act, upon his application, shall be—

(1) separated from the service and, if otherwise eligible, shall be entitled to an annuity under the provisions of section 8336(d) of title 5, United States Code; or

(2) entitled to appointment, in accordance with section 3 of this Act, to the next occurring vacancy for which he is qualified.

A separation under paragraph (1) of this section shall be deemed to be an involuntary separation from the service. An application for separation under paragraph (1) of this section shall be submitted not later than the 90th day following the date of the determination of the Civil Service Commission under section 3 of this Act.

SEC. 5. The appointment to each vacancy occurring in the Department of Health, Education, and Welfare (other than a vacancy occurring in the Indian Health Service) shall be made, with respect to applicants who are eligible employees of the Indian Health Service, in accordance with the provisions of sections 2, 3, and 4 of this Act. For the purposes of applying such provisions, references therein to the Bureau of Indian Affairs shall be deemed to be references to the Indian Health Service, and references to the Department of the Interior shall be deemed to be references to the Department of Health, Education, and Welfare.

SEC. 6. (a) The Civil Service Commission shall prescribe such regulations as it deems necessary to carry out the provisions of this Act.

(b) The foregoing provisions of this Act shall apply with respect to vacancies occurring during the 3-year period beginning with the month which begins more than 90 days following the effective date of this Act, except that the Civil Service Commission may extend such period 1 additional year with respect to vacancies—

(1) in the Department of the Interior, or

(2) in the Department of Health, Education, and Welfare, or

(3) in both Departments.

(c) The foregoing provisions of this Act shall take effect on October 1, 1976, or on the date of the enactment of the Act, whichever date is later.

The SPEAKER. Is a second demanded?

Mr. LOTT. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from North Carolina (Mr. HENDERSON) for 20 minutes and the gentleman from Mississippi (Mr. LOTT) for 20 minutes.

The Chair recognizes the gentleman from North Carolina.

Mr. HENDERSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 5465 provides assistance to certain employees of the Bureau of Indian Affairs or the Indian Health Service whose career opportunities have been adversely affected by the Indian preference laws and policies by requiring that adversely affected employees be given priority consideration for appointments to vacant positions within the Department of the Interior or the Department of Health, Education, and Welfare, as applicable. In addition, the bill provides eligibility for retirement in accordance with the involuntary retirement provisions of the civil service retirement law under specific conditions prescribed in the bill.

A number of laws concerning Indian preference in Federal "Indian Service" employment were enacted by the Congress during the 19th and early 20th centuries. The broadest and most modern provision, and the one on which the current Indian preference requirements are based, is section 12 of the Indian Reorganization Act of 1934. Prior to 1972, the Indian preference provisions were administered by the Bureau of Indian Affairs as applying only to initial appointments and not to subsequent promotions. In 1972 the BIA policy was changed to extend the Indian preference to promotions, transfers from outside the BIA, and reassignments within the BIA which improved promotional prospects. Two recent court decisions have upheld the validity of section 12 of the Indian Reorganization Act and its application not only to initial appointments, but to promotions, transfers, and reassignments.

On April 25, 1974, the U.S. Court of Appeals for the District of Columbia in Freeman against Morton, upheld an unreported district court decision in a suit brought by four Indian BIA employees. The court held that under the 1934 Indian preference provisions, Indian preference applies to the filling of all vacancies in the BIA, including initial hires, promotions, lateral transfers, and reassignments in the Bureau, and that no exceptions are possible where there is at least a minimally qualified candidate who is eligible for Indian preference.

On June 17, 1974, the U.S. Supreme Court in an 8 to 0 decision in Morton against Mancari, reversed the decision of a three-judge district court for the district of New Mexico which had held, in a suit by a group of non-Indian BIA employees, that the 1934 Indian preference provisions had been impliedly repealed by enactment of section 11 of the Equal Employment Opportunity Act of 1972, prohibiting discrimination in most Federal employment on the basis of race.

The Supreme Court held that Indian preference was not a racial preference but, rather, it was an employment criterion reasonably designed to further the cause of Indian self-government and to make the BIA more responsive to the needs of its constituent groups.

The effect of the Supreme Court's decision on employees in the Indian service agencies who are not entitled to Indian preference has been dramatic. The Indian service agencies are no longer able to honor their assurances of free and open competition for all employees based on merit factors alone.

Since December 1975 the Department of the Interior has had a placement assistance program for adversely affected employees, even though the Supreme Court decision was issued on June 1974 and the Bureau of Indian Affairs had been implementing the absolute Indian preference policy since 1972. Testimony before the committee and information contained in numerous letters to the committee indicate that BIA employees have little faith in the success of this program. It puts the burden of proof on the non-Indian employee to demonstrate being adversely affected before registering in the program. To date very few employees have registered.

The placement assistance program which H.R. 5465 establishes does have many features in common with the existing Department of the Interior program; however, under this legislation, the emphasis would be on providing placement assistance outside of the Indian service agencies for non-Indians rather than moving them from job to job within those agencies for as long as possible. Further, the onus of proving that he has been adversely affected by the Indian preference laws would be lifted from the non-Indian employee. Any individual not eligible for Indian preference would qualify for placement assistance.

Concern has been expressed over this legislation that non-Indian employees still have jobs, and that many will even be able to win promotions because they work in fields which have, as yet, few qualified Indians. There is also concern that the placement program established by this legislation could set an undesirable precedent whereby other groups of employees might seek similar consideration. These concerns overlook the fact that the position of the non-Indian presently within the Indian service agencies is truly unique. No other group of Federal employees is subjected to such legally sanctioned discrimination. To their credit, testimony before the committee revealed that almost none of these non-Indian employees questions the propriety of Indian preference. They have dedicated their lives and careers to the service of the Indian people and they understand the desirability of Indian self-determination. They do not object to being replaced by Indians provided they have somewhere to go.

The placement assistance program under H.R. 5465 would operate only for a 3-year period with an option for the Civil Service Commission to extend it 1 additional year. This one-time effort to correct a glaring injustice should not unduly hamper departmental personnel policies.

Mr. Speaker, I reserve the balance of my time.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill is a legislative solution to a vexing problem affecting non-Indian employees of the Bureau of Indian Affairs—in Interior—and the Indian Health Service—in HEW.

The measure accords these employees, who are adversely affected by application of Indian preference laws, certain rights in matters of reassignment and promotion, by requiring that these non-Indian employees be given preferential consideration for vacant positions within Interior or HEW.

Under this legislation, the emphasis will be on finding new jobs for non-Indians outside of the two Indian service agencies rather than merely moving them from job to job within those agencies for as long as possible.

Mr. Speaker, the legislation was made necessary because of an administrative policy change at BIA in 1972 that extended Indian preference to promotions, transfers, and reassignments; and because two recent court decisions have upheld the validity of section 12 of the Indian Reorganization Act and its application by the agency to hiring, promotion, transfer, and reassignment rights of Indians.

As it now stands, the 1934 Indian preference provisions apply to all vacancies in BIA, and no exceptions to the law are possible where there is a qualified candidate eligible for Indian preference. Indian preference, as originally intended by the Congress and as ruled upon by the court, is an employment criteria designed to further the cause of Indian self-government and to make the BIA more responsive to the needs of Indians.

This legislation does not take away Indian preference, nor does it extend Indian preference to any other agencies, it simply provides equity for non-Indians whose career opportunities within BIA and IHS have been adversely affected by extension of Indian preference.

The job placement program created by this bill provides that affected employees will have two chances for priority consideration to vacant positions. Additionally, the bill provides for "early out" opportunities for those employees who may choose to retire rather than apply for jobs elsewhere in Interior or HEW. Current law provides that an employee who is separated involuntarily after 25 years of service, or after reaching age 50 and having 20 years of service, is entitled to a reduced annuity. This bill extends that eligibility for retirement to employees of BIA and IHS who may want to exercise that option, after they have been passed over a third time for assignment to a vacant job.

Mr. Speaker, the situation that non-Indian employees of BIA and IHS find themselves in is truly unique, and no other group of Federal employees that I know of are subjected to such legal discrimination. They are dedicated Federal employees who recognize the ideals and goals of Indian self-determination and have no quarrel with Indian preference.

Because of the inflexibility of the law and the lack of effective administrative placement programs, however, these non-Indian employees need special considerations for other jobs.

This legislation's special placement program would operate only for a 3-year period, with a 1-year extension option by the Civil Service Commission.

In a dynamic and changing society, these employees should not be forgotten or left out in the cold because we have recently become sensitive to the special needs of and considerations for Indians. I urge the approval of H.R. 5465.

Mr. LUJAN. Mr. Speaker will the gentleman yield?

Mr. LOTT. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Speaker, I rise in support of this legislation because in the last few years, I have had an opportunity to visit with many of the employees of the Bureau of Indian Affairs. The employees tell me that the morale in the BIA is very low. Many of them feel trapped in their present positions and feel that their jobs are threatened.

Mr. YOUNG of Alaska. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Speaker, I rise to speak in support of H.R. 5465. This bill offers a compromise remedy to a truly unjust and unfair employment situation in the Bureau of Indian Affairs and the Indian Health Service. It would establish an outplacement program and provide a limited early retirement option to a small group of employees in these agencies who are subject to a legally sanctioned form of discrimination.

The situation is a direct consequence of two 1974 court decisions—one by the U.S. Court of Appeals for the District of Columbia in the case of Freeman against Morton, and the other by a unanimous U.S. Supreme Court in Morton against Mancari. These decisions upheld the constitutionality of statutes which give preference to Indians for employment within the Bureau of Indian Affairs and Indian Health Service. The decisions applied preference beyond initial hiring to all promotions, lateral transfers, and reassignments to vacant positions within the two agencies.

As a result, several thousand nonpreference employees are virtually frozen in their current jobs with little or no chance for advancement. These people were recruited into the Federal Indian Service with assurances that they would be able to compete equally with Indians and other employees for career advancement. It is manifestly unjust for them now to be deprived of that opportunity as well as the salary increases that would be normal to an unrestricted competitive employment situation. Indian employees of these agencies are also adversely affected, because they are blocked from advancement to positions occupied by nonpreference employees who are now unlikely to be promoted or transferred and who are currently ineligible for retirement. Taken together, these factors have lowered morale and produced bitterness and frustration among both non-Indian and Indian employees. This situation in turn jeopardizes the efficient operation of these two agencies and the delivery of essential services to more than 500,000 American Indians and Alaska Natives.

The only attempt to provide an administrative solution to this predicament came in December 1975, when the Interior Department established a career assistance program. However, this program is aimed more at keeping non-Indians employees in the BIA than it is at providing them relief from their limited employment situation. Under this program, the employees must bear the burden of proving that they are adversely affected by Indian preference in order to qualify for assistance. They then can receive help only after all attempts to find other jobs for them in the BIA have failed. The program does little to improve the career prospects for nonpreference employees. Consequently, few BIA employees have availed themselves of the program and most doubt its prospects for success.

In contrast to the departmental program, H.R. 5465 emphasizes moving non-Indians out of the Indian service agencies rather than moving them from job to job within those agencies for as long as possible. Further, it assumes that any individual not eligible for Indian preference is automatically qualified for placement assistance.

H.R. 5465 requires that affected employees be given priority consideration for appointments to vacant positions in the Department of the Interior or in the Department of Health, Education, and Welfare as applicable, with several exceptions. If an eligible employee of it is twice considered and passed over for a vacant position within Interior or HEW he is entitled to appointment to the next occurring vacancy for which he applies unless there exist compelling reasons for again passing over the employee. In such case the Civil Service Commission must determine the sufficiency of the reasons and send its findings to the agency which must comply with the decision of the Commission. If an employee is passed over for sufficient compelling reasons, he then has the options either to retire under the involuntary retirement provisions of existing law if he meets the age and service requirements or he may apply for appointment to the next occurring vacancy within the Department for which he is qualified. The Committee provided that the outplacement program and retirement option will be available for a 3-year period beginning on the date of enactment, with the Civil Service Commission having the option to extend such period for an additional year.

As a member whose constituents include a large number of BIA and IHS employees, I deeply appreciate the efforts of Chairman HENDERSON and the members of his committee for their efforts in bringing H.R. 5465 to the floor. Although the terms and conditions of the bill are not as broad and do not extend for as long as I think they should, I recognize that this bill represents a fair and reasonable compromise and I am pleased to support it.

Mr. LOTT. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. HENDERSON. Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

The SPEAKER pro tempore (Mr. McFall). The question is on the motion offered by the gentleman from North Carolina (Mr. Henderson) that the House suspend the rules and pass the bill H.R. 5465, as amended.

The question was taken.

Mr. QUIE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

Does the gentleman from Minnesota withdraw his point of order that there is no quorum?

Mr. QUIE. Mr. Speaker, I withdraw my point of order.

GENERAL LEAVE

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on H.R. 5465, the bill just under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

HELEN KELLER NATIONAL CENTER FOR DEAF-BLIND YOUTHS AND ADULTS

Mr. BRADEMAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12018) to amend the Rehabilitation Act of 1973 to provide that the center for deaf-blind youth and adults established by such act shall be known as the Helen Keller National Center for Deaf-Blind Youth and Adults.

The Clerk read as follows:

H.R. 12018

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 305 of the Rehabilitation Act of 1973 (29 U.S.C. 775), hereinafter in this Act referred to as the "Act", is amended by inserting "Helen Keller" immediately before "National Center" each place it appears therein.

(b) The second sentence of section 305(c) of the Act (29 U.S.C. 775(c)) is amended by striking out "such" the second place it appears therein and inserting in lieu thereof "the Helen Keller National".

Sec. 2. The heading for section 305 of the Act (29 U.S.C. 775) is amended to read as follows:

"HELEN KELLER NATIONAL CENTER FOR DEAF-BLIND YOUTHS AND ADULTS".

The SPEAKER pro tempore. Is a second demanded?

Mr. QUIE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Indiana (Mr. Brademas) and the gentleman from Minnesota (Mr. Quie) will each be recognized for 20 minutes.

The Chair now recognizes the gentleman from Indiana (Mr. Brademas).

Mr. BRADEMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill before us today is simply a bill to rename the present National Center for Deaf-Blind Youths and Adults for Helen Keller, whose life inspired the creation of the center. Thus, the center, which is a model facility for rehabilitating deaf-blind persons, would be a living memorial to the internationally reknowned woman, herself deaf and blind, whose personal example and leadership resulted in the establishment of programs throughout the world to serve deaf-blind, blind, and deaf persons.

Mr. Speaker, the National Center for Deaf-Blind Youths and Adults was authorized in 1967 as part of the Vocational Rehabilitation amendments approved that year. On November 6, 1969, an agreement was signed by the Secretary of Health, Education, and Welfare, for the construction and operation of the center, which was to be built at Sands Point, Long Island. This facility is now ready for use and dedication ceremonies are being planned for this month.

Mr. Speaker, the center offers rehabilitation services to handicapped persons who are both deaf and blind. In addition, the center provides training for professional staff and personnel working with deaf-blind individuals and conducts research into the problems and methods of rehabilitating individuals who are handicapped with deafness and blindness.

Mr. Speaker, this measure will honor the remarkable woman whose life was, indeed, an inspiration for the creation of the National Center and is a most fitting recognition of her great example and inspiration.

I urge my colleagues to join today in supporting this measure.

Mr. QUIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this legislation.

There just never could be a more outstanding person than Helen Keller, and anyone who has coped with such enormous handicaps as she has will, of course, give heart and hope to other handicapped individuals.

Mr. Speaker, I certainly am pleased to join with my colleague, the gentleman from Indiana (Mr. Brademas), in urging the House to support this legislation.

Mr. PERKINS. Mr. Speaker, under the effective chairmanship of my colleague, John Brademas, of Indiana, the Subcommitte on Select Education initiated consideration of H.R. 12018. I congratulate him and the other members of the committee on both sides of the aisle for taking action on legislation which in my judgment can be described as very appropriate.

The action of the Congress in approving H.R. 12018, Mr. Speaker, will change the name of the National Center for Deaf-Blind Youths and Adults established by Public Law 93–112. This is not change for the sake of change. This bill will authorize the center to bear the name of Helen Keller and as such it will become a living testimonial to the one person whose exemplary life inspired the world—a life full of productive creativity in spite of nearly insurmountable physical handicaps.

Helen Keller actually is the reason for the existence for this National Center. Adding her name to it is desirable and the timing of our action is appropriate, since the construction of the center at Sands Point, N.Y., is now complete.

Mr. Speaker, I urge unanimous approval of H.R. 12018.

The SPEAKER pro tempore (Mr. McFall). The question is on the motion offered by the gentleman from Indiana (Mr. Brademas) that the House suspend the rules and pass the bill (H.R. 12018).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

RURAL ELECTRIFICATION ADMINISTRATION TECHNICAL AMENDMENTS ACT OF 1976

Mr. BERGLAND. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12207) to amend the Rural Electrification Act of 1936, as amended, to correct unintended inequities in the interest rate criteria for borrowers from the Rural Electrification Administration, and to make other technical amendments, as amended.

The Clerk read as follows:

H.R. 12207

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Rural Electrification Administration Technical Amendments Act of 1976".

SEC. 2. Section 301(a)(4) of the Rural Electrification Act of 1936, as amended, is amended to strike the semicolon at the end thereof, and add the following: "and the unobligated balances of any funds made available for loans under the item 'Rural Electrification Administration' in the Department of Agriculture and Agriculture-Environmental and Consumer Protection Appropriations Acts;".

SEC. 3. Section 305(b) of the Rural Electrification Act of 1936, as amended, is amended—

(1) by striking the words "meets either of the following conditions";

(2) by striking out all of paragraph (1) thereof and inserting in lieu thereof the following:

"(1) in the case of a telephone borrower, had at the end of the most recent calendar year ending at least six months before approval of the loan, an average subscriber density of three or fewer per mile; or";

(3) by striking out all of paragraph (2) thereof through and including the words "telephone borrowers" and inserting in lieu thereof the following:

"(2) in the case of an electric borrower, had at the end of the most recent calendar year ending at least six months before approval of the loan, an average consumer density of two or fewer per mile or an average adjusted plant revenue ratio of over 9.0, such ratio being a simple average of the ratios obtained by dividing the sum of its distribution plant and general plant by its annual gross revenue less cost of power for that calendar year and the two immediately preceding calendar years. As used in this subsection the sum of distribution plant and general plant shall be the total of the amounts shown in accounts numbered 360 through and including 399 of the uniform system of accounts approved, as of the effective date of this amendment, by the Administrator, for use by Rural Electrification Administration borrowers; gross revenue shall be the amount shown in account numbered 400 of said system of accounts; and the cost of power shall be the total of amounts shown in accounts numbered 500 through and including 573 of said system of accounts as the same is constituted";

(4) by inserting the words "to a telephone or electric borrower" following the words "make a loan" in the proviso to paragraph (2) thereof.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **QUIE**. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Minnesota (Mr. BERGLAND) and the gentleman from Minnesota (Mr. QUIE) will be recognized for 20 minutes each.

Mr. **BERGLAND**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 12207, as amended—a noncontroversial bill that has as its objective the savings of Government costs on insured loans made under the Rural Electrification Act, as amended.

H.R. 12207, as reported by the committee, makes two technical changes in the Rural Electrification Act of 1936. First, it revises the criteria to be used as a basis for making insured loans to both electric and telephone borrowers at the special rate of 2 percent and, secondly, it transfers the unobligated balance of the REA appropriation for fiscal year 1973 to the Rural Electrification and Telephone Revolving Fund.

Under the Rural Electrification Act, as amended in 1973, insured loans bear interest at either the special rate of 2 percent per annum or at the standard rate of 5 percent per annum. The act requires the special rate to be made available to an electric or telephone borrower which meets either of the following conditions: One, if it has an average consumer or subscriber density of two or fewer per mile; or two, if it has an average gross revenue per mile which is at least $450 below the average gross revenue per mile of REA-financed systems, in the case of an electric borrower, or at least $300 below the average gross revenue per mile of REA-financed telephone systems, in the case of a telephone borrower.

H.R. 12207 would eliminate the gross revenue per mile criteria and substitute new criteria for loans at the 2 percent rate. An electric borrower would qualify for such financing if it had, at the end of the most recent calendar year ending at least 6 months before approval of the loan, an average consumer density of two or fewer per mile or an average adjusted plant-revenue ratio of over 9. The ratio used for this purpose would be a simple average of the ratios obtained by dividing the sum of the borrower's distribution plant and general plant by its annual gross revenue less cost of power for the calendar year described above and the two immediately preceding calendar years. A telephone borrower would qualify for 2 percent financing if it had an average subscriber density of three or fewer per mile at the end of the most recent calendar year ending at least 6 months before approval of the loans.

At the time of enactment of the 1973 amendment, under the density and gross revenue per mile test there were eligible for 2 percent financing 181 or 19.5 percent of all electric borrowers and 191 or 23.4 percent of all telephone borrowers. The number of borrowers eligible for the special rate based on a density of two or fewer per mile has remained approximately the same since enactment of the 1973 amendment. There has, however, been a substantial increase in the number of borrowers eligible for 2 percent loans based on the revenue per mile criteria. The result has been that the number of electric borrowers eligible for the special rate has increased to 300 or approximately 32.3 percent of the total in fiscal year 1976 and the number of telephone borrowers has increased to approximately 350 or 41.2 percent of the total in fiscal year 1976. The reason for the increase was that some systems have sharply increased their rates and their revenues, thereby increasing the national average revenue per mile while a greater number of systems have operated with significantly smaller increases in revenue, thus resulting in more systems whose revenues lack at least $450 of equaling the national average in the case of electric borrowers and $300 in the case of telephone borrowers.

The committee has acted to eliminate the gross revenue per mile test to provide for a more equitable allocation of the special 2-percent rate of financing so that it would be available only to those systems most critically in need of this kind of special assistance. It is believed that in the case of electric borrowers the ratio between revenue and investment is a more equitable type of criteria than the low revenue criteria, and that approximately 196 electric borrowers would be eligible for the special rate under the revised formula. This number is very near the 19.5 percent of borrowers eligible for the special rate at the time of enactment of the 1973 amendments and represents a decrease of 104 from the 300 currently eligible. This figure should not change much from year to year in view of the fact that both plant revenue ratio and consumer density are relatively stable.

In adopting the plant to revenue ratio test, the committee provides for use of a simple average of the ratios for the 3 preceding years. Data supplied to the committee indicates that the ratio may change significantly from year to year for many borrowers and that the use of a 3-year average would provide a more stable test and reduce the effects of delaying warranted rate increases.

In the telephone program, a similar situation exists. By raising the density criteria to three or fewer subscribers per mile and deleting the revenue criteria, approximately 177 of present borrowers would be eligible for 2-percent financing—a decrease of 173 from 350 currently eligible. The number that would be eligible under the revised test would be approximately the same number eligible at the time of enactment of the 1973 amendments.

To provide adequate time for the receipt of accurate reports and at the same time avoid delays in processing applications in the pipeline, a uniform date at least 6 months after the close of the calendar year has been established for determining eligibility of electric and telephone borrowers based on new data.

Finally, the act transfers to the Rural Electrification and Telephone Revolving Fund amounts appropriated by Congress which remained unobligated on December 29, 1972, when REA stopped making direct loans under the Rural Electrification Act. The appropriation was made originally to fund direct loans by REA. In 1974, after the revolving fund was established, the President proposed that the available budget authority be rescinded but Congress refused to agree and the appropriation is still available for expenditure. The transfer of this sum to the revolving fund would reduce the need to replenish the fund through borrowings or sales of insured notes or certificates of beneficial ownership. In order that these certificates of beneficial ownership would be salable to investors they must bear interest at rates considerably higher than the 2-percent and 5-percent rates REA receives from its borrowers resulting in the fund incurring substantial interest subsidy costs. By transferring the balance of the 1973 appropriation to the fund, it will be possible to suspend, for a time, the sale of beneficial ownership certificates by REA.

At the committee hearings, testimony was received from representatives of the U.S. Department of Agriculture, the National Rural Electric Cooperative Association, the National REA Telephone Association, and the National Telephone Cooperative Association. The witnesses unanimously supported the legislation as providing a means of allocating total resources more equitably among eligible borrowers. The committee voted the bill, as amended, reported by a unanimous rollcall vote of 33 to 0 in the presence of a quorum.

The committee estimates that H.R. 12207 should reduce costs incurred by the Federal Government on insured loans to electric and telephone borrowers under the Rural Electrification Act by shifting eligibility of certain of the borrowers from loans at the special rate of 2 percent to the standard rate of 5 percent. The Congressional Budget Office has estimated that the savings will be at a level of $1.6 million in fiscal year 1977 and should increase each year thereafter to a level of $15.1 million in fiscal year 1981, for a total savings in the 5-year period of $42 million.

Mr. Speaker, I urge the Members to join me in support of H.R. 12207, as reported by the Committee on Agriculture.

Mr. QUIE. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. MADIGAN).

Mr. MADIGAN. Mr. Speaker, as the gentleman from Minnesota (Mr. BERGLAND), has pointed out, this bill was passed out of the full Committee on Agriculture by a vote of 33 to 0, and enjoys the support of both the majority and minority parties. As the bill was reported from the subcommittee with two perfecting amendments, it is supported by the administration, by the USDA, and the Rural Electrification Administration. It is also supported by all the rural electric co-ops, all the rural telephone co-ops and the independent telephone associations. I know of no objection to the bill from any quarter, Mr. Speaker. I think it is a good bill, and I would urge the Members' support for it.

Mr. Speaker, I yield back the remainder of my time.

Mr. McCOLLISTER. Mr. Speaker, I rise today in support of the bill, H.R. 12207, the Rural Electrification Administration Technical Amendments Act of 1976. This bill makes technical changes to the new REA financing mechanism which Congress created in May 1973. These changes are necessary because of events not anticipated when Public Law 93-32 became law—chiefly, the shifting in eligibility for financing that occurred as a result of the dramatic increases in fuel costs.

REA has been one of America's most successful rural development programs. By providing rural America with the facilities for modern living, REA Co-ops are on of the American taxpayers' wisest investment. Certainly, the 1973 legislation which provided a new framework for REA loans and new eligibility criteria to target low-interest financing on those systems most in need must rank as one of the most successful moments in REA's history. Passage of H.R. 12207 will further the goals that Congress established in the 1973 law.

This bill has basically two purposes. First, it transfers the unobligated balance of the fiscal year 1973 REA appropriation to the rural electrification and telephone revolving fund. This amounts to $455,634,525. This transfer of previously appropriated funds to the revolving fund will reduce the need to replenish the fund through borrowing in the private market. These funds were meant by Congress to go to REA 3 years ago; this transfer will permit the will of Congress to be carried out.

Second, the bill revises the criteria by which rural electric and telephone systems may qualify for 2-percent financing. Essentially, the bill eliminates the gross revenue-per-mile criteria and substitutes in its place a plant-to-revenue ratio test. This revision will provide a more equitable allocation of the special 2-percent financing rate so that it will be made available only to those systems most in need.

I commend the members of the Agriculture Committee for their work on this particular bill. I believe they have drafted a piece of legislation which will further enable REA to carry out its work for rural America.

Mr. QUIE. Mr. Speaker, I have no further requests for time, and I yield back the remainder of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota (Mr. BERGLAND) that the House suspend the rules and pass the bill H.R. 12207, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BERGLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 12207, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

ADMINISTRATION OF FISH AND WILDLIFE PROGRAMS

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5523) to improve the administration of fish and wildlife programs, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5523

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—FISH AND WILDLIFE COOPERATIVE UNITS ASSISTANCE

SEC. 101. The first section of the Act of September 2, 1960 (74 Stat. 733, 16 U.S.C. 753a) is amended—

(1) by striking out "technical personnel" and inserting in lieu thereof "scientific personnel"; and

(2) by inserting immediately after "respective units", the following: "to the provision of assistance (including reasonable financial compensation) for the work of researchers on wildlife ecology and resource management projects funded under this subsection".

TITLE II—ENFORCEMENT AUTHORITY FOR THE PROTECTION OF FISH AND WILDLIFE RESOURCES

SEC. 201. (a) In addition to any other authority conferred by law, any officer or employee of the Department of the Interior who is designated by the Secretary of the Interior, or any officer or employee of the Department of Commerce who is designated by the Secretary of Commerce, to enforce any Federal law relating to fish and wildlife may, in the performance of such law enforcement duties, exercise such of the following authorities as the Secretary may deem appropriate:

(1) Carry firearms.

(2) Secure, execute, and serve any order, warrant, subpena, or other process, which is issued under the authority of the United States.

(3) Search without warrant or other process any person, place, or conveyance as provided by law.

(4) Seize without warrant or other process any evidentiary item as provided by law.

(5) Offer and pay rewards for services or information which may lead to the apprehension of violators of such laws.

(6) Make inquiries, and administer to, or take from, any person an oath, affirmation or affidavit, concerning any matter which is material or relevant to the enforcement of such laws.

(7) Upon the request of any law enforcement agency of any State, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands, assist such agency in the enforcement of State or local laws and regulations relating to fish and wildlife.

(8) Make an arrest with or without a warrant—

(A) for any offense against the United States if he has reasonable grounds to believe that the person to be arrested is committing the offense in his presence or view, or

(B) for any felony under the laws of the United States if he has reasonable grounds to believe that the person to be arrested has committed or is committing such felony;

except that nothing in this subsection shall be construed as authorizing any such officer or employee to initiate or pursue any investigation of any violation which is not related to fish and wildlife matters.

(b) In order to provide for and encourage training, research, and development for the purpose of improving fish and wildlife law enforcement and developing new methods for the prevention, detection, and reduction of violations of fish and wildlife laws, and the apprehension of violators of such laws, the Secretary of the Interior and the Secretary of Commerce may each—

(1) establish and conduct national training programs to provide, at the request of any State, training for State fish and wildlife law enforcement personnel;

(2) develop new or improved approaches, techniques, systems, equipment, and services to improve and strengthen fish and wildlife law enforcement; and

(3) assist in conducting, at the request of any appropriate State official, local or regional training programs for the training of State fish and wildlife law enforcement personnel.

(c) There are authorized to be appropriated such funds as may be necessary to carry out the purposes of subsection (b), and the Secretary of the Interior and the Secretary of Commerce may each require reimbursement from the States for expenditures made pursuant to subsections (b)(1) and (3).

(d)(1) Notwithstanding any other provision of law, the Secretary of the Interior and the Secretary of Commerce may each utilize by agreement, with or without reimbursement, the personnel services and facilities of any other Federal or State agency to the extent he deems it necessary and appropriate for effective enforcement of any Federal laws administered by him relating to fish and wildlife. Persons so designated by either Secretary, who are not employees of another Federal agency—

(A) shall not be deemed a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, competitive examination, rates of compensation, and Federal employee benefits, but may be considered eligible for compensation for work injuries under subchapter III of chapter 81 of title 5, United States Code;

(B) shall be considered to be investigative or law enforcement officers of the United States for the purposes of the tort claim provisions of title 28, United States Code;

(C) may, to the extent specified by either Secretary, search, seize, arrest, and exercise any other law enforcement functions or authorities under Federal laws relating to fish and wildlife, where such authorities are made applicable by this or any other law to employees, officers, or other persons designated or employed by either Secretary; and

(D) shall be considered to be officers or employees of the Department of the Interior or the Department of Commerce, as the case may be, within the meaning of sections 111 and 1114 of title 18, United States Code.

(2) Nothing in this subsection shall be construed to abrogate any delegation of law enforcement authority agreed to, before the date of the enactment of this Act, between the Secretary and the affected Federal or State agency.

(e) Notwithstanding any other provision of law, all fish, wildlife, plants, or any other items abandoned or forfeited to the United States under any laws administered by the Secretary of the Interior and the Secretary of Commerce relating to fish, wildlife, or plants, shall be disposed of by either Secretary in such a manner as he deems appropriate (including, but not limited to, loan, gift, sale, or destruction).

Sec. 202. (a) Section 4 of the Act of September 28, 1962 (76 Stat. 654, 16 U.S.C. 460k–3) is amended by adding at the end thereof the following new sentence: "The provisions of this Act and any such regulation shall be enforced by any officer or employee of the Department of the Interior designated by the Secretary of the Interior.".

(b) The first sentence of section 3(a) of the Act of June 8, 1940 (54 Stat. 251, 16 U.S.C. 668(a)), is amended to read as follows: "The provisions of this Act and any permit or regulation prescribed under the authority of this Act shall be enforced by an officer or employee of the Department of the Interior designated by the Secretary of the Interior.".

(c) The first sentence of section 4(f) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(f)) is amended to read as follows: "The provisions of this Act and any regulation prescribed under the authority of this Act shall be enforced by any officer or employee of the Department of the Interior designated by the Secretary of the Interior.".

(d) The first sentence of section 6(a) of the Act of April 23, 1928 (45 Stat. 449, 16 U.S.C. 690e) is amended to read as follows: "The provisions of this Act and any regulation prescribed under the authority of this Act shall be enforced by any officer or employee of the Department of the Interior designated by the Secretary of the Interior.".

(e) The first sentence of section 8(a) of the Upper Mississippi River Wild Life and Fish Refuge Act (16 U.S.C. 727) is amended to read as follows: "The provisions of this Act and any regulation prescribed under the authority of this Act shall be enforced by any officer or employee of the Department of the Interior designated by the Secretary of the Interior.".

(f) The first two sentences of section 13(d) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742j–1(d)) are amended to read as follows: "The Secretary of the Interior shall promulgate such regulations as he deems necessary and appropriate to carry out the enforcement of this section. The provisions of this section and any regulations promulgated thereunder shall be enforced by any officer or employee of the Department of the Interior designated by the Secretary of the Interior."

Sec. 203. Section 5 of the Migratory Bird Treaty Act (16 U.S.C. 706) is amended to read as follows:

"Sec. 5. The provisions of this Act and any regulation prescribed under the authority of this Act shall be enforced by any officer or employee of the Department of the Interior designated by the Secretary of the Interior. Any judge of any court established under the laws of the United States and United States magistrates may, within their respective jurisdiction, upon proper oath or affirmation showing probable cause, issue warrants in all such cases. All birds, or parts, nests, or eggs thereof, captured, killed, taken, sold or offered for sale, bartered or offered for barter, purchased, shipped, transported, carried, imported, exported, or possessed contrary to the provisions of this Act or of any regulation prescribed thereunder shall, when found, be seized and upon conviction of the offender or upon judgment of a court of the United States that the same were captured, killed, taken, sold or offered for sale, bartered or offered for barter, purchased, shipped, transported, carried, imported, exported, or possessed contrary to the provisions of this Act or of any regulation prescribed thereunder, shall be forfeited to the United States and disposed of by the Secretary of the Interior in such manner as he deems appropriate.".

Sec. 204. Section 6 of the Act of March 16, 1934 (48 Stat. 452, 16 U.S.C. 718f) is amended to read as follows:

"Sec. 6. The provisions of this Act shall be enforced by any officer or employee of the Department of the Interior designated by the Secretary of the Interior. Any judge of any court established under the laws of the United States, and any United States magistrate may, within his respective jurisdiction, upon proper oath or affirmation showing probable cause, issue warrants in all cases involving violations of this Act. Any bird or part thereof taken or possessed contrary to this Act shall, when seized, be disposed of as provided for in sections 2 through 12 of the Migratory Bird Treaty Act.".

Sec. 205. Section 6(a) of the Act of May 20, 1926 (46 Stat. 846, 16 U.S.C. 852d(a)), is amended—

(1) by inserting immediately after "Act" in the first sentence thereof the following: ", in addition to any other authority provided by law,"; and

(2) by amending the last sentence thereof to read as follows: "The Secretary of the Interior may utilize by agreement, with or without reimbursement, personnel, services, and facilities of other Federal agencies for the enforcement of this Act and any regulation made pursuant thereto.".

Sec. 206. (a) Section 43(c)(2) of title 18, United States Code, is amended by striking out "authority" in the first sentence and inserting in lieu thereof the following: "authority, in addition to any other authority provided by law relating to search and seizure,".

(b) Sections 3054 and 3112 of such title 18, are each amended by inserting immediately after the first reference to "customs" in the first sentence thereof the following: ", in addition to any other authority provided by law,".

(c) Section 1114 of such title 18, is amended by inserting immediately before "or of the Department of Labor" the following: ", the Department of Commerce,".

TITLE III—FISH AND WILDLIFE ACT

Sec. 301. Section 7 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742f) is amended—

(1) by striking out paragraphs (4) and (5), and inserting in lieu thereof the following:

"(4) take such steps as may be required for the development, advancement, management, conservation, and protection of fish and wildlife resources including, but not limited to, research, development of existing facilities, and acquisition by purchase or exchange of land and water, or interests therein.";

(2) by inserting "and" immediately after the semicolon at the end of paragraph (3); and

(3) by adding at the end thereof the following new subsections:

"(b)(1) In furtherance of the purposes of this Act, the Secretary of the Interior is authorized to accept any gifts, devises, or bequests of real and personal property, or proceeds therefrom, or interests therein, for the benefit of the United States Fish and Wildlife Service, in performing its activities and services. Such acceptance may be subject to the terms of any restrictive or affirmative covenant, or condition or servitude, if such terms are deemed by the Secretary to be in accordance with law and compatible with the purpose for which acceptance is sought.

"(2) Any gifts and bequests of money and proceeds from the sales of other property received as gifts or bequests pursuant to this subsection shall be deposited in a separate account in the Treasury and shall be disbursed upon order of the Secretary for the benefit of programs administered by the United States Fish and Wildlife Service.

"(3) For the purpose of Federal income, estate, and gift taxes, property, or proceeds therefrom, or interests therein, accepted under this subsection shall be considered as a gift or bequest to the United States.

"(c)(1) The Secretary of the Interior and the Secretary of Commerce may each recruit, train, and accept, without regard to the provisions of title 5, United States Code, the services of individuals without compensation as volunteers for, or in aid of programs conducted by either Secretary through the United States Fish and Wildlife Service or the National Marine Fisheries Service.

"(2) The Secretary of the Interior and the Secretary of Commerce are each authorized to provide for incidental expenses such as transportation, uniforms, lodging, and subsistence, of such volunteers.

"(3) Except as otherwise provided in this subsection, a volunteer shall not be deemed a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those relative to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

"(4) For the purpose of the tort claim provisions of title 28 of the United States Code, a volunteer under this subsection shall be considered a Federal employee.

"(5) For the purposes of subchapter I of chapter 81 of title 5 of the United States Code, relating to compensation to Federal employees for work injuries, volunteers under this subsection shall be deemed employees of the United States within the meaning of the term 'employees' as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply.

"(6) For each fiscal year there are authorized to be appropriated to carry out this subsection $100,000 for the Secretary of the Interior and $50,000 for the Secretary of Commerce.".

TITLE IV—MIGRATORY BIRD CONSERVATION ACT

SEC. 401. Section 5 of the Migratory Bird Conservation Act (16 U.S.C. 715d) is amended to read as follows:

"SEC. 5. The Secretary of the Interior may—

"(1) purchase or rent such areas or interests therein as have been approved for purchase or rental by the Commission at the price or prices fixed by said Commission; and

"(2) acquire, by gift or devise, any area or interests therein;

which he determines to be suitable for use as an inviolate sanctuary, or for any other management purpose, for migratory birds; except that the Secretary may by regulation permit the taking of any species of migratory birds in any area which is so purchased, rented, or acquired if he determines such taking to be beneficial to the proper management of such species. The Secretary may pay, when deemed necessary by him and from moneys authorized to be appropriated by this Act (A) the purchase or rental price of any such area or interest therein, and (B) the expenses incident to the location, examination, survey, and acquisition of title (including options) of any such area or interest therein. No lands acquired, held, or used by the United States for military purposes shall be subject to any provisions of this Act.".

TITLE V—NATIONAL WILDLIFE REFUGE SYSTEM ADMINISTRATION ACT OF 1966

SEC. 501. Section 4(d)(1)(A) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(d)(1)(A)) is amended by striking out "; and" at the end thereof and inserting in lieu thereof "unless the Secretary finds that the taking of any species of migratory game birds in more than 40 per centum of such area would be beneficial to the proper management of such species; and".

TITLE VI—MIGRATORY BIRD HUNTING STAMP ACT

SEC. 601. Section 2 of the Migratory Bird Hunting Stamp Act (16 U.S.C. 718b) is amended by (1) striking out "September of each fiscal year" in the fifth sentence thereof and inserting in lieu thereof "June of each year"; and (2) striking out "fiscal" in the last sentence thereof.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **FORSYTHE**. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentlewoman from Missouri (Mrs. SULLIVAN) will be recognized for 20 minutes, and the gentleman from New Jersey (Mr. FORSYTHE) will be recognized for 20 minutes.

The Chair now recognizes the gentlewoman from Missouri (Mrs. SULLIVAN).

Mrs. **SULLIVAN**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill H.R. 5523, contains a number of important amendments to various fish and wildlife statutes which have been carefully drafted in order to improve the overall administration of these fish and wildlife programs by the U.S. Fish and Wildlife Service in the Department of the Interior and the National Marine Fisheries Service in the Department of Commerce.

Over past years, both Services have been charged with the responsibility for implementing numerous fish and wildlife programs accompanied by law enforcement authority, which has been fragmented and scattered throughout the various statutes. In some program areas, this authority has not been clearly defined. As a result, the Services have operated in many cases under the assumption that its enforcement officers had "implied" authority to take certain enforcement actions. The situation has created difficulty and ineffective enforcement. Thus, H.R. 5523 provides uniform, comprehensive law enforcement authority for both Services.

Further, neither Service has had the specific authority to establish and conduct national training programs or utilize by cooperative agreements the enforcement assistance of other Federal agencies or State agencies. This fact has hampered the services in obtaining well qualified enforcement personnel. For example, the U.S. Fish and Wildlife Service has only a handful of Federal agents in most States such as California where they depend heavily upon the 275 deputized State officers for the bulk of the enforcement activities. These State enforcement officers have desired certain Federal protections and benefits while acting as Federal agents. By providing specific authority to the services to enter into such formal cooperative agreements with the States and other Federal agencies, their continued support will be assured in the enforcement of fish and wildlife laws. Moreover, the proper training of Federal and State enforcement officers can be achieved to insure effective administration of our fish and wildlife laws.

Another problem faced by both services is the lack of adequate authority for disposition of property which is forfeited or abandoned. The existing authorities which direct such disposal in accordance with the customs laws under the excess and surplus property statutes administered by the General Services Administration may compel the transfer of property to GSA for sale at public auction, or the allocation of such property to other agencies in situations where such action may be contrary to law or sound public policy. The bill would provide more authority and flexibility to both Secretaries to avoid these pitfalls and to dispose of over $1 million in forfeited and abandoned items which the Federal Government now holds.

Finally, H.R. 5523 provides several additional amendments to important fish and wildlife statutes to clarify existing authorities to accept property or partial interests therein for the benefit of the U.S. Fish and Wildlife Service and to manage our critical wildlife refuge areas.

Mr. Speaker, H.R. 5523 is an important step toward improving the administration and enforcement of some of the most significant programs that have been established to protect our Nation's most valuable resources for future generations.

I yield to Mr. LEGGETT, chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment, who will explain in more detail the provisions of this bill.

Mr. **LEGGETT**. Mr. Speaker, will the gentlewoman yield?

Mrs. **SULLIVAN**. I yield to the gentleman from California.

Mr. **LEGGETT**. Mr. Speaker, I rise in support of H.R. 5523. As our distinguished chairman has described, the purpose of this legislation is to improve the administration of fish and wildlife programs by the Department of the Interior and the Department of Commerce.

Title I of H.R. 5523 amends the first section of the Fish and Wildlife Cooperative Units Act to allow the use of unit funds for the support of researchers in fish and wildlife ecology and resource management projects.

This amendment will expand the flexibility of the 25 cooperative fishery research units and the 20 wildlife units which are located at various universities throughout the United States. The units conduct cooperative research and advanced training programs related to fisheries and wildlife resources. Each unit, staffed by two service employees, is administered cooperatively by the service, and by the respective State fisheries and wildlife agency and university. Universities provide in-kind services including office and laboratory space, utilities, secretarial, and administrative assistance.

State agencies contribute approximately $1 million each year to their support while the Federal Government contributes approximately $55,000 per unit each year.

The law enforcement provisions of title II are particularly important because they clarify, consolidate and strengthen the enforcement capabilities of the U.S. Fish and Wildlife Service and the National Marine Fisheries Service. For example, although the services already have explicit enforcement authorities pursuant to a number of wildlife statutes; for example, the Endangered Species Act of 1973 which authorizes searches without a warrant, H.R. 5523 consolidates this existing authority so that it clearly applies to all fish and wildlife programs.

Moreover, major changes in the methods and techniques of hunting migratory game birds have rendered obsolete authorities which were once effective.

The modern violator is highly mobile, can easily destroy evidence or evade apprehension from Federal officers restricted by a warrant requirement. Most States have recognized the change that has taken place in hunting techniques and have provided their wildlife officers with authority to make inspections and reasonable warrantless searches. The committee strongly feels it is time the Federal Government provided its Fish and Wildlife Service special agents with similar authority for all programs. This is especially the case where Federal activity is grounded on treaty obligations, as is the situation with the entire migratory bird program, and by a recent convention, the endangered species program.

Another definitional problem has involved the authority of Federal enforcement officers to carry weapons for self-defense. Every hunter stopped in the field carries a loaded firearm. Since passage of the Migratory Bird Treaty Act, five Fish and Wildlife Service enforcement agents have been killed in the line of duty and over 200 have been assaulted. While the Federal agents have carried firearms, pursuant to implied authority, to protect themselves, statutory authority is needed to obviate problems with State and local gun control and registration requirements. Thus, H.R. 5523 establishes uniform law enforcement authority for officers or employees designated by the Secretary of the Interior or the Secretary of Commerce with enforcement of Federal fish and wildlife laws. Specifically, title II includes the authority to: First, carry firearms; second, secure, execute, and serve a warrant or other process; third, search without a warrant or other process as provided by law; fourth, seize without a warrant or other process as provided by law; fifth, offer and pay rewards for services or information which may lead to the apprehension of violators of Federal fish and wildlife laws; sixth, make inquiries, and administer to, or take from, any person an oath, affirmation, or affidavit, on matters relevant to enforcement of Federal fish and wildlife laws; seventh, assist State and Territorial law enforcement agencies in the enforcement of State or local fish and wildlife laws and regulations; and eighth, to arrest with or without a warrant: for any offense against the United States, or for any felony under the laws of the United States, not just crimes related to fish and wildlife, if the enforcement officer has reasonable grounds to believe that the person to be arrested is committing the offense in his presence or view. However, the bill limits an enforcement officer's authority to initiate or pursue any investigation of violations which are not related to fish and wildlife matters.

Let me emphasize that this authority does not go beyond the limits of existing case law and accepted law enforcement practice. The language "as provided by law" is used in the search-and-seizure provisions to assure that this authority will remain consistent with future judicial interpretations of constitutional safeguards.

Section 201 also establishes a comprehensive program for fish and wildlife enforcement training, research, and development, and authorizes an appropriation of such funds as may be necessary. Further, the two Secretaries may require reimbursement from the States for establishing, conducting or assisting in the conduct of training of State fish and wildlife law enforcement personnel.

In this same regard, section 201(d) provides discretionary authority to the Secretary of the Interior and the Secretary of Commerce to, notwithstanding any other law, utilize by agreement, with or without reimbursement, the personnel services and facilities of any other Federal or State agency for enforcement of Federal fish and wildlife laws. Paragraphs (A), (B), (C), and (D) clarify the authorities, rights and obligations of the Federal Government, the individuals concerned, and the public at large with regard to the actions of other Federal and State personnel when assisting in the enforcement of Federal fish and wildlife laws. The status of such personnel is established for the purpose of such laws as the Federal Tort Claims Act, Federal assault and murder statutes, Federal employee benefit programs, and Federal statutes empowering designated employees to search, seize, arrest, or exercise other Federal law enforcement functions.

The next section 201(e) authorizes the Secretary of the Interior and the Secretary of Commerce to dispose of all fish, wildlife, plants, or any other items abandoned or forfeited to the United States under any Federal fish, wildlife, or plant laws administered by the Secretary. The language in this section permits either Secretary to destroy forfeited or abandoned fish, wildlife, plants, or other items when they cannot be devoted to official uses and when the allocation or sale of such property would be contrary to law or public policy. Under this legislative authority, the Secretary could loan the forfeited or abandoned property to public or private scientific or educational institutions or to individuals in order to promote scientific knowledge and research to educate the public in the interest of conservation. The provision will also allow the Secretary to donate wholesome and edible fish, wildlife, or plants to such institutions as orphanages, homes for the aged, prisons, and the like. It would give the Secretary discretion to transfer forfeited or abandoned property to the General Services Administration for allocation to other Federal agencies or for public sale, when, in his view, the sale or allocation would be consistent with existing law and policy.

Sections 202 through 206 amend various statutes in order to make fish and wildlife law enforcement provisions uniform.

Title III amends the Fish and Wildlife Act of 1956 to clarify the Secretary of the Interior's authority as it pertains to the acquisition by purchase of land and water or interests therein for conservation and enhancement of fish and wildlife resources and to authorize the Secretary to accept any gifts, devices, or bequests of real and personal property, or proceeds therefrom, or interests therein, for the benefit of the U.S. Fish and Wildlife Service, its activities and services. Further, it stipulates that any gifts and bequests of money and proceeds from the sales of other property received as gifts or bequests shall be deposited in the Treasury and distributed upon order of the Secretary of the Interior.

Moreover, subsection 7(c)(1) authorizes both the Secretary of the Interior and the Secretary of Commerce to recruit, train, and accept without regard to the Civil Service classification laws, rules, or regulations the services of individuals without compensation as volunteers for or in aid of programs conducted by either Secretary through the U.S. Fish and Wildlife Service or the National Marine Fisheries Service.

In so doing, either Secretary may provide for incidental expenses such as transportation, uniforms, lodging, and subsistence for such volunteers.

Volunteers are exempt from the provisions of law relating to Federal employment including those relative to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits; but are covered by the tort claim provisions and workers compensation. There is authorized for appropriation for this section $100,000 to the Secretary of the Interior and $50,000 to the Secretary of Commerce.

I would note that the National Park Service obtained such authority to accept volunteer and uncompensated services and pay for certain incidental expenses associated therewith by enactment of the Volunteers in the National Park Act of 1969, Public Law 91–357 (84 Stat. 471). Identical authority was also provided to the Secretary of Agriculture by the Volunteers in the National Forest Act of 1972, Public Law 92–300 (86 Stat. 147).

Title IV amends the Migratory Bird Conservation Act to clearly allow the Secretary of the Interior to acquire by gift or devise an interest in lands or waters for migratory birds. The existing law is not clear on this point. The committee recognized that there may be situations where migratory bird habitat may be protected by easement or other partial interest in land at little or no cost to the Federal Government if the owner may continue to hunt. This amendment would permit the acquisition of those rights when protection of the habitat is essential. Easements or other partial interests in land of this nature would probably have most application on hunting clubs and large estates that are now maintaining habitat at private expense, but are under continuous pressure for conversion away from wildlife habitat. This could prevent future conversion of habitat for real estate development.

A second amendment to the Migratory Bird Act and the National Wildlife Refuge System Administrative Act of 1966, set forth in title V of H.R. 5523, provides that any interest, such as an easement, acquired by the Secretary by purchase, rental, gift, or devise shall be subject to the inviolate sanctuary requirements of these acts which restricts hunting to 40 percent, unless the Secretary determines that such requirements shall not apply. In other words, the amendment would allow the Secretary to open all or any portion of an inviolate sanctuary to the taking of migratory birds if he finds that such taking would be beneficial to the species.

The committee recognizes that there are a number of situations where proper management of migratory bird populations requires maximum flexibility to manipulate the various management tools available. The mandatory 60 percent closure, as presently required under provision of the National Wildlife Refuge System Administration Act, is not always conducive to achieving this flexibility. The potential for large scale waterfowl mortality from communicable diseases such as Dutch duck plague—DVE—or other environmental catastrophies could be diminished by effectively reducing, when necessary, dense concentrations of waterfowl through control of hunting pressure. Hazing and other techniques are not always effective in reducing such concentrations. Manipulation of hunting pressure could also be used to prevent large concentrations from forming, which often occurs when sanctuary is provided and other necessary requirements, such as food and open water, are present. Undesirable delays of traditional migration flows—shortstopping—could also be reduced by flexibility to open or close all or a portion of a refuge to migratory bird hunting. For these reasons, the committee believes the Secretary should have the flexibility to open a refuge by more than 40 percent to the taking of migratory birds upon a finding that such taking would be beneficial to the species.

Finally, title VI amends section 2 of the Migratory Bird Hunting and Conservation Stamp Act, to maintain a July 1 through June 30 year as the valid dates of the stamp and to provide for a June 30 date of redemption of the stamp by the Postal Service. With change in the Federal fiscal year to begin October 1, brought about by enactment of Public Law 93–344, Congressional Budget and Impoundment Control Act of 1974, reference in the Migratory Bird Hunting and Conservation Stamp Act to the stamp being valid "only during the fiscal year for which issued" required amendment by striking the word "fiscal."

The bill H.R. 5523 is important to insure effective management of our wildlife and fisheries resources. I would urge the House to act upon this bill favorably.

Mr. **FORSYTHE**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5523, which provides necessary enforcement authority for officers of the Department of Commerce and Department of Interior who are charged with enforcing the wildlife laws of this Nation. For too long these officers' efforts have been crippled by the lack of adequate authority. For example, in 1964 agents of the Fish and Wildlife Service encountered an individual who had in his possession some 500 morning doves in clear violation of the Migratory Bird Treaty Act. In the process of making the arrest, the enforcement officers searched the violator's vehicle without a warrant. Because the Migratory Bird Treaty Act specifically authorizes searches only with a warrant, an appeals court reversed a lower court's conviction. The Fish and Wildlife Service's records are replete with similar examples. To remedy this weakness in our enforcement program for fish and wildlife statutes, it is essential that H.R. 5523 be enacted. It is also important to note that the authorities contained in this bill are identical to the enforcement authorities of other Federal enforcement agents, including U.S. marshals, Secret Service agents, customs officials, and FBI agents.

H.R. 5523 also represents a boon to the taxpayers. Section 201(e) authorizes the Secretary of Interior and the Secretary of Commerce to dispose of all fish, wildlife, and plants abandoned or forfeited to the United States. At the present time, the Government is storing, at an unnecessary cost to the taxpayers, over $1 million in forfeited property. The bill before us today will permit this property to be disposed of for scientific and educational purposes.

H.R. 5523 would permit the Secretaries of Commerce and Interior to recruit, train, and accept the services of volunteers who would not be considered Federal employees except for the purposes of Federal laws relating to compensation for work injuries. In the case of the Fish and Wildlife Service, it is anticipated that between 200 and 300 volunteers would be recruited to assist the Service in many areas, including projects to overcome the tremendous backlog of maintenance work which must be done in the National Wildlife Refuge System. The National Park Service has successfully utilized the services of volunteers for many years and I believe we should expand and encourage the use of volunteers in other agencies.

In addition to these authorities, the bill before us today has important ramifications for wildlife management. H.R. 5523 amends the National Wildlife System Administration Act to permit the taking of migratory game birds on all lands set aside as sanctuaries for migratory birds. As currently written, the law requires that 60 percent of such sanctuaries be set aside as inviolate. In recent years, the Fish and Wildlife Service has found that its flexibility to manage these areas, particularly to control the conservation of birds and the movement of birds in their migration pattern, has been inhibited by the requirement that 60 percent of the area remain closed. To effectively manage this Nation's migratory waterfowl, the Fish and Wildlife Service needs the flexibility contained in H.R. 5523.

This legislation also clarifies the authority of the Secretary of Interior to acquire lands for the National Wildlife Refuge System and for the protection of migratory waterfowl. As currently written, existing statutes have been interpreted as restricting the Secretary's acquisition authority to purchasing or renting lands in fee simple. H.R. 5523 clarifies the Secretary's authority to acquire easements, to accept gifts of property, and to dispose of property by exchange. With these new and clarified authorities, the Secretary will be better able, with his limited resources, to meet national goals of wildlife conservation and management.

Mr. Speaker, H.R. 5523 will assist the Secretary of Interior and the Secretary of Commerce to meet their existing responsibilities and I urge its adoption.

Mrs. **SULLIVAN**. Mr. Speaker, I have no further requests for time.

Mr. **FORSYTHE**. Mr. Speaker, I have no further requests for time.

The **SPEAKER** pro tempore (Mr. McFall). The question is on the motion offered by the gentlewomen from Missouri (Mrs. Sullivan) that the House suspend the rules and pass the bill H.R. 5523, as amended.

The question was taken.

Mr. **MYERS** of Indiana. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The **SPEAKER** pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

MARINE PROTECTION, RESEARCH, AND SANCTUARIES ACT AUTHORIZATION—FISCAL YEAR 1977

Mrs. **SULLIVAN**. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11505) to amend the Marine Protection, Research, and Sanctuaries Act of 1972 to authorize appropriations to carry out the provisions of such act for fiscal year 1977, as amended.

The Clerk read as follows:

H.R. 11505

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 111 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1420) is amended—

(1) by striking out "and" immediately after "fiscal year 1976,"; and

(2) by adding immediately after "September 30, 1976)," the following: "and not to exceed $4,800,000 for fiscal year 1977,".

Sec. 2. Section 112 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1421) is amended by striking out "June 30 of each year" and inserting in lieu thereof "March 1 of each year".

Sec. 3. The last sentence of section 204 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1444) is amended by inserting immediately before the period the following: ", and not to exceed $5,600,000 for fiscal year 1977".

Sec. 4. Section 304 of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1434) is amended—

(1) by striking out "and" immediately after "fiscal year 1976,"; and

(2) by adding immediately after "September 30, 1976)" the following: ", and not to exceed $500,000 for fiscal year 1977".

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **MOSHER**. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentlewoman from Missouri (Mrs. Sullivan) will be recognized for 20 minutes, and the gentleman from Ohio (Mr. Mosher) will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Missouri.

Mrs. **SULLIVAN**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I bring before the House today H.R. 11505, a bill to extend the authorization of funds for the Marine Protection, Research, and Sanctuaries Act, commonly known as the Ocean Dumping Act.

This act was originally signed into law in 1972 to help protect the Nation's ocean and coastal waters from environmental degradation. The act prohibits all dumping of industrial and municipal wastes into the ocean without a permit issued by the Environmental Protection Agency. The disposal of dredged materials, generated from port maintenance and deepening operations and other projects, is similarly controlled by the Army Corps of Engineers. The National Oceanic and Atmospheric Administration is charged with conducting research on the short-term and long-term effects of ocean dumping, and developing environmentally sound alternatives to ocean disposal. Finally, the act authorizes the Secretary of Commerce to designate certain ecologically fragile or unique areas as marine sanctuaries, where all activities which are inconsistent with the purposes for which the sanctuary was established would be prohibited.

This bill before us today, H.R. 11505, extends the authorization of funds for all three titles of the act for 1 year, fiscal year 1977, at a total level of $10.9 million.

Based on the extensive hearing record which two subcommittees of the Merchant Marine and Fisheries Committee has built up in the past months, I think it is clear that this program needs to be extended. The waters must be protected from the disposal of wastes in order to preserve the marine environment and the health of the population along the coasts, and in order to protect the shellfish beds which harvesters depend upon for a living.

It was also made clear at the hearings this year that much more research is needed, in order to assess just how much wastes the ocean waters can safely absorb, and what materials are safe to dump at sea. More research is also needed on alternatives to ocean dumping, so that these wastes are disposed of in a way that does the least harm to the environment. In fact, there are ways to dispose of these wastes which actually enhance the environment by using it as a fertilizer, and more research is needed in this area.

These are the purposes for which the $10 million which this bill authorizes for appropriation, would be used. Opinion was unanimous at our hearings, that the law should be extended, and H.R. 11505 was unanimously reported out of both subcommittees and the full Merchant Marine and Fisheries Committee. I, therefore, urge its adoption by the House today.

I yield the balance of my time to the gentleman from California (Mr. Leggett), the chairman of the Subcommittee on Fish and Wildlife.

Mr. **LEGGETT**. Mr. Speaker, in enacting the Marine Protection, Research, and Sanctuaries Act of 1972, better known as the Ocean Dumping Act, the Congress participated in the making of an important commitment—the protection of the oceans and the coastal waters of the United States from unregulated dumping of waste materials.

Title I of that act gives to the Administrator of the Environmental Protection Agency the right to regulate the dumping of all types of material into the ocean waters—except for dredged material, which is regulated by the Corps of Engineers under EPA standards, where applicable. In addition, title I of the act gives EPA the power to prevent or strictly limit the dumping into the ocean waters of any material which would adversely affect human health, welfare, the marine environment, ecological systems, or economic potentialities.

The authorization for funding under title I of the act expires September 30, 1976. Section 1 of H.R. 11505 would extend title I of the act for 1 additional year, until September 30, 1977, and would authorize to be appropriated an amount not to exceed $4.8 million to carry out this title.

Mr. Speaker, I might point out that the funds authorized to be appropriated under this title has the support of the administration, which was included in an executive communication from EPA.

Mr. Speaker, section 2 of H.R. 11505 is administrative in nature; it would merely change the reporting date for the annual report of EPA required by title I of the act from June 30 to March 1, which would be in conformity with the reporting date specified for NOAA in meeting its obligations under the act.

Mr. Speaker, title II of the act authorizes and directs the Secretary of Commerce to carry out comprehensive and continuing programs of research on both the short-range and long-range effects of the dumping of waste materials into our ocean waters and the waters of the Great Lakes.

The authorization for funding under title II of the act expires September 30, 1976, and section 3 of H.R. 11505 would extend this title for an additional 1 year, until September 30, 1977, and would authorize to be appropriated during fiscal year 1977 an amount not to exceed $5.6 million to carry out title II of the act.

Mr. Speaker, I would like in particular to point out the committee's disappointment in the carrying out of this title by the Secretary of Commerce. Since the enactment of this act, the committee has authorized to be appropriated $25.5 million to the Secretary for carrying out this title. To date, not the first penny has been appropriated under this title, nor has the first penny been requested by the Secretary of Commerce under this title. However, as was pointed out in the committee report on this legislation, the Secretary has been carrying out some research, as called for by the act, but he has been doing it with reprogramed funds. Based on the testimony received at the committee hearings, the committee has determined that they have not conducted nearly the extensive program of baseline studies and monitoring that is required for proper implementation of the act nor has the Secretary assumed his role of coordinator of research on alternatives to ocean dumping as called for by the act.

Mr. Speaker, again the administration has failed to request any funding under this title for fiscal year 1977. H.R. 11505 would authorize what the committee thinks—after studying the testimony presented at the hearings—would be necessary to adequately carry out this title, the sum of $5.6 million, and the committee sincerely hopes these funds will be made available to the Secretary during fiscal year 1977.

Mr. Speaker, title III of the act authorizes the Secretary of the Commerce to designate certain areas in our ocean waters and the waters of the Great Lakes as marine sanctuaries which are deemed necessary for the preservation or restoration of such areas for their conservation, recreational, ecological, or esthetic values.

The authorization for funding under title III expires September 30, 1976. Section 4 of the bill would extend title III for 1 additional year, until September 30, 1977, and would authorize to be appropriated an amount not to exceed $500,000 to the Secretary to carry out this title of the act.

Mr. Speaker, the funds authorized to be appropriated under this title also have the support of the administration, which was included in an executive communication from the Secretary of Commerce.

Mr. Speaker, H.R. 11505 was unanimously ordered reported by the Committee on Merchant Marine and Fisheries, and I urge its prompt passage.

Mr. **MOSHER**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as indicated by Mrs. Sullivan and Mr. Leggett, the bill before us now would extend authorizations for EPA and NOAA and thereby permit these agencies to continue their efforts in regulating and eventually eliminating the disposal of wastes into our coastal waters and oceans.

Ocean dumping has occurred for many years, primarily due to an erroneous belief that our oceans were a safe disposal site for virtually any material.

Between 1950 and the early 1960's, disposal of industrial wastes, sewage sludge, solid wastes, and construction debris increased in volume from 1.7 million tons annually to 7.4 million tons annually. This represented a 335-percent increase within a 10-year period.

In 1970, the Council on Environmental Quality submitted a comprehensive report to the Congress which strongly recommended the establishment of a national policy to control ocean pollution. This report coupled with other similar recommendations stimulated us to enact the Ocean Dumping Act in 1972.

Since this law was passed, we have seen some progress in the area of pollution abatement and control, but we have, by no means, met our objectives as stated in that statute.

The Committee on Merchant Marine and Fisheries has maintained a close watch on the administration of the ocean dumping program since 1972, and we are convinced that the original goals are valid and remain in the national interest.

The primary goal stated in the legislation was "to regulate the dumping of all types of materials into ocean waters and to prevent or strictly limit the dumping * * * of any material which would adversely affect human health, welfare * * * or the marine environment."

We have seen progress over the past few years, but there is much more that needs to be done and, as in most programs which we consider on this floor, to do so requires continued funding.

That is exactly what this legislation would accomplish. But the authorization levels included in this bill are lower than those recommended in previous years. This may give some an erroneous impression that we feel the ocean dumping program should be curtailed. It is important to state that this is not the case at all.

The amounts recommended here are consistent with the levels submitted by the administration this year. If these authorizations are requested and appropriated, they will represent an increase in all elements of the program.

We are encouraged by the fact that the administration has requested these levels higher than present levels. It is a clear indication that they are now giving this program the priority which it deserves and which Congress has intended.

The enactment of this bill is essential if we are to see the curtailment and eventual elimination of all ocean disposal which is harmful to our marine environment.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. FORSYTHE).

Mr. FORSYTHE. Mr. Speaker, I would like to associate myself with the remarks of my colleagues on the committee and urge the adoption of H.R. 11505. The Ocean Dumping Act has been a critical piece of legislation to my own State of New Jersey since it has resulted in the regulation of ocean disposal activities off our shore.

One of the major sewage sludge dumping sites in our country is located only 50 miles off our coast. In 1975, the city of Philadelphia disposed of 150 million gallons of sewage sludge at this site and it seems likely that this practice will be continued unless the Environmental Protection Agency obtains the necessary funding to complete their regulatory control program. Some persons contend that the oceans provide the most acceptable disposal environment for these materials. I reject this assumption and I can assure you that my constituents reject this also. Since the passage of the Ocean Dumping Act, we have begun to learn the extent of the degradation which these activities have caused our marine environment, and it is essential that we maintain and bolster our efforts in this field.

This bill would provide $4.8 million to EPA so that criteria can be established to determine which materials are contributing to the destruction of our oceans and to prevent the continued disposal of these materials. Progress has been made—EPA has recently ordered the city of Philadelphia to reduce its sludge disposal in half by 1979 and to cease all dumping by 1981.

In order for this agency to make determinations such as this, they need to establish that such activities are, in fact, harmful. The burden of proof rests with the Administrator under the law, and the establishment of this proof costs money. The only way to accomplish our goals as set forth in the enacting legislation is to provide these funds.

NOAA was directed to conduct research activities into the effects which disposal activities had upon the environment and upon human health. To conduct one site survey in the disposal area costs $300,000—it takes at least four such cruises to establish necessary base data for each site. Since the act was established not a penny of the authorized $24 million has been requested by the administration. Obviously, the priorities established by Congress have been ignored by the administration—we cannot solve these problems by ignoring them. This year, for the first time, the administration has included funds in the budget for the implementation of all three titles of this act. Our committee has reduced its intended authorization level to conform with the administration's request, and we are pleased to know that these necessary research efforts are going to begin.

The money which has been spent on research so far has, for the most part, been reprogramed in very small amounts. I am disappointed in the efforts of EPA and NOAA in assuming their responsibilities under this law, but I am also aware that little can be done without the necessary funds. If these funds are authorized and appropriated this year, I am hopeful that greater efforts will be made to not only monitor present dumping activities but to determine feasible alternatives to ocean disposal. This is essential if we are to phase out these practices. It is high time we stop just moving this problem around and find good solutions.

Mr. Speaker, this bill represents the first step taken this session to continue a very important program which we established 4 years ago. I urge support for its passage.

Mr. MOSHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I rise in support of this legislation.

I did not want the occasion to pass without some comment regarding the policy of the Environmental Protection Agency concerning ocean dumping. Last week still another EPA hearing was held in Georgetown, Del., regarding permits for continued ocean dumping of sludge materials from the city of Philadelphia into an ocean area located off the coast of Delaware and Maryland.

In the course of that hearing a very heated exchange occurred between officials of the city of Philadelphia and Warren K. Rich, the attorney representing the Natural Resources Department of the State of Maryland. Much opposition has developed against this EPA approved practice of using the Atlantic ocean area adjacent to the Delmarva Peninsula as a dumping ground for waste material, human, and otherwise. From the city of Philadelphia. It came out in testimony in a similar EPA hearing earlier this year that these waste materials contain polio No. 2 virus, which could be very dangerous to any human being who might come in contact with it. EPA has admitted the ocean bottom in the area already shows measureable amounts of toxic metals and chemicals.

There have been various explanations offered in the course of hearings before our subcommittee as to why the EPA continues this policy. I must compliment the chairman of our subcommittee, the gentleman from California (Mr. LEGGETT), and our ranking minority member, Mr. MOSHER, for asking a number of penetrating questions and requiring complete testimony. Yet the best evidence that has been presented is that in EPA's mind there is apparently no other way out of this dilemma, and so they continue in violation, in my opinion, of the Federal statutes to allow the pollution of an enormous area of the Atlantic Ocean adjacent to my State and other States. As a matter of fact, there is now accumulated a sludge blanket off the coast of Maryland which has been estimated to be 2 to 4 miles wide and 10 miles long.

Previously when the EPA allowed the use of a similar area closer to Delaware for Philadelphia's ocean dumping, the result was contaminated shellfish and the area had to be closed to fishing.

Mr. Speaker, I believe that the EPA is in violation of its own regulations and of the statute, particularly the regulation that prohibits any continued ocean dumping if it results in biological deterioration of an area used for these purposes. This is certainly true in the area I have described.

I would also like to point out, Mr. Speaker, that the State of Maryland and other States involved in operating existing sewage treatment plants have been forced to observe the law. The Blue Plains treatment plant near Washington, D.C., last year was forced under court order to find other methods alternative to dumping effluent into the Potomac River after secondary treatment of the sludge, and they did so in a very brief time, despite the fact that the plant served most of Metropolitan Washington.

It seems to me that the EPA in allowing the city of Philadelphia to continue this ocean dumping is in fact giving Philadelphia an excuse not to solve the problem, and at the same time EPA's policy is endangering the health and welfare of a great many hundreds of thousands of people who reside in my area and who may use the recreational resorts on the Atlantic coast. The mayor of Ocean City, Md., the Honorable Harry Kelley has been particularly articulate in making the case against this senseless ocean dumping policy. Even now the State of Maryland is in Federal court seeking to end Philadelphia's dumping, and many others have joined in protest against this policy.

Mr. **LEGGETT**. Mr. Speaker, will the gentleman yield?

Mr. **BAUMAN**. I yield to the gentleman from California.

Mr. **LEGGETT**. Mr. Speaker, I think the gentleman has been very aggressive in protecting the Eastern Shore of Maryland in his participation in the hearings on ocean dumping.

I think we have brought out in the hearings the fact that the large industrial areas of the east coast have not really kept up with the rehabilitation program that has taken place with respect to large industrial areas of the gulf coast, as I recall the testimony.

We have done some things in the Blue Plains area that the gentleman has referred to.

I think we have never really had this problem on the west coast, because we do not have either the large concentrations of people or the lousy habits or the large Continental Shelf we do here on the east coast.

I think it is important that we not just have a hearing and authorize a program and then come back again next year and question EPA about what they are doing with respect to their pattern of conduct, because they have been establishing a pattern of conduct. I think it is important that we bring them in at least every quarter to see how they are interrelating with these local jurisdictions and how they are updating their permit and standards program so that we can effect in a reasonable time frame a change of life in the marine and ecological environment on the Atlantic waters.

Mr. **BAUMAN**. Mr. Speaker, I appreciate the gentleman's comments. He has been in the forefront of this battle to enforce the law as it applies to EPA.

Mr. Speaker, I do appreciate his pledge of continued periodic oversight by our committee, and I hope this will force EPA to live within the law and put a speedy end to ocean dumping.

Mr. **EILBERG**. Mr. Speaker, on a voice vote the Committee on Merchant Marine and Fisheries, on which I serve, reported out this legislation to extend funding to the Environmental Protection Agency for fiscal year 1977 to administer title I of the Marine Protection Research and Sanctuaries Act passed in October 1972 which prohibits ocean dumping.

Earlier, the Subcommittee on Merchant Marine on which I serve reported this same legislation, also by voice vote.

Under title I of the Marine Protection Research and Sanctuaries Act all ocean dumping currently carried out by municipalities and local governments around the country is prohibited—unless authorized by a permit to be issued by the U.S. Environmental Protection Agency or by the Army Corps of Engineers.

Now, Mr. Speaker, the accompanying House report to this legislation, H.R. 11505, on page 3, under the heading "General Discussion" specifies that—

> Since passage of the Act, no permits have been issued to new dumpers, and many present dumpers are scheduled to end their ocean dumping activities over the next five years.

The House report then continues with a discussion of how the Environmental Protection Agency has ordered my city of Philadelphia to end its current practice of ocean sludge disposal by 1981, first cutting it in half by 1979, while other Atlantic coast cities such as the New York City area may continue their ocean dumping programs indefinitely.

Mr. Speaker, I have repeatedly protested against what appears to be an arbitrary, costly, and disruptive deadline mandated by the EPA against my city of Philadelphia, imposing a rigid 1981 deadline on Philadelphia, while discriminatorily and without any clear evidence that Philadelphia's program of ocean sludge disposal is worse than another allowing other cities to go ahead and maintain theirs into the indefinite future.

I do protest this unfair discrimination against Philadelphia again today on the floor of the House, Mr. Speaker. And while I shall vote today in favor of extending the EPA authorizing legislation under this act, I hereby serve notice that unless arbitrary and discriminatory practices by the EPA in administering this act terminate with respect to my city of Philadelphia I intend to oppose further renewal of the EPA authority under this act.

I shall work to oppose this legislation in committee until the present unnecessarily costly, fixed, discriminatory deadline of 1981 is lifted from the city of Philadelphia and a more rational, reasonable resolution of the serious problem of sludge disposal is arrived at with the city of Philadelphia.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill (H.R. 11505), as amended.

The question was taken.

Mr. **CLANCY**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The **SPEAKER** pro tempore. Pursuant to clause 3(b) of rule XXVII and the prior announcement of the Chair, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mrs. **SULLIVAN**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just under consideration.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

NATIONAL SEA GRANT COLLEGE AND PROGRAM ACT AMENDMENTS

Mrs. **SULLIVAN**. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13035) to amend the National Sea Grant College and Program Act of 1966.

The Clerk read as follows:

H.R. 13035

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202 of the National Sea Grant College and Program Act of 1966 (33 U.S.C. 1121) is amended—

(1) by striking out "exploitation" in paragraph (b) and inserting in lieu thereof "development and conservation";

(2) by redesignating paragraphs (d) and (e) as paragraphs (e) and (f), respectively;

(3) by inserting immediately after paragraph (c) the following new paragraph:

"(d) that it is in the national interest to encourage the cooperation among and joint participation by State and local government agencies, industries, and educational institutions in the development and conservation of coastal and marine resources, and"; and

(4) by striking out "and (c)" in paragraph (e), as redesignated by paragraph (3) of this section, and inserting in lieu thereof "(c), and (d)".

Sec. 2, Section 203(b)(1) of the National Sea Grant College and Program Act of 1966 (33 U.S.C. 1122(b)(1)) is amended—

(1) by inserting immediately after "this title" the following: "(other than sections 205 and 206)"; and

(2) by inserting immediately after "$50,000,000," the following: ", for the fiscal year ending September 30, 1977, not to exceed the sum of $50,000,000,".

Sec. 3. (a) Section 204(d)(2) of the National Sea Grant College and Program Act of 1966 (33 U.S.C. 1123(d)(2)) is amended—

(1) by striking out "vessel: *Provided*, That the" and inserting in lieu thereof "vessel. The";

(2) by inserting "(A)" immediately after "apply to"; and

(3) by inserting immediately before the period at the end thereof the following: ", and (B) the payment for the services of research vessels and other ocean facilities directly supporting specific sea grant sponsored activities, as authorized by the Secretary".

(b) Section 204(i) of the National Sea Grant College and Program Act of 1966 (33 U.S.C. 1123(i)) is amended—

(1) by striking out "scientific" in paragraph (1) thereof; and

(2) by amending paragraph (2) thereof to read as follows:

"(2) the term 'marine environment' means the Great Lakes, the oceans (including the waters of the coastal zone as defined in section 304(a) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453(a)), the Outer Continental Shelf of the United States, the seabed and subsoil of submarine areas adjacent to the coasts of islands which comprise United States territory, the seabed and subsoil of submarine areas beyond the Outer Continental Shelf, and the natural resources thereof;".

Sec. 4. Section 205 of the National Sea Great College and Program Act of 1966 (33 U.S.C. 1124) is amended to read as follows:

"INTERNATIONAL COOPERATION

"Sec. 205. (a) The Secretary is authorized to support and encourage the advancement of research and development capabilities of other nations relating to the exploration, conservation, and management of marine resources, and to encourage the international sharing and exchange of information with respect to such resources.

"(b) In carrying out the provisions of this section, the Secretary is authorized to support the funding of education and training of foreign nationals through sea grant colleges and other suitable institutes, laboratories, and public or private agencies of the United States, and to provide advice to foreign nations with respect to the development of their marine resources. The provisions of paragraphs (1) and (3) of section 204(d) of this title shall not apply to any payments made pursuant to this section.

"(c) For purposes of carrying out the provisions of this section, there is authorized to be appropriated not to exceed the sum of $3,000,000 for the fiscal year ending September 30, 1977. Amounts appropriated under this section are authorized to remain available until expended.".

Sec. 5. The National Sea Grant College and Program Act of 1966 (33 U.S.C. 1121 et seq.) is amended by adding at the end thereof the following new section:

"NATIONAL PROGRAMS

"Sec. 206. (a) The Secretary, in addition to his authority under section 204 of this title, is authorized to enter into contracts with, or make grants to, organizations described in section 204(c) of this title, for purposes of conducting activities of a national scope and concern which are determined by the Secretary, on his own initiative, to be appropriate in assisting him in carrying out programs relating to the development, conservation, utilization, management, and protection of the marine environment. The provisions of paragraphs (1) and (3) of section 204(d) of this title shall not apply to any payments made pursuant to this section.

"(b) For purposes of carrying out the provisions of this section, there is authorized to be appropriated not to exceed the sum of $5,000,000 for the fiscal year ending September 30, 1977. Amounts appropriated under this section are authorized to remain available until expended.".

The SPEAKER pro tempore. Is a second demanded?

Mr. MOSHER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Missouri (Mrs. Sullivan) and the gentleman from Ohio (Mr. Mosher) will be recognized for 20 minutes each.

The Chair now recognizes the gentlewoman from Missouri (Mrs. Sullivan).

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I bring before the House today H.R. 13035, a bill to extend the life of the Sea Grant College and Program Act of 1966.

The legislation provides for a 1-year extension of the program, through September 30, 1977, instead of the 3-year authorizations Congress has enacted in the past. The reason for this is not any basic dissatisfaction on the part of the Merchant Marine and Fisheries Committee, with the program, but rather our belief that the program can be strengthened and we need this next year in order to accomplish this.

The schedule of the Oceanography Subcommittee this year has been such that it simply has been impossible to devote the amount of attention we need to give the question of the best role for the Federal Government in fostering marine science and technology development. It is the commitment of the committee that a thorough study of this topic will be undertaken in the coming months.

In the meantime, we recommend that the sea grant program continue at its present authorized level of $50 million. The committee feels, and the hearing record established by the Oceanography Subcommittee this year substantiates, that the sea grant program has made numerous contributions to the Nation since its enactment in 1966 under the leadership of the gentleman from Florida. The Rogers-Pell Act, as it is known, has fostered the development of centers of strength in marine research, education and advisory services on university campuses around the country. We now have eight such campuses which have qualified for the designation as "Sea Grant College." I think it appropriate to name these institutions and to offer our congratulations to them for recognizing the importance of marine and ocean issues to the country. They are: University of California, University of Hawaii, State University of New York/Cornell, Oregon State University, University of Rhode Island, Texas A. & M. University, University of Washington, and University of Wisconsin.

In the legislation before you, which was adopted in committee by a unanimous vote, we provide for two new experimental initiatives during the year's authorization period. As Mr. Rogers will explain in more detail, basically these new authorizations are to give the sea grant community an opportunity to demonstrate what it can contribute in two important areas: one is in research on ocean issues of major national importance. These might include some of the issues our committee has brought before the House in recent months: The 200-mile fisheries zone recently signed by the President; deep ocean mining legislation, which is pending; coastal zone management, a major addition to which is before a House-Senate conference committee, and ocean pollution questions which concern us all. We look forward to having a demonstration of what sea grant can advise us in these other areas.

The second new initiative authorized is in international relations, where we encourage sea grant to help advance marine science and technology in other countries. Such a program should help efforts to researchers to have free access to the world's ocean to conduct their activities.

H.R. 13035 is a sound approach. It gives us the time we need to thoroughly examine the sea grant program so that it can be strengthened in its ability to advance the Nation's marine science and technology capabilities.

I now yield such time as he may consume to the gentleman from Florida (Mr. Rogers).

Mr. ROGERS. Mr. Speaker, I thank the distinguished chairman, the gentlewoman from Missouri (Mrs. Sullivan) for yielding me this time.

Mr. Speaker, as one of the original sponsors of the National Sea Grant College and Program Act, I am pleased to support H.R. 13035, which will extend the life of the sea-grant college program for 1 year. As the chairman has said, in 1966 Congress recognized the growing need for a national effort in ocean sciences research. In response to this need it enacted this program, which I believe has proven to be one of the most cost-effective efforts of the Federal Government. This is so because the sea grant program is not limited to a research role, even to training and education, which it also permits; but rather sees to it that the results of its research reach the public in the ocean industries through a field network of marine advisory services.

And sea grant is cost-effective because it uses a two-thirds matching funding procedure, which ensures that the projects are aimed at those identified areas of need for which State and local governments and private organizations are willing to put up matching money.

In the subcommittee's hearings, the testimony was that we are getting results from our sea grant dollars, and that the major hindrance to an effective marine science program has been the lack of Federal funding. Matching funds have exceeded the two-thirds requirement, but the last several administrations have kept the program level-funded, at almost half the authorization level.

The lack of wisdom in such a course of action becomes more clear each day, as our needs for information in the marine sciences expand at a rapid pace. This is so with the onsent of energy development of the Outer Continental Shelf; with the need for increased marine pollution protection; and the implementation of a 200-mile fishing limit. It is so with the commencement of deep seabed mining efforts, with the development of deep water ports, coastal zone management programs, and many other important areas.

These and other areas of need raise the question of whether we are adequately funding our ocean sciences effort, and also whether we have taken adequate steps for organization and direction of those efforts. As the chairman has mentioned, the Merchant Marine Committee will, in the coming months, undertake a thorough review and examination of our marine science effort, and will include in this review an assessment of the role the sea grant program should play in this effort.

Testimony before the subcommittee did, however, indicate the need for three changes in the program which should be implemented at this time. The first of these would remove the prohibition against expenditures for ship support. This prohibition was included in the act when the program was administered by the National Science Foundation, and NSF and Navy block funding was available for ship time. This source of funds has now been greatly diminished, and testimony in our hearings indicated that the exclusion of funding for charter or operational costs for ship time has imposed a severe limitation on many sea grant research projects. The bill would therefore remove this prohibition from the law.

Second, the bill would authorize grants for projects which are national, rather than local or regional, in scope, without the requirement of matching funds. A need for such grants has been indicated in many of the areas I have mentioned—OCS, deep seabed mining, and so on, where we have found ourselves without the necessary knowledge to proceed in an area which is of national impact. The bill separately authorizes $5 million for sea grant studies addressed specifically to national marine issues, in order that the availability of nonmatching grants will not diminish or dilute the local support and involvement which has been essential to the present productive State programs.

The third change in the sea grant program is to institute a means for international cooperation. This is especially important as we work with other nations in working out the details of new international treaties, such as the law of the sea, those dealing with marine pollution and marine protection, and many others.

The bill separately authorizes $3 million for this program, under which the Secretary is not bound by the matching fund requirement.

Mr. Speaker, I believe the bill as reported from the committee makes good sense at this time. I look forward to the committee's review of our ocean sciences programs during the coming months. With that review, the committee will be able to assess the results of the changes instituted in the bill today; and it will establish a record upon which the House can then proceed to consider the need for a new national ocean science policy, and what part the sea grant program should play in that policy.

I would only add that, during this review, it is the recommendation of the Merchant Marine Committee that Congress fully appropriate funds for the sea grant program at the levels authorized in H.R. 13035, so that we can realize fully its proven contribution to the protection and development of our last frontier.

Mr. MOSHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in 1966, the Congress had the foresight to pass a landmark piece of legislation known as the National Sea Grant College and Program Act, and today we have a welcome opportunity to strengthen that act. There is no program I more enthusiastically support.

The objective of the original act was to develop a multidisciplined base of expertise in the ocean sciences within our university system. We envisioned that this program would provide the same technological data bank to the ocean community as the land grant program did for the agricultural sector of our Nation.

So far, we have not been disappointed. The sea grant program provides a source of continuous pride for all of us involved in helping originate it. It has far exceeded my expectations, and I am hopeful to see it grow to the level which we originally anticipated.

There are presently 124 education institutions and over 400 Government agencies and private corporations participating in the program. Sea grant provides support in 26 States and 3 territories.

One of the major features of this program lies in its system of matching funding, of joint Federal, State and university funding, which has stimulated a very significant, cooperative approach to marine technology and resource development.

During our oversight hearings held this year we received testimony which indicated very broad support for the present program and for the new initiatives which are included in the bill before us today.

In addition to extending the present level of authorization through fiscal year 1977, this bill would initiate two additional program elements into the sea grant structure.

The first new experimental addition would be a separate provision to permit the 100-percent funding of programs of national scope. This would allow Sea Grant to utilize a well-developed interdisciplinary mechanism to investigate problems of national priority. Since these research projects will be attuned to national objectives or opposed to those of a regional or local nature, the matching fund requirement is waived.

The second new initiative would allow the Sea Grant Office to provide advisory services to foreign nationals with respect to the development of their marine resources. Also, the training of foreign nationals in areas of marine technology would be encouraged through this experimental program.

During our recent oversight hearings, I was pleased especially to learn of the so-called multiplier effect which this program has caused. For every single Federal dollar invested in matching funds, we have seen $2 to $3 return on investment from other sources. I, for one, believe that this is a wise use of a valuable resource—our educational and scientific community.

We are just beginning to learn about the oceans and the marine environment. I believe that the national sea grant program is providing, and has the capability to continue providing, invaluable contributions to our Nation. I join with all my colleagues on the committee in support of H.R. 13035.

Mr. Speaker, I now yield such time as he may consume to the gentleman from Louisiana (Mr. Treen).

Mr. TREEN. Mr. Speaker, I wish to state my strong support for the committee's decision to provide for a 1-year extension of the sea grant program, while the committee conducts a thorough review of our national ocean policy. I believe this is a sound course of action at this time.

I wish also to draw my colleagues' attention to the provisions of the bill providing new authorities for nonmatching funding for national grants and for international cooperation.

We in Louisiana have 25 percent of the Nation's wetlands. Our rivers drain 41 percent of the land mass of the United States. The sea grant program is vital to us. We see the need to "develop a solid base of expertise in universites and colleges" which is the principal purpose of this act as stated on the first page of our committee's report. Some other areas of the country may already have that expertise. We are just developing it as a result of sea grant encouragement. We are not totally convinced that $600,000 in fiscal year 1975 was commensurate with our needs to meet the many demands that, for example, offshore oil and gas exploration in delicate fisheries place on sea and coastal resource managers in our State. There is real fear that creating new international and national programs, as we do in this bill, will diminish further the funds available to institutions developing new but strong programs to develop the capabilities for meeting problems of less than national significance.

My constituents would take great comfort from your reassurance that our committee is not seeking to increase the share of Federal funds going to strong viable institutions whose capabilities are fully developed at the expense of newly established marine science institutions struggling to develop capabilities to meet the needs perceived by those State governments that provide matching funds.

Mr. ROGERS. Mr. Speaker, if the gentleman will yield, I wish to thank the gentleman from Louisiana for his remarks on this question. And I might say that this is a question which was raised by others with an interest in the sea grant program, and by the subcommittee in the hearings.

I wish to assure the gentleman that by creating the two new programs, one of international cooperation, and one for national priorities, our intention is not to diminish in any way the funding of the basic sea grant program. It was for this very reason that the two new programs are separately authorized in the bill.

The Merchant Marine and Fisheries Committee has authorized $50 million for the carrying out of the National Sea Grant College and Program Act and that funding will continue to go toward institutional support for research, training, and advisory services.

In addition to this amount, $5 million has been separately authorized for the purpose of providing money for projects devoted to national issues where it might be difficult to raise matching funds. And the $3 million for the programs of international cooperation are also separately authorized.

Mr. TREEN. I thank the gentleman for his assurances.

Mr. Speaker, I yield back the remainder of my time.

Mrs. SULLIVAN. Mr. Speaker, I yield 3 minutes to the gentleman from Hawaii (Mr. Matsunaga).

Mr. MATSUNAGA. Mr. Speaker, as a cosponsor of the measure, I rise to express my full and unqualified support for H.R. 13035, a bill to reauthorize the National Sea Grant College and Program Act of 1966. I commend the gentlewoman from Missouri, the chairman of the full committee, and the members of the Subcommittee on Oceanography, for their efforts in bringing this worthwhile legislation to the floor.

Mr. Speaker, as one whose island State is so intimately linked to the sea, and in whose district is located the University of Hawaii, a sea grant college since 1972, I am cognizant of the extremely significant accomplishments of this program, and proud of the fact that I was instrumental in designating the University of Hawaii as a sea grant college.

In this time of increasing shortages of essential items on the Earth's surface, when innovative approaches must be developed for the production of food, energy, and the harvesting of minerals and other materials, sea grant is continuing to answer in many ways the question of what an ecologically well balanced use of the sea may yield. Moreover, the "return on investment" in terms of significant increases in employment and tax revenues from new industries which have arisen as the direct result of sea grant's emphasis on the practical application of the findings of programs which it funds can only be termed as highly favorable.

Mr. Speaker, the program has achieved a unique working relationship between Federal, State, and local governments, the academic community, and private industry with respect to marine resources. The accomplishments of the excellent sea grant program at the University of Hawaii serves as a microcosm of the wide range of projects in which sea grant is involved. There at the Hawaiian institution of higher learning, scientific research, funded by sea grant, has developed the expertise and techniques necessary for the creation of brand new industries, with resultant jobs and tax dollars. For example, the harvesting and marketing of the Hawaiian program has developed into a thriving industry in the short course of 5 years.

Another especially noteworthy project conducted by the University of Hawaii's sea grant program provides dramatic evidence of the benefits which can be derived from sea grant. Five years ago, Hawaii's precious coral industry grossed $2.6 million per year in sales and employed 100 people. Under a grant from the sea grant program, the University of Hawaii conducted research into: First, locating new stocks of precious coral; second, designing ecologically sound and economically practical methods of harvesting; and third, properly managing the resource. Over a 5-year period, sea grant expended $148,500 on this research project. In 1975, as a consequence of this research, the industry was developed $11.4 million in sales, and employed 500 people. Moreover, in 1975 alone, the industry paid to the Federal and State governments over one-half million dollars in taxes, repaying in 1 year by more than three times the total amount put into the research in 5 years. This, I submit, is striking testimony to the program's success.

An additional new industry may result from the ongoing research into the mineral content of ferromanganese deposits found on the ocean floor.

All in all the potentials of the Sea Grant College and Program Act are such that it may provide the solution to our serious problems of unemployment, food shortage, energy shortage and inflation.

Yet, regardless of such clear evidence of success, funding for the program has fallen into a malaise which comes nowhere near assuring a growth rate for the program commensurate with its obvious accomplishments. The University of Hawaii, for example, estimates from Federal funding for its sea grant program has decreased fully 32 percent since 1973. This has occurred even though Federal and State support for the program has remained extremely strong. For example, while the law recommends a Federal contribution of up to two-thirds of project costs, in many cases the participant has assumed the financial burden of more than 50 percent of project cost. Furthermore, many States have line-item appropriations to supply matching funds for sea grant programs.

Mr. Speaker, the bill before us today is an essential step toward assuring that this excellent program is strengthened and improved so that it may live up to its full potential.

First, the bill proposes a 1-year reauthorization of the program. The 1-year as opposed to customary 3-year reauthorization has been recommended by the Merchant Marine and Fisheries Committee because its Subcommittee on Oceanography is currently involved in a comprehensive review of our marine science and technology policy and sea-grant's role in that policy. Recommendations from that study should be forthcoming during the next Congress. Second, separate funding is authorized both for programs considered national in scope, and for programs of international cooperation in marine sciences. We hope through the former to remove the objections of the administration—objections in which, I might add, I do not wholly concur—that sea grant has not been sufficiently responsive to national needs. We hope by the latter to assure the nations of the world to work in a spirit of cooperation in the exploration and development of marine resources. Third, the bill authorizes the use of sea-grant funds for the rental or leasing of research vessels supporting sea-grant sponsored activities. This provision, which I suggested in my bill, H.R. 12097, provisions of which the committee has incorporated in the bill before the House today, is extremely important to sea-grant programs such as that at the University of Hawaii which must make extensive use of such vessels in the course of their research. I commend the committee for its foresight in including this provision in the bill.

Mr. Speaker, we cannot allow the national sea grant program to lapse in view of its immeasurable contributions to date to our understanding and prudent harvesting of the ocean's potential. H.R. 13035 is a step in this direction, and I urge its unanimous approval.

Mr. ANDERSON of California. Mr. Speaker, I rise in strong support of the $50 million authorization for the National Sea-Grant College and Program Act. The sea-grant program has proven to be a solid investment by the Federal Government, with benefits returning far more than the original costs incurred.

During this fiscal year, 26 States have sea-grant sponsored projects in operation; 412 Government agencies and private businesses are providing matching funds to continue these programs, of which there are 737 currently active involving 3,604 individuals.

Our experience with sea grant in the State of California has been one of extreme satisfaction. California is basically a coastal State—our 1,100 miles of shoreline would stretch roughly from Maine to Georgia if transposed to the Atlantic seaboard. In 1976, $2.6 million has been granted by the Federal Government for California based sea-grant programs, which has been matched by $2,022,109—a level of funding well over the one-third required by Federal law, which points out the enthusiasm sea grant has generated within our State. The University of California has been designated a sea-grant college, one of only eight in the Nation.

At this time, six campuses in the University of California system—Berkeley, Davis, Los Angeles, San Diego, Santa Barbara, and Santa Cruz—are involved in sea-grant sponsored activities. Also active in the program are the California State universities at Humboldt, San Diego, Long Beach, and Northridge, along with the California Institute of Technology, Stanford University, the University of Southern California, the University of San Diego, the California Academy of Sciences, and the Moss Landing Marine Laboratories Consortium.

Thus, sea grant covers the entire length and breadth of our State's coast, itself a unique laboratory for the study of marine sciences. I feel it is important to note that sea-grant sponsored programs in our State have not been limited to academic studies of interest only to the scientific community.

Quite the contrary. Since its inception in 1968, sea grant has made many positive contributions to our area, with benefits accrued by the State as well as by the private business sector.

Sea grant has taken the lead in practical application of our marine technology to improve our economic use of the oceanic environment. Improvement of the kelp harvest, cultivation of commercially important species of crustaceans and mollusks, and monitoring of the effects of pollution on the coastal zone have been of great benefit to our State, with important implications to our future use of the California coast. The lessons we have learned are also applicable to other areas of the Nation as well.

I would like to point out a few of the projects in the Los Angeles coastal area in which sea grant has made positive contributions to both the environment, and the economy, of our region.

University personnel, working with the County of Los Angeles Department of Beaches, have inventoried underwater resources and assisted in the development of a coastal recreation plan and the location of a future underwater park. This report has been utilized in the county by many groups involved in planning and developing the coastal zone.

Scuba diving has become a highly popular recreational pursuit in southern California. Sea grant has been vital in conducting studies aimed at improving the safety factor in this sport, thus reducing the number of accidental deaths which occur each year. The County of Los Angeles, Department of Parks and Recreation, the U.S. Navy's Experimental Diving Unit, and the Undersea Medical Society have closely cooperated in this effort.

Studies have shown that sand and gravel—aggregate important to the construction industry—will be in short supply in the southern California area within the next 10 to 20 years. Sea grant, in cooperation with the California State Lands Division, has initiated an assessment of offshore sand and gravel deposits which are economically exploitable. One such deposit, located off Ballona Creek, is thought to contain the equivalent of $100,000,000 of aggregate material worth about 25 years of continuous operation.

Beach erosion has long been a major problem along our coast. Sea grant research has located offshore deposits of beach sand that could be used to replenish these important recreational resources.

In my own congressional district, the canning industry has been a traditional source of employment and economic stability. Sea grant studies of effluent discharges of cannery wastes into Los Angeles harbor has assured them that they are meeting current water quality standards, thus preventing economic loss to both the cannery industry and the men and women they employ. Indeed, the Cannery Steam Co. estimated that because of the positive input from sea grant research, a 2-week shutdown was avoided with a resultant loss of $25 million in sales and employment. The research showed that wastes from the fish canneries, if properly monitored, may be an important input to the nutrient level of the harbor—actually benefiting the ecosystem.

Mr. Speaker, these benefits are but a sampling of the effect sea grant has had on our small portion of southern California. Multiply these effects on a statewide basis, and it is easy to see why I feel that sea grant is a unique Federal program. In California alone, the nationwide investment in this program has been returned manyfold. Other areas of our Nation, I suspect, have experienced the same type of results from sea-grant research—and the lessons that have been learned will be applied on an international level.

As the world population increases, it is becoming more and more apparent that the seas represent an important potential source of mineral and protein resources. At the same time, we are learning that the oceans must be protected in order to most fully exploit its riches—or they will be exhausted through overexploitation and ruined through careless management and pollution.

Sea grant represents a vital initiative to better understand this vast resource. That importance has been demonstrated time and again, as sea-grant has proven to be a Federal program that works—and works well.

I urge my colleagues to join me in support of this authorization. The funding represents a solid investment in the future development of our Nation's use of the sea.

The SPEAKER pro tempore (Mr. McFALL). The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 13035.

The question was taken.

Mrs. SULLIVAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 13035.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

USE OF EXCHANGE FUNDS TO ESCAPE INCOME TAXES ON REALIZED CAPITAL GAINS

Mr. ULLMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11920) to terminate the use of exchange funds as a means of escaping income taxes on realized capital gains, as amended.

The Clerk read as follows:

H.R. 11920

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (2) of section 368(a) of the Internal Revenue Code of 1954 (special rules relating to definition of reorganization) is amended by adding at the end thereof the following new subparagraph:

"(F) CERTAIN TRANSACTIONS INVOLVING 2 OR MORE INVESTMENT COMPANIES.—

"(i) If, before a transaction described in paragraph (1) (other than subparagraph (E) thereof), 2 or more parties to the transaction were investment companies, then the transaction shall not be considered to be a reorganization with respect to any such investment company (and its shareholders) unless it was a regulated investment company, a real estate investment trust, or a corporation which meets the requirements of clause (ii).

"(ii) A corporation meets the requirements of this clause if not more than 25 percent of the value of its total assets is invested in the stock and securities of any one issuer, and not more than 50 percent of the value of its total assets is invested in the stock and securities of 5 or fewer issuers. For purposes of this clause, all members of a controlled group of corporations (within the meaning of section 1563(a)) shall be treated as one issuer.

"(iii) For purposes of this subparagraph, the term 'investment company' means a regulated investment company, a real estate investment trust, or a corporation more than 50 percent of the value of whose total assets are stock and securities and more than 80 percent of the value of whose total assets are assets held for investment. In making the 50-percent and 80-percent determinations under the preceding sentence, stock and securities in any subsidiary corporation shall be disregarded and the parent corporation shall be deemed to own its ratable share of the subsidiary's assets; and a corporation shall be considered a subsidiary if the parent owns 50 percent or more of the combined voting power of all classes of stock entitled to vote, or 50 percent or more of the total value of shares of all classes of stock outstanding.

"(iv) For purposes of this subparagraph, in determining total assets there shall be excluded cash and cash items (including receivables), Government securities, and, under regulations prescribed by the Secretary or his delegate, assets acquired (through incurring indebtedness or otherwise) for purposes of meeting the requirements of clause (ii) or ceasing to be an investment company.

"(v) This subparagraph shall not apply if each investment company is owned substantially by the same persons in the same proportion.

"(vi) For purposes of clause (i), the shareholders and the security holders of any corporation which survives the transaction shall be treated as having surrendered their stock or securities (as the case may be) in one corporation for stock or securities (as the case may be) in a second corporation in a transaction described in paragraph (1)(A).".

(b) Section 721 of such Code (relating to nonrecognition of gain or loss on transfers to partnerships) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply in the case of gain if property is transferred to a partnership which would be treated as an investment company (within the meaning of section 351) if the partnership were incorporated."

(c) Sections 722 and 723 of such Code

(relating to tax basis) are each amended by striking out "contribution." and inserting in lieu thereof "contribution, increased in the amount (if any) of gain recognized to the contributing partner at such time.".

(d) Subsection (e) of section 584 of such Code (relating to admission to and withdrawal from a common trust fund) is amended by inserting after the first sentence the following new sentence: "The admission of a participant shall be treated with respect to the participant as the purchase of, or an exchange for, the participating interest.".

(e) (1) Section 683 of such Code (relating to applicability of provisions) is amended to read as follows:

"SEC. 683. USE OF TRUST DEVICE FOR SWAP FUNDS.

"(a) GENERAL RULE.—Except as provided in subsection (b), if property is transferred to a trust in exchange for an interest in other trust property and if the trust would be an investment company (within the meaning of section 351) if it were a corporation, then gain shall be recognized to the transferor.

"(b) EXCEPTION FOR POOLED INCOME FUNDS.—Subsection (a) shall not apply to any transfer to a pooled income fund (within the meaning of section 642(c) (5)).".

(2) The table of sections for subpart F of part I of subchapter J of chapter 1 of such Code is amended by striking out the item relating to section 683 and inserting in lieu thereof the following:

"Sec. 683. Use of trust device for swap funds.".

SEC. 2. (a) (1) Except as provided in paragraph (2), the amendment made by subsection (a) of the first section of this Act shall apply to transfers made after February 17, 1976, in taxable years ending after such date.

(2) The amendment made by subsection (a) of the first section of this Act shall not apply to transfers made in accordance with a ruling issued by the Internal Revenue Service before February 18, 1976, holding that a proposed transaction would be a reorganization described in paragraph (1) of section 368(a) of the Internal Revenue Code of 1954.

(b) (1) Except as provided in paragraph (2), the amendments made by subsections (b) and (c) of the first section of this Act shall apply to transfers made after February 17, 1976, in taxable years ending after such date.

(2) The amendments made by subsections (b) and (c) of the first section of this Act shall not apply to transfers to a partnership made on or before the 90th day after the date of the enactment of this Act if—

(A) a ruling request with respect to such transfers was filed with the Internal Revenue Service before February 18, 1976,

(B) a registration statement with respect to such transfers was filed with the Securities and Exchange Commission before February 18, 1976,

(C) the securities transferred were deposited on or before the 60th day after the date of the enactment of this Act, and

(D) (i) the aggregate value (determined as of the close of the 60th day referred to in subparagraph (C), or, if earlier, the close of the deposit period) of the securities so transferred does not exceed $100,000,000, or (ii) the securities transferred were all on deposit on February 29, 1976, pursuant to a registration statement referred to in subparagraph (B).

(3) If no registration statement was required to be filed with the Securities and Exchange Commission with respect to the transfers of securities to any partnership, then paragraph (2) shall be applied to such transfers—

(A) as if paragraph (2) did not contain subparagraph (B) thereof, and

(B) by substituting "$25,000,000" for "$100,000,000" in subparagraph (D) (i) thereof.

(c) The amendments made by subsections (d) and (e) of the first section of this Act shall take effect on April 8, 1976, in taxable years ending on or after such date.

The SPEAKER pro tempore. Is a second demanded?

Mr. CLANCY. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Oregon (Mr. ULLMAN) and the gentleman from Ohio (Mr. CLANCY) each will be recognized for 20 minutes.

The Chair recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill, H.R. 11920, deals with the tax treatment of exchange funds, so-called swap funds, and mergers of certain investment companies with mutual funds where a taxpayer's principal interest is to diversify his investments without paying any tax currently.

An exchange fund is an investment entity in which large numbers of investors pool their stocks and securities, which usually are highly appreciated, in exchange for shares of the fund. These arrangements allow investors to diversify their portfolios and are especially attractive if there is no current payment of tax.

In general, when a taxpayer diversifies his portfolio by selling a stock to purchase several stocks, tax must be paid currently on any gain on the sale. The use of exchange funds developed in the 1960's as a way to diversify a taxpayer's portfolio without the current payment of tax. Congress dealt with these types of funds in 1966 by restricting the tax-free formation of an exchange fund as a corporation where the result is a diversification of the investor's portfolio.

The 1966 legislation dealt only with swap funds in corporate form and did not deal with partnerships. Recently, however, a number of public syndications have been organized to sell exchange funds as partnership interests. Since the present law restriction only applies to corporations and not to partnerships, the Internal Revenue Service in April of last year granted a private ruling to one fund which proposed to operate as a limited partnership, allowing investors to transfer appreciated securities to the fund without a current tax to the investors.

When this matter came to our attention, I, along with several members of the committee, introduced a bill to restrict the use of partnerships for exchange fund purposes in the case of transfers made after February 17, 1976, the date the bill was introduced. The committee agreed to the bill which, thus, conforms the partnership tax rules to those for corporations in the case of exchange funds and, as a result, in effect makes taxable the transfer of appreciated stocks or securities to a partnership.

Since, at the date the bill was introduced, the Internal Revenue Service had already approved the use of a partnership in the case of one of these exchange funds and several others had already filed ruling requests with the Internal Revenue Service and registration statements with the Securities and Exchange Commission, the bill provides limited grandfather rules to cover these cases.

The bill also deals with those cases where tax-free diversification is obtained by an investor who owns a relatively small number of appreciated stocks or securities through a controlled corporation, often a personal holding company, and who merges the company into a mutual fund. In these cases the owner of the acquired corporation effectively diversifies his own investments tax free by obtaining shares in the mutual fund. The bill makes mergers and other reorganizations of this kind taxable where a publicly held mutual fund or other investment company acquires a corporation which owns a relatively undiversified investment portfolio. The bill makes no changes in the case of mergers of conventional mutual funds with each other.

This provision of the bill also generally applies to transfers made after February 17, 1976, the date the bill was introduced, but, as provided in the case of exchange funds, a grandfather rule was provided to cover the few cases where prior to this date companies had significant plans to make such mergers and had received approval under existing law from the Internal Revenue Service.

Since the bill will generally prevent investors who own appreciated but undiversified stocks and securities from diversifying without paying any current tax, the bill is expected to increase tax revenues in the future. However, since a few partnerships were in the process of being formed for exchange fund purposes prior to the introduction of the bill, and the committee believed it was appropriate to allow them to complete their funds since so much had been undertaken before legislative consideration had begun, these changes are unlikely to raise additional revenues during the 1976 or 1977 fiscal years.

Mr. Speaker, this bill closes some unintended effects of the tax laws and provides significant reform in this area. I urge that the bill be adopted.

Mr. LEVITAS. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Speaker, I would like to inquire with respect to the grandfather provision that the distinguished chairman described, if the gentleman can tell us precisely how many companies are being exempted from the operation of this loophole-plugging legislation.

Then I would like to know if the practice of these tax-free exchanges is so bad that it should be terminated; why are we permitting a few companies that are grandfathered in to obtain a monopoly and continue on the basis of tax-free exchanges, when there is no other company that can do so?

Mr. ULLMAN. I will say to the gentleman that we attempted to achieve some equity in the tax law. In the one instance, a company had complied with existing law, had gotten permission from the Internal Revenue Service and the FTC, had gone forward and invested a great deal of funds in developing a limited partnership and, for all practical purposes, had a consummated venture. It is very seldom in tax law that we get into a situation like that and eliminate the tax provisions that were the basis for the transaction.

Now, there were four other cases where they had applied to both the IRS and the FTC under the existing law and had secured assurances that existing law would allow them to go forward. That is the reason I introduced the bill. I felt that as of the date of introduction, the bill would give fair warning to the world and to the trade that this was not hereafter going to be looked at favorably and gave them warning that we would make that determination.

It is our feeling that this is the right and equitable way to do it. As a matter of fact, looking back at the 1966 experience, that is exactly what was done then in the corporate field. They grandfathered those in that had set up funds and had made their application and were in the process of setting up funds under the existing law.

Those were grandfathered in and the rest were not, but no one was allowed to do it thereafter.

Mr. BEDELL. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Iowa.

Mr. BEDELL. Would these have a permanent monopoly on this? It would mean that nobody new can do this?

Mr. ULLMAN. We wrote very tight limitations on what the original company had grossed, which is going to wind up at a figure of between $120 million and $150 million. We are limiting them totally to that amount, and insofar as the other four companies are concerned, we are putting a $100 million limitation on each one of them, so it is not an openhanded thing. They have very tight limitations.

Mr. BEDELL. But that will go on forever, that limitation?

Mr. ULLMAN. No; it closes 90 days after the enactment, and it will no longer be open for any further substitution.

Mr. BEDELL. But those companies will have this benefit forever?

Mr. ULLMAN. Most companies can continue, that is right, in perpetuity.

Mr. BEDELL. Would the gentleman feel that it would be wrong at some future date for us to close that loophole, even though they started this because of the assurance they had from the IRS that the law was that they benefit?

Mr. ULLMAN. To put the matter in the right perspective, no new people can come in.

Mr. BEDELL. I understand that.

Mr. ULLMAN. The whole rolls are closed. It is only those people who consolidated their stock in this limited partnership that will be affected. No new people can come in.

Mr. BEDELL. To that organization?

Mr. ULLMAN. That organization. In other words, only four companies are allowed, because of the grandfathering of the existing law, to have this type of limited partnership and this kind of consolidation. Only those people who are actually subscribed within the limitations can be benefited. It will thereafter be closed. No one new can ever come back in. It will just be those people who are grandfathered in, specific people, and will not be open to any new people within the limitations we have put on.

Mr. BEDELL. I thank the gentleman.

Mr. ULLMAN. Mr. Speaker, I reserve the balance of my time.

Mr. CLANCY. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Speaker, I rise in support of H.R. 11920, which would terminate the use of exchange funds as a method of escaping income tax on realized capital gains. This bill deals with the tax treatment of both exchange funds, often referred to as swap funds, and mergers of certain investment companies, generally personal holding companies being merged into mutual funds. A taxpayer's principal purpose in both types of transaction is to diversify his investment portfolio without realizing any tax liability.

The exchange fund is an investment vehicle by means of which numbers of investors are able to swap securities, which are generally highly appreciated, for shares in the exchange fund without incurring taxes. This arrangement permits investors to acquire a proportionate interest in a broad portfolio without paying any tax on the capital gains on their original holdings at the time the exchange is made.

Since 1966, it has not been possible under Federal income tax laws to establish an exchange fund in corporate form on a tax-free basis where the desired result is a diversification of investors' portfolios. There was a time during the early 1960's when a number of exchange funds in corporate form flourished. In 1966, Congress amended the tax laws so as to end this tax-avoidance opportunity.

Until recently, it was not practical to set up an exchange fund in partnership form, although the 1966 legislation dealt only with swap funds set up as corporations. Partnerships were not used because they would have first had to meet voting and other requirements of the Investment Company Act of 1940. The partnership statutes of most States under which such partnerships would have been formed did not permit limited partnerships to be set up in a way which would enable them to comply with the securities law requirements. However, in recent years a number of State statutes have been amended in a way to permit the securities regulations to be met. In addition, the Internal Revenue Service has ruled that the new limited partnerships may be taxed as partnerships for Federal income tax purposes.

As a result of these changes in State law, a number of limited partnerships have been syndicated for public offering in the form of exchange funds. Approximately 1 year ago, in April 1975, the Internal Revenue Service issued a favorable tax ruling to one fund which wished to establish an exchange fund in limited partnership form for offering to the public. Since that time, a number of other funds have attempted to establish exchange funds on basically the same lines. This activity relates to the grandfathering in this bill, which the chairman was describing earlier.

In reporting this bill, the Ways and Means Committee has concluded that the tax-free diversification of investments which an exchange fund in limited partnership form permits should not be allowed when the same results cannot be achieved when proceeding in corporate form, as a result of the legislative changes passed by the Congress approximately 10 years ago. Taxpayers attracted to these exchange funds are almost entirely motivated by a desire to avoid payment of taxes.

Of course, tax avoidance is entirely appropriate under the law. Therefore, we saw no reason to punish people who sought to achieve tax avoidance through this process.

After the exchange fund is formed, the investors do not anticipate much turnover in the exchange fund's portfolio, inasmuch as that turnover would itself generate tax liability. The funds themselves advertise that their anticipated portfolio turnover rates will be low by mutual fund standards.

Once again, that is in order to minimize their taxes.

Therefore, the exchange fund differs from a conventional partnership, which conducts an ongoing business with all the risk attendant upon conduct of a business. Instead, the swap fund is mainly a holding operation providing the investors with a diversified portfolio of untaxed, highly appreciated stocks.

H.R. 11920 would change the rule of present law which relates to nonrecognition of gain or loss on contributions of property by a partner to a partnership in exchange for an interest in the partnership. This amendment would be effected by making an exception to the general rule in the case where a partner transfers his property to a partnership which is an "investment company," as defined in the bill. The effective date of the provisions relating to exchange funds will generally be February 17, 1976.

However, inasmuch as a number of partnership exchange funds were in various stages of being organized when this bill was introduced, the committee felt it appropriate to add certain grandfather rules to the bill in order to avoid an inequitable impact on funds which had already substantially relied on provisions of existing law in going forward.

In fact such funds not only relied upon provisions of the existing law, but in some cases had invested substantial money in advertising the availability of this particular type of scheme.

Generally, the provisions of H.R. 11920 will not apply to transactions with swap funds after February 17, 1976, if prior to that date the partnership in question filed for a private ruling from the Internal Revenue Service relating to the partnership's character as an exchange fund and also filed a registration statement, if required, with the Securities and Exchange Commission. There are additional provisions in the bill relating to the time period for exchanges with the fund following enactment of H.R. 11920.

Also, there is a dollar limit on the total size of each fund grandfathered under the bill. In most cases, this limiting amount is equal to $100 million. One fund with a private offering has a $25 million limit. The Vance, Sanders Exchange Fund, which was in active promotion at the time we presented this bill, will have a maximum of approximately $150 million.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentlewoman from New Jersey (Mrs. Fenwick).

Mrs. FENWICK. I thank the gentleman for yielding.

As I understand it, there is no expectation on the part of the Treasury that this will result in extra income. Why not? If we are going to be able to properly close a loophole by which people have been escaping capital gains tax, why is not this going to produce revenue?

Mr. CONABLE. In fact, people have not been using the partnership form of swap fund until a favorable revenue ruling, an IRS ruling, about a year ago.

Since that time there has been time to form very few of them. That ruling resulted, though, in a number of funds preparing to go forward in a partnership arrangement, which would have resulted in a revenue reduction had we not changed the law as it is at present.

Mrs. FENWICK. Mr. Speaker, do I understand, with regard to the credit of these people who have signed up, so to speak, referring to these five companies the chairman of the committee mentioned, that is the end of it, and there will be no more?

Mr. CONABLE. The gentlewoman is correct. As a matter of fact, no more may be signed up after 90 days from enactment of the bill even if they have not achieved the ceiling set in the bill.

Mrs. FENWICK. Even in those five companies?

Mr. CONABLE. Even in those five companies; that is right.

Mrs. FENWICK. Mr. Speaker, I thank the gentleman.

Mr. CONABLE. So we have tried to protect against unfairness toward those who have invested money in reliance on the law as the IRS ruling reflected it, and we have tried to protect the public and see that this thing does not go on in this way by providing that no additional transactions will be permitted after this period of 90 days.

Mr. Speaker, let me deal with one other aspect of this.

This bill also contains provisions which prevent achieving the advantages of a partnership exchange fund by using the vehicle of a trust instead. The committee believed that it was inappropriate to permit the achievement of tax advantage through means of a trust with regard to transactions which cannot be completed without recognition of gain if either a partnership or a corporation is used as the exchange vehicle. The provisions applicable to trusts apply only to those subject to the rules governing normal trusts and do not apply to qualified employee benefit or charitable trusts or other tax-exempt organizations organized as trusts.

The other major provisions of H.R. 11920 deal with mergers involving investment companies. Under present law shareholders and corporations participating in a reorganization often are able to achieve nonrecognition of gain or loss on transfers in that reorganization. Under these tax-free reorganization provisions of the Internal Revenue Code, tax-free exchanges of several types could be effected which would resemble closely the result of transfering assets to a swap fund. In order to eliminate this opportunity, this bill adds an exception to the "tax-free reorganization" definition which results in requiring recognition of gain or loss on exchanges which substantially resemble transactions using an exchange fund.

Specifically, the bill provides that if parties to an exchange which otherwise falls under tax-free reorganization provisions include two or more investment companies, the exchange will not receive tax-free reorganization treatment as to one or more of those investment companies and their shareholders in cases where the company or companies in question had relatively undiversified portfolios prior to the exchange. The questions of what constitutes an "investment company" and "diversification" are dealt with for these purposes in the bill.

The reorganization rules applying to investment companies will be effective for exchanges consummated after February 17, 1976, with an exception for exchanges occurring thereafter pursuant to a private tax ruling issued by the Internal Revenue Service on or before that date.

Mr. Speaker, I believe enactment of this bill is necessary to harmonize the provisions of the Internal Revenue Code in this area with the intent of Congress as first expressed in legislation regarding corporate exchange funds almost 10 years ago.

This legislation is necessary only because of the IRS ruling of a year ago, and we believe we have dealt appropriately with the equities involved with those who moved to take advantage of that ruling promptly, making investment in the promotional necessities of such a move and creating an expectancy on the part of people who want to participate in such swap funds.

Mr. Speaker, I urge the enactment of the bill.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. Levitas).

Mr. LEVITAS. Mr. Speaker, I thank the gentleman for yielding and I certainly want to commend the committee for bringing out a bill that does apparently plug a loophole in the present tax law. However, it seems to me that in plugging this loophole we have left in the committee bill an inequity that raises questions, and that is the grandfather provisions to which I previously referred.

As it now appears, certain companies and the promoters of those companies in particular who moved with a little bit more dispatch than other promoters may have moved will now be in a position to take advantage of an economic windfall resulting from the plugging of the loophole as to others which this bill proposes.

It seems to me that if we are to do true equity, realizing that the income tax laws can be changed at any time and have been changed. People were not grandfathered in, for the most part with respect to termination or reduction of oil depletion, for example; and further, it seems to me that if we are to block this loophole, we are creating an inequity through an arbitrary date on some day in February, when this bill was introduced with respect to those few funds that were in existence or with respect to which rulings were applied for or applications were filed with the SEC on that date for this bonanza, while other companies and taxpayers are precluded.

For that reason, Mr. Speaker, I would like to urge a rejection of this bill so that it may come back with a rule and be appropriately amended to avoid the inequity that the grandfather clause, as presently written, provides.

I thank the gentleman for yielding.

Mr. ULLMAN. Mr. Speaker, we looked at the matter very closely, which matter the gentleman from Georgia (Mr. Levitas) has just referred to.

We think that the way we have handled it is in accordance with the precedents in the House and the Congress with respect to these kinds of situations, which is exactly the way it was done with respect to the corporate parallel situation back in 1966.

It avoids a lot of lawsuits and negotiations that clutter up our governmental procedures, and we think this is a sound and an equitable approach to the problem. We think it does close a potential loophole.

Therefore, Mr. Speaker, we urge adoption of this measure.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. Ullman) that the House suspend the rules and pass the bill (H.R. 11920), as amended.

The question was taken.

Mr. LEVITAS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3(b) of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

NUCLEAR PROLIFERATION: FUTURE U.S. FOREIGN POLICY IMPLICATIONS

Mr. ZABLOCKI. Mr. Speaker, I move to suspend the rules and pass the concurrent resolution (H. Con. Res. 570) with respect to certain arms control and disarmament negotiations, as amended.

The Clerk read as follows:

H. Con. Res. 570

Whereas the operation of the Treaty on the Non-Proliferation of Nuclear Weapons was reviewed in May 1975, by a special conference which included parties to such treaty;

Whereas such conference confirmed the fact that States with nuclear weapons capability have made only limited progress in pursuing "negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament" as called for by such treaty;

Whereas a significant number of nonnuclear weapons states have not acceded to such treaty;

Whereas a sufficiently strong United States strategic force may provide reassurance to allies who might, in its absence, wish to acquire nuclear weapons; and

Whereas it is important that further efforts be undertaken on an urgent basis to limit the dangers involved in peaceful and military nuclear developments and that the position of the United States Congress be understood with respect to its willingness to give full effect to the terms of the Treaty on the Non-Proliferation of Nuclear Weapons and to take further steps to limit nuclear dangers: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That (a) the Congress of the United States, noting the positive steps embodied in the Vladivostok accord of November 24, 1974, urges their prompt embodiment, with clarification of ambiguities, in a treaty or in an agreement approved by law. The Congress further urges immediate negotiations to achieve agreements, which would be mutual and verifiable on (1) a substantial initial reduction in the number of strategic nuclear delivery vehicles and the number of strategic missile launchers equipped with multiple independently targetable reentry vehicles, and (2) the achievement of approximate equality in total strategic nuclear destructive capability as measured by the number, yield, throw-weight, and accuracy of nuclear weapons.

(b) The Congress of the United States urges a comprehensive agreement ending underground nuclear explosions under adequate verification.

(c) The Congress of the United States, in order to reinforce international actions to prevent the proliferation of nuclear weapons and other nuclear explosive devices, urges a halt on further transfers of nuclear fuel, technology, and equipment to any country which has not either (1) accepted on all its nuclear programs the safeguards recognized by the International Atomic Energy Agency, or (2) become a party to the Treaty on the Non-Proliferation of Nuclear Weapons, if other major nuclear suppliers agree to a similar halt on such transfers.

Sec. 2. The President is respectfully requested to inform the appropriate foreign countries of the declarations by the Congress of the United States with respect to arms control and disarmament negotiations and the proliferation of nuclear weapons materials which are contained in this concurrent resolution.

The SPEAKER pro tempore. Is a second demanded?

Mr. FINDLEY. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Wisconsin (Mr. ZABLOCKI) and the gentleman from Illinois (Mr. FINDLEY) will be recognized for 20 minutes each.

The Chair now recognizes the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 570, legislation with respect to the problem of nuclear proliferation. This resolution is an expression in support of a saner and more peaceful world—one free of the threat of nuclear proliferation and the scourge of possible nuclear war.

Why is this resolution important enough to merit support? Why, in other words, should Members of Congress be concerned about proliferation?

To some, proliferation is a seemingly distant issue, scientifically and technologically complex. By contract, the nations of the world are plagued with crises of food and starvation, fuels and energy, warfare, and internal unrest. Such problems have an immediate urgency. In comparison with these pressing issues, why should we in Congress turn our attention to the spread of nuclear technology and weapons?

The reason is stark and simple. All of the other world problems—serious as they are—will become moot if many more nations acquire nuclear weapons. Given the flood tide of spreading nuclear technology, the prospect of other nations soon having nuclear weapons is a real and current threat.

Evidence pointing to the seriousness of the danger is irrefutable. For example, nuclear materials, from which nuclear explosives could ultimately be made, now exist in approximately 30 countries. It is estimated that by 1985 nearly 50 countries will have at least one nuclear power plant that can produce enough plutonium each year for at least several dozen nuclear explosives. By the year 2000 the annual rate of plutonium production worldwide will be nearly 1 million kilograms—enough to make 100,000 nuclear explosive devices.

In the light of that mounting crisis, the issue is whether we should stand by, ignore the threat and permit the spread of nuclear power to go on pell mell or do we attempt to seek reasonable controls while there is still time. This may be the last chance we have to answer that question rationally.

Preventing the epidemic of nuclear proliferation and possible nuclear disaster is, I submit, the real purpose of House Concurrent Resolution 570.

At this moment, the major powers are continuing to develop and test new and improved nuclear weapons. Continued testing can generate improvements that could upset the balance of the present nuclear armories and thereby destabilize relations between the world nuclear giants.

In terms of nuclear technology dispersal, the problem is seriously compounded. The six leading nuclear supplier states promote the international sale of their products to nations turning toward uranium as a fuel substitute for expensive and perhaps unreliable oil imports. These supplier nations offer nuclear powerplants produced by the United States, Great Britain, France, or Canada.

In addition, the Soviet Union has begun to supply nuclear powerplants to some of its satellites. Japan is expected to enter the world nuclear market soon as will many European nations.

Some nuclear suppliers seek to sweeten their deals by offering equipment and technology so that their customer nations can produce their own enriched uranium and plutonium. These tie-in sales signal a big and dangerous jump toward proliferation.

This alarming problem of escalation will continue unless the United States and other level-headed suppliers can persuade all of the supplier nations not to export such sensitive and dangerous nuclear technology.

This escalation will continue unless the customer nations can be urged to ratify the Nuclear Non-Proliferation Treaty, NPT, or be required to place all of their nuclear activities under the safeguards of the International Atomic Energy Agency providing for effective and frequent inspection by the International Atomic Energy Agency, IAEA.

Unless the United States, through the type of foreign policy initiatives urged by House Concurrent Resolution 570, can slow down or halt the further spread of nuclear weapons, the world will soon face the possibility of surprise nuclear attacks by unidentified nations.

Worse still are prospects that a lack of adequate protection and control might make it possible for terrorist groups to steal nuclear explosive materials without detection and so be able to make blackmail demands or take terrorist actions.

Those, in short, are the reasons Congress should be concerned about nuclear proliferation. Those are also the problems to which House Concurrent Resolution 570 is addressed as a solution.

House Concurrent Resolution 570 signals an important start for Congress both to encourage and to support the executive branch in shaping foreign policy initiatives designed to slow down the further development of new or improved nuclear weapons. It also signals the possibility of slowing down or, preferably, halting the further wanton spread of nuclear weapons and explosives beyond the six nations known to possess them.

That is why this resolution and its purpose is important. That is why it merits our support. I urge the passage of House Concurrent Resolution 570.

Mr. FINDLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 570. This bill emerged from the Subcommittee on International Security and Scientific Affairs under the able leadership of the subcommittee's chairman, Clement Zablocki. There, we have undertaken a series of exceptionally thorough and well-structured hearings during which testimony was taken from representatives of ACDA, the State Department, the atomic energy industry, the regulatory agencies, the Export-Import Bank, and private experts. These hearings provided the focus for the legislation before us today. In addition, they laid the groundwork for possibly broader and more binding regulative proposals for the future.

No longer can there be any doubt about the perils that lie immanent in the indiscriminate spread of nuclear technology and materials. Our own national policy, grounded on a misguided and uncritical altruism, has itself helped to stimulate this deadly spread. Failing to balance risk against genuine need, we provide nuclear powerplants to nations whose economies are insufficiently developed to accommodate them. Often we have skewed the calculus further through massive export subsidies.

Meanwhile spent fuel continues to accumulate and with it an alarming accumulation of separable plutonium—the key ingredient for a nuclear explosive. As the technology of reprocessing becomes more widely available, these countries, many of which are embedded in their own deeply strained regional conflicts and antagonisms, will be only months away from a nuclear bomb capability—separated only by the thin membrane of political restraint or negotiated agreement.

This legislation is bound around the simple notion that nuclear supplier countries should draw the line for exports at those countries who have either become a party to the NPT regime, or else have placed full fuel cycle safeguards on all of their facilities. This alone will not comprehensively resolve our problem. But it is an important first step.

Second, this resolution notes that some nations may prefer the security of alliance relationships and nuclear guarantees to the instabilities of independent nuclear forces. Hence, the preservation of these important security arrangements is directly contingent on the viability and resilience of our strategic forces. This fact is the basis of the resolution's fourth whereas clause. Yet another strain of this concern can be found in the first resolved clause, where future arms reductions are tied explicitly to a reduction in the existing imbalance in missile throw-weight between the United States and the Soviet Union. This is the first time to my knowledge that the Congress has expressed itself formally on this important point.

Mr. ZABLOCKI. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. Long).

Mr. LONG of Maryland. Mr. Speaker, I rise in support of House Concurrent Resolution 570, regarding nuclear proliferation. I commend the distinguished gentleman from Wisconsin (Mr. Zablocki), and the members of the Subcommittee on International Security and Scientific Affairs for their substantial efforts in this critical area. The committee has made an important first step toward developing a rational U.S. policy on nuclear proliferation and nuclear exports policy.

Senator Ribicoff has stated that by 1990, reactors in the developing world alone will be generating 30,000 pounds of plutonium annually—the equivalent of 3,000 atomic bombs.

Providing a country with nuclear power gives it not only plutonium but also the scientific-engineering complex needed to make the short step to producing nuclear weapons. The committee report states that "prospects for diversion will clearly increase if and when plutonium comes into general use as a nuclear fuel." Terrorists or unfriendly nations could threaten, blackmail, or launch a surprise attack on the United States.

Our nuclear arsenal would be useless as a deterrent because we might not know the identity of our attacker and would not know at whom to strike back. Or we might strike back at an innocent country. Indeed, to provoke us into striking back at the wrong country might even be the purpose of the anonymous attack.

Irresponsible nuclear suppliers—notably France and Germany—which are licensed by U.S. firms for nuclear technology and which depend largely on the United States to fuel their own power reactors, are exporting nuclear weapons potential. Time is running out for the United States to use its leverage to curb nuclear proliferation because Europeans will soon have their own nuclear fuel facilities.

I heartily concur with the resolution's call for a halt on nuclear exports to any country that does not at least place all its nuclear facilities under international safeguards. I hope that the administration will strongly urge France, West Germany, and other nuclear suppliers to accept this principle.

This concurrent resolution embodies one of the crucial issues which led me to introduce House Resolution 951—which now has 113 cosponsors—to establish a House select committee to explore in depth U.S. nuclear exports policy and the worldwide problem of nuclear proliferation. I strongly urge the Congress to take an important first step in combating proliferation by passing House Concurrent Resolution 570.

Mr. ZABLOCKI. Mr. Speaker, I yield 1½ minutes to the gentleman from New York (Mr. Ottinger).

Mr. OTTINGER. Mr. Speaker, I would just like to join in congratulating my friend, the gentleman from Wisconsin, on the excellent start he has made in the proper direction of obtaining control over both nuclear materials and nuclear weapons.

I had the privilege to sit in on his subcommittee consideration of this resolution.

As he knows, I would go considerably further, particularly in the nuclear weapons field. I am sponsor of a resolution which had some 93 cosponsors, calling for a policy of renunciation of first use of nuclear weapons. But I wholeheartedly am in accord with him that we should make far greater efforts toward achieving mutual agreements with the Soviet Union and with other nuclear weapons countries in mutually reducing the number of strategic weapons and obtaining strict international control of nuclear materials.

I must, however, register my strong disagreement with paragraph (a) (2) of the resolution. There is no basis for seeking "approximate equality in total strategic nuclear destructive capability" with the Russians. This concept of keeping up with the Russians and the Russians keeping up with us is what has fueled a senseless arms race and sapped billions of dollars for needless weaponry. The accent instead should be on assuring that we have sufficient—not equal—strategic nuclear weaponry to make suicidal any first strike against us by the Soviet Union. The concept of "equality" should be dropped and replaced with the concept of "sufficiency."

I would support this resolution's proposals for a complete test ban treaty and for nonproliferation.

The problem of proliferation today is truly frightening. The fact that India exploded a bomb with materials obtained from a Canadian-supplied nuclear powerplant is a matter to give us serious concern.

I am proud to be cosponsor with my friend, the gentleman from Maryland (Mr. Long) in trying to obtain control over the proliferation of nuclear materials. I led in intervening before the Nuclear Regulatory Commission to urge full hearings on its proposal to export 40,000 pounds of enriched uranium to India because it had not signed the nonproliferation treaty and all its facilities are not subject to IAEC controls. I am glad to see these proposed requirements in this bill.

I think nuclear technology is a subject which the American people have not faced. The prospects of nuclear warfare and the misuse of nuclear materials just seem to be beyond the comprehension of the average citizen, and while he is nervous about it, he does not really understand and he does not know what to do.

I think we have a tremendous responsibility here in Congress. There is no greater threat to the existence of modern civilization than exists with the possibility of abuse of nuclear weapons or the making of weapons from nuclear materials, either by irresponsible governments or by terrorists who might steal or sabotage nuclear facilities. The possibility that some terrorist group will get hold of nuclear materials and make nuclear weapons from them is real.

Therefore, I think this resolution on balance is a good start in the right direction. I support the resolution and salute the gentleman from Wisconsin for pushing forward on this subject.

Ms. ABZUG. Mr. Speaker, I support this resolution since it outlines the significant next steps which must be taken in order to begin controlling the nuclear arms danger.

Unfortunately, the nuclear arms discussion today seems dominated more by Presidential politics than by rational inquiry. Last week, President Ford requested over $300,000,000 to continue production of the Minuteman III missile. But on January 27, Secretary of Defense Rumsfeld reported to Congress that additional deployments of the Minuteman III beyond current levels "would not add significantly to the U.S. military capability"—page 63. Clearly, arms producers face a booming business as long as the Republican primaries continue.

Against this background of election hysteria, Congress has a responsibility to state its views on arms control. This resolution is a valuable statement of policy for moving ahead with arms limitation and arms reduction and for restricting the proliferation of nuclear materials without adequate safeguards.

However, I am concerned that these objectives in the abstract may be acceptable to Congress but that during this session Congress has been approving specific weapons systems which directly contradict both the letter and the spirit of this important resolution.

The particular weapons system I have in mind is the strategic-range sea-launched cruise missile—SLCM—authorized to receive $100,000,000 for research, development, and testing in fiscal year 1977. I raised the SLCM issue during the military procurement and R. & D. debate, along with my colleague from Ohio (Mr. SEIBERLING). I feel the responsibility to raise it again today by comparing how the SLCM directly contravenes the policy objectives of this resolution—indeed, how it would put them out of reach.

"Substantial" reduction in the number of strategic nuclear delivery vehicles is a primary goal of the resolution. The report accompanying the resolution indicates that "substantial" means a magnitude of at least 20 percent mutual reduction. Yet the long-range SLCM now being developed by the Navy could be launched not only from strategic submarines but from attack submarines and specially outfitted surface ships as well. This would turn every vessel in the U.S. Navy into a potential strategic nuclear delivery vehicle against the Soviet Union.

Instead of leading to a "substantial" reduction, the long-range sea-launched cruise missile would cause a "substantial" increase in the numbers of potential strategic delivery vehicles.

The resolution naturally envisions that future arms agreements should be accurately and effectively verifiable. Verifiability makes arms limitation agreements enforceable. However, the SLCM would present nearly insurmountable obstacles to effective verification. The basic verification principle for SALT has been to limit arms by controlling launchers of nuclear weapons. But, since the tactical and strategic versions of the SLCM would have identical appearances, it would be impossible for arms controllers to know which ships had been turned into strategic launching platforms. Once testing ends and production begins, emplacement of strategic SLCM's cannot be detected. Neither side would know how many SLCM's the other side had deployed or produced.

Simply stated, the SLCM is one of the most "arms control incompatible" weapons system currently being tested. Full scale production and deployment of the SLCM would be a serious drawback to the kind of arms limitation agreements envisioned by this resolution.

Proliferation of nuclear weapons and of nuclear materials is another major concern of the resolution. Yet the SLCM could lead to a doubling of strategic nuclear weapons in the U.S. arsenal and could raise new dangers of spreading a nuclear delivery capability to the small nations possessing nuclear potential. Compared to nuclear submarines or intercontinental bombers, the SLCM and its counterpart, the Air Launched Cruise Missile, are relatively cheap long-range delivery systems. If a small country ever found the means to capture or duplicate cruise missile technology, it too could become a nuclear power able to threaten its neighbors and raise the level of international tensions. The cruise missile is a danger to controlling proliferation because it represents a technological breakthrough in delivery vehicle guidance, thus adding a new unknown factor to the proliferation equation.

These are some of the dangers of the Sea Launched Cruise Missile. If production is allowed to begin after the testing program, it is clear to me that the strategic SLCM could become a permanent barrier to progress on arms control as envisioned by this resolution. A moratorium on long-range SLCM testing of the SLCM would not involve any military risk to the United States whatsoever since we are so far ahead of the Soviet Union in cruise missile technology. According to Secretary Rumsfeld's posture statement, "there is no evidence as yet that the Soviets possess the technology to pursue over the near term a strategic cruise missile development"—page 56.

However, a moratorium on testing would keep open the option of eventually reaching an agreement on cruise missiles because it would give the negotiators additional time and let policy instead of technology determine our nuclear arms position. I hope my colleagues will give consideration to such a testing moratorium during the appropriations debate and, in so doing, utilize this resolution as not only a statement of general policy aims but as a yardstick to measure the desirability of specific weapons systems as well.

Mr. BINGHAM. Mr. Speaker, I rise in support of House Concurrent Resolution 570, a resolution which is the product of the considerable labors of Congressman ZABLOCKI's Subcommittee on International Security and Scientific Affairs, of which I am a member. The committee conducted exhaustive hearings on nuclear proliferation last fall, and produced a hearing record which was as fascinating as it was chilling. The testimony of the experts was unanimous: It is becoming easier and easier for countries to produce plutonium, the major element of the atomic bomb. With the present accelerating international transfer of nuclear power facilities, it is only a matter of a few years until at least a score of nations will be capable, if they so choose, of developing nuclear weapons.

Nuclear power has become a technological status symbol, and its potential adaptability to military uses makes it doubly attractive to dozens of countries which are not now members of the nuclear club. Some of these countries are responding to the acquisition of a nuclear capability by a neighboring country, starting a chain reaction of decisions to go nuclear which is too often aided and abetted by the current members of the nuclear club. India may well have used her nuclear powerplants and experimental reactors to develop the ability to set off a nuclear explosion as a deterrent aginst China, which exploded its first nuclear device some years ago. India's off-and-on enemy on the Asian continent, Pakistan, must now feel pressure to develop its own nuclear capability. And so it goes. As each country adds to its prestige, the world edges closer to the possibility of nuclear holocaust.

The United States must do everything in its power to reverse this trend. In 10 years it will almost certainly be too late; in 5 years it may well be beyond our reach. The resolution before us today is designed to put the Congress on record as supporting urgent efforts to come to grips with this problem.

Subsection 1(c) urges the United States to halt further transfers of nuclear fuel, technology or equipment to any country which has not demonstrated its commitment to use them only for peaceful purposes. The resolution suggests that acceptance of International Atomic Energy Agency recognized safeguards or ratification of the Treaty on the Non-Proliferation of Nuclear Weapons would be evidence of such a commitment. The subcommittee assumes that the United States would only undertake such a policy if other major nuclear suppliers agree to it as well, but it is to be hoped that the United States will actively seek their argreement.

Subsection 1(b) urges a comprehensive agreement ending underground nuclear explosions with adequate verification. This subsection is self-explanatory, although it should be added that verification, which used to be a stumbling block in all Soviet-American negotiations in the early 1960's, no longer presents great obstacles to a test ban agreement. Current technology makes it possible to identify underground nuclear explosions as small as 5 kilotons, and even smaller tests can often be detected. Recently the United States and the U.S.S.R. have come closer to agreement on the implementation of the Threshold Test Ban Treaty of 1974. This treaty is inadequate, and I hope it is only the forerunner of a more comprehensive agreement. Both the U.S.S.R. and the United States have developed their nuclear warhead technology to levels where underground testing is no longer necessary, and it is incumbent on the two superpowers to lead the way to a worldwide ban.

Subsection 1(a) urges the prompt embodiment of the Vladivostok accord in a treaty or an agreement approved by law. The present negotiations seem to have reached an impasse, even though the Vladivostok accords established ceilings on the number of nuclear delivery vehicles far above the present levels on either side. The resolution is intended to underscore the importance the Congress attaches to reaching a final agreement on the principles embodied in the Vladivostok accord. Furthermore, the Congress is eager to move to the next stage in the strategic arms limitation talks, which this subsection indicates should both a substantial reduction in the number of strategic nuclear weapons on each side and the achievement of approximate equality in total nuclear destructive capability. That capability is measured by the number, yield, throw-weight and accuracy of the nuclear weapons each side possesses. It is quite possible for the United States to be ahead of the U.S.S.R. in some of these and behind in others, so long as our total destructive capabilities are roughly equal. This formulation would allow each side some flexibility to determine on which of these characteristics of its strategic forces it desires to concentrate, so long as that concentration does not result in the development of a superior destructive capability. Such an agreement would be designed to prevent an unending series of new ventures in the arms race which could occur even with a reduction in the numbers of missiles allowed on each side. The Soviets could seek to make their missiles larger and larger while the United States could seek technological improvements which would greatly increase accuracy and explosive yield, thus merely prolonging the arms race by rechanneling it away from numbers of weapons and into size and quality.

Mr. Speaker, I think this is an important and necessary resolution and it is the product of a bipartisan effort of the Members of the International Security and Scientific Affairs Subcommittee. I urge the House to accept it.

Mr. ANDERSON of California. Mr. Speaker, I rise in support of House Concurrent Resolution 570 which expresses strengthening of international safeguards against the proliferation of nuclear weapons.

Ninety-seven nations have ratified the Treaty on the Non-Proliferation of Nuclear Weapons, and 13 other nations have signed, but not yet ratified the treaty. This treaty urges the nuclear weapons states to pursue "negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament."

At the present time, the United States, the Soviet Union, the United Kingdom, France, and the People's Republic of China have all exploded nuclear weapons. India has tested nuclear devices. Mr. Speaker, the fact that several of the world's strongest and most stable nations now possess nuclear weapons is frightening enough. But we now know that nuclear materials which may be used for the production of nuclear weapons exist in approximately 30 nations. I find the prospect of nuclear proliferation to many small and unstable nations to be absolutely abhorrent. The threat of terrorist blackmail, and even all-out nuclear war, will become more and more ominous if such proliferation is not halted now.

The intent of this resolution is to urge the prompt embodiment in an agreement of the understandings contained in the Vladivostok Accord, to urge a verifiable agreement ending underground nuclear explosions, and to urge a halt on further transfers of nuclear fuel, technology, and equipment.

The time for rationally dealing with nuclear proliferation is rapidly drawing to a close. I urge adoption of this resolution.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of House Concurrent Resolution 570, arms control and disarmament negotiations. The resolution adopts a responsible, balanced approach to the problem of nuclear proliferation.

As a member of the Subcommittee on International Security and Scientific Affairs that held 6 days of hearings on this subject, I urge its passage.

Mr. ZABLOCKI. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. ZABLOCKI) that the House suspend the rules and agree to the concurrent resolution House Congressional Resolution 570, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just agreed to, House Congressional Resolution 570.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

NATURAL GAS PIPELINE SAFETY ACT AMENDMENTS OF 1976

Mr. DINGELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12168) to amend the Natural Gas Pipeline Safety Act of 1968 to authorize appropriations for fiscal year 1977, as amended.

The clerk read as follows:

H.R. 12168

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Pipeline Safety Act Amendments of 1976".

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. Section 15 of the Natural Gas Pipeline Safety Act of 1968 is amended—

(1) in subsection (a), by striking out "and" after "June 30, 1975," and by inserting "$500,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $4,664,000 for the fiscal year ending September 30, 1977,"; and

(2) in subsection (b), by striking out "and" after "June 30, 1975," and by inserting ", and $2,500,000 for the fiscal year ending September 30, 1977" after "June 30, 1976".

OTHER AMENDMENTS TO THE NATURAL GAS PIPELINE SAFETY ACT OF 1968

SEC. 3. (a) Section 2 of the Natural Gas Pipeline Safety Act of 1968 is amended—

(1) by striking out "; and" at the end of paragraph (8) and inserting in lieu thereof ", except that it shall not include any pipeline facilities within a State which transport gas from an interstate gas pipeline to a direct sales customer within such State purchasing gas for its own consumption;", and

(2) by redesignating paragraph (9) as (10), and inserting after paragraph (8) the following new paragraph:

"(9) 'intrastate pipeline transportation' means pipeline facilities and transportation of gas within a State which are not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act, except that it shall include pipeline facilities within a State which transport gas from an interstate gas pipeline to a direct sales customer within such State purchasing gas for its own consumption; and".

(b) Section 3(a) of such Act is amended by striking out "minimum" from the first and last sentences.

(c) Section 3(b) of such Act is amended by striking out "minimum" from the first sentence, and by amending the last sentence to read as follows: "Any State agency may adopt additional or more stringent standards for intrastate pipeline transportation which are compatible with the Federal standards, but may not adopt or continue in force after the Federal standards have become effective any standards applicable to interstate transmission facilities.".

(d) Section 5(a) of such Act is amended—

(1) in the first sentence, by striking out "pipeline facilities and the transportation of gas (not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act) within a State" and inserting in lieu thereof "intrastate pipeline transportation";

(2) in clause (1), by striking out "pipeline facilities and transportation of gas" and inserting in lieu thereof "transportation"; and

(3) by striking out "(2) has adopted each Federal safety standard applicable to such pipeline facilities and transportation of gas established under this Act as of the date of the certification;" and inserting in lieu thereof "(2) has adopted, as of the date of the certification, each Federal safety standard established under this Act which is applicable to such transportation or, with respect to each such Federal safety standard established within one hundred and twenty days before the date of the certification, is taking steps pursuant to State law to adopt such standard;".

(e) Section 5(b) of such Act is amended by striking out "With respect to" and all that follows down through "actions to—" and by inserting in lieu thereof the following: "With respect to any intrastate pipeline transportation for which the Secretary does not receive a certification under subsection (a) of this section, the Secretary is authorized by agreement with a State agency (including a municipality) to authorize such agency to assume responsibility for, and carry out on behalf of the Secretary as it relates to intrastate pipeline transportation the necessary actions to—".

(f) The first sentence of section 5(d) of such Act is amended to read as follows: "A certification which is in effect under subsection (a) of this section shall not apply with respect to any new or amended Federal safety standards established for intrastate pipeline transportation pursuant to this Act after the date of such certification.".

The SPEAKER pro tempore. Is a second demanded?

Mr. BROWN of Ohio. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. DINGELL) will be recognized for 20 minutes, and the gentleman from Ohio (Mr. BROWN) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Chairman, I yield such time as he may consume to the chairman of the Committee on Interstate and Foreign Commerce, the gentleman from West Virginia (Mr. STAGGERS) for purposes of supporting the bill.

Mr. STAGGERS. Mr. Speaker, I rise in support of H.R. 12168, a bill to authorize appropriations for the Office of Pipeline Safety Operations through the end of the fiscal year 1977. That office has, with a staff of 40 people, carried out in excellent fashion the broad responsibilities assigned to it. In the past few years, we have seen the number of fatal pipeline accidents decline and that can be attributed to the passage of the Natural Gas Pipeline Safety Act of 1968. It amazes me that so small a staff can handle safety responsibility for nearly one and a half million miles of pipeline. Of course, the bulk of the work is accomplished through the every effective use of a grant-in-aid program in cooperation with State pipeline safety offices. H.R. 12168 would authorize $2.5 million to be spent to defray up to one-half of the costs incurred by the various State agencies in running their pipeline safety programs.

In 1975, the States which participated in this program—and that included every State but the State of New Jersey—conducted more than 12,000 inspections. This number should increase again this year.

The bill includes a provision for the addition of more staff to conduct more Federal inspections. While the State programs have been working effectively, we feel that the Federal part of the program should get more attention. Last year, the Office of Pipeline Safety Operations conducted 204 inspections. Its responsibilities include a vast area—300 interstate pipeline operators, 130 intrastate operators who are not subject to State programs and 230 liquid pipeline operators. The amount of money provided for in H.R. 12168 will enable the office to increase the number of annual Federal inspections from 204 to about 800 inspections next year.

In conclusion, H.R. 12168 will authorize the continuation and improvement of our pipeline safety program. I urge you to vote in support of this bill.

Mr. DINGELL. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the bill to authorize appropriations for the Office of Pipeline Safety Operations through the end of the fiscal year 1977 represents an effort on the part of the Committee on Interstate and Foreign Commerce to arrive at a balanced forward-looking program of pipeline safety at a reasonable cost to the taxpayers.

Since the passage of the Natural Gas Pipeline Safety Act of 1968, we have seen a decline in the number of deaths caused by pipeline failures. The programs administered by the Department of Transportation through the Office of Pipeline Safety Operations are showing their effectiveness. That Office has regulatory responsibility under the act for more than 2,100 pipeline operators and approximately 1.43 million miles of the Nation's gas pipeline network. This is accomplished through a staff of 40 people and a very effective Federal grant-in-aid program. The grant-in-aid program encourages the States to enforce Federal pipeline safety standards by providing Federal financial assistance to cover up to one-half of a State agency's cost of personnel, equipment, and activities.

As the effectiveness of the pipeline safety program has been demonstrated, Congress has added additional responsibilities which the Secretary of Transportation has assigned to the Office of Pipeline Safety Operations. In 1972, we added responsibilities under the Transportation of Explosives Act. In 1973, it was an amendment to the Mineral Leasing Act which added responsibility for pipelines on Federal land. In 1974, pipelines which are not subject to regulation under the Natural Gas Pipeline Safety Act of 1968 or the Transportation of Explosives Act came under the Office of Pipeline Safety Operations with the enactment of the Hazardous Materials Transportation Act. Equally important was the passage of the Deepwater Port Act of 1974 which requires the Department of Transportation, in cooperation with the Department of the Interior, to establish and enforce safety standards for the safe construction and operation of oil pipelines on the Outer Continental Shelf.

All of these responsibilities which have been added over the years represent a significant increase for which the Office of Pipeline Safety Operations needs additional resources.

In the committee's consideration of just what resources would be required to perform these functions, we examined the research and development budget of the Office very carefully. We have a research budget of approximately $2.7 million. The vast bulk of this will be allocated to the areas of offshore pipeline technology. This includes safety equipment, safety practices and procedures, pipelaying techniques, inspection and monitoring, offshore natural hazards and underwater pipe repair. With the bulk of our Nation's future oil and natural gas reserves coming from the offshore areas, this is an important area for the Office and for future pipeline safety. The research and development budget also provides for studies into liquefied natural gas safety problems.

The bill, H.R. 12168, also includes a series of amendments in the nature of technical or minor wording changes. This would include a definition of the term "intrastate pipeline transportation." Presently, the Natural Gas Pipeline Safety Act of 1968 does not include such a definition. Instead, it uses the phrase "pipeline facilities and the transportation of gas (not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act) within a State." The addition of this definition will simplify the present awkward wording of the statute.

Also included within the definition of intrastate pipeline transportation are those pipeline facilities which transport gas from an interstate pipeline to a direct sales customer purchasing gas for its own consumption. At the time of passage of the 1968 Act, it was assumed that such facilities were not subject to the jurisdiction of the Federal Power Commission. In *FPC* v. *Louisiana Power and Light*, 406 U.S. 621 (1972), the Supreme Court held that direct sales by interstate pipelines were subject to FPC jurisdiction. Many States had regulated direct sales gas lines prior to the Supreme Court ruling, and continued to do so after the decision. This amendment clarifies the right of those States to exercise their regulatory role without Federal preemption.

The bill also allows certification by a State regulatory agency whether or not it has adopted each Federal safety standard established within the 120 days before the date of certification. At present, many State agencies have difficulty completing the administrative processes necessary for adoption of newly established or amended Federal standards in time to meet the requirement that all Federal standards be adopted by the State agency as of the date of certification. The proposed changes eases this administrative burden, but does not allow State regulatory agencies a free hand in deciding whether or not to comply with minimum Federal standards.

Mr. Speaker, the proposal sees to it that the agency gets the funds required to carry out its responsibilities, both under the grant sections, under the research sections, and under its own authority to carry out its police activities in determining the issue of a safe network of pipelines inside the United States.

Mr. Speaker, I urge the bill do pass without amendment and I consider it to be a responsible piece of legislation in the public interest.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, H.A. 12168 would authorize appropriations of $4,664,000 for the fiscal year ending September 30, 1977, an increase of $1,814,000 over fiscal year 1976 authorizations. The bulk of this additional money is earmarked for salaries and other expenses associated with the expansion of the staff of the Office of Pipeline Safety Operations from its present size of 40 to 60.

The staff of the Office of Pipeline Safety Operations has steadily grown from just 20 people in 1969 to what will be 60 people next year. Although the Office of Pipeline Safety Operations has been given additional responsibility since its establishment in 1968, I question increases of this magnitude when the major responsibility for pipeline inspection under the Natural Gas Pipeline Safety Act lies with the States. In addition, there is strong evidence that with present staff the OPSO has been improving its performance. In 1973, there were 59 deaths resulting from gas pipeline failures while in 1975 deaths had decreased to 14.

Notwithstanding what I believe about the addition of an excessive number of people to the staff of OPSO, I support this bill because of the useful function which the Office of Pipeline Safety Operations performs and because the bill contains several amendments to the Natural Gas Pipeline Safety Act which would make administration of the act easier. The most notable of these changes is a provision which would amend the State certification process to allow certification of a State agency even though it has not adopted each and every Federal standard established within 120 days before the date of certification.

This amendment is necessary because many State agencies have difficulty completing the administrative process necessary for adoption of newly established or amended Federal standards in time to meet the existing requirement that all Federal standards be adopted by the State agency as of the date of certification. Since the bulk of all inspection activities under the Natural Gas Pipeline Safety Act are performed by State personnel under agreement with the Federal Government, an easing of the administrative burden in this area is very important.

Mr. Speaker, in closing, although I do have some reservation about the ever-increasing staff of the Office of Pipeline Safety Operations, I want to voice my support for this bill.

Mr. Speaker, for the balance of the time that I have, I yield 5 minutes to the gentleman from Texas (Mr. COLLINS).

Mr. COLLINS of Texas. Mr. Speaker, I hope that most of my colleagues have had an opportunity to go home in recent weeks. I know if they have, they have heard the same message that the folks back home are telling us over and over. One fact they keep repeating is that we are spending too much money in Congress and they want us to balance the budget.

The second thing they always say is, "You have too much bureaucracy and we wish you would cut the excess in the bureaucratic setup."

This afternoon we have an opportunity to tell the people back home that we understand what they are saying; that we really understand it in plain language.

What this bill represents is more than just a gas pipeline safety act. It represents a reversal from any type of commonsense evaluation. Here we have a situation where last year, in 1975, there were only 14 fatal accidents. That is too many, but I want to remind the House that we are reviewing 14 accidental deaths. It is a tremendous safety record, considering the fact that in 1973 there were 59 deaths. Gas pipeline safety has dropped from 59 to 14. One's first reaction would be, that after a tremendous record such as that we probably do not need any more bureaucrats.

Let us look back at the history. We started in 1968 with this plan. We have already doubled the amount we are appropriating, and under this bill we propose to triple the budget. I ask this question, considering the way the system works, where do we draw the line in increased spending?

The gas pipelines that cover our country are a tremendous operation. They represent 2,100 operators of the Nation's gas pipeline network. The pipelines cover 1.4 million miles of gas pipeline. When we stop to think of it, 1.4 million miles of gas pipeline is easiest to picture if we just say that there is a pipeline going back and forth across our country 500 times, 500 cross-country gas pipelines. Yet, with this tremendous amount of lines, we have had only 14 deaths. This is a tremendous industrial safety record.

When we put all the data together, we came up with a new bill where it is proposed in this single act to increase by 64 percent the amount we spend above past allocations. We are asking right here in this bill that the Congress increase the allocation by 64 percent. It also will mean that we will increase the number of people by 50 percent. We are going to spend not only more, but we are going to add 50 percent to the number of bureaucrats we have on the payroll.

In this industry making consistent progress, an industry that is vitally concerned with safety, where the people that manage the pipelines want to prevent accidents because it is not only sound business, but more important they are interested in the welfare and safety of their employees.

Of the 14 killed on the job, it is estimated that 100 were killed off the job; in other words, killed in different ways, any number of ways, such as driving back and forth to work or accidents at home. Relatively few people were killed on the job. Right today, when we have the best record we have ever had, I ask my colleagues to seriously consider and to take positive action to defeat this bill. This bill means increasing by 64 percent the amount Congress will spend, and increasing the number of bureaucrats by 50 percent. Let us vote no on this bill.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. COLLINS. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Speaker, I would just like to ask this one question: The gentleman knows, I am sure, that if this bill did not pass, this regulation would go back to each one of the States. Then, we would have in the United States 48 different regulations. I do not think the gentleman's State would want that, or his people he represents would want that. That is what would happen if this bill does not pass.

Mr. COLLINS. I thank the Chairman of our committee for calling that to my attention. I was not aware of that. However, down in Texas we believe that Texans can run things better than they can here in Congress.

Mr. STAGGERS. Those pipelines that go across other States would have a lot of different regulations to obey. I think they would say, "Mr. Collins, you better go up and correct that, because we know what the standards are when we have one, but when we have 48 it is different."

A lot of States would say, "We are letting the pipeline go through, but we are going to put a tax on it." I think they would send the gentleman up here to change that.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. COLLINS. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, I beg to differ with the chairman. If a pipeline goes from Texas to Oklahoma. It crosses one State line. Somebody worries about it in Texas, and somebody else in Oklahoma. That is not going to cause trouble for anybody.

Also, speaking of how much money this is going to cost, we do have to take money away from people to make it safe.

The thing that makes safe working conditions is the accumulation of capital; new tools and equipment and new invention, it is not bureaucrats in Washington who make safe working conditions.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 additional minutes to the gentleman from Texas (Mr. COLLINS).

Mr. SYMMS. I would just like to commend the gentleman in the well for making this point. We are taxing people out of existence without making safe working conditions.

It has been the ability of people to accumulate capital and build safer automobiles, safer tools, safer equipment, safer methods of transporting fuel, and the ingenuity that comes from the free market, not from the bureaucracy.

Mr. COLLINS of Texas. I thank the gentleman.

This pipeline safety could be administered very well by the States. If it goes back to all the States, that could be a real step forward in the overall future of America.

Mr. SYMMS. If the gentleman will yield further, I think the message to the

American people from Texas, came loud and clear on Saturday—I commend the gentleman from Texas for the Texas election and also for his fine work in the Congress.

Mr. DINGELL. Mr. Speaker, I have no further requests for time.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill calls for an expenditure of $7,164,000. The President's budget provides for $4,143,000. Most of the $3,021,000 in excess of the President's request is for increase in research and development studies with reference to the new standards for pipelines, such as the Alaskan pipeline. That figure amounts to $2,350,000. So we have, in effect, about $650,000 additional for the operation of the office. Most of the new personnel will be in the research field, in addition to some additional inspectors.

Mr. Speaker, the Congressional Budget Office indicates that there is no specific allocation in the congressional budget for the Office of Pipeline Safety Operations, but rather it is embraced in the budget of the entire Department of Transportation. It is a small amount within that budget and, therefore, whether or not it is excess cannot be itemized out.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. Dingell) that the House suspend the rules and pass the bill H.R. 12168, as amended.

The question was taken.

Mr. COLLINS of Texas. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just considered.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AUTHORIZING LOAN FUNDS FOR THE GOVERNMENT OF THE VIRGIN ISLANDS

Mr. PHILLIP BURTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13359) to authorize loan funds for the government of the Virgin Islands, and for other purposes.

The Clerk read as follows:

H.R. 13359

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 44, section 1, of the Act of July 12, 1921 (42 Stat. 123; 48 U.S.C. 1397), is hereby amended by striking the period at the end thereof and inserting in lieu thereof the following language: ": *Provided further,* That, notwithstanding any other provision of law, the legislature of the Virgin Islands is authorized to levy a surtax on all taxpayers in an amount not to exceed 10 per centum of their annual income tax obligation to the government of the Virgin Islands.".

SEC. 2. There is hereby authorized to be appropriated to the Secretary of the Interior $15,000,000 to be paid as loans to the government of the Virgin Islands to be used for operating expenses.

SEC. 3. (a) The purpose of this section is to provide the Virgin Islands with funds for the construction of necessary public works, including the acquisition of real property.

(b) There is authorized to be appropriated to the Secretary of the Interior not to exceed $61,000,000 to carry out the purposes of this section, to be paid to the government of the Virgin Islands in such sums as may be requested by the Governor of the Virgin Islands with the concurrence of the territorial legislature and approved by the Secretary of the Interior, and such moneys as may be appropriated shall be available until June 30, 1980. Funds appropriated pursuant to this section shall also be available for use by the government of the Virgin Islands to permit the Virgin Islands to qualify for participation in Federal programs relating to public works and community development for which the Virgin Islands is otherwise eligible.

SEC. 4. Repayment of the loans under sections 2 and 3 of this Act shall commence no later than June 30, 1982, in such amounts as the Secretary of the Interior estimates will reimburse the United States, with interest as set forth below, over a period of ten years. These repayments may be made in the form of withholdings by the Secretary of the Treasury from sums collected pursuant to section 7652(b) of Public Law 83–591 (68A Stat. 907; 26 U.S.C. 7652(b)), as amended, before such sums are transferred to the government of the Virgin Islands. The foregoing amounts, until reimbursed to the United States, shall bear interest beginning on the date when the moneys are advanced, at a rate determined by the Secretary of the Treasury, taking into consideration the average yield on outstanding marketable obligations of the United States of comparable maturities as of the last day of the month preceding the advance, adjusted to the nearest one-eighth of 1 per centum. All sums so withheld shall be deposited in the Treasury of the United States as miscellaneous receipts.

SEC. 5. The Secretary shall place such stipulations as he deems appropriate on any loans to the Virgin Islands pursuant to sections 2 and 3 of this Act.

SEC. 6. No portion of the sums to be repaid by the government of the Virgin Islands to the United States, as provided for in sections 2 and 3 of this Act, shall be considered to be public indebtedness of the Virgin Islands within the meaning of section 8(b) of the Revised Organic Act of the Virgin Islands (68 Stat. 500; 48 U.S.C. 1574(b)).

SEC. 7. Before concurring in any request for a loan proposed by the Governor under this Act, the Legislature of the Virgin Islands may initiate, by majority vote of the members, a referendum vote to approve or disapprove (1) the amount of any such loan, (2) any item of expenditure for which any such loan is requested, (3) the aggregate amount of such loans requested by the Governor for any fiscal year, or (4) any combination of the foregoing.

The SPEAKER pro tempore. Is a second demanded?

Mr. DON H. CLAUSEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. Phillip Burton) will be recognized for 20 minutes, and the gentleman from California (Mr. Don H. Clausen) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. Phillip Burton).

GENERAL LEAVE

Mr. PHILLIP BURTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIP BURTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 13359 is a bill which has the support of all of the parties involved—our colleague from the Virgin Islands, Ron de Lugo, the Governor of the Virgin Islands, and the Department of the Interior and OMB. It comes to the floor today by the unanimous vote of the Committee on Interior and Insular Affairs.

The bill is designed to meet a need which required immediate action in the judgment of the Office of Management and Budget and the Department of the Interior. The program of assistance provided for by the bill will meet that need. At the same time, every possible safeguard to insure repayment of the loan funds, with interest, to the United States has been written into the bill. For example, the repayments will be made by withholdings by the Secretary of the Treasury from customs duties which are otherwise returnable to the Virgin Islands government. Additionally, the Secretary of the Interior is authorized to place any stipulations he deems appropriate on the funds provided to the Virgin Islands. Also, any proposal made by the Governor under the provisions of the bill must be approved by the legislature of the Virgin Islands and by the Secretary of the Interior. In addition, the bill contains a section authored by our esteemed colleague, Delegate Ron de Lugo, which authorizes the Virgin Islands Legislature to initiate a referendum giving the people of the Virgin Islands an opportunity to approve or disapprove loans or expenditures proposed under the provisions of the bill.

Mr. Speaker, the provisions of the bill, H.R. 13359, basically provide authorizations of loans by the Secretary of the Interior to the Virgin Islands government and thus clearly fall within the jurisdiction of the Committee on Interior and Insular Affairs. The bill also contains, however, a provision which would authorize the Virgin Islands legislature to levy a surtax, not to exceed 10 percent of annual income tax liability. This provision of the bill would fall within the jurisdiction of the Committee on Ways and Means.

I have discussed this matter with the chairman of the Committee on Ways and Means and other members of that distinguished committee. Recognizing the fiscal crisis now facing the Virgin Islands government caused by a serious shortfall in revenues, and desiring not to delay the passage of this legislation, the Committee on Ways and Means has not sought sequential referral of the tax provision in the bill. In doing so, however, I recognize, as should every Member of this House, that the Committee on Ways and Means is not in any wise foregoing or waiving its jurisdiction of this or any other matter relating to the tax laws of the Virgin Islands either now or in the future. We are most appreciative of the cooperation which Chairman ULLMAN and the members of that committee have extended to the Committee on Interior and Insular Affairs in this matter.

Mr. Speaker, I urge approval of this legislation. Thank you.

A letter from the Department of the Interior follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., April 7, 1976.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Enclosed is a draft bill "To authorize loan funds for the Government of the Virgin Islands and for other purposes."

We recommend that the bill be referred to the appropriate Committee for consideration and that it be enacted.

At present there is a fiscal crisis confronting the territorial Government of the Virgin Islands. This crisis is due to the state of the economy and government revenue collection capability. Tourism—the largest industry and major contributor to the gross domestic product of the Virgin Islands—has declined over the past three years. This decline was caused by the worldwide recession, local disturbances, and the reduced attraction of the islands' freeport status. The latter was the result of the devaluation of the U.S. dollar and the lowering of tariff barriers on the mainland United States. The decline in tourism precipitated the reduction of public revenues from this industry.

In addition to this revenue decline, the Tax Reduction Act of 1975 (and the amendment which extended it) with its rebate provisions, negative income tax, liberalized investment credits, and other tax reduction features, further reduced the revenues available to the Virgin Islands Government.

The purpose of the Tax Reduction Acts was to stimulate the economy. While this was achieved in the continental United States, the Acts had the opposite result in the Virgin Islands.

In practice, under the Tax Reduction Acts, people would have more money to spend, which would improve the demand for goods and services. This would have a multiplier effect on the economy, and thus it would improve. Such was true in the United States. However, most of the goods and services in the Virgin Islands come from the continental United States. The new money in the Virgin Islands quickly went to the mainland without improving the Virgin Islands economy. Estimated losses of Virgin Islands Government revenues as a result of these Acts approximate $15 million.

The loss of government revenues meant a corresponding reduction in expenditures. Since the taxing authority and public indebtedness of the Virgin Islands is, by law, far more restricted than that of the U.S. Government or many States, the Virgin Islands cannot compensate for the loss of revenues.

At the beginning of fiscal year 1976 the revenues projected for the Government of the Virgin Islands exceeded $132 million. Proposed expenditures for government operating costs were equal to that amount. That revenue amount included $20 million in anticipated receipts from custom duties on petroleum products imported into the United States from the Virgin Islands. However, the Department of Justice has ruled that there is no legal authority in the U.S. to make these payments, and thus, they are not available. Actual receipts for the first half of fiscal year 1976 suggest maximum receipts of $92.5 million from all taxes, fees and fines, including moneys collected from hospital operations. Executive action such as reducing expenditures and increasing revenues yielded a balanced budget of $117.1 million.

This included the transfer into the operating budget of capital improvement funds in excess of $25 million, a severe curtailing of government services, and a personnel reduction of 346 employees. The government is the primary employer in the Virgin Islands and the rate of unemployment prior to the government layoff already exceeded 9% of the work force.

In the areas of health and education these reductions have been most pronounced. The reductions in health personnel required reducing the number of hospital beds and limited the service capability of the Virgin Islands' two hospitals.

The schools are understaffed and over crowded. In 1970 the school system admitted all non-citizen (alien) school-age children legally residing in the Virgin Islands. The enrollment increase since then has been 58.3%, with a serious impact on education services.

To meet its service responsibilities to its citizens, the Government of the Virgin Islands has, from 1971 through 1975, deferred $31 million worth of capital improvement projects to make these moneys available for operating expenses. Without financial relief, an additional $30 million in capital projects will have to be deferred in fiscal years 1976 and 1977. This is a total of $61 million for the period fiscal years 1971 through 1977.

The Government of the Virgin Islands needs legislation and Federal assistance through loans to stimulate the economy. Such assistance will allow the territory to balance the operating budget at an acceptable level of services by fiscal year 1979.

The attached draft bill would deal with the effects of the Tax Reduction Acts and the deferred capital improvements projects. Section 1 would amend the Act of July 14, 1921, to authorize the Government of the Virgin Islands to levy a surtax, not to exceed 10%, on the future income taxes payable to the Government of the Virgin Islands. The 1921 Act provides that the income tax laws in force in the United States shall be likewise in force in the U.S. Virgin Islands, except that the proceeds of Virgin Islands taxes shall be paid into the Virgin Islands Treasury. This amendment would enable the Government of the Virgin Islands to respond to changes in the income tax laws of the United States. Along with the present estimated $15 million loss in revenues, the Virgin Islands expects to lose $5 million annually in future revenues under the Tax Reduction Acts.

Section 2 would authorize loans up to $15 million to supplement the operations budgets of the Government of the Virgin Islands for their fiscal years 1977 and 1978. Their operating expenditures for fiscal year 1975 amounted to $117 million; fiscal year 1976 expenditures are projected at $117.1 million. The Government of the Virgin Islands has proposed an austerity budget of $118.6 million for fiscal year 1977 but estimates revenues at only $110.1 million. There is a shortfall of $8.5 million. Given the effects of inflation and past cuts in expenditures, government services are already at unacceptably low levels. A loan of $15 million would allow the balancing of local 1977 and 1978 budgets at acceptable levels of services. These loans for operations taken together with the economic recovery stimulated by the capital improvement program loans proposed in section 3 would result in increased revenue collections by the government. It would then be capable of balancing its fiscal year 1979 budget without further assistance.

Section 3 would authorize $61 million in loans to bring the Virgin Islands long-delayed capital improvement program up-to-date. How quickly these funds are requested for appropriation will depend upon review of proposals by the Government of the Virgin Islands, however the legislation would allow the funding to be spread out over five years. The Virgin Islands cannot borrow for non-revenue producing purposes under the Revised Organic Act of the Virgin Islands. Thus, if the capital improvement program is to be implemented at this time, the Virgin Islands will need a Federal loan.

Section 4 would provide the conditions and repayment provisions for the loans authorized pursuant to sections 2 and 3. Amortization of the loans would begin July 1, 1982 and be paid back over 10 years, with interest equal to the average yield of outstanding marketable obligations of the United States of comparable maturities. In our judgment, since funds will become available to the Virgin Islands through the expiration of certain industrial tax exemptions in 1978 and 1981, the government will be readily able to amortize any debt incurred through this provision. It is anticipated that after 1981 the Government of the Virgin Islands will benefit from up to $100 million annually in additional revenues due to the expiration of these exemptions.

Under section 5 of the draft bill, the Secretary would be able to place any stipulations he deems appropriate on the loans to the U.S. Virgin Islands.

The Office of Management and Budget has advised that there is no objection to the presentation of this legislative proposal from the standpoint of the Administration's program.

Sincerely yours,
JOHN KYL,
Secretary of the Interior.

Mr. DON H. CLAUSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker. I rise in support of H.R. 13359 which authorizes Federal loan funds for the government of the Virgin Islands. As I reported to the House last autumn, a fiscal crisis confronts the territorial government of the Virgin Islands; and immediate corrective action is required if the local government is to continue in the discharge of its responsibilities. Accordingly, I have cosponsored the legislation now under consideration.

During the past 3 years, tourism—the mainstay of the Virgin Islands' economy—has undergone a sharp reduction. This decline is attributable to worldwide recession, local disturbances, and the reduced attraction of the islands' freeport status. As a result, public revenues have been significantly reduced, necessitating severe cutbacks in governmental services. Moreover, it has become mandatory to transfer funds, earmarked for capital improvements, to meet the deficit in operating accounts. Thus, curtailment of new construction in conjunction with the continued deterioration of existing government facilities, has been the result.

H.R. 13359 is designed to alleviate this deplorable situation. Section 1 of the bill authorizes the levy of a surtax, not to exceed 10 percent, on future income taxes payable to the Virgin Islands' government. Section 2 authorizes a Federal loan of up to $15 million to supplement the territory's operating budget. Section 3 authorizes a loan of up to $61 million for capital improvements. Section 4 establishes repayment provisions, with amortization to commence on July 1, 1982. Section 5 permits the Secretary of the Interior to make appropriate stipulations relevant to any loans granted to the Virgin Islands; whereas section 6 allows the territory to accept Federal loans under the provisions of the existing Organic Act.

The administration recommends that sections 1 through 6 of H.R. 13359 be enacted. On the other hand, section 7, which permits the preliminary holding of local referenda to approve Federal loan requests, has not received the administration's sanction. I have given serious thought to this amendment. And, in light of no substantive objection from the executive branch, I have concluded that the measure is acceptable and is in keeping with common practice in many American communities.

Therefore, Mr. Speaker, I urge my colleagues to support H.R. 13359. It is prudent legislation which will alleviate the immediate financial crisis in the Virgin Islands while simultaneously recognizing the territory's obligation to repay its debt when economic conditions are more favorable.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. Lagomarsino).

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of H.R. 13359, a bill which authorizes up to $76 million in Federal loan funds for the government of the Virgin Islands. If the territorial government is to meet its obligations to the people of the Virgin Islands, Federal assistance is expeditiously required. H.R. 13359 provides the requisite assistance, allowing the Virgin Islands to negotiate Federal loans during fiscal year 1977 and 1979, resulting in a balanced territorial budget for fiscal year 1979.

I wish to emphasize that H.R. 13359 provides for loans to the Virgin Islands—not Federal grants. Since the annual public revenue of the Virgin Islands will increase up to $100 million by 1981 through the expiration of current industrial tax exemptions, the territorial government will be quite able to meet any debts incurred under the provision of this bill. Accordingly, amortization of the loans would begin July 1, 1982, and be paid back over a 10-year period with an interest equal to the average yield of outstanding marketable obligations of the United States of comparable maturities.

Mr. Speaker, the provisions of H.R. 13359 have been carefully formulated by the administration, working in close coordination with the government of the Virgin Islands. It is a measure that has wide bipartisan support, testified to by cosponsorship on both sides of the aisle. Therefore, with no reservations, I ask my colleagues to lend their unanimous support in passage of H.R. 13359.

Mr. PHILLIP BURTON. Mr. Speaker, I yield such time as he may consume to the gentleman from the Virgin Islands (Mr. de Lugo).

Mr. de LUGO. Mr. Speaker, I rise in support of H.R. 13359, a bill authorizing $76 million in Federal loans to the Virgin Islands government to meet its operating deficits and for capital construction projects. The loan proposal is the product of negotiations between the Department of Interior, the Office of Management and Budget, and the Virgin Islands government, and it is designed to meet the territory's fiscal situation.

Mr. Chairman, at this time, I would like to personally thank chairman of the Subcommittee on Territories, Phillip Burton, for his sage advice and counsel on this legislation and also my good friend Congressman Don Clausen, ranking Republican member on the subcommittee, for his invaluable support and continuing commitment to the interests of the people of the Virgin Islands.

Originally, I had serious reservations about certain provisions in the draft bill negotiated by the Federal Government and the local government, and I had planned to offer in committee a series of amendments designed to protect the interests of present and future generations of Virgin Islanders who would be charged with paying back these loans in full. However, because of the lateness of the administration in sending up the bill and the impending May 15 budgetary deadline, this was not possible.

Instead, last Wednesday I introduced a substitute bill, H.R. 13359 which is virtually identical to the administration bill, with the single addition of a provision empowering the Virgin Islands Legislature to call a referendum on all or any part of the loan. I believe the referendum provision is in line with the best tradition of the Congress carried out over the last decade in granting ever-greater self-determination for the people of the Virgin Islands. In my judgment, this provision puts the decision-making power on the loan question back where it belongs—back to the people of the Virgin Islands.

Agreeing with this approach, a clear majority of the members of the Subcommittee on Territories have cosponsored my substitute bill, including Chairman Phillip Burton, Don Clausen, Jaime Benitez, Bob Logomarsino, Bob Kastenmeier, Lloyd Meeds, George Miller, Patsy Mink, Bob Stephens, Roy Taylor, and Tony Won Pat. Cosponsors also include full Interior Committee members Bob Eckhardt and Jim Weaver.

I am pleased to note that the full Interior Committee passed the substitute Virgin Islands loan measure on a unanimous vote on Friday, April 30.

I should also like to point out that, as the committee report to H.R. 13359 makes clear, the Legislature of the Virgin Islands may specify whether the results of such a referendum shall be advisory or binding.

Mr. PHILLIP BURTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. WIGGINS. Mr. Speaker, will the gentleman yield?

Mr PHILIP BURTON. I yield to the gentleman from California.

Mr. WIGGINS. Mr. Speaker, I have no quarrel with this legislation. Indeed I support it.

Just in the event there is a member of the Committee on Rules within sound of my voice, I wish to say that I think the committee report on this legislation is an interesting document, demonstrating that something is wrong with our rules.

Mr. PHILLIP BURTON. Mr. Speaker, I agree with the gentleman.

Mr. WIGGINS. Mr. Speaker, I trust that this will support my contention and act as a catalyst so perhaps we can change these rules

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. Phillip Burton) that the House suspend the rules and pass the bill H.R. 13359.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AUTHORITY FOR LIMITED RESERVE MOBILIZATION

Mr. NEDZI. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2115) to amend chapter 39 of title 10, United States Code, to enable the President to authorize the involuntary order to active duty of Selected Reservists, for a limited period, whether or not a declaration of war or national emergency has been declared.

The Clerk read as follows:

S. 2115

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 39 of title 10, United States Code, is amended by inserting the following new section after section 673a and inserting a corresponding item in the chapter analysis:

"§ 673b. Selected Reserve, order to active duty other than during war or national emergency

"(a) Notwithstanding the provisions of section 673(a) or any other provision of law, when the President determines that it is necessary to augment the active forces for any operational mission, he may authorize the Secretary of Defense and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, without the consent of the members concerned, to order any unit, and any member not assigned to a unit organized to serve as a unit, of the Selected Reserve (as defined in section 268(b) of this title), under their respective jurisdictions, to active duty (other than for training) for not more than 90 days.

"(b) No unit or member of a Reserve component may be ordered to active duty under this section to perform any of the functions authorized by chapter 15 or section 3500 or 8500 of this title, or to provide assistance to either the Federal Government or a State in time of a serious natural or manmade disaster, accident, or catastrophe.

"(c) Not more than 50,000 members of the Selected Reserve may be on active duty under this section at any one time.

"(d) Members ordered to active duty under this section shall not be counted in computing authorized strength in members on active duty or members in grade under this title or any other law.

"(e) The Secretary of Defense and the Secretary of Transportation shall prescribe such policies and procedures for the armed forces under their respective jurisdictions as they consider necessary to carry out this section.

"(f) Whenever the President authorizes the Secretary of Defense or the Secretary of Transportation to order any unit or member of the Selected Reserve to active duty, under the authority of subsection (a), he shall, within 24 hours after exercising such authority, submit to the Speaker of the House of Representatives and to the President pro tempore of the Senate a report, in writing, setting forth the circumstances necessitating the action taken under this section and describing the anticipated use of these units or members.

"(g) Whenever any unit of the Selected Reserve or any member of the Selected Reserve not assigned to a unit organized to serve as a unit is ordered to active duty under authority of subsection (a), the service of all units or members so ordered to active duty may be terminated by—

"(1) order of the President, or

"(2) a concurrent resolution of the Congress.

"(h) Nothing contained in this section shall be construed as amending or limiting the application of the provisions of the War Powers Resolution.".

SEC. 2. Section 2024 of title 38, United States Code, is amended by adding the following new subsection after subsection (f):

"(g) Any member of a Reserve component of the Armed Forces of the United States who is ordered to active duty for not more than 90 days under section 673b of title 10, United States Code, whether or not voluntarily, shall be entitled to all reemployment rights and benefits provided under subsection (c) of this section for persons ordered to an initial period of active duty for training of not less than three consecutive months; and shall have the service limitation governing eligibility for reemployment rights under subsections (a) and (b)(1) of this section extended by his period of such active duty.".

The SPEAKER pro tempore. Is a second demanded?

Mr. TREEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. NEDZI) and the gentleman from Louisiana (Mr. TREEN) will each be recognized for 20 minutes.

Mr. NEDZI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Committee on Armed Services has considered and reports favorably on S. 2115.

This legislation will provide the President authority to call to active duty for a period not to exceed 90 days, up to 50,000 members of the Selected Reserve without a declaration of national emergency.

The authority contained in this bill is an important step in the continued development of the effectiveness of this country's Reserve program. As all of the Members know, in the past the Reserve program has been seriously hampered by a lack of modern equipment and the reluctance on the part of the active duty force to assign realistic, meaningful missions to the Reserves. This reluctance stems from a concern that scarce equipment and important missions should not be allocated to units whose availability in time of crisis is contingent upon either a congressional declaration of war or a declaration of national emergency by the President.

This legislation simply provides an expeditious method—carefully limited in scope—of activating reservists when necessary for operational missions and will help establish the credibility of the Reserve components and effectuate their integration into the defense structure.

The committee received testimony on this legislation during hearings on the authorization bill. All of the testimony received by the subcommittee, from representatives of each of the services, their Reserve component chiefs, and outside organizations uniformly supported this legislation in strong terms.

The authority in S. 2115 is limited in several ways. As I mentioned, only 50,000 reservists for a period not in excess of 90 days can be called up.

Only Selected Reservists are subject to callup under this authority. The Selected Reserve, as you know, is that portion of the Reserve forces which the Congress authorizes each year and is composed of individuals in Reserve units which were to be maintained in a high state of readiness.

Reservists ordered to active duty under this authority cannot be utilized for domestic disturbances. Adequate authority for these purposes is already in existence.

At the present time, the President has broad authority under basically two statutes to activate the Reserves for operational military missions. The primary authority is in 10 U.S.C. 673 which permits the President, upon declaration of a national emergency, to order to active duty up to 1 million members of the Ready Reserve for not more than 24 consecutive months.

Also, the President is empowered to order to active duty individual members of the Ready Reserve not assigned to units, or not participating satisfactorily in a unit, if they have not completed their 6-year statutory military obligation or 2 years of active service (10 U.S.C. 673a).

The callup authority in S. 2115 amplifies authority the President currently has available only by relieving the requirement for declaring a national emergency when reservists are activated under the conditions of this legislation. Relief from this requirement, even under these narrowly prescribed conditions, will provide the opportunity for increased reliance on Reserve units and benefit the entire Reserve program.

Today, with the exception of the authority in section 673a of title 10, which is limited to individual members of the Reserve, a specific declaration of national emergency is required to activate Reserve units since existing Presidential declarations of emergency are not applicable to the current Reserve callup authority.

There is no conflict between S. 2115 and the legislative action of the House on September 4, 1975 (H.R. 3884) which would terminate existing national emergencies 2 years from enactment and provide new procedures for the declaration and termination of future emergencies.

This legislation, by its own terms, is consistent with the war powers resolution which requires the President to consult with and report to the Congress concerning the introduction of U.S. forces into hostilities or situations where hostilities are likely.

Reemployment rights identical to those currently provided reservists undergoing their initial period of active duty for training are provided in the bill to individuals called to active duty under this authority.

The original legislation, which is an administration proposal, was amended by the Senate to require that the President notify Congress in writing within 24 hours of exercising the authority setting forth the reason for its use and the anticipated manner in which the reservists will be utilized. The bill was also amended so that any callup under this authority can be terminated by either the President's order, or a concurrent resolution of Congress.

The Committee on Armed Services has not reported any change in the form of the bill as passed by the Senate, and approved the bill without objection on April 27, 1976.

The bill passed the Senate on January 26, 1976, by a vote of 77 to 0.

Mr. Speaker, S. 2115 will be instrumental in enhancing the Reserve program and I urge its approval.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. NEDZI. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, I rise in strong support of S. 2115. I do not think it is any surprise to the Members of the House that I am interested in this legislation which affects the Nation's Reserve program.

S. 2115 will have a very positive effect on the Reserves. Beyond the actual authority to activate up to 50,000 members of the Selected Reserve for not more than 90 days without a declaration of national emergency, this legislation will assist the Reserve program by changing the attitude of the active force toward the Reserves.

The Reserve program has had a great deal of difficulty getting modern equipment for its units. In many other cases, Reserve units have not been given important military missions. A large part of the reason behind these difficulties was that the Active Force leadership has been unwilling to provide these important military assets to the Reserves.

There are many reasons why this lack of real support has developed, but a primary one is that the bulk of the Reserves cannot be called to active duty and thus be available for military missions without a declaration of national emergency. Because that declaration, as we all realize, has broad domestic and international political consequences, Presidents are reluctant to exercise it.

S. 2115 will provide flexibility in the use of the Reserves and should create confidence in the credibility of the Reserves.

If the Reserves are given a greater role in the Nation's defense force, we all will benefit because Reserve units can be maintained at much less cost than a comparable active unit.

Today, the Reserves already provide a surprisingly large amount of the Nation's defense capability, and at a very low cost. For example, in the Army, Reserve forces account for 46 percent of total combat forces, 25 percent of maneuver battalions in nondeployed active divisions, and 30 percent of all helicopter forces.

In the Air Force, Reserve units have assigned 56 percent of the Nation's tactical airlift aircraft, 50 percent of the tactical reconnaissance aircraft, 50 percent of all air defense interceptors, 28 percent of the Nation's tactical fighter aircraft, and within the next few years will operate 20 percent of the jet tanker force.

This House has been firm in its support of the Nation's Reserve program. The enactment of S. 2115 will lead to an even more effective Reserve program.

I urge your support for the Reserves through this bill, S. 2115.

Mr. TREEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 2115.

The chairman of the subcommittee, Mr. NEDZI, has outlined clearly what this bill will do, as well as what it will not do. The authority to mobilize reservists under these narrowly prescribed conditions will be extremely important in terms of the increased flexibility provided the President, but even more so for the boost which this action should give the whole Reserve program.

The specifics on the terms of this legislation and its effect on the vitality of the Reserve program are important and will be addressed by others. I intend to address this legislation from a slightly different perspective and outline the basis from which the concept for this legislation developed, as well as some potentially significant new orientations for the Reserves made possible by this authority.

The source from which the concept for this legislation originally emanated was the Congress.

Members of the House will remember the massive airlift effort this country undertook in 1973 to provide assistance to Israel. The size of this resupply effort involved the commitment of almost our entire strategic airlift capacity. In order to operate our strategic aircraft at this intense level, more aircrews were needed than were available in the Active Force. Since no existing national emergency authorized the callup of Reserve support crews, Reserve aircrews assisted this effort on a voluntary basis. Fortunately, these reservists volunteered in sufficient numbers to adequately support the airlift effort. Had reservists not supported this airlift, Israel might well have suffered dramatic consequences.

The deficiencies evident from this situation caused the Department of Defense the next year to request the Congress to authorize nearly 6,800 additional personnel to increase the number of airlift crews. In Public Law 93-365, the Congress specifically did not authorize this expensive increase in manpower. Instead, that law directed the Secretary of Defense to utilize Reserve crews for this purpose and requested the Secretary to study the feasibility of a limited mobilization for reservists to insure their availability in a future contingency.

S. 2115 is the result of this study.

If the authority in S. 2115 is enacted, some very significant changes in the total force could develop which will be beneficial to the entire defense program.

One example of such a beneficial development is the ongoing implementation of the Nunn amendment which requires the reduction of 18,000 support personnel in our European forces by June of this year, while at the same time permitting the substitution of combat forces in the same number. Many of the support functions affected by this reduction are being transferred to Reserve units. These support functions to be undertaken by the Reserves are critical to the maintenance of our European forces during a mobilization. The operational feasibility of the assignment of these important support functions to Reserve units, though, depends on their early availability. S. 2115 will insure this availability.

The assignment of Reserve units to important support missions occurring as a result of the Nunn amendment is only an illustration of many other potential support-type missions which the Reserves are uniquely suited to assume. Today, the Active Force maintains all of the support units required to sustain the force in a combat situation as a means of insuring their immediate availability. The maintenance of active units is extremely expensive, as we all know. On the other hand, the character of Reserve units is uniquely suited to support missions which in many cases do not demand sustained training. With the increased flexibility in using Reserves which will result from this bill, the Active Forces can be freed from maintaining support units and convert these assets into additional combat capabilities.

These suggestions are only illustrations of the potential opportunities which will unfold if this legislation is passed.

The Congress initiated the concept for this legislation in order to avoid an Active Force increase and to benefit the Reserves. The legislation before the House will accomplish those goals.

Mr. Speaker, S. 2115 is a very significant legislative action and should be enacted.

Mr. NEDZI. Mr. Speaker, I have no further requests for time.

Mr. TREEN. Mr. Speaker, I have no requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. NEDZI) that the House suspend the rules and pass the Senate bill S. 2115.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. NEDZI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the passage of S. 2115.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion, on which further proceedings were postponed, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 5465 (de novo);
H.R. 5523, by the yeas and nays;
H.R. 11505, by the yeas and nays;
H.R. 13035, by the yeas and nays;
H.R. 11920, by the yeas and nays; and
H.R. 12168, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

EMPLOYMENT PREFERENCE FOR CERTAIN EMPLOYEES OF THE BUREAU OF INDIAN AFFAIRS AND THE INDIAN HEALTH SERVICE

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill H.R. 5465, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from North Carolina (Mr. HENDERSON) that the House suspend the rules and pass the bill, H.R. 5465, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to allow Federal employment preference to certain employees of the Bureau of Indian Affairs, and to certain employees of the Indian Health Service, who are not entitled to the benefits of, or who have been adversely affected by the application of, certain Federal laws allowing employment preference to Indians, and for other purposes."

A motion to reconsider was laid on the table.

ADMINISTRATION OF FISH AND WILDLIFE PROGRAMS

The **SPEAKER**. The unfinished business is the question of the suspending the rules and passing the bill H.R. 5523, as amended.

The Clerk read the title of the bill.

The **SPEAKER**. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 5523, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 360, nays 0, answered "present" 1, not voting 71, as follows:

[Roll No. 225]

YEAS—360

Abdnor
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohen
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Edgar
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evins, Tenn.
Fary
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flynt
Foley
Ford, Mich.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Hightower
Hillis
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hutchinson
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Koch
Krebs
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
Lundine
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Paul
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Robinson
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Russo
Ryan
St Germain
Sarasin
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stephens
Stokes
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Tex.
Zablocki
Zeferetti

NAYS—0

ANSWERED "PRESENT"—1

Bedell

NOT VOTING—71

Abzug
Alexander
Anderson, Ill.
Andrews, N. Dak.
Bell
Bevill
Brademas
Brinkley
Buchanan
Burke, Fla.
Cochran
Collins, Ill.
Conyers
de la Garza
Dickinson
Diggs
du Pont
Eckhardt
Edwards, Ala.
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fascell
Flowers
Ford, Tenn.
Giaimo
Green
Gude
Hayes, Ind.
Hechler, W. Va.
Heinz
Hinshaw
Holland
Hungate
Hyde
Johnson, Colo.
Jones, Ala.
Jones, Tenn.
Karth
Kindness
Krueger
McDonald
Macdonald
Madden
Michel
Mollohan
Murphy, N.Y.
Nichols
Nix
Pepper
Riegle
Roberts
Rodino
Ruppe
Santini
Sarbanes
Scheuer
Simon
Stanton, James V.
Steelman
Steiger, Ariz.
Stratton
Stuckey
Symington
Udall
Van Deerlin
Wampler
Wilson, C. H.
Young, Fla.
Young, Ga.

The Clerk announced the following pairs:

Mr. Murphy of New York with Mr. Andrews of North Dakota.

Mr. Alexander with Mr. Cochran.

Mr. Anderson of Illinois with Mr. Dickinson.

Mr. Rodino with Mr. Bell.

Mr. Udall with Mr. du Pont.

Mr. Nix with Mr. Eckhardt.

Mr. Nichols with Mr. Young of Florida.

Mr. Symington with Mr. Buchanan.

Mr. Krueger with Mr. Pepper.

Ms. Abzug with Mr. Steelman.

Mr. Roberts with Mr. Wampler.

Mr. Flowers with Mr. Michel.

Mrs. Collins of Illinois with Mr. Burke of Florida.

Mr. Charles H. Wilson of California with Mr. Madden.

Mr. Ford of Tennessee with Mr. Edwards of Alabama.

Mr. Bevill with Mr. Stuckey.

Mr. Brademas with Mr. Sarbanes.

Mr Conyers with Mr. Steiger of Arizona.

Mr. Diggs with Mr. Ruppe.

Mr. Brinkley with Mr. Kindness.

Mr. de la Garza with Mr. Macdonald of Massachusetts.

Mr. Young of Georgia with Mr. Hungate.

Mr. Van Deerlin with Mr. Heinz.

Mr. Jones of Tennessee with Mr. Riegle.

Mr. Karth with Mr. Scheuer.

Mr. Holland with Mr. Gude.

Mr. Simon with Mr. Hyde.

Mr. Giaimo with Mr. Jones of Alabama.

Mr. Green with Mr. Hechler of West Virginia.

Mr. Hayes of Indiana with Mr. James V. Stanton.

Mr. Santini with Mr. Stratton.

Mr. McDonald of Georgia with Mr. Esch.

Mr. Evans of Colorado with Mr. Eshleman.

Mr. Fascell with Mr. Evans of Indiana.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The **SPEAKER** pro tempore. Pursuant to the provisions of clause 3(b)(3) of rule XXVII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all of the additional motions to suspend the rules on which the Chair has postponed further proceedings.

MARINE PROTECTION, RESEARCH, AND SANCTUARIES ACT AUTHORIZATION—FISCAL YEAR 1977

The **SPEAKER** pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 11505, as amended.

The Clerk read the title of the bill.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill, H.R. 11505, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 362, nays 0, not voting 70, as follows:

[Roll No. 226]

YEAS—362

Abdnor
Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John

Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohen
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Edgar
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evins, Tenn.
Fary
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flynt
Foley
Ford, Mich.
Forsythe
Fraser
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Hightower
Hillis
Holt
Holtzman

Horton
Howard
Howe
Hubbard
Hughes
Hutchinson
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Koch
Krebs
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
Lundine
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.

Pattison, N.Y.
Paul
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Robinson
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Russo
Ryan
St Germain
Sarasin
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stephens
Stokes
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates

Yatron
Young, Alaska

Young, Tex.
Zablocki

Zeferetti

NAYS—0

NOT VOTING—70

Alexander
Anderson, Ill.
Andrews, N. Dak.
Bell
Bevill
Brademas
Brinkley
Buchanan
Burke, Fla.
Cochran
Collins, Ill.
Conyers
de la Garza
Dickinson
Diggs
du Pont
Eckhardt
Edwards, Ala.
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fascell

Flowers
Ford, Tenn.
Fountain
Giaimo
Green
Hayes, Ind.
Hechler, W. Va.
Heinz
Hinshaw
Holland
Hungate
Hyde
Johnson, Colo.
Jones, Ala.
Jones, Tenn.
Karth
Kindness
Krueger
McDonald
Macdonald
Madden
Michel
Mollohan
Murphy, N.Y.

Nichols
Nix
Pepper
Riegle
Roberts
Rodino
Ruppe
Santini
Sarbanes
Satterfield
Simon
Stanton, James V.
Steelman
Steiger, Ariz.
Stratton
Stuckey
Symington
Udall
Van Deerlin
Wampler
Wilson, C. H.
Young, Fla.
Young, Ga.

The Clerk announced the following pairs:

Mr. Alexander with Mr. Anderson of Illinois.

Mr. Fountain with Mrs. Collins of Illinois.

Mr. Giaimo with Mr. du Pont.

Mr. Pepper with Mr. Bell.

Mr. Rodino with Mr. Hechler of West Virginia.

Mr. Santini with Mr. Andrews of North Dakota.

Mr. Sarbanes with Mr. Edwards of Alabama.

Mr. Holland with Mr. Ford of Tennessee.

Mr. Brademas with Mr. Hungate.

Mr. James V. Stanton with Mr. Buchanan.

Mr. Brinkley with Mr. Karth.

Mr. de la Garza with Mr. Madden.

Mr. Evans of Colorado with Mr. Eckhardt.

Mr. Diggs with Mr. Kindness.

Mr. Fascell with Mr. Esch.

Mr. Jones of Tennessee with Mr. Michel.

Mr. Green with Mr. Conyers.

Mr. Evans of Indiana with Mr. Hyde.

Mr. Hayes of Indiana with Mr. Ruppe.

Mr. Nix with Mr. Roberts.

Mr. Stratton with Mr. Burke of Florida.

Mr. Udall with Mr. Steelman.

Mr. Charles H. Wilson of California with Mr. Jones of Alabama.

Mr. Murphy of New York with Mr. Steiger of Arizona.

Mr. Nichols with Mr. Cochran.

Mr. Krueger with Mr. Stuckey.

Mr. Flowers with Mr. Eshleman.

Mr. Mollohan with Mr. Macdonald of Massachusetts.

Mr. Simon with Mr. Wampler.

Mr. Satterfield with Mr. Young of Georgia.

Mr. Riegle with Mr. McDonald of Georgia.

Mr. Bevill with Mr. Van Deerlin.

Mr. Young of Georgia with Mr. Young of Florida.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

NATIONAL SEA-GRANT COLLEGE AND PROGRAM ACT AMENDMENTS

The SPEAKER pro tempore. The unfinished business is the question of the suspending of the rules and passing the bill H.R. 13035.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill, H.R. 13035, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 326, nays 34, answered "present" 1, not voting 71, as follows:

[Roll No. 227]

YEAS—326

Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clausen, Don H.
Clay
Cleveland
Cohen
Conable
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Edgar
Edwards, Calif.
Eilberg
Emery
English

Erlenborn
Fary
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flynt
Foley
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Hightower
Hillis
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hutchinson
Jacobs
Jarman
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jordan
Kasten
Kastenmeier
Kazen
Kemp
Ketchum
Keys
Koch
Krebs
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lott
Lundine
McClory
McCloskey
McCormack
McDade
McFall
McHugh
McKay

McKinney
Madigan
Maguire
Mahon
Mann
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, N.Y.
Moakley
Moffett
Moore
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Robinson
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Russo
Ryan
St Germain
Sarasin
Satterfield
Scheuer
Schulze
Sebelius
Seiberling
Sharp
Shipley

Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stephens
Stokes
Studds
Sullivan
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Tex.
Zablocki
Zeferetti

NAYS—34

Abdnor
Ashbrook
Beard, Tenn.
Brown, Ohio
Clancy
Clawson, Del
Collins, Tex.
Conlan
Crane
Devine
Evins, Tenn.
Gradison
Grassley
Hammerschmidt
Hansen
Ichord
Jeffords
Kelly
Lujan
McCollister
McEwen
Martin
Miller, Ohio
Montgomery
Moorhead, Calif.
Paul
Poage
Rousselot
Schneebeli
Schroeder
Shuster
Smith, Nebr.
Symms
Taylor, Mo.

ANSWERED "PRESENT"—1

Bedell

NOT VOTING—71

Alexander
Anderson, Ill.
Andrews, N. Dak.
Bell
Bevill
Brademas
Brinkley
Buchanan
Cochran
Collins, Ill.
Conyers
de la Garza
Dickinson
Diggs
du Pont
Eckhardt
Edwards, Ala.
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fascell
Flowers
Ford, Mich.
Ford, Tenn.
Giaimo
Green
Hayes, Ind.
Hechler, W. Va.
Heinz
Hinshaw
Holland
Hungate
Hyde
Johnson, Colo.
Jones, Ala.
Jones, Tenn.
Karth
Kindness
Krueger
Long, Md.
McDonald
Macdonald
Madden
Michel
Milford
Mitchell, Md.
Mollohan
Murphy, N.Y.
Nichols
Nix
Pepper
Riegle
Roberts
Rodino
Ruppe
Santini
Sarbanes
Simon
Stanton, James V.
Steelman
Steiger, Ariz.
Stratton
Stuckey
Symington
Udall
Van Deerlin
Wampler
Wilson, C. H.
Young, Fla.
Young, Ga.

The Clerk announced the following pairs:

Mr. Murphy of New York with Mr. Anderson of Illinois.

Mr. Nichols with Mr. Andrews of North Dakota.

Mr. Rodino with Mr. Hayes of Indiana.

Mr. Brademas with Mr. Pepper.

Mr. Alexander with Mr. Ruppe.

Mrs. Collins of Illinois with Mr. Hyde.

Mr. Diggs with Mr. Buchanan.

Mr. Evans of Colorado with Mr. Bell.

Mr. Fascell with Mr. Steelman.

Mr. Mitchell of Maryland with Mr. Udall.

Mr. Stratton with Mr. Wampler.

Mr. James V. Stanton with Mr. Madden.

Mr. Sarbanes with Mr. Michel.

Mr. Santini with Mr. Jones of Alabama.

Mr. Giaimo with Mr. Heinz.

Mr. Green with Mr. Hechler of West Virginia.

Mr. Brinkley with Mr. Cochran.

Mr. Flowers with Mr. Conyers.

Mr. Evans of Indiana with Mr. de la Garza.

Mr. Krueger with Mr. Dickinson.

Mr. Symington with Mr. Karth.

Mr. Van Deerlin with Mr. Kindness.

Mr. Young of Georgia with Mr. Long of Maryland.

Mr. Simon with Mr. Mollohan.

Mr. Nix with Mr. Milford.

Mr. Charles H. Wilson of California with Mr. du Pont.

Mr. Roberts with Mr. Eckhardt.

Mr. Riegle with Mr. Edwards of Alabama.

Mr. Holland with Mr. Macdonald of Massachusetts.

Mr. Hungate with Mr. Esch.

Mr. Jones of Tennessee with Mr. Eshleman.

Mr. McDonald of Georgia with Mr. Stuckey.

Mr. Ford of Tennessee with Mr. Young of Florida.

Mr. Ford of Michigan with Mr. Bevill.

Mr. McCOLLISTER changed his vote from "yea" to "nay."

Mr. CONLAN changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

USE OF EXCHANGE FUNDS TO ESCAPE INCOME TAXES ON REALIZED CAPITAL GAINS

The **SPEAKER** pro tempore. The unfinished business is the question of suspending the rules and passing the bill (H.R. 11920), as amended.

The Clerk read the title of the bill.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. ULLMAN) that the House suspend the rules and pass the bill (H.R. 11920), as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 348, nays 14, answered "present" 2, not voting 68, as follows:

[Roll No. 228]

YEAS—348

Abdnor
Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohen
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dent
Derrick
Derwinski
Devine
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Edgar
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evins, Tenn.
Fary
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flynt
Foley
Ford, Mich.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Gonzalez
Goodling
Grassley
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harris
Harsha
Hawkins
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Hightower
Hillis
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hutchinson
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Koch
Krebs
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
Lundine
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Ohio
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Paul
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Robinson
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Russo
Ryan
St Germain
Sarasin
Satterfield
Scheuer
Schneebeli
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Steed
Steiger, Wis.
Stephens
Stokes
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Tex.
Zablocki
Zeferetti

NAYS—14

Biaggi
Burton, John
Dellums
Ginn
Goldwater
Harrington
Landrum
Levitas
Mathis
Miller, Calif.
Mineta
Pattison, N.Y.
Schroeder
Stark

ANSWERED "PRESENT"—2

Gradison
Runnels

NOT VOTING—68

Alexander
Anderson, Ill.
Andrews, N. Dak.
Bell
Bevill
Brademas
Brinkley
Buchanan
Cochran
Collins, Ill.
Conyers
de la Garza
Dickinson
Diggs
du Pont
Eckhardt
Edwards, Ala.
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fascell
Flowers
Ford, Tenn.
Giaimo
Green
Gude
Hayes, Ind.
Hechler, W. Va.
Heinz
Hinshaw
Holland
Hungate
Hyde
Johnson, Colo.
Jones, Ala.
Jones, Tenn.
Karth
Kindness
Krueger
McDonald
Macdonald
Madden
Michel
Mollohan
Murphy, N.Y.
Nichols
Nix
Pepper
Riegle
Roberts
Rodino
Ruppe
Santini
Sarbanes
Simon
Stanton, James V.
Steelman
Steiger, Ariz.
Stratton
Stuckey
Symington
Udall
Van Deerlin
Wampler
Wilson, C. H.
Young, Fla.
Young, Ga.

The Clerk announced the following pairs:

Mr. Bevill with Mr. Anderson of Illinois.

Mr. Brademas with Mr. Ford of Tennessee.

Mr. Murphy of New York with Mr. Ruppe.

Mr. Sarbanes with Mr. Gude.

Mr. Santini with Mr. Andrews of North Dakota.

Mr. Rodino with Mr. Bell.

Mr. Roberts with Mr. Hechler of West Virginia.

Mr. Giaimo with Mr. Steelman.

Mr. Jones of Tennessee with Mr. Hungate.

Mr. de la Garza with Mr. Heinz.

Mr. Alexander with Mr. Buchanan.

Mr. Brinkley with Mr. Cochran.

Mr. Krueger with Mr Kindness.

Mr. Mollohan with Mr. Madden.

Mr. Udall with Mr. Michel.

Mr. Van Deerlin with Mr. Stuckey.

Mr. Charles H. Wilson of California with Mr. James V. Stanton.

Mr. Young of Georgia with Mr. Hyde.

Mr. Stratton with Mr. Karth.

Mr. Simon with Mr. du Pont.

Mr. Nix with Mr. Eckhardt.

Mr. Nichols with Mr. Dickinson.

Mr. Pepper with Mr. Conyers.

Mr. Hayes of Indiana with Mr. Edwards of Alabama.

Mr. Green with Mr. Esch.

Mr. Riegle with Mr. Jones of Alabama.

Mrs. Collins of Illinois with Mr. Macdonald of Massachusetts.

Mr. Diggs with Mr. Wampler.

Mr. Evans of Colorado with Mr. Young of Florida.

Mr. Fascell with Mr. Eshleman.

Mr. Flowers with Mr. Steiger of Arizona.

Mr. Evans of Indiana with Mr. McDonald of Georgia.

Mr. Holland with Mr. Symington.

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

NATURAL GAS PIPELINE SAFETY ACT AMENDMENTS OF 1976

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 12168, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. DINGELL) that the House suspend the rules and pass the bill, H.R. 12168, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 277, nays 88, not voting 67, as follows:

[Roll No. 229]

YEAS—277

Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Annunzio
Armstrong
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Carter
Chappell
Chisholm
Clancy
Clay
Cleveland
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Edgar
Edwards, Calif.
Eilberg
Emery
Evins, Tenn.
Fary
Fenwick
Findley
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Forsythe
Fraser
Frey
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Gonzalez
Gude
Guyer
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Hillis
Holtzman
Horton
Howard
Howe
Hughes
Jacobs
Jenrette
Johnson, Calif.
Jones, N.C.
Jordan
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Landrum
Latta
Leggett
Lehman
Lent
Litton
Lloyd, Calif.
Long, La.
Long, Md.
Lott
Lundine
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McHugh
McKay
McKinney
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Montgomery
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Natcher
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pike
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Sarasin
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Shipley
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stephens
Stokes
Studds
Sullivan
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Tsongas
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Whitten
Wilson, Bob
Wilson, Tex.
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Zablocki
Zeferetti
Teague
Treen
Waggonner
White
Whitehurst
Wiggins
Winn
Wright
Young, Alaska
Young, Tex.

NAYS—88

Abdnor
Andrews, N.C.
Archer
Ashbrook
Bauman
Beard, Tenn.
Burleson, Tex.
Burlison, Mo.
Butler
Cederberg
Clausen, Don H.
Clawson, Del
Cohen
Collins, Tex.
Conable
Conlan
Crane
Daniel, R. W.
Derwinski
Devine
Downing, Va.
English
Erlenborn
Fish
Flynt
Fountain
Frenzel
Goldwater
Goodling
Gradison
Grassley
Hagedorn
Hammerschmidt
Hansen
Hightower
Holt
Hubbard
Hutchinson
Ichord
Jarman
Jeffords
Johnson, Pa.
Jones, Okla.
Kasten
Kelly
Kemp
Ketchum
Lagomarsino
Levitas
Lloyd, Tenn.
Lujan
McEwen
Madigan
Mahon
Mann
Martin
Mathis
Milford
Moore
Moorhead, Calif.
Myers, Pa.
Neal
Paul
Pickle
Poage
Risenhoover
Robinson
Rousselot
Runnels
Satterfield
Schneebeli
Sebelius
Shriver
Shuster
Spence
Symms
Talcott
Taylor, Mo.

NOT VOTING—67

Alexander
Anderson, Ill.
Andrews, N. Dak.
Bell
Bevill
Brademas
Brinkley
Buchanan
Cochran
Collins, Ill.
Conyers
de la Garza
Dickinson
Diggs
du Pont
Eckhardt
Edwards, Ala.
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fascell
Flowers
Ford, Tenn.
Giaimo
Green
Hayes, Ind.
Hechler, W. Va.
Heinz
Hinshaw
Holland
Hungate
Hyde
Johnson, Colo.
Jones, Ala.
Jones, Tenn.
Karth
Kindness
Krueger
McDonald
Macdonald
Madden
Michel
Mollohan
Murphy, N.Y.
Nichols
Nix
Pepper
Riegle
Roberts
Rodino
Ruppe
Santini
Sarbanes
Simon
Stanton, James V.
Steelman
Steiger, Ariz.
Stratton
Stuckey
Symington
Udall
Van Deerlin
Wampler
Wilson, C. H.
Young, Fla.
Young, Ga.

The Clerk announced the following pairs:

Mr. Symington with Mr. Alexander.

Mr. Santini with Mr. Ford of Tennessee.

Mr. Sarbanes with Mr. Pepper.

Mr. Brademas with Mr. Ruppe.

Mr. Bevill with Mr. Hechler of West Virginia.

Mr. Conyers with Mr. Steelman.

Mr. de la Garza with Mr. Wampler.

Mr. Evans of Colorado with Mr. Michel.

Mr. Fascell with Mr. Kindness.

Mr. Flowers with Mr. Madden.

Mr. Krueger with Mr. du Pont.

Mr. Jones of Tennessee with Mr. Dickinson.

Mr. Holland with Mr. Cochran.

Mr. Giaimo with Mr. Buchanan.

Mr. Rodino with Mr. Bell.

Mr. Roberts with Mr. Andrews of North Dakota.

Mr. Nix with Mr. Heinz.

Mr. Stratton with Mr. Hyde.

Mr. Van Deerlin with Mr. Jones of Alabama.

Mr. Charles H. Wilson of California with Mr. Anderson of Illinois.

Mr. Young of Georgia with Mr. Hungate.

Mr. Udall with Mr. Karth.

Mr. James V. Stanton with Mr. McDonald of Georgia.

Mr. Riegle with Mr. Young of Florida.

Mr. Green with Mr. Stuckey.

Mr. Hayes of Indiana with Mr. Steiger of Arizona.

Mr. Macdonald of Massachusetts with Mr. Simon.

Mr. Mollohan with Mr. Evans of Indiana.

Mr. Murphy of New York with Mr. Eckhardt.

Mr. Nichols with Mr. Edwards of Alabama.

Mrs. Collins of Illinois with Mr. Esch.

Mr. Diggs with Mr. Eshleman.

Mr. MAHON, Mr. HAGEDORN, Mrs. LLOYD of Tennessee, and Messrs. TALCOTT, RISENHOOVER, KETCHUM, KEMP, and HAMMERSCHMIDT changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to amend the Natural Gas Pipeline Safety Act of 1968 to authorize additional appropriations, and for other purposes."

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DODD. Mr. Speaker, on Friday last I was unavoidably detained out of Washington as a result of serving on the Board of Visitors of the U.S. Coast Guard Academy. Therefore I was not able to cast votes. I wish the RECORD to reflect that.

CONGRATULATIONS TO STUDENTS OF AMERICAN GOVERNMENT CLASS OF SATELLITE BEACH HIGH SCHOOL

(Mr. FREY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FREY. Mr. Speaker, I would like to call your attention to House Joint Resolution 912, which would provide an alternative procedure for, and define new grounds for the removal of judges of the U.S. Supreme Court. The introduction of this resolution is particularly noteworthy because the inspiration for, and the preparation of, this bill came from the American Government class of Satellite Beach High School, Satellite Beach, Fla.

Under the direction of their teacher, Mr. Ed Truex, the students conceived the idea for this legislation after studying both the judicial branch and the legislative process. I met with the class several months ago and discussed the resolution with them. Their concern about the problem was indeed real, and the class had put tremendous thought and effort into their proposed solution. Mr. Speaker, I was very impressed with these young men and women, and commend them for their involvement in the Government process.

After a few technical changes, I introduced the resolution on April 6, 1976. Briefly, House Joint Resolution 912 would establish a procedure, in addition to impeachment, for the removal of judges of the Supreme Court of the United States whose conduct has been inconsistent with the good behavior which is required by article III, section 1 of the Constitution. The power of removal would continue to be held by the Senate and the House of Representatives, but, significantly, the grounds for removal have been specifically defined. Thus, the test whether a Supreme Court justice should be removed from office is whether he has been unable to discharge efficiently one or more of the critical duties of his office by reason of a permanent mental or physical disability.

The need for such a test as this is clear. Not only is impeachment a cumbersome and unrealistic check of the judicial branch today, but it also fails to provide a fair and humane response in the case of a judge who has a permanent mental or physical disability. Such a judge is not consciously guilty of bad behavior, but he is still not capable of performing the critical duties of his office. The needs of the public demand that such a judge be replaced, but the impeachment process is an unrealistic remedy.

Again, I congratulate and commend the students of the American Government class of Satellite Beach High School for their participation in our Government. This is an area which should be carefully examined. The proposed solution is worthy of careful examination. I would hope that their work, efforts, and thoughts will be an example to other young Americans. It is something I hope to see more of in the future.

THE POLISH CONSTITUTION—MAY 3, 1791

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ZABLOCKI) is recognized for 15 minutes.

Mr. ZABLOCKI. Mr. Speaker, today marks the 185th anniversary of Poland's Constitution. Like other historic documents, including the U.S. Constitution and the Bill of Rights, the Polish Constitution represents a significant milestone in the history of man's efforts to document and to guarantee personal freedoms and individual dignity.

On May 3, 1791, the Polish Diet, responding to the illustrious suggestion and moving appeal of King Stanislaus Augustus, adopted this historic document. Poland was the first nation in Central and Eastern Europe to guarantee the rights of all citizens without any class distinction. As in other countries in Europe, Poland had an absolute monarchy. King Stanislaus Augustus, however, a benevolent monarch, spearheaded the adoption of the constitution. While developments in other parts of the world toward individual liberties were evolving, and at the time when revolutions elsewhere were the mode toward this development, the important significance of Poland's May 3d Constitution is that it was adopted without anarchy, without revolutions, without bloodshed.

This historic document has been hailed and exalted in England, France, and the New World. Unfortunately, the freedoms in Poland guaranteed under the constitution were short lived. Poland was partitioned in 1793, 1795, 1939, and 1945, during which time Poland suffered numerous repressions. The basic devotion to the principles of the constitution, however, prevailed and still live in the hearts of the people of Poland.

In recent history, this has been attested to during World War II when Polish forces in exile, organized under Allied command, fought valiantly at Monte Cassino. At that battleground, the inscription on the monument to the Polish dead reads:

> We Polish soldiers for our freedom and yours, have given our souls to God, our bodies to the soil of Italy, and our hearts to Poland.

In my opinion, Mr. Speaker, it is ironic and tragic that the present day government of Poland does not give due regard and recognition to this historic document. In fact, the people of Poland are not even permitted to openly celebrate this great national Polish holiday. Therefore, it serves us well to remember the present-day plight of the people in Poland as well as those millions of other peoples of Eastern Europe who continue to find themselves under the yoke of oppression. The philosophy and the practice of communism which is so devoid of personal freedom is alien to the very spirit of the Polish people and the May 3 constitution, and to the Judeo-Christian heritage which is such a basic part of the Polish people.

In recent years we have embarked on an unprecedented era of international agreements betwéen nations of widely divergent ideological principles. Yet before we can expect responsible participation by the Communists in these agreements, they must begin to permit the people they rule to have the right of self-determination. This is a fundamental right to a civilized society. For while the Communists have deprived, and in some cases ruthlessly, these people of their basic freedoms, their spirit and hopes for freedom remain as strong today as they were in 1791.

Mr. Speaker, in this, our Nation's Bicentennial Year, it behooves us to pay tribute to the two great sons of Poland, Count Casimer Pulaski and Gen. Thaddeus Kosciuszko, heroes of two continents, for their contributions to the cause of our own independence. We can best express our appreciation for their valiant efforts to our Nation's fight for freedom by keeping in mind the plight of the people who are, even in this day and age, deprived of the principles for which Pulaski and Kosciuszko fought.

Our thoughts and prayers go out today to the men and women in Poland, 90 percent of whom are still devout church-going members of their faith, who cannot even commemorate this proud occasion.

Let us not forget in these days of "détente," arms limitation, and the easing of tensions, the bitter lessons of history as well as the hard, difficult realities which still exist in Eastern European countries.

As we commemorate this 185th anniversary of the May 3 Polish Constitution, let us all derive encouragement and the hope of a better tomorrow because the spirit of this document does and shall continue to live in the hearts of all freedom-loving people.

Mr. Speaker, it is indeed most fitting in this, our Bicentennial Year, as we commemorate our Nation's independence, that we take note of this historic document. May we, in this Bicentennial Year, in the Spirit of '76 and in the spirit of the Constitution of May 3, look with confidence, prayer, and everlasting hope that full freedom will once again emerge in Poland and in all Eastern European countries, and echo in the hearts of its people and in the hearts of all freedom-loving people everywhere.

Mr. DERWINSKI. Mr. Speaker, one of our proudest days in our Nation's history, especially commemorated in this Bicentennial Year, is the anniversary of our country's Constitution. We observe July 4, as Independence Day, commemorating the declaration which gave us our freedom. Similarly, one of the brightest events in Polish history was the adoption of the 3d of May Constitution of 1791.

While their historic homeland remains under the shadow of Soviet domination, free Poles throughout the world still recognize May 3, as a time for remembering and honoring this proud event. Yet, through the decades, this spirit embodied in the Polish Constitution has never died in the hearts of Poles who have remained in their native land or who have migrated to other countries. This day serves as a reminder of the cultural links between this Nation and the free Poland that existed prior to the outbreak of World War II.

As the Members know, Poland's valiant struggle against Nazi-Communist totalitarianism has become an inspiration for all mankind. The adoption of a democratic constitution provided precedent as one of the first pioneers of liberalism in Europe. However, the Polish instrument of liberty and justice posed too formidable a threat to the despotic rule of the neighboring nations of Russia, Prussia, and Austria. Tyranny is forever the enemy of freedom, and the flag ignited by the Polish Constitution was to be dimmed by the third partition of Poland in 1795.

While this and subsequent invasions have prevented Poland from developing her democratic ideals into a permanently viable form of government, they have failed to break the spirit of her people. Poles everywhere are confident that the future will see a flourishing Poland, inspired by her great traditions and ideals.

It is particularly fitting for Americans to pay tribute to this major contribution to democracy in the world. Even more so, we honor the event since the United States was able to build and grow on its great constitutional government while Poland, as early as 1795 was subjected to partition and exploited by neighboring countries.

Although Poland is clamped in the grip of the Soviet bloc today, the Polish people of all lands proudly commemorate a day of Polish democracy and freedom. They look forward once again to when they truly will have independence both in the national life of Poland and the individual lives of its citizens.

Mr. DELANEY. Mr. Speaker, this Monday, May 3, marks the 185th anniversary of the Polish Constitution of 1791, a document modeled after our own, a deeply symbolic manuscript for people of Polish descent living throughout the free world.

On May 2, 1791, the Polish Diet reconvened after its Easter recess. Russia and Austria were distracted by a war against Turkey, and the people of Poland were able to press on with their constitutional reforms, with their bill of rights, virtually unmolested. On the morning of May 3, with the streets of Warsaw and approaches to the palace crowded with expectant throngs, Stanislaus Augustus produced the draft of the new document and cries of "zgoda! zgoda!"—agreed! agreed!—resounded from all sides.

Commenting upon the event, Baron d'Escare wrote:

> In France, to gain liberty, they began with anarchy; in Poland, the nation was given liberty and independence, the respect for law, for person and property was assured, and all this without violence, without murder, solely through the virtue of the courage of the nation.

And George Washington wrote to David Humphreys in Philadelphia 2 months after the May 3 constitution was proclaimed:

> Poland . . . appears to have made large and unexpected strides toward liberty, which . . . reflects great honor [upon her].

But the Russian bear, then as now, was not quiescent. Catherine the Great looked upon such democratic developments with great misgivings. She regarded Polish reformers as "the Jacobins of Warsaw" and asserted that the new constitution would produce "disorders analogous to those of France." Soon relieved of war with the Turks, she set out "to fight the enemy in Poland." In a scene strangely foreshadowing events of World War II and thereafter, Catherine ordered Russian armies to cross the frontier on April 8, 1792. Although Thaddeus Kosciuszko, the Polish-American hero of our own Revolutionary War, put up a valiant struggle on behalf of his fatherland, Polish resistance was crushed by the invader. The constitution of 1791 was abolished as a "dangerous novelty"; Catherine ruled the conquered country through a puppet confederation. Finally, on September 23, 1793, Poland was partitioned and lost all of its eastern provinces to the Russians.

Mr. Speaker, let us never forget that the U.S.S.R. is a world power with imperialist designs. Let us never forget the aspirations for freedom and liberty under law voiced by the Polish people in 1791. May the day of their true national liberation soon become a reality.

Mr. FARY. Mr. Speaker, May 3 marks the anniversary of the adoption of the great Polish Constitution of 1791—a benchmark in the struggle of men to form governments guided by the consent of the governed.

The May 3 Constitution reflects the ideals of freedom and independence that 10 million Americans of Polish ancestry cherish and want to retain for their homeland.

The proud spirit of the Polish people and their love of liberty can never be crushed—though many cruel oppressors have tried to break that spirit. Today, as 184 years ago, the nationalistic spirit and the Christian faith of the Polish people remains strong and resolute.

America owes a great debt to Poland. She gave us brilliant military leaders in our time of need, and she gave us sons and daughters who worked hard to help build this country and make it the greatest and strongest Nation on the face of the Earth.

Great patriotism, willingness to tackle hard work and see it through to completion, and devotion to principles of honesty and loyalty are unique qualities that typify Polish Americans. These qualities reflect traditions of the homeland—and they have helped to make the American character richer and fuller.

These qualities are deeply imbued in the many fine Polish-American citizens of the Fifth Congressional District. I am very proud of the outstanding record of community involvement that has been compiled by my Polish-American constituents. I am continually impressed with their great patriotism, loyalty, and ability to take on formidable challenges.

I share with my Polish-American friends the hope that Poland will one day be able to join the family of free nations. I hope that my colleagues will join with me in reflecting on the courage of the valiant Polish people who so richly deserve to walk in the sunlight of liberty.

One hundred eighty-four years ago the Polish people proclaimed the principle of human freedom and of human dignity and respect for the rights of the individual when they adopted the new Constitution that we honor here today. That principle and that spirit lives on in Poland today.

The people of Poland have not been forgotten. They are remembered today in this House, and they are remembered in the hearts of 10 million Polish Americans who hope and pray for the day that Poland will be free.

I join these 10 million Americans in this hope and in this prayer.

LEGISLATION TO DEFINE MORE SPECIFICALLY AMOUNT OF LEGISLATIVE ACTIVITY PUBLIC CHARITIES MAY ENGAGE IN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. CONABLE) is recognized for 5 minutes.

Mr. CONABLE. Mr. Speaker, today, along with 14 cosponsors, I have introduced H.R. 13500, a bill designed to define more specifically than the present law the amount of legislative activity in which public charities may engage. This measure is the result of over 4 years of hard work, and H.R. 13500 represents a number of compromises designed to overcome objections to earlier bills. Ways and Means Committee hearings on H.R. 13500 have been scheduled for May 12.

Present law prohibits the influencing of legislation by certain types of exempt organizations if that constitutes a "substantial part of the activities" of the exempt organization. This language has given rise to much uncertainty as to the extent to which such an organization may act to influence legislation. This bill is designed to set relatively specific expenditure limits to replace those uncertain standards of present law.

The bill applies only to organizations which are charitable, religious, scientific, educational, et cetera—exempt under section 501(c)(3) of the Internal Revenue Code—and then only if the organization itself elects to come under the standards of the bill. The bill does not apply to churches and organizations affiliated with churches, nor does it apply to private foundations. Present law is to continue to apply to those organizations that do not elect to come under the new rules, as well as those organizations—such as churches—which are not permitted to elect under the new rules.

Under the new standards, an organization incurs a tax if it spends more on influencing legislation than the permitted amount determined under a formula in the bill. The limits are set on a sliding scale, which allows proportionately lesser expenditures for larger organizations. The permitted nontaxable amounts are: 20 percent of the first $500,000 of the organization's total expenditures, 15 percent of the second $500,000, 10 percent of the third $500,000, and 5 percent of any additional expenditures. No matter how large the organization, if it spends more than $1 million on influencing legislation in any one year, it would have to pay a tax of 25 percent of the amount of any excess over this permitted level. Within the total permitted expenditure level, no more than one-quarter is permitted for so-called grassroots lobbying.

These standards are designed so that an organization that exceeds the permitted limits by a small amount is subject to only a small sanction. The greater the violation, the greater the sanction. If an organization normally exceeds the permitted expenditure limits by a large amount, then it would lose its tax-exempt status. This sanction is to apply if, over a 4-consecutive-year period, the organization exceeds the permitted amount by more than 50 percent.

Because of the sliding scale approach to setting the permitted expenditure limits, the bill makes special provisions for affiliated groups or organizations, However, if only some of the members of an affiliated group elect to come under these new standards while others in the group do not elect, and if the standards are exceeded, then only those members of the group that elected to come under the new standards are to be subject to the sanctions in the bill.

In order to assure that the Congress will review these new standards after an appropriate period, and yet to provide sufficient time so that the experience of organizations under the new rules can be appropriately evaluated, the bill provides that these new rules are to apply for the next 10 years—that is, for the years 1977 through 1986.

NATIONAL HEALTH INSURANCE ISSUES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MARTIN) is recognized for 10 minutes.

Mr. MARTIN. Mr. Speaker, over the Easter recess of the House, our delegation to the European Parliament met with officials at NATO, the European Economic Community, and in the governments of a number of countries in Western Europe. Naturally, most of the discussion dealt with defense matters and critical trade issues. As a part of the delegation's schedule, however, there were discussions in Stockholm with Swedish Government officials and health care personnel. The trade and defense meetings certainly were important. They could obscure the discussions in Stockholm, or at least cause us to consider them peripheral.

However, now that we have—for good or for ill—taken one formal step in the fiscal 1977 budget resolution toward a national health insurance program, we need to pay closer attention to what other Western industrial nations have done and are doing regarding health care. We need to know the differences between the British system, for instance, and the Swedish system with its benefits, its deductibles, and its copayments.

In Stockholm, I was asked to speak on the American system, the various proposals to change it, and the prospects for change. As a small part of the ongoing national debate on this subject, I am presenting to you the texts of the two papers I delivered to our counterparts in Stockholm:

STATEMENT BY HON. JAMES G. MARTIN

In discussing proposals to reform American health care systems today, I would like to begin with a brief statement of what we have that is sought to be reformed and of the political environment in which any reforms would have to be made.

That political environment is known, in theory, quite well here. The formal distinctions between the American system and the European parliamentary system need no repeating. I would, however, like to say a few words about what those formal distinctions do informally.

Here in Europe it is fairly easy for a political party to establish a particular position on a question and, if voted into a position of control of the legislature, to see that position become law. Your political parties seem far more cohesive than our own which, like our government itself, are essentially federations. I sometimes feel we have 435 parties in our House of Representatives. Theoretically, a party holding two-thirds of the seats in both our Senate and our House of Representatives can legislate about anything it wants since, in theory, that party can over-ride any presidential veto and, if the Constitution stands in the way, that size majority can, at least, propose a constitutional amendment to the states.

Well, for almost two years now one party has held such a two-thirds majority. It has not exactly revolutionized our society. I do not mean to downgrade my Democratic friends. Frankly, if we Republicans came up with a two-thirds majority in Congress in November, it is quite unlikely we would enact anything like 100% of our party platform. Incidentally I do not recommend your holding your breath awaiting that kind of election outcome.

There is much being said in America about our health care systems, and there will certainly be a lot said about reforming those systems during the election campaign this year. Certainly, both major parties will make very profound statements about health in their party platforms. And, just as certainly, no matter what the election results may be—at least within the parameters of results that could be expected by rational observers—neither set of profound statements will be transformed *in toto* into legislation.

Is it that our system immobilizes us? Is our system incapable of making dramatic changes? Are our parties incapable of exercising intra-party discipline if that is what is called for? I would answer all three questions in the negative, even the question about party discipline although that discipline is very discreet and dependent more on peer group pressure than anything else.

It may not be apparent, even to participants, but America is groping for a consensus on health care issues. We usually move cautiously and by consensus because of the unique diffusion of power in America. If you look at our recent past—say, the 60 years since World War I—there have been only two times when our government took dramatic steps that were fiercely objected to by substantial segments of the population: the civil rights acts of the 1960's and the prohibition of alcoholic beverages. The latter was accomplished by a constitutional amendment which was repealed not too many years after it was adopted and the former were enacted and enforced in a way which have caused almost all who opposed them to now accept them.

So, while there will be reforms in our health systems, you should not expect our most unusual system to come up with something dramatic. Change will not be such as would revolutionize the system. Because of the way we are structured, and the way we approach change through consensus, our reforms will emerge as distinctly American reforms, not copying the British model or any other model. There may be some similarities in the final product—and the discussions here are extremely beneficial toward that end—but even with similarities there will be distinctively American accommodations to our diffusion of power.

What is our system we are considering reforming?

The conventional wisdom is that ours is a fee-for-service system in which the patient hires a physician in the same way he hires an automobile mechanic and in which the government is only peripherally involved. That is not a terribly accurate description.

Of the $100 billion we spend on health care, roughly 26% is paid for by the federal government and another 14% by state and local governments. In our usual manner, those payments are made under a profusion of programs: Medicaid for the poor, Medicare for the elderly, government hospitals specifically for veterans and for the military, city-run and state-run facilities hither and yon. In addition, health care costs and health insurance costs are excluded from one's taxable income if they exceed roughly 3% of one's income; the result is that the government shares uninsured health expenditures to a rather significant degree. Of the total national medical expenditure, only 60% is not paid by government. The bulk of that is paid through some form of insurance.

We can confuse the data very well. Our 216 million people have about 224 million insurance policies. It is not unusual for one person to be covered by three or even four. Many people have group plans in connection with their jobs and also have small policies that pay a given dollar amount per day of hospitalization.

Of our 1973 population of 207 million, 21 million were over age 65 and are, therefore, covered under Medicare which pays for most of their health care expenditures and for which they pay a modest insurance premium. That leaves an under-65 population of about 186 million. Our Medicaid program covers about 17 million of them, the poorest 10% roughly. That leaves 169 million with no federal or state health insurance plan. Of them, approximately 149 million have some form of health insurance. That leaves roughly 20 million with no insurance coverage.

Amazingly, that system works pretty well. We have a good base from which to make improvements.

Amazingly, a system in which almost every civilian doctor works where he wants to work results in a fairly good distribution of doctors and related professionals.

What are the imperfections?

First, there are those 20 million people without insurance coverage. Second, among those with insurance coverage are an undetermined number whose coverage is inadequate. Third, there are exceptions to the general rule and areas of the country lacking adequate access to medical care.

These imperfections must be viewed in the context of money being a finite resource. Reforms ought to be tailored to curing the imperfections and will have to be considered in light of what we can afford to do. It is fashionable to say that we cannot afford not to opt for the ultimate, the ideal system. Our electorate, however, is not likely to re-elect Representatives who vote to substantially increase taxes. I polled my own District last year, asking about comprehensive National Health Insurance through taxes. The proposal was rejected three-to-one. I later polled on the question of a program covering only catastrophic health care expenses; a bare majority—52%—support a governmental role in that area. My District is a bit more conservative than most—otherwise I would still be teaching chemistry—but those figures do not indicate much citizen demand for a sweeping intervention by government.

The first and greatest imperfection in our system is that which leaves about 10% of our population with no insurance to pay health care expenses. Not very many of those 20 million are full time workers. The group is disproportionately composed of children and the near-poor, those who either will not or cannot afford to buy insurance and who are not poor enough to be covered under Medicaid. In that group also are those who are not insurable because of higher risks, a person who may have had nephrosis or a cardio-vascular problem. Any reform should result in these individuals and families being covered by some form of insurance.

The second imperfection relates to the quality of the insurance that those covered by it have bought. Insurance policies, I must mention, are not regulated by the federal government, but under state law. Some of these policies offer superb coverage. Others are grossly inadequate, many having been written years ago and containing dollar limits on payments which today would pay only a fraction of one's expenses. Some provide only a *per diem* payment during hospitalization. Some pay non-hospital medical expenses, some do not. Few cover dental expenses. Not enough cover psychiatric services. A person with the best group insurance plan may have only a few dollars a year unpaid, even if hospitalized. Another, even though insured in theory, could be out a thousand dollars or more on the basis of the same medical experience. Even though only 10% of our population have no insurance, about 35% of all personal health care expenses are paid for by the patient or his family. Even though some form of co-payment is desirable, that figure is too high. Any reforms ought to address the problem of inadequate insurance coverage—coverage often not found to be inadequate until the very moment it is needed.

The third imperfection is geographic. Physicians—just like lawyers, professors, and artists—tend to gravitate toward places which offer not only financial rewards, but also a life style in keeping with their backgrounds and the tastes acquired before and during the years of education they go through. This means we have an abundance of medical facilities and personnel in the suburbs of our cities, in the better residential and commercial sectors of those cities, and in college and university cities and towns. There are not enough in our rural areas, in smaller towns, or in the unattractive regions of our cities. This may be the most intractible of the imperfections. It is not money alone that causes the doctor to settle in the lush suburbs of a major city instead of in a town of 3,000 located 80 kilometers from the nearest golf course, theater, or general hospital. And, it is not money alone that causes a concentration of journalists denouncing the medical profession in the same communities in which the doctors concentrate, and for the same reasons. Any reforms must attempt to address the problem of decreasing the distance—in terms of time—between patients and medical treatment.

Reform proposals have been largely of two types. One would provide comprehensive health care for everyone. The other type would provide such care, or pay for it, only in the case of catastrophic illness or accident. Within those two broad types, there are many variants. There have also been several proposals to address, apart from providing care or the payment for care, the distribution of health care facilities and personnel.

With one exception, I will not tie any proposal to its author's name. Rather, let's look at the proposals in their most basic forms.

In the comprehensive category, whether through making Medicare apply to all instead of only to those over age 65, or through a governmentally-structured health delivery system, the government would be the provider of health care or would pay for it—paying "all the bills for all the ills"—in a system something like that in the United Kingdom or here in Sweden. Other variants would minimize the role of government as the provider, having the government reimburse patients for fees charged by independent providers, or paying those providers directly. Within the broad category of proposals for comprehensive national health insurance, there are varied potential resulting situations so far as the independent professional status of doctors is concerned.

In the Congress, a bill not enacted by the end of the term of that Congress dies. Now, with very little time between now and our adjournment in early October, no comprehensive bill will be enacted. For that reason, I am not loading you down with the specifics of bills we refer to by their bill numbers: HR–1, HR–21, etc., or by their authors' names: Ullman, Young, Corman, Kennedy, etc. It is likely similar bills will be introduced again next January. There will probably be some changes in them, responding to the debate of the past year and a half.

Those who have opposed comprehensive national health insurance have done so for a number of reasons. For some it is philosophical, an antipathy to governmental encroachment into the private sector. For some it is financial. Total outlays for health care are about $100 billion, of which the federal government pays $38 billion. If the government were to expand to the fullest extent reasonable to expect it would mean at least a $60 billion increase in spending that would have to come from increased taxes. That's a very large amount to be diverted from the private to the public sector. The way our system works, there is not the consensus necessary to support embarking on such an undertaking. Many of my colleagues here would differ on that assessment, but let me note that that was my assessment in early 1975 when others were announcing that the 1975–1976 Congress would be the one to enact National Health Insurance. So far, my assessment has been accurate.

In the category of catastrophic coverage, there have been some very interesting proposals. Let me first put before you the one proposed by Senator Brock and myself. We would use as a definition of what is catastrophic the figure of 15% of one's income. Our proposal would pay 85% of everything above that threshold amount. That would make the federal role nearly comprehensive for low income people, less so as income rises. We would operate it through the tax code. Without boring you with the complexities of that unholy document, the patient could be reimbursed—or the provider paid—in 30 to 45 days. Computer programs already exist for processing tax forms amending previously-filed tax returns, so administratively we are talking about more computer time and a few more tax auditors. Our bill will also die unenacted and be reintroduced in January.

Other catastrophic plans would define the catastrophe in terms of dollars, rather than percentages. This would have an advantage in terms of simplicity in preparing and managing private insurance for the amount below the threshold. Proposals in the catastrophic area all operate on the assumption that the individual has the prime responsibility for his own health care and an obligation to make financial provision for that care up to a point beyond which an individual should not be expected to budget.

In all proposals some of us see a threat to the privacy of the individual and to our Anglo-Saxon tradition of the privileged nature of communications between doctor and patient. That confidential status is compromised any time the government is involved in the provision of, or payment for, the treatment and many of us will have high on our list of priorities the protection of the confidentiality of medical records and doctor-patient communications.

How do those proposals address the imperfections in our system?

They would all greatly reduce the number of people not covered by insurance. Some proposals would eliminate that imperfection completely, by simply providing insurance or health care itself. All the proposals would substantially reduce the number of people afflicted by the second imperfection, that related to inadequate insurance coverage. The catastrophic coverage proposals would put a limit on what would have to be insured against, and that should do two things: make fewer people uninsurable and reduce the cost of private insurance. Coupled with an aggressive campaign to get people to buy insurance to cover their sub-threshold expenses, the catastrophic proposals would sharply reduce the number of uninsureds. One other relatively simple way to resolve catastrophic coverage would be to *mandate* it as a feature of all insurance policies.

None of the insurance proposals—comprehensive or catastrophic—do much about the third imperfection in the system: maldistribution of health care facilities and personnel. Unless we force the personnel out of the centers of concentration, applying Cambodian approaches to social problems, there is not too much we can do about distribution. It is therefore likely we are going to have to deal with the problem the other way around, by improving the delivery of the patient to the service. A number of innovative programs of this sort—one of the best being in Chairman Rostenkowski's city of Chicago—are in operation.

There are available here some brief analyses of the major national health insurance proposals in the present Congress. It is unlikely any of these will come close to enactment. They are groundwork for the Congress to be elected in November and which will be sworn in next January. In all probability most will be revised before being reintroduced. I believe we have reached the point where there is a consensus that the government has a role at least in certain categories of catastrophic health care costs.

Let me conclude with a brief bit of light prophecy.

As we debate how to effect that consensus, I believe you will see something distinctively American emerge, probably more expensive than expected, probably more complicated than it needs to be, probably less than the unions would like, probably bigger than the doctors would like, and inoffensive to as many organized groups as it can be made.

ON CHANGING THE AMERICAN HEALTH CARE SYSTEM

(Statement by Congressman JAMES G. MARTIN)

In 1971, many were predicting that United States adoption of National Health Insurance would be one of the great legislative struggles of modern Congressional history. Those predictions are not being made with confidence today.

In 1971 and 1972, five major alternatives were put forward, and extensive hearings were begun in the US Senate and House of Representatives. Today, these hearings are still continuing.

There is today no strong, broad-based momentum for any profound change in the American health care system. There is instead strong, narrowly-based political support mainly from the labor unions and their affiliated groups, plus some scattered support from some church councils. Their legislative proposals would change to a $130 billion comprehensive system of health security, whereby the government would administer and control medical financing and "pay all your ills". They reject any requirement that the patient pay any deductibe, or "first dollar" cost, or any portion of the cost of care. Certainly, Sweden has not been that generous (or short-sighted).

There are, in addition, three more modest proposals from the Medical, Hospital and Insurance Associations, separately, and protecting their separate respective prerogatives.

What will become of all this?

Prophecy is unreliable coming from a member of the minority in Congress, but I will predict: that no major change will take place, and that the Congress will make relatively modest adjustments in areas where there is widespread agreement that the present system is deficient. I will predict, further, that by meeting these more limited adjustments, all of the pressure then will be taken out of the political efforts for a social security based overhaul of the system.

What are the areas of agreement? So far, there are three that lend themselves to relatively easy solutions: (1) There is the infrequent but "catastrophic" incidence of lengthy hospitalization or complicated treatment, so expensive that even substantial personal assets can be depleted. (2) There is an unacceptable deficiency in that some people with a chronic illness cannot get health insurance because of that condition—unless fortunate enough to work for a very large employer with an accommodating "group policy" covering *all* employees. (3) The recession has emphasized the plight of millions of temporarily unemployed workers whose insurance coverage ceases after a month or two of work.

All of these can be dealt with. Perhaps the simplest approach might be to mandate that insurance companies (1) include "catastrophic" protection that the insured could not waive; (2) share the costs of covering the chronically ill by some mutually agreeable "pooling" arrangements; and (3) provide extended coverage into periods of unemployment with the costs being actuarially distributed over the premiums paid *during* employment. There are other suggestions. I believe these and other such clearly defined problems do not justify a complete restructuring of health care delivery or the financing of it in the United States.

There are other arguments for a complete overhaul. One is to cite the socialist systems of Sweden and Great Britain as evidence of superior programs. I do not wish to belittle in any way your earnest efforts. Before studying it I had a preconceived notion that upon examination it would turn out to be generally deficient—instead my conclusion has been that for Sweden, it is the sensible answer for a society in which so many personal services are provided by the government, and are paid for with a personal tax schedule that substantially limits any opportunity to acquire wealth (doctor *or* patient). Until such time as the schedule of services and taxes in the U.S. approach those in Sweden, we would be better off avoiding any extensive redesign of what we have.

Let me deal with one frequent argument. It is often said that since the United States, with all its wealth, is only 17th best in the infant mortality rate and 23rd best in life expectancy: we must therefore be squandering our health dollars. I disagree.

Those two unfavorable statistical comparisons are not the whole picture of health and don't reflect the expensive research and surgical techniques being made available—but to many critics: if the U.S. isn't **FIRST** or at least **SECOND** in *every* category, then we must be doing it all wrong.

Let me offer a partial answer to these statistics. As to life expectancy, an average of 71 for the U.S. is not so different from 74 year expectancies of a few European countries; and alone doesn't warrant a transplant of the entire system. As to infant mortality, 1st, the same arguments could be used; 2nd, as Professor Bror Rexed recently pointed out to me, the superior infant mortality incidence in Sweden didn't suddenly blossom with the Spring of social medicine, but rather has shown steady improvement for as long as there have been records—since 1850. In fairness it did not retrogress in the past decade either, but continued its steady improvement.

The most interesting observation from my own study of such statistics is to report two findings.

The first is that Sweden's superiority is nearly matched by *all* of Northern Europe. Your infant mortality rate of 10 per thousand one-year-olds is not untypical of an average of 12 for the 5 neighboring North Atlantic countries of Finland, Iceland, Netherlands, Norway and Denmark. The United States' figure is 18 per thousand, which is exactly the same as for the 200 million people of the 8 countries of the western quadrant of Europe, and decidedly better than the figures of 29 per thousand both for the seven countries of Southern Europe and the six of Eastern Europe.

Good statistics (12–21 per thousand) are known for Japan, Singapore, Hong Kong, Australia, New Zealand, and Israel and Canada, but after that the infant mortality rate rises to 30 and to 50, and to 150 per thousand, and higher. Basically this supports a geographic factor rather than proof that our system is rotten.

The second finding is that, within the United States, the same sort of variation is present from State to State. The best four are neighboring States of Iowa (with 10 per thousand, rivaling Sweden) and Wisconsin, Utah and Idaho—with a combined population of 10 million; and with a combined average infant mortality rate of 13 per thousand. Not bad? Indeed, 15 of our States have rates of 15 or better.

Then, the Southeast region of the U.S., with 9 states and the District of Columbia and 36 million people, trails with an average rate of over 21 per thousand. You can draw your own conclusions whether this variation from North to South is due to climate, or adaption to it, or racial factors, or income, or nutrition, or rates of illegitimate births. The variation is clearly *not* due to fundamental differences in delivery of services (there aren't any) or to doctor:patient ratios (the pattern is random, without correlation), or due to the number of hospital beds. The variation is a demographic one, and clearly disputes any attempt to use such data to justify a fundamental change. If infant mortality rates support an argument for the U.S. to adopt the Swedish system (or is it Iceland? or Norway? or Denmark?) but not the British, German, Russian or Chinese—then such rates would equally support transplanting South Carolina with Iowans and Iowa with South Carolinians.

CHICAGO'S POLISH CONSTITUTION DAY PARADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, today, May 3, is the anniversary of an event of momentous significance in the history of the people of Poland. It was on this day, 185 years ago, that Poland adopted its first democratic constitution. On Saturday, May 1, the Polish National Alliance sponsored Chicago's annual Constitution Day parade and it was my pleasure and honor to participate in this event.

The magnificent parade down State Street consisted of thousands of marchers, many of whom wore beautiful costumes native to Poland, 154 bands, marching units, and floats, along with dignitaries representing business, labor, politics, and civic organizations too numerous to mention. Hundreds of thousands of Chicagoans lined both sides of State Street for over 3 hours to commemorate this heroic struggle of the Polish people to uphold the principles of freedom in the 1791 Constitution.

Mr. Speaker, at this point in the RECORD I wish to insert the 3-day program taking place in Chicago in commemoration of Poland's May 3, 1791, Constitution. The program follows:

COMMEMORATION OF POLAND'S MAY 3, 1791, CONSTITUTION

SATURDAY, MAY 1, 1976, PROGRAM AT REVIEWING STAND, STATE AND MADISON STREETS—12 NOON

Welcome: Mrs. Helen M. Szymanowicz, Vice President, Polish National Alliance, General Chairman, Poland's Constitution Day.

National Anthems: Ms. Bronia Walacha, accompanied by 81st United States Army Band.

Parade Narrator: Dr. Walter Sikora, WOPA Radio.

PROGRAM AT CIVIC CENTER PLAZA, 1:30 P.M.

Welcome: Mrs. Kazimierz Musielak, Commissioner, District 13, Polish National Alliance.

Master of Ceremonies: Hon. Aloysius A. Mazewski, President, Polish National Alliance; President, Polish American Congress.

Invocation: The Rt. Rev. Francis C. Rowinski, Bishop, Western Diocese, Polish National Catholic Church.

Remarks: Honorable Dan Walker, Governor, State of Illinois.

Remarks: Honorable Richard J. Daley, Mayor, City of Chicago.

Presentation of Distinguished Service Awards: To—Honorable Thomas E. Kluczynski, Justice, State of Illinois. By Mrs. Jean Wesolowski, Commissioner, District 12, Polish National Alliance.

To—Thaddeus V. Adesko, Justice, Appellate

Court. By Mr. Roman Kolpacki, Commissioner, District 12, Polish National Alliance.

To—Eugene L. Wachowski, Judge, Municipal Court. By Miss Victoria Kolman, Commissioner, District 13, Polish National Alliance.

Principal Address: Honorable W. J. Usery, Jr., Secretary, United States Department of Labor.

Benediction: Most Rev. Alfred L. Abramowicz, DD, Auxiliary Bishop, Vicar General.

SUNDAY, MAY 2, 1976

Assembly for Solemn Mass: 10:00 a.m., Polish National Alliance, 1520 West Division Street.

March to Church: 10:15 a.m.—To Holy Trinity Church, 1118 Noble Street.

Solemn Mass: 10:30 a.m.—Reverend Casimir Polinski, C.R., Pastor, Celebrant and Homilist.

MONDAY, MAY 3, 1976

Wreath-laying Ceremony: 10:30 a.m.—at General Thaddeus Kosciuszko Monument, Humboldt Park, North Ave., and Humboldt Blvd.

The May 3 Constitution not only serves the Polish people as a symbol of progressive government under the democratic principles of human dignity and honor, but serves as well those men and women the world over who are ceaselessly striving toward the goal of freedom from any coercion, be it coercion of the body or of the spirit.

It was through the Constitution of May 3, 1791, that Poland stepped out of medieval times and emerged as a land of limited monarchy with a constitutional government. Tragically, however, only 4 years after the adoption of the Constitution, Poland was partitioned and conquered by several powerful and autocratic neighbors.

Thus, the exemplary ideals promulgated in the infant Constitution came only to represent the aspirations of a people who desired to be free and not the reality in which they found themselves. The lofty principles embodied in that Constitution such as "All power in civil society should be derived from the will of the people," came to be cherished in the hearts of Poles and men of good will everywhere as goals for which to work and struggle as long as persecution and injustice oppressed mankind.

Mr. Speaker, the theme of the 1976 Constitution Day parade was "Polonia in American History," and the beautiful and artistic floats and marchers depicted the contribution of Poles to the growth and development of America. Two floats depicted the contributions to victory and freedom made by the Father of the American Artillery, Gen. Thaddeus Kosciuszko, and horsemen depicted Gen-Casimir Pulaski and his Polish Legion. Pulaski has become known as the Father of the American Cavalry, and both Kosciuszko and Pulaski extended their desperately needed help and expertise to the American colonies in the War of Independence.

Portions of a news release issued by the Polish National Alliance outlining some of these historical figures in American history follow:

At the invitation of Captain John Smith the first group of Poles landed in America on Oct. 1, 1608.

Cpt. Smith lost no time in putting them to work, and he duly credits them with starting the first actual factory in America—a glass works near Jamestown, VA.

The Poles worked hard at their jobs, but they were barred from participating in civil affairs and had no political rights—they were in effect little better than serfs.

This intolerable situation brought violent reactions from the Poles. Their pride spilled over and the Poles, yearning for equality, staged a protest at the first Virginia Assembly on July 30, 1619, the first work stoppage in the New World.

They demanded, and received, the right to vote, full equality with others and the right to own property. It was the first political upheaval in America, for the purpose of extending democratic rights to the common man.

By 1659 a Polish Scholar, Dr. Alexander Kurczewski came to New Amsterdam and founded an academy, the first institution of higher learning in what is now New York City. In the history of American education, he is known as Dr. Alexander Curtius.

By 1662, an exiled Polish nobleman named Albert Zaborowski—later known as Zabriskie-came to New Amsterdam. He later moved to New Jersey where he became one of the first judges of the State, and subsequently the owner of considerable land holdings along the Passaic River. Today the multi-billion-dollar industrial centers of New Jersey stand on land developed by Zaborowski.

In 1736, Anthony Sadowski was an explorer, trader and interpreter. At the request of Pennsylvania Governor, Patrick Gordon, Sadowski acted as envoy in negotiating peace between the Indians and white settlers.

He established an outpost on the Ohio river which later became one of America's great industrial towns, Sandusky, Ohio. His sons were companions of Daniel Boone.

The first reliable map of the coast of New England was drawn by a Polish surveyor, Karol Blaszkiewicz.

It is impossible to enumerate all of the nameless and fearless Polish pioneers who came to America, toiling endlessly, struggling and praying that their efforts could in part contribute to a rebirth of faith in the dignity of man on a new land in the Western Hemisphere.

Serving in both the Northern and Southern theatres of operations Kosciuszko earned the title of the Father of American Artillery.

At the war's end, Kosciuszko was elected to the Society of Cincinnati of which Washington was the first president. Congress, noting his distinguished contribution to the revolutionary cause, promoted him to Brigadier General and awarded him with a pension and land estates in Ohio.

Gen. Washington bestowed the brilliant Polish military genius the highest accolade of the Continental Army, by presenting him with his own ring of the Cincinnati Society and his pistol and sword.

Kosciuszko drew up a will which he left with his friend Thomas Jefferson.

The will, in part, read: ". . . to employ the whole therefore in purchasing Negroes from among his own or any other and giving them liberty in my name. . . ."

In July, 1777, another determined son of Poland arrived at Washington's headquarters with a letter of introduction from Benjamin Franklin.

Count Casimir Pulaski, a young Polish Nobleman, rose to the rank of general during the next two years.

Called the father of the American Cavalry, he participated in the battles of Brandywine, Warren Tavern, Germantown, Trenton, and Haddonfield near Camden. He organized his own Polish legion which fought at Little Egg Harbor and Charleston.

Historians agree, Pulaski had an uncanny genius for inspiring men into battle against hopeless odds. It was this kind of battle at Savannah that brought death to Pulaski.

Pulaski was mortally wounded at Savannah on October 9, 1779, and died two days later.

Other Polish officers in the Pulaski Legion were, Col. Michael Kowacz; Capt. Maciej Rogowski; Lt. Col. Baron de Bocen; Capt. John Zielinski and Capt. Frederick Paschke.

Mr. Speaker, in spite of the adversity which characterizes much of Polish history, the indomitable spirit of the Polish people has been and will continue to be a beacon light of inspiration to those who treasure the concept that the individual himself should have the right to make and pursue his own destiny without interference from tyrants.

As Americans of Polish ancestry all over the country commemorate the 185th anniversary of Polish Constitution Day, I was proud to join with the tens of thousands of Polish Americans in my own city of Chicago in a tribute to those who have struggled and are continuing to struggle in order to transform into reality the noble ideals expressed in the Polish Constitution of May 3, 1791.

ARKANSAS DAY IN THE NATION'S CAPITAL

The Speaker pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 60 minutes.

Mr. ALEXANDER. Mr. Speaker, Arkansas lays claim to many firsts, including the first State to elect a female Senator. We add another laurel today as Arkansas becomes the first State west of the Mississippi to be honered with a special Bicentennial commemoration by the District of Columbia.

To celebrate this occasion, a number of my fellow Arkansans have made the trek from our great State to participate in the festivities.

The activities began yesterday with a performance of the Arkansas Symphony Orchestra at the Kennedy Center. I would like to share with my colleagues the Washington Post review of that fine performance. I think it important to note, at this point, that Arkansas is the first and thus far only, State to have a suite written in its honor by a former Pulitzer Prize winner. Normal dello Joio, under a commission from Miss Lily Peter, poet laureate of Arkansas, wrote such a suite to commemorate the sesquicentennial of the Arkansas territory in 1969.

Today, in ceremonies on the Capitol steps, Arkansas was recognized for its abundant natural resources and people resources. Arkansawyers are a proud people, a people who are known for their cooperative spirit and their staunch support of the principles upon which this great Nation was founded.

Joining in the observance this morning were Senator DALE BUMPERS, The Malvern High School Concert Band, Ouachita Baptist University Chamber Singers, Westark Community College Choir, and the University Singers from the University of Arkansas at Monticello.

At noon, my colleague WALTER FAUNTROY and Mrs. Walter Washington hosted a luncheon honoring the State of Arkansas and our congressional delegation.

This afternoon, the observance moved to Arkansas Avenue where D.C. elementary students saluted the Arkansas congressional delegation with gifts and poetry. In addition, visiting performing groups from Arkansas entertained this afternoon at the Kennedy Center in a Bicentennial Parade of American Music.

This evening, the D.C. Chapter of the University of Arkansas Alumni Association and Exxon Co. will sponsor a reception in the Chinese Room of the Kennedy Center. Former Arkansas Senator and current board member at the Kennedy Center, J. William Fulbright, will be featured guest.

Festivities conclude tomorrow with the Kennedy Center performance of the Arkansas Arts Center Children's Theatre production "By George," a Bicentennial musical.

Mr. Speaker, Arkansas indeed has much to be proud of and I know I speak for all visiting Arkansawyers in expressing thanks to the District of Columbia for its hospitality and warm welcome to the Nation's Capital.

IMPRESSIVE ARKANSAS SYMPHONY

(By Paul Hume)

The Arkansas Symphony Orchestra put in an impressive appearance yesterday afternoon in the Kennedy Center. Under the expert conducting of Kurt Klipstatter, the orchestra displayed a handsome string section backed by good woodwinds and brass playing of top quality. The percussion section, which had a busy day of it, especially in music by Barber, Dello Joio, and McBeth, easily held its place with the rest of the musicians.

The concert was greatly enhanced by the singing of Mignon Dunn, mezzo from the Metropolitan Opera, who was heard in a scene from the opera-in-progress, "Rachel," by Kenton Coe, and in John Corigliano's most attractive song cycle, The Cloisters.

The orchestra's excellence is clearly the result of Klipstatter's conducting, which was obvious in both the playing and the music chosen. How few conductors are yet willing to bring us all-American programs. Klipstatter chose with care, including Dello Joio's Homage to Haydn, Barber's Medea Meditation and Vengeance Dance, and the Hovhaness Mysterious Mountain.

Much less could be said of John Cowell's one-movement piano concerto, while two McBeth pieces were overdone in the best Hanson manner. But this is a truly fine orchestra under a first-rate conductor, and Dunn contributed nobly.

LAW DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, last Friday in Newark we commemorated Law Day by dedicating the old Essex County courthouse as a national historic landmark. People from all walks of life attended that ceremony as a sign of respect to the rule of law and justice in this country symbolized by that lovely building.

I was honored to be one of the speakers at that ceremony, held on the steps of the old courthouse, and I include the text of my remarks at this point in the RECORD:

LAW DAY—ESSEX COUNTY COURTHOUSE

DEDICATION, APRIL 30, 1976

Inscribed on the north wall of the Department of Justice in Washington are the words: "The place of justice is a hallowed place."

Today we stand on the steps of just such a place to designate it as a national historic landmark, to pay tribute to the men and women who have served the cause of justice within its stately walls—and to pay homage to the great institution and principles of the law itself.

I remember the humility and honor I felt when, in 1937, I walked up these steps as a new member of the bar. A lot has happened in the years since then—to me, to our country and to the law itself. But nothing has served to alter, even slightly, the humility and honor I feel for the opportunity to serve the law—just as nothing has changed the supremacy of that law as the bulwark of our freedom—the foundation of our country's greatness.

Abraham Lincoln once said: "Our defense is in the spirit which prizes liberty as the heritage of all men, in all lands everywhere. Destroy this spirit and you have planted the seeds of despotism at your own door."

It was this spirit of liberty that our founding fathers sought to preserve when they wrote the Constitution and the Bill of Rights, establishing for all time the great principle that liberty and the law are inextricably bound together, that one cannot properly exist without the other.

We are here today because of that spirit, that heritage, handed down to us through two centuries that are but a short time in the history of the world.

And yet in that time we have proved that men and women working together in simple decency can secure for all people the precious rights of justice, equality and freedom. We have established that the dignity of the individual is paramount and inviolable in a free society. We have shown that ours truly is a government of laws and not of men.

But having achieved this in just 200 years, we face still a greater challenge—for while we have proved that a free people can make self-government work, we still must prove that a free people can make self-government endure.

If we are to be equal to this task, our system of laws must be strong and vigilant, unyielding in its devotion to our liberties, yet flexible enough to encourage progress and improvement.

For the real security of this nation lies in the integrity of its institutions and the trust and informed confidence of its people.

But today great numbers of Americans view the law and those who serve it with distrust, suspicion and cynicism.

In recent years they have seen the highest officials in our land transgress the very laws they were sworn to uphold.

They have seen two former attorneys general of the United States stand convicted of crimes committed while they served as the nation's chief law enforcement officers.

They have seen lawyers abuse their sacred obligation to the law and seek instead ways to circumvent it for the benefit of a few.

They have witnessed with dismay and disbelief the enactment of laws that helped the rich and powerful at the expense of the poor and the weak.

They have seen crime close its grip upon countless innocent victims while the forces of the law seemed unable to prevent it.

These events have shocked and disillusioned our citizens, creating a national climate of cynicism and apathy toward our legal and governmental institutions. Of all our problems, it is this that most endangers us—for as Mr. Justice Brandeis warned: "The greatest danger to freedom is an inert people."

If we are to survive as a free nation, we must unite to repair the damage both to our self-confidence and to our legal system.

I believe that it can be done.

Let us remember that even as some were abusing our legal system, that same system was winning for the causes of individual and civil rights their greatest victories.

And let us remember also that at the darkest moment of the Watergate crisis, it was the courts and a committee of 38 lawyer-legislators in the Congress that proceeded with decency and care and fairness to uphold the law so that justice would be done.

These were important steps on the path toward the restoration of integrity in our system of laws. And it is up to us as citizens, as lawyers, as free men and women to continue that process in the name of justice and democracy.

We must raise the ethics of the law—and of our nation—to restore it to a level of decency and probity that the future has every right to expect of us.

We must bring the logic, the wisdom and imagination of the law to bear on the problems that confront America. We must update and improve our criminal and civil laws to provide for fairness, compassion and even-handed enforcement.

And we must renew our dedication to the pledge of Thomas Jefferson who said: "I have sworn upon the altar of God, eternal hostility against every form of tyranny over the mind of man."

Our Constitution and our Bill of Rights reflect that solemn vow, and they reflect as well the long and agonizing path that liberty has followed through the ages.

It began in the year 1215, at Runnymede, England, where a group of nobles—and lawyers—wrung from an unwilling and tyrannical King John the Magna Carta. That document proclaimed for the first time that all men, even kings, were subject to the laws of God and humanity.

More than any other, the process begun by the Magna Carta came to flower in the United States and in our own immortal Constitution.

I am honored to be among those selected to visit England in the next few weeks to return home with an original copy of that great document graciously loaned to us by the British Government for our bicentennial.

The Magna Carta and the Constitution show clearly for us in the new world the painful growth of human freedom. Men and women have struggled for liberty under the law; they have shed their blood for it; they have worked with all their strength and all their might for it.

Now as we dedicate this courthouse, this hallowed place of justice as a national landmark, let us rededicate ourselves to that same struggle. Let us pledge that we, too, will willingly under God and the law bear the burdens of freedom so that, in years to come, history will say of us: They labored that liberty and justice might live.

NOTIFY THE VICTIMS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. Abzug) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, the Government Information and Individual Rights Subcommittee, which I chair, has begun hearings on H.R. 12039, 13192, and 169. These bills would require that the victims of such illegal and improper programs as COINTELPRO—an FBI program, CHAOS—CIA, burglaries—FBI and CIA, mail openings—FBI and CIA, cable interceptions—National Security Agency, and the special service staff of the IRS be notified that they were targets or victims of these activities, told of their rights under the Privacy Act and the Freedom of Information Act, and afforded the option of having the unlawfully gathered files destroyed.

Book II of the report of the Senate Select Committee on Intelligence, which was released last Wednesday, includes a recommendation that is almost identical to what my bills, H.R. 12039, H.R. 13192, and H.R. 169, would require. The text of that recommendation follows:

Recommendation 90.—The Freedom of Information Act (5 U.S.C. 552(b)) and the Federal Privacy Act (5 U.S.C. 552(a)) provide important mechanisms by which individuals can gain access to information on intelligence activity directed against them. The Domestic Intelligence Recommendations assume that these statutes will continue to be vigorously enforced. In addition, the Department of Justice should notify all readily identifiable targets of past illegal surveillance techniques, and all COINTELPRO victims, and third parties who had received anonymous COINTELPRO communcations, of the nature of the activities directed against them, or the source of the anonymous communication to them.

LEGISLATION TO EXPEDITE LICENSING OF NUCLEAR POWERPLANTS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Price) is recognized for 20 minutes.

Mr. PRICE. Mr. Speaker, today I am introducing a bill which is intended to make needed improvements in the procedures for the licensing of nuclear powerplants. Cosponsoring the bill with me are Representatives Young of Texas, Anderson of Illinois, Lujan, and Hinshaw.

The objectives of the bill are the same as those of H.R. 3995, which I introduced last year. The improvements in the licensing process would have two major objectives: First, to reduce the time required to construct and bring a nuclear powerplant to commercial operation without sacrificing the quality and thoroughness of the Nuclear Regulatory Commission's safety and environmental reviews; and second, to provide a more meaningful opportunity for public participation in the Commission's licensing proceedings.

While improving the opportunity for effective public participation and preserving the quality and thoroughness of the Commission's licensing reviews, the bill provides new licensing authority under which proposed sites for nuclear facilities can be reviewed and approved in advance of a formal application to construct the facility. It is the lack of this authority which is the major obstacle to further reducing the long leadtime for nuclear powerplants.

An understanding of the need for legislative change begins with a brief look at the existing statutory structure for the licensing of nuclear powerplants. The Atomic Energy Act of 1954, as amended, provides for a two-step licensing process for nuclear powerplants. As the first step, a construction permit must be obtained from the Commission which authorizes the construction of the proposed plant at the site where it will be operated. The construction permit stage of the licensing process focuses on the preliminary design of the proposed plant and the suitability of the proposed site from the standpoint of both radiological health and safety and general environmental considerations. It is at this stage that the environmental impact statement called for by the National Environmental Policy Act of 1969 is prepared. A mandatory formal on-the-record public hearing must be held by an Atomic Safety and Licensing Board appointed by the Commission prior to the issuance of any construction permit for a nuclear powerplant.

The Atomic Energy Act also provides that no person may operate a nuclear powerplant without first obtaining an operating license from the Commission. Thus, the second step which must be completed in the licensing process is the issuance of an operating license. The operating license review focuses on the final design of, and detailed procedures for, the nuclear powerplant. A public hearing is held before the issuance of any operating license, if in the judgment of the Commission a person whose interest may be affected presents a valid request for such a hearing.

The Advisory Committee on Reactor Safeguards, a statutory committee of independent experts on nuclear safety, is required by the Atomic Energy Act to review each application to construct and operate a nuclear powerplant, and to submit a public report thereon to the Commission.

I continue to believe that the present two-step licensing system is unduly rigid and that flexibility must be introduced into the licensing provisions of the Atomic Energy Act so that other coherent and rational licensing approaches may be followed. In doing so, the guiding principles must be:

First. There must be no reduction at all in the exercise and achievement of the important regulatory responsibility which the law places on the Nuclear Regulatory Commission to assure that safety, the common defense, and security and the environment are all protected.

Second. The existing opportunity for proper public participation in the licensing process must not be diminished.

Third. The public and open conduct of the licensing process must be continued.

While these fundamentals must be preserved, the licensing process can and should provide for the most efficient and expeditious utilization of resources. Such a goal is well worth seeking in normal times. It is now an imperative goal in view of our current economic problems, caused in large measure by our growing dependence on foreign sources of oil. It will require the full use of nuclear power, together with all other presently available domestic sources and other sources now being developed, to enable this Nation ultimately to become adequately self-sufficient in its energy supplies.

I believe that if the bill which I am introducing is enacted, the 10 years now required to bring a nuclear powerplant on line should ultimately be reduced to 6 or 7 years. The savings to the public through elimination of unnecessary delay in the licensing of nuclear powerplants should be significant, both in monetary terms and in terms of the ready availability of the necessities of life which are increasingly dependent on a reliable and adequate energy base.

This legislation is one step which, along with perhaps many others, will move our country in the direction of energy sufficiency so that our people and their Government will always be in a position to be the master of their destiny and the architects of their own national policies and priorities.

Mr. Speaker, I include in the Record at this point a section-by-section analysis of the bill:

Section-by-Section Analysis

1. *Section 101* of the bill adds a new section 192 to the Atomic Energy Act of 1954, as amended. As stated in the preamble of section 192, the purpose of the section is to provide policy guidance to the Commission which is designed to improve the efficiency and effectiveness of the licensing process for utilization and production facilities and to eliminate any unnecessary duplication and delay in the approval process required for these facilities.

Subsection 192a.—Provides policy guidance to the Commission on public participation and the disclosure of information to the public. The subsection makes it the policy of the Commission to candidly and expeditiously disclose to the public information which it has concerning the radiation risks which may be associated with production and utilization facilities. The subsection requires that such disclosure, to the greatest extent feasible, should be in non-technical language. New section 192a. also makes it the policy of the Commission, subject to applicable disclosure limitations authorized by law, to make available to the public promptly all significant radiological safety information, including technical studies and reports, to simultaneously provide to all parties to a Commission licensing proceeding copies of all documents and written communications to or from the Commission which relate to the application being considered in the proceeding, and to open to the public all meetings between the Commission and any party to the proceeding which will include discussions of questions significantly affecting the radiological health and safety features of the facility.

New subsection 192b.—Provides policy guidance to the Commission for expediting licensing proceedings. The subsection makes it the policy of the Commission, consistent with its obligations to provide adequate protection to the public health and safety to provide for the full and equitable adjudication on the basis of an adequate record developed in a hearing at which each party has been given a fair opportunity to present its case, to assure that its licensing proceedings are conducted as expeditiously as possible. In particular, the new subsection urges the greater use of pre-hearing procedures to improve the effectiveness of licensing hearings by defining and shaping the genuine issues of fact to be considered.

Subsection 192 c.—Provides policy guidance to the Commission for achieving finality in its licensing determinations. The subsection makes it the policy of the Commission to achieve finality in its determinations by applying the essential principles of the judicial doctrines of *res judicata* and collateral estoppel to its licensing proceedings. Applying those principles, the Commission would exclude from a licensing proceeding any issue which had already been decided or which could have been raised or decided in a prior proceeding concerning the same facility, site or design on the basis of information reasonably available at that time unless the person seeking to raise the issue shows to the satisfaction of the Commission that there should be some further consideration to determine whether there should be some modification to the facility or whether some other action should be taken which will provide substantial additional protection to the public health and safety, the common defense and security, or the environment. The Committee understands that the Commission, through its Atomic Safety and Licensing Appeal Board, has already applied the doctrines of *res judicata* and collateral estoppel to Commission licensing proceedings. Nevertheless, should there be any inconsistency between the application of the policy contained in new subsection 192 c. and the Commission's prior determinations on the application of the judicial doctrines, the Committee's intent is that the policy contained in the bill be applied consistently with the principles of due process of law.

Subsection 192 d.—Provides policy guidance to the Commission concerning early notice to the public of a utility's intent to obtain a license or permit for a nuclear facility or site. The subsection authorizes the Commission to require any person seeking to obtain notice of its intent to do so in accordance with rules or regulations which the Commission may adopt. Such notices of intent would be published in the Federal Register and, together with other regulations which the Commission may adopt, would facilitate greater public involvement in a utility's early site planning program.

Subsection 192 e.—Provides policy guidance to the Commission on cooperative arrangements with other Federal agencies. As a further step toward improving coordination at the Federal level between the Commission and other agencies involved in the licensing of nuclear facilities on aspects other than radiological health and safety, the new subsection makes it the policy of the Commission to seek arrangements with such other agencies to permit the preparation by the Commission of a single detailed statement in accordance with section 102(2)(c) of the National Environmental Policy Act of 1969 covering all Federal actions related to the facility.

Subsection 192 f.—Provides policy guidance to the Commission on Federal-State cooperation in the approval of the environmental aspects of a proposed nuclear facility. In areas other than the protection of the public health and safety and the common defense and security—those areas which are the exclusive province of the Nuclear Regulatory Commission—the subsection makes it the policy of the Commission to coordinate its licensing and permit reviews and proceedings with any related state agency reviews or proceedings in order to improve the efficiency and effectiveness of those reviews. The subsection also makes it the policy of the Commission, consistent with its obligations under the National Environmental Policy Act of 1969, to avoid unnecessary duplication between Commission and state environmental reviews and take into account in Commisison proceedings data on the environmental costs, benefits and alternatives associated with the facility which have been developed by state agencies.

2. *Section 102* of the bill requires the Nuclear Regulatory Commission, in cooperation with other Federal and State agencies, to conduct a study to identify additional procedures for improving Federal and State participation in the review and approval of the environmental aspects of sites for nuclear facilities. The study, which would focus on improving the efficiency of environmental decision-making on facility sites, would consider all areas of site approval and review other than those within the exclusive province of the Nuclear Regulatory Commission—those related to radiological health and safety and the common defense and security.

3. *Section 103* of the bill adds Section 193 to the Act which includes additional licensing authority for the issuance of site permits, the issuance of a combined construction permit and operating license, and the issuance of an interim license to operate a nuclear facility pending the issuance of the full-term license provided specific requirements are found to be satisfied by the Commission. In addition to this new licensing authority, the section, for the sake of completeness and in order to avoid any ambiguity regarding the totality of licensing actions which the Commission is authorized to take under this Act, includes certain licensing authority which the Commission now has under the present Atomic Energy Act of 1954, as amended.

Paragraph (1) of subsection 193 a.—Authorizes any person to file a written application for separate approval of a site as suitable for one or more utilization or production facilities even though no application for a construction permit or a combined construction permit and operating license has been filed with the Commission. Under this procedure, States or other entities, which do not contemplate constructing or operating nuclear powerplants on their own account may apply to have sites for these facilities approved in advance of a utility's decision to construct a facility. This subsection provides that the Commission shall specify by rule or regulation the information to be supplied by the applicant for a site permit. It also empowers the Commission, on the basis of such siting criteria and other requirements as it may by rule, regulation or order establish, to issue site permits subject to appropriate conditions or to deny site permits. In developing these requirements and criteria, it is expected that the Commission will be guided both by considerations of radiological health and safety and common defense and security set forth in the Atomic Energy Act of 1954, as amended, as well as by considerations in other applicable authority including the National Environmental Policy Act of 1969. The Commission is also required to issue rules and regulations setting time periods for the duration of site permits.

Paragraph (2) of subsection 193 a.—Permits applicants for construction permits or combined construction permits and operation licenses who plan to build and operate a facility on a site for which a valid site permit is outstanding, to engage in certain preliminary site preparation and limited construction activities while the construction permit application is being reviewed. This is subject to any order which the Commission might issue, as well as to the Commission's rules and regulations. This procedure which is separate and apart from the procedure contained in subsection 193 b. of the Act, will permit construction of the facility to begin immediately upon issuance of the construction site permit, the essential preparatory work having been completed. This is accomplished under procedures which provide full assurance that the environment will be adequately protected. The preliminary work may only be performed on sites which have been previously approved by the Commission following a full environmental hearing and review on the adequacy of the site. The types of preliminary construction work which may be conducted are limited to those provided for by the Commission's rules and regulations. It is anticipated that the work will be similar in scope to that permitted under the established limited work authorization procedure which is restated in subsection 193 b. Safety-related construction activities under this paragraph could not continue beyond one year unless the Commission, for good cause shown, extends that period.

Subsection 193 b.—Confirms and broadens somewhat the Commission's existing authority under the rule-making powers of the Act to permit applicants for construction permits or for combined construction permits and operating licenses to begin site preparation work and limited construction activities at their own risk prior to the issuance of a construction permit either alone or in combination with an operating license.

Unlike paragraph (2) of subsection 193 a., the procedures in this subsection do not require the existence of a valid site permit. The procedures are, however, carefully drawn to assure that the activities authorized are without any adverse effect on either safety or environmental issues. Authorization to conduct such activities may be issued by the Commission only after environmental issues have been adequately resolved and requisite findings required by the National Environmental Policy Act of 1969 prior to the issuance of any construction permit have been made. Moreover, the Commission would also have had to find that there is reasonable assurance that the proposed site is suitable from a radiological health and safety standpoint for a facility of the general size and type proposed. If authority to undertake safety-related construction activities is also requested, the Commission is required to find further that these activities involve no significant unresolved public health and safety issues. The types of safety-related activities include such things as excavation, pouring foundations and related workup to finished ground level. This subsection also provides that any safety-related construction activities which are undertaken shall not continue beyond a one-year period unless the Commission, for good cause shown, extends that period. The Commission is also required to publish in the Federal Register notice of receipt of any request for authorization to conduct such site activities. The Commission must provide persons whose interests may be affected with an opportunity for hearings on all NEPA issues, and on the question of the suitability of the site from a radiological health and safety standpoint. Where safety-related work is involved, an opportunity for hearing on any significant unresolved public health and safety question is also to be provided.

The procedures in this subsection, it has already been demonstrated, will reduce the lead time required to bring nuclear facilities on line.

Subsection 193 c.—Authorizes the Commission to issue a combined construction permit and operating license whenever an application contains sufficient information to support the issuance of both in accordance with the Commission's rules and regulations. This combined license could be issued to an applicant who is able initially to supply full information on the final design of the facility. Under this procedure, review and an opportunity for hearing on the final design and a redundant operating license review and hearing would be eliminated. If such a combined license is issued, the facility involved would, of course, be subject to continuing Commission inspection during construction and prior to operation. Plants which have not been constructed in accord with the application and the combined license would not be allowed by the Commission to operate. The Commission is also required to publish a notice in the Federal Register at least 30 days before a facility for which such a combined license has been issued is expected to commence operation. This notice must provide persons whose interests may be affected by the operation of the facility with an opportunity for a hearing.

A hearing will be held if the person requesting the hearing demonstrates to the satisfaction of the Commission, both that there exists a factual dispute about a genuine issue of material fact regarding significant matters in the proceedings, and that, in the light *thereof* a hearing is likely to result in some modification to the facility or other appropriate action taken which will provide substantial, additional protection for the public health and safety, the common defense and security, or the environment. The foregoing hearing standard cannot be applied in a formula-type fashion in individual cases. The Commission or its representatives such as members of the Atomic Safety and Licensing Appeal Panels must apply the standard on a case-by-case basis considering the allegations which have been made, as well as all relevant circumstances including the prior proceedings which have been conducted in regard to the facility. In the final analysis, the judgment of the Commission or its designated, reviewing officials will have to be applied. The final decision would, of course, be subject to judicial review. The Commission would be required to publish procedures regarding the application of the foregoing standard. Such procedures could provide that the individual requesting the hearing must, as a part of the petition for hearing, provide affidavits to support the request. The ultimate burden of persuasion will rest on the person seeking the hearing since that person will be the proponents of an order seeking to modify or revoke an existing license. The Commission may, where prompt action appears necessary in the public interest, permit the interim operation of a nuclear facility under the authority of subsection 193 e. pending the completion of any hearing on the full-term license or amendment to an existing license.

Subsection 193 d.—Authorizes the Commission to issue a construction permit or a combined construction permit and operating license for a facility after review but without a further hearing under the circumstances specified therein. These circumstances are that the facility will be constructed and operated on a site approved pursuant to subsection 193 d. and that the preliminary design of the facility, in the case of a construction permit, or the final design of the facility, in the case of an operating license or a combined construction permit and operating license, has been approved by the Commission. Such prior Commission approval could be in a rulemaking proceeding or a manufacturing license proceeding.

The subsection provides that 30 days prior to issuing a construction permit or license under this authority, the Commission shall publish a notice in the Federal Register stating that consideration is being given to granting a permit or license. The hearing standard and relevant considerations are identical to the discussion above under subsection 193 c. The subsection also requires the Commission to publish a notice in the Federal Register 30 days prior to issuance of an operating license or commencement of facility operation. Such notice shall state that issuance of the license is under consideration or commencement of operation is expected to take place and opportunity for hearing is provided.

Subsection 193 e.—Authorizes the Commission to issue interim operating licenses or an interim amendment to an operating license in advance of the conduct or completion of hearings on the issuance of the full-term license or amendment to the full-term license. This authority could be used only if all requirements of applicable law are otherwise satisfied including Commission safety findings which are required for such interim operation. If such findings are made, the authority can be used if the applicant demonstrates to the satisfaction of the Commission that the facility should not be required to stand idle pending the completion of the hearing on the full-term license or amendment thereto. If such authority is used, the interim license or amendment shall contain and be subject to such terms and conditions as the Commission deems necessary, including those necessary to assure that any subsequent findings and orders of the Commission will be given full force and effect, and that the ultimate resolution of the issues on their merits will not be prejudiced. In view of the changes in licensing authority which should result in early resolution of regulatory issues, it is expected that this authority would not have to be used with great frequency. The subsection requires the Commission to publish a notice in the Federal Register of its intent to grant such interim authority, and shall request therein comments from interested persons on the consequences of undue delay in the operation of the facility. Any such interim license or amendment will normally not exceed twelve months, unless for good cause shown the Commission extends such period. Any final action of the Commission under this subsection is subject to judicial review.

4. *Subsection 201* of the bill amends subsection 182 b. of the Act to eliminate the present requirement for mandatory review of the Advisory Committee on Reactor Safeguards (ACRS) of certain construction permit and operating license applications. In addition, the amendment authorizes the ACRS to review manufacturing license and site permit applications. In view of the inflexible mandatory review requirements, the amendment to subsection 182 b. provides that in the absence of a specific Commission request for ACRS review and report on a particular application, the ACRS may dispense therewith by notifying the Commission in writing that it is the ACRS view that a review and report on the application is not warranted. This authority would also permit the ACRS to dispense with the review of certain classes or types of facilities pursuant to rule concurred in by the Commission. In all circumstances, however, the ACRS itself will make the decision on whether any application should be reviewed. The ACRS has strongly supported the need for this flexibility to enable it to direct its activities to those matters which in its judgment require review. Finally, the amendment to the subsection provides that any ACRS report or any ACRS notice that a report is unnecessary shall be made a part of the application record and be available to the public except to the extent that security classification prevents disclosure.

5. *Section 202* of the bill amends Section 185 of the Act, which authorizes the Commission to issue construction permits as follows: (1) Adding introductory language which is needed in view of the additional licensing authority which is included in the new section 193; and (2) deleting the present mandatory requirement that construction permits specify the earliest and latest dates for completion of the proposed construction. The fact that section 185 by its terms is based on the existing two-step licensing process (first a construction permit and then an operating license) explains the need for its introductory sentence to recognize the additional licensing authority in the new section 193.

As to the deleted language concerning construction time, the Commission has advised the Committee that experience has shown that the language has not served any significantly useful purpose in the licensing of nuclear facilities.

6. *Section 203* amends subsection 189 a. of the Act. That subsection, which provides for hearings in certain Commission proceedings, is amended to eliminate the present requirement that a hearing be held on each application under Section 103 or 104 b. for a construction permit for a facility and on any application under subsection 104 c. for a construction permit for a testing facility even in the absence of any hearing request. The amended language would require instead that an opportunity for hearing be provided in connection with any proceeding to issue, amend, suspend or revoke any license, construction permit as well as the other activities which have always been covered by the subsections. Under the amended 189.a. although a hearing on the issuance of a construction permit would not be mandatory in all instances, a hearing would be held in all instances when a proper request is made for a hearing which satisfies the applicable requirements of this Act, particularly section 193, and the procedural requirements of the Commission. The Commission on its own initiative may schedule a hearing on any administrative matter. The amendment deleting the mandatory hearing is responsive to two factors. First, under the licensing authority in section 193 the major issues associated with the siting of a nuclear facility would be examined in connection with the review of an application for a site permit, which could well precede any application for a construction permit by a substantial period of time. It is at the site approval stage that the opportunity for full ventilation of the public's views regarding site acceptability is the greatest and the most effective. Consequently, there should be opportunity for full public participation in a proceeding to consider an application for a site permit.

The second factor supporting the deletion of the mandatory hearing requirement is the experience of the Nuclear Regulatory Commission shows that the requirement results in as much as five months additional licensing processing time even in the proceedings in which no issues have been raised by the Commission or by any person whose interest could be affected by the proceeding. The additional level of review under these circumstances results in a built-in period of delay without any commensurate benefits.

The subsection, as amended, would continue to provide for notice of proposed licensing actions by the Commission to be given at least 30 days in advance of the granting of the application. As in the present law, subsection 189 a. further provides that the requirements of publication and 30 days notice may be waived for those amendments which the Commission has determined involve no significant hazards considerations. Although a hearing may be requested on any amendment application to which the waiver of publication and 30-day notice applies, the hearing in such instances would be held after instead of before issuance of the amendment.

[NOTE.—All of the following sections are conforming amendments to existing sections of the Act which are required in view of the licensing authority in the new section 193:]

7. *Subsection 301* of the bill is a conforming amendment to section 29 of the Atomic Energy Act of 1954, as amended, to authorize the Advisory Committee on Reactor Safeguards to review site permit applications.

8. *Section 302* of the bill is a conforming amendment to paragraph (2) of subsection 105 c. which is needed because of the changes in the licensing authority provided for in the new section 193. The present provisions of paragraph (2) of subsection 105 c. of the Act permit supplementary antitrust review in connection with the assurance of certain operating licenses. Under the new section 193, an application could be filed for a combined construction permit and operating license. Under the conforming amendment, a single prelicensing antitrust review under section 105 of the Act would have to be conducted and completed prior to the issuance of the combination permit and license. On the other hand, if the Commission authorizes the interim operation of a nuclear facility under section 193, the provisions of paragraph (2) of subsection 105 c. remain applicable. In such event, the Commission would be required to complete the supplementary antitrust and hearing prior to issuing a full term license. However, interim operation of the facility would not be precluded.

9. *Section 303* of the bill is a conforming amendment to subsection 161 o. of the Act to extend to the licenses which are authorized to be issued by the Commission under the new section 193, the Commission's authority to require reports and records and to make inspections.

10. *Section 304* of the bill is a conforming amendment to subsection 186 a. of the Act which is needed to extend the Commission's revocation authority to site permits authorized by section 193.

11. *Section 305* of the bill is a conforming amendment to Section 187 of the Act which is needed to make site permits authorized by section 193 subject to amendment, revision or modification in the same manner as licenses by reason of amendments to the Atomic Energy Act of 1954, as amended, or of rules and regulations issued in accordance with the terms of the Act.

12. *Section 306* of the bill is a conforming amendment to subsection 189 b. of the Act which is needed to make final Commission actions under the new section 193 subject to the judicial review provisions of subsection 189 b.

13. *Section 307* of the bill is a conforming amendment to subsection 191 a. of the Act which is needed to authorize the Commission to delegate to Atomic Safety and Licensing Boards certain functions respecting site permits authorized under the new section 193.

THIRTY-THIRD ANNIVERSARY OF THE WARSAW GHETTO UPRISING AND MEMORIAL SERVICES FOR 6 MILLION JEWISH MARTYRS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, each year for the last 33 years the survivors of the Holocaust have taken note of the infamous action of the Nazis by commemorating the Warsaw ghetto uprising. For those who are sadly not familiar with the term, "Holocaust," it refers to the near extinction of European Jewry by the Nazis. On April 25, the 33d annual commemoration was held at Temple Emanu-El in New York City. I attended that gathering which filled the synagogue and was moved to tears by the remarks of those who addressed the congregation as I have been on every such occasion. There was not a person in the hall who at some time during the ceremony was not similarly moved to tears.

We must remember the martyrs who give us strength to prevent future such martyrdoms. The world must never forget and we who are the descendants physically and spiritually of those martyrs must make certain that the world is not permitted to forget. For if we have learned any lesson through the ages of suffering and persecution, it is that every age is capable of the vilest acts—and indeed we see such vileness today in the world about us.

The program from Temple Emanu-El is appended because I believe our colleagues will benefit from a reading of the moving statements made on that occasion:

Thirty-third Anniversary of the Warsaw Ghetto Uprising and Memorial Services for 6 Million Jewish Martyrs

Time: Sunday, April 25, at 1:30 P.M.

Place: Temple Emanu-El, Main sanctuary and all adjoining halls connected with closed circuit television. Outdoors at 5th Ave. from 65th–67th Streets by loudspeaker hookup.

Attendance: Approximately 10,000–15,000 people. (Weather permitting.)

Highlights: Hundreds of commemorative candles lit by survivors of the Holocaust.

Candle Lighting ceremony for Six Million by survivors of Nazi Concentration Camps.

Presentation of Special Appeal.

Chairman: Benjamin Meed, President of Wagro, Survivor of the Warsaw Ghetto.

Invocation: Rabbi Ronald B. Sobel, Spiritual Leader of Temple Emanu-El.

Guest speakers: Chaim Herzog, Israel Ambassador to the U.N.; Abraham D. Beame, Mayor, City of New York; James L. Buckley, United States Senator (N.Y.); Rabbi Alexander M. Schindler, Chairman, Conference of Presidents of Major Jewish Organizations.

Participants: N.Y. Congressional Delegation; Leading Federal, State and City Officials; Heads of National Jewish Organizations; Leaders of New York City Clergy; Misha Raitzin, Tenor, Metropolitan Opera; David Kusevitsky, Cantor; Temple Emanu-El Choir (under the direction of Cantor Arthur Wolfson); Ramaz School Chorus.

E-L Mole Rachamim: David Kusevitsky, Cantor.

Kadish Be'Sibur: Hirsh Altusky, Editor of Wagro Bulletin.

Ghetto songs: Misha Raitzin, Tenor, Metropolitan Opera.

The 33rd Annual Commemoration of the Warsaw Ghetto Uprising Held at Temple Emanu-El, Fifth Avenue and 65th Street, New York City, April 25, 1976

(Opening remarks: Benjamin Meed, Chairman of United Commemoration, President, Warsaw Ghetto Resistance Organization (WAGRO):)

We are gathered here today mark the Thirty-third Anniversary of the Warsaw Ghetto Uprising—to Remember the Six Million Jewish Martyrs.

We say, "To Remember", not only because we want to mourn their deaths—but we say, "To Remember", because we would like to Remember their lives, their belief in humanity under undescribable inhuman conditions of the Ghettos and Nazi death camps.

In all of us assembled here today burns a flame, something like a yahrzeit candle, that flares when we recall the most catastrophic destruction the world has ever known.

Once again, we light the yahrzeit candles in the memory of our Kedoshim, searching for some way to symbolize, to memorialize, to bring home, both to ourselves and the world, the tragic past of our own generation.

To us, gathered here for this most solemn Commemoration, the Warsaw Ghetto Uprising is not a mere historical fact, but an integral part of our very beings, a heritage and sense of obligation we must carry with us wherever we go.

It is a heritage that we carry with sorrow but at the same time with pride, for it is a heritage of heroism, a fight against the most horrible conditions, against impossible odds—to maintain human dignity, to prove that the spirit of the Jewish people, the spirit of humanity, could never be extinguished.

Thirty-three years later, as we get further away from those horrible years, we feel our loss more acutely, now, than we did in the years immediately after the Holocaust.

For in those early days, we had no clear conception of the enormity of our loss. And even after we learned that we had lost Six Million Brothers, Sisters, Parents and Children, the impact of this fact was not totally understood.

Now, each passing year brings the enormity of our loss back home, as a new generation of Jews grows up, who never knew their grandparents, and never experienced their world, their culture of 1,000 years of European Yiddishkeit.

With each passing year, we feel Jewish life is made poorer, as a whole generation of Jewish culture is missing. We are missing the authors, the scientists, the playwrights, the composers and the political leaders. They have not been and cannot be replaced.

And yet, we do not think only in terms of loss, for our great tragedy, together with the spirit of struggle and resistance, of heroism and martyrdom, has become an integral part of the foundation of the State of Israel. There the children of the survivors of the Holocaust stand side-by-side with other children of Israel guarding the land from the Hills of Golan to the Desert of Sinai. These are children who have grown up, nourished on the courage and experiences of their parents and their fallen brethren. The spirit of the Six Million is now an inner strength, which they carry within themselves.

Today, more than ever, we must learn the lesson of the Warsaw Ghetto Uprising, and Remember their message. The message which those few Jews still surviving in the Ghetto, sent out in the 11th hour of their struggle, was: "Remember us! Do not Forget what we have suffered at the hands of the Nazis! Remember! And do not let the world forget!"

And, today, as the world turns its back on our brethren in the State of Israel, we remember all the more the isolation and frustration we in the Warsaw Ghetto felt when our pleas to the outside world for help fell on deaf ears.

A world that knew what was going on, knew about the Nazi death camps, knew about the gas chambers and the killing of millions and chose to do nothing, to be silent.

And, as we follow the events in the United Nations and around the world, we, who witnessed the destruction of European Jewry, grow day-by-day more fearful that yet another Holocaust is possible. The impossible happened once already; who is to say it cannot happen again? It is up to us to be on guard and not to allow history to repeat itself.

On this day of Commemoration, our hearts and thoughts are with our brethren, the silent and not-so-silent martyrs still oppressed behind the Iron Curtain and elsewhere. We are with them.

Never again, can we let the world sit idly by, while the Jews of a nation face the threat of extinction, whether it be cultural or physical. Never again, can we let the world turn a deaf ear on their pleas for help.

Yes, we, the survivors, remember! And we will remember! Not only as Jews, but as human beings, we know and wish to keep on reminding the world that the Holocaust was not just a bad dream—that it happened—however inconceivable. It happened in reality.

It is precisely because of the human tendency to forget, that it is our duty not to let ourselves and the world do so. We must remember the anguish and the agony and the guilt of the world that allowed it to happen.

Only by remembering and by teaching the next generation is there hope that mankind will not permit another Holocaust to occur.

An Appeal To Assure That the Next Generation Shall Not Forget

We appeal to the people and the leaders of the city of New York and the State of New York:

And ask that:

The story of the Nazi holocaust in Europe, 1939–1945, which included the destruction of six million Jewish people, be placed permanently in the curriculum of the educational system of high schools and colleges throughout the State of New York;

Individual and organizational assistance be given to establish and maintain a permanent museum of the holocaust in New York City—corresponding to the Yad Vashem heroes and Martyrs Memorial Museum in Jerusalem—consisting of a memorial room, an exhibition hall, a library, and facilities for research and study.

Thirty years ago the world was recovering from the bloodiest and cruelest war in the history of mankind. We all hoped and believed there would be no more wars; that peace would prevail on earth from then on . . .

However, as we are getting further away from those horrible years, we begin to acquire a better perspective and better understanding of what happened then and what it means in terms of history. What lesson do we learn from the Nazi era itself and from later events in the years that followed after World War II? The principal lesson is simple and frightening: What was thought impossible is indeed possible! What was thought unbelieveable can indeed happen again!

We must prevent another calamity before it even begins to develop.

We must not wait.

We must not hestitate.

We must not procrastinate.

We must act now!

The way to prevent another holocaust is to teach our younger generation, and the following generations, about what happened in the years 1939–1945. They, and all others, must know, must understand, and must remember.—Warsaw Ghetto Resistance Organization—WAGRO.

Remarks by Mayor Abraham D. Beame at the Commemoration of the Warsaw Ghetto Uprising

Rabbi Sobel, Rabbi Schindler, Mr. Meed, Ambassador Herzog, Senator Buckley, members and supporters of the Warsaw Ghetto Resistance Organization:

For all our history, our people have been targets.

Wherever we lived, including this great country of freedom and respect for rights, we have been victims of discrimination.

In some countries, we were made scapegoats and were sent into exile.

The rulers of other countries, from the old pharaohs of Egypt to the present tyrants of the Soviet Union, have refused to let our people go.

And then, there was the holocaust—genocide on an unprecedented scale!

Six million Jews were wiped out as sacrifices on one madman's altar to a super dream of world supremacy shared by the people of a whole nation.

But, some Jews resisted, and "Enough! No more!" became the rallying cry which led to the Warsaw Ghetto Uprising 33 years ago. It took overwhelming numbers of Nazis, tanks, cannon and machine guns, to quash the rebellion.

Ultimately, the Nazis had to burn the ghetto to the grounds.

Your chairman, Benjamin Meed, and his wife Vladka, who wrote the book "Both Sides of the Wall," were active members of the underground movement in the Ghetto, and they survived the Uprising.

Vladka's resistance took the form of carrying vital messages and supplies between those caught in the Ghetto and sympathizers outside. She would be lifted over the wall or sent through underground passages beneath the wall, knowing that if she were caught by the Nazis, she would meet certain death.

But, she carried out her duties with courage and resourcefulness, and we in New York City are proud to have her and Benjamin as our fellow citizens.

There were many, many more heroes and heroines, and most of their deeds remain unrecorded. Others dedicated themselves to the task of never letting the world forget what happened in Warsaw in 1943. Benjamin is one of them.

He has gotten more and more people to see that we must always remember the Warsaw Ghetto Uprising and the six million Jewish martyrs who were slaughtered during the Second World War.

My own mother and father lived in Warsaw in the early part of this century.

If my father had not been a freedom fighter and if he had not been forced to flee from Czarist persecution for defending human rights and justice, I might have been born in Warsaw instead of London.

My family and I might have perished in the Uprising, except for the twist of fate which saw my father bringing my mother and their new child to America.

But what do these annual commemorations accomplish, since every year there are new problems for Jewish people all over the world to face?

I'll tell you what these commemorations accomplish: Not just the survival of the Jewish people, but the survival of all human rights.

They are a reminder that it doesn't take much for civilized people to degenerate into murdering savages.

Could genocide happen in the United States? Could six million Jews, or six million people of any race or religion or ethnic origin, be slaughtered here in the United States just because they are what they are?

We say "No, never." But, we would be foolish to go to sleep. It would be a disaster for us to throw away our memories of six million Jewish martyrs and of heroic movements like the Warsaw Ghetto Uprising.

Freedom has a high price—eternal vigilance. There will always be attempts, usually small ones, to take away this liberty or that.

We may be free today, but only because we have continued to remember what happened four decades ago which made a mockery of all social progress up to that point.

We are old enough to remember the Uprising. We must make certain that our children and grandchildren are not young enough to forget.

If we forget, we die. If we remember, we survive.

As a people, we have suffered, we still endure, and we will survive.

Thank you.

Warsaw Ghetto Service of Remembrance

(By Rabbi Alexander M. Schindler)

Once again we are assembled in this sanctuary. Once again a sacred service of remembrance summons us here.

Not that we really need this *hazkarah* lest we forget. We need no reminders. We remember too well. Memories come . . . to interrupt our sleep . . . to still our laughter . . . to fill our silence with the voices of the past.

Our memories are haunting, hurting. They still make us stagger. The pavement sinks under the feet, the walls spin round, the world reels. We cannot stop it even if we would. We cannot pluck out the remembrance of the *shoah* from us, its anguish pierced too deep. The bitterness has eaten into our sinews, dissolved our flesh into festering sores, reduced the very spirit of our lives to sparkless, blackened ashes.

And our response to these aching memories is silence. It must be that, it always will be that—a silence. For our speech has been stifled by darkness, and our suffering is of a kind which has no tongue. The martyrology of the Jew is one long stillness, an endless, silent scream reaching for the heavens—where God was silent too.

And yet we must speak, for we are the spokesmen of the dead. It is our duty to be their witnesses. They struggled to survive, "not only to survive but to testify."

Those who lived through and outlived this evil do not need to speak; *di gele late*, the yellow badge is burned on our flesh for all to see. But our ranks are thinning; the generations come and go. Memory fades. And there are those who have determined to wipe its slate, to make it seem as if these things had never been.

And so we must speak—and meet, and write—however faltering our tongue and unavailing our speech.

And we begin and seal this task as did our fathers with words hallowed by the centuries of our martyrdom: *Yitgadal, v'yitkadash sh'mey rabba*. . . .

It has been ordained that this prayer be repeated six million times. People must never forget why this is so.

Suffering is often called a mystery. It is truer to speak of it as a revelation; for it enables us to see what we often fail to see, to feel what the world inclines us not to heed.

The first of these truths which issues from the experience of anguish is the awareness of our essential unity as a people. As we were brothers in death so are we brothers in life.

And we resolve to act as brothers should. Wherever there is a Jewish community which is embattled, our help will be forthcoming. Wherever there is a single Jew in danger, in whatever country or continent or the remotest corner of our far flung world, we will reach out to him, giving our hand, our heart, our life. Never more will it be said: that we had eyes but did not see, that we had ears but did not hear, that we had mouths but failed to speak.

Aye, we are one and indivisible. Our life forever demands involvement with a larger fate—the fate of Israel. The individual Jew is a lie and a fraud when he is more an individual than he is a Jew. He emerges whole, authentic only when he surrenders himself to the cause of his people.

There is a second truth which emerges from the experience of our anguish—not just the awareness of our essential unity as Jews, but that awareness, also, which speaks to us of a common humanity. We are bound to one another, *all* humans are, in an unbroken unity of pain.

We cannot deny this reality. True, the *shoah* is *sui generis*, unprecedented in its evil; there is a chasm, a yawning gorge of blood which separates it from all other cataclysms engulfing modern man. Still, it is only *one* fearsome road leading into the abyss of human evil. Our age has many pathways sinking into this hell: starvation in the midst of plenty, the archipelagos of Russia, a rain of death all over this earth. *A velt brennt brider, nit nor unzer shtetl* . . . The world is aflame, not just *our* villages.

And so there is a second resolution forged on the anvil of Jewish suffering: we will not stand idly by the blood of our brothers—not our own blood, nor the blood of our brother man. For Jewishness can never be defined only in parochial terms; we see the saving of the world as the necessary precondition of our own redemption.

Is this too much to ask? Can we really rise above our sorrows to sense the sorrow of others? Can those eternally rejected by mankind nonetheless retain their faith in man?

Ask the survivors, *they* did! Des Pres' study of the anatomy of life in the death camps has established it for all time to come: there was a connection between staying alive and staying human. Survival in the camps did not at all import a war to the death against all. To the contrary, survival depended fully on an essential humanness, on an "active sense of conscience and of dignity." As a Belsen inmate recalled, in words most beautiful to hear: "Even when in death, we remained in the midst of life."

It *is* possible to rise above our sorrows. At any rate, this is what we Jews have always been challenged to do. Reb Yaakov Yitzhak may well have had precisely such a challenge in mind when he said: "*Nissim*, miracles are relatively easy to perform. It is infinitely more difficult to be a Jew."

We meet to remember the heroes of Warsaw, the Jews of the ghetto who fought unarmed, with bare hands facing guns and tanks and planes and yet they prevailed for they set the way in which they themselves would die.

We remember with honor *all* who were seared by the *shoah* those who survived and those who, alas, did not survive. They too were heroes, for heroism comes in many forms. And one such form assuredly is this: to cling to humanity in the innermost circle of hell.

Their remembrance and example give *us* strength to turn from death to life, to hope where others despair, to love where others hate, to retain our belief in humankind and the conviction that, in spite of everything, there is a meaning in human history.

Thus do we give substance to the words of our tradition, those words which we repeat six million times—and more; *Yitgadal v'yitkadash sh'mey rabba* . . . Magnified and sanctified be the Name of God.

JERUSALEM, *April 7, 1976.*

Mr. BENJAMIN MEED,
Chairman, United Commemoration Committee, Warsaw Ghetto Resistance Organization, New York, N.Y.

DEAR MR. MEED: Jewish history in this generation has been marked by such great tragedies and by such great new beginnings that our traditional calendar has had to be expanded. It now includes new dates which summon up whole worlds of emotion and remembrance. Actually, it is essential, as well as deeply moving and appropriate, that you of the Warsaw Ghetto Resistance Organization bring together thousands of Holocaust survivors every year in New York to commemorate the anniversary of the Warsaw Ghetto Uprising.

In its desperate, superb heroism the uprising was the noblest, the most memorable of challenges to murderous anti-Semitic totalitarianism. It remains the great symbol of the Jewish struggle against overwhelming forces. It continues to give courage to us in Israel, the State that has risen out of memory, sweat and tears, to revive the historic life of the Jewish people, the State that, despite so many threats to its existence, will survive and flourish because Jews everywhere are united in love and concern for Zion.

EPHRAIM KATZIR.

ADDRESS BY HIS EXCELLENCY, AMBASSADOR CHAIM HERZOG, PERMANENT REPRESENTATIVE OF ISRAEL TO THE UNITED NATIONS

As I sat during the past days in the United Nations listening to the deliberations and facing once again the interminable assault on Israel, the words of the Hagadah came to mind: In every generation we should see ourselves as having participated in the Exodus from Egypt. So should we in every generation see ourselves as having stood up as a people, and as in the Exodus or in the Warsaw Ghetto, having proclaimed "enough, we are not prepared to compromise on our dignity as a freedom-loving people."

It is time we made this proclamation as a people again. For we now detect disturbing signs or appeasement, alarming indications of an attempt by many Western countries to turn a blind eye, to by-pass the problem, to pretend it does not exist. How reminiscent are these signs of what occurred forty years ago when Nazism was on the rise and the anti-Semitic rantings of Hitler reechoed across Europe, sounding the warning note to humanity, a warning which went unheeded until the world was plunged into a bloodbath which was to lead to a holocaust such as humanity has not yet witnessed.

Here we are again in 1976 with the alarm sounding again for humanity, alas largely unheeded.

What we have experienced in the United Nations should have sounded the alarm for all decent and freedom-loving people throughout the world. When a gun-toting terrorist leader was received with adulation and a standing ovation with honors accorded normally to the head of a state by the General Assembly, when the General Assembly is exhorted without so much as a demur on the part of at least the representatives of the West, to eliminate a member state by a racist murderer head of State, when an abomination such as the Zionist resolution can happen in the World Assembly, when all these examples of cynical expediency and many more occur, then we have a clear indication of the direction in which the world is moving. It is time to sound the alarm and rally all free and decent people to gather to defend the cause of human freedom which is threatened.

It is right and appropriate that we meet here in the shadow of the ominous developments in the U.N., reflecting as they do the dangers which threaten free societies everywhere, and recall the selfless courage of those who rose in the Warsaw Ghetto thirty-three years ago and proclaimed that man's spirit is stronger than the arms of the oppressors, who announced to the world that never again will we the Jewish people fail in our duty to our tradition and values and our history, and that we will always rise to fight against the forces of evil which threaten us and which threaten the free world.

Not only has the United Nations, which has been characterized by a leading writer as the most corrupt and most corrupting organization in the world, become the principal center of anti-Semitism in the world, but because of the utter lack of moral basis to the organization today, it has become the outstanding example of the betrayal of those principals, first enunciated by the Jewish prophets, which prompted the establishment of the United Nations, created as it was as an anti-Nazi alliance at the end of the World War. One has but to contemplate what is happening in the Lebanon today to appreciate the utter moral bankruptcy of the world community.

The terrifying impotence of the General Assembly and the cynical heartlessness of the United Nations can be highlighted by no better example than the case of the Lebanon. Well over thirty percent of the time *of the* General Assembly of the U.N. was devoted to villifying and attacking Israel. All this occurred while a nation in the Middle East, the Lebanon, was bleeding to death, while a member of the United Nations was, and is, being strangled by internecine warfare. As hundreds of Christian hostages were being shot dead every night in the Lebanon for one reason and one reason only, namely the fact that the designation "Christian" was marked in their Identity cards, the United Nations was engaged in its paranoiac obsession with Israel. An entire Christian community of one million people was and is in danger. A terrifying human tragedy has been unravelling itself before our eyes while the world looked on in silence and the only voice raised in the U.N. was, I am proud to say, the voice of Israel.

Is there no limit to the baseness of international cynical hyprocisy as reflected in this situation? Here we see some 20,000 people dead and some 50,000 wounded in a terrifying development which threatens to develop into a human holocaust, and what has the Security Council done? Nothing! The U.N.'s silence is as shattering as is that of the Christian Churches which, gagged by expediency, contemplate in shameful silence as their flock is threatened with extinction.

In a world where this can happen, let us the Jewish people have no illusions.

In the words of King Solomon:

"Who says to the wicked you are innocent, will be cursed by peoples, abhorred by nations."

We are told that the Syrians' role in the Lebanese crisis has been constructive. So that we appreciate how constructive the Syrians have in fact been in the Lebanon let us turn to President Sadat of Egypt, who recently described their role as follows:

"Why didn't the Lebanese battle stop 10 months ago? It is understood that it was Syria . . . which was feeding this battle. It was (the Syrians) who were supplying arms to both sides. They could have stopped all of this destruction. How is it that the fighting stopped ten months later? I have the details, and I know the reason. . . . The Syrians gave arms to both sides. They know very well that I have the full details of what was being supplied to both sides: to the Moslems to kill the Christians, and to the Christians to kill the Moslems."

So much for the constructive role of the Syrians!

This turning a blind eye to the behaviour of dictatorships and despotisms, this ostrich-like attitude to the irresponsible behaviour of petty dictators, this alarming tendency to ingratiate oneself with despots which has become the accepted norm in the West today, these are the dangers which face us, these indications must sound the alarm for they augur disaster. It behoves us here at this Assembly, recalling the holocaust, to remember those who fought to withstand evil, to cry out in warning to the world, lest we be plunged into the darkness which threatens the world again.

On all sides we see the disturbing signs which presage evil. A group of extreme despotisms has taken control of the United Nations and has converted it into a body which is becoming a centre for hate and warmongering. Indeed, the manner in which the General Assembly has dealt with the Middle East problem is a tragedy of major international proportions. Its implications are terrifying and sinister.

Israel, one of a small handful of democracies left in the West, out of a total of 144 members of the U.N., is beset by an unholy coalition of Communists and Arabs who repeat parrot-like the solution which they propose for Israel, which is nothing more or less than an invitation to suicide. For the main issue is not the question of territory, it is not a question of Palestinians, although these are both important. It is a question of change of heart in respect of Israel on the part of the Arab countries.

At the heart of the conflict lies the Arab refusal to recognize the right of the Jewish nation to self-determination and national sovereignty. Until that change is achieved, no meaningful advance can really be attained.

We declare here and now on this holy rostrum, dedicating ourselves as we do today to the memory of our brethren who rose against the most fearful odds, that we seek peace, that we are willing to negotiate for peace. But, we will not be dictated to, we will not accept an imposed solution of any kind, we will never negotiate our own suicide.

As we go forth from this Assembly, let us do so, mindful of the Jewish courage which came to sublime expression in the Warsaw Ghetto uprising: let us recall the handful of desperate, outnumbered, and doomed rebels fighting through the sewers of Warsaw, and dying in the crumbling masonry of the ruins of the Ghetto; let us be mindful of those dust-covered heroes fighting to the last bullet and their last breath, as slowly, inexorably, and relentlessly the Nazi machine bore down on them, pounding away mercilessly with tank and artillery fire at point-blank range as position after position fell; let us bring to mind the streets of the Ghetto whose names are part of Jewish folklore, streets in which so much that is great in Jewry was born, lived, wrote, created, and died; along which many of the giants of Jewry paraded, and from which so many departed to enrich Jewry in our country, Israel, here in the United States, in Europe; streets which housed the power-house of a nation, streets which now lay covered in ruins defended by helpless remnants; let us relive the silence of death which fell on the dust-covered ruins broken only by the moaning of the wounded, by the whimpering of a child, by the tramp of the jack boots.

Let us remember and never forget, and as we remember, let us each and every one of us, renew the vow, "never again"; let us renew the vow of life, and fortified by the memory of those who did not fall in vain, and our belief in "the Rock of Israel," move forward with confidence and hope in our hearts.

MORE ON SEXUAL ASSAULTS IN PRISON

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the state of our prisons is horrendous. Among the most disturbing of conditions is that of sexual assaults of inmates by other inmates and, on some occasions, by prison officials. An article on this subject was just published in the Advocate in its May 5 issue and was authored by David Rothenberg, a founder of the Fortune Society—the national prison reform organization. Mr. Rothenberg recounts some case histories which will shock our colleagues, as they should. Perhaps if sufficient attention is given to this brutal issue we will ultimately see city, State, and Federal legislators taking on the issue of prison reform, which rarely has any support. The article follows:

GROUP RIP-OFF: THE PRISON RAPE!

(By David Rothenberg)

Bob Martin was raped 60 times during one weekend in a Washington, D.C., jail.

Ralph Gans was assaulted by 17 men during an inmates' "political" riot. He was hospitalized for months.

Tico Gonzalez was raped by three guards in a city jail on Christmas Eve.

Harvey Masters was seven when he was sent to a home for unwanted boys and was jumped by four kids twice his age.

Over a dozen inmates sexually abused a hated prison guard during a well-publicized prison uprising.

The Prison Rape!

It is the subject of political rhetoric, journalistic probing and detailed statistical reports, books, films and plays.

The prison rape—the group rip-off—results in maimed bodies, disturbed psyches and bitter recriminations. It scars the victim and the victimizer, and all of society picks up the tab at a later date—one way or another.

It begins in training schools and orphanages where boys as young as four years of age are forced into submission and it accelerates as adult men in prison stand in line and knowingly batter the insides of a selected victim.

Prison rape becomes the ultimate shame. It destroys the spirit and symbolically serves as the demasculinization of the victim.

There are no statistics on prison rape. Few men will speak of it. They bury it deep, but the hurt festers inside and seeps out in numerous ways.

Male rape within institutions (particularly in the overcrowded city jails) is a common enough phenomenon to justify the speculation that there are as many male victims of violent sexual assault as there are female victims.

Prison rape has traditionally been called "the homosexual problem." Gay people have responded by referring to the sexual rip-off in prisons as "a problem of heterosexual victimization of gay and non-gay people."

In fact, the prison rape is a prison problem. It is the violent and sexual result of a repressive and oppressive environment. The system is indiscriminate in its victimization. Gay men, while specifically taunted and abused in a prison surrounding, do not have exclusivity in that area.

Such diverse books as Susan Brownmiller's *Against Our Will* and John Herbert's play *Fortune and Men's Eyes* have revealed that rape is more than sexual lust. It is also a release of anger and violence which can find a curious satisfaction and sense of power when it is sexually directed.

It is necessary to describe the prison culture if rape is to be understood in its total context within the institutions.

More than half of the men in adult prisons have had some experience in childhood institutions: orphanages, reformatories and training schools. They learned early about the use of sexual control as a means of institutional power. "I was seven and he was 12. He raped me and I learned to carry a knife on me." Violence rules.

The majority of the prison population consists of young men under the age of 35. They bring much sexual ambivalence from the streets into the prison. The inmates represent a lower-economic group of society, imbued with macho role-playing attitudes. ("In the joint I had me a woman. She was a fine bitch and knew how to take care of her old man.") Obtrusive displays of male behavior rule the inmate pecking order. Though homosexuality is an accepted aspect of prison existence, the role one assumes becomes a significant factor in the power structure. ("I'm a man. I'm not a homo. Sure, I screwed a lot of asses, but no one got near my cakes. I'd split them open first.")

On paper, sex is a prison no-no. The official stance is to deny its existence and stifle its possibility. Subsequently, it hovers in the mind. It is threatening, ubiquitous and miscalculated. Administrators and officials have always been very uptight about sex. Masturbation is still a punishable offense in many institutions. The guards and wardens have virtually no informed knowledge about human sexuality and give no indication that they are in touch with their own sexuality, much less the real and present sexual needs of the thousands of men in their custody.

These institutions house adult men but give them infantile regimentation. Absurd, childlike rules inhibit the feelings and attitudes of active and angry young men. There is little opportunity to confront yourself in prison. Survival becomes a way of life. Prisoners have to learn how to manipulate and machinate to survive—to endure the guards and the other inmates. Large, monolithic institutions are brimming with tension. When you enter places like Attica, Trenton, San Quentin or Leavenworth, you can feel the tension in the air. It is angry and it is sexual.

Bill Sands described the atmosphere of prison in his book *My Shadow Ran Fast*:

"Everywhere, every minute—like the air you breathe—there is the threat of violence lurking beneath the surface. Unlike the air, it is heavy, massive and as oppressive as molasses. It permeates every second of everyone's existence—the potential threat of sudden, ferocious annihilation. It is as gray and swift and unpredictable as a shark and just as unvocal. There is no letup from it—ever.

"With it, however, comes an animal wariness that imparts the appearance of calmness and indifference. Yet it is the prickling watchfulness of a hungry wildcat or a prodded cobra."

Rape in prison has numerous perspectives. When you talk with convicts and ex-convicts, it can stagger the sensibilities to note the range of attitudes about sexual assaults in the joint.

Bob Martin was protesting the Vietnam War when he was tossed into a Washington, D.C., jail back in 1973. Prison officials moved him onto a tier of men who were awaiting trial for crimes of violence. They threw a lamb into the den.

He was sold and purchased for cigarettes.

It was reported that "during the indoor recreation periods of Aug. 21 and 22, Bob Martin was overpowered, threatened with death, dragged from cell to cell and forcibly raped some 60 times."

Martin reflects that several factors provoked his extreme victimization. He did not fight back, but of even more significance was the fact that he did not cooperate. Assessing the prison codes, he now recognizes that if he had role-played (become agreeably submissive and feminine) he could have adopted a single protector—"an old man."

A few of the men did not participate in the gang splash and offered verbal sympathy, but did nothing to halt the barrage attacks. Several offered tender, sexual and caressing gestures and tried to make love to him. He was sure that it was a total sexual fantasy for them. Most, however, wanted to hurt him physically. At one time, his head was thrown against a metal bed and split open. Suicide, he states, would have been too rational a decision. He retreated from rationality and just was.

The single most significant aspect of the ordeal was Martin's belief that he was "set up" by the administration. It could all have been averted. As a protestor engaged in civil disobedience, he had been placed on a "gentle tier" which housed Gordon Liddy and other similar "classy" clientele. They took Martin from that tier and placed him with recidivists and men with heavy violence on their record sheets. He was put in a cell at the end of the gallery, the farthest from where the guard was on duty on the other side fo the gate. Martin's cell door was not locked.

Initially a group of inmates came into his cell. They forced him simultaneously to be sodomized and perform fellatio. He was taken from cell to cell by the prison pimps. Men would make their purchase and perform their sexual act until they became nervous about him being found in their cell. Eventually, he ended up in the shower room, naked, dazed and bleeding. When someone warned him that "the Man was on the tier," Martin burst forth and was removed from the area.

He underwent physical and psychological post-mortems. He has had to undergo rectal surgery in order to function biologically. It took him nearly six months to have any sexual interest and nearly two years to achieve normal sexual energy.

His sexual style has changed considerably. He went into prison a self-described bisexual. He is now aware that he has deep feelings against gay men and can't feel comfortable in a gay bar. Martin feels that it is because he picks up sexual vibrations in a gay ambience and that becomes a problem. The greatest psychological aspect of his ordeal was "a total loss of control and a feeling of helplessness. That is the most significant aspect of rape. It is total helplessness.

We discussed the hypothetical situation of his being re-arrested. Martin admitted that "today I would become as nellie as I could and would get myself adopted by an 'old man.'" The option of using violence did not seem a logical possibility to him.

Much more casual about prison sexuality is Pedro Fernandez, a 30-year-old ex-con who has spent over 17 years in reformatories and penitentiaries. He is a husky, 250-pound, intimidating male who clearly defines himself as heterosexual. Yet, during all of his prison time, he admittedly committed sexual assaults on smaller inmates. Some were gay, most were not. He was less concerned about the accusation of being an assaulter than he was that his prison sex life could be called homosexual.

In each story of sexual assault which he related to me, Pedro emphasized that the boy in question was "very feminine" or "looked like a woman." One could eventually reach the conclusion that "very feminine" could be translated to mean "attractive."

Most of Pedro's sexual intimidations were achieved by his prisonwise manipulation. He would arrange for an attractive, young boy to be transferred to the "coal detail." That job assignment enabled people to move around the prison with more freedom. They also showered with greater frequency. The work detail showered together. One of the other old-timers would stand guard as the remaining three or four men would force the novice to be sodomized and/or perform fellatio.

Pedro's massive appearance was a sufficient threat to most young men. They realized that resistance would lead to assaults. Pedro told me that it was never necessary for him to hurt anyone—beyond forced sex. I asked Pedro whether he ever had any emotional feeling toward another man that went beyond the sexual. He informed me that he "had a kid for two years, but he was very feminine."

Pedro, who was candid and bold in explaining the sexual subculture from a macho viewpoint was asked: "If you can be so sexually intimidating to boys in prison because they are—in your own words—'very feminine,' how do you treat or respond to women on the streets?" He responded, "That's a very heavy question and I'll have to think about it."

Pedro revealed that his prison friends were the hard-nosed, stand-up cons: long-timers who were called jailhouse bandits. The bandits were sexual assailants. To a man, they describe themselves as heterosexuals. But, Pedro recalled, "at night the talk was all about a new kid or someone's beautiful ass." Few of the sexual references were to women. The criteria for beauty for these heterosexual men in prison were the same as for homosexuals in most gay bars—youth, beauty and well-defined asses.

Pedro explained, "We were in a setting that was unnatural for us sexually. There were no women around and we responded to the most feminine-looking, being attracted to them and resenting them at the same time."

I pointed out to Pedro that many ex-cons whom he and I both knew considered themselves to be macho and heterosexual, yet they gravitated to gay bars which catered to drag queens and transvestites. Though they were in society with accessibility to women, they had become part of the ex-con, all-male street culture. Those bars often resemble the Big Yard. They exist in every city.

Ex-cons who are still involved with street hustling are well-represented in the population of most rough-trade gay bars. The atmosphere of some of these bars in New York City has a sexual ambience similar to the city jails. You can feel the sexuality, you can sense the violence and you can witness the strutting.

Steven Rimers, a former prisoner, gave me an account of a rape performed by three guards on a gay prisoner. It was Christmas Eve, 1968, at the Brooklyn House of Detention.

Steven was located in a cell on a tier of young men, all of whom were awaiting trial. A very attractive Puerto Rican boy had arrived on the cellblock. He had long hair and appeared very feminine. He also could not speak English.

Following the midnight count, three guards opened his cell. They entered and gave him a pack of cigarettes. One guard said, "We'll help you with your case. All you have to do is ———." The young man refused and then three corrections officers raped him—taking turns silencing him as another sodomized him. When they left, Steven heard him crying.

What was the follow-up? Steven commented to me, "You don't report anything. If you're the victim, you hope no one else heard. It doesn't help for people to know you've been ripped off. Also, it makes you a target. It also was perfectly acceptable for the guards to do what they wanted. After all, he took the cigarettes."

Fred and Bill have been out of prison for about five years. Each man is in his late 30s and grew up in reformatories and prisons. They are products of the system, but managed to break the cycle. Each appears to be what Warner Bros. affecticnately called "tough guys." They are street-hip and prisonwise. Each now lives with a male lover and each has slowly come around to thinking that he might be described as "gay" or "homosexual." In talking with them, they both admitted that it was a tough realization.

For years they had described themselves as heterosexual, though they were always involved in a romantic relationship with another male. They were always the "man" in a very role-playing relationship, and prison training had convinced them they were heterosexual. They certainly were in control in their relationships.

Fred told me that he had never ripped off a kid or assaulted anyone in a prison setting. Rather, he manipulated a situation so that an attractive kid found it beneficial to hook up with him rather than being physically ripped off. Fred admitted that he did not want to hurt any of the kids because he had an emotional attachment to the people he desired sexually. Bill agreed that his feelings had been pretty much the same as Fred's.

Each, however, remembers that when they were young inmates, older and bigger men did come on strong with them. They would use force to establish the fact that they could not be had physically.

It is a thin line which must be drawn. Bob Martin's point proves to be a valid guideline. The issue is not hetero- or homosexuality, but who is controlled and who is in control. Bill and Fred clearly have romantic attachments only to other males. Yet they are so defined by their prison and street training that they are emphatic that they are the male in any relationship.

The case of Trenton (New Jersey) prisoner Michael Chaytor serves as a classic example of how the system sustains itself.

Chaytor was assaulted and raped in his cell on July 11, 1972. He was asleep when someone entered his cell and came at him with a knife. He was cut across the neck and chest. During the ensuing fight his cell was turned upside down. Chaytor continually cried out for help. Someone permitted his door to open and his assailant was given the opportunity to exit. Chaytor attempted to dive out of his cell at this point and was beaten in the face and hit on the back of the head with a blunt instrument. He partially lost consciousness and at that point was raped by the person or persons who were at the door of the cell.

With blood flowing from his face, Chaytor reported that "I threw a large glass jar into the tier. After several minutes the officer [Mr. Robert White] came down and asked me what was wrong. I explained and asked him to open the door and permit me to go to the hospital to receive treatment. He replied that he couldn't open the door. And then he left. Finally, Jay Johnson, the Nine Tier runner, opened the door and I went over to the hospital.

Chaytor was dismissed from the hospital with gauze in his nose to stop the bleeding. He was told by a prison sergeant that he would have to go into protective custody while the matter was looked into. When Chaytor announced that he would not go into P.C. he was informed that he "would have to sign a waiver of examination form or else be put into protective custody."

It was another two weeks before a medical exam revealed that he had a broken nose. Michael Chaytor was left to fend for himself, by inmates, by the administration and, more specifically, by the unwritten rules of the prison.

Tradition gave Michael Chaytor the following options:

(1) to place himself in protective custody, i.e., solitary confinement;

(2) get a knife or some other weapon to use on his known assailants, thus letting the rest of the population know that he would not be victimized without retaliation;

(3) get a knife and commit suicide;

(4) press charges and become labeled as an institutional "snitch"—low man in the inmate pecking order—which inevitably results in having to be placed in protective custody;

(5) get an old man to protect him, i.e., become someone's "kid";

(6) do nothing, in which case it becomes understood that he *is* public property.

The prison rape is a reality, but it need not be viewed as a constant, an aspect of life which cannot change. Sex is prison's hidden agenda. It is sensationalized but rarely confronted, yet there are numerous avenues which members of a concerned community could take to reduce the incidents of sexual assault.

First, it must be recognized that the problem of sexual assault in the city jail is much greater than in a state prison. There are several reasons for this. One is that the city jail is much more crowded and the population is more transient, creating a greater degree of anonymity. Also, the city jail often has green novices who enter the prison environment for the first time and can be quickly cornered into a compromising situation.

It is easier to approach the problem in the state prison because of the continuity of much of the population. In many instances, however, that is offset by the inaccessibility of the prison itself.

Gay groups tend to define their role as being the lifeline to gay prisoners. There is nothing wrong with the one-to-one, civilian-to-inmate concern, although in most prison communities an outside gay organization won't get to first base trying to get inside and meet with prisoners.

It is my contention that gay organizations will have to attack the problem on many fronts. Gay victims of sexual assault cannot be separated from the whole suppressive and dehumanizing aspect of brutal prison sexuality. Activist groups should be less intent on proselytizing and more concerned about the sexual pressures and realities faced by all prisoners.

The only real solution in the long run is, of course, that our prison system as we know it must be abolished. Our entire concept of criminal justice and punishment must go back to the drawing boards. Sexual abuse is the result of an essentially abusive system. In the meantime, there can be some pragmatic and positive moves made, and gay organizations could be a part of the leadership.

The most important thing is to realize that a sexual consciousness must be a part of the increasing political and social awareness which prisoners are embracing in increasing numbers. Very little effort has been made to permit inmates to correlate sexual consciousness within the entire political framework.

Political leaders must become convinced that an attempt must be made to diminish the number of sexual assaults which take place in prisons. Forums and classes can be introduced to the prison population in the same manner that other educational programs have been implemented. Simultaneously, receptive prison administrators must be approached about forums on sexuality. This is a seed-planting effort, merely to introduce the notion of sexual consciousness.

In challenging the sexual pecking order it is essential that concerned civilians be aware that they are confronting a well-entrenched tradition and behavior pattern. Gay organizations must work in concert with enlightened prison reform and political groups. This is important for two reasons: 1) The sexual suppression in prison cannot be reduced to heterosexual and homosexual, for the division is clearly by who is in control and who is controlled. 2) Prison administrators, except in very rare instances, would not respond to an organization which is defined as gay.

It is a different ball game when you are dealing with the people who run the prisons and the people who are forced to live in them. Many of the political niceties that characterize a political battle down at city hall cannot be counted on when dealing with prison officials. They play for real and the reality quotient of the people seeking change must reflect a high level of maturity and conviction.

John Herbert carefully documented the manipulative aspects of institutional rape in his play *Fortune and Men's Eyes*. The play poured out of Herbert from his own painful experience as a teenager. Tossed into a reformatory for six months, he was not jailwise. John's first day in the population found him cornered in a storeroom where he was the object of a gang-splash. He writes in his play: "Jan had to hold on to bars. He couldn't walk for a week, and he'd wake at night screaming for God and his mother."

There is no simple formula to undo a social obscenity which has evolved into an indigenous part of an institutional complex. Harvey Masters, who was in a home for unwanted youths, was repeatedly raped when he was seven years old. Now nearly 45, he tearfully told me that he spent the next 30 years of his life seeking revenge for that traumatic period of his life.

He became the prison rapist, the homosexual entrapper, the violent street criminal.

How do you stop the individual from hating? How do you change an institution that breeds hate? People who view themselves as agents for social change must be, at once, visionaries and pragmatists. There must be the big dream for substantive change, but also the daily probings for immediate alterations which give protection to those now institutionalized.

There are no quick and easy solutions. Prison rape is the inevitable result of a system which nurtures such acts. It will take tenacity, concern and wisdom to make the necessary changes.

Ultimately, it will take great selflessness—for the persons who will benefit will never know the difference. There should be no "thank you's" expected.

Those are the basic guidelines and the challenge for those who see the possibility of a world with less violence, a world in which one's sexuality is an instrument of love rather than a weapon of violence.

A DOCTORATE FOR MARDY MURIE

(Mr. RONCALIO asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. RONCALIO. Mr. Speaker, Wyoming women have ranked its men in national renown. Esther Morris, whose monument adorns Statuary Hall here in the Capitol, was instrumental in providing women's suffrage. Nellie Tayloe Ross, soon to be a centenarian and who now lives in the District of Columbia, was one of the Nation's first women Governors, when she was Governor of Wyoming 50 years ago.

Margaret Murie of Moose, Wyo., whose work with her late husband in the field of conservation has won national attention is, probably, "First Lady" of Western States today.

I am delighted to take this short space in the Record to recognize her receipt of an honorary degree of doctor of humane letters from the University of Alaska at Fairbanks this week.

She is a long-time consultant to the National Park Service, widow of the late naturalist and biologist, Olaus J. Murie who crowned his career with work in Alaska on the study of waterfowl, caribou, and other mammals, with a term as director of the Wilderness Society. She has recounted her experiences in two books, "Two in the Far North," and a journal which was published after her husband's death, "Journeys to the Far North," which recounted the work she has done with her husband during the many years of their devotion to the understanding and protection of our environment.

Our late colleague, the gentleman from Pennsylvania, John Saylor, for several years the ranking member of the Interior Committee, often gave us reminders in the Record of her great work. I am happy to carry on one aspect of this tradition by making this notation in the Record of the current recognition now being given to Wyoming's Mardy Murie.

ADMINISTRATION IN THE DARK ON SOLAR ENERGY

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, today's column by Jack Anderson in the Washington Post contains some appalling information about the administration's negative views on solar energy technology. In fact, Anderson says—and my efforts on the Science and Technology Committee confirm—that the administration has been systematically trying to undercut any increased commitment to solar energy.

Worst of all, and this, too, is borne out by my own experiences with the Energy Research and Development Administration—ERDA—Anderson says:

> In fact, one high ERDA official, Donald Beatty, has threatened to fire any employee who talks to Congress about solar energy.

Aside from what is an extremely obstreperous position being taken by ERDA, the muzzling of knowledgeable employees is hardly appropriate. Congress deserves the full cooperation of Federal employees, not closed-mouth resistance. It is disturbing, too, that such muzzling is selective, and ERDA's nuclear people are not only available to Members of Congress, but are seeking us out.

In addition to the Anderson article, the New York Times today carried an editorial entitled "New Energy, Old Habits," which spells out some of the efforts we in Congress have been making to turn around our national energy policy. As the editorial points out, the administration's antagonism toward meaningful energy conservation and solar energy promotion has sadly resulted in the departure from Government of two officials who disagreed. Roger Sant, as the Federal Energy Administration's conservation specialist, and John Teem, as ERDA's solar expert, both evidently felt sufficient frustration to cause their departure.

I would like to commend to my colleagues' attention both articles. I hope this sharp criticism, combined with our own congressional efforts, will help persuade the administration to come out of the dark, reverse its priorities, and promote solar energy and conservation.

[From the Washington Post, May 3, 1976]

Solar Showdown

(By Jack Anderson and Les Whitten)

Solar experts believe recent breakthroughs make workable solar energy possible in 10 years. Yet the government appears to be doing everything in its power to slow the development of solar energy.

A new breakthrough in photovoltaic technology converts the sun's rays directly into electricity. With a concerted effort, this photovoltaic development can provide cheap, practical sun power in 10 years, experts claim.

Under this system, solar power could be generated right in the homes and buildings that use it. This would reduce the need for the vast utility power grid network, with the tangle of electric lines that now crisscross America.

It is precisely for this reason, solar supporters suspect, that the government is downplaying solar research. The giant electric utilities have tremendous political influence.

The solar division of the Energy Research and Development Administration (ERDA) requested $300 million from the upcoming budget. The agency's top brass whittled this down to $257 million before even submitting it to the White House.

The President's budget office then attacked it with a meat cleaver, chopping solar research down to $160 million. This was coupled, according to our sources, with a gag order.

The agency has even refused to tell Sen. Hubert H. Humphrey, (D-Minn.), a solar sympathizer, how the original $300 million request would have been spent. Humphrey wants to restore part of the solar budget in hearings this week but he can't find out what research was cut.

In fact, one high ERDA official, Donald Beatty, has threatened to fire any employee who talks to Congress about solar energy.

In contrast, funds for developing nuclear energy continue to flow as free as the Nile, despite growing evidence that safety and technology problems may make nuclear power unfeasible.

The powerful utilities, of course, are pushing nuclear power which they can distribute through their existing electric lines and sell to their customers for the customary guaranteed profit.

[From the New York Times, May 3, 1976]

New Energy, Old Habits

Inertia in taking novel or imaginative approaches to this country's future energy needs remains one of the most formidable bottlenecks in the Federal bureaucracy in devising a rational energy policy. Two senior energy aides have resigned in recent months, mincing no words about their frustrations in obtaining a hearing at the highest levels of Government for unconventional measures to alleviate potential shortages.

The Federal Energy Administration's top specialist in energy conservation, Roger W. Sant, leaves the Government this month, saddened at the resistance he encountered at the White House in respect to the immense potential to be derived from conservation technologies and practices. Last February, the head of solar energy development at the Energy Research and Development Administration, John W. Teem, similarly complained of the low priority assigned by the Administration to measures for immediate use of solar energy techniques.

There are now the first signs of serious commitment inside the Government on both scores—thanks largely to the insistent prodding of Congress and academic energy specialists. Pressures from these sources are having to buck the huge and well-greased lobbies of the oil and other conventional energy industries, which argue that massive spending and inducements for expanding energy production are the only policies worth considering.

ERDA has been criticized for relegating solar technology to the far-distant future, while paying little attention to the practical applications in space heaitng and cooling that could be achieved in the near term. Similarly with energy conservation, Administration policymakers seem to content themselves with pious exhortations to turn off lights and observe speed limits, without emphasing as well the more significant steps available even now to improve efficiency in the use of energy and thus effect major savings.

Having already authorized far larger sums for solar energy development than the Administration requested, Congress is now at work on a well-thought-out bill to alleviate the double roadblock to an effective conservation policy: lack of reliable information among consumers about how much money can be saved by saving energy, and the inability of individuals and small businesses to raise capital through existing mechanisms for structural improvements designed to conserve energy.

Implementation of such a program would have massive and immediate impact in reducing this country's alarming dependence on foreign oil supplies.

NUCLEAR POWER

(Mr. DOWNING of Virginia asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DOWNING of Virginia. Mr. Speaker, nuclear power provides one of the most economical methods of producing electricity in the United States and also provides the most effective capital ships for the U.S. Navy.

However, any decision to postpone or delay construction of nuclear-powered merchant vessels will have serious if not dangerous effects upon this Nation's future ability to realize our potential in international water-borne commerce. Needless to say, we can ill afford to let this happen because of both the economic and energy supply impact it would have upon the United States.

Without action by the Congress, we stand to lose the advantage of the advanced technology we now possess in this field.

For this reason I and several of my colleagues have today introduced a bill "to amend the Merchant Marine Act, 1936, as amended, by inserting a new title X to authorize aid in developing, constructing, and operating privately owned nuclear-powered merchant ships."

While the private sector has the technological ability and both the desire and willingness to assume the inherent risks, it simply cannot do so without specific Government support. As you can see my legislative proposal addresses itself to those specific areas of Government cooperation.

The proposed bill would provide assistance, in the form of a loan to be repaid to the Government with interest from the operating profits of the ships. The repayment obligation would be secured by a preferred mortgage. The Secretary of Commerce would see to it that the limited aid dollars are used in a manner that will best foster the development of this new technology to become internationally competitive with other nuclear as well as conventional-powered merchant ships. The aid money could only be used for specifically enumerated purposes all of which would compensate for the regulatory and other noncommercial risks that the initial owners and operators would encounter. These ships would still have to compete on a strictly economic basis with conventional ships consistent with all the normal commercial shipping risks.

The technical and operational feasibility of a nuclear-powered merchant ship has been demonstrated by the NS *Savannah*. Following the layup of the *Savannah* in 1970, the Maritime Administration embarked on a competitive nuclear merchant ship program which has led to the development of a standardized nuclear propulsion system for use in large high speed container ships and bulk tankers. Over the past 5 years a detailed design has been finalized accompanied by engineering development and testing of critical components. The industrial participants in this program—a shipyard, a nuclear reactor vendor, and a machinery manufacturer—have achieved technology readiness and are prepared to enter into contract negotiations for the supply of nuclear-powered merchant vessels—U.S. technology applied by U.S. industry.

Unfortunately, our U.S. technological lead is decreasing, although still significant. The West Germans and the French have competitive offerings which are supported by their respective governments and more recently, the United Kingdom, Spain, and Japan have shown increased interest coupled with energetic activities. These countries produce about 80 percent of the non-Communist world's maritime shipping; we can and must use our leadership in nuclear ship technology to return to the United States the maritime industry business and prestige that we lost due to their aggressive competition and our own complacency.

Major international ship owner-operators are showing increased interest and active support for nuclear merchant ship development. Recently, one of these major operators, with reference to the procurement of large nuclear powered ships, stated:

> We suspect that the U.S. shipbuilding industry has a great lead in this area and we realize it is very likely that the world's first commercial nuclear vessel will be built in the U.S. for operation under the U.S. flag.

To make this farsighted prediction a reality for the U.S. maritime, our economy, and to make a significant contribution to our future energy requirements, we must give our maritime industries the legislative tools to perform. It is my strong belief that the proposed legislation will accomplish this objective.

HEARINGS ON FBI TO CONTINUE

(Mr. EDWARDS of California asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. EDWARDS of California. Mr. Speaker, hearings to develop appropriate limits of authority and policy for FBI activities with initial focus on the domestic security area will be continued by the House Judiciary Subcommittee on Civil and Constitutional Rights beginning on May 13.

The domestic intelligence responsibilities of the FBI must be defined by the Congress. The need for this clarification and definition has been clearly expressed by both the executive and legislative branches. The work of the Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary, other House committees and the Senate Select Committee To Study Governmental Operations With Respect to Intelligence Activities shows clearly, not only the desirability of, but the absolute need for effective legislation. The guidelines for domestic security investigations issued by the Attorney General show, among other things, that the laws in existence on the subject do not properly address the issues involved.

New legislation must clarify the role of the principal Federal law enforcement agency. It must reflect the basic respect of the people's servant, the Government, for the people's rights as expressed in our Constitution. Beyond this reaffirmation of basic principles, the legislation must encourage or even direct contact between the Congress and the executive branch. The oath of the Chief Executive indicates a recognition by the framers of the Constitution that the abilities of a President to preserve, protect, and defend the Constitution will vary from person to person. We must try to limit the possibility that by neglect, inattention, or design the executive branch might fail to fulfill its role as both a servant of the people and a champion of the Constitution.

The Subcommittee on Civil and Constitutional Rights must function in today's world. We do not assume the creation of some perfect congressional entity to deal with the Department of Justice and its branches. Historically, no such entity has emerged from this institution nor is one likely to in the life of this Republic. To recognize this and to realize that similar limitations apply to the work product of the Congress should not be disheartening to the Members or to the citizens. Our work has impact only if it clearly represents good judgment and hard work. There will be flaws in our work just as in the work of any artisans because imperfection is one aspect of humanity shared by each of us.

The subcommittee, in the months of May and June, will be hearing from a number of witnesses whom we hope will enlighten us as to how legislation in this complex area might be drafted. We will then formulate language to meet the needs as perceived by our membership. We will consult with the Attorney General and his representatives in order to minimize our mutual limitations in knowledge and approach. Our product will hopefully reflect the best of the diversity of our experiences. If it does so, we hope it will be characterized as emphasizing, while not enlarging or diminishing, the constitutional limits of the Government and the rights of the governed.

WGN-TV URGES OVERRIDE OF CHILD DAY CARE BILL VETO

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MIKVA. Mr. Speaker, before tomorrow's veto-override vote on H.R. 9803, the child day care bill, I urge my colleagues to carefully consider the recent editorial broadcast by the Chicago Tribune owned WGN-TV. Like President Ford and many of his colleagues, WGN supports the block grant concept of Federal aid. However, unlike the President, WGN believes that H.R. 9803 is the wrong place to make a point. Not only does it make little sense to withhold the funds needed to implement federaly imposed requirements, but it makes even less sense to force people off the employment rolls and onto the welfare rolls.

Mr. Speaker, the WGN editorial follows:

WGN EDITORIAL—DAY CARE VETO

Congress has recessed for the Easter holiday. When business resumes later this month, lawmakers will have to vote on President Ford's veto of a bill to provide financial support for day care centers around the country. We think Congress should over-ride the veto. And, with members home for the recess, this is a good time to get in touch with them.

The vetoed bill would have provided 135 million dollars for day care centers to meet federal standards which became effective February 1st. The bill also delayed the effective date of the bill so the money could serve its intended purpose.

In his veto message, the President said he would prefer that Congress provided money to states and communities without strings. This is called the block grant concept. Chunks of federal money are provided for general services and its up to local communities to decide how the money will be spent. Community Services block grants could go for day care centers, for libraries, for athletic programs, or whatever else a community feels important. We think that concept is fine. But, the President chose the wrong place to impose it.

The federal standards for day care centers to which President Ford objects were approved two years ago. The money provided in the vetoed bill would have allowed local communities to meet those standards. If they can't meet the standards they may be forced to close. That probability isn't worth making the President's point. Congress must over-ride the veto.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ZABLOCKI, for 15 minutes, today.

(The following Members (at the request of Mr. GUYER) to revise and extend their remarks and include extraneous material:)

Mr. CONABLE, for 5 minutes, today.
Mr. MARTIN, for 10 minutes, today.
Mr. RAILSBACK, for 5 minutes, today.
Mr. DON H. CLAUSEN, for 10 minutes, today.
Mr. GOLDWATER, for 5 minutes, today.

(The following Members (at the request of Mr. WEAVER) to revise and extend their remarks and include extraneous matter:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. BAUCUS, for 10 minutes, today.
Mr. ALEXANDER, for 60 minutes, today.
Mr. RODINO, for 5 minutes, today.
Mr. MCKAY, for 5 minutes, today.
Ms. ABZUG, for 10 minutes, today.
Mr. PRICE, for 20 minutes, today.
Mr. MORGAN, for 60 minutes, on May 12.
Mr. FLOOD, for 60 minutes, on May 12.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. KOCH and to include extraneous matter notwithstanding the fact that it exceeds three pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $1,073.

(The following Members (at the request of Mr. GUYER) and to include extraneous material:)

Mr. YOUNG of Florida in five instances.
Mr. FINDLEY.
Mr. CRANE.
Mr. STEIGER of Wisconsin.
Mr. DERWINSKI in three instances.
Mr. COLLINS of Texas in four instances.
Mr. FRENZEL in three instances.
Mr. SYMMS.
Mr. MCCLORY.
Mr. COUGHLIN.
Mr. MILLER of Ohio.
Mr. BROWN of Ohio.
Mr. CONABLE.
Mr. WHITEHURST.

(The following Members (at the request of Mr. WEAVER) and to include extraneous matter:)

Mr. HOLLAND in two instances.
Mr. DINGELL in two instances.
Mr. ANNUNZIO in six instances.
Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. DUNCAN of Oregon in two instances.
Mr. PHILLIP BURTON in two instances.
Mr. DELANEY.
Mr. TEAGUE.
Mr. O'HARA.
Mr. RODINO.
Mr. RANGEL in 10 instances.
Mr. SISK.
Mrs. LLOYD of Tennessee in five instances.
Mr. BROWN of California in 10 instances.
Mr. EILBERG.
Mr. NOWAK.
Mr. JOHN L. BURTON.
Mr. GAYDOS.
Mr. HAWKINS.
Mr. JONES of Oklahoma in two instances.
Mr. DOWNEY of New York.
Mr. MCCORMACK.
Mr. YOUNG of Georgia.
Mr. HÉBERT.
Ms. ABZUG.
Mrs. KEYS.
Mr. FAUNTROY in two instances.
Mr. ASPIN in 10 instances.
Mr. MATSUNAGA in two instances.
Mr. BINGHAM in 10 instances.
Mr. DOMINICK V. DANIELS.
Mr. SOLARZ.
Mr. WIRTH.
Mr. HOWE.
Mr. DELLUMS in two instances.
Mr. OBERSTAR.
Mr. VANIK.
Mr. PICKLE in five instances.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on April 28, 1976, present to the President, for his approval, a bill of the House of the following title:

H.R. 12226. An act to amend further the Peace Corps Act.

ADJOURNMENT

Mr. WEAVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 20 minutes p.m.), the House adjourned until tomorrow, Tuesday, May 4, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3166. A letter from the President of the United States, transmitting a draft of proposed legislation to protect the public from traffickers in heroin and other opiates and for other purposes (H. Doc. No. 94–484); jointly, to the Committees on Interstate and Foreign Commerce, the Judiciary, Banking, Currency and Housing, and Ways and Means, and ordered to be printed.

3167. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing); transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Naval and Marine Corps Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

3168. A letter from the Secretary of Housing and Urban Development, transmitting the fifth report on the Emergency Homeowners' Relief Act, pursuant to section 111 of the act; to the Committee on Banking, Currency and Housing.

3169. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–107, "To prohibit, for a limited time, the conversion of certain rental housing accommodations into cooperative housing accommodations," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

3170. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–108, "To establish boundaries of single-member districts within Advisory Neighborhood Council areas to provide for the election of members of the Advisory Neighborhood Councils," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

3171. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–109, "To amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes," pursuant to section 602 (c) of Public Law 93–198; to the Committee on the District of Columbia.

3172. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recommendation contained in the sixth annual report of the National Advisory Council on Economic Opportunity, June 1973, and actions taken thereon, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

3173. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Card Corp., Denver, Colo., for a research project entitled "Development of Skip and Guide Designs," pursuant to section 1(d) of Public Law 89–672; to the Committee on Interior and Insular Affairs.

3174. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. 76–12, finding that the sale of defense articles and services to Surinam will strengthen the security of the United States and promote world peace, pursuant to section 3(a)(1) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

3175. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation for the relief of Mary Vance Trent; to the Committee on the Judiciary.

3176. A letter from the Comptroller, Defense Security Assistance Agency, transmitting a quarterly report as of March 31, 1976, on foreign military sales letters of offer, pursuant to section 36(a) (1) and (2) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

3177. A letter from the Deputy Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend the Youth Corrections Act with respect to the status of youth offenders, and for other purposes; to the Committee on the Judiciary.

3178. A letter from the Chief Commissioner, U.S. Court of Claims, transmitting the final report of the Review Panel in Congressional Reference Case No. 3–72, *Seaview Electric Co.*, or its successors in interest, v. *The United States*, pursuant to 28 U.S.C. 2509; to the Committee on the Judiciary.

Received From the Comptroller General

3179. A letter from the Comptroller General of the United States, transmitting a report on the release of budget authority required to be made available for obligation pursuant to section 1012(b) of the Impoundment Control Act of 1974; to the Committee on Appropriations.

3180. A letter from the Assistant Comptroller General of the United States, transmitting a report on the release of budget authority required to be made available for obligation pursuant to section 1013(b) of the Impoundment Control Act of 1974; to the Committee on Appropriations.

3181. A letter from the Comptroller General of the United States, transmitting a report on the application of Law Enforcement Assistance Administration funds to the renovation or construction of local jails; jointly, to the Committees on Government Operations, and the Judiciary.

3182. A letter from the Comptroller General of the United States, transmitting a report on the need for the Environmental Protection Agency to improve its management of scientific laboratory equipment; jointly, to the Committees on Government Operations, Merchant Marine and Fisheries, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on Apr. 30, 1976, the following report was filed on May 1, 1976*]

Mr. PRICE: The Joint Committee on Atomic Energy. H.R. 13350. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes; with amendment (Rept. No. 94–1081, Pt. I). Ordered to be printed.

[*Submitted May 3, 1976*]

Mr. TEAGUE: Committee on Science and Technology. H.R. 13350. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes (Rept. No. 94–1081, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 12545. A bill authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and for other purposes; with amendment (Rept. No. 94–1082). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONABLE (for himself, Mr. Bafalis, Mr. Burke of Massachusetts, Mr. Clancy, Mr. Cotter, Mr. Fisher, Mr. Frenzel, Mr. Gibbons, Mr. Landrum, Mr. Martin, Mr. Pike, Mr. Rangel, Mr. Schneebeli, Mr. Steiger of Wisconsin, and Mr. Vander Jagt):

H.R. 13500. A bill to amend the Internal Revenue Code of 1954 with respect to influencing legislation by public charities; to the Committee on Ways and Means.

By Mr. ROSTENKOWSKI (for himself and Mr. Duncan of Tennessee):

H.R. 13501. A bill to extend or remove certain time limitations and make other administrative improvements in the medicare program under title XVIII of the Social Security Act; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 13502. A bill to amend the Social Security Act to provide that the formula now in use under title XIX of such act shall be used in computing the amount of Federal financial participation in the program of aid to families with dependent children under part A of title IV, and to provide relief to States in connection with certain protective and vendor payments made under such program; to the Committee on Ways and Means.

By Mr. CARTER:

H.R. 13503. A bill to establish the Department of Health; to the Committee on Government Operations.

By Mr. CRANE:

H.R. 13504. A bill to increase competition in the airline industry, to encourage efficiency and low-cost services in the air transportation industry, to mandate flexibility in the regulation of air transportation prices, to better serve the air transportation consumer, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. DOWNING of Virginia (for himself, Mr. Biaggi, Mr. Breaux, Mr. Ginn, Mr. McCloskey, Mr. Mosher, and Mr. Forsythe):

H.R. 13505. A bill to amend the Merchant Marine Act, 1936, as amended, by inserting a new title X to authorize aid in developing, constructing, and operating privately owned nuclear-powered merchant ships; to the Committee on Merchant Marine and Fisheries.

By Mr. HOLLAND:

H.R. 13506. A bill to provide that the Commissioner of Education shall not act to terminate, refuse to grant or continue, or defer action on, assistance under the Elementary and Secondary Education Act of 1965 on the basis of alleged noncompliance with the provisions of title VI of the Civil Rights Act of 1964, in certain circumstances; to the Committee on Education and Labor.

By Mr. KETCHUM:

H.R. 13507. A bill to amend the Federal Property and Administrative Services Act of 1949 to provide that occupants have priority in the purchase of surplus government housing; to the Committee on Government Operations.

By Mr. MONTGOMERY:

H.R. 13508. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. OBERSTAR:

H.R. 13509. A bill to amend title 38 of the United States Code in order to exclude as annual income, in the administration of certain pension programs under chapter 15 of such title, portions of payments received by persons, under retirement, annuity, endowment, or similar plans if such portions are attributable to dependents of such persons, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. OTTINGER (for himself, Ms. Spellman, and Mr. Ichord):

H.R. 13510. A bill to abolish the U.S. Postal Service, to repeal the Postal Reorganization Act,to reenact the former provisions of title 39, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PRESSLER (for himself, Mr. Scheuer, Mr. Whitehurst, Mr. Reuss, Mr. Richmond, Mr. Badillo, Mr. Pattison of New York, and Mrs. Spellman):

H.R. 13511. A bill to establish an art bank in the Congress for the purpose of selecting American works of art for display in the House and Senate Office Buildings; to the Committee on House Administration.

By Mr. PRICE (for himself, Mr. Young of Texas, Mr. Anderson of Illinois, Mr. Lujan, and Mr. Hinshaw):

H.R. 13512. A bill to amend the Atomic Energy Act of 1954, as amended, to provide for the approval of sites for production and utilization facilities, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. RINALDO:

H.R. 13513. A bill to amend the Internal Revenue Code of 1954 to provide that an individual may deduct amounts paid for his higher education, or for the higher education of any of his dependents; to the Committee on Ways and Means.

By Mr. SIMON:

H.R. 13514. A bill to grant aliens of Vietnam, Cambodia, or Laos, who are presently in the United States on student visas, status as permanent residents of the United States; to the Committee on the Judiciary.

By Mr. BREAUX:

H.R. 13515. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. D'AMOURS (for himself and Mr. Cleveland):

H.R. 13516. A bill to clarify the status of certain waters in the State of New Hampshire for the purposes of the Federal Boat Safety Act of 1971; to the Committee on Merchant Marine and Fisheries.

By Mr. LaFALCE (for himself, Ms. Chisholm, Mr. Diggs, Mr. Drinan, Mr. Edwards of California, Mr. Hayes of Indiana, Mr. Nowak, Mr. Pattison of New York, and Mr. Solarz):

H.R. 13517. A bill to give a preference in the awarding of Government contracts to contractors located within areas of high unemployment; to the Committee on Government Operations.

By Mr. LEHMAN:

H.R. 13518. A bill to amend the Controlled Substances Act to provide penalties for persons who obtain or attempt to obtain narcotics or other controlled substances from a retail pharmacy by force and violence, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MATSUNAGA:

H.R. 13519. A bill to amend title 38 of the United States Code in order to allow for the direct payment of costs of tutorial assistance to the providers of such assistance; to the Committee on Veterans' Affairs.

By Mr. TRAXLER:

H.R. 13520. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITE (for himself, Mr. Dominick V. Daniels, Mr. Harris, Mrs. Spellman, Mr. Mineta, Mr. Jenrette, and Mr. Udall):

H.R. 13521. A bill to amend title 5, United States Code, to provide that the Federal contribution for Federal employee health benefits coverage shall be determined on the basis of the average of the two health benefits plans having the highest subscription charges; to the Committee on Post Office and Civil Service.

By Mr. MILLER of Ohio:

H.J. Res. 934. Joint resolution authorizing the President to proclaim the week beginning on November 7, 1976, as National Respiratory Therapy Week; to the Committee on Post Office and Civil Service.

By Mr. BREAUX:

H. Res. 1172. Resolution to insure that the quality and quantity of free broadcasting service not be impaired; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

375. By the SPEAKER: Memorial of the Senate of the State of Hawaii, relative to enactment of a new Sugar Act; to the Committee on Agriculture.

376. Also, memorial of the Legislature of the State of California, relative to transfer of State employees to Federal employment; to the Committee on Post Office and Civil Service.

377. Also, memorial of the Legislature of the State of Oklahoma, relative to changing the name of Birch Lake to John Dahl Lake; to the Committee on Public Works and Transportation.

PETITIONS, ETC.

Under clause 1 of rule XXII,

453. The SPEAKER presented a petition of Edward C. Rose, Chicago, Ill., relative to redress of grievances; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 13350

By Mr. JEFFORDS:

Page 2, line 8, strike out "$1,047,182,000" and insert in lieu thereof "$1,163,382,000".

Page 3, strike out line 20 and insert in lieu thereof the following:

"(5) Other Solar Energy Programs:

"(A) Agricultural and process heat, $6,700,000.

"(B) Solar thermal conversion, $65,000,000.

"(C) Ocean thermal energy conversion, $17,000,000.

"(D) Photovoltaics, $81,000,000.

"(E) Wind energy conversion, $28,800,000.

"(F) Fuels from biomass, $6,000,000.

"(G) Technical support, $8,500,000.

"(H) Solar Energy Research Institute, $2,500,000.

"(I) Report on solar-electric generation systems (as provided in section 112), $1,000,000.

"(J) Additional program support (in accordance with section 113), $1,500,000."

Page 5, after line 24, insert the following new subsection:

"(d) There is also authorized—

"(1) for construction of project 76–2–C, total energy demonstration facility, 1 megawatt electric, 10 megawatts thermal, the sum of $4,000,000;

"(2) for construction of project 77–2–A, solar thermal electric demonstration powerplant for a small community, electric cooperative or municipal utility, 5 megawatts (baseline design studies), the sum of $2,500,000;

"(3) for construction of project 77–2–B, solar electric-hybrid (photovoltaic-coal) demonstration powerplant, 10 megawatts (baseline design studies and utility interconnect studies), the sum of $4,000,000;

"(4) for construction of project 77–2–C, solar thermal electric demonstration powerplant for agricultural use, 5 megawatts (baseline design studies), the sum of $2,500,000;

"(5) for construction of project 76–2–B, 10 megawatts central receiver solar thermal powerplant, the sum of $5,000,000;

"(6) for construction of project 77–2–D, 5 megawatts distributed collector receiver solar thermal test facility, the sum of $3,000,000; and

"(7) for construction of project 77–2–E, 10 megawatts wind electric test facility (baseline design studies), the sum of $4,000,000."

Page 12, after line 7, add the following new section (and redesignate the succeeding sections accordingly):

"Sec. 112. On or before September 30, 1977, the Administrator shall report to the President and the Congress on the integration of existing electric utility systems with decentralized solar-electric generation systems. Such report shall contain an analysis of the total impact of widespread use of solar energy systems, including as a separate project an evaluation of the impact of large scale use of solar energy systems (especially on-site generating systems) on the existing utility structure. Such report shall also include a statement of—

"(1) the extent to which reserve utility electric generation capacity is necessary or appropriate to support solar-electric generation systems and their related energy storage devices;

"(2) the possible funding arrangements for reserve utility electric generation capacity necessary to support solar-electric generation systems and their related energy storage devices; and

"(3) the extent to which a greater integration of existing electric grids, and extensive use of energy storage devices for decentralized solar-electric generation systems, will minimize the need for reserve utility electric generation capacity to support such systems."

Page 12, after line 7, add the following new section (and redesignate the succeeding sections accordingly):

"Sec. 113. There shall be within the Solar Division of the Administration the following positions (in addition to those currently existing within such Division):

"(1) Assistant Director for Solar Thermal Programs (1 position, GG–17).

"(2) Assistant Director for Photovoltaic Programs (1 position, GG–17).

"(3) Supervisory Engineers (6 positions, GG–16).

"(4) Program Managers (engineers, economists, physical scientists, mathematicians, systems analysts, etc.) (12 positions, GG–15).

"(5) Technical Specialists (engineers, economists, physical scientists, mathematicians, systems analysts, etc.) (20 positions, GG–14).

"(6) Technical Specialists (engineers, economists, physical scientists, mathematicians, systems analysts, etc.) (10 positions, GG–13).

"(7) Supporting clerical and administrative personnel (24 positions, grades 4–9)."

Page 12, after line 7, add the following new section (and redesignate the succeeding sections accordingly):

"Sec. 114. (a) Notwithstanding any other provision of law, at least 20 per centum of the total amount of funds made available pursuant to this title for energy programs in the area of solar energy technology shall be available exclusively to small business concerns and individual inventors.

"(b) For purposes of subsection (a)—

"(1) the term 'small business concern' has the meaning given it by the Administrator of the Small Business Administration under—

"(A) section 3 of the Small Business Act (Public Law 85–536; 72 Stat. 384); or

"(B) section 103(5) of the Small Business Investment Act of 1958 (Public Law 85–699; 72 Stat. 690); and

"(2) the terrm 'individual inventor' means any individual who is under no obligation to transfer to any other person or any government or governmental agency any interest in any invention, discovery, or other property with respect to which such individual seeks any contract or other assistance in any energy program in the area of solar energy technology."

Page 2, line 8, strike out "$1,047,182,000" and insert in lieu thereof "$1,161,882,000".

Page 3, strike out line 20 and insert in lieu thereof the following:

"(5) Other Solar Energy Programs:

"(A) Agricultural and process heat, $6,700,000.

"(B) Solar thermal conversion, $65,000,000.

"(C) Ocean thermal energy conversion, $17,000,000.

"(D) Photovoltiacs, $81,000,000.

"(E) Wind energy conversion, $28,800,000.

"(F) Fuels from biomass, $6,000,000.

"(G) Technical support, $8,500,000.

"(H) Solar Energy Research Institute, $2,500,000.

"(I) Report on solar-electric generation systems (as provided in section 112), $1,000,000."

Page 5, after line 24, insert the following new subsection:

"(d) There is also authorized—

"(1) for construction of project 76–2–C, total energy demonstration facility, 1 megawatt electric, 10 megawatts thermal, the sum of $4,000,000;

"(2) for construction of project 77–2–A, solar thermal electric demonstration powerplant for a small community, electric cooperative or municipal utility, 5 megawatts (baseline design studies), the sum of $2,500,000;

"(3) for construction of project 77–2–B, solar electric-hybrid (photovoltaic-coal) demonstration powerplant, 10 megawatts (baseline design studies and utility interconnect studies), the sum of $4,000,000;

"(4) for construction of project 77–2–C, solar thermal electric demonstration powerplant for agricultural use, 5 megawatts (baseline design studies), the sum of $2,500,000;

"(5) for construction of project 76–2–B, 10 megawatts central receiver solar thermal powerplant, the sum of $5,000,000;

"(6) for construction of project 77–2–D, 5 megawatts distributed collector receiver solar thermal test facility, the sum of $3,000,000; and

"(7) for construction of project 77–2–E, 10 megawatts wind electric test facility (baseline design studies), the sum of $4,000,000."

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"(1) the extent to which reserve utility electric generation capacity is necessary or appropriate to support solar-electric generation systems and their related energy storage devices;

"(2) the possible funding arrangements for reserve utility electric generation capacity necessary to support solar-electric generation systems and their related energy storage devices; and

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"(b) For purposes of subsection (a)—

"(1) the term 'small business concern' has the meaning given it by the Administrator of the Small Business Administration under—

"(A) section 3 of the Small Business Act (Public Law 85–536; 72 Stat. 384); or

"(B) section 103(5) of the Small Business Investment Act of 1958 (Public Law 85–699; 72 Stat. 690); and

"(2) the term 'individual inventor' means any individual who is under no obligation to transfer to any other person or any government or governmental agency any interest in any invention, discovery, or other property with respect to which such individual seeks any contract or other assistance in any energy program in the area of solar energy technology."

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the Congressional Record of April 30, 1976, page 12055:

HOUSE BILLS

H.R. 13170. April 9, 1976. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 13171. April 9, 1976. Judiciary. Declares a certain individual eligible for naturalization under the Immigration and Nationality Act.

H.R. 13172. April 9, 1976. Appropriates additional sums for specified Executive, Judicial, and Legislative bodies for fiscal year 1976 and the period July 1, 1976, through September 30, 1976.

H.R. 13173. April 12, 1976. Agriculture. Amends the Rural Development Act of 1972 to establish within the Department of Agriculture a Concerted Services Task Force to: (1) assess the economic problems of rural areas; (2) assess the present and anticipated resources and requirements of the Nation; and (3) participate in the establishment of rural development goals. Directs such task force to identify employment opportunities and occupational programs for unemployed or poverty stricken individuals and to develop ways through which rural communities can provide services to make residents of such communities employable.

H.R. 13174. April 12, 1976. Public Works and Transportation. Requires that specified public buildings be made accessible to the physically handicapped. Requires specified Federal officers to exercise their authority to prescribe standards for making such buildings accessible to the physically handicapped, and to insure compliance with such standards.

H.R. 13175. April 12, 1976. Armed Services. Permits the enlistment of Vietnamese and Cambodian alien refugees into the U.S. Armed Forces.

H.R. 13176. April 12, 1976. Judiciary. Permits the Attorney General under the Immigration and Nationality Act to adjust the status of any alien from Indochina to permanent resident without regard to immigration quotas or lack of possession by such alien of specified required immigration documents. States that such alien need only be eligible to receive an immigrant visa to qualify for such change of status.

H.R. 13177. April 12, 1976. Ways and Means. Amends the Tariff Schedules of the United States to repeal the duty imposed on (1) articles assembled abroad with components produced in the United States, and (2) certain metal articles manufactured in the United States and exported for further processing.

H.R. 13178. April 12, 1976. Education and Labor. Amends the Fair Labor Standards Act of 1938 to establish a National Employment Relocation Administration in the Department of Labor. Establishes programs of Federal assistance to employees who suffer employment loss through economic dislocations, to businesses threatened with dislocation, and to affected communities.

Requires prenotification to affected employees and communities of dislocation of businesses. Provides Federal assistance for job placement and retraining of employees.

H.R. 13179. April 12, 1976. International Relations. Authorizes appropriations for the Department of State for fiscal year 1977 for (1) administration, (2) international organizations, conferences, and commissions, (3) educational exchange, (4) refugee assistance, (5) American Sections, International Joint Commissions, (6) the Passport Office, (7) the North Atlantic Assembly, (8) foreign service buildings, and (9) the Eighth Pan American Games.

Amends the Mutual Educational and Cultural Exchange Act of 1961 to permit Federal employees to accept grants from foreign governments.

Amends the Foreign Service Act of 1946 to authorize payments to civil service annuitants who were former alien employees of the Foreign Service to offset exchange rate losses.

H.R. 13180. April 12, 1976. Interstate and Foreign Commerce. Requires anyone utilizing sales representatives to solicit orders for merchandise to indemnify such representatives for income lost because the principal has taken away an account of such representative, decreased his or her territory, or reduced his or her rate of commission.

Sets forth provisions which must be covered by any contract between a sales representative and a principal providing for employment of such representatives.

H.R. 13181. April 12, 1976. Ways and Means. Excludes dividends received from domestic corporations from the terms "foreign oil and gas extraction income" and "foreign oil related income" for purposes of taxation under the Internal Revenue Code.

H.R. 13182. April 12, 1976. Armed Services. Amends the Federal Civil Defense Act of 1950 to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief.

H.R. 13183. April 12, 1976. Ways and Means. Authorizes any taxpayer to elect to have any portion of any overpayment of tax or any contribution in money which the taxpayer forwards with the return for such taxable year, under the Internal Revenue Code, be available, as the taxpayer may designate on such return, for the National Endowment for the Arts or the National Endowment for the Humanities.

H.R. 13184. April 12, 1976. Veterans' Affairs. Increases from ten to fifteen years the delimiting period after which no educational assistance shall be afforded eligible veterans, certain wives of veterans, or the widows or orphans of veterans.

H.R. 13185. April 12, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13186. April 12, 1976. Government Operations. Requires the President to create a Federal Program Information Center which shall establish a computerized information system which identifies all Federal domestic assistance programs in such a way as to enable any potential beneficiary of any such program to determine his or her eligibility for any such program by utilizing such system.

Requires the President to publish an annual catalog of Federal assistance programs containing all information included in the Center's information system.

H.R. 13187. April 12, 1976. Ways and Means. Amends the Tariff Schedules of the United States to reduce the customs duty for fish netting or fish nets of fabric other than cotton or vegetable fibers.

H.R. 13188. April 12, 1972. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to expand the programs on the treatment of burn injuries, research on burns, and the rehabilitation of burn victims by establishing additional burn centers, upgrading hospital burn units, and supporting research and training programs in the treatment and rehabilitation of burn victims.

H.R. 13189. April 12, 1976. Interior and Insular Affairs. Amend the Land and Water Conservation Fund Act of 1965 to authorize additional appropriations for preservation of outdoor recreation resources. Revises procedures for providing financial assistance to States.

Amends the National Historic Preservation Act of 1966 to establish a historic preservation fund from revenues collected from mining leases and leases on the Outer Continental Shelf.

H.R. 13190. April 12, 1976. Veterans' Affairs. Increases from ten to fifteen years the delimiting period after which no educational assistance shall be afforded eligible veterans, certain wives of veterans, or the widows or orphans of veterans.

H.R. 13191. April 13, 1976. Judiciary. Prohibits the use of polygraph tests in connection with Federal employment or employment with any entity affecting or engaged in interstate commerce. Permits individuals aggrieved by a violation of this Act to bring civil actions in United States district courts.

H.R. 13192. April 13, 1976. Government Operations. Amends the Privacy Act of 1974 with respect to records maintained on individuals to require Federal agencies to correct, expunge, update, or supplement portions of records on any individual upon request by such individual. Requires such agency to inform each person (1) whose correspondence has been intercepted or examined, (2) who is the subject of a file of CHOAS, COINTELPRO, or "The Special Service Staff" of the Internal Revenue Service, or (3) who is named in an index of such organizations, that such records exist, to inform each person of such person's rights under the Privacy Act of 1974, and to permit such person to require destruction of such file or index.

H.R. 13193. April 13, 1976. Ways and Means. Amends the Social Security Act to include as a home service in the Medicare program, nutritional counseling provided by or under the supervision of a registered dietitian.

H.R. 13194. April 13, 1976. Interior and Insular Affairs. Directs the Secretary of the Interior to establish the Santa Monica Mountains and Seashore Urban National Park in California.

H.R. 13195. April 13, 1976. Ways and Means. Amends the programs of Old-Age, Survivors, and Disability Insurance, and Supplemental Security Income of the Social Security Act to authorize the payment of benefits under such programs to a representative of a beneficiary when the beneficiary is unable to manage funds because of mental or physical incapacity or minority.

H.R. 13196. April 13, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13197. April 13, 1976. Judiciary. Establishes procedures for the application, approval, and extension of orders authorizing the use of electronic surveillance for foreign intelligence purposes. Permits the Attorney General to authorize emergency employment of such surveillance for 24 hours in the absence of a judicial order.

Requires the Chief Justice of the United States to designate seven district court judges to hear applications for, and grant orders approving, electronic surveillance anywhere within the United States.

H.R. 13198. April 13, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13199. April 13, 1976. Merchant Marine and Fisheries. Raises the mandatory retirement age for members of the Coast Guard from 62 to 65 years of age.

H.R. 13200. April 13, 1976. Agriculture. Amends the Forest and Rangeland Renewable Resources Planning Act of 1974 to direct the Secretary of Agriculture to include in the Renewable Resource Program, national program recommendations which take into account specified policy objectives.

Requires the Secretary to provide for public participation in the formulation and review of proposed land management plans and to promulgate regulations for their development and revision.

Revises provisions relating to sale of timber found on National Forest Service lands.

H.R. 13201. April 13, 1976. Agriculture. Amends the Federal Meat Inspection Act to require that imported meat and meat food products made in whole or in part of imported meat be labeled "imported" or "imported in part" at all stages of distribution until delivery to the ultimate consumer.

H.R. 13202. April 13, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13203. April 13, 1976. Ways and Means. Authorizes every individual whose income tax liability, under the Internal Revenue Code, is $1 or more to designate that $1 shall be used to reduce the public debt of the United States.

H.R. 13204. April 13, 1976. Education and Labor. States that no school or educational institution shall receive financial assistance under the Higher Education Act of 1965 if such school or institution requires, as a condition to an employment interview, an authorization from the individual to notify the individual's employer of such interview.

H.R. 13205. April 13, 1976. Public Works and Transportation. Amends the Federal Aviation Act to authorize air carriers to provide free or reduced rate transportation for severely handicapped persons and persons with sight attending such individuals.

H.R. 13206. April 13, 1976. Ways and Means. Provides, under the Trade Act of 1974, that in determining worker eligibility for trade adjustment assistance due to unemployment caused by an increase in imports, any certification of eligibility to apply for such assistance which was issued by the Secretary of Labor during calendar year 1975 shall apply to any worker whose last total or partial separation from the affected firm occurred on or after January 1, 1973.

H.R. 13207. April 13, 1976. Judiciary. Authorizes to be issued under the Immigration and Nationality Act immigrant visas to natives of the Philippines who were honorably separated from any United States Armed

Force after serving at least three years during World War II and to the spouse or children of such veterans. States that any such person who is in the United States at the time of enactment of this Act on a nonimmigrant visa may have his status changed to permanent resident.

H.R. 13208. April 13, 1976. Education and Labor. Establishes, under the Secretary of Agriculture, a program of payments to the States to cover the cost of providing one-third of the recommended daily allowances of each needy child through age 17.

Authorizes the Secretary to establish the National Advisory Committee on Child Food Assistance to study the administration of State programs established pursuant to this Act.

H.R. 13209. April 13, 1976. Ways and Means. Allows an individual to take a tax credit, under the Internal Revenue Code, for a percentage of the qualified solar heating and cooling equipment expenditures incurred with respect to the taxpayer's principal residence. Allows a tax credit for that portion of the qualified State or local real property attributable to such solar heating and cooling expenditures.

Authorizes an individual to take a tax deduction for a part of the acquisition costs of any qualified solar heating and cooling equipment for any residence.

H.R. 13210. April 13, 1976. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants for local public works projects, provided that such projects are designed to alleviate unemployment and do not involve the damming or other diversion of water.

EXTENSIONS OF REMARKS

NEW YORK CARRIES WELFARE PROGRAMS TO THE EXTREME

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, May 3, 1976

Mr. HARRY F. BYRD, JR. Mr. President, an excellent analysis of the New York City financial crisis was published in the January 16 edition of the Beckley, W. Va. Post-Herald.

The author of the column, George Benson, points out that the financial condition of the Federal Government is no better than that of New York, the chief difference being that the Federal Government can print money.

As an example of waste in New York City—subsidized by the Federal Government—Mr. Benson points to the construction of luxury apartments for the poor of East Harlem at a cost of $68,597 per unit.

I ask unanimous consent that Mr. Benson's article, "New York Carries Welfare Programs to the Extreme," be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW YORK CARRIES WELFARE PROGRAMS TO THE EXTREME

(By George Benson)

The deficit in federal spending last year was approximately $50 billion dollars. The deficit this year will exceed $70 billion.

This two year deficit is more than the entire federal budget just 11 years ago and by the end of this fiscal year, the total national debt of our federal government will be right at $600 billion. Thirty-five percent of that total debt will have been created during the past six years.

These facts are chilling indeed to every American who is now a little more conscious of the seriousness of unchecked deficit spending due to the condition of New York City.

We have pointed out time after time that there has to be a bottom to every barrel, even the barrel of printing press money spewed out by the Congress of the United States.

We have warned that what is happening to the city of New York and to several states, can ultimately happen to the federal government. We now believe the groundwork is being laid for the repudiation of our national debt.

What has been proposed as a change in the bankruptcy laws of the land would permit the city of New York to default on its bond obligations and still use current income to pay operating expenses.

In other words, the debt would just be pushed to the back of the economic burner and if and when the city ever accumulated enough surplus, those bond obligations might be paid off. The important fact in this proposal is if a city can be accommodated thusly, the federal government can also default on its debt under the same law. If not, why not?

As Sen. Harry Byrd, Jr., of Virginia said recently: ". . . for the federal government to come to New York's rescue would be an invitation for politicians everywhere to give in to every demand of every pressure group, with the knowledge that if a particular city or a particular state could not finance those demands, the federal government would pick up the tab.

New York City has been living beyond its means; the per capita cost of government there is four times that of the average large city."

What is being proposed is that the American taxpayer guarantee bondholders of NYC bonds the high tax-free interest they hoped to gain when they bought the bonds in the first place.

We need to remember that municipal bonds and the earnings thereon are tax-exempt. In other words, an individual or bank or company can invest money in municipal bonds and not pay taxes on the earnings.

The major bond holders are the New York City banks, and the interest rates on NYC municipal bonds have run as high as 11 percent in recent years. Along with that high, tax-free interest must go some risks, and the risks are now becoming apparent.

The bondholders have received liberal tax-free income, yet now they want the taxpayers of America to guarantee their investment.

On October 28, 1975, the New York Times published an article which will help us understand just why NYC is in trouble. The headline read: "Luxury Towers For Poor Opening Soon."

The first sentence of that story began: "A federally subsidized housing project for the poor is scheduled to open in East Harlem in about two months with luxury features never before included in lowincome housing in the United States."

Now, here is the cost to the taxpayers of the entire country. The average construction cost per apartment is $68,597. There are four, 35 story buildings in the Taino Towers. They are centrally airconditioned, will have an indoor swimming pool, a gymnasium, an auditorium, a theatre, a greenhouse, roof laundry rooms with play areas, and underground parking with attendants 24 hours a day.

This is the New York City provision for its welfare recipients, and New York City wants all the taxpayers of America to be taxed even more to support this kind of thinking!

How many tax-paying American families who are right now subsidizing these NYC apartments for welfare families can afford a $68,597 apartment of their own? Helping the needy has always been a trait of the American character, but this is carrying it too far.

"POLISH IS BEAUTIFUL" WILL COMBAT JOKES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. CRANE. Mr. Speaker, in recent days there has been much discussion of the negative impact of ethnic jokes upon the self-esteem of Americans of particular ethnic origins.

One kind of ethnic joke, writes Michael Novak, is a form "of laughing at oneself and at others, usually based on the daily absurdities of mutual noncomprehension or double meaning." This kind of joke, Novak declares, is "truly amusing, probably the most amusing in the American repertoire."

There is, however, another kind of ethnic joke which Mr. Novak describes as "based on demeaning the character of an ethnic group, in line with a sterotype, and its function is to make the majority feel superior to the minority."

Among the jokes in this category is the so-called Polish joke. Where the basis for this kind of humor derives is difficult to understand. In my own case, for example, the sterotype in the joke has seemed completely unfamiliar with the reality I have observed. Growing up in Chicago, I have had many Polish friends, and have seen the significant contributions this group has made to American life. From the Polish revolutionary war here General Pulaski, to our distinguished colleague from Chicago, Representative EDWARD DERWINSKI, Poles have made a significant and affirmative impact upon the American society.

The problem with "Polish jokes" is that these contributions by Polish Americans have been obscured as a result of them.

In a statement in the April 1976, Polish American Congress Bulletin, President Thaddeus L. Kowalski declares that—

> We do not wish to advocate a policy of tasteless sensitivity to every instance which may seem to be anti-Polish, but we feel that the time has come for affirmative action against crude insults to our history and culture.

It is high time that Americans came to respect properly and understand the diverse origins of our people. Humor is good and necessary, but demeaning attacks upon any particular group—whether it be racial, religious, or ethnic—harms the fabric of our society.

In this Bicentennial Year we should be particularly aware of the real nature of our diverse society. One place to begin that awareness is in our knowledge that ethnic humor can be damaging and harmful.

I wish to share with my colleagues the article, " 'Polish Is Beautiful' Will Combat Jokes," by Bob Seltzner, as it appeared in the April 9 issue of the Daily Calumet, and insert it into the RECORD at this time:

"POLISH IS BEAUTIFUL" WILL COMBAT JOKES

(By Bob Seltzner)

There are some who firmly believe that the Polish Joke is part of Americana. That it is very social to have a "new" Polish Joke for a gathering of cronies, or to "impress" business associates.

The fact is, Polish Jokes are measured by how klutzy they are. The dumber the Pole in the joke, the more successful the joke is.

I don't frankly know from whence the Polish Joke evolved, or its vintage. It seems to me the phenomenon can be traced back at least a couple of decades. At least it seems about that long, but I wouldn't bet on it.

But it is only in recent times that Poles themselves have come to vigorously object to their use. Heck, some of the best Polish Joke tellers are Poles themselves. But not all Poles today will tolerate them. Some southeast side Poles we know have reached a stage of personal anger over the situation, and have advised friends they do not regard Polish Jokes as funny.

What the Polish Patriots desire is an end to the demeaning Polish Jokes altogether, and particularly in the public media—television and radio. It is a mammoth undertaking, there is no question about that.

It brings to mind for those of us who were educated by nuns and priests in parochial schools (St. Gall and St. John's Cathedral in Milwaukee in my case), how we were educated in this vein. As tots in grade school we were told that to avoid hearing "dirty" stories and jokes we were to leave a gathering where they were taking place, or to advise the group that you didn't want to hear them. It was part of the religious training.

But when we have Poles themselves on the national media telling Polish Jokes then we realize that it isn't a case of other nationalities, races and groupings laying it into the Poles only. I know a number of Poles who not only are the most prolific Polish Joke tellers, but tell them best on top of it.

The Concerned Poles in this fight however in actuality are just beginning to crank up this campaign against the demeaning Polish Joke which has held this entire ethnic grouping up to ridicule. In a statement in the April 1976 Polish American Congress Bulletin, President Thaddeus L. Kowalski declares:

"The image of our Polish American community is the identifying stamp which characterizes our people, our culture and our heritage. It must therefore be protected and enhanced within the community-at-large in order that our achievements and aspirations be made known to others outside our community.

"In recent times, however, it has become very difficult to protect this image. Instances of crude bigotry within the media which seek to exploit the 'dumb Polack' image have become more and more frequent. The Supreme Court has even gotten into the picture by refusing to rule on a case involving Polish Jokes told on television.

"We do not wish to advocate a policy of tasteless sensitivity to every instance which may seem to be anti-Polish, but we feel that the time has come for affirmative action against crude insults to our history and culture.

"These insults are transmitted through a variety of means. There is the Polish joke in the electronic media; the cartoon in a magazine or newspaper; the Polish joke books which can be found in nearly every bookstore, and the challenges to our history which distort the truth and tend to portray Poles as racists or bigots. All are equally damaging to our community. The question is however, what to do about these insults. The answer is in action and this must be the responsibility of every Polish American."

Kowalski calls upon the entire Polish community to challenge anti-Polish statements in the form of "jokes" by boycotts and picket lines if necessary.

But why the Poles. Certainly the Jews have been on the receiving end of jokes for generations. Jewish comedians in fact capitalize on the Jewish dialect and national image—Henny Youngman and numerous others have made fortunes this way. In fact, in modern times, in telling the Jewish jokes, the Arabs have been greatly victimized.

Swedes have long been characterized in jokes as "big and dumb," and slow of wit. Italians have been characterized in many stories and jokes as bunglers, silly romanticists, or gangsters. The Irish are pictured as pixies, heavy drinkers, but almost always as jolly and unencumbered. The Japanese have always been greatly maligned. The English as stone cold and unemotional. The German as the Krauthead; the hard, plodding personification of so many impersonations. Most nationalities have been on the receiving end of ethnic jokes—crude, cruel, but funny, I suppose.

They have really done very little to demean all of any grouping. In fact, the enormous library of Jewish jokes generally hold him up to be shrewd, sometimes cunning, but usually a winner. It has the overall effect of being positive for the Jews.

But the Polish Joke doesn't do that.

The Polish Joke in its enormous volume by its very nature is negative.

The Polish Joke, if there is such a thing, is specifically designed to demonstrate the Pole as not only dumb, but pathetically dumb.

The Polish Joke is a small story telling that only the Pole is as dumb as a Pole.

I've always wondered if by chance there is a central Polish Joke manufacturer. I doubt that there is, but one must wonder, because Polish jokes in volume seem to surpass all other varieties with the possible exception of the Jewish.

The Polish Patriot of today is demonstrating that the overwhelming volume of Polish jokes is holding an entire nationality up to ridicule. The Polish Patriot recognizes that there is a form of brainwashing going on here—labeling the poor, dumb Polack as beneath dignity; beneath competence let alone accomplishments; a disgraceful character good only to laugh at because everything he does fails.

It is a very deep emotion these Polish Patriots are beginning to feel about being the victims of this slander on an international scale. Our local Polish leaders should be in the forefront. I think this is a really valid campaign. Fellows like Congressman Edward Derwinski (R-4th) of our south suburbs, an advisor to Presidents; Stanley Kusper, clerk of Cook County; Mayor Robert Stefaniak of Calumet City, and so many, many more.

These men obviously belie the Polish Joke.

No, I believe it is time, as Kowalski notes, to draw the line on these insults to the manhood and womanhood of Chicago's largest single ethnic grouping.

"Only through mass community response to those who disseminate material which demeans the word Polish will our non-Polish brethren realize that pride is a way to life," Kowalski says. It is time for "Polish Is Beautiful" to be put in practice.

I AM THE NATION

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. PATTERSON of California. Mr. Speaker, I wish to share with my colleagues this inspirational piece which was sent to me about our great Nation and people. I find it especially moving as we celebrate our 200th year of freedom and democracy:

I AM THE NATION

I was born on July 4, 1776, and the Declaration of Independence is my birth certificate. The bloodlines of the world run in my veins, because I offered freedom to the oppressed. I am many things, and many people. I am the Nation.

I am 213 million living souls—and the ghost of millions who have lived and died for me.

I am Nathan Hale and Paul Revere. I stood at Lexington and fired the shot heard round the world. I am Washington, Jefferson and Patrick Henry. I am John Paul Jones, the Green Mountain Boys and Davy Crockett. I am Lee and Grant and Abe Lincoln.

I remember the Alamo, the Maine and Pearl Harbor. When freedom called I answered and stayed until it was over, over there. I left my heroic dead in Flanders Fields, on the rocks of Corregidor, on the bleak slopes of Korea and in the steaming jungle of Vietnam.

I am the Brooklyn Bridg, the wheat lands of Kansas and the granite hills of Vermont. I am the coalfields of the Virginias and Pennsylvania, the fertile lands of the West, the Golden Gate and the Grand Canyon. I am Independence Hall, the Monitor and the Merrimac.

I am big, I sprawl from the Atlantic to the Pacific . . . my arms reach out to embrace Alaska and Hawaii . . . 3 million square miles throbbing with industry. I am more than 5 million farms. I am forest, field, mountain and desert. I am quiet villages—and cities that never sleep.

You can look at me and see Ben Franklin walking down the streets of Philadelphia and his breadloaf under his arm. You can see Betsy Ross with her needle. You can see the lights of Christmas, and hear the strains of "Auld Lang Syne" as the calendar turns.

I am Babe Ruth and the World Series. I am 110,000 schools and colleges, and 330,000 churches where my people worship God as they think best. I am a ballot dropped in a box, the roar of a crowd in a stadium and the voice of a choir in a cathedral. I am an editorial in a newspaper and a letter to a Congressman.

I am Eli Whitney and Stephen Foster. I am Tom Edison, Albert Einstein and Billy Graham. I am Horace Greeley, Will Rogers and the Wright brothers. I am George Washington Carver, Jonas Salk, and Martin Luther King.

I am Longfellow, Harriet Beecher Stowe, Walt Whitman and Thomas Paine.

Yes, I am a nation, and these are the things that I am. I was conceived in freedom and, God willing, in freedom I will spend the rest of my days.

May I possess always the integrity, the courage and the strength to keep myself un-shackled, to remain a citadel of freedom and a beacon of hope to the world.

This is my wish, my goal, my prayer in this year of 1976—two hundred years after I was born.

CONSTITUENTS AHEAD OF CONGRESS ON LATIN AMERICA

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. SEIBERLING. Mr. Speaker, last Saturday I had office hours in Cuyahoga Falls, one of the cities in my congressional district. Among the people who came in to see me were three citizens who had, on their own, formed a group to study relations between the United States and the countries of Latin America and to take action to promote a better understanding among other citizens as to the importance of improving those relations.

The persons who came in to see me were Ms. Mary Bisesi, Mr. Norman W. Odell, and Mr. Charles Welsh. I was very impressed with the broad knowledge they displayed concerning Latin American problems and our relationships with Latin America and also by the objectivity of their conclusions. They are to be commended not only for taking the initiative in studying this important subject but in bringing their informed views to the attention of their elected representatives. I believe other Members of Congress will be interested in the conclusions of these public-spirited citizens, and so I offer them for printing in the RECORD following these remarks:

The Need for a New and More Intelligent United States-Latin American Policy

United States-Latin American relations are now very badly in need of repair. Over the years the United States has acted on behalf of its own best interests or that of many multinational corporations mainly to the neglect of the legitimate rights of the Latin American people. We have tried to act as the benevolent father politically in the Monroe Doctrine and economically in the Alliance for Progress. The former act was successful while the latter, a failure. We must discard any remaining philosophy of manifest destiny and start anew entering into a relationship of mutual respect as equals.

Congress must take the lead, as a strong and lasting policy is not built by one President or Secretary of State. It is built by the hard work of intelligent and dedicated ambassadors and their staffs. Congress must seek out this leadership, affect positive foreign policy, and fund or influence appropriate funding of needed projects in Latin America. In this respect the following points express our concern:

Politically regain trust and respect by—

1. Negotiating with Panama for the total return of the canal in the shortest and most realistic time possible. We have long been repaid for our efforts and the canal no longer serves any strategic needs.

2. Eliminating in the future the type of cooperation between multinational corporations and our governmental agencies which disgracefully interfered, for example, in the internal affairs of Chile.

Economically assist Latin America by—

1. Strongly encouraging multinational companies to more than tokenly assist in the development of the host country. The economic development of these countries can benefit all of us in the long run. It is either we help now or pay later.

2. Having the United States use its influence to encourage more assistance to developing countries which is based on their individual needs and not the political interests of our government or other organizations. For example, increase the individual countries' say in obtaining special drawing rights from the International Monetary Fund.

Socially encourage cooperation in the—

1. Joint planning and research of important problems like population, uncontrolled urban growth, and inadequate basic services (health care, education, sanitation, etc.).

2. Elimination of activities which support the denial of human rights by dictatorial and repressive governments.

3. Increased development of culturally educational programs that permit and encourage research and the exchange of peoples from high school through senior citizens by the use of P.L. 480 or other funds.

More and more citizens are concerned about the growing gap between the have and the have nots. Our relationships with all countries must be the prime concern of Congress. This is especially true at a time when we look at our planet as the spaceship Earth.

MILLER DISCLOSES CONSTITUENT QUESTIONNAIRE RESULTS

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. MILLER of Ohio. Mr. Speaker, I recently polled the residents of Ohio's 10th Congressional District on several major issues facing the Congress. The people I am proud to represent have expressed in no uncertain terms their dissatisfaction with their Government's inflationary spending policy and its meddling in their daily lives. Their sentiments as expressed in this poll and the hundreds of letters I receive every day echo the rising chorus of disenchantment from all quarters with the size, power, and cost of the Federal Government. I wish to share with my House colleagues the results of our poll.

(Answers in percent)

1. Do you support Federal aid to cities facing financial bankruptcy? Yes, 14; No, 85; No response, 1.

2. Do you think Government is interfering too much in your daily life? Yes, 78; No, 21; No response, 1.

3. Do you favor a national program of "no-fault" automobile insurance? Yes, 46; No, 45; No response, 9.

4. Should secret activities of Government agencies like the FBI and the CIA be made public? Yes, 12; No, 87; No response, 1.

5. Should the United States withdraw its membership from the United Nations? Yes, 32; No, 65; No response, 3.

6. Do you believe the news you read, see and hear is fair and accurate? Yes, 20; No, 76; No response 4.

7. Do you favor increasing the present minimum wage from $2.30 to $3.00? Yes, 35; No, 63; No response 2.

8. Do you favor continuing the general revenue sharing program in its present form? Yes, 42; No, 46; No response, 12.

9. What issue is of most concern to you:

Government spending, 27.
Inflation, 26.
Crime, 19.
Energy, 9.
Unemployment, 7.
Other, 4.
Education, 3.
Consumer protection, 2.
International problems, 2.
Housing, 1.

OUR FUTURE TIMBER SUPPLY

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. PHILLIP BURTON. Mr. Speaker, the House Agriculture Committee will soon be marking up legislation which will affect, in some form or another, the future management of our national forests. One of the many points that was raised during the committee hearings on the various bills introduced on this subject was that of concern over possible reduction in timber supply as a result of legislating restrictions on clearcutting or other timber management practices.

In connection with this concern, the subject of our timber export policy and the possible need for some type of export quotas was raised. Since we all will be called upon to vote on this issue of timber management reform, probably within the next month or two, and simply because the information is interesting, I would like to include in the RECORD a short summary of the positive effect that log export quotas might have on our problem with short timber supplies, written by the Coalition To Save Our National Forests; two tables which list the log import and export statistics for the years 1950–75; and a resolution by the Humboldt County's Forest Products Cooperative on the subject of efficient utilization of our present timber supplies.

I urge my fellow colleagues to review this material because it may be useful in the coming weeks:

Coalition To Save Our National Forests Dismisses Rumors That Randolph/Brown Bill Will Reduce Timber Supplies or Raise Wood Product Prices

Legislation to control log exports from the United States should be carefully considered by Congress. Such legislation would assure that more logs from American forests are devoted to meeting the wood fibre needs of the American people, including housing starts. Such log export control legislation will provide substantial job producing benefits in our Nation's timber resource regions where unemployment is of serious concern and for our Nation's balance of payments.

Tight controls on the export of unprocessed or crudely processed logs would encourage the timber industry in these forest areas to invest in the plant equipment and personnel to process harvested trees into wood product form to supply the needs of foreign markets for wood products rather than rob jobs from the American forest products sector by exporting roughly processed logs to foreign markets where the finished products are now fabricated. Current deficits in our wood fibre import/export accounts will be alleviated by this export control legislation.

Present U.S. timber trade policy contributes to the serious imbalance in our wood fibre import/export ratio because we import higher priced wood products while we allow the export of low priced logs. In 1972, the United States imported approximately 1.5 billion board feet of high priced milled lumber, 265 million board feet of high priced milled plywood and veneer, and the equivalent of 1.2 billion board feet of pulp and paper products, while importing only 5 million board feet of logs. In that same year the U.S. exported 495 million board feet of logs, the equivalent of 590 million board feet of pulp and paper products, 25 million board feet of plywood and veneer and 225 million board feet of lumber. (Outlook for Timber in the United States, pp. 322, 326.)

TABLE 1.—IMPORTS OF TIMBER PRODUCTS, BY SOFTWOODS AND HARDWOODS AND MAJOR PRODUCT, 1950–75[1]

[Million cubic feet, roundwood equivalent]

Year	Total			Industrial roundwood used for— Lumber			Plywood and veneer			Pulp products[2]			Logs		
	Total	Softwood	Hardwood	Total	Softwood	Hardwood	Total	Softwood	Hardwood	Total	Softwood	Hardwood	Total	Softwood	Hardwood
1950	1,520	1,395	125	535	490	45	5	(3)	5	935	880	55	45	25	20
1951	1,465	1,325	140	390	350	40	10	(3)	10	1,025	960	65	35	15	25
1952	1,375	1,260	115	385	355	35	10	(3)	10	945	885	60	30	20	15
1953	1,420	1,290	130	430	395	35	15	(3)	15	935	880	55	40	20	20
1954	1,460	1,330	130	480	445	30	30	(3)	30	920	865	55	35	20	15
1955	1,610	1,450	155	560	520	40	40	(3)	40	975	920	55	35	10	20
1956	1,640	1,465	175	530	490	40	45	----------	45	1,040	970	70	30	5	25
1957	1,490	1,325	165	460	425	40	45	(3)	45	960	895	60	25	5	15
1958	1,495	1,340	155	530	495	35	50	(3)	50	895	840	55	15	5	15
1959	1,700	1,500	200	635	585	50	75	----------	75	970	910	60	20	5	15
1960	1,675	1,500	180	610	570	45	60	(3)	60	985	925	60	20	5	15
1961	1,745	1,580	165	665	625	35	60	(3)	60	1,000	940	60	20	10	10
1962	1,910	1,705	205	760	715	45	75	(3)	75	1,055	980	70	20	5	10
1963	1,990	1,785	205	830	785	45	80	(3)	80	1,060	990	70	15	5	10
1964	2,035	1,810	225	815	765	45	90	(3)	90	1,120	1,045	75	10	(3)	10
1965	2,100	1,860	240	815	765	50	100	(3)	100	1,175	1,095	80	10	(3)	10
1966	2,230	1,955	275	810	745	65	115	5	110	1,290	1,200	90	15	5	10
1967	2,160	1,925	235	800	750	50	110	5	105	1,240	1,165	70	15	5	10
1968	2,395	2,090	310	960	905	55	165	5	160	1,260	1,175	85	15	5	10
1969	2,515	2,145	370	980	915	70	180	5	175	1,340	1,220	120	15	5	10
1970	2,420	2,090	335	955	900	50	170	5	165	1,275	1,165	110	25	15	5
1971	2,695	2,315	380	1,135	1,080	55	210	5	205	1,335	1,220	115	15	10	5
1972	3,040	2,600	445	1,405	1,340	70	265	10	255	1,365	1,250	115	5	(3)	5
1973[4]	3,105	2,680	425	1,425	1,340	85	220	10	210	1,455	1,330	125	5	(3)	5
1974[4]	2,690	2,340	340	1,085	1,015	70	150	5	140	1,440	1,315	125	15	5	5
1975[4]	2,170	1,880	285	885	850	35	160	5	150	1,110	1,015	95	15	10	5

[1] Data may not add to totals because of rounding.
[2] Includes both pulpwood and the pulpwood equivalent of woodpulp, paper, and board.
[3] Less than 25,000,000 ft³.
[4] Preliminary.

Source: Compiled from data published by U.S. Department of Commerce, Bureau of the Census. U.S. imports, commodity by country. FT 135 (Monthly). Supt. of Documents, U.S. Government Printing Office, Washington, D.C.

TABLE 6.—EXPORTS OF TIMBER PRODUCTS, BY SOFTWOODS AND HARDWOODS AND MAJOR PRODUCT, 1950–75[1]

[Million cubic feet, roundwood equivalent]

Total	Total			Industrial roundwood used for— Lumber			Plywood and veneer			Pulp products[2]			Logs		
	Total	Softwood	Hardwood	Total	Softwood	Hardwood	Total	Softwood	Hardwood	Total	Softwood	Hardwood	Total	Softwood	Hardwood
1950	140	110	30	80	65	15	(3)	(3)	(3)	50	45	5	10	5	5
1951	260	220	35	155	135	20	(3)	(3)	(3)	90	75	10	15	10	5
1952	215	170	40	115	90	25	(3)	(3)	(3)	85	75	10	10	5	5
1953	190	150	35	100	80	20	(3)	(3)	(3)	70	60	10	20	15	5
1954	270	220	50	110	90	20	(3)	(3)	(3)	135	110	20	25	15	5
1955	340	275	65	130	100	30	(3)	(3)	(3)	180	150	30	25	20	5
1956	310	250	60	120	90	30	(3)	(3)	(3)	160	135	25	30	25	5
1957	335	270	70	130	95	30	(3)	(3)	(3)	185	155	30	25	15	5
1958	310	245	65	115	85	25	(3)	(3)	(3)	165	135	30	30	20	10
1959	355	280	70	120	95	25	5	(3)	(3)	195	155	35	35	25	5
1960	455	360	90	135	110	25	(3)	(3)	(3)	275	220	55	45	35	10
1961	495	400	95	120	95	25	(3)	(3)	(3)	295	235	60	75	65	10
1962	495	400	100	120	100	20	(3)	(3)	(3)	295	230	65	85	70	15
1963	630	515	110	135	115	20	5	(3)	(3)	340	260	75	150	135	15
1964	720	595	125	150	125	20	5	(3)	5	395	305	90	170	160	10
1965	715	590	125	145	120	20	5	(3)	(3)	380	290	90	190	175	15
1966	800	665	140	160	135	25	5	5	(3)	420	320	100	220	205	15
1967	955	805	150	175	150	25	10	5	(3)	460	355	105	310	290	20
1968	1,120	955	160	180	165	15	10	5	5	525	400	125	405	385	20
1969	1,140	965	175	180	160	20	20	15	5	570	430	140	375	360	15
1970	1,355	1,150	205	200	180	20	15	10	5	710	540	170	430	420	15
1971	1,170	985	190	165	140	25	15	15	5	630	480	150	360	350	10
1972	1,375	1,160	215	215	175	40	25	20	5	640	490	150	495	475	20
1973[4]	1,470	1,260	210	295	260	35	40	35	5	630	480	150	505	485	20
1974[4]	1,515	1,270	245	265	235	30	45	35	10	790	605	185	415	395	20
1975[4]	1,405	1,180	225	255	205	50	65	55	10	675	515	160	410	405	5

[1] Columns may not add to totals because of rounding.
[2] Includes both pulpwood and the pulpwood equivalent of woodpulp, paper, and board.
[3] Less than 2,500,000 ft³.
[4] Preliminary.

Source: Compiled from data published by U.S. Department of Commerce, Bureau of the Census. U.S. exports, commodity by country. FT 410 (monthly). Supt. of Documents, U.S. Government Printing Office, Washington, D.C.

Resolution—A Forest Products Cooperative

Whereas, Humboldt County is an area rich in forest resources that have played an important role in the economic development of the County; and

Whereas, Although many lumber companies have improved their methods of operation so that the amount of waste wood has been reduced, there is still much down timber and other wood not being utilized; and

Whereas, There are many people unemployed, or employed only part time, thus having an adverse effect on the economy of the area; and

Whereas, We believe there are many people within the County, with the initiative and ingenuity, capable of devising ways and means of utilizing and marketing wood and wood products now unused; and

Whereas, Throughout the ages people have, by cooperative effort, been able to accomplish worthwhile objectives; and

Whereas, We believe the best interest of the people of Humboldt County would be served by more fully utilizing the natural and human resources now unused or wasted; now therefore, be it

Resolved, That we recommend and endorse the organization of a Forest Products Cooperative, having as its purpose such objectives as: 1, better utilization of forest products; 2, to provide more job opportunities; 3, to encourage reforestation and better land use; 4, to provide marketing assistance for ranchers and land owners with small amounts of forest products to harvest and market, and any other such objectives the people might deem advisable. Membership should be open to all who care to join, and democratically controlled by the members; be it further

Resolved, That we urge the people of Humboldt County, concerned about the future of this area, to consider the possibilities and potential, the advantages and opportunities that would result from the organization of such a cooperative.

ENERGY AND AN OLD VIRTUE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. DERWINSKI. Mr. Speaker, after spending most of 1975 in vigorous and inconclusive debate on energy legislation, Congress seems to have lost that interest at this time.

The Chicago Sun-Times, in a very timely editorial on Sunday, April 24, very effectively sums up the problems facing the Energy Research and Development Administration as it struggles with the responsibility of meeting our Nation's future energy needs:

ENERGY AND AN OLD VIRTUE

Some worrisome things:

Recently, for the first time, the United States imported more oil than it produced itself.

The Arab-Latin oil cartel, sources of 25 per cent of U.S. oil may raise prices in June. A new embargo, warns Federal Energy Administrator Frank G. Zarb, could "put a million Americans out of work."

Economic recovery (good) bodes a sharp surge in energy use (bad).

By the year 2000, Americans will consume double the energy they use now, about a third of the world's output, a U.S. Bureau of Mines report predicts.

Development of new energy supplies is taking longer than expected, the Energy Research and Development Administration said this week.

Americans use 7-million barrels of oil daily to meet their energy needs; one energy planner says they waste more than half of it.

No wonder everyone needs to be persuaded to use less.

No wonder what is used needs to be used more effectively.

No wonder ERDA said this week in a major—if overdue—policy shift that it will give "highest priority" to energy conservation. That's welcome as far as it goes.

The policy means stretching energy supplies through efficiency, not using less energy. But an emphasis on one at least encourages greater awareness of the need for the other.

A bigger issue is whether ERDA is merely paying lip service to an obvious, but now voguish, need so as to ingratiate itself with Congress. The situation demands enthusiastic, serious conservation moves.

ERDA should not delay seeking technology to upgrade car and truck efficiency, to improve crop-drying techniques and to reuse energy wasted today. It also should campaign against needless waste and promote a conservation ethic in this country.

ERDA has proclaimed a useful policy on conservation. Now it should prove that it will live up to its own goals.

WORLD HAS MEANS TO IMPROVE PER CAPITA FOOD SUPPLY

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. FINDLEY. Mr. Speaker, Dr. D. Gale Johnson, economist and provost of the University of Chicago, has noted that the population of the world can be more adequately fed 10 years from now than it was in the years before 1972. His optimism rests on the lessons of history and the hope that all countries adopt policies providing for research and incentive for agricultural production.

Dr. Johnson observes that in 1935–39, grain production per acre was almost identical for the developing and industrial countries. Since this time a large disparity has developed. Throughout most of the recorded history of mankind, most of the world's population has been but one poor crop away from disaster and suffering. Dr. Johnson believes that we have the ability to correct this situation. The world has the capacity in terms of intellectual and natural resources to improve the per capita food supply of the world's poorer people. The issue is: Do we have the resolve?

To improve the food production in developing countries, Dr. Johnson recommends that the world increase agricultural research, improve the availability of supply inputs, provide peace in the Middle East and develop food policies that provide incentive for developing nations.

Dr. Johnson's thoughts add new perspective to the on-and-off concern that both developing and developed nations give to food needs. Perhaps, as he observes, one of the major defects of efforts to expand food production is the inability to undertake a longrun effort and maintain it consistently.

Dr. Johnson's article from the April 5, 1976 Feedstuffs magazine follows:

WORLD HAS MEANS TO IMPROVE PER CAPITA FOOD SUPPLY OF POORER PEOPLE: JOHNSON

[The global food scare notwithstanding, the world now has the capacity in terms of intellectual and natural resources to prevent large-scale suffering and to improve the per capita food supply of the world's poorer people. That view is held by Dr. D. Gale Johnson, a noted economist and provost at the University of Chicago who believes that the population of the world can be more adequately fed 10 years from now than it was in the years before 1972.

And, he contends, evidence indicates that prices of food at the farm level need be no higher than during the early 1970s, after adjustment for inflation.

Johnson discusses these and other issues in this perspective on the world food problem]

(By D. Gale Johnson)

It is not easy to achieve a perspective about the nature and extent of world food problems at a time when each of us is exposed at least weekly to headlines announcing crop failures, hunger or starvation, to pictures of starving women and children and to television news specials that emphasize the startling and the unusual. I do not oppose or criticize the revealing of the more horrible aspects of life in our world today. What I am critical of is an almost complete lack of perspective concerning the reasons for the world's current food difficulties and for creating the impression that the current situation is so disastrous that there is little hope of any improvement, either in the short run or longer run.

The oft-repeated statement that the developing world is inevitably headed toward starvation and famine may do far more damage than good. If a problem is insoluble, what reason is there for trying to solve it? If it is certain that there will be continuing food starvation in the low income countries, most people in the rich countries (as well as many policy makers in the developing countries) can justify both their ignoring the fate of the world's poorer people and their consequent inaction in making any real effort to do those things that are both possible and promising.

Let me be quite clear at the outset. There are no reasons in limitations of resources or in the technology and biology of food production why the population of the world cannot be more adequately fed a decade hence than it was in the years immediately before 1972. And I believe that the world's population will be better fed a decade hence, though I am less confident about the realization of the potential for food production than I am about the probability that the realizable potential would permit an improvement in the diets of poor people even if current population growth rates are maintained for that decade. In addition, I believe that the evidence supports the view that the prices of the food at the farm level need be no higher than during the early 1970s, after adjustment is made for inflation.

AN HISTORICAL PERSPECTIVE

The current world food scare is not the first nor likely to be the last . . . . Let me read you three fairly brief quotations and see if you can guess when they might have been written or spoken.

Practically there remains no uncultivated prairie land in the United States suitable for wheat-growing. The virgin land has been rapidly absorbed, until at present there is no land left for wheat without reducing the area for maize, hay, and other necessary crops. It is almost certain that within a generation the ever increasing population of the United States will consume all the wheat grown within its borders, and will be driven to import, and, like ourselves, will scramble for a lion's share of the wheat crop of the world.[1]

To increase our average crop production per acre 47% may sound easy, but when we remember that this is an average increase to be attained for all of the crop land of the United States, the magnitude of the task that must be accomplished (to provide food for a population of 150 million) in perhaps little more than three decades . . . appears stupendous. Moreover, it should be noted that our record thus far indicates a very slow rate of progress in . . . increased yield per acre, whereas, on the other hand, the increasing scarcity of grazing land has already resulted in a considerable decrease in number of livestock per capita.[2]

. . . one thing is evident. The less developed world is losing the capacity to feed itself. Stated otherwise, the less-developed world is no longer able to provide enough food for the large numbers of people being added each year. A growing part of the each year's population increase is being sustained by food shipments coming from the developed world, principally North America, and largely under concessional terms.[3]

The first was from the presidential address to the British Association for the Advancement of Science delivered by Sir William Crookes in September, 1898. Sir William was a chemist of note and thought the subject

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Footnote at end of article.

of the wheat or food problem important enough to use that auspicious occasion to obtain an audience for his views. Two other quotations may be of interest:

"Are we to go hungry, and to know the trial of scarcity? That is the poignant question."[4]

"I have said that starvation may be averted through the laboratory. Before we are in the grip of actual dearth the Chemist will step in and postpone the day of famine to so distant a period that we, and our sons and grandsons, may legitimately live without undue solicitude for the future."[5]

The second quotation was from an exhaustive survey of the potential farm output of the U.S. made by outstanding scholars and scientists in the U.S. Department of Agriculture after World War I and published in 1924. It was difficult to find a satisfactory brief summary statement of conclusions, but the general view was that the U.S. could provide food for a population of 150 million (actually reached in 1950) only through a reduction in per capita consumption of livestock products from the 1920 level and by an expensive effort to increase crop yields. Crop yields actually increased by 47% but not until 1960. However, in the next 12 years, crop yields increased a further 30%. And per capita meat consumption did not decline but increased significantly—by 28% between 1920 and 1971 for red meat and by 225% for poultry consumption. I should add that milk consumption did decline by about 25% per capita. The overestimate of the need for increased crop yields was due to a failure to anticipate the replacement of animal power by tractors, which was essentially completed by 1950.

The third quotation was from a paper written by Lester Brown in 1964. Lester Brown is making similar statements today and is quoted with favor in numerous places by those who may have forgotten that it was not so long ago that he found the food outlook for the developing countries to be quite satisfactory.[6]

The thesis of this paper is that the world has recently entered a new agricultural era. It is difficult to date precisely this new era since many of the contributing factors have been years in the making. But in terms of measurable phenomena such as the sweeping advances in food production in several major developing countries, the old era ended in 1966 and the new era began in 1967.

LESS FAMINE

Famine is the most horrible of the manifestations of food insufficiency. It is sad if there is one death in a year anywhere in the world, and it is sadder still when thousands of such deaths occur. But it would be incorrect to deduce from the pictorial evidence of famine that we now see that the world is more prone to famine than in the past. Quite the contrary. Both the percentage of the population afflicted by famine and the absolute numbers involved during the past quarter century have been small compared to what has prevailed during the period of history for which we have reasonably reliable estimates of the number of famine deaths. There appears to have been a rather steady reduction in the incidence of famine in the last quarter of the 19th Century—perhaps 20–25 million died from famine. Adjusting for population increase, a comparable figure for the third quarter century of this century would be at least 50 million and for the quarter century we are entering, at least 75 million. For the entire 20th Century to the present, famine deaths have probably been about 12–15 million, and most were the result of deliberate governmental policy or due to war.

Those who believe that the food situation for the poorer people of the world has deteriorated during the past quarter century have no satisfactory explanation for a development unprecedented in recorded human history, namely the dramatic increase in life expectancy in the developing countries. During the 1950s there were many developing countries in which life expectancy increased at the rate of one year per year—something never achieved in Western Europe or North America. I do not say that improved per capita food supplies were primarily responsible for such a dramatic development; other factors such as DDT (the control of malaria) and improvements in sanitation (sewage and water supplies) were far more important.

But the increase in life expectancy almost certainly could not have occurred if there had been a deterioration in the quantity and quality of food. The largest percentage declines in death rates occurred among the young, who normally suffer first and most with a reduction in food availability. Those of us who decry the high rates of population growth in the developing countries should not forget that the increases in population growth rates have been due entirely to reductions in death rates and not at all to an increase in birth rates. There has been an enormous reduction in human suffering that has gone largely unrecognized—pain and grief of parents numbering in the hundreds of millions have been avoided by the reduction in infant and child mortality. True, there have been costs imposed by the rapid growth of population, but the benefits should not be ignored.

Life expectancy in the developing world increased from 35–40 years in 1950 to 52 years in 1973. When was a level of life expectancy of 52 years achieved in the U.S.? in England? in France? in Italy?[7] I leave you to find out the answer for yourself if you are interested.

Just two other items for perspective. A friend of mine, a German food economist Adolph Weber, has compared per capita calories of the developing countries as of 1971 with the French per capita caloric consumption of 1785. In 1785, France was one of the leading world powers—economically, socially, culturally, militarily. All of the developing countries of the world except for three, had by 1971 surpassed the French per capita caloric consumption of 1785. It was not that the average for the world had reached the 1785 French level, but that the lowest average for all countries but three exceeded that level.

Foreigners who visit the developing countries often report the very low yields of grain that are realized. But even here there has been significant progress and the lag of the developing countries behind North America or Western Europe is not so great as often believed. If the world is divided into two groups—the developing countries and the industrial countries—grain yields were almost identical in 1935–39 at about 1.15 metric tons per hectare. In the late 1960s the average yield in the industrial countries was 2.14 tons or about double the yield 35 years earlier. In the developing countries, yields had increased to 1.41 tons per hectare by 1969–70, which is above the average yield in the industrial countries as recently as 1952–56.

Throughout most of the recorded history of mankind most of the world's population has been but one poor crop away from disaster and suffering. The world now has the capacity in terms of intellectual and natural resources to prevent large scale suffering and to improve the per capita food supply of the world's poorer people.

THE GREEN REVOLUTION—FRAUD OR SUCCESS?

Only a few years ago there were those who thought that the rapid spread of the new high yielding varieties of rice and wheat and some other food grains would provide at least a breathing spell within which efforts to reduce population growth might have some effect. Various glowing terms, such as miracle seeds or the Green Revolution, were associated with the introduction of these varieties. Now a short six or seven years later a disappointing harvest in South Asia has caused disillusionment among many who were so optimistic a little while ago.

It was not that the new high yielding varieties have failed to live up to their true promise or that farmers have not adopted these varieties where it was profitable to do so. In India in 1972–73 it is estimated that 20% of the total grain area was devoted to the new varieties and 42% of the total grain output was their contribution to production. In 1972 the high yielding varieties of wheat were sown on 55% of the total wheat area in Pakistan and per capita food production was 20% above 1961–65. What has happened is that unreasonable expectations implicit in such words as miracle seeds or Green Revolution have not been and could not have been realized.

WHAT HAVE WE LEARNED?

If we make the effort, I think that there is a great deal that we can learn from the efforts of the past few years to improve the food production capabilities of the developing countries. The lessons are there if we only have the wit and wisdom to find them.

The first lesson is that if the effort is made, agricultural research can have a high payoff for the developing countries just as it has had in the industrial countries. It should be noted that the increase in yields of grain crops in the industrial countries is a relatively recent phenomenon. The yields of two major grains in the U.S.—corn and wheat—were the same during the 1920s as during the 1970s. Grain yields in England in the early part of the 20th century were no greater than in the mid-19th century. Only Japan achieved significant yield increases in the 19th century.

While there has been some form of agricultural research for centuries, publicly supported research is little more than a century old and it was not until well into the third decade of this century that public expenditures on agricultural research in the U.S. reached $25 million. Hybrid corn, the first major high yielding grain variety, became commercially available only four decades ago. Hybrid sorghum, the second of the major high yieding grains, has been available for less than two decades. Until fairly recently almost all investment in agricultural research was done in North America, Japan, and Northern Europe. Significant investment in agricultural research in the developing countries is only a post World War II phenomenon and in only a few countries. The highly successful cooperative effort between the Rockefeller Foundation and the Mexican Government was started in 1943. It was out of the program that the dwarf wheats emerged in 1963. Dwarf wheats are now seeded on about a third of the total wheat area in nine developing countries and are responsible for at least half of the total wheat output in those countries. Included in the nine countries are India, Pakistan, Turkey and Mexico.

While some scientific achievements do have universal relevance for agriculture, much agricultural research is required to solve problems that are location specific. Thus, while the achievement of hybridization has universal application and significance, to obtain the best results it is necessary to carry out research on plants for rather restricted geographic areas. Differences in rainfall, altitude, length of the day, length of the growing season, temperature ranges and variations are important, apparently far, far more important to the optimum development of plants than to man. A significant research effort is required in virtually all agricultural areas to carry on a battle with nature—to find and maintain plant varieties that are resistant to locally prevalent diseases and insects. One of the major risks

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Footnotes at end of article.

that was accepted in the rapid adoption of the new high yielding varieties of rice and wheat was that these varieties, while relatively resistant to the major diseases and insects where the varieties were developed, might be susceptible to heavy losses in the areas to which they were transplanted. Fortunately for millions of people, catastrophe did not occur. Most of the world's publicly supported agricultural research is still undertaken in the industrial countries and not in the developing countries. According to estimates made by Robert Evenson and Yoav Kislev, only 15% of the world's public expenditures on agricultural research in 1970 was spent in Africa, Latin America and Asia (China excluded). These areas have 75% of the world's population and an even higher fraction of the world's farm population (China excluded). The enormous disparity in annual research investment is indicated by public research expenditures per farm in 1965: $93 in North America, $32 in Northern Europe, $0.43 in South Asia and $1.50 in South America. The cost of research is somewhat less in the developing countries than in the industrial countries, but if research input is measured in scientific man-years the discrepancy on a per farm basis between North America and South Asia only narrows to 72 to 1. It has not only been that relatively little public funds have been spent on agricultural research in the developing nations, it is fairly generally agreed that the effectiveness of even the modest expenditures has been very poor. There have been some notable exceptions—the joint Rockefeller-Mexican program and research on grains in India.

If the developing countries are to approach the grain yield levels of the industrial countries, the agricultural research effort in these countries must increase many times from the present level. More research effort is not all that is required, but such research seems to be a necessary condition for successful and relatively low cost expansion of the food supply.

A second lesson that we have learned from the past few years, though the evidence was there long before, is that poor farmers, even those tens of millions who are either illiterate or barely literate, do respond to new and profitable opportunities and that they can quickly adopt highly complicated production technologies with which they have had no prior experience. Such farmers have disposed, hopefully once and for all, the derogatory and negative stereotypes held by many planners, governmental officials and those whom I have on occasion referred to as urban intellectuals.

Hopefully, we have also learned a third lesson—there is no such thing as a free lunch or a really low cost lunch when it comes to increasing food production. Research developments almost never stand by themselves. If we tried to grow the existing hybrid varieties of corn that now yield 100 bu. per acre or more throughout most of the American Corn Belt with the same complementary inputs actually used 40 years ago, yields would be little higher than then—about 40 bu. Much research, especially that dealing with plant varieties, acts primarily to increase the potential yield horizon. And this potential can be realized only as other inputs are made available. The process of achieving higher yields per unit of land and greater total food output in the developing countries depends on many things besides more research, essential as research is.

A fourth lesson is that governments do have the capacity to react to new opportunities that can lead to an improvement in their food situation. Admittedly their responses have not been as rapid or as purposeful as those of farmers. But throughout the developing countries numerous examples exist of governments who have made available, either by local production or importation the essential complementary inputs of fertilizer, insecticides, electricity, diesel fuel, pumps and pipe for tube wells.

I am not implying that in all countries and in all cases that the policy responses have been all that could be hoped for, but on balance major accommodations have been made. Some governments still interfere with prices and incentives to produce in an effort to maintain a cheap food policy. But even here, it appears that recent actions have been less adverse to food production than those engaged in a decade ago.

A fifth lesson that I hope we have learned is that large scale food aid, such as the P.L. 480 program during the latter half of the 1950s and the first half of the 1960s, contributes very little to the food supply of the developing countries. The lower prices that result from the food aid has some disincentive effect for farmers in the developing countries, but perhaps more important, the existence of such food aid affected governmental policies in a way that was adverse to the increase of domestic production. I support food aid to meet emergencies due to adverse weather or other natural disasters. But except for such emergency food aid, there are few real long term benefits to the recipient countries.

TO INCREASE FOOD PRODUCTION IN THE DEVELOPING COUNTRIES

There are several important measures that can be taken to increase food production in the developing countries and to achieve a rate of growth of production in excess of the population growth rate. Time permits only very brief development of each.

1. Agricultural research

Earlier I noted how unevenly agricultural research resources are distributed in the world. It is possible and only moderately expensive to develop significant agricultural research institutions in all of the important agroclimatic zones of the developing world within two decades. I have estimated that if the industrial countries financed such an effort that the cost might be approximately a billion dollars annually for the first decade and half that annually for the second decade. The higher cost during the first decade would be due to the education of additional scientists and capital expenditures. One of the requirements for successful agricultural research is patience. Unfortunately in our own technical assistance efforts, except those financed by private foundations, we have exhibited very little patience and this explains in large part why our governmental efforts to promote research in the developing countries have yielded so little.

2. Supply of modern farm inputs

The substantially higher yields of grain per hectare in the industrial countries than in the developing world are not due to the greater intelligence of our farmers, to the better quality of our land or to a more satisfactory climate. The higher yields are explained primarily by the availability of modern farm inputs such as fertilizer, advanced seed varieties adapted to climatic and soil conditions, pesticides, herbicides, more adequate water control where irrigation is used and, to a much smaller degree, the replacement of animal and human power by mechanical power.

The availability of modern farm inputs is dependent on agricultural research, but not solely. Governments must provide a political and economic setting in which such inputs will be available if there is a demand for them and at prices that are related to the costs of obtaining such inputs through international trade. All too many of the developing countries protect industries that produce fertilizer or farm machines and impose high costs upon farmers and thus upon consumers.

It is often argued that because of the current world energy situation that it would be a mistake to transfer to the developing countries the energy intensive agricultural technology of North America or Western Europe. Based on the knowledge we have now, for at least the next two decades there is no other way to achieve substantial increases in food production in the developing countries. There must be large increases in fertilizer use—at least a doubling of use in the developing countries in the next decade. Energy is required for increasing irrigation water and obtaining better control of existing water. It is unlikely that in most of the developing countries that tractors will replace a significant fraction of animal and human power within the next two decades, but more energy is used to produce fertilizer in the U.S. than is required for the operation of all the tractors and trucks on farms.

And if energy saving is required there are almost certainly ways to achieve it while providing sufficient supplies to agriculture. It has been estimated that in the U.S. more energy is consumed by the housewife in shopping for food than is used in farms in producing the food!

3. Peace in the Middle East

A stable and durable peace in the Middle East could contribute significantly to the availability of nitrogen fertilizer at relatively low cost. As noted above, increasing food production will require very large increases in the use of fertilizer. The lowest cost area in the world for producing nitrogen fertilizer is in the Middle East. The Middle East has enormous reserves of natural gas that could serve as the base for a large fraction of the world's output of nitrogen fertilizer. More natural gas is flared (wasted) in the Middle East than is consumed by the entire petrochemical industry in the U.S. The production of nitrogen fertilizer is included in the output of the petrochemical industry, and we now produce about a quarter of the world's nitrogen fertilizer.

While there has been an increase in nitrogen fertilizer production in the Middle East over the past decade, the unstable political situation has been a barrier to the making of the required large capital investments. But if there were a durable peace, there is no reason why such investments would not be made and a very large supply of relatively low cost nitrogen fertilizer made available.

4. Agricultural and food policies in the developing countries

Earlier I noted that the governments of the developing countries have shown some capacity to react to changing opportunities for increasing food production. But much, much more is required if food production is to increase at a more rapid rate than population over the next two decades. Many developing countries exploit farmers for the benefit of urban consumers or the treasury by holding down domestic prices by one device or another. Many countries heavily tax their major agricultural export. India has held the price of rice below world market levels for the past decade and has then expressed concern that rice production has been lagging. Domestic fertilizer production is often protected, sometimes by as much as 100%.

But perhaps the major defect in the policies and programs of the developing countries with respect to expanding food production is the inability to undertake a long run effort and maintain it consistently. When the food situation eases, attention is diverted to other things. Attention returns only when an actual or impending crisis occurs. There is little doubt that the success of the high yielding varieties in South Asia gave governments an unwarranted sense of euphoria. As a result, efforts to expand food production slackened and the momentum gained was largely lost.

But what I have said about policies of the developing countries applies equally to the industrial countries in their efforts to assist the developing countries. I know of no new initiatives that were taken by the industrial countries after 1967 except the creation of a number of regional agricultural research centers, largely as the result of private initiative but involving funding assistance by international agencies and some governments, and the creation by Canada of a unique institution, the International Development Research Centre, which may now be the most effective single institution in the world for assisting the developing countries in expanding food production. Our own foreign aid program remains in complete disarray, and the United Nations organizations, except perhaps for the World Bank, have not achieved a leadership role.

REDUCING POPULATION GROWTH RATES

Population growth rates in the developing countries have been exceedingly high by any comparison with the past. In spite of population growth rates of about 2.5% during the past two decades, food production increased at a slightly higher rate. But there was little improvement in per capita food supplies. Significant improvements in per capita food supply can only be achieved as birth rates decline and the population growth rate is reduced.

Without a reduction in birth rates most of the efforts required to maintain a rate of growth of food production of 3% annually would simply provide for a lot more people at approximately the current level of food consumption. If population growth remains at 2.5% annually, a 3% growth in food production would increase per capita food supplies by only 12% in a quarter of a century or by the year 2000. And there is no certainty that a 3% rate of growth of food production could be maintained indefinitely.

As important and desirable as it is to achieve a reduction in birth rates, I believe that the U.S. and other industrial countries can have but a very limited role in either inducing or aiding in efforts to reduce birth rates. As our own experience shows, there is strong opposition to a government taking an active role in reducing birth rates. And the opposition becomes solidified if a case can be made that outsiders are making an effort to induce or force a country to engage in a positive program.

World food problems are continuing ones, at least until the per capita incomes in the developing countries increase substantially from their present levels. Somehow it must be recognized that efforts to solve such problems must be long run in nature. It should be accepted that programs or measures started now will need to continue until at least the end of this century. Somehow we must be able to maintain our attention and efforts during periods of relative abundance, recognizing that if we do not such relative abundance probably will be followed by relative scarcity and much human suffering. While it will be possible to produce more food per capita in 1985 than ever before, it will not be easy to do so.

A few years ago Norman Borlaug told us that the new high yielding varities of grain would not solve the food problems of the developing countries but the new varieties could buy time for these problems to be solved if the time were used effectively. It cannot be said that the world has used the time since 1967 at all effectively. The same mistake should not be made again. The stakes are too high.

FOOTNOTES

[1] Sir William Crookes, *The Wheat Problem*, New York and London, 1900, pp. 17–18.

[2] L. C. Gray, *et al.*, "The Utilization of our Lands for Crops, Pasture, and Forests," United States Department of Agriculture, *Agriculture Yearbook, 1923*, p. 489. Words in brackets supplied.

[3] Lester R. Brown, "World Population Growth, Food Needs and Production Problems," paper presented at American Society of Agronomy annual meeting, Kansas City, Missouri, November 17, 1964, p. 5.

[4] Crookes, *op. cit.*, p. 32.

[5] *Ibid.*, p. 34.

[6] Lester R. Brown, "A New Era in World Agriculture," paper published at Symposium on World Population and Food Supply, Kansas State University, Manhattan, Kansas, December 3, 1968, p. 1 (USDA3773–68).

[7] United States, 1900; England, 1905; France, 1910; Italy, 1921. Some of the dates are midpoints of ranges. Sources: Population Council. *Reports on Population/Family Planning*, No. 15, January, 1974, p. 7, and Donald J. Bogue, *Principles of Demography*, New York, 1969, Table 16–7.

PERILS OF U.S.-AFRICA ACTION

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, May 3, 1976

Mr. HARRY F. BYRD, JR. Mr. President, after being in Marion, Va., and Smyth County yesterday, I stopped in Bluefield, Va., this morning.

Today's Bluefield Daily Telegraph, the editor of which is Hugh Shott, carried an excellent editorial on Secretary of State Kissinger's African trip.

I ask unanimous consent that this editorial captioned "Perils of U.S.-African Action" be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PERILS OF U.S.-AFRICA ACTION

Secretary of State Henry A. Kissinger has run up his share of diplomatic successes, but he shocked a number of people with his ill-conceived declaration on Rhodesia.

It is now all too clear that our Secretary of State has sided with those who would force Rhodesia to end its minority rule at once, even though a transition to majority government has already begun by the appointment of four black cabinet Ministers, and more such concessions are scheduled.

His principal threat against the well-being of all Rhodesians, whether white or black, lay in his urging Congress to repeal the Byrd Amendment, through which Rhodesian chrome is permitted to be imported here, despite United Nations sanctions. Many Rhodesians would have been starving today if we had not held open our market for their principal export, outlawed largely by the Third World in the U.N.

Kissinger also said he would encourage countries bordering Rhodesia to close their frontiers to Rhodesian goods and traffic, in order to landlock that nation and force immediate majority rule. He furthermore offered help to any nation which would close its frontiers.

These are all unbelievable actions and will have strong repercussions. Neither Kissinger nor any American secretary of state should be permitted to make such drastic declarations on his own, as he obviously is doing. Once again, it would appear, the egomaniacal Kissinger has overreached himself.

If we are to force the removal of all minority governments around the world, we will have our hands full. And if we are out to free the oppressed everywhere, why not start with the millions under the thrall of the Soviet Union? There is a much greater problem there than in Rhodesia.

TRIBUTE TO PROF. VICTOR JONES

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. DELLUMS. Mr. Speaker, I would like to bring to the attention of my colleagues the outstanding career of Prof. Victor Jones, professor of political science at the University of California, Berkeley.

Professor Jones will be retiring at the end of the present academic year, after some 29 years of service to the academic community. As an expert in the field of public administration and American Government, he has been widely recognized for his work in intergovernmental relations. His deep understanding of the significance and potential of metropolitan and regional government has earned him the respect of the Government, which has sought his advice, and his colleagues, who have benefited from his wisdom and understanding.

Professor Jones received his A.B. at Howard College, Ala., and the Ph. D. at the University of Chicago. At the University of California, Berkeley, he has been a faculty member at various times from 1938 on. He served as a research associate at the Bureau of Public Administration from 1938–41. He has held the position of professor of political science since 1955, and research professor of political science at the Institute of Governmental Studies—formerly the BPA—since 1961. He has also taught at the Illinois Institute of Technology in Chicago, Yale University, Wesleyan University, and York University in Toronto. He has served as the representative of the University of California at La Scuola Perfezionamenta in Scienze Amministrative at the University of Bologna, and as academic director, California legislative internship program.

Professor Jones has published widely, including: Metropolitan Government; "Local Government Organization in Metropolitan Areas: Its Relation to Urban Redevelopment," in the Future of Cities and Urban Redevelopment; "The Mystery of Power," in Public Administration Review; "Representative Local Government: From the Neighborhood to the Region," in Public Affairs Report; "Bay Area Regionalism: Institution, Processes and Programs," in Regional Governance: Promise and Performance; and "Bay Area Regionalism: The Politics of Intergovernmental Relations," in the Regionalist Papers.

In addition to his numerous publications and outstanding service to the university community, Professor Jones has been a member of numerous editorial boards, including those of: The American Political Science Review, Public Administration Review, National Municipal Review, and Comparative Local Government (International Union of Local Authorities, The Hague).

It is my pleasure to join with his colleagues in paying testament to this fine academician, teacher and citizen. I take pride in the knowledge that he has served his university and community well, and wish him my best for the future.

BENTON HARBOR HONORS ITS CLERGYMEN

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. FAUNTROY. Mr. Speaker, as one of several clergymen in this Congress, I often have the privilege to learn from citizens around the country of those clergymen who are held in especially high regard. I will shortly visit the city of Benton Harbor, Mich., in order to address the Benton Harbor Week Citizen Forum.

This forum has been set aside to honor the clergymen of the city who have led them spiritually and who have provided the inspiration by which the citizens have gone forth after their own personal trials and tribulations to renew their lives and to make Benton Harbor one of the nicest communities in which one can live.

This is a heavy industrial area, which also has one of the most important fruit belts in the world. The people of this community have undergone many economic and social changes and have endured with the utmost stability, unity, and inspiration. So much of this is due to the work of these churchmen.

In honoring them, I want to call to the attention of my colleagues those who have devoted 20 years or more to work in Benton Harbor: the Reverend Daniel E. Cook, Progressive Baptist Church; the Reverend W. E. Ellis, Pilgrim Rest Baptist Church; the Reverend John A. Simmons, Hopewell Baptist Church; the Reverend Elbert Brown, St. Paul Baptist Church; the Reverend John H. McCoy, Church of God In Christ; the Reverend Charles M. Jones, Beautiful Gate Baptist Church; the Reverend E. H. Culpepper, Macedonia Community Church; the Reverend W. H. Hunter, Bethlehem Temple; and the Reverend Nathaniel Wells, Sr., Community Church of God In Christ.

Others who have worked equally hard, though not as long are: The Reverend C. L. Woodson, Pleasant Grove Baptist Church; the Reverend John Edward Watson, Mount Zion Baptist Church; the Reverend Rudolph Thomas; the Reverend Milton McAfee, New Bethel Baptist Church; the Reverend John L. McAfee, Israelite Baptist Church; the Reverend Wrennie Bennett; the Reverend Ella Mobley, Full Gospel Tabernacle Church; the Reverend Dr. Carlos Page, Peace Temple United Methodist Church; the Reverend Robert J. Lacker, First Baptist Church; the Reverend Coleman K. Gray, St. Mark's Baptist Church; the Reverend Lawrence Crockett, Mount Zion Baptist Church; the Reverend Silas Legg, Church of Christ; the Reverend Arthur L. Gelks, Sr., Union Memorial AME Church; the Reverend Donald B. Adkins, Second Baptist Church; the Reverend Willie T. Burton, New Paradise Baptist Church; Father Leroy White, St. John's Catholic Church; the Reverend Tommye Vaden, Bethlehem Temple; the Reverend Ellis Hull, Sr., Pilgrim Rest Baptist Church; and the Reverend William Caldwell, Pilgrim Rest Baptist Church.

CLINCH RIVER BREEDER REACTOR CONTRACT CRITICIZED

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. COUGHLIN. Mr. Speaker, this week the House is scheduled to consider H.R. 13350, the Energy Research and Development Administration authorization for fiscal year 1977. This bill includes additional funding for the Clinch River breeder reactor, the demonstration plant of the liquid metal fast breeder reactor.

Both the Clinch River project and the LMFBR program as a whole have had a history of rapidly escalating costs. In view of these skyrocketing increases, Congressman WILLIAM S. MOORHEAD and I plan to offer an amendment to the ERDA bill to require greater financial participation in this project by private industry. In order to provide my colleagues with some background information about the justification for this proposal, I am inserting testimony in the RECORD which I presented on April 14 during the Joint Atomic Energy Committee's hearings on the contractual arrangement for Clinch River.

The statement follows:

STATEMENT OF REPRESENTATIVE LAWRENCE COUGHLIN, 13TH DISTRICT, PENNSYLVANIA, BEFORE THE JOINT COMMITTEE ON ATOMIC ENERGY, APRIL 14, 1976

Mr. Chairman and members of the Joint Committee, I very much appreciate the opportunity to appear before you this morning to express my concern about the present contractual arrangement for the Clinch River Breeder Reactor project. I share Congressman Moss' view that the contract negotiated between private industry and the Energy Research and Development Administration shows too little financial participation by the private sector compared to its management role and at the expense of the Federal Government—in actuality, at the expense of the American taxpayers—along with an unfortunate and dangerous potential for built-in conflicts of interest.

If private interest, and investment, is wanting, then it would seem that the whole breeder project is estimated by the private sector to be an inefficient and unproductive source of energy. And I happen to believe that the private sector relies on hard analysis.

Specifically, my opposition stems from the fact that last year's authorization bill deleted language contained in section 106(a) of the authorizing legislation for Clinch River, P.L. 91–273—language which stipulated that "assistance which the Government undertakes specifically for this demonstration plant shall not exceed 50 per centum of the estimated capital cost of such plant . . ." It is my understanding that this language originally had been included at the request of the esteemed former member of this Committee, Mr. Hosmer.

In an effort to restore the intent of this deleted language and to require that industry assume its reasonable burden of financial risk of the CRBR, I have proposed to the Committee that language be included in the FY 77 authorization bill to obligate private industry to pay at least 50 percent of all total cost increases in the CRBR over $2 billion. This would allow for an additional $50 million escalation in the project, now estimated at $1.95 billion.

I was privileged to present this proposal, in the form of a letter to Chairman Pastore, which was signed by Congressman William S. Moorhead and me.

Including this language, I believe, would have a concerted and beneficial effect on controlling costs of the CRBR. Furthermore, requiring the utilities to assume an equal share of any future overruns would demonstrate clearly how strong is their commitment to the project and their confidence that it is a cost-effective means of generating electricity.

As we all are well aware, the proportion of industry's contribution to the total project has rapidly dwindled. At the outset of negotiations, the share to have been borne by the utilities and reactor manufacturers was set at 39 percent. It now has declined by 300 percent to only 13 percent. Moreover, in last year's debate on the ERDA authorization, Mr. Roncalio stated that he and the Joint Committee had tried unsuccessfully to get the utilities to commit more of their own funds to the project.

Of course, inflation was an important factor in escalating Clinch River costs, thus decreasing the proportion of utility contributions. I think we also must note, however, that only about half the increase of the CRBR can be attributed to inflation.

In fact, a General Accounting Office review found that major Federal civilian construction projects averaged 81 percent above original cost estimates while Clinch River climbed to 179 percent above the 1972 cost projection. Given these facts, I feel the case is solid for tighter fiscal mechanisms to be placed in force.

In analyzing various factors which could contribute to further increases, I am concerned that poor management relations at the CRBR could have substantial impact. As the GAO stated in its April 4, 1975, report on the CRBR arrangement:

"In our opinion, the various documents submitted to the Joint Committee do not clearly delineate the manner in which the project will be managed, but rather contain ambiguous and seemingly inconsistent language regarding responsibilities and authorization for management." (Page 4)

The recent GAO letter to Mr. Moss makes clear that in spite of renegotiation of the contract, effective and efficient management relationships have not been developed. As the letter pointed out:

"It seems that the energy agency's inability to obtain during the negotiation process, the corporation's agreement (1) on more specific language defining the role that the corporation's board of directors will have in managing the project . . . foreshadows even more serious problems if the energy agency attempts to exercise its management prerogative during performance of the contract." (Page 2)

In sum, a substantial cost overrun potential remains at Clinch River because of project uncertainties and unclear management relationships. Responsible and prudent judgment dictates that steps must be taken to insure that participants in the project have strong and sufficient incentives to keep costs at a minimum.

Thus, the language I submit has the single purpose of providing a strong fiscal incentive to hold costs at the CRBR to a minimum without imposing a cost ceiling on the project. Because the present contract places all the open-ended financial risk on the Federal Government, my approach would more equitably spread the risk burden by requiring private enterprise to exercise greater fiscal responsibility and restraint.

ERDA has acknowledged that cost consciousness of private industry is an important benefit of financial participation by the industry in demonstration projects on energy.

In fact, the revised Program Justification has stated that one of the major objectives of the Clinch River project will be to "(1) demonstrate . . . the economic feasibility in a utility environment of a LMFBR central electric power station."

As ERDA has stated in response to questions from the House Science and Technology Committee:

"We believe cost sharing is a particularly effective means of implementing this philosophy of joint participation. Cost sharing serves as a pragmatic indication that a project has credibility by the standards of the private sector."

In advocating that the private sector share in the overruns, I am not espousing a new approach. In fact, the President, energy message to the Congress in June 1971, stated:

"Industry should play the major role in (demonstration projects) . . . , but government can help by providing technical leadership and by sharing a portion of the risk for costly demonstration plants."

In addition, ERDA told the Senate Interior Committee that present ERDA policy for fossil programs is to require 50 percent non-Federal funding in demonstration plants in the construction and operating phases. If it is fair to require 50 percent private funding of the *capital and operating costs* of fossil projects, it certainly is fair that the private participants be required to contribute 50 percent of the cost *overruns* for Clinch River. This is the position of the Office of Management and Budget as well.

Most important, I believe the utilities should contribute a greater share than under the present contract since they retain a substantial measure of managerial control and will be in a position to affect the total outlays. Potential conflicts of interest would tend to be minimized if the utilities had to share the overrun burden on an equal basis with the Federal Government. To buttress my contentions, I cite the following:

1. Eight of the 19 top management positions and 130 of the 200 project organization positions will be staffed by private industry personnel.

2. The contract requires that ERDA manage the project through the integrated management structure (4.1.12). This means that the decisions ERDA makes will be implemented to a significant degree by non-ERDA personnel. Likewise, if ERDA is required to manage the project through the private participants, the private participants are thereby given a great amount of control over the project.

3. The General Accounting Office reports of April 4, 1975 and March 26, 1976 also make clear that ERDA, even though it officially controls the project, would not be able to exercise the usual management prerogatives:

(1) the revised contract places ERDA program funds under a complicated tripartite decision system. Under the present contract, they are under ERDA's sole control.

(2) the contract grants the private parties the right to end their participation in the project if a major design change is adopted to which they object.

(3) Since the primary purpose of the CRBR is demonstration, and the private parties should withdraw, the project would lose its rationale. This would be an extreme embarrassment to ERDA. Therefore, it is possible that the private participants could use threats of withdrawal in order to force ERDA not to exercise their normal management prerogatives.

In concluding my remarks, I again would like to emphasize that my concern with the CRBR—and the LMFBR in general—is that our Federal dollars are invested wisely. My interest in this project originated with my service in the 92nd Congress on the House Science and Astronautics Task Force on Energy. It was then that I began to question the projected cost/benefits of the LMFBR. Much controversy has been raised about the ultimate viability of this project and its likelihood of eventual commercialization. Because of the large portion of the total energy R&D budget which the LMFBR now consumes—to the detriment of other possible alternatives—I think it is vital that our judgment on this matter be sound. It is our responsibility to provide this country with the energy for future generations.

Furthermore, I do not believe that we are being unfair to private industry in proposing that they bear a greater share of the project costs. After all, if the LMFBR is a success and commercialization does, in fact, result, the utilities are the ones who will reap the benefit. Therefore, if we are to get a true picture of the industry's real interest in this project, I can think of no better way to measure their commitment than to require them to bear an equal share of any future overruns.

A SALUTE TO THE SETON HALL LAW CENTER

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. RODINO. Mr. Speaker, I want to take this occasion to alert my colleagues to a very significant event taking place today in my hometown of Newark. This event is the culmination of over 25 years of planning and progress by the Seton Hall University School of Law; it is the dedication of a new multimillion dollar law center in the heart of Newark, N.J.

The dedication of this magnificent structure represents a continuing commitment by the administration and faculty of Seton Hall University, and the school of law and its alumni to the future of Newark and the rule of law.

I would like to pay a special tribute to John F. X. Irving, dean of the law school, for under his stewardship the law center went from a plan and a dream to a splendid reality. His leadership has also brought the Seton Hall School of Law to the forefront of America's innovative legal institutions. The clinical programs and classroom instruction offered in the new law center are, I believe, second to none in the Nation.

Mr. Speaker, I am pleased that my son will be a member of the first class to be graduated from the new law center. I am confident that he has received the finest in legal education and that this tradition of excellence will be carried forward in the years to come as the Seton Hall Law Center continues its commitment to Newark, to New Jersey, and to the Nation.

GOTBAUM CALLS DEFAULT A CATASTROPHE

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. SOLARZ. Mr. Speaker, recently many prominent people have begun to advocate that New York City default on its debt on the grounds that such a default would redirect the funds from the payment of debt service to the maintenance of services to the poor. In response to these arguments, Victor Gotbaum, executive director of district council, has written an excellent article in which he calls default a catastrophe.

Mr. Gotbaum is in a unique position to assess the potential consequences of default. He is not only the leader of New York City's largest municipal employees union, but was also an important participant in the negotiations which helped prevent default last winter. During New York City's financial crisis few people distinguished themselves as did Vic Gotbaum. He acted with both courage and compassion as he agreed to sacrifices by his members while demanding that others who are more fortunate share the burdens equally. In the best traditions of the labor movement he transcended petty conflicts to work for the common good—the financial survival of New York City.

Given Vic Gotbaum's record of service to his city and his devotion to its citizens, I believe his thoughts should be given serious consideration and I would, therefore, like to bring his article to the attention of my colleagues:

REPLYING TO THE DANGEROUS MYTH THAT DEFAULT "IS THE WAY OUT"

(By Victor Gotbaum)

Over the past two weeks we have seen a rash of statements from New York Representatives and other liberals, all arguing that default may be the easy way out of the fiscal crisis for New York City. We believe that default is a risk we cannot afford to take, and base our view on the very same humanistic premises that those who argue for default are using.

In other words, they say, "Let's default so that we can stop the terrible drain on City services that afflicts mainly the poor of New York City; default will bring a moratorium on repaying the City's debt, so the burden will be shifted from the backs of the people to the banks and other creditors."

These arguments, made by well-meaning people who are our friends and allies, are generally based on the new Municipal Bankruptcy Bill sponsored by Congressman Badillo and signed into law by President Ford earlier this month. Far too much credence is given this bill's "protection" for the City in the event of default. The bill does remove the fear that a Federal trustee will run the City should default take place, but virtually all of the ills that would accompany default remain to haunt us.

The main ill, of course, is that any plan drawn up by the City under the new bankruptcy bill procedures must still obtain the approval of the majority of the very banks and other creditors whom our liberal friends expect to bypass.

The new bankruptcy bill does not at all assure that City services will be carried out at the expense of debt service costs—and therefore the banks. The bankruptcy bill does not circumscribe any of the major effects of default—effects which may be catastrophic to the very people whom the supporters of default seek to protect. In fact, it can be stated that accepting default as "the way out" is shooting craps with the working lives of tens of thousands of City residents, including many thousands of our members.

Default will be a catastrophe, whether it occurred prior to enactment of the bankruptcy bill, or in the future. Once we go into default, the State must soon follow—and we are dependent on the State for $800 million in advance monies to keep the City operating. All of our borrowing, which holds together the fragile structure of the present budget and buys time so that help may be forthcoming for the long pull, would be thrown out of kilter.

A City in default, followed by a State in default, gives very little assurance that $2.3 billion involved in a debt moratorium can be used to continue City services.

I want to deal specifically with the claim made by Howard Samuels and John Kenneth Galbraith in recent articles. They seemed to chortle with glee over the prospect that a debt moratorium brought on by default would fall on the back of the banks. Congressman Badillo, in a press statement hailing the new bankruptcy statute, also argued that this bill "will end a situation that kept New York indentured to the banks and other large investors during the past months."

Our attorneys investigated these claims thoroughly, and I must state that there are no assurances at all that this will occur. To the contrary, as I previously stated, the Bankruptcy Bill leaves intact the ability of the banks and other creditors to veto any plan submitted by the City to the court which does not satisfy the creditors.

This would leave us in virtually the same bind as before in case of default, with vital City services—and the jobs of hundreds of thousands of New Yorkers—in grave jeopardy.

Of vital concern also is the threat to our pension funds which default would bring. The municipal unions, ours included, are committed to invest $3.7 billion of pension funds in City or Big Mac bonds over the three-year "rescue plan" period ending in July 1978. Surely there was a risk in making such an investment, but far less a risk than that of default. In default, City payments into the pension funds would dry up quickly, and the ability of the various funds to continue paying benefits for long would be in serious jeopardy.

Finally, and most important, an institution of our size and significance to be worthy of its name has to understand its responsibility to the community at large, as well as to its members. Rough estimates show that the multiplying effect of this City in bankruptcy, followed by the State and its various independent agencies, would be a catastrophe. Estimates are that 500,000 jobs would be lost, plus tens of billions in a bond market that will require frighteningly high interest rates.

But New York is not an island, and the effects will spread nationwide—and undoubtedly world-wide—to compound the calamity.

Default continues to concern and frighten us. This Union spent approximately $150,000 to obtain expert legal and accounting advice on the meaning of default. The more we learn about it, the more of a threat it becomes. We join our liberal friends in their concern for their poor constituents who are suffering from cuts in service. We utilize every opportunity to point out not only the pain but the incredible absurdity of cuts in services and maintenance (such as the failure to maintain the City's bridges) which lead inevitably to far greater costs when the bridges, for example, start to erode and crack.

We ask our friends who seek to ease the burden placed on the poor through default, that they join us in a massive new effort to insist on Federal assistance for the cities—for a new urban policy that will save our cities.

This is the way we have to go. All of the energies utilized to assure us that default can be painless ought to be utilized to organize this nation-wide effort for a Federal takeover of Welfare and Medicaid costs that now total $1.1 billion to this City. A stretch-out of the Federal loan to the City would also take us off the hook.

This very moment, when national issues are being debated in the Presidential election atmosphere, is the time for liberals to demand the solutions to the problems of the City be placed high on the agenda. The stakes are too high for us to even consider default for one fleeting moment. Let's talk instead of solutions that will preserve and protect New York City and its eight million people.

DAY CARE FIGHT: THE ONLY ALTERNATIVE

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. JONES of Oklahoma. Mr. Speaker, we face the final round of the present day care fight on May 4, when the House votes on the President's veto of H.R. 9803, the day care standards bill.

This bill has overcome numerous obstacles in a long, hard legislative struggle. It certainly is not a perfect solution, but it is the only solution we will be able to consider to keep day care centers operating between now and October 1.

We find ourselves in a "Catch-22" situation. The question is not whether we like or oppose the Federal regulations on day care centers. I have long opposed the rigid staffing ratios, for example. The "Catch-22" is that if we fail to override the veto, the Federal standards automatically go into effect and States and day care centers can be penalized retroactively for failing to meet the standards.

The Governor of Oklahoma, who also opposes Federal staffing ratios, urges support of a veto override because it will cost the State of Oklahoma $8 million to comply with the Federal regulations.

H.R. 9803 provides funds to meet the cost of these regulations which will be in effect anyway between now and October 1. These funds, I might add, are within the congressional budget ceiling.

I would prefer to see legislation that would give greater latitude to the States in setting day care standards. However, my conversations with House and Senate leaders on this bill reveal that this is the only legislative solution that will be considered before the 1977 fiscal year. It appears that the respective House and Senate committees with jurisdiction on this issue are not likely to take action on legislative alternatives.

I believe this is our only opportunity in the immediate future to assist day care centers. I warn my colleagues who are planning to vote to sustain the President's veto that you will have to answer to your constituents who will find themselves facing exorbitant day care costs if this bill is not adopted.

Those who want another approach to day care funding or regulations will have that chance this summer when the fiscal year 1977 authorizations are considered. All I ask is that you help day care centers to continue to operate in the interim by overriding the veto of H.R. 9803.

I am including in the RECORD two items of interest to my colleagues in considering this bill: First, State estimates of increases in cost and staffing for child care from fiscal year 1975 to fiscal year 1976; and second, the Federal funding allocations for child care under H.R. 9803. These items should be useful to my colleagues in assessing the financial need for day care assistance in their own States and in pointing out the financial benefits to be derived through an override of the veto of H.R. 9803:

TABLE 4.—STATE ESTIMATES OF INCREASE IN COST AND STAFFING FOR CHILD CARE FROM FISCAL 1975 TO FISCAL 1976

	Increased title XX costs (millions)	Increased staffing		Potential employment of welfare recipients as percent of added staffing
		For title XX children	For non-title XX children	
Total	$206.3			
Alabama	0.6	122	(1)	(2)
Alaska	1.4	150	(1)	50
Arizona	2.6	548	(2)	20-25
Arkansas	0	0	0	(3)
California	20.7	0	0	(3)
Colorado	2.4	400	200	(2)
Connecticut	(4)	0	0	(2)
Delaware	.9	99	(1)	(4)
District of Columbia	.4	56	81	20
Florida	12.1	766	1,036	(2)
Georgia	3.8	600	(1)	80
Hawaii	.4	60	1,577	20
Idaho	1.1	(2)	(2)	(2)
Illinois	23.5	700	[10] 7,000	71

Footnote at end of table.

TABLE 4.—STATE ESTIMATES OF INCREASE IN COST AND STAFFING FOR CHILD CARE FROM FISCAL 1975 TO FISCAL 1976—Continued

	Increased title XX costs (millions)	Increased staffing		Potential employment of welfare recipients as percent of added staffing
		For title XX children	For non-title XX children	
Indiana	1.4	215	(2)	(2)
Iowa	2.0	167	(1)	(2)
Kansas	1.5	202	303	15
Kentucky	1.2	400	800	(2)
Louisiana	2.6	509	437	100
Maine	.1	0	0	(3)
Maryland	0	0	0	(3)
Massachusetts	5.3	600	0	100
Michigan	7.0	959	0	20
Minnesota	11.0	1,760	1,580	20
Mississippi	1.0	0	0	(2)
Missouri	2.5	1,246	(2)	5
Montana	.9	62	(1)	7–10
Nebraska	.3	155	(2)	100
Nevada	.1	[5]160	[5]160	(2)
New Hampshire	.2	40	50	20
New Jersey	3.7	92	10	100
New Mexico	2.2	96	0	50
New York[6]	12.0	300	0	67
North Carolina	9.8	1,800	400	60–70
North Dakota	(7)	0	0	(3)
Ohio	(8)	0	0	(3)
Oklahoma	21.5	1,022	2,366	93
Oregon	.2	0	0	(3)
Pennsylvania	8.2	235	171	96
Rhode Island	.9	46	138	(2)
South Carolina	2.4	308	0	25–50
South Dakota	.6	650	150	23
Tennessee	1.7	200	(1)	5–8
Texas	16.2	1,720	1,514	20–30
Utah	1.4	199	739	70
Vermont	.8	428	(9)	75
Virginia	7.8	436	1,000	50
Washington	4.7	1,300	(2)	(2)
West Virginia	2.0	216	84	80–100
Wisconsin	2.6	234	750	50–100
Wyoming	.6	0	0	75

[1] Included in estimates for columns 1 and 2. Unable to show separately.
[2] Unable to estimate.
[3] Not applicable.
[4] Additional employees already hired.
[5] Unable to estimate on a man-year basis; represents number of staff.
[6] Estimates cover urban counties only.
[7] Less thoan $50,000.
[8] Unable to estimate. No increased staffing but some increased cost to meet other standards and/or monitoring and reporting requirements of title XX.
[9] Unable to estimate numbers; cost estimated at $1,900,000.
[10] Includes a need for 6,000 new family day care homes.

Source: Committee survey of Governors.

H.R. 9803—FEDERAL FUNDING ALLOCATIONS FOR CHILD CARE

$100,000,000 distributed on a population formula.

$25,000,000 set aside, available to States with special funding needs with regard to federal standards.

(In thousands)

Alabama	2,115
Alaska	149
Arizona	1,272
Arkansas	1,214
California	12,362
Colorado	1,476
Conn.	1,821
Delaware	339
District of Columbia	429
Florida	4,784
Georgia	2,886
Hawaii	501
Idaho	472
Illinois	6,582
Indiana	3,151
Iowa	1,689
Kansas	1,342
Kentucky	1,885
Louisiana	2,221
Maine	1,619
Maryland	2,421
Massachusetts	3,430
Michigan	5,379
Minnesota	2,316
Mississippi	1,374
Missouri	2,325
Montana	435
Nebraska	915
Nevada	339
New Hampshire	477
New Jersey	4,335
New Mexico	664
New York	10,710
North Carolina	3,171
North Dakota	371
Ohio	6,349
Oklahoma	1,602
Oregon	1,340
Pennsylvania	6,884
Rhode Island	554
South Carolina	1,691
South Dakota	404
Tennessee	2,441
Texas	7,125
Utah	694
Vermont	277
Virginia	2,902
Washington	2,035
West Virginia	1,059
Wisconsin	2,700
Wyoming	217

BICENTENNIAL CELEBRATION IN TIDEWATER VIRGINIA

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. WHITEHURST. Mr. Speaker, on July 4, 1976, there will be ceremonies commemorating our 200th birthday in many communities in America, as well as in the Nation's Capital. We are told that the fireworks display in Washington, D.C., will be the greatest ever held in the Nation. The major television networks plan to cover the Republic from the Atlantic to the far reaches of the Pacific as Americans celebrate this historic date. Undoubtedly, each section of the country will contribute its own particular flavor to the Bicentennial birthday cake.

I would like to share with my colleagues the plans being made in my own community, not wholly out of a sense of pride nor for provincial reasons, but because I am persuaded that the kind of celebration being prepared is fitting for that day.

It may well be providential, Mr. Speaker, that our 200th birthday falls on a Sunday. Certainly the founding of our Nation, in the minds of millions of Americans, was indeed providential. Believing this, a group of private citizens in Norfolk and Virginia Beach, in concert with the clergy in those two cities, have put together a remarkable program for that evening. Ecumenical in spirit, the program has been named "A Vigil for Liberty." The central theme of the production is a spiritual one. Officially, we still proclaim that this is a Nation under God. On the evening of July 4, the performers and participants in "A Vigil for Liberty" will remind the thousands who will attend that America's will can still be compatible with God's.

The format of this program includes narration, singing, dancing, and acting. Light and sound will enhance its effectiveness. The audience, too, will participate in a panorama of two centuries of challenge, trial, and triumph. These people of the communities in Tidewater Virginia believe that there is no more fitting way to celebrate America's birthday. I am proud to represent a district that has citizens who are willing to undertake a project of this kind, and I commend this type of celebration to my colleagues in their own communities.

Bicentennial 1976 should be an occasion for giving thanks for freedom as well as celebrating it.

PERSONAL EXPLANATION

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mrs. KEYS. Mr. Speaker, on Friday, April 30, 1976, I was unavoidably absent from the House.

Had I been present, I would have voted on matters coming before the House as follows:

"Yea" on rollcall No. 217, an amendment offered by Ms. ABZUG to H.R. 12987, the emergency job programs stopgap extension.

"Yea" on rollcall No. 218, final passage of H.R. 12987, the emergency job program stopgap extension.

"No" on rollcall No. 219, an amendment offered by Mr. GIBBONS to H.R. 366, public safety officers benefits.

"Yea" on rollcall No. 220, final passage of H.R. 366, public safety officers benefits.

"Yea" on rollcall No. 221, final passage of H.R. 365, firefighters benefits.

GAS ASSOCIATION SPOKESMAN ADVOCATES LOAN GUARANTEES TO DEVELOP ALTERNATIVE CLEAN FUELS

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. TEAGUE. Mr. Speaker, Joseph Rensch, president of Pacific Lighting Corp., strongly advocated that Congress approve the synthetic fuel loan guarantee authorized in H.R. 12112.

Mr. Rensch testified before the Committee on Science and Technology on April 6, 1976. His remarks confirmed the ominous facts about our Nation's natural gas supplies which have decreased more than 15 percent during the last 3 years. The gas industry is anxious to proceed with what it considers one of the most viable solutions to this problem—coal gasification. Coal gasification is a process that produces synthetic gas from coal. America's proven abundance of coal offers a ready supply of this convertible energy. The gasification process would also make premuim use of coal. It is energy efficient, providing one-quarter more useful energy than electricity per unit of coal. It is capital efficient, requiring only one-half to one-sixth the investment for equivalent coal/electric systems, and it is environmentally attractive. Only 15 percent of the coal is actually burned. The remainder of it is reacted chemically in enclosed vessels producing essentially no air pollution.

By producing a high-Btu-content gas through this process Mr. Rensch says we could easily intermingle the synthetic natural gas with existing natural gas being moved through our present pipeline network. According to Rensch, although the industry is ready to move ahead in providing this new energy source it cannot proceed "with large-scale, commercial coal gasification now without a Federal loan guarantee program."

A commercial demonstration plant for coal gasification will reveal the social, economic, and environmental attractions of a full-size operation and could serve as the first unit of an installation that will be expanded to greater levels of commercial production as its benefits are confirmed. But Mr. Rensch states that—

> The cost of just one coal gasification plant will exceed the total net worth of many of the nation's largest gas companies. Even though they might desire to do so, these companies simply do not have the resources to finance these projects exclusively on their own credit. Potential lenders are reluctant to extend financing to a new project which is so large in relation to the size of the sponsors, particularly when the processes or products are new and unfamiliar.

Until a commercial-size plant in the United States has proven its capability, lenders will require a backup to assure payment in the unlikely event that the project proves functionally unsatisfactory. Lending institutions express an additional concern over possible governmental interference or regulatory action that could delay construction or interrupt production. This would adversely influence revenue flow and alter or halt the payment of either interest or principal or both.

These lenders will also voice misgivings about changes in mining laws that could cut off coal supply or new environmental laws that could complicate plant operation. These are categorized as beyond the normal marketplace risks a lender would be subject to.

The gas industry does not expect the Government to act as the financier of these projects, on the contrary, they will seek out private capital to finance the new operations but the Government guarantee of their loans is an essential ingredient in the lender's confidence to invest.

The limited support of a loan guarantee is a critical factor in getting the early coal gasification plants built by the private sector. Only in the unlikely event of an incompleted plant or failure of a completed plant to operate satisfactorily would there be any direct expenditure of Federal Government funds. What the Government would provide is a minimum level of support for the gas industry as it moves into a new energy field which initially requires intensive capital investment.

Mr. Rensch states that—

> "The loan guarantee is not a matter of bailing out a financially troubled industry" or providing a guarantee for excess profits. The output of the plants will be regulated by the Federal Power Commission, and the sale of synthetic gas to ultimate consumers will be regulated by state utility commissions.
>
> If the nation is serious about its goal of energy self-sufficiency, we must make use of our most abundant resources with the most effective commercial processes. The loan guarantee legislation of H.R. 12112 will assure that the gasification of coal can contribute its share to this end.

IN COMMEMORATION OF POLISH CONSTITUTION

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. DINGELL. Mr. Speaker, it is my privilege today to commemorate the anniversary of the Polish Constitution of 1791.

May 3 marks the date of adoption by the Polish people of a constitution dedicated to the realization of human freedom and dignity to be preserved and nurtured through a democratic form of government. Discarding the shackles of tyranny, this constitution is an historical landmark in the struggle of men to form governments guided by the consent of the governed. The freedoms and rights which we as 20th century Americans hold so dear—to speak, to worship, to receive equal protection of the law—emerged from the obsolete, despotic form of government to provide Poland a distinctive place in history as an initiator of democracy. The courageous people of a proud and great nation deserve unconditional admiration for their efforts to insure the triumph of justice.

The light of freedom shines in the hearts and minds of the Polish people around the world today. Memories of a beautiful homeland, the song, laughter, and warmth of a people bound by a common heritage, are shared on this Polish Constitution Day.

NATIONAL LEAGUE OF POSTMASTERS CALLS FOR ACCOUNTABILITY OF THE POSTAL MANAGEMENT TO THE PEOPLE

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. ALEXANDER. Mr. Speaker, when the Congress debated the Postal Reorganization Act in June 1970, there were a few who were not so disposed to abolish the old politically ridden Post Office Department in favor of a quasi-independent agency to deliver the mail.

We cannot say that we were not warned. As Senator Ralph Yarborough cautioned:

> The people need to be informed now, because at the end of five years they are going to be asking who voted this burden on their backs.

We have now had 5 years of postal reform and the American people are indeed clamoring to know who voted this burden on their backs. I am one of the guilty ones. I voted for that reform package in 1970. I made a mistake. Congress made a mistake. It is time we owned up to it.

I would like to share with my colleagues a resolution agreed upon today by the national board of the National League of Postmasters. The resolution calls for a return of the postal purse strings and accountability of the postal management to the people, objectives contained in the House-passed postal reform bill.

The resolution follows:

RESOLUTION NATIONAL LEAGUE OF POSTMASTERS

> "Whereas sufficient time has elapsed to assess the operation of the U.S. Postal Service under the Postal Reorganization Act of 1970; and
>
> "Whereas the performance in the past five years of this quasi-independent agency has resulted in a general deterioration of mail service to the American people; and
>
> "Whereas the postal management in Washington has so isolated itself as to make it unaccountable and unresponsive to the people; and
>
> "Whereas the current management has not responded to the changing postal needs of the American people; and
>
> "Whereas the postal management has chosen to take out its financial woes on those postal patrons who reside in non-metropolitan areas;
>
> "*Be It Therefore Resolved*, That the National League of Postmasters supports fundamental changes in the Postal Reorganization Act of 1970 to restore the accountability of the top postal management to the people the Postal Service was created to serve;
>
> "*Be It Further Resolved*, That the League believes that Congress must intervene to correct existing inefficiencies in the postal system through the means expressed in the House-passed postal reform bill, specifically

the Alexander amendment to require the Postal Service to come to Congress annually to justify its budget and to secure an annual appropriation.

"*Be It Further Resolved*, That the League supports the House provision requiring Presidential appointment and Senate confirmation of the Postmaster General and the Deputy Postmaster General.

"*Be It Further Resolved*, That the National League of Postmasters urges that the Senate Post Office and Civil Service Committee include the above-mentioned provisions in its postal reform bill."

I would also like to share with my colleagues yet another example of the performance we are getting from top postal officials.

Three Arizona postmasters appeared recently before a chamber of commerce group to express opposition to a Postal Service proposal calling for consolidation of a number of post offices with the Phoenix sectional center.

The following is a result of that criticism of a Postal Service policy by a postmaster:

DISTRICT MANAGER/POSTMASTER,
Phoenix, Ariz., April 26, 1976.

Subject: Cancellation of Merit Increase.
To: Gilbert V. Montanez, Postmaster, Tempe, Ariz. 85282.

This is to inform you that your merit increase that was due December 6, 1975 has been cancelled.

The Postal Service demands of its postmasters the highest degree of dedication and working cooperation in its ultimate goal to render improved service to our postal customers. Your merit increase is being cancelled due to your recent actions in which you demonstrated an uncooperative attitude and poor judgment.

C. K. KERNAN.

I have always been under the impression that postal employees are eligible for the same guarantee of freedom of speech granted to all citizens of this Nation. There are those in the postal establishment who are obviously unaware of this, however.

I urge my colleagues on the Senate Post Office and Civil Service Committee to include provisions in their reform bill to restore the postal purse strings to the Congress and to require Presidential appointment of the Postmaster General and the Deputy Postmaster General.

We will never see significant improvement in the handling of our mail until the postal management is made accountable to those the Postal Service was created to serve.

PERSONAL EXPLANATION

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. JOHN L. BURTON. Mr. Speaker, in the CONGRESSIONAL RECORD of April 30, 1976, I was erroneously listed as being paired in favor of final passage of House Concurrent Resolution 611, the Budget Act.

Had I been present I would have voted "no" on grounds that the budget was out of balance by income and by priorities.

CHILD DAY CARE CENTERS

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. OBERSTAR. Mr. Speaker, tomorrow the House of Representatives will have the opportunity to override yet another Presidential veto. This time on the child day care centers bill. The veto was a tragic mistake and should be overridden.

We in Congress tend to measure the success of Federal Government programs in terms of dollars and cents, an analysis which ignores the broader human and social service needs those programs are intended to fulfill. The child day care center program and legislation is an example in point. But, in this case the Presidential veto ignores both the fiscal soundness and the service to human and social needs which this program has provided.

The St. Louis County, Minn., Welfare Board conducted a study of the cost of three day care centers in Duluth, Minn. The study covered 150 families and 213 children served by those centers. Thanks to the availability of day care, the parents earned over three-quarters of a mililon dollars a year, more than double the Federal contribution toward the operation of those three day care centers.

Not only did day care service give those people an opportunity to be self-respecting, productive members of society, it also helped get them off the welfare rolls and on the tax rolls. Without day care, 138 of those families would return to welfare—a tragedy both in lost human dignity and loss to the economy.

I doubt very much that the President has ever considered the value of day care in the human context, but whether you consider it in human terms or economic terms, all of society comes out a winner. I hope tomorrow's vote to override will make us all winners.

The St. Louis County report follows:

REPORT TO ST. LOUIS COUNTY WELFARE BOARD ON THE COST OF CLOSURE OF DAY CARE CENTER SERVICES—DECEMBER 1975

St. Louis County Welfare Department conducted a cost study using the three publicly supported day care centers in Duluth, Minnesota. Those centers being Copeland, Hillside, and Observation Hill Day Care Centers. In these three centers, 150 families are being served. Ninety-two percent are low income Title XX and/or AFDC eligible and are in work or training (5% are in training, 87% working in the private sector).

By being able to place their 213 pre-school children in these centers the parents generate in earned wages $787,382 annually. Most pay taxes though minimal because of their borderline incomes and function as self-supporting individuals except for their child care needs.

The total cost of this care, based on $10.00 per 9 to 10 hour day (inclusive of administrative, and programmatic costs including nutritional, health, educational and transport services) is $511,200 annually. (Reimbursement currently Title XX 75% or $383,400 and 25% state and county $127,800). In 1977 Title XX funds will likely not stretch across this service.

Failure to find this replacement or additional funding will have the following effect. Approximately 138 of the families will return to the public assistance rolls due to lack of free or subsidized child care.

In dollars and cents this means St. Louis County, Minnesota, and the federal government will have to bear an increase in AFDC expenditure of $734,580 (actual grant cost for the sample families) with a reimbursement rate of 57% federal ($418,710) and ($315,870) 43% in county and state money.

To the St. Louis County Welfare Department and the counties taxpayers this appears to be a huge potential deficit. Not only do the 138 parents or families lose in human and personal terms but so does the total economy.

The $787,382 would no longer be generated but the cost of not operating the centers $511,200 would be replaced by a cost of $734,580 in AFDC for a net increase in cost of $223,380. Another way of saying it is more recognized terms can be shown as follows:

Nontax dollar not generated	$787, 382
Less cost of centers	−511, 200
Net nontax dollar removed from economy	276, 182
Cost of AFDC	+734, 580
Actual monetary loss to society (taxpayer)	1, 010, 762

The picture in dollars is even more bleek when you extrapolate from these figures and project this for the total county and state. Consider these three centers represent only ⅕ of the counties children and families in similar situations.

ACTION LEGISLATION EXTENSION

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. HAWKINS. Mr. Speaker, the Committee on Education and Labor will markup H.R. 12216, the Domestic Volunteer Service Act Amendments of 1976, on Tuesday, May 4. The version which we expect to be reported enjoys the approval and support of the ranking minority member of the Committee on Education and Labor. It is expected that the committee will report out the bill on May 4 as H.R. 12216 has also been placed on the suspension calendar for that day.

H.R. 12216 extends the authorization for appropriations for the operation of certain programs by the ACTION Agency through fiscal year 1978 and allows for variations in the funding of certain programs.

Because we are following a somewhat unusual procedure in bringing H.R. 12216 to the floor of the House for a vote, I feel it necessary to give full notice to my colleagues in the House of the contents of and the rationale for this bill. Following is an explanation of the bill and a section-by-section analysis:

EXPLANATION

H.R. 12216 extends the authorization for the Domestic Volunteer Service Act of 1973 through FY 1978. The Act authorizes various domestic volunteer programs administered and coordinated under the aegis of the ACTION Agency. The major provisions of the proposed amendments are as follows:

Grant and Contract Authority: Sec. 4(a) adds a new section 108 which allows up to 20% of the funds appropriated for Part A, Title I (i.e. Volunteers in Service to America programs) to be used for grant and contract programs. Under existing law the use of grants or contracts for VISTA program was prohibited.

Service-learning Programs: Sec. 2 amends Sec. 114(a) of Act by lifting the 10% restriction on expenditure of funds for service-learning programs in any year that the funds for the University Year for ACTION exceed $6.7 million. The restriction is lifted for that portion of the funds which exceed $6.7 million.

Authorization: Sec. 6 extends the authorization of appropriations through FY 1978.

SECTION-BY-SECTION EXPLANATION OF THE BILL

SHORT TITLE

The first section of the bill provides that the bill may be cited as the "Domestic Volunteer Service Act Amendments of 1976."

UNIVERSITY YEAR FOR ACTION PROGRAM

Section 2 of the bill amends section 114(a) of the Domestic Volunteer Service Act of 1973 (hereinafter in this explanation referred to as the "Act") to provide that in any fiscal year in which funds appropriated for purposes of the University Year for ACTION program under section 112 of the Act exceed $6,700,000, the limitation provided in section 114(a) of the Act will not apply regarding that portion of the appropriation which exceeds $6,700,000. The limitation provides that no more than 10 percent of appropriated funds may be used to encourage students to participate in service-learning programs.

TECHNICAL AND FINANCIAL ASSISTANCE

Section 3(a) of the bill amends section 122 (c) of the Act to authorize the Director of the ACTION Agency (hereinafter in this explanation referred to as the "Director") to undertake and support volunteer service programs, and to recruit, select, and train volunteers to carry out the purpose of part C of title I of the Act.

Section 3(b) amends part C of title I of the Act by adding a new section 123, relating to technical and financial assistance for improvement of volunteer programs. Section 123 authorizes the Director to provide technical and financial assistance to Federal agencies, State and local governments and agencies, and private nonprofit organizations, which use or desire to use volunteers to carry out the purpose of part C of title I of the Act.

The assistance may be used to facilitate and improve (1) methods of recruiting, training, or using volunteers; or (2) the administration of volunteer programs. The Director is required to use existing programs to the maximum extent feasible in providing technical and financial assistance. The Director also is required to seek to avoid duplication of existing programs in the public and private sector.

LIMITATIONS

Section 4(a) of the bill amends part A of title I of the Act by adding a new section 108, relating to limitations. Section 108 provides that, of funds appropriated to carry out part A under section 501 of the Act, not more than 20 percent of fiscal year 1977, and for each fiscal year thereafter, may be obligated for the direct cost of supporting volunteers in programs or projects carried out under grants and contracts made under section 402(12) of the Act.

Section 4(b) makes a conforming amendment to section 402(12) of the Act.

Section 4(c) provides that the amendments made by section 4(a) and section 4(b) shall be effective on October 1, 1976, and shall not apply to any agreement for the assignment of volunteers entered into before such date during the period of the agreement.

NATIONAL ADVISORY COUNCIL TO ACTION AGENCY; DURATION OF PROGRAM

Section 5(a) of the bill amends section 405 of the Act by adding a new subsection (d). Subsection (d) provides that in the event that a National Advisory Council to the ACTION Agency is established by administrative action after January 1, 1976, the provisions of subsections (a), (b), and (c) of section 405 shall apply to the Council.

Section 5(b) amends title IV of the Act by striking out section 413, relating to duration of program.

AUTHORIZATION OF APPROPRIATIONS

Section 6(a) of the bill amends section 501(a) of the Act to extend the authorization of appropriations for national volunteer antipoverty programs through fiscal year 1978.

Section 6(b) amends section 503 of the Act to extend the authorization of appropriations for national volunteer programs to assist small businesses and promote volunteer service by persons with business experience through fiscal year 1978.

Section 6(c) amends section 504 of the Act to extend the authorization of appropriations for administration and coordination through fiscal year 1978.

THE FORESTRY INCENTIVES ACT—THE NEED TO PRIME OUR PRIVATE, NONINDUSTRIAL FOREST LANDS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. BROWN of California. Mr. Speaker, by the year 2000 the Forest Service estimates that our present demand for timber will double. Assuming this to be the case, there is understandably strong concern over the development of sources to adequately meet that demand.

In the 93d Congress the Forestry Incentives Act was passed, signed, and became a public law. This act was the first major move by the Congress to provide strong incentives to the private, nonindustrial sector to stimulate, through good silvicultural practices, the timber productiveness of their private forest lands, and also, to begin the development of their open, unused lands into forested acreage. The act essentially provides funds for the "development, management, and protection of nonindustrial private forest lands" by the application of practices necessary to afforest suitable open lands, reforest exhausted or understocked forest lands, and intensify productivity on heavily forested lands.

By passing such a law, Congress acknowledged the need to turn toward our private, nonindustrial lands for the source of timber which will be able to meet the rise in demand for wood fiber, if those lands are given proper attention.

In a Forest Service 1972 report entitled "Outlook for Timber in the United States" it is stated:

> Projected demands on U.S. forests are most serious for timber availability involving the larger sizes of softwoods needed for lumber and plywood for use in housing and other construction. Demands for these materials at 1970 prices exceed projected supplies by 1980 by as much as 10 billion board-feet and as much as 20 billion board-feet in 2000. The burden of meeting these demands will have to be borne to a larger degree by nonindustrial private forests. Four million nonindustrial owners control 296 million acres—59 percent—of the commercial forest land available to meet the huge demands for timber and other forest resources foreseen for the the future . . . These lands contain most of the highly productive sites in the country. Much of the pine and other softwood lands in small ownerships are located in the South. These forests, together with the possibility of new plantings on millions of acres of idle or nonstocked lands constitute an outstanding opportunity to keep future prices for softwood forest products at a tolerable level and provide needed wood fiber for the American consumer . . . In about a decade, further expansion of softwood sawtimber harvesting will come increasingly from the nonindustrial private sector."

If these conclusions are accurate, much needs to be done in the coming decade to help stimulate the growth of timber on these private, nonindustrial lands. The incentives for such development can be provided by at least two means—first, the increase of funding, promotion, and application of the forestry incentives program and second, an improved cost accounting system for timber sales in our national forests—which I will explain more fully in a later extension.

Twenty-five million dollars were allocated for the forestry incentives program in fiscal year 1976. Except for the allocation to the Southern States of Alabama, $2,406,020; Arkansas, $1,140,533; Georgia, $2,038,100; Mississippi, $1,598,622; North Carolina, $2,255,322; South Carolina, $1,174,000; Texas, $1,595,844; and Virginia, $1,811,288—most of the States received less than $500,000. It is interesting that States such as Iowa, with large private forest acreage, receive only $140,695, or California, Oregon, and Washington—three of the main timber States—receive $285,000, $270,000 and $250,000, respectively.

When the conclusion is that our private, nonindustrial lands must, within the next decade, take up the burden of supplying the rising demand for wood fiber, I find it surprising that the Department of Agriculture and the Congress have not recognized the need to increase funding in this vital area of forest improvement and regeneration.

In the Northern States there are 128,425,000 acres of farm and private forest lands; in the Southern States there are 139,936,000 acres of private and farm forest lands; in the Rocky Mountain States there are 12,428,000; and in the Pacific Coast States there are 15,439,000 acres of such land. It will require a large investment to insure the continued and future productivity of these acres, but the Forest Service believes that private, nonindustrial forest land is the source of timber we must turn to, and I am inclined to agree.

Our national forests represent only 18 percent of our commercial timberland, and they must also meet other public requirements such as recreation, watershed, wilderness, range, and wildlife. Our public forests can continue to produce greater yields of timber, if ecologically and soundly managed, while meeting these other needs, but they cannot keep up with the escalating need for timber supplies without being exhausted in the process. It is time for us to concede that action must soon take place if future generations are to have enough timber for their needs and still be able to enjoy the national forests as we know them today. Each congressional district should assess its private forest, and possible forest lands, and begin promoting the use of the forestry incentives program. Otherwise, we do stand the chance of exhausting most of the presently mature timber stands, without insuring the regeneration of a continuing growth of wood fiber to take their place.

Many statements have been made regarding the reductions on timber supply in our national forests if the National Forest Timber Management Reform Act were to pass and become law. Though I strongly disagree with most of the statistics so carelessly being battered around in hearings and debate on this subject, my main point still remains—even without the passage of H.R. 11894, the National Forest Timber Management Reform Act, our national forests will not be able to keep up with the increasing demand for timber. We must look elsewhere quickly, while we place some restrictions on the management of our national forests, or the pressures of demand will consume the remaining national forest supplies while leaving no other avenue to turn to upon that exhaustion.

I insert in the Record some tables of the payments to each State under the forestry incentives program, and the acreage which could be developed in each region of the country:

EXHIBIT 2

Forestry Incentives Program—Federal Allocations of Appropriated Funds for Fiscal Year 1976 [1]

[Allocations in dollars]

Alabama	2, 406, 020
Alaska	5, 000
Arizona	69, 063
Arkansas	1, 140, 533
California	285, 000
Colorado	100, 000
Connecticut	168, 800
Delaware	37, 700
Florida	517, 700
Georgia	2, 038, 100
Guam	5, 000
Hawaii	14, 000
Idaho	64, 470
Illinois	214, 112
Indiana	226, 447
Iowa	140, 695
Kansas	134, 000
Kentucky	832, 009
Louisiana	724, 200
Maine	143, 460
Maryland	313, 980
Massachusetts	234, 000
Michigan	580, 947
Minnesota	476, 544
Mississippi	1, 598, 622
Missouri	716, 367
Montana	86, 000
Nebraska	130, 211
Nevada	5, 000
New Hampshire	169, 073
New Jersey	132, 300
New Mexico	48, 600
New York	487, 656
North Carolina	2, 255, 322
North Dakota	19, 583
Ohio	515, 255
Oklahoma	373, 250
Oregon	270, 000
Pennsylvania	839, 562
Puerto Rico	43, 000
Rhode Island	37, 000
South Carolina	1, 174, 000
South Dakota	50, 000
Tennessee	653, 748
Texas	1, 595, 844
Utah	5, 000
Vermont	225, 000
Virginia	1, 811, 283
Washington	250, 000
West Virginia	611, 315
Wisconsin	444, 740
Wyoming	35, 000
Total	25, 504, 511

[1] National **Reserve**, $1,266,915.05 as of March 3, 1976.

Source: ASCS-EL Div.

TABLE 45.—AREA OF COMMERCIAL TIMBERLAND BY OWNERSHIP, FOREST TYPE, STAND SIZE, AND SITE, 1970[1]—NORTH

[Thousand acres]

FARM AND MISCELLANEOUS PRIVATE

Sawtimber:												
120+	343	294	0	30	112	710	10	247	578	30	0	2, 359
85 to 120	734	558	0	685	542	6, 611	225	1, 239	1, 759	292	0	12, 649
50 to 85	1, 112	668	0	383	312	7, 555	247	3, 147	3, 505	494	0	17, 426
20 to 50	663	493	0	69	265	5, 051	146	2, 243	2, 516	186	0	11, 635
Total	2, 854	2, 014	0	1, 168	1, 233	19, 929	630	6, 877	8, 360	1, 004	0	44, 071
Poletimber:												
120+	211	345	0	18	62	679	4	326	394	148	0	2, 190
85 to 120	413	525	0	490	269	4, 126	116	997	1, 416	908	0	9, 265
50 to 85	952	916	0	278	396	5, 674	118	1, 889	2, 213	2, 342	0	14, 780
20 to 50	535	1, 229	0	50	242	4, 701	60	1, 815	2, 654	1, 610	0	12, 902
Total	2, 113	3, 016	0	837	971	15, 182	299	5, 029	6, 678	5, 009	0	39, 137
Seedlings and saplings:												
120+	176	482	0	24	79	742	1	250	432	160	130	2, 480
85 to 120	536	900	0	436	430	3, 388	412	967	1, 312	1, 297	697	10, 107
50 to 85	716	1, 041	0	274	254	4, 325	124	1, 913	1, 978	2, 447	2, 288	15, 363
20 to 50	705	1, 230	0	45	284	4, 255	46	2, 325	2, 424	1, 489	4, 460	17, 265
Total	2, 134	3, 653	0	780	1, 048	12, 711	314	5, 457	6, 148	5, 393	7, 576	45, 217
All size classes:												
120+	731	1, 121	0	73	255	2, 133	16	824	1, 405	338	130	7, 029
85 to 120	1, 684	1, 984	0	1, 612	1, 242	14, 126	484	3, 204	4, 488	2, 498	697	32, 022
50 to 85	2, 781	2, 625	0	935	963	17, 554	489	6, 950	7, 697	5, 284	2, 288	47, 570
20 to 50	1, 905	2, 952	0	165	792	14, 008	253	6, 384	7, 594	3, 286	4, 460	41, 803
Total	7, 101	8, 683	0	2, 787	3, 253	47, 823	1, 244	17, 364	21, 186	11, 407	7, 576	128, 426

TABLE 46.—AREA OF COMMERCIAL TIMBERLAND BY OWNERSHIP, FOREST TYPE, STAND SIZE, AND SITE, 1970[1]

[Thousand acres]

FARM AND MISCELLANEOUS PRIVATE

Sawtimber:												
120+	43	0	290	1, 940	1, 155	777	974	291	8	0	0	5, 482
85 to 120	14	0	939	4, 679	2, 635	3, 048	6, 659	529	27	0	0	18, 532
50 to 85	34	4	1, 434	4, 418	3, 029	6, 684	3, 937	312	125	0	0	19, 981
20 to 50	3	0	686	541	751	2, 702	1, 096	81	18	0	0	5, 881
Total	96	4	3, 350	11, 579	7, 572	13, 212	12, 668	1, 214	179	0	0	49, 877
Poletimber:												
120+	15	0	94	534	282	394	303	106	3	0	0	1, 734
85 to 120	3	0	795	2, 140	1, 300	2, 266	2, 043	181	13	0	0	8, 745
50 to 85	0	4	1, 086	3, 913	2, 634	7, 322	2, 159	167	92	0	0	17, 381
20 to 50	4	0	381	860	903	4, 171	592	61	4	0	0	6, 979
Total	23	4	2, 357	7, 450	5, 121	14, 155	5, 097	517	114	0	0	34, 840

TABLE 46.—AREA OF COMMERCIAL TIMBERLAND BY OWNERSHIP, FOREST TYPE, STAND SIZE, AND SITE, 1970 [1]—Continued

[Thousand acres]

FARM AND MISCELLANEOUS PRIVATE

Seedlings and saplings:												
120+	24	0	112	599	369	278	281	87	0	0	11	1,762
85 to 120	9	0	1,484	3,698	1,739	2,027	1,375	185	0	0	169	10,688
50 to 85	19	0	2,267	8,002	5,650	9,051	2,255	145	16	0	1,195	28,604
20 to 50	0	0	700	1,914	1,739	6,850	699	62	24	0	2,173	14,164
Total	52	0	4,564	14,214	9,499	18,207	4,610	480	40	0	3,549	55,219
All size classes:												
120+	83	0	496	3,074	1,807	1,449	1,558	484	12	0	11	8,978
85 to 120	26	0	3,219	10,518	5,675	7,341	10,077	896	40	0	169	37,966
50 to 85	53	8	4,788	16,334	11,314	23,059	8,352	625	234	0	1,195	65,967
20 to 50	7	0	1,768	3,315	3,394	13,724	2,388	205	47	0	2,173	27,025
Total	171	8	10,272	33,243	22,192	45,575	22,377	2,212	334	0	3,549	139,938

TABLE 47.—AREA OF COMMERCIAL TIMBERLAND BY OWNERSHIP, FOREST TYPE, STAND SIZE, AND SITE, 1970 [1]—ROCKY MOUNTAINS

[Thousand acres]

FARM AND MISCELLANEOUS PRIVATE

Sawtimber:											
120+	44	9	7	43	30	108	0	0	4	0	247
85 to 120	244	133	13	157	41	60	11	0	64	0	725
50 to 85	811	639	0	441	38	117	95	0	94	0	2,238
20 to 50	1,012	2,351	0	359	29	32	261	0	385	0	4,431
Total	2,112	3,132	20	1,000	140	318	368	0	549	0	7,644
Poletimber:											
120+	0	10	0	7	0	0	6	0	0	0	24
85 to 120	9	5	0	6	7	9	12	0	0	0	50
50 to 85	29	16	0	18	0	86	124	0	37	0	312
20 to 50	478	849	0	82	6	0	630	0	847	0	2,894
Total	517	881	0	114	13	96	774	0	884	0	3,281
Seedling and saplings:											
120+	1	25	0	10	18	0	0	0	5	9	70
85 to 120	16	0	0	1	7	8	17	0	0	20	71
50 to 85	80	37	9	52	0	30	0	0	16	87	314
20 to 50	55	166	0	40	6	0	151	0	214	411	1,047
Total	154	229	9	105	32	39	169	0	235	528	1,503
All size classes:											
120+	45	45	7	60	49	108	6	0	9	9	342
85 to 120	271	138	13	165	56	78	41	0	64	20	848
50 to 85	921	692	9	511	38	234	220	0	148	87	2,865
20 to 50	1,546	3,366	0	482	42	32	1,044	0	1,447	411	8,373
Total	2,785	4,243	29	1,220	186	454	1,312	0	1,670	528	12,429

TABLE 48.—AREA OF COMMERCIAL TIMBERLAND BY OWNERSHIP, FOREST TYPE, STAND SIZE, AND SITE, 1970 [1]—PACIFIC COAST

[Thousand acres]

FARM AND MISCELLANEOUS PRIVATE

Sawtimber:											
120+	1,076	588	0	286	320	10	1	239	1,154	0	3,676
85 to 120	465	550	0	128	97	0	45	16	498	0	1,799
50 to 85	831	759	0	254	58	15	205	5	484	0	2,612
20 to 50	144	427	0	90	17	0	43	0	108	0	829
Total	2,516	2,324	0	759	493	25	294	260	2,245	0	8,917
Poletimber:											
120+	235	50	0	57	62	0	0	16	306	0	728
85 to 120	82	82	0	19	16	13	16	1	132	0	361
50 to 85	367	235	0	19	17	14	139	0	157	0	948
20 to 50	49	181	0	9	0	0	10	0	63	0	312
Total	733	548	0	104	95	27	165	17	658	0	2,349
Seedlings and saplings:											
120+	362	19	8	62	132	0	8	15	485	638	1,731
85 to 120	132	61	0	7	36	10	0	5	279	265	795
50 to 85	230	85	0	11	88	20	32	0	303	460	1,229
20 to 50	27	26	0	2	0	8	44	0	87	223	417
Total	751	191	8	82	257	38	84	20	1,155	1,586	4,173
All size classes:											
120+	1,673	657	8	405	515	10	9	270	1,947	638	6,135
85 to 120	679	693	0	154	150	23	61	22	909	265	2,957
50 to 85	1,428	1,079	0	284	163	49	376	5	944	460	4,790
20 to 50	220	634	0	101	17	8	97	0	258	223	1,559
Total	4,000	3,063	8	945	847	90	543	297	4,059	1,586	15,441

DAY CARE OVERRIDE URGED

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. YOUNG of Georgia. Mr. Speaker, today, the House will vote on the override on the veto of H.R. 9803, the bill that would prevent the closing of day care centers all over the country. If enacted, H.R. 9803 will enable these centers to continue to care for children whose parents need such services in order to work—in order to support themselves instead of being supported by welfare programs.

My distinguished and articulate colleague from New York, Representative SHIRLEY CHISHOLM, is the author of the following article, which appeared in the Atlanta Constitution on April 19. In her article, Congresswoman CHISHOLM urges the Congress to override the President's veto of this enormously important piece of legislation.

The article follows:

DAY CARE OVERRIDE URGED

WASHINGTON.—Because of the recurrent financial difficulties which have beset our economy in the last three years, those of us in Congress concerned about social welfare issues have found that it is all we can do to keep these life-sustaining programs funded at their current levels.

The attempts to expand the scope and availability of such programs as food stamps, subsidized housing and compensatory education have been stymied—even though the spiraling cost of living has rendered original appropriations for these programs grossly inadequate. The current administration, like the Nixon administration, has so hampered every congressional attempt to help the poor and the near-poor that our "people programs" are all in critical condition.

Yet, while the politics of fiscal conservatism claim that we cannot afford to better the lives of the poor and the near-poor by federal programs, the ironic consequences of this posture are more expensive in the long run. Nowhere is that fact more evident than in the current day care crisis in this country; for since President Ford vetoed the Day Care Services Act his ironic miscalculations will cost American taxpayers million more next year in welfare costs.

The availability of child care programs, provided under Title XX of the Social Security Act, is tied directly and profoundly to efforts to relieve the welfare rolls of women who were relegated there because they could not work. Recent studies demonstrate that a large portion of welfare recipients are women with children who live in homes where the father is absent. Thus, the dual responsibility of caring for children and providing their financial support falls to these women. Left with no other option, many stay home with their children and collect public assistance.

Day care, however, enables these women to join the labor market and become taxpayers—while they are assured that their children are being properly cared for and attended to. Since nearly one family in eight is now a single-parent family headed by a woman, the need for child care facilities is obvious. This societal requirement has escalated especially during the past decade for two reasons: the growth of such single-parent families has been 10 times greater than the growth of two-parent families; and, more wives are returning to work because the single salary of their husbands cannot keep pace with the rise in the cost of living.

Yet despite the need, day care programs are in danger of serious reductions. The reason? In 1972, President Nixon imposed a federal ceiling on spending for child care—a ceiling which has not been amended in four years to accommodate cost increases in personnel, the maintenance of facilities, and the cost of food. In addition, Congress, determined to improve the quality of child care, approved some very good federal regulations in 1974 which mandated standards for health and safety codes, nutritional needs, and staffing ratios. But Congress did not make available to the states the necessary dollars so that centers could come into compliance with those regulations. And so, an effort designed to enhance child care turned into an instrument by which the federal government could close centers—since centers out of compliance with any one regulation are subject to lose all federal funding.

Legislation initiated by Sen. Long of Louisiana and Sen. Mondale of Minnesota sought to remedy this situation by making available to each state the dollars necessary to bring centers up to compliance. A state-by-state survey conducted by the Senate last fall indicated that a minimum of $200 million was needed between last fall and the end of 1976 fiscal year to keep centers open. In addition, the survey found that most states were not delinquent in meeting the staff ratio requirements as originally assumed; rather health and safety codes and nutritional standards were not being met. This bill had to be passed, many members of Congress felt, in order to prevent fires and diseases from doing damage to child care.

Certainly this legislation is important for another reason—one tied to economic recovery. It provides additional dollars so that states can hire welfare recipients to fill staffing positions that need to be met for compliance. In Georgia, that means an additional savings of more than $2 million for the state in welfare, food stamps and Medicaid payments now paid to women who would go off the welfare rolls and become taxpaying employes.

Conversely, without this legislation, centers will be closed and more women will be puhed back onto welfare since they would be forced to remain at home and care for their children.

President Ford's veto will not only prove to be bad politically but represents unsound economic reasoning, as he missed an opportunity to help lift the nation out of the worst recession in 40 years. It is my belief that congressional action to override this veto after the Easter recess will be the most significant social service action this year. The bill is essential to the recovery we all want to see, for it will cut welfare rolls, decrease unemployment and help two million American children in the meantime.

MULTILINGUAL ELECTION REQUIREMENTS CREATING HAVOC

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. McCLORY. Mr. Speaker, with the profusion of primaries in this election year, evidence questioning the wisdom of the Voting Rights Act of 1975 accumulates almost daily. Instead of a simple extension of the laudable Voting Rights Act of 1965 and 1970, which I twice supported enthusiastically, last year's measure perverted this legislation by requiring the printing of bilingual and multilingual ballots and information. Across the Nation, this provision is creating confusion, dissension and expense yet uncalculated by the counties and States affected.

Mr. Speaker, this measure's precise consequences, which I predicted during last year's floor debate, are coming to pass in virtually every part of the Nation, with results appropriately termed "ridiculous" by those involved.

Instead of promoting voter participation, the Voting Rights Act, as perverted and extended, is both creating confusion and insulting many loyal Americans who belong to "minority language groups."

On Friday, April 30, I introduced a measure to repeal those offensive parts of the Voting Rights Act of 1975. A story which appeared in the Sunday, May 2, issue of the Washington Post supplies support for this legislation, and I commend the article included here to my colleagues' attention.

Mr. Speaker, I hope that the House Judiciary Committee can act promptly on this measure, and that the Congress will take this opportunity to undo its mischief of last year. Passage of this bill will relieve State and county governments of the burdens and needless expense imposed by this unwise legislation.

In this time of heavy demands upon our resources, it would seem of critical importance to avoid undue expenditures, such as those imposed by this legislation. Congress should act promptly to correct the blunder it made last year. The article follows:

BILINGUAL BALLOTS A PROBLEM

(By Earleen F. Tatro)

The federal law requiring bilingual ballots is posing a quandry for election officials in many Indian areas.

Chickahominy and Arikara are virtually extinct tongues. Lumbee and Ojibway are unwritten languages. Cherokee, says one election official, "looks like a cross between hieroglyphics and Yiddish."

And in Hayward, Wis., city clerk Rolf Williamson said the Indians in surrounding Sawyer County "read English better than I do."

Hayward itself, population 1,600, has about six Indians but none speaks or writes an Indian language, Williamson said. Nevertheless, Hayward is one of about 500 towns, cities and counties which have been told to start printing bilingual ballots and election materials.

The bilingual requirements are included in Voting Rights Act Amendments enacted by Congress last August in an attempt to make it easier for more Americans to vote. Recently the Justice Department issued modifictions of interim guidelines sent out last fall. The bilingual rules are to take effect after a 30-day period for public comment.

Some areas where census figures mandated bilingual ballots may be exempted on a common sense basis.

For instance:

Charles City County in Virginia was on the Justice Department's list. More than 5 per cent of the county's 6,200 residents are Chickahominy Indians, so theoretically it is subject to the amendments.

However, the Justice officials agreed with Virginia Attorney General Andrew P. Miller that Chickahominy is a dead language, that all the Indians know English, that few if any know or read a word of Chickahominy, and that therefore bilingual ballots are not "sensible."

Justice Department attorney David Burns said the department's list of bilingual ballot areas was compiled on the basis of Census Bureau reports and failed to consider other conditions.

Juanita Helphrey, executive director of the North Dakota Indian Affairs Commission, said the six counties in her state covered by the guidelines include five tribes: Mandan, Hidatsa, Arikara, Sioux and Chippewa.

She said at least six interpreters would probably be needed at the polls, adding that "few of the younger Indians read and write Indian languages."

Three counties in northwestern Minnesota must offer election ballots printed in Ojibway, according to the federal guidelines.

"We can't put that language on the ballots," Secretary of State Joan Growe said. "There is no written language for Ojibway.

"Those counties are going to have to hire someone who speaks Ojibway to be present at the polling place to interpret ballots for voters," she said, adding that the counties will have to pay for the interpreters.

Alexander K. Brock, North Carolina's director of elections, said it would be "ridiculous" to try to print ballots in Indian languages for his state's 15,000 registered Lumbee voters and 1,400 registered Cherokee voters.

Lumbee has no written language, and Cherokee "looks like a cross between hieroglyphics and Yiddish to the layman," Brock said. Few Cherokees know any language except English, he added.

"They resented considerably the implication that they could not read and write English," Brock said.

In Oklahoma, neither state officials nor Indian leaders believe bilingual election materials would increase voter participation, because most Indians speak and write English.

A TRIBUTE TO A. PHILIP RANDOLPH

HON. ROBERT DUNCAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. DUNCAN of Oregon. Mr. Speaker, most people have to wait until death for recognition. A. Philip Randolph is not one of those people. He has led an accomplished, controversial life and through the efforts of people such as Dr. Raymond E. Balcomb of the First United Methodist Church in Portland more people are becoming aware of his contributions.

A. Philip Randolph's trailblazing efforts in establishing better working and living conditions for black people benefit people of all colors because indignities inflicted upon one group of people affect us all. I am pleased to share this sermon on the life of a great man—while he is still with us:

A. PHILIP RANDOLPH

(Sermon by Dr. Raymond E. Babcomb)

There is an interesting story in the Book of Joshua about an incident which almost led to a war. According to the story the Hebrew tribes had completed their invasion and conquest of Palestine and had divided the territory among themselves. The land allotted to two tribes and part of another, "the Reubenites, and the Gadites, and the half-tribe of Manasseh" (22:1), was east of the Jordan River. After the last campaign they were heading for their new home when they stopped by the Jordan and built an altar "of great size" (22:10). To their fellow-Israelites that was an ominous act; it looked as though the Reubenites, the Gadites, and the half-tribe of Manasseh had either fallen into idolatrous ways and were worshipping a false god or that they were trying to set up a place of worship rivaling the nation's professed center of worship, either of which would have threatened national solidarity. "And when the people of Israel heard of it, the whole assembly . . . gathered at Shiloh, to make war against them" (22:12). But the Reubenites, the Gadites, and the half-tribe of Manasseh explained that they had been misunderstood. They hadn't built the altar for the reasons the others thought at all. Nothing could have been farther from their minds than false worship and dividing the nation! They had built the altar not for actual use but as a symbol, a witness, a reminder. They realized that natural features like rivers often become barriers and borders between peoples and they were afraid that after a generation or two they would be regarded as a separate people and not a part of Israel at all. So they built it as a memorial to help hold them all together.

That, I would judge, was a sound instinct. Every people need memorials to help hold it together. It is too easy to forget the contributions that others have made, too easy to let barriers come between, too easy to become narrowly provincial, too easy to treat our own brothers and sisters as aliens and strangers. So, in this bicentennial year, in this pulpit we are trying to raise a few modest memorials to some of the people whose contributions to our common life might otherwise go unnoticed or even cause their descendants to be treated as aliens and strangiers. Earlier we have looked at the lives of William Penn and Chief Joseph. Today we come to one of our own contemporaries, Asa Philip Randolph.

A. Philip Randolph was born in 1889 at Crescent City, which is near Jacksonville, Florida. His father was a preacher in the African Methodist Episcopal Church, but the people in his two-church circuit were so poor that he had to supplement his income by running a cleaning, dyeing, and tailoring shop on the side. His mother was "a beautiful woman with a radiant smile and firm eyes that could look straight through you." She ran the family with the discipline of a top sergeant and centered their lives on the Church. Both mother and father were self-taught and well educated. Before their boys could read to themselves their parents read to them from the Bible, Shakespeare, Sir Walter Scott, Charles Dickens, Jane Austen, Charles Darwin, John Calvin, and African and American history. And the family subscribed to a radical political journal of the time, *Voice of the Negro.*

When Asa, the younger of the two boys, was two the family moved to Jacksonville. Reading was a required activity every day and the father saw to it that his boys never thought of blacks as inferiors and that they got as much schooling as was available. At the age of 14 Asa entered the Cookman Institute, one of the institutions founded and supported by northern white Methodists (now Bethune-Cookman College); it was something more than a high school but less than a junior college and the faculty was exactly half black and half white. Here he learned natural science, French, Greek, Latin, ethics, mathematics, literature, and music. And on the day after he graduated he went to work collecting premiums for a life insurance company. He soon tired of that and held any number of jobs for a few years—clerking in a grocery store, driving a delivery wagon, stacking logs in a lumberyard, pushing wheelbarrow in a factory, and working as a railroad section hand.

In the spring that he was 22 he left home with a friend for New York City, paying for his passage by working in the galley washing dishes. He had been in a few amateur productions around Jacksonville and he wanted to be an actor, an ambition he was careful to conceal from his parents. He soon associated himself with the Epworth League of the Salem Methodist Episcopal Church, not so much from religious zeal as because it had a theatre club which produced Shakespeare once a month. Hoping to improve himself and his chances for Broadway he took night school courses at the City College of New York. When he got a bona-fide chance for a professional stage career he wrote ecstatically to his parents, only to be shattered by their disapproval. Although he was 23 years old he obediently bowed to their wishes and forgot about the theatre.

To his public speaking courses at C.C.N.Y. he now added political science, philosophy, and economics. The most radical labor group in America was the Industrial Workers of the World and they had a lot of intellectual supporters at City College. Textile strikes were on in Massachusetts and New Jersey, and Eugene Debs, a former "Wobbly," had polled over a million votes as the Socialist candidate for President. In it all A. Philip Randolph ran into the ideas which gave him a decisive outlook on life. He knew that early Christians had practiced forms of socialism for at least 150 years; he read the history of the laboring classes in Europe; he read and approved Karl Marx' call to the workers of the world. In addition, he had seen Jacksonville become a "100% cracker town;" Wilson's Democratic administration had immediately turned all significant Federal black office holders out of a job, and the traditional home of the blacks in the Republican Party was patronizingly assumed by Republicans. Socialism was looking very good to him.

In the spring of 1914 he met an attractive widow six years older than he. She was a college graduate and had been a school teacher, but had given it up to own and operate a profitable black cosmetic salon. Her name was Lucille Green and they were immediately taken with each other. He had an aristocratic bearing, an intellectual approach, a cultivated and commanding voice and presence. She was elegant, fashionable, comfortably fixed and a member of St. Philip's Episcopal Church the wealthiest and best known black congregation in the world. After a brief and unspectacular courtship—he took her to political lectures, movies, the theatre a few times—they were married in her church that fall. And through her business he met Chandler Owen.

Chandler Owen was a student at Columbia University. They were a natural team and they studied together "the theory and history of Socialism and working-class politics and their application to the racial problem in America;" two years later they joined the Socialist Party because it seemed to them to be the "only party that had a philosophy and an economic program that took account of the race problem." Supported by Lucille they devoted themselves to soapbox oratory and union propagandizing on the streets of Harlem, and had a regular weekly forum for the black intelligentsia.

The president of the Headwaiters and Sidewaiters Society invited them to edit a magazine for his group, and for eight months they put out the *Hotel Messenger*, but they were fired for exposing a racket within the Society itself. So they launched another magazine called simply *The Messenger*, which they proudly regarded as "the first voice of radical, revolutionary, economic, and political action among Negroes in America," but which the Justice Department soon regarded as "the most dangerous" of all black publications.

Through *The Messenger* Mr. Randolph (as everyone, including close associates always called him) fought American and black participation in World War I. The Justice Department secretly and illegally raided its offices, smashing furniture and destroying files. He was arrested and charged with violating the Espionage Act. Mailing privileges were withdrawn by the Post Office. Only the end of the war prevented his being drafted, although he was 29 years old and married. Through *The Messenger* he fought lynching, disfranchisement, and segregation. In 1919 when Bolshevism split the American Socialist movement, its left wing forming the Communist and Communist Labor parties, Randolph began a lifetime of opposition to Communism.

The Messenger lasted eleven years and saw Randolph and Owen start a number of political and trade-union organizations all of which failed well before it died, by 1925 Randolph had lost most of his enthusiasm for the Socialist Party because it wasn't getting anything done for the blacks. His radical dreams and personal career were at a low ebb. He had nothing to look forward to. And then he was asked to organize the Brotherhood of Sleeping Car Porters.

These blacks had been trying for twenty years or so to organize a union, but the Pullman Company, which leased its cars and services to the railroads, had fought them bitterly and frustrated them at every turn, a prime tactic being to fire immediately anyone suspected of any kind of union actiivty. But Randolph didn't work for the Pullman Company so they couldn't fire him. The twenties were booming economically, but porters were expected to work 400 hours per month for $67.50, with even less for overtime; they were uniformly called "George"—meaning, "George Pullman's boy"—and had to pay for their own meals in the dining car; they had to report 5 hours before train time, but their pay didn't begin until the train left. Company spies fingered union members who were promptly fired. A phony "company union" was resurrected. The company encouraged black churchmen and the black press to fight the dangerous radicals. In 1926 the Railway Labor Act, protecting the right to organize, was passed; but it did not enforce collective bargaining or arbitration and helped company unions more than anything else. The company used every conceivable disrupting, delaying, and intimidating tactic, the crash and Great Depression flooded the market with men looking for jobs and willing to work at any wage, the union membership dropped from 7,000 to 700, but still the struggle went on. There were times when Mr. Randolph didn't have the price of a cup of coffee. The company offered him $10,000—which was a small fortune—he turned them down cold. John L. Lewis and his Mine Workers offered them financial help; Mr. Randolph refused it, insisting that "black people should pay the price and bear the brunt of their own struggle."

The National Industrial Recovery Act in 1933 gave them a new lease on life and by 1935 the Pullman Company finally was forced to recognize the Brotherhood of Sleeping Car Porters. It was the result of ten years of "militant (but not violent) . . . fighting by a small band of black workers against one of the most powerful corporations in the world" on whose Board of Directors sat men like J. P. Morgan, R. K. Mellon, Alfred P. Sloan, and Harold S. Vanderbilt. And those men still dragged their feet and did not even begin to bargain in good faith for two more years. (Among other things they offered Mr. Randolph personally a blank check which he could fill in for any amount and Randolph came as close as he ever did to swearing when he remarked that "those fellows could corrupt Jesus Christ.") When the Company finally did sign, it was the first agreement ever signed between a union of black workers and a major American corporation, and it showed that Mr. Randolph was a man to be reckoned with.

William Green had found that out when he had had to give the Porters an international charter in the A. F. of L., thus beginning the integration of labor. The Communists found that out when he resigned as president of the National Negro Congress which they had infiltrated. President Roosevelt found that out when in 1940 Randolph and Walter White of the National Association for the Advancement of Colored People and T. Arnold Hill of the Urban League asked for some action to open defense industry jobs to blacks. FDR didn't see how he could do it until Mr. Randolph threatened to march 100,000 Negroes into Washington in a protest demonstration, then FDR issued a now-famous Executive Order forbidding discrimination in war industries and government training programs and established the Fair Employment Practices Committee. Harry Truman found that out when under Mr. Randolph's leadership blacks began going to jail rather than serve in segregated military units, and he issued an Executive Order integrating the Armed Forces. The whole country found that out when Mr. Randolph inspired, organized and directed the Freedom March of 250,000 blacks and whites on Washington in 1963 and the Civil Rights Act of 1964 was passed.

In many ways his influence has been literally incalculable because his porters became a stabilizing factor in black society and he always encouraged them to make sacrifices in order to educate their children. So "no one knows how many (blacks) who are successful today managed to make it because their fathers" followed that advice. And Martin Luther King, Jr. (whose birthday we remember this week) himself acknowledged that he had been drawn into the struggle for black civil rights by one of Randolph's pullman porters in Alabama.

He is an old man, now—87 this year. His wife died a dozen years ago. They had no children. He is full of honors, but he knows that there is much more to be done and he still counsels the continuing necessity of applying non-violent pressure at all possible points until black people come into their own in this nation.

A SPECIAL BICENTENNIAL CELEBRATION

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. JONES of Oklahoma. Mr. Speaker, I am proud to pay tribute in the RECORD today to a special Bicentennial project undertaken by the students of Pawnee High School in Pawnee, Okla.

Recently, I had the opportunity to speak at the Pawnee High School, where I joined in commending the students for their participation in a home weatherizing program organized by the United Community Action Program, Inc., as part of a statewide weatherization program for low-income and elderly housing in Oklahoma. This program is helping to conserve energy and to eliminate high utility bills for low-income Oklahomans. With the assistance of the Pawnee student volunteers, 15 homes were winterized in Pawnee County.

The weatherization project was first suggested to the students by the director of United CAP, Johnny Bryant. The student council voted unanimously to participate in the program as a Bicentennial project. Principal Jim Childress gave his support, and the school allowed students to take time from class to participate. Volunteers worked in teams of two boys and two girls, under the supervision of a professional carpenter provided by United CAP.

The students were willing, enthusiastic workers. In fact, one group weatherized a home, and then returned on the weekend to clean and paint the inside.

In addition to the personal satisfaction they achieved, the students of Pawnee High School learned a great deal about individual involvement and community responsibility. This is the true spirit of America's Bicentennial.

POLISH CONSTITUTION DAY

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. NOWAK. Mr. Speaker, May 3 is the day marked by the Polish people as Constitution Day, and is a date to be noted by freedom-loving people around the world as well.

John M. Szostak, executive director of Washington Liaison Services, has summed up the significance of this date in history, and I am pleased to call my colleagues' attention to his remarks:

POLISH CONSTITUTION DAY, MAY 3, 1971

(By John M. Szostak)

We observe today the 185th anniversary of Poland's Constitution as an important milestone in the history of human freedom. On this sobering yet inspiring occasion we are reminded that the people of Poland were once free—that they once enjoyed the ideals of personal liberty that we as Americans so highly cherish.

On May 3, 1971, the Polish Diet, following King Stanislas Augustus' moving appeal, adopted this historic document. Poland was the first nation in Central and Eastern Europe to guarantee the rights of all citizens without class distinction.

Poland's Constitution was drawn up at a time when absolute monarchy was the prevailing form of government on the European Continent. This constitution drastically curtailed the powers of the monarch and made him more responsive to the needs of the people. The rigid class distinctions of the Middle Ages were set aside, religious freedom was guaranteed and the principles of equality were clearly enunciated in this historic document.

The significance of Poland's May 3rd Constitution is that it was adopted without anarchy and bloodshed. This historic document was held as an example in England, France and the New World, at a time when revolution was the echo of political change against the submission of the minds of free men to the dictatorial philosophies of its suppressors.

The years following May 3, 1791, brought about the partitioning of Poland in 1793, 1795, 1939, and 1945, and numerous repressions. As a result it gave Poland a stunning courage and fidelity to her nation and unceasing devotion to the ideals of freedom. Poland's dedication to democracy has been put to test for many generations. In our time it was tested during World War II, when Polish forces in exile, organized under allied command, fought valiantly at Monte Cassino. The inscription on the monument to the Polish dead reads:

"We Polish soldiers for our freedom and yours, have given our souls to God, our bodies to the soil of Italy, and our hearts to Poland."

May we in this year of the American Bicentennial look with confidence to the day that freedom will once again emerge in Poland and echo in the hearts of its people in welcoming her to join the community of free nations. Also in this Bicentennial Year we pay tribute to the sons of Poland who fought side by side in our own struggle for independence, among those Kosciuszko and Pulaski, for our freedom and yours.

THE UNITED NATIONS AND THE POPULATION EXPLOSION

HON. KENNETH L. HOLLAND

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. HOLLAND. Mr. Speaker, one of my constituents, Lt. Robert W. Hayes, Jr., has written a very thorough and provocative paper on the world population explosion and the role of the United Nations in attacking it. I was so personally impressed by the quality of the study that I am taking this opportunity to make it available to my colleagues in the Congress. I commend it to your attention:

THE POPULATION EXPLOSION AND THE UNITED NATION'S ROLE IN ATTACKING IT

(By. Lt. Robert W. Hayes, Jr.)

There is an explosion today that is perhaps more deadly than the world's nuclear arsenal, and this explosion is that of population. The world's population is increasing at an all time high rate while its food and other resources are becoming more and more inadequate. If ever a united effort was needed on the international level, the time is now and the United Nations is the organization that can and must meet this challenge. It is the purpose of this paper to first examine the nature of the population problem, and then to analyze the United Nation's role in attacking the problem.

The first step toward understanding the problem of over-population confronting our world is to look at the statistics concerning population and look at the situations caused by over-population. Population has only recently become an international problem. The chart below shows the rapid increase in the world's population in recent history.

WORLD POPULATION GROWTH[1]

[Population in millions]

Year	Estimated population	Year	Estimated population
10,000 B.C.	5	1850	1,171
A.D. 1	250	1900	1,608
1650	545	1950	2,486
1750	728	1970	3,632
1800	906	1974	3,900

Today, over 2 billion of the world's population "live lives dominated by shortages of food and water and by inadequate resources in soils and forests. Only about 400 million people enjoy a rich and strictly more abundant diet as well as a high standard of living in most other respects."[2] The reason for the great divergence between the few "haves" and the many "have-nots" is that the areas with the greatest increase of population are the very areas that can not support the people. The chart below shows the breakdown of the earth's population.

WORLD POPULATION[3]

	People (millions)	Birth rate (per 1,000)	Death rate (per 1,000)	Annual rate of natural increase (in percent)
World, total	3,860	33	13	2.0
Developed world	1,120	17	9	.8
Developing world	2,740	39	14	2.5
Africa	375	46	19	2.9
Asia (excluding Japan)	2,100	38	14	2.4
Latin America (tropical)	265	38	8	3.0
United States	210	15	9	.6
Japan	108	19	7	1.2
Europe	472	16	11	.5
U.S.S.R	250	18	8	1.0
Other (Canada, Australia, New Zealand, temperate Latin America)	80	22	8	1.4

The less developed countries have 72.8 percent of the population and only 18.6 percent of the gross world product. The per capita income of the developed nations (in U.S. money) is $3,743.00 while in the underdeveloped nations, including the OPEC nations, the income is $319.00.[4] "The fact that the poorest three-quarters of the world is multiplying two to three times as fast as the richest one-quarter helps explain why the 'development gap' is wider than ever."[5] The reason for the great rise in population can be attributed mainly to the advancement of medicine which is greatly lowering the death rate in underdeveloped countries, while the birth rate remains as high as ever. The developed nations have shown a drop in fertility while the under-developed nations have not.

In terms of food and other critical resources for all the people of the world the crisis is staggering. The problem can be shown by the relationship that in order to maintain the people in the next century, the food supply must double (for just subsistence) and energy and basic commodities will have to increase even faster.[6] The food increase will be almost impossible because, as Thomas Malthus concluded, "the power of population is indefinitely greater than the power in the earth to produce subsistence for man."[7] In many countries the demand has already outrun supply, and we have what some call a "Malthusian breakdown" and others call starvation. Indeed, "if all the food in the world were equally distributed and each human received identical quantities, we would all be malnourished."[8] Today, there are those who feel that man is making great strides toward feeding the world's population and that it is just a matter of time before the problem is solved. Yet, "in the euphoria over a 'Green Revolution' which many scientists and many politicians believe is already in the making, two facts are often overlooked: (1) more, not fewer, people suffer from malnutrition each year, and (2) this circumstance prevails at a time when agriculture has already been making impressive strides."[9]

The future does indeed look bleak if the trends continue as they are at present. "There is, of course, no question that the growth of population will be slowed. The alternatives are whether the slowing will come through famine, war, and epidemics—the cruel, though effective, Malthusian positive checks—or through human agency, to bring birth rates into balance with modern death rates."[10] At present rates, every second there are two more mouths to feed, every day there are 200,000 more births than deaths, six million every month, and at last count, more than 74 million in one year.[11] The twentieth century, which began with close to 1.5 billion people, will end with nearly 7 billion.[12] Our generation is faced with a massive challenge, to slow population growth during the remainder of the century and eventually stabilize human numbers. "It seems apparent, then, either that men will resolve the problem of human numbers in the next thirty or fifty years or they will not have a future to look forward to beyond that time."[13]

The population explosion creates problems that cannot be shown by statistics. Today's world is becoming more and more interdependent. Many countries depend on others for their food and raw materials. Often people must rely on others "not doing something, often something natural, like releasing pollutants."[14] At the same time the world is becoming in many cases more polarized between different political and economic views. Add in the greater demand for food and resources and living space caused by the population explosion, and the world is certainly in an explosive situation. Another aspect of over-population is that disasters such as warfare, auto and airplane crashes, firearm mishaps, flood and earthquake damages, epidemics, etc. increase at a rate much higher than the population increase.[15] One final aspect of over-population, and one that is often overlooked although it is just as important as any other, is that the value of the individual is lost as the number of people increases. One's own individualism must be conformed to the masses, and one's self-worth is lost in the process.

While the population explosion effects all mankind, the effects are felt in some countries more than others, as shown in the statistics discussed earlier. Many of these nations have started programs to control their population problem. Around one-half of the member nations of the United Nations have

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an official position on population within their borders, and many encourage family planning.[16] Throughout the world there has been a "great rise in awareness, improvements in contraceptive methods, surveys of knowledge", and movement toward family planning.[17] Even countries that have been staunch opponents to population control have taken steps in the right direction. Mexico has recently asked for help in controlling its population, and Brazil has recognized the human right of its people to determine the size of their families.

"The governments of the less developed countries have given various reasons for initiating and promoting national programs for family planning. Many have considered that, under conditions of unrestrained population growth, it will be very difficult to generate those savings and investments needed to achieve a satisfactory rate of progress in raising national income and the level of living. No less frequent has been the emphasis on achieving social objectives, since the birth of an unduly large number of children may be detremental to the mothers' health, social status, and freedom to avail themselves of economic opportunities, to the well-being and educational level of the children themselves and to the welfare of the family as a whole. In a number of countries it is even felt necessary to combat illegal abortions by making clinical abortions and contraceptive methods more readily available." [18]

Many of the countries that have adopted national policies recognize the need for international action. Chief among those nations pushing for international action is the United States. Speaking for those nations, Henry Kissinger said, "The food and population crisis threaten the welfare and stability of peoples and nations. We must act together with the purpose, the mutual confidence and the determination to overcome them.[19]

Yet, even as bright as the above picture might look, the efforts to combat the population explosion to date are minimal and totally inadequate, to say the least. The first of many problems facing international efforts to control the population explosion is that many nations do not see population growth as a national or international problem, while others feel that it will go away naturally. Included in this group are the "third world" nations, who often need the most help, who feel the problem is not population but development, and Western nations who have low birth rates within their own borders. Many countries equate high birth rate to high development. They think that development will eventually cause a decline in growth as in the United States, Europe, and Japan. They overlook the fact that China has not developed yet but has cut down their birth rate, while in the Middle East there is a high per capita income and a high birth rate, too.[20] Because of this belief, many under-developed nations look on international efforts to control population as efforts of the strong to keep the weaker nations weak. This view of the "third world" nations is best stated in the words of the Brazilian Representative to the United Nations.

"We see a much greater danger in the slackening world demand for raw materials than for their exhaustion. There is nothing to indicate, today, that human-kind, as a group, is speeding up to a collision with starvation. After very careful inquiries within the United Nations and among all governments with whom we maintain diplomatic relations, the Brazilian government came to the conclusion that there is not one single resource that, from a worldwide standpoint, is risking exhaustion in the near future. All scarcities are man-made. There are very serious estimates that the 'probable' existence of the presently useful nonrenewable raw materials in the first superficial mile of the earth's crust is sufficient to last 100 million years at present coefficients of utilization. Family planning may be tolerated for health reasons, but not as a means of limiting population. The argument that soaring population growth constitutes an obstacle to economic development is questioned, and Western nations are widely believed to be promoting birth control as a means of keeping non-white nations small and weak." [21]

In many of the under-developed countries there is competition for high birth rates.[22] In Madrid, Spain recently there was an award given to a mother who had 18 children. In Buenos-Aires, Argentina, the government made the statement, "Promotion of birth control by any means has been prohibited, and all family planning institutions have been closed." [23] Many Western nations with low birth rates either do not see any problem with the rise in population, or are apathetic toward it. Even the United States, who is the great proponent of international action, has not set up any official program within the United States other than birth control and family planning assistance and has yet to set any goals for its population.[24] The current low growth rates in the country are no excuse for the lack of an official program because the current low birth rate is meaningless unless it is held low for nearly twenty years. We Americans are approaching the zero population growth mark, but we still gained 1.5 million last year and will gain nearly that many for years to come.[25] It is also hypocritical to push for international action while one does not "follow suit" at home. Many Western nations, including the United States, practice what can be called "de facto" support of the population rise within their borders.

They give handouts to families with more children (should the child be punished for his parents' activity?), give tax cuts to families with many dependents, do not allow legal abortions or some forms of contraceptives, and do not allow women to seek roles outside the home.[26] Many of the nations that recognize the population problem as such insist on national sovereignty with regards to all aspects of population control. They feel that if they allow an international organization to have control over this aspect, what is to stop them from taking over others. This often stops the United Nations and other organizations from making needed efforts within their borders.

Another problem that is faced by international organizations' efforts to control population is that most of the efforts are fought by the Communists and the Catholic Church. The Communist nations take the position that the "population explosion" is merely an effort to get away from the main problem which is economic in nature. This stand is contrary to policy within the nation in the case of China because she does have programs and goals for her population, and her programs are working. The Pope and the Catholic Church, and many of the countries where the majority of the people are Catholic, base their opposition around the use of contraceptives and abortion as methods of birth control. They have, however, recently seen the need for help in the area of family planning for humanitarian reasons.

Much of the problem with getting a united effort in the fight against the population explosion is that experts cannot, or at least will not, come up with a universal recognition of the problem, or the extent of the problem. "Many experts feel that no matter what action is taken the 'world's demographic course is set for the next several decades.' Over one-half the world's population is under the age of 25 and as these young people move into their productive years, rapid growth is certain to continue. A world population of 8 billion—two times the present number—seems assured early in the next century." [27] Many feel that science can and will meet the challenge. The breeder reactor, it is felt, will be able to supply energy for 20 billion people.[28] Many feel that a population that is growing will produce better economic performance in the long run than does a stationary population.[29] This rise in performance is based on the feeling that it is better to have proportionately more youth in the labor force, that growth in population gives more opportunities, and that a faster population growth equals a faster growth in technical knowledge and its adoption.[30]

One final problem faced by international efforts is that many nations would like to control their nation's population, but they do not have the money or the technical "know-how" to do it. They often appeal to international organizations primarily through the United Nations, but due to lack of funds from the richer but more apathetic countries, these international organizations have often not been able to meet the demand. This problem will be discussed further later in the paper.

Looking at the population problem, keeping all that has been discussed to this point in mind, several facts are clear. The majority of the world is hungry, the world population is increasing at 2 per cent a year (will double in 35 years), and, just as we cannot predict the weather, we cannot predict that there will be scientific improvements to meet the challenge or that these improvements will be adopted by the under-developed nations.[31] We are indeed facing a crisis and action must be taken now on a large scale.

"It is not sufficient in this crisis to provide free or low cost school lunches, to cure infants suffering from kwashiokor, to help an occasional Indian village, to ship food relief to Colombian campesinos or polynesian islanders, and to set up kitchens in the slums of Lima and Sao Paolo. These are commendable acts, but the world has long ago passed the point where charity sufficed." [32]

"It follows that the fundamental terms for human survival prescribe enormously increased productivity and enormously decreased reproductivity. Only if these terms are met can supply meet basic global demands for food and water, housing and health services, education, and productive employment." [33]

Now that the population explosion has been examined, the past efforts of the United Nations should be discussed. The United Nations, from its beginning till today, has been "the sole quasi-governmental organization that spans the earth, and it faithfully reflects the fragmented structure of the international political system. The UN as government has the potential to deal with the global problems of demand and supply, of imbalance between the rich and the poor, of security, and of disparities in political effectiveness—but only if the membership wills it." [34] In the late 1940's the United Nations set up a Population Division primarily for research purposes.[35] However, prior to 1962, the United Nations never recognized over-population as an international concern. In 1962, the UN invited its member nations to formulate their own population policies. The UN in 1966 "reemphasized the relationship between demographic trends of economic and social factors and recognized 'the sovereignty of nations in formulating and promoting their own population policies, with due regard to the principle that the size of the family should be the free choice of the individual family!" [36] 1967 was a very important year in the history of UN involvement in the population field. This was the year that the UN gave its Declaration on Population which was signed by thirty Heads of States. This declaration stated that opportunity should be given to people to decide on the number and spacing of their children. The UN also set up a trust fund called the

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United Nations Fund for Population Activities along with agencies to help nations who seek help.[37]

Recently, the United Nations has expanded its efforts with regards to population. The year 1974 was designated World Population Year and was highlighted by the World Population Conference in Bucharest, Romania from 12 to 30 August.[38] This was by no means the only conference, but to a great extent any major international action hinged on the outcome of this conference, particularly from the viewpoint of the United Nations. The conference did serve to raise awareness, but it ran into the same problems that other international efforts have run into. Action was blocked by "a coalition composed of Marxist nations led by the Soviet Union and Catholic countries whose vigorous spokesmen were from Latin America."[39] Africa was also in this opposition coalition. The main proponents for action were Asian Countries (excluding China) and Western nations led by the United States.[40] Several conclusions were reached at the conference. "At Bucharest it was affirmed that continuing unrestricted worldwide population growth can negate any socioeconomic gains and fatally imperil the enviroment."[41] It was also concluded that it is a human right for the parents to control the size and spacing of their family, regardless of their nation's policy toward population.[42] In addition, the conference set up a Plan of Action which includes the following:

(1) Parents should be given the means to decide the size and spacing of their family. (2) The right to have children must also carry with it the responsibility for the love and care of the children. (3) It is the individual nation's job to carry out points (1) and (2). (4) It is the sovereign right of nations to form and implement population policies, but they should take into account international cooperation. (5) Population forms a major aspect of social and economic development. (6) There should be a recognition of the right of women to complete integration into the development process. (7) Improvement of the economic well-being is one method of limiting fertility. (8) There is a strong relationship between the size of the population and the amount of resources and food consumed as well as the condition of the environment.[43] It is generally felt that the Plan of Action fell far short of the needed actions. The granting of the option to nations and the stress on development hurt international efforts.[44] The plan is "ambiguous, providing no strong mandate and leaving the initiative for action up to the secretariats of various UN-related organizations" and the individual countries.[45] As a matter of fact, "the World Population Conference ended without producing explicit agreement that there was a world population problem."[46] Two things can be concluded from the conference. There was a general lack of urgency among the nations at the conference, and thus, there was no real international plan set up to control population growth. Yet worst of all, the interest in population, what little there was, seemed to peak in 1974 and is now on the down-swing.[47]

The present action of the United Nations is one of support for those nations who ask for it. "There is no global population policy for the UN as a whole or for any specific agency."[48] Many of the agencies are working on cross purposes with no true direction. Even the Fund for Population Activities is policy neutral.[49] Because the majority of its member nations feel this way, the UN feels that the population problem is one to be solved on the national level with international help only if desired, and then only if available. Indeed, the United Nations could be doing much more than it is now, not just because many nations do not seek aid, but also that many of those who seek aid must go unanswered because the UN lacks the needed funds. The chart below shows how much the UN has had to work with.

STATUS OF GOVERNMENT PLEDGES AND PAYMENTS AS OF JANUARY 31, 1975[50]

[In U.S. dollars]

	Pledged	Received
Total from 1967–75	205, 866, 564	155, 829, 796
From 1967–73	121, 661, 671	121, 079, 403
1974	54, 014, 484	33, 894, 525
1975	30, 190, 409	1, 855, 868

The fund needs four or five times what it has received over the past eight years to even make a dent in the population problem. However, like many other nations, the United States is not increasing its aid and is thinking of cutting it back.[51] Thus, the future of United Nations involvement in the population looks bleak. The expansion of the UN involvement will occur only when the majority of member nations recognize population as an international problem and give the needed funds.

If at some point in the future the member nations realize the need for international effort by the United Nations on the population explosion, I believe the following to be the best course of action. (1) Insist that member nations raise the status of women so as to involve them on equal footing to men in the development program. (2) Have governments set up, with UN assistance, a program of incentives for small families and disincentives for large families (may differ from country to country according to the different value systems and mores). (3) Old age people should be helped with their income by the adoption of social security and other similar programs. (4) Family planning education and services should be made available to all people. (5) Governments should cut down or cut out altogether child labor and set up mandatory elementary education programs. (6) Pre- and post-natal child care centers should be set up to reduce infant mortality. (7) The exodus from the country to the city should be reversed by getting jobs and services to people in the country. (8) Local governments should be involved in population control as much as possible. (9) Each government should set up a population commission and create national policies on population control. (10) The minimum marriage age should be set in each country at, at least, 18 years of age; and all marriages should be registered. (11) Each member nation should also register births as well as set up laws to insure that each child is wanted. (12) Contraceptives should be on the market throughout the world and their use should be encouraged. (13) Voluntary sterilization should be encouraged. (14) All governments should liberalize their abortion laws so that a pregnant mother can get an abortion easily and safely early in pregnancy, and later with good reason.[62] (15) An international institution should be created to take a world-wide census at least every ten years and to record all births, deaths, and statistics on population. (16) Support research and training in the population field. (17) Set up a worldwide agency within the UN for administration of the above program.[63] This program is designed to be worldwide; and thus, the UN, once the majority of nations have agreed, should use all means short of war to insure the enforcement of this program. Due to national sovereignty, this is sure to be a rocky course. However, the least the UN should do, once the nations agree, is to issue a statement encouraging nations to take on the program. Indeed, some aspects of the program could be implemented by the UN today if they had the needed money to do so.

In conclusion, "nothing less is required than a global will to act, simple justice, true population control, worldwide food planning, effective execution by scientists, engineers and public leaders and a massive commitment of funds."[64] There are means available to stop the great threat of the population explosion, and the United Nations can and should stand at the helm of the effort. However, a majority of the member nations must first recognize the problem and the solution to be on the international, as well as the national level and must give money and support to the efforts.

FOOTNOTES

[1] Richard C. Schroeder, "World Population Year", *Editorial Research Reports,* 2 (2 August 1974), 596.

[2] Georg A. Borgstrom, "The Dual Challenge of Health and Hunger—A Global Crises", *PRB,* 31 (14 February 1970), 1.

[3] Schroeder, p. 586.

[4] Schroeder, p. 592.

[5] Schroeder, p. 593.

[6] Schroeder, p. 599.

[7] Richard W. Sterling, *Macropolitics—International Relations in a Global Society,* (New York: Alfred A. Knopf, 1974), p. 343.

[8] Borgstrom, p. 1.

[9] Borgstrom, p. 1.

[10] Robert C. Cook, *World Population Prospects* (Broton, New Jersey, Kimbell-Clark, 1967), p. 76.

[11] "1+1=3", *UNESCO Courier,* 27 (May 1974), 4.

[12] Sterling, p. 357.

[13] Sterling, p. 357.

[14] J. Calvin Giddings, "World Population, Human Disaster, and Nuclear Holocaust," *Bulletin of Atomic Scientists,* 29 (September 1973), 46.

[15] Giddings, p. 22.

[16] Schroeder, p. 597.

[17] United Nations Department of Economic and Social Affairs, *The World Population Situation in 1970,* United Nations, 1971, p. 30.

[18] *The World Situation in 1970,* p. 30.

[19] Henry A. Kissinger, *The Department of State Bulletin,* 70 (27 May 1974), 584.

[20] Schroeder, p. 589.

[21] P. W. Quigg, "UN World Population Conference at a Glance", *Saturday Review World,* 1 (27 July 1974), 33.

[22] *Global Dialogue,* (1 June 1968), 4.

[23] Quigg, p. 34.

[24] "UN Inquiry on Government Population Policies," *UNESCO Courier,* 27 (May 1974), 20.

[25] Stafford K. Mousky, U.S. Representative on the Population Commission of the United Nations.

[26] *Global Dialogue,* p. 5.

[27] Schroeder, p. 599.

[28] Giddings, p. 22.

[29] "Population Control? Pro and Con," *UNESCO Courier,* 27 (May 1974), 23.

[30] "Population Control? Pro and Con." p. 25.

[31] E. Martin, *The Department of State Bulletin,* 70 (10 June 1974), 621.

[32] Borgstrom, p. 5.

[33] Sterling, p. 358.

[34] Sterling, p. 339.

[35] Mousky.

[36] *The World Population Situation in 1970,* p. 32.

[37] *The World Population Situation in 1970,* p. 33.

[38] Schroeder, p. 595.

[39] Schroeder, p. 596.

[40] John Walsh, "UN Conference: Topping Every Agenda is the Question of Development," *Science,* 185 (27 September 1974), 1144.

[41] Martin, p. 621.

[42] Mousky.

[43] "United Nations World Population Conference," *Department of State Bulletin,* 71 (30 September 1974), 429–453.

[44] Walsh, p. 1144.

[45] Schroeder, p. 596.

[46] Walsh, p. 1143.

[47] Mousky.

[48] Schroeder, p. 596.

[49] Schroeder, p. 597.

[50] United Nations Department of Economic and Social Affairs, *United Nations Fund for Population Activities*, United Nations, 1975.

[51] Mousky

[52] "Symposium on Law and Population: Text of Recommendations", *Law and Population Monograph Series*, 20(1974), 1–31.

[53] Richard W. Gardner, "A World Action Plan to Limit Population Growth," *Saturday Review World*, 1(27 July 1974), 48.

[54] Borgstrom, p. 6.

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MOTHER MARIANNE OF MOLOKAI: SUCCESSOR TO FATHER DAMIEN FOR BEATIFICATION

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. MATSUNAGA. Mr. Speaker, my colleagues and thousands of visitors to the Capitol have had an opportunity to see Marisol's moving sculpture of Father DeVeuster, one of two statues selected for exhibit in Statuary Hall by the State of Hawaii. Because of the statue, countless Americans have become familiar with the story of Father Damien, who gave up his own life in the service of victims of leprosy on the Hawaiian Island of Molokai. Few know, however, that after Father Damien succumbed to the disease himself in 1889, his work was carried on by Mother Marianne Cope, founder of the Franciscan missions in Hawaii. The Mother Provincial of the Sisters of St. Francis of Syracuse, Mother Marianne accompanied a group of six sisters from the Syracuse convent to Hawaii—then a foreign land—to take charge of a receiving hospital for leprosy victims in Honolulu. She intended to return to Syracuse after the mission was securely established in Hawaii.

Within only a short time, however, Mother Cope and the small community she directed had charge of several large schools and hospitals. She had, moreover, created a new atmosphere within the receiving hospital, where previously patients were tended by one physician and a superintendent who frequently was antagonistic to their needs.

Recognizing her ability, the government of Hawaii and church authorities urged Mother Marianne to extend her stay in the islands for a little longer. She cheerfully agreed and, during the next several years, devoted herself particularly to the needs of the wives and daughters of leprosy victims who were then living in the isolated colony on Molokai, devoid of opportunity and exposed both to the disease and the lawless atmosphere of the settlement. She was the founder of the Kapiolani Home for Girls in Honolulu and, later, established a similar home on the island of Maui. In addition, she founded the first general hospital on Maui.

For her dedicated service, Mother Marianne was decorated by the King of Hawaii and celebrated in song and story by poet Robert Louis Stevenson and the Royal Hawaiian Band. But her greatest work was still in the future. In 1888, it was decided to move the receiving hospital for leprosy patients from Honolulu to Molokai and a call went out for volunteers to work in the settlement. Although the government was reluctant to urge any woman to devote herself to such work, Mother Cope was one of the first to volunteer. Her decision, and her subsequent departure for Molokai, were particularly significant because she knew she would never be able to return to Syracuse. "I am hungry for the work," she wrote. "I am not afraid of any disease. It will be my greatest delight to minister to the abandoned leper." Indeed, she spent 30 years on Molokai, serving as a true "mother" to the homeless victims of the dread disease. She established a home for women and girls and, shortly after Father Damien's death, took charge of the similar home he had founded for men and boys. As foundress of the Franciscan missions in Hawaii, she also left a legacy of uncounted numbers who never contracted the disease because of the improvements she initiated. Since her death, her work has been carried on by sisters of the order on Molokai and by others inspired by her example.

Mother Cope's canonization was proposed in 1974 and is currently under active consideration in Rome. With the thought that my colleagues will find her story as inspiring as I did, I am submitting for inclusion in the RECORD, a recent article from the Catholic Sun which describes in more detail her journey from Syracuse to the lonely settlement on Molokai:

PATH BEGINNING IN SYRACUSE MAY LEAD TO CANONIZATION—MOTHER MARIANNE TOOK UP WORK OF DAMIEN OF MOLOKAI

(This article was written for NC News Service by Sr. Mary Laurence Hanley, OSF, at Maria Regina College, the Franciscan Community postulator for the cause of Mother Marianne of Molokai)

"I am hungry for the work . . . I am not afraid of any disease. It will be my greatest delight to minister to the abandoned 'leper'."

In her lifetime, she was decorated by the king of the Hawaiian Islands with the pendant cross of the Royal Order of Kapiolani, she was celebrated in poetry and letters by Robert Louis Stevenson, and she was the subject of a musical composition by Prof. Henri Berger, the longtime leader of the Royal Hawaiian Band.

The recipient of these testimonials and many others was Mother Marianne Cope, the second mother provincial of the Sisters of St. Francis of Syracuse, who sacrificed position, security and the companionship of cherished friends and relatives to respond to an immediate need in the care of leper patients in the Hawaii Islands. By doing so, she became the first Sister of a religious community founded in the United States to initiate and lead mission work in a foreign land.

In 1883, when America was a mission field itself and the Sandwich Islands a faraway monarchy in the Pacific, the Hawaiian government was near desperation in its attempts to find assistance in caring for its citizens stricken by leprosy, the disease that Hawaii's monarch, King Kalakaua, termed a "national affliction." The beneficent leaders believed that good nursing care and improved sanitary conditions would help alleviate the lepers' sufferings and help check the spread of the disease that had cast an ugly shadow over the beautiful islands.

A place demanding attention was Branch Hospital or Kakaako Receiving Station for suspected cases of leprosy on the islands. Located on the Honolulu waterfront, it served as a point of departure for confirmed "cases" to a more permanent location on Molokai. The wisdom of sending patients immediately to Molokai was being debated, so the station was serving mainly as a hospital. About 200 men, women, and children were huddled together with the services of only a visiting doctor who merely prescribed medicines and a superintendent who was antagonistic to the patients. No other personnel could be found regardless of remuneration offered.

The question was, "Who had the devotion of spirit to give the needed care?"

The Hawaiian government asked Bishop Herman Koeckemann, vicar apostolic of the Sandwich Islands, to use his influence to obtain help through "the blessed Sisterhoods of charity."

Fr. Leonor Fouesnel, emissary of the Hawaiian government, through the auspices of the vicar apostolic, appealed to more than 50 religious communities in the United States and Canada before Mother Cope recognized the call as "one coming from God." Six Sisters were selected from among the many volunteers at the Franciscan convent in Syracuse. They set out for the faraway land with Mother Cope whose intention was to establish the missions and to return to Syracuse. The small community she directed had charge of several large schools and two expanding hospitals.

In a brief time, however, the qualifications and capabilities of this remarkable Sister caused the government and Church authorities alike in Hawaii to declare her presence necessary for a time to the success of the mission.

During her extended "brief stay" of five years at Honolulu, she managed the hospital as a home for the patients and truly was a mother to all. Whenever there was a need she corresponded to it, and she created a new atmosphere at the hospital: spiritually, physically and morally. In 1855 her attention was called to the plight of the daughters of lepers on Molokai, who were devoid of opportunity and exposed to the disease and the lawless environment at the settlement. She soon opened Kapiolani Home for them on the hospital grounds in Honolulu. At the request of the government, she also set up the first general hospital on the island of Maui and opened a school for girls.

"We cheerfully will undertake the work" was her response to a government request to open a home for "unprotected women and girls" at Molokai in 1888. Finally, it had been decided to remove the receiving station from the Honolulu harbor and to transfer hospital cases to the leper colony. Her acceptance of the mission and her subsequent departure with some of the women patients and two volunteer Sister companions was particularly significant and heroic because it was apparent she might never be able to return to Syracuse.

Again, as in 1883, the government stated a need for self-sacrificing personnel, and this time it said the duties were of such a nature that it could not urge any woman to devote herself to such a work. It is a little wonder, however, that the good mother with the great faith in God and who was so devoted to her charges at Honolulu was protected from marauders at the "settlement without law." Soon after Fr. Damien DeVeuster succumbed to leprosy in 1889, she, with her limitless charity, took charge of the home he had initiated for homeless men and boys. Her opinion on all matters of consequence was sought constantly by authorities and was given humbly and without fanfare. Later, in 1894, she suggested quietly that Brothers be invited to teach the boys farming and carpentry, and it was done.

Her role as a missionary was well described in the Honolulu Advertiser at the time of her death in 1918 by Mrs. John F. Bowler:

"Sister Marianne was a martyr, a heroine . . . Seldom has the opportunity to come to a woman to devote every hour of 30 years to the mothering of people isolated by law from the rest of the world. She risked her own life in all that time, faced everything with unflinching courage and smiled sweetly through it all. She came to Honolulu ready to do whatever was required of her. Without blare of trumpets, she entered upon her duties (at Molokai) through 30 long, wearisome years; living apart from the world and its comfort, she labored in the cause of a stricken people. Sister Marianne was a heroine in life; she was a martyr in death."

As foundress of the Franciscan missions in Hawaii, she left a legacy of uncounted numbers who never contracted leprosy or whose children were saved because of the improvements she fostered. She also left a spiritual legacy in the Sisters who still carry on her work at Molokai and the numerous vocations drawn to her order, inspired by her and her successors. And she left to the world her saintly example of the true meaning of love in her daily concern for those in need: "I was sick and you visited me."

Accolades for her heroic charity and accomplishments have continued, and in 1974 the cause for the beatification of Mother Marianne Cope was initiated in Rome.

THE STIGMAS OF DISCHARGE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. DOWNEY of New York. Mr. Speaker, since 1950, over 1.5 million Americans have received less than fully honorable discharges from our armed services—discharges which carry a stigma which follows them throughout their lives. These men are faced, as a result, with an almost impassible roadblock to a decent job. Many of these discharges were issued for commission of misdemeanors and offenses evolving from tragic personal, family or emotional problems. Often, these men were discharged in assembly line fashion, with little regard for the circumstances surrounding individual cases.

Recently, an article by Peter Slavin entitled "The Stigmas of Discharge," appeared in the Washington Post—April 18, 1976, at page 20. I insert it into the RECORD and call the attention of my colleagues to Mr. Slavin's account of this tragic situation.

The article follows:

THE STIGMAS OF DISCHARGE

Marine Pfc. Leon Coates, who was wounded in a mortar barrage in Vietnam, was given an Undesirable Discharge in 1969 for "drug abuse," although no charges were ever brought against him. Why the discharge? Coates says his superiors were out to get him, that they "were paranoid" about black power and he was "talking plenty of black nationalism."

Back home in Washington, Coats could not get a job. "Every time they'd see I'd been in the service, they'd ask to see my DD214 (discharge paper)," he recalls. ". . . A couple times I knew I had the job and, as soon as the interviewer knew I had an Undesirable Discharge, it went out the window." He says the fire department told him, "We do not even consider people with discharges less than Honorable."

Those days were "a struggle." His discharge disqualified him for both unemployment compensation and veterans benefits. After nine months, Coats found a part-time job as a janitor, but only by hiding the fact that he'd been in the service. He has gotten other jobs since, as a messenger, stock clerk and newspaper editorial aide, but always by concealing the nature of his discharge, as he was advised to do by people on the job.

With legal help, Coates finally got his discharge upgraded in 1974. That qualified him for the GI Bill's educational aid, and today he is working and studying for a BA in journalism. "I was one of the lucky ones," he observes.

Since 1950, over 1.5 million American veterans have been the victims of "bad papers"—discharges carrying a black mark which haunts them all their lives. Many holders of bad papers are denied veterans benefits, and all face social stigma and a host of economic handicaps, including discrimination by employers, unions and colleges. In particular, they are apt to be turned away from jobs with state and local governments, jobs with federal contractors and posts requiring bonds or a security clearance.

For many, a bad paper is a ticket to America's underclass. And for the poor, the semi-educated, blacks and Latinos, a bad paper may be a bar to ever leaving it. Prison statistics suggest that a large number of veterans with bad papers, unable to find decent jobs, turn to crime.

The numbers and proportions of bad discharges rose dramatically during the Vietnam years. From 1965 through 1973, 446,000 enlisted personnel received a less than fully honorable discharge. Few of those given a bad paper had been convicted of a court-martial offense. Many had fought in Vietnam: some were decorated, some wounded. But their discharge papers made them little better in the eyes of civilians than deserters or draft dodgers.

Perhaps because it has been largely unknown, the question of bad papers has always been a neglected problem. The problem has grown worse since Vietnam. In the past four years, one GI in every nine has received a less than Honorable Discharge. Last year bad discharges were issued at the highest rate in 25 years.

The public, unfortunately for veterans, tends to believe there are simply two kinds of discharge. Honorable and Dishonorable. In fact, there are five. They are, in descending order, Honorable, General, Undesirable, Bad Conduct and Dishonorable.

Honorable discharges are awarded for "honest and faithful service." General discharges for "satisfactory service," and Undesirable discharges for "unsatisfactory service." Bad Conduct and Dishonorable discharges are punitive; they follow a court-martial conviction for certain offenses. In most cases, recipients of a punitive discharge forfeit all veterans' benefits.

SEVERE CONSEQUENCES

At the heart of the discharge problem lie the Undesirable and General discharges. Although they result from administrative action rather than criminal convictions, they too have severe consequences. General discharges are regarded as "under honorable conditions," and in 1944 Congress authorized the entire array of valuable veterans benefits for nearly all those holding them. But Congress left it to the Veterans Administration to decide the elibility of those with Undesirable discharges. In practice, the VA has denied benefits to nearly all those with Undesirables, a policy to which Congress has given silent approval. A veteran denied benefits can only turn to higher authority within the VA; he cannot appeal to the courts.

Civilian society tends to cast a jaundiced eye on anyone with other than an Honorable Discharge. Studies show that private and public employers, unions and colleges are all apt to count administrative discharges against veterans. Such discharges may be enough to blackball them entirely.

An administrative discharge can dog a veteran for years. In 1965, a New York City schoolteacher received an Undesirable Discharge for homosexuality: in 1975, he privately expressed fear it would prevent his getting tenure with the school system.

In 1974, a computer programmer found the federal government refused to consider hiring him because he was given an Undesirable Discharge some 25 years earlier.

The law now offers relief against some job *discrimination* based on *discharge*. But the problem goes beyond employment. Those who work with veterans holding administrative discharges report that they suffer discrimination of many kinds. They find it harder, if not impossible, to obtain credit, licenses, rental housing, mortgages, life and medical insurance. Their discharge raises questions about their character and makes them "bad risks."

Social observers have noted that the term "undesirable" conjures up a far worse image than does "bad conduct." So an Undesirable Discharge may provoke far more prejudice from Society than the criminally tainted Bad Conduct Discharge.

Ironically, the acts which earn administrative discharges are often neither criminal or serious. An undesirable Discharge may result from friction between a GI and his first sergeant. Or from smoking marijuana. For some during the Vietnam years, it came from frequenting GI coffee houses or exercising the right to protest the war.

Attorneys David F. Addlestone and Susan H. Hewman, two of the country's foremost experts on discharge, put it this way: "Frequently, the only 'crime' is an inability to conform totally or to adapt to military life or to the whims of a commander."

Some administrative discharges seem a product of racial bias. An investigation of military justice by a Pentagon-appointed civilian-military task force found that in 1970–72 black enlisted men received bad discharges at more than double the rate of other GIs, even after making some allowance for differences in aptitude and education. The task force found that many black servicemen felt administrative discharges were used to get rid of black GIs considered outspoken or militant. The investigators heard accounts of officers harassing black soldiers until they agreed to take an administrative separation.

This points to still another failing: the lack of due process in administrative discharge proceedings. In some situations a GI facing administrative release has a right to a hearing before a board of officers. But Addlestone says that "a sense of futility, bad advice and immaturity" cause "the vast majority" of GIs to waive the hearing and to leave the discharge decision to the commanding officer, subject to approval by higher authority. "The General discharge," he concludes, "is normally awarded without a hearing."

Even worse, so are Undesirable discharges. It works this way: A GI in trouble may be threatened with a court-martial unless he accepts an Undesirable discharge. Fearing the stockade primarily, a GI will take an Undesirable discharge, especially as it is a ticket to what he most wants under the circumstances—to get out of the service fast. Hardly any GIs realize the consequences of an administrative discharge, observers say, and some have been led to believe such discharges can easily be changed later.

In many of the cases, says Addlestone, the GI would have been better off if he had chosen trial by court-martial. He might have been acquitted. And even if convicted of a typical offense, say 30-plus days AWOL, he would have served his time and probably returned to duty. Had he shaped up afterwards, he still could have earned an Honorable discharge, and his minor court-martial conviction would cause little trouble in civilian life compared to the impact of an Undesirable discharge.

The military itself has admitted that commanders frequently resort to administrative discharges to avoid holding courts-martial, which take time, evidence and substantial due process to win. Given the severe consequences of administrative discharges, some critics maintain the military has thus turned them into an alternative means of punishing service members. Nothing in the law, they say, authorizes this practice.

THE VIETNAM YEARS

After declining in the first years of the Vietnam War, the number of administrative discharges shot upward beginning in fiscal 1970. In 1964–69 the number of General and Undesirable discharges averaged 32,000 per year, but by fiscal 1972 they had soared to 81,000. Percentage-wise, they accounted for only 4.1 per cent of all discharges during the first years of the war, but by fiscal 1972 they amounted to 9.7 per cent.

None of the reasons for the upsurge do the military much credit. Perhaps the main cause was the little-known manpower crisis.

According to David Cortright, who wrote the powerful book "Soldiers in Revolt" after spending 1968–71 in the Army, evasion and defiance of the draft, enlistment, re-enlistment and desertion rates all reached critical levels during the war. Indeed, in fiscal 1971, more men applied for conscientious objector status than enlisted. The success of middle class youth in beating the draft by hook or crook, says Cortright, meant that an abnormally high share of poorer class men, traditionally those with the greatest difficulty in adapting to military life, entered the ranks. Presumably their inaptitude made these men particularly susceptible to bad discharges.

Another factor apparently was an officer response to the so-called GI resistance movement, the agitation in the ranks against the war and racial discrimination and in favor of greater rights for the enlisted men. Internal turmoil grew so great, critics contend, that many commanders responded in panic and used discharges to oust the men they believed were endangering the combat effective of their units.

In 1973, the Navy handed discharges—most of them Generals—to 2,959 sailors. Cortright believes that was an effort to get rid of dissenters and notes that it followed a series of incidents climaxed by the black rebellions aboard the carriers Kitty Hawk and Constellation. The Navy denies that the discharges were the result of the shipboard disorders and describes them as "a pilot early release program" for "substandard performance."

Discharges were also used to weed out unpromising new personnel, with growing numbers of recruits issued an Honorable or General discharge during their first six months on duty. In the navy, the recruit attrition rate jumped from 2.5 per cent in fiscal 1968 to nearly 10 per cent in fiscal 1972; in the Marines, from 4.2 per cent in fiscal '68 to 22 per cent in fiscal '71.

In addition, in the late 1960s thousands of GIs were court-martialed and/or issued administrative discharge for use or possession of drugs or for drug-induced offenses, such as "disrespect" or short absences without leave to purchase drugs. In July 1971, the military instituted a drug "amnesty" program, but this neither ended punishment nor repaired the damage done by the bad discharges.

An overriding cause for the jump in bad discharges during the Vietnam period was the legislation in 1969 adding greater due process to the court-martial system. This made use of administrative discharges to get rid of unwanted personnel more attractive than ever. Officers were well aware that even minor transgressions—being five minutes late, wearing an improper uniform—could serve as the basis of an administrative discharge. At the same time, unit commanders were under pressure to trim personnel in line with the cutback in military manpower accompanying the troop withdrawal from Vietnam.

In short, commanders had every incentive in 1969–73 to use administrative discharges to get rid of unwanted GIs.

THE PROBLEM GROWS

The continuing climb in bad discharges in the post-Vietnam era is more surprising, but a few possible reasons can be offered. First, there remain the advantages of administrative discharges over courts-martial in dealing with problem GIs. Second, the military still has drug problems. Third, all four services are now volunteer in the true sense for the first time since 1941; and studied reportedly show that volunteers are more apt to get into trouble than draftees, presumably because their higher expectations for military service make them less tolerant of its shortcomings. At the same time, the ever more technical nature of military occupations puts less intelligent recruits increasingly in line for menial work, frustration and perhaps an outburst of foolish behavior.

Finally, hard economic times have presented the services with more would-be recruits than they need, thereby enabling them to drop personnel deemed substandard. And, in fact, in 1973 the Army and Navy initiated "marginal performer" discharge programs to speed up the removal of unsatisfactory personnel through "simplified procedures" for issuing Honorable and General discharges. By last December, an estimated 20,000 enlisted persons had received General discharges in mid-tour under the programs.

The military claims any veteran who gets a bad discharge through error or injustice can have it changed through administrative review of his case. However, discharge review has proven more of a remedy on paper than in practice. Since the mid 1960s, only about 1 veteran in 27 issued a bad discharge has gotten it upgraded. And many, if not most, upgrades are only to a General discharge, still a bad paper.

Discharge review is a three-tier system. Each service has a Discharge Review Board, composed of military officers. If a Review Board turns down a veteran's request for upgrade, he may appeal to this service's Board for the Correction of Military Records. Correction boards consist of civilian employees of the Defense Department. If a correction board rules against a veteran, he can appeal to a federal court. Very few take that last step within the allotted time out of ignorance of their right to do so and because of the legal expenses.

Official figures indicate that a veteran has little chance (roughly 1 in 6) of winning an upgrade, unless he appears personally before a board. But correction boards rarely grant hearings; they prefer everything in writing. And they sit only in Washington, forcing the few petitioners invited to make a trip they may be unable to afford. The burden falls unequally on minority group members with their lower average income.

Review boards do grant hearings to all, but for years they, too, met only in Washington. Last year, in reaction to congressional criticism, the Pentagon authorized traveling and local review boards.

So far, regionalization has paid off: requests for appearances have climbed. In response, the Army and Air Force have temporarily made access to their review boards easier. The Air Force is currently holding hearings, in rotation, in four cities and at seven bases; the Army is holding hearings in 13 locations. The Army is also sending a board member equipped with videotape machinery to veterans in "the hinterland" to record testimony for the full board's consideration.

The services stress, however, that these changes are not necessary permanent. Their continuation will depend on financial and manpower resources and on the extent of the demand.

Few veterans even realize they can challenge their discharge. Between fiscal 1967 and 1975, some 548,000 bad discharges were issued, but only 62,000 veterans petitioned the various review boards.

Few who apply have adequate legal assistance. The Red Cross and old-line, charter veterans organizations such as Veterans of Foreign Wars represent thousands of veterans without charge, but they do not use lawyers, and observers say they are too swamped with applicants to prepare cases adequately.

Another problem: discharge review proceedings are short on due process. The boards lack subpoena power and pre-trial evidentiary procedures, have only the broadest written standards for making decisions and deny or approve upgrades without stating their reasons. Ruling are "haphazard" and "arbitrary," hinging "on the personalities and predilections of individual board members," says attorney Susan Hewman. The army review board defends the procedures on the ground that boards only settle questions of fact, not of law. But some attorneys maintain this is an oversimplification.

Finally, the boards are too few in number and the members of some boards hold other jobs. The result: case backlogs ranging from a few months to two years.

Despite everything, some veterans win their cases. The advantages of aggressive, savvy legal help and a personal appearance are clear from the accomplishments of the American Civil Liberties Union and the National Military Discharge Review Project at Georgetown University Law Center in Washington. Attorneys and law students working for these groups, which say they take all but hopeless cases, have represented 162 veterans and won upgrades for 81 per cent. If 4 of 5 bad discharges can be overturned, they say, something obviously is wrong with discharge practices.

EMPLOYMENT'S COMEBACK

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. STEIGER of Wisconsin. Mr. Speaker, today's Wall Street Journal carried a timely article on the subject of employment. According to the article, the expansion of our work force continues. This occurs despite the existence of 7 percent unemployment. The most remarkable feature of the increasing employment is that women and teenagers are the leading new jobholders. Both groups have been particularly affected by the recession.

The improvement in the employment picture is certainly a challenge to those Members of Congress who seek to enact the pending full employment legislation. In light of the developing job picture, we perhaps should take a second look at this legislation on the grounds of relevance. I have included the news article for my colleagues' benefit:

REVIEW OF CURRENT TRENDS IN BUSINESS AND FINANCE

(By John O'Riley)

The monthly unemployment rate figure will be out again late this week. It will most likely be somewhere in the 7%-plus area. And that will mean the country is some 93% employed. Since not too much attention is paid to the army of the people who are not out of work, it may be well to take brief note of them. More people have jobs today than ever before, more than at the previous peak before the late recession. Their numbers have risen steadily now for twelve months.

And a look inside the employment total still finds women jobholders increasing far more rapidly than men jobholders. Teenage workers, too, increase more rapidly than adult male workers. It is a very important trend. It underscores the increasingly multiple-paycheck makeup of the American family. And it raises some questions about the unemployment rate of the future.

Total employment in the recent recession reached its lowest point in March of last year. With some minor monthly bobbles, it has moved up ever since. The table below traces the climb, as reported monthly by the Department of Labor.

Employment's comeback

Month	*Employed*
March 1975	84, 110, 000
April	84, 313, 000
May	84, 519, 000
June	84, 498, 000
July	84, 967, 000
August	85, 288, 000
September	85, 158, 000
October	85, 151, 000
November	85, 178, 000
December	85, 394, 000
January 1976	86, 194, 000
February	86, 319, 000
March	86, 692, 000

In the 12 months through March nearly 2.6 million people were added to the employment rolls—almost as many as there are men, women, and children in the city of Los Angeles.

In February and March alone, the jobholder total increased some half a million. If that many people were laid off in two months, say by two or three major industries, the country's newspaper headline type would hardly be big enough to report the story. And TV newscasters would be hoarse from telling it.

But as notable as the overall rise in employment has been, the picture of what goes on inside the aggregate figure is probably even more so. The Department of Labor breaks the jobholder total down among adult men (20 and up), adult women (20 and up), and all 16-through-19 teenagers. And the women and teens are clearly leading the pack.

Here are the breakdown figures on this year's March employment compared with those of March of last year. The final three ciphers are omitted from the totals.

WOMEN AND CHILDREN FIRST

	March 1975	March 1976	Year's Gain
Men	47, 158	48, 081	923
Women	29, 959	31, 398	1, 439
Teens	6, 993	7, 213	220

On a head count basis, the employment gain of women and teenagers together has not far from doubled the 12-month gain scored by adult men. The percentage gains are: Men 2%, teenagers 3.1%, and women 4.8%. For the man who was laid off a factory production line and is still unemployed, there is little comfort in knowing a lot of women have been hired in offices.

This trend in the internal makeup of the labor force is not new. It has been building for years. But few see it in perspective. Its magnitude is certainly not grasped by merely following the month-by-month employment reports as they come out—where most people only notice the monthly "jobless rate" anyway.

Here's a quick thumbnail breakdown on what's happened to the three groups over the past two decades. The 1976 figures are for March.

A LONG-TERM TREND

Year	Men	Women	Teens
1955	40, 528	18, 002	3, 643
1960	41, 543	20, 105	4, 129
1965	43, 422	22, 631	5, 037
1970	45, 554	26, 933	6, 142
1976	48, 081	31, 398	7, 213

The respective gains for the two decades add up to:

Men at Work: Up 19%.

Women at Work: Up 74%.

Teens at Work: Up 98%.

While it is widely noted that unemployment rates for women and teenagers run higher than that for adult men, very little attention is ever given to the enormous number of women and teenagers who have actually landed on payrolls in recent years.

What does the trend mean?

First, for the rapidly growing millions of families that now have more than one paycheck (especially man-and-wife paychecks), it means more buying power. And, conversely, for the family still on one paycheck, it means ever rougher going competitively.

Second, for the merchant, it means a rising family cash flow in pursuit of his wares.

But finally, it would seem to pose a growing problem for the political man's eternal pursuit of "full employment."

The nation's urban payrolls have absorbed millions of farm folk since World War II as machines replaced them. And the payrolls have taken on millions of womenfolk who have moved outside the domestic world in pursuit of paychecks—plus growing numbers of job-seeking teenagers.

Now the farm hands have about all come to town. There are not many left. This, however, is not the case with the women—nor, in fact, with the teenagers. There are still some 38 million adult women who are not on payrolls and not seeking work outside the home—and also 7.5 million teenagers.

But suppose swelling numbers from this pool of people decide they, too, want on the payroll bandwagon. It just might mean the wagon would get overcrowded. Some might be pushed off—and more might be unsuccessful in getting on.

Supplying a paycheck spot to every adult of both sexes (plus every teenager) who wants one may not be an easy goal to attain.

NEED FOR BROADCAST COVERAGE OF HOUSE PROCEEDINGS

HON. ALLAN T. HOWE

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. HOWE. Mr. Speaker, the House Rules Committee has done a disservice to the Members of this body, and the American people, by not allowing House Resolution 875, that would provide broadcast coverage of House proceedings, to come to the floor. I was a cosponsor of this bill along with 145 other Members, 82 Democrats and 63 Republicans, who also sponsored broadcast resolutions.

This resolution was not a hastily prepared proposition, but the result of much study and deliberation by the nonpartisan Ad Hoc Subcommittee on Broadcasting which held hearings over a long period, providing Members with adequate time to present their views. The resolution itself was a well-considered, solid proposal to provide comprehensive radio and television coverage of the House. It would have also established a Broadcast Advisory Board to assist the Speaker in implementing the system. This proposal represented an idea whose time had come that would, in short, force the House to join the 20th century and take a giant step in the direction of open government.

As far as I can determine, the failure of House Resolution 875 was the result of a last minute, hurriedly conceived stand by an ill-advised handful of individuals. Objections were countered on the issue of the Speaker's prerogative for control of the House Chamber and the role of the proposed House Advisory Board. When the resolution was revised to accommodate these concerns, it still failed to pass the committee. I am aware of the several personal objections made by Members who felt that televised coverage would be unfair to the more reticent speakers and promote showmanship on the part of others.

Also, there was apprehension that Congressmen might be televised in awkward or less-than-complimentary postures, or that the partially filled House Chamber might give Americans the impression that their elected Representatives were rather irresponsible or did not really entirely know what they were voting on when the bells sounded. Frankly, I think that such coverage would result in the elimination of just such "embarrassing moments" and probably instill in Members a needed dose of conscientiousness and result in an improved quality of oratory and debate. Further, I have faith that people will not be appalled by an occasionally half-filled chamber when they consider the responsibilities and pressures of a Member's other committees and office work. I find it obvious that such coverage is bound to upgrade the quality of our deliberations and possibly even result in other necessary reforms which I would encourage.

Some of my colleagues have offered the consideration of the higher public opinion poll ratings we would receive and the improved image which could be promoted for Congress as a result of such media exposure. I, for one, do not think that we need be overly concerned with our image but do feel we owe it to this country to open the processes of government. The most recent and memorable example of House broadcasts was, of course, during the historic Watergate hearings. I am convinced that this single event did more to restore the essential confidence which Americans must have in their Government than anything else during this period when our foremost institutions were threatened.

Under the close scrutiny of the press and the public, the House Judiciary Committee did not present itself as a circus sideshow or indulge in grandstanding ventures for the sake of the cameras. Instead, Americans witnessed the careful, methodical, and thorough procedures of a committee investigating the most serious and difficult charges of this century. The committee members were probing and forthright and I feel, represented a part of the process which goes on daily in Congress, a process of which we should be proud. Among the most frequent and encouraging comment that was made regarding this period, was that the "system was working"—we should not hide the fact that it still does.

The phenomenal interest and attention given to these unique hearings also testified to the awareness and concern which people have in the operations of their Government. It is time that the people were given a first-hand chance to observe their representatives in action, operating as humans do, in both good and bad lights. In responding to the possibility that such live broadcasts could be distorted or biased, I do not see any significant difference in taking our chances through this media than in leaving it to the hands of reporters and correspondents who daily provide second-hand versions of House activities—also both good and bad. In addition, the provisions of the bill provide for enough safeguards to insure that we receive fair and balanced coverage.

There is a real need to inform the public openly and honestly of the inner workings of Congress, and take the mystery away from the legislating of laws. The refusal to consider this bill only confirms to many people that there really is something to hide in Congress. As a freshman Member, I was vitally interested in carrying through many of the proposed reforms and reorganizations of the Congress, proposed at the beginning of the session, which seemed so important to making this body more efficient and responsive. As you know, those efforts were only partially successful, and I would like to stress that these attempts at improvement and reform should not be isolated or few and far between.

The reforms that were instituted such as those requiring a committee to vote before a hearing could be closed to the public and the new procedure by which committee chairmen are elected have proven successful during this Congress and improved the structure and procedures of House committees. I was hopeful that this resolution, in particular, could represent a large step forward in the ongoing process of positive internal reforms for Congress, and a move that would establish a better relationship with the American people.

In final comment, the American people have a right to know how their Government works, that we having nothing to hide, and above all, we in Congress have a responsibility to keep the public informed of how important matters of their business are being conducted. I find it truly unfortunate that the House has missed this opportunity to become closer to the American people and hope that this worthwhile legislation can be revived in the future.

CIVIL DEFENSE IS A WEAPON

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. HÉBERT. Mr. Speaker, Harry G. Wiles, national commander of the American Legion, dealt with a most pertinent subject in his commander's message in the May 1976 issue of the American Legion magazine. I am talking about civil defense.

Since this issue is one we are dealing with, I wanted to make his comments available to my colleagues, and I insert his remarks at this point in the RECORD:

CIVIL DEFENSE IS A WEAPON

In a hazardous, unpredictable world, man cannot afford to discard weapons for his safety.

Civil defense is such a weapon. A nation trained and equipped to survive a nuclear war has a better chance of preventing such a catastrophe. Therefore, we in The American Legion must protest proposed civil defense cuts—cuts that would eliminate or cripple state and local CD programs and end CD educational programs in our secondary schools.

Our nation is in the midst of a great debate over the intent and significance of Russia's continuing military buildup. Intelligence estimates of Soviet power inevitably place heavy emphasis on unparalleled civil defense preparations—the construction of vast underground factories, rehearsals and plans for the dispersal of key elements of the Soviet population. The United States has no comparable programs.

Analyses of the strategic arms limitation talks with the USSR stress that nuclear war must no longer be seen only as an all-consuming exchange between two desperate giants. Developments suggest that an enemy might be tempted to seek temporary weapons superiority, attack American missile sites, then hold American cities "hostage" against retaliation.

Nuclear war is "unthinkable" to us as a people; yet those charged with our defense cannot presume it is unthinkable to our potential enemies. The world is experiencing an alarming proliferation of nuclear weapons and plutonium-producing power plants.

The nuclear genie has indeed escaped the bottle.

In such an atmosphere, we must protest vigorously a projected cut of $16 million in the civil defense budget for fiscal 1977. This would reduce civil defense spending to $71 million at a moment when many knowledgeable experts are urging a $130 million program. Even such a budget would be only one-tenth the Soviet effort.

The proposed cuts in the U.S. program really add up to 23 million "real dollars." They would discontinue:

Federal-financed training of state and local CD personnel.

The Civil Defense Education Program in secondary schools.

The loan of CD equipment to communities facing peacetime emergencies.

Matching federal funds for the purchase of state and local emergency equipment.

The budget cut also would reduce federal matching funds to employ CD personnel for construction of state and local emergency facilities and for research in crisis relocation of populations.

This must not happen. Congress must vote adequate funds to sustain and revitalize a civil defense program that has been crippled by inflation, apathy and the illusions of detente.

Paul Nitze, former deputy secretary of defense, one-time secretary of the Navy and a member of the U.S. team that negotiated the SALT-I agreement with Moscow, says civil defense would be "the most economical and rapidly implemented" response to Russia's current nuclear expansion. But he adds in an article in *Foreign Affairs* magazine the observation that the U.S. public would probably resist increased CD expenditures and that men in government would find them "politically unwise."

Civil defense is not a political issue!

The Soviet Union obviously believes that nuclear war could happen. For 20 years it has been working to insure that it could survive such a war. It is investing more than a billion dollars a year in the effort.

"They put their resources where their priorities are," says Nitze. We cannot ignore such priorities.

The American Legion position is crystal clear. The 57th National Convention last year urged:

1. An evacuation plan for potential target areas.
2. Coordinated "flexible response" capability to equip federal, state and local agencies to handle peacetime or wartime catastrophes.
3. Full Congressional funding for the Defense Civil Preparedness Agency.

The American Legion Auxiliary has joined in our efforts.

Should men in the Kremlin—or in any other nuclear capital—become convinced that their country could survive a nuclear war while the United States could not, the door would be open for the unthinkable.

That door must remain locked. Congress must vote an adequate, realistic civil defense program. It is an indispensable part of our deterrent against nuclear adventures.

ENERGY CONSERVATION: AN IDEA WHOSE TIME HAS COME

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, this morning's New York Times contained a thoughtful editorial on the shifting emphasis in our national energy strategy.

Thankfully, that emphasis is gradually shifting over to the area of energy conservation.

When I speak of energy conservation, I am not talking about a national speed limit to reduce gasoline consumption or an appeal to the general public to turn down thermostats.

I am talking about seriously exploring the opportunities for industrial energy conservation, and for improvements in construction of homes and buildings that will allow this Nation to save vast quantities of energy.

I am also talking about improvements in the design of major and small appliances that will make them more energy efficient.

Mr. Speaker, we also need to devote attention to the current practices of utilities that allow large energy users to obtain lower rates for electricity, while small businesses and homeowners are penalized with higher rates for using less electricity. This approach may well have been fine in the days of cheap and abundant energy, but those days are long past and it is time to reverse the sliding block rate scale that encourages energy profligacy.

The European countries have already demonstrated how energy conservation techniques in the industrial sector can save vast amounts of energy and money. In the process of improving energy efficiency in the steel and cement industries, the West Germans have made their products more competitive on the world market. Thus, energy conservation for the West Germans has yielded a double reward.

Mr. Speaker, I am pleased that the Energy Research and Development Administration has announced a commitment to a strong energy conservation program. I hope this commitment will be matched with adequate funding to carry out this important job.

Energy conservation makes sense because it reduces our dependence upon the OPEC nations, and reduces the outflow of American dollars to pay for oil imports.

Energy conservation makes sense because it will enable American business and industry to cut the cost of producing products—and thus makes them more competitive on the world market.

And energy conservation makes sense because it allows us additional time to search for effective and safe energy alternatives to replace our dwindling oil and natural gas reserves. The longer we can save what we have in the way of oil and gas, the less necessary it is for us to rush headlong into expensive energy projects of questionable value, such as the liquid metal fast breeder reactor.

Mr. Speaker, I know my colleagues who are interested in the overall energy issue will find the New York Times editorial both timely and thought provoking, and I include it at this point in my remarks:

NEW ENERGY, OLD HABITS

Inertia in taking novel or imaginative approaches to this country's future energy needs remains one of the most formidable bottlenecks in the Federal bureaucracy in devising a rational energy policy. Two senior energy aides have resigned in recent months, mincing no words about their frustrations in obtaining a hearing at the highest levels of Government for unconventional measures to alleviate potential shortages.

The Federal Energy Administration's top specialist in energy conservation, Roger W. Sant, leaves the Government this month, saddened at the resistance he encountered at the White House in respect to the immense potential to be derived from conservation technologies and practices. Last February, the head of solar energy development at the Energy Research and Development Administration, John W. Teem, similarly complained of the low priority assigned by the Administration to measures for immediate use of solar energy techniques.

There are now the first signs of serious commitment inside the Government on both scores—thanks largely to the insistent prodding of Congress and academic energy specialists. Pressures from these sources are having to buck the huge and well-greased lobbies of the oil and other conventional energy industries, which argue that massive spending and inducements for expanding energy production are the only policies worth considering.

ERDA has been criticized for relegating solar technology to the far-distant future, while paying little attention to the practical applications in space heating and cooling that could be achieved in the near term. Similarly with energy conservation, Administration policymakers seem to content themselves with pious exhortations to turn off lights and observe speed limits, without emphasizing as well the more significant steps available even now to improve efficiency in the use of energy and thus effect major savings.

Having already authorized far larger sums for solar energy development than the Administration requested, Congress is now at work on a well-thought-out bill to alleviate the double roadblock to an effective conservation policy: lack of reliable information among consumers about how much money can be saved by saving energy, and the inability of individuals and small businesses to raise capital through existing mechanisms for structural improvements designed to conserve energy.

Implementation of such a program would have massive and immediate impact in reducing this country's alarming dependence on foreign oil supplies.

INDUSTRIAL SUPPORT FOR NSF RESEARCH

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. WIRTH. Mr. Speaker, during the review process of the National Science Foundation authorization by the Committee on Science and Technology, it occurred to me that we sometimes lose sight of the importance of the NSF sponsored research efforts to our industrial community. I have mentioned this problem to scientists from industry in my contacts with them, and they have always expressed surprise that the importance of NSF research, taken as a whole, would be questioned. I would like to share with my colleagues a letter on this subject from Mr. Arthur M. Bueche, General Electric's vice president for research and development. Mr. Bueche provided me with a copy of a statement by Dr. Herbert I. Fusfeld, who is director of research for Kennecott Copper Corp. The letter follows:

DEAR CONGRESSMAN WIRTH: In your conversations with Dr. Bruce Hannay, Vice President, Patents and Research, Bell Laboratories, you raised questions concerning the value to industry of the basic science effort supported by the National Science Foundation. While I can present only my own views directly, my present position as President of the Industrial Research Institute has kept me in close touch with the thinking of many of my colleagues in the industrial research community. I am not aware of any substantive disagreement with my thoughts on this subject.

Industrial firms conduct a considerable amount of basic research which strengthens their own areas of interest and which is within their financial capabilities. However, there is need for a broad range of basic research effort supported by the National Science Foundation that goes far beyond the industrial activity and provides the basis for further technological advances. This support by NSF increases our national capabilities and flexibility in scientific research and provides a training ground for the next generation of scientists. It also provides us with an increased ability to react to unexpected future requirements, both as industrial enterprises and as a nation. The NSF support is an invaluable component in maintaining and improving our economic and social well-being.

I would like to call your attention to the attached copy of a note concerning industry support for the basic activities of NSF in the physical sciences. This was prepared by Dr. Herbert I. Fusfeld, Chairman of the Federal Science and Technology Committee of the Industrial Research Institute.

Sincerely,

ARTHUR M. BUECHE.

F.S.T. CHAIRMAN URGES INDUSTRY TO MAKE KNOWN ITS SUPPORT OF N.S.F.

(By H. I. Fusfeld)

"Certain concerns have been expressed about the difficulties being experienced by the National Science Foundation in the current session of Congress. I am using the medium of our newsletter to review these concerns, and to urge our individual representatives and alternates to express their views to their own Representatives and Senators on the role of N.S.F. in strengthening our technical base, and thus our industrial R&D.

"There have been criticisms within the Congress of specific programs of N.S.F., primarily in the social sciences, and particularly dealing with curriculum development. There have been adverse comments about programs with titles that, on the surface, appear irrelevant to N.S.F. and certainly less than earth-shaking in their scientific importance.

"We are certainly in no position to defend the specific programs under criticism, nor the detailed procedures within N.S.F. for authorizing and monitoring grants. In fact, we should encourage the Congress, through its appropriate committees, to review how well the programs of N.S.F. meet the broad objectives set down by the Congress. But we must maintain perspective, recognize the underlying importance of N.S.F., and avoid procedural changes that would destroy its ability to function objectively.

"I believe that we have a compelling obligation to tell our representatives in Congress that the activities of N.S.F. are of major importance to American industry. This importance resides primarily in the strengthening of our basic science and in the continuing upgrading of scientific education at universities. This provides a necessary reservoir of scientific advances, and a high quality of technical graduates knowledgeable in these current advances. Major secondary benefits to industry derive from programs intended to provide scientific support for current technologies, from preparation of authoritative data on technical manpower, and from efforts to develop systems for efficient dissemination of scientific and technologic information.

"Industry looks to N.S.F. as a principal mechanism for expanding the level of basic science available for improving the effectiveness of current research, and providing a broader base for new industrial concepts of the future. We are further dependent upon a healthy system of education in the sciences and engineering, in which N.S.F. is presently a major factor.

"I believe it is both proper and necessary for industry, Congress, and other sectors of our society to make known to N.S.F. their views on priorities among all possible areas of research, to identify those technologic areas of economic or national concern which appear to have the greatest need for increased knowledge in the basic sciences. I do not believe N.S.F. should be held accountable for perfection in its choice of individual programs. However, N.S.F. should be held accountable by Congress and all of us for meeting its broad objectives, and by so doing will be of great continuing value to industry and the nation.

"I urge each of you to convey your own thoughts in this area to your Congressmen and Senators."

HERBERT I. FUSFELD.

THE BURMESE CONNECTION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. RANGEL. Mr. Speaker, I know that all of my colleagues share my hope that the on-going program of opium eradication and interdiction will soon stop the flow of brown heroin from crossing our borders. However, our recent experience of Mexican heroin replacing the previous Turkish supply raises the serious question of whether effective disruption of heroin production and trafficking in one part of the world will be followed by a new and plentiful source from another part of the globe.

I have just written to Peter Bensinger, Administrator of the Drug Enforcement Agency, expressing a specific concern which I must now state here. If the Mexican campaign is successful—and we all trust it will be—what is the likely new supply source? A number of people suggest that the new source will be the Shan states of Burma, the major producer of opium in the "golden triangle". In this connection Mr. Speaker, I wish to place in the RECORD an article by Dr. David Feingold which appeared in the March 8, 1976, issue of Capitol Hill Forum.

Dr. Feingold has spent a number of years in Burma since 1962, speaks the native language, and probably knows the situation there better than anyone else in this country today. Dr. Feingold is Director for Research and Planning at the Institute for the Study of Human Issues. In his article, Dr. Feingold sharply criticizes the failure of the United States to take advantage of an opportunity to remove 88,000 pounds of Burmese heroin-equivalent opium from the illicit market.

Mr. Speaker, I anxiously await the development of effective policies by the State Department and DEA to deal with the Burma situation. If none are forthcoming, I shall present some specific legislative proposals in concert with my colleagues who are equally concerned.

The article follows:

OPIUM WARFARE IN BURMA

(By Dr. David Feingold)

It may come as a surprise for some, but the United States is not winning what used to be called our "world-wide war on dope." Heroin use is rising again, and more is being imported to meet the growing demand. Once the solitary vice of the urban slum, heroin has spread to the clean white suburbs of Arizona and New Mexico. By government estimates, drug-related crime and law enforcement cost the people of the United States $27 billion per year.

Yet in spite of the staggering impact of our narcotics problem, our state department, during the past year, refused an opportunity to prevent 400 metric tons of opium per year from entering the illegal markets from the Shan states of Burma.

In Burma, as in Thailand and Laos, opium is grown by minority peoples who live in the mountains. For the highland farmer scratching a living from his rugged environment, opium is commodity, currency, and medicine, but only a meager source of income.

Opium is a difficult unreliable crop which requires large inputs of poorly-rewarded labor. The huge profits of the illegal narcotics trade do not reach the mountain farmer; his efforts net him about 40 cents per hour of labor. Many farmers would welcome an alternative source of income, but none has been offered to them. They live in remote jungle villages, often far from any road, and have no means to bring heavier commodities to market.

The highland regions of Burma, which grow about one-third of the world's illicit opium, are outside the effective control of the military government which rules the rest of the country. The roots of the present situation go back to the late nineteenth century. The British administration included in the colony of Burma a number of independent Shan states and tribal peoples, (non-Burmans) not previously ruled by the Burmese kings.

In 1947, at the time of independence, these minority peoples agreed to join the Union of Burma only with the condition of a Constitution which guaranteed them democracy and autonomy within their states. In fact, the 1948 Constitution of the Union of Burma insured these rights by guaranteeing in Chapter Ten that "every state shall have the right to secede from the Union," provided that right was not exercised until ten years after the Constitution took effect.

Constitutional safeguards proved ineffective in protecting the rights of any group in Burma. General Ne Win seized power in 1962; threw out the elected Prime Minister, U Nu; abolished the Constitution; jailed most Shan and other leaders; and established a military dictatorship. Since that period, U Nu and his Parliamentary Democracy Party, as well as every non-Burman national group, have been in rebellion.

The rebels have been willing to negotiate, but Ne Win has refused. The Shans, Kachins, and other groups have been forced to finance their resistance by trading in opium. Opium is transported out of Burma to Thailand and Laos, to purchase guns, ammunition, and medical supplies.

More than anything else, the people of the Shan states want an end to the warfare that has torn their country apart for so long. Their leaders understand that the politics of the area are inextricably linked to opium, and that opium anarchy causes as much misery for their people as heroin addiction does for ours. Because the farmers would starve without opium, they cannot abolish it without economic aid and a program of crop replacement. This is not possible without peace.

To induce the United States to pressure the Burmese government to negotiate, President Hseng Suk of the Shan State Progress Party sent a letter to President Nixon on September 2, 1971. In the letter, President Hseng Suk offered to assist the United States in ending the opium trade. It should be noted that despite considerable publicity given at the time to anti-narcotics initiatives, no one gave Sao Hseng Suk the courtesy of a reply.

In 1973, detailed proposals to terminate the illicit opium trade were signed by Shan leaders. These contained an offer to sell the entire opium crop to the United States government at the Thai border price.

The Shan State Army (SSA) and its allies invited "observers from the United States Narcotics Bureau, or any similar body, to visit the opium areas in Shan states and to transmit information about convoys on their own wireless transmitter." These proposals were transmitted to United States governmental representatives in Thailand by Adrian Cowell, the British journalist and filmmaker, who had spent 18 months filming opium warfare in the Shan states. Once again, the United States chose not to act.

In January 1975, Congressman Lester Wolff (D-N.Y.) and Morgan Murphy (D-Ill.) met in Bangkok with representatives of various Shan groups. The Representatives emphasized that they were merely collecting information, and were not empowered to negotiate for the United States.

The Shan representatives explained their position, and inquired about the mechanisms by which policy was made in America. The Shans said later that they were impressed with both the sincerity and incisiveness of the U.S. lawmakers. Rep. Wolff and Murphy, for their part, explained the extent and seriousness of the heroin problem here, but also expressed sympathy for the plight of the poor farmers who must be given an alternative crop if they are to cease growing opium and still survive.

In light of the refusal of the Burmese government to allow the U.S. ambassador outside of Rangoon, it is amusing that the men who control more opium than anyone else in the world offered, not only to explain the structure of the opium trade to two members of Congress, but even to escort them into Shan states to observe opium convoys.

As a consequence of the Bangkok meeting, the Shans agreed on a new set of proposals designed to terminate the illicit trade. These were sent to Rep. Wolff, who transmitted them to the state department for comment. Hearings were held before the subcommittee on Future Foreign Policy Research and Development, of the Committee on International Relations on the House, under Wolff's chairmanship, on April 22 and 23, 1975. Representatives of the state department and Drug Enforcement Administration (D.E.A.) testified, as well as independent experts with firsthand knowledge of the region.

In the course of the testimony, it was revealed that the Shans were still willing to sell all of their opium at or below the Thai border price. This would allow the U.S. to remove 88,000 pounds of heroin equivalent from the illicit market, at little cost to the taxpayer. Most of the initial outlay would be recovered by resale of the opium to legitimate pharmaceutical companies for the manufacture of morphine and codeine. The hearings demonstrated that there are potentially serious short-falls of medicinal opiates, although experts disagreed as to their precise extent.

Analysis of the testimony also shows a troubling lack of knowledge on the part of the state department and D.E.A. regarding the major opium producing region in the world. Perhaps more distressing was the lack of basic knowledge of opium agriculture demonstrated by the representatives of the executive branch. The state department assumption, presented by Sheldon Vance, is that any attempt by the U.S. to buy opium will stimulate greatly expanded production. It has been shown, however, that producers can sell all the opium that they can produce already, and that a shortage of labor prevents significant expansion.

During the past year, the Shan people have waited patiently for the most powerful nation in the world to respond, and to negotiate on a problem of mutual concern. They have asked for technical advice to help them find alternative livelihoods, and sought the good offices of the United States to help reach a settlement which would bring peace to their homeland. Our state department's response has been to supply helicopters to the Burmese military under the guise of anti-narcotics enforcement. In fact, three Bell helicopters will have little effect on the flow of opium out of Burma; they may, however, have considerable effect on the lives of the women and children who must work in the opium fields in order to live. Unfortunately, farmers make easier targets than armed caravans.

The department of state has often expressed the opinion that it was unwise to become involved in the internal struggles in Burma. That opinion apparently does not apply to arming Ne Win's regime, nor to bringing Burmese intelligence officers here for training. It is regrettable that the heroin has to flow out of Shan states, because State is fiddling the Burmese.

[The Capitol Hill Forum invites the congressional community to a showing of "The Opium Warlords," Wednesday, March 17. For further information call 649-3215 or 244-6096.]

A third of the world's black-market heroin comes from the Shan states of Burma, where rival armies betray and ambush each other's convoys in a desperate struggle for control of the opium business. This film details the circumstances surrounding the Shan armies' proposal to sell to the United States government 400 tons of opium a year. If this proposal is accepted, it will have the effect of diverting 88,000 pounds of heroin equivalent into the licit market. The opium is urgently needed by pharmaceutical producers to meet both expected and emergency demands.

The conclusion of the film relates how the Shan leader sent to negotiate with the U.S. Embassy was arrested by members of the Thai military government who were his partners in smuggling; how the bureau head of the U.S. Drug Enforcement Agency in Bangkok suppressed the proposals and was later sacked; how Congressman Lester Wolff's attempts to have the proposals investigated were blocked by the State Department and the DEA; and how gradually the Shan proposals have become the means for exposing flaws and absurdities in the whole structure of narcotics law and treaties.

The film was first shown on ATV in October 1974. Mr. Adrian Cowell's previous film, "The Tribe That Hides From Man", was widely shown in the United States, and has been awarded four prizes for cinematic excellence. His new film, "The Opium Warlords," is an even more compelling document.

PART VII: SUPPRESSION OF INNOVATION

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. SYMMS. Mr. Speaker, during the course of my research into the drug lag and its causes, I have run into the repeated excuse by FDA that it did not approve a specific drug because the manufacturer did not submit an application for approval. A variation on this theme is that the drug company submitted an application once upon a time, it was disapproved, and the company never improved its clinical tests and brought the drug application back for reconsideration by FDA.

The following exchange of letters between Dr. Crout of the Bureau of Drugs in FDA and Dr. Edward Freis might indicate some of the reasons why an application was never made by a company or why such applications, once disapproved, are not resubmitted.

It appears that in the case of antihypertensive drugs, controlled studies using placebos would have a dire effect upon a control group consisting of patients with severe hypertension. Yet, this type of ethically questionable study is what the FDA would seem to require.

It needs to be pointed out that Dr. Edward Freis is a distinguished physician who won the 1971 Lasker Award for his studies in the field of hypertension. He is now senior medical investigator at the Veterans' Administration Hospital here in Washington, D.C. This exchange of letters was printed in the Journal of the American Medical Association:

New Drugs for Hypertension

Dr. O'Brien's article in the current issue is of interest because it permits a comparison of the British approach with the American methods of management of hypertension. There are many points of similarity. In both countries there is a trend away from time consuming and expensive diagnostic work-up for curable forms of hypertension. Also, the British, like us, are undecided on whether to treat patients with mild hypertension.

The striking differences between British methods of treatment and ours lie in the choice of drugs. The mainstays of our therapeutic armamentarium are the thiazide diuretics, reserpine, methyldopa, hydralazine hydrochloride, and guanethidine sulfate. Dr. O'Brien advocates the use of only two of these three agents, methyldopa and the thiazide diuretics. He has replaced the other drugs with new agents such as bethanidine, debrisoquine, and propranolol hydrochloride.

In this country, bethanidine and debrisoquine have not been approved for marketing. Although propranolol is available, it has not been approved for the treatment of hypertension. Applications for approval of these drugs for hypertension were submitted to our Food and Drug Administration (FDA) many years ago. Debrisoquine was disapproved. Bethanidine and propranolol for hypertension have not been acted on as yet. Reasons given for delay have included, primarily, lack of sufficient evidence of therapeutic benefit. It is possible, however, that if European trials were admitted as evidence propranolol could be approved for such treatment. Until now, foreign trials could not be used to support a new drug application.

The withholding of approval of useful new drugs in the cardiovascular field has been glaringly apparent for at least ten years. Such negativity does not seem to exist in all sections of the FDA. Especially, it is not seen at the administrative level. The fault seems to lie in the individual reviewing officer who is either unable or unwilling to arrive at a fair judgment of the benefit-risk ratio of a new drug. This reluctance results in endless delay and procrastination.

Of course, the public must be protected against toxicity, so far as this is possible. We also must be certain that the effectiveness of a new drug has been adequately demonstrated. Once this information has been obtained, however, a decision to approve or disapprove the new drug should be carried out as expeditiously as possible. If the FDA reviewing officers are unable to do this then they should be circumvented by another mechanism. One suggestion is to utilize review committees of outside consultants. The latter can be selected in such a way as to obviate criticism as to possible conflict of interest. Such review committees could begin by considering cardiovascular drugs that have been under consideration without decision for three years or longer. At a time when the drug treatment of hypertension has assumed great importance, our colleagues from Britain are telling us that we are falling behind. Patients are being deprived of such apparently useful drugs as debrisoquine and bethanidine, and propranolol has not yet received official approval as an antihypertensive agent. If the British physicians have access to these drugs, then American physicians should have them also.

EDWARD D. FRIES, M.D.,
Senior Medical Investigator, Veterans Administration Hospital, Washington, D.C.

NEW DRUGS FOR HYPERTENSION: AN FDA REPLY

TO THE EDITOR.—In an editorial (229:689, 1974), Dr. Edward D. Freis charged the Food and Drug Administration (FDA) with depriving American physicians and their patients of a number of useful antihypertensive drugs. Such "drug lag" editorials have appeared in various journals in the past, and we are not able to respond to all of them. This particular editorial, however, has generated numerous inquiries to the FDA, undoubtedly because of the importance of hypertension and the prominence of Dr. Freis. I would therefore like to comment on some of the points he raises and correct several inaccuracies. A more complete discussion of the drug lag issue by the FDA can be found in our testimony before subcommittees of the Senate committees on labor and public welfare and on the judiciary on Aug. 16 and Sept. 27, 1974.

Dr. Freis cited the absence from the United States of three antihypertensive drugs popular in the United Kingdom: bethanidine, debrisoquine, and propranolol (available here but not labeled for treatment of hypertension). He stated that applications of these drugs were submitted to the FDA many years ago and that debrisoquine was disapproved while the others "have not been acted on as yet." The basic problem was attributed to "endless delay and procrastination" resulting from the "individual reviewing officer who is unable or unwilling to arrive at a fair judgment of the benefit-risk ratio of a new drug." Unfortunately, these allegations are incorrect and serve only to perpetuate misconceptions about FDA review procedures.

New drug applications (NDAs) for debrisoquine and bethanidine were submitted to the FDA in 1964 and 1966, respectively. Both applications were disapproved because of the lack of controlled studies providing adequate evidence of safety and effectiveness, and neither NDA sponsor has ever submitted a subsequent application. Dr. Freis' concerns thus relate to his disagreement with judgments and regulatory decisions made a number of years ago, rather than to untimely review procedures or procrastination. Marketing rights to bethanidine have been transferred to a different manufacturer, who has actively supported clinical studies; an NDA for bethanidine is now under review. Clinical studies of debrisoquine were discontinued several years ago, and we are not aware of plans to market the drug in the United States.

Propranolol also has not been subject to a prolonged review by the FDA. Ayerst Laboratories first submitted an application for propranolol for the treatment of hypertension in late December 1974. Such a submission had been requested by FDA for about two years prior to that time. A supplemental application was submitted in April 1975. Those applications are currently under review.

Whether medical practice in the United States is seriously impaired by the nonavailability of bethanidine and debrisoquine is difficult to determine. Guanethidine, a drug long available in this country, has a mechanism of action and side effects generally similar to those of bethanidine, although bethanidine may have certain advantages, particularly in causing less diarrhea. It is difficult to know whether debrisoquine has any notable advantages, because the drug is not under study here. Since debrisoquine is an inhibitor of intraneuronal monamine oxidase, however, it is said to carry a potential risk of causing hypertensive reactions.

Propranolol, on the otherhand, represents a new mode of action among antihypertensive drugs and has the potential for being an important advance in therapy. It is, of course, already available to physicians in the United States for other indications, and its use in hypertension would have been reviewed much earlier if an application had been submitted by its manufacturer.

Dr. Freis suggested that review committees of outside consultants might be used to "circumvent" FDA reviewers who could not reach a decision to approve or disapprove a new drug expeditiously and that such committees could begin by considering "cardiovascular drugs that have been under consideration without decision for three years or longer." In response to this suggestion, I would emphasize two points: (1) There are no drugs that have been under consideration without decision for three years or longer. (2) The FDA has for several years made extensive use of advisory committees of outside consultants. Dr. Freis has personally served the FDA as a consultant to our Cardio-Renal Advisory Committee. In recent years, FDA management has devoted considerable attention to drug review policies, internal procedures, and the effective use of outside advisors. The Bureau of Drugs now has 18 scientific advisory committees associated with the new drug review process. They provide independent advice on matters within their area of expertise, including the safety and effectiveness of important new drugs. They are not needed, and will not be used, to "circumvent" the FDA staff, as suggested by Dr. Freis. No responsible institution should use consultants in this manner. Instead, we encourage an open working relationship between FDA staff and committee members and a full exchange of views. For the most part, FDA staff and advisory committees reach similar conclusions and we have no evidence that these committees are, in general, more or less inclined to recommend the marketing of new drugs than our own staff.

The Agency has strived in recent years to manage its workload professionally, to open its decision-making process to public scrutiny, to consult widely, and to be fully sensitive to health needs and benefit-risk issues. Decisions may still proceed more slowly than many of us would like, but this is because the issues are complex and the work difficult.

I would urge physicians concerned about the unavailability of a particular drug to be sure of their facts before assuming that the fault lies with the FDA. Drugs are approved on the basis of evidence supplied by the drug firms. We are mutually responsible for the drug supply in this country.

J. RICHARD CROUT, M.D.,
Director, Bureau of Drugs, Food and Drug Administration.

THE DRUG LAG

TO THE EDITOR.—After more than a year's delay, Dr. Crout, the Director of the Bureau of Drugs of the Food and Drug Administration (FDA) has responded (234:480, 1975) to my editorial (229:689, 1974) on the "drug lag" in introducing new antihypertensive agents in the United States. My editorial was in reference to an article in the same issue of THE JOURNAL (229:693, 1974) by Dr. William O'Brien, a British physician who was writing on the treatment of hypertension. Among other drugs, Dr. O'Brien advocated the use of bethanidine, debrisoquine, and propranolol, which are either not available or do not have labeling approved to recommend use in hypertension in this country.

The expressed purpose of Dr. Crout's letter was to correct alleged inaccuracies in the editorial, including my criticism of the delay by the FDA in approving these drugs. My actual statement was as follows: "Applications for approval of these drugs for hypertension were submitted to our FDA many years ago. Debrisoquine was disapproved. Bethanidine and propranolol for hypertension have not been acted upon as yet." These statements are correct except for bethanidine which had been disapproved. However, subsequently another sponsor submitted a new drug application (NDA) for bethanidine which was under review by the FDA at the time the editorial was published and is still under review.

In Britain, bethanidine was accepted in 1963, debrisoquine in 1967, and both agents have remained on the market and in active use since. I was one of the investigators who carried out clinical trials with debrisoquine in this country.[1] There was no question that the drug lowered blood pressure, especially in the orthostatic position, which is similar to the action of guanethidine. I concluded that in combination with thiazide diuretics, debrisoquine was worthy of trial in patients with severe hypertenison who either do not respond to or do not tolerate treatment with guanethidine or methyldopa. Dr. O'Brien (229:693, 1974) also found debrisoquine to be useful in patients whose hypertension is not well controlled with other agents. Turner and Ball[2] consider a combination of oxyprenolol and debrisoquine to be the safest and most effective regimen currently available for the treatment of hypertension. The consensus concerning bethanidine is that while it is similar in action to guanethidine, it is freer of side effects, particularly diarrhea.

According to Dr. Crout, the FDA rejected both bethanidine and debrisoquine on the basis of "the lack of controlled studies providing adequate evidence of safety and effectiveness." This statement should be carefully examined because it forms the basis for the present unavailability of these agents.

Proof of effectiveness in the case of an antihypertensive agent requires evidence that the drug reduces blood pressure in the therapeutic range of dosage. Controlled trials may or may not be needed to provide the evidence. In the case of bethanidine and debrisoquine, both of which produce marked orthostatic hypotension similar to guanethidine, antihypertensive activity is obvious without resorting to controlled trials. This is in contrast to the evaluation of such agents as the thiazide diuretics or reserpine, for example, where placebos or other controls are needed to prove effectiveness because these agents do not produce orthostatic hypotension and their antihypertensive activity is of lesser degree. It is only when comparative effectiveness of two or more agents such as debrisoquine or bethanidine is to be assessed that a controlled trial would be indicated. But *relative* effectiveness is not the charge of the FDA.

If relative effectiveness was not being assessed, what kind of controlled trials did the FDA envisage with respect to the bethanidine and debrisoquine? The classical design is a placebo-controlled trial. As already mentioned, because of the marked orthostatic antihypertensive effects of bethanidine and debrisoquine, there is no need to utilize a placebo-controlled trial to "prove" that these drugs lower blood pressure. Because of the orthostatic side effects, bethanidine and debrisoquine generally are reserved for the

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Footnotes at end of article.

treatment of severe hypertension. Assigning such patients to placebos for long periods of time would be ethically unthinkable.

Unfortunately, the FDA seems to have little appreciation of these risks. As recently as last year, in outlining the protocol for evaluating a new diuretic agent, the FDA requested a placebo run-in period of three months in patients with diastolic blood pressures averaging between 105 and 115 mm Hg. These patients not only have a high risk of complications developing when hypertension is left untreated, but it has also been conclusively demonstrated that treatment of such patients is effective in preventing major cardiovascular complications.[3] Needless to say, the company would have had great difficulty finding investigators willing to follow such a protocol. (The Food, Drug and Cosmetic Act, as amended, does call for controlled studies in the clinical investigation of new drugs, but it does *not* specify the form the "controls" must take.)

It is even more difficult to understand why the FDA would demand placebo-controlled trials to evaluate toxicity. Such trials are no more likely to disclose instances of serious toxicity than are uncontrolled trials. In fact, the chances are less with controlled trials since half of the patients would not be receiving the test drug. While the details are not available to me, it is reasonable to assume that the sponsors of bethanidine and debrisoquine would have submitted the usual data expected of them for evaluating toxicity. Certainly, the premarketing trials in Britain and the postapproval clinical experience, which is 15 years with bethanidine and eight years with debrisoquine, provide no evidence of serious toxicity with either drug.

In view of these considerations, it is hardly surprising that the pharmaceutical companies chose to abandon their efforts to market bethanidine and debrisoquine in this country. Not only were controlled trials unnecessary but they also would be very costly. In addition, ethical considerations would make their feasibility highly questionable. A further consideration might also have been that the commercial market for these drugs could be relatively limited because of their rather restricted use in patients with severe hypertension. Whatever the reasons, the net result of the decisions of the FDA reviewers has been to deprive the patients with severe hypertension in this country of the potential benefits of both bethanidine and debrisoquine. Wardell and Lasagna[4] have stated,

"Since bethanidine and debrisoquine are no more hazardous than guanethidine and in many instances are preferrable to it because of fewer side effects, more convenience and greater flexibility of dose schedules, they are useful additions to the range of adrenergic-neurone blocking drugs, and their unavailability to the American public represents a loss."

In view of these considerations, my so-called inaccuracy indicated by Dr. Crout, that bethanidine was disapproved rather than delayed in approval, seems rather trivial.

Dr. Crout implies that the decision of the companies to withdraw their New Drug Applications (NDAs) is evidence of the soundness of the judgments made by the FDA. Instead, he should consider what impact such arbitrary decisions have not only on patients but also on the process of new drug development in this country. The cost of bringing a new drug to market in the present climate of drug regulation has been estimated to range between $10 and $15 million, and the time required is about five to seven years.[4] This seriously limits the number of new drugs that can be brought to clinical trial and could account at least in part for the recent decline in the rate of development of new therapeutic agents.

With respect to the third drug, propranolol, Dr. Crout states that an application for its use in the treatment of hypertension was not submitted until late in 1974, although the FDA had requested such a submission about two years earlier. This is indeed surprising. Why would a company permit a uniquely new and effective antihypertensive agent languish in this country where the market potential is so great? Propranolol has been widely used in other countries for the treatment of hypertension including Britain, where it had been on the market for eight years prior to the 1974 application. The company also knew that additional antihypertensive β-adrenergic blocking agents were being marketed abroad by other companies that eventually would compete with propranolol.

It is appropriate, therefore, to look for possible reasons other than negligence to explain the apparently bizarre behavior of the manufacturer of propranolol. Propranolol has three principal and quite different therapeutic indications, as follows: the treatment of cardiac arrhythmias, angina pectoris, and hypertension. Knowing the climate of drug review in the FDA (as evidenced by the decisions made with respect to bethanidine and debrisoquine), the company may well have thought that propranolol could be brought more quickly to market if the NDA covered the most obvious and least controversial indication, which was the treatment of arrhythmias. Following this approval in 1968, the company then submitted an NDA applying for labeling to recommend propranolol in the treatment of angina. This was granted in 1973, and finally, the company submitted a similar application for its use in hypertension. Would the company have taken such a circuitous and costly route if the climate of drug review in the FDA had been different?

Meanwhile, propranolol has been used clinically in this country as an antihypertensive agent even though labeling for the drug has not been approved to recommend this purpose. Thus, the manufacturer cannot supply instructions for its proper use in hypertension dose recommendations, or warnings.

In my editorial, I suggested the employment of review committees composed primarily of nationally recognized experts in evaluating each class of new drugs. Such committees would remedy the present in-house lack of expertise at the reviewing-officer level. Experts are inreasingly needed because of the exceptionally technical nature of the material to be reviewed. Similar committees of experts have been used with considerable success in Britain and almost all other countries. The United States is probably the only major country that leaves such important therapeutic decisions almost entirely in the hands of nonspecialists.

Dr Crout remonstrates that he has in fact established such committees and that I had served as a consultant to one of them. Unfortunately, the committee to which Dr Crout referred is not the type that I had envisioned in my editorial, either in composition or in assignment. The commitee with which I consulted contained only one person who had experience in evaluating antihypertensive drugs. He also was the only clinical pharmacologist on the committee. Not only was the necessary expertise deficient, but the single qualified member was required to absent himself from the discussion of any drug with which he personally worked. The elimination of such a member from voting is understandable, but his absence during discussions is hardly comprehensible. By contrast, in Britain for example, the presence of members with working experience with a new agent in the discussions dealing with the presentation of evidence supporting the new drug application is encouraged. As presently constituted, the generally inexpert advisory committees are not competent to make objective and scientifically sound decisions with respect to new drugs.

The advisory committees, in fact, are not often consulted with respect to NDAs. Their principal function, thus far, has been to compose guidelines for the clinical evaluation of various classes of drugs rather than to review NDAs. Considering the inexpert composition of the committee with which I consulted, it is not surprising that the preparation of these guidelines has dragged on for years and is still not complete. Certainly, a committee composed of clinical pharmacologists and others experienced in the evaluation of drugs in a given field should be able to prepare useful guidelines in far less time. These considerations aside, however, it is apparent that the advisory committees as presently constituted and directed can accomplish little to improve the quality of new drug review or shorten the process of evaluation.

Dr. Crout indicates that I am irresponsible because I suggested that committees be used to circumvent the FDA staff. I did not suggest circumventing the entire FDA staff but only the inexpert reviewing officers. It is obvious that final responsibility must lie with the Director of the Bureau of Drugs, who with his immediate staff must decide whether a new drug will be marketed or not. The function of the committees would be to analyze the submitted data in a scientifically sound manner as expeditiously as possible. Their conclusions and recommendations would then be submitted to the Director along with the relevant data for final decision.

The crux of the matter is that there can be no substitute for specialized knowledge and experience in carrying out the highly technical evaluation of new drugs. Only well-trained experts have the skills and judgment needed to sift through the evidence and arrive at a scientifically sound decision. The best equipped of all is the investigator who has had personal experience with the drug. In this regard we have much to learn from the British system. In comparing the results of the British system with our own, Wardell and Lasagna conclude that the United States has escaped little in the way of new drug toxicity while the British have gained considerably by having effective drugs available sooner without any more adverse drug reactions than are produced by the older agents. Dr. Crout indicates that "the issues are complex and the work difficult." It is precisely for these reasons that I believe they should be handled by experts.

EDWARD D. FREIS, M.D.,
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FOOTNOTES

[1] Luria MH, Freis ED: Treatment of hypertension with debrisoquine sulfate (Declinax). *Curr Ther Res* 7:289–296, 1965.

[2] Turner R, Ball K: Prevention of coronary heart disease: A counterblast to inactivity. *Lancet* 2:1137–1140, 1973.

[3] Effects of treatment on morbidity in hypertension: II. Results in patients with diastolic blood pressures averaging 90 through 114 mm Hg, Veterans Administration Cooperative Study Group on Antihypertensive Agents. *JAMA* 213:1143–1152, 1970.

[4] Wardell WM, Lasagna L: *Regulation and Drug Development*, Washington, D.C., American Enterprise Institute for Public Policy Research, 1975, chapt 5, 7, and 9.

SEVENTH OHIO DISTRICT CONGRESSIONAL YOUTH ADVISORY COUNCIL, FINAL REPORTS

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. BROWN of Ohio. Mr. Speaker, on Friday, April 2, the Seventh District Congressional Youth Advisory Council members for the School Year 1975–76 met in Urbana, Ohio, to present their final reports and recommendations on legislation they had studied during the current year.

I am pleased to place those reports in the RECORD for the benefit of my colleagues.

This is the fifth year that I have sponsored the Seventh District Congressional Youth Advisory Council, which consists of approximately 40 upperclassmen from the high schools and joint vocational schools from throughout my district.

The council is organized each fall, at which time each of four committees selects a legislative issue to study during the year. Following the organizational meeting, each of the students of each committee receives a packet of information from me, compiled by the Library of Congress and through the cooperation of the congressional committees with jurisdiction over each legislative issue. The packets contain the broad range of viewpoints concerning each legislative topic, and give the students a representative background of the issues upon which to build their opinions as they study the proposed legislation.

In January and February, each of the four committees conducted a 1-day hearing with expert witnesses representing the broadest possible spectrum of viewpoints on each topic. Following the hearings, the committees began drafting their final reports and recommendations on their selected topics. On April 2, all of the council members, along with the members selected by their schools for the 1976–77 school year, met at Urbana College for the presentations and for discussion and voting on the issues.

The topics this year were: Marion-Union Counties—amendments to the Federal Food Stamp Act of 1964; Champaign-Logan Counties—the Extension of Federal Revenue Sharing; Clark County—Revision of the Occupational Safety and Health Act of 1970; and Greene County-Mad River Township—Clean Air Act Amendments of 1976.

I was especially pleased that this year's committees selected topics of current major interest and importance to the general public and here in Congress. I have benefitted by the study of these young adults. I am confident that many of my colleagues can also benefit and am pleased to make the reports available in the RECORD.

AMENDMENTS TO THE FEDERAL FOOD STAMP ACT OF 1964

Marion-Union Counties Committee of the Seventh Ohio Congressional Youth Advisory Council: Lori DeWitt and Mike Haberman, Co-Chairmen; Kurt Gearhiser, Secretary; Jay Lininger, Tammy Sager, Dave Narance, Martin Ebert, Linda Sullivan, Jeff Bowman, and Tom McCarthy, Members.

AMENDMENTS TO A BILL—H.R. 10244

In the House of Representatives, April 2, 1976: Mr. Mike Haberman, Mr. Kurt Gearhiser, Miss Tammy Sager, Mr. Jay Lininger, Mr. Dave Narance, Mr. Jeff Bowman, Mr. Martin Ebert, Miss Linda J. Sullivan, Miss Lori DeWitt, introduced the following amendments:

Amendments to reform the Food Stamp Act of 1964 by redirecting resources to those with the greatest need, by making program administration more effective by making more realistic eligibility requirements, and by tightening accountability, and for other purposes.

Whereas the supplementation of the poor's diet is in the interest of public welfare, and whereas the task of maintaining and controlling public welfare is in the hands of the "Department of Health, Education, and Welfare," be it amended that an "Office of Food Stamps Operation," be formed within the "Department of Health, Education, and Welfare," with a Deputy Secretary appointed by the President and ratified by the Senate charged with its operation. Be it further amended that the said "Office of Food Stamps Operation," will be financed by a transfer of Congressional Appropriation. The said appropriation would come from those funds previously appropriated to the Department of Agriculture, for the purpose of operating the Food Stamp Act of 1964. Be it further amended that the said funds will be considered a ceiling for the operation of the said "Office of Food Stamps Operation."

To amend by inserting on page 6, line 22, (b) inserting a new clause (a) to read as follows: "(a) as a result of a union member sanctioned strike; (c) inserting the clause (a) to read as follows: "(a) but only for the first 60 days, (b) while the remainder of the strike a person may qualify for regular benefits as stated in the remainder of the Food Stamp Act of 1964 and later amendments.

To amend the Food Stamp Act of 1964 and later amendments, the distribution of food stamp coupons shall occur over the entire month. Persons with last names beginning with the letters A–F will receive their food stamps on the first full week of a month. Persons with last names beginning with the letters G–M, N–S, T–Z will receive their food stamps on the second, third, and fourth weeks, respectively, of the month. A full week will be declared if it has at least 5 days or more.

Page 14, line 15, will be amended by inserting the following after the new subsection (c):

Section 10 of the Food Stamp Act of 1964 as amended, is amended by adding a new subsection (d) to read as follows:

The Secretary shall appropriate a Federal Assistance Program that will appoint one federal employed officer to each state to work in conjunction with state and local prosecuting and Federal Food Stamp Agencies. This Federal Assistance Program will assist in the investigation and prosecution of any and all citizens involved in Food Stamp fraud. Additional officers shall be appointed to the states for every 50,000 food stamp recipients beyond the initial 50,000 recipients.

Section 18 is further amended as follows: In subsection (a) strike out "The penalty shall not exceed $10,000 for each violation." Subsection (b) will be amended by deleting the period of the end of the last sentence and adding the following: "except in the cases listed below:

(1) For fraudulently gaining eligibility the following penalty shall be assessed: five years of disqualification from the Food Stamp Program and a fine of $500.00, plus five times the amount of the loss.

(2) For failing to report a change of income of more than $25.00 or any other changes in household status that would decrease the allotment received the following penalty shall be assessed: 2 years disqualification from the Food Stamp Program and a fine of $200.00 plus twice the amount of the loss.

(3) For fraud involving certification and issuance personnel, the penalty shall be assessed; a fine of $3,000,00 plus twice the amount of the loss and three years of disqualification from government employment."

To further amend this act, it is here stated that cash monies be given as change where whole food stamp coupons cannot be given. The cash monies given as change shall not exceed the amount of $.99.

AMENDMENTS TO THE COMMITTEE BILL

(1) on line 16, page one and extending on line 1, page two, the words "a union member sanctioned strike" were deleted and the words "any strike" were inserted in lieu of.

(2) on line 2, page two, the words beginning with and down to "but only for the first 60 days, (b) while the remainder of the strike a person may qualify for regular benefits" were deleted and the words "no striker be allowed to draw Federal Food Stamps during a strike unless the striker is already eligible for Food Stamps" were inserted in lieu of.

(3) on page three, re. Sec. 18, subsection (2) was deleted from the amendments to the Act.

(4) on line 17, page three, the words "three years of" were deleted and the word "permanent" was inserted in lieu of.

Following the amendments to the Committee Bill, the Bill was approved by the full Council, April 2, 1976, by voice vote.

CLEAN AIR ACT AMENDMENTS OF 1976

Greene County-Mad River Township Committee of the Seventh Ohio Congressional Youth Advisory Council: Paul Gossman, Chairman; Helen Fisher, Secretary; Brett Webb, Jan Dorrough, Ree Klarer, Rhonda Browning, Bill Tilt, Bill Stringer and Scott Rhodes, Members.

BACKGROUND OF PRESENT LEGISLATION

In 1966, a panel of experts from the National Academy of Sciences determined that air overburdened by pollution was hazardous to health, agriculture, and exposed precision equipment. In addition they found that "as sources grow in number and size, overburdening occurs more frequently and may become chronic . . ."

In response to this study and others similar to it, Congress initiated a strict federal-state clean-up effort through the 1970 Clean Air Act. The act charged that newly formed Environmental Protection Agency with establishing and enforcing national standards for major pollutants. The primary purpose of the act is "to protect and enhance the quality of the nation's air resources so as to promote the public health and welfare and the productive capacity of its population." The act attempted to achieve this goal through several major processes including Air Quality Standards, standards for stationary sources, automobile emission standards, fuel regulations, research monitoring, and citizen suits. The primary responsibility for the application of three programs is the stated responsibility of the State governments, to be carried out through a state implementation plan on the approval of the EPA Administrator.

NEW DEVELOPMENTS AND COMPLICATIONS

Since the introduction of the Clean Air policies in 1970, new problems have arisen, making the goal of "clean air" less and less attainable. Energy and economic problems have begun to complicate the environmental concerns. Fuel shortages have restricted the air pollution control improvements of a great number of industries by forcing them to use high-sulfur coal instead of oil or scarce clean-burning coal. Faced with rising wages and production costs, manufacturers are finding it increasingly difficult to find the money needed for air pollution control.

A lack of sufficient technology has been a constant plague to manufacturers who are required to meet certain standards. In turn, these manufacturers find it increasingly hard to meet the deadlines which have been established for them by the EPA. This problem is experienced most severely by the automotive industry.

In addition, the EPA is finding more and more difficulties occurring within the present system of enforcement. These problems are numerous and complex—too much so to be dealt with in this introduction.

The various problems connected with the Clean Air Act are so numerous that it would be inconceivable for us to address all of them in this bill. We have, however, chosen several primary areas of importance for which we have found acceptable measures of legislation.

CLEAN AIR ACT AMENDMENTS

Sections 2, 3, 4, and 5 of this bill, collectively entitled "Air Quality Classification Areas," deals with a method by which the EPA can more easily initiate and enforce appropriate standards of air pollution control. The system itself closely resembles the EPA's own proposal. Under the stated procedure, all areas will be denoted as one of two types of areas:

Class I: Areas where practically any air quality deterioration would be considered significant.

Class II: Areas where deterioration that would normally accompany moderate growth would not be considered significant.

This plan will allow for necessary economic and development concerns while still preserving strict regulations over areas such as National and State parks, monuments, and landmarks. Local concerns will also be voiced and applied with less confusion.

The two sections dealing with "Citizen Suits" will greatly affect the ability of the citizen or a citizen group to express their concern. It will also help the state air pollution control agencies with enforcement by making class action suits against illegal polluters more easily obtainable. These two sections are definitely necessary to insure the right of a citizen to file suit against damaging industrial polluters.

Sections 8 and 9 concern education opportunities for governmental air pollution control agencies. William Auberle, Supervisor for the Regional Air Pollution Control Agency serving Clark, Darke, Greene, Miami, Montgomery, and Preble counties, testified that "governmental employees (of air pollution agencies) are increasingly underpaid and inadequately trained." Governmental environmental agency positions and salaries are not competitive with those of corresponding positions in industry. Thus, the governmental agencies can hire only environmentalists of low-calibre. The scholarship loans formulated through this bill will offer incentive to prospective employees and also keep present staffs well trained and up-to-date.

Section 10 approves a 5-year extension for the automobile emission standards. The 1970 law requires that regulations of emissions of carbon monoxide and hydrocarbons for light duty vehicles starting with 1975 models must reflect a reduction of at least 90% from standards applicable to the 1970 model year. Nitrogen oxide emissions from light duty vehicles were to be reduced at least 90% from levels actually measured in 1971 model cars, starting with 1976 models. These deadlines have already been extended from the years 1975 and 1976 to the years 1977 and 1978, however, we find that again the present technology has not advanced to the desired point. The catalytic converter control system is now being used successfully, however, questions about the safety of the sulfuric acid mist which is produced have been raised. This current system costs $215 and the dual and three-way catalyst systems now proposed will add another $150 to $340. Nevertheless, even if these new systems were to be used, the 1978 standards, as they are now, could not be met. Unfortunately, the catalytic converter systems are the result of what had to be a "crash" program. An additional five years will allow enough time for the auto manufacturers to concentrate on long-range technology with maximum effectiveness and minimum cost.

H.R. 1776

In the House of Representatives, April 2, 1976: Mr. Gossman (for himself, Mr. Stringer, Ms. Klarer, Ms. Browning, Ms. Dorrough, Mr. Rhodes, Mr. Tilt, Mr. Webb, Mr. Monell, and Ms. Fisher) introduced the following bill

A bill to amend the Clean Air Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress asssembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Clean Air Act Amendments of 1976."

AIR QUALITY CLASSIFICATION AREAS

SEC. 2. To prevent significant deterioration of national air quality, the nation shall be divided into classification areas of designation I and II. In a Class I area no significant deterioration will be permitted. In a Class II area restricted significant deterioration will be permitted. The EPA shall define significant deterioration standards for Class I and Class II areas.

SEC. 3. Areas are to be designated either Class I or Class II by the EPA Administrator.

SEC. 4. Federally owned land may not be redesignated by a state authority. In all other lands, Class I areas may not be changed to Class II areas, except on an appeal to the Administrator.

SEC. 5. In the case of an addition of any new stationary source within a Class II area, it must be proven to the state authority that no further significant deterioration in any area will occur within a period of 5 years after the introduction of the new source.

CITIZENS SUITS

SEC. 6. When a citizen files a class action suit regarding violations of Air Quality Standards, every citizen within the class named need not be notified of the pending suit.

SEC. 7. Renumerations for personal damages shall not be included in class action suits regarding violations of Air Quality Standards.

EDUCATION OPPORTUNITIES

SEC. 8. $50 million will be allocated for scholarship loans to qualified graduates toward further education. These loans will be given with the understanding that a period of servitude shall commence upon completion of the education, after which time the loan responsibility will be cancelled. In the case of default, civil and/or criminal penalties may be assessed. Each state authority will be allocated a portion of this educational fund, to be determined by the Administrator. Each state authority must establish its own requirements for granting scholarship loans.

SEC. 9. $30 million shall be appropriated towards further education for present qualified employees of state air pollution control agencies. Each state authority will be allocated a portion of this educational fund to be determined by the Administrator. Each state authority shall establish its own requirements for employee qualification.

EXTENSION ON EMISSION STANDARDS

SEC. 10. The statutory standards for automobiles shall be delayed five additional years and the 1975–76 national interim standards shall be established as national interim standards for the duration of the 5-year period.

AMENDMENTS TO THE COMMITTEE BILL

(1) on line 213, Sec. 8., the words "per year" were inserted after the word "million"

(2) on line 222, Sec. 9., the words "per year" were inserted after the word "million"

Following the amendments to the Committee Bill, the Bill was approved by the full Council, April 2, 1976, by voice vote.

AN INDIVIDUAL'S VIEW OF BUREAUCRACY AND EMPLOYMENT

HON. ROBERT DUNCAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. DUNCAN of Oregon. Mr. Speaker, I recently received a very eloquent letter from a Portland resident who reflects upon the view of Federal bureaucracy and the problems of employment and unemployment from the level of a small businessman. Mr. Bezdechi is living proof of the difficulties one can encounter from the good intentions of those of us in Congress. I respectfully offer his letter for consideration by each and every one of us, especially when we are certain we are doing "what is best" for our constituents.

The letter follows:

MARCH 13, 1976.

DEAR MR. DUNCAN: I have received your latest Washington report.

I have never before written to a senator or congressman in my life. I have little time to do so. And like a lot of people in my rank of life I have developed little respect for some of the things that go on in Government. And I am not speaking of things such as Watergate which to me is just another circus act to hide some of the more profound ills that this country is dealing with.

I am a small business man who like a lot of small businesspeople is hanging in there as best he can.

I am typing this letter on my old typewriter with one finger at a time. I cannot afford secretaries and such.

So excuse the presentation of this dashed off train of thoughts.

I personally regard the employment situation in this country as the greatest generator of problems there is.

Unemployment brings finally all the troubles that we are meeting with. Poverty, crime, burglary, robbery, rape you name it.

Unemployment is like a slashed wrist on this country. How much blood can a living organism lose?

My observation, Mr. Duncan has been (if I am not mistaken) that whenever we reach a high level of unemployment, some government representatives huddles with the heads of the big giants conglomerates and try to coax them into devising new ways of creating jobs. This does not work all that well apparently because those big concerns depend themselves on the large consuming public. The public has only so much capacity for absorbing the goods that are offered in today's market.

I should like to suggest that people who could best remedy the unemployment situation are the small businessmen and that goes for businesswomen as well. When I say small I mean small.

Let me give you a typical example of the kind of thing I just went through with. A young man calls me on the telephone asking me for employment. He should like to learn the trade of piano repair (which is my business). Piano repair can be a good way to make a living for a competent technician. The unfortunate thing about it is that it takes years to learn this trade in order to gain the proficiency required for effective marketing of skill.

I arranged to meet this young men and decided that I should give him a try. The man is not unintelligent and seems to understand what is explained and showed him.

It became however very soon obvious that whatever little training he has had in school amounts to nothing.

I find myself spending as patiently as I can the time necessary to show him the various initial steps of the trade. Do you understand? Yes he does. You are sure? And so he goes. After three weeks he manages through some little oversight to drop a mechanism (cost one hundred fifty dollars). I decide to overlook this and proceed with the boy along the steps planned. After five weeks of this it becomes clear that this young man is starting to cost me time and money that I can not afford. I have to let him go. I am not so unsensitive that I do not perceive that this young man is deeply disillusioned with his being thanked and terminated. Could I have kept this apprentice on. Certainly I could but not Mr. Duncan at $2.30 an hour which is the required wage. Plus the social security that I have to match. Plus the TriMet, Plus the unemployment tax. Plus my time doing the accounting, plus my having to pay an accountant at the end of every three month to fill forms after forms, plus and plus and plus.

So I ask myself: am I some kind of cantankerous character?

Well may be not. Because I speak to other people who are in my kind of situation and what comes out is this: Avoid employing anybody like the plague. . . . The problems, penalties, and punishments inflicted on the small employer are beyond description. We have some committee made up of some Harvard or Yale graduates who don't have the slightest notion of what struggles have to be waged to barely remain in business, and these are the people who tell us what is right and wrong. Some years ago I had a young man working for me and going to high school. He worked every Saturday afternoon. Do you know Mr. Duncan that I had more mail coming through my mail box for those few hours of a teenager employment than I had for the whole running of my business and that includes the correspondence received for personnel reason. I am asking you Mr. Duncan. What would you do? I had to hire an accountant every month to fill the papers sent by all your agencies and I was awful close to believe that the whole future of the United States of America depended on the little withholding to be made on a salary of a few dollars a week. And then the State has the guts to talk about saving energy. It should be interesting to compute how many people were involved in the filling and filing and refilling and refiling of the papers connected just with one little high school boy working a few hours a week. The upshot the first chance I thanked him and terminated. It put money in my pocket and got rid of a whole bunch of mail to have attend to. Now you may say that this all sounds crazy. But multiply this situation by so many millions and the situation goes from crazy to tragic. My point: Get us rid of this cancerous bureaucracy, Get us rid of those monkey wrenches, Get us rid of those inspectors and form fillers and those innumerable clerks who are paid at our expenses to penalize us at every move we make, when trying to put a kid through school. Or giving a young person a chance to learn a trade. Or trying to improve our business so that we might provide better conditions for employing people all around. We are not asking for federal funding or state funding we are asking for a little bit of common sense on the part of those governing agencies who are like a growing abscess on the face of the nation.

Maybe Mr. Duncan, you should sound off that great segment of the society called the small business man and you may learn that what I say here in a rough and ready manner is nothing but the truth.

Respectfully yours,

Adrien Bezdechi.

Portland, Oreg.

HOUSE OF REPRESENTATIVES—*Tuesday, May 4, 1976*

The House met at 12 o'clock noon.

Rev. Edgar M. Cooper, pastor, the New Hanover Lutheran Church, New Hanover, Pa., offered the following prayer:

In Thee, O God, do we trust.

Hold our thoughts in reverent awe of Thy majesty and power.

Clothe us with the humility of creatures in the presence of their Creator.

Give us an appetite for the deepest needs of life; satisfy our hunger for righteousness and freedom.

Tame our rebel hearts in the knowledge that all peoples and nations are Thine.

Take from us all arrogance; with eloquence speak to us in our daily need for renewal.

Patiently mold us into a people after Thine own heart though it pleases Thee to respect our freedom of will.

All praise to Father, Son, and Holy Spirit for Thy trust, O God, in us. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Roddy, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 2782. An act to provide for the reinstatement and validation of U.S. oil and gas lease numbered U-0140571, and for other purposes; and

H.R. 11876. An act to amend the Water Resources Planning Act (79 Stat. 244) as amended.

The message also announced that the Senate disagrees to the amendment of the House to the concurrent resolution (S. Con. Res. 109) entitled "A concurrent resolution setting forth the congressional budget for the U.S. Government for the fiscal year 1977 (and revising the congressional budget for the transition quarter beginning July 1, 1976)," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Muskie, Mr. Magnuson, Mr. Moss, Mr. Mondale, Mr. Hollings, Mr. Cranston, Mr. Bellmon, Mr. Dole, Mr. Beall, and Mr. Domenici to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill on a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2555. An act to establish a national rangelands rehabilitation and protection program; and

S.J. Res. 126. Joint resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas.

REV. EDGAR MAUNEY COOPER

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, it is a great privilege for me today to introduce an outstanding member of the clergy whom you have had the pleasure of meeting earlier, Rev. Edgar Mauney Cooper, who just offered the inspiring prayer. Reverend Cooper is pastor of the New Hanover Lutheran Church in New Hanover, Pa. He was ordained in October 1945, installed as pastor of the New Hanover Lutheran Church, November 11, 1945, and has been there ever since. Pastor Cooper is serving in a church that has a direct tie to the speakership of the House of Representatives. Our distinguished first Speaker was Frederick Muhlenberg who served in the Continental Congress and was elected Speaker in 1789 serving until 1791. Muhlenberg was also pastor of the New Hanover Lutheran Church from 1777 to 1778, as well as a signer of the American Bill of Rights. The church in which Pastor Cooper serves is the first Lutheran church of German origin organized in America. It was founded in 1700 by the Reverend Daniel Falckner.

Mr. Speaker, you addressed the congregation of the New Hanover Lutheran Church last November on the occasion of the 275th anniversary of the founding of the church and the 225th anniversary of the birth of Speaker Frederick Muhlenberg.

Pastor Cooper has been president of the

Boyertown Ministerial Association, chaplain of the Pottstown Automobile Club for 21 years, is presently a member of the New Hanover Bank advisory board, has served on the board of managers of the Artman Lutheran Home for the Aging, Ambler, Pa., also on numerous committees of the church at various levels. He is presently serving as president of the Eastern Pennsylvania Lutheran Historical Society. He served as a member of the Pottstown, Pa., Selective Service Board until it was phased out. I am sure my colleagues join in my thanks to Reverend Cooper for his inspiring prayer.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

FIDEL GROSSO-PADILLA

The Clerk called the bill (H.R. 6817) for the relief of Fidel Grosso-Padilla.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

CARMELA SCUDIERI

The Clerk called the bill (H.R. 8065) for the relief of Carmela Scudieri.

There being no objection, the Clerk read the bill as follows:

H.R. 8065

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for purposes of the Immigration and Nationality Act, Carmela Scudieri shall be entitled to classification as a preference immigrant under section 203(a)(5) of the Act, upon submission of a petition filed in her behalf by Maria Nigra, a citizen of the United States, pursuant to section 204 of the Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANGELA GARZA

The Clerk called the Senate bill (S. 223) for the relief of Angela Garza.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the Senate bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MRS. HOPE NAMGYAL

The Clerk called the Senate bill (S. 1699) for the relief of Mrs. Hope Namgyal.

There being no objection, the Clerk read the Senate bill, as follows:

S. 1699

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Mrs. Hope Namgyal, who lost United States citizenship Immigration and Nationality Act, may be under the provisions of section 349 of the naturalized by taking prior to one year after the effective date of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act, the oaths prescribed by section 337 of the said Act. From and after naturalization under this Act, the said Mrs. Hope Namgyal shall have the same citizenship status as that which existed immediately prior to its loss: *Provided,* That nothing contained herein or in any other provision of law shall be construed as conferring United States citizenship retroactively upon the said Mrs. Hope Namgyal during any period in which she was not a citizen.

SEC. 2. The oaths prescribed by section 337 of the Act shall be entered in the records of the naturalization court, and a certified copy of the proceedings under the seal of the court shall be delivered to the said Mrs. Hope Namgyal upon payment of the $25 naturalization fee, which certified copy shall be evidence of the facts stated therein before any court of record or judicial tribunal, or in any department or agency of the Government of the United States.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, for the purposes of the Immigration and Nationality Act, Mrs. Hope Namgyal shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee."

The committee amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ROSE THOMAS

The Clerk called the bill (H.R. 1424) for the relief of Mrs. Rose Thomas.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MRS. LESSIE EDWARDS

The Clerk called the bill (H.R. 1762) for the relief of Mrs. Lessie Edwards.

There being no objection, the Clerk read the bill, as follows:

H.R. 1762

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of the laws administered by the Veterans' Administration, the application for benefits which Mrs. Lessie Edwards, of New Cumberland, West Virginia, completed in September 1959 following the death on August 29, 1959, of her husband, the late George L. Edwards (XC20741307), shall be held and considered by the Veterans' Administration as timely filed; and the Administrator of Veterans' Affairs is hereby authorized and directed to make retroactive payments in accordance with the entitlement established pursuant to such application.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MILDRED N. CRUMLEY

The Clerk called the bill (H.R. 7685) for the relief of Mildred N. Crumley.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MURRAY SWARTZ

The Clerk called the bill (H.R. 1560) for the relief of Murray Swartz.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

FRANKLIN R. HELT

The Clerk called the bill (H.R. 2564) for the relief of Franklin R. Helt.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CHESTER C. CLARK, MARY L. CLARK, AND DOROTHY J. WILBUR

The Clerk called the bill (H.R. 6507) for the relief of Chester C. Clark, Mary L. Clark, and Dorothy J. Wilbur.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

TV FACTS, ROCHESTER, N.Y.

The Clerk called the bill (H.R. 9414) for the relief of TV Facts, Rochester, N.Y.

There being no objection, the Clerk read the bill as follows:

H.R. 9414

For the relief of TV Facts, Rochester, New York.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Comptroller General of the United States be, and he hereby is, authorized and directed to settle and adjust the claim of TV Facts, Rochester, New York for advertisements published during the period September 29, 1974, through December 29, 1974, for the Department of the Navy, and to allow in full and final settlement of such claim the sum of $392. Such amount shall be payable from the applicable appropriation of the Department of the Navy.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOULDER DAILY CAMERA, BOULDER, COLO.

The Clerk called the bill (H.R. 9965) for the relief of Boulder Daily Camera, Boulder, Colo.

There being no objection, the Clerk read the bill as follows:

H.R. 9965

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Comptroller General of the United States be, and he hereby is, authorized and directed to settle and adjust the claim of the Boulder Daily Camera, Boulder, Colorado, for the Army Reserve Officer's Training Corps, University of Colorado, Boulder, Colorado, recruiting advertisement published in Septembe 1972, and to allow in full and final settlement of such claim the sum of $57.12. Such amount shall be payable from the applicable appropriation of the Department of the Army.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL W. WILLIAMS

The Clerk called the Senate bill (S. 1494) for the relief of Paul W. Williams.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the Senate bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

JOHN W. HOLLIS

The Clerk called the bill (H.R. 1402) for the relief of John W. Hollis.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John W. Hollis, of Ballwin, Missouri, the sum of $5,148.35 in full settlement of all his claims against the United States for losses he sustained through the purchase and sale of residences and for travel and other expenses which failed to qualify for reimbursement, which he and his family incurred as a result of changes in his official station from Sandia Base, New Mexico, to Saigon, Republic of Vietnam in January 1969, and from Saigon to St. Louis, Missouri, on March 10, 1969, while he was employed by various agencies of the Department of Defense.

Sec. 2. No part of the amount appropriated in the first section of this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim. Any person violating the provisions of this section shall be fined not more than $1,000.

With the following committee amendment:

Page 1, line 6, strike "$5,148.55" and insert $4,114.45".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the further call of the Private Calendar be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT OF CONFEREES ON SENATE CONCURRENT RESOLUTION 109, CONGRESSIONAL BUDGET FOR FISCAL YEAR 1977

Mr. ADAMS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 109) setting forth the congressional budget for the U.S. Government for the fiscal year 1977 (and revising the congresssional budget for the transition quarter beginning July 1, 1976), with the House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Washington? The Chair hears none, and appoints the following conferees: Messrs. Adams, O'Neill, Wright, Ashley, O'Hara, Leggett, Mitchell of Maryland, Burleson of Texas, Derrick, Latta, Schneebeli, and Del Clawson, and Mrs. Holt.

SUBCOMMITTEE ON ENVIRONMENT AND SAFETY OF JOINT COMMITTEE ON ATOMIC ENERGY TO CONDUCT PUBLIC HEARINGS ON MANAGEMENT OF RADIOACTIVE WASTES

(Mr. McCORMACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCORMACK. Mr. Speaker, as chairman of the Subcommittee on Environment and Safety of the Joint Committee on Atomic Energy, I am pleased to announce that the subcommittee will conduct a series of public hearings on the management of radioactive wastes starting next Monday. The hearings will be held at 10 a.m., on May 10, 11, and 12 in the Public Hearing Room of the Joint Committee, S–407, U.S. Capitol.

The management and handling of radioactive wastes, including wastes from our nuclear energy industry, is a subject of intense concern throughout the country. There is not the slightest doubt but that the technology can be developed for isolating, encapsulating, and storing our nuclear wastes deep in the ground in such a way that they present no threat whatsoever to the biosphere, the environment, or the population. Furthermore, it should be possible to do this so economically that the additional cost for nuclear electricity associated with permanent waste management would be insignificant.

The time has come for a full public discussion of the technical alternatives associated with waste management.

PERMISSION FOR COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT TO SIT DURING 5-MINUTE RULE ON THURSDAY, MAY 6, 1976

Mr. FLYNT. Mr. Speaker, I ask unanimous consent that the Committee on Standards of Official Conduct may be permitted to sit during proceedings under the 5-minute rule on Thursday, May 6, 1976.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

ORPHANS OF THE EXODUS

(Mr. PEYSER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PEYSER. Mr. Speaker, all of the nations which signed the Helsinki final act, including the Soviet Union, pledged to do everything possible to reunite families separated by political boundaries.

Because the Soviet Union is not living up to that promise, Members of Congress are conducting a vigil on behalf of the families which remain separated.

A case history of these families entitled "Orphans of the Exodus" dramatically details this tragic problem. At this time I would like to bring to the Members' attention the situation of the Mark Berlovich Grayer family.

Mark Berlovich Grayer

Mark Grayer is a 28 year old electrical engineer. After he graduated from the Institute of Penza in 1971, he worked in the food industry. He had no access to secret documents, nor had he ever worked in military factories, nor had he even served in the army.

The Grayer family all applied for visas in March 1971. Believing that there were no grounds for refusal, they sold their living quarters and packed their belongings. Homeless, they struggled for 2½ years and somehow managed to survive—continually applying for visas, continually being refused. In June 1974, three visas were approved. In a desperate state, the family decided to leave with the younger son, a mechanic. Mark had to stay behind.

CONTINUATION OF PASSENGER AND CARGO AIRLINE SERVICE IMPORTANT TO ECONOMY OF RURAL AREAS IN SOUTH DAKOTA

(Mr. PRESSLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. PRESSLER. Mr. Speaker, I would like to call the attention of the House to the difficulty many smaller towns and cities have, in terms of airline service.

The Committee on Science and Technology is undertaking a study of aviation policy. This reminds me that in South Dakota many of our smaller towns and cities and rural areas are threatened with the discontinuation of airline service. It is of great importance to the economy of our rural areas and smaller towns that we continue airline service for both cargo and passenger purposes.

Mr. Speaker, I am also concerned that present plans of deregulation do not take fully into account the impact of the rural areas that the discontinuation of this serivce might have. I have discussed this matter with Secretary of Transportation Coleman—he assures me that steps are being taken to protect smaller airports.

I wish to emphasize how important that is to South Dakota.

APPOINTMENT AS MEMBERS OF COMMISSION ON EXECUTIVE, LEGISLATIVE AND JUDICIAL SALARIES

The SPEAKER. Pursuant to the provisions of section 225(b), Public Law 90-206, the Chair appoints as members of the Commission on Executive, Legislative, and Judicial Salaries the following members from private life: Edward H. Foley, of the District of Columbia, and Sherman Hazeltine, of Arizona.

NINTH ANNUAL REPORT OF THE UNITED STATES–JAPAN COOPERATIVE MEDICAL SCIENCE PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–485)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered to be printed:

To the Congress of the United States:

As required by the International Health Research Act of 1960, Public Law 86–610, I herewith transmit to the Congress the Ninth Annual Report of the U.S.-Japan Cooperative Medical Science Program.

GERALD R. FORD.

THE WHITE HOUSE, *May 4, 1976.*

CALL OF THE HOUSE

Mr. RONCALIO. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 230]

Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Ashley
Bell
Bevill
Bonker
Bowen
Buchanan
Burton, John
Cochran
Collins, Ill.
Conyers
de la Garza
Dellums
Diggs
Dingell
Edwards, Ala.
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fish
Flowers
Foley
Ford, Mich.
Fraser
Gaydos
Giaimo
Harsha
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Hinshaw
Johnson, Colo.
Jones, Ala.
Karth
Kindness
LaFalce
Macdonald
Madden
Milford
Mitchell, N.Y.
Moorhead, Pa.
Murphy, N.Y.
Nichols
Nix
O'Hara
Pattison, N.Y.
Pepper
Rees
Scheuer
Seiberling
Shuster
Spellman
Staggers
Stanton, James V.
Stephens
Teague
Udall

The SPEAKER. On this rollcall 370 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERSONAL EXPLANATION

(Mr. DU PONT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DU PONT. Mr. Speaker, yesterday afternoon I was absent on business in Delaware, and missed several recorded votes in the House. Had I been present, I would have voted in the following manner:

Rollcall No. 225, "aye."
Rollcall No. 226, "aye."
Rollcall No. 227, "aye."
Rollcall No. 228, "aye."
Rollcall No. 229, "aye."

CHILD DAY CARE STANDARDS ACT—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. The unfinished business is the further consideration of the veto message of the President on the bill H.R. 9803, to facilitate and encouarge the implementation by States of child day care service programs conducted pursuant to title XX of the Social Security Act, and to promote the employment of welfare recipients in the provision of child day care services, and for other purposes.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The gentleman from Oregon (Mr. ULLMAN) is recognized for 1 hour.

Mr. ULLMAN. Mr. Speaker, I am going to yield in a moment to the gentleman from California (Mr. CORMAN) to lay out the basic concepts involved in this very important day care matter. Before I do, however, let me point out there has been a great deal of misunderstanding about this proposal. Some people think that if the Members are opposed to the standards that we placed into effect, somehow they should support this veto, and the opposite is exactly the situation. The standards—and I personally concur—are a little too tight for most States.

I would like to see these standards moderated but the standards are in effect. The standards by act of this Congress went into effect the first of February of this year. This matter before us is the result of a concerted effort on the part of the committee and the House and the other body and the conference to delay those standards in order to do two things: First, to keep day care centers from closing because the standards are so rough the States cannot handle them; and second, also give the Congress some leeway in which to operate in case we do want to further change the standards.

This bill which we passed and the President vetoed does delay the standards until July 1. What I am saying is that if we want those standards delayed, we will vote to override the veto because that is the only way we can get the job done. The President very glibly said:

> Well, kill this bill and then let the Congress move to delay the standards.

All I am saying is that this is the effort of the Congress to delay the standards, this is the only way that can be accomplished in the complicated processes we have, and if the Members want the standards delayed then they must vote to override, because that in my judgment is the only way we can accomplish the purpose.

What the bill also does is to provide some financial relief for the States in shoring up for the problem as of July 1 when and if the standards would go into effect if we do override this veto.

This is a very important matter, so I am going to yield 10 minutes to the distinguished chairman of the subcommittee, the gentleman from California (Mr. CORMAN), who has worked very hard and diligently on this matter, so he may further define this issue for the Members.

I yield to the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Speaker, I rise to support congressional override of the President's veto of the conference report on H.R. 9803, a bill to provide additional funds and modify certain standards for day care services under title XX of the Social Security Act.

My colleagues will recall that when the conference report was voted on by this body on March 23, 1976, the intent of the House of Representatives was manifested by an overwhelming 316 votes in favor of the legislation. The President has sent the conference report back to us with his disapproval, notwithstanding this overwhelming display of congressional support. I hope that our response to the veto will be an unequivocal reaffirmation of our support for the worthy objectives of this bill.

To summarize its provisions briefly, the conference agreement would provide $125 million additional funds between now and October 1, 1976, to enable States to bring child care services into compliance with the child care requirements of title XX as modified by this bill. It would continue, until July 1, 1976, the present moratorium on enforcement of the staffing standards for children in day care between the ages of 6 weeks and 6 years of age. Also effective until October 1, States would be allowed to waive the staffing requirements in certain situations and would be authorized to use title XX social service funds to make grants to day care providers for hiring welfare recipients to work in day care facilities.

The President's veto message criticized the day care standards which are to be implemented with the additional funds provided by the conference report. In the President's words, the standards are "an unwarranted Federal interference in State's administration of these programs." However, title XX has less stringent standards for day care than were in effect prior to October 1, and the staffing standards, the appropriateness of which has been questioned, are further relaxed by section 6 of this legislation. That section permits State welfare agencies to waive the Federal staffing requirements in the case of child care centers and group day care homes which meet State standards if the children receiving federally funded care represent no more than 20 percent of the total number of children—or, in the case of a center, no more than five children—provided that it is infeasible to place the children in a center which does meet the Federal requirements. This section would also modify the limitations on the number of children cared for in a family day care home by providing that the family day care mother's own children not be counted unless they are under age 6.

It must be made clear that the Federal interagency day-care requirements apply not just to staff ratios, but they also set safety and health standards and general requirements for the suitability of physical facilities. All of these standards are justified to promote a decent and safe environment for the protection of children. Further relaxation of any of these standards would lower the quality of child care. To have Federal dollars expended on low quality child care would not only be a waste of Federal money, but more importantly, could seriously jeopardize the lives of young children.

This bill is devoted entirely to quality child day care services, and yet, contravening Mr. Ford's arguments against it, continues to leave broad discretion to the States in allocating funds among social services, and in determining who is eligible for social services.

The funds provided by this bill will allow day care standards to be met without massive reductions in the number of children served. As a result, former welfare recipients and other low income people who are now employed and are heavily dependent on day care services under title XX, will continue to have access to adequate child care to allow them to work.

A provision which further enhances the appeal of this bill is that it provides for the use of funds within the title XX ceiling to hire welfare recipients to work in day care centers serving children from low income homes. In testimony before the Senate Finance Committee, the commissioner of the New Jersey Department of Institutions and Agencies praised the section of the conference report which provides this incentive for hiring AFDC mothers in the day care centers. According to their statistics, just the availability of child care services has allowed 10,764 families formerly on welfare to become employed and leave the welfare rolls, thereby reducing welfare payments by $19.4 million per annum. It is felt that providing employment opportunities for welfare recipients in the day care centers will produce a greater effect by increasing the job market to allow more recipients to leave the welfare rolls.

According to a survey of States taken last October, approximately 30 States indicated employment opportunities on their day care staffs for welfare mothers. A substantial number of the States indicated that they would recruit from 80 to 100 percent of their additional staff from the ranks of welfare mothers. The State of Georgia has said that they can fill 100 percent of their need for additional staff with welfare recipients.

A rejection of this conference report would be costly in terms of the care and safety of young children, and the savings which would result from the employment of welfare mothers.

I would say to the House that the President has proposed to us that we convert title XX funds to block grants. This proposal would take effect October 1 if we adopt it. Our subcommittee has scheduled hearings. We will look at it. We will see if there is a better way to appropriate funds and do our best to be fair with the States and also with the national taxpayers; but none of those things can be put in place at this point. If this veto is not overriden, it means that every day care center which has been in violation of staffing standards or any other standards since February 1, 1976, will have to forfeit funds because they were not in compliance with the standards during that period.

To take an example of the impact on some of the States, Illinois estimates that from 35,000 to 40,000 children would be affected if these day care centers are taken from them. Minnesota would lose all their title XX day care programs. Texas would lose day care slots of 8,000. Georgia about 4,500 children.

There has been some question whether this bill is related to the Child and Family Services Act. First of all, that Act must stand on its own. I suspect it is good legislation. It has nothing to do with this program. This program is to fund day care centers which are in existence. Many of them have not been in compliance with standards. Those standards will be waived until July 1. In other words, we say, "We forgive you for your past transgressions and we give you $125 million to comply with the new standards as of July 1."

By October 1 we will know whether we are going to continue specific programs under title XX of the block grants.

I urge the Members of the House to vote to override the President's veto.

Mr. ULLMAN. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. VANDER JAGT).

Mr. VANDER JAGT. Mr. Speaker and Members of the House, the political analysts tell us that the message that came through from Texas was that the American people are anti-Washington and antibig Federal Government. This legislation before us is a beautiful illustration of why the people ought to be, and are, fed up with Washington's answer to difficult problems that face this Nation.

When all of the smokescreen is penetrated, what this bill really amounts to, in effect, over the long haul, is the imposition of strict Federal staffing standards on local day care centers all across America, and locking us into funding those standards at an additional $250 million per year to meet those standards. That, in spite of the fact that I really believe 99.5 percent of those who will be voting to override the veto do not know what those standards are. I do not believe that any Member of this body, with knowledge that has been gleaned from the legislative process, knows whether or not those standards indeed are appropriate. Imposing standards that we do not know are correct or they are appropriate can only prompt the American people to say, "That is a lousy way to run a railroad."

That is exactly what this body said about that kind of action last October. The Members all remember that these standards were going to become effective last October 1, and we heard from our day care centers all across America when they said, "We cannot meet those standards. We will be broke, and on top of that, the standards are ridiculous." In fact, some mothers would not be able to live up to the standards with their own children, in their own families, in their own homes.

So, the Ways and Means Committee presented to the House a bill which said, "We ought to defer those standards, because we have not taken a look of them for 6 months, to give us an opportunity to determine whether they are appropriate or not." And, by almost 400 votes, this body did just exactly that.

Those 6 months have come and gone, and we have not spent 1 second—not 1 second—doing what we said was absolutely essential, and that is, take a look at the appropriateness of the standards before we straitjacket every American day care center into them.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. VANDER JAGT. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Is the gentleman telling me that we had no hearings, no witnesses, no experts talking about these standards after we went through the rigamarole and told people how we were going to study, and we did nothing?

Mr. VANDER JAGT. The gentleman is exactly correct.

Mr. FRENZEL. I am astonished and aghast.

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. VANDER JAGT. I yield to the gentleman from California.

Mr. CORMAN. One of the problems with the subcommittee on which I serve is that we have great difficulty in getting quorums, and one of the reasons is because Members are involved in so many things in addition to their legislative obligations in this House.

Mr. VANDER JAGT. I would add to the comment of the gentleman from California that there has frequently been good and sufficient reason, but the fact remains that we did not spend 1 second in doing what we said was absolutely essential, and that is take a look at determining whether these standards are appropriate or not.

Mr. RANGEL. Mr. Speaker, will the gentleman yield?

Mr. VANDER JAGT. I yield to the gentleman from New York.

Mr. RANGEL. Whether we had hearings or not, are standards locked into law at the present time?

Mr. VANDER JAGT. The standards are not locked into law. This body can at any time remove the standards. The standards will take effect if we take no action, but we can do now what we did last October. That is, in 48 hours, which is what we did last October, we can pass legislation that would suspend the standards until October 1. There is legislation introduced that would do just that, and that is the appropriate response to this problem.

Mr. RANGEL. If we sustain the President's veto, then the standards which the gentleman so vigorously opposes will become the law?

Mr. VANDER JAGT. They will become the law, but we would have an opportunity to do exactly what we did in October, and that is, suspend the standards until October 1, until we have a chance to do what we said was absolutely essential, and that is look at them before we straitjacket day care centers into them.

If I might continue, I would call the chairman's attention to the fact that I have been yielding rather liberally, and I hope he bears that in mind if my time has expired.

Mr. FORSYTHE. Mr. Speaker, will the gentleman yield?

Mr. VANDER JAGT. I yield to the gentleman from New Jersey (Mr. FORSYTHE).

Mr. FORSYTHE. Mr. Speaker, on March 23, 1976, I voted against the conference report on H.R. 9803, the Child Day Care Services Act. Today I must vote to sustain the President's veto of that legislation. I strongly feel that these votes are based on valid objections to the legislation, and I would like to briefly discuss those objections.

First, let me point out that the issue in this instance is not one of supporting the concept of child day care, although proponents of the bill have simplistically made that claim. Rather, the major issues we must face are, one, whether the Federal staffing standards involved here are appropriate, and, two, whether Congress should ignore its budget process in providing the additional funding necessary to implement those standards.

Let me briefly outline the exact situation in which we find ourselves today. Public Law 93-647 required that as of October 1, 1975, child day care providers meet specific standards known as the Federal interagency day care requirements in order to qualify for funding under the new title of the Social Security Act. Public Law 94-120 later postponed the staffing requirements until February 1, 1976. That date has come and gone. Those standards are now in effect. That is the source of the so-called emergency which this legislation is supposed to address. H.R. 9803 provides an additional delay and additional funding—to the tune of $125-million—to rescue the country from congressionally imposed standards which cannot yet be met. Unfortunately, in the flurry of attempting to handle this congressionally caused crisis, very few of my colleagues in the Congress are asking the crucial questions: Should these standards have been imposed to begin with and should we compound the problem by trying to aid in their imposition with emergency funding?

Just exactly what are these controversial staffing standards and what is the basis for mandating them nationwide? The standards require one adult for every four children between 6 weeks and 3 years of age; one adult for every five children between 3 and 4 years of age; and one adult for every seven children between 4 and 6 years of age. Unfortunately, the exact basis for arriving at these precise figures is somewhat obscure. At this point we have absolutely no proof that these staffing ratios will have any effect, let alone a demonstrably beneficial effect on the quality of child day care. Instead of such proof, the apparent reason for the imposition of uniform nationwide child day care standards is the vague feeling that if the Federal Government is going to participate in the funding of day care, then it has the right to require that the program be conducted according to its rules.

Let me point out that the Federal Government also participates in the funding of education nationwide, annually providing millions of dollars for educational purposes at all levels. Nowhere has the Federal Government attempted to impose specific student-teacher ratios or establish the exact size of classes, or specify the nature of the physical environments conducive to education. We wisely leave these determinations to the professional educators closest to the problem. But the legislation we are considering today, we are mandating uniform staffing requirements nationwide without the slightest substantiation for the appropriateness of those standards in relation to child day care centers throughout the Nation.

And let me emphasize that we are primarily mandating uniform staffing ratios. Matters of health or safety are not at issue here. Health and safety standards have already been implemented. Some supporters of the legislation have defended the additional funding in this bill as being essential for centers to meet Federal health and safety requirements.

Actually the Federal interagency day care requirements only require that day care centers comply with local health and safety codes. Health and safety matters, then, have been recognized as the responsibility of State and local governments, but staffing ratios have been reserved for the wisdom of Washington.

A primary issue in voting for this legislation, therefore, is not the wisdom of supporting child day care centers but the wisdom of requiring adoption of specific Federal staffing ratio standards without any apparent justification for those standards.

The other primary issue which I mentioned earlier is the advisability of allowing this self-fulfilling emergency to be used as a basis for violating the new budget procedures initiated by the Budget and Impoundment Control Act. I was very disappointed earlier that the House approved the rule allowing the conference report to come to the floor in spite of its violation of the Budget Act. For the first time in its history Congress is operating under a rational budget process which seems to be functioning admirably in its first true application. The additional funding of this legislation represents a violation of that budget process. If Congress creates a false emergency and then cites that emergency as the basis for deliberately ignoring its own budget procedures, then those procedures certainly will not have the far-reaching effects anticipated when they were enacted. The Budget Act, apparently, is considered by many of my colleagues to be nothing more than a new, rational facade concealing the continued irrationality of the old chaotic procedures; a convenient process to be cited as evidence of fiscal responsibility but one that can be conveniently ignored when too constricting. If that new budget process is to be anything more than a farce, we must adhere to it in instances such as are represented by this legislation.

In summary, Mr. Speaker, my vote today reflects my objection to passage of legislation mandating unexamined uniform national staffing standards for child day care and my objection to using those standards as a justification for ignoring the funding levels established in the new budget procedures. This is not a vote against the concept of suitable child day care centers, but a vote for responsible examination of the effect of mandating national standards whose implementation will provide a severe economic dislocation of established national priorities without any corresponding proof of positive results. I urge my colleagues in the House to sustain President Ford's veto of this ill-advised legislation.

Mr. VANDER JAGT. Mr. Speaker, I would like to point out that there is one difference between the situation now and last October. This time we are spending, in effect, $250 million a year to ride along with these new higher standards. I think the theory is that if you pay people enough, they will meet new standards, whether they are appropriate or not.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. ULLMAN. Mr. Speaker, I yield 3 additional minutes to the gentleman from Michigan.

Mr. VANDER JAGT. Mr. Speaker, I think there are two classes of people who will be hurt. One is the taxpayers, who pay for it, and the other is the average blue-collar American who pays out of his pocket to send his kids to the day care center in order to work to pay the taxes to meet these additional standards.

It would really be worth it if it had anything to do with quality of day care. But throwing dollars to it is no solution. This Congress is closing its eyes to the problem and is just throwing dollars at it, in the hopes that it will go away.

On March 10 the mayor's task force of New York City said the administration of day care in New York City was amazingly incompetent, wasting millions, millions, and millions of taxpayers' dollars. Some slum landlords receive $140,000 a year in rent for a couple of rooms in a slum building. There is no wonder it costs less for a father to send his son to Harvard than it does the taxpayer to send his child to some of the day care centers in New York City. Now we want to raise that.

Mr. Speaker, the bucket is leaking like a sieve. The solution is not to pour more water into the bucket, but to close the leaks that are there.

The ridiculous thing about this bill is that we are suspending the standards until July 1 in this bill, but we are providing the funds to meet those standards in this quarter, which is almost half over. We are providing retroactive payments to meet nonexisting standards for the time frame during which the payments are made for. That is how the other body has us twisted in a pretzel. If this work product is an example of the work of this Congress, if this bill represents the best work product that this Congress can come up with, then that 9-percent approval rating that we get from the American people is about 300 percent too high.

Mr. Speaker, I urge the Members to analyze this legislation, see what it does. If they do, I think they will vote to sustain a well justified Presidential veto.

Mr. ULLMAN. Mr. Speaker, I yield 4 minutes to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, if the gentleman that preceded me is so concerned with children being forced to have day care centers in slums, then it seems to me that he would not be attaching what he now calls high standards. But if someone does take issue with the standards, where were they when the law was passed? This bill does not create any new laws as pertains to standards. A vote to sustain the veto in this case means we are locking in the standards, whether we support them or not, and it would require new legislation in order to get more flexible standards.

What happens now with the law that is in effect if we vote to sustain the President's veto? Incidentally, I think the President may have more support on this floor than obviously he had in Texas, but there are different vibrations that we get from that. But I would suspect that HEW would be forced to put into effect regulations that would sustain the standards as created by existing law, and any jurisdiction that fails to to meet those standards would be penalized as results in Federal matching funds.

So if the Members really vote to sustain the veto, what they are doing is voting to have the standards go into effect, and then we will not provide the funds that are necessary for the day care centers around this country to meet those standards.

In addition to that, I understand that the President is concerned with jobs, the President is concerned with the cost of unemployment, and the President is concerned with the cost of welfare. We have incorporated in this piece of legislation not only an opportunity for people who are willing and able to work to have some place secure for their children as they seek and gain employment but, in addition to that, we have an incentive provided by the day care centers so that the welfare mothers can get off welfare and become employed.

Mr. Speaker, I would like to repeat what my subcommittee chairman has said and what the chairman of the Committee on Ways and Means has said, and I hope someone will understand that if we vote to sustain this veto, we are not changing any standards or we are not raising the standards but what we are doing is penalizing the States in dollars and cents, and there are States which cannot meet the standards that will certainly be enforced if this veto is sustained.

Mr. Speaker, today the Congress has an opportunity to reiterate its support for the objectives of the day care bill by overriding the President's veto of that legislation. When this measure was before the House on March 23, it was passed by a vote of 316 to 72, but President Ford has obstinately put his stamp of disapproval on this legislation in the face of such strong congressional support.

The fate of H.R. 9803 will determine the availability and effectiveness of existing day care programs under title XX of the Social Security Act. If the bill is not passed, it will mean that many former welfare recipients now working and other low income people will no longer be able to participate in the labor market because of the lack of child care services now available under title XX.

The bill would provide between now and October 1, 1976, $125 million currently needed by the States to meet Federal requirements without a cutback in services. The most controversial issue which has emerged is centered on the staff-ratio requirements. This bill does modify and liberalize those standards because it waives compliance with the staffing requirements for day care programs where the enrollments are equal to or less than 20 percent title XX children. The bill will also suspend staff requirements until July 1, 1976 to give the programs time to hire the additional staff necessary. In addition, many people overlook the fact that Federal requirements also mandate certain health and safety standards for the protection of young children.

The biggest bonus of this bill is the measure which provides that funds under title XX can be used to help cover the costs of hiring welfare mothers to staff the child care centers. In light of reports from the States indicating their intention to take advantage of this incentive to hire welfare recipients, and the resultant savings to the Federal and State governments in the form of reduced food stamp, AFDC, and medicaid expenditures, this feature of the bill could be an effective weapon against the increasing welfare costs.

I strongly urge my colleagues to vote to override the veto of this bill.

Mr. ULLMAN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, in a very perceptive article in the Washington Post recently, Suzanne Woolsey, former director of Social Services and Human Development in the office of the Assistant Secretary of HEW, analyzed the successes and failures of day care in general, and Federal programs in particular.

Commenting on the legislation befor us today, she comes to the conclusion that it is even worse than "throwing money at the problem." It is, she says, "throwing problems at the problem."

It is indeed. It does not make day care services more widely available, it simply makes them more costly. A lot more costly—like $250 million a year more. And to do what? To reach more mothers and children? No. Merely, like the classic bureaucracy in action, to hire more staff.

And yet it is being sold to this Congress as a bill to delay the imposition of new regulations mandating the hiring of more staff. As such it is a classic in another way—a classic of devious legislation.

Let every Member here understand that if he thinks he is voting for a bill to postpone those controversial Federal staffing standards, which have been rejected by three out of every four States, he has been deceived. This is a bill to do just the opposite—it is a bill which will mandate those costly, inflexible Federal standards on the numbers of supervisors that a day care center serving title XX children must have.

I say those standards are bad. I say they are ill considered, and I say that they have not really been examined by the Congress at all. Indeed, we have a study underway—approved right here by the Congress itself—with results due next year. So why on Earth do we insist on moving forward now? I say the idea of the standards ought to be postponed, and then it ought to be rejected.

The Federal Government has no business setting such regulations for neighborhood day care centers in Peoria.

Now, it is also important that we understand the relationship of this bill to those families who are not eligible under title X, but who are users of day care facilities.

Suppose they use facilities supported by title XX money, on a fee basis. Many of them do, and Members who vote to override this veto need to understand that they are voting to increase the costs of day care for these families by that action. Because, with the mandating of these standards, those costs are going to go up, make no mistake about it.

They are probably also going to go up for families who use nonfederally supported facilities, as the inexorable laws of competition work their ways.

And then we must consider the effect of this legislation on those centers who have some, but not too many, title XX eligible children. There is a loophole in the bill, which exempts from the Federal standards facilities with less than 20 percent of such children. This is bound to result in some centers reducing their enrollments of title XX children in order to get in under the limit.

So the result is less day care than we have now, really. By forcing up the price for fee-paying families, we will cut some of them out of the market, and by encouraging enrollment manipulation on the part of many of the centers, we will force some poor children out.

That is not my idea of a good day care bill, and so I want to encourage all my colleagues to support the President's veto. Then, having rid ourselves of this unfortunate bill, we can turn to the real need and pass a simple extension of the moratorium on the new standards and move on to consider the President's very sensible proposal to allow the States to set and enforce their own day care staffing standards.

Mr. ULLMAN. Mr. Speaker, I yield 4 minutes to the gentleman from Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. Mr. Speaker, I introduced the first bill, I believe, to postpone the staffing ratios that were brought about under these day care regulations.

Today I rise to ask that we override the veto of H.R. 9803.

The situation we find ourselves in is a true "Catch 22" situation because if we do not override then the regulations on health, safety, and staffing, and all the others will go into effect anyway; and there will be no funds to offset the costs of these regulations.

Mr. Speaker, I have serious reservations about the federally mandated staffing ratios, and I think there is going to be an opportunity to work to correct these regulations when we get into the bill for fiscal year 1977; but we do not have that opportunity today. That is not what we are considering.

The President vetoed this bill, as I understand it, because he prefers a block-grant approach to the title XX money to go to the States and allow the States to set the regulations. This will be considered this summer when we take up the fiscal year 1977 appropriations and authorizations.

Mr. Speaker, that is not what we are considering today. What we are considering today is whether or not we should override this veto to give the States and the day care centers the funds they need to meet the regulations which are going to be in effect regardless of what we do today.

The Governor of Oklahoma, who is also very much opposed to the Federal staffing regulations, has come out in favor of overriding this veto because he points out what is common to so many States, that these regulations are going to cost the States and the day care centers millions of dollars. In Oklahoma's case, it is about $8 million, according to the Governor.

Mr. Speaker, if we do not override, my best judgment is that one of two things will happen: We are either going to see a number of day care centers closed, or some States will take what I consider to be a backward step and bring about dual licensing, licensing in one case for public assistance children and in another case for non-public-assistance children. This certainly is not the direction in which this Congress ought to be going.

Mr. Speaker, this bill does have an exemption, as was brought out by the previous gentleman, so that if a day care center has fewer than 20 percent or fewer than five children on public assistance, that day care center is exempted from the regulations.

I think that the bill is the best compromise that we can get between the House and the other body.

Mr. Speaker, I urge that we override this veto; and then when we get to the substantive issues that have been discussed earlier today and to the only substantive issue on which there has been disagreement, and that is the staffing ratios, let us strike that out this summer. Let us strike that out for the fiscal year 1977, and let us get on with allowing the States and the day care centers to do their job so as to allow working mothers who previously were on welfare to remain on the job so that we will not add further to the welfare costs of this Nation.

Mr. Speaker, I urge that this veto be overridden.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, when this bill was passed, I voted for recommittal because I believed that the choice presented to the House then was a poor one. We were asked to vote for a lousy bill, or have no bill at all. I did vote for the bill on the theory that a flawed bill is better than none at all.

Today we must decide whether to sustain or override a veto of H.R. 9803. The choice is a little different. In the first place, it is a clearer choice. A vote to override is a stronger affirmation of the bill. A vote to sustain today can mean that a good bill can then be passed, for surely the Congress will not let the matter die.

Under these circumstances, I shall vote to sustain the veto.

I want to review what is wrong with the bill:

First. It adds a quarter of a billion dollars of extra annual cost;

Second. It validates local standards which are of unknown merit;

Third. It perpetuates, after October, the questionable Federal standards, which are generally agreed to have no basis in fact;

Fourth. It does not increase services. It only increases costs;

Fifth. It also increases costs for fee-paying families;

Sixth. It puts day care back on categorical grant bases and opens up by precedent a similar approach for other social services; and

Seventh. It solves no problem. It only postpones the inevitable.

We do seem to have plenty of evidence of ineffective, costly programs in New York City. Every Member can point to such programs in another person's district, but many seem tempted to vote for the bill only to preserve a beleaguered program at home. I am told Minnesota will be badly hurt by the standards. But if the bill passes, the pain will only be averted until October. Then we will have to contend with the same standards, still based on no data, and still expensive. Only then they will be even more expensive.

We are told only to wait until October and we will postpone the standards again. We did not postpone them this time. We held no hearings on them. We did not even seem to be concerned about them.

This is not throwing money at a problem. It is throwing gasoline on a fire. We ought to sustain the veto now. Then we ought to pass a 2-year suspension of those baseless standards. Then we ought to have some studies and hearings to see what, if any, standards we really do need. Only in that way can we really do any good for child care services. The bill should be defeated.

Mr. VANDER JAGT. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Michigan.

Mr. VANDER JAGT. Mr. Speaker, the chairman of the Committee on Ways and Means has indicated that he thinks the standards may be too rigid and the gentleman from Oklahoma says he takes a dim view of maintaining Federal standards.

I think the majority seems to believe we should go ahead with the objectionable standards anyway. Then we can undo them after October 1. Does the gentleman really believe that if we provide for the hiring of the additional supervisory personnel that we will then be willing to fire them, or does he acknowledge that we will be locked into this personnel obligation for the future?

Mr. FRENZEL. We can do no better than we have in the past.

The SPEAKER. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Speaker, I yield 5 minutes to the gentlewoman from New York (Mrs. CHISHOLM).

Mrs. CHISHOLM. Mr. Speaker and my peers, I want to say that we must not do something here today that will result in making us penny wise and pound foolish. The fact of the matter is that there are thousands of women in this country who have to work, and they are not working because of the necessity of trying to acquire some pin money. The labor market is constantly increasing in terms of the number of women who desire to be productive citizens of this country and not be on the public assistance or welfare roles, and it becomes very, very essential for them to put their children in the child care centers.

We are constantly speaking about the bloated budget and that we have got to be able to balance the budget, and that you do not solve problems by throwing more money at these problems. I would just like to draw an analogy to the Defense Department; we have been throwing much money in that direction in terms of trying to solve some of the problems in that area.

Here we are dealing with the most important resources that we have in this Nation and that is our human resources. We have to recognize that as a result of the regulations in title XX that if the States are not able to come into compliance with all of the different standards pending concerning nutrition, health, staffing ratios, and health requirements, that many of the States will have to close their centers. Once these centers are closed, then it means that these individuals will have to go back to the public assistance roles.

A mere $125 million to enable the States to come into compliance with the standards inevitably will rebound to the benefit of this Nation as a whole as contrasted to the millions of dollars that will have to go into the public assistance programs of our society to take care of these women who will have no place to turn.

Let us look at this issue from the standpoint of just pure economics to our country at this moment. We know that we are trying to fight many different problems, but the States need this assistance so that the bloated welfare roles, if you will, will not continue to escalate.

There is no other way that they are going to be able to take care of their families unless they stay home with these children and then get the public assistance, the food stamps, and all of the other things that we get up here on the floor and constantly talk about. Some say people do not want to work; people just want welfare; they want food stamps. Yet when the opportunity comes, when they are asking for a mere $125 million just so the States will get into compliance, they give all kinds of excuses.

The time has come for us to be concerned with the preservation and conservation of the most important resource this Nation has, and that is its children. I would hope that we would vote today to override and not sustain that veto because, Mr. Speaker, we have not seen anything yet in terms of additional burdens on the economy when we may have to be giving assistance to thousands of women in this country. So let us not be pennywise and pound foolish. Let us vote to override the veto on this very, very important measure.

Mr. ULLMAN. Mr. Speaker, I yield 5 minutes to the distinguished minority leader, the gentleman from Arizona (Mr. Rhodes).

Mr. RHODES. Mr. Speaker, when I listened to the gentlewoman from New York who preceded me in the well, I received the impression that if this veto is sustained, day care centers would be closed. I do not understand it that way. This bill is a bill to finance higher Federal standards for personnel. Other funds which are available for the operation of day care centers will still be available. They are operating now without this bill; they will continue to operate. If we do not finance the promulgation of the standards we certainly will soon see legislation on the floor of this House, to postpone the operation of these new standards or to repeal them.

Mrs. CHISHOLM. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentlewoman from New York.

Mrs. CHISHOLM. I thank the gentleman for yielding.

If the States are not able to comply with the standards, much of the money that they have been getting from the Federal Government will be forfeited, in addition to the additional funds for meeting all kinds of standards—nutrition, staffs, personnel. It is not only a question of staff and personnel. I testified before the committee and gave the entire report with respect to what the Senate committee had found in this case to be the needs of the States.

Mr. RHODES. I am sure the gentlewoman will agree with me that if the standards are not put into operation, there would not be that type of expense and that type of loss of revenue. I was just about to say I think the new personnel standards should be postponed, and eventually we should repeal this part of the law. I see nothing wrong with the States being able to set personnel standards. We let them set standards for health and safety for the day care centers, which to me are much more important. I am much more interested in that than I am in the personnel standards. We do not try to set the standards for the number of teachers there will be in classrooms; we let the States and the local communities do that.

What is wrong about repealing this particular part of the law so that we need not be worried about the situation which the gentlewoman from New York describes so aptly?

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Georgia.

Mr. LANDRUM. I thank the gentleman for yielding.

The gentleman mentioned setting standards for teachers, particularly elementary teachers. Is it true that the Federal standards—not necessarily in this bill—would set a ratio of one supervisor for each four?

Mr. RHODES. That is my understanding.

Mr. LANDRUM. Is that correct?

Mr. RHODES. That is my understanding.

Mr. LANDRUM. If the gentleman will yield further, is it then true that the average ratio in the kindergarten is about 1 to 15 or 1 to 20?

Mr. RHODES. That is my understanding also.

Mr. LANDRUM. And the ratio for the elementary schools is about the best we can get, which is about 1 to 25?

Mr. RHODES. That is correct.

Mr. LANDRUM. If we allow the situation to develop where the standards proposed by the Federal Government—putting in one to four here—can develop, is there some likelihood that we would put additional expenditures on the State public departments of instruction?

Mr. RHODES. Not that I can tell. I thank the gentleman.

Another point I think we should bear in mind—I do not know whether anybody else has mentioned it, but it certainly should be borne in mind—is that this House some 2 years ago set a cap on social services expenditures of $2½ billion. What we are really doing here is breaking that $2½ billion cap and making it $2,750 million. I do not know whether or not we intend to break it in other categories of social services, but certainly it seems to me that once we break the cap, it then follows that breaking it for one purpose could very well make it easier to be broken again. And we still have at least a $40 to $50 billion deficit facing us for the next fiscal year.

I just asked the Members of the House: Is it so important that we substitute our judgment for the judgment of the people of the States in this matter that we want to break that cap and cause deficits to be even higher than they would otherwise be?

I am the last to want to harm the day care centers. I believe in them. I support them on the national level and I support them at home. But to me this is an expenditure which is not necessary, and which we would be very wise to postpone. I think the great Committee on Ways and Means would be very wise to bring in legislation which would repeal these personnel standards and tell the States once again that we do have confidence in them, that we do feel the members of the State legislatures have some sense and that they can analyze their own situations and provide the standards for personnel which are best adapted to their own communities.

Mr. RANGEL. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from New York.

Mr. RANGEL. Would the minority leader agree that if we sustain the President's veto and if this body fails to suspend the standards, that day care centers in this country would be in a great deal of trouble?

Mr. RHODES. I do not think they would be necessarily in a great deal of trouble. I think it is necessary for us to change the standards.

Mr. ULLMAN. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois (Mr. Mikva).

Mr. MIKVA. Mr. Speaker, this seems to be a kind of Alice-in-Wonderland procedure we are going through. We hear the distinguished minority leader say he is opposed to staffing standards and therefore we should sustain the veto which postpones the standards; which means if the House in effect sustains the veto the standards go into effect not only as of now but retroactively, which means that the HEW which is auditing my State currently, will cause day care centers to close down.

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. MIKVA. I yield to my colleague, the gentleman from New York (Mr. Conable).

Mr. CONABLE. Mr. Speaker, the gentleman said this bill suspends the standards.

Mr. MIKVA. Postpones them.

Mr. CONABLE. Postpones them only until July 1 and thereafter it funds them, so in fact it accepts them.

Mr. MIKVA. It does not accept them. If the bill is vetoed, the standards are in effect as of last October 1 in Illinois, for example, and this is going to happen in the gentleman's State, too, I regret to tell my colleague; they will be applied retroactively.

Mr. CONABLE. I understand that, but it is perfectly within the province of this body, rather than to accept these standards and to fund them, to postpone them.

Mr. MIKVA. It is not within the province of this body. It is within the province of this Congress, and if the gentleman from New York can assure me what the other body is going to do on a bill I will be surprised. We both have a great deal of difficulty figuring out what the other body will do. This body can postpone the standards in only one way and that is to override the veto of the bill. If we do that, we postpone the standards. Otherwise there is nothing before us. Maybe a bill will come out of the Ways and Means Committee and maybe it will not. Maybe the bill will pass the House and maybe it will not pass the House. Maybe such a bill will pass the other body, and I doubt that it will. And if the bill does not pass the other body, the standards are in effect as of last October.

Mr. VANDER JAGT. Mr. Speaker, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Michigan.

Mr. VANDER JAGT. Mr. Speaker, I appreciate the gentleman yielding.

The gentleman was touching upon the probability of the other body being willing to go along with a possibility of other standards, but I do not think we should rule that out. Senator PACKWOOD, who was previously in favor of strong Federal standards, made a motion to eliminate, and not relax but eliminate all Federal standards, but that failed by only a 9-to-9 vote.

Mr. MIKVA. But it failed. I again want to point out to the Members that, if they are against Federal standards—and some people are and some people are not—the only way to keep those standards from going into effect retroactively is to override the President's veto. That is a fact of life. The Members may not like it, but that is a fact.

The President said he thought the people in the States ought to decide what staffing standards they ought to have. I am inclined to agree. I was not here when the standards were put into effect and, therefore, I can claim "not guilty" on those standards. But other standards apply also, such as the health and safety standards, and nobody wants to take the responsibility for postponing them and then having a fatal fire occur.

Most of this money is going to go to allow the local day-care centers to meet their own health and safety standards. If the money is not there, they will not be able to meet those standards. HEW has said that they will not fund any firetraps and, therefore, they are going to deny even other available funds to those centers which do not meet health and safety standards.

In my State alone, 35,000 out of 40,000 children that are now in day care centers will not be in day care centers if this veto is not overridden, not because of staffing standards, but because of health and safety standards.

Finally, the money argument. There is $125 million involved. Illinois would get $13 million. If we do not get $13 million, we will be spending 50 million Federal dollars on more welfare for families that will go back on the dole when the day care centers are closed up.

Mr. Speaker, for all the reasons that the distinguished minority leader, the distinguished minority whip and my friend, the gentleman from Michigan, said—for all their reasons—I urge that we override the veto.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Speaker, I am one of the minority who will vote to override this veto. I suppose that the reason I am going to do it is that I understand the problem. I have attended, I think, all the meetings of this committee, with maybe one or two minor exceptions. I understand the day care center problems.

I think the day care center bill that we have and the way we do it is absolutely atrocious. It needs to be changed; but for the moment it is not politically realistic to believe that we are going to do it in a couple weeks or even a couple months.

Now, meeting health and safety standards is, I think, extremely important. The gentlewoman from California (Mrs. BURKE) and I worked for 3 years in the California legislature to close up some loopholes in the health and safety code. What did it take to get that changed? Seven people had to die in a fire in my district in order to get the health and safety standards established.

I, for one, am willing to face facts and override the veto, supply this money for the fiscal year 1976.

The gentleman from California (Mr. CORMAN), the chairman of the subcommittee, has assured us we will hear a block-grant program, which in my opinion is far superior to what we have today, so that we can meet the day care standards that are different in Chicago than they are in Bakersfield.

I think it is the only way to go; but when did we get this block-grant proposal? We got it only after the subcommittee had started hearings on this bill. If, indeed, the administration was concerned about this problem and wanted to address it, it seems to me they should have addressed it far earlier this year.

I am going to support block-grant standards. I think it is a good way to go; but in the meantime, I am going to vote to override this veto, because I know that the day care centers will close if we do not.

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from California.

Mr. CORMAN. Mr. Speaker, I want to point out to the House that the subcommittee tried to hold hearings on the third of May. The Department of Health, Education, and Welfare told us it was not ready to testify on the block-grant program and we have scheduled it for the 21st. We will move as expeditiously as we can. Every date we have on the block-grant money expires at the end of September, so that we can revise the whole thing at the same time.

Mr. KETCHUM. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I deeply regret that they did not seek to go with the block-grant proposal. It is the only way to go; this is a stop-gap measure to get us through 1976.

Mr. Speaker, I request an override.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Speaker, there is no self-righteous position with regard to this measure. There is nothing sacrosanct about a vote to override or a vote to sustain, because it is not that clear-cut.

I am going to vote to override for what I think are some very simple and practical reasons. If I had my choice, I would now or at any time in the future, as long as I am a Member of this body, vote to suspend Federal staffing requirements.

But, I do not have that single choice. I do not have it now, nor do I visualize having that choice at any time in the foreseeable future. I have made the practical judgment, based upon my knowledge of the other body, the Members involved over there, my own senior Senator and some other members of that committee, that they are not going to allow us that vote. I wish that they would. I would prefer it that way.

But, the dispute is not today over child staffing ratios. This is not the dispute today, because if the veto is not overridden, there will be no postponement of these staff ratios. They will be effective immediately and, yes, I readily admit that the postponement is only for the rest of this old fiscal year, through June 30, but that does give us some time to try to do better, to try to react to the administration's proposal, which is yet being developed or still under development with regard to block grants.

Rather, the dispute here today is over keeping these centers open, letting them have a reasonable share, their proportionate share, of this $125 million to help meet among other things the safety standards that these child care centers ought to meet.

I do subscribe to the idea that if the veto is overridden, it will in the final analysis be cheaper that the cost of this $125 million, because there is no doubt but that the majority of the children in these child care centers today can be classified as dependents of the so-called low-income people, the working poor, and if they are forced to take those youngsters out of there, the cost in other Federal programs is, in my opinion, going to be excessive. Work is better than all welfare.

So, in the interim, even if we want to suspend or postpone the staffing ratios for 60 days, it seems to me that we can only do that by overriding the veto. Whether we like it or not, that is the only possible way that we have, and that is the big reason I am going to vote to override.

Mr. VANDER JAGT. Mr. Speaker, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Michigan.

Mr. VANDER JAGT. Mr. Speaker, I know the gentleman is deeply sincere when he says that he would like to suspend federally-mandated standards. I do want to call the gentleman's attention to the fact that on the recommittal vote, which would have simply suspended those standards, the gentleman voted no. I think, in a sense, a veto sustaining the veto is the same as a recommittal vote. Does not the gentleman agree that if we remove the money, we would be able to remove the standards just as we did in 48 hours last October?

The SPEAKER. The time of the gentleman from Louisiana has expired.

Mr. ULLMAN. Mr. Speaker, I yield 3 additional minutes to the gentleman from Louisiana.

Mr. WAGGONNER. First, let me respond to my vote on the recommittal. The gentleman is absolutely correct; I did vote no. I had then made the practical determination about what the attitude of the other body was. I made it as a result of having sat with them in conferences, and I was then and I am still completely convinced that they would not do otherwise, so I considered it to be an exercise in futility.

Mr. TREEN. Mr. Speaker, will the gentleman yield?

Mr. WAGGONNER. I yield to my colleague, the gentleman from Louisiana.

Mr. TREEN. Mr. Speaker, I will vote to support the President's veto. There is little that I can add to the President's very concise and clear veto message.

Let us be frank with the American people. The issue we are voting on is not whether to fund more day care. A very substantial amount of the funds authorized in H.R. 9803 will have to be used to hire personnel to serve the very same children already in day care centers, including those whose parents' income disqualifies them for title XX services. Nor is the issue the financing of day care centers' abilities to comply with the State and local fire and health codes, as some journalists and proponents of this legislation have contended. In the single day of hearings on this bill held in the Senate, no testimony was received on the subject of fire and health dangers. There were, as I am sure all of my colleagues are aware, no hearings on the House side on this legislation.

The single issue is the reasonableness of the Federal interagency day care standards. I have taken the floor on numerous occasions to point out the unreasonableness of these standards as applied to privately managed day care. We must decide today whether the taxpayer will pay the bill for the imposition of these standards which neither the Department of Health, Education, and Welfare, the American Public Welfare Association, the State directors of offices of child development, on the one hand, nor the day care industry, on the other hand, have found necessary.

We have only one justification for spending $125 million more borrowed dollars in fiscal year 1977. That is our stubbornness in refusing to reconsider the inclusion of FIDCR in title XX. The public no longer will accept the automatic substitution of Federal judgment for the considered decision of each of the 50 States. The President has very wisely proposed returning to the States the decision on the minimum size of staff which will be permitted to serve title XX children in day care centers. We should be holding hearings on that proposal today, not deciding whether to overturn the President's veto.

Mr. ULLMAN. Mr. Speaker, I yield 1 minute to the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. Mr. Speaker, the President says he is opposed to standards imposed by the Federal Government with respect to day care centers. That, however, is not the question before us. No standards are imposed by this bill. Federal day care standards are already in existence, and so the question before the House of Representatives is whether the Federal Government is going to bear the cost of meeting the standards for health, safety, nutrition, and staffing that it has imposed, or whether it will force the States to do so.

The States and localities are the most vulnerable segments of our economy. They have been hard hit by reduced revenues and increased expenditures as a result of the recession. It is unfair to make them pay for Federal standards, and in fact most States will not be able to do so.

If the States cannot spend the money to bring all of their day care centers into compliance, they have three choices. First, they can cut back their day care programs severely and focus all of their resources on bringing a few centers into compliance. Second, they can eliminate day care entirely. Third, they can continue to operate without complying and lose Federal day care funds retroactively to October 1, 1975. Each of these choices is unthinkable, the first two because they would throw thousands of women out of work and on to the welfare rolls, the third because no State can afford to operate day care without Federal reimbursement.

The sensible answer is simply to override the bill.

Mrs. MINK. Mr. Speaker, I rise to urge my colleagues to join with me in voting to override the President's veto of H.R. 9803, the child day care standards bill.

H.R. 9803 is an emergency measure, an effort to assist the States in meeting the new Federal interagency day care requirements under title XX. At present virtually every State is threatened with a loss of Federal day care funds due to noncompliance. Under title XX the failure to implement any one standard results in a loss of funds retroactive to October 1975.

With nearly all our States facing such a drastic loss of funds, the impact on the Federal day care program under title XX would be disastrous.

Noncompliance is clearly not the goal of the States and certainly not the intent of title XX as Congress approved it. Congress first concern in its passage of title XX was the provision of quality day care services to the children of our Nation.

H.R. 9803 meets an emergency situation and provides assistance to the States in meeting new Federal interagency day care requirements while remaining firm in its insistence upon the enforcement of Federal minimum standards for day care services.

I believe it is vitally important that we retain and reaffirm our commitment to quality day care services. I urge this House to override the President's veto of H.R. 9803.

Mr. OTTINGER. Mr. Speaker, once again the President has vetoed a badly needed bill with a claim that it would cost the American taxpayer too much. It appears that just as the administration prefers prolonging our terrible unemployment rate and granting unemployment compensation rather than spending Federal funds to put people back to work, it also prefers withholding badly needed money for day care which would enable many welfare mothers to take jobs.

The bill that is before us today would suspend until next July 1 the child day care staffing standards required for Federal funding under the Social Services Amendments of 1974. For each of the last two quarters of calendar year 1976 some $62.5 million would be authorized to aid States in bringing day care staffing ratios up to Federal standards. Grants to day care providers could be used to employ welfare recipients in these staff positions. In this respect the bill has a dual goal of giving children adequate protection and at the same time providing jobs for some of their parents. Further, the Federal welfare recipient employment expense tax credit for profit-making centers would be extended until September 30, 1976.

The President claims that it is not the responsibility of the Federal Government to establish and enforce day care standards and that any attempt on the part of the Federal Government to carry out this function represents an infringement on States' rights. I strongly feel that in view of the large amount of Federal money that goes toward supporting welfare payments, it is incumbent upon the Federal Government to aid in providing high quality day care as a means of reducing dependency on welfare and to rescue the children of welfare so that life on welfare doesn't become an endless self-perpetuating phenomenon.

We must remember that this bill is an emergency measure and that if the veto is sustained, virtually every State will lose a substantial portion of its funding for day care centers. A survey of State Governors has shown that most States need these additional funds to comply with other requirements in addition to the staffing standards—requirements such as health and safety codes, medical and nutritional standards, management and other program standards mandated under title XX. Failure to comply with any one of these standards will mean the loss of all funding retroactive to October 1, 1975. Such a loss would force the closing of many centers, eliminate more jobs at a time when the economy cannot provide alternative employment and further exacerbate the problem of spiraling welfare costs. I believe that the country can ill afford the effects of the administration's action and that we have a solemn responsibility to both children and parents to pass this bill over the President's veto.

Mrs. SCHROEDER. Mr. Speaker, I rise to speak in support of the override of President Ford's veto of H.R. 9803, the Day Care Services Act.

Today we are faced with the opportunity of saying yes to the children and parents of poor families in our districts, as well as to the taxpayers of our States. Both will suffer if we do not reject this Presidential veto.

First, an increasing number of parents want to get off welfare by working, but cannot do so unless care is available for their children. Providing day care, even at Federal expense, makes more sense than keeping people on welfare, since they not only could be usefully employed, but also would return some of their earnings to Federal, State, and local governments in the form of taxes.

Second, rejection of this bill does not change day care standards which are in effect. When Congress passed title XX legislation, it mandated that all standards be implemented—health, safety, and nutrition, as well as staff ratios. Furthermore, the States have set their own standards in these areas. However, a recent GAO audit finds that 80 percent of the centers surveyed are out of compliance with their own State standards.

Third, a vote against this bill will signal the imposition of penalties in many of our States and threaten the existence of our day care system. Programs out of compliance with even one of the mandated health, safety, or staffing regulations will not only be closed, but State governments will be assessed fines totaling their operating budget for each month of noncompliance, retroactive to October 1975. Not only will this eliminate day care services for thousands of poor children, it will also be a staggering blow to State budgets.

The question today is whether we will help States meet the mandated standards, to provide much needed day care, and to reduce the welfare rolls, or refuse Federal assistance, forcing the closure of many title XX day care services with the resulting financial burden on the States.

Mr. Ford has long harped about welfare dodgers, but when push comes to shove, he would apparently rather keep them under his thumb. They make good campaign rhetoric.

I urge my colleagues to reject this viewpoint by voting to override the veto of H.R. 9803.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I wish to associate myself with the remarks of my colleague, and express my own strong support for the override of President Ford's veto of the child day-care standards bill.

If the veto of H.R. 9803 is sustained, virtually every State will lose a substantial portion of its funding for day-care centers. A recent survey of State Governors has shown that most States need additional funds to comply with the new Federal interagency day-care requirements other than staffing ratios. Failure to comply with any other FIDCR standards—including health and safety codes, and medical, nutritional, and management standards—will result in the loss of all funding retroactive to October 1, 1975.

A loss of funding will force the closure of many day-care centers, or result in serious cuts in service. This, in turn, translates into job losses for many working mothers who will be forced onto the welfare roles because they cannot find or afford day-care centers for their young children. Additionally, welfare recipients currently working in day-care centers will be forced out of jobs.

Mr. Speaker, the day-care program in the State of New Jersey has freed 12,680 heads of household for employment, which adds $65 million to the State's economy.

The 5,540 persons employed in day-care centers add $22.8 million per year, and 10,764 families formerly on AFDC are now employed. This amounts to a $19.4 million reduction in payments through New Jersey's welfare system.

Mr. Speaker, the President's community services block grant program would not solve the day-care funding problem for the State of New Jersey. The President's proposal offers no new funds. Instead, there would be a reduction in total funds for social services due to the inclusion of training funds under the title XX ceiling. And, one must also bear in mind that increased operating costs further decrease the availability of adequate funds for day-care and social service programs.

The only way that the State of New Jersey could respond to the lower funding in the block grant program would be to reduce its day-care standards. I do not believe it is a wise public policy to force a retreat from excellence.

Further, I believe that the administration has completely overlooked the unemployment impact of this veto action. What is the administration answer to the working mothers that will have to leave their jobs because they cannot afford day care for their children? What is their answer to the welfare recipients who now have jobs in day-care centers, but who will be made jobless if the veto is sustained?

And, Mr. Speaker, most important of all—what is the answer of the Congress to this misguided veto? I hope that our answer will be a resounding override of the President's veto message.

I urge my colleagues to join with me in voting to overturn the President's veto on this vital bill.

Ms. ABZUG. Mr. Speaker, when President Ford vetoed H.R. 9803, the vital legislation which would insure the ability of States to upgrade the quality of federally aided day care for children he cited "burdensome Federal restrictions" that would be imposed upon the States under this legislation.

Mr. Speaker, throughout the debate on title XX day care standards, opponents of the provisions have sought to create the impression that the Congress has brought forth some new and ill-conceived program. Let me set the record straight. These standards are not new. They were ordered by Congress in 1967 and have been in effect since 1968. They have always applied to day care funded under title IV-A, which title XX superseded. The standards under title XX are less restrictive than those the Federal Government has previously required. Congress has already authorized HEW to undertake a comprehensive study to determine whether further changes in the standards should be made, and in fact that study is already underway.

The Federal interagency day care requirements—FIDCR—were originally promulgated pursuant to a congressional mandate in section 522(d) of the Economic Opportunity Act of 1964 as amended by Public Law 90-222 in 1967. The FIDCR specifically stated that "acceptance of Federal funds is an agreement to abide by the requirements," and "noncompliance may be grounds for suspension or termination of Federal funds." The standards applied to all day care programs initially funded and to those refunded after July 1968, with a 1-year grace period "provided there is evidence of progress and good intent to comply."

Since the standards were promulgated in 1968, Congress has reaffirmed them on at least three occasions—in the Economic Opportunity Act of 1972—Public Law 93-644—and most recently in title XX. In its latest affirmation of FIDCR the Congress relaxed the child staff ratios for children of school age and infants, eliminated the requirement for an education component title XX day care programs, and ordered HEW to undertake an "appropriateness study" to review the requirements.

Mr. Speaker, these standards represent a minimal level of protection for children and must not be weakened or abandoned yet this is precisely what the President has accomplished with his veto.

I also believe, Mr. Speaker, that there is another agenda being followed by the Ford administration regarding this veto. This not very hidden agenda is their "game plan" for passage of their block grant proposal in the social services fields. What they are purporting to do is make title XX so onerous to Congress, so onerous to those people that are actually running the programs that we will all flock to the concept of no regulations, no requirements for title XX. This is evident not only in the veto of H.R. 9803 but also in the administration's response to the concerns of the senior citizen centers which we in Congress have dealt with before. The administration already has the Governors on board for their block grant programs and now they are trying to get the rest of us on board. I for one, Mr. Speaker, refuse to flock to the block.

I urge my colleagues to override this recent Presidential veto.

Mr. HANNAFORD. Mr. Speaker, the President's veto of child day care standards is an example of false economy to the point of stupidity. The money that will be "saved" by implementing the President's nearsighted fiscal policy will be lost many times over in unemployment offices throughout the Nation. Many mothers must have child care available if they are to work or receive job training to get off of welfare. Without child care those people who want to be self-sufficient will be reduced to a nonproductive welfare status that will further damage our Nation's economic recovery.

The President's veto is another unfortunate example of the misplaced priorities of this administration. Since the establishment of the ceiling on social service funds available under title XX of the Social Security Act of 1972 we have witnessed a continuing erosion of child day care services due to inflation. A lack of inflation adjustment alone will cause the termination of day care services for almost 7,000 children in California. But the veto jeopardizes the well-being of more than 55,000 California children who receive the different services partially funded by this law. Such a termination of services will not only be a disaster economically but will also serve to further remove thousands of children from low income families from our efforts to improve our Nation's general social situation. Such neglect of our children could only serve to have the long-term deleterious effects of further blighting the lives of these already disadvantaged young people.

Mr. Speaker, it is essential to our Nation's economic recovery and social wellbeing that the President's veto of child day care standards be overridden.

Mr. STOKES. Mr. Speaker, I rise in support of the override of President Ford's veto of H.R. 9803, the child day care standards. Mr. Chairman, as you know the President's veto was significant for two reasons. First, it marked Mr. Ford's 21st veto in this 94th Congress. Clearly, this affords him the dubious distinction of being the most retrogressive President in this century. Second, and most significant, Mr. Ford's veto was a callous disregard for what I consider the most important social service initiative of the year.

Mr. Speaker, H.R. 9803 is crucial to the survival of day care centers throughout this Nation. This measure would authorize a total of $125 million for the last quarter of fiscal year 1976 and for the quarter beginning July 1, 1976, and would allow centers to continue to qualify if their standards complied with State law and are no lower than those in effect in September 1975.

Some 2 million children and their working parents will suffer, for unless the President's veto is overriden these facilities will be forced to close. Moreover, former welfare mothers who work for these facilities will face unemployment and their children will be denied affordable child care. This latter concern is of major importance for H.R. 9803 is designed to benefit the children.

Mr. Speaker, in President Ford's veto message he has made several ill-advised remarks in his criticism of H.R. 9803 to which I shall respond. According to the President:

> H.R. 9803 . . . runs directly counter . . . to the vesting of responsibility in State and local government. . .

Mr. Ford is wrong. As the bill is presently structured it leaves broad discretion to the States in allocating funds between the kinds of social services and the determination of who is eligible for these social services. Mr. Ford has also stated that the issue is "day care standards." The President is wrong. The dispute concerns the $125 million the States need to meet their own health and safety standards. For if the veto is overridden, the staffing standards are to be suspended; if the veto is sustained, the standards remain in effect and the States continue to be subjected to financial penalty. Mr. Ford has also alleged that the measure would make day care "more costly" and "would not make—services more widely available." Again, Mr. Ford is wrong. H.R. 9803, not only expands the use for which social services money may be utilized but relaxes staffing requirements. The President consistently neglects to mention that day care centers are a necessity, for his economic proposals have caused drastic reductions in welfare, food stamp, and medicaid entitlements. And to make matters worse, the President has vetoed every major job-creating proposal of the 94th Congress. Now he would destroy the day care program and further increase unemployment.

Mr. Speaker, it is disturbing that we must fight so long and so hard for $125 million for this is but the bare minimum needed to sustain the day care program. Mr. Speaker as you know in 1972 Mr. Nixon imposed a Federal ceiling on day care money and that ceiling has not been amended. However, in 1974 Congress recommended sound staffing standards and health and safety standards yet failed to appropriate the funds to offset the increased costs. Now the Ford administration intent upon destroying the day care program has used noncompliance with the regulations as an excuse for closing centers

So what we are actually talking about is the administration's priorities. Shall it be 12 $10 million F–15 fighter planes or shall 2 million Americans benefit from a $125 million day care program? Mr. Speaker, I submit to you that we cannot allow Mr. Ford to answer this question for us. His veto was answer enough. Mr. Speaker, I ask you to join me today as you did in the override of the President's veto of the Labor/HEW appropriations. By our unified support of H.R. 9803, let us show Mr. Ford that the children of this Nation are important.

Mr. ANDERSON of Illinois. Mr. Speaker, I rise in support of this attempt to override the President's veto of H.R. 9803 which would assist States in complying with Federal day care standards. I oppose the President's veto of this legislation because I frankly do not see any realistic or immediate alternative to resolving the very real crisis situation which now confronts most States over the continued provision of these vitally needed day care services. While I am in sympathy with the administration's community services block grant approach which could give States the responsibility for setting and enforcing their own day care standards, that is not what is at issue here today, nor is it any alternative for meeting the present crisis.

Mr. Speaker, my own State of Illinois is a case in point. Existing Federal day care funds are being withheld pending an HEW investigation of compliance with those health and safety standards which took effect last October. Moreover, the staff ratio requirements took effect on February 1 of this year, and sustaining this veto will in no way resolve that situation; States will still be subject to financial penalty for not complying with those requirements. Illinois is in jeopardy of losing $15 million in Federal funds for costs already incurred over the past two quarters, not to mention another $15 million for this quarter and the transition. And those funds are primarily for maintaining current services and do not begin to address the additional costs which are involved in fully complying with all the new Federal standards. In short, Mr. Speaker, our State, like many others, faces the real prospect of a near total collapse of its day care program.

Mr. Speaker, I think we must ask ourselves what such a collapse in day care services will mean. In my State these day care services are reaching some 40,000 children, most of whom are from families which were formerly or are currently on welfare. Their parents are now either employed or in work training programs. According to the director of family services in Illinois, Ms. Mary Lee Leahy, it is estimated that every year some 6,600 people go off welfare when day care services are made available. Since it costs three times as much to support a family on public assistance as it does to provide day care services, curtailment of these services would obviously increase welfare costs and deprive these parents of both the pride and self-sufficiency they now enjoy as productive workers. In short, the curtailment of existing day care services is going to force up the unemployment and welfare rolls and the attendant costs to the American taxpayer.

Mr. Speaker, if we do not provide States with the additional funds provided in this bill to keep open day care centers and permit them to improve their standards, we are going to be sticking the American taxpayer with a much bigger bill than the $125 million provided under this legislation. The supervisor of the juvenile division of the Freeport, Ill., Department of Probation and Court Services wrote the following to me:

> Because of the nature of the day care program and the people it serves, vetoing this bill is actually more expensive than enactment. With the closing of centers, many of the women using this service will be forced out of the labor market and on to welfare rolls in order to care for their children. The children themselves will be the losers in that the benefits derived from day-care programs are such that help stem the tide in school dropouts and delinquency.

Perhaps typical of the many day care centers in this Nation which receive some Federal assistance is the Open Sesame Child Care Center in Dixon, Ill. One-third of its 40 children are from low-income families and are funded either wholly or in part through title XX. The director of that center, Mrs. Ted Rodd, wrote to me as follows:

> To impose more stringent requirements without the funding to help us meet those requirements does not seem quite fair. I am afraid we may be forced either to close or to serve only higher income families, and I do not want to see either of these things happen. Having good child care available in Dixon is making it possible for several families to keep together, to make it on their own and stay off public aid, and in a couple of cases to get further training in skills which will enable them to become self-supporting. I feel strongly that money spent for strengthening child care programs is well spent both for the present and for the future.

I have received letters from large numbers of parents in my district who have children in day care centers, over 25 alone from parents with children in the El Primer Paso Day Care Center in Belvidere, Ill. These are all working parents who depend on the availability of such day care facilities so that they can work for a living. Mr. Speaker, we hear a lot of rhetoric, especially in this election year, about cutting the welfare rolls and putting people on the work rolls. Now is the time for us to put our money where our mouth is so that we can keep people on the work rolls and off the welfare rolls. This legislation makes sound sense from that standpoint.

To sustain this veto, in my opinion, would be an act of fiscal irresponsibility since it will only force more people to drop their jobs to care for their children. And that in turn will mean more taxpayers' dollars for welfare, unemployment compensation, food stamps and all the other benefits needed to support the already swollen ranks of the unemployed in this country. The money authorized by this bill is a paltry sum in comparison to what we would shell out in welfare benefits and lose in tax revenues from these working parents. I therefore urge that this veto be overridden.

Mr. ULLMAN. Mr. Speaker, to conclude the debate, I yield 2 minutes to the gentleman from California (Mr. CORMAN), the chairman of the subcommittee.

Mr. CORMAN. Mr. Speaker, we will vote in just a few minutes, and I do not know that anything any of us has said has changed any minds. But I would like to underscore a couple of things. First, these standards are not going to be suspended or vetoed. That is clear. The Senate will not permit that. We sat in conference for a long, long time, debating that fact. And so it is simply that we are going to suspend them until July 1 and then fund compliance, or we are going to have them in effect as of February 1 and every State required to repay to HEW funds they have already spent for day care centers that did not comply with the standards.

The gentleman from Michigan (Mr. VANDER JAGT) said that some mothers could not comply with these staffing standards, and that is true. If a mother has quadruplets and if she has two sets of twins within 2 years, she could not comply with these standards. But I think we will find, in those rare instances, that there is a grandmother or somebody around, and the staffing problems come back into focus.

Mr. VANDER JAGT. Mr. Speaker, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Michigan (Mr. VANDER JAGT).

Mr. VANDER JAGT. I thank the gentleman for yielding.

Mr. Speaker, the supervisor in the day care centers concentrates full time on those children. The mother has a myriad of other duties. So I submit the statement is right on.

Mr. CORMAN. If she has four children, she does not have much time for anything else.

Mr. Speaker, I urge my colleagues to override this veto. I promise the Members the Subcommittee on Public Assistance will bring back a bill on social services. We had a lot of trouble with the senior citizen centers. We suspended those rules until October 1. Everything we have done in social services will end on October 1. We will give them ample opportunity to prove their ability to overcome these problems.

Mr. Speaker, I urge a vote to override.

Mr. ULLMAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 301, nays 101, not voting 30, as follows:

[Roll No. 231]

YEAS—301

Abdnor
Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Burgener
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Chappell
Chisholm
Clausen, Don H.
Clay
Cleveland
Cohen
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
English
Esch
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Green
Gude
Guyer
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Hillis
Holland
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Hyde
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Ketchum
Keys
Koch
Krebs
LaFalce
Lagomarsino
Leggett
Lehman
Lent
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lundine
McClory
McCloskey
McCormack
McDade
McFall
McHugh
McKinney
Maguire
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murtha
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Sarasin
Sarbanes
Scheuer
Schroeder
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Staggers
Stanton, J. William
Stark
Steed
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Weaver
Whalen
White
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—101

Alexander
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bennett
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Carter
Cederberg
Clancy
Clawson, Del
Cochran
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
Erlenborn
Flynt
Forsythe
Frenzel
Goldwater
Gradison
Grassley
Hagedorn
Haley
Hammerschmidt
Hansen
Harsha
Hightower
Holt
Hutchinson
Ichord
Jarman
Kasten
Kelly
Kemp
Krueger
Landrum
Latta
Levitas
Lott
Lujan
McCollister
McDonald
McEwen
McKay
Madigan
Mahon
Mann
Martin
Michel
Milford
Miller, Ohio
Montgomery
Myers, Ind.
Myers, Pa.
Paul
Poage
Quie
Quillen
Rhodes
Robinson
Rousselot
Runnels
Ruppe
Santini
Satterfield
Schneebeli
Schulze
Shuster
Snyder
Spence
Steelman
Steiger, Ariz.
Steiger, Wis.
Symms
Taylor, Mo.
Teague
Treen
Vander Jagt
Wampler
Whitehurst
Wiggins
Wylie
Young, Fla.

NOT VOTING—30

Anderson, Ill.
Andrews, N. Dak.
Bell
Bevill
Collins, Ill.
de la Garza
Edwards, Ala.
Eshleman
Evans, Colo.
Evans, Ind.
Flowers
Fraser
Hayes, Ind.
Hechler, W. Va.
Heinz
Hinshaw
Howe
Johnson, Colo.
Jones, Ala.
Kindness
Macdonald
Madden
Murphy, N.Y.
Nichols
Nix
Pattison, N.Y.
Pepper
Stanton, James V.
Udall
Wydler

The Clerk announced the following pairs:

On this vote:

Mr. Murphy of New York and Mr. Nix for, with Mr. Nichols against.

Mr. Pattison of New York and Mr. James V. Stanton for, with Mr. Bevill against.

Until further notice:

Mr. de la Garza with Mrs. Collins of Illinois.

Mr. Fraser with Mr. Madden.

Mr. Evans of Colorado with Mr. Howe.

Mr. Flowers with Mr. Macdonald of Massachusetts.

Mr. Pepper with Mr. Jones of Alabama.

Mr. Udall with Mr. Evans of Indiana.

Mr. Hayes of Indiana with Mr. Hechler of West Virginia.

So, two-thirds having voted in favor thereof, the bill was passed, the objections of the President to the contrary notwithstanding.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will notify the Senate of the action of the House.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the veto message on the bill just considered.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION OF COMMITTEE ON SCIENCE AND TECHNOLOGY TO SIT DURING 5-MINUTE RULE THIS AFTERNOON

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Subcommittee on Energy Research, Development and Demonstration of the Committee on Science and Technology may be permitted to sit during the 5-minute rule this afternoon, May 4, 1976.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

DOMESTIC VOLUNTEER SERVICE ACT AMENDMENTS

Mr. HAWKINS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12216) to amend the Domestic Volunteer Service Act of 1973 to extend the operation of certain programs by the ACTION Agency, as amended.

The Clerk read as follows:

H.R. 12216

Be it enacted by the Senate and House of Representatives of the United States of America assembled, That this Act may be cited as the "Domestic Volunteer Service Act Amendments of 1976".

Sec. 2. Section 114(a) of the Domestic Volunteer Service Act of 1973 (hereinafter in this Act referred to as the "Act") is amended by inserting at the end thereof the following new sentence: "In any fiscal year in which the funds appropriated for the purposes of the University Year for ACTION program under section 112 exceed $6,700,000, the limitation provided in the preceding sentence shall not apply with respect to that portion of such appropriation which exceeds $6,700,000.".

Sec. 3. (a) Section 122(c) of the Act is amended by adding at the end thereof the following new sentence: "The Director is authorized to undertake and support volunteer service programs, and to recruit, select, and train volunteers tc carry out the purpose of this part.".

(b)(1) Part C of title I of the Act is amended by adding at the end thereof the following new section:

"TECHNICAL AND FINANCIAL ASSISTANCE FOR IMPROVEMENT OF VOLUNTEER PROGRAMS

"Sec. 123. The Director may provide technical and financial assistance to Federal agencies, State and local governments and agencies, and private nonprofit organizations, which utilize or desire to utilize volunteers in connection with carrying out the purpose of this part. Such assistance may be used to facilitate and improve (1) methods of recruiting, training, or utilizing volunteers, or (2) the administration of volunteer programs. In providing such technical and financial assistance, the Director shall utilize, to the maximum extent feasible, existing programs, and shall seek to avoid duplication of existing programs in the public or private sectors.".

(2) The table of contents for the Act is amended by inserting immediately after the item relating to section 122 the following new item:

"Sec. 123. Technical and financial assistance for improvement of volunteer programs.".

Sec. 4. (a)(1) Part A of title I of the Act is amended by adding at the end thereof the following new section:

"LIMITATIONS

"Sec. 108. Of funds appropriated for the purpose of this part under section 501, not more than 20 per centum for the fiscal year ending September 30, 1977, and for each fiscal year thereafter, may be obligated for the direct cost of supporting volunteers in programs or projects carried out pursuant to grants and contracts made under section 402(12).".

(2) The table of contents for the Act is amended by inserting immediately after the item relating to section 107 the following new items:

"Sec. 108. Limitations.".

(b) Section 402(12) of the Act is amended by striking out "(except for volunteers serving under part A of title I thereof)" and inserting in lieu thereof "(except as provided in section 108)".

(c) The amendments made by subsection (a) and subsection (b) of this section shall be effective on October 1, 1976, and shall not apply to any agreement for the assignment of volunteers entered into before such date during the period of any such agreement.

Sec. 5. (a) Section 405 of the Act is amended by adding at the end thereof the following new subsection:

"(d) In the event that a National Advisory Council to the ACTION Agency is established by administrative action after January 1, 1976, the provisions of subsections (a), (b), and (c) of this section shall apply to any such Council.".

(b)(1) Title IV of the Act is amended by striking out section 413.

(2) The table of contents for the Act is amended by striking out the item relating to section 413.

Sec. 6. (a) Section 501(a) of the Act is amended by striking out "and" immediately after "June 30, 1975," and by inserting immediately after "June 30, 1976," the following: "September 30, 1977, and September 30, 1978,".

(b) Section 503 of the Act is amended by striking out "and" immediately after "June 30, 1975," and by inserting immediately after "June 30, 1976," the following: "September 30, 1977, and September 30, 1978,".

(c) Section 504 of the Act is amended by striking out "and" immediately after "June 30, 1975," and by inserting immediately after "June 30, 1976," the following: "September 30, 1977, and September 30, 1978,".

Sec. 7. Section 211 of the Act is amended by adding at the end thereof the following new subsections:

'(c)(1) Any public or private nonprofit agency or organization responsible for providing person-to-person services to a child in a project carried out under subsection (a) of this section shall have the exclusive authority to determine, pursuant to the provisions of paragraph (2) of this subsection—

"(A) which children may receive supportive person-to-person services under such project; and

"(B) the period of time during which such services shall be continued in the case of each individual child.

"(2) In the event that such an agency or organization determines that it is in the best interests of a mentally retarded child receiving, and of a particular Foster Grandparent providing services in such a project, such relationship may be continued after the child reaches the chronological age of 21: *Provided,* That such child was receiving such services prior to attaining the chronological age of 21.

"(3) Any determination made by a public or nonprofit private agency or organization under paragraphs (1) and (2) of this subsection shall be made through mutual agreement by all parties involved with respect to the provision of services to the child involved.

"(d) For the purposes of this section, the terms 'child' and 'children' mean any individual or individuals who are less than 21 years of age.".

The SPEAKER. Is a second demanded?

Mr. QUIE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from California (Mr. Hawkins) will be recognized for 20 minutes, and the gentleman from Minnesota (Mr. Quie) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from California (Mr. Hawkins).

Mr. HAWKINS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 12216 is a bill to extend the authorization for appropriations for the Domestic Volunteer Service Act of 1973, as amended. This act established the ACTION Agency which is an umbrella organization for various volunteer programs.

This bill has been developed in close cooperation with the ranking minority member of the Subcommittee on Equal Opportunities and in consultation with the ACTION Agency.

H.R. 12216 was unanimously reported by the Education and Labor Committee this morning, May 4. Because of the necessity to move the bill quickly to the floor, I am submitting for myself and Mr. Quie an explanatory statement on the bill in lieu of a committee report at the conclusion of my remarks.

We are asking that the bill be brought up under suspension of the rules in order that the requirements of the Budget Act may be complied with by both the House and Senate.

H.R. 12216 amends the Domestic Volunteer Service Act of 1973, by extending the authorization for appropriations through fiscal year 1978. It allows certain changes in other provisions of the act as well.

During the course of the hearing held by the Subcommittee on Equal Opportunities on the extension of authorization for ACTION, certain problems came to light with regard to some ACTION programs. As Chairman of the subcommittee and cosponsor of H.R. 12216, I am inserting on behalf of my and Mr. Quie's comments into the Record on some of these matters. In addition, I am also inserting the committee's comments on the Foster Grandparents program.

UNIVERSITY YEAR FOR ACTION

It is our belief that the funding for a program which has proved its worth and effectiveness—the University Year for ACTION should be preserved. There is no opposition to expansion of other programs which encourage students to participate in service-learning projects, however, it is believed that this expansion should not occur at the expense of UYA. Therefore, the 10-percent restriction on the use of UYA funds for other service-learning programs may be lifted only when the appropriation for UYA exceeds $6.7 million. The lifting of the restriction applies only to those funds in excess of $6.7 million.

SPECIAL VOLUNTEER PROGRAMS

The amendment to section 122(c) of the act is intended to clarify the authority of the Director to undertake and support volunteer service programs, and to recruit, select, and train volunteers to carry out the purposes of part C of title I of the act.

It is recognized that the Agency may wish to establish programs using business volunteers. It is believed that the authority in section 122(a) is sufficient to establish such programs. While recognizing that this authority is contained in section 122(a), it is not intended that the Director may establish programs which in any way duplicate programs authorized under title III of the act and administered by the Small Business Administration.

TECHNICAL AND FINANCIAL ASSISTANCE

Section 3(b) of H.R. 12216 amends the act by adding a new section 123 which authorizes the agency to provide technical and financial assistance to Federal agencies, State and local governments and agencies, and private nonprofit organizations, which use or desire to use volunteers to carry out the purpose of part C of title I of the act.

It is intended that the authority granted the agency to render technical and financial assistance for improving volunteer programs is restricted to the provisions of services which are not already rendered by existing programs in the public and private sectors.

NATIONAL ADVISORY COUNCIL

With respect to section 405(a) regarding the membership of the National Advisory Council, the language of the statute is not intended to restrict membership to those benefited by programs carried out under this act and the Peace Corps Act. Public-spirited individuals with interest and experience in volunteerism and others whose expertise and talent qualify them for service as advisors to the Director may also be selected. It is not the intention of the committee to require that the Advisory Council be made up of any fixed number of members or that some places on the council be reserved for members with a highly specific type of service in certain individual programs, except as provided by section 405 (a) of the Domestic Volunteer Service Act of 1973, as amended.

LIMITATIONS

The new section 108 allows a change in the funding of VISTA projects. Previously the funding for VISTA projects came almost entirely from the agency with local sponsors contributing the cost of transportation and supervision. With the new provision the agency is authorized to establish volunteer programs with local sponsors in which the local sponsor may be required to contribute to the direct cost of supporting volunteers. The agency is authorized to use up to 20 percent of the funds appropriated for this part for such purposes.

Previously, the type of funding which section 108 allows was restricted to programs authorized by part C, title I of the act. Two of the principal programs developed under this authority were the program for local service—PLS—and the action cooperative volunteer.

In some instances the PLS has been used as a manpower type of program in areas where the level of unemployment has become very high. Such was the case in the State of Washington. There is some concern regarding the use of the PLS in this manner. It is believed that such programs are more effectively and efficiently administered by the appropriate agencies of the Department of Labor. In addition, the stipends paid under the PLS are less than the minimum wage. Therefore, instead of truly alleviating the effects of unemployment and resulting economic deprivation, the PLS could perpetuate its participants in poverty. There is opposition to such use of PLS and any other programs which may be established or continued under the authority given to the agency to enter into agreements with local sponsors for volunteer programs which call for contracts, grants or cost-sharing.

FOSTER GRANDPARENT PROGRAM

The committee recognizes that through the years, the foster grandparent program has focused its attention on "children" and that "children" have traditionally been defined by agency regulations as being "persons under 18 years of age." As part of Public Law 94-135, the Older Americans Amendments of 1975, the Congress took steps to allow individuals who are mentally retarded and are receiving services in foster grandparent programs to continue to receive services past the chronological age of 21. This flexibility was given through language inserted in the statement of managers which was part of the House-Senate conference report rather than in the law itself. Since that action was taken, however, the committee has concluded that considerable confusion still exists and therefore has included in the language of the legislation itself what it believes to be definitive guidance in this matter.

The provision allows that any public or private nonprofit agency or organization which is providing foster grandparent services has the complete and exclusive authority to determine:

First, which children may receive such services; and,

Second, the length of time a child may receive those services.

In giving total discretion and control to local program operators, the committee recognizes that the individuals on the local level are best able to make the judgment of what is best for the individuals who receive program services as well as what is best for the foster grandparents who provide them.

At the same time, by allowing total flexibility, the committee does not intend that the general traditional focus of "children" will be discarded. The foster grandparent program has been successful in working with the traditional "children" population and it is expected that programs throughout the country will continue to do so.

The committee recognized one major exception to this rule, as it pertains to the mentally retarded. The committee was aware that there are programs in which the same retarded individuals have been receiving services for several years and now many of these individuals are approaching the chronological age of 21 or have even passed it. Because agency regulations in the past have prohibited continuation in the program, those over the chronological age of 21 had to be dropped. The committee placed a provision in the legislation which supplements the local determination authority. If the agency or organization responsible for operating the foster grandparent program determines that it is in the best interest of a mentally retarded child who is participating in the program, and the foster grandparent who is providing the service to that child, then that "child" may continue in the program past the chronological age of 21. In the legislation the committee inserted a provision which says that if an individual is to be retained beyond the chronological age of 21, such continuation shall be made through the mutual agreement by all parties involved with respect to the provision of services to the child involved." This means that if an agency desires to continue a retarded child past the chronological age of 21, the agency and the grandparent must agree that it is in the best interest of the child to do so. If there is no mutual agreement, then the child may not be continued in the program.

It must be emphasized that it was not our intent that the foster grandparent programs be thrown open to any retarded individual regardless of chronological age; the committee put in the specific proviso which limits the participation of any mentally retarded child who has passed the chronological age of 21 to only those individuals who were enrolled in and receiving services from the project prior to attaining the chronological age of 21.

Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky (Mr. Perkins), the chairman of the full committee.

Mr. PERKINS. Mr. Speaker, I would like to take this opportunity to thank the gentleman from California (Mr. Hawkins) and the gentleman from Minnesota (Mr. Quie) for their diligent work in bringing to the floor of the House today legislation to extend the authorization of appropriations for the various programs carried out by the ACTION Agency.

The ACTION Agency was established with the passage of the Domestic Volunteer Service Act of 1973 to administer and coordinate various domestic volunteer programs. ACTION serves as an umbrella agency for antipoverty, older American, and small business volunteer programs previously scattered throughout the Federal Government departments.

H.R. 12216 extends the authorization of appropriations for these programs through fiscal year 1978. In addition, the bill: First, adds a new section which would allow up to 20 percent of the funds appropriated for part A, title I—VISTA—to be used for grant and contract programs; and second, lifts the 10-percent restriction on expenditure of funds for service-learning programs in any year that the funds for the University Year for ACTION program exceed $6.7 million. The restriction is lifted for that portion of the funds which exceeds $6.7 million.

The bill maintains the funding floor for the antipoverty programs at $29.6 million. Such sums as may be necessary are authorized to be appropriated for title I—poverty programs, title III—small business volunteer programs, and title IV—administration and coordination.

A letter and cost estimate of the bill follows:

CONGRESS OF THE UNITED STATES,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., April 30, 1976.

HON. CARL D. PERKINS,
Chairman, Committee on Education and Labor, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for H.R. 12216, a bill to amend the Domestic Volunteer Service Act of 1973.

Should the Committee so desire, we would be pleased to provide further details on the attached cost estimate.

Sincerely,

ALICE M. RIVLIN,
Director.

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE, H.R. 12216

A bill to amend the Domestic Volunteer Service Act of 1973 to extend certain authorizations of appropriations for two additional fiscal year, and for other purposes.

PURPOSE OF BILL

This bill modifies a number of provisions of the Domestic Volunteer Service Act of 1973. Several sections of the bill limit the use and allocations of appropriated funds, while others make certain administrative and programmatic changes. The major purpose of the bill, from the standpoint of cost, however, is the extension through FY 1978 of authorizations for appropriations for certain programs administered by ACTION. These extensions would allow "such sums as may be necessary" to be appropriated for fiscal years 1977 and 1978.

COST ESTIMATE

(dollars in millions)

Assumed Funding Level, FY 77, 56.2; FY 78, 59.1; FY 79, —; FY 80, —; FY 81, —.

Costs—FY 77, 28.8; FY 78, 55.4; FY 79, 28.7; FY 80, 2.4; FY 81, —.

BASIS FOR ESTIMATE

Since this bill authorizes "such sums as may be necessary" to be appropriated, it was necessary to make a determination of the funding levels needed to meet the goals of the programs reauthorized by this bill. Congress' latest determination in this regard is represented by these programs' FY 1976 appropriations levels. It was therefore assumed that by maintaining that FY 1976 level in real terms, the goals of the programs in FY 1977 and FY 1978 would be met. Thus, the funding level above was calculated by inflating that FY 1976 level ($53.2 million) by the latest CBO-established Consumer Price Index in FY 1977 and FY 1978. Costs were then determined using agency estimated spending patterns.

ESTIMATE COMPARISON

Not Applicable.

PREVIOUS CBO ESTIMATE

Not Applicable.

ESTIMATE PREPARED BY

Roger C. Faxon (225-4972).

ESTIMATE APPROVED BY

James L. Blum, Assistant Director for Budget Analysis.

Mr. QUIE. Mr. Speaker, I rise in support of H.R. 12216. As the gentleman from California indicated, there were some amendments that were adopted and I believe that they are excellent amendments. They will give more flexibility to ACTION, the agency which administers the volunteer programs.

There is tremendous benefit and support to individuals of the country through the concept of volunteerism. Many Members know some of the programs. Probably the Foster Grandparent Program is the one the Members may know better than any other, but there are programs for young people too.

The legislation before us extends the ACTION Agency for 2 more years. I believe that during the short life of this Agency it has proven to be a capable and responsible force for encouraging, developing, and promoting volunteerism throughout the country. Through the years, it has given thousands of Americans the opportunity to share part of their lives with others and make a contribution which has real meaning.

Because the Agency has been working well, the committee did not feel the need to make many changes in the law. As a matter of fact, the changes are quite moderate but I believe are quite significant in that they will give the Agency far more flexibility to carry out its basic mission.

The first change will allow the Director the flexibility to use up to 20 percent of the funds under part A of title I of the act for grant and contract programs. Part A authorizes among other things, the VISTA program. With the 20 percent flexibility, the Director will be able to utilize the "cost-sharing" concept which he is not permitted to do under the existing law. I became aware of the importance of the cost-sharing concept when I visited the United Tribes Vocational School in Bismarck, N. Dak. They presently operate several programs funded by the ACTION Agency, including a VISTA program. They indicated to me that they could operate a VISTA program much better through a grant arrangement.

Given the financial limitations of Indian tribes in general, I felt it significant that they liked ACV even with 50 percent cost-sharing. Cost-sharing should improve the program and permit the agency to actually increase the number of volunteers without increasing the Federal funds. I believe that if communities are willing to share the costs of supporting a volunteer program, it will be a true measure of the value that they place on volunteer services. I think that this is a positive step which will enhance the program.

To say that the administration is totally in support of this bill would not be accurate. The President's budget requested less money for VISTA, less money for the University Year of ACTION than we authorize in our bill. As we developed the bill in the committee, I felt that some concern existed about a possible ulterior motive because we wanted to change the law and give greater flexibility to the Director to cost share in VISTA programs. In order to guarantee that there was no ulterior motives on our part, I agreed to continue the floor at $26,300,000 for VISTA and $6,700,000 for the University Year of ACTION, so that the other changes would not in any way reduce those programs that had been felt by some people to be of utmost importance and that they wanted continued.

Mr. Speaker, I think it is necessary to explain what the committee did regarding the National Advisory Council to the ACTION Agency. The committee retained the language authorizing but not requiring the Director to establish a national council. The language was retained simply as a guide so that if the present Director or a future Director chooses to reconstitute the Advisory Council, he may do so. It is my understanding that the chairman of the subcommittee (Mr. HAWKINS) is inserting in the RECORD today the committee's report. In the report, the committee added the following language which gives guidance as to what the Director may do and replaces the instructions placed in the "Joint Explanatory Statement Regarding: House/Senate Compromise on S. 1148/H.R. 7265," inserted in the RECORD, September 19, 1973.

The new report language says:

> With respect to Section 405(a) regarding the membership of the National Advisory Council, the language of the statute is not intended to restrict membership to those benefited by programs carried out under this Act and the Peace Corps Act. Public spirited individuals with interest and experience in volunteerism and others whose expertise and talent qualify them for services as advisors to the Director may also be selected. It is not the intention of the Committee to require that the Advisory Council be made up of any fixed number of members or that some places on the Council be reserved for members with a highly specific type of service in certain individual programs except as provided by section 405(a) of the Domestic Volunteer Service Act of 1973, as amended.

The committee made one other significant change in the legislation. We added a provision which will allow mentally retarded children who are enrolled in the Foster Grandparent program to remain in the program past the chronological age of 21. The following is an explanation of the committee's reasons and the action we took:

The committee recognized that through the years, the Foster Grandparent program has focused its attention on children and that children have traditionally been defined by agency regulations as being "persons under 18 years of age." As part of Public Law 94-135, the Older Americans Amendments of 1975, the Congress took steps to allow individuals who are mentally retarded and are receiving services in Foster Grandparent programs to continue to receive services past the chronological age of 21. This flexibility was given through language inserted in the statement of managers which was part of the House-Senate conference report rather than in the law itself. Since that action was taken, however, the committee concluded that considerable confusion still exists and therefore has included in the language of the legislation itself what it believes to be definitive guidance in this matter.

The provision allows that any public or private nonprofit agency or organization which is providing Foster Grandparent services has the complete and exclusive authority to determine:

First, which children may receive such services; and

Second, the length of time a child may receive those services.

In giving total discretion and control to local program operators, the committee recognized that individuals on the local level are best able to make the judgment of what is best for the individuals who receive program services as well as what is best for the Foster Grandparents who provide them.

At the same time, by allowing total flexibility, the committee does not intend that the general traditional focus of "children" will be discarded. The Foster Grandparent program has been successful in working with the traditional "children" population and it is expected that programs throughout the country will continue to do so.

The committee recognized one major exception to this rule, as it pertains to the mentally retarded. The committee was aware that there are programs in which the same retarded individuals have been receiving services for several years and now many of these individuals are approaching the chronological age of 21 or have even passed it. Because agency regulations in the past have prohibited continuation in the program, those over the chronological age of 21 had to be dropped. The committee placed a provision in the legislation which supplements the local determination authority. If the agency or organization responsible for operating the Foster Grandparent program determines that it is in the best interest of a mentally retarded child who is participating in the program, and the Foster Grandparent who is providing the service to that child, then that "child" may continue in the program past the chronological age of 21. In the legislation the committee inserted a provision which says that if an individual is to be retained beyond the chronological age of 21, such continuation "shall be made through the mutual agreement by all parties involved with respect to the provision of services to the child involved." This means that if an agency desires to continue a retarded child past the chronological age of 21, the agency and the Grandparent must agree that it is in the best interest of the child to do so. If there is no mutual agreement, then the child may not be continued in the program.

It must be emphasized that it was not our intent that the Foster Grandparent programs be thrown open to any retarded individual regardless of chronological age; the committee put in the specific proviso which limits the participation of any mentally retarded child who has passed the chronological age of 21 to only those individuals who were enrolled in and receiving services from the project prior to attaining the chronological age of 21.

I urge my colleagues to support this legislation and support those floors that we left remaining in the bill. The floor for VISTA is the same as in the present act. The floor for the University Year of ACTION is not in the present act. I believe as we look at these levels and the new cost-sharing provisions in the next few years, we will find that they will expand the opportunity of ACTION to stimulate the kind of volunteerism, not only in the present programs as they exist, but in giving assistance to the private sector, to encourage them to be more in volunteerism than they have been in the past.

I think this is going to make our country operate better. We do it with less Federal direction. We do it where we encourage people in the private sector to be helping each other. Most of all, those who are less fortunate are going to benefit immensely from this. I believe the amendments are good and the money we spend on them is well spent.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Speaker, I inquire of the gentleman as to when the bill was reported out of the committee. Having gone to the desk, I found the only thing available under the designation of H.R. 12216 was a simple extension.

Mr. QUIE. We reported it out of the Committee on Education and Labor this morning. The bill, as amended, is here at the desk, if anybody wants to see it, as we changed it. We reported it out of the subcommittee some time ago; but the gentleman from California and I had some differences of opinion. We were working out the language for a long period of time and that was the reason for the delay. Because the full committee does not meet at all times, today was the first meeting of the committee in which we could take it up. This was the last day under suspension. This is why it came out in that close order.

Mr. BROWN of Michigan. Mr. Speaker, I notice the measure before us is a subcommittee print and it shows a date of April 23, 1976, which would be the date, I believe, it was introduced as a subcommittee print.

I would respectfully suggest that is not a long time ago.

Second, I would inquire of the gentleman as to why it is necessary to act at this time? When does the program expire, so that the extension would be necessary?

Mr. QUIE. I would say the subcommittee print was printed recently, but the action taken by the subcommittee was done some time ago. The law expires on June 30 of 1976. We could defer action, but we have the budget resolution requirement that legislation be brought out of our committee by May 15. I understand the desire now is to complete work on it so we can make our plans for appropriations in the budget resolution.

Mr. BROWN of Michigan. Will the gentleman yield further?

Mr. QUIE. Yes, I yield.

Mr. BROWN of Michigan. Then this action is being taken at this time to avoid the impact of the budget resolution on May 15?

Mr. QUIE. That is correct.

Mr. BROWN of Michigan. And if the gentleman will yield further, the gentleman is saying there is no opportunity to bring this up under a suspension or on the Consent Calendar between now and then?

Mr. QUIE. I would imagine there may have been a possibility, but I would yield to the gentleman from California if he wants to address himself to the question of bringing it up now.

Mr. BROWN of Michigan. I would respectfully suggest, that with respect to other measures where we have taken rather rapid action on them, that there was at least something for a Member to see in the way of a report or explanation prior to its coming to the floor. The gentleman knows that we could not, at the desk or elsewhere have picked up the piece of legislation we are now being asked to act upon. It was not available even as of this noon, unless one came over to the committee's desk. Is that not correct?

Mr. QUIE. That is correct, and I know it is not the way we usually operate, but I just want to assure the gentleman that in my view this legislation is sound legislation that is going to make the program function much better. I urge my colleagues to support it.

Mr. BROWN of Michigan. If the gentleman will yield further, I am forced to oppose this legislation on the basis of the mechanics by which it is being brought before the House, since I have had absolutely no opportunity to properly consider its merits.

Mr. QUIE. I hope the gentleman will reconsider, because he does have the bill before him which he can read, and he has had time here in which it could be read. He can determine whether it has the merits or not. If any Member wants to ask any questions of myself or the gentleman from California (Mr. HAWKINS) we would be glad to respond, if there are any questions at all about the legislation and its details and its merits.

Mrs. MINK. Mr. Speaker, I rise in support of the bill before us, H.R. 12216, the Domestic Volunteer Service Act Amendments of 1976, extending the authorization for the operation of domestic service programs by the ACTION Agency through fiscal year 1978 and allowing for variations in the funding of certain programs.

I have been a strong supporter of our volunteer programs such as VISTA and the Peace Corps since their inception in the 1960's. After their consolidation into the ACTION Agency, I have closely followed the progress of these programs and continue to be vitally concerned with their impact and continued success.

In the past I cosponsored authorizing legislation for the ACTION Agency and today am pleased to support the bill before us which among many provisions extends the Domestic Volunteer Service Act of 1973 through fiscal year 1978, adds a new section allowing up to 20 percent of the appropriated funds for the VISTA program to be used for grant and contract programs, lifts the 10 percent restriction on expenditure of funds for service learning programs in any year that funds for the University Year for ACTION program exceed $6.7 million, and provides that mentally retarded adults over the age of 21 can continue to be served by the Foster Grandparent program volunteers if they were enrolled in the program prior to attaining 21 years.

I am pleased that the Education and Labor Committee, of which I am a member, unanimously reported out this legislation and sent it to the floor today. I urge my colleagues to give it the same strong support.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. HAWKINS) that the House suspend the rules and pass the bill, H.R. 12216, as amended.

The question was taken.

Mr. BROWN of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 367, nays 31, not voting 34, as follows:

[Roll No. 232]

YEAS—367

Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Hightower
Hillis
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kelly
Kemp
Ketchum
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
Lundine
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rostenkowski
Roush
Rousselot
Roybal
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Zablocki
Zeferetti

NAYS—31

Archer
Ashbrook
Bauman
Brown, Mich.
Burleson, Tex.
Collins, Tex.
Crane
Flynt
Haley
Hansen
Hutchinson
Jarman
Kazen
McDonald
Mann
Michel
Milford
Paul
Poage
Roberts
Runnels
Satterfield
Schneebeli
Shuster
Snyder
Steiger, Ariz.
Symms
Taylor, Mo.
Teague
Wiggins
Young, Tex.

NOT VOTING—34

Abdnor
Anderson, Ill.
Bell
Bevill
Collins, Ill.
de la Garza
Edwards, Ala.
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Flowers
Fraser
Hayes, Ind.
Hébert
Hechler, W. Va.
Henderson
Hinshaw
Johnson, Colo.
Jones, Ala.
Kindness
Landrum
Macdonald
Madden
Murphy, N.Y.
Nix
Pattison, N.Y.
Pepper
Railsback
Rosenthal
Sarbanes
Stanton, James V.
Udall
Wilson, C. H.

The Clerk announced the following pairs:

Mr. de la Garza with Mr. Hébert.

Mr. Fraser with Mr. Abdnor.

Mr. Evans of Colorado with Mr. Railsback.

Mr. Flowers with Mr. Henderson.

Mr. Pepper with Mr. Hechler of West Virginia.

Mr. Udall with Mr. Kindness.

Mr. Hayes of Indiana with Mr. Pattison of New York.

Mrs. Collins of Illinois with Mr. Rosenthal.

Mr. Evans of Indiana with Mr. Landrum.

Mr. Murphy of New York with Mr. Anderson of Illinois.

Mr. Nix with Mr. Esch.

Mr. Bevill with Mr. Madden.

Mr. Macdonald of Massachusetts with Mr. Bell.

Mr. James V. Stanton with Mr. Eshleman.

Mr. Sarbanes with Mr. Edwards of Alabama.

Mr. Charles H. Wilson of California with Mr. Jones of Alabama.

Mrs. LLOYD of Tennessee changed her vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 12216, the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

APPOINTMENT AS MEMBERS OF U.S. GROUP OF NORTH ATLANTIC ASSEMBLY

The SPEAKER. Pursuant to the provisions of section 1, Public Law 689, 84th Congress, as amended, the Chair appoints as members of the U.S. Group of the North Atlantic Assembly the following Members on the part of the House: The gentleman from Ohio, Mr. Hays, chairman; the gentleman from New Jersey, Mr. Rodino; the gentleman from California, Mr. Phillip Burton; the gentleman from Illinois, Mr. Annunzio; the gentleman from Oklahoma, Mr. Jarman; the gentleman from California, Mr. Bob Wilson; the gentleman from California, Mr. Del Clawson; and the gentleman from Alabama, Mr. Edwards.

PROVIDING FOR CONSIDERATON OF H.R. 12704, AUTHORIZING APPROPRIATIONS TO THE OFFICE OF RESEARCH AND DEVELOPMENT, ENVIRONMENTAL PROTECTION AGENCY

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1142 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1142

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12704) to authorize appropriations for environmental research, development, and demonstration. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Technology, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from California (Mr. Sisk) is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. Lott), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1142 provides for consideration of H.R. 12704 authorizing appropriations for the Environmental Protection Agency's Office of Research and Development.

This is a 1-hour open rule with time equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Technology.

H.R. 12704 was originally reported to the House on March 25, 1976. It was recommitted to the Committee on Science and Technology on April 7, 1976, and reported back to the House with a proposed amendment on April 8, 1976. The proposed amendment requires the chairman of the Council on Environmental Quality, in cooperation with the heads of Federal agencies, to conduct an ongoing inventory of environmental research and development programs. The purpose of the amendment is to provide a repository for information about all efforts being conducted by all Federal agencies in the area of environmental research and development. It is hoped that such information could be used to determine where duplication of efforts are taking place and those areas where additional efforts might be made.

The bill authorizes a total of $256,567,000 for fiscal year 1977 for EPA's environmental research and development program. This amount is $16,633,100 above the administration's request. The committee has recommended that several programs in the functional categories of air, water quality, and interdisciplinary research and development receive funding in addition to that proposed by the administration.

Mr. Speaker, I urge my colleagues to adopt House Resolution 1142 so that we may proceed to the consideration of H.R. 12704.

Mr. Speaker, I know of no opposition to the rule and urge the adoption of the resolution.

Mr. Speaker, I reserve the remainder of my time.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as explained by the gentleman from California (Mr. Sisk), this rule provides for 1 hour of general debate on H.R. 12704, EPA research and development authorization, and that the bill shall be open to all germane amendments.

The purpose of this bill is to authorize $256,567,000 for fiscal year 1977, which is $16,633,100 above the administration's request.

Mr. Speaker, the administration supports this legislation.

Mr. Speaker, I have no requests for time, I support the resolution, and I yield back the remainder of my time.

Mr. SISK. Mr. Speaker, I ask unanimous consent that on page 2 of House Resolution 1142, in line 2, a correction in spelling be made in connection with the word "adoption."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 12234, LAND AND WATER CONSERVATION FUND ACT AMENDMENTS AND NATIONAL HISTORIC PRESERVATION ACT AMENDMENTS

Mr. YOUNG of Georgia. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 1157 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1157

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12234) to amend the Land and Water Conservation Fund Act of 1965, as amended, and to amend the Act of October 15, 1966, to establish a program for the preservation of additional historic properties throughout the Nation, as amended, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 12234, the Committee on Interior and Insular Affairs shall be discharged from the further consideration of the bill S. 327; and it shall then be in order in the House to move to strike out all after the enacting clause of said Senate bill and insert in lieu thereof the provisions contained in H.R. 12234 as passed by the House.

The SPEAKER. The gentleman from Georgia (Mr. Young) is recognized for 1 hour.

Mr. YOUNG of Georgia. Mr. Speaker, I yield the usual 30 minutes for the minority to the distinguished gentleman from Mississippi (Mr. Lott), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1157 provides for an open rule with 1 hour of general debate on H.R. 12234, a bill to amend the Land and Water Conservation Fund Act of 1965, as amended, and to amend the act of October 15, 1966, to establish a program for the preservation of additional historic properties throughout the Nation.

The resolution also provides that after the passage of H.R. 12234, the Committee on Interior and Insular Affairs shall be discharged from further consideration of the bill S. 327, making it in order for the House to strike all after the enacting clause of S. 327, and insert in lieu thereof the provisions contained in H.R. 12234 as passed by the House.

Mr. Speaker, this is one of the most important conservation measures to come before the 94th Congress. The bill would enlarge the land and water conservation fund and increase Federal matching funds available for the preservation of historic properties.

This legislation is an opportunity for wise investment to insure permanent protection of invaluable natural and historic treasures, and to enhance and expand the recreational and cultural resources available to the American people.

H.R. 12234 would increase the annual authorization for the land and water conservation fund from the present level of $300 million to $450 million in fiscal year 1978, $625 million in fiscal 1979, and $800 million each year after that, through fiscal 1989. These are substantial, but reasonable and badly needed increases in funds available to acquire Federal parklands, such as those in the national park system, and to provide matching grants to the States for parks and recreation facilities.

The bill also provides for an important new parks policy initiative by directing the Secretary of the Interior to review urban recreation needs, problems and opportunities, and to report back to the Congress in 1 year on options for meeting urban outdoor recreation needs. The Interior Committee has made it clear that the National Park Service and other Federal land managing agencies should play an active role in this study. Hopefully the result will be a specific plan for urban parks, and we can proceed to implement it.

The other major feature of this bill would increase funds for matching grants to the States for preserving historic properties from the present Federal level of $24.4 million to $75 million in fiscal years 1978 and 1979, and $100 million annually from fiscal year 1980 through 1989.

LAND AND WATER CONSERVATION FUND

Mr. Speaker, I would like to comment briefly now on the land and water conservation fund, which is a particularly suitable mechanism for meeting our conservation and recreation needs. Almost all of the money for the fund comes from offshore oil leasing receipts. It is appropriate that part of the Federal revenues from sale of the Nation's natural resources—in this case, offshore oil—can be reinvested in parks and recreation with permanent value to the people of this Nation.

The conservation fund, currently authorized at a level of $300 million annually, is allocated as follows: 60 percent goes to State and local governments in 50–50 matching grants for planning, acquisition, and development of parks and recreation facilities; 40 percent goes to Federal land acquisition. The fund is now the sole Federal funding source for purchasing land in the national park system.

Since the fund was established in 1964, $1.2 billion has been appropriated—and matched by State and local sources for State park systems and community outdoor recreation programs. Governmental units in my State of Georgia have received $24.5 million in these matching grants for planning, acquisition, and development for parks and recreation throughout the State.

The fund has provided an additional $800 million for land acquisition by the Federal agencies involved in managing recreation lands, such as the National Park Service.

There are several very solid reasons why Congress should now enlarge the land and water conservation fund.

For one thing, as the Interior Committee points out in its report on this bill, inflation has reduced the purchasing power of the fund.

For another, the fund has been receiving a declining percentage of offshore oil leasing receipts. In the early years of this program, about one-third of the leasing receipts went into the conservation fund. As the leasing program expanded, however—in recent years offshore oil leasing receipts have averaged more than $4 billion annually—a smaller percentage of the receipts went to the fund. Only about 5 percent of current receipts can be committed to the fund today.

The most compelling reason for increasing the fund is the obvious need to expand our park and recreation programs at all levels of government.

On the "Federal side" of funds available from the land and water conservation fund, for example, we now have a backlog of more than $500 million worth of lands already authorized to be included in the national park system, but not yet acquired. It would take an additional $1 billion or more to acquire recreation lands needed in the national forests.

On the "State side" of the fund, there are similar legitimate and urgent demands for additional money. The committee has cited a recent study which found that the States right now could activate about $600 million worth of projects if matching grants were available.

Finally, we need to increase the amounts available from the land and water conservation fund because the Nation must make a commitment to better park and recreation opportunities in our urban areas, where the people are—and obviously land costs are going to be relatively high in these areas. We should act before these land values go even higher, as they are sure to do.

To those who are concerned about larger Federal expenditures, I would ask: If we do not enlarge the land and water conservation fund now, what will we say 15 or 20 years from now, when the cost of resources and facilities needed for parks and recreation has doubled or tripled? Or what will we say 50 years from now, when there is no more land and water to conserve?

Mr. Speaker, as a cosponsor of this legislation and a similar measure in the previous Congress, I urge the adoption of it without weakening amendments.

Let me take this opportunity to commend the Interior Committee, and especially the Subcommittee on National Parks and Recreation, for the hard work and careful thought which have produced this bill. The subcommittee chairman, ROY A. TAYLOR, has decided to retire at the end of this term after a distinguished career of public service. During the 9 years in which Representative TAYLOR has chaired the Subcommittee on National Parks and Recreation, the Congress has doubled the acreage in our national park system. In other words, the subcommittee under the leadership of Representative TAYLOR has displayed remarkable foresight and genuine care about our diminishing natural treasures and our recreational needs. The legislation before us today can be another milestone in the achievements of Representative TAYLOR and his committee colleagues.

Mr. Speaker, let me conclude by observing that this legislation has the strong support of leading environmentalists and conservation groups in Georgia.

Additionally, many national organizations have worked for and are supporting passage of this. An example of this national support can be found in a memorandum, which I hereby submit for the RECORD, from a number of these groups to our colleague Representative JOHN F. SEIBERLING, who is a member of the Subcommittee on National Parks and Recreation and a leading advocate of the objectives of the legislation before us.

MEMORANDUM

APRIL 27, 1976.

Re views on H.R. 12234.
To Hon. JOHN F. SEIBERLING,
U.S. House of Representatives:

In response to your request for views on Land and Water Conservation Fund Act and Historic Preservation Act amendments, several organizations discussed the various aspects of H.R. 12234 and other anticipated amendments.

As many of us have previously testified, we strongly support the principal aspects of H.R. 12234—increasing the Land and Water Conservation Fund incrementally over a three-year period to $800 million, and establishing a historic preservation fund, increasing incrementally to $100 million in FY 80.

The record of Land and Water Conservation Fund Act and Historic Preservation Act implementation clearly sets them above many other Federal efforts. Over the last ten years for instance, LWCF resources have aided over 13,500 state and local park planning, acquisition and development projects. State and local governments have matched this Federal commitment.

Public demand for park and recreation resources continues at a high level. In 1975, National Park System recreation visits exceeded 200 million; state park visits exceeded 550 million; and use of local park and recreation resources exceeded 2 billion visits.

This demand translates directly into funding needs. After consultation with 54 state outdoor recreation liaison officers in 1974, the Bureau of Outdoor Recreation estimated that $45.6 billion would be necessary to meet state and local park and recreation capital projections over a 15-year period. This means a $23 billion LWCF demand. At the current authorized level ($300 million) over the remaining statutory life of LWCF, only $2.7 billion or 12 percent of these dollars will be available.

The Federal LWCF demand is also substantial, and BOR estimated that $2.9 billion is necessary to meet current known and estimated funding needs. For instance, in 1975 an estimated $698 million was needed to complete acquisition in authorized areas of the National Park Service, Forest Service, Fish and Wildlife Service and Bureau of Land Management. Over $1.4 billion is needed to purchase National Forest System and National Park System inholdings, and the estimated cost of pending or proposed legislation exceeds $550 million.

Historic preservation funding needs are equally substantial. Grants to state and local governments for planning, stabilization and restoration of historic preservation have totaled only $61.2 million since 1966, while identified state and local funding estimates for FY 76 alone exceeded $214 million.

The LWCF is now funded in part through Outer Continental Shelf lease and royalty receipts and the historic preservation fund would also be supported from these national resources, now totalling about $3 billion annually. It is appropriate, we believe, to reinvest these revenues in other natural and cultural resource programs providing long-term public benefits.

While some of the undersigned organizations differ on other proposed amendments we are united in our support for the LWCF and historic preservation fund authorization levels proposed in H.R. 12234.

National League of Cities.

U.S. Conference of Mayors.
Sierra Club.
National Governors Conference.
The Nature Conservancy.
North American Wildlife Federation.
National Association of County Park and Recreation Officials.
Izaak Walton League of America.
Citizens Committee on Natural Resources.
Defenders of Wildlife.
National Recreation and Park Association.
Preservation Action.
National Association of Counties.
Friends of the Earth.
National Association of State Park Directors.
Wildlife Management Institute.
Sport Fishing Institute.
National Conference of State Legislatures.
National Wildlife Federation.
National Association of State Outdoor Recreation Liaison Officers.

Mr. Speaker, I urge the adoption of House Resolution 1157 in order that we may discuss, debate and pass H.R. 12234.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as explained by the gentleman from Georgia, House Resolution 1157 provides for a 1 hour, open rule for the consideration of H.R. 12234, the Land and Water Conservation Fund Act Amendments of 1976. The rule further permits the bill to be read by titles instead of by sections and makes in order in the House a motion to strike all after the enacting clause of S. 327 and insert in lieu thereof the provisions of H.R. 12234 as passed by the House.

The principal features of this legislation are to increase the funding and change the distribution formula for the land and water conservation fund. The current limit in the law for the fund per year is $300,000,000. This bill proposes to raise that limit in steps to $800,000,000 by 1980. The allocation formula for distribution of moneys to the States is revised in the bill so that the more populous States may receive a larger percentage of the fund at the upper authorized levels.

The land and water conservation fund is the source of land acquisition money for our Federal recreation lands. The National Park System, Forest Service recreation areas, and certain other lands are all purchased with appropriations made from the fund. In addition, approximately 60 percent of the fund will go to the States under this bill in the form of matching grants for outdoor recreation programs. These grants will go to every State in the Union to support local park and recreation areas.

H.R. 12234 also proposed to amend the Historic Preservation Act of 1966 to establish a fund at a level of $24,400,000 for 1977 and up to $100,000,000 yearly by 1980 to expand the program of matching grants for historic preservation. This fund is designed to draw its revenue from Federal Outer Continental Shelf leasing receipts.

Mr. Speaker, I support this rule, but I have some problems with the legislation itself. As the bill now proposed, 36 States stand to lose money and only 14 States stand to gain under the change in the distribution formula provided in title I. The reason given for this revision, as I understand it, is so that more recreational facilities and parks can be built in the urban areas. I do not question the need of the cities for these parks, but I do not believe it is equitable to take funds normally earmarked for rural regions and spend them in other sections of the country. Rural America has just as great a need and just as great a desire to participate in these recreational programs as do the cities.

Therefore, while I favor passage of the rule, I do object to the formula change. I am advised that an amendment will be offered to correct this situation, and I would encourage support for this amendment.

Mr. YOUNG of Georgia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the subject of the bill (H.R. 12704).

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING APPROPRIATIONS TO THE OFFICE OF RESEARCH AND DEVELOPMENT, ENVIRONMENTAL PROTECTION AGENCY

Mr. TEAGUE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12704) to authorize appropriations for environmental research, development, and demonstration.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. Teague).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12704), with Mr. Smith of Iowa in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. Teague) will be recognized for 30 minutes, and the gentleman from Kansas (Mr. Winn) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Texas (Mr. Teague).

Mr. TEAGUE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill under consideration by the House, H.R. 12704, authorizes $256,567,000 to support the research program of the Environmental Protection Agency during the forthcoming fiscal year.

The amount requested by the administration for this purpose was approximately $240,000,000, a decrease of about $16 million from the funding level requested by the administration for these purposes last year. Considering the impact of inflation, the administration's request for fiscal year 1977 represents an even more substantial reduction in the level of effort in this important work.

Let me point out that the research program originally proposed by EPA for fiscal year 1977 was reduced by the Office of Management and Budget by more than $42 million. The committee voted to restore only about one-third—$16.6 million—of the OMB reduction, and this small increase will be applied to selected types of research.

The legislation before this body is the result of long hours of hearings and the hard work of the Subcommittee on the Environment and Atmosphere under the leadership of the subcommittee chairman, George Brown, and ranking minority member, Larry Winn. I commend them both for their *dedication* and effort.

Mr. Chairman, the research conducted by EPA's Office of Research and Development provides the valid scientific data which is the essential foundation for the standards and regulations promulgated by the Agency in performance of its mission—the protection and enhancement of the environment.

The modest increases proposed by our committee in this bill were made largely to support research on the health and ecological effects of environmental pollution. This is extremely important work. Expert testimony brought out the fact that there is growing evidence indicating the causes of most cancer in humans, perhaps as much as 80 percent of all malignancies, are environmentally related. Continued research is the only way we can hope to have a full understanding of this problem.

Mr. Chairman, EPA's research program is carried out under the mandates of six Federal statutes. Congress has made it clear that the unthinking contamination of our water and air which occurred in the past must be stopped. We now have a national commitment to a healthy environment.

We believe the authorization for environmental research provided by this bill is fully justified. It has the support of our entire committee, and I urge the support of all our colleagues in the House.

Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. Brown), the chairman the subcommittee, to handle the bill.

Mr. BROWN of California. Mr. Chairman, I rise in support of H.R. 12704. I think we can be relatively brief with this legislation. This bill authorizes the fiscal year 1977 program for the Office of Research and Development of the Environmental Protection Agency. This is the office which conducts the basic research and generates the scientific data on which the Environmental Protection Agency's regulations are based.

Mr. Chairman, it is the view of the members of the committee that it is extremely important that we have a sound base in necessary research in order to support the promulgation of regulations by the EPA. Within the subcommittee, with the close cooperation of the gentleman from Kansas (Mr. WINN), the acting ranking minority member, we have had practically no disagreement about the details of the bill or the figures contained in this legislation. As was pointed out by our distinguished colleagues from the Committee on Rules, the bill authorizes $256.5 million, which is a very slight increase of only $16.6 million over the administration's request. The committee's increases apply to certain selected programs where the administration seemed to have cut into areas of research in which the House had previously indicated a stronger interest than usual, and we felt that the Members of the House would not particularly appreciate that, so we restored a portion of these funds.

Mr. Chairman, the intent of EPA's research and development program is to produce scientifically valid information and pollution control technology to support our national policy on environmental protection as expressed in at least eight major pieces of legislation adopted in the past decade. Environmental research authorized by this bill supports the development of effective pollution control strategies and the promulgation of reasonable and viable environmental standards and regulations.

EPA's research program emphasizes the identification and solution of current real-world pollution problems, and provides technical support to EPA's Regional Offices, and to State and local governments. Such scientific support is essential to the ultimate success of the overall EPA mission—the protection of human health and the environment.

H.R. 12704 authorizes a total budget for EPA's Office of Research and Development of $256.5 million for fiscal year 1977. This amounts to $16.6 million more than the administration's request, but the increase merely brings the budget up to the level requested by the administration for the current fiscal year. When inflation is taken into account, the budget we recommend today is substantially less than last year's budget.

Our Subcommitee on the Environment and the Atmosphere, which I have the honor to chair, held extensive hearings on this bill, and the modest changes we are recommending were selected very carefully. Of the $42 million cut from the Agency's proposed research budget by OMB, our committee voted to restore only $16.6 million. A major portion of these funds will be devoted to the study of health and ecological effects of environmental pollution.

Mr. Chairman, research into the health effects of environmental pollution is one of the Nation's most urgent tasks. Contaminants in our air and water are increasingly recognized as major contributors to illness, and in some cases death, of our people. The toll exacted by pollution is not yet fully understood, but there is growing evidence that the causes of many of our most terrible diseases, including cancer, can be traced to exposure to pollutants in our air and water which men have unwittingly placed there. If ever there was a strong justification for a vigorous research program, it certainly exists in this case.

Mr. Chairman, environmental research is exceedingly complex. Many new pollutants are entering the environment every year. Unfortunately, we know little about their effects either on man or the ecosystem. While it is true that modern industrial technology is advancing at a rapid rate, the institutional structure for dealing with environmental problems is still in the process of evolving. EPA is only 6 years old. In our opinion, no other regulatory agency intimately affects so many aspects of today's complex society.

In order to make the best possible decisions under these circumstances, an active research program to develop accurate scientific and technical information is of the utmost importance. The results of EPA's research program will allow those who bear the responsibility for these difficult matters to reach well-informed and balanced decisions.

Prudent environmental management can only rest on a sound scientific and technical basis. Even then it is often the case that decisions must be made under circumstances of great uncertainty. The purpose of EPA's research arm is to define the problem, propose alternative solutions and thus bound the scientific and technical uncertainty as much as possible. This objective scientific information then serves as input into a decisionmaking process that must weigh other factors such as competing national needs, in deciding if, what kind, and when action should be taken to address an environmental problem.

Mr. Chairman, EPA is expected to play a leadership role in environmental matters not only in the United States, but abroad as well. This responsibility to provide leadership encompasses the Agency's regulatory actions and also its research programs which provide the foundation for the regulatory actions. EPA serves as a focal point for many environmental concerns and problems. Its research program is faced with the challenge of identifying the magnitude and significance of these problems, and developing and assessing alternative solutions.

Let me close by saying that EPA's research program authorized by H.R. 12704 is smaller than I, personally, would prefer. It will be supported in fiscal year 1977 by a lower budget than the current fiscal year, and this is the second year in a row that the research budget has declined.

This authorization bill reflects a sensitivity to the financial constraints which our Nation faces, and I believe it deserves the support of all our colleagues in the House.

I might point out briefly that while there is no substantial argument with regard to the dollar figures contained in this bill, this does not mean that the EPA research program is without controversy in some areas. There was considerable debate within the subcommittee and within the full committee with regard to whether we are achieving the necessary research information that we need to justify some of the EPA regulations.

There is a problem with regard to coordination with research. I think we have pointed out that the Environmental Protection Agency does not conduct all of the environmental research conducted by the Federal Government. It does about 20 percent of it, and there is a serious question as to whether the totality of the environmental research conducted by some 18 agencies makes a comprehensive whole which fulfills the needs of the Nation. So, we have been concerned about this matter of coordination of the research program.

With the cooperation of the gentleman from Kansas (Mr. WINN) the subcommittee sought to include language in this bill which would lay greater stress upon this need for more adequate coordination.

I might add that the committee devoted a full day of hearings within the last month to the question as to whether or not certain research results relating to sulfur dioxide had been properly guided a few years back, and that is a matter of continuing investigation because the integrity of the research has to be above question.

These are some of the areas in which the subcommittee feels continuing attention is necessary, aside from the actual amount of dollars which are authorized and expended to support EPA's research program which, as I said earlier, are not really substantially in question. The bill was reported on a voice vote, with no objections, in the subcommittee. The same thing occurred in the full committee.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from New York.

Mr. OTTINGER. During markup before the Subcommittee on Environment and the Atmosphere I offered an amendment which would have restored $800,000 to the research and development effort of EPA's Office of Radiation, for a total of $1.6 million.

My concern in offering that amendment was to be certain that EPA would have the capability to have some oversight over radiation health effects research being undertaken by the Nuclear Regulatory Commission and the Energy Research and Development Administration. Those two agencies already have substantially higher radiation research budget authorizations than has EPA. Also, EPA must have sufficient resources for this purpose to exercise its statutory standard-setting responsibilities.

Mr. BROWN of California. That is correct, and the subcommittee did not approve your amendment because of EPA's apparent willingness to go along with the determination of the Office of Management and Budget that additional funding for EPA would involve duplication with NRC and ERDA.

Mr. OTTINGER. Yes, I accepted that reasoning at the time. But I must say that I am deeply concerned that the fox is being authorized to guard the chicken coop. It is now my understanding that EPA is entering into agreements with NRC and ERDA for the specific kinds of research EPA feels necessary to fulfill its standard-setting responsibilities on radiation levels.

Mr. BROWN of California. Yes, I understand that, too. I must say that I am glad you raised this issue. We must be watchful over the course of the next year to make certain that the other agencies meet EPA's needs for standard setting.

Mr. OTTINGER. That is for certain. If we find that this is not the case, that EPA's needs are not satisfied by the other agencies involved, then I think the Congress must review the entire radiation monitoring and standard-setting programs. In the interest of protecting public health, we may have to revamp the program entirely.

Mr. BROWN of California. Yes, it is my view that if, after carefully monitoring what the three agencies do in the course of the coming year, we determine that there is need for major change, I will certainly be prepared to work on that, and I am sure the gentleman from New York will as well.

Mr. OTTINGER. I certainly will, and I thank the gentleman for his time on this important matter.

Mr. BROWN of California. Mr. Chairman, I want to thank the gentleman from New York (Mr. OTTINGER) for his continued support.

Mr. WINN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to thank the gentleman from Texas (Mr. TEAGUE), the chairman of the full committee, and the gentleman from California (Mr. BROWN), the chairman of the subcommittee, for the cooperation that they have given the members of the subcommittee and for the many, many hours of hearings that we have held in trying to ascertain what is best for the research and development programs.

Mr. Chairman, I do think that it is necessary at this stage of the game to clarify some of the main things that we discussed and some of the main topics that took most of our time in those many hours of hearings.

Mr. Chairman, I rise in support of H.R. 12704, the fiscal year 1977 authorization bill for the Environmental Protection Agency's R. & D. programs.

H.R. 12704 authorizes the EPA $256,567,000 for its R. & D. programs in fiscal year 1977. This amount is $16,633,100 above the administration's request or about 6.9 percent higher. This is a relatively modest increase which merely maintains the EPA programs at about their current levels.

Environmental research and development is a term which has become common only in the past 10 years. Environmental research differs from research in the traditional scientific disciplines in that it usually entails a combination of several disciplines. Advances must be made in chemistry, physics and biology in tandem and then integrated to address a particular issue. For example, the issue of the possible depletion of the ozone layer by fluorocarbons requires a knowledge of the chemistry of catalytic reactions as well as a knowledge of the physics of gaseous diffusion. Environmental R. & D. is thus interdisciplinary R. & D.

The major portion of the fiscal year 1977 budget, $129,223,500, is devoted to research under the Clean Air Act. The Clean Air Act directs EPA to investigate the causes, effects and control technology of air pollution. EPA's R. & D. is supposed to furnish the knowledge required to establish appropriate environmental controls. The program is designed to measure the effects of air pollutants on humans, animals, plants and the general environment. It seeks to develop models capable of predicting the behavior of emissions and to verify the models by actual testing. Part of the program aims at developing a standardized set of monitoring criteria. Consistent monitoring methods are essential if data from around the country are to be analyzed in a meaningful way.

Water quality research seeks to develop efficient waste water treatment technology, useful monitoring techniques and workable strategies to control the spills of hazardous materials. The 1976 program includes emphasis on the health effects of waste water and sludge on land. The 1977 program will encompass ecological effects research on ocean dumping, disposal of dredge soil, and health effects research on waste water and sludge treatment, disposal, and use.

EPA's solid waste program is directed toward the development of improved solid waste management, disposal technology, and resource recovery technology. Such advances would permit local agencies to cope with their solid waste problems effectively and economically. The program also seeks to develop the scientific base for possible establishment of standards for hazardous wastes.

The solid waste program's major thrust includes the background analysis necessary to support the development of a regulatory program for the treatment of toxic chemicals, the migration of hazardous wastes through soils and the evaluation of sanitary landfills. The toxic chemical area includes the EPA's pesticide program which develops data in support of administrative reviews, develops new methods of pest control, and searches for substitute chemicals as alternatives for hazardous pesticides.

The environmental impact of energy projects is of major concern to the EPA. The increased use of coal and nuclear power together with the anticipated use of solar, geothermal and shale oil demand current attention. Each energy source has its own set of features and side-effects which must be analyzed. The environmental effect of a particular energy activity is a necessary element in properly implementing it.

The primary goal of the energy R. & D. program is to provide controls for those extraction, processing and utilization activities known to cause significant health and ecological damage. This is a very broad topic which includes stack gas scrubbers, oil shale and coal extraction. I would urge the EPA to cooperate with other federal agencies and private enterprise in reaching mutually satisfactory agreements. Many people perceive the EPA as a stumbling block or nemesis in the search for new energy sources. It would be better for the EPA to work with energy producers in resolving environmental questions rather than to become a perennial bane. We would like to hear of the EPA accelerating new energy sources instead of delaying them.

Mr. Chairman, the EPA's research and development program is directed at establishing and maintaining a healthy environment in which we may work and live. The authorization levels in H.R. 12704 will permit the EPA to continue its contributions at a steady level of support. I urge my colleagues to join me in voting affirmatively.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. WINN. I would be glad to yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, as I read the report, it appears that this is merely authorizing expenditures for research.

Mr. WINN. Research and development.

Mr. MYERS of Indiana. Is there anything in this bill that grants more authority to EPA to regulate and to close industries, and so forth?

Mr. WINN. No; that does not come under the jurisdiction of this subcommittee or of this committee. We have nothing to do with the regulatory requirements of EPA.

Mr. MYERS of Indiana. Mr. Chairman, I thank the gentleman.

Mr. TEAGUE. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. WINN. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. Chairman, I briefly want to discuss the Science and Technology Committee Report on this bill. The single committee view, on page 10, discusses the need for interagency coordination. I believe we have solved the problem discussed in that view with the compromise language in section 5 of the bill.

The view goes farther, however, and implies that the committee considers that passthrough funding is a better mechanism and even that the technique is being "undermined by the transfer of authority and resources from EPA, and appropriations being made directly to ERDA." That implication and the rest of the second paragraph are simply wrong, with the one exception of the last two lines, which state that we agree that there should be a formal coordination mechanism. We did agree on that need and that is why we put in section 5. The rest of the paragraph does not accurately represent the committee's view, and I believe that the voting on section 5 in the full committee supports my views.

To attempt to set the record straight, let me lay out the background to this discussion on passthrough funding from EPA to ERDA. The dollar figures are approximate.

BACKGROUND OF PASSTHROUGH FUNDING

In the fiscal year 1975 budget submission to Congress the President requested a special energy supplement of $106 million.

In this request, OMB added $23.0 million including $6.5 million for construction and equipment to the AEC/ERDA budget for health and environmental research related to nuclear energy development, $9.0 million to the NSF budget and $74 million to the EPA budget.

The $74 million was added to the EPA budget because OMB was unable to assign these funds to specific agencies and it was specified that these funds would be held for passthrough to other agencies at a later time.

Congress reduced the passthrough total of this special energy request by $24 million.

Three million dollars was added from control technology funds to increase the total of the passthrough exercise to $78.5 million.

OMB established an Interagency working group to develop a plan for energy-related health and environmental research needed to insure energy independence, identify agencies who were best qualified to conduct the research, and recommend level of effort for each objective and/or task.

The working group report, the King-Muir report, was submitted to OMB in November 1975, and this report has been used to distribute the passthrough funds to appropriate agencies.

Although EPA has stated in their fiscal year 1977 budget submission that they have been established as the lead Federal agency in directing energy research and development, OMB has not designated any agency as lead agency.

EPA has the responsibility with the assistance of other involved Federal agencies to coordinate and manage such an interagency effort with passthrough funds used to support the energy-related health and environmental research and development.

In the deliberations of the interagency working group, AEC/ERDA received $12 million in passthrough funds for specific tasks in fiscal year 1975.

OMB decided that $6 million of the $12 million received by ERDA would be absorbed in ERDA's fiscal year 1976 base budget; the remaining $5.2 million—reduced because of a 12.5 percent decrease in EPA's fiscal year 1976 budget—would come by the passthrough route.

No additional passthrough funds will be absorbed in ERDA's fiscal year 1977 budget.

The $3.6 million reduction in EPA's fiscal year 1977 budget request does not imply additional dollars will be absorbed by ERDA.

Instead, EPA wrongly states that this reduction—$3.6 million—

> . . . is more than offset by an increase in the budget for the Energy Research and Development Administration for energy-related environmental research.

In fact, the increase in the fiscal year 1977 budget submission for ERDA's Division of Biomedical and Environmental Research is only $5.2 million, less than a cost-of-living increase.

As this discussion clearly has shown, the notion that anyone is undermining anything is unjustified. To provide additional detail on this subject, I am attaching a letter and a speech given on this subject by Dr. Jim Liverman who heads ERDA's environmental programs. I hope all Members will be enlightened on this passthrough fantasy which is included in the committee view.

The letter follows:

OCTOBER 2, 1974.

Dr. WARREN MUIR,
Council on Environmental Quality,
Washington, D.C.

DEAR DR. MUIR: You asked for my frank comments on the review process used to "look over" and "make judgments and recommendations about" the Environmental Effects funds appropriated to AEC, NSF, and EPA.

I gave the enclosed speech at a meeting of the Association of Independent Research Institute in Oklahoma City on September 15. It drew a lot of discussion since the people present, most of whom manage $1–5 million/year programs, had never encountered governmental decision-making processes at close range. It was fun (but tough) answering their questions. I, of course, took the writer's perogative to embellish here and there in order to dramatize the process. My conclusion was and is that, with modifications, there is probably no better way to arrive at a "right" decision.

Let me, however, give you a little more detail on the final 2 or 3 pages of the talk.

I believe that our interagency exercise would have gone off much more smoothly had the Chairman of the Group been clearly in charge from the beginning. The initial stages of the exercise were characterized, as were the closing days, by an attempt on the part of EPA to orchestrate the whole show. This is an understandable attitude and I do not resent it, but it is not the way to get the job done among peers when one group is more equal than another. So for lesson 1, I suggest that the group elect an overall chairman who has the ability to get the job done. This chairmanship should probably rotate from year to year among agencies to prevent domination of the exercise by any one agency or philosophy.

The second truly important point is that there should be a non-partisan secretariat which works equally with all involved agencies and provides equal logistic support to call. The Secretariat should have access to extensive data banks—automated—on current research, on status of knowledge in various areas, etc., which can serve as a quality control of, and be useful to, the system. In addition, there is a VITAL need for each agency to identify (1) their programs (in some detail and with levels of support) which are ENERGY RELATED, and (2) those portions of their programs that overlap with the energy-related programs but which are in support of their general responsibilities. Requiring the agencies to identify their programs in this fashion would tend to prevent an agency from claiming today that certain programs were "energy related" and claiming tomorrow that these same programs were related to another objective for which they seek funds. It would, in effect, prevent double bookkeeping.

Thirdly, the agencies should be asked first to identify those National needs which are being filled (and by whom), those needs which urgently need funds to get answers (and the basis for this urgency), those which are necessary but can be given a lower priority and those which are desirable but which, for some reason or other, can be deferred. Following this PROGRAM NEED identification, the exercise should then proceed to indicate the levels of effort across the whole spectrum that would be provided giving at least three fiscal levels of support. One of these probably should represent the ideal mix of program, one less desirable and one absolutely minimum.

Fourthly, the agencies that propose to do the work should specify where the work is to be done (i.e., in a civil service staffed laboratory, by prime contract in FCRC, in universities, etc.). In addition, means by which funds might be passed between agencies and the management of these funds and programs should be clearly stated.

Guidelines emerging from such an interagency exercise could be used by the individual agencies, by the OMB and by the Congress as a standard to determine what high priority programs were being missed, which programs were being overworked and which programs could be deferred without great detriment to the programs of all the agencies. These guidelines could be updated by the interagency working groups during regular annual or semi-annual program review sessions. With such current guidelines both the OMB and the Congress would be in a better position to measure the adequacy of the total national effort.

While many other things could be said, I believe these points are those crucial to an effectively working group.

Sincerely,

JAMES L. LIVERMAN,
Assistant General Manager for Biomedical and Environmental Research and Safety Programs.

THE SEARCH FOR A WAY

(By James L. Liverman, Assistant General Manager for Biomedical and Environmental Research and Safety Programs, U.S. Atomic Energy Commission, Washington, D.C., presented September 19, 1974, at the 13th Annual Meeting of the Association of Independent Research Institutes, Oklahoma City, Okla.)

One of the major problems facing research administrators at all levels is finding a sound basis for resource allocation on a sensible priority scale. Nowhere is this truer than in those areas of research supported by the Federal Government for which the responsibility is so broad that no single agency can lay claim to having sole authority. A specific case in point is the matter of insuring the preservation, enhancement, and protection of the environment in which we live while meeting our energy requirements.

The National Environmental Policy Act (NEPA) and the ensuing Court precedents require the preservation of environmental sanctity both by regulatory agencies and development agencies. The degrees to which agencies are attuned to the need for environmental integrity, and the R&D which they feel a necessity to conduct, vary with individual agencies regardless of their type. The story I want to bring to you tells of one attempt to devise—indeed improvise—a way for resource allocation, an attempt that has been under experiment for the past 15 months. The story, although not yet fully written, is one into which I, myself, have been cast. Try as I may, there probably will be times during this narration when it is impossible for me to view the whole process in a completely objective and unemotional manner because of my bias as the representative of one agency with a major interest in the outcome of the exercise.

BACKGROUND

From the standpoint of my agency, the Atomic Energy Commission, the prelude to this story goes back at least a decade to a time when the AEC made the deliberate decision to make its national laboratories available to other agencies of the Federal Government for work of great national urgency. My own career, first in Washington, then Oak Ridge, and now back in Washington, has been much affected by that AEC decision, for I was until recently in the process of aggressively seeking funds to broaden the biomedical and environmental programs of the AEC's Oak Ridge National Laboratory. Other National Laboratories followed suit. Because of this broadening of programs aided by funds from agencies other than AEC, our laboratories were able to respond to NEPA and to the related Calvert Cliffs decision which directed the AEC to consider *all* environmental impacts of its operations, both radiological and others, in connection with its licensing of nuclear activities. The Joint Committee on Atomic Energy (JCAE) subsequently broadened the AEC charter (the Atomic Energy Act) to encourage studies on all energy sources. Jim Schlesinger, then Chairman of the AEC but now Secretary of Defense, pushed the Division of Biomedical and Environmental Research to broaden its own programs to include a wide spectrum of nuclear and non-nuclear research and development. As a result of these several actions, much of the spring and fall of 1972 and the spring of 1973 was spent in discussions with the various AEC National Laboratories in formulating health and environmental programs covering the whole spectrum of energy sources.

You will surely remember that it was during this time also that the energy shortages and the energy-environment issue reached such a climax that the President on June 29, 1973, sent a major message on reorganization and energy to the Congress and directed that a series of actions be taken by the Chairman of the AEC. Although it was not obvious on June 29, the Arab oil embargo later in the year gave added urgency to the effort.

This is the point where my story really begins.

The President asked three things: (1) the Congress was asked to create an Energy Research and Development Administration, which it is about to do, (2) the Chairman of the AEC (Dr. Dixy Lee Ray) was asked to recommend a program for the expenditure of an additional $100 million in FY 1974, and (3) she was asked to formulate for submission to the President by December 1, 1973, a 5-year, $10 billion program on energy R&D to enable the nation to meet its long-term energy needs with much less dependence on foreign sources.

THE $100 MILLION EXERCISE

The battle lines to obtain funds for health and environmental R&D programs began to be drawn in that first $100 million FY 1974 exercise when guidelines were set which provided funds only for technology development. No funds were provided within the $100 million for basic science, for environmental or health research, nor for research on environmental control technology. Although strong representations were made for the need for R&D support in these crucial areas, they were without effect until the Office of Management and Budget review during which pressures presumably from EPA and others resulted in an increase of $15 million which went for environmental effects and control technology R&D. Although the AEC had worked closely with EPA in this activity all of these FY 1974 add-on funds were legislatively allocated to EPA. I felt then, and I feel now, that it was a mistake to allocate all of these additional funds to EPA for two reasons: First, as mentioned above, the AEC laboratories have a broad capacity to encompass a spectrum of energy related environmental R&D, and secondly, there is a very marked divergence in philosophy of the conduct of R&D by AEC and EPA. EPA concentrates on the specific project closely coupled to a technology and generally of short duration. AEC takes a broad look across technologies and generally aims at understanding mechanisms. Standards setting and long-term biological effects demand that both philosophies permeate the structure of science.

The first exercise on priority setting and resource allocation made two points very clear to me. First, that the health and environmental groups in the various agencies had to work together on the $10 billion exercise if they were to make a case for adequate funding for environmental R&D funds in competition with the technologies. Secondly, each agency with interests in the environmental field would have to look out for itself in the battle for a segment of the environmental funds.

THE $10 BILLION EXERCISE

Formulation of the $10 billion, 5-year program was a massive effort. Separate panels were set up to consider each major technology as well as environmental and basic research. These latter two areas were considered to be in support of all the technologies and an additional $1 billion for the 5-year period was provided for them (including manpower development). This additional $1 billion dollars was split as follows: $650 million for environment and health; $300 million for basic research; and $50 million for training. Of the $650 million 5-year program, $106 million was recommended for environment and health R&D for FY 1975.

I want you to note a very specific difference between the $1 billion in supporting research and the $10 billion for technology development. The $10 billion includes all of the current programs, whereas the $1 billion is incremental to all ongoing efforts.

The requested report was delivered to the President on December 1, 1973, by Chairman Ray. In retrospect it appears most unfortunate that the OMB was not involved, at least as an observer, throughout the exercise. As it was, OMB, starting from a zero base on the learning curve on December 1, had to review the report, have hearings with the agencies and make recommendations to the President for inclusion in the FY 1975 budget against a very tight schedule of one month. Absolute confusion prevailed, particularly in the environmental area, because of the multiple agency involvement. While energy technologies were largely confined to single agencies, making fund assignments a relatively simple matter, there was no such clear split by agency for the environmental funds. *My talk centers on this confused state in the environmental area and how priorities and resource allocation were made with respect to the $106 million.*

THE $106 MILLION EXERCISE

By September 1973, the AEC, and most other agencies, had already submitted their regular FY 1975 budgets for OMB review. Many of them had already been given a tentative level of support. The major environmental agencies were now confronted with a requirement for submission of an additional budget for the "energy add-on" funds. In early December, AEC requested $75 million ($61 million operating, $14 million consrtuction) of this $106 million to perform energy related environmental and health research which it considered important. Justification for a request of this size lay in part in the fact that AEC had spent some 18 months of intensive internal planning for a non-nuclear energy-related program on environment and health and that AEC has the largest energy related biomedical and environmental program in the nation. The NSF requested $36 million. The EPA requested $144 million, the amount which the Interagency Environmental Panel for the $10 billion program had recommended as the optimum funding level for multiagency participation. Thus, the total of the requests from the three agencies far exceeded the Report's $106 million. Out of the OMB furnace toward the end of January, AEC received $23 million, NSF $9 million, and the EPA the remaining $74 million. The EPA $74 million was not, however, all for EPA, but was set up as "pass through" funds whose agency distribution was to be decided after the President had presented the FY 1975 budget to the Congress. Activities begun in mid-February culminated in early March with the creation by OMB of a working group of agency representatives charged with the responsibility to come up with a workable program and budgets for this distribution.

A staff member from the State Department, and one from CEQ, were brought in to serve as Chairman and Co-Chairman, respectively, of the Panel. The AEC provided a full time scientist and a secretary as staff to help get the job done.

Each of the 8 agencies with major research interests in the environment and health, as well as four others with somewhat lesser interests, were asked by OMB to designate a representative with authority to commit their agency to program and funding levels to serve on the working group.

The first meeting resulted in a number of what can best be described as "air clearing" and "territorial assertion" statements typical of bureaucracies and bureaucrats. Much wasted motion resulted before the Chairman was able to make clear to the Committee that they were to make recommendations to the OMB specifically on (*1*) needed programs, (2) the priorities for expenditures and (*3*) the agency to conduct or manage the work. From the beginning, the EPA tried to orchestrate the study—a perfectly natural bureaucratic reflex since the "pass through" funds were to be formally appropriated to that agency. The Chairman of the Committee had, however, been given instructions that EPA was to be a participant like everyone else. The Chairman was able to steer this first meeting to a reasonably logical conclusion and the agencies were asked to return to their drawing board and identify problems related to energy technology development which might have adverse health or environmental consequencs—AEC for nuclear technologies, Interior for coal and oil, NSF for solar, geothermal, tidal, etc. In addition, the agencies were asked to determine when the technologies might be coming on line (time lines) and the magnitude of their use. The group came back together in about 10 days with these problem lists and time lines as a point of initiation for the study. EPA provided much of the information and the format by which the time lines were pulled together.

By the second meeting many of the agencies began to press their territorial imperatives with force and vigor. The group decided to form three panels—Health, Environment, and Non-Pollutant Effects—each of which was to establish basis for priority setting and program development. AEC and HEW people were appointed Co-Chairmen of the Health Panel, EPA Chairman of the Environmental Panel and NSF Chairman of the Non-Pollutant Effects Panel.

These groups, through a series of independent meetings, established means of arriving at priorities within each of the technologies and between technologies. Such factors as level of current programs, state of knowledge about effects of the various technologies, urgency to obtain the knowledge and the extensiveness of use of the technology were considered. An example or two will clarify this point. We know a lot more about nuclear effects than we do about coal liquefaction or gasification effects. The emphasis in the "add-on" funds then would go to coal because we must burn a lot of it and soon. In the case of effluents from shale use or solar, however, in spite of the dearth of information, we know that the use of shale would be limited in the short term and that it would be some time before solar would be used to any appreciable degree. Thus, the need for information for shale and solar, while important, could be deferred somewhat. The priority ranking for funding then would be coal, shale, solar for a particular factor. Simultaneously, each of the agencies was refining the TIME LINES for technology utilization, i.e., whether it was to produce energy, to dispose of waste, to control waste releases, etc. With these two kinds of information it was possible and ultimately became mandatory (for the first time in most of the agencies) to link environmental R&D programs to the urgency of the technologies—i.e., to insure that the lack of health and environmental information or the ability to regulate in a meaningful way would not be the limiting factor in development or deployment of the technology (i.e., retrofitting, delay or non-acceptance could be avoided).

Three agencies with both basic and applied research experience (AEC, NIEHS and NSF) pointed out that linking the studies too closely on a case by case base to each problem in each technology could lead to ephemeral programs, perturbations in programs and massive overlaps in efforts. The group, while recognizing the very real value of time lines and technology-oriented priorities, also realized that many of the problems (and their solutions) had common denominators. For example, many shale, oil and coal processing and combustion technologies release the same toxic substances into the environment. Thus, while priorities should be set by time lines, it made little sense to conduct separate research programs for each of these substances *for each technology* when a cross-technology effort could attack all of the problems without unnecessary overlap.

With the time lines and urgent problems before us (including those problems that took a long lead time for answers as well as those that needed immediate answers to guide the technologies) we could finally begin to formulate realistic and responsive programs.

The agencies were asked to re-examine their base programs, to prepare brief statements on which technology problems were being addressed adequately by current efforts and which technologies needed additional effort.

Once this technology-related information was available the groups reformed into subgroups fitting closely the original Ray report program categories: Transport; pollutant measurement, monitoring, and characterization; Health Effects; Environmental Effects; and Integrated Assessment including social and economic effects and policy implication. The groups were instructed to sort out the proposed areas of research according to these program categories and to begin to set priorities within the categories according to a number of different parameters.

The panels ranked the original list of programs submitted on the basis of urgency. A line was arbitrarily drawn under all programs that fell below a certain level. The Interagency Group as a whole then looked again at all parameters and all programs to be sure that there were not inadvertent deletions and to prevent closing programs that would keep options open. The first submission from the various groups totaled approximately $150 million, for a maximum of $74 million available in EPA "pass through" funds. The Interagency Committee then gave budget targets to each of the panels. While the struggles and strifes were rather heated at times the group did in fact hammer out a quite effective program that would have moved against the time lines in a fairly orderly manner—necessary knowledge would be produced in time for some of the technologies and only a bit late for most of the others. Even though it was very clear that the available funds ($74 million) would not provide enough effort to produce all the information needed within the available time, a very responsive and responsible program was developed. Each agency had compromised a bit during the course of the negotiations, but the distribution of effort (and money) was considered reasonable by most of the participants.

At about this time the House Appropriations Committee slashed the "EPA" $74 million budget to $50 million. This step threw the whole exercise into complete disarray. There was not enough time to go back to the drawing board and rework the whole program or to reconsider the priority issues across the complete spectrum, particularly in the face of ongoing work in the various agencies. At this point the knives came out and internecine warfare really started both within each group and between the groups. Agency desires, responsibilities and strengths became the issues. Many negotiating sessions were held by the panel and in the final analysis each agency, almost without exception, was trying to place its claims on more of the money than was available. I, of course, like to believe that AEC acted completely responsibly in all of its actions but I'm sure that there are different viewpoints on that matter. For myself, I was glad we were through and I only wanted to get the work started.

It was at about this point in the exercise that President Nixon vetoed the Agriculture-EPA appropriations bill, the source of the "pass through" funds. The second last-minute action threw the exercise into a complete cocked hat. Right now we have no idea when or whether the Congress will modify or pass the appropriations bill or whether the EPA budget will continue along at their last year's levels of funding. The latter possibility could result in a real disaster for all of the environmental research programs of the nation, handicapping their abilities to respond to the urgent needs of the energy problem.

At this stage of the game we, as an interagency working group, have come up with a fairly detailed package of information which can be used for future planning. This package speaks to the priority R&D items and their levels of support for a 5-year period, to the agencies which can best conduct the work, to the agencies which have the broad programs with a direct focus on energy-related issues and to those with rather peripheral interests or spotty competences. The materials are being reviewed by all agencies and the package is being wrapped up for OMB consideration. In terms of the money that will be made available this year one could conclude (and some have) that the exercise has been a cumbersome and wasteful effort. That view, however, doesn't consider all, or perhaps even the most important, values that have emerged from the experience. Let me critique it a little more thoroughly with a particular eye to answering the question "is this a way to develop priorities for work," or "were the results worth the man years of effort that went into the attempt?"

As I indicated at the beginning—one of the most difficult areas in which to focus the spotlight of priority is in the environmental and health areas as they relate to energy matters. In the first place living systems don't really recognize the difference, in many instances, between one insult and another—i.e., chemicals and radiation whose ultimate in biological effects are manifested through chemical transformations causing mutations or somatic effects or in a modification of ecosystems. While the specific experimental approaches used to look at the effects of the many effluents are slightly different the end points in many cases are the same—shortened life, death, mutation, reduced growth, disease, etc. The problem then becomes one of determining those areas that should be supported by "energy-environment" money as opposed to "environmental matters" money. Again, it makes little difference to the environment or to health that mercury may have come from the burning of coal or from a caustic chlorine operation unrelated to energy activities. The environment cannot distinguish between the sulfur deriving from the use of coal for reducing iron ore or the use of coal for fuel to power electric generating plants. Nor does the research scientist care about the source of his dollars, as long as he can get on with his work. The questions then become: who should do the energy related work; which committees of Congress should worry about the programs and the funds, and which segment of the OMB should review the programs, etc.

Confronted with this complexity of issues it becomes an almost impossible task for OMB, the Congress or the agencies themselves acting in isolation to arrive at answers to simple questions like (1) is there unnecessary duplication of effort, (2) is the size of the effort going into the program adequate, (3) is this a program more nearly of interest and need to the energy business or to health matters generally, etc. In spite of the traumas experienced in getting agencies around the table to talk and persuading them to sacrifice some of their hopes on the altar of common good if priority demands, I believe a process similar to that through which we have come is the only way out. Clearly there are needs for rule changes if we are to repeat this exercise, or related exercises in an effective manner. I have some suggestions about how to proceed.

1. An Interagency Group should be formed from the agencies which have particular responsibilities for the problem under consideration or which have a particular competence or facilities to do the work. A Chairperson should be chosen early on, and the Interagency Group mandate should be made clear to him *and* to all participants before they begin their deliberations.

2. The Interagency Group should be instructed to develop a national program giving adequate coverage to the research and development needed to ensure that the energy technologies can come on line as rapidly as the technology permits, and not be limited by the lack of health and environmental information. This first step should not be limited by any but the most broad budget restraints, in order to develop a complete list of concerns for later use in priority decisions.

3. The exercise we have just been through shows a clear need for an unbiased secretariat to provide logistic support, informational resources, policy guidance, and to act as a clearinghouse for the various activities.

4. After a national program has been planned which includes priority ranking of R&D needed incremental to existing programs then budget constraints and the time lines can be considered along with technology urgency for a final setting of priorities for research to be done.

5. If there are to be "pass through" funds, clear understandings on the duration of support is needed, since the 90 day cancellation concept (the Ghengis Khan School of Management) leads to short-sighted goals and research programs.

6. The Interagency Group can then suggest the most effective way of conducting the work by reasonably general agreement among themselves as to which agency should do the work. These guidelines could then serve as a basis for various agencies, OMB, and Congressional decisions on who should be doing what things and at what approximate levels. Additionally, the agencies, the OMB, and Congress would be aware of the severe impacts likely to be encountered if the total funding was not forthcoming.

7. The Interagency Group should reconvene periodically to review progress and priorities.

Clearly this approach places some constraint upon each of the agencies. Equally clearly, however, from it comes a better coordinating mechanism, a better means of reaching agreement on national priorities, and a better means of reaching agreement on national priorities, and a better means of insuring that those things that need to be done do not fall through the cracks for lack of attention. In addition, the program is given the credibility that comes from the serious consideration of responsible individuals and agencies that will make it possible to help orchestrate the technologies of clear national need and priority now pushing for recognition and adoption by society generally. Perhaps most importantly of all, the forced looking at the programs from the content of need for national priorities will insure a viable energy-related environmental program for the nation. This is not being done at this moment.

Back then to my original thought—to find a way. The way I have discussed is not the only way. But it is one way of placing in the hands of the agencies that must implement the programs the best rounded and tempered programs which they can pursue and not be ratcheted by the system so that the overall national program suffers as it does now.

Would I rerun a similar experiment with modified guidelines. Yes. Not only would I do it if asked, I feel strongly enough about the national need that if necessary I will be the catalyst to achieving it.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. GOLDWATER. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, if I understand the statement of the gentleman from California (Mr. GOLDWATER) correctly, I think I would concur with the view that he expressed that the statement on page 10, entitled "Committee Views" is not directly related to the issue of coordination which is addressed in section 5 of the bill.

The statement on page 10, with regard to the pass through mechanism is a separate issue, although related, to some degree; and it is a matter which I am sure the gentleman's own statement will help clarify.

Section 5 of H.R. 12704 has been the subject of considerable testimony and discussion by the committee. During the course of marking up this bill, section 5 has been rewritten several times. The version before us today is considerably different than the original drafts. I support the current draft for a variety of reasons, including the fact that the EPA already has the authority and the responsibility to provide leadership in the coordination of environmental research throughout the Federal Government.

However, because there has been some question about the nature and scope of EPA's role in environmental research, I believe I should provide, for the record, some background on this subject.

The basic grant of authority to the Environmental Protection Agency comes from Reorganization Plan No. 3 of 1970. In announcing that reorganization plan, the President stated:

> Our national government today is not structured to make a coordinated attack on the pollutants which debase the air we breathe, the water we drink, and the land that grows our food. Indeed, the present governmental structure for dealing with environmental pollution often defies effective and concerted action.

The Presidential message goes on to say:

> In organizational terms, this requires pulling together into one agency a variety of research, monitoring, standard-setting and enforcement activities now scattered through several departments and agencies. It also requires that the new agency include sufficient support elements—in research and in aids to State and local anti-pollution programs, for example—to give it the needed strength and potential.

To accomplish this goal, the President transferred responsibility for general ecological research from the Council on Environmental Quality to the Environmental Protection Agency. This transfer was not meant to reduce the role of CEQ, but rather it was meant to enhance the role of the EPA as the "line" agency in support of the CEQ. As the President's message put it:

> In short, the Council focuses on what our broad policies in the environmental field should be; the EPA would focus on setting and enforcing pollution control standards. The two are not competing, but complementary—and taken together, they should give us, for the first time, the means to mount an effectively coordinated campaign against environmental degradation in all its many forms.

Since the establishment of the EPA, there have been several specific functions assigned to it. Among these functions is a very specific mandate for the EPA to coordinate environmental research in a variety of mediums. Specific statutory authority for the EPA follows:

VARIOUS STATUTORY AUTHORITIES FOR EPA TO COORDINATE FEDERAL ENVIRONMENTAL RESEARCH

Federal Water Pollution Control Act (P.L. 92-500):

RESEARCH, INVESTIGATIONS, TRAINING, AND INFORMATION

SEC. 104. (a) The Administrator shall establish national programs for the prevention, reduction, and elimination of pollution and as part of such programs shall—

(1) in cooperation with other Federal, State, and local agencies, conduct and promote the coordination and acceleration of, research, investigations, experiments, training, demonstrations, surveys, and studies relating to the causes, effects, extent, prevention reduction, and elimination of pollution;

(2) encourage, cooperate with, and render technical services to pollution control agencies and other appropriate public or private agencies, institutions, and organizations, and individuals, including the general public, in the conduct of activities referred to in paragraph (1) of this subsection;

Clean Air Act (42 U.S.C. 1857 et seq.):

RESEARCH, INVESTIGATION, TRAINING, AND OTHER ACTIVITIES

SEC. 103. (a) The Administrator shall establish a national research and development program for the prevention and control of air pollution and as part of such program shall—

(1) conduct, and promote the coordination and acceleration of, research, investigations, experiments, training, demonstrations, surveys, and studies relating to the causes, effects, extent, prevention, and control of air pollution;

(b) In carrying out the provisions of the preceding subsection the Administrator is authorized to—

(2) cooperate with other Federal departments and agencies, with air pollution control agencies, with other public and private agencies, institutions, and organizations, and with any industries involved, in the preparation and conduct of such research and other activities;

Federal Insecticide, Fungicide, Rodenticide Act (P.L. 92-516):

SEC. 20. RESEARCH AND MONITORING.

(a) RESEARCH.—The Administrator shall undertake research, including research by grant or contract with other Federal agencies, universities, or others as may be necessary to carry out the purposes of this Act, and he shall give priority to research to develop biologically integrated alternatives for pest control. The Administrator shall also take care to insure that such research does not duplicate research being undertaken by any other Federal agency.

(b) NATIONAL MONITORING PLAN.—The Administrator shall formulate and periodically revise, in cooperation with other Federal, State, or local agencies, a national plan for monitoring pesticides.

(c) MONITORING.—The Administrator shall undertake such monitoring activities, including but not limited to monitoring in air, soil, water, man, plants, and animals, as may be necessary for the implementation of this Act and of the national pesticide monitoring plan. Such activities shall be carried out in cooperation with other Federal, State, and local agencies.

Solid Waste Disposal Act (P.L. 89-272):

RESEARCH, DEMONSTRATIONS, TRAINING, AND OTHER ACTIVITIES

SEC. 204. (a) The Secretary shall conduct, and encourage, cooperate with, and render financial and other assistance to appropriate public (whether Federal, State, interstate, or local) authorities, agencies and institutions, private agencies and institutions, and individuals in the conduct of, and promote the coordination of, research, investigations, experiments, training, demonstrations, surveys, and studies relating to—

(1) any adverse health and welfare effects of the release into the environment of material present in solid waste, and methods to eliminate such effects;

(2) the operation and financing of solid waste disposal programs;

(3) the reduction of the amount of such waste and unsalvageable waste materials;

(4) the development and application of new and improved methods of collecting and disposing of solid waste and processing and recovering materials and energy from solid wastes; and

(5) the identification of solid waste components and potential materials and energy recoverable from such waste components.

Noise Control Act of 1972 (P.L. 92-574):

FEDERAL PROGRAMS

SEC. 4. (a) The Congress authorizes and directs that Federal agencies shall, to the fullest extent consistent with their authority under Federal laws administered by them, carry out the programs within their control in such a manner as to further the policy declared in section 2(b).

(Sec. 2(b) states ". . . purpose of this Act to establish a means for effective coordination of Federal research and activities in noise control . . .")

(c)(1) The Administrator shall coordinate the programs of all Federal agencies relating to noise research and noise control. Each Federal agency shall, upon request, furnish to the Administrator such information as he may reasonably reqiure to determine the nature, scope, and results of the noise-research and noise-control programs of the agency.

The committee has been concerned that these specific authorities are not being properly exercised. Part of the problem has been financial, and part of the problem has been administrative. It is easy to find fault with the current state of environmental research, and this committee has been at the forefront in offering constructive criticism. We have not been alone in our observations. The Congressional Office of Technology Assessment, in its review of the EPA's first 5-year research plan, stated:

The Overriding Issue

The Office of Research and Development (ORD) lacks a sense of scientific mission; it is preoccupied with the day-to-day demands of the regulatory process. Applied research in support of the regulatory process is necessary, to be sure, but this should not preclude a strong commitment by ORD also to basic science. Specifically, there are two opportunities that require an enhancement of ORD's scientific role:

When environmental debates stem from scientific questions, such as the effects of sulfates or pesticides, ORD, with the assistance of the scientific community, could assess the state of knowledge on the subject, and establish a rationale and objective basis for these debates, independent of EPA's current regulatory position.

Because there are numerous government agencies conducting environmental research, leadership in determining research goals and priorities is essential; ORD is the logical center for such leadership.

Numerous environmental questions require research in which ORD should take the prime initiative. What balance should be struck between research on pollutants affecting people today and those that could affect future generations, through genetic mutations or gradual changes in the environment? Can control technologies reduce pollution fast enough to keep pace with economic growth? Can major shifts in the economy, such as new industry, be made compatible with environmental quality?

ORD has the scientific excellence to answer such questions. But it appears to lack the time under pressures of applied research crash programs. Yet, if ORD does not produce the basic scientific knowledge to guide future legislation, who will?

Similarly, the General Accounting Office, in response to a request from the Subcommittee on Environment and the Atmosphere, confirmed that—

> There is no overall Federal leadership for environmental research nor does there appear to be adequate coordination of the water, air, and pesticide reserach efforts.

The full text of the GAO letter, which accompanied their April 7, 1976, report to the committee, follows:

Comptroller General of
the United States,
Washington, D.C.

Hon. George E. Brown, Jr.,
Chairman, Subcommittee on Environment and the Atmosphere Committee on Science and Technology, House of Representatives.

Dear Mr. Chairman: In various meetings with our staff during November and December 1975, you said that numerous Federal agencies were spending about $1.2 billion a year on environmental research, of which the Environmental Protection Agency spent about 20 percent, but apparently there was no leadership for such research nor did there appear to be adequate coordination of the research effort. You said that the Subcommittee was very much concerned about this.

We have made several reviews of Federal environmental research programs during which we examined the extent of coordination among the Federal agencies involved in such research. On January 16, 1974, we issued a report to Congress entitled "Research and Demonstration Programs To Achieve Water Quality Goals: What the Federal Government Needs to Do" (B–166506). On December 11, 1975, we issued a report to the Chairman, Subcommittee on Environment, Senate Committee on Commerce, entitled "Federal Programs For Research On the Effects of Air Pollutants" (RED–76–46). We have also looked into Federal pesticide research programs (no report was issued) and are currently reviewing noise and solid waste programs. We discuss these reports and reviews in detail in the appendix.

In our January 16, 1974, report we said that the Environmental Protection Agency had not had a water quality research and development (R&D) strategy setting forth goals, objectives, and priorities since it was formed in December 1970. We recommended that the Administrator prepare an R&D strategy to carry out the agency's R&D requirements under the Federal Water Pollution Control Act Amendments of 1972. The agency said that it basically agreed with our recommendation and had taken or was planning to take action to modify its R&D planning process to insure greater responsiveness to the R&D needs of its operating and regulatory programs and to start preparing R&D strategies to interface with these programs.

To a large extent, Federal water pollution R&D activities have been diverse, fragmented, and uncoordinated. We found that no formal mechanism existed for coordinating the Federal water pollution R&D efforts among the many Federal agencies. Several studies have also identified the need for better coordination of Federal water pollution research information.

Because of the Office of Management and Budget is responsible for insuring that Federal programs are coordinated and that funds are spent in the most economical manner, we recommended that the Director, Office of Management and Budget, designate a Federal agency as a focal point to coordinate and promote the dissemination of water pollution research results. As of March 1976 the Office had not designated such an agency.

In our December 1975 report, we said that air pollution research was not formally coordinated among the Federal agencies, although the Clean Air Act directed the Administrator to "* * * promote the coordination and acceleration of research * * *." We found that the agency had taken little action to promote coordination of research. We therefore recommended that the Administrator develop written policies and regulations that will enable the agency to fulfill its responsibility to coordinate research under the Clean Air Act. In a reply to this recommendation, the agency listed various coordinating efforts in progress. We still believe that the Environmental Protection Agency needs to take further action on the matter.

Our review of Federal pesticide R&D programs showed that there were coordination problems similar to those discussed in our reports on air and water research. Our work on noise and solid waste R&D is only in the preliminary stages, and therefore we have not reached conclusions as to the adequacy of coordination of such R&D among the various agencies. We will provide you with copies of any reports we issue in the future on this work.

In summary, our reviews confirm that there is no overall Federal leadership for environmental research nor does there appear to be adequate coordination of the water, air, and pesticide research efforts.

Elmer B. Staats,
Comptroller General of the United States.

Besides the GAO and OTA, other groups such as the National Academy of Sciences and the Congressional Research Service have made similar criticisms.

This background material demonstrates why the committee decided it should attempt to resolve the problem of coordination. The Office of Management and Budget strongly opposed our original efforts, and in the spirit of comity, we have agreed to what is now in section 5.

It should be clear from the legislation already on the books, and the language before us, that there can be no substitute for effective management from the Office of the President. The Congress could be more specific in its legislation, and probably will be if this problem is not resolved, but proper executive branch leadership could remedy this serious deficiency in environmental management.

The CHAIRMAN. The time of the gentleman from California (Mr. Goldwater) has expired.

Mr. WINN. Mr. Chairman, I yield 2 additional minutes to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield further?

Mr. GOLDWATER. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, what we were seeking to point out with these committee views was that as a result of the study made 2 years ago with regard to the environmental impacts of new energy research and development, a certain sum of money was allocated to EPA for distribution to other agencies. This was done in accordance with recommendations of a task force created by OMB. The amount of money earmarked to be passed-through EPA to other agencies in subsequent years has been reduced.

In all honesty, it is my opinion that after a period of years the pass-through technique will probably be completely eliminated. I am not saying that this is bad, although the pass-through technique is understood to have made positive contributions to interagency coordination of research. I think the statement in the committee view is intended merely to indicate that we need to be concerned about the elimination of any technique that contributes to improving the coordination of research among the many agencies of Government that are engaged in environmental research. I am happy the gentleman brought the matter up.

Mr. GOLDWATER. I appreciate the comments by the chairman because it did not appear to me that the committee views coincided with the amendment and the adoption of section 5, which expressly spells out who is to be the coordinator and that is not the administrator of the Environmental Protection Agency.

Mr. WINN. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. Ketchum).

Mr. KETCHUM. Mr. Chairman, having had the distinct privilege of serving on the Committee on Science and Technology, I wish to assure both the chairman and the ranking minority member that it is certainly not my intention to do anything to complicate or sabotage in any way a bill coming out of this most nonpartisan of all committees of the Congress.

I am going to offer two amendments during the amending process under the 5-minute rule and they have been noted as major amendments to this legislation. Let me assure the Members that they are major in intent but there is no intent on my part to hamstring the Environmental Protection Agency any more than I intend to in applying these rules to every authorization bill that comes through.

Mr. Chairman, one of these amendments deals with the subject that is much talked about all over the United States and that is, of course, regulatory reform. Our people out in the districts over the United States have been complaining and complaining and complaining that they are burdened and overburdened with regulations emanating from the various agencies of Government. It is not just EPA, it is DOT, HEW; you name the whole alphabet. That is what this one amendment deals with, returning suggested regulations that may or may not emanate from this R. & D. section of the bill, insuring that they return to the Congress so that the Representatives of the people can indicate whether or not it is a good regulation.

The other amendment is strictly a people's amendment and that deals with hearings. So very often a proposal is made affecting any political subdivision of the Government, whether it be city, county, municipality or what have you, and those individuals lack the ability for any input whatsoever because the hearings are never held where the people are.

I will go further into that when I offer my amendment, as my specific reasons for offering them, but I want to assure everyone that these two amendments will be offered to every authorization bill going through the Congress from now on. I would like to inform the Members that this amendment has already been applied and accepted, by both sides, on the coastal zone board. Despite the fact that this is an R. & D. bill, I feel it should apply here in the remote possibility that a regulation might emanate as a result of this bill.

I am going to ask for a vote on these amendments and I certainly hope that the Members will be able to accept them.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. Certainly I yield to my friend, the gentleman from California (Mr. Don H. Clausen).

Mr. DON H. CLAUSEN. Mr. Chairman, I want to commend the gentleman for bringing his proposed amendments to the attention of the House before he offers them and in particular for presenting them in the form of an amendment to this legislation. It is the kind of a legislative effort that has been long overdue.

As the gentleman knows, I have been working with the Committee on the Judiciary on rulemaking changes and regulatory procedures, along with many Members of the Congress. It is vitally important that the people involved in an area should have the opportunity to be heard through public hearings before a rule is promulgated and implemented.

The Congress must exercise more oversight and review over the rulemaking and regulatory procedures. The people are very much up in arms over this issue and firmly believe that the rules and regulations go far beyond the intent of the law as passed by the Congress.

With the passage of these suggested amendments, we, in the Congress, can see that the regulators are checked and the public's interests are protected.

I compliment the gentleman for his initiative on this matter.

Mr. KETCHUM. I thank the gentleman for his generous statement. I do believe this is one thing that is bothering the American public more than anything else in that they feel so removed from Government because we put in all bills, "The Secretary shall promulgate regulations to implement this act," and they have been promulgating like mad.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

I appreciate my colleague's effort to offer these amendments, especially the one relating to the requirement that Congress be involved in the rulemaking process or at least have some strong review capabilities.

We all remember so well the very famous seatbelt interlock system that was mandated for cars as a result of the so-called safety or passive restraint requirements that Congress wrote into law. The actual implementation of the rulemaking authority went far beyond what anybody had anticipated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WINN. Mr. Chairman, I yield 2 additional minutes to the gentleman from California.

Mr. ROUSSELOT. If the gentleman will yield further, the American people are tired of this Congress acting like it "can't do anything" or its "hands are tied" when it comes to agency rulemaking authority. This is especially true regarding our oversight of the Environmental Protection Agency which has been in many instances "authority-mad" in what it has assumed it has the power to do.

We know, for instance, in the State of California that the EPA has become involved in making decisions on how many "parking lots" we should have near a hospital or a school, or a shopping center, et cetera. So my colleague, the gentleman from California, is offering a constructive and positive amendment that I am sure the American people would automatically encourage us to support. I compliment my colleague for his willingness to reaffirm congressional oversight authority, although I know there will be those who will rise and say we cannot do this. They will say we are trying to presume too much; we do not understand the technicalities of this highly complicated agency. My answer to that would be "pure bunk." But I do appreciate my colleague's offering this amendment.

Mr. KETCHUM. I thank the gentleman for his comments and would remind the body that when we discussed the possibility of reviewing grants, when all of us were subject to enormous criticism over some of the studies on, for example, the sweat glands of the aborigines, and why tots fall off of tricycles, and why people get hurt in bathtubs, and that sort of thing, there was a rather substantial vote in favor of that. I think the people's House, this great House of Representatives, can no longer go home and tell people it was not their fault and that it was the fault of an agency when, indeed, the fault lies here.

Mr. Chairman, I yield back the remainder of my time.

Mr. WINN. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. Goldwater).

Mr. GOLDWATER. Mr. Chairman, on April 9, 1976, a joint hearing was held by the Committee on Interstate and Foreign Commerce's Subcommittee on Health and the Environment, and the Committee on Science and Technology's Subcommittee on Environment and the Atmosphere, chaired by my colleague, the gentleman from California (Mr. Brown). The purpose of the hearing was to conduct a preliminary inquiry into charges made in a news article alleging that the project and report of the Environmental Protection Agency community health and environmental surveillance system—CHESS—was so faulty in its management and scientific quality as to raise serious doubts about its legitimacy and acceptability.

The joint committees met from 9:30 in the morning until 7 o'clock in the evening on the 9th of April. The committees heard from 23 witnesses, and each committee was given the opportunity for cross-examinaton. In addition, committee members were given an opportunity to submit written questions to the witnesses, which is being done currently now.

In this piece of legislation which we are considering today there is money to publish a monograph on the health effects of exposure to sulfur-oxides—results compiled were obtained from the human epidemiology studies or community health environmental surveillance study—CHESS—program. In other words there is money in here to publish the monograph which is under serious question.

I am wondering if the chairman is aware of this and whether he is concerned enough about the charges that were made that he will continue perhaps to monitor this program to perhaps eventually put this allegation to rest once and for all.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. GOLDWATER. I yield to the gentleman from California (Mr. BROWN).

Mr. BROWN of California. I want to assure the gentleman that I share his concern with regard to the integrity of EPA's research and the questions which have been raised with regard to that integrity by the series of articles that the gentleman has mentioned. We are talking particularly here about the health effects of sulfates and sulfur-dioxide in the atmosphere. The all-day hearings which the gentleman referred to held by our two subcommittees revealed that there are some matters which have not been satisfactorily answered and resolved with regard to the conduct of this program.

If the gentleman will yield further, because there are unanswered questions, it is the intention of our subcommittee to continue with a vigorous investigation, and I hereby offer for the RECORD a memo from me to the chairman of the Science and Technology Committee, the distinguished gentleman from Texas, requesting authorization for the additional staff and resources necessary to carry out this investigation:

COMMITTEE ON SCIENCE AND TECHNOLOGY,
Washington, D.C., April 23, 1976.

MEMORANDUM

To: Olin E. Teague, Chairman

From: George E. Brown, Jr., Chairman, Subcommittee on the Environment and the Atmosphere

Subject: Investigation: Sulfate Health Effects Program (CHESS) and EPA Evaluation Plan

After reviewing the results of the Joint hearing of my Subcommittee and Mr. Rogers' Commerce Subcommittee on April 9th, I feel we should keep up the momentum established by undertaking further investigations by our Committee. In previous hearings (as well as on April 9) we have established that there were technical and methodological problems with the original CHESS studies. For example, a Subcommittee report now being printed will recommend that EPA conduct another sulfate health effects study with goals similar to the CHESS goals, but avoiding the mistakes of CHESS.

However, our earlier hearings have not documented in detail what were the problems with earlier studies, exactly how these studies impact EPA regulatory policy (i.e., why they are so important), and how the next generation study should be done. In order to do this, we need to get a clear understanding of the reliability and precision of the health effects data in the concentration levels reported in the CHESS monograph, and see how the data relate to present and projected SO_2 and sulfate standards. Further, we need to see if more substantive conclusions might be drawn from analysis of the subsequent four years of data taken and not yet translated. A second task of the investigations will be to review the EPA program for sulfate health effects determination, testified to by Mr. Train on April 9, to see if the program appears likely to produce the timely results required to support standards and if the resources planned for that program are adequate.

The draft study plan is attached. The field visits portion of the investigation will require three staff people plus the assistance of two or three GAO investigators for at least two weeks. We will require several days travel to the CHESS data gathering sites for two people at each site two days. The team will require a week at EPA Triangle Park Lab in Durham, North Carolina. The balance of the investigation can be carried out in Washington, D.C. Your concurrence and approval of this program is solicited.

INVESTIGATION PLAN

EPA SO_2 and sulfate epidemiology research program (CHESS)

Scope and Objective

The purpose of this investigation is twofold: first, we wish to follow up on the hearings held jointly on April 9 by the Science and Technology and Interstate and Foreign Commerce Committees. The hearings were initially called to investigate the allegations in the Los Angeles Times of improper interpretation of the CHESS study data. As a result of the hearings the question has shifted from one of impropriety in the conduct of the CHESS studies to a question as to the scientific rigor and adequacy of the CHESS studies. To answer this remaining question requires review of the data gathering techniques used in the program with associated limitations, uncertainties, etc., together with a review and evaluation by unbiased experts of the methods used in analyzing and interpreting the data to assess if unwise or biasing techniques were used in arriving at the results in the CHESS monograph. These reviews will lead to a review of the issue as to whether or not the CHESS results alone provide a sound basis for establishing primary and/or secondary air quality standards for sulfates. It may well be that the uncertainty recognized for these results at lower concentration levels are such that any biasing of analysis can have little or no effect or influence on the standards. Nonetheless, the rigor and adequacy of government sponsored research must be established or measures must be found to correct any deficiencies uncovered in this review.

The second issue which arose in the April 9 hearings is the pressing need for a sound technical basis for establishing air quality standards for sulfates. The EPA Administrator testified that a program was in place to do just this. The investigation team should review the EPA program considering all unevaluated and unpublished CHESS data and other studies that have been made to access if the program appears sound and expeditious and to assess whether or not necessary resources are available to assure success in the program.

Phase I—CHESS Data Gathering

There were 6 or 7 data gathering regions each with several instrumented sites. The research program in each region was carried out by a team of researchers.

Each area program will have to be reviewed by interviews with scientists who conducted the study and examination of procedures and data. The review will address at least the following items:

Data sites

Review of test procedures and practices

Time and intervals of data acquisition

Instrumentation used, calibration techniques, etc.

Special deviations from standard practice

List of data gathered

Known differences from other areas or sites

All anomalies established at each site during test interval

Averages/totals/regressions/etc., carried out on data before it was forwarded to the management center for compiling

Interview researchers as to comments on how data was gathered and its use in summaries reported in CHESS monograph.

Each area will take two to three days by two investigators—each two-man team can cover two areas in a week. This phase of the investigation can be carried out by six men in one week. They should return with taped interviews and data review results.

Phase II—Review of Analysis of CHESS Data

In Phase II investigators must visit the EPA Traingle Research Center Lab and interview researchers who participated in computation and analysis of the data. The following information will be sought:

What area data not used—why?

Follow-through the entire procedure used for compiling, combining, averaging, and otherwise stratifying, summarizing, and interpreting data. What bands of confidence established—why?

Interview researchers who participated for reaction to correctness or soundness in handling data.

This place should take three men one week.

Phase III—Review and Final Drafting of CHESS Report

In the third phase the investigators will obtain names of EPA and outside reviewers of the draft results of the CHESS Report and recommendations generated from the research program for sulfur oxide air quality standards. The following steps will be taken:

Compare first draft and final version

Find which suggested modifications were and which were not used—why?

Interview selected EPA officials and consultants

Track modifications to draft results suggested by above officials and consultants.

This phase should take four men three to five days.

Phase IV—Review EPA Sulfate Health Effects R&D Plan

This phase will include the following items:

Review a compilation of all results of sulfate health effects studies now in EPA's hands, together with new data from CHESS program

Review EPA R&D plan with agency personnel

Inventory of projects in EPA—elsewhere

Staffing

Budget

Feedback session with EPA

This phase should take three men four days.

Phase V—Report of Investigation

Phase V will encompass the following:

Write report of findings.

The report generation will take three men one to two weeks.

Note: Each investigative group must have one member familiar with and experienced in research methods and hopefully epidemiology studies and/or accepted statistical data analysis techniques.

Completion of the study will require three scientific consultants augmented by three to four statistical or other personnel from GAO.

We want to get to the roots of all of these allegations with regard not only to whether or not there was a deliberate falsification of the data, which may not have occurred, and we feel probably did not, but in addition, whether there are basic weaknesses which may have existed with regard to the research procedure.

As the testimony brought out, there are 4 years of unanalyzed data which might contradict the data which have already been published fully. We are going to ascertain what the reasons for these things are. The gentleman may be assured as far as this Member is concerned we are not going to rest until we are absolutely certain we get the best possible data base for this important program.

Mr. GOLDWATER. I thank the gentleman.

I do agree these are very serious charges. I am appreciative of the gentleman's remarks and I think it is appropriate that we do what is necessary to answer the charges because they are very serious and because they impact upon the quality of work that EPA is conducting in its various research programs. It impacts upon the whole question of whether ERDA, a regulatory agency, should be in direct command of its basic research to support its regulations. I do think this is appropriate. I thank the Chairman for his response.

Mr. Chairman, on April 9, 1976, a joint hearing was held by the Interstate and Foreign Commerce Health Subcommittee and the Science and Technology Environment Subcommittee.

The purpose of the hearing was to conduct a preliminary inquiry into charges made in the Los Angeles Times alleging that the EPA Community Health and Environmental Surveillance System—CHESS—project and report was so faulty in its management and scientific quality as to raise serious doubts about its legitimacy and acceptability.

Furthermore, the joint hearing was to look into charges in the Times article that project managers, and specifically one, may have managed the conclusions and recommendations of the report to fit preconceived personal and EPA administrative policy considerations.

The committee met from 9:30 a.m. until 7 p.m. on the 9th of April. The committee heard from some 23 witnesses. Each member of the committee had approximately 5 minutes to ask questions after each witness presented prepared testimony. In two cases, panels of six or seven witnesses presented individual statements. The members than had 5 minutes to ask questions of the panel.

At this time, the committees are reviewing the transcripts in preparation for determining whether further inquiry is required and the directions those inquiries should take.

Committee members were given permission to submit written question to the witnesses. I am acting upon that authority and have already submitted one set of questions to a witness and expect to do the same with three or four others.

I must say that I do not feel the inquiry was complete or exhaustive. In all fairness, it was not designed to be. For example, with three or four exceptions, all of the witnesses are either currently employed by EPA, are under contract with EPA as individuals or through their place of employment, or are active consultants with EPA. And, because of the time constraints and the great complexity of the subject, questioning was limited in its depth and technicality.

Both Chairman ROGERS and Chairman BROWN were fair and balanced in their handling of the hearing and in its preparation. They placed no constraints on the directions that committee members could pursue. They are to be commended and I take this opportunity to do so.

What disturbed me before the hearing is the same thing that bothers me today. What is the answer to the recurring intimations and "off-the-record" statements, by current and former EPA employees who worked on the CHESS project, that serious technical and managerial problems existed; that some of them were definitely made known to senior EPA officials; that scientifically minimum quality control was either absent from the beginning or was allowed to break down or be violated; and that these problems have been covered up and concealed from the Congress.

Further, even though the committees received testimony from EPA Administrator Train and others that CHESS is only one of several legitimate scientific inquiries that both the agency and Congress have relied on in formulating policy and legislative recommendation or requirement—including pending legislation. No evidence was produced to show that this is clearly the case. In particular, I find it disturbing that only a portion of the total CHESS study has been made public and that I keep finding statements by EPA officials that either heavily rely on the CHESS monograph through footnotes, allusions to individual studies within the monograph, or that flatly state that EPA sulfur oxide control strategies and recommendations "rest heavily" on CHESS.

Finally, one of the things that was fairly clear in the hearing was the concern of many of the witnesses that scientific research and inquiry may be too heavily influenced by EPA's policy needs and that the research should be separated from the EPA.

The Environment Subcommittee of the Science Committee will, I believe, shortly begin a further inquiry into the CHESS program.

I now come to what I believe, for me, is the most disturbing part of this CHESS affair. In today's edition of the Los Angeles Times there is an article on this issue and on the hearings. Simply put, the article alleges that witnesses before the April 9 hearing withheld facts from the Congress and in some cases made statements to the committee that are in direct contradiction to statements they made to the Times.

In effect, my fellow colleagues, the article on a point by point basis goes over some of the important aspects of this affair and reveals that serious contradictions on basic facts exist.

Unfortunately, the joint hearings did not use subpena authority. There was a feeling, honestly arrived at on the part of the committee members, that it would not be necessary. After you have read the following article, you may come to feel as I do that we may have made a serious mistake and that we may not have gotten the facts.

Before including the text of the most recent Times article, I feel a few points need to be clarified. First, none of the recent congressional attention to CHESS of which I have been a part has ever had as its objective the discrediting of CHESS in its entirety. Second, my interest stems directly from my belief that the Congress and the taxpaying public are always entitled to the best scientific information available. My concern over CHESS is that a less than careful or scientifically reasonable procedure was used in conducting the program and in writing the monograph. Only the best scientific process should be used in helping the Congress do its job. To let a partially inferior or sloppy example stand without correction and improvement will have serious consequences for everyone, particularly the Nation. Third, I am concerned over the degree to which the Congress has relied or been encouraged to rely on CHESS. By EPA's own admission the CHESS project is unique and innovative. It is the only major study of its kind. It is a study, conducted in the field, of contemporary human health situations as they relate to possible negative health effects of sulfur oxide pollution.

If the report is not absolutely acceptable in some respect, if its findings have been overstated, or if it has been given a certitude greater than is prudent the Congress should know the true situation. Fourth, serious allegations have been made against EPA that its policy needs and considerations may have had an unacceptable influence on both the conduct of the CHESS program and on some portions of the CHESS monograph. As the Congress has been relying in good faith on the scientific impartiality of the CHESS monograph it is important to know the degree of that impact, whether it is atypical or not, and whether something should be done to prevent a recurrence.

Finally, the Congress is preparing to legislatively extend and strengthen the Clean Air Act. There is a substantial difference of opinion over the role CHESS has played in encouraging Congress to take these actions. If, for example, the CHESS monograph has provided the basic rationale and major, compelling scientific evidence that continuous source control is the only way to protect the public against sulfur oxide health threats we need to know it. Without the understanding the Congress cannot determine if it is relying on scientific evidence that is flawed. If the strategy is based on flawed portions of the report, we need to know it and know it now.

If the following article is correct, it is apparent we have not yet gotten to the bottom of the matter and that in fact the Congress may have been materially misled.

[From the Los Angeles Times, May 3, 1976]

Scientists Soften Stands on Changes in EPA Study—Testify at Congressional Inquiry, Contradict Earlier Accounts of Colleague's Handling of Sulfur Reports

(By W. B. Rood)

The scientists had been called to appear at a congressional inquiry into charges which they felt were the most serious that could be leveled at a member of the scientific community.

The reason for the inquiry was a Feb. 29 story in The Times reporting charges that a former Environmental Protection Agency scientist "systematically distorted" agency research reports to prove sulfur pollution had adverse health effects.

Among those who appeared as unsworn witnesses at the April 9 hearing conducted jointly by two House subcommittees were several scientists from EPA and Dr. John F. Finklea, the man charged with the distortion.

Several of the witnesses had talked freely in private interviews a little more than two months before.

In those interviews, they had described events of the summer of 1972 when they had helped prepare a series of reports as part of EPA's Community Health and Environmental Surveillance System (CHESS).

They had depicted Finklea—who at that time headed their laboratory—as a man with a driving desire to produce unequivocal evidence that certain forms of sulfur pollution in the air caused serious health problems.

They said Finklea had rewritten their reports, often dropping what they thought were important qualifiers.

And they detailed how Finklea had ordered the use of such statistical techniques as data pooling to downplay evidence that tended to cast doubt on the case against pollutants. Numerous analyses had been ordered and only those that "looked good" were published, they said.

Asked in those interviews if problems had been corrected prior to final publication of the CHESS reports, one scientist said:

"Rather than going back and cleaning it up, we were told that the next thing to hit was going to be (another set of studies), and we were to start on those papers immediately.

"So we never really had the manpower or the time or the directive from higher up to go back and make some sense out of what we had done, which I believe was a mistake."

By the time of the April 9 congressional hearing, the story told by this and other EPA scientists had changed dramatically.

Leaning toward microphones on the witness table in a crowded Washington, D.C., hearing room, they starkly contradicted the accounts they had given not only to The Times but also to fellow EPA scientists and nongovernment researchers as well.

Instead of pointing the finger at Finklea as numerous persons had heard them do before, they told the congressmen that there were merely differences of interpretation that were quite normal in research.

In the hearing, they depicted Finklea as a fine scientist who worked extraordinarily hard and expected the same of others. In private and to scientific colleagues, they had portrayed him as a threat to the scientific objectivity of the research program.

Contacted after the hearing, one of the EPA witnesses said, "I was sory to see Jack (Finklea) come out looking like a God at those hearings and I wasn't the only one who hated to see that."

William C. Nelson, chief of the laboratory's statistics and data management office, did suggest to the congressmen the glimmer of a problem.

"In (the published CHESS reports) there is some tendency toward overinterpretation of results. That is, in some individual studies, the authors seem to ignore some internal lack of consistency which does not support the existence of a healthy effect of air pollution and instead to emphasize those results which do indicate the existence of a health effect," Nelson said in a prepared statement.

But, Nelson said, "it is important to note this . . . comment applies to the interpretation of the results and not to the integrity of the data files or to the validity of the analyses."

On balance, though, the testimony of Nelson and other agency witnesses added up to a strong endorsement of both Finklea and the published CHESS studies.

And EPA Administrator Russell E. Train told the committee that even if the charges about the CHESS studies were true, it would be of little practical importance.

The agency, Train said, had not relied heavily on these studies to support any of its regulatory actions or its position on clean-air legislation.

Later, in an appearance on CBS's Face the Nation, Train repeated that view, calling the whole controvery "a tempest in a teapot."

A tempest, maybe. But the scope of the controversy was somewhat larger than a teapot.

And interviews with witnesses at the April 9 hearing and many others have shown that national debate stirred by The Times story caused a number of witnesses to give testimony which conflicted with what they told The Times.

For instance, one witness testified he knew of nothing that would indicate Finklea had downplayed scientific evidence to make a case against polution or had done anything to bias results of the CHESS studies.

That same witness said after the hearing that he feared there would be "an attempt by the power companies to discredit the research entirely."

Here are his answers to a series of questions posed in an interview after the hearing:

Question—Did Kinklea overstate conclusions in the CHESS reports?

Answer—There's no question about it.

Q.—Did Finklea selectively pick the statistical analyses that tended to prove the connection between pollution and adverse health effects and ignore the others?

A.—He did. He did.

Q.—Did you have time after Finklea was promoted out of your lab to go back and correct problems like that?

A.—That's a question of degree. I don't think it was done to the degree it should have been.

Q.—Didn't you tell Dr. Hutchison of Harvard that Finklea had ssytematically distorted CHESS studies studies?

A.—OK, I used those words to him. He's a professional but I prefer not to use those kind of words out in public because of the reaction it has.

Q.—You've said nothing in this interview that would indicate Finklea didn't tend to exaggerate the connections between pollutants and health.

A.—Right. I'll grant you to whatever degree there was certainly a tendency to do that.

Another witness contacted after the hearing contradicted his testimony that he knew of nothing to indicate Finklea had distorted the CHESS reports.

"I had ggotten three or four phone calls (he declined to identify the callers) not telling me, but more or less advising me that it probably would not be a good idea to get involved in a name-calling contest," he said

"So there was nothing I could do. You see what I mean? Nobody wants to fight; nobody wants to take on Finklea. That was the problem."

Here are his answers to a series of questions posed after the hearing:

Q.—Have you heard anything that would shed any light on whether the charges about Finklea are true or not?

A.—Yeah, I have.

Q.—Have you ever heard any of the witnesses who worked on the CHESS studies complain that their work was manipulated by Finklea to exaggerate the health effects of pollutants?

A.—Sure, in fact I know of two of them, three of them that did.

Q.—Would you feel the testmony the CHESS researchers gave at the hearing was consistent with what they have told you?

A.—No.

Documentary evidence uncovered since the hearing shows that Administrator Train did not convey to the House subcommittees the real impact of CHESS on legislation and public policy.

Following publication Feb. 29 of the charges against Finklea, some who made the charges found they had become grist in a political furore over EPA policies and pending amendments to the Clean Air Act.

Industry groups leaped on the charges, contending that, if true, they cast doubt not only on the disputed CHESS studies but on the entire spectrum of EPA research.

The major finding of the published CHESS reports was that sulfates, a byproduct of the sulfur dioxide emitted in large quantities from fossil fuel burners such as power plants, were consistently linked at low concentrations to a variety of adverse health effects.

The importance of the finding was that it appeared to justify multibillion-dollar pollution controls more stringent than necessary to meet the existing air quality standard for sulfur dioxide.

The finding also appeared to justify pending legislation aimed at protecting air quality in pristine areas eyed as prime sites for power plants which existing pollution laws would bar from urban areas.

Utilities and other industrial groups opposed to such legislation began using the controversy over the CHESS studies in their lobbying effort.

Among health researchers, there is little dispute that sulfates at some level are a health hazard or that CHESS is a valuable contribution to the evidence supporting that view.

The critical question is how low the harmful sulfate levels are.

The crux of the scientific debate over CHESS is whether the published papers stretched science and statistics to prove that low sulfate levels were harmful. And there is widespread evidence that this, indeed, was the case.

"Dr. Finklea," one scientist said, "had an intuition that these (low) sulfate levels were harmful, and I think he felt that even if the data didn't show it, he could draw certain conclusions and he would be borne out by later studies."

Notably missing from the witness list at the April 9 hearing were members of an ad hoc committee formed more than a year ago at EPA's request to investigate criticisms that agency scientists were "overinterpreting their data."

Members of that committee, including Dr. George B. Hutchison of Harvard, had recounted to The Times complaints voiced by agency scientists involved in the CHESS program.

Hutchison had told of his interviews with scientists who said their CHESS reports had been "systematically distorted in the direction of tending to demonstrate more association (between pollution and health) than in fact exists."

And Finklea, Hutchison said, "was more responsible than anybody else we know of."

Yet Hutchison declined an invitation to appear at the April 9 hearing bcause of the "hearsay nature of what I had to say."

"I felt it really wasn't very useful in a legal hearing," Hutchison said after the hearing.

EPA scientists who complained privately to Hutchison and others that Finklea distorted their work felt they could not say so at the hearing.

The hearing, explained one agency witness, "appeared to several of us to be an attempt by the power companies to discredit the work that was done."

The witness told The Times after the hearing that he and others feared that confirming any of the charges would feed a belief that the CHESS studies and agency research in general were worthless.

"I think what you'll find is that a lot of people selected the truth or what we gave before the committee was true for what we selected to tell them," said one witness.

A major defense offered at the hearing was that whatever objections scientists at EPA had to the CHESS reports could be corrected after completion of the first drafts and Finklea's promotion to director of the agency research center in North Carolina.

"John Finklea had no direct input to the revision process and did not have the opportunity to intervene in the rewriting of the monograph," testified Dr. Carl M. Shy, who succeeded Finklea as director of the health effects research laboratory.

Regarding Shy's contention, another agency witness said after the hearing, "That is definitely not true."

Another scientist said, "All I can tell you is that I worked for Carl Shy and Carl and I were sitting there one day.

"He's crying the blues along with (another EPA scientist), bitching and moaning constantly that they can't move off two feet because every time somebody wrote a report it went through Shy to Finklea and Finklea corrected it and sent it back, even when Shy was director of the division."

Shy told the congressional hearing that the comments of numerous outside reviewers were incorporated into the rewriting of drafts by the various authors of the studies.

The changes, he testified, answered many objections scientists had to the original draft.

"However," he told the hearing, "the basic data and conclusions of the first draft were essentially unchanged during this process of revision."

Questions as to what changes were made in the final draft may be academic in terms of the impact the earliest CHESS studies had on public policies and legislation.

Long before publication of the studies, information from the original draft reports was finding its way into the debate over the need for costly devices called scrubbers to control sulfur dioxide emissions from power plants and other facilities.

EPA Administrator Train has denied that the agency relied heavily on the CHESS studies in calling for installation of scrubbers, the industrywide cost of which is estimated at between $6 billion and $11 billion.

At the April 9 congressional hearing on the CHESS studies, Train was asked whether he had relied on the studies in supporting further regulation or legislation.

"I'm not aware of any reliance in that regard," he told the congressmen.

He denied that the studies were the health basis for EPA's opposition to less costly emission control approaches such as the intermittent control strategies (ICS) favored by utilities.

(Intermittent control strategies involve the use of tall stacks to disperse pollutants and, during periods of high pollution, low sulfur fuels.)

"Although reinforceed by the CHESS results, EPA's position on tall stacks and ICS is founded upon a preexisting and longstanding opposition to an increase of the total atmospheric burden of sulfur oxides," Train said at the hearing.

In two March 22, 1974, letters—one to House Speaker Carl Albert (D-Okla.) and the other to President Gerald R. Ford, then vice president and serving as president of the Senate—Train said:

"EPA's concern with intermittent control systems as a permanent control strategy rests heavily on information becoming increasingly available as to the effects on public health of the sulfates that are formed in the ambient air as a product of the sulfur oxide gaseous emissions."

Train wrote that he opposed legislative proposals that would permit the indefinite use of intermittent control strategies.

An attorney for Kennecott Copper Corp. on April 12, 1974, filed a Freedom of Information Act request with the agency requesting all information referred to in the letter to Mr. Ford as supporting Train's opposition to intermittent controls.

Two weeks later, the attorney received a letter from Richard C. Dickerson, project manager for the agency's human studies laboratory.

"The information and studies you referred to are contained in a soon to be published Environmental Protection Agency monograph entitled 'Health Consequences of Sulfur Oxides,' " Dickerson wrote the attorney on April 26, 1974.

The monograph Dickerson referred to was the CHESS document originally prepared under Dr. Finklea's supervision. It was the only study cited in Dickerson's response to the attorney's Freedom of Information Act request for information supporting Train's position on control of power plant emission.

When called last week for a response from Train on the matter, an EPA spokesman said, "I'll see, but I don't think I can recommend that Train talk to you."

Trail's apparent willingness to rely heavily on the CHESS studies in making recommendations to Congress on the Clean Air Act Amendments currently pending contrasts with his reluctance to use the studies as a basis for air quality standards.

The Sierra Club has taken legal action seeking to force the agency to set a standard and citing CHESS results as part of the reason for doing so.

In a letter last month to Joseph J. Breecher, an attorney representing the Sierra Club, Train wrote,

"As you may be aware, the methodology of the CHESS studies has been criticized by the scientific community and I do not think they constitute an independent basis for an ambient air quality standard."

So the CHESS studies, while not deemed an adequate basis for setting a sulfate standard, are viewed as sufficient to justify agency stands on Clean Air Act legislation.

In an effort to clear up doubt surrounding the studies, the agency is seeking to contract with an outside group for independent analysis of data from CHESS.

The published monograph represents an analysis of data from the 1970-71 portion of the program. Data collection on health effects for CHESS ceased only a few months ago.

Analysis of the CHESS data is not expected to be completed until 1977.

There are indications, meanwhile, that Finklea, who left EPA last year to become director of the National Institute for Occupational Safety and Health, is still a factor in the internal EPA debate over CHESS.

Shortly after The Times reported charges that Finklea had systematically distorted reports contained in the published CHESS monograph, an agency source close to Train gave this account:

"The problem here is the heated dialogue within the agency. I mean it seems pretty clear that your story was right. There has been overinterpretation or selection conclusions in the (CHESS) reports.

"But the problem is—and it's incredible how things happen in a bureaucracy—the pro and con supporters of Dr. Finklea are such that it's tough to get a rational focus on the issue this close to the event."

The source added, "There are those who realize the problem. I think probably everybody does, about the CHESS studies. . . . If you acknowledge there is a problem there you need to revise a lot of things or rethink things or whatever, and you can't very well do that without disavowing Finklea."

Mr. WINN. Mr. Chairman, I appreciate the gentleman bringing this to the attention of the Members on the floor. I would substantiate what my subcommittee chairman, the gentleman from California (Mr. Brown), said, that we will keep our eye on this to be sure that these charges are looked into very thoroughly.

Mr. Chairman, I yield back the balance of my time.

Mr. KEMP. Mr. Chairman, I rise in support of the gentleman from California, my friend, Mr. Ketchum.

The gentleman's amendment addresses itself to one of the fundamental issues of our day—overregulation of the people's lives by bureaucrats in Washington.

The amendment would require all rules and regulations of the Environmental Protection Agency—EPA—to be approved by the Congress prior to becoming the law of the land. It restores to the Congress the constitutional powers of making law—and rules and regulations certainly have the full force of law—delegated to the agency at the time of its inception and in subsequent enactments.

The issue here is not one of keeping or not keeping our commitment to the restoration of our environment. The process we put in place through the adoption of this amendment will not weaken that commitment, for it has been reaffirmed time after time in recent years as the Congress has expanded, improved, and funded our clean air and water, our solid waste, and our other related programs.

The issue is rather a broader and perhaps even more important one. It is whether in a free society the laws of the land—which affect people's lives, their living standard, their jobs—are to be adopted by appointed officials and civil servants never elected by anyone, or by legislators—Congressmen and Senators—elected by the people.

This debate—and the debate over whether the process proposed by this amendment should be made applicable to all departments, agencies, bureaus, commissions, and so forth—should help Members, the people in whose trust we exercise our responsibilities, and even officials within the agencies to understand more fully the impact upon our institutions of rulemaking by instruments of Government insulated from direct accountability to the people.

The lack of adequate institutional means for holding the bureaucracy accountable to the people should cause us to put into place a new process requiring that no major rules or regulations made by the bureaucracy go into effect until action has been taken on them by the elected Representatives of the people.

This is no casual responsibility. Our Declaration of Independence exhorts us to remember that to secure the rights of life, liberty, property, and the pursuit of happiness governments are instituted among men which derive their just powers "from the consent of the governed." Grievances arise among the people when they feel their consent is not obtained or, once obtained, is frustrated. This frustration probably differs very little in intensity or tone whether directed at a titled and governing aristocracy, bureaucrats in a relatively free society, or socialist managers. What does differ is the ability of the people to elect representatives to act in their, the peoples' interest and not those of Government and to turn them from office is they do not.

The Congress is now faced with the question of what to do about the mechanics and growth of Federal administrative rulemaking. It is within our power to do so—clearly.

Article I, section 8, clause 18 of the Constitution sets forth the basic power:

> The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

Congress, thus, has the power to make laws, including those laws which give to the administrative agencies the authority to issue rules deemed appropriate to carry out the law and consistent with the intent thereof. For example, Congress has the power to issue licenses for the operation of television stations, but it has expressly delegated that power to the Federal Communications Commission. Congress has, in short, given its powers to an administrative agency.

Inherent in this process is the continuing, constitutional power of Congress to make further laws, through which some or all of that power is returned to the Congress. The basic theory of the Constitution would be violated by restrictions on Congress retrieving its own powers. There are clear precedents for Congress exercising such authority, ranging from the constitutional argument successfully advanced by Chief Justice Marshall in *McCulloch* v. *Maryland*, 4 Wheat. (17 U.S.) 316 (1819) to Congress exercise of that authority in recent decades.

In McCulloch against Maryland Chief Justice Marshall asserted that all that was required to establish the validity of an action under clause 18 was as follows:

> All means which are appropriate, which are plainly adapted to that end, which are not prohibited, but consistent with the letter and spirit of the Constitution, are constitutional.

The Congressional Research Service of the Library of Congress reports that in the last 43 years 183 separate provisions in 126 acts of Congress contain some type of congressional review or consent for proposed administrative agency implementations of law. Some require specific action. Others simply provide a procedure which Congress can use at its discretion. In other words, the former requires Congress to do something before the rule becomes operative, whereas the latter does not require Congress to do something.

I have been very active in this issue, making statements before the Subcommittee on Administrative Law and Governmental Relations of the House Committee on the Judiciary as well as the Subcommittee on Administrative Practice and Procedure of the Senate Committee on the Judiciary. I have cosponsored the proposed Regulatory Reform Act which would make the Ketchum amendment concept applicable to all Federal departments, agencies, and so forth—and it is encouraging to me to see the growing support in the House for this approach.

I hope the amendment passes.

Mrs. SMITH of Nebraska. Mr. Chairman, I rise to comment on H.R. 12704, which authorizes funds for continued research and development. Benefits should be realized from this action beyond advanced technologies to protect public health. Study will be dedicated to proper municipal waste water treatment and possible crop damage from air pollution as well as the use of urban waste products as soil conditioner supplements. Another important field of research will continue to seek alternatives to petroleum-base fertilizers. Since petroleum has been the basic ingredient in most fertilizers, the diminishing availability and increased prices of this product may begin to adversely affect food production.

I would also like to commend the Science and Technology Committee for its action in amending section 5 of this bill before it came to the floor. As it previously read, this provision would have allowed the Environmental Protection Agency to coordinate all research activities to the environmental field although they were performed by Department of Agriculture, the Department of Commerce, or any other Federal agency with an equal interest in preserving our Nation's resources. By changing this provision, the committee has preserved the integrity of these other Federal agencies by allowing them to form viable environmental policies as well.

The excessive regulatory posture of EPA has been a great concern to me. As regulation has been stacked on regulation, the EPA has aroused an animosity that has given environmental protection a bad name. Environmental advocates should remember that the environment is to be preserved for the enjoyment of people, instead of restricting people to the point that a sterile environment is unenjoyable and unproductive. It is my hope that the studies we are funding today will look to ways to improve water and air quality without increasing food production costs or increasing an already bloated Federal bureaucracy.

Mr. TEAGUE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby authorized to be appropriated to the Environmental Protection Agency for the fiscal year ending September 30, 1977, for the following categories:

(1) Research, development, and demonstration under the Federal Insecticide, Fungicide, and Rodenticide Act, $13,813,900.

(2) Research, development, and demonstration under section 301 of the Public Health Service Act, $878,900.

(3) Research, development, and demonstration under the Safe Drinking Water Act, $13,592,500.

(4) Research, development, and demonstration under the Clean Air Act, $129,223,500.

(5) Research, development, and demonstration under the Solid Waste Disposal Act, $9,278,900.

(6) Research, development, and demonstration under the Federal Water Pollution Control Act Amendments of 1972, $89,779,300.

(b) No funds may be transferred from any particular category listed in subsection (a) to any other category or categories listed in such subsection if the total of the funds so transferred from that particular category would exceed 10 per centum thereof, and no funds may be transferred to any particular category listed in subsection (a) from any other category or categories listed in such subsection if the total of the funds so transferred to that particular category would exceed 10 per centum thereof, unless—

(1) a period of thirty legislative days has passed after the Administrator or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate a written report containing a full and complete statement concerning the nature of the transfer and the reason therefor, or

(2) each committee of the House of Representatives and the Senate having jurisdiction over the subject matter involved, before the expiration of such period, has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

(c) In addition to any transfers among the categories listed in subsection (a) which are authorized by subsection (b), not to exceed 10 per centum of the total amount appropriated pursuant to subsection (a) may be transferred to other authorized activities of the Environmental Protection Agency (except construction grants for waste treatment works and scientific activities overseas), and not to exceed 10 per centum of the total amount appropriated for such other authorized activities may be transferred to any category or categories listed in subsection (a).

Sec. 2. Appropriations made pursuant to the authority provided in section 1 shall remain available for obligation for expenditure, or for obligation and expenditure, for such period or periods may be specified in the Acts making such appropriations.

Sec. 3. No appropriation may be made to the Environmental Protection Agency for environmental research, development, or demonstration, for any period beginning after September 30, 1977, unless previously authorized by legislation hereafter enacted by the Congress.

Sec. 4. The Administrator of the Environmental Protection Agency shall transmit to the Congress a comprehensive five-year plan for environmental research, development, and demonstration. This plan shall be appropriately revised annually, and such revisions shall be transmitted to the Congress each year no later than two weeks after the

President submits his annual budget to the Congress in such year.

SEC. 5. (a) The Administrator of the Environmental Protection Agency shall coordinate environmental research, development, and demonstration programs of the Agency with the heads of other Federal agencies in order to minimize unnecessary duplication of programs, projects, and research facilities.

(b) (1) To assure the coordination of environmental research and development activities, the Administrator in cooperation with the heads of other Federal agencies shall carry out a study of all aspects of the coordination of environmental research and development. This study shall be chaired by the Chairman of the Council on Environmental Quality.

(2) The Chairman of the Council on Environmental Quality shall prepare a report on the results of the study, together with such recommendations, including legislative recommendations, as shall be appropriate and submit such report to the President and the Congress not later than January 30, 1977.

(3) Not later than June 30, 1977, the President shall report to the Congress on steps he has taken to implement the recommendations of such study including any recommendations he may have for legislation.

Mr. TEAGUE (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 4 strike line 16 through line 25, and, on page 5 strike line 1 through line 7 and insert in lieu thereof:

"(b) (1) To promote the coordination of environmental research and development, the Chairman of the Council on Environmental Quality shall, in cooperation with the heads of other Federal agencies, conduct a continuing inventory of ongoing environmental research and development programs. To the extent possible, this inventory shall make use of studies and other inventories being carried on by the Federal agencies.

"(2) The Chairman of the Council on Environmental Quality shall include in the Council's annual report to the President and the Congress a report on the state of environmental research and development as indicated by the inventory under paragraph (1)."

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. KETCHUM

Mr. KETCHUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KETCHUM: Page 5, immediately after line 25, add the following new section:

"SEC. 6. (a) The Administrator of the Environmental Protection Agency shall, not later than 60 days after the date of the enactment of this Act, prescribe and implement rules to assure that any hearing in connection with any expenditure of any funds authorized to be appropriated under this Act, or any hearing for the expenses of which any such funds are used, shall—

"(1) if it concerns a single unit of local government or the residents thereof, be held within the boundaries of such unit;

"(2) if it concerns a single geographic area within a State or the residents thereof, be held within the boundaries of such area; or

"(3) if it concerns a single State or the residents thereof, be held within such State.

"(b) For the purposes of subsection (a)—

"(1) the term "unit of local government" means a county, municipality, town, township, village, or other unit of general government below the State level; and

"(2) the term "geographic area within a State" means a special purpose district or other region recognized for governmental purposes within such State which is not a unit of local government."

Mr. KETCHUM (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

Mr. ECKHARDT. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Texas (Mr. ECKHARDT) reserves a point of order.

Mr. KETCHUM. Mr. Chairman, this amendment is the regulatory reform amendment and I shall resist a point of order that may be raised.

I would, Mr. Chairman, point out one deficiency in the amendment that we have just corrected; that is subsection 2. The amendment as it is presently written reads:

The Congress by concurrent resolution approves such rule or regulation.

Mr. Chairman, I realize that is a rather cumbersome way of dealing with this particular subject, so I ask unanimous consent that the section be changed to read:

The Congress by concurrent resolution does not disapprove such rule or regulation within 60 days.

Mr. Chairman, that makes it far less cumbersome.

The CHAIRMAN. Is there objection to the modification of the gentleman from California?

Mr. ECKHARDT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The Clerk will report the modification to the amendment.

Mr. ECKHARDT. Mr. Chairman, I reserve an objection until I receive a response.

The CHAIRMAN. Will the gentleman from California restate the modification and the unanimous consent request?

Mr. KETCHUM. Yes.

Mr. Chairman, apparently the Clerk read a different amendment, the second amendment, rather than the first amendment.

The CHAIRMAN. Does the gentleman intend to have the amendment that was read pending, or does the gentleman ask to withdraw that?

PARLIAMENTARY INQUIRY

Mr. ECKHARDT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. ECKHARDT. Mr. Chairman, I got another amendment from the one which I think the gentleman is now proposing.

The CHAIRMAN. The Chair is trying to straighten out which amendment was intended to be offered.

Does the gentleman from California wish to offer a different amendment?

Mr. KETCHUM. Yes, I would like the first amendment read.

The CHAIRMAN. Without objection, the amendment will be withdrawn and the Clerk will report the other amendment.

The Clerk read as follows:

Amendment offered by Mr. KETCHUM: Page 5, after line 7, add the following new section:

SEC. 6. Notwithstanding any other provision of law, no rule or regulation promulgated on or after the date of enactment of this Act by the Administrator of the Environmental Protection Agency, in connection with research, development, or demonstration under any of the Acts specified in subsection (a) of the first section of this Act, shall become effective unless—

(1) the Administrator transmits to the Senate and the House of Representatives a copy of such rule or regulation together with a statement demonstrating that the benefits to be derived *from such* rule or regulation exceed the costs incurred therefrom; and

(2) the Congress by concurrent resolution does not disapprove such rule or regulation within 60 days.

Mr. ECKHARDT. Mr. Chairman, I reserve a point of order on this amendment.

The CHAIRMAN. The gentleman from Texas reserves a point of order.

Mr. BROWN of California. Mr. Chairman, in ignorance of the point of order which the gentleman from Texas would raise, I would like to also reserve a point of order.

The CHAIRMAN. The gentleman from California (Mr. BROWN) also reserves a point of order.

The gentleman from California (Mr. KETCHUM) is now recognized for 5 minutes.

Mr. KETCHUM. Mr. Chairman, since regulatory reform has become the name of the 1976 game, we have an opportunity here today to demonstrate our devotion to this cause. There is no doubt that this catchy slogan has great appeal, but there is doubt in the minds of many as to whether or not those who bandy it about mean to follow through on the promise. We have a chance to prove where we stand right now by adopting my amendment.

This amendment requires that all of EPA's rules and regulations receive a congressional OK—in the form of a concurrent resolution—prior to implementation. If we are ever to stem the tide of unnecessary and onerous Federal regulations being promulgated by the independent agencies, if we are ever to reassert our vital role of congressional oversight, we must begin here. The bill from which my amendment language was borrowed—the Regulatory Reform Act—is a commendable piece of legislation, but this country cannot continue to suffer the burden of overregulation until Congress gets around to considering this legislative remedy. This is one instance where the piecemeal approach is preferable, since an omnibus bill tackling all regulatory agencies is sure to run into serious hangups.

We have all been inundated with mail from our harried constituents demanding that the EPA be completely abolished, which we all know is a practical impossibility. What we can do is insure that no more regulations are issued without first making certain their necessity and true worth. This country cannot afford a repetition of the fire ant and DDT episodes, without placing our food supply in serious jeopardy. The way to go on record as favoring responsible regulatory reform is to adopt this amendment and thus begin to work toward a thinner Federal Register and a less-hassled American citizenry.

I respectfully ask your support for this long-overdue step toward meaningful regulatory reform.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I would like to clarify a statement the gentleman has just made. I have the text of the gentleman's statement, which says that this amendment which he has submitted requires that all of EPA's rules and regulations receive a congressional OK in the form of a concurrent resolution. Is that the language the gentleman actually used?

Mr. KETCHUM. No, it is not. It applies only to this bill, only to this particular section.

Mr. BROWN of California. The gentleman's amendment is much more narrowly worded than he has stated in his previously prepared text. I thank the gentleman.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from California.

Mr. LAGOMARSINO. Is it not true that the gentleman's amendment, as modified, does not require congressional approval, but rather allows for congressional disapproval?

Mr. KETCHUM. That is correct.

Mr. LAGOMARSINO. I think the gentleman misspoke earlier in his explanation of the amendment.

Mr. KETCHUM. The amendment, as I offered it initially, would have required congressional approval. The amendment as it is submitted requires veto power—disapproval.

Mr. LAGOMARSINO. I would like to commend the gentleman for offering this amendment. I think this is really what the people at home are talking about; what the issues really are.

This is just a small part of it. As the gentleman says, this is a place to start. The issue really is, who is going to make the rules and regulations and laws that govern people's lives, the elected representatives, Members of Congress, or appointed bureaucrats.

As the gentleman has so eloquently stated, here is where we can lay it on the line and tell the American people by our vote this afternoon whether we really believe in this concept or not. I have no doubt at all that the people of America do believe in this concept. I discussed this with my constituents during the Easter recess, and found overwhelming approval of the idea.

Mr. KETCHUM. I thank the gentleman.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. In the amendment, the gentleman states that EPA shall present to Congress the cost of such a regulation or rule. The cost the gentleman is referring to, is that the direct cost to the Government or the indirect cost to industry and on to the consumer?

Mr. KETCHUM. I would hope to get the direct cost to the Government, but I would hope that they would attempt to justify those rules and regulations with their estimated costs to the general public.

Mr. MYERS of Indiana. What the gentleman is really saying is that EPA would have to come forth with a benefit-to-cost ratio, as in public works projects.

Mr. KETCHUM. That is right.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from California insist upon his point of order?

Mr. BROWN of California. Would the Chairman ask the gentleman from Texas (Mr. Eckhardt) if he wishes to be heard?

The CHAIRMAN. Does the gentleman from Texas (Mr. Eckhardt) wish to be heard on his point of order?

Mr. ECKHARDT. I do, Mr. Chairman.

The CHAIRMAN. The gentleman may be heard.

Mr. ECKHARDT. Mr. Chairman, the bill before us has the purpose of authorizing appropriations to the Office of Research and Development of the Environmental Protection Agency for fiscal year 1977 with respect to certain specific areas.

One is research, development, and demonstration under the Federal Insecticide, Fungicide, and Rodenticide Act, which act, as I understand it, is an act wholly under the jurisdiction of the Committee on Agriculture, even with respect to its research operations; with respect to research, development, and demonstration under section 301 of the Public Health Service Act, which is an act which is generally under the jurisdiction of the Committee on Interstate and Foreign Commerce; research, development, and demonstration under the Safe Drinking Water Act, which is an act generally under the jurisdiction of the Committee on Interstate and Foreign Commerce; research, development, and demonstration under the Clean Air Act, which is also under the jurisdiction of the Committee on Interstate and Foreign Commerce generally; research, development, and demonstration under the Solid Waste Disposal Act, which is generally under the jurisdiction of the Committee on Interstate and Foreign Commerce; research, development, and demonstration under the Federal Water Pollution Control Act Amendments of 1972, which is generally under the Committee on Public Works.

Mr. Chairman, it is true that the amendment is limited to the rules and regulations promulgated on or after the date of enactment in connection with research, development, or demonstration.

But as I said before, even research, development, and demonstration are under the jurisdiction of the Committee on Agriculture with respect to the Federal Insecticide, Fungicide, and Rodenticide Act, and in other instances it is impossible to totally separate research and development from the other jurisdiction of the committees of major jurisdiction respecting the other acts.

Furthermore, this provision, as I read it, would make a rule or regulation which might include regulatory authority, but which would also include research, development, or demonstration within its reach, subject to what is called the congressional veto.

Thus, if a rule or regulation were made by the Administrator that affected both research and development and other functions of the agency clearly outside the jurisdiction of this committee, this amendment would reach, broadly, rules and regulations of very diverse character.

Mr. Chairman, this is not a matter of little concern because the provision here in item (2), provided that Congress by concurrent resolution does not disapprove such rule or regulation, would permit, even after Congress disapproved a Presidential veto.

The original rule, if vetoed by concurrent resolution by Congress, would in turn be subject to a veto by the President because the Constitution says that any act requiring the concurrence of both bodies must be submitted to the President and he may veto it.

So this amendment has great and broad reach far beyond the provisions of the bill, and I submit, Mr. Chairman, that it is therefore not germane to the bill itself.

The CHAIRMAN. Does the gentleman from California (Mr. Ketchum) wish to be heard on the point of order?

Mr. KETCHUM. Yes, I do, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. KETCHUM. Mr. Chairman, as many of my colleagues are aware, this point of order has already been raised by the Environmental Study Conference and various individual members. Therefore, I have thoroughly investigated the question of this amendment's germaneness with numerous sources, including committee and House counsel and the Parliamentarian. Therefore, I am quite confident in my opinion that this measure is indeed germane to debate on the bill now under consideration. If you will read the language of my regulatory reform-type amendment closely, you will see that it pertains only to rules and regulations connected with "research, development, or demonstration under any of the acts specified in subsection (a)." Therefore, the scope of my amendment is expressly limited to coincide with the scope of this bill.

The argument will be made that R. & D. branches do not promulgate rules and regulations. In the strictest sense of the word, that may be true. But are not such R. & D. activities the foundation upon which all regulatory mandates are built? Hopefully, the research programs which this bill funds will all have tangible results; almost inevitably one of these results will be a new EPA ruling. My amendment stipulates that—subsequent to any R. & D. effort relating to FIFRA, public health, drinking water, clean air, solid waste disposal, or water pollution—the consequential regulatory decision will be subject to congressional approval.

Is it not a logical extension of the term "demonstration" to include requiring EPA to demonstrate to Congress the viability of its proposed regulations? In fact—after the expenditure of time and these generous moneys it would seem a small feat indeed for EPA to present this thoroughly researched case to Congress, especially on the elmentary level that would most likely be required. The possible savings in terms of avoiding unworkable rules or cost-benefit boondoggles would be well-worth the extra hours spent before Congress.

The fact is this amendment is germane. I am heartened by the attention this measure has already received; I look forward to the debate on the merits of the amendment per se, which I believe are quite extensive indeed.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I would like to join the gentleman from California (Mr. KETCHUM) in his argument that this is most assuredly within rule XVI of the House which requires germaneness, because in any such situation where a proposition confers broad discretionary power upon an executive official, it is perfectly within the rights of any Member to offer an amendment that directs that official to take certain actions prior to the expenditure of funds or the exercising of certain policies.

In chapter 28, paragraph 24.2 of Deschler's Procedure, the general rule is stated that points out the precedents on an authorization bill indicate that the authorization itself may be made contingent upon a future event if the event is related to the subject matter before the House.

Mr. Chairman, in this case the amendment offered by the gentleman from California (Mr. KETCHUM) is specifically limited to research and development, which is the subject of this bill. The arguments advanced by the gentleman from Texas (Mr. ECKHARDT) notwithstanding, I believe the amendment is germane.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Washington.

The CHAIRMAN. The Chair controls the debate on the point of order.

Does the gentleman from Washington (Mr. FOLEY) wish to be heard on the point of order?

Mr. FOLEY. Yes, I do, Mr. Chairman. I wish to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. FOLEY. Mr. Chairman, if I may, I would like to address a question to the gentleman from California.

One of my concerns is that the gentleman's explanation of his position seems again to confuse the purpose of the amendment and, therefore, poses questions reaching the point of order.

If I understood the statement of the gentleman in the well a moment ago, he said that rules and regulations promulgated subsequent to a research and development program would be subject to this amendment.

Is the gentleman suggesting that his amendment deals with more than regulations attending on the announcement or decision to offer a research or demonstration program and reaches beyond that to include any implementary regulations that would follow such a research and development program?

Mr. KETCHUM. No. If the Chair will permit me to explain further, I think I made my point perfectly clear. I would say to my friend, the gentleman from Washington (Mr. FOLEY), that with regard to these demonstration programs, any regulations that may apply to the demonstration programs, as we indicated in the debate, would be those subject to regulatory review.

Mr. FOLEY. If the gentleman will address the question further, then the gentleman would say that any regulation that follows on the completion of such a demonstration project and implements the finding of such a demonstration project, would not be subject to the gentleman's amendment, is that correct?

Mr. KETCHUM. Would the gentleman from Washington (Mr. FOLEY) repeat that again?

Mr. FOLEY. Yes. If a demonstration project that is now in the rules and regulations prescribing the demonstration and research project were promulgated and that research and demonstration program goes forward, and then as a direct result of that research or demonstration project's having been completed, the EPA makes a determination that certain regulations to administer a study of the environment of that jurisdiction shall be promulgated or issued, the gentleman is assuring us that those subsequent regulations that are administrative in character and result in the demonstration or research project are wholly exempt from his amendment; is that correct?

Mr. KETCHUM. They are as it applies to this bill; but I will assure the gentleman that as time goes on in this session of Congress, I will be offering an amendment to take care of those other problems.

Mr. FOLEY. Mr. Chairman, I am sure the gentleman from California (Mr. KETCHUM) has a genuine interest, but the gentleman used the words "subsequent to." That was the purpose of my question. He is not saying that a regulation following the research project and implementing the findings of the research project would be covered if it were an administrative project; is he?

Mr. KETCHUM. No; that would have to be applied to the EPA authorization, which would be ongoing.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. OTTINGER) on the point of order.

Mr. OTTINGER. Mr. Chairman, I just want to make one important fact clear with respect to this point of order.

The gentleman seemed to conclude that the Environment Study Conference of which I happen to be chairman took a position with respect to the point of order. I just want to make it clear that in the constitution and bylaws of the Environment Study Conference, it has taken no position on this point of order. It has merely attempted to advise its membership that a point of order would be raised, and we tried to present fully the views of the gentleman from California (Mr. KETCHUM) with respect to the amendment and the point of order.

The CHAIRMAN. Does the gentleman from Texas (Mr. ECKHARDT) wish to be heard further?

Mr. ECKHARDT. I do wish to be heard further, Mr. Chairman.

The CHAIRMAN. The gentleman will be heard further on the point of order.

Mr. ECKHARDT. Mr. Chairman, let me see whether I can make this point as clearly as possible.

Rules and regulations, under almost all administrative agency acts or acts concerning a department of Government that has a rule or regulatory structure, are contained in a special section of a bill.

They generally deal with the action of that department or of that regulatory agency having to do with enforcement, but they also in many instances deal with matters of internal operation of the agency, which internal operation concerns both research and development and examination of projects, direction of personnel of highly technical proficiency, and other matters.

These matters are related not only to the ultimate regulation, but are related to certain research which occurs prior to the making of such final rules affecting the persons so regulated.

When we permit an amendment to a bill which purports only to deal with demonstration projects, et cetera, under this committee's jurisdiction, with this whole complex subject of rulemaking, and provide an entirely new method of congressional review whereby a rule will not go into effect if Congress, by concurrent resolution, disapproves such rule or regulation, we vastly alter a section in each of these bills that deals not only with rules and regulations or, rather, with demonstration and research, but also is related to the whole operation of the bill.

One cannot go in and alter those sections piecemeal. And if we permit an amendment on the floor to provide for this kind of congressional review and then a subsequent presidential veto, we deal with a matter so integrally related with the rulemaking process in each of these bills—four of which I believe were under the jurisdiction of the Committee on Interstate and Foreign Commerce, one under the Committee on Agriculture and one under the Committee on Public Works and Transportation—that we invite utter confusion respecting where the dividing line is between the rule's application to research and development and the rule's application to other functions.

Furthermore, the gentleman who proposes the amendment really puts his finger on the point when he points out that rules and regulations, particularly regulations, can hardly deal solely with research and development. What actually occurs is that a regulation occurs after research and development, and as it is in connection with research and development, it becomes a very, very hazy question, therefore if the rule or regulation in any wise touches research and development, even though it may include regulation, may include active control of the agency, or, rather, persons under the control of the agency, which goes into the question of congressional veto procedure. Therefore it would seem to me if it is tainted in any way with research and development, the rule may be stricken down by Congress but the President may in turn veto it.

It seems to me utterly impossible as a practical matter to simply limit the proposition to rules and regulations in a very, very narrow field dealing with only procedural matters respecting research and development or demonstration. If there is any way to clarify that matter, it should be clarified by an amendment that makes this point far clearer and it would seem to me that the amendment is not germane because it may conceivably touch on matters under the jurisdiction of other committees and therefore it would affect a matter certainly not before this House under this bill.

The CHAIRMAN. Does the gentleman from Florida desire to be heard on the point of order?

Mr. ROGERS. I do, Mr. Chairman.

I also am in support of the point of order. I do think, as it has been pointed out, that the intent is to go far beyond what perhaps the language would go. But I think the gentleman has said that the rules and regulations could only go to the research or the demonstration, not to any regulations that come about from them.

Furthermore, I want to point out what I think is a fatal defect in the amendment in that the gentleman uses the phrase "notwithstanding any other provision of law," and yet he ties the amendment into all of the bills applied under this particular act, one of which he specifically outlines as section 301 of the Public Health Services Act that has biomedical research in it. Therefore, this goes far beyond what the authority of this committee is or what this bill proposes to do and it would adversely affect biomedical research which is not within the jurisdiction of the committee nor in the bill at all. It therefore is fatal by bringing that portion of the bill in question, as well, so I would urge that the point of order be upheld.

The CHAIRMAN. Does the gentleman from Maryland desire to be heard further on the point of order?

Mr. BAUMAN. I do, Mr. Chairman, with the indulgence of the chairman, I would say that most of the arguments that have been submitted against the amendment on the point of order have argued the merits of the amendment and not the parliamentary situation. I would direct the attention of the Chair to the fact that in the last Congress in an important bill dealing with the Civil Aeronautics Board and its powers, there was a ruling on an amendment requiring that the Congress approve changes in airline flight schedules.

If we have the power to do that, certainly we have the power to veto the rules and regulations of an agency.

The CHAIRMAN (Mr. Smith of Iowa). The Chair is prepared to rule.

The Chair would first point out that the research and development programs in the bill itself are very broad and diverse, as is illustrated by the six categories that are set forth on page 2, lines 1 through 15. In addition to that, based upon the language of the amendment itself, as well as the colloquy between the gentleman from California and the gentleman from Washington, the amendment is restricted to regulations promulgated in connection with research, development, and demonstration activities, under the acts that are specified in this bill. Therefore, it does not go to other research and development programs not specified in the bill and not within the Science and Technology Committee's jurisdiction.

The Chair would also point out that this amendment provides merely for a disapproval mechanism in a manner that does not change the Rules of the House, so it really is a limitation upon the authority granted under the act. The Chair cannot, of course, rule upon the constitutionality of such a disapproval procedure. Therefore, the Chair overrules the point of order and holds the amendment germane.

Mr. BROWN of California. Mr. Chairman, I withdraw my point of order.

Mr. Chairman, I rise in opposition to the amendment.

Mr. BROWN of California. Mr. Chairman, I rise with some reluctance because I recognize the popular sentiment which exists today with regard to the need to control the excesses of the bureaucratic machine which is identified with Washington, and any amendment which seems to have as its thrust a curtailment of this bureaucratic machine is obviously going to be extremely popular. Nevertheless, I think we must ask ourselves in all seriousness if this is the way to achieve our objective.

I would make the point in connection with this particular amendment that it really achieves nothing. What it does, of course, by the narrowness of its language is apply only to regulations of the Office of Research and Development of the Environmental Protection Agency. That office promulgates no regulations involving the public. Rules and regulations promulgated by EPA that affect the public are promulgated by other offices of EPA. There may be rules promulgated by the Office of Research and Development, but they are internal administrative rules governing, for example, the activities of EPA laboratories. There may also be regulations as to how research is conducted. These are internal to the agency. There would be a real problem, of course, in determining whether they fall within the scope of the language in this amendment, and I am assuming that there is a slim possibility they might. Even if they did, this is not what my distinguished colleague, the gentleman from California, is seeking to reach. He is seeking to reach those rules and regulations which involve the public, which place a hardship on the public, or in some other way impact the public. There is nothing in this bill which does that. This bill simply authorizes appropriations to support EPA's research program and has nothing to do with regulation or enforcement, which is the responsibility of other offices of EPA.

If he wishes to accomplish his purpose—and I know that he does—the proper vehicle would be an amendment to the Clean Air Act, for example, which is within the jurisdiction of another committee and which will be shortly on the floor of the House, or the Federal Water Pollution Control Act, which is also within the jurisdiction of another committee, and will also be on the floor of the House before long, but not in this bill which deals entirely with regulations having to do with the internal operations of the Office of Research and Development of EPA. It would be futile, as I say. It would serve no particular purpose. It would encumber this legislation with language which is unnecessary and counterproductive, and it is just not the proper way in which this body ought to operate.

I think it could be argued, of course, that this would not be desirable under any circumstances, even if the Office of Research and Development were to be concerned with regulations impacting the public. I think in all probability if such language is written into the various environmental acts which this Congress has passed, it would produce an intolerable burden upon this body to place itself in the position of reviewing, in advance, each of these thousands of rules or regulations, involving thousands of pages of difficult, complex rules and regulations. I doubt that we would be able to assimilate so much detailed material. In any case, it would be an inappropriate function for a legislature whose job it is to establish general policy, and then to see to it that detailed regulations promulgated by administrative agencies conform to the letter and spirit and intent of Congress as expressed in authorizing legislation. In any case in which Congress disagrees with any particular EPA regulation, the vehicle for voiding such a regulation is readily available—Congress can amend the authorizing legislation.

We have a very similar situation in the proposal which was made at an earlier point that this body attempt to review all of the grants made by the National Science Foundation. It would be the same impossible situation if we were to attempt to review other kinds of actions taken by the executive branch.

The proper course to follow, it seems to me, if we are dissatisfied by the procedures followed by the executive branch is to revise the Administrative Procedure Act to make sure that there is adequate input from all members of the public, all of the special interest groups that are concerned, and even from Members of Congress who may have a concern. But to take it upon ourselves to assume the responsibility of reviewing the tremendous mass of data put out in the rules and regulations of the executive branch in advance of their promulgation is not the way to legislate.

I urge the defeat of this amendment.

Mr. ROUSSELOT. Mr. Chairman, I rise in support of the amendment and I move to strike the requisite number of words.

Mr. Chairman, I am really quite amazed at the comment of my colleague, the gentleman from California (Mr. Brown) that the Congress will be assuming too much responsibility. That is exactly what some weaker-kneed people tried to say about the impeachment proceeding, that we assumed too much responsibility. It is our constitutional responsibility to review the rule making power. I say to my good colleague, the gentleman from California (Mr. Brown) that the responsibility is already here, it is already upon us.

We hear from our constituents daily about the problems of rules and regulations that have been promulgated by Federal agencies. Usually these are rules and regulations which were not intended in the original legislation and over which we really have no opportunity to offer anything in the way of comment or suggestion, yet these rules and regulations have the force of law. That is our responsibility whether we want to assume it or not because we have drafted the legislation that has given these agencies their powers to act and to write rules and regulations.

When my colleague, the gentleman from California (Mr. Brown) says it is "an intolerable burden," I say we have helped to create the intolerable burden when we created the Environmental Protection Agency in the first place, because we gave them substantial authority to write rules and regulations.

All my colleague, the gentleman from California (Mr. Ketchum), is trying to do is to give us an opportunity to participate in that rulemaking authority. In many cases, as my colleague, the gentleman from California (Mr. Brown), well knows, the rules and regulations that are promulgated go far beyond what we intended in the original legislation. Now in this one simple field of research and development we do not have to challenge every single rule and regulation. We are merely being given the opportunity to turn down those that we feel have not been considered carefully enough or which go beyond the intent of the legislation.

I believe that it is an appropriate participation in a process in which we must involve the Congress because many times the House is criticized for the promulgation of rules when we have had nothing to do with them. But the public feels we have refused by oversight or by other means to act to improve the unreasonable rules and regulations.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from California (Mr. Ketchum).

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I listened to the arguments with interest. We have a regulatory reform bill before the Congress. We cannot get a hearing on it. This is simply the only procedure I can conceive of, the only way I can see that we can do it.

We are not acting irresponsibly. We are saying, OK, if we cannot get a bill heard by a committee then we will do it piece by piece. I did not say it would not be a burden and I did not say it would not be time consuming but I think there is no Member of this House who can return to his district and not hear his constituents say: "What you people in Washington should be doing is supervise some of the programs that are already passed and not pass new programs."

I think that this is one of the greatest ways that we can utilize our time. I would have to say that we are handsomely paid for bearing this burden.

Mr. ROUSSELOT. Mr. Chairman, I want to make one more point. The Members might claim, it is "an intolerable burden" because of the mass of work we already have, but this really establishes an important procedure for reviewing the rulemaking power of an important agency that affects every one of our constituents. The gentleman (Mr. Brown) well knows that in California the EPA has involved itself in deciding how many parking lots to have in, say, San Bernardino, Calif. We need to check that unreasonable rulemaking power.

This is only a research bill. We are not talking about other broad aspects or the regulatory function that I would frankly like to review. But we should at least start with this one small step.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I now yield to the gentleman from California (Mr. Brown).

Mr. BROWN of California. Mr. Chairman, the point I have been trying to make very simply is that there is a need for a review of the rulemaking procedure.

Mr. ROUSSELOT. Mr. Chairman, would the gentleman agree that we need to be involved in this rulemaking procedure?

Mr. BROWN of California. Well, we are involved.

Mr. ROUSSELOT. The gentleman should support the amendment then.

Mr. BROWN of California. If the gentleman was speaking antagonistically of the executive branch, I would see some merit in the gentleman's remarks; but the gentleman is speaking of an administration that the gentleman holds in high esteem.

I would like to ask the gentleman if the gentleman knows how the administration feels about this amendment?

Mr. ROUSSELOT. Well, I have not called the Administrator of the EPA. I am sure he would not want to be bothered with the procedure. Most administrators do not want the Congress involved in "their exclusive rulemaking power."

Mr. FOLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hope the Committee will reject this amendment.

I know the frustration that many Members feel with the implementation of regulations with which they do not agree and for which they feel there is substantial public antipathy; but if we start out on the course that the gentleman from California wants to chart for us, we should consider what will happen if this principle is extended. Under provisions of this amendment the 11,000 or more regulations that are annually published by various agencies of the U.S. executive branch will have to lie before this Congress for 60 days before taking effect. Our imprimatur and approval will be put on those regulations if we do not act to disapprove them. We will be taking upon ourselves the opportunity to review regulations and to, in effect, approve them through failure to act, even though the implementation of these regulations may not occur for many months.

I think the problem facing us is often not in the regulation, but in the implementation of the regulation. The regulation itself may be harmless. Properly administered, it may be no problem at all; but later on, when the agency undertakes to enforce it, we may have legitimate complaints. Your constituents are going to say, "You sat here in the Congress of the United States and permitted the regulation to become effective by your inaction."

We will have to bear the burden of that with our constituents and take the blame for the implementation of the regulation.

We face a difficult and complex task in reviewing basic legislation. What confidence or capacity do we have to take the overwhelming burden of these thousands of regulations and have them sit for 60 days before committees and before the House and before the Senate counterparts and have any assurance that we are going to make thorough judgments about them and their effect?

We ought to be spending our time in looking at basic law. We have the authority to overturn any regulation or administrative act by passing specific legislation.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I could not agree with my colleague more. Many times we do not do an adequate or a complete job in the way we legislate, but that does not excuse our not also wanting to participate in the rulemaking authority which has the power of law, especially when we have given tremendous power to a given regulatory agency.

Mr. FOLEY. Mr. Chairman, the gentleman has more enthusiasm for the capacity of Congress than I do if he thinks we can sit down and participate in technical rulemaking with various agencies, and there are numerous agencies and thousands of rules, and do so intelligently and capably. I wonder whether the gentleman would agree with me that the problem often is not in the words of the regulation, but with some administrative action in the implementation of the regulations?

We will not know what that will be until many months later, and we will not have an opportunity then to act.

Mr. ROUSSELOT. I could not agree with the gentleman more that many times the problem comes in the implementation of a rule, but also, and equally true, is the bad rulemaking assumptions made by agencies that have not taken time to look at what the impact of that will be. Let us take the interlock system on a car.

Mr. FOLEY. If the gentleman will take that example, this Congress repealed the authority for such an interlock. It is a good example of what the Congress can do.

Mr. ROUSSELOT. But why?

Mr. FOLEY. Because of the overwhelming reaction against it.

I just want to suggest to the members of this committee that this proposed amendment is not regulatory reform; this is regulatory and congressional confusion. It is going to get our role and the administration's role inextricably bound up to a point of absolute inefficiency to get anything done that needs to be done. We are going to be spending our time, not concentrating on those regulations that are demonstrably bad and should be repealed, but on dozens and hundreds of complicated regulations. We will not have an opportunity adequately to determine in 60 days which regulations need to go into effect to control problems which require prompt attention. There is no provision for this case; we will have to wait 60 days or pass resolutions of affirmation.

We have a hard enough job, an important enough job, in addressing the basic legislation that comes before the Congress. That is the job we should do better, not try to transform ourselves into regulatory experts and writers and reviewers. If we do so, there is going to be more, not less, confusion; more, not less, difficulty; more, not less, misunderstanding. The Congress, I think, will be charting a very, very difficult and unfortunate course for itself if their amendment is adopted.

The CHAIRMAN. The time of the gentleman from Washington has expired.

(On request of Mr. BROWN of California and by unanimous consent Mr. Foley was allowed to proceed for 2 additional minutes.)

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I want to compliment my friend from Washington for his excellent statement. He has properly transformed this into a dialogue about how the Government should function best.

I want to point out also that this administration, as I alluded to in my dialogue with the gentleman from California, is opposed to the gentleman's amendment. I have been informed that there is a distinct possibility that the President would veto this bill because of this amendment alone.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I would like to address a question through the chairman of the committee to the chairman of the subcommittee, the gentleman from California (Mr. Brown). He has just made a statement that the administration is vehemently opposed to this amendment. This amendment has been before the Congress for the past two and one-half weeks, and I have heard not one word from the administration.

Mr. BROWN of California. It is unfortunate that I should be in closer contact with the administration than my colleague from California.

Mr. KETCHUM. That is not surprising.

Mr. BROWN of California. he has not been doing something right.

Mr. KETCHUM. That is not surprising.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, a similar bill to this for all rulemaking has been reported out of the Committee on the Judiciary, with my dissenting vote. I had occasion to do a little research on the number of rules that are put out by administration agencies and other arms of the Government, and in the first 9 months of 1975 there were almost 11,000 of them. So, this is not just a formula for confusion; it is a formula for total paralysis.

Mr. FOLEY. I agree with the gentleman from Ohio. I think that if we are going to face this issue, the way to face it is on overall legislation. Otherwise, I think we are going to drift into the most inappropriate vehicle to bring about what I would consider to be governmental chaos and confusion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Ketchum).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. KETCHUM. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXVII, he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to the provisions of clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business before the Committee is the demand by the gentleman from California (Mr. Ketchum) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 228, noes 167, not voting 37, as follows:

[Roll No. 233]

AYES—228

Abdnor
Alexander
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Bafalis
Baucus
Bauman
Beard, Tenn.
Bennett
Biaggi
Blanchard
Blouin
Bonker
Bowen
Breaux
Brinkley
Brooks
Broomfield
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Butler
Byron
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
Dent
Derrick
Derwinski
Devine
Dickinson
Downey, N.Y.
Duncan, Oreg.
Duncan, Tenn.
Edwards, Ala.
Emery
English
Erlenborn
Esch
Fary
Findley
Fithian
Flood
Flynt
Fountain
Frenzel
Frey
Fuqua
Gaydos
Gilman
Ginn
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harsha
Hefner
Henderson
Hicks
Hightower
Holland
Holt
Horton
Howe
Hubbard
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Krebs
LaFalce
Lagomarsino
Latta
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Lott
Lujan
McCollister
McDonald
McEwen
McFall
McKay
Mahon
Mann
Martin

Mathis
Melcher
Michel
Milford
Miller, Ohio
Mollohan
Montgomery
Moore
Moorhead, Calif.
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
O'Brien
O'Hara
Passman
Paul
Pettis
Pickle
Pike
Pressler
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Rhodes
Risenhoover
Roberts
Robinson
Roe
Rose
Rostenkowski
Roush
Rousselot
Runnels
Russo
Ryan
Santini
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Nebr.
Snyder
Spellman
Spence
Steelman
Steiger, Ariz.
Stephens
Stratton
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Traxler
Treen
Ullman
Vander Veen
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wright
Wydler
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NOES—167

Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Armstrong
Ashley
Aspin
AuCoin
Badillo
Baldus
Beard, R.I.
Bedell
Bergland
Biester
Bingham
Boggs
Boland
Bolling
Brademas
Breckinridge
Brodhead
Brown, Calif.
Burke, Calif.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Clay
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Daniels, N.J.
Danielson
Delaney
Dellums
Dingell
Downing, Va.
Drinan
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Fascell
Fenwick
Fish
Fisher
Florio
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Giaimo
Gibbons
Gonzalez
Green
Gude
Hall
Harrington
Harris
Hays, Ohio
Heckler, Mass.
Heinz
Helstoski
Holtzman
Howard
Hughes
Jeffords
Jordan
Karth
Kastenmeier
Keys
Koch
Krueger
Leggett
Lehman
Long, La.
Long, Md.
Lundine
McClory
McCloskey
McCormack
McDade
McHugh
Madigan
Maguire
Matsunaga
Mazzoli
Meeds
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Pa.
Morgan
Mosher
Moss
Myers, Pa.
Oberstar
Obey
O'Neill
Ottinger
Patten, N.J.
Pattison, N.Y.
Perkins
Peyser
Poage
Preyer
Price
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Rodino
Rogers
Rooney
Rosenthal
Roybal
Ruppe
St Germain
Scheuer
Schroeder
Seiberling
Simon
Smith, Iowa
Solarz
Staggers
Stanton, J. William
Stark
Steed
Stokes
Studds
Teague
Thornton
Tsongas
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waxman
Weaver
Whalen
Wolff
Wylie
Yates

NOT VOTING—37

Anderson, Ill.
Bell
Bevill
Brown, Ohio
Collins, Ill.
de la Garza
Diggs
Dodd
Eshleman
Evans, Ind.
Evins, Tenn.
Flowers
Fraser
Hawkins
Hayes, Ind.
Hébert
Hechler, W. Va.
Hillis
Hinshaw
Johnson, Colo.
Jones, Ala.
Kindness
Landrum
McKinney
Macdonald
Madden
Murphy, N.Y.
Nix
Patterson, Calif.
Pepper
Roncalio
Sarbanes
Stanton, James V.
Steiger, Wis.
Thompson
Udall
Young, Ga.

Messrs. ROSTENKOWSKI, BROWN of Michigan, and RYAN changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. KETCHUM

Mr. KETCHUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Ketchum: Page 5, immediately after line 25, add the following new section:

"Sec. 6. (a) The Administrator of the Environmental Protection Agency shall, not later than 60 days after the date of the enactment of this Act, prescribe and implement rules to assure that any hearing in connection with any expenditure of any funds authorized to be appropriated under this Act, or any hearing for the expenses of which any such funds are used, shall—

"(1) if it concerns a single unit of local government or the residents thereof, be held within the boundaries of such unit;

"(2) if it concerns a single geographic area within a State or the residents thereof, be held within the boundaries of such area; or

"(3) if it concerns a single State or the residents thereof, be held within such State.

"(b) For the purposes of subsection (a)—

"(1) the term 'unit of local government' means a county, municipality, town, township, village, or other unit of general government below the State level; and

"(2) the term 'geographic area within a State' means a special purpose district or other region recognized for governmental purposes within such State which is not a unit of local government."

Mr. KETCHUM (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KETCHUM. Mr. Chairman, a recent occurrence in Bakersfield, Calif., prompts me to offer an amendment to this bill, in an attempt to correct a serious problem that is occuring agency- and nationwide. Although chapter 5 of the United States Code states that due process in administrative hearings include fair trial according to established procedural standards, Bakersfield Californians have substantial reason to doubt the validity of this law. Moreover, it is also stated therein that administrative convenience is not to override this legal ethic of fairplay.

However, California's 18th Congressional District has suffered the consequences of administrative convenience. HEW is currently conducting hearings to determine if the Bakersfield City School District is in violation of title VI of the Civil Rights Act of 1964; hearings which have dragged on for some 8 months.

Several weeks ago the presiding judge abruptly ordered these hearings to be moved from the city of Bakersfield to San Francisco—an action which can only be viewed as a serious violation of the right to due process of the people of Bakersfield. By moving the hearings over 300 miles away, HEW has denied these people the right to full information on this matter which directly affects their daily lives, while abridging their due process rights to a fair trial.

This amendment seeks to avoid similar circumstances in any future EPA administrative hearings, by making it a statute requirement that the Administrator of EPA prescribe and implement rules insuring that any public hearings will be conducted in the immediate area affected. To let this opportunity slip by would be to leave open the very real possibility that the interests of justice, economy, and the protection of civil rights will be subverted merely to accommodate the whims of the Government. By adopting my amendment, all interested persons will be afforded ample opportunity to present their views and hear all arguments during EPA administrative hearings.

If we are truly dedicated to making Government accessible and responsive to our citizens' needs, then this amendment should be agreed to without further ado.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Texas (Mr. Teague).

Mr. TEAGUE. I thank the gentleman for yielding.

Mr. Chairman, in view of the vote that just took place, the chairman of the subcommittee and the chairman of the full committee are willing to accept the gentleman's amendment.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman from Texas.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Ketchum).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FOLEY

Mr. FOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Foley: Page 2, line 3, insert immediately before the period the following: ": *Provided*, That no part of any amount appropriated pursuant to this paragraph may be obligated or expended after March 31, 1977, and no more than $6,906,950 of such amount may be expended prior to that date except as specifically authorized by law."

Mr. FOLEY. Mr. Chairman, I rise to offer an amendment to H.R. 12704 that relates to the authorization for research under the Federal Insecticide, Fungicide and Rodenticide Act. The amendment would provide that the period of authorization for research activities under FIFRA would not exceed the overall period of authorization for the FIFRA program.

Last fall Congress extended the authorization for FIFRA to March 31, 1977, by Public Law 94-140. That bill was the result of extensive hearings by the Committee on Agriculture. The committee, which I chair, now has under consideration a bill, H.R. 12944, which would extend the program another 6 months until September 30, 1977.

At this time, however, it is too early to tell what action Congress will take in extending the authorization for the FIFRA program.

Accordingly, I am offering this amendment to provide that the authorization for research under FIFRA would not extend beyond March 31, 1977, the date the program now terminates, until Congress has taken action to extend the act.

This amendment is similar to an amendment adopted by the House last year to H.R. 7108, a bill which provided authorization for EPA research through September 30, 1976. I understand it has the support of the chairman of the Subcommittee on the Environment and the Atmosphere of the Committee on Science and Technology.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Texas (Mr. Teague).

Mr. TEAGUE. I thank the gentleman for yielding.

Mr. Chairman, this same amendment was offered last year and the chairman of the subcommittee accepted it then. I accept it now, and the chairman of the full committee accepts it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. Foley).

The amendment was agreed to.

The CHAIRMAN. If there are no further amendments, under the rule, the committee rises.

Accordingly the committee rose; and the Speaker pro tempore (Mr. McFall) having assumed the chair, Mr. Smith of Iowa, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration the bill (H.R. 12704) to authorize appropriations for environmental research development, and demonstration, pursuant to House Resolution 1142, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken.

Mr. CLANCY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 381, nays 16, not voting 35, as follows:

[Roll No. 234]

YEAS—381

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Evans, Colo.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
Lundine
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steelman
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Traxler
Treen
Tsongas
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NAYS—16

Ashbrook
Bauman
Collins, Tex.
Crane
Derrick
Hansen
Holland
Jenrette
McDonald
Montgomery
Paul
Rousselot
Shuster
Steiger, Ariz.
Symms
Young, Alaska

NOT VOTING—35

Anderson, Ill.
Bell
Bevill
Brown, Ohio
Collins, Ill.
de la Garza
Diggs
Eshleman
Evans, Ind.
Evins, Tenn.
Flowers
Fraser
Giaimo
Hawkins
Hayes, Ind.
Hébert
Hechler, W. Va.
Hillis
Hinshaw
Johnson, Colo.
Jones, Ala.
Kindness
Macdonald
Madden
Murphy, N.Y.
Nix
Passman
Pepper
Sarbanes
Stanton, James V.
Steiger, Wis.
Thompson
Udall
Ullman
Young, Ga.

The Clerk announced the following pairs:

Mrs. Collins of Illinois with Mr. Hechler of West Virginia.

Mr. de la Garza with Mr. Kindness.

Mr. Fraser with Evins of Tennessee.

Mr. Flowers with Anderson of Illinois.

Mr. Udall with Mr. Bell.

Mr. Pepper with Mr. Madden.

Mr. Hayes of Indiana with Mr. Passman.

Mr. Murphy of New York with Mr. Macdonald of Massachusetts.

Mr. Nix with Mr. Jones of Alabama.

Mr. Bevill with Mr. Hillis.

Mr. James V. Stanton with Mr. Hawkins.

Mr. Evans of Indiana with Mr. Brown of Ohio.

Mr. Hébert with Mr. Giaimo.

Mr. Steiger of Wisconsin with Mr. Ullman.

Mr. Diggs with Mr. Sarbanes.

Mr. Thompson with Mr. Young of Georgia.

Mr. JENRETTE changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK TO CORRECT SECTION NUMBERS IN ENGROSSMENT OF H.R. 12704

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to correct section numbers in the engrossment of H.R. 12704.

The SPEAKER pro tempore (Mr. McFall). Is there objection to the request of the gentleman from California?

There was no objection.

INTERPARLIAMENTARY UNION CONFERENCE SPRING SESSION, MEXICO CITY, APRIL 20–24, 1976

(Mr. JARMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. JARMAN. Mr. Speaker, the spring session of the Interparliamentary Union, which was held last week in Mexico City, was marked by a lessening of the tactics of confrontation which we have recently seen in Interparliamentary Union meetings. Most major issues were agreed upon in a spirit of conciliation and consensus, although we saw some hard bargaining in the drafting committees.

The U.S. delegation was ably composed of three Members of the Senate and five from the House of Representatives. I once again had the honor and privilege to serve as chairman of the delegation.

The work of the conference in the spring session was divided into the normal four committees. We were represented in the Committee on Political Questions by Senator ROBERT STAFFORD and Representative LEE HAMILTON. The committee this year was breaking new ground in the international disarmament field by discussing trade in conventional weapons. Senator STAFFORD delivered the U.S. statement in which we expressed our concern over the rapid growth in the international trade in conventional arms and the need for controls over arms transfers. He pointed out that world arms transfers are now valued at nearly 9 billion U.S. dollars, an increase largely attributable to important deliveries of arms to areas of conflict and instability in Asia and the Near East. Senator STAFFORD said that a review of the world arms trade shows that no single country can itself regulate the flow of arms. Thus, effective controls over the arms trade will require substantial international cooperation. Regrettably, he said, little progress has been made in the development of international controls over arms transfers and the United States is therefore gratified that the question is being brought up in the Interparliamentary Union. He also gave credit to Latin American nations for their leadership in efforts to control conventional arms and cited the Declaration of Ayacucho as an example of the kind of significant step forward which could help to reduce conflict and prevent the unnecessary diversion of resources from economic and social development.

Representative LEE HAMILTON represented the United States on the Drafting Committee on Disarmament which eventually achieved a unanimously adopted resolution on the question of trade in conventional weapons. His efforts were successful in having objectionable language about foreign military bases changed in the resolution so that we were able to join the consensus.

In essence the resolution called on the national groups to support serious multilateral efforts to focus attention and achieve tangible progress on disarmament and arms trade through such measures as a special session of the United Nations General Assembly or a world disarmament conference and to support efforts to arrive at effective regional disarmament and arms control schemes. The resolution also focused on the need to divert military spending to other purposes more directly related to economic and social development and called on the arms exporting countries to review their arms supplying policies and to strictly control private deliveries.

The debate in the Economic and Social Council was especially appropriate as the host country, Mexico, has long shown a strong and special interest in this subject. The United States was represented on the committee by Representatives EDWARD DERWINSKI and DONALD CLANCY. In his statement to the committee, Representative CLANCY called on the membership to continue the spirit of cooperation which had developed during the seventh special session of the United Nations General Assembly in September 1975. He pointed out that solutions arrived at by genuine consensus show far greater promise of achieving practical benefits for the developing world. Representative CLANCY then detailed for the committee some of the things that had been accomplished since the seventh special session. Among the items he cited were the institution by the United States of a generalized system of preferences favoring manufactures and semimanufactures from developing countries and the U.S. signature of the International Coffee Agreement in February and the International Tin Agreement in March. Moving to developments on the international level, he cited the decision by the International Monetary Fund to substantially liberalize its facility to compensate developing countries for shortfalls in their export earnings for reasons beyond their control. He also mentioned the establishment of a trust fund within the International Monetary Fund for the use of the profits from the sales of IMF gold holdings for concessional payments assistance to the less developed countries and the World Bank group's decision to consider our proposal to increase their participation in minerals development.

The spirit of conciliation was evident in the work of the drafting committee where the United States was ably represented by Representative EDWARD DERWINSKI. After much hard bargaining and mutual concessions on the part of both the developed and developing countries, a draft resolution was achieved which was accepted by all of the members of the committee with the exception of the Soviet bloc, who abstained on the resolution and indicated they would wish to bring about some changes at the Madrid Conference.

The work of the Committee on Education, Science, and Culture was equally productive. The committee was chaired by Representative ROBERT MCCLORY who, after 4 years of distinguished service in this capacity, turned over the gavel to Mr. Paul Dam of Denmark. Senator ROBERT DOLE sat as the U.S. representative on this committee. Senator DOLE in his statement pointed out that the magnificent Mexican folkloric ballet, which the delegation had an opportunity to see, was an illustration of the important role that culture and education can play in the development of a nation and the power they can have in uniting a people. He said the United States was in favor of encouraging contacts between peoples in all fields and encouraging the freer flow of information, whether it be educational, cultural, or scientific. He outlined those provisions of the final act of the Conference on Security and Cooperation in Europe which dealt with family reunification, marriage between nationals of different states, free travel and access to information and better working conditions for journalists. In the drafting committee, in which Senator DOLE also participated, he assured that these important elements of the Helsinki Agreements were included in the draft resolution which was unanimously adopted by the committee.

Senator MIKE MANSFIELD and Representative DAVID SATTERFIELD represented the U.S. delegation on the Parliamentary, Judicial, and Human Rights Committee. The committee this year discussed two items—parliament as an expression of the social structure of a society, and the possibility of setting up within the Union a procedure for examining and treating communications concerning human rights matters. The debate on the first subject brought forth a number of interesting views on the role of parliaments in the diverse societies which are represented in the Interparliamentary Union. Each of the national groups presented well-conceived defenses of their own particular parliamentary system.

On the question of establishing a procedure for the processing of human rights matters, the Canadian delegation produced an outstanding memorandum which was eventually adopted by a vote of 67 in favor, 16 against, with 7 abstentions. We were pleased with the adoption of this resolution which had been supported by Representative SATTERFIELD in his statement before the committee. He outlined the support the United States has given to the work of the United Nations and other international bodies in defining the nature and promoting the enjoyment of human rights. In particular, he pointed out, there were two human rights matters of interest to the United States. The first was the procedure developed by ECOSOC for dealing with private communications alleging gross violations of human rights. The second was the declaration on the protection of all persons from being subjected to torture and other cruel and inhuman treatment which had been recommended to the General Assembly of the United Nations by the fifth U.N. Crime Congress.

Representative SATTERFIELD cautioned the Interparliamentary Union to exercise the utmost care to avoid the questionable expenditure of effort and the potentially diluting effect of duplicating the procedures now in effect under the auspices of the United Nations. He stressed that the Union should focus its efforts on the one area it is uniquely suited to address, violations of the essential and fundamental rights of parliamentarians everywhere. Efforts to delay considerations of the procedures contained in the Canadian resolution by the Soviet bloc were not successful and as I stated earlier, the resolution was unanimously adopted.

The final Council meeting at which the United States was represented by Representatives DERWINSKI, HAMILTON, and myself was highly successful in several other areas as well. A major rules change which has been in process for over 3 years was adopted by unanimous consent and other important procedural changes for the conduct of the conferences were also adopted by overwhelming majorities and recommended to the conference in Madrid. The Council passed a resolution on the situation in Chile. A two-member committee was appointed to visit Chile to secure the release of detained Members of Parliament. Representative DERWINSKI explained the U.S. abstention on this resolution. He pointed out that the United States had no objection to anything in the resolution, but objected to the Interparliamentary Union focusing solely on Chile when 16 other nations have overthrown their parliamentary governments and deserve equal attention from the Union.

Much of the acrimonious debate of previous years was absent from this session. The Middle East issue which had been so prominent in London was not in evidence at this spring session. However, it was agreed that one of the items for debate in Madrid at the 64th meeting would be the situation in southern Africa.

The preparations for our visit and the hospitality extended by our Mexican hosts were outstanding. The conference facilities at the new foreign ministry where all of our meetings were held were first rate.

I would like to once again underline, Mr. Speaker, the importance of these meetings in improving understanding and communication between parliamentarians of the world. The consensus which was found on most issues of this conference, and the marked spirit of cooperation and conciliation among the delegations was in contrast to the meeting in London, but at the same time emphasized the goodwill and spirit of interparliamentary understanding which exists between our colleagues throughout the world.

HON. BOB WILSON RECIPIENT OF L. MENDEL RIVERS AWARD FOR LEGISLATIVE ACTION

(Mr. DOWNING of Virginia asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. DOWNING of Virginia. Mr. Speaker, I am delighted and honored to announce to my colleagues this year's selected recipient of the coveted Non-Commissioned Officers Association of the USA—NCOA—"L. Mendel Rivers' Award for Legislative Action."

This beautiful and meaningful plaque is awarded annually to a Member of Congress who, in the opinion of the NCOA International Board of Directors, is most worthy of recognition for his or her efforts in furthering the ideals of democracy, freedom, and patriotism on behalf of our beloved Nation.

Our distinguished colleague, the gentleman from California, the Honorable BOB WILSON, has been selected to receive this honor for 1976. He will be presented the handsome award at the NCOA Annual International Convention, June 3, in San Antonio, Tex. Presenting the award and citation will be the association's president and chief executive officer, Mr. James O. Duncan, and Mr. C. A. "Mack" McKinney, who many of us recognize as the association's spokesman on Capitol Hill.

Our colleague follows a most noted list of former recipients. As they were selected, so was he. BOB WILSON is one of our most loyal, devoted, and dedicated Congressmen, and has been so since joining the 83d Congress in 1952. Most notably, he has been a long-time friend of the military community. And it is because of his concern for this group that he has been unanimously chosen to receive the 1976 NCOA "L. Mendel Rivers' Award for Legislative Action."

Let us consider for a moment or two the outstanding work BOB WILSON has accomplished for this great Nation, and for those men and women who man the ramparts around the world in behalf of our country's defense.

We know he is the ranking minority member on the House Armed Services Committee and the Select Committee on Aging. We know also that he is a delegate to the North Atlantic Assembly of NATO, and considered to be one of our own House "experts" on oceanography fathering the concept for establishing the National Oceanographic—NOAA—to coordinate the ocean research efforts of various Federal agencies. He is also a founding member of the Washington, D.C., chapter of the Marine Technology Society; a director of the American Oceanic Organization; named a "Chef of the West" by Sunset magazine, an honorary director of the National Arthritis Foundation; an award-winning flower grower; and an experienced skin diver.

But how many of us know of BOB's dedicated efforts on behalf of our uniformed services? He is certainly one of the most concerned legislators working hard to bring about equity and stability for military personnel, particularly those who serve in the enlisted grades. He is a strong advocate for recomputation of retired military pay. He has authored and sponsored legislation on this issue that is supported by most of the major military and veterans' organizations.

He was instrumental in the passage of legislation that gave the uniformed services their most important survivors' benefit package. Even today, he continues to strive for a better plan and has sponsored a number of amendments that would be far more equitable for those military personnel who participate in, or whose spouses would be the beneficiaries of the plan.

He is a true friend to the military, to our veterans, and to our senior citizens. He understands their problems and actively works for their well-being. He is truly a people's representative in our hallowed halls.

For his concern. For his efforts. For his patriotism. For his work on military personnel legislation. For his devotion to civil defense matters. For his work in the Navy's nuclear propulsion program. For his outstanding contributions as a member of this august body—the NCOA has chosen BOB WILSON to be their "Man of the Year."

I know that I, as a former recipient of the prestigious award, join the other recipients; the Honorable STROM THURMOND, U.S. Senator from South Carolina; the Honorable F. EDWARD HÉBERT, our distinguished colleague from Louisiana; and the Honorable JOHN TOWER, U.S. Senator from Texas; in congratulating the gentleman from California.

It is a most inspirational event to be honored by the men and women of the Noncommissioned and Petty Officers Corps—the backbone of our U.S. Armed Forces. I am certain that our colleague. BOB WILSON, will be equally thrilled as we when he accepts this award for his outstanding contributions to our beloved Nation.

KATHERINE FANNING, WINNER OF PULITZER GOLD MEDAL FOR PUBLIC SERVICE REPORTING

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. O'BRIEN. Mr. Speaker, the Pulitzer prize announcements this week were of special significance to my hometown of Joliet, Ill., because the winner of the Pulitzer gold medal for public service reporting went to a former Joliet girl. Katherine Fanning, publisher of the Anchorage Daily News in Anchorage, Alaska.

In Joliet many people remember Mrs. Fanning as Kay Woodruff, a member of a pioneer Illinois family, whose father was a prominent banker in our community.

Mrs. Fanning is a remarkable woman. Her first husband was the late Marshall Field, Jr., owner of the Chicago Sun-Times and the Chicago Daily News, but it was not until Kay went to Alaska in the mid-1960's that she began her own career in journalism. With her second husband, Lawrence Fanning, she bought the Anchorage Daily News, and she became one of its reporters. After Mr. Fanning's death in 1971, she became editor and publisher of Alaska's only morning newspaper.

On behalf of all Kay's friends in Joliet I congratulate Kay on achieving the goals to which all journalists aspire, the winning of a Pulitzer. May she and her paper go on to even greater accomplishments in the future.

Mr. Speaker I include William Gildea's excellent sketch of Kay from this morning's Washington Post:

TWO FOR THE PULITZER: A POET'S SELF-PORTRAIT, A PUBLISHER'S PRIDE

(By William Gildea)

Katherine Fanning had been close to the newspaper business much of her life—and yet not really close at all.

She had been married to the late Marshall Field Jr., owner of the Chicago Sun-Times and Chicago Daily News. But she had remained quietly in the background, a housewife and mother, raising their three children.

After their divorce, she had married one of Field's top editors, Lawrence Fanning, who had bought the Anchorage Daily News. She had done some reporting, just getting her first real experience, when Fanning died, in 1971. She became publisher and editor.

Yesterday the little paper—its circulation just 16,000, its staff only 20 persons (including the accountant and receptionist)—won the the most coveted prize available to a newspaper of any size, the Pulitzer gold medal for public service reporting.

Understand Katherine Fanning's amazement. She was told unofficially of the award a few weeks ago here in Washington when she walked into the annual newspaper editors' convention; such a greeting was farthest from her mind.

"I view our work as incomplete, just a beginning," she said over breakfast, too excited to do more than pick at her food. "And, you know, we didn't topple a government."

In addition, because she was relatively new to the business, she had to feel her way on the prize-winning series "by trial and error." There were setbacks. And, finally, because her paper is so small, she had wondered, deep down, no matter what it uncovered, no matter what service it did, would it "count" with the Pulitzer judges?

There is no doubt now, just a good feeling, as good as a person can have. What she did was direct an extensive investigation into the widespread power of Teamsters Union officials in Alaska, much of it stemming from oil pipeline construction. It resulted in a series of three articles by three Daily News reporters.

In 15 years, Fanning explained, the union grew from a membership of 1,500 to an "aggressive power-wielding organization" with more than 23,000 members, "a pension fund totaling almost $100 million, property and assets that included shopping malls, hospitals, jet airplanes and a professional building. Alarmingly, the public did not know the extent of Teamster power. There were rumors, accusations . . . all shrouded in a cloud of secrecy, even fear."

Fanning wanted to outline clearly the power of the Teamster leaders in Alaska. The results, she said, were not sensational in terms of large headlines or dramatic results.

"Nobody's gone to jail because of the series," she said. "But we uncovered a dark and murky area. I think we showed that the Teamster leaders are powerful but finite, that they have to be accountable to the people and their own membership. We put them on notice someone is watching them.

"There actually was a lot of fear of them in the state," she added. "Now I think the people are less fearful."

In the midst of the Daily News' investigation, a team of reporters from the Los Angeles Times showed up in Alaska to prepare stories of its own. The Daily News reporters suggested to the Los Angeles Times reporters that they work together. Fanning met with the Times men, too, she says. "I had a lunch with their reporters," she says. "But it was all in the most casual way."

Nevertheless, it was a suggestion to pool their resources, and the Times men declined the suggestion. This might be one of the best things that ever happened to Kay Fanning and the Anchorage Daily News—it was the little paper which averages just 20 pages a day, that went on to win the Pulitzer.

Fanning received "warnings" not to continue the investigation "mostly from business people who had dealings with the Teamsters. They'd say, 'You can't exist in this state if the Teamsters are against you.' We realized we might have problems, still might. But I guess I long ago gave up this business of being fearful."

She had no qualms at all, for example, about settling in Alaska in 1965, a year after the disastrous earthquake. She had divorced Field in 1963 and was looking for a new place to start over. Some friends already had gone north to Alaska.

"I packed up my three children over spring semester and headed up there," she said. "We fell in love with it. That summer we went back for good. Then I got up the nerve to do what I'd wanted to do—be a reporter on a paper."

But she had no experience. She had grown up in Joliet, Ill., the former Katherine Woodruff, daughter of a banker and member of a well-to-do pioneer Illinois family. She went East to school, to Westover prep in Connecticut, then to Smith College. She then married the multimillionaire publishing tycoon and raised the family.

None of this qualified her for a job as reporter, even on a paper as small as the Anchorage Daily News. She hooked on, though, with the assignment of starting a library for the paper. She loved the job—and life in Alaska. "We're really not sitting in an igloo on an iceberg," she said. "That's our best kept secret."

Her second husband, whom she had met in Chicago, found this out shortly before their marriage in 1966. Lawrence Fanning was an innovative editor brought in from San Francisco by Field in the early '60s to help run both the Sun-Times and Daily News. "He came up to Alaska with the idea of helping me sell the house and getting me out of that God-forsaken place," she recalled. "But he fell in love with it, too."

Together they bought the Daily News. "He attracted young reporters with the idea they would come up for a couple of years and then go back," she said. "Many of them stayed." She became one of the reporters, winning an Anchorage Press Club award for a series on birth control.

When Fanning died in 1971, she became publisher and editor of Alaska's only morning paper. Her first major accomplishment came three years later. "We used to be in a warehouse; the editor's office was a combination of a closet and a passageway." And now? "We're in a new building. We have windows."

The building is rented from the larger Anchorage Times as part of an agreement she entered into in 1974 in which the advertising, printing, and circulation of both papers is operated by the Times while the two papers remain editorially separate. She describes the Daily News, which endorsed McGovern in 1972, as "independent" and "on the opposite side of most issues" from the conservative Times.

Fanning stressed investigative reporting and put three men on the Teamster story—Howard Weaver, 25, Bob Porterfield, 30, and Jim Babb, 38. Babb graduated from George Washington University in 1964; Weaver graduated from Johns Hopkins University in 1972. Weaver and Porterfield worked on the series for three months, Babb for the last month. "You can imagine the strain it put on the rest of the staff, just getting the paper out," she said.

And that series was only one that the Daily News had among the Pulitzer candidates; there was another on the problems, that West Coast refineries will face in handling the oil once it is available. Now the paper is investigating fund-raising practices by Democratic politicians in Alaska in 1974.

Recently, the 48-year-old Fanning had been thinking less about what the paper had done than what it still had to do. Then she got news of the Pulitzer, so it was not surprising when she exclaimed, "You must understand how flabbergasted I am." Not that it wasn't obvious. She pushed aside her breakfast and talked about getting back home to tell the reporters. One was off working in the remote capital of Juneau.

"I don't know what pretext we're going to use to get him back," she said. "I just can't wait to see the expressions on their faces."

They know now.

So does the world.

GOOD NEWS FOR WHALES

(Mr. ANDERSON of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of California. Mr. Speaker, recently the six major Japanese fishing companies which participate in the whaling business announced two major new policies, according to the Japan Whaling Association. In the future, they will combine their efforts in the industry, creating a single whaling operation and ending the competition between separate companies.

Second, and more important, they have announced a willingness to abide by the regulations established by the International Whaling Commission—IWC—the major international body charged with managing the dwindling population of the great whales.

These two developments come as good news to those of us who have watched the world's supply of whales butchered to the point where several species—including the blue whale—may be past the point of recovery. These intelligent, warm-blooded animals are simply no match for modern whaling methods, and all too often conservation methods have been delayed until a species reaches the danger point.

In the past, Japanese whalers have disputed the authority of the IWC's decisions to protect the whale stocks, ignoring regulations thus endangering further these unique animals with extinction. Japan is the world's largest whale harvester. If it agrees to follow the conservation guidelines set down by international agreement, a great step forward will have been made toward saving the great whales from extinction. The California gray whale shows that protection can save other species of whales from extinction. But we cannot wait until the last minute to act—and that action must be international in scope, including those nations, like Japan, which are actively engaged in hunting whales.

LAW DAY, U.S.A., 1976

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PATTERSON) is recognized for 60 minutes.

Mr. PATTERSON of California. Mr. Speaker, it is with great pleasure, as we celebrate our Nation's two-hundredth birthday, that I join my colleagues today in commemoration of Law Day, U.S.A.

May 1st of each year has been set aside for recognition and appreciation of our legal heritage. When our nation was founded, Americans, unable to live under a corrupt and oppressive government, committed their lives to a Great Revolution. In the Declaration of Independence, they presented their case for all humankind to judge. The Founding Fathers created institutions to serve and conserve the basic values set out in the Declaration of Independence: life, liberty and the pursuit of happiness. It is the institution of law which has enabled us over the years to sustain and enjoy those liberties and freedoms.

As we reflect on our Nation's history

we can see how our system of rule of law has translated social change into social action and how its flexibility has enabled us to adapt and to make wise decisions to meet the challenges of social change. As a government of laws, not dictators, our Republic has been tested often and has proven strong enough to withstand wars, depressions and official misconduct.

In recent years I have encountered an alarming degree of pessimism among the American people. They are frustrated and disillusioned by a rising rate of crime, inflation, unemployment, environmental decay and racial and economic injustices. They are disenchanted by a government which is insensitive to their needs.

As disturbing as this pessimism is we can see, over the past 200 years, or even the past 25, that historically many of these kinds of frustrations have resulted in change for the better. In every area, law has played a vital role in bringing about those changes.

Although our laws cannot legislate morality or solve all of the ills of our society, they can sustain a system of order and regulate behavior. The system, however, cannot work unless people make it work. It is our responsibility as citizens to channel effective change through our system of laws and through reason. We must take an active role, not only to obey the law, but to respect it and revise it and to renew our trust in it as we face the continuing challenge of forming a "more perfect union."

Law Day is not for lawyers, but for all of us to realize how vitally important our system of laws is in our everyday lives in order to guarantee our freedoms and preserve our liberties.

It is with great pride that I join my colleagues in commemoration of Law Day, U.S.A. and in celebration of 200 years of liberty and law.

Mr. MAZZOLI. Mr. Speaker, May 1, 1976, has been designated as Law Day.

Law Day, first observed in 1957, has been set apart as a day to recognize our responsibilities as citizens to support the law while at the same time correcting the deficiencies and the imperfections in our body of law.

Our freedom is dependent upon the law. It is the self-mastery, that comes through obedience to certain overriding principles, which ultimately makes people free. To paraphrase Sir Francis Bacon—the law cannot be commanded except by being obeyed. Liberty is freedom "through" our legal system and not freedom "from" it.

In this Bicentennial year, it is particularly fitting that we recall the great principles upon which this country was founded. That—

> Governments are instituted among Men, deriving their just Powers from the Consent of the Governed.

Our legal system is a selective process, one that changes as the needs of the governed change.

Blind submission to the law is required of no one. What is expected is that every citizen respect the law while working to reform those aspects of our system which are inadequate.

On Law Day 1976—in our Nation's Bicentennial year—we call upon all citizens to be informed, to obey the law that they may command it, and to recognize the principle so aptly expressed by Chief Justice Warren Burger:

> There can be no human progress, no lasting change, no improvement in the human condition, except in a setting of the rule by law.

Mrs. BURKE of California. Mr. Speaker, over seven and one-half centuries ago, King John of England signed one of the most cherished symbols of liberty, the Magna Carta. Two hundred years ago, Thomas Jefferson found inspiration in this charter for his drafting of the Declaration of Independence, which remains to this day a model for freedom-loving people everywhere.

The Magna Carta declared "the Right of every man to be—secure—of what the law promised." The American Declaration of Independence declared:

> We hold these Truths to be self-evident, that all Men are created equal, that they are endowed by their Creator with certain inalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness. . . .

These documents, together with the Constitution and Bill of Rights, are the foundation for our cherished system of laws. From this foundation, we have built a nation grounded in the principles of human freedom, equality, and justice. Yet these principles are not static, nor have they yet been fully achieved.

Instead, they are dynamic, standing as the most profound challenge ever faced by any generation of Americans—past, present and future. It is our ability to meet this challenge and to instill the spirit of liberty into succeeding generations that is cause both for celebration and for reexamination in this our Bicentennial year—celebration for what we have accomplished, reexamination of that which we still must accomplish.

Only after 200 years of struggle have we slowly come to realize that a truly free society includes and makes demands of all people—regardless of sex, race, creed, age, or national origin. These are the "men" who are "endowed by their Creator with certain inalienable Rights." Furthermore, it is our system of laws which has acted as the catalyst to preserve these inalienable rights—laws like the Civil Rights Act of 1964, the Voting Rights Act of 1965, the Fair Housing Act of 1968. One more great stride will be made when we ratify the Equal Rights Amendment to insure equality of opportunity regardless of sex.

Yet, our work is far from complete when these laws are passed. Indeed, our work is just beginning and, as Judge Learned Hand once noted, the work is for each and every one of us:

> Liberty lies in the hearts of men and women. When it dies there, no constitution, no law, no court can save it. No constitution, no law, no court can even do much to help it . . . The spirit of liberty is the spirit which is not too sure that it is right. The spirit of liberty is the spirit which seeks to understand the minds of other men and women. The spirit of liberty is the spirit which weighs their interests alongside its own without bias. The spirit of liberty remembers that not even a sparrow falls to earth unheeded. The spirit of liberty is the spirit of Him who, nearly two thousand years ago, taught mankind that lesson it has never learned, but has never quite forgotten; that there may be a kingdom where the least shall be heard and considered side by side with the greatest.

The spirit of liberty may be expressed in our laws, but it lives in our hearts. Only when all our people work together to advance equality and justice under law, and foster respect for law and understanding of its place in the life of every citizen, can we hope to achieve the high goals set by our Constitution and Bill of Rights, and the Declaration of Independence. May we all keep the flame of liberty burning on this Law Day, 1976, and on every day hereafter.

Mr. SARASIN. Mr. Speaker, it is appropriate in this Bicentennial Year that we have a day set aside for the observance of the rule of our Nation under law. We, as Americans, should be proud of our past and confident of our future in our third century as we contemplate the whole structure of American law. Our goals and ideals as enshrined in the Declaration of Independence, the Constitution and the Bill of Rights have served us will over our short history. I believe, in retrospect, that we have progressed even further than even our forefathers envisioned for us.

For it is through our system of law that we have proven ourselves a vital and progressive society, dedicated to the betterment of our citizens and the increased participation of all of our people in the American way of life. We are constantly striving to improve our society through our entire legal system, and in recent years, have enacted laws that protect the rights of our citizens irrespective of age, sex, or race. Moreover, the role of the courts in enforcing these laws have been indispensable in insuring the rights of every citizen under the law.

The law has thus proven the vital quality and character of the protection that it affords every American. It is not simply an inert mass of legal literature, but is the standard of fair play and commonsense by which Americans can measure whether they are, in fact, fully participating citizens of this great Nation.

We have been fortunate in this country that our system of Government under law has served us well. We have endured very short periods of chaos in contrast to most every other nation in the world. Our form of government has been tested repeatedly and still has proven strong enough to withstand wars, depressions, and official misconduct.

However, there can be no guarantee that our country can last forever, although we do now have the longest lasting government with a written constitution. I do not doubt that we will be able to surmount any problem that faces us as a nation, however the strength of our laws is dependent upon our educating our children in the meaning and spirit of American justice. The real test of our system and its potential for survival will be determined by the number of citizens who believe that the law must be obeyed. In the last analysis, our democratic form of government cannot hope to survive without respect for the law.

I am often fearful that with our rising crime rate and the disillusionment among so many of our young people that many will decide that our country and our form of government are not worth defending or believing in. The task that lies before us now must be to restore that abandoned respect for our country and our law. True, it is imperative that the leaders and officials of our country establish the proper environment by their own unimpeachable behavior. However, the citizen has responsibilities as well. Our system of law is not perfect, and it is a slow and deliberate process to make changes in the law. But the strength of our system also lies in the fact that changes in our laws are made through wisdom, hopefully, and not through whim. And often our failures with the law come not from the law itself, but from the people who have chosen to abuse it.

We must try to keep in mind that the law is not a solution to all of the ills in our society. It cannot be expected to solve our complex economic and social problems. It cannot be expected to end human suffering or improve behavior or change character. What it can do is to teach us to appreciate the fact that the law serves all the people equally, and that we must, as citizens, make it effective by our respect and dedication to it. These things we have to contemplate on Law Day, U.S.A., 1976.

Ms. ABZUG. Mr. Speaker, I am pleased to take the opportunity to participate in this special order on the rule of law.

The portions of the Church committee's report on intelligence operations that have been released thus far bring home to us most pointedly the fact that if those charged with enforcing the law do not respect and obey it, the law is meaningless. For many years, officers and employees of various executive branch agencies have deliberately and knowingly broken the law and violated the Constitution, sometimes in the name of "national security," sometimes with no pretext at all.

There is no greater danger to the security of this Nation, this democracy, than activity such as this. I hope that on Law Day, we may resolve that such excesses must not be allowed to recur, that their victims be notified of the fact that they were victims and given the chance to have their files destroyed, and that the perpetrators will be brought before the bar of justice, no matter who they may be.

Mr. MIKVA. Mr. Speaker, I am pleased to participate in today's special order commemorating Law Day. During the celebration of our Nation's 200th birthday, it is particularly appropriate that Americans take note of the importance and meaning of the laws which compose our democratic system. Law Day represents an opportunity to reflect upon the importance of those laws and the crucial purpose which they serve.

Mr. Justice Brennan once said:

> It is the spirit and not the form of law that keeps justice alive.

The spirit of law in this country is exemplified by our Constitution which embodies the precepts of our system. Although the form of this great document has been subjected to judicial interpretation and constitutional amendment over the years, its spirit has endured. Our constitution has continually demonstrated its adaptability to circumstances that even the framers could not have forseen.

Since its creation, our Nation has seen numerous changes. America long ago moved from the exploration of the western frontier to the exploration of the technological frontier. We have passed through war at home and abroad, through periods of social unrest and economic instability, and through Presidential assassination and resignation. But, whatever the pressures, our belief in law has perserved. The history of our Nation is an eloquent reminder that we are a people governed by rules rather than rulers—by laws rather than man. If not for our national commitment to these principles, it is doubtful that the country would have survived.

As lawmakers we have not been infallible, but our Founding Fathers blessed us with a legal and political system which provides for an orderly review of the legislation we adopt. The ability to amend laws to rectify inequities and injustices enables our Government to move forward without the wrenching upheaval that accompanies change in so many other countries.

The Law Day observance is simultaneously a time for reflection upon the past and a time for looking toward the future. Our past shows the strength of our legal system and promises security for the turbulent times ahead. The laws of our Nation and the respect which they have engendered have withstood the challenge of past human fraillities, and will surely protect us from those yet to come. The significance of Law Day will be dramatically demonstrated if the country's elected representatives dedicate themselves to enacting legislation worthy of the respect of all citizens. This is the greatest gift we can give our Nation for its Bicentennial.

Mr. CORMAN. Mr. Speaker, it is a privilege for me to participate in this traditional commemoration of Law Day in the Congress. This tribute is particularly significant as Americans celebrate the Bicentennial and reeducate themselves on the wisdom of our Founding Fathers in creating a system of Government which has encouraged the rule of law to prevail and flourish.

Simply stated, the central message of Law Day is the protection of individual rights and liberties not at the expense of freedom for some but for equal justice for all. Laws can only be effective if they are drafted cautiously, executed fairly and respected by those who are guided by them. It has been our basically positive attitude to the rule of law which has kept our society ordered, but not rigidly confined. Our system has worked because "no person is above the law."

As Samuel Johnson said:

> The law is the last result of human wisdom acting upon human experience for the public good.

It is not a panacea for all of society's complex ills. It is not the answer to all our difficult and complex social problems. Laws do not create morality overnight nor do they end human suffering swiftly.

But they do set a standard for respect of person and property. They can translate social change into social action for the benefit of many. And they can and have prevented monopolies of power from wresting control over the many without benefit of democratic consent.

The last several years have challenged our system of laws and we have responded with strength and wisdom. The elasticity of our Constitution has permitted the rule of law to triumph over the weaknesses of those who have tried to abuse our fundamental freedoms. We have learned through bitter experience that possible breakdowns in our system come less from our laws and more from the individuals who seek to disregard their obvious intent.

It is not an overstatement to say that a reaffirmation and respect for the rule of law is more important now than ever before in our history. We, as public officials, have a heavy responsibility to help restore public trust in the instruments of Government. It is imperative that we all take stock and determine the contribution we can make to renewing trust in our system of laws. Above all, we must resolve to legislate with foresight and fairness and adjudicate with compassion and reason.

Mr. ROYBAL. Mr. Speaker, it is a privilege to join in the national commemoration of Law Day, 1976.

We are now celebrating the 200th anniversary of our Nation's birth, an event which came about largely because our forefathers realized that strength could be achieved through cooperation and dedication to common goals.

With the newly formed union, came a legal framework under which the colonies could operate as one. This took the form of our Constitution, which continues to serve as the fundamental law of the land. This document provided the American people with an adaptable and durable base upon which our democratic system could flourish, remaining relevant throughout inevitable changes in social and economic conditions.

Our Government is firmly rooted in the philosophy of government by the people. Laws provide the essential ingredient by which the people may enjoy the freedoms inherent in a democracy. As time passes, laws become outdated and are discarded or replaced by more appropriate legislation. Our political process encourages flexibility and health change, in a continuing effort to reflect the wishes of the majority.

It is especially important for our Nation's leaders to show the American people that everyone is subject to the law and no one can escape its consequences. Without respect for the law and a sincere desire to see equality and justice for all, our Nation cannot hope to survive. Injustice, bigotry, and corruption must be shown to be the exception, not the rule, and every effort must be made to enforce the law in a fair and equitable manner. We all have witnessed flagrant abuses of the system; for example, Watergate. At the same time, however, we have seen the enduring quality of our democracy, as it rebounds even stronger after every test.

On Law Day 1976, I would like to see a reaffirmation of our loyalty to the United States and the rules which govern our Nation, since the law provides protection and order only to the degree to which it is obeyed. With a respect for the law and an eye toward improvement, we can effect the changes that are needed to keep up with our dynamic and enduring democratic system.

Mr. COUGHLIN. Mr. Speaker, May 1 marked the observance of Law Day U.S.A. and I am pleased today to make a few remarks in honor of that occasion.

We are a nation founded on law. We are a people of law. It is for these reasons that the 87th Congress set aside a permanent "special day of celebration by the American people in appreciation of their liberties" and as an occasion for "rededication to the ideals of equality and justice under the law."

The objectives of this day are fourfold; that is, to foster respect for law and understanding of its essential place in American life; to encourage citizen support of law observance and law enforcement; to advance equality and justice under law; and to point up the contrast between freedom under law in the United States and governmental tyranny under communism.

This is also a day when every American should reevaluate and determine his individual responsibilities as a free citizen, such responsibilities as the duty to obey and respect the law; to be informed on issues of government and community welfare; to serve and defend the Nation; to assist agencies of law enforcement; to practice and teach the principles of good citizenship; and to respect the rights of others.

I think it is particularly fitting in this our Bicentennial Year as a nation that we pause to reflect on the role of law in our history. Since 1776, our land area has changed dramatically; our population has increased exponentially; our customs, lifestyles, and problems have all changed fundamentally. What has not changed in 200 years is our basic constitutional framework—our law—as well as our respect for it and our faith in it. This framework has provided us with an enduring legal system, an effective national defense, and the political machinery to deal imaginatively with the problems of each new age.

Two hundred years of continuous rule of law is an unparalleled achievement in modern times. I believe it has been possible because ours is a system of law and government based on a consensus of the people rather than on coercion or subjugation. It is law which reflects the growth and change of a people over time, with enough adaptability to correct injustices and to confront the problems of industrialization. It is a law which in 200 years has seen challenges both at home and from abroad and has become stronger by overcoming them. I am confident that our law will continue to serve our Nation well as we move ahead to face the challenges of our third century.

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include therein extraneous material, on the subject of the special order today by the gentleman from California (Mr. PATTERSON).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

EQUALITY FOR THE HANDICAPPED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH), is recognized for 30 minutes.

Mr. KOCH. Mr. Speaker, according to the 1970 census, more than 12 million individuals in our country are disabled. For years they have pondered their plight and now they have dared to demand their rightful places in our society.

Traditionally, the disabled have sought guidance and assistance from those agencies specifically designed to serve them. Dissatisfied with agency policies and prejudices, however, many of the disabled have now formed consumer groups which have the distinction of being totally autonomous—that is, having no connection with established organizations serving the handicapped. Although relative novices in activist causes, many of the handicapped are now clamoring for the right to become equal and integrated members of our society.

Recently, I attended meetings held in New York City by these consumer groups. Allegations concerning the hiring practices of the voluntary bodies for the disabled were shocking. To determine whether these allegations were in fact true, I conducted a survey of nine organizations to determine the number of handicapped employees on their staffs. Five agencies responded. Of the 382 persons employed by those 5 agencies, only 23 of them have any physical handicap. One would think that these institutions, most knowledgeable about the needs and abilities of the handicapped would have more such people on their staffs.

These newly established handicapped consumer groups have attempted to open channels of communication with the appropriate agencies, but as one leader, Kurt Shamberg, president of People for Rehabilitating and Integrating the Disabled Through Education—PRIDE—said to me, "the agencies are not listening, they are dismissing us, their own consumers, as a radical minority." Unfortunately as a result of mutual distrust and animosity, both factions are reluctant to recognize the benefits that each could gain from the other.

The need for legislation to protect the rights of the handicapped has been discussed by this and previous Congresses. During the 92d Congress a bill was passed to extend the Vocational Rehabilitation Act. The President vetoed the bill. The 93d Congress enacted similar legislation. Again, the President vetoed the bill. Following this second veto a number of bills were introduced as compromise measures. On September 26, 1973, President Nixon signed into law as Public Law 93-112, the Rehabilitation Act of 1973.

At the request of my good friend and colleague from Connecticut, Mr. DODD, the General Accounting Office recently undertook a study of the implementation of sections 503 and 504 of this act. Section 503 requires all Federal contractors with contracts in excess of $2,500 to take affirmative action regarding employment of the handicapped. Section 504 prohibits discrimination against an otherwise qualified handicapped individual by any recipient of Federal assistance. The report indicated that 3 years after the enactment of the act, there had been minimal enforcement of section 503 and even more reprehensible, no action to enforce section 504.

Last week, Mr. Speaker, the President ordered the Department of Health, Education, and Welfare to establish rules barring discrimination against handicapped workers in federally assisted programs. Specifically, the President instructed HEW to establish guidelines for compiance with the allocation of Federal financial assistance and to determine what constituted discriminatory practices.

Although the President's action is a step in the right direction the order does not detail the procedure to be followed by DHEW in order to provide for proper enforcement.

One of the major criticisms of the law has been the fact that enforcement mechanisms were not specified in the act. Therefore, Mr. Speaker, I am, with Representative BIAGGI, introducing legislation to amend section 501, employment of handicapped individuals; section 503, employment under Federal contracts; and section 504, nondiscrimination under Federal grants.

The amendments to section 501 will enlarge the membership of the Interagency Committee on Handicapped Employees to include not less than five additional members who must be handicapped individuals appointed by the President from lists of nominees submitted by national organizations of the handicapped upon the invitation and request of the President. Established under the Rehabilitation Act of 1973, the interagency committee is responsible for encouraging Federal agencies to sponsor affirmative action programs in hiring the handicapped. Currently, however, its membership contains no handicapped individuals but instead is composed of two officials from the Labor Department, one from the Department of Health, Education, and Welfare, and one from the Civil Service Commission. It is my belief and that of various parties familiar with the problem that the participation of the consumer members on this interagency committee will bring about an increase in the activity of the committee in the performance of its functions and duties as prescribed by section 501 and will result in expanded opportunities for the employment of handicapped persons in Federal departments, agencies, and instrumentalities.

In addition, we are proposing amendments to sections 501, 503, and 504 which would create an arbitration panel to rule on all cases of alleged discrimination in Federal hiring not later than 90 days following the filing of a complaint. I feel that these proposals for arbitration represent the most efficient and speedy means by which the handicapped persons may obtain redress and enforcement of their rights.

Mr. Speaker, I am distressed at the failure of the executive branch to execute the will of the Congress as expressed in Public Law 93–112.

It is appalling to me that flagrant discrimination against the handicapped continues to exist. In positions where a physical handicap is not an impediment to able job performance, the handicapped are turned away over and over again. Worst of all, there is no excuse for the discriminatory hiring practices of the voluntary agencies, which have been created to serve the handicapped. The handicapped individual should be the usual employee of these agencies and the nonhandicapped should be the exception. That that is not the case is apparent from the following correspondence which is shocking because it shows how few handicapped are hired by those voluntary agencies in proportion to their regular staffs. The disproportion is even greater on the executive level. Shame of shames.

I urge our colleagues to review the appended material and to support expeditious consideration of this bill.

The correspondence follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., February 24, 1976.
Mrs. LAWRENCE BOGERT,
Chairwoman, ICD Rehabilitation and Research Center, New York, N.Y.

DEAR MRS. BOGERT: My New York office is presently studying the role of private agencies serving the physically handicapped in New York City. I would appreciate your furnishing me with the following information.

1. The goals of your organization.
2. The nature and amounts of any federal grants you receive.
3. The total number of staff members.
4. The number of physically handicapped persons on your staff. Please indicate whether these persons are on your professional or clerical staff.

If you have any questions about this request, please contact Victor Botnick in my New York office.

Sincerely,

EDWARD I. KOCH.

NOTE.—Same letter sent to other agencies.

ICD REHABILITATION AND
RESEARCH CENTER,
New York., N.Y., February 26, 1976.
Hon. EDWARD I. KOCH,
New York, N.Y.

DEAR CONGRESSMAN KOCH: This is in response to your letter of February 24th, to Mrs. Lawrence Bogert, in which you ask for information on our Center.

Attached is the information you requested. For your convenience I have re-stated your questions and replied directly to them.

Please feel free to call on us should you desire any further information.

Respectfully,

SALVATORE G. DIMICHAEL,
Director.

The ICD Rehabilitation and Research Center pioneers in the development, testing and provision of services which enable physically, emotionally, and otherwise disadvantaged persons to become self-supporting, productive members of society.

In working toward its goals ICD—

Provides medical, social adjustment, speech and hearing, and vocational rehabilitation services on an outpatient basis to persons whose physical and/or emotional disabilities, educational limitations or socio-economic deprivation prevent them from obtaining, holding and advancing in purposeful work.

Conducts rehabilitation research which includes: scientific investigation of such unsolved disability problems as spinal cord damage; sensory feedback study of neuromuscular and other impairments; new rehabilitation techniques such as the development of an improved system of vocational evaluation of the handicapped. Also maintains a Research Utilization Laboratory which serves as a national information center to assist States in vocational rehabilitation program evaluation, and to package and disseminate to State vocational rehabilitation agencies innovative service delivery models aimed at improvement of services to the handicapped.

Provides professional education to college undergraduates and graduates through fieldwork training, in various rehabilitation disciplines. Makes available the results of research as well as progress and/or new techniques in patient services delivery to government agencies, hospitals, rehabilitation centers, doctors and other practicing professionals in the field, through workshop, training courses, conferences, professional papers, audio-visual aids, T.V., quarterly newsletters, annual report and other publications.

Total number of staff members

	Full-time	Part-time	Total
Professional	51	21	72
Management	5	1	6
Administration and clerical	37	3	40
Maintenance	11	--	11
Total	104	25	129

Number of physically handicapped on staff

	Full-time	Part-time	Total
Professional	3	4	7
Management	1	1	2
Administration and clerical	3	--	3
Maintenance	2	--	2
Total	9	5	14

THE NATIONAL FOUNDATION,
MARCH OF DIMES,
White Plains, N.Y., March 1, 1976.
Hon. EDWARD I. KOCH,
New York, N.Y.

DEAR CONGRESSMAN KOCH: Enclosed in response to your February 24 letter addressed to Mr. Harry Green is a copy of our Annual Report for 1975 in which you will find a description of our objectives and of the programs we sponsor to achieve them. You will note that our major goal is to prevent birth defects rather than to supply rehabilitative services. Since birth defects are a major cause of physical disability, our support of research, services and education constitutes a significant contribution by the voluntary sector to the primary prevention of such disability.

The National Foundation receives no federal grants.

Nationally our staff consists of 460 persons, 28 of whom are employed by our Greater New York Chapter. We do not maintain records of the physical handicaps of our employees. On a purely visual basis, however, we are aware of two clerical employees of our Greater New York Chapter who have obvious physical impairments.

Please let me know whether there is any additional information you require.

Sincerely,

CHARLES L. MASSEY,
Executive Vice President.

UNITED CEREBRAL PALSY
ASSOCIATIONS, INC.,
New York, N.Y., March 2, 1976.
Hon. EDWARD I. KOCH,
Representative in Congress,
New York, N.Y.

DEAR SIR: I have your letter of February 24th and am pleased to have the opportunity to answer the questions you have asked pertaining to our organization.

As a matter of information, upon its establishment in 1948 as a National organization, United Cerebral Palsy Associations became and still is the only National Voluntary Health Agency dedicated to a broad attack on the problem of cerebral palsy. As the National arm of an Association comprised of a network of State and Local Affiliates, we provide no direct services to individuals. This is the responsibility of the State and Local Affiliates which generate the funds necessary to provide these services as well as the funds to carry out the State and National programs. Among UCPA's principal concerns are research, public and professional education, governmental activities affecting the handicapped, and services to its affiliates in program development and all phases of organizational and administrative management.

The following information is provided specifically in response to the questions posed in your letter:

A. Goals of the Total Organization—

1. To prevent and eventually eliminate cerebral palsy.

2. To stimulate those activities necessary to evaluate, develop, muster and utilize all appropriate resources within the local community, as well as at the State and National levels, to insure that needed services of all kinds not currently being provided are made available which will enable those persons who we are committed to serve to more adequately function within their environment, family group and the community.

For your further information regarding the thrust of our organization's activities please refer to the Statement of Purpose as defined within the By-Laws of our Association, copy enclosed. With reference to the wide range of activities currently being undertaken by UCPA and its affiliates, the enclosed copies of the annual reports of UCPA, Inc. and UCP research and educational foundation for the fiscal years 1974 and 1975 should prove helpful.

B. The Nature and Amounts of Federal Grants Received—

At the present time UCPA is involved in two projects involving Federal grant funding as follows:

1. The National Collaborative Infant Project—

Period of award, September 1, 1971 to September 30, 1974; award to date: $741,250.

Period of award, July 1, 1974 to June 30, 1976; award to date: $670,050.

2. A Demonstration of Three Models of Advocacy Programs for Children with Developmental Disabilities—

Period of award, June 30, 1972 to June 29, 1976; award to date: $457,000.

Enclosed for your review are overview descriptions of the above listed projects.

C. Number of Staff Members—

The National Organization headquarters staff currently is comprised of 93 persons.

D. Number of Physically Handicapped Persons on Staff—Clerical or Professional—

As of March 1, 1976 there are two clerical and three professional physically handicapped persons on the National headquarters staff. A fourth handicapped professional staff member resigned recently to assume the position of Executive Director for the California State Developmental Disabilities Planning and Advisory Council.

In accordance with the request of your Mr. Victor Botnick we have directed this reply to your New York office. Should you have the need for any further information we would be pleased to hear from you.

Cordially yours,

Leonard H. Goldenson,
Chairman of the Board.

Goodwill Industries of America, Inc.,
Washington, D.C., March 4, 1976.
Hon. Edward I. Koch,
Member, Congress of the United States, House of Representatives, Longworth Building, Washington, D.C.

Dear Congressman Koch: I am in receipt of your letter to Mr. Oscar C. Palmer, dated February 24, 1976.

In response to your question concerning our organization, I am enclosing a copy of the most recent Progress Report for Goodwill Industries of America and our Goals and Objectives for 1975. These documents should be sufficient to answer your first question as to our goals.

Goodwill Industries of America is currently administering four grants from the federal government, totaling $315,060. A list of those grants and the specific amounts is shown below:

1. A Study to Establish a National Center for the Handicapped—$58,000.
2. Management Training for Executives and Staff in Rehabilitation Facilities—$110,000.
3. Development of Vocational Rehabilitation Programs in Latin America and Africa—$119,500.
4. Training for Supervisory Personnel in Rehabilitation Facilities—$26,060.

Goodwill Industries of America currently has thirty-nine employees. Eleven of these employees are professional staff members. Of the eleven, one is physically handicapped in that he must use crutches to walk, and one is aged, i.e., past the normal retirement age.

I note that your study concerns the role of private agencies serving the handicapped in New York City. Goodwill Industries of Greater New York, Inc., 421 27th Avenue, Astoria, New York 11102, serves the New York City area. You may wish to contact Mr. Edward E. Rhatigan, executive vice president of that Goodwill Industries, for specific information on services to the physically handicapped in the New York City area by Goodwill Industries.

If I or my staff may be of any further assistance to you in your study, please let me know.

Cordially,

Dean Phillips,
President.

National Multiple
Sclerosis Society,
New York, N.Y., March 4, 1976.
Hon. Edward I. Koch,
Congress of the United States, House of Representatives, New York, N.Y.

Dear Congressman Koch: I have been asked by our Chairman, Mr. Daniel J. Haughton, to respond to your letter of February 24, regarding information on our policies relating to hiring physically handicapped persons and I am happy to do so. The goal of the National Multiple Sclerosis Society is to solicit the public for contributions to further the cause of our research, education and patient services dealing with those who have been afflicted by the dreadful disease of multiple sclerosis. To achieve this goal we have an organization of volunteer chapters chartered by our National office, each of which maintains its own volunteer Board of Trustees and employs executive directors, secretaries and some office personnel, as appropriate.

The Society does not receive Federal grants as such. However, we do participate in the Combined Federal Service Campaigns for National Health Agencies, to which Federal employees on Government installations contribute.

In determining the total number of staff members, we would have to consider those employed by the National office. At the present time this amounts to 132 employees. Approximately 25 of these employees are on a temporary status. The policy for recruiting personnel has always been not to discriminate because of race, religion, sex, age, national origin or handicap. We have been working closely with Bosrum Hill Home, a half-way home for those individuals with a history of mental illness.

We are particularly sensitive to the need for input into the Society's program from persons afflicted with multiple sclerosis. A substantial number of our Board of Directors have MS in their immediate families. Historically, many MS patients and their spouses and other close relatives have occupied positions of leadership among the Boards and Advisory Committees of the chapters across the country. While we do not have a head count, there are a significant number of patients who serve our local chapters either as staff members or as Board members.

At the National office, at this writing, we currently employ two persons, both on our clerical staff, who are known to us to be handicapped. However, I believe it is important to also state that throughout the years, we have had other employees, both professional and clerical, who have had MS or other handicaps.

We welcome your inquiry. Please be assured that, as in the past, our staff will continue to work with you in support of legislation for the benefit of aged and handicapped persons.

Very sincerely,

Sylvia Lawry,
Executive Director.

The Arthritis Foundation,
New York, N.Y., March 9, 1976.
Congressman Edward I. Koch,
New York, N.Y.
New York, N.Y.

Dear Mr. Botnick: This is in reply to Congressman Koch's letter of February 24 with questions about this agency's service to the physically handicapped in New York City.

Since the letter was addressed to Mr. Button, who has not been with The Arthritis Foundation for a year, and to an address from which we moved last July, it was not received here until March 1. I was told about your phone call on February 27 and was told that you would call me on March 1. When you did not, I called you several times on the 1st and the 2nd. The line was always busy.

Congressman Koch's letter stated no timetable nor need for great speed in responding. We have learned now of the press conference on March 5th at which the media people were apparently told that The Arthritis Foundation "declined" to state the number of its staff members, or so we were told on the phone by a reporter. This of course is not true.

Since this is the national office of The Arthritis Foundation, our services in New York City are indirect, via representation on the President's Committee on Employment of the Handicapped, organizations concerned with architectural barriers, etc. The New York Chapter of The Arthritis Foundation is more directly involved in serving the physically handicapped in New York City and would have been the appropriate office for you to direct your inquiry.

1. The goals of The Foundation are stated in the enclosed leaflet.

2. During 1975, The Arthritis Foundation received three Federal grants—one for "early synovectomy evaluation ($18,165.13); one for cooperating clinics programs; (drug testing, etc.) ($81,100.00); one for x-ray reading ($40,381.82).

3. National office has 46 staff members.

4. Currently there are no handicapped persons on our staff. Much depends on your definition of "handicapped." One professional staff member has rheumatoid arthritis and another secretarial member has a slightly deformed arm, but neither condition limits these persons in normal daily activities. For many years we had a staff member (high professional status) with major disabilities due to rheumatoid arthritis; he died of cancer last November.

For the New York Chapter of The Foundation:

2. No Federal grants.
3. 23 staff members.
4. No handicapped members on staff.

It should be of interest that our New York Chapter tells us they have made repeated attempts, without success in getting job applicants, by contacting the Mayor's Office for the Handicapped, the NYC Department of Rehabilitation Services, the NY State Unemployment Services (Handicapped Div.), tha VFW, and the VA Hospital.

Sincerely,

Charles C. Bennett,
Director,
Public and Professional Education.

THE DESIGNATION OF OUR ALASKAN RESOURCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. McKinney) is recognized for 10 minutes.

Mr. McKINNEY. Mr. Speaker, I will soon introduce legislation which will suspend the export authority of the Trans-Alaska Pipeline Authorization Act—Public Law 93–153—and call for the establishment of a Federal Power Commission, Federal Energy Administration and Department of the Interior consortium to formulate a single, definitive plan for the distribution of Alaskan oil. Furthermore, the bill will extend the suspension of that export authority until Congress has approved a consortium proposal including a set of specifically designed guidelines regarding any exportation of these precious resources.

I am introducing this legislation as the result of a response I received from the Department of the Interior stating that portions of the much-needed and long-awaited Alaskan oil could be exported to foreign ports. In the letter, Mr. William L. Fisher, Assistant Secretary of the Department of the Interior, cited the strong possibility of a west coast "glut" as the reason for diverting the oil from the domestic market. While the possibility of limited exportation of our domestic oil and gas resources cannot be discounted, to do so as the result of a clearly avoidable crisis situation—a crisis which could be prevented through proper regulatory oversight—is unjust as well as unwise. The congressional intent in the passage of the trans-Alaska pipeline authorization was to insure our national security through proper distribution of those resources, and to develop a program of energy self-sufficiency for the entire United States. The exportation of those resources on the basis of regulatory mismanagement will not only subvert the intent of that law, but will prolong our dependence upon unreliable foreign resources. It is now up to our regulatory agencies to confer, combine, and coordinate their jurisdictions, and produce a plan to insure the intended results of the

Trans-Alaska Pipeline Authorization Act.

While the letter from the Department of Interior did not designate exportation of Alaskan oil as the only alternative under consideration, I must question the viability of the other proposals. These other proposals were: The construction of a 1,700-mile pipeline through Canada from Prince Rupert, British Columbia, to Edmonton, Alberta; the construction of a Northern Tier pipeline through the Rocky Mountains from Puget Sound to an undisclosed location in the Midwest; or the construction of a pipeline from Los Angeles to Texas utilizing a converted natural gas pipeline over much of the distance. When considering these alternatives, Mr. Speaker, it is important to bear in mind two things, the length of time required for planning, logistics, approval and construction of these lines and the scheduled flow of Alaskan oil as early as October of next year. According to Mr. Fisher's letter, the only other possibilities being studied by the Department of Interior are transporting the oil around South America or through the Panama Canal, costly and uncertain ventures at best, or to reduce scheduled production at Prudhoe Bay or to export the oil.

Clearly, Mr. Speaker, the entire history of regulatory supervision of energy production in this country is one of confusion, mismanagement and either duplication or total absence of effective regulation. Just maybe, Mr. Speaker, we can avoid serious repercussions this time if we demand correction of the problem before the oil flows.

I urge all of my colleagues to stand in defense of the intended purpose of the Alaska pipeline law that we passed 2 years ago. Further, I ask the House to join me in calling on the responsible parties in the administration to see that a consortium of energy regulators be created, as soon as possible, so that a proper regulatory approach can be established.

CHRISTOPHER COLUMBUS MEMORIAL HIGHWAY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I would like to call to the attention of my colleagues a resolution introduced by the Honorable William J. Laurino, State representative of the 15th Legislative District of Illinois, to designate that part of Interstate Highway 80 which lies within the State of Illinois as the Christopher Columbus Memorial Highway, as well as a letter I addressed to Hon. William T. Coleman, Jr., Secretary of Transportation, urging that he designate the entire span of Interstate Highway 80 as the Christopher Columbus Memorial Highway.

During this Bicentennial Year, it is indeed appropriate that this special recognition be given to the courageous navigator who discovered America in 1492—Christopher Columbus—and who opened the door not only to the development of the Western Hemisphere but also paved the way for the establishment of our own great country.

The resolution as well as the letter to Secretary Coleman follow:

H.J. RES. —

Whereas, The first fully-recorded discovery of land in the New World was made by Admiral Christopher Columbus, a Genoan in the service of the Queen of Spain, who landed on the island of Hispaniola in 1492; and

Whereas, The New World contained the territory which later became the United States of America, a Nation which had its official birth with the signing of the Declaration of Independence, the generally-accepted date of which was July 4, 1776; and

Whereas, The United States has made great progress in the nearly 500 years since Columbus' great voyage, and the 200 years since the Declaration of Independence have seen more progress by man than throughout all of his earlier history; and

Whereas, Among the great engineering achievements of the modern world is the nation-wide network of National Defense Highways, more commonly known as Interstate Highways; and

Whereas, The important discovery which marked the beginning of Modern Times can be celebrated in the year in which we observe the event which marked the beginning of the Age of Democracy; and

Whereas, Interstate Highway 80, which connects Chicago with the Rock Island-Moline area of Illinois, spans the Continent from New York City on the East to San Francisco and Portland, Oregon on the West; and

Whereas, Many organizations of Italo-Americans have lent their support to the naming of this most important highway for their countryman, including the Joint Civic Committee of Italian Americans, UNICO, the Order of the Sons of Italy, the Italo-American National Union, and the Justinian Society of Lawyers; therefore be it

Resolved, by the House of Representatives of the seventy-ninth general assembly of the State of Illinois, the Senate concurring herein, That we strongly urge the Illinois Department of Transportation to designate that part of Interstate Highway 80 which lies within the State of Illinois "The Christopher Columbus Memorial Highway"; and be it further.

Resolved, That we call upon the United States Department of Transportation to designate all of Interstate Highway 80, from Coast to Coast, as "The Christopher Columbus Memorial Highway"; and be it further

Resolved, That we direct the Secretary of State of the State of Illinois to transmit copies of this preamble and resolution to the Honorable the United States Secretary of Transportation and to the Honorable the Illinois Secretary of Transportation.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C. May 3, 1976.

Hon. WILLIAM T. COLEMAN, Jr.,
Secretary of Transportation, Department of Transportation, Washington, D.C.

DEAR MR. SECRETARY: I would like to call to your attention the House Joint Resolution which was introduced in the Illinois House of Representatives to designate Interstate Highway Number 80 as the Christopher Columbus Memorial Highway.

Interstate Highway 80 connects Chicago with the Rock Island-Moline area of Illinois, and spans the Continent from New York City on the East to San Francisco and Portland, Oregon on the West.

It is appropriate during our Bicentennial Year that the Illinois General Assembly is taking steps to designate that part of Interstate Highway 80 which lies within the State of Illinois as the Christopher Columbus Memorial Highway.

You will also note that the enclosed Resolution calls upon you, as Secretary of Transportation, to designate the entire span of Interstate Highway 80 as the Christopher Columbus Memorial Highway.

I shall be deeply grateful for your conderation of this Resolution and I know that over 100 Members of the Congress who sponsored the Monday Holiday Bill which set aside the second Monday in October, Columbus Day, as a national legal holiday, would deeply appreciate this recognition being given to Christopher Columbus, the discoverer of America, especially during our Bicentenial celebration.

Sincerely,

FRANK ANNUNZIO,
Member of Congress.

LEGISLATION TO AMEND STATE AND LOCAL FISCAL ASSISTANCE ACT OF 1972

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. SHARP), is recognized for 5 minutes.

Mr. SHARP. Mr. Speaker, the Revenue Sharing Act of 1972 has proven to be beneficial to State and local governments throughout the country, and I strongly support its continuation.

Like other supporters of the program, however, I am troubled by some of the inequities in the allocation of revenue-sharing funds.

I am today introducing a bill which would correct one such inequity. This bill would expand the definition of local tax effort to include, within certain limits, revenues generated for a city or town by a municipally owned utility.

The formula for allocation of revenue sharing funds to local governments includes adjusted taxes, population, and per capita income.

My concern, and it is a concern shared by many, is with the use of "adjusted taxes" to measure local tax effort. This definition excludes several legitimate, useful, and common methods used by municipalities to collect revenues. Cities and towns which rely entirely upon taxes, narrowly defined, are favored in the allocation of revenue-sharing funds over communities which are supported in part through payments from publicly owned utilities.

To demonstrate the problem, take two cities with identical population, per capita income, and local tax rates. One city is served by a privately owned utility and collects property taxes from that utility. The other city is served by a municipally owned utility and receives a payment in lieu of taxes or a profits transfer exactly equal to the property tax payment made by the utility in the other city.

Under the present law, the first city would be credited with a greater tax effort than the second city, and would therefore receive a larger revenue-sharing allocation.

This situation is unfair. The payments in lieu of taxes by the municipally owned utility in the second city are also payments from the citizens to an instrument of their local government. If the Revenue Sharing Act was meant to reward cities for local tax effort, as I believe it was, then the payments by the municipally owned utility should have been included in the definition of "tax effort." This is what my bill would accomplish.

The General Accounting Office concurs with this proposal. In a report to the Congress last year entitled "Adjusted taxes: An incomplete and inaccurate measure for revenue sharing allocations," the GAO recommended including municipal utility payments as well as some other forms of local revenue in the definition of local tax effort.

I have established a limit in the bill to allow payments and transfers of profits up to 8 percent of the utility's revenues to be counted as part of the local tax effort for the purpose of determining revenue sharing allocations. This would prevent a community from raising electric rates to an unreasonable level merely to obtain increased revenue sharing funds. It also prevents this form of raising revenue from becoming a regressive means of taxation.

In addition, the bill would only count, for purposes of determining revenue sharing allocations, the percentage of payments or profits transfers equal to the percentage of that utility's revenues collected within the boundaries of the municipality. This would prevent sales to non-residents from counting for purposes of revenue sharing.

I would like to cite a few examples from my own congressional district, Mr. Speaker, to give you and my colleagues some idea of the extent to which communities are disadvantaged by the current formula.

Richmond Power and Light of Richmond, Ind., in 1974 transferred $600,000 to the city's operating fund. In 1975 it was $720,000. This was a major portion of the city's 1974 revenue collections, which amounted to $3,989,000 including this payment from the utility. According to the current revenue sharing allocation formula, however, the city received credit for only $3,389,000 of local tax effort. Had Richmond been served by a privately owned utility, the city government could have collected approximately the $600,000 in property taxes, and the local tax effort would have been the full $3,989,000.

In Bluffton, Ind., the muncipal utility in 1974 transferred $35,000 to the city. In 1975 it was $50,000. This was a significant part of the city's operating fund in 1974, since tax collections and license fees only amounted to $269,000. For allocation of revenue sharing funds Bluffton only received credit for a local tax effort of $269,000.

The Municipal Light and Power Co. of Anderson, Ind., paid $760,000 to the city in 1974. The Office of Revenue Sharing gave Anderson credit for $5,205,000 of local tax effort, but the inclusion of the transfer from the municipal utility would have raised that figure to $5,965,000.

In Greenfield, Ind., the finances of the Greenfield Electric Light and Power Co. are even more directly related to the city budget. The utility owns the Greenfield city hall and police station, although it does not charge rent, and it also pays 24 percent of the salaries of the mayor and the clerk-treasurer. In addition, cash transfers to the city in 1973 were $133,000 and in 1974 were $49,000. Yet Greenfield received credit in 1974 for only $332,000 in local tax collections, a figure which ignores all of the above contributions.

Obviously, the payments and transfers from a municipal utility can make a real difference in city revenues. To claim that these payments are not the equivalent of local taxation is to create an artificial distinction that unjustly penalizes every town and city in the country with a utility that works for the people who live there.

The text of the bill follows:

H.R. 13548

A bill to amend the State and Local Fiscal Assistance Act of 1972 to take account of transfers of funds from publicly owned public utilities in computing State and local entitlements, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Subparagraph (A) of section 109(c)(1) of the State and Local Fiscal Assistance Act of 1972 (hereinafter referred to as the "Act") is amended to read as follows:

"(A) General tax effort factor.—The general tax effort factor of any State for any entitlement period is (i) the net amount of State taxes and local revenues of such State as defined in subparagraph (A) of paragraph (2) of this subsection collected during the most recent reporting year, divided by (ii) the aggregate personal income (as defined in paragraph (4) of subsection (a)) attributed to such State for the same period.".

(b) Clause (i) of section 109(c)(1)(B) of the Act is amended to read as follows:

"(i) The net amount collected from State taxes and local revenues of such State as defined in paragraph (2)(A) of this subsection during the most recent reporting year, by".

(c)(1) Subparagraph (A) of section 109(c)(2) of the Act is amended—

(A) by striking out "State and local taxes" and inserting in lieu thereof "State taxes and local revenues"; and

(B) by inserting after "statistical purposes" the following: ", and payments-in-lieu of taxes and profits transfers from publicly owned utilities not to exceed an amount equal to 8 per centum of that portion of the revenues of such a utility collected within the boundaries of such a unit of local government, determined in accordance with regulations of the Secretary.

(2) The heading of paragraph (2) of section 109(c) of the Act is amended by inserting "taxes" after "State" and by striking out "local taxes" and inserting in lieu thereof "local revenues".

(d) Division (i) of section 109(e)(2)(A) of the Act is amended by inserting after "statistical purposes" the following: ", and payments in lieu of taxes and profits transfers from publicly owned utilities not to exceed an amount equal to 15 per centum of that portion of the revenues of such a utility collected within the boundaries of such unit of local government, determined in accordance with regulations of the Secretary".

SEC. 2. The amendments made by this Act shall apply with respect to entitlement periods beginning on or after January 1, 1977.

LOCAL ATTITUDES ON OIL SHALE DEVELOPMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. McKAY) is recognized for 5 minutes.

Mr. McKAY. Mr. Speaker, it is expected that the Congress will again consider loan guarantees for synthetic fuel development. I have been a strong supporter of these Federal loan guarantees and feel they are an absolutely necessary component of our move toward energy independence.

In connection with this issue, I would like to call the attention of my colleagues to a recent article regarding local attitudes in the West on oil shale development. I might add that the findings reported in this article are consistent with the results of a Lou Harris poll taken last year:

IN COLORADO AND UTAH COUNTIES—MAJORITY IN FAVOR OF OIL SHALE DEVELOPMENT

WASHINGTON.—A poll of 300 residents in Uintah and Duchesne counties in Utah and Rio Blanco County in Colorado indicates more than 80 per cent are in favor of oil shale development in the Uintah Basin in northeastern Utah and extreme northwestern Colorado.

Moreover, most residents believe oil shale development can be compatible with the rural life style highly prized in the area.

The poll was taken by the Opinion Sampling Research Institute of Logan, Utah. It is part of a series of socio-economic impact studies of oil shale development in the Uintah Basin carried out by Western-Environmental Associates, Inc., of Providence, Utah, for the White River Shale Project released early this year.

The poll by the Logan, Utah, firm indicated people living in the Uintah Basin overwhelmingly approved, by a 7-1 ratio, its rural character. It also found 8 out of 10 people in the area favored both expanding population and oil shale development in the Uintah Basin even if taxes were to rise moderately and other inconveniences might result in the impact area.

Only five per cent of those polled disapproved, although in the communities that would be most greatly impacted, Rangely, Colo., and Vernal, Utah, disapprovals were by percentages of nine and seven respectively, while none disapproved in Roosevelt, Utah, which would be impacted the least.

Two goals explored

"The survey explored two goals common to the communities in the Uintah Basin, the report stated. "The first concerned preservation of the rural character of the community and the second concerned economic growth. People felt both these goals are desirable, but when asked to select between the two, the majority chose economic growth.

"However, respondents did not necessarily think the two goals were mutually exclusive. Indeed, most people felt that the rural character could be preserved while allowing . . . for oil shale development," the Logan polling group said. It found that older established residents, lower-income groups and active Mormons were less favorable to oil shale development in the area than other residents. "It is important to note, however, that oil shale development was strongly endorsed by all" types of residents, it said.

Poll conducted last July

The poll was conducted by telephone, from a cross section of people in the three counties that would be impacted, during July 1975. Polled were 150 men and 150 women roughly divided into three age groups, under 30, 31–44 and over 45 years of age. About two-thirds were established residents, having lived in the area for more than five years, and one-third were new residents. Half had incomes between $3,000–$15,000 a year; half were Mormons. Somewhat less than one-third (85) were oil field workers, and somewhat more than two-thirds (210) were not.

The impact studies indicated oil shale development would cause major impacts in the area, particularly in housing, which is already in short supply due to recent growth in this sparsely populated area.

"Virtually every housing unit in the area is being utilized, and housing unit prices and rents have inflated significantly," according to one of the impact studies. If a new town were built in Uintah County, it would provide 3,000 units in the year of peak demand (the eighth year after start of construction) and 3,100 units at full development of the oil shale complex (15 years after a construction start), the impact study said.

But if a new town were not built, 1,600 more housing units would be needed in Rangley, 1,200 more would be needed in Vernal and 400 more would be needed in Roosevelt to accommodate the oil shale workers, their families and employes of service industries needed to meet the needs of the new industry, it said.

6,000 workers needed

A 100,000-barrel-a-day (BPD) shale oil operation in the Uintah Basin would require 520 workers during the first year of construction, nearly 6,000 during the peak year and about 5,720 when the complex was completed. in the early years most of the new workers would be those employed directly on the oil shale complex.

But as construction was completed, more would be non-oil shale workers, such as additional city and county employes and employes of service industries. Overall permanent population increase in the Basin from a 100,000-bpd oil shale development would be about 31 percent, or 12.535 more than a baseline projection of about 39,800 in the area circa 1990. A smaller development would result in proportionately smaller population increases, it said.

Other impacts would be in use of more land and water, need for more community facilities and services such as schools and larger water and sewer facilities and industrial impacts on the Indians in the area. The new oil shale complex would be a major power user, although its purpose would be to provide many times more energy annually than its power use.

The impact study found there might be "serious revenue shortfalls to local government" during the early years of the oil shale complex. No legislation has passed Congress to date to meet this problem, although several proposals are in the legislative mill.

A DECENT HOME AND A SUITABLE LIVING ENVIRONMENT FOR EVERY AMERICAN FAMILY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 10 minutes.

Mr. ST GERMAIN. Mr. Speaker, in recent days we have seen a rash of court decisions extending to the Supreme Court initiated by responsible Americans living in our great cities who have been unable to obtain even the promise of "a decent home and a suitable living environment for every American family"—a clear statement of legislative policy, first appearing as the declaration of purpose of the Housing Act of 1949 and restated in one form or another in virtually every housing act passed since that time. It is a sad day indeed when millions of Americans must petition the judiciary for what, in my judgment, is their inalienable right.

On October 31, 1975, Mr. Speaker, the House, after spirited debate, by the narrowest of margins—two votes—defeated an amendment which would have crippled a simple mortgage information disclosure title so that working together we can confront the facts of failure and in the process devise ways and means to make this dream a reality, now denied to millions. Mr. Speaker, we are now in the regulatory phase, and let me caution my colleagues that we indeed must remain ever vigilant for those forces who came close to defeating this modest essential step forward are endeavoring to deny even this basic information to those who seek relief and to those of us who have the responsibility for finding solutions. Accordingly, I would like to insert at this point in the RECORD, Mr. Speaker, correspondence between myself and Chairman Burns of the Federal Reserve Board, which under the law has the responsibility for promulgating the regulations required by Public Law 94-200:

WASHINGTON, D.C.,
March 31, 1976.

Hon. ARTHUR F. BURNS,
Chairman, Federal Reserve Board,
Washington, D.C.

DEAR MR. CHAIRMAN: As the sponsor of the "Home Mortgage Disclosure Act of 1975" in the House, I have reviewed with great interest the Board's proposed regulation to implement the Act, and I feel that I must convey to you my concern about certain provisions thereof.

On page 5 of the Board's Press Release transmitting the regulation, it is stated that the Board, "proposed to permit use of zip code itemization in initial disclosure statements for full fiscal years ending before July 1, 1976, (as well as for any portion of the current fiscal year if a disclosure statement for that period is made available by August 31, 1976)". On page 12 of the Notice of Proposed Rulemaking, the justifications for this approach are noted as follows: (1) to code 1975 loans, at this time "may be difficult and burdensome and result in an unacceptable degree of inaccuracy" and "may require much processing of the data, thereby disproportionately increasing cost . . ."; and (2) time is needed to permit production of sufficient quantities of census tract maps and materials and to resolve some of the shortcomings in directories and computer programs.

You will recall that the subject of disclosure by zip code versus census tract was an issue of much debate and controversy. However, the acceptance of the Conference Committee of the House language relating to census tract reporting underscored the fact that mortgage data information reported by zip code is far less useful than reporting by census tracts for analyzing redlining patterns as noted throughout the House Committee Report (H. Rept. 94-561). Additionally, recognizing the importance of providing an adequate period of time to evaluate such disclosure data, in order to determine where patterns of mortgage disinvestment exist or are beginning to develop, the Conference Committee adopted the provision requiring disclosure information to be maintained and made available for a period of five years and adopted the House language providing a four-year termination date.

Since Congressional intent that mortgage disclosure information be reported by census tract for institutions covered by the Act needs no further documentation, I am left with the impression that the Board has misinterpreted and too broadly construed the authority conferred to it by the Act to determine where census tracts are "readily available at a reasonable cost." After weeks of hearings and study on this subject, the subcommittee learned that certain non-urbanized portions of SMSAs simply were not tracted during the 1970 Census. For this reason, I offered the amendment making the Board responsible for determining where such tract maps are available at a reasonable cost.

It goes without saying that for evaluation purposes, having data reported by zip code for loans made during 1975, through June 30, 1976, and the remaining four years by census tract will be less meaningful. I, therefore, request that you furnish the subcommittee with details on what the Board has determined to be an unreasonable cost and the basis upon which the Board has determined that to code 1975 loans by census tracts is not feasible. Further, if additional time is needed to permit the production of sufficient quantities of census tract maps and materials, perhaps the Board should consider extending the reporting date for 1975 loan information to permit disclosure by census tract, thereby providing a full five-year period of such information.

While I am deeply concerned about the foregoing issue, I must state that the Board has drafted the regulations in a most reasonable manner, and I am confident that upon resolution of the census tract issue, the regulations will ensure meaningful mortgage disclosure data.

Sincerely,

FERNAND J. ST GERMAIN,
Chairman.

WASHINGTON, D.C.,
April 21, 1976.

Hon. FERNAND J. ST GERMAIN,
Chairman, Subcommittee on Financial Institutions Supervision, Regulation and Insurance Committee on Banking, Currency and Housing, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letter of March 31, 1976, regarding the Board's proposed regulations to implement the Home Mortgage Disclosure Act of 1975. We are pleased that, except for the census tract issue regarding retrospective mortgage loan data, you feel the Board has drafted the regulations in a most reasonable manner.

In your letter, you request information regarding the bases of Board "determinations" relating to the proposed exception for ZIP code itemization of retrospective mortgage loan data. The general approach reflected in the proposed regulations has been adopted on the basis of the Board's interpretation of the Act and legislative history thereof; the Board's general experience in gathering compilations of both prospective and retrospective data; the experience of the Board and other Federal agencies with census tract reporting in the Fair Housing Survey; and numerous discussions with the Bureau of the Census, consumer representatives, data processing firms, publishers of address directories, cartographers, and public officials and depository institutions in States that have adopted or proposed mortgage disclosure laws.

Let me emphasize, however, that the Board has not made final determinations regarding the proposals. The views reflected in the notice of proposed rulemaking are expected to stimulate the production of additional data and arguments for the Board to evaluate in deciding whether to adhere to the approach in the proposals. The Board will give careful consideration to all the comments, arguments and data received on the proposals before making any final decisions regarding the regulations.

I can assure you that your views will be most carefully considered, and I want to thank you again for giving us the benefit of your comments.

Sincerely yours,

ARTHUR F. BURNS.

One national organization which has been in the forefront of the battle for our neighborhoods in every major city of this country—the National Center for Urban Ethnic Affairs—has expressed its support for the position which I have articulated in my letter to Chairman Burns and has advised the subcommittee of its continuing activities on behalf of the revitalization of our Nation's neighborhoods. I commend this national organization and look forward to still further appearances by Monsignor Baroni before our subcommittee as we continue the fight to save our cities and to effectuate significant and meaningful financial reform in the public interest. At this point, Mr. Speaker, I would like to place in the RECORD their letters highlighting the significant issues involved:

WASHINGTON, D.C.,
April 14, 1976.

HON. FERNAND ST GERMAIN,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN ST GERMAIN: Your letter to Arthur Burns of the Federal Reserve Board in reference to the proposed Disclosure regulations has come to my attention. I want to support your concerns as they are shared not only by the National Center for Urban Ethnic Affairs, but by community organizations across the United States who have worked to get the Disclosure legislation passed.

As you pointed out in your letter, the census tract versus zip code reporting controversy was settled in the joint committee. The conclusions are that reporting by census tract is far more useful and effective in determining the actual lending practices of the financial institutions. I agree with your recommendation that the Federal Reserve Board should extend the reporting date for the 1975 loan information, rather than permit the data to be permitted according to zip codes.

Your letter to the Federal Reserve Board, once again shows your reliable support for the needs of citizens, particularly those living in our older, urban neighborhoods who are dependent on legislation like the Disclosure Act to work toward saving their communities.

Once again, I thank you for keeping the interests of our community residents actively before the Federal Reserve Board. I hope to continue working with you and your staff on issues which affect our urban neighborhoods and their health.

Sincerely,

MSGR. GENO BARONI,
President.

WASHINGTON, D.C.,
April 22, 1976.

HON. FERNAND ST GERMAIN,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN ST GERMAIN: We wish to take this opportunity to thank both you and your staff for the excellent response to one of the key concerns of urban neighborhoods: disinvestment and redlining. The Home Mortgage Disclosure Act of 1975 which you were so instrumental in passing represents a most important tool in our continuing struggle to save our neighborhoods. Community groups throughout the country are already establishing monitoring committees designed to make sure the tool you have provided through this legislation is put to good use.

Due to the intent of the legislation, neighborhoods themselves are beginning to surface as a national priority. However, to insure that efforts through the Disclosure Act are not minimized, additional issues and actions must be addressed to aid in the development of a reinvestment climate on a neighborhood level. We must concern ourselves with long term commitments which would prohibit patterns of disinvestment from continuing.

Toward this end, the National Center for Urban Ethnic Affairs, in conjunction with the National People's Action on Housing is sponsoring a series of workshop sessions on May 7th and 8th. The primary aim of these workshops will be to surface those issues which are crucial to neighborhoods with a major emphasis on policy implications for the state, local and Federal levels of government. We expect representation at these workshops from approximately 35 community groups around the country. We hope that staff from your office will be able to participate, and we also intend to share the results of this conference with your office.

Out of these policy and action-oriented workshops will come a wealth of material which could serve as a strong base for the beginning framework for a proposed National Neighborhood Impact Policy. Information generated from these workshops will include the various approaches to neighborhood reinvestment and their effectiveness, the Federal role in these approaches and the identification of the obstacles to neighborhood reinvestment. These issues are crucial to the development of a neighborhood policy.

This series of workshops will also be used as a source for gathering information for a much larger conference planned for mid June. If it is at all possible we would like to discuss with you and your staff the possibility of holding hearings that could parallel the dates of this conference. This would be helpful to us since the neighborhood leadership will be in Washington and they would certainly add the expertise and experiences from their local communities.

Dr. Arthur Naparstek at the National Center for Urban Ethnic Affairs, would, of course, cooperate with your staff in preparation for those hearings, should this request be acceptable to you. In either event, we would like to meet with you and your staff to further explore the idea.

We look forward to your response.

Sincerely,

MSGR. GENO BARONI,
President, National Center for Urban Ethnic Affairs.
GALE CINCOTTA,
President, National People's Action on Housing.

As the result of the passage of Public Law 94–200, a number of encouraging developments are beginning at long last to take place. I commend, first of all, the President when, in his statement upon the signing of Public Law 94–200, he stated the following:

> I firmly believe, as do most people, that discrimination on racial or ethnic grounds is a practice which is abhorrent to our American way of life. Our Constitution grants equal liberties to all citizens. Federal, State and local laws expressly prohibit discriminatory practices. Our courts have continued to uphold the principle that a strong and free Nation is one which can, and must, protect any individual's rights, regardless of race or religion. This bill attempts to expose any such discrimination by financial institutions providing housing credit. I strongly support this objective.

Mr. Speaker, mere words, however, are not enough and I trust that the President will match his words with the awesome power of his Office in insuring leadership from appropriate departments, as well as from the independent financial regulatory agencies. Private citizens and local organizations working together are beginning to recognize that the continued polarization of our society will destroy our entire society and I am encouraged indeed by recent activities that have come to my attention. Certainly the banks of a number of major cities mentioned in the enclosed article from the April 26 edition of Business Week are to be commended for their recent initiatives. I place in the RECORD at this point, Mr. Speaker the article cited:

THE REDLINING SCARE EASES CITY MORTGAGES

Lenders around the U.S. are suddenly supplying a little more help for efforts to revitalize inner-city neighborhoods. On the heels of legislative and court decisions striking down the "redlining" of loans to such areas, new mortgage arrangements are appearing.

The most dramatic is in Atlanta, where 17 banks and savings and loan associations are providing a $62.5 million pool of mortgage and rehabilitation loans for decaying downtown neighborhoods. But similar programs on a smaller scale have been launched in such places as Denver, San Francisco, Oakland, Los Angeles, Dallas, Boston, and New York City.

There may be no direct link between the new programs and the moves against redlining—the refusal of mortgage lenders to make loans in an area regardless of the creditworthiness of the borrower or the condition of the property to be mortgaged. Many lenders maintain they have never had such a policy. But a new federal law decrees that big mortgage lenders must disclose geographic information about where their loans are placed. And court decisions have held that redlining is illegal (BW–Mar. 22).

The examples of new inner-city aid programs are widespread:

In Denver, five banks and one S&L have put up $5.8 million for inner-city mortgages, and a separate group of S&Ls has set up a panel to provide a second chance for rejected mortgage applicants.

In Boston, $37 million worth of mortgages between 1970 and 1975 went into property in South End, a run-down area that is now being called another Beacon Hill.

In Dallas, banks provided $1 million in low-interest loans to young couples who were willing to invest "sweat equity" in restoring old houses.

In Los Angeles, Home Savings & Loan Assn. is teaming up with black-owned Family Savings & Loan and a Chicago-owned San Francisco S&L, Pan American Federal. Home will buy up to 85% of loans made by the two smaller S&Ls in the neighborhoods where they operate.

In New York City, Brooklyn Union Gas Co., worried about the decline of the three boroughs it serves, has led a campaign to restore Brooklyn's Park Slope. The utility renovated some abandoned brownstone houses itself to get things started, then helped to encourage lenders to provide mortgages.

Because they worry about the instability of transitional neighborhoods, lenders traditionally have made it more difficult for buyers to move into them, and a prospective buyer with a credit rating that would win up to 95% financing in the suburbs would only rate 60% in the city. A pool such as Atlanta's allows sharing of the risk. "We won't be the only lender in the area," says Haines Hargrett, president of Fulton Federal Savings. "If we make a loan on a house, we know that someone else will likely make a loan on the house next door."

BACK TO TOWN

The problem was pinpointed in Atlanta when Richard C. D. Fleming sold his suburban home to buy an in-town house. He shopped with 15 lenders but could only get a promise of 60% to 70%—financing. At the time, Fleming was directing a study on how to lure suburbanites back into the city for Central Atlanta Progress, a prestigious businessmen's organization. "We realized that if the study director of the back-to-the-city program had trouble getting a loan, we really had a problem," says Fleming, now a CAP vice-president.

Federal support, through various programs of the Housing & Urban Development Dept., as well as mortgage assistance, is important, too. "If the lenders approach it from a good sound business standpoint," says Howard S. Carnes, regional vice-president for the Federal National Mortgage Assn., "I'll buy a lot of those loans from them."

There will also have to be changes in appraising in-town properties. Currently, most S&L appraisers determine property values by using standardized forms that require little more than filling in blanks and checking off boxes. The forms are biased toward suburbia because they stress newness of homes and neighborhoods.

Inner-city home loans under the Atlanta program will be based on a "narrative appraisal," which requires a written report and takes into consideration such intangibles as a neighborhood's history and its potential. An appraiser must also determine the value after rehabilitation.

Understandably, I reserve my greatest expression of pride for what is beginning to take place in my own home State of Rhode Island. I commend Rhode Island bankers and I salute the efforts of the people's groups responding to the leadership of the National Center for Urban Ethnic Affairs, as described in the enclosed editorial from the Providence Journal. This enlightened expression in the public interest by the Providence Journal is indeed reassuring to me and I pledge to the citizens of Rhode Island, as well as to the Nation, my continued dedication to the cause of a "decent home and a suitable living environment for every American family," utilizing the full resources of the Subcommittee on Financial Institutions Supervision, Regulation, and Insurance, of which I have the honor of chairing:

PLANS FOR PUTTING REDLINING IN ITS PLACE

"Redlining" is a practice that perhaps is best described as a snake eating its tail. It promotes a vicious cycle involving financial discrimination against deteriorating neighborhoods, which in turn hastens the decline.

For many years residents of Providence's low-income sections have appealed to City Hall and the lending institutions to help stop the spread of urban blight. This could be done by demonstrating confidence in the city's neighborhoods and working cooperatively to fight inner city decay and reverse the downward trend. Statements of support have been plentiful but little progress has been achieved.

Now a new effort is underway on at least two fronts. Recently two local banks—Peoples Savings and Citizens—have joined with PACE (People Acting Through Community Effort) in attempting to persuade all lending institutions in Rhode Island to adopt a policy that could go far toward arresting neighborhood blight. At a meeting sometime this month, the 17-member Rhode Island Bankers Association will be asked to look upon this serious problem as its own and subscribe to a given set of guidelines.

The salient features of the proposed policy are these:

That mortgage or renovation loans would be offered to financially able applicants in high-risk urban neighborhoods.

Only an applicant's ability to repay a loan and not the physical and social condition of the neighborhood would be considered.

A publicity campaign would be undertaken to inform potential borrowers of the new policy.

When a mortgagee's property failed to meet housing code standards, the lending institution would offer renovation loans and try to persuade the owners to make needed improvements.

While he did not comment specifically on these suggestions, Theodore W. Barnes, president of the Old Stone Bank, voiced strong approval in principle. In a recent interview, he said that banks along with community groups and city government should take "a leadership role" in this area. "There is a tremendous value in housing stock that should not be allowed to decline."

On another front, the Noel administration has sponsored legislation that would make redlining illegal and require an annual report giving the geographic distribution of mortgage loans and their amounts. The penalty for violation would be ineligibility to receive deposits of state funds.

There is no question about the need for an infusion of money and confidence in South Providence, Elmwood, Washington Park and the West End. Sections of Rhode Island's other larger cities face an equally bleak future if the banks fail to accept their share of responsibility.

Nor should such a positive approach be regarded as a form of charity. As President Barnes of Old Stone put it, banks have a self-interest in halting deterioration. When neighborhoods remain viable, banks retain the deposits and other banking business. Moreover, it "enhances existing investments."

We urge the Rhode Island Bankers Association and the General Assembly to recognize the stake all Rhode Islanders have in saving their cities. And we urge them to do what is necessary to eliminate redlining before decay eliminates many urban neighborhoods still worth saving.

PUBLIC LAW 85–804, SPECIAL BAILOUT LAW, SHOULD BE RESTUDIED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 10 minutes.

Mr. ASPIN. Mr. Speaker, the Pentagon paid a California scientist who specializes in indexing Russian technical publications, $400,000 under the provisions of a special bailout law (Public Law 85–804) when he threatened to leave the country. Dr. Peter Toma, founder and chief stockholder of Latsec, Inc., of La Jolla, Calif., was given $400,000 under the bailout statute, when he said that he would be "impelled to leave the United States" without the aid.

As many of my colleagues know, Public Law 85–804 suspends all existing procurement regulations and allows the Pentagon to rewrite a contract in any way.

It is true Dr. Toma's firm has developed a unique computerized indexing of technical publications in Russian and Eastern European languages.

The report which I am releasing today says that without the $400,000 Toma's firm would go bankrupt and he would be "impelled to leave the United States to accept outstanding academic and commercial opportunities in Europe. Dr. Toma is the developer of unique innovations in the field of computerized foreign language translation, including automatic means of content and threat analysis, trend prediction and question answering."

Mr. Speaker, I believe that payment to Dr. Toma is a flagrant misuse of the law. Public Law 85–804 should only be used when the Pentagon really needs equipment that is vital to the national security. Dr. Toma's "nice to have" index system simply does not qualify.

Overall, during 1975, 315 contracts were provided $11.6 million in bailouts under Public Law 85–804.

At present, Deputy Defense Secretary William P. Clements, Jr., is proposing to settle between $1.5 and $1.8 billion worth of shipbuilding contracts by using Public Law 85–804 to rewrite the contacts.

The $11.7 million allowed last year to do work on electric fork trucks, telescopic lenses, radios, and small rockets.

Frankly, Mr. Speaker, I can find nothing in these contracts so vital or unique that a bailout is justified.

In other case, the United States used the bailout law to provide Formosan airmen with $82,563 in extra pay when the Formosan Ministry of Defense refused to provide them with pay increases mandated to other Formosan troops. The Ministry of Defense said that, since these men are not involved in the defense of Taiwan, they do not deserve the pay raise. The airmen worked on maintaining a depot repair facility for the U.S. Air Force.

After reviewing this report, Mr. Speaker, I believe that the whole concept of Public Law 85–804 should be restudied. There have been some flagrant abuses of the law. Of course, Public Law 85–804 can only be used when a national emergency has been declared. Unfortunately, the Department of Defense is still using the Korean war to justify the use of Public Law 85–804—23 years after the war ended.

REDUCTION OF CLASS SIZE: BETTER EDUCATION IN AMERICA'S SCHOOLS, AND BETTER USE OF A MAJOR NATIONAL RESOURCE—AMERICA'S TEACHERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 10 minutes.

Mr. MATSUNAGA. Mr. Speaker, I am introducing today a bill to provide grants to local educational agencies in order to reduce the average class size in schools of such agencies.

It is clear from available research that reducing average class size in America's public schools promote at least two broad goals: First, attaining optimal student learning and achievement; and second, fostering more efficient, focused, and concentrated instruction and guidance for our Nation's young.

Voluminous literature and research on the subject of class size and student achievement spotlight several major advantages of a reduction in class size.

First, a smaller class size would promote a greater number and variety of instructional activities and approaches to meet the educational interests and needs of students.

Second, a smaller class size would afford greater individualization and socialization as students interact with the teachers and among themselves.

To achieve these goals, the bill I introduce today would:

First. Authorize grants to local educational agencies having schools with high average class size, a sum not to exceed 50 percent of the costs of additional teachers;

Second. Provide the funds in installments as the school achieves a class size average as low as 24 students per class; and

Third. Permit the funds to be used to pay for hiring additional new teachers and other professional educational personnel deemed necessary and appropriate to meet the effects and demands of the reduction in average class size.

What I am proposing, Mr. Speaker, is no massive program of aid. Indeed, the current average class size in America is approximately 26 students. My bill would help finance only a reduction to 24 students per class, where reliable research seems to indicate an important breakthrough in learning capability occurs.

The reduction of average class size would not only pool our education and teacher resources together and restore to full service so many of the closed or only partially occupied school buildings across the country. More importantly, it would contribute toward making America's schools a happier environment for students and teachers—an environment where quality education can grow and strengthen.

I include at this point the text of my bill:

H.R. 13544

A bill to provide for grants to local educational agencies for purposes of reducing the average class size in schools of such agencies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Commissioner shall carry out a program, in accordance with the provisions of this Act, of grants to local educational agencies in which the average class size at schools of such agency is greater than 24, for purposes of assisting such agencies in reducing their average class size.

(b) A grant under subsection (a) may be made to any local educational agency which meets the requirement of subsection (a) and which—

(1) applies for such grant at such times and in such manner as the Commissioner may determine,

(2) provides adequate assurances that, upon receipt of funds from such grant, the local educational agency will make timely and appropriate reductions in the average class size in the schools of such agency.

(c) The Commissioner shall, in making grants under subsection (a), give priority to local educational agencies having the greatest need, as determined by the extent to which the schools of such agencies have average class sizes in excess of 24.

Sec. 2. Funds received under grants made under subsection (a) of the first section of this Act may be used by a local educational agency only for salaries of professional education personnel employed in schools of such agency, including classroom teachers, librarians, counselors, and administrators.

Sec. 3. The Commissioner shall not make any payment under a grant under subsection (a) of the first section of this Act to a local educational agency for any fiscal year unless—

(a) the Commissioner determines that the combined fiscal effort (as determined in accordance with regulations of the Commissioner) of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the second preceding fiscal year,

(b) the Commissioner determines that the local educational agency will expand, for the purposes described in section 2 for that fiscal year, in addition to the amounts so expended for the preceding fiscal year, an amount equal to the amount of such payment, from sources other than Federal funds, and

(c) the Commissioner determines that, at the time of such payment, the agency is taking appropriate action to reduce the average class size in schools of such agency.

Sec. 4. There are authorized to be appropriated to carry out this Act such sums as may be necessary for the fiscal year ending September 30, 1978, and each of the following fiscal years.

Sec. 5. For purposes of this Act—

(a) the term "Commissioner" means the Commissioner of Education,

(b) the term "local educational agency" means any local educational agency as that term is defined in section 801(f) of the Elementary and Secondary Educational Act of 1965,

(c) the term "average class size", when used with respect to the schools of a local educational agency, means the number obtained by dividing the number of students enrolled at schools of such agency by the number of classes which are taught at schools of such agency.

THE U.S. POSTAL SERVICE: PRIVATE BUSINESS OR PUBLIC SERVICE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California (Mr. ANDERSON) is recognized for 5 minutes.

Mr. ANDERSON of California. Mr. Speaker, a matter of great concern to each of us, and to each of our constituents, is the quality of postal service in this country. No American is pleased with the rapidly increasing cost of postal service. I believe, however, that Americans perhaps are willing to pay more for improved and expanded service—the problem is that the service is deteriorated and reduced.

Not too long ago, we had a Federal agency known as the Post Office Department—I heard very few complaints of mail delivery service then. But now we have the "new" Postal Service, a Government corporation, and the complaints are becoming louder and more numerous. We believe in free enterprise in this country, that is what led to the creation of the Postal Service, but we have only gone half way. The time has come to carefully analyze our action and decide whether the present system can be made to work. If not, then we must choose between a return to the old system, or a further step toward a competitive free enterprise system of mail delivery.

Let us look closely at the overall situation.

The U.S. Postal Service was created to speed the mails and cut costs by introducing businesslike methods into postal operations. In 1969, President Nixon said:

> The will of the Congress, and the will of the people, is clear. They want fast, dependable, and low-cost mail service. They want an end to the continuing cycle of higher deficits and increasing costs.

The President clearly understood what the people wanted. Unfortunately, his proposals have not been successful.

We have created a government corporation to operate this $10 billion per year enterprise. A private corporation will go out of business if it does not provide service at an acceptable cost. It is the promise of profit that keeps managers of private industry on their toes. But we have created a situation where the management of the Postal Service is not directly responsible or accountable to anyone but a faceless board of governors. The Postal Service management should be clearly accountable to someone; either the Congress as under the old Post Office Department, or to shareholders as in a private corporation.

Now, let us briefly examine some actions taken by the Postal Service.

The Postal Service has begun the case-by-case closing of third- and fourth-class post offices. On February 21 of this year, the U.S. Postal Service put into effect its decision to close branch offices on Saturday. In my district alone, nine branch offices were closed in Long Beach, with other closings in Harbor City, Lomita, San Pedro, Torrance, and Wilmington. Individuals who work during regular postal hours and handle their mailing on Saturdays, have been faced with an additional inconvenience.

In 1973, the Postal Service spent money to advertise its air mail service, only to conclude later that letters sent with air mail postage does not really reach their destination any sooner than regular mail. While this may not have been a real revelation to many Americans—it did serve to confirm their worst thoughts about mail delivery.

Mr. Speaker, there are other actions by the Postal Service which should cause all of us to wonder if funds are being spent in a prundent manner. In 1974, for instance, the Postal Service spent nearly a million dollars on a coloring book to teach children how to address and mail a letter—a task that past generations have learned relatively easily, and without a Postal Service coloring book.

At this point, let us consider the cost we bear for these diminishing services.

Since 1971, the cost of mail service has risen 63 percent, while the cost of other services has increased by only 35 percent. The Postal Service has stated that such rate increases are necessary to cover the increased cost of carrying the mail—yet these rate increases have resulted in a decrease in the volume of mail carried from 90.1 billion pieces in 1975 to 89.3 billion pieces in 1976. The Postal Service deficit for the last fiscal year was $989,000,000—and that with a Federal subsidy of $920,000,000.

Mr. Speaker, the American people deserve more for their money. This ever-increasing deficit threatens the very foundation of mail delivery in this country. This concerns me greatly as the benefit of quality mail service is much greater than the actual cost of mailing—business is conducted through the mail, and postal service functions have historically been a mainstay of economic growth in the United States.

Another area directly related to postal service that greatly concerns me is the future of nonprofit charitable organizations. Through the use of the second class category; churches, charitable organizations, and educational institutions send their publications and solicit funds for their operations. These charities and institutions face rate increases of up to 800 percent—this is disconcerting because many of these groups provide social services that would otherwise have to be provided by the Government.

Mr. Speaker, it is my belief that the Postal Service was never created to be a business—it has been, and should again, be regarded as a valid public service. I feel that it is time for the Congress to move toward strengthening this important service to the citizens of this country. I would like at this time to include two letters selected a random from the many I have received from Americans concerned about the future of mail delivery in this country:

LONG BEACH, CALIF.,
March 17, 1976.

Congressman GLENN M. ANDERSON,
Longworth Office Building,
Washington, D.C.

DEAR MR. ANDERSON: According to the news media, the U.S. Postal Service is planning to reduce mail deliveries to three each week together with further cuts in other postal services. There are also disturbing reports concerning the performance of the newly-established bulk mail centers.

It seems that since the demise of the Post Office Department and the inception of the so-called U.S. Postal Service, the public has been repeatedly confronted with reduced service and increased postal rates. Never have we been asked to pay so much for so little in the way of postal service . . . and the present Postmaster General almost daily threatens us with even less.

Mr. Anderson, I feel strongly that Congress should take further action to return the postal service to congressional control. In my opinion, the post office should not be expected to produce revenue or to pay for operational costs. It is, and should be considered, a service as are other government agencies. It certainly should not be a playground for can-company or other corporate executives. It operated much more efficiently when it was administered by post office personnel and the sooner the Post Office Department is restored the better.

JOHN T. INNIS.

LONG BEACH, CALIF.,
March 2, 1976.

DEAR MR. ANDERSON: Not knowing where to turn, I've decided to write to you, hopefully you can help.

I was sure distressed last Saturday when I went to buy stamps and to mail a package at our local Post Office. To my surprise it was closed, no notice had gone out, to my knowledge, we hadn't received one, saying it would be closed on Saturdays. That's the only day I can get to the Post Office. I'm a working wife and mother. Is the Government trying to make it even harder on the working people than it already has? Maybe we should quit our jobs and go on welfare, then we'd have plenty of time to go to the U.S. Post Office during the week when they're open. It does distress me to think, because I work, I've been left out.

I need and rely on the U.S. Postal Service, that's how I communicate with my friends and pay our bills. If I can't buy stamps and mail packages through the local Post Office, where do I do it?

Sure I think the Postal rates are high, especially when you mail as many "letters" as I do. But I'd rather pay a little more than lose by not being able to pay my bills. I could call my friends, but not being able to pay my bills would be unfair to everyone.

I wasn't the only one who made the mistake of going to the Post Office last Saturday; there were several others there, as shocked as I was. I tried to call the Head Postmaster, but all I could get from that call were insults. Call back Monday, when I told her I worked, she said that was too bad, and hung up.

That's why I've decided to write to you, and use one of my few remaining stamps.

Please help us, we don't know what to do.

VIOLA RADDATZ.

GENE SNYDER ENUNCIATES PROOFS OF U.S. SOVEREIGNTY OVER CANAL ZONE

(Mr. SNYDER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SNYDER. Mr. Speaker, the Canal Zone has become a major political issue in the 1976 political campaign. Many inaccuracies are being bandied about by politicians, the press, and by so-called experts, to the effect that the United States does not have sovereignty over the Canal Zone.

The question of sovereignty is of enormous importance in determining congressional action regarding any new treaty with Panama. The Senate alone gives advice and consent to ratification by the President of a treaty. However, the Constitution requires action by the House of Representatives, as well as by the Senate, in the disposal of U.S. territory.

Article IV, section 3, paragraph 2 states:

> The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States . . .

Some who want to give away the Canal Zone and the waterway see Senate support, but fear that the House would not agree to do so. Therefore, they strive to wash away with falsehoods and propaganda the basic truth of our absolute, perpetual, and indivisible sovereignty in a vain hope that the House can be kept from voting on the matter.

Other Americans of stature, unfortunately, are simply unaware of the facts of the matter, and parrot the errors or untruths.

It is vital that the American people not be misled on this gravely important issue.

Recently, the Honorable Rogers Morton declared publicly that "The Panama Canal Zone is sovereign territory of the Republic of Panama" and further that "we pay lease payments to Panama for the Canal."

I challenged Mr. Morton on his facts and promised to refute his claims. My letter to him enclosing documentary proof is as follows:

COMMITTEE ON
MERCHANT MARINE AND FISHERIES,
Washington, D.C., April 26, 1976.

Hon. ROGERS MORTON,
Chairman, President Ford Committee,
Washington, D.C.

DEAR ROG: Last Saturday, in your address to the Kentucky Republican State Convention, you stated, "The Panama Canal Zone is sovereign territory of the Republic of Panama," and further, that "we pay lease payments to Panama for the Canal."

I challenged you on this and promisd you Court authority and treaty language to the contrary. This is set forth below. I have also included certain constitutional and statutory language as additional documentation.

I. The Spooner Act of 1902 mandated the President as follows:

". . . the President is hereby authorized to acquire . . . perpetual control of a strip of land, the territory of the Republic of Colombia . . . and the right to use and dispose of the waters thereon, and to excavate, construct, and to perpetually maintain, operate, and protect thereon a canal . . . the sum of ten million dollars is hereby appropriated out of any money in the Treasury not otherwise appropriated, toward the project herein contemplated. . . ."

II. The Isthmian Canal Convention of 1903 (Hay-Bunau-Varilla Treaty) states the following:

Article II—

"The Republic of Panama grants to the United States in perpetuity the use, occupation and control of a zone of land and land under water for the construction, maintenance, operation, sanitation and protection of said Canal of the width of ten miles extending to the distance of five miles on each side of the center line of the route of the Canal to be constructed. . ."

Article III—

"The Republic of Panama grants to the United States all the rights, power and authority within the zone mentioned and described in Article II of this agreement and within the limits of all auxiliary lands and waters mentioned and described in said Article II which the United States would possess and exercise if it were the sovereign of the territory within which said lands and waters are located to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power or authority."

III. Article 3 of the 1904 Constitution of the Republic of Panama states:

"The territory of the Republic remains subject to the jurisdictional limitations stipulated, or which may be stipulated in public treaties concluded with the United States of North America for the construction, maintenance, or sanitation of any means of interoceanic transit."

IV. The 1904 U.S.-Panama Boundary Agreement states:

"Whereas by the terms and provisions of Article II of the Convention for the Construction of an Interoceanic Canal between the United States of America and the Republic of Panama, signed by the representatives of the two nations on November 18, 1903, the ratifications of which were exchanged at Washington on the 26th day of February, 1904, the United States acquired the right of use, occupation, and perpetual control from and after the said 26th day of February, 1904, in and over the Canal Zone and other lands, waters, and islands named in said Article II of the convention aforesaid; and . . ."

"Whereas in order that said work of construction of said interoceanic canal may be systematically prosecuted, and in order that a government for the Canal Zone created by the terms and provisions of said Article II of said convention may be successfully organized and carried forward, it is necessary that the extent and boundaries of the said territory ceded to the Government of the United States by the Government of the Republic of Panama under the terms and provisions of said convention shall be provisionally determined and agreed upon . . ."

V. In the 1907 decision, Wilson v. Shaw, Secretary of the Treasury, the Supreme Court cited the plaintiff's contentions. Among them:

"He contends that whatever title the Government has was not acquired as provided in the act of June 28, 1902, by treaty with the Republic of Colombia . . . Further, it is said that the boundaries of the zone are not described in the treaty . . ."

The Court declared:

"A short but sufficient answer is that subsequent ratification is equivalent to original authority. The title to what may be called the Isthmian or Canal Zone, which at the date of the act was in the Republic of Colombia, passed by an act of secession to the newly formed Republic of Panama. . . . A treaty with it, ceding the Canal Zone, was duly ratified. 33 Stat. 2234. Congress has passed several acts based upon the title of the United States . . ."

"It is hypercritical to contend that the title of the United States is imperfect, and that the territory described does not belong to this Nation, because of the omission of some of the technical terms used in ordinary conveyances of real estate . . ."

"Alaska was ceded to us forty years ago, but the boundary between it and the English possessions east was not settled until within the last two or three years. Yet no one ever doubted the title of this republic to Alaska."

I call to your attention that the Court used the words "cede" and "title" in reference to both Alaska and the Canal Zone—and used the same words in the same decision.

VI. The 1914 U.S.-Panama Boundary Convention states:

"Whereas, Gen. George W. Davis, then Governor of the Canal Zone, on behalf of the United States of America, and Messrs. Tomãs Arias and Ramõn Valdẽs Lõpez, then Secretary of Foreign Affairs and Attorney General, respectively, of the Republic of Panama, acting on behalf of that Republic, entered into an agreement on the 15th day of June, 1904, by the terms of which the Republic of Panama delivered over to the United States of America, the use, occupation, and control in perpetuity of the zone of land ten miles in width described and mentioned in articles II and III of the Canal Treaty . . ."

"It is agreed that the Republic of Panama shall have an easement over and through the waters of the Canal Zone in and about Limon and Manzanillo bays to the end that vessels trading with the City of Colon may have access to and exit from the harbor of Colon, subject to the police laws and quarantine and sanitary rules and regulations of the United States and of the Canal Zone established for said waters. . . ."

VII. The 1914 Treaty between the U.S. and the Republic of Colombia declares in Article I:

"The Republic of Colombia shall enjoy the following rights in respect to the interoceanic Canal and the Panama Railway, the title to which is now vested entirely and absolutely in the United States of America, without any incumbrances or indemnities whatever."

VIII. The 1936 Treaty of Friendship and Cooperation between the U.S. and Panama contains the following Article XI:

"The provisions of this Treaty shall not affect the rights and obligations of either of the two High Contracting Parties under the treaties now in force between the two countries, nor be considered as a limitation, definition, restriction or restrictive interpretation of such rights and obligations, but without prejudice to the full force and effect of any provisions of this Treaty which constitute addition to, modification or abrogation of, or substitution for the provisions of previous treaties."

I call to your attention that in commenting on this Article in his summary of Essential Features of this agreement, printed in the Report of the Senate Foreign Relations Committee on the Treaty, Secretary of State Cordell Hull declared:

"The juridical status of the Canal Zone, as defined in article III of the 1903 convention, thereby remains unaltered."

IX. The 1955 Treaty of Mutual Understanding and Cooperation between the U.S. and Panama was the subject of Senate hearings. Assistant Secretary of State for Inter-American Affairs, Henry F. Holland was questioned as follows:

"Senator Fulbright. Would you say that there is anything in this agreement which might possibly be construed as a waiver of our paramount rights in the Canal Zone?

"Mr. Holland. No, sir; and, as a matter of fact, I believe that the permanency and stability of those rights are strengthened by this treaty because of the inclusion in the treaty of the phrases that I referred to in my opening statement. That is the inclusion of the phraseology in the preamble that no part of the treaty of 1903 or the treaty of 1936 or this treaty can be changed save by mutual agreement of the parties, and the specific and affirmative recognition in article I by the parties of the absence of any obligation on the part of either party to change the annuity . . ."

"Senator Wiley. As I understand from you, Secretary Holland, there is nothing in this present treaty that would in the slightest degree depreciate all the attributes of sovereignty that we possess.

"Mr. Holland. That is true; and so true is it, that in the course of the negotiations the Panamanians advanced several small requests which, 1 by 1, had considerable appeal, but all of which we refused, because we did not want to leave 1 grain of evidence that could a hundred years hence be interpreted as implying any admission by the United States that we possess and exercise anything less than 100 percent of the rights of sovereignty in this area."

X. In *Roach* v. *United States*, 453 F. 2d 1054 (5th C.A.) *cert. den'd*. 406 U.S. 935, decided on Dec. 30, 1971, the Court of Appeals declared:

"The Canal Zone is an unincorporated territory of the United States. Convention between United States and Republic of Panama, Nov. 18, 1903, 33 Stat. 2234, arts. 2, 3; General Treaty between United States and Panama, Mar. 2, 1936, 53 Stat. 1807; 2 C.Z.C. § 1 et seq."

THE ANNUITY

XI. The Hay-Herran Treaty of 1903 between the U.S. and the Republic of Colombia, never ratified by the latter, states in Article XXV:

"As the price or compensation for the right to use the zone granted in this convention by Colombia to the United States for the construction of a canal, together with the proprietary right over the Panama Railroad, and for the annuity of two hundred and fifty thousand dollars gold, which Col[illegible]bia ceases to receive from the said railroad, as well as in compensation for other rights, privileges and exemptions granted to the United States, and in consideration of the increase in the administrative expenses of the Department of Panama consequent upon the construction of the said canal, the Government of the United States binds itself to pay Colombia the sum of ten million dollars in gold coin of the United States on the exchange of the ratification of this convention after its approval according to the laws of the respective countries, and also an annual payment during the life of this convention of two hundred and fifty thousand dollars in like gold coin, beginning nine years after the date aforesaid . . ."

The identical financial features of this Article were incorporated in Article XIV of the Hay-Bunau-Varilla Treaty with Panama. Clearly, we could not offer less to Panama than already offered to Colombia.

The annuity therefore was to indemnify for loss of income from the Panama Railroad, and never was a lease payment.

Subsequent increases in the annuity made in the 1936 and 1955 Treaties were due to our generosity alone. Both Treaties spell out that the increases were not required by any treaty provision.

In closing, I call your special attention to Secretary Hull's complete summary of Article III of the 1936 Treaty:

"Article III contains various provisions restricting the commercial activities of the United States in the Canal Zone in order that Panama may take advantage of the commercial opportunities inherent in its geographical situation. In this article are listed the classes of persons who may reside in the Canal Zone and the persons who are entitled to make purchases in the Canal Zone commissaries."

The State Department currently proclaims falsely, that this Article "actually refers to the Zone as 'territory of the Republic of Panama under the jurisdiction of the United States.'" (Ambassador Ellsworth Bunker, Los Angeles, Dec. 2, 1975, Department of State Bulletin, Dec. 22, 1975; Letter of Deputy Negotiator Morey Bell to Congressman Gene Snyder, Dec. 12, 1975)

I believe you would have to agree Secretary Hull could not have omitted an item or meaning of such import in his summary—were it true!

I trust you (and the President) will give these items the attention they deserve. They do not support the statements you made in Kentucky.

Best wishes.

Sincerely,

Gene Snyder,
Ranking Minority Member,
Panama Canal Subcommittee.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Guyer), to revise and extend his remarks, and to include extraneous matter:)

Mr. McKinney, for 10 minutes today.

(The following Members (at the request of Mr. Waxman) and to revise and extend their remarks and include extraneous matter:)

Mr. Gonzalez, for 5 minutes, today.
Mr. Annunzio, for 5 minutes, today.
Mr. Sharp, for 5 minutes today.
Mr. McKay, for 5 minutes, today.
Mr. St Germain, for 10 minutes, today.
Mr. Biaggi, for 30 minutes, today.
Mr. Aspin, for 10 minutes, today.
Mr. Matsunaga, for 10 minutes, today.
Mr. Anderson of California, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Treen to include extraneous matter in his remarks on H.R. 9803.

Mr. Bennett.

Mr. Seiberling, to revise and extend his remarks in the body of the Record, on Wednesday, May 5, 1976, on H.R. 12234.

(The following Members (at the request of Mr. Guyer) and to include extraneous matter:)

Mr. J. William Stanton.
Mr. Lagomarsino in two instances.
Mr. Brown of Ohio in two instances.
Mr. Symms.
Mr. Gilman.
Mr. Michel.
Mr. Heinz.
Mr. Hansen.
Mr. Lent in two instances.
Mr. Burke of Florida.
Mr. Kasten.
Mr. Abdnor.

Mr. Crane.

(The following Members (at the request of Mr. Waxman) and to include extraneous material:)

Mr. Teague.

Mr. Anderson of California in three instances.

Mr. Gonzalez in three instances.

Mr. McDonald of Georgia in four instances.

Mr. Wolff.

Mr. McKay.

Ms. Abzug.

Mr. Downey of New York in three instances.

Mr. Kastenmeier.

Mr. Rooney in five instances.

Mr. Neal.

Mr. Brooks.

Mr. Mottl.

Mr. Hannaford in two instances.

Mr. Gaydos.

Mr. Beard of Rhode Island.

Mr. Rangel.

Mr. Minish.

Mr. Murphy of Illinois.

Mr. Fary in 10 instances.

Mr. Matsunaga.

SENATE BILL AND JOINT RESOLUTION REFERRED

A bill and joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2555. An act to establish a national rangelands rehabilitation and protection program; to the Committee on Interior and Insular Affairs.

S.J. Res. 126. Joint resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that the committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2782. An act to provide for the reinstatement and validation of United States oil and gas lease numbered U-0140571, and for other purposes; and

H.R. 11876. An act to amend the Water Resources Planning Act (79 Stat. 244) as amended.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2115. An act to amend chapter 39 of title 10, United States Code, to enable the President to authorize the involuntary order to active duty of Selected Reservists for a limited period, whether or not a declaration of war or national emergency has been declared.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on May 3, 1976 present to the President, for his approval, a bill of the House of the following title:

H.R. 10230. An act to establish a science and technology policy for the United States, to provide for scientific and technological advice and assistance to the President, to provide a comprehensive survey of ways and means for improving the Federal effort in scientific research and information handling, and in the use thereof, to amend the National Science Foundation Act of 1950, and for other purposes.

ADJOURNMENT

Mr. WAXMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 15 minutes p.m.), the House adjourned until tomorrow, Wednesday, May 5, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3183. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Science Applications, Inc., La Jolla, Calif., for a research project entitled "Rapid Response Radon Detection," pursuant to section 1(d) of Public Law 89-672; to the Committee on Interior and Insular Affairs.

3184. A letter from the Acting Assistant General Counsel for International and Resource Development Programs, Federal Energy Administration, transmitting notice of meetings to be held during the period May 6 to May 14, 1976, relative to the International Energy Program, pursuant to section 252(c) (1) (A) (i) of Public Law 94-163; to the Committee on Interstate and Foreign Commerce.

3185. A letter from the Chairman, Board of Directors, Legal Services Corporation, transmitting a request that authorizing legislation be enacted to provide for appropriations for fiscal year 1978, and for other purposes, to carry out the responsibility under the Legal Services Corporation Act of 1974; to the Committee on the Judiciary.

3186. A letter from the Treasurer General, National Society of the Daughters of the American Revolution, transmitting a report on the examination of the organization's financial statements for the year ended February 28, 1976, together with its 77th annual report, covering the year ended March 1, 1974, pursuant to section 3 of Public Law 88-504; to the Committee on the Judiciary.

3187. A letter from the Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space presently occupied at 4040 North Fairfax Drive, Arlington, Va., pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

Received From the Comptroller General

3188. A letter from the Deputy Comptroller General of the United States, transmitting a report and recommendation concerning the claim of Mr. and Mrs. Aaron Wayne Ogburn against the United States, pursuant to 45 Stat. 413 (31 U.S.C. 236); to the Committee on the Judiciary.

3189. A letter from the Comptroller General of the United States, transmitting a report on Department of Agriculture programs which provide financial protection to agricultural producers whose crops are damaged or destroyed by natural disasters or other uncontrollable hazards; jointly, to the Committees on Government Operations, and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS of Ohio: Committee on International Relations. H.R. 13179. A bill to authorize appropriations for the Department of State, and for other purposes (Rept. No. 94-1083). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Ad Hoc Committee on Outer Continental Shelf. H.R. 6218. A bill to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes; with amendment (Rept. No. 94-1084). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 12835. A bill to amend the Vocational Education Act of 1963, and for other purposes; with amendment (Rept. No. 94-1085). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 12851. A bill to extend and amend the Higher Education Act of 1965, as amended, and for other purposes; with amendment (Rept. No. 94-1086). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 6810. A bill to authorize an additional Assistant Secretary of Commerce; with amendment (Rept. No. 94-1087). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Ohio (for himself, Mr. Guyer, Mr. Miller of Ohio, Mr. Mosher, Mr. Seiberling, Mr. Stokes, Mr. Whalen, Mr. Conyers, Mr. Dellums, Mr. Hawkins, Mr. Mitchell of Maryland, Mr. Nix, Mr. Rangel, Mr. Diggs, Mr. Kindness, and Mr. Ashley):

H.R. 13522. A bill to authorize the Secretary of the Interior to establish and operate a National Museum of Afro-American History and Culture at or near Wilberforce, Ohio; to the Committee on Interior and Insular Affairs.

By Mr. PHILLIP BURTON (for himself, Mr. Don H. Clausen, Mrs. Mink, Mr. Lagomarsino, Mr. de Lugo, Mr. Benitez, and Mr. Won Pat):

H.R. 13523. A bill to amend the joint resolution entitled "Joint resolution to provide for accepting, ratifying, and confirming the cessions of certain islands of the Samoan group to the United States, and for other purposes," approved February 20, 1929 (45 Stat. 1253; 48 U.S.C. 1661) (which provides for the acceptance, ratification, and confirmation of certain islands of the Samoan group to the United States), and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DENT (for himself, Mr. Yatron, and Mr. Eilberg):

H.R. 13524. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE:

H.R. 13525. A bill to require the payment of interest by Federal agencies on overdue contract payments, to amend the Office of Federal Procurement Policy Act, and for other purposes; to the Committee on Government Operations.

By Mr. HANLEY:

H.R. 13526. A bill to grant a Federal Charter to the International Veteran Boxers Association; to the Committee on the Judiciary.

By Mr. KOCH (for himself and Mr. Biaggi):

H.R. 13527. A bill to amend the Vocational Rehabilitation Act of 1973, and for other purposes; jointly, to the Committees on Education and Labor, and Post Office and Civil Service.

By Mr. MELCHER:

H.R. 13528. A bill to authorize a study for the purpose of determining the feasibility and desirability of designating the Nez Perce Trail as a national scenic trail; to the Committee on Interior and Insular Affairs.

By Mr. MIKVA (for himself, Mr. Dent, Mr. Hamilton, and Mr. Quillen):

H.R. 13529. A bill to correct inequities in certain franchise practices, to provide franchisors and franchisees with evenhanded protection from unfair practices, to provide consumers with the benefits which accrue from a competitive and open-market economy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MOAKLEY (for himself, Mr. Scheuer, and Mr. Hannaford):

H.R. 13530. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit and to allow a deduction with respect to expenditures for residential solar energy equipment; to the Committee on Ways and Means.

By Mr. NOWAK:

H.R. 13531. A bill to amend title XVIII of the Social Security Act to include, as a home health service, nutritional counseling provided by or under the supervision of a registered dietitian; to the Committee on Ways and Means.

By Mr. PICKLE (for himself and Mr. Kastenmeier):

H.R. 13532. A bill to exempt from Federal income taxation certain nonprofit corporations all of whose members are tax-exempt credit unions; to the Committee on Ways and Means.

By Mr. QUILLEN (for himself, Mr. Crane, Mr. du Pont, and Mr. Mikva):

H.R. 13533. A bill to amend the Internal Revenue Code of 1954 to provide for payment by the Government of all reasonable litigation expenses to prevailing taxpayers in legal action; to the Committee on Ways and Means.

By Mr. RIEGLE:

H.R. 13534. A bill to authorize the Secretary of the Treasury to reimburse State and local law enforcement agencies for assistance provided at the request of the U.S. Secret Service; to the Committee on the Judiciary.

By Mr. ROYBAL (for himself and Mr. Beard of Rhode Island):

H.R. 13535. A bill to prohibit common carriers in interstate commerce from charging elderly people more than half fare for their transportation during nonpeak periods of travel, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. SANTINI (for himself, Ms. Abzug, Mr. Beard of Rhode Island, Mr. Ford of Tennessee, Mr. Harris, Ms. Keys, Mr. Maguire, Mr. Mezvinsky, Mr. Moss, Mr. Richmond, Mr. Roe, Mr. Roybal, Mr. Scheuer, Mrs. Spellman, Mr. Stark, and Mr. Waxman):

H.R. 13536. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the label on certain food products to disclose the total sugar content thereof; to the Committee on Interstate and Foreign Commerce.

By Mr. SATTERFIELD:

H.R. 13537. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SYMMS:

H.R. 13538. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

By Mr. WAGGONNER (for himself and Mr. Passman):

H.R. 13539. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemd to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BEARD of Rhode Island:

H.R. 13540. A bill to provide compensation for losses incurred as a result of hog cholera controls imposed by the Department of Agriculture to the Committee on Agriculture.

By Mr. FRENZEL:

H.R. 13541. A bill to provide for the eliminaton of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, and for other purposes; to the Committee on Rules.

By Mrs. HECKLER of Massachusetts:

H.R. 13542. A bill to amend the Tariff Schedules of the United States; to the Committee on Ways and Means.

By Mrs. LLOYD of Tennessee:

H.R. 13543. A bill to amend title 39, United States Code, to prohibit the U.S. Postal Service from merging post office operations without the approval of persons regularly served by such post offices, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MATSUNAGA:

H.R. 13544. A bill to provide for grants to local educational agencies for purposes of reducing the average class size in schools of such agencies; to the Committee on Education and Labor.

H.R. 13545. A bill to amend the pay savings provisions of title 5, United States Code, to provide that in applying the 2-year continuous work requirement in the case of an employee being reduced in grade there shall be disregarded periods of service in a different agency or in a lower grade caused by a reduction in force; to the Committee on Post Office and Civil Service.

By Mr. NEDZI:

H.R. 13546. A bill to authorize the erection of a sculpture entitled "Delta Solar" on public grounds in the District of Columbia; to the Committee on House Administration.

By Mr. PRESSLER:

H.R. 13547. A bill to amend the Federal Regulation of Lobbying Act to require officers and employees of departments, agencies, and instrumentalities of the United States who attempt to influence legislation to register as lobbyists, and for other purposes; jointly to the Committees on Standards of Official Conduct, and Rules.

By Mr. SHARP:

H.R. 13548. A bill to amend the State and Local Fiscal Assistance Act of 1972 to take account of transfers of funds from publicly owned public utilities in computing State and local entitlements, and for other purposes; to the Committee on Government Operations.

By Mr. STRATTON (for himself and Mr. O'Brien):

H.R. 13549. A bill to provide for additional income for the U.S. Soldiers' and Airmen's Home by requiring the Board of Commissioners of the Home to collect a fee from the members of the Home; by appropriating nonjudicial forfeitures for support of the Home; and by increasing the deductions from pay of enlisted men and warrant officers; to the Committee on Armed Services.

By Mr. TRAXLER (for himself and Mr. Nolan):

H.R. 13550. A bill to authorize the Secretary of Agriculture to make financial assistance available to agricultural producers who suffer losses as the result of having their agricultural commodities or livestock quarantined or condemned because such commodities or livestock have been found to contain toxic chemicals dangerous to the public health; to the Committee on Agriculture.

By Mr. JOHNSON of Pennsylvania:

H.J. Res. 935. Joint resolution authorizing the President to proclaim the week beginning on November 7, 1976, as National Respiratory Therapy Week; to the Committee on Post Office and Civil Service.

By Mrs. BOGGS:

H. Con. Res. 622. Concurrent resolution providing for the printing of a document entitled "The Working Congress"; to the Committee on House Administration.

H. Con. Res. 623. Concurrent resolution providing for the printing of a booklet entitled "Duties of the Speaker"; to the Committee on House Administration.

H. Con. Res. 624. Concurrent resolution providing for the printing of a walking tour map of the areas surrounding the U.S. Capitol; to the Committee on House Administration.

By Mr. STUCKEY (by request):

H. Con. Res. 625. Concurrent resolution calling for a rededication of candidates for public office and the American people to the spirit of independence and self-reliance as espoused by our Founding Fathers; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BELL:

H.R. 13551. A bill for the relief of Pece D. Van Arsdol; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

H.R. 13552. A bill for the relief of Cindy Lee; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 12234

By Mr. MAGUIRE:

Page 2, line 24, delete "$240,00,000"; insert "$180,000,0000".

Page 4, following line 4, insert the following new paragraph (9) and renumber the subsequent paragraphs accordingly:

"(9) In section 6(c), insert the following after the second sentence: '*Provided*, That the Secretary may waive, in accordance with such regulations as he shall promulgate, the requirement for a State to pay 50 per centum of the cost of any project in an area with significant unmet recreation needs identified pursuant to subsection (d), or where the project is of national or regional significance in the quality or quantity of recreational opportunities offered. In no case shall the federal share of the cost of any project exceed 70 per centum.' "

Page 4, following line 12, insert the following new paragraph 10 and renumber subsequent paragraphs accordingly:

"(10) In section 6(d), delete subparagraph (3) and insert the following, renumbering the subsequent subparagraph accordingly:

" '(3) an identification of those areas of highest unmet recreation needs, criteria for and development of a priority list for meeting these needs. Highest unmet recreation needs shall include but not be limited to such factors as:

" 'accessibility and service to large numbers of people in crowded urban or less affluent rural areas; and

" 'provision of a recreation opportunity of national or regional recreational significance; and

" 'provision of recreational opportunity or service to an area which has a high proportion of persons with incomes at or below the federal poverty level.

" '(4) A program for the implementation of the plan and priority list identified under subparagraph (3).' "

Page 4, line 13: Strike lines 13–24 and insert in lieu thereof the following:

"(10) In section 6(e) revise subparagraph (2) to read as follows:

"(2) Development.—For development, including but not limited to site planning and the development of Federal lands under lease to States for terms of twenty-five years or more. Notwithstanding any provisions of this Act, not more than 25 per centum of the total amount allocated to a State in any one year may be utilized for the following purposes:

"(a) planning and development of sheltered facilities for swimming pools and ice skating rinks within areas where the Secretary determines that (1) the severity of climatic conditions provides no feasible or prudent alternative to serve identified unmet demands for recreation resources; and (2) the increased public use thereby made possible justifies the construction of such facilities.

"(b) Renovation and upgrading of indoor recreation facilities of any state or local park system where the Secretary determines that (1) the facilities have deteriorated to the point where their usefulness is impaired, or they have become outmoded; and (2) the loss of these facilities would result in a loss of recreational opportunities to that community."

By Mr. SEIBERLING:

On page 4, after line 12, insert a new section (10) as follows, renumbering the subsequent subsections accordingly:

"(10) In section 6(d), delete subparagraph (3) and insert the following, renumbering the subsequent subparagraph accordingly:

" '(3) an identification of those areas having the highest degree of unmet outdoor recreation needs;

" '(4) a program for the implementation of the plan which gives priority in the allocation of funds to those areas having the highest degree of unmet outdoor recreation needs identified in subparagraph (3).' "

On page 5, line 3, strike the period and substitute a comma and insert the following: "which guidelines shall include, but not be limited to, a requirement that each State evaluate its implementation of those provisions contained in section (d)."

(Amendment to Mr. Maguire's amendment at page 4, line 4 of H.R. 12234.)

At the end of the first sentence after the word "offered", change the period to a comma and insert the following: "if he finds that sources of funding available to the State are otherwise insufficient to enable the project to be carried out."

H.R. 13350

By Mr. AMBRO:

In title I:

On page 3, line 20 change the period at the end of the line to a comma and add: "including $4 million for initiation of activities at the Solar Energy Research Institute."

And on page 5, line 15 change the period at the end of the line to a comma and add: "including $1.5 million for initiation of activities at the Solar Energy Research Institute in the areas of modification of facilities, acquisition and fabrication of capital equipment, and design of the final installation."

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Services pursuant to clause 5(d) of House rule X. Previous listing appeared in the Congressional Record of May 3, 1976, page H3852:

H.R. 13211. April 13, 1976. Banking, Currency and Housing. Amends the Bank Holding Company Act, the National Banking Act, the Federal Deposit Insurance Act, and the Federal Reserve Act to regulate through the Secretary of the Treasury and the Comptroller of the Currency, foreign banks establishing, operating, or controlling branches in the United States.

H.R. 13212. April 13, 1976. Interior and Insular Affairs. Designates specified lands in Shenandoah National Park, Virginia, as wilderness.

H.R. 13213. April 13, 1976. Education and Labor. Directs the Secretary of Health, Education, and Welfare to establish a multi-service program for displaced homemakers designed to assist them in obtaining employment and educational opportunities.

Authorizes a study of the existing Federal programs to determine the feasibility of participation by displaced homemakers.

H.R. 13214. April 13, 1976. Ways and Means. Amends the Social Security Act to include as a home service in the Medicare program, nutritional counseling provided by or under the supervision of a registered dietitian.

H.R. 13215. April 13, 1976. Veterans' Affairs. Directs the Secretary of Defense to provide for the burial at the Arlington Memorial Amphitheater, Arlington National Cemetery, of the remains of an unknown American Soldier who lost his life in the American Revolutionary War.

H.R. 13216. April 13, 1976. Post Office and Civil Service. Repeals the Postal Reorganization Act. Reenacts provisions relating to the postal service which were in effect immediately prior to the enactment of such Act.

H.R. 13217. April 13, 1976. Interior and Insular Affairs. Directs the Secretary of the Interior to convey to the owners of specified lands near Palo Verde, Arizona, all mineral rights of the United States therein.

H.R. 13218. April 13, 1976. Merchant Marine and Fisheries. Permits the steamship *United States* to be used as a floating hotel. Provides that during a national emergency the vessel may be requisitioned or purchased by the United States and just compensation for title or use shall be paid in accordance with the Merchant Marine Act.

H.R. 13219. April 13, 1976. Judiciary. Abolishes diversity of citizenship as a basis for jurisdiction of Federal district courts.

H.R. 13220. April 13, 1976. Interstate and Foreign Commerce. Amends the Natural Gas Act to direct the Federal Power Commission to take all action it deems necessary to facilitate the construction, maintenance, and operation of a transcontinental natural gas pipeline from Alaska through Canada to the contiguous 48 States.

H.R. 13221. April 13, 1976. Interior and Insular Affairs. Directs the Secretary of the Interior to establish the National Museum of Afro-American History and Culture in the vicinity of Wilberforce, Ohio.

H.R. 13222. April 13, 1976. Prohibits the theft of radio equipment used or operated in the citizens ratio service.

H.R. 13223. April 13, 1976. Judiciary. Prohibits the knowing transport, receipt, or sale of stolen radio equipment used or operated in the citizens radio service in interstate or foreign commerce.

H.R. 13224. April 13, 1976. Post Office and Civil Service. Repeals the Postal Reorganization Act. Reenacts provisions relating to the postal service which were in effect immediately prior to the enactment of such Act.

H.R. 13225. April 13, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public intrest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13226. April 13, 1976. Agriculture. Directs the Secretary of Agriculture to establish standards governing timber sales in national forests consistent with multiple use-sustained yield principles. Requires consideration of environmental, biological, engineering, and economic factors prior to large timber sales.

Requires the imposition of limits on clear-cutting, cutting of unmarked trees, and cutting of immature trees in national forests. Requires the preparation of management plans for national forests.

H.R. 13227. April 13, 1976. Interior and Insular Affairs. Designates a specified segment of the New River in North Carolina as a component of the National Wild and Scenic Rivers System.

H.R. 13228. April 13, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13229. April 13, 1976. Ways and Means. Amends the Social Security Act to authorize payment under the Medicare program for specified services performed by chiropractors, including x-rays, and physical examination, and related routine laboratory tests.

H.R. 13230. April 13, 1976. Judiciary. Creates a charitable body corporate to be known as the National Opportunities Camps for the purpose of establishing and operating camps for disadvantaged children. Grants to such corporation the exclusive right to the name "National Opportunities Camps."

H.R. 13231. April 13, 1976. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants for local public works projects, provided that such projects are designed to alleviate unemployment and do not involve the damming or other diversion of water.

H.R. 13232. April 13, 1976. Agriculture. Establishes a Commission on the Humane Treatment of Animals to study the treatment of animals.

H.R. 13233. April 13, 1976. Agriculture. Establishes a Commission on the Humane Treatment of Animals to study the treatment of animals.

H.R. 13234. April 13, 1976. Ways and Means. Prohibits any business deduction, under the Internal Revenue Code, relating to expenses paid or incurred for the transportation of any person by commercial airplane or railroad in excess of any amount which is equal to the retail price of a coach class fare ticket on such airline or railroad, unless the use of first class accommodations was necessitated by the circumstances of the taxpayer's business activities or by a disability or handicap or because coach tickets were unavailable.

H.R. 13235. April 13, 1976. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption and the estate tax marital deduction.

SENATE—*Tuesday, May 4, 1976*

The Senate met at 10 a.m. and was called to order by Hon. JOHN O. PASTORE, a Senator from the State of Rhode Island.

Mr. PASTORE. Our guest Chaplain this morning is the Reverend James H. Gambrill. He is rector of the Grace Church, which is the mother Episcopal church in the diocese of the State of Rhode Island. He will now lead the Senate in prayer.

PRAYER

The Reverend James H. Gambrill, rector, Grace Church in Providence, Providence, R.I., offered the following prayer:

Our Heavenly Father, we turn to Thee for encouragement in an age of low standards and low expectations. For too many, life is a game of tennis played with the net down. We ask Thee to remind us of Thy calling to serve Thee and each other on the highest possible plane of life. May our example in this place encourage the best efforts from the entire Nation; may our efforts encourage the seed of growth and creativity that is in everyone but needs to be nurtured for Thy service. There are those who are hungry and we have food; help us to learn to share it. There are those who are lonely and we have each other's fellowship; help us to be open to those who need us. There are those who are frightened; help us through our service to make Thy love known.

We pray in the name of Him who taught us that service is perfect freedom and that in giving, we receive in full measure. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 4, 1976.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JOHN O. PASTORE, a Senator from the State of Rhode Island, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. PASTORE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, May 3, 1976, be dispensed with.

The PRESIDING OFFICER (Mr. GLENN). Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet until 1 o'clock this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

RELOCATION OF THE JOHN WITHERSPOON STATUE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 732, S. 2996.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 2996) to authorize the Secretary of the Interior to permit the relocation of the John Witherspoon statue, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs, with an amendment to strike out all after the enacting clause and insert in lieu thereof:

That the Secretary of the Interior is authorized, by appropriate cooperative agreement, to permit the removal to the National Presbyterian Center, Washington, District of Columbia, of the statue of John Witherspoon and supporting pedestal which was erected, pursuant to the Act of May 29, 1908 (35 Stat. 579), on lands in the District of Columbia now under the administrative jurisdiction of the National Park Service, and to convey, without compensation, title to said statue and pedestal to the National Presbyterian Church, Incorporated, a religious corporation duly organized and existing under the laws of the State of Maryland. Such conveyance shall be on condition that the aforesaid Presbyterian Church, Incorporated, shall suitably display and maintain the statue as a memorial to John Witherspoon, a signer of the Declaration of Independence and Presbyterian minister. The conveyance shall be achieved without expense to the United States of America.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MUHAMMAD ALI FACES THE NATION

Mr. MANSFIELD. Mr. President, on Sunday last, I had the pleasure of watching and listening to Mr. Muhammad Ali on the CBS program, "Face the Nation." The reporters on that occasion were George Herman of CBS News, Peter Bonventre of Newsweek, and Fred Graham of CBS News. I found the interview fascinating. I found it very much worthwhile. I had never seen Mr. Muhammad Ali except in pictures in the public prints before. I was impressed with his performance. I ask unanimous consent that the transcript of the Face the Nation broadcast, which starred Muhammad Ali, be printed at this point in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

FACE THE NATION

GEORGE HERMAN. Muhammad Ali, you have said that you would like to get out of boxing and carry a briefcase, and be a sort of black Henry Kissinger. Did your fight this week persuade you that maybe it's getting to be that time?

Mr. ALI. Yes, sir.

HERMAN. Do you intend to retire some time in the near future?

Mr. ALI. Some time at the end of this year, my manager, Herbert Muhammad, and I have a plan where we are going to go to Germany to fight Richard Dunn, the European champion. After that the Japanese wrestling champion of the world, contender Ken Norton, and then we'd like to quit.

HERMAN. Have you bought a black briefcase?

Mr. ALI. No, I have a couple of briefcases.

ANNOUNCER. From CBS News, Washington, a spontaneous and unrehearsed news interview on Face the Nation, with Muhammad Ali, the heavyweight boxing champion of the world. Mr. Ali will be questioned by CBS News Correspondent Fred Graham, by Peter Bonventre, Associate Editor in Sports for Newsweek Magazine, and by CBS News Correspondent George Herman.

HERMAN. Mr. Ali, you have said that you like to lecture better than you like to box. You've become certainly a very well-known world figure; people know about you in every corner of the earth. You say you want to be a sort of a black Henry Kissinger. What is it you want to do after you stop fighting?

Mr. ALI. Well, I figure that we only have so many hours a day to do whatever we have to do, so many years to live, and in those years we sleep, about eight hours a day, we travel, we watch television; if a man is 50 years old he's lucky to have had 20 years to actually live. So I would like to do the best that I can for humanity. I'm blessed by God to be recognized as the most famous face on the earth today, and I cannot think of nothing no better than helping God's creatures, or helping poverty, or working for good causes where I can use my name to do so, to help this country and other countries where we're having various problems where my influence might help.

Bonventre. Muhammad, what do you think you would have become if you didn't get into boxing?

Mr. Ali. I really don't know. I started boxing when I was 12 years old. I was not that educated in school, and I don't know what I would have done—probably a factory worker, or could have been somewheres dead, wound up in the wrong game, or the wrong life, but if I had heard the Islamic teachings, and if I'd heard the Muslim teachings, which I've accepted, I would probably have been a minister or doing something else good for mankind, but not in a larger way.

Graham. Mr. Ali, let me explain that I'm the law correspondent here at CBS, and they didn't bring me in because there might have been something illegal to ask you about, but because they learned that I'd been a Golden Glovers once in the dim past. And I want to ask you a sort of Walter Mittyish question. Is there ever going to be another great white hope, a white heavyweight that's going to come in and whip all of you black heavyweights?

Mr. Ali. Well, there's a great possibility. We can't foresee him now, like—they come up—we might have one now, might come out of the next Olympics. One might be in some gymnasium now, and he'll knock out somebody next week—we never know until it happens.

Graham. Why are there so few American white fighters? You're going to fight a white man in Germany, but why so few American white heavyweights?

Mr. Ali. I really don't know. One time we had Jack Dempsey, Gene Tunney, John L. Sullivan, Rocky Marciano, Max Baer, Tony Galento, we had good fighters—Carmen Basilio, Gene Foreman, and they're just not here now.

Graham. Well, let me ask you about this Japanese wrestler. Isn't that denigrating your position as a champion to go over and take part in a gimmick like fighting a wrestler?

Mr. Ali. I would say for an ordinary champion, yes, but people expect these things of me, I have a great imagination, I'm always doing something. I don't think you've ever had a boxer on this show, because the things that I've done calls attention, so this is going to be—we're going into the oriental world—there's things I want to do for people over the world, and I can get through them through sports, where when I'm out of boxing, they'll all know me. Now we're working on the oriental part of the world for some things we'd like to do there, and we get to meet them through sports, plus I have a family, I'm looking to take care of my family, it's a nice payday, and it's interesting. Many people want to know what would a boxer do with a wrestler. Then they'll have a chance to see.

Herman. Now let me ask you about that nice payday. It seems to me that in February of 1975, you said all your fights from now on were going to be free, that you were going to give all the money to various black charities and to help small businesses and so forth.

Does the money come to you, or is it going to these charities?

Mr. Ali. Not just black charities. We have all type charities, all type people, so I want to get that straight now. Yes, the monies that I make after all taxes, I say I like to do all I can to help people and work for charity groups, and I want to say this on the show now—I get millions of phone calls from people thinking I'm the First National Bank. We don't give away no monies. I have lawyers, I have attorneys, who check the organizations, the movements, and we don't have no individuals in business that have propositions. It's only for groups of people who need, and this is what I want to do.

Herman. Is it lawyers and attorneys who went to that Jewish old people's home in New York, where there are just about 50 people, or was it Muhammad Ali himself?

Mr. Ali. This was me, this was me, but things such as this, I almost don't have to get permission to help, because we know this is right, and there's no greed involved on no part of no individuals.

Bonventre. Muhammad, what would you say to your son if he came to you and expressed a desire to box?

Mr. Ali. Well, I would—I think I'm going to control him, or help my wife to control him, and let him get educated first and get his mind together, and I wouldn't encourage him to box. I'd let him do it as a game, a sport, for health, but not as a livelihood because it's too dangerous, but teach him foreign language and get him—see, we are all born for a purpose, every tree, the moon, rain, snow, everything God created has a purpose, and man has a purpose, and the wise man is he who finds his life purpose, and we want to help him find his purpose in life, which I'm sure is not boxing.

Bonventre. Are you worried about the burden he'll have to bear, being the son of Muhammad Ali? You're a tough act to follow.

Mr. Ali. Well, if my act is not a good act, and if I'm not doing nothing right for people, and if my image is bad, it'll be bad. But if I can do the things that I'd like to do for God and the service of mankind, then I'm sure he'll be honored to be known as my son, and he would like to follow in my footsteps and people will admire him for that, but if my image is bad, then it's bad for him.

Graham. Can I go back to this question of money we were talking about before. By a rough estimate you've made almost $25 million in purses since you came back to fight. Now, we've had the spectacle of some former champs who end up in the gutter. What are you doing to avoid that? Are you going to avoid that?

Mr. Ali. Yes, sir, I pray to Almighty God Allah I do. I think the best thing that I can do, or anybody can do, is to save their money—

Graham. What's your money in?

Mr. Ali. Government tax-free bonds is the best thing, I think, a man can put his money in. Investments are bad, there are no real good investments, all of them are gambles. And we pay the government all its taxes before I get mine, but this is why we fight so regular, because I think two halfs is better than just one, so we plan to save as much as we can, and—

Graham. You are a conservative, aren't you, champ? Government tax-free bonds—you're a pretty conservative man with your money.

Mr. Ali. Well, I have a lot of conservative fellows advising me.

Herman. Let me ask you about something you said just a moment ago in reply to a question by Pete. You said, advising your son, you would say boxing was too dangerous. Has it been dangerous for you? Have you been hurt, have you been injured, have you been damaged in any way?

Mr. Ali. Oh, yes, my jaw's been broken, and one nerve is just coming back from under here where I couldn't feel for about a year or two, and right now my eardrum is busted. I got my busted eardrum in Manila with Joe Frazier—training for Frazier—and I just had it rebusted, the same one again in Italy—healed itself in about two weeks, but this is about all. I've had a few sore ribs.

Herman. I asked because there's been some belief in some quarters that boxing was a dying sport in the United States. I noticed it dropped out of a lot of schools and a lot of colleges. I'm told that now it's coming back in some colleges. What do you think of boxing as a sport for amateurs?

Mr. Ali. I think boxing is dangerous. Any man been hit in the head, and the brain's a delicate thing—I think you should be well protected. If a fellow is not qualified, he shouldn't be allowed to fight, but football is proven to have more deaths, baseball, ice hockey, horse racing—car racing is much more dangerous, but I would advise nobody to box if they get hit too much and it's too dangerous.

Bonventre. Muhammad, since this is a political year, do you have a favorite among the presidential candidates? And more interestingly, has anyone asked you for support?

Mr. Ali. No, no, they haven't. I made a statement the other day that I'm not voting for no one, and I don't know enough about politics—and I don't want people watching this show to be influenced by my feelings, because I don't know enough about it. But the only administration that I really have liked is Ford's administration, for the simple fact that immediately after beating George Foreman I was invited to the White House and met him and his daughter. King Hussein was just in the country, and he thought enough of me, knowing that he was a Muslim, he—my religion—he thought enough of me to invite me to entertain him and to meet him at the White House, so I've been to the White House twice, so if I had to do any voting, which I don't know enough about politics, but I like President Ford and his administration.

Graham. Can I go back to the money just for a minute—

Herman. Just a moment—on this question of endorsing somebody, you have also said that you would vote for Jimmy Carter, have you not?

Mr. Ali. I mentioned no names.

Herman. It seems to me you were on record in a newspaper article saying you would vote for Jimmy Carter?

Mr. Ali. No, I remember, I said no names. I said there's a certain fellow, I just like his smile.

Graham. Well, were you put off by the ethnic purity remark that he made?

Mr. Ali. No, I don't know anything about that, I don't condemn people for making remarks or making statements. I'm sure we all make statements off camera that would get us all in trouble, but—because somebody made a mistake, I'm one who has been criticized for things I've said, so I'm the last one to condemn any man for something he's said, because I'm a victim of the same circumstances.

Herman. Well, you leave us kind of hung up. You like a man with a certain smile, you like President Ford—

Mr. Ali. I didn't say no names—I like a smile.

Herman. You like a man with a certain smile for president, and you like President Ford—are you going to vote for both of them?

Mr. Ali. No, I didn't say that. I didn't say I like him for president, I just said I like the image of a certain man, I like the way he smiles. I see all the politicians smile—what makes you think I mean Carter?

Herman. I pursue this for one particular reason. There's been a big problem lately in a diminished vote from the black segment of the American population; the blacks have not been voting in anywhere like their past strength, and so I wonder whether you as one of the recognized figures of the black community might give a push to black voting, or whether you think this is important?

Mr. Ali. I think it's important, if the man we vote for does the right job and means right for all people. I don't know too much about politics, so this is why Carter, Ford, whoever, I cannot openly make a statement who I'm supporting or who I'll vote for, because I don't know, but the administration that I like and the one—I've been under a few presidents since I've been popular, but I've never been honored like I have by President Ford.

Graham. Well, you are. I know you have more of an interest in religion, and you've said that's one of the things you want to devote a lot of time to later, but now, Mr. Ali, what about this image also as a womanizer that you also have. Is that—you're looking at me a little incredulously here, I don't know why, but—

Mr. Ali. I'm trying to figure out what you mean by womanizer.

Graham. Well, you have a reputation as—you're separated from your wife, and you have a reputation as a man who has a sharp eye for the ladies. Now, how is that going to be consistent with your role as a religious leader in the years ahead?

Mr. Ali. Well, as far as my personal beliefs are concerned, I don't talk about them in public; as far as my personal problems with family, these are things I don't discuss in public, especially on high-class shows like I was told yours would be, so I don't even expect to talk about that here.

Herman. You said from time to time that a wise man can play the fool but a fool can't act like a wise man, and then you've said, "I've always got to talk. People expect it of me." Is that a role that you play? Are you trying to be an actor?

Mr. Ali. What I was talking about, I used to watch a wrestler named Gorgeous George, and he would always talk about how he was going to annihilate the bum, and he would do this and do that, and people came to see him get beat. And this is where I got the idea. So the talking and the gimmicks and the predicting, which I don't do nowadays like I used to, was only to promote the fights, which has now elevated me over all athletes in the history of the world as far as drawing power and world attractions in a sense. This is just a purpose of publicity, all the talking. That's why I did that. I don't have to do it.

Herman. You kind of disappoint me, I have to admit. I sort of thought this poetry, this float like a butterfly, sting like a bee, was the real Ali, not some kind of a commercial gimmick.

Mr. Ali. No, that's all. It wasn't a commercial gimmick, but it was promotion, and it was the real Ali. I do float like a butterfly, sting like a bee. But the little poems and the gimmicks were just to promote the fights. Newspapers, gave them something to write about.

Graham. If I can go back just for a minute, and this is obviously meant in a spirit of friendliness. The question of the Islamic religion and your future in that—do you, the impression one gets is perhaps it is loosening up a bit after the death of Elijah Muhammad. Do you think it's changing now, and that your role in it can change?

Mr. Ali. Well, what the honorable Elijah Muhammad taught was good for the time, during the thirties when black people were being castrated, lynched, deprived of freedom, justice, equality, raped. He had to teach that the white man is the Devil, his actions towards us is that of the Devil. Now that we're no longer being lynched, raped, castrated, we're given equal justice, we can go anywheres to live, even the North fights the South to have, so we can have certain rights. People are not acting this way today. So honorable Wallace Muhammad is on time. He's teaching us it's not the color of the physical body that makes a man a Devil. God don't look at our colors. Minds, hearts have no color. God look at our minds and our actions and our deeds. So we have white Muslins, brown Muslins, red Muslins, yellow Muslins, all colors. So it's the color. So the big thing in the change now, we have white people who have accepted our faith, and we now recognize all men as brothers and we look at them according to their works. Some blacks can do evil, and whites. So it's not the color now, we look at the actions.

Graham. Now, how about the money though? There have been reports that the Muslims to a large extent controlled and received a lot of your money. What truth is there to that?

Mr. Ali. There's no truth whatsoever. I wish I could give more to my cause than I do. Who receives most of my money is the American government. I have made about $31 million up until this time, and the government has taken about $28 million, so I don't have no money to give to my religion like I want to. The government has taken it. I'll make one million five-hundred thousand for the fight I just had. I'll be doing good to go home with $350 thousand out of one million five-hundred thousand because of all the taxes, and state and federal and the government. So the government will take the monies, not my religion.

Bonventre. Muhammad, in your book, The Greatest, there seems to be a great deal of revisionist history. You tell us that you weren't brought up in middle-class comfort, but semi-poverty, you tell us you're not a direct descendant of Henry Clay, and you tell us it wasn't a white Louisville cop named Joe Martin who started you on boxing, but a black instructor in Louisville. And this flies in the face of all the research we've done over the past fifteen years. How did we miss it?

Mr. Ali. Well, Joe Martin was the man who I first started boxing with. Joe Martin is a white patrolman in Louisville, Kentucky, who held boxing in Columbia gym, and he had a show called "Tomorrow's Champions". Well, during that time, well the blacks were a little held back, so Fred Stoner was the best trainer. I would train with Joe Martin at eight o'clock and go till ten o'clock and train with Joe Martin, that's where I learned, I mean Fred Stoner, that's where I learned my science, my boxing abilities, and my dancing ability, all my skills. But I had to go back to Joe Martin in order to stay with him to get on the television, which he had the connections and the complexions to get the protections. So I stayed with him, but the man who actually trained me, that taught me my skills, was Fred Stoner. But the man who took me around the country, got me the publicity, and put me in the right places was Joe Martin. So this is how I had to make it in that southern city.

Bonventre. But what about, you say you grew up in semi-poverty. Your father was a fairly successful—

Mr. Ali. When I say semi-poverty I mean many days we didn't have food, and many days we had to put cardboard in our shoes, and many days the car wouldn't start because it's always fifteen years too old, and many days the toilet wouldn't flush cause the plumbing was broke, or many days we had to put a pan under the roof because the water had leaked in the kitchen and we couldn't afford to fix it, or the cellar would fill up during the rain and we had to take a bucket and put the water out. My mother and father did all they could, and with the monies they made they raised me good, and this is why I'm as great as I am now, because of my mother and father and the help of God. So, in the way I never had to work and they did all they could to feed me, so this is why I'm where I'm at. But semi-poverty, compared to what I know and you know, we may go out tomorrow and spend $150 for dinner if we take three people. The average family in America today feeds a family two weeks on $150.

Graham. Were you ever asked during that period of time to throw a fight?

Mr. Ali. No, sir. I see this stuff in movies, but——

Graham. Well, I would ask you about that. Is that just in the movies, or is there a lot of that in any boxing?

Mr. Ali. All I know is from the movies. I've never had nobody say, "Throw a fight," I've never knew nobody who did, and probably in the past these things have happened, but I don't know nothing about it.

Herman. You also report in the book that you threw your Olympic Gold Medal into the river after a couple of racist incidents. Do you regret that now? Do you wish you had the medal back now that the country has changed?

Mr. Ali. Yes, I wished I had my medal. I might try to go back and find that medal. Something happened to me one day and I just got mad and threw the medal away.

Graham. Can I ask you one question about the Supreme Court decision? There was a report around the Supreme Court that the Justices had first voted to uphold your conviction, and then later that they switched and it was unanimously to overturn it. Did you and your lawyers ever hear that rumor?

Mr. Ali. No sir. I never heard that before.

Graham. Do you think that the system of justice dealt fairly with you?

Mr. Ali. Yes sir. I know they have. I'll say this. We have a lot of moral problems in America, but America is the greatest country in the world. I've been throughout the world, the best schooling system, the best education system, the medical system, the highways, the cars, the airplanes, the television shows, and this is why, morally, we need to be uplifted. And the greatest moral teacher that we have in America is the honorable Wallace E. Muhammad. And we are now looking to tell the people more about him.

Bonventre. Muhammad, let me bring a couple of questions out of left field. We talked about this once. Do you believe in life on other planets? And two, do you believe in reincarnation, and if you do, who would you come back as?

Mr. Ali. Yes, I believe in life, I believe there is, I'm not really sure. I don't think none of us can prove it, but I've heard the honorable Elijah Muhammad teach that there is life on Mars. If I believed in reincarnation, I don't know, if it's just a quick question but I would like to come back as Wallace Muhammad, our great Muslim leader here in America. To us, he's everything, because he's teaching us all about ourselves, about God, how to treat people, how to eat, everything, my whole life, everything that I do, everything that I represent, all I think about when I'm fighting is the honorable Wallace E. Muhammad and his program. He's the only man that I really admire and I would like to come back as him.

Herman. Let me ask you one question which, I don't know whether it's out of left field or right field, about Muslims in America. One of the things that people think about is the conflict in the Arabic world between Moslems and Jews. Some people who are Jewish in this country get worried about Black Muslims, and yet you show very little in the way of signs of anti-Semitism. Doesn't seem to be any parallel there.

Mr. Ali. No, well I like for you to look at me as a true one as far as true beliefs are concerned. We don't have Black Muslims, that's a press word. We have white brothers, we have brown, red, and yellow, all colors can be Muslims. And as far as the conflicts is concerned, in those countries, I don't know too much about it, and I'm looking for peace one day with all people.

Graham. Mr. Ali, you're obviously a very bright man, and yet we're told that at one time that you flunked the draft exam because of the mental test. Did you throw that? Was that one fight you threw? Or was it fixed?

Mr. Ali. The reason I'm laughing is because it was true. I did fail it. Today I'm not a good reader, I don't spell good at all, and if you gave me a test today I might fail it because we have two minutes to do the test. I told them after that, they said, "Muhammad, you failed the test." I said, "I told you I was the greatest, not the smartest."

Bonventre. Muhammad, they're going to go into filming on a movie based on your life, and you're supposed to be playing yourself. If you weren't the star, who would you like to play Muhammad Ali in your place?

Mr. Ali. I really don't know. I would have to take some time to think about it. But it's real difficult because I've never—I can act, they say I'm a good actor, but nobody's ever written lines for me and told me what to say and then look serious. They've invested so much, Columbia Pictures, in this, and they really have a lot of faith, and I'm thankful for that, but they don't know if I can act or not yet.

Herman. Okay, thank you very much, Muhammad Ali, for being with us today on Face the Nation.

Announcer. Today on Face the Nation Muhammad Ali, the heavyweight boxing champion of the world, was interviewed by CBS News Correspondent Fred Graham; by Peter Bonventre, Associate Editor in Sports for Newsweek Magazine; and by CBS News Correspondent George Herman. Next week, Governor Edmund G. Brown, Jr., of California, a candidate for the Democratic Presidential nomination, will Face the Nation.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senators from Rhode Island (Mr. Pastore and Mr. Pell) are recognized each for not to exceed 15 minutes.

HAPPY BIRTHDAY, RHODE ISLAND

Mr. PASTORE. Mr. President, in a sense, this is Rhode Island Day in the Senate of the United States. As a matter of fact, we are honored this morning to have as our guest chaplain the Honorable Reverend James H. Gambrill, rector of Grace Church in Providence, R.I. As I had occasion to note, the Grace Church in the city of Providence is the mother Episcopal Church of Rhode Island. It is 150 years old and it is a beautiful building. As a matter of fact, I do not know how many times I have passed it during my boyhood and during my adulthood.

Mr. President, today is the Bicentennial of perhaps the most significant date in the history of the State of Rhode Island and Providence Plantations. For it was 200 years ago that Rhode Island formally and solemnly declared its independence of Great Britain. It was on May 4, 1776 that Rhode Island became the first free and independent republic in the Western Hemisphere.

This audacious and courageous act by the General Assembly of Rhode Island must be regarded as a watershed in American history for it led, perhaps inevitably from that point, to the Declaration of Independence in which Rhode Island was joined by the other 12 Colonies 2 months later.

I am pleased to join with my distinguished colleague, Senator Pell, in commemorating a day which is as sacred to Rhode Islanders as the Fourth of July is to all Americans.

Rhode Island seems to have been predestined from the very day it was founded by Roger Williams for its pivotal role in leading the Colonies toward independence during the pre-Revolutionary and Revolutionary War period.

Roger Williams was a defiant freethinker who refused to conform to the established religious doctrines of the Massachusetts Bay Colony where he was an ordained preacher. Because of his unorthodox religious and social ideas he was ordered to be arrested and deported but instead he fled from Plymouth in 1636 to found Providence.

Rogers Williams' colony became the first haven of religious worship in the New World, and Rhode Island's early settlers were probably the most diversified and intellectual group of religious and political nonconformists ever gathered in one colony. These freethinking men established the first Baptist congregation in the country at Providence, and at Newport the oldest Jewish Synagogue in America, which today is a national shrine, and the oldest Quaker Meeting House in the Nation.

It was there, in the tiny breakaway colony that Roger Williams and his fellow settlers practiced for the first time in the New World doctrines which were later to be sanctified as inalienable rights in the Constitution—the freedoms of religion, speech and thought, and the doctrine of the separation of church and state.

Rhode Island was the only colony which enjoyed a constitutional form of government from its very inception. The Rhode Island charter was the most liberal ever granted any New World colony by a European power. It provided for complete freedom of religion, the election of all government officials, including the Governor, by the freemen of the colony and that the testimony of black people in court was as valid as anyone's. Rhode Island was only one of two States that was never subjected to crown-appointed royal governors.

Imbued with this spirit of independence and nonconformity and living in an environment of liberty and tolerance, it was perhaps inevitable that Rhode Islanders would begin fighting the Revolutionary War against the British more than a decade before the rest of the colonies saw fit to support us.

While patriots in other colonies were making stirring speeches to rally the colonists to the cause of independence, Rhode Islanders had already begun to fight. Eleven years before the famous battles of Lexington and Concord and the celebrated "shot heard round the world," Rhode Islanders fired the first shots and drew the first blood of the American Revolution.

Rhode Island merchants had long been trading with the enemies of the British crown. To cut off this trade, the British sent warships to Newport. On July 9, 1764, Newporters fought a pitched battle with sailors from the H.M.S. *Squirrel* using cutlasses, clubs and stones. The insurgents seized Fort George at Newport from the British and the Governor and General Assembly ordered the rebels to fire the forts' cannon at Royal Navy's customs schooner *St. John*. The ship was damaged by the cannon fire.

In the summer of 1765, the British customs ships were back in force to cut off Rhode Island shipping. After a suitable pretext was found, Newporters seized and burned a small customs schooner that was serving as a tender to the frigate H.M.S. *Maidstone*. The Governor approved the action, naturally, and when the British complained they got no satisfaction.

In that same summer of 1765, Newporters, aroused by the anti-British sermons of Dr. Ezra Stiles, pastor of the Second Congressional Meeting House, instigated the most serious Stamp Act riot in America, a rebellion that continued for several days. Gov. Samuel Ward was the only Governor in the Colonies who refused to take the oath to support the Stamp Act.

Hostilities and friction between Rhode Islanders and the British continued to worsen and were exacerbated even further when, on May 3, 1768, a young Newport citizen was killed when a British sailor fired upon a group of citizens taunting British military personnel. This incident was nearly identical to, and occurred 2 years before the famous Boston Massacre.

Within weeks a Liberty Tree was dedicated at Providence and Silar Downer took the opportunity to deliver a bitter denunciation of British rule during which he asserted that Parliament had no authority over the Colonies. This was a claim that had never before been made by public leaders and was not to be repeated anywhere for another 6 years.

Britain's difficulties with Rhode Islanders were strained beyond royal endurance when the customs schooner H.M.S. *Gaspee* was seized and burned to the waterline in June 1772. The King personally ordered an inquiry into the *Gaspee* burning. The King established a special commission with extraordinary powers to conduct the investigation and make arrests. No one was ever turned over to the commission but before the inquiry was completed, Rhode Island and Virginia were sufficiently alarmed at the commission's infringement on citizens' rights that they established the Committees of Correspondence throughout the colonies to keep colonists informed of new threats to their freedoms.

Concerned about their increasing difficulties with the British and convinced that the colonies must unite to fight the oppressors, the citizens of Providence in Town Meeting voted on May 10, 1774, to request the other colonies to send delegates to meet and discuss mutual concerns in a congress. This was the first call of the Continental Congress.

For their part the British, intent upon snuffing out the illegal trade that had been conducted out of Rhode Island ports for years, continued to increase the strength of the royal fleet in Rhode Island waters only to be subjected to indignities and frustrations beyond toleration.

Finally, in December 1774, Gov. Joseph Wanton was informed the British planned to impound all the firearms they could find in New England and gunpowder. Naturally, the Governor informed the General Assembly which then voted to remove all cannons and gunpowder from Fort George in Newport to the safety of Providence. This was the first action of its kind taken in America. The British protested to Wanton but it did no good.

The incidents of armed insurrection and resistance to the British by Rhode Islanders continued until the General Assembly, impatient with the indecision of the other colonies, voted to sever its bonds to the Crown.

Let me conclude with the words of George Bancroft, the noted American historian who wrote that "More ideas which have become national have emanated from the little colony of Rhode Island than from all the American States."

While this day is sacred to us in Rhode Island, we take this occasion not only to commemorate it but to pledge ourselves to our Nation, for while we are proud Rhode Islanders, we are Americans above all.

Mr. PELL. Mr. President, I join today with my senior colleague (Mr. PASTORE) to commemorate a most important date in the history of our Nation. On May 4, 1776, Rhode Island became the first of the 13 colonies to declare its independence from the British Crown. By a unanimous vote in the upper house and with but 6 out of 60 dissenting in the lower house, the State of Rhode Island and house, the State of Rhode Island and with the King a full 2 months before the American Declaration of Independence.

To celebrate this event candles were lit and placed in the windows of University Hall at Brown University, overlooking the city of Providence, a tradition that has been continued to the present day.

Together with my fellow Rhode Islanders and particularly with my distinguished senior colleague, Senator PASTORE, we remember this date and its significance for our Nation's history. For it was this smallest of our 13 colonies that took the lead in signaling an end to their tolerance of British rule.

In the words of E. Benjamin Andrews, in his "History of the United States":

> May 4, 1776, Rhode Island formally declared her independence of Great Britain, by a solemn act, abjuring her allegiance to the British Crown. . . . It constitutes Rhode Island as the oldest independent state in America.

Mr. President, I ask unanimous consent that the Rhode Island "Act of Independence" be printed in the RECORD at this point.

There being no objection, the act was ordered to be printed in the RECORD, as follows:

AN ACT OF INDEPENDENCE BY THE COLONY OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PASSED BY THE GENERAL ASSEMBLY AT THE OLD STATE HOUSE IN PROVIDENCE, MAY 4, 1776

An act, repealing an act, entitled "An act, for the more effectually securing to His Majesty the allegiance of his subjects in this, his Colony and dominion of Rhode Island and Providence Plantations." And altering the forms of Commissions, of all writs and processes in the Courts, and of the oaths prescribed by law.

Whereas, in all states, existing by compact, protection and allegiance are reciprocal, the latter being only due in consequence of the former; and,

Whereas, George the Third, King of Great Britain, forgetting his dignity, regardless of the compact most solemnly entered into, ratified and confirmed to the inhabitants of this Colony by his illustrious ancestors, and, till of late, fully recognized by him, and entirely departing from the duties and character of a good King, instead of protecting, is endeavoring to destroy the good people of this Colony, and of all the United Colonies, by sending fleets and armies to America to confiscate our property, and spread fire, sword and desolation throughout our country, in order to compel us to submit to the most debasing and detestable tyranny; whereby we are obliged by necessity and it becomes our highest duty, to use every means with which God and nature have furnished us, in support of our inviolable rights and privileges, to oppose that power which is exerted only for our destruction.

Be it therefore enacted by this General Assembly, and by the authority thereof it is enacted, that an act, entitled "An act for the more effectually securing to His Majesty the allegiance of his subjects, in this his Colony and dominion of Rhode Island and Providence Plantations," Be and the same is hereby repealed.

And be it further enacted by this General Assembly, and by the authority thereof, it is enacted, that in all commissions for offices, Civil and Military, and in all writs and processes in law, whether original, judicial or executory, civil or criminal, whereon the name and authority of the said King is made use of, the same shall be omitted, and in the room thereof, the name and authority of the Governor and Company of this Colony shall be substituted in the following words, to wit:

THE GOVERNOR AND COMPANY OF THE ENGLISH COLONY OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

That all such commissions, writs and processes shall be otherwise of the same form and terms as they heretofore were; that the Courts of Law be no longer entitled nor considered as the King's Courts; and that no instrument in writing, of any nature or kind, whether public or private, shall, in the date thereof, mention the year of the said King's reign.

Provided, nevertheless, that nothing in this act contained shall render void or vitiate any commission, writ, process or instrument heretofore made or executed, on account of the name and authority of the said King being therein inserted.

Mr. PELL. Rhode Island's Declaration of Independence on May 4, 1776, was the inevitable result of many actions of high principle, spiritual commitment, and courage extending back to Rhode Island's founding in 1636. This tradition has extended through the years so that the independent man always surmounts our capitol building.

W. H. P. Faunce, a past president of Brown University, has said:

> Rhode Island has given to the country at large the finest example of the spirit and work of the moral and religious pioneer. The true explorers are not always the men who discover lakes and rivers or ride for the first time through burning deserts or across snowy mountain-passes. The real pioneers are those who push out the boundaries of the human spirit, open up routes of intellectual commerce, and establish outposts of human freedom. Roger Williams and his followers were not merely laying the foundation of a single colony; they were extending the frontier of the modern world.

Cut in the gleaming marble of the facade of the Rhode Island Capitol is the sentence in which Williams set forth his great ideal:

> To hold forth a lively experiment that a most flourishing civil state may stand and best be maintained with full liberty in religious concernments.

Rhode Island's original principle of freedom of religion was adopted by the Constitution of the United States itself. Later in 1764 Rhode Island was the first colony to put forth the doctrine, "No taxation without representation" in a pamphlet prepared by Governor Stephen Hopkins and entitled, "The Rights of the Colonies Examined."

In 1765 Rhode Island was the only colony to actively protest against the imposition of the Stamp Act by directing its officers to disregard the measure and to assure them indemnity for so doing. The Governor of Rhode Island, Samuel Ward, stood alone among the colonial Governors in refusing to take an oath to support this act.

During the years predating the Revolution, organizations called the Sons of Liberty were formed throughout all the colonies. However, to Rhode Island belongs the honor of a similar order of women known as the Daughters of Liberty who through independent actions of their own rebelled against the foreign rule.

The first overt act of violence offered to British authorities in America occurred at Newport, R.I. in 1764.

And on the night of June 10, 1772, in an act considered by many as the boldest, most daring and most patriotic antedating the American Revolution, a small band of Providence merchants, led by Abraham Whipple, captured and burned His Majesty's schooner *Gaspee* in Providence Harbor. Although the British Government offered a reward of 500 pounds for the discovery of "the outrageous and heinous offenders," and despite the fact these persons had embarked from a public wharf and without disguise, not one of the perpetrators was ever arrested or harmed. Sentiments aroused by the dstruction of the *Gaspee* led the colonies to appoint Committees of Correspondence for the protection of their rights and liberties.

Rhode Island was the first colony to establish a navy of its own. On June 15, 1775, Rhode Island's navy, under the command of Commodore Abraham Whipple, began the first naval engagement in the Revolution by opening fire upon the English sloop *Diana*. Commodore Whipple succeeded in capturing the *Diana* after the British abandoned their foundering ship off the rocks of Jamestown, R.I., thereby winning the first official naval battle of the Revolution.

Rhode Island was also the first to recommend to Congress in 1775 the establishment of a Continental Navy. The State's contribution continued as it gave to that navy its first commander in chief, Esek Hopkins, and more than three quarters of its commissioned officers.

The culmination of these first led to the May 4 Act of Independence, whereupon the Rhode Island General Assembly no longer closed its sessions with "God Save the King," but in its stead, "God Save the United Colonies."

Rhode Island's contribution during the the Revolutionary War was also substantial. Although the State was not a battleground, the British Navy occupied Newport from December of 1776 to October of 1779, and often raided nearby communities. These raids resulted in the Battle of Rhode Island during August of 1778. The battle was fought to a standstill but it marked the end of British advances in Rhode Island. It was also significant in that a black regiment was raised to fight the British and through their willingness to take arms and because of their courageous conduct in battle, they earned their freedom and a place in history.

Rhode Island's landscape was spared the war's scars, but the Revolution cost her dearly in other ways. Between 1776 and 1782 the population of Newport alone was cut in half. The State lost 6,000 in population and its commerce, so reliant on the sea, was disrupted severely during the British occupation of Newport.

Of particular impact was Rhode Islaid's native son, Gen. Nathaniel Greene, who served as George Washington's aide and confidant, and led American troops in their successful forays in the South. This statue presently stands in the east front extension of our capitol.

As stated in David Ramsey's "History of the American Revolution":

> History affords but few instances of commanders who have achieved so much, with equal means, as was done by General Greene, in the short space of a twelvemonth. He opened the campaign in the South with gloomy prospects, but closed it with glory.

In honor of General Greene's victory over the British in the Battle of Eutaw Springs, the triumph that turned the tide against the British in the South, Senator Pastore and I have cosponsored a bill, S. 3282, introduced by the distinguished Senator from South Carolina (Mr. Thurmond) to authorize the establishment of the Eutaw Springs National Battlefield Park in South Carolina.

Thus, Mr. President, the event we honor today led to a wave of other events, far beyond the imagination of those who boldly declared their independence from Great Britain.

That spirit of independence has not been quenched in the lives of today's Rhode Islanders. Succeeding generations have embraced this notion and the State has adopted the Independent Man as its symbol.

Our independence as a State, however, does not overlook our commitment to the Nation's aims and ideals. We are Americans first and foremost, and in that spirit we join the rest of our fellow Americans in celebrating the Nation's Bicentennial.

ORDER OF BUSINESS

Mr. PASTORE. Mr. President, I ask unanimous consent that the unanimous consent orders of the Senator from Arizona (Mr. Goldwater) and the Senator from Oklahoma (Mr. Bartlett) be reversed. Mr. Goldwater, I understand, is detained, and would like to have more time.

The PRESIDING OFFICER. Without objection, the order will be reversed. The Senator from Oklahoma is recognized.

JAPAN: GIANT OF INDUSTRY—MIDGET OF DEFENSE

Mr. BARTLETT. Mr. President, the United States has been a true global power and leader among the free nations of the world since the middle years of World War II. The United States has sought to preserve freedom in the world, and, indeed has fought for and supported that freedom on distant shores more than any other nation.

While the United States continues to be a leader among the nations of the free world, it can no longer be expected to match almost single-handedly the relentless expansion of Soviet military presence of nuclear and conventional forces. Each of the nations of the free world must reevaluate its contribution to a worldwide military deterrent to aggression, as well as to its own defense needs. This certainly includes the United States and Japan.

It may be useful for the Japanese people to reflect on the changing circumstances in the world which may call for different approaches concerning defense capabilities and policies of conventional forces. I hope my comments will contribute to these reflections, and to a reordering of their resource priorities.

Because of increasing U.S. dependence on the Middle East for oil and growing numbers and amounts of other minerals around the world, the demands made upon the U.S. Navy to deter attack on and provide for the defense of sea lanes in support of its own economy will soon far exceed those of a few years ago. Yet the size of the U.S. Navy has been reduced from over 900 U.S. ships in 1968 to about 495 today. This means that fewer U.S. ships can be made available in the Pacific basin in peacetime. Under the circumstances of threatened conflict, there are major constraints, especially if crisis conditions are encountered in other parts of the world.

With the spread of more advanced weaponry, with increasing areas of instability and possible conflict in the world during the next decade, the security of Japanese interests will require greater military power dedicated to their defense of those interests.

To the free world, the importance of the modern weapons of incomprehensibly destructive power is not to win wars, but to deter aggression. To the extent any vacuum exists, direct or indirect use of military force by a Communist power is invited. Adequate deterrence in the case of Japan is especially important because of its vulnerability. Vice Admiral Kitamure, Japanese Maritime Defense Board, retired, stated in a speech delivered in August 1975:

> Japan's geographic, economic and social conditions make it militarily very difficult to cope well with the situations . . . should an enemy force succeed in an invasion effort into Japanese homeland or start large-scale attack on our sea communications; and partly because of such circumstances damages and hardships which Japan suffer would really be tremendous.

The security of Japan does not lie at its water's edge but extends far from its borders, even to the Middle East and across the Pacific.

Japan could considerably increase the effectiveness of the freedom of action of U.S. forces in support of the Japanese-American security treaty in the Pacific. If Japan made a significant effort to augment its air defense capabilities and its anti-submarine warfare capabilities, not only would such action contribute to the defense of Japan and increase the prospects of deterrence but would provide a safety umbrella for U.S. forces operating in and around Japan and, therefore, make those forces a more effective deterrent. It also would permit the U.S. Navy to deploy greater strength to deter actions against sea lanes of vital, mutual interest in distant waters.

Other capabilities that should be considered by Japan are antisurface ship striking capabilities. In the protection of Japan's sea communications, attention should be given to the fact that America's trade with East Asian countries, other than Japan, is a minor part of her whole overseas trade. This means the significance of sea communications throughout the area, in an emergency, is of military and political concern to the United States, not economic. On the other hand about 80 percent of Japan's imports and 60 percent of her exports are transported through the western Pacific, west of the chain of the Borni Islands. Thus the sea lanes of the area are of much greater concern to Japan than to the United States.

Japan should be able to patrol and to provide surveillance of the area around Japan along its sea lanes in the Western Pacific and in the Indian Ocean. It should be able to defend effectively Soia, Tsugaru, and Thushima Straights. This includes looking for submarines passing through the straights and the possible blockage of submarine passage, if necessary. Also, mine countermeasures are needed, increased capabilities to reconnoiter and to defend air space and, as indicated, antisubmarine capabilities of a diversified sort are required.

There is a real possibility that U.S. forces might be reduced or completely withdrawn from South Korea in the future. It not only is in Japan's own self-interest to assist South Korea in its defense, but it appears logical for Japan to take over gradually that responsibility of the United States. The vast industrial base of Japan would appear as a tempting morsel to a Korea under the control of Kim Il Sung.

In assessing Japan's contribution to its defense and the defense of the Far East region, the following comparisons with the Federal Republic of Germany and the United States are revealing.

Mr. President, the island nation of Japan has displayed a resiliency practically unequalled in terms of economic recovery after the debacle of World War II. Japan is a proud nation with a national heritage in industriousness among its people. In the period from 1963 to 1974, Japan's gross national product has increased from $123.3 billion to $330.5 billion in constant dollars; an annual percentage growth rate in excess of 10 percent. During this same period Japan's military expenditures have risen from $1.2 billion to $2.9 billion in constant dollars; a growth rate per annum of 9 percent. These figures also reflect a decrease in military expenditures as a percentage of GNP from 1.00 to .82 percent over the same time period.

The Federal Republic of Germany, on the other hand, has experienced a growth in its gross national product, 1963–74, from $173 billion to $274.1 billion in constant dollars; an annual percentage growth rate of 4.7 percent. During this same period, the FRG's military expenditures have risen from $9 billion in constant dollars; a growth rate of 0.3 percent per year. These figures reflect a decrease in military expenditures as a percentage of GNP from 5.19 to 3.41 percent over the same period. However, in 1974, the FRG reversed this trend and expended 3.6 percent of its GNP on its military. At a time when the commitment to NATO by several European countries is obviously weak, the Federal Republic of Germany has strengthened its contribution. There is no doubt that without a strong German military in NATO, the United States would not continue its participation.

During the same period, 1963–74, the U.S. gross national product increased from $805.1 billion to $1.2 trillion in constant dollars; an annual percentage growth rate of 3.9 percent. Military expenditures have risen from $71.3 billion to $74.3 billion in constant dollars; an annual growth rate of 1 percent. These figures reflect a decrease in military expenditures as a percentage of GNP from 8.86 to 6.15 percent, a decline of 2.7 percent. However, it is anticipated that Congress will substantially increase authorized military expenditures for fiscal year 1977 to $113 billion, an increase of 11.19 percent.

It is obvious from the preceding figures that of the three countries compared, Japan apparently has the least willingness to make the necessary expenditures to maintain an adequate defense force for itself and its region.

The United States regards Japan as an indispensable partner and ally in the Pacific, and Japan shares this view.

There is a growing awareness in Japan, I believe, of security problems and a serious interest in matters of national security. Japan is committed to the maintenance of a self-defense force delimited by its Constitution written during the aftermath of World War II. This constraint should not mean, however, that Japan should not take a more active role in the regional defense posture of the western and northern Pacific. Indeed, Japan has a stronger reason now than ever before to increase its military strength in order to protect its industrial base and the freedoms of its citizens.

Just as there is a reluctance among Japanese to expand their military, there is a similar reluctance among some Americans and some Germans to make the necessary military commitments to match the Soviet expansion.

Prior to this year's Department of Defense budget proposal, the United States has continually decreased its military expenditures as a percentage of its GNP at a steady rate, with the exception of the peak years of the Vietnam conflict. Although I do not believe that military expenditures should be tied necessarily to a set percentage figure, the decline must level off and increase if the free world with the United States as its leader is to continue to affect events throughout the world.

Our allies around the world must realize that the United States suffers from adverse economic conditions just as they do, and they cannot expect us to continue to spend billions of dollars to defend nations which are not defending themselves and their region sufficiently. It is my opinion that Japan is in that position.

In reassessing defense capabilities and priorities, consideration has to be given to the long leadtime required to build up military forces to combat successfully forces equipped with modern weapons.

It is, therefore, imperative that Japan's defense force be strengthened to further insure stability of the western Pacific. With the decline of the U.S. naval capabilities and fewer ships available to patrol routinely the world's oceans, it is doubly important that Japan increase its patrol capabilities.

This increase in regional defense capabilities can be done in a positive manner and without raising fears of other countries in the Orient that Japan has new aspirations of becoming again an aggressive military power. So long as Japan neither desires nor needs nuclear weapons for its own security the major powers in East Asia, the Soviet Union and the People's Republic of China have no reason to fear an increase in Japan's conventional military weapon systems.

Since Japan is secure under the umbrella of the U.S. nuclear capability which the United States desires to continue, this island nation should improve and upgrade its conventional national security forces through an active modernization program. The administration, during the period when Mr. James Schlesinger was Secretary of Defense, was making overtures to Japanese leaders to consider such priorities. Those efforts are praiseworthy, and should be continued.

There is an apparent desire on the part of Japan to be less dependent in conventional weaponry on the United States, while continuing its nuclear dependency. The Japan Defense Agency in fact prepared a white paper as recently as 1970 which indicated that the self-defense forces duty would be to protect Japan against limited, conventional attack. A policy statement by that same agency declared that defense power should be based on the nation's industrial power and that the domestic development and production of military equipment should be promoted.

Japan has evolved over the past 30 years into a major factor on the world scene. It has accepted the responsibilities which accompany strength, and, as a force for democracy, has contributed immensely to the prosperity and the peace of East Asia and the world. I am confident Japan will continue to find new ways in the military and political fields in which it can contribute to our mutually shared goals and responsibilities.

It must begin by recognizing that, as the Soviet Union and its allies increase their military strength and solidarity, the nations of the free world must be individually viable, with independent defense capabilities, yet we must be allied militarily. Each nation which possesses sufficient capability must assume primary responsibility for the defense of its region. Accordingly, we must each bear an equitable share of the cost and responsibility for military preparedness.

As the comparison I presented earlier demonstrates, Japan has far exceeded the Federal Republic of Germany in industrial growth, and yet Japan's contribution to its own defense and to the common defense of its allies is less than one-third that of Germany. The economic strength of Japan now allows, and indeed requires, significant improvement in its defense capabilities. I believe the reality of free world defense requirements demands such a change.

Therein lies Japan's importance now and for the future—as a sovereign democracy, as an ally and friend of the United States, as an economic and political force for progress and individual liberty, and a military force for peace in Asia and throughout the world.

Mr. President, I yield the floor.

ORDER OF BUSINESS

The **PRESIDING OFFICER.** Under the previous order, the Senator from Arizona (Mr. GOLDWATER) is recognized for not to exceed 15 minutes.

THE B–1 BOMBER

Mr. GOLDWATER. Mr. President, about 2 weeks ago, the distinguished Senator from Wisconsin (Mr. PROXMIRE) announced he would make a series of six speeches on the subject of our new bomber, the B–1. In the instance of the first speech he supplied the Secretary of the Air Force with a copy of it so that the Air Force was able to give its own analysis and its own answer. In the instance of the second speech, which was yesterday, we received copies of his speech only a few moments before it was to be given on the floor.

If he intends to supply the Secretary of the Air Force with advance copies in the future, fine. If he does not, I will answer his remarks on the floor and then the Air Force will be given the opportunity to give further analyses on the next day.

I think this would be much wiser than for my colleagues to rely solely upon my remarks in answering the Senator from Wisconsin. I do not know the source of his information, and my information, while rather larger, is not completely adequate to the task. The Air Force would be the only source for a complete analysis of Senator PROXMIRE's remarks and an answer.

I have been interested in the B–1 since its very inception, since it was laid out on paper. I have followed it throughout its construction and test period, and will continue to do so.

One subject that was stressed yesterday by the Senator from Wisconsin was the matter of high speed. It was first determined in designing this bomber that it would be one with a speed capability of about Mach 2.3, which would be in excess of 1,400 miles an hour. But since its inception and considerations on it, it was decided that 1.6 Mach would be sufficient speed for the foreseeable possibilities of battle. However, the B–1 has achieved speeds in excess of Mach 2 in flight tests. It did that just 2 days ago. That capability can be included in future modifications of the operational aircraft when the threat warrants.

All this amounts to—and the distinguished occupant of the chair is one of our better known test pilots—is a modification of the air inlets on the engines so that the air can be better directed, more of it can come in, and we can achieve a mach 2 plus. It will cost about $1 million an airplane. Just as we discarded the escape capsule in the interest of saving money and weight, we have discarded the variable intake capability on the earlier aircraft.

Mr. President, in order to save time, I ask unanimous consent that the answers to Senator PROXMIRE's statement of yesterday, answers made by the Air Force, be printed at this point in the RECORD. I urge my colleagues to read them.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

Comparative Table

SENATOR PROXMIRE	FACT
Some of the advantages cited for the B-1 over the B-52 are: Supersonic capability; Greater hardening against thermal overpressure nuclear effects; Improved take-off capabilities; Higher penetration speeds; Lower radar cross-section; and Larger payload. This list of major advantages has been steadily shrinking since the inception of the B-1 program. Forever lost to this list are greater range, lower infrared signature, and many others.	The advantages of the B-1 over the B-52 were specified after in-depth analyses over a number of years. None of them was a casual or whimsical selection. Of those modified since the original design, none which affects the capability of the B-1 to accomplish its mission against the advanced threat has been permitted. Four of the six advantages listed by Senator Proxmire of the B-1 over the B-52 have not changed at all since the program was approved in 1970. The supersonic capability of the B-1 has changed. The production B-1 will be configured to fly at 1.6 Mach. The B-52 is a subsonic aircraft. The capability for speeds in excess of Mach 2 can be achieved, if required by installing the mechanism which operates the variable area inlet. Nothing else has to be done. The take-off distance of the B-1 has increased 15% since 1970 but the B-52 take-off distance is still 40% greater than the B-1. This means the B-1 will be able to use twice as many bases as the B-52. In the 48 contiguous states, this amounts to over 300 air fields.
The B-1's supersonic capability will simply not be used.	The supersonic capability of the B-1 requires our potential adversaries to maintain an air defense system capable of coping with a supersonic, high altitude threat. These expenditures associated with such a defense are not trivial. Also, a supersonic capability provides the B-1 with a degree of versatility and tactical flexibility which, if one is to judge by history, will serve the nation well during its projected lifetime. Although not the primary tactic, high altitude, high speed penetrations can be highly effective against some lesser defended targets. A supersonic capability also provides another effective defensive measure during portions of the bomber's penetration to a low altitude descent point and withdrawal after striking its assigned targets. Not to be forgotten is the possibility that the B-1 might be used in roles other than its primary mission. When an aircraft is designed to have a lifetime spanning three decades, it is important to retain as much flexibility as economically possible to cope with unforeseen and unforecast situations. The B-52, because it is subsonic and has a large radar cross-section, is effectively denied the flexibility of the supersonic, high altitude tactic. As a bomber's speed approaches that of the interceptor, which is the case for the B-1 at both low and high altitudes, the margin for error by the defenses is reduced or eliminated making a first pass kill mandatory and complicating the air defense battle management because of the need for backup interceptors. Also, the more severe intercept problem decreases a missile's probability of successfully striking the bomber, even if a launch is possible. The Air Force believes that retention of the supersonic performance of the B-1 is highly cost-effective. It is a natural fall-out in enhanced operational flexibility accruing from the exacting design requirements of the primary mission—nuclear hardness, rapid escape and high speed low altitude flight.
B-1's supersonic capability results in very severe penalties in terms of weight, cost, complexity and subsonic performance.	The supersonic capability does not penalize the B-1's capability to accomplish its design mission. To the contrary, it is a fall-out of a design which provides for rapid escape from its take-off base, a high degree of hardness to the effects of a nuclear burst, and for penetration at very low altitude at near the speed of sound. If the B-1 were redesigned with no thought of a supersonic mission, it would look very much like the B-1 looks today. Consideration of safe escape, hardness, and high subsonic penetration speed, coupled with the requirement to operate from relatively short runways, as compared to a B-52, would result in a swing-wing design, a long and slim fuselage, a very strong structure, and afterburning engines. The natural fall-out would be a supersonic capability. To repeat, the aircraft characteristics which support supersonic high altitude flight are the same as those which provide the hardness against nuclear blast for increased survivability and capability for near supersonic speeds at very low altitudes. Since the B-1 has been designed with the criteria of high survivability aganst nuclear effects and a primary penetration tactic of very low altitude, very high subsonic speed—the weight, cost, complexity and subsonic performance degradation attributable to the secondary supersonic penetration capability are very slight. In fact, if the supersonic mission were eliminated in a newly designed B-1, a decrease in weight and an increase in range of less than 2% would result.

COMPARATIVE TABLE—Continued

SENATOR PROXMIRE	FACT
The B-1's infrared signature at supersonic speed makes it more vulnerable to SAMs and air-to-air missiles.	The high-altitude supersonic mission is not the B-1's primary mission; however, through tactics and protective countermeasures, it can be effective in that mission. If a supersonic penetration were required, SRAM missiles would be launched to degrade or destroy Soviet SAMs prior to entering their lethal zone if such zones could not be avoided. The B-1 will carry a large load of infrared decoy flares for protection against infrared guided missiles. These are automatically dispersed as needed. The ECM carried aboard the B-1 will also be highly effective in denying ranging and tracking data to SAM, AAA, and interceptor radars in both subsonic and supersonic penetration modes.
The range of the B-1 is already seriously below its design goal.	The range of the B-1, on its design profile, is more than adequate to cover all of its strategic mission targeting requirements. The range decrement of about 7% below its design mission distance goal established six years ago cannot be called a "serious" degradation. Even if its range were to be degraded another 10%, it could still effectively carry out all of its assigned missions. Although the B-1 is capable of performing all of its missions on the exact profile as laid down in 1970, operational tactics available to the military planner, coupled with the flexibility of the aircraft, enable the range of the B-1 to be greatly extended if required. The simple expedient of tanker rendezvous at a point more distant from the B-1's takeoff base would allow much more range than the stylized specification mission profile. A "top off" by a tanker over the Arctic regions could add hundreds of miles penetration distance if, for some reason, alternate routing or "dog-legs" are desirable.
Supersonic operation would decrease B-1 range, thus decrease target coverage and evasive maneuver capability; increases tanker dependency and generally endangers success of its mission.	The statement is not correct. The Senator has confused the secondary supersonic mission with the primary low altitude mission. There is no decrease in target coverage or range unless supersonic speeds are used. This is not planned in conjunction with the low altitude mission, although it is a tactic which is available to the planner and aircrew. The B-1's primary employment altitude will be in the low penetration mode without supersonic flight. However, the supersonic capability still provides viable options, particularly for specialized situations, including those involving less than a massive nuclear exchange. In such roles, tanker dependency is not the issue. The supersonic capability of B-1 is derived from the requirement for successful, fast base escape and high subsonic, terrain following low-altitude penetration in the face of technologically advanced Soviet defenses. The B-1 target coverage has not changed as a result of having a supersonic capability, nor has such capability adversely affected the aircraft's ability to maneuver in the most demanding terrain following conditions.
The B-1 is denied longer range, lower IR signature, greater target flexibility, heavier payload, greater evasive maneuver capability, shorter take-off distance, and thus overall survivability, all because of its supersonic capability. Additional subsonic compromises had to be made in the fuselage and wing design in order to give the B-1 supersonic capability.	Supersonic capability is inherent in the requirement for prelaunch survivability and low level, high subsonic speed penetration. If the aircraft cannot quickly escape its base or effectively penetrate defenses, it will be ineffective. Thus, supersonic capability for the B-1 required only minor additional provisions—a small price to pay for a viable B-1 employment option to provide a broad range of tactics to cope with future threats. Without a supersonic capability, mission planning flexibility is lost forever, no matter how desirable supersonic capability might become. Tactical flexibility, including the supersonic option, remains a definite plus to the B-1's cost-effectiveness.
It is not clear that bomber designers would want to give a subsonic penetrator a swing-wing, since that choice incurs a substantial weight, volume, and complexity penalty in the design. In fact, Boeing and General Dynamics, who competed with Rockwell for the B-1 contract, submitted alternative fixed wing designs to the Air Force along with their swing wing proposals. And as late as one year ago in an effort to reduce costs, the Air Force was reexamining the need for a variable sweep wing.	The fact that analyses are made of a particular approach does not imply that it has any credence. Past and present analyses all indicate that the swing wing requirement is the most effectively way to meet the fast takeoff requirement (wings forward) and the low altitude, high subsonic penetration requirement (wings swept back). This was true in 1970 when the Air Force asked all three airframe manufacturers to submit alternative fixed wing proposals. None of these fixed wing alternatives were judged adequate. Again last year, at the request of the Senate Appropriations Committee, the Air Force looked at a fixed wing design and found it unacceptable. The elimination of the variable swept wings would severely compromise B-1 takeoff distance, range, and penetration speed.
"For instance, a subsonic penetrating bomber would have engines far different from those on the B-1. High bypass ratio turbofans, such as those powering the 747 and DC-10, would give the subsonic bomber extremely high thrust at takeoff without the need for a fuel guzzling afterburner such as that required by the B-1 engines. These ultra-high efficient turbofans simply cannot be used on supersonic aircraft."	The Senator's statement is based on a misconception of engine performance and aerodynamics associated with high speed, low altitude flight. The B-1 engines were optimized to perform the two basic phases of the strategic bomber mission—fast takeoff and low altitude penetration of enemy defenses at high subsonic speed. The solution is based on fundamental aerodynamics. The high bypass ratio, turbofan, which provides good initial acceleration on takeoff, becomes inefficient as high subsonic velocities are reached in the denser air of low altitudes. Thus, the design limiting factors are those imposed by low altitude flight at high subsonic speed. While high bypass ratio engines are extremely efficient for their design mission, which is cruise at high altitude (around 35,000 feet), their huge frontal area and the drag produced by such large frontal area make them inefficient in the low altitude, high speed regime. They simply could not meet the B-1 requirements.

COMPARATIVE TABLE—Continued

SENATOR PROXMIRE	FACT
The recent Air Force announcement that the B-1 top speed will be slashed from Mach 2.2 to Mach 1.6 offers insight into the real value of the much vaunted supersonic capability. The Air Force adopted this modification in order to reduce the spiraling B-1 costs, but in fact the program cost savings realized will only be $240 million. In other words, the Air Force traded off half of the supersonic capability of the B-1 for a mere 1% savings in total program costs.	The Air Force performed a detailed analysis of the difference in capability provided by a Mach 2.2 B-1 and a Mach 1.6 B-1. We found that with all of the B-1 characteristics considered, the difference in effectiveness was small, and that the Mach 1.6 speed still stressed the enemy defenses. The decision was therefore made to delete the Air Induction Control Inlets, which allow the higher supersonic speeds, from the production aircraft. While only 1% of the program costs, the $240 million saved is still a significant sum. While we do not consider the marginal increase in effectiveness of the Mach 2.2 speed to be worth the cost, we do consider the Mach 1.6 supersonic capability to be significant. Furthermore the Air Force has preserved the option to return to the Mach 2.2 speed with a relatively simple modification should that become necessary in the future.
The Air Force claims that the (supersonic) cost is only 15% of the procurement cost.	Best estimate made in the 1970/1971 time period indicated that the cost differential between an aircraft designed for the primary high subsonic speed, low altitude mode only and an aircraft designed for both that mission and high altitude supersonic penetration was 10% to 15%.
This, of course, ignores the substantial performance cost just discussed.	The Air Force states unequivocally that the B-1 as currently designed will perform the strategic bomber mission envisioned for it in 1970.
. . . the cost of supersonic capability would amount to a cost of $3 billion. That amount would be enough to pay the $2.1 billion cost of re-engining the B-52 fleet.	While a re-engined B-52 would provide an aircraft more capable than the current B-52, penetration speed is not appreciably enhanced, weapons carriage capability remains unchanged, the radar cross section is substantially increased, and the old airframe remains. Such a modification was carefully examined in the Joint Strategic Bomber Study. The results were unambiguous: The increase in capability from just re-engining the B-52 is not cost effective.
An anti-SUAWACS missile would be a cheaper and more effective alternative.	Not true. The bulk of B-1 penetration of SUAWACS coverage will be at low altitude so that detection probabilities are minimized. Even if detected, the B-1 must still be engaged by very advanced look-down, shoot-down fighters. It is far from a trivial task to accomplish this reliably even assuming the availability of such fighter in very large numbers. Just the very broad expanse of available penetration routes into the Soviet Union make this an extremely difficult operation for the defenders to contemplate. The DOD's Joint Strategic Bomber Study examined an anti-SUAWACS missile and concluded that their expense and the fact that such weapons, devoted to self-defense, subtracted from weapons deliverable on objective targets, made them cost-ineffective for the threats examined.
If high altitude defenses are degraded or non-existent, subsonic B-1 penetration at high altitude would be just as effective without reducing range.	The statement is not correct. The threat environment is never as clearly black or white as painted here. When contiguous high altitude coverage is lacking, time spent in the existing coverage is vital. Thus added velocity is of extreme importance and penetration tactics must be very carefully planned. Supersonic B-1 penetration would only be employed when it was clearly advantageous to do so.
The B-52 is of the same generation as the KC-135 which was found in the Joint Strategic Bomber Study to have an adequate level of probability of launch survival.	While the B-52 and KC-135 are of the same "generation", there are substantial differences in their designs. We have examined the nuclear hardness characteristics of both the B-52 and KC-135. The KC-135 is assessed to be more resistant to nuclear blast and thermal effects than the B-52. Of course, new engines for the B-52 will not improve its hardness.
The B-52 is not unacceptably inferior to the B-1 in takeoff capabilities.	This statement does not coincide with the facts. Because of the B-1's much faster acceleration on takeoff, much closer spacing allowable on takeoff roll, much higher flyout speeds, and much more resistance to nuclear blast, over pressures and other effects, as many as 15 B-1s can achieve safe escape by the time a single B-52 can escape. Furthermore, the B-1 can operate from twice the number of active airfields as the B-52 can.
A B-52 retrofitted with new engines will take off in nearly the same distance as the B-1.	Yes—but with at least twice the takeoff interval (because of the wake turbulence it creates) as the smaller B-1 and at no increase in speed. The end result is that the B-1 still has far better survivability than the modified B-52.
Higher penetrating speed is desirable but ECM is more important.	The combination of speed, altitude, radar cross section, and ECM combine with accurate weapons delivery to produce penetration effectiveness. But ECM is very important and in that area the B-1 has advantages ranging as high as a thousand-fold since its much lower radar cross-section is a decisive factor in the effectiveness of ECM.
A reengined B-52 with additional structural modifications could have the same penetration speed as the B-1.	There is honest disagreement among experts as to whether such a modification is technically feasible. Even assuming that it is technically feasible, it would be very extensive and prodigiously costly. The very large radar cross section of the B-52 would still be there, even though the modification would result necessarily in an essentially new airframe. In the end, all these improvements would go to an airplane which was already 20 years old. For what purpose? Additionally, still more modifications would be needed to permit lower

COMPARATIVE TABLE—Continued

SENATOR PROXMIRE	FACT
	altitude flight and better ECM. The effect of all this on the B-52's radar cross section would be to make it even larger. The Air Force has continually looked at ways to modify the B-52 and their analyses show that it is simply not a viable alternative to the B-1 against advanced threats.
On the subject of radar cross sections "The Joint Strategic Bomber Study" seems to indicate that ECM is the most important variable in assessing bomber penetrability.	The statement disregards the tremendous benefit derived from low radar cross section in conjunction with ECM. When the effectiveness of ECM is measured, radar cross section is a critical component of that measurement. One of the purposes of ECM is to conceal the location of the bomber by masking its radar image. It is infinitely simpler to mask the B-1 with its very small radar cross-section than the B-52 with its very large radar cross-section. In fact, the B-1 with ECM is equivalent, from a detectability standpoint, to a cruise missile without ECM.
The B-1 payload advantage over the B-52 melts away when you consider that the B-52 can carry 12 SRAM externally.	The range penalty that a penetrating B-52 pays for carrying SRAM externally is severe. Such an option could only be used in a very few circumstances and is certainly not applicable for the full retaliatory mission. The B-1's range/payload advantage on the other hand is real and useful across the whole force.
The B-52 could be modified to carry two or three SRAM rotary launchers internally.	One additional SRAM rotary launcher could be put in the second B-52 weapons bay. Such a modification, along with the other modifications proposed by the Senator, have the same attribute: they are all attempts to emulate a B-1 with a 20-year-old airframe. We have subjected such modifications to thoroughgoing cost effectiveness analyses and found them deficient.
Industry sources state that the B-1 will probably never carry any weapons externally because of the resulting range degradation which the B-1 can ill-afford.	This statement is contradictory to previous arguments made by the Senator concerning the benefits of external carriage. There is no intent to carry nuclear weapons externally on either the B-1 or B-52 in the penetration mode. The Air Force has long recognized the large range degradations associated with external weapon carriage and therefore, designed into the B-1 three large internal weapons bays. Each bay is capable of carrying nuclear and/or conventional weapons and if required can be converted into a fuel bay.

Mr. GOLDWATER. Mr. President, I would hope that within at least the next speech by Mr. PROXMIRE we will get out of the realm of charges of speed and cost, this and that, and get into the real question which this body has to answer; are we going to buy? I think we have come to that point of decision when we no longer can just exercise our voices, our slide rules and computers, and so forth, and come up with any answer we seem to want. I think the question that has to be answered by all of us is, will we vote what the Senate Armed Services Committee has voted, money to begin the construction of the first eight aircraft to go into the inventory?

At some later date if the Congress decides that we do not need 244 of these B-1's in the total inventory, we can change it. But, of course, by changing it we increase the cost. Also, by taking any amendments, such as one that will be offered by the Senator from Iowa (Mr. CULVER) that will, in a political way, put off the decision on this aircraft until after the next inauguration, it will cost an additional $1 to $2 million per airplane.

The decision has been made by the Armed Services Committee of the House. It has been made by the entire House. The decision in the Senate has so far been made by the Armed Services Committee of the Senate. We very hopefully—in fact, we prayerfully hope—that when the whole matter comes to the floor in the authorization bill for the Armed Services it will be approved and we will eliminate once and for all whether or not we are going to have a modern bomber fleet to complete the triad, which is our only threat that we have today against the Soviet. That includes the manned bomber, the missile, and the submersible missile, or the submarine-launched missile.

Mr. President, I appreciate the leadership having given me this time. I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be 1 hour for the conduct of morning business with statements therein limited to not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Roddy, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. PASTORE) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE UNITED STATES-JAPAN COOPERATIVE MEDICAL SCIENCE PROGRAM—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. PASTORE) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

As required by the International Health Research Act of 1960, Public Law 86-610, I herewith transmit to the Congress the Ninth Annual Report of the U.S.-Japan Cooperative Medical Science Program.

GERALD R. FORD.

THE WHITE HOUSE, *May 4, 1976.*

MESSAGES FROM THE HOUSE

At 10:02 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has appointed Mr. BROWN of California to be a member of the Joint Committee on Atomic Energy, vice Mr. Moss, resigned.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7656) to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer, and consumer information, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products.

The message further announced that the House has passed without amendment the bill (S. 2115) to amend chapter 39 of title 10, United States Code, to enable the President to authorize the involuntary order to active duty of Selected Reservists, for a limited period, whether or not a declaration of war or national emergency has been declared.

ENROLLED BILL SIGNED

At 1:02 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 2115. An act to amend chapter 39 of title 10, United States Code, to enable the President to authorize the involuntary order to active duty of Selected Reservists, for a limited period, whether or not a declaration of war or national emergency has been declared.

The enrolled bill was subsequently signed by the President pro tempore.

At 2:30 p.m., a message from the House of Representatives delivered by Mr. Hackney announced that, on reconsideration by the House and two-thirds of the Members voting in the affirmative, the bill (H.R. 9803) to facilitate and encourage the implementation by States of child day care services programs conducted pursuant to title XX of the Social Security Act, and to promote the employment of welfare recipients in the provision of child day care services, and for other purposes, returned by the President of the United States with his objections, was passed.

The message also announced that the House has agreed to the concurrent resolution (H. Con. Res. 570) with respect to certain arms control and disarmament negotiations, in which it requests the concurrence of the Senate.

The message further announced that the House insists upon its amendment to the concurrent resolution (S. Con. Res. 109) setting forth the congressional budget for the U.S. Government for the fiscal year 1977 (and revising the congressional budget for the transition quarter beginning July 1, 1976), disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. ADAMS, Mr. O'NEILL, Mr. WRIGHT, Mr. ASHLEY, Mr. O'HARA, Mr. LEGGETT, Mr. MITCHELL of Maryland, Mr. BURLESON of Texas, Mr. DERRICK, Mr. LATTA, Mr. SCHNEEBELI, Mr. DEL CLAWSON, and Mrs. HOLT were appointed managers of the conference on the part of the House.

The message also announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 5465. An act to allow Federal employment preference to certain employees of the Bureau of Indian Affairs, and to certain employees of the Indian Health Service, who are not entitled to the benefits of, or who have been adversely affected by the application of, certain Federal laws allowing employment preference to Indians, and for other purposes;

H.R. 5523. An act to improve the administration of fish and wildlife programs, and for other purposes;

H.R. 10374. An act to amend section 2301 of title 44, United States Code, to change the membership of the National Archives Trust Fund Board;

H.R. 10572. An act to amend title 5 of the United States Code to provide that the provisions relating to the withholding of city income or employment taxes from Federal employees shall apply to taxes imposed by certain nonincorporated local governments;

H.R. 11505. An act to amend the Marine Protection, Research, and Sanctuaries Act of 1972 to authorize appropriations to carry out the provisions of such Act for fiscal year 1977;

H.R. 11920. An act to terminate the use of exchange funds as a means of escaping income taxes on realized capital gains;

H.R. 12018. An act to amend the Rehabilitation Act of 1973 to provide that the center for deaf-blind youths and adults established by such act shall be known as the Helen Keller National Center for Deaf-Blind Youths and Adults;

H.R. 12168. An act to amend the Natural Gas Pipeline Safety Act of 1968 to authorize additional appropriations, and for other purposes;

H.R. 12207. An act to amend the Rural Electrification Act of 1936, as amended, to correct unintended inequities in the interest rate criteria for borrowers from the Rural Electrification Administration, and to make other technical amendments;

H.R. 13035. An act to amend the National Sea Grant College and Program Act of 1966; and

H.R. 13359. An act to authorize loan funds for the government of the Virgin Islands, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

H.R. 2782. An act to provide for the reinstatement and validation of United States oil and gas lease numbered U-0140571, and for other purposes.

H.R. 11876. An act to amend the Water Resources Planning Act (79 Stat. 244) as amended.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. PASTORE).

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. PASTORE) laid before the Senate the following letters, which were referred as indicated:

1976 Appropriation for the Department of Labor—(S. Doc. No. 94-179)

A communication from the President of the United States transmitting proposed further appropriation language for the fiscal year 1976 for the Department of Labor (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

Report of the Comptroller General

A letter from the Comptroller General of the United States reporting, pursuant to law, the status of impounded budget authority for proposed rescissions included in the President's 10th special message dated January 23, 1976; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Agriculture and Forestry, Commerce, Armed Services, Labor and Public Welfare, and Interior and Insular Affairs, and ordered to be printed.

Sale of Cotton to Portugal

A letter from the Assistant Secretary of State transmitting, pursuant to law, a determination of the President with statement of reasons permitting the sale to Portugal of $5 million of cotton (with accompanying papers); to the Committee on Agriculture and Forestry.

Report of the National Railroad Passenger Corporation

A letter from the Vice President of the National Railroad Passenger Corporation transmitting, pursuant to law, a report on the operations of Amtrak for the month of January 1976 (with an accompanying report); to the Committee on Commerce.

Report of the Comptroller General

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Need for Better Management and Control over Scientific Equipment" (with an accompanying report); to the Committee on Government Operations.

Report of the Energy Research and Development Administration

A letter from the Administrator of Energy Research and Development transmitting, pursuant to law, a report entitled "A National Plan for Energy Research, Development, and Demonstration—Creating Energy Choices for the Future" (with an accompanying report); to the Committee on Interior and Insular Affairs.

Proposed Contract for a Research Project

A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, a proposed contract for a research project entitled "Rapid Response Radon Detection" (with accompanying papers); to the Committee on Interior and Insular Affairs.

Proposed Legislation by the Administrative Office of the United States Courts

A letter from the Deputy Director of the Administrative Office of the U.S. Courts transmitting a draft of proposed legislation to amend the Youth Corrections Act (with accompanying papers); to the Committee on the Judiciary.

Published Regulations of the Department of Health, Education, and Welfare

Two letters from the Director, Office of Regulatory Review, and two letters from the Executive Secretary to the Department of Health, Education, and Welfare, each transmitting, pursuant to law, a copy of published regulations regarding aid-to-education programs (with accompanying papers); to the Committee on Labor and Public Welfare.

Reports of the National Commission for Manpower Policy

A letter from the Director of the National Commission for Manpower Policy transmitting, pursuant to law, two reports entitled "Special Report No. 5, Proceedings of a Conference on Employment Problems of Low Income Groups" and "Special Report No. 6, Proceedings of a Conference on Labor's Views on Manpower Policy" (with accompanying reports); to the Committee on Labor and Public Welfare.

Report of the National Labor Relations Board

A letter from the Chairman of the National Labor Relations Board transmitting, pursuant to law, a report entitled "National Labor Relations Board Budget and Case Information, Fiscal Year 1975" (with accompanying report); to the Committee on Labor and Public Welfare.

Report of the Office of Management and Budget

A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, a follow-up report with respect to the recommendations contained in the report entitled "Sixth Annual Report," June 1973, National Advisory Council on Economic Opportunity (with an accompanying report); to the Committee on Labor and Public Welfare.

Continuation of the Legal Services Program

A letter from the Chairman of the Board of Directors of the Legal Services Corporation requesting passage of legislation authorizing continuation of the legal services program after the end of fiscal year 1977; to the Committee on Labor and Public Welfare.

Report of the Under Secretary of Health, Education, and Welfare

A letter from the Under Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report on the measure of poverty (with an accompanying report); to the Committee on Labor and Public Welfare.

Report of the Comptroller General

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Alleviating Agricultural Producers' Crop Losses: What Should the Federal Role Be?" (with an accompanying report); to the Committee on Government Operations.

Reports of the Immigration and Naturalization Service

A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of reports covering the period April 1 through 15, 1976, concerning visa petitions (with accompanying papers); to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Interior and Insular Affairs, without amendment;

S. 3031. A bill to authorize the erection of a statute of Bernardo de Galvez on public grounds in the District of Columbia (Rept. No. 94–775).

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 570) with respect to certain arms control and disarmament negotiations was referred to the Committee on Foreign Relations.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 5465. An act to allow Federal employment preference to certain employees of the Bureau of Indian Affairs, and to certain employees of the Indian Health Service, who are not entitled to the benefits of, or who have been adversely affected by the application of, certain Federal laws allowing employment preference to Indians and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 5523. An act to improve the administration of fish and wildlife programs, and for other purposes; to the Committee on Commerce.

H.R. 10572. An act to amend title 5 of the United States Code to provide that the provisions relating to the withholding of city income or employment taxes from Federal employees shall apply to taxes imposed by certain nonincorporated local governments; to the Committee on Finance.

H.R. 11505. An act to amend the Marine Protection, Research, and Sanctuaries Act of 1972 to authorize appropriations to carry out the provisions of such Act for fiscal year 1977; to the Committee on Commerce.

H.R. 11920. An act to terminate the use of exchange funds as a means of escaping income taxes on realized capital gains; to the Committee on Finance.

H.R. 12207. An act to amend the Rural Electrification Act of 1936, as amended, to correct unintended inequities in the interest rate criteria for borrowers from the Rural Electrification Administration, and to make other technical amendments; to the Committee on Agriculture and Forestry.

H.R. 13359. An act to authorize loan funds for the government of the Virgin Islands, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that today, May 4, 1976, he presented to the President of the United States the following enrolled bill:

S. 2115. An act to amend chapter 39 of title 10, United States Code, to enable the President to authorize the involuntary order to active duty of Selected Reservists, for a limited period, whether or not a declaration of war or national emergency has been declared.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. STEVENSON:

S. 3365. A bill to establish a commission to develop measures for improving the measurements of employment and unemployment and of enrollment in and completion of manpower training programs. Referred to the Committee on Labor and Public Welfare.

By Mr. BUCKLEY:

S. 3366. A bill to amend title IV of the Social Security Act to permit a State in its discretion to use two-party checks in making payments of aid to families with dependent children under its approved State plan without regard to the existing 10 percent limitation on the number of individuals with respect to whom vendor payments may be made under such plan. Referred to the Committee on Finance.

By Mr. McINTYRE:

S. 3367. A bill for the relief of George Makris. Referred to the Committee on the Judiciary.

By Mr. SPARKMAN (by request):

S. 3368. A bill entitled the "Interstate Taxation of Depositories Act of 1976." Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. PROXMIRE (for himself and Mr. Tower) (by request):

S. 3369. A bill to amend the Small Business Act to increase the authorization for certain small business loan programs; and

S. 3370. A bill to amend the Small Business Investment Act of 1958 to increase the authorization for the Surety Bond Guarantee Fund. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. CHURCH:

S. 3371. A bill to provide financial assistance to utility regulatory bodies and electric utilities to carry out energy conservation demonstration projects, and for other purposes. Referred to the Committee on Commerce.

By Mr. CHURCH:

S. 3372. A bill to provide for the expansion of home health services. Referred to the Committee on Labor and Public Welfare.

By Mr. CHURCH (for himself and Mr. McClure):

S. 3373. A bill to provide for an increased appropriation ceiling at Nez Perce National Historic Park. Referred to the Committee on Interior and Insular Affairs.

By Mr. LAXALT:

S. 3374. A bill to amend the Interstate Commerce Act and the Federal Aviation Act of 1958 in order to prohibit the withholding for income tax purposes under the laws of any State or subdivision thereof of certain compensation of employees whose residence is in a State which does not levy a tax on the income of individuals. Referred to the Committee on Commerce.

By Mr. HATHAWAY (for himself, Mr. Muskie, Mr. Young, and Mr. Humphrey):

S. 3375. A bill to amend the Perishable Agricultural Commodities Act, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. BEALL:

S. 3376. A bill for the relief of Miss Sunlata Miller. Referred to the Committee on the Judiciary.

By Mr. BEALL:

S. 3377. A bill to amend the Older Americans Act of 1965 with respect to Federal employees serving on the Federal Council on the Aging. Referred to the Committee on Labor and Public Welfare.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STEVENSON:

S. 3365. A bill to establish a commission to develop measures for improving the measurements of employment and unemployment and of enrollment in and completion of manpower training programs. Referred to the Committee on Labor and Public Welfare.

Mr. STEVENSON. Mr. President, the Bureau of Labor Statistics' most recent data indicate that the national unemployment rate during March stood at 7.5 percent of the labor force. More than 7 million Americans who were presumably and willing to work could not find employment. While the economy now shows some signs of recovering from the most severe downturn since the Great Depression, the Congress has wisely enacted a number of measures to ameliorate the effects of this recession. Such legislation includes the Tax Reduction Act of 1975, emergency public service jobs under the Comprehensive Employment and Training Act, public works programs and, most recently, a countercyclical employment program to assist State and local governments most severely affected by the recession.

Many assistance programs are cut in and out by formulas based on national and local unemployment rates. With the livelihood of millions of individual citizens and hundreds of State and local jurisdictions dependent upon Bureau of Labor Statistics' unemployment data, reliability of such data seems obvious. Yet, the Bureau of Labor Statistics' data, while accurate within its parameters, is incomplete in a number of important respects and is consequently of limited utility in the formulation of sound public policy in employment matters.

For example, the Bureau does not count as unemployed an individual who has given up actively seeking employment over discouragement about his prospects for employment. Such an individual is classified as having dropped out of the labor force. Such a designation is arbitrary and begs the essential question of whether the individual in question is employable, that is to say, possesses marketable skills. If the individual possesses such skills or can develop them within reasonable cost-effectiveness norms, then it seems to me that no good reason exists for not considering such an individual to be unemployed.

Much the same argument could be made against the Bureau of Labor Statistics' current practice of not considering part-time employees desirous of working full time and full-time employees earning less than poverty level wages to be unemployed. However, it is not my purpose, Mr. President, to expound at any great length about the seeming deficiencies of the Bureau's present definitions and measurements of unemployment or to propose comprehensive solutions to these problems. The legislation which I am introducing today would create a commission to study the issues involved in current data collection and analysis. This seven-member Commission would have 1 year to consider the question of what changes ought to be made in the manner in which unemployment data are collected and make appropriate recommendations. I would hope that men and women of the caliber of former Labor Secretary Willard Wirtz, Dr. Charles Holt of the Urban Institute, Dr. Barbara Bergman of the University of Maryland, and Dr. Bernard Anderson of the University of Pennsylvania would be nominated by the President and confirmed by the Senate as members of this important Commission.

Mr. President, I ask unanimous consent that articles detailing the need for a detailed review of existing methods of collecting unemployment data be printed in the Record at this point, together with the bill.

There being no objection, the bill and articles were ordered to be printed in the Record, as follows:

[From the Chicago Tribune, Apr. 4, 1976]

How United States Measures the Jobless

How should unemployment be measured? The question is a matter of public debate.

Should the figures reflect only those persons out of work 15 weeks or more? Should the findings show only jobless heads of households?

Should unemployment data include those persons working part time but seeking full-time jobs? Should the jobless rate also include "discouraged" workers—those who have given up looking for jobs?

There's no way to satisfy all interests, reports the United States Bureau of Labor Statistics (BLS), so seven different ways of measuring joblessness have been developed.

This array of measurements, identified by symbols U–1 through U–7, illustrates the range of value judgments on the amount of hardship experienced by the unemployed.

Significantly, it doesn't matter which measurement is used in looking for trends. The unemployment rate and the number of unemployed may vary with the measurement, but the individual rates rise and fall at relatively the same pace.

U–1, the number of persons unemployed 15 weeks or more, is used with the belief that unemployment is more severe when it has lasted long enough to cause substantial financial hardship, according to the BLS.

U–2, the number of persons who lost their jobs, is based on an assumption that unemployment is more serious for experienced workers.

U–3, the number of household heads unemployed, assumes unemployment is more serious when it affects breadwinners.

U–4, the number of unemployed persons seeking full-time jobs, is based on the belief that joblessness is more serious for full-time workers than part-time workers, because the former are more likely to be breadwinners.

U–5, the official, regularly published unemployment rate, involves no value judgments regarding a person's family or marital status, relative need for work, or personal characteristics, the BLS says.

U–6, the number of persons seeking full-time work plus half the number of part-time workers and half the number of involuntary part-time workers, assumes part-timers should be counted as partially unemployed because of their loss from working less than full-time.

U–7, the same as U–6 plus the number of discouraged workers, presumes those who have dropped out of the job market would work if they could find jobs.

These scales of unemployment were discussed by Julius Shiskin, Commissioner of Labor Statistics, in the February issue of Monthly Labor Review.

The article, "Employment and Unemployment: The Doughnut or the Hole?", also discussed suggestions by analysts who want more emphasis placed on the measurement of employment, over unemployment.

"Although employment is a firmer, more objective concept than unemployment," Shiskin wrote, "the major public concern is with trends in unemployment because (the public is more) concerned with social or economic problems."

[From the Chicago Tribune, Feb. 11, 1976]

Bad to Worse: A Second Look at the Jobless Rate

(By Stanley Ziemba)

Everybody talks about unemployment, but nobody seems to know just how many people are without work.

The Department of Labor's national unemployment rates take into account those who are unemployed and still looking for jobs. But what about the unseen unemployed—people who, for a variety of reasons, are not now working or looking for work who would be in the job market if the economy was running at full steam? How many of them are jobless?

The Urban Institute, a Washington-based nonprofit research organization, has issued a report entitled "The Jobless Rate: Another Dimension of the Employment Picture." It attempts to come to grips with the question of the unseen unemployed.

Ralph E. Smith and Jean E. Vanski, authors of the report, estimate that almost two million people who are not now working or looking for work would be in the labor force if the economy was operating at full capacity. That's in addition to the almost 7.5 million people listed officially as unemployed by the federal government.

Furthermore, almost half—900,000—of the potential workers not seeking jobs are adult females, the authors calculate. Another 700,000 are teen-agers, and about 300,000 are adult males.

In terms of proportions, the authors determined that for December, 10.2 per cent of the nation's potential labor force was without jobs. The figure includes persons who stopped their search for employment during the current hard times and those who are still actively seeking work.

The conventional unemployment rate, by contrast, which counts only those who are actively seeking work, was 8.3 per cent for December.

The two Urban Institute researchers call their measure of labor market conditions "the jobless rate."

They claim it is more comprehensive and better captures what is happening within the labor force than the official unemployment rate. They note, for example, that the jobless rate shows that job losses from the current recession are even larger than idicated by the unemployment rate.

It also give a better idea of what is happening to particular demographic groups within the labor force, they said.

By figuring out the jobless rate for adult females, teen-agers, and adult males for December, they found that the rates exceeded official unemployment rates for these groups, but by significantly varying amounts.

The jobless rate for adult females in December was 10.4 versus 9 per cent [the official unemployment rate], they noted, 25.9 versus 19.9 per cent for teen-agers, and 7.0 versus 6.5 per cent for adult males.

By determining the jobless rate for various segments of the public, the two authors concluded that the only large group not subject to large cyclical variations in labor force participation during the current recession are white adult males.

Women, youths, and minority members, on the other hand, have all felt severe job losses, they said.

None of these facts are adequately reflected in conventional unemployment rates, they added.

To compute the jobless rate, the authors determine the difference between the number of people who would be available for work [potential labor force] in an economy operating at full capacity and the number who are actually working. They then divide that figure by the potential labor force and multiply it by 100.

In 1974, several months before the unemployment rate began to rise, the jobless rate started to climb, the authors noted. Use of the latter rate would have alerted the nation sooner to the impact of the recession in the labor market, they claim.

S. 3365

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Employment Statistics Commission Act".

FINDINGS

Sec. 2. The Congress finds that—

(1) unemployment is, and may remain, one of the most severe problems in the Nation;

(2) the present statistical measurement system has not been comprehensively reviewed since the President's Committee to Appraise Employment and Unemployment Statistics, better known as the Gordon Commission, completed its work in 1962;

(3) the existing methods of collecting and seasonally adjusting national employment and unemployment information and statistics do not adequately reflect the extent of unemployment and produce incomplete and misleading employment and unemployment statistics; such incomplete and misleading information is deleterious to the making of sound public policy on employment matters;

(4) the Nation's record-keeping on persons enrolled in and completing employment training and development programs is fragmented and incomplete;

(5) no central mechanism exists for the collection and dissemination of information about existing job vacancies to active job seekers;

(6) incomplete and misleading statistics contribute to a national unemployment situation in which individuals are not employed to their highest potential and in which efforts to employ those most in need of work often are unsuccessful;

(7) adequate data is not available on job training, changing and turnover, which are important aspects of the inflation and unemployment processes; and

(8) provision for the preservation, timely tabulation and dissemination of data should be improved to make them more useful.

ESTABLISHMENT

Sec. 3. There is established a commission to be known as the Employment Statistics Commission (hereinafter in this Act referred to as the "Commission").

FUNCTIONS OF COMMISSION

Sec. 4. The Commission shall—

(1) review the concepts and methods of collecting and analyzing present and prospective national and local employment and unemployment information and statistics;

(2) review and evaluate proposals for new measures of economic hardship, such as subemployment rates and economic inadequacy indices;

(3) review information on enrollment in and completion of employment development and training programs in the private sector, including businesses and unions, and in the governmental sector, Federal, State, and local.

(4) identify weaknesses and inadequacies in the above measurement systems, and in the manner in which this information is made available to the public;

(5) evaluate proposals for the establishment of a central mechanism for the collection and dissemination of information about existing job vacancies to active job seekers.

(6) formulate new techniques for the collection, analysis, and dissemination of such information and statistics; and

(7) prepare and transmit a report in accordance with Section 8.

MEMBERSHIP

Sec. 5. (a)(1) The Commission shall be composed of seven members appointed by the President from individuals who are specially qualified to serve on the Commission because of their background or expertise in the research, labor, or business or governmental and related communities.

(2) A vacancy in the Commission shall be filled in the same manner as the original appointment.

(b) Members shall be appointed for the life of the Commission.

(c)(1) Members of the Commission shall serve without pay.

(2) While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the service of the Federal Government are allowed expenses under Section 5703(b) of Title 5, United States Code.

(d) The Chairman of the Commission shall be designated by the President.

DIRECTOR AND STAFF OF COMMISSION

Sec. 6. (a) The Commission shall have a Director and an Executive Secretary. The Director and Executive Secretary shall be appointed by the Commission and their pay shall be fixed by the Commission.

(b) The Commission may appoint and fix the pay of two investigators and such additional staff as the Commission considers desirable.

(c) The Director, Executive Secretary, and staff of the Commission shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

POWERS OF COMMISSION

Sec. 7. (a) The Commission may hold such hearings, sit and act in such times and places, take such testimony, and receive such evidence, as the Commission considers necessary to carry out its functions under this Act.

(b) When so authorized by the Commission, any member or agent of the Commission may take any action which the Commission may take under this Act.

(c) The Commission may undertake and commission others to undertake such studies as may be necessary to carry out its functions, and may engage such consultants as it deems necessary to assist it.

(d) The Commission may use the United States' mails in the same manner and upon the same conditions as other departments and agencies of the United States; and

(e) the Administrator of General Services shall provide to the Commission on a reimburseable basis such administrative support services as may be necessary.

REPORT

Sec. 8. (a) The Commission shall transmit a report to the President not later than one year after the final appointment made by the President under section 5(a)(1); suitable intermediate reports shall also be transmitted to the President.

(b) The report transmitted by the Commission under subsection (a) shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative or other action as it considers appropriate.

(c) Copies of the report transmitted by the Commission under subsection (a) shall be furnished to the Speaker of the House of Representatives, the President pro tempore of the Senate, and Committee on Education and Labor of the House, and the Committee on Labor and Public Welfare of the Senate.

TERMINATION

Sec. 9. The Commission shall cease to exist three months after transmitting its report under section 8(a).

AUTHORIZATION OF APPROPRIATIONS

Sec. 10. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. BUCKLEY:

S. 3366. A bill to amend title IV of the Social Security Act to permit a State in its discretion to use two-party checks in making payments of aid to families with dependent children under its approved State plan without regard to the existing 10-percent limitation on the number of individuals with respect to whom vendor payments may be made under such plan. Referred to the Committee on Finance.

Mr. BUCKLEY. Mr. President, there is a general awareness, both in the Congress and among the public, that this country's welfare programs are inefficient, sometimes grossly so. Newspapers, magazines, television shows, and radio programs weekly detail stories about overpayment and underpayment of benefits, about welfare recipients who are deliberately abusing public assistance programs, and about other people who genuinely deserve our aid but are unable to obtain it. Welfare recipients are confused, and taxpayers are suffering the consequences of ever-increasing welfare expenses. Although everyone seems to agree that something must be done to clean up what is commonly called the "welfare mess," no consensus has been reached on what specifically should be done to accomplish reform. With that dilemma in mind, I am today introducing two pieces of legislation which, in their separate ways, will serve to improve our Nation's public assistance programs.

One of the main problems confronting local welfare administrators is the network of arbitrary rules and regulations, promulgated by the Federal Government, which frequently limit the ability of States and municipalities to provide welfare services in a manner which will meet the best interests of their citizens. The first of the two measures which I am introducing today, containing proposals formulated in the House of Representatives by Congressman Ed Koch, of New York, addresses this problem by eliminating the 10-percent limitation for Federal reimbursement imposed on States which elect to use two-party checks in making assistance payments to families receiving aid to families of dependent children.

This is a complicated matter and requires detailed explanation. Two-party checks—or, as they are called, vendor restricted payments—are checks made out jointly to welfare recipients and to those persons who furnish them with essential services. These checks are negotiable only upon endorsement of both parties named on the check. Vendor restricted payments are instituted in cases in which welfare recipients chronically fail to pay their rent or other outstanding bills. The purposes for these checks is to allow the beneficiaries of welfare payments to gain an understanding of their financial responsibilities and to guarantee that the children of the public assistance family do not suffer from their parent's mishandling of money. During the period in which persons receive benefits through the two-party checks, they receive counseling and assistance so that they will be able to effectively budget on their own when the restricted payments are ended.

Originally, the Social Security Act required that public assistance provided under title IV through the AFDC program be in the form of cash assistance payments. The 1968 amendments to the Social Security Act limited Federal reimbursements for vendor restricted payments to no more than 10 percent of the eligible persons receiving unrestricted cash payments. The Social Security Act's mandate for unrestricted cash payments was based on the assumption that welfare recipients should have the right to freely manage their own financial affairs. This is a commendable principle, but welfare recipients sometimes lack the training or motivation which would enable them to effectively budget their money and meet basic obligations. All too often their rent does not get paid, and utility bills go unanswered. It should be reiterated that vendor restricted payments are used in conjunction with counseling, which is designed to teach the skills that are necessary for effective money management.

States and municipalities which initiate vendor restricted payments do so out of a concern for the well-being of the welfare recipients. When landlords are not paid, they are unable to make improvements in their rental units and may even abandon entire houses rather than operate them at a loss. This not only devastates entire communities but also hurts welfare recipients because it adds to the shortage of adequate housing which exists in so many of our larger cities. Vendor restricted payments are a sensible way to insure that public funds are not wasted, while, at the same time, welfare recipients can be assured that housing and other essential services will be available to them.

The 10-percent limitation on vendor restricted payments represents an arbitrary and capricious infringement on the ability of localities to administer their welfare programs. And those very cities which have acted prudently to safeguard the best interests of their welfare recipients are the most heavily penalized for doing so. If this 10 percent limitation is not eliminated, New York City will lose at least $431 million in Federal and State aid. This figure is based on a preliminary audit by State Comptroller Arthur Levitt of the city's welfare cases over the years 1968 through 1976, and the final sums may be significantly higher. These staggering figures are not the result of irresponsible management techniques or reckless spending policies. Quite the contrary. As a report by the New York State Department of Adult and Control pointed out—

> When individuals or families prove themselves unable to manage their resources, it seems unreasonable to penalize the governmental jurisdiction in which they reside by limiting Federal and State participation in such payments.

I emphatically agree, and I urge my colleagues to consider the fundamental fairness of this legislation, not only for the sake of New York but also for their own States.

The second measure that I am introducing today is a resolution calling for the establishment of a Select Committee of the Senate to investigate the national scandal of welfare fraud. If the Congress and the executive branch are ever to move toward careful and comprehensive restructuring of Federal welfare programs—whether by eliminating some, adding others, or combining them in whatever form—then it is essential that we first get the facts about where our problems are and how they might best be remedied. It goes without saying that those who abuse programs of public assistance are a minority of the national welfare caseload, but even that minority is likely to cost the taxpayers literally billions of dollars annually. We just do not know how staggering the total cost may be.

Let us, then, step aside from the rhetoric of welfare reform and proceed toward its substance. Let us study the problem of welfare fraud through the mechanism of a select committee empowered to undertake such a task. I believe, Mr. President, that the time is ripe for this proposal; and I ask unanimous consent that the text of my bill, to remove the 10-percent ceiling on two-party welfare payments be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3366

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 403(a) of the Social Security Act is amended by inserting before the period at the end thereof the following: "; and in computing the number of individuals with respect to whom payments described in section 406(b) (2) are made for any month for purposes of the preceding sentence, there shall not be taken into account individuals receiving such payments in the form of two-party checks if and to the extent that the State agency has elected under the last sentence of section 406(b) to treat such payments as money payments described in the provisions of such section preceding clause (2)".

SEC. 2. Section 406(b) of the Social Security Act is amended by adding at the end thereof (after and below clause (2)(E)) the following new sentence:

"Notwithstanding any other provision of this title, the State agency may in its discretion elect to treat payments of aid to families with dependent children which are intended in whole or in part to enable the recipient to pay for food, living accommodations, or other goods, services, or items recognized as part of such recipient's need under the State plan, and which are made in the form of checks (referred to in the last sentence of section 403(a) as 'two-party checks') drawn to the order of such recipient and the person furnishing such food, living accommodations, or other goods, services, or items and negotiable only upon endorsement by both such recipient and such person, as money payments described in the provisions of this subsection preceding clause (2)."

SEC. 3. The amendments made by this Act shall apply with respect to payments of aid to families with dependent children (under State plans approved under part A of title IV of the Social Security Act) for quarters beginning on or after January 1, 1968; except that any election made by a State agency under the last sentence of section 406(b) of such Act (as added by section 2 of this Act) with respect to payments for a quarter beginning before the date of the enactment of this Act must be made no later than two years after the date of the enactment of this Act.

By Mr. SPARKMAN (by request):

S. 3368. A bill entitled the "Interstate Taxation of Depositories Act of 1976." Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. SPARKMAN. Mr. President, I am introducing, by request, a bill on interstate taxation banking depositories.

I ask unanimous consent to have printed in the RECORD at this point an explanation of the bill.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

Technical Explanation of the Interstate Taxation of Depositories Act of 1976

General—The structure of the Interstate Taxation of Depositories Act (ITDA) and much of the language are adopted from the various bills governing the interstate taxation of *non*-depository businesses which have been introduced or are currently pending before Congress. This approach simplifies the drafting and provides for parallel treatment, where possible, of a number of items as between depositories and non-depositories. Under this legislative format, the bill must be read as a whole, and individual sections must be construed with reference to other operative provisions and definitional sections.

Section 101—Uniform Jurisdictional Standard—The Act adopts the business location standard for jurisdiction provided in the other interstate taxation bills. It is the intent of this provision that no state may tax a depository unless there is a business location in the state, and that no political subdivision may tax a depository unless there is a business location in the political subdivision. This jurisdictional test makes no reference to where the principal office of the depository is located. In other words, a depository must have a business location within a political subdivision before it is subject to a local doing business tax even though its principal office is in the same state. The definition of business location is contained in Section 304.

Section 201—Optional Two-Factor Formula—(a) The formula is optional, which means a state may apply its own apportionment formula or other division of base rule to divide the applicable state tax base of any depository taxable (but not necessarily taxed) in two or more states. However, in order to prevent over-apportionment, the formula establishes the maximum percentage of that base which may be taxed by a state having jurisdiction—that is, the sum of the percentages in all states may not exceed 100 percent of a depository's tax base. The formula applies to the measure of doing business tax (whether net income, gross receipts, or capital) selected by the state.

A two-factor formula of payroll and receipts is used. A property factor, commonly provided in the three-factor formula used by the states to apportion the income of non-depositories, is not included. Tangible property is not as significant to financial institutions which conduct more of a service-type business, and tends to be duplicative of payroll. Intangible personal property tends to be duplicative of receipts, and problems arise as to non-income producing intangibles such as cash, reserves, balances with other banks, and collection items. Under this formula, equal weight is given to the sales or receipts factor (the marketing function) and the payroll factor, which recognizes the contribution of the depository and servicing functions to the production of depository income or capital. A single-factor formula, while admittedly simple, was rejected as it failed to recognize the contribution of activities in more than one state.

(b) Tax Base—In recognition of the existing substantial differences in state law, no definition of base is provided (except that income from foreign sources and subsidiary dividends or investments are excluded to avoid double taxation). All income is treated as apportionable (that is, it is assigned by the formula), rather than specifically assigned to a single state in recognition of the fact that depositories do not have any non-business income. In other words, the formula recognizes that the lending and investment activities are integral parts of the depository business.

(c) Taxable in More Than One State—In subsection (c) the concept of "taxable in more than one state" is introduced to clearly establish when a depository is able to use the formula. The phrase "taxable in a state" prevents those states which have jurisdiction to tax a depository from claiming the portion of the tax base attributable to any state which has jurisdiction to tax but does not do so because it adopts a higher jurisdictional standard or refrains from taxing out-of-state depositories to implement state policy of encouraging credit flows into that state.

(d) Combined Reporting—The general rule on combination recognizes existing policy on this issue in those states which have adopted the unitary concept. These states require the tax reports of corporations with common ownership to be combined if there is unity of management and use (i.e., significant integrated operations and intercorporate transactions). Other states may require combination to more clearly reflect income, rather than through intercorporate adjustments. Some states permit consolidation to allow a taxpayer to claim offsetting losses in an affiliated corporation. However, over-apportionment may result from non-uniform consolidation. Therefore, while the states are given authority to combine, depositories are given the same right to avoid inconsistent treatment and to claim off-setting losses. ITDA prohibits non-domiciliary states from combining out-of-state depositories with non-depositories and non-U.S. corporations because the claims of non-domiciliary states to tax are much more tenuous and overtaxation may result due to distinct and often non-uniform methods of taxing depositories and other corporations in many states. This approach also parallels the other interstate taxation bills which do not allow combination with "excluded corporations", a term which includes financial and non-U.S. corporations.

Section 202—The Payroll Factor—The payroll factor follows the other interstate bills and locates compensation in accordance with the Model Unemployment Compensation Act which simplifies recordkeeping and assigns employees to a single state. Payroll in states in which a depository is not taxable will be excluded so that the total of the numerators equals the denominator, thereby avoiding the tax base being assigned to a state which lacks jurisdiction to tax the depository.

Section 203—Receipts Factor—Under the receipts factor, interest from loans is assigned basically to the office which solicited or originated the loan. This allows for inclusion of receipts in the numerator of a state in which a loan production office is located. Loans solicited in a state in which a depository is not taxable are "thrown back" or "recaptured" by the state where the loan was approved. The throwback rule, by assigning the receipt to another state which has substantial claim thereto, prevents the assignment of the receipts to the numerator of a state in which a depository is not taxable.

Section 203(c)—Other Receipts—Service income is assigned to the state where the service is substantially performed. This avoids the difficulty of apportioning service income among several states. Rentals from tangible property, whether real or personal, are assigned to the state where the property is located. The property location rules in Section 305 apply. Because investment activities of depositories are significant, interest, dividends, and gains from securities and money market instruments are included in the receipts factor and are assigned to the state where the trading activities are conducted. Other receipts, such as sales of tangible property, are excluded from the numerator and denominator because they are outside of the normal trade or business of the depository, or they may distort the receipts factor, or they are incidental and minor.

Section 204—Local Taxes—The apportionment formula will apply to a depository having a business location in more than one political subdivision, irrespective of whether such a depository has a business location in more than one state. Therefore, the rule for local taxes will prevent overtaxation at local levels by assuring that the sum of the apportionment percentages for all political subdivisions does not exceed 100 percent.

Section 205(a)—Exclusions From Net Income and Gross Receipts—Foreign source income is excluded from net income and gross receipts to avoid making this income (which is subject to foreign tax at national, state, provincial, canton or local levels) also subject to tax by states and localites of the United States. While the formula could possibly be used to avoid such double taxation, it would not properly recognize differences in exchange controls, currency fluctuations and foreign banking regulations that affect the methods of operation in foreign countries. This would distort the formula and would not truly reflect the income from domestic operations. Dividends received from affiliates, which were already taxed at the state and local level on the income from which the dividend is paid, are also excluded to avoid double taxation. Similarly, in Section 205 (b), investments in affiliates are eliminated from a capital stock tax base.

Section 301—Doing Business Taxes—The phrase "doing business tax" is defined to include those taxes which are construed to be within the purview of Public Law 93–100. There should be no distinction between direct income taxes and franchise taxes measured by income. Therefore, if a depository maintains a business location in a non-domiciliary state, such a state may impose a franchise tax measured by income.

Section 303—States—Unlike P.L. 93–100, the bill is limited only to the states of the United States and the District of Columbia. It was considered to be unwise to treat territories and possessions as "states" which contrasts with their special treatment under the Internal Revenue Code. Furthermore, application of the Act to territories and possessions may affect their revenues provided by taxes imposed under existing organic Acts adopted by Congress.

Section 304—Business Location—(a) The definition of business location follows the other interstate taxation bills. The bill excludes foreclosed property from owned real property in order to avoid the taxation of a depository in a non-domiciliary state merely because a mortgagor defaults on a loan and a buyer is not readily available. Otherwise, the risk of foreclosure establishing jurisdiction to tax would deter interstate mortgage loans, particularly in the case of mortgages acquired through the secondary mortgage market. While ITDA clearly recognizes the authority of a non-domiciliary state to impose a tax on the basis of the presence of *leased* property in the state, leasing should not extend jurisdiction to unrelated lending activities in the non-domiciliary state unless the depository otherwise maintains a business location therein.

(b) Business Location of Others—As under P.L. 86–272, a depository will not be subject to a state's jurisdiction because it uses attorneys or other non-employees, mortgage brokers or other corporations within the state or has correspondent relationships or loan participations with depositories in that state based on an agency concept.

Section 305—Location of Property—A presumption of location is provided for moving property leased to others to avoid a depository being taxed in a multiplicity of states and political subdivisions merely because of the temporary presence of the leased property in the jurisdiction. This rule also assigns the rental receipts from movable property.

Section 306—Location of Employee—The location of employee rules of the other non-depository interstate taxation bills are adopted. As under P.L. 86–272, mere solicitation (of loans) by a depository employee does not constitute location within a state. The other excepted activities of an employee allow minimal contact to perfect or enforce a loan. The last paragraph of section 306(b) relating to other business location clarifies that the exemption does not apply if excepted activities were rendered through permanent establishment in the state.

Section 351—Prohibition Against Discrimination—This prohibition is not intended to require that uniform taxation be imposed upon banks and thrift institutions. The language of this provision protects out-of-state depositories, whether national or state-chartered, from being taxed at higher rates than similar domiciliary institutions. Therefore, the power to tax will not be used to impede the interstate flow of credit.

Section 352—Applicability of the Act—Existing provisions of Federal law requiring non-discrimination as to state and Federally chartered institutions are ratified. The second paragraph clarifies that the states are not to be limited by the statute in taxing corporations excluded from the Act. The last paragraph clarifies that the states in order to attract out-of-state loans or for other reasons may elect not to extend their jurisdiction to the fullest or elect not to apportion income or capital to the extent allowable by the Act. As noted above, the reference to "taxable" in Section 201(c) prevents other states from recapturing this income or capital.

By Mr. PROXMIRE (for himself and Mr. Tower) (by request):

S. 3369. A bill to amend the Small Business Act to increase the authorization for certain small business loan programs; and

S. 3370. A bill to amend the Small Business Investment Act of 1958 to increase the authorization for the surety bond guarantee fund. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. PROXMIRE. Mr. President, at the request of the administration I introduce for appropriate reference two bills increasing the authorization for the Small Business Administration. Senator Tower, the ranking minority member of the Committee on Banking, Housing and Urban Affairs, joins with me as a sponsor of this legislation.

The first bill increases the authorization for the surety bond guarantee fund by $53 million, from $35 million to $88 million.

The second bill increases the authorization for several small business programs. The present authorization covering business loans, displaced business disaster loans, trade adjustment assistance loans, loans for the handicapped, loans in urban or rural areas having a high proportion of unemployed or low-income individuals, and the 8(a) contracting programs stands at $6 billion. Section 1 of the bill increases this authorization to $8.5 billion.

Section 2 of the bill increases the authorization for the small business investment company program from $725 million to $1.1 billion.

Section 3 of the bill increases the authorization for loans to State and local development companies from $525 million to $575 million.

Section 4 increases the subceiling authorization for the program of making loans in urban or rural areas having high proportions of unemployed or low-income individuals or to businesses owned by low-income individuals. The present ceiling is $450 million, and the bill increases this to $550 million.

Mr. President, I ask unanimous consent that the text of these bills, together with some explanatory material which I submit with them, may be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 3369

Be it enacted by the Senate and House of Representatives of the United States of Americt in Congress assembled,

Section 1. Subparagraph 4(A) of section 4(c) of the Small Business Act is amended by striking out "$6,000,000,000" and inserting in lieu thereof "$8,500,000,000."

Sec. 2. Subparagraph 4(B) of section 4(c) of the Small Business Act is amended by striking out "$725,000,000" and inserting in lieu thereof "$1,100,000,000."

SEC. 3. Subparagraph 4(C) of section 4(c) of the Small Business Act is amended by striking out "$525,000,000" and inserting in lieu thereof "$575,000,000."

SEC. 4. Subparagraph 4(D) of section 4(c) of the Small Business Act is amended by striking out "$450,000,000" and inserting in lieu thereof "$550,000,000."

S. 3370

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 412 of the Small Business Investment Act of 1958 is amended:

(1) by striking out "$35,000,000" and inserting in lieu thereof "88,000,000."

ECONOMIC IMPACT STATEMENT

This proposed legislation would have no additional economic impact. The proposed changes are simply to conform those sections of the Small Business Act governing certain program ceilings to Presidential Budget levels for Fiscal 1977 which have already been submitted to Congress.

STATEMENT OF NEED AND PURPOSE

This legislation would amend Section 4(c)4 of the Small Business Act by providing for increases in SBA's statutory ceilings to allow for the loan levels contained in the Administration's FY 1977 Budget Request and, by projection, at the same level for FY 1978. The basis for the request is set out on the attached schedule.

SMALL BUSINESS ADMINISTRATION

BUSINESS LOANS AND PRIME CONTRACTS, STATUTORY LIMITATION REQUIREMENTS

[Dollars in millions]

	Fiscal year 1976	July 1–Sept. 30, 1976	Fiscal year 1977	Fiscal year 1978
Outstanding, start of fiscal year	$4,576.1	$5,615.7	$5,829.3	$7,166.1
Approvals:				
7(a)	1,612.5	400.0	2,100.0	2,100.0
EOL	109.0	32.5	129.0	129.0
DBL	26.2	6.5	32.0	32.0
HAL	40.0	9.5	40.0	40.0
Repayments and cancellations:				
7(a)	665.0	216.3	891.0	1,026.0
EOL	67.4	14.3	57.0	57.0
DBL	15.2	4.2	15.2	15.2
HAL	.5	.1	1.0	1.0
Outstanding, end of fiscal year	5,615.7	5,829.3	7,166.1	8,367.9
Current limitation	6,000.0	6,000.0	6,000.0	6,000.0
Balance end of fiscal year	384.3	170.7	−1,166.1	−2,367.9
Requirement			8,000.0	8,500.0

ECONOMIC OPPORTUNITY LOANS, STATUTORY LIMITATION REQUIREMENTS

[Dollars in millions]

	Fiscal year 1976	July 1–Sept. 30, 1976	Fiscal year 1977	Fiscal year 1978
Outstanding, start of fiscal year	$336.6	$378.2	$396.4	$468.4
Approvals	109.0	32.5	129.0	129.0
Less: Repayments and cancellations	67.4	14.3	57.0	57.0
Outstanding, end of fiscal year	378.2	396.4	468.4	540.4
Current limitation	450.0	450.0	450.0	450.0
Balance end of fiscal year	71.8	53.6	—18.4	—90.4
Limitation contained in S. 1839	525.0	525.0	525.0	
Requirement				550.0

DEVELOPMENT COMPANY LOANS, STATUTORY LIMITATION REQUIREMENTS

[Dollars in millions]

	Fiscal year 1976	July 1–Sept. 30, 1976	Fiscal year 1977	Fiscal year 1978
Outstanding, start of fiscal year	$441.9	$447.9	$485.1	$511.1
Approvals	69.0	17.2	61.0	1.0
Less: Repayments and cancellations	33.0	10.0	35.0	35.0
Outstanding, end of period	477.9	485.1	511.1	537.1
Current limitation	525.0	525.0	525.0	525.0
Balance at end of year	47.1	39.9	13.9	−12.1
Requirement				575.0

SMALL BUSINESS INVESTMENT COMPANY PROGRAM STATUTORY LIMITATION REQUIREMENTS

[Dollars in millions]

	Fiscal year 1976	July 1–Sept. 30, 1976	Fiscal year 1977	Fiscal year 1978
Outstanding, start of fiscal year	$538.3	$699.8	$740.2	$901.7
Approvals	170.0	42.5	170.0	170.0
Less: Repayments and cancellations	8.5	2.1	8.5	8.5
Outstanding	699.8	740.2	901.7	1,063.2
Current limitation	725.0	725.0	725.0	725.0
Balance at end of fiscal year	25.2	−15.2	−176.7	−338.2
Limitation contained in S. 1839	825.0	825.0		
Requirement			1,100.0	1,100.0

SECTION-BY-SECTION ANALYSIS

Section 1

The total amount of loans, guarantees and other obligations or commitments heretofore or hereafter entered into by the Administration which are outstanding at any one time under Sections 7(a), 7(b)(3), 7(e), 7(h), 7(1) and 8(a) of the Small Business Act (under the business loan and investment revolving fund) is now limited by 4(c)(4)(A) to $6 billion. Section 1 would raise this subceiling to $8.5 billion.

Section 2

The total amount of loans, guarantees and other obligations or commitments heretofore or hereafter entered into by the Administration which are outstanding at any one time under Title III of the Small Business Investment Act of 1958 (under the business loan and investment revolving fund) is now limited to $725 million. Section 2 would raise this subceiling to $1.1 billion.

Section 3

The total amount of loans, guarantees and other obligations or commitments heretofore or hereafter entered into by the Administration which are outstanding at any one time under Title V of the Small Business Investment Act of 1958 (under the business loan and investment fund) is now limited to $525,000,000. Section 3 would raise this subceiling to $575,000,000.

Section 4

The total amount of loans, guarantees and other obligations or commitments heretofore or hereafter entered into by the Administration which are outstanding at any one time under section 7(1) of the Small Business Act (under the business loan and investment revolving fund) is now limited to $450 million. Section 4 would raise this subceiling to $550 million.

SMALL BUSINESS ADMINISTRATION SUREST BOND GUARANTEE FUND

STATEMENT OF NEED AND PURPOSE

This proposed legislation will provide the required increase in the capital authorized for the Surety Bond Guarantee Fund to finance the 1977 and 1978 levels for this program of $833 million. The capital requirement is $36 million in 1977 and $19 million in 1978.

The increase in authorization was projected as follows:

	Millions
Current authorization	$35.0
Transfer in 1975	20.0
Appropriated in 1976	10.0
Appropriated for transition quarter	2.5
Total	32.5
Balance available	2.5
Estimated appropriation:	
1977	36.0
1978	19.0
Total	55.0
	55.0
Additional authorization required	52.5
Requested	53.0

By Mr. CHURCH:

S. 3371. A bill to provide financial assistance to utility regulatory bodies and electric utilities to carry out energy conservation demonstration projects, and for other purposes. Referred to the Committee on Commerce.

THE ENERGY DEMONSTRATION ACT

Mr. CHURCH. Mr. President, I introduce for appropriate reference, the Energy Savings Demonstration Act.

Energy prices have risen at a near record-breaking pace since 1973—in large part because of the oil embargo, energy shortages, and inaccurate projections by utilities concerning future capital requirements.

Fuel and energy costs have increased at nearly double the overall inflationary rate during the past 2½ years. From August 1973 to February 1976, the Consumer Price Index rose by almost 24 percent. Fuel and utility costs, however, leaped forward by 41 percent.

Home heating fuel oil increased by an astonishing 82 percent during the past 2½ years. Other sources of energy also rose at an accelerated pace: Natural gas for heating homes by 51 percent and electricity rates by 38 percent.

All Americans have been affected in one form or another by rising energy costs. But hearings conducted by the Senate Committee on Aging have made it abundantly clear that the elderly are among those experiencing the greatest hardship and deprivation.

Older Americans struggling on limited incomes find it difficult, and sometimes impossible, to absorb increased fuel and heating costs. An elderly person living on a $202 monthly social security check—and this is the average benefit for a retired worker—does not have the sufficient margin between income and outgo to withstand higher energy prices.

These points were also confirmed in a recent study for the Federal Energy Administration. That study included these major findings:

The elderly poor consume less energy than other age groups but spend a much higher proportion of their income for energy related expenditures.

The aged poor's energy costs are primarily for everyday necessities—such as cooking and heating—rather than discretionary luxury items.

The elderly poor pay a higher per unit cost for electricity and natural gas than other income groups.

In addition, health care problems intensify the energy cost squeeze for older Americans. Nearly 85 percent of the noninstitutionalized aged have at least one chronic condition. This not only increases their medical costs but also their ability to absorb rising energy prices. It may, moreover, affect their tolerance for adjusting room temperatures to reduce their energy costs.

Considerable attention has been devoted to energy problems in recent months. But our Nation has failed to develop a comprehensive and coherent policy. And, it will undoubtedly be some time before this can be achieved.

But in the meantime, important actions can be taken to provide the information needed to develop a clear-cut and effective national energy policy to promote conservation, as well as to stabilize costs.

The bill that I now introduce is designed to provide important information for the formulation of key components in this policy and to test out various alternatives to make energy prices more equitable for consumers.

Some demonstration projects have already been conducted and have yielded useful data. But much more remains to be done. And my proposal is designed to respond to this requirement by providing the wherewithal and direction.

Specifically, the Energy Savings Demonstration Act would authorize funds for demonstration projects to test out more fully lifeline rates, peak pricing, effective load management techniques and other innovative methods to make energy costs more equitable and less burdensome.

For example, the lifeline service would provide a fixed rate for a specific amount of kilowatt hours to meet an individual's basic needs. Above this amount, the large consumer of electricity or other energy would pay more.

I fully recognize that the lifeline services pose a number of problems, although it may be beneficial for certain groups in our society. These problems must be addressed in a thoughtful and systematic manner. My bill would focus on these potential problems—such as the impact upon farmers, rural cooperatives, and others—to determine what can be done to develop a system that considers their special needs of these groups.

Demonstrations would also be authorized concerning peak pricing. Under this system, consumers would pay more during hours of the day and the seasons when larger amounts of energy are consumed. Rates, however, would decline when energy demand is lower, such as during the evenings or perhaps on the weekends.

Other concepts would also be examined to implement two important goals: First, the reduction in nonessential or unnecessary consumption of energy; and second, the stabilization or reduction of energy prices, particularly for individuals struggling on limited incomes.

My proposal is directed at another component in developing an effective national energy policy—the need for effective information upon which to make sound judgments. Specifically, it would authorize intergovernmental studies to focus on consumption patterns by age, income, and region. This basic information is essential for an effective strategy, but it is not now available.

Finally, the Energy Savings Act would consider several alternatives for protecting persons when their power is shut off or about to be terminated.

The energy problems in our Nation are very real and immediate. In all likelihood, they will intensify in the months ahead, unless effective actions are begun soon.

The Energy Savings Demonstration Act can help to provide the necessary information for solving these problems and developing effective solutions.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3371

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Savings Demonstration Act".

FINDINGS OF FACT AND DECLARATION OF POLICY

DEFINITIONS

SEC. 2. As used in this Act—

(1) "Administrator" means the Administrator of the Federal Energy Administration;

(2) "electric utility company" means any person, who owns or operates facilities used for the generation, transmission, or distribution and sale of electric energy for use other than resale;

(3) "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, and the Trust Territories of the Pacific;

(4) "State regulatory commission" means the agency, commission, or establishment of any State, which has the responsibility for establishing and administering rules and regulations relating to the operation of and rates charged by an electric utility company; and

(5) "applicant" means an electric utility company, State regulatory commission, or other person that the Administrator approves for assistance under section 4(a) of this Act.

ENERGY SAVINGS DEMONSTRATION ASSISTANCE

SEC. 3. (a)(1)(A) The Administrator is authorized to provide financial assistance to State regulatory commissions, electric utilities, and such other appropriate persons as the Administrator in his discretion may approve, to enable them to initiate electric utility rate structures and load management demonstration projects involving life-line service rates, peak-load pricing and management and other proposals to realine the pricing structure of electric utilities to provide an equitable distribution in allocation of costs for electrical energy between and among all consumers of such energy.

(B) Such demonstration projects shall consider—

(i) the groups or interests which would be benefited thereby;

(ii) the effects of realining the pricing structure of electric utility rates upon consumers and other special interests;

(iii) the effect of specific utility rate structures or pricing programs on specific interest groups or consumers of electric power including, but not limited to, farmers, residential homeowners, industrial users, and such other persons as the Administrator may include; and

(iv) measures which might be taken to overcome any undesirable effects of such structures or programs on such groups or concerns.

(C) In implementing the provisions of this paragraph the Administrator shall consult with—

(i) the Department of the Interior;

(ii) the Department of Labor;

(iii) the Department of Housing and Urban Development;

(iv) the Federal Power Commission;

(v) the Energy Research and Development Administration;

(vi) the Community Services Administration; and

(vii) the Administration on Aging, Department of Health, Education, and Welfare.

(2) The Administrator is atuhorized to provide financial assistance to State regulatory commissions, State governments, or general or special purpose units of local government or nonprofit organizations to study alternative financing schemes, including, but not limited to, emergency grants, loans, and deferred payment schedules, to protect or assist consumers who because of their financial circumstances are in jeopardy of losing their access to or use of electrical power which is generated by an electric utility company or which is subject to the regulation of a State regulatory commission or both.

(b) Assistance may be furnished under this section only pursuant to an application submitted by an applicant and approved by the Administrator. In such application the applicant shall—

(1) certify that it is an eligible applicant within the meaning of this Act;

(2) describe, in such form and detail as the Administrator may be regulation require, a program for the development of an electric utility rate structure or load management demonstration project if the applicant seeks financial assistance under subsection (a)(1), or an appropriate program of study if the applicant seeks financial assistance under subsection (a)(2); and

(3) furnish such assurances as the Administrator may require to assure that funds made available under this Act will be in addition to, and not in substitution for, the amount of funds made available to any such applicant from other sources.

REPORTS

SEC. 4. Not later than the last day in December in each year following the date of enactment of this Act the Administrator shall transmit to the Congress a report containing a statement of the progress made under this Act and recommendations as to the need for and types of further Federal legislation.

AUTHORIZATION OF APPROPRIATIONS

SEC. 5. There are authorized to be appropriated not to exceed $10,000,000 for fiscal year 1977 and not to exceed $15,000,000 for fiscal year 1978 for the purpose of carrying out the provisions of section 3 of this Act.

By Mr. CHURCH:

S. 3372. A bill to provide for the expansion of home health services. Referred to the Committee on Labor and Public Welfare.

HOME HEALTH EXTENSION ACT

Mr. CHURCH. Mr. President, I introduce for appropriate reference the Home Health Extension Act.

In recent years institutional costs have increased substantially. A stay in the hospital, for example, may now cost $150 to $200 a day—depending upon the region of the country a patient is hospitalized.

The overwhelming proportion of medicare costs is for hospitalization. In fact, about 96 percent of all reimbursement under the part A hospital insurance program is for hospitalization.

Home health care, on the other hand, accounts for less than 1 percent of medicare reimbursement.

Last November I introduced S. 2713 to improve home health services under medicare by:

Removing the requirement that only "skilled" nursing care or physical or speech therapy would qualify as reimbursable home health services under medicare.

Increasing the number of reimbursable visits from 100 to 200 under both the hospital insurance and supplementary medical insurance programs.

The bill that I now introduce is designed to build upon S. 2713 by making home health services more readily available.

First, it would extend through fiscal 1977 the authority under the Health Revenue Sharing Act—Public Law 94–63—to finance the initial costs of establishing and operating home health agencies and to expand services of existing agencies.

Second, it would authorize funding through fiscal 1977 to train professional and paraprofessional personnel for home health agencies.

As the author of these two provisions, I strongly believe that they should be continued and expanded.

Hearings conducted by the Senate Committee on Aging—of which I am chairman—have made it abundantly clear that many health conditions can be treated more effectively and economically at home. This is particularly true when highly specialized services are not required.

Most older Americans would prefer to remain at home in familiar surroundings if at all possible. And they can if effective alternatives to institutionalization are available.

But if this is to become a reality, home health services and facilities must be increased. In addition, it is vitally important that there be trained personnel to deliver services to elderly persons.

The need for home care is especially acute in rural areas where institutional facilities may be limited or nonexistent.

Many rural areas, though, have no home health agencies. And those that do usually have agencies equipped to provide only limited service. About one-half of the agencies certified under medicare offer nursing plus one other service—typically physical therapy. Yet, a sizable proportion of older Americans reside on farms or in small communities. And their need for home health services is great.

My proposal would help make it possible for home health agencies to expand their services. Moreover, it can help target these services to areas where the need is the greatest.

Mr. President, I urge early adoption of my home Health Extension Act.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3372

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Home Health Extension Act".

Sec. 2. Section 602(a)(5) of Public Law 94–63 (89 Stat. 347) is amended by inserting ", $3,000,000 for the period July 1, 1976 through September 30, 1976, and $12,000,000 for the fiscal year ending September 30, 1977" after "1976".

Sec. 3. Section 602(b)(4) of Public Law 94–63 (89 Stat. 347) is amended by inserting ", $2,000,000 for the period July 1, 1976 through September 30, 1976, and $8,000,000 for the fiscal year ending September 30, 1977".

By Mr. CHURCH (for himself and Mr. McClure):

S. 3373. A bill to provide for an increased appropriation ceiling at Nez Perce National Historic Park. Referred to the Committee on Interior and Insular Affairs.

Mr. CHURCH. Mr. President, back in 1965 Congress enacted legislation to establish the Nez Perce National Historical Park in northern Idaho.

The master plan for the Nez Perce Park was approved in October 1967. This plan ties together the numerous historical sites and landmarks associated with the historic resources of the people, places, and events of the Nez Perce country of Idaho.

Since the master plan was developed, almost one decade ago, inflation and other economic factors have caused the cost estimates for the completion of the park to increase substantially. National Park Service officials at the Spalding site and in the NPS regional office in Seattle have informed me that in order for the park to be developed in a timely fashion, an increased expenditure ceiling for further development and construction will be needed.

Therefore, I am today introducing legislation, along with Senator McClure, which would increase the ceiling from $1,337,000 to $4,100,000. This legislation is in the form of an amendment to the original legislation which authorized the park.

Increasing the development ceiling for the Nez Perce National Historical Park would allow these historic sites to be developed in a manner which would enhance their enjoyment by Northwest residents and other visitors to this historic region.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3373

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to complete the orderly and timely development of the Nez Perce National Historical Park in the State of Idaho, Section 7 of the Act of May 15, 1965 (79 Stat. 110) is hereby amended by changing "$1,337,000" to "$4,100,000."

By Mr. LAXALT:

S. 3374. A bill to amend the Interstate Commerce Act and the Federal Aviation Act of 1958 in order to prohibit the withholding for income tax purposes under the laws of any State or subdivision thereof of certain compensation of employees whose residence is in a State which does not levy a tax on the income of individuals. Referred to the Committee on Commerce.

Mr. LAXALT. Mr. President, I am today introducing legislation to rectify a grossly unfair situation whereby Nevada employers are compelled to withhold California income tax from employees who perform transportation service in that State. The problem developed as a result of enactment of Public Law 91–569, and it principally involves employees of railroads and truck and bus companies based in Clark County and northwestern Nevada.

The present Federal law works mostly to the disadvantage of employees in States such as Nevada, which have elected to employ a revenue base not involving an income tax. Employees in States with a State income tax can generally take a dollar-for-dollar offset against income taxes paid in other States, but the only relief the Nevada-based employee receives is the deduction he can take against his gross income on his Federal return, if he itemizes.

I should also like to point out that these Nevada residents receive no services from the State of California in return for the taxes paid, nor does their presence in California during the course of their employment result in any expense to California that is not fully compensated for by their employers in the form of highway-use, corporate income and other taxes.

Mr. President, I ask unanimous consent that this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3374

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 26 of the Interstate Commerce Act is amended by inserting after "other than the State or subdivision wherein more than 50 per centum of the compensation paid by the carrier to such employee is earned" the following: "nor in any event in the case in which the State of the employee's residence, as shown on the employment records of such carrier, does not levy a tax on the income of individuals".

Sec. 2. Section 226A of the Interstate Commerce Act is amended by inserting after "other than a State or subdivision wherein more than 50 per centum of the compensation paid by the carrier to such employee is earned" the following: "nor in any event in the case in which the State of the employee's residence, as shown on the employment records of such carrier, does not levy a tax on the income of individuals".

Sec. 3. Section 1112(a) of the Federal Aviation Act of 1958 is amended by inserting after "other than the State or subdivision wherein more than 50 per centum of the compensation paid by the carrier to such employee is earned" the following: "nor in any event in the case in which the State of the employee's residence, as shown on the employment records of such carrier, does not levy a tax on the income of individuals".

By Mr. HATHAWAY (for himself, Mr. Muskie, Mr. Young, and Mr. Humphrey):

S. 3375. A bill to amend the Perishable Agricultural Commodities Act, and for other purposes. Referred to the Committee on Agriculture and Forestry.

Mr. HATHAWAY. Mr. President, the Perishable Agricultural Commodities Act of 1930, as amended—and codified at 7 U.S.C. section 499a, et seq.—contains a section describing forms of unfair conduct in interstate commerce which, if engaged in, can subject the offending party to administrative penalties, including loss of license.

One of the major problems afflicting potato farmers is tardy or incomplete payments for potatoes which they have sold to licensed PACA dealers. Under present law, a farmer may complain of this to the Secretary of Agriculture and thereby seek redress against the PACA licensee.

But many farmers have valid grounds upon which to base their fear of reprisal from a dealer against whom the farmers have complained.

There have been instances where farmers, hard pressed to gather their resources to pay off back crop loans and to purchase their seed, fertilizer, and machinery for spring planting, overcame their natural reluctance to rock the boat in any way and complained against a licensed PACA dealer in order to secure only the money owed them for potatoes long since delivered to the satisfaction of the dealer.

Not every time, but all to frequently nonetheless, the farmers' complaints to the Secretary have been greeted not with the money which is their due, but instead with a reprisal from the dealer consisting often of a refusal to purchase any further potatoes from complaining farmers.

Now, Mr. President, if the statute makes it illegal, as it does, for a dealer to delay or make incomplete payment to the farmer for his potatoes, it is illogical and intolerable that a lawful complaint of such illegal actions should result in reprisals to the complaining party.

Such reprisals not only discourage farmers from using the PACA procedures, they furthermore inhibit the proper flow of agricultural products in interstate commerce. Most fundamentally of all, reprisals of this kind make a mockery of the first amendment's right to petition the Government for redress of grievances.

It is with great pleasure, therefore, that I introduce today a bill which prohibits such reprisals against farmers and allows the Secretary of Agriculture to grant anonymity to the complaining party when to do so would not damage the public interest. The bill also would require the Secretary to make periodic followup checks of dealers who have been found in violation of the prompt payment requirements of the act.

I should stress that these features only bear upon the prompt payment provisions of existing law. All this bill does is put meaning in those provisions and enable our farmers, in the potato industry and elsewhere, to use the procedures with which we have long provided them to assure the integrity of interstate commerce by insisting that payment for farm produce be swift and complete.

I am very pleased that Senator Muskie, Senator Young, and Senator Humphrey have consented to cosponsor this bill.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 2404

At the request of Mr. Packwood, the Senator from California (Mr. Cranston), the Senator from California (Mr. Tunney), the Senator from Iowa (Mr. Clark), the Senator from South Dakota (Mr. McGovern), the Senator from Oregon (Mr. Hatfield), the Senator from North Dakota (Mr. Burdick), the Senator from Oklahoma (Mr. Bartlett), and the Senator from Wyoming (Mr. McGee) were added as cosponsors of S. 2404, a bill to provide that income from certain public entertainment activities conducted by fairs and expectations shall not be taxed, and shall not effect the tax exemption of the organization.

S. 3098

At the request of Mr. Weicker, the Senator from Oregon (Mr. Hatfield) was added as a cosponsor of S. 3098, a bill to amend the Community Services Act of 1974.

S. 3160

At the request of Mr. Taft, the Senator from Nevada (Mr. Laxalt) was added as a cosponsor of S. 3160, to facilitate improved congressional coordination of financial benefit programs, and for other purposes.

S. 3165

At the request of Mr. Pell, the Senator from California (Mr. Cranston) and the Senator from Connecticut (Mr. Weicker) were added as cosponsors of S. 3165, a bill to establish a national marine science and technology policy for the United States, to extend the national sea grant program, and for other purposes.

SENATE JOINT RESOLUTION 188

At the request of Mr. Randolph, the Senator from Indiana (Mr. Bayh) was added as a cosponsor of Senate Joint Resolution 188, proclaiming National Handicapped Awareness Week.

SENATE CONCURRENT RESOLUTION 105—WITHDRAWAL

At the request of Mr. Brooke, the Senator from Georgia (Mr. Talmadge) was withdrawn as a cosponsor of Senate Concurrent Resolution 105, regarding democracy in Italy.

SENATE RESOLUTION 438—SUBMISSION OF A RESOLUTION TO ESTABLISH A SELECT COMMITTEE OF THE SENATE TO CONDUCT AN INVESTIGATION AND STUDY OF WELFARE FRAUD

(Referreed to the Committee on Finance.)

Mr. BUCKLEY submitted the following resolution:

S. Res. 438

Resolved, To establish a select committee of the Senate to conduct an investigation and study of welfare fraud.

Whereas the American people are rightly proud of their long record of humanitarian generosity toward the needy and unfortunate,

Whereas that generosity has led to the establishment, on both the State and Federal levels, of programs of public assistance,

Whereas those programs have too often been exploited by persons for whom welfare has become a way of life, from one generation to the next,

Whereas cases of fraud and abuse in those programs have provoked widespread demand for reform of welfare programs,

Therefore, be it resolved by the Senate of the United States, That (a) there is hereby established a select committee of the Senate which may be called, for convenience of expression, the Select Committee on Welfare Fraud to conduct an investigation and study of fraud and abuse, by recipients, providers, or employees, in federal programs of public aassistance.

(b) The select committee created by this resolution shall consist of seven Members of the Senate, four to be appointed by the President of the Senate from the majority Members of the Senate upon the recommendation of the Majority Leader of the Senate, and three minority Members of the Senate to be appointed by the President of the Senate upon the recommendation of the Minority Leader of the Senate.

For the purposes of paragraph 6 of Rule 25 of the Standing Rules of the Senate, service of a Senator as a member, chairman, or vice chairman of the select committee shall not be taken into account.

(c) The majority members of the committee shall select a chairman and the minority members shall select a vice chairman and the committee shall adopt rules and procedures to govern its proceedings. The vice chairman shall preside over meetings of the select committee during the absence of the chairman, and discharge such other responsibilities as may be assigned to him by the select committee or the chairman. Vacancies in the membership of the select committee shall not affect the authority of the remaining members to execute the functions of the select committee and shall be filled in the same manner as original appointments to it are made.

(d) A majority of the members of the select committee shall constitute a quorum for the transaction of business, but the select committee may affix a lesser number as a quorum for the purpose of taking testimony or depositions.

Sec. 2. The select committee is authorized and directed to do everything necessary or appropriate to make the investigations and study specified in subsection (a) of the first section.

Sec. 3(a). To enable the select committee to make the investigation and study authorized and directed by this resolution, the Senate hereby empowers the select committee as an agency of the Senate: (1) to employ and fix the compensation of such clerical, investigatory, legal, technical, and other assistants as it deems necessary or appropriate, but it may not exceed the normal Senate salary schedules; (2) to sit and act at any time or place during sessions, recesses, and adjournment periods of the Senate; (3) to hold hearings for taking testimony on oath or to receive documentary or physical evidence relating to the matters and questions it is authorized to investigate or study; (4) to require by subpena or otherwise the attendance as witnesses of any persons who the select committee believes have knowledge or information concerning any of the matters or questions it is authorized to investigate or study; (5) to require by subpena or order any department, agency, officer, or employee of the executive branch of the United States Government, or any private person, firm, or corporation, to produce for its consideration or for use as evidence in its investigation and study any books, checks, canceled checks, correspondence, communications, documents, papers, physical evidence, records, recordings, tapes, or materials relating to any of the matters or questions it is authorized to investigate and study which they or any of them may have in their custody or under their control; (6) to make to the Senate any recommendations it deems appropriate in respect to the willful failure or refusal of any person to answer questions or give testimony in his character as a witness during his appearance before it, or in respect to the willful failure or refusal of any officer or employee of the executive branch of the United States Government or any person, firm, or corporation to produce before the committee any books, checks, canceled checks, correspondence, communications, documents, financial records, papers, physical evidence, records, recordings, tapes, or materials in obedience to any subpena or order; (7) to take depositions and other testimony on oath anywhere within the United States or in any other country; (8) to procure the temporary or intermittent services of individual consultants, or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services under section 202(i) of the Legislative Reorganization Act of 1946; (9) to use on a reimbursable basis, with the prior consent of the Committee on Rules and Administration, the services of personnel of any such department or agency; (10) to use on a reimbursable basis or otherwise with the prior consent of the chairman of any subcommittee of any committee of the Senate the facilities or services of any members of the staffs of such other Senate committees or any subcommittees of such other Senate committees whenever the select committee or its chairman deems that such action is necessary or appropriate to enable the select committee to make the investigation and study authorized and directed by this resolution; (11) to have direct access through the agency of any members of the select committee or any of its investigatory or legal assistants designated by it or its chairman or the ranking minority member to any data, evidence, information, report, analysis, or document or papers relating to any of the matters or questions which it is authorized and directed to investigate and study in the custody or under the control of any department, agency, officer, or employee of the executive branch of the United States Government, including any department, agency, officer, or employee of the United States Government having the power under the laws of the United States to investigate any alleged criminal activities or to prosecute persons charged with crimes against the United States and any department, agency, officer, or employee of the United States Government having the authority to conduct intelligence or surveillance within or outside the United States, without regard to the jurisdiction or authority of any other Senate committee, which will aid the select committee to prepare for or conduct the investigation and study authorized and directed by this resolution; and (12) to expend to the extent it determines necessary or appropriate any moneys made available to it by the Senate to perform the duties and exercise the powers conferred upon it by this resolution and to make the investigation and study it is authorized by this resolution to make.

(b) Subpenas may be issued by the select committee acting through the chairman or any other member designated by him, and may be served by any person designated by such chairman or other member anywhere within the borders of the United States. The chairman of the select committee, or any other member thereof, is hereby authorized to administer oaths to any witnesses appearing before the committee.

(c) In preparing for or conducting the investigation and study authorized and directed by this resolution, the select committee shall be empowered to exercise the powers conferred upon committees of the Senate by section 6002 of title 18 of the United States Code or any other Act of Congress regulating the granting of immunity to witnesses.

Sec. 4. The select committee shall have authority to recommend the enactment of any new legislation or the amendment of any existing statute which it considers necessary or desirable to reduce or eliminate welfare fraud within existing Federal programs of public assistance.

Sec. 5. The select committee shall make a final report of the results of the investigation and study conducted by it pursuant to this resolution, together with its findings and its recommendations as to new congressional legislation it deems necessary or desirable, to the Senate at the earliest practicable date, but no later than November 1, 1976. The select committee may also submit to the Senate such interim reports as it considers appropriate. After submission of its final report, the select committee shall have two calendar months to close its affairs, and on the expiration of such two calendar months shall cease to exist.

Sec. 6. The expenses of the select committee through November 1, 1976, under this resolution shall not exceed $350,000 of which amount not to exceed $50,000 shall be available for the procurement of the services of individual consultants or organizations thereof. Such expenses shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the select committee.

SENATE CONCURRENT RESOLUTION 114—SUBMISSION OF A CONCURRENT RESOLUTION AUTHORIZING THE PRINTING OF "BACKGROUND MATERIALS CONCERNING CHILD AND FAMILY SERVICES ACT"

(Referred to the Committee on Rules and Administration.)

Mr. MONDALE submitted the following concurrent resolution:

S. Con. Res. 114

Resolved by the Senate (the House of Representatives concurring),

That there be printed for the use of the Senate Committee on Labor and Public Welfare, twenty-five thousand additional copies of its committee print compiled by its Subcommittee on Children and Youth entitled "Background Materials Concerning Child and Family Services Act, 1975 (S. 626)."

AMENDMENTS SUBMITTED FOR PRINTING

FOREIGN ASSISTANCE, 1976—S. 3331

AMENDMENT NO. 1630

(Ordered to be printed and referred to the Committee on Foreign Relations.)

Mr. CASE (for himself and Mr. Glenn) submitted an amendment intended to be proposed by them to the bill (S. 3331) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

SOUND RELATIONS WITH THE SOVIET UNION—SENATE RESOLUTION 406

AMENDMENT NO. 1631

(Ordered to be printed and to lie on the table.)

Mr. BEALL submitted an amendment intended to be proposed by him to the resolution (S. Res. 406) relating to the importance of sound relations with the Soviet Union.

AMENDMENT NO. 1633

(Ordered to be printed and to lie on the table.)

Mr. ALLEN submitted an amendment intended to be proposed by him to the resolution (S. Res. 406), supra.

CLEAN AIR ACT AMENDMENTS OF 1976—S. 3219

AMENDMENT NO. 1629

(Ordered to be printed and to lie on the table.)

Mr. DOMENICI. Mr. President, in the Record of Thursday, April 29, 1976, at page S6171 there was printed a floor statement of mine submitting an amendment to the Clean Air Act dealing with background particulates. Unfortunately, the amendment was omitted from the Record. I ask unanimous consent that the amendment be printed in the Record, along with my original statement on the amendment.

There being no objection, the statement and amendment were ordered to be printed in the Record, as follows:

Statement of Mr. Domenici

Mr. President, I submit an amendment to the Clean Air Act Amendments of 1976. The amendment deals with the troubling issue of background particulates. The origin of the problem lies in the total suspended particulate standard of the present law. This standard is an imprecise one which makes no distinction between windblown dust and the more toxic emissions of powerplants and steel mills. The problem occasioned by the particulate standard's indiscriminate nature is the rural areas of the country may exceed the particulate standard because of phenomena such as duststorms. Such violations of the standard have the legal effect of putting these areas in the same air quality category as heavily industrialized urban areas. Section 113(g) of the present amendments puts additional constraints on growth in areas that violate the standards that, although proper for industrialized urban centers, are inappropriate for rural areas.

I should like to stress that the Public Works Committee is well aware of this problem. Page 81 of the committee report notes that the logical deficiencies of the particulate standard have been cured by the administrative good sense of State and Federal officials. My amendment would do no more than codify in law what is presently considered sound administrative practice. Accordingly, I consider my amendment as technical in nature, and one that I hope my colleagues will readily accept.

Amendment 1629

On page 28, after line 17, insert:

"(i) (1) The Administrator within 90 days after the date of enactment of the Clean Air

Act Amendments of 1976 and from time to time thereafter as may be appropriate, shall publish proposed regulations for use by the Environmental Protection Agency and State and local agencies, in (A) determining the portion of ambient concentrations of particulate matter attributable to natural causes; and (B) discounting such particulate matter, as may be deemed appropriate, for purposes of sections 107(d), 110, and 113(g); and after a reasonable time for interested persons to submit written comments thereon (but no later than 90 days after the initial publication of the proposed regulations) shall promulgate such proposed regulations.

"(2) For the purposes of this section 'natural causes' shall include wind erosion of natural soils from farms, cleared land, and unpaved roads; duststorms; forest fires; sea salt and such other causes as may be specified by the Administrator.

"Section 307(b)(1) of the Clean Air Act, as amended in 1970, is further amended to add the phrase 'any regulations under section 110(i),' after the phrase 'A petition for review of action of the Administrator in promulgating any national primary or secondary ambient air quality standard.' "

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1553

At the request of Mr. McGovern, the Senator from Iowa (Mr. Clark) was added as a cosponsor of Amendment No. 1553 to delete procurement funds for the B–1 bomber program, intended to be proposed to the bill (S. 2965), the military procurement bill.

AMENDMENT NO. 1557

At the request of Mr. Packwood, the Senator from Vermont (Mr. Leahy) was added as a cosponsor of Amendment No. 1577, intended to be proposed to the bill (S. 3219) the Clean Air Act Amendments of 1976.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

John A. Field, III, of West Virginia, to be U.S. attorney for the southern district of West Virginia for the term of 4 years (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Tuesday, May 11, 1976, any representations or objections they may wish to present concerning the above nomination with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARINGS: MILITARY MEAT PROCUREMENT INVESTIGATION

Mr. CHILES. Mr. President, the Government Operations Subcommittee on Federal Spending Practices, Efficiency and Open Government will hold public hearings to disclose results of its investigation into military meat procurement on Monday, Wednesday, and Thursday, May 10, 12 and 13, 1976.

Hearings will begin each day at 9:30 a.m. in room 3302, Dirksen Senate Office Building. Witnesses will include military inspectors, and representatives of meat companies, the Department of Defense and other witnesses.

Any public inquiries should be directed to the subcommittee staff director, Mr. Les Fettig, 224–0211.

ANNOUNCEMENT OF CHANGE IN HEARING SCHEDULE OF OVERSIGHT HEARINGS ON THE SMALL BUSINESS ADMINISTRATION

Mr. NELSON. Mr. President, I wish to announce that it has been necessary to change the hearing schedule for the oversight hearings by the Select Committee on Small Business on the programs of the Small Business Administration as follows:

The hearing on the SBA 7(a) financial assistance programs has been changed from May 6 to May 14.

The hearing on the SBA 502, community development program has been changed from May 14 to May 6.

Further information can be obtained from the committee offices at telephone 224–5175.

NOTICE OF HEARING

Mr. METCALF. Mr. President, on May 17, the Committee on Interior and Insular Affairs will hold a hearing on S. 3206, a bill providing for the study of, and formulation of legislative proposals as to the implementation of the transfer of mineral interests under the Northern Cheyenne Allotment Act of 1926, as amended.

The hearing will begin at 10 a.m., May 17, in room 4200 Dirksen Senate Office Building. Anyone wishing further information may call D. Michael Harvey, deputy chief counsel of the committee, at 224–1076.

NOTICE OF HEARING

Mr. PELL. Mr. President, I wish to announce that the Subcommittee on Education of the Committee on Labor and Public Welfare will hold a hearing on S. 1976, the George Washington Peace Academy Act, on Thursday May 13, 10 a.m. in room 4232, Dirksen Senate Office Building.

Those interested in submitting statements for the Record should contact Mrs. Jean S. Frohlicher, counsel, Subcommittee on Education, room 4230 Dirksen Senate Office Building, Washington, D.C. 20510—area code 202–224–7666.

NOTICE OF HEARINGS IN MERIDIAN AND OKLAHOMA CITY, OKLA.

Mr. ABOUREZK. Mr. President, the American Indian Policy Review Commission and task forces Nos. 1, 2, 3, 4, and 9 investigating the Federal-Indian relationship, tribal government, Federal administration and the structure of Indian affairs, Federal, State, and tribal jurisdiction and Indian law revision, consolidation and codification; announces public hearings to be held May 10 and 11, 1976, at the Holiday Inn West, I–40 and Meridian, Oklahoma City, Okla., beginning each day at 9 a.m.

Persons interested in submitting testimony should contact Don Wharton or Kevin Gover at 202–225–2235, 2979 or 2984, or write to their attention at the American Indian Policy Review Commission, HOB Annex No. 2, 2d and D Streets SW., Washington, D.C. 20515.

NOTICE OF HEARINGS IN ARIZONA

Mr. ABOUREZK. Mr. President, the American Indian Policy Review Commission in conjunction with the Commission's investigation of reservation resource development and protection announces public hearings to be held May 29 and 30, 1976, at the Scottsdale Hilton, 6333 N. Scottsdale Road at Lincoln, Scottsdale, Ariz., beginning at 9 a.m.

Persons interested in submitting testimony should contact Kirke Kickingbird at 202–225–1284 or write him at the American Indian Policy Review Commission, HOB Annex No. 2, 2d and D Streets, Washington, D.C. 20515.

NOTICE OF HEARINGS IN MUSKOGEE, OKLA.

Mr. ABOUREZK. Mr. President, the American Indian Policy Review Commission and task forces Nos. 1, 2, 3, 4, and 9 investigating the Federal-Indian relationship, tribal government, Federal Administration and the structure of Indian Affairs, Federal, State, and tribal jurisdiction and Indian law revision, consolidation and codification, announces public hearings to be held May 13 and 14, 1976, at the Trade Winds Motel, 534 South 32d Street, Muskogee, Okla., beginning each day at 9 a.m.

Persons interested in submitting testimony should contact Don Wharton or Kevin Gover at 202–225–2235, 2979 or 2984, or write to their attention at the American Indian Policy Review Commission, HOB Annex No. 2, 2d and D Streets SW., Washington, D.C. 20515.

ADDITIONAL STATEMENTS

DAY CARE VETO

Mr. HRUSKA. Mr. President, I support President Ford's veto of H.R. 9803, and I urge my colleagues to do the same.

This is not a good bill. It is expensive, impractical, and would extend further the intrusion of the Federal Government into the affairs of State and local jurisdictions, and further jeopardize the rights of individuals in our society.

As President Ford said in his veto message:

> I am firmly committed to providing Federal assistance to States for social services programs, including child day care. But I am opposed to unwarranted Federal interference in States' administration of these programs.
>
> The States should have the responsibility—and the right—to establish and enforce their own quality day care standards. My recently proposed Federal Assistance for Community Services Act would adopt this principle, and with it greater State flexibility in other aspects of the use of social service funds avail-

able under Title XX of the Social Security Act.

H.R. 9803 is the antithesis of my proposal. It would make permanent highly controversial and costly day care staff-to-children ratios. And it would deny the States the flexibility to establish and enforce their own staffing standards for federally assisted day care.

This bill would not make day care services more widely available. It would only make them more costly to the American taxpayer. It would demand the expenditure of $125 million over the next six months, and could lead to $250 million more each year thereafter.

Mr. President, there are others, very knowledgeable about the day care situation, who find no justification for this bill.

In the April 13 edition of the Washington Post, Suzanne H. Woolsey, whose credentials in this area of expertise are superb, took exception to an earlier Post editorial which urged Congress to approve H.R. 9803.

Ms. Woolsey wrote:

> The Post editorial of March 15, supporting the recent federal day-care bill . . . reflects the conventional wisdom that day care is the answer to both liberal and conservative prayers: first, that the program is critical to giving women the opportunity to participate in the work force; second, that, given high enough standards, day care can significantly enhance children's development; and third, that day care centers are themselves good places to employ welfare recipients as staff, and thus to get them off the dole.
>
> Unfortunately, the evidence does not support the contention that day care, especially federally subsidized day care centers, can perform any one of those tasks at all well.

Mr. President, so that my colleagues and others interested in this important debate may examine the evidence against H.R. 9803, I ask unanimous consent that President Ford's veto message of April 6, the Post editorial of March 15, and the April 13 Post article by Ms. Woolsey entitled, "Questioning the Validity of Day Care," be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Veto of Child Day Care Bill

(The President's Message to the House of Representatives Returning H.R. 9803 Without His Approval. April 6, 1976:)

To the House of Representatives:

I am returning without my approval, H.R. 9803, a bill which would perpetuate rigid Federal child day care standards for all the States and localities in the Nation, with the cost to be paid by the Federal taxpayer.

I cannot approve legislation which runs directly counter to a basic principle of government in which I strongly believe—the vesting of responsibility in State and local government and the removing of burdensome Federal restrictions.

I am firmly committed to providing Federal assistance to States for social services programs, including child day care. But I am opposed to unwarranted Federal interference in States' administration of these programs.

The States should have the responsibility—and the right—to establish and enforce their own quality day care standards. My recently proposed Federal Assistance for Community Services Act would adopt this principle, and with it greater State flexibility in other aspects of the use of social services funds available under Title XX of the Social Security Act.

H.R. 9803 is the antithesis of my proposal. It would make permanent highly controversial and costly day care staff-to-children ratios. And it would deny the States the flexibility to establish and enforce their own staffing standards for federally assisted day care.

This bill would not make day care services more widely available. It would only make them more costly to the American taxpayer. It would demand the expenditure of $125 million over the next six months, and could lead to $250 million more each year thereafter.

H.R. 9803 would also specify that a portion of Federal social services funds be available under Title XX of the Social Security Act for a narrow, categorical purpose. In the deliberations leading to enactment of Title XX, a little over a year ago, the States and the voluntary service organizations fought hard to win the right to determine both the form and the content of services to be provided according to their own priorities. This bill would undermine the Title XX commitment to State initiative by dictating not only how day care services are to be provided, but also how they are to be financed under Title XX.

It would introduce two additional Federal matching rates for some day care costs that are higher than the rates for other Title XX-supported services, thereby further complicating the States' administration of social services programs. My proposal would, on the other hand, eliminate State matching requirements altogether.

Moreover, H.R. 9803 would create an unfair situation in which some child day care centers would operate under a different set of standards than other centers within the same State. Those day care centers in which fewer than 20 percent of those served are eligible under Title XX could be exempt from Federal day care standards. This provision would have the probable effect in some instances of reducing the availability of day care services by encouraging day care centers to reduce the proportion of children in their care who are eligible under Title XX in order to meet the "quota" set by H.R. 9803. In those centers not choosing to take advantage of this loophole, the effect could well be to increase day care costs to families who use these centers on a fee-paying basis. In effect, they would be helping to subsidize the high costs imposed on day care providers serving Title XX-eligible children.

There is considerable debate as to the appropriateness or efficacy of the Federal day care standards imposed by H.R. 9803. In fact, the bill recognizes many of these questions by postponing their enforcement for the third time, in this case to July 1 of this year. Fewer than one in four of the States have chosen to follow these standards closely in the administration of their day care programs. The Congress itself has required by law that the Department of Health, Education, and Welfare conduct an 18-month study ending in 1977, to evaluate their appropriateness.

Rather than pursue the unwise course charted in this bill, I urge that the Congress extend, until October 1, 1976, the moratorium on imposition of Federal day care staffing standards that it voted last October. This would give the Congress ample time to enact my proposed Federal Assistance for Community Services Act, under which States would establish and enforce their own day care staffing standards and fashion their social services programs in ways they believe will best meet the needs of their citizens.

Gerald R. Ford.

The White House, *April 6, 1976.*

Giving Day Care a Chance

There is little doubt that the day care program has been a great benefit to working women in this country, especially those who have been trying to make the transition from welfare to careers. No one can accurately count the dollars saved in welfare payments, or the dollars gained in the economy from goods and services sold or tax revenue received. But day care has proved that it makes sense to help people work. Now, because of legislative and bureaucratic entanglements, the day care programs in most of the 50 states are in jeopardy.

The House, acting under a suspension of its rules, will vote today on whether to accept a $125 million conference report intended to assist the states in meeting a set of tough health, safety and staffing standards in their day care programs. Without those additional funds, the day care programs in most of the states will not be in compliance with federal regulations. Failure to comply with any one of the standards can mean loss of all federal funds.

A survey of the 50 governors has found that meeting those health and safety standards has been impossible for most of them with the funds available up to now. In many states, the staff requirements have been difficult to meet, but most governors say they can't meet the health, safety and management standards either. Yet, those standards are important if the parents of children are going to have confidence in the day care program. They must feel their children are in a safe and healthy setting.

In themselves, the standards pose no other problem than the money to help the states meet them. There is an argument from some Republicans on the Hill that the answer might be to delay putting into effect standards indefinitely. That is decidedly not the solution. Further delay only means either cutting services to meet the standards out of existing revenue or exposing small children to the danger that might befall them because the standards are not being met.

Neither of those is as attractive an alternative as that of having the House accept the conference report. It is an investment whose benefits demonstrably outweight the cost. In addition to helping the states meet the physical standards, that $125 million will result in the employment of more welfare recipients in the day care program. We think the House should make the investment without further delay.

Questioning the Validity of Day Care

(By Suzanne H. Woolsey)

Although concern over the population explosion has caused motherhood to fall into some disrepute of late, day care for children is bidding to replace it as the cause most likely to generate uncritical support from nearly all parts of the political spectrum. The Post editorial of March 15, supporting the recent federal day-care bill, vetoed last Tuesday by President Ford, reflects the conventional wisdom that day care is the answer to both liberal and conservative prayers: first, that the program is critical to giving women the opportunity to participate in the work force; second, that, given high enough standards, day care can significantly enhance children's development; and third, that day care can significantly enhance children's development; and fourth, that day care centers are themselves good places to employ welfare recipients as staff, and thus to get them off the dole.

Unfortunately, the evidence does not support the contention that day care, especially federally subsidized day-care centers, can perform any one of those tasks at all well. The support for heavy federal subsidies for day-care centers is rather based on a congeries of hopes that they can do something about a number of disparate social objectives. The goals, as such, cannot be challenged. But when the supporters of a federal program avoid debating on the merits whether it can do any single job and, instead, take refuge in multiplying the areas in which they claim it can do something, however vague, it is time to stop and look carefully. One cannot help remembering, uncomfortably, that this is the tactic to which the supporters of some of the more worthless Pentagon enterprise of the last few years have been brought from time to time.

Potentially, the most powerful economic and social rationale for subsidized day care is its effect on participation of women in the labor force. Unfortunately, all the evidence to date indicates that *offering* day care has little or no effect on a woman's decision to work. The most generous estimate is that the availability of even free day-care centers, together with the availability of training, explains about 10 per cent of mothers' decisions to enter the work force. What matters most is the existence of a job—when that is available, most mothers find a way to cope with the child-care problem.

The WIN program, designed to put welfare recipients to work, has been overwhelmed by volunteers, many of them the mothers of young children—but the problem has been finding jobs, not day-care arrangements. Similarly, when day-care arrangements break down, the predicted job disruption does not appear to occur: a 1973 study in South Carolina of low-income mothers whose day-care center was closed found that everyone continued to work, nearly all in the same jobs, and that each found other arrangements for her children within a few days. Moreover, a 1975 Stanford Research Institute report summarizing studies of the demand for day care among working parents indicates that the type of day care preferred by most parents of *all* income groups is not the formal center but informal arrangements in the home or the neighborhood. In the 1960s several corporations set up day-care centers as a service to their employees; most shut down within a few years for lack of enrollment. The Gary, Ind., income maintenance experiment offered a free high-quality day-care center to the children of welfare mothers at work or in school. There were virtually no takers.

Some of the reasons for this will not surprise anyone who has ever been the parent of a 3-year-old with the sniffles on a rainy winter day. It is much easier to leave him in or near home with a relative or neighbor than to have to decide whether he is sick enough to warrant losing a day of work yourself to stay with him or whether he can safely be taken by public transportation across town to the center.

When cost is added to the equation, informal care outside centers looks even more attractive. First of all, care at home or with a relative or neighbor costs very little, largely because child care is usually not the sole occupation of the babysitter, who is keeping house at the same time. In 1965, only 25 per cent of working mothers paid for child care at all. Though prices have risen since then, the cost of informal babysitting still is estimated range from being free to about $800 per year.

When child care becomes a fulltime occupation, rather than a side line, the cost rises significantly if even subsistence wages are paid. In addition, the staff-to-child ratio for preschool children in day-care centers must be quite high (1 to 4 below age 3, to 1 to 7 for 4–5 year olds), so there is little savings possible from having one person care for many children in centers. Consequently, ordinary centers cost upward of $1,600 per child even with staff paid at the minimum wage. As 80 per cent of the costs of day care are staff salaries, the more professional the staff, the higher the cost. Fulltime centers with educational programs, or all-day public preschools, now cost about the same as tuition in major private universities (between $3,000 and $5,000). Intensive experimental projects run twice that.

But what of employing welfare recipients to staff the centers? Might not enough be saved on welfare payments to make the whole operation financially worthwhile? A dilemma makes that most unlikely—in order to make welfare mothers competitive with the unemployed teachers and trained paraprofessionals now available to work in day-care centers, such costly training is necessary that any saving in reduced welfare outlays is wiped out. HEW's own employees' center was set up in 1970 to show the wisdom of using welfare mothers as staff: The project ended two years later with costs running about $3,600 per child.

But even if most parents do not prefer day-care centers and they are extremely costly, is it worth it for the children's sake? Research has concentrated on preschools and centers with intensive social and educational programs. Even in these "super centers" the results are mixed. Generally, no significant developmental gains in the children are detected. Occasionally, university-based research centers report short-term gains in IQ and social skills in the children enrolled, but there is not yet evidence that these gains will last long enough to help the child in school, and so far the techniques developed in the hot-house environment of research projects have not been transplanted successfully to other programs.

Day-care centers may to some extent simplify the delivery to poor children of other things they do clearly need—better food and medical care, for example—but centers are by no means necessary for such programs.

One cannot resist the feeling that some advocates of day-care centers, especially for the poor, are seized by the idea that they know better what the child needs than do the child's family, relatives or neighbors. For those who harbor such thoughts, the research evidence to date is cold comfort. Prof. Sheldon White of Harvard summarizes that research as showing that adequate day care is neutral in its effect on human development. At least one can say that there is no evidence that day-care centers appear to do any active harm—but in the absence of any good evidence about a positive effect on development, relying on parents' preference for child care at home or at a neighbor's does not seem to be such a bad idea.

Although the public debate about day care has concentrated almost exclusively on day-care centers, federal involvement in day care has, over the years, extended far beyond center programs. The federal program is itself proportionately somewhat more biased toward funding day-care centers than public demand would seem to dictate, but most federal day-care money is still spent for non-center day care.

Of approximately $1.5 billion of federal money in 25 different subsidy programs, at least one-third reimburses parents directly for the expense of child care through tax deductions or through disregarding the share of income spent on child care when welfare payments are computed. The remainder included subsidizing in-home and neighborhood arrangements, teacher training, loans to small businesses, experimental preschool programs, and day-care centers. Head Start, which has historically provided some full-day care in addition to its basic half-day preschool program, has itself diversified over the last several years into five different types of programs with greater attention to the home and much less to the Head Start center.

This brings us back to the arguments about the recently vetoed day-care legislation. Theology aside, the substance of the dispute has to do with the proper staff-child ratio to be imposed on day-care centers, whether the federal government or the states should do the imposing, the amount of time the centers can take to reach that ratio, and the degree to which welfare mothers are not; instead, improving tax and welfare payment credits so that working parents can have more money to arrange day care as they best see fit.

Maybe that's throwing money at the problem. But, unlike trying to manage day care for the nation's children from Capitol Hill and HEW, or for that matter, from Albany and Richmond, at least it is not throwing problems at the problem.

CLEAN AIR ACT OF 1976

Mr. McGEE. Mr. President, within the week, the Senate will take under consideration S. 3219, the Clean Air Act Amendments of 1976.

Contained within the bill is one provision of particular importance to the future of quality life in Wyoming—section 6 dealing with the prevention of further significant deterioration. I would like, therefore, to take this opportunity to share with my colleagues the thoughts and considerations which I have given to this critical issue.

It is my intention to resist any proposal that would delete or delay the implementation of nondegradation. I support the proposal that a study of the implications be made, but I believe that any changes which result from such a study can be implemented by Congress at a later date. For the time being, however, it is my opinion that we should make every effort to get underway with this program and resolve the many longstanding uncertainties and lawsuits that have arisen over the authority of the States to supervise and maintain air quality standards of their own.

In this respect, section 6 represents great improvement over existing policies and it greatly expands the States' role in all aspects of nondeterioration policy and implementation. It does, at the same time, further restrict the role of the Federal Government in these areas. Moreover, section 6 would work to further enhance the existing governmental bodies in the State of Wyoming such as the industrial siting council and the land use planning commission for the self-determination of future growth in Wyoming.

Mr. President, we in Wyoming are quite proud of our accomplishments in the creation of stringent and high-standard air quality regulations. This bill will in no way defeat or erode this proud accomplishment. Rather, it will serve to preserve and promote the strides Wyoming has made in the protection of its air.

MINIMUM WAGE LAW

Mr. TAFT. Mr. President, the House Subcommittee on Labor Standards is actively considering H.R. 10130, the Fair Labor Standards Amendments of 1975. At this point it is uncertain as to whether that bill will be considered by the full House this year and if so, whether it will be passed and taken up by the Senate thereafter.

It is my understanding that the House bill would amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to provide for an automatic increase in such wage rate based on increases in the price index, to require an overtime rate equal to 2½ times the regular wage rate, and to reduce and then repeal the credit against the minimum wage which is based on tips received by tipped employees. Obvious consideration on the bill will be its employment and inflation impacts, at a time when our economy is embarking on an encouraging course.

Whenever either House of Congress acts on a minimum wage proposal, there must be a concerted effort to determine the relationship of raising the minimum wage to unemployment, and especially unemployment among the youth and minority youth.

The unemployment rate among minority youth is at a staggering 35.9-percent level—more than twice the rate prevailing for white teenagers. We have reached a point where we ought to be focusing on ways in which these rates may be reduced, and in this context we must ask ourselves will raising the minimum wage exacerbate the existing unacceptably high levels of youth unemployment? Another perplexing question which must be answered centers around the implementation of a "youth differential" whereby youthful workers could be paid at a percentage less than the regular minimum wage in order to preserve some of their job opportunities.

Mr. President, it is a fact that blacks experience greater hardship than do whites, and teenagers more than adults, from sluggish job markets. Minimum wage legislation, in my view, makes it more difficult for blacks and teenagers to find employment in good times and harder to hold employment when times are not so good. Enactment of any increased minimum wage bill must deal with these issues so that it does not become harmful to many of the people who are its intended beneficiaries.

For the edification of my colleagues, I ask unanimous consent that an article entitled "Most Racist Law in the United States?", appearing in the April 17 edition of the Cincinnati Post as well as an article entitled, "Of All Places," published in the April 28 edition of the Wall Street Journal, be printed in the RECORD to supplement my remarks and highlight some of my concerns in this area.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Cincinnati Post, Apr. 17, 1976]

MOST RACIST LAW IN THE UNITED STATES?—SURPRISINGLY, THE ONE GOVERNING MINIMUM WAGE

(By Louis Rukeyser)

Question: What is the single most racist law in the United States today?

Answer: The minimum wage law.

Surprised? If you are like most Americans, you probably are both surprised and dubious. After all, haven't we been led to believe that the minimum wage law is the very opposite of racist—that it requires that a "fair" and "livable" wage be paid to every worker without regard to color, sex or national origin?

Indeed, we have been led to believe that—just as we have been led to believe a whole lot of other intellectual garbage. But let's for a moment, cut through the rhetoric and see how the minimum wage law actually has operated in the last generation (and is operating right now), in the most basic human terms.

It is often observed these days that the rate of unemployment for black teen-agers is disgracefully high, and the latest figures confirm the validity of this complaint.

While the over-all U.S. rate of unemployment last month declined to 7.5 per cent, the rate for minority group teen-agers stood nearly five times as high—at 35.9 per cent. This was more than twice the unemployment rate for white teen-agers (17.2 per cent).

That this is a powder keg of future trouble is scarcely debatable. That it excludes large numbers of young Americans from a sense of participation in the system is plain fact. But what does it have to do with the minimum wage?

The answer lies in exploring history rather than promoting hysteria. For, as recently as the early '50s, the unemployment rate among male teen-agers was about the same for blacks as it was for whites. Both groups recorded about 8 per cent unemployment, while the over-all rate held around 4 per cent.

The sharp increase in teen-age unemployment—and the equally sharp divergence along the racial boundary—traces to the late '50s after Congress ordered a boost in the minimum wage from 75 cents to $1 an hour.

Unemployment among white teen-agers promptly shot up to 13 per cent, and that among minority-group youths went over 20 per cent.

Both figures have remained, to this day, higher than they were before the minimum wage took a one-third jump. Each time the teen-age unemployment rates have started to decline, a new increase in the minimum wage has been instituted, shoving them up again.

Since that big minimum wage boost two decades ago, moreover, the dramatic gap between unemployment rates for white and black teen-agers has never closed. Why? Because blacks, in general, get less schooling and acquire fewer employment skills.

The blame for this lies in the educational system, and that is where it should be remedied. As things stand now, many young blacks simply cannot be hired at an economical wage—so they don't get hired.

Which is better for the typical black teenager: to be employed, at say, $2 an hour—which he might be worth to the firm—or to remain unemployed at a theoretical $2.30?

[From the Wall Street Journal, Apr. 28, 1976]

OF ALL PLACES

It's hard for us to believe, but here is New Jersey with an 11.3% unemployment rate, astronomical joblessness among the black teenagers of Newark, and a legislature trying to figure out how to attract new business to the state. And meantime, by a 33–0 vote the state senate boosts the minimum wage to $2.40 an hour with another increase in January to $2.50. The federal rate is $2.30.

Joseph Hoffman, the state's commissioner of labor, thinks this is just dandy. It will "provide an additional $20 million in purchasing power for wage earners in the lowest bracket," he says, and the money will help New Jersey's economy "because the money will be used to buy bread and other essentials." The bill's sponsor, Majority Leader Joseph Merlino of Trenton, argues that the hike was necessary because anyone living in New Jersey earning less than $2.40 is officially considered living in poverty.

By this theory, of course, New Jersey could become the most affluent state in the nation if only the legislature would set the minimum wage at $10 an hour. Mr. Hoffman could announce that workers would have billions of dollars in extra purchasing power and would spend the economy into a boom. Mr. Merlino could boast that not only had poverty been wiped out, but the lowliest employe in the state was making $20,000 a year.

They may complain that this argument is silly in the extreme. But nowhere do proponents of ever-increasing minimum wage rates tell us how something that is so obviously destructive in the extreme can be beneficial in moderation.

The minimum wage does more than encourage unemployment. It prohibits employment. To a prospective employer who hires on the basis of careful, marginal calculations, the difference between say, $2 an hour and $2.40 an hour is considerable, perhaps $20 a week including employer contributions to payroll taxes. A teenage high-school dropout in Newark who wants to enter the work force and is eager to work for $80 a week is thus prohibited by law from contracting with an employer at that wage, and remains unemployed instead of working and officially impoverished.

Another way to look at it is to take Commissioner Hoffman's calculation of $20 million. There is only one place from which this money could possibly come: out of profits of New Jersey businesses. The New Jersey legislature may assume the businesses will simply raise prices to cover this $20 million in extra payroll, but for that to be true the businesses must now be failing to maximize profits in competition with businesses in other states and around the world. What will happen is that most Jersey businesses will maintain profitability at a lower profit margin by increased volume, handling the customers that had been patronizing enterprises that were forced to fold. Usually, these are mom and pop, non-union enterprises.

It is thus not really surprising to us that New Jersey, which more than any other state caters to the AFL–CIO in its politics, has the nation's highest unemployment rate. What continues to confound us is why the NAACP and the Urban League and black leaders in general do not concede the obvious, that the effect of the minimum wage for nearly 40 years has been to cripple the development and competitiveness of young blacks to nobody's benefit, certainly not New Jersey's.

RISSER WINS PULITZER PRIZE

Mr. CULVER. Mr. President, with the winning of the Pultizer Prize for national reporting by virtue of his series on "large-scale corruption in the grain exporting trade," James Risser of the Des Moines Register has executed a grand sweep of the year's four major awards for Washington reporting. He previously had won the Sigma Delta Chi distinguished service award, the Raymond Clapper Memorial Award, and the Worth Bingham Prize. It is my understanding that he is the first reporter ever to be awarded all four of these honors in a single year. In 1971, as an indication of achievements to come, he won his first national recognition—the Thomas L. Stokes Award for distinguished reporting on conservation and environmental issues for his series on clearcutting and other controversial practices of commercial timber interests in the national forests.

Jim Risser joined the Des Moines Register in 1964 and came to the Washington bureau of that newspaper in 1960. Through the years, I have had the opportunity to watch the career of this young reporter—he is now only 37—at close range. For other aspiring reporters, his is an example worth following. From the beginning, he showed his ability to do straight, literate reporting in the finest tradition of objective journalism. Day after day, he turned out news stories that, however routine or glamorous, met the standards of fair, accurate reporting. In the meantime, he availed himself of every opportunity to improve his professional equipment and background. As a consequence, when the chance for top level investigative reporting came his way, he had the experience, the knowledge, and the professional discipline to make the most of it.

The investigative reporting for which the four prizes were awarded involves abuses in the inspection, weighing, and grading of grain for export. By making the decision to dig into these sensitive areas and to stick with the investigation until the facts were uncovered, Mr. Risser and the Des Moines Register have made a contribution to the national interest of the first order.

At a time when the news media are getting their share of public criticism along with the rest of us, it is worth noting that Jim Risser's grand sweep of the major reporting awards this year was not of the overnight variety. It came from craftsmanship developed through hard work, meticulous preparation, and fidelity to the highest professional standards. It reflects credit on Mr. Risser, the news profession, and a distinguished newspaper that has won more than its share of the Pulitzers and other journalism awards over the years.

Mr. President, I ask unanimous consent that the Des Moines Register story of May 4, 1976, concerning James Risser be printed in the RECORD.

There being no objection, the story was ordered to be printed in the RECORD, as follows:

Register's Risser Wins Pulitzer Prize

James Risser, a reporter in the Washington Bureau of The Des Moines Register, has won the Pulitzer Prize for national reporting for his stories on "large-scale corruption in the grain-exporting trade."

The award, generally considered the highest honor in journalism, was announced in New York City Monday by the trustees of Columbia University.

Risser's Pulitzer Prize completes for him a sweep of the year's four major awards for Washington reporting. He previously was awarded the Sigma Delta Chi distinguished service award, the Raymond Clapper Memorial Award and the Worth Bingham Prize.

He is the first reporter ever to win all four of these awards in one year.

In addition, his work won for The Register the 1975 Public Service Award of the Associated Press Managing Editors Association.

The Pulitzer Prizes were endowed by the late Joseph Pulitzer, founder of the St. Louis Post-Dispatch and publisher of the old New York World. First awarded in 1917, the Pulitzers are given annually by the Columbia University trustees on recommendation of an advisory board. Winners get $1,000 each.

TWELFTH REGISTER PULITZER

Risser's is the twelfth Pulitzer Prize won by members of The Register staff.

Risser's stories, which spurred a federal investigation, have disclosed widespread corruption in the inspection, weighing and grading of grain for shipment abroad. So far, more than 50 individuals and companies have been convicted or have pleaded guilty in the scandal.

In addition, the director of the grain division of the Department of Agriculture has been replaced, and the entire top structure has been shaken up.

Congress has appropriated $5 million to hire more people to supervise the grain inspection system, and Congress is considering legislation aimed at correcting the wrongs Risser uncovered.

Senator Dick Clark of Iowa told the U.S. Senate during debate on the legislation that "no one is more responsible for bringing the grain trade scandal to light than James Risser of The Des Moines Register."

At a dinner Saturday night in Washington at which two of Risser's awards were announced, President Ford said, "I'd like to congratulate Jim Risser. He has done an outstanding job."

Risser, 37, is a native of Lincoln, Neb. He joined the Register in 1964 after practicing law for two years in Lincoln. He was transferred to Washington in 1969.

In 1971 he won the prestigious Thomas L. Stokes Award for reporting of conservation and environmental issues, with his series of stories on the controversial practices of commercial timber interests in the National Forests. In 1973 he was named the outstanding professional journalist of the year by the University of Nebraska, his alma, matter. (He received his law degree from the University of San Francisco.) In 1973–74 he was a Stanford University professional journalism fellow.

Risser's wife, Sandi, also is a journalist and edits the national newsletter of the Women's Equity Action League. The Rissers have two sons, David, 10, and John, 7.

The Register's 11 previous Pulitzer Prizes and the years of the awards:

J. N. (Ding) Darling, 1924, for an editorial cartoon titled "In the Good Old U.S.A," which illustrated how man of humble birth could succeed in the U.S. through hard work.

William W. Waymack, 1938, for editorial writing, based on his full year's output, including editorials on farm problems and civil liberties.

Forrest Seymour, 1943, for editorial writing, based on his full year's output, including a prominent editorial on "Statesmanship in the American Legion."

J. N. (Ding) Darling, 1943, his second Pulitzer for cartooning, this time for a cartoon titled "What a Place for a Waste Paper Salvage Campaign," which pictured the U.S. Capitol Building buried under government reports and press releases.

Nat Finney, 1948, for national reporting, based on his disclosure of administration plans to impose year-style censorship on governmental bureaus.

John Robinson and Don Ultang, 1952, for news photography. Their sequence of photos during the Drake-Oklahoma A & M football game showed Drake star Johnny Bright's jaw being broken by an opponent's punch.

Richard Wilson, 1954, for national reporting, based on his exclusive publication of the FBI report to the White House in the Harry Dexter White espionage case.

Lauren Soth, 1956, for editorial writing, based on his editorial inviting Soviet Russia to send a delegation to study Iowa's farming methods.

Clark Mollenhoff, 1959, for national reporting, based on his exposure of labor union racketeering.

Frank Miller, 1963, for cartooning, based on a cartoon illustrating the folly of nuclear war.

Nick Kotz, 1968, for national reporting, based on his investigations into unsanitary conditions in many meat-packing plants.

BREAKING UP THE OIL COMPANIES

Mr. GARN. Mr. President, the Senate has before it several bills which have the goal of breaking up the oil companies. Although the oil industry has been the object of a great deal of criticism, many of us have thought that the attacks were ill conceived, prompted primarily by the visibility of the major oil companies. This visibility is the result, of course, of the success of the companies, a success which has enabled them to provide adequate supplies of energy to the American public at a price not approached in any other industrialized nation; a success achieved in spite of almost constant meddling by the Federal Government, which always thinks it knows better than private enterprise where and how supplies should be allocated.

Interestingly enough, Mr. President, the energy policy research project of George Washington University has just published a paper which sheds some light on the situation in the energy industry. The report, entitled "Competition in the Oil Industry," concludes that—

> The oil industry is one of the least concentrated in the United States. There is no evidence that the major oil companies have expanded their share of the marketplace at the expense of independents. . . . Nor, as a rule, does it seem that the majors have used vertical and horizontal integration, joint ventures, exchange and processing agreements, or interlocking directorates to engage in anticompetitive practices.

Finally, oil industry profits, when viewed in their historical perspective, have not been excessive; nor were recent short-lived increases in profits "unconscionable."

Mr. President, in view of the continued interest in the divestiture legislation, which is motivated by the errors laid to rest by this study, I ask unanimous consent that the entire conclusion section of the study be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Conclusion

There would seem to be little reason for special regulations being imposed on the oil industry other than normal antitrust laws generally applicable to all industries. The oil industry is one of the least concentrated in the United States. There is no evidence that the major oil companies have expanded their share of the marketplace at the expense of independents. Indeed, the evidence, if anything, suggests the opposite. Nor, as a rule, does it seem that the majors have used vertical and horizontal integration, joint ventures, exchange and processing agreements, or interlocking directorates to engage in anticompetitive practices. Finally, oil industry profits, when viewed in their historical perspective, have not been excessive; nor were recent short-lived increases in profits "unconscionable."

Why, then, are the major oil companies everyone's villain? What has brought about the current state of affairs where Congress and a number of state legislatures seem determined to enact punitive legislation that can only discourage needed investment by the major oil companies and dissuade them from doing what is necessary if the national goal of greater self-sufficiency in oil is to be achieved?

One important reason can be summarized in a word—size. Big oil is big. And it is also highly visible. In terms of total sales, four of the top ten, eight of the top 25, and twelve of the top 50 companies in the United States are major oil companies. (See Table 19.)

TABLE 19.—1973 OIL COMPANY RANKINGS

Domestic company	Sales	Assets	Income	Stockholders equity	Profits	Net income as percent of sales	Net income as percent of stockholders equity	Growth rate of earnings per share	Total return to investors
Exxon	2	1	1	1	2	45	66	258	74
Texaco	6	3	4	4	5	24	99	257	177
Mobil	7	7	6	7	7	103	141	167	235
Gulf Oil	10	9	8	8	9	44	157	260	130
Standard of California	11	10	7	6	8	31	149	255	137
Standard of Indiana	15	12	13	9	14	46	246	190	56
Shell Oil	18	16	16	16	18	123	325	357	45
Continental Oil	21	26	29	26	32	165	190	238	26
Arco	26	17	24	15	25	124	400	290	19
Occidental Petroleum	36	32	108	62	91	404	393	163	275
Phillips Petroleum	40	27	81	23	34	91	270	334	13
Union Oil	49	31	39	28	48	113	334	178	38

Source: Fortune, May 1974, pp. 232-235; Forbes, May 15, 1974, pp. 229-250.

In terms of assets, net income, stockholders' equity and total profits, the presence of the majors among the largest U.S. companies is even more pronounced. Yet, if one looks at measures that might indicate the presence of monopoly, such as net income as a percentage of both sales and stockholders' equity, or total return to investors, the major oil companies have generally lagged behind other large companies. (Again, see Table 19.) Exxon, which is second in sales and first in assets among industrial corporations, is 74th in total return to its investors. Mobil, which is seventh in both sales and assets, ranks 235 in return to its investors. Bigness is not a crime—at least at present.[1] The evidence strongly suggests that the major oil companies' bigness has not been associated with anti-competitive behavior.

Another reason is politics. The oil industry is a highly visible target for many politicians, especially many congressmen. Why? Because, as one perceptive observer of the Washington scene has noted:

"[M]any congressmen are continuously surveying their political horizons in search of issues with which they can become personally identified and which can become the basis of subcommittee chairmanships, highly publicized hearings, and state or national visibility."[2]

Leading the drive to break-up the "monopolistic" oil industry presents such an opportunity. Many cannot resist it.

The regulatory and punitive face of federal energy policy continues to dominate federal energy policy and threatens to become more dominant in the future. Even the Federal Energy Administration has been preoccupied with regulation at the expense of other national goals, particularly increased productive capacity and greater self-sufficiency in oil.[3] There is now growing concern over whether the current climate is sufficiently conducive for the major oil companies to undertake needed investment in the industry.[4] The emphasis on punitive measures against the majors not only has no basis in fact, it is likely to be highly detrimental to the nation. While the Congress and the Administration mete out punishment to the major oil companies, OPEC and the Arab producing nations can only chuckle.

T. H. BELL, COMMISSIONER OF EDUCATION, RESIGNS

Mr. PELL. Mr. President, I would like to offer my best wishes and a farewell to Mr. T. H. Bell who recently announced his resignation, effective August 1, as the Commissioner of Education. We have worked together on education matters for nearly 2 years, and that period has been marked by a spirit of cooperation and amity.

We have often disagreed in our views. As a representative of the administration he often came before the Subcommittee on Education to present proposals with which the subcommittee did not agree. However, at all times Dr. Bell conducted himself with candor and forthrightness.

There has never been mistrust between us. This openness and honesty has become the hallmark of our relationship and that is why he deserves this praise. I look forward to the nomination of a successor to Dr. Bell, who will continue this tradition of comity.

As for Mr. Bell's future, I wish him success in his new position in higher education as the chief executive officer of Utah's Board of Regents. Utah is the Commissioner's native State, so he must be delighted to return home. My good wishes extend to his family, especially his three sons for whom I wish success in college and happy careers.

All good luck to them.

EULOGY TO BALTIMORE COUNCILMAN DOMINIC LEONE

Mr. MATHIAS. Mr. President, all of us were deeply shocked by the eruption of violence April 13 in the Baltimore City Hall that claimed the life of City Councilman Dominic Leone and caused injuries to several others. The loss of Mr. Leone underscored the depth of this tragedy, for he was a public official who truly believed in being of service to the citizens of Baltimore whom he represented. Indeed, it is reported that Mr. Leone's last words, as he stood to greet the man who, moments later, would mortally wound him, were an offer to be of assistance.

Mr. President, an eloquent eulogy to Dominic Leone was delivered April 17 at St. Mary Star of the Sea Catholic Church in Baltimore by the Reverend Joseph F. Martel, at services that Mrs. Mathias attended in my absence from the country. I ask unanimous consent that the eulogy to Mr. Leone be printed in the Record.

There being no objection, the eulogy was ordered to be printed in the Record, as follows:

Eulogy to Councilman Dominic Leone

Your excellencies Cardinal Shehan, Archbishop Borders, Bishop Stafford, my brother clergymen, Governor and Mrs. Mandel, Your Honor Mayor Schaefer, distinguished Members of the City Council of Baltimore City, Dominic's beloved wife, Shirley, his children Lucy, Dominic, Vincent, his dear mother, relatives and friends:

We gather here in this Church of St. Mary, Star of the Sea this morning before Easter to pray . . . to ask God our Father to listen to our humble prayer of faith and for our brother Dominic who has passed this life. We pray for him, asking God to give him a merciful judgment and the reward of eternal life. We pray for one another. We still have the blessing of this life. We ask our Father to help us make the most of the opportunities that we have each day to help and share, to love and care for each other today, tomorrow and the next day. As we celebrate this season of the Death and Resurrection of Jesus Christ, we must have hope. We must have faith. I stopped in the funeral home on Wednesday at 3:00 p.m. to be with Shirley and her family as they viewed Dominic for the first time in death. Then I went to Mercy Hospital to see Carroll Fitzgerald, to convey to him and Mary, his wife, the prayers and support of Dominic's wife and family. I would like to share with you Fitz's words: "Father, I don't know what I would have done during the past 24 hours without the Man Upstairs. I have been praying and praying. You have to have faith." My dear people, we are here in this Church to express our faith, and to ask God's help for one another.

Dominic Leone was a man of faith . . . faith in God and in people. Dominic's turf has been South Baltimore for the past fifty-one years. He was born October 2, 1925. He went to school across the street here at St. Mary's and then to Calvert Hall College. As a young man he gave his whole life to kids . . . young people. The name "Leone's Baseball Teams" has gone down in the annals of amateur sports not just here in South Baltimore but up and down the East Coast. In the words of his wife: "My kids grew up around baseball. We spent our weekends following baseball teams." Dominic's daughter and sons remember those days but what they remember most about Dominic is this: "We knew him as a father. We loved to kid with him and he loved to kid with us." His wife added: "We loved him. He loved life, people, his children and his family. We are a close family." She also said he loved politics.

Dominic Leone was a politician. For seventeen years he was a public servant; fifteen of which has been spent in the City Council of Baltimore City. For two years Dominic was the Labor Secretary in the Mayor's office. We can safely say that Dominic liked nothing better than getting a person a job. In the words of his wife Shirley: "So many people have come to the funeral home in their working clothes, excusing themselves for how they looked but came to say 'thanks' for the help that Dominic gave them." Dominic was a full time politician. Here in South Baltimore he was literally a "street politician." Always looking to see what he could do to make the community of 23,000 people a better place to live. He fought for his people many times to the point of being misunderstood. We are truly going to miss that familiar exchange of conversation: "Hey, Dominic, how ya doin'." and the spontaneous response: "What can I do for you?"

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[1] "[T]he law does not make mere size an offense." *United States* v. *United States Steel Corporation*, 251 U.S. 417, 451 (1920).

[2] Wilson, James Q. "The Politics of Regulation." McKie, ed. *Social Responsibility and the Business Predicament*. Washington, D.C.: The Brookings Institution, 1974, p. 145.

[3] This theme is developed further in Johnson, William A. "Federal Energy Policy: A Conflict of Interest" in Kalter and Vogley, eds.

[4] For example, see *Oil and Gas Journal*. December 16, 1974, p. 26 and December 30, 1974, pp. 71–76.

I think the members of the City Council would agree with him that Dominic was a "diamond in the rough." He didn't believe in speeches but he did believe in getting the job done. Maybe action does speak louder than words.

Dominic Leone was a friend. He was a friend of kids—getting them better schools and playgrounds and jobs; a friend of senior citizens—helping them in development of good and meaningful projects. He was truly a friend of the working man.

Dominic Leone was a Christian. In the words of St. Paul in the Second Reading today: "The life and death of each of us has its influence on others. If we live, we live for the Lord and if we die, we die for the Lord. Alive or dead we belong to the Lord." As Dominic belonged to the Lord in life, now he is with him in death. A hope is that Dominic's work will continue in our hands, each one of us . . . working together, suffering together . . . laughing together, to make this a better community and city in which to live. Our hope is this: "One day you and I will be reunited with him in the life of eternal happiness promised to us by Jesus Christ." May the soul of Dominic, whose life and death we have honored today, bring to each of us hope . . . the hope of Easter Joy!

GRAND JURY REFORM

Mr. ABOUREZK. Mr. President, on April 8 Senators McGovern, Gravel, and I introduced S. 3274, the first omnibus grand jury reform measure ever presented to this body. We introduced this bill because the grand jury, an institution that the founders of this country honored as a bulwark of liberty, has deteriorated into a powerful weapon which overzealous prosecutors can turn against our liberty.

One of the more incredible instances of this perversion of the grand jury process has been the case of Ellen Grusse and Terri Turgeon, two Connecticut feminists who were forced to spend most of 1975 behind bars because they dared to exercise their constitutional rights in the grand jury chamber. The ordeal these two women went through raises fundamental questions about the Federal grand jury's role in our criminal justice system.

These questions, I am happy to note, have been discussed thoroughly by author Richard Harris is a three-part series in the New Yorker magazine. Mr. Harris' series, entitled "Annals of Law: Taking the Fifth," appeared in the April 5, 12, and 19, issues of the New Yorker. It is a fascinating—and chilling—examination of how the modern grand jury can be manipulated to short-circuit the Bill of Rights.

Mr. Harris' piece deserves a broad readership, and I am pleased to insert the first portion of it in the Record today. Parts II and III will appear over the next 2 days.

I ask unanimous consent that part I of Mr. Harris' New Yorker article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Taking the Fifth

(By Richard Harris)

The informer—the Judas figure—has been an odious creature in the popular mind throughout history. Even so, governments have always used his services, and one measure of freedom in any society is the extent to which the informer flourishes. In a tyranny, the informer contributes a basic necessity to the tyrant's survival—the people's fear of him—by demonstrating that any deviant political expression or behavior may be reported to the state, and then punished. In a democracy, on the other hand, the sovereignty of the people is supposed to encourage diversity of thought and allow open dissent and outright opposition to the public policies of those who are elected to run things temporarily. But even the most democratically conceived government comes to behave as if its own survival, rather than the people's welfare, is the paramount good. This happens not because democracy inevitably degenerates into tyranny through repressive leadership at the top but because the government's ordinary day-to-day operations depend on entrenched "public servants"—the bureaucracy—who are always most concerned about protecting and expanding their own power. In time, bureaucrats transform government into a kind of private institution that exists for their sake, and this makes them deeply committed to preserving the system—their system—as it is. The deeper their commitment, the more alarmed they are likely to be by anything that seems to threaten the system; and the more alarmed they become, the more likely they are to resort to extreme measures to meet the threat. One extreme measure that is being increasingly resorted to by government in the United States today is the official use of informers from the bottom to the top of our society.

On the local level, most police departments of any size in this country now have "intelligence units," which use electronic surveillance and undercover agents, or informers, to spy on citizens who are suspected of unlawful activity (and, all too frequently, on citizens who are not engaged in anything illegal but are up to something that might subject them to political or economic blackmail). On the national level, recent revelations about the federal government's spying on its citizens on an immense scale—by such bureaucratic institutions as the Federal Bureau of Investigation, the Central Intelligence Agency, the Army, the Secret Service, the National Security Agency, the Internal Revenue Service, the Postal Service, the Drug Enforcement Administration, and the Customs Service—raise the question whether this undemocratic and often unlawful practice does not imperil the Republic more than did the perilous episode known as Watergate.

While informers are of little use in controlling the kind of crime that Americans are most worried about—violent street crime—informers are the chief means of dealing with the kind of crime that the government is most worried about—group crime. The given group may be organized for the purpose of financial gain through crime, in the pattern of the Mafia, or it may be organized for political purposes, such as those proclaimed by the Communist Party, the Socialist Workers Party, the Black Panthers, the Symbionese Liberation Army, or any of the various groups that loosely make up the New Left. It has often been said that half of the American Communist Party's ten thousand or so members are F.B.I. informers. That outfit is fairly easy to infiltrate, because it is a rigid bureaucratic structure of the sort that the F.B.I., itself a rigid bureaucratic structure, is familiar with. It has also often been said that the F.B.I. has failed to keep tabs on the activities of the New Left because the Bureau cannot comprehend that movement's character. The New Left is anything but bureaucratic, for the groups that comprise it are generally rather formless and undisciplined, and their members drift in and out of its many factions and schisms. Nor do most of these collections of radicals have clearly formulated policies and programs, being more likely to rely on inflammatory rhetoric than on direct action as an outlet for their social discontent. Then, too, members of the New Left often live and dress and speak in ways that the upstanding informer would find repugnantly inimitable.

Probably the clearest example of the bureaucratic inability to understand these rebels and revolutionaries is to be found in the government's grossly disproportionate reaction to the threat that they actually pose, given the size of the United States and the conservative character of its people. Those who tremble at the spectre of revolution here often cite the relatively few people who seized power in Russia during the First World War, but such a nervous comparison ignores the fact that Russian society had collapsed from internal corruption when it was taken over. Today, it could be argued, the principal danger from the far left in this country is that it has provided the far right with an excuse to crush it, in a manner that might be generally acceptable if the government goes on scaring the wits out of everybody about a handful of impotent left-wing radicals. And although the right wing is also diffuse and weak, there is one powerful group that could become its unifying ally at any time—the nation's thousands of police departments, which are becoming more and more paramilitary, well organized, interconnected, heavily armed, and political-minded. To an alarming extent, the only control over them is the control they maintain over themselves, and our personal freedom is largely at their sufferance. Yet the national government has ignored this peril altogether, and has concentrated its immense firepower on the few radical left-wing outfits still in business, like the "army" of Symbionese Liberators, who apparently never numbered more than a dozen people.

While the S.L.A.'s kidnapping of Patricia Hearst was surely a sensational event, her supposed conversion to active terrorism made her, legally speaking, merely another accused outlaw. But the publicity surrounding the case, the inflamed political statements issued by her and her confederates, and their embarrassing success in eluding thousands of pursuers apparently drove the F.B.I. to frenzied lengths to capture them. During the search for the Hearst woman, it was reported that the Bureau had questioned over twenty-seven thousand people about her in the San Francisco area alone. At the time, the Bureau, for all its efforts, hadn't found her, because it hadn't found anyone who would inform on her. (When it finally captured her, its success was due to an informer.)

Having failed to turn up any dependable informers in the Hearst case in its early stages, the F.B.I. desperately resorted to a relatively new law-enforcement technique—the use of compliant federal grand juries to help the Bureau do the job that it couldn't do on its own. Although under law grand juries are supposed to determine only whether crimes have been committed and to indict those who seem to have committed them, and are not supposed to serve as investigative tools for prosecutors or law-enforcement agencies, nowadays grand juries are frequently, and improperly, used to amass evidence against people who have already been indicted, to obtain leads on fugitives, or even to find missing persons like Jimmy Hoffa. The F.B.I. merely persuades a cooperative United States Attorney to instruct the federal grand jury he in effect runs to subpoena relatives, friends, and acquaintances of the person being sought, and then the prosecutor forces these witnesses, under threat of imprisonment for contempt of court, to divulge whatever they may know about the fugitive—or, for that matter, about anything under the sun that the prosecutor (or the F.B.I.) feels like asking, however irrelevant and personal. In short, if the government cannot find informers it creates them.

On September 23, 1970, three white men and two white women held up a branch of the State Street Bank & Trust Company, a Boston bank, and escaped with twenty-six thousand dollars in cash. As they were making their getaway, a policeman tried to stop them, and one of the bandits cut him down with a burst from a machine gun. The policeman died, leaving a widow and nine children, and the greatest manhunt in New England history got under way. The search was led by the F.B.I., which had jurisdiction over the crime, since the bank was insured by the federal government, and by that night one of the wanted men had been captured. He turned out to be an ex-convict, recently paroled from a Massachusetts prison, and he quickly informed on his four partners. The other men were also ex-convicts, and all three had been studying at Brandeis and Northeastern Universities, in Massachusetts, after completing a college-preparatory course in the same prison. The women subsequently indicted for the crime were both twenty-one years old, from respectable middle-class families, and one was a senior at Brandeis, while the other had graduated there the previous June. According to the informer's story, the five bandits had formed a radical movement of their own called the Revolutionary Action Force to protest the American involvement in Vietnam and Cambodia, and had held up the bank to finance their movement, which, the informer told the F.B.I., was designed "to break down the military structure of the country." (One of the other men, who later described himself as commander-in-chief of the Revolutionary Action Force—East, said that they had held up the bank because the United States government had ignored their official declaration of war against it.)

The two remaining male fugitives were captured within a few days, but there was no sign of the two young women—Susan Edith Saxe and Katherine Ann Power, who soon became known simply as Saxe and Power—and they quickly made the F.B.I.'s "most wanted" list. Posters bearing their pictures and physical descriptions were circulated through F.B.I. offices, police stations, and post offices across the country, but for more than four years the authorities were unable to find a trace of them. Then, around the beginning of January, 1975, a young man in Lexington, Kentucky, happened to see one of the "wanted' posters, and thought that the fugitives closely resembled two women he had known as Lena Paley (Saxe) and May Kelly (Power), who had lived the previous summer and fall in a lesbian community on the fringes of the University of Kentucky campus, in Lexington. He mentioned his suspicion to a woman who lived in the community, and she notified the F.B.I. field office in Cincinnati. The fugitives' identity was quickly verified.

If the F.B.I. had difficulty understanding the New Left, it had far greater difficulty understanding a related development known as women's liberation or the women's movement, and could understand nothing at all about an outgrowth of that movement—the increasing number of women who had become, or admitted being, lesbians. In the Saxe-Power case, the Bureau's inability to cope with this particular pair of radical adversaries was illustrated at the top by its reaction to the news about the presence of Saxe and Power some months earlier in Lexington. The Bureau did not quietly send a few able women agents to the lesbian community in Lexington to see if they could unobstrusively pick up a lead on the fugitives. Instead, it dispatched droves of male agents into the area, and thereby notified Saxe and Power that the government had picked up their trail and virtually suggested to them that they would do well to stop hanging around with lesbians while the F.B.I. wasted its time investigating lesbians. And, at the bottom, the F.B.I.'s attitude was illustrated by an agent in the field who interviewed a waitress in a Lexington restaurant that was frequented by lesbians; when she told them that although she was not a lesbian she had once had a drink with one of the fugitives, the agent said, "If I went out for a drink with a homosexual man who had no interest in women, I wouldn't know what to talk about."

Saxe and Power were soon reported to have lived in several lesbian communities in the East, and the F.B.I. apparently concluded from this fact that such communities were havens for criminals of all sorts—especially left-wing political criminals. Homosexual acts are crimes in most jurisdictions in this country, even if the men and women who are homosexual are not often prosecuted for it, and their way of life is sufficiently despised by the heterosexual public to make official persecution of them generally acceptable. In short, the Bureau was free to harass homosexuals as ruthlessly as it could a nest of drug traffickers or Reds. And harass them it did. F.B.I. agents began questioning scores of people in the gay community in Lexington, many of whom were susceptible to pressure because they had hidden their private lives from their families and employers. Those who refused to talk discovered that F.B.I. agents went to their families, divulged their quarries' sexual habits, and forced the reluctant witnesses to talk—either because of the implicit threat that their employers would be the next to learn about them or because they were simply crushed by such revelations of their secret lives and caved in. Most of these members of the gay community had known Saxe and Power as Paley and Kelly, and some of them told the F.B.I. where the women had apparently gone after leaving Lexington—to Hartford, among other places.

Before long, though, word went around the gay community that no one was legally obliged to answer questions put by F.B.I. men or any other government officials and, in fact, that it could be extremely dangerous to talk to them at all. A little-known federal statute, Title 18, Section 1001 for the Federal Criminal Code, makes it a federal crime, punishable by up to five years in prison and a ten-thousand-dollar fine, for a citizen to lie to *any* government agency. In legal terms, of course, what is a lie and what is not is up to a jury to decide. One may believe that one is telling the truth when being questioned, only to later recall events somewhat differently; if one then tells the revised version of those events before a grand jury or a court, one can be prosecuted for having lied in the first place. Even as seemingly small an untruth as telling a government official that one doesn't know any thing about what is being inquired into when one does know something about it is a criminal act. And while the F.B.I. ordinarily warns criminal suspects of their constitutional rights once they are taken into custody—mainly the right not to speak and the right to have a lawyer present—agents do not warn nonsuspects of any rights they have or of the danger of violating Section 1001 when they are questioned about someone else who *is* a criminal suspect. In other words, most of those who are questioned by the F.B.I. or by other government officials are not given the ordinary forms of due process of law, and some lawyers would argue that the only sensibly self-protective course for anyone, guilty or innocent of wrong-doing, is to refuse to speak to *any* government agent unless a lawyer is present—at least, until Congress takes Section 1001 off the books. In any event, when inhabitants of the Lexington community learned of their right to remain silent, more and more of them refused to say anything to the F.B.I.

In midmorning on January 24, 1975, two F.B.I. agents appeared at a silverware-manufacturing plant in Meriden, Connecticut, and asked to see the executive who worked there, Mrs. Alice Grusse. They were shown to her office, identified themselves and asked where they could find her daughter Ellen. Mrs. Grusse was alarmed, and asked what they wanted to see her for. The older of the agents, a rather grandfatherly sort of man, who conducted the interview, assured her that as far as they knew her daughter hadn't done anything wrong but that she might be able to tell them something about two women fugitives who were wanted for bank robbery and murder.

Mrs. Grusse was frightened by this news. She had never, to her knowledge, seen an F.B.I. man before. Also, she could not believe that her daughter, who had been a quiet, generally obedient, though sometimes stubborn, child and seemed a quiet, orderly woman, could conceivably have had anything to do with bank robbers and murderers. Nervously, Mrs. Grusse asked the agents to wait, and telephoned Ellen at her apartment in New Haven, where she had moved from Hartford a month earlier. Mrs. Grusse's voice was shaking as she told Ellen that two F.B.I. men were in her office and wanted to know where she lived, so that they could speak to her about some women fugitives. As it happened, her daughter—a slender woman of twenty-eight with curly, light-brown hair, a thin, rather childlike face, and an intense manner—had heard about the F.B.I.'s search for Saxe and Power, and had read in the press that a number of people in Lexington had asserted their right to refuse to talk to the F.B.I. After a moment's hesitation, she told her mother that she didn't want to speak to the agents. Mrs. Grusse began to protest, saying that she *had* to talk to them, but Ellen quickly cut her short with the assurance that she didn't have to, and wouldn't, talk to them. Mrs. Grusse then asked if she should tell them where Ellen lived, and her daughter, after another pause, decided that it was her responsibility, not her mother's to handle the matter, and said yes.

When Ellen Grusse hung up the telephone, she quickly described the call to the person she lived with—Marie Theresa Turgeon, a quietly pleasant, thirty-one-year-old woman with short dark hair, known to her friends at Terri. Both of them recalled at the same moment that a few days earlier they had overheard a woman at the New Haven Women's Liberation Center asking about where she could get some legal advice on how to deal with a landlord who insisted that she get rid of her cat. The person in charge of the center's referral service had replied that a young woman named Diane Polan handled many legal problems for women associated with the center. Now Turgeon telephoned her, explained what had happened in Meriden, and asked what she should do to avoid talking to the F.B.I. agents. Polan turned out to be legal assistant to a lawyer named Michael Avery, and she transferred the call to him. Avery informed Turgeon that she could not be compelled to talk to them, and said that if she wanted to discuss the situation further she could come to his office. (Avery, though only thirty years old, had already had a good bit of experience with the F.B.I, because since graduating from the Yale Law School he had represented such clients as the Black Panthers, the Communist Party of Connecticut, and various other radicals in the course of his criminal-law practice.) The two women expected the F.B.I. men to drive directly over from Meriden, some twenty miles away, and wanted to be prepared for them, so they left for Avery's office at once. He was tied up, though, and it was a couple of hours before they got in to see him. "His advice was simply that we insist on having our lawyer present during any interview with the F.B.I.," Grusse said recently. "He didn't see the situation as being any problem, because in his experience whenever F.B.I. men hear someone say 'lawyer' they just go away."

Grusse and Turgeon got back home at a little before three o'clock that afternoon. Five minutes later, there was a knock at the door, and Turgeon went to answer it. Two men were waiting, and one of them—the elderly man who had spoken to Mrs. Grusse at her office—asked if she was Ellen Grusse. Turgeon introduced herself, and called Grusse. When she appeared, the older man demanded, "Where have you been? We drove all the way here from Meriden and had to wait three hours for you."

Assuming that F.B.I. agents probably spent much of their time waiting for people, Grusse ignored that point and said, "As a matter of fact, I want to talk to you about that. I went to see a lawyer, and his advice is that I not talk to you unless he is present." According to Grusse, the agents were clearly taken aback. "The older one literally gasped when I said 'lawyer,'" she said later. "He started in talking about bank robbers and murderers, and said I wasn't in any trouble, so why did I want to see a lawyer? I just handed him Avery's card and told him to set up an interview. He wanted to use my phone for that, but I said no, because I figured he was just trying to get into the apartment, and I wasn't going to allow that unless he had a warrant. Finally, I asked Terri to call Avery, but he wasn't at his office. Then the agent behaved as Avery had told us he would. First he tried the good-citizen approach: I wasn't suspected of any crime, so why wouldn't I, as a good citizen, help find these bank robbers and murderers? When I still refused to talk to him, he began threatening me, saying that I could get in a lot of trouble for harboring fugitives. Before that, he had said that I wasn't in any trouble, but now it seemed that I was, or at least could be. And if I could be, then it seemed that he was trying to trap me into incriminating myself. So I said, 'I prefer to get my legal advice from a lawyer, not the F.B.I.' After that, they left."

The agents did not call Avery. Instead, they reported Grusse's refusal to cooperate with them to the agent in charge of the search for Saxe and Power in Connecticut, and he presented the matter to an Assistant United States Attorney, William Dow III, in New Haven, who presented it, in turn, before a federal grand jury sitting there. On January 27th, three days after the two agents attempted to question Grusse, the grand jury issued subpoenas for both her and Turgeon, stating, "You are hereby commanded to appear in the United States District Court for the District of Connecticut at P.O. Bldg. 141 Church Street—Rm. 208 in the City of New Haven on the 28th of January 1975 at 10:00 o'clock a.m. to testify before the Grand Jury." When a U.S. marshal arrived at the Grusse-Turgeon apartment on the afternoon of the twenty-seventh to serve the subpoenas, Grusse was out, working at a temporary job she had recently got, so he could serve only the subpoena for Turgeon. She telephoned Grusse and then Avery.

He was surprised by the news, and unsettled by the legal problems it presented, because he was unfamiliar with grand-jury procedures and had only a few hours to prepare some kind of plea to the District Court to quash or at least delay the subpoenas' order to gain time in which to prepare a legal defense for his clients. Avery got on the telephone at once to the National Lawyers Guild, in New York, a left-wing group he belonged to, which had prepared extensive research documents on the government's tactics in using grand juries to pursue suspects whom the F.B.I. couldn't find on its own. Late that afternoon, Grusse and Turgeon went to Avery's office for another conference, and during it Grusse thought about whether she should try to avoid being served the subpoena by fleeing. She soon gave up the idea. "I was convinced that the only reason they subpoenaed Terri was because she lived with me," Grusse said. "When the F.B.I. came to talk to me, they didn't even know who she was. I decided that I couldn't let her go through it alone. I had to support her. Besides, I knew that I would have to face the thing sooner or later." At six-thirty the next morning, she was awakened by a loud pounding on the door of her apartment. She went to answer, and the same marshal asked if she was Ellen Grusse. She yawned and said that she was, and he handed her the subpoena commanding her to appear before the federal grand jury three and a half hours later.

Ellen Grusse was born in Meriden, Connecticut, in June, 1946, and grew up there and in Southington, Connecticut. There were six children in the Grusse family, and although both parents worked—the father as a salesman and the mother as a private secretary—the family was often rather poorly off financially. In 1964, Ellen enrolled at the University of Connecticut at Storrs, but after a couple of years there she quit and moved to San Francisco, where she lived for three and a half years. "It was the time of the hippies and the flower children and the youth rebellion at Berkeley," she has said. "But I was very apathetic and never got involved in any of that. I wasn't interested in civil rights or the Vietnam war or the kids' fight against authority. I was very square and worked for outfits like U.S. Steel and an import-export firm, and I remained untouched by all the upheaval going on out on the West Coast at the time." In 1969, she came back East and settled in Hartford, where she got a job as a clerk with the Travelers Insurance Company. After a few months, she was promoted to the position of budget analyst, a fairly high post that paid a decent salary and gave her a good bit of responsibility. But she was dissatisfied with her life, and decided to go back to college, at night, to study psychology. After two years of work and study, she concluded that she should do one or the other and do it properly, so she arranged to work part time and to go to college full time. In December, 1972, she graduated with a degree in psychology.

"During my last year in college, I began to get interested in the women's movement," she said. "It was a big thing in college then. All the male professors were trying to be nonsexist, and the talk about women was incessant. Then, after I left college and moved back to Hartford, I met some women who called themselves feminists. I was curious about what that meant, so I joined several feminist groups." In the fall of 1973, Grusse went to work for a farmers' milk cooperative, and before long she became a computer programmer. Her boss, a young man whom she got along with comfortably, was killed in an automobile accident, and his replacement was a much older man. "He was very stern and disagreeable and a gross sexist," Grusse recalled. "He made terrible personal remarks to me, so I quit. I went on unemployment for a few months and worked at part-time jobs, when I could find them. But I spent most of my time studying the women's movement, trying to find out what it was all about and where I might fit in. Up to then, I had never fit in anyplace."

Before long, Grusse became deeply absorbed by the movement. "It was something that I could identify with very strongly, in a way that I hadn't been able to with the civil-rights movement or the anti-war movement," she explained. "Those were basically political, and I'd never been interested in politics. I always got D in political science in school. But feminism was personal for me. When women talked about sexism. I could certainly identify with them, because I had been pushed around all my life—not always by men but by the human tug-of-war our social system creates. Ever since I was a teenager, I felt different. I wasn't interested in dating or clothes or makeup. I felt there was something the matter with me. But when I got involved in the movement, I met other women who had felt the same way once but no longer did, and I began to feel that maybe there wasn't anything wrong with me after all. I fit into the women's group very easily and naturally, and that was really good for me. I guess the biggest impact feminism has had on me began during a course I took in college called 'Women in Society.' The teacher was a woman and a Marxist. Her views—the economic and political reasons behind what had happened to women over the centuries—had never occurred to me. She presented an analysis that really made me think hard. My position had been that we should fight for equal rights for women within the system. But then she opened this door to a wider view. I didn't go through that door, though, because at the time I couldn't accept her analysis. Then, after I graduated, there was a Marxist-feminist rap at Storrs, and I met some women in Hartford who were going, so I went along. The result was that I got involved in that approach for about a year, mostly from just studying and thinking about it on my own. During that time, I met a lot of women with widely differing opinions about what feminism means.

At one end were those who feel that it means equal rights and equal pay for women—that is, equality with men. At the opposite end were the women who call themselves lesbian separatists and talk about building a lesbian nation. In between these extremes were women who see the basic structure of society as the problem and argue that society will allow some women to become equal with men but only at the cost of treading on other women to get that equality. To their way of thinking, the whole system has to be torn up and completely changed. Anyway, scattered between the equal-pay, equal-rights feminists and the lesbian separatists were Marxist feminists, Socialist feminists, lesbian feminists, and even feminist feminists. Some were for reform, some were for revolution. For myself, I fear even the word 'revolution.' It suggests violence, and any kind of violence freaks me right out."

Grusse finally settled for a Socialist-feminist group in Hartford, and as she attended its consciousness-raising sessions she found many of her lifelong assumptions about herself gradually changing. "At first, I talked about my background, and I insisted that I hadn't been hurt by it," she said. "I had been given a decent education, and had built the start of a decent career. There had been no pressure from my family to get married. Overall, I didn't see myself as being oppressed, and I believed I had a worthwhile future. But as we talked in the group, I began to see that oppression had been there all along, and was still there. I saw it in my personal relationships with men, and then I began to see it everywhere in our institutions—in the so-called power structure. While I was in the women's group in Hartford, we mostly just sat around and talked. We wanted to act, not just to affect our own lives but to reach outside ourselves and bring about social change. But we didn't know where to start. I had deep personal fears about confronting anything or anybody. During the late sixties and early seventies, I was to the right of most of my friends, who were generally liberal. My upbringing had been very conservative, and I agreed with the people who said things like 'Sure, Socialism may be all right, but how about the individual?' 'I'd rather have an imperfect capitalist society with some freedom than an imperfect Socialist society without freedom.' When I met women in the movement who took politics very seriously and who sincerely wanted to change society, I saw that it was a very risky business. It meant that I would have to reject my family and all that I had been taught to believe in."

Grusse put off making any decision on the choice before her, and tried to translate her feminist beliefs into action by talking to the women she worked with, most of whom, she became convinced, were treated badly by the men they worked for, and all of whom seemed to her to be manipulated and underpaid by their male employers. In time, though, Grusse realized that she, too, was abusing these women. "I used to think of them as being more perfect than women," she said. "All positives and privileges were identified with men in my mind. So I thought I had to depend on men to have identity. I got involved with a man who had an important job at one place where I worked, and I became very powerful there because of my association with him. When I suddenly realized what I was doing, I hated myself. So I left the man and the job. Using that man to get power, and then abusing the women who worked with and under me to show my power, was the worst kind of betrayal of feminism, because its most vital part is the bond between women. We really are all sisters."

In the fall of 1974, after Grusse quit that job, there was an anti-abortion, or "pro-life," convention in Hartford, and she and two other women in her group felt that they couldn't let it go by without opposing it in some public manner. Finally, they decided to hold a pro-abortion counterdemonstration at the convention. "That was really a terrifying prospect for me," Grusse recalled. "Making a public statement was frightening. Even doing nothing more than carrying a placard around was too much for me. But we organized a group of fifteen or twenty people, mostly women from our group and a couple of men, who came and carried placards and handed out leaflets at the convention hotel. The anti-abortion people came up to us and started to argue. They were very angry and abusive, and we tried to avoid a confrontation that would lead to violence. In the end, it was just a verbal confrontation. But I didn't participate in it. I was too scared to say anything. Finally, the anti-abortion people got the hotel management to call the police, who came and made us leave because we didn't have a permit. It was a Sunday, so we went over to St. Joseph's Cathedral and handed pro-abortion leaflets to the people coming out. I was brought up as a Catholic, and that act scared me, too. When it was all over, I realized that my efforts had been futile, and I knew that I had to plug in to something more lasting. But I still didn't know what or how. I didn't have any thought of doing anything political—the pro-abortion demonstration was the extent of my political activity. When the government came after me that day, I was still being tugged between where I was coming from and where I was going. As soon as I saw those F.B.I. men, I knew I had to make a commitment."

Terri Turgeon was born in June, 1943, in Lewiston, Maine, where her father worked in a textile mill until the business moved to the South after the Second World War. Then he became a welder and took his family—his wife and five children—to Plainville, Connecticut, and after a few years there on to Southington, Connecticut. When Terri finished high school, she went to work as a clerk in the local Grant's department store, and stayed there for two and a half years. From time to time, a travelling photographer who took baby pictures turned up at Grant's and she decided that she would like such a job. She finally got one, and spent a couple of years traveling around New England taking baby pictures in places like Grant's.

By the end of 1967, she was tired of moving around so much, and decided to settle down in Hartford, where she found work as a clerk at the Aetna Life Insurance Company. She stayed there for seven years, and ended up as a senior underwriter, one of the few women to attain such a position in that company. "By being in the right place at the right time and not being offensive to anyone, I finally got promoted to a job that had almost always been held by men," Turgeon said not long ago. "I could do the work, and did it very well—as well as any of the men there. I worked in a department with eleven men and thirty-eight other women who were all secretaries and clerks. The man in charge of the department was unbelievable. He kept making statements to the other women about my being in this high position and having privileges and responsibilities in order to suggest to the other women what they could do if they worked hard. This approach was used throughout the company then to make it look as if there were opportunities for women when there weren't. I had to put pressure on those women to make them work, and I knew full well that they couldn't go on to higher jobs in the company no matter how hard they worked. So I was forced to act like a man—except that I had to do a lot more work than the men to keep my job."

In 1974, Turgeon began to get interested in the women's movement. "I happened to meet some women who described themselves as feminists and explained to me what that meant to them," she said. "I really wanted to get involved in the movement. It would give me some dignity, I thought. These women were finally a disappointment to me personally, but I learned a lot from them. Ellen and I had met a couple of times in women's groups, and when she held the pro-abortion demonstration I joined in. I'd had strong feelings about abortion for a long time—mostly about back-alley butchers—but I'd never done anything about it. In fact, I'd never done anything about anything. The demonstration was my first political act. And I was scared. I've always been very afraid of authority. If I got a speeding ticket, I'd thank the cop for giving it to me. Anyway, I told my mother about how I wanted to get involved in these things, and she was worried I'd get sent to jail for it. I thought there was a possibility of my going to jail, like in the anti-war and civil-rights protests, but only for overnight or a day at the most. Still, I was scared. When I went along with Ellen to St. Joseph's Cathedral was when I was most afraid. I was brought up as a Catholic, and whenever my family drove past a Catholic church in our car my mother would always tell us to bow our heads."

By the fall of 1974, Turgeon had become increasingly unhappy about her job and dissatisfied with her life in general, and she decided to study the women's movement to see if it might be for her the emotional and social haven that it was for some other women. "I wanted to know what women had been through, and to really study the movement in and out, so it seemed that the best way to start was by getting out of the job where I was the token woman, the untrue example," she said. "I quit, and since then I've learned a lot about feminism and about myself. Feminism has given me a new sense of my dignity as an individual. It has let me accept myself as a person, and now I know that it's O.K. to be who I am. It has put me in touch with my personal strengths, and allows me to call them strengths for the first time. It provides a framework in which I can say 'I am a woman' without feeling there is something basically wrong with me. It's allowed me to express some weaknesses and not be completely ashamed of them, as I would have been before. It's helped me know that I can turn to someone else and expect understanding. It's allowed me to trust others, and to make myself vulnerable and not suffer for it."

After meeting in the fall of 1974, Turgeon and Grusse continued to see each other. They soon found the kind of companionship that neither of them had known before, and decided to live together. Hartford had come to seem dull to them, the women's movement there was weak, and the city reminded them of the unhappy period before they had found each other. They looked around for a more congenial place to live, and settled on New Haven, partly because Yale gave that city a feeling of greater vitality and freedom, but largely because of the New Haven "women's community," which consisted of about a hundred militant feminists. It was not a community in a geographical sense, since its members were scattered through town, but they had a common bond—women's liberation, which is the most fundamental, and even revolutionary, movement going on in the United States today.

In the view of the New Haven community's members (and in the view of those in similar communities around the country), the F.B.I. was using the Saxe-Power search not merely to find two fugitives from justice but to investigate this new radical movement. "At some point during the F.B.I.'s search for Saxe and Power, the Bureau found somebody who talked about the radical feminist 'network,' as the F.B.I. calls it," Avery has said. "Anyway, when the men at the top of the F.B.I. learned more about the movement—just how radical and determined these women are—they must have said, 'Jesus, we didn't know *this* was going on!' Then they began using the Saxe-Power case to learn more. While they claim that this isn't a political case at all, that's obviously nonsense. There are a lot of bank robbers and murderers loose, but the F.B.I. doesn't go to these extraordinary lengths to catch *them*. Of course, the government's idea of who is a threat to society has been weird all along. Take its attempts to break up the Socialist Workers Party over the past twenty years. A glance at that party's history shows that, as decent and progressive as it has been, it was always totally ineffectual politically. But the F.B.I. spent tens of thousands of man-hours keeping it under surveillance, getting its members fired from their jobs, rifling its offices, opening and reading its members' mail. While the government has never understood the New Left, it has no comprehension at all of things like consciousness-raising—basically, an attempt to change relationships between people—which grew out of the New Left by way of feminism. The government seems to view any sizable group of people who don't want to live the way the ordinary government official thinks people should live as conspirators and revolutionaries. Anyway, when the F.B.I. learned that a couple of fugitives had hidden out in lesbian communities it went after the lesbians under the pretext of looking for the fugitives. Naturally, F.B.I. men couldn't bear anyone who was *that* different. And when they saw that a lot of people with very different ideas and life styles were collected together in these feminist communities, they concluded, as they always have, that there must be a conspiracy to bring down the government. Actually, the women's movement *is* truly revolutionary, in a way that none of the movements of the nineteen-sixties were, because in time this movement is bound to change our political system and our society radically. Even so, there is nothing remotely illegal about feminism, so the government has no right to snoop around in it. But the government was badly frightened by all the social turmoil of the past decade, and is now determined to smash people who look dangerous before they can do any harm. That's why we have to oppose the government at every step of the way. If we don't, it will smash all of us by destroying the freedom of the individual to be an individual. That's the conspiracy this country faces today."

During the Presidency of Richard Nixon, the Administration saw, or pretended to see, conspirators everywhere. To impose a typrannical conformity on the nation, the Administration tried to destroy its political opponents by charging them with crimes, and conspiracy to commit crimes, against the state, and it prosecuted scores of people who had done little more than raise their voices in protest against the government's illicit use of its power. While the government lost almost every case that it took to court, it doubtless intimidated thousands of people who feared the same treatment if they spoke out. That result was as useful to the Administration as convictions and long prison sentences would have been, for it was conformity—subservience, in the end—that Nixon was after, so that he could do as he pleased with the nation. Although Nixon and his top confederates were run out of office, most of the hundreds of officials who carried out their orders—particularly, agents of the F.B.I., members of United States Attorney's offices around the country, and lawyers in the Department of Justice—remain at their posts. For instance, Guy Goodwin, who headed the special-litigation section of the Internal Security Division of the Justice Department under Nixon and directed the prosecutions of the Harrisburg Seven, the Gainesville Eight, the Camden Twenty-eight, and numerous other political cases, is still at work in the Department. And most of the U.S. Attorneys who tried such cases are also still in office. The methods used during the late sixties and early seventies to silence the opposition and the methods used in the searches for Patricia Hearst or Susan Saxe and Katherine Power are almost identical. The government claims that in its investigation of the more militant parts of the women's movement it has been solely concerned about a different kind of conspiracy—a conspiracy to conceal the whereabouts of two women charged with bank robbery and murder. Government spokesmen also contend that the women's movement has used the F.B.I.'s investigation to create a smoke screen to conceal its own divisions and shortcomings, as well as to get publicity and converts. And, finally, the government has stated that whatever it has done has been entirely legal, and that it has merely used, and will go on using, all the lawful means available to it in order to bring such fugitives to justice. If the only way of doing that is by questioning people about their personal lives, the government says, then it will question them, under the established legal principle that the state has a right to every person's evidence.

The primary question in the case—whether Turgeon and Grusse knew anything about Saxe and Power that might have helped the government in its search for them—can be answered only by the four women, perhaps their lawyers, and possibly some close friends. To the government, it has seemed that Grusse and Turgeon must have known something that could have been useful to the authorities. Otherwise, it has been said, the two women would undoubtedly have talked freely and demonstrated that they know nothing of any significance. This conclusion ignores a number of possibilities. It may seem unlikely that Grusse and Turgeon had not met Saxe and Power (at least as Paley and Kelly) or known others who knew them; if they knew nothing, the two women could simply have answered no to every question asked them before a grand jury and gone on their way. But the kind of knowledge they may have had could go far to explain their silence.

For instance, they may have unwittingly committed some kind of offense that they only later learned was a crime—say, that they had known someone who had put up two strange women for a night without knowing they were fugitives, that Grusse and Turgeon had subsequently learned who the strangers were and what they were charged with and had not informed the police about the incident, as required by law. Or they may not have known the fugitives at all but simply knew someone else who knew them, who had nothing of value to reveal, and who would be irreparably damaged in some way by being dragged into the case; in that event, the only way for the two women to avoid going to prison, even though they were wholly innocent, would have been to betray someone else who was also innocent. Since grand-jury proceedings are not supposed to be made public—except that witnesses are free to report what was asked them and what they answered—if Grusse and Turgeon were to testify about anything, however unimportant, it might appear to outsiders that they had given the government information that ultimately led to the fugitives' capture. In other words, the only way for Grusse and Turgeon to prove that they hadn't become informers would be to go to prison to show that they had remained silent. Further, if they testified in secret before the grand jury about anything of the slightest import, no matter how innocent they were personally of any wrongdoing, they could later be compelled, under another grant of immunity, to testify in public at a trial of Saxe, Power, or anyone who had been culpably involved with them. Given the intense loyalty in the women's movement, any act of this kind would surely have closed all doors to the sanctuary that Grusse and Turgeon had found at last. Or they may have known the fugitives only under their aliases, may have known nothing about their past or present whereabouts, and may have felt that they had to resist official intrusion into their private lives, since it could produce nothing of use to the government and might seem like a betrayal of two friends who, as far as Grusse and Turgeon knew at the time, were simply a couple of innocent women. Finally, of course, the two women may have known the fugitives by their true identity, may have known what they were accused of, and may have helped hide them. In that case, they would have been guilty of committing serious crimes, and could scarcely be expected to be informers against themselves. One of the most ancient principles of Anglo-Saxon law is *"Nemo tenetur prodere seipsum,"* or "No man is bound to betray himself"—a principle that is embodied in the Fifth Amendment to the Constitution, which states, among other things, that no one "shall be compelled in any criminal case to be a witness against himself."

For their own part, Turgeon and Grusse would say only that they had done nothing wrong. Apparently, the government believed that this claim was false—at the outset, anyway—for Dow, the Assistant U.S. Attorney in charge of the case, told Avery around the time the women were subpoenaed that he felt obliged, "in all fairness," to warn him that his clients were "targets" of the grand jury; in other words, they were likely to be prosecuted, although he would not say for what crime. Avery passed this news on to the women, and explained to them that the only way they could legally refuse to testify would be by pleading their Fifth Amendment right not to speak on the ground that whatever they said might incriminate them. (Assertion of that right seems to most laymen, to all too many lawyers, and even to some judges to be tantamount to an admission of criminal guilt of some kind, though there are often many reasons an innocent person might wish to remain silent.) But even a Fifth Amendment plea would not secure their right of silence for long, Avery went on, because the Department of Justice could ask the court to grant them immunity against any future prosecution based on their testimony.

Once a grant of immunity was offered them and the court ordered them to answer all questions asked by the prosecutor in the presence of the grand jury, he explained, their refusal to answer would amount to contempt of court. Moreover, it was up to the government to decide whether to prosecute for civil or criminal contempt. And under the law civil contempt may be more harshly punished than criminal contempt, for in criminal-contempt cases where the government asks for a sentence of more than six months defendants have a right to trial by jury, whereas in civil-contempt cases recalcitrant witnesses can be sent off to prison immediately, with no more than a judge's order, and can be kept locked up until either they agree to talk or the term of the grand jury expires. In the present case, the grand-jury term was to expire on April 1st—slightly more than two months away. Moreover, if the women refused to cooperate with the government and were found in contempt and imprisoned, once they were released they could be again subpoenaed to appear before a newly impanelled grand jury, and if they again refused to talk they could be sent back to prison for the life of the new grand jury—ordinarily eighteen months. The civil-contempt provision under current law is so unclear that conceivably the courts could rule that recalcitrant witnesses must spend the rest of their lives in prison without ever having been charged, tried, or convicted of a crime. But Avery's interpretation of the law had convinced him that his clients couldn't be imprisoned for more than eighteen months altogether, no matter how many grand juries they refused to testify before on this issue. In any event, Avery told them that Dow had warned him he meant to have them cited for contempt and jailed if they were granted immunity and refused to testify, would subpoena them again to appear before the succeeding grand jury, and would send them back to jail once more.

Grusse and Turgeon decided to take their chances. "We have an absolute moral belief that the investigation the government is engaged in will violate our basic constitutional and human rights," they stated in a press release that they put out shortly afterward to explain their reasons for refusing to testify. "We believe that the right to privacy and confidentiality in human relationships goes beyond those traditionally recognized confidences such as attorney-client, spouse-to-spouse, doctor-patient, etc. We believe that every person has the right to keep her affairs private without intervention by government agents. . . . Although we fear the complete loss of freedom and dignity that [imprisonment] holds for us, we feel strongly that it is imperative to insist on our fundamental rights and to halt the chain of invasions that is perpetuated by cooperation with government abuse of power." As absolute as their moral belief was and as just as their cause may have seemed to them, they didn't have a scrap of law on their side.

Avery and Polan worked all afternoon and evening and far into the night preparing three motions on their clients' behalf. The first asked the presiding judge to quash the subpoenas. The second asked the judge to delay the witnesses' appearance before the grand jury in order to give them time to prepare a legal position on the issue. And the third asked the judge to instruct the grand jury that it "is not subservient to the United States Attorney but has its own independent responsibility for calling witnesses and issuing indictments; that witnesses have an absolute right to assert the Fifth Amendment prior to any grant of immunity to compel testimony, and the grand jurors are to draw no inference from the exercise of Fifth Amendment rights; that witnesses have the right to leave the room to consult with their attorneys, and the grand jurors are to draw no inference from such actions; [and] that the grand jury can decline to question a recalcitrant witness, and thereby not compel her to choose between violation of her conscience by testifying or sentence to jail."

Avery completed the motions just before Grusse and Turgeon arrived at nine o'clock on the morning of January 28th at his office—a small, plainly furnished suite of rooms that he shared with two partners in an old building a few blocks from the federal court. They walked with Avery to the post office—where the District Court, the U.S. Attorney's office, and the grand jury room were situated, on the second floor. He asked the women to wait in the anteroom of the U.S. Attorney's office while he had a talk with Dow to see if he had changed his mind about demanding their testimony. As Avery later stated in court, when he entered Dow's office he found him with David Miller, the F.B.I. agent in charge of the Saxe-Power investigation in Connecticut. Dow immediately told Avery that he had been wrong the day before when he said that Grusse and Turgeon were targets of the grand-jury investigation, and added, "I have had a further conversation with the F.B.I. agent, and all [he] really wanted to do is talk to these women, and if they will talk to Mr. Miller—and you can even be present—that will be the end of the matter." Avery replied that his clients refused to talk to any government official about their personal lives, and rejected the offer.

District Court Judge Jon O. Newman (who had served for five years as U.S. Attorney in Hartford before being appointed to the federal bench by President Nixon in 1972) agreed to hear Avery's motions and oral arguments from both sides on the issues raised. During the hearing, Judge Newman contemptuously dismissed Avery's arguments, formally denied his motions, and ordered the witnesses to be ready to testify before the grand jury at 2 p.m. It was then nearly twelve-thirty, and Avery pointed out that he had a trial before Judge Newman starting at two o'clock, and could not be both in court and outside the grand-jury room to advise his clients at the same time. The Judge brushed aside that argument, too, and ordered the trial to commence as scheduled and Grusse and Turgeon to be in the U.S. Attorney's office at two o'clock.

The only local lawyer Avery could think of to take his place outside the grand-jury room was a young man by the name of David Rosen, who was also a graduate of Yale Law School and had offices in Avery's building. As it turned out, Rosen was off on business in Bridgeport, but when Avery finally tracked him down by telephone Rosen said he would drive back to New Haven immediately. He arrived at Avery's office at one-forty-five, which gave Avery only fifteen minutes in which to brief him on the case during the walk to the post office. "That is what we call 'due process of law,'" Avery said later. At two o'clock, Grusse, Turgeon, and Rosen were waiting outside the grand-jury room, in a marble-flowered hallway around the corner from the courtroom of the federal District Court.

Grusse was summoned before the grand jury first, and she entered the chamber—a large room with a T-shaped table—to find Dow seated at the head of the T and the grand jurors, twenty-three, as required by federal law, seated to his right and left and down both sides of the leg of the T, as well as in chairs along two walls of the room. Grusse was directed to the witness chair, at the foot of the T, next to a court stenotypist. "The atmosphere was very intimidating," Grusse said afterward. "The room was crowded and stuffy, and when I sat down and saw the stenotypist beside me ready to take down my every word and all those grand jurors staring at me I was scared—very scared. I had been able to build up some confidence and strentgh before I went in there, but the whole thing was so terrifying that I lost most of my nerve right away." To regain control of herself, Grusse began concentrating on Rosen's advice. He had warned the two women that if they answered any questions besides what their names were, they might thereby waive their Fifth Amendment right and have to answer all questions asked them. He had suggested that they not refuse to answer each question on Fifth Amendment grounds as soon as it was asked but that they write down each question, appear to hesitate over whether or not they should answer it, and then ask if they might go outside to confer with their lawyer. By this means, he explained, they would have a chance to learn what Dow's purpose and the scope of the grand jury's inquiry were. If they answered all the questions by immediately "taking the Fifth," Rosen warned them, Dow would probably stop after the second or third question and excuse them.

Grusse's voice shook when she gave her name, and then Dow asked his first question—her address. Grusse wrote down the question and asked if she could consult her lawyer before answering. Dow nodded, almost imperceptibly, to the foreman of the grand jury, who gave the permission, and Grusse rose and walked outside to where Rosen and Turgeon were waiting. She handed Rosen the piece of paper she had written the question on; he glanced at it and handed her another piece of paper, on which he had written the answer. She looked at it distractedly and said, "God, it's terrible in there—terrible." Turgeon put an arm around Grusse's shoulder and murmured a few words of encouragement to her.

Returning to the grand-jury room, Grusse sat down and read the answer. Rosen had prepared: "I decline to answer the question. I have been advised by my lawyer that if I answer this question I will have waived my right to refuse to answer other questions. I am basing my refusal to answer on my right not to give evidence which might tend to incriminate myself, which right is secured to me by the Fifth Amendment to the Constitution of the United States." There was a long silence, during which Dow and most of the grand jurors stared at her. She tried to return their looks firmly, but her courage failed her, and she looked down at the table. The silence—especially the silence of the stenotype machine, above which Grusse could see the court reporter's fingers poised—was nearly unendurable, and she gulped in relief when Dow finally went on to his next question: whether she knew Susan Edith Saxe, by name or alias. Again she went outside, and came back to give the same answer.

She was then asked the same question about Katherine Ann Power, and went through the same procedure. Dow asked her to identify photographs of the fugitives, which she declined to do. Then he asked whether she had ever met various women at a certain address in Hartford—women whom he identified only by their first names—and she again took the Fifth. Finally, Dow had a brief whispered conversation with the foreman, who nodded and then dismissed the witness. Turgeon was asked fewer questions, and was released after spending a dozen minutes in and out of the hearing room.

In the end, Rosen and Avery concluded that the questions asked the two women were based on nothing more than suspicion—especially since Dow cited only the first names of women the witnesses may have been associated with—and that the grand jury was being improperly used as an investigative body. Even so, had either witness answered any of the questions incorrectly she could have been prosecuted for perjury. And had she answered in the affirmative the key question put to her—whether she knew Saxe and Power—the next question undoubtedly would have been whether she knew that they were wanted for bank robbery and murder; in answering *that*, she might have implicated herself and admitted that she had committed misprision of felony in not notifying the police. Of course, many ordinary citizens are probably unaware of the law on misprision or of various other obscure laws that can be used against them when they are, as far as they know, innocent of any crime. But since grand juries are not obliged to inform witnesses what the inquiry under way consists of and whether or not the witness is a suspect and subject to indictment, even the most guiltless person who is called before a grand jury may run afoul of the law by failing to claim the Fifth Amendment right to remain silent. The legal principle stating that ignorance of the law is no excuse may be essential to the support of our criminal-law system, for without it anyone could plead that he hadn't known a given act was legally a crime and get off. But ignorance of the law clearly *is* an excuse in many circumstances, because no one can know the millions of laws on the books in this country, and if one is denied the right to have a lawyer present, then one is intentionally being kept ignorant of the law and afterward is subject to its penalties.

Afterward, Avery and Rosen (who remained in the case as co-counsel from this point on) warned Grusse and Turgeon that Dow would probably ask the Department of Justice to request immunity against prosecution for the two women in exchange for their testimony and would recall them before the grand jury. Under the so-called use-immunity law—enacted by Congress during the Nixon Administration years and upheld soon afterward by the Burger Court—once prospective witnesses are given immunity they can't be prosecuted for anything they say under oath, except for perjury if they are subsequently shown to have lied, but they can still be prosecuted for the crimes they are questioned about, as long as the prosecution is wholly based on evidence obtained independently of their testimony. One flaw in the new use-immunity law, Avery explained is, that an unscrupulous prosecutor can easily make it appear that his evidence was uncovered independently of a witness's testimony. And a far more pernicious flaw exists when two witnesses are involved, as in the case at hand: while Grusse's testimony could not be used to incriminate Grusse and Turgeon's testimony could not be used to incriminate Turgeon, Grusse's testimony could be used to incriminate Turgeon and Turgeon's testimony could be used to incriminate Grusse—that is, if either had done anything incriminating to begin with. In other words, the lawyers explained, if the government granted the witnesses use immunity, their ordeal had only begun.

Late that afternoon, Turgeon and Grusse returned to their apartment in a state of exhaustion, bewilderment, and fear. "Everything was up in the air," Eurgeon said later. "We had no idea what would happen or when it would happen. We didn't know whether the threats of immunity and contempt and jail were real or not. We didn't know anything, and had even thought we might be arrested that very day when we refused to talk. And that night, after our appearance before the grand jury, there was real terror for us. We thought maybe they'd come and drag us out of bed and throw us in jail. We were terrified. We called the lawyers, and they assured us that the government couldn't do anything like that, and promised us that they would protect our rights at each step of the way. But we didn't know what to believe. We couldn't see that we had any rights, and the government seemed so vicious and relentless that we thought it could do anything. That was the real horror—not knowing, trying to live hour by hour, day by day, and constantly fearing what would finally come."

The two women got little sleep that night, but by the next morning they felt somewhat more relaxed. They rose early, and Grusse went to peek through the curtains to see if anyone was outside guarding the place or keeping it under surveillance. There was no sign of anyone. They had breakfast, and they began discussing a suggestion that Avery had made the day before—that they create publicity about their case in order to deter the government from behaving as capriciously as it might if no one was aware of the case, and to gain public support and perhaps some financial help. "We were very worried about what it would do to our personal lives if we went public," Grusse said. "We are both very private people. For myself, just having my name known out there really frightens me. But we wanted people to understand what was happening to us and what the issues were—the people in the women's community here first and then people throughout the country. It was a hard decision to make. Finally, we decided we had to sacrifice ourselves in order to save ourselves and maybe help some others."

Once the two women decided to make their case known to the general public, they agreed to a proposal made by some of their supporters in the women's community—that a Grand Jury Defense Committee be set up to generate the publicity they sought, to get people to attend their court appearances as a means of discouraging the kind of high-handed official behavior that often characterizes unpublicized court proceedings, to educate local citizens about their rights, and to raise funds for the defense. In line with this overall strategy, Grusse and Turgeon put out their press release, which recounted the story of the F.B.I.'s search for Saxe and Power, presented the basic reasons for not talking to the F.B.I. about personal matters, accused the government of illegally invading their privacy and improperly using the grand jury as an investigative tool, and concluded:

> What makes us most angry is that we have been forced into a position of playing the Man's games, the rules of which deny us our basic rights, dignity, and responsibility and control over our own lives. In reality, it is not very different from the everyday life of every woman living with the fear of rape, brutalization by men, defining herself through her "man," etc. We feel that giving information to the F.B.I. gives in to the power that they hold over us, a power that perpetuates women's position and the position of all oppressed peoples.

A couple of days later, Grusse and Turgeon distributed the release among members of the New Haven community and the presss. "Before long, we were appalled by how public we had become," Grusse said later. "It had never occurred to us when we decided to go public that it would become known we were lesbians. That clearly had nothing to do with the case, and we felt that it was the worst imaginable invasion of our privacy. But within a matter of days everyone knew about us. Our lives were spread out in the papers, over radio, on television—everywhere."

At the same time that Grusse and Turgeon began trying to exert pressure on the government to leave them alone, the government began trying to exert more pressure on them to cooperate with it. Two days after the women appeared before the grand jury, an F.B.I. man turned up at the home of Turgeon's parents to question them about their daughter Terri. The elder Turgeons weren't at home, but one of their two other daughters, Madeleine, was, and once the agent learned that she was there alone he began questioning her intensively about her sister Terri. Madeleine was flustered and alarmed, and, as she later recounted in an affidavit. "The F.B.I. agent did not say what he was looking for, except that he wanted to find two women about whom my sister might have information. . . . He asked me if I was close to my sister and if we confided in each other about our personal and private lives. He later told me that my sister was now living with another woman, named Ellen Grusse, and he said he knew a great deal about their personal and private lives together, implying that my sister was a lesbian. After he revealed this detail of my sister's personal life, he said that his visit to me would not have been necessary if my sister had cooperated with him. He also encouraged me to put pressure on my sister to cooperate with his investigation, and said to me, 'It would be good for someone to get her to cooperate with us.'" When the agent left, saying that he would come back to talk to her parents, the woman was so upset by what he had told her that she decided she had better tell her parents about Terri rather than have him spring the news on them unexpectedly. The Turgeons were hurt by the story about their daughter's life and stunned by her supposed involvement with criminals. As it happened, the F.B.I. man never returned to question the Turgeons, and the suspense of waiting for him increased their torment. Mr. Turgeon, in fact, was in such a state of anguish that he could not bear to speak to Terri about the case. Her sister telephoned her and begged her to stay out of trouble and to do whatever the government wanted. Terri promised to come over to see them in a few days to explain what had happened and why she was doing what she was. Then, she asked that the family stand by her. "I need help," she said, "I need help very badly."

A few days later, the same F.B.I. man appeared at the office where Turgeon's other sister, Judy, worked in a suburb of Hartford. He asked the girl about her sister's private life, friends, acquaintances, and habits. "My coworkers were present during the course of this thirty-minute interview," she stated in an affidavit. "At several times during the interview, the F.B.I. agent said in a loud voice, 'I wouldn't have to bother you if your sister wasn't so uncooperative.' After I answered one particular question, the agent indicated that he did not believe me, thus questioning my truthfulness in the presence of my co-workers." F.B.I. agents also questioned two uncles of Turgeon's in Lewiston, Maine, and a cousin in Baltimore. And four agents turned up just before midnight at the North Carolina home of a man and woman who were living together and whom Grusse and Turgeon had visited some months earlier on a holiday trip to the South. The four agents—who were apparently under the impression that Grusse was Saxe, although there was no resemblance between the two women—split up into two-man teams and questioned the man and woman separately, simultaneously, and intensively for nearly an hour. "They were terrified," Grusse reported later. "It was the midnight knock on the door."

Before long, Turgeon's family rallied to her support, and stood by her throughout what was to be a long and increasingly harrowing ordeal. "My father didn't understand what was happening at first," Turgeon said. "But when our lawyer wasn't allowed into the grand-jury room to protect us, Dad thought that was unfair. After all, in America you're always supposed to have the right to a lawyer. Then my father met some of my friends, some of whom are professional people and very impressive, and he learned that long hair and beards and strange clothes don't matter. And the government's continuing persecution of me finally outraged him, and now he's radicalized by this case, just the way that I and many of my friends have been."

Grusse's family, on the other hand, were unable to understand or sympathize with her plight. "My parents didn't see the larger political picture or the basic issues involved, and they just wanted to protect me," she said. "They kept saying to me, 'Talk to the grand jury and stay out of jail.' That was a strong and constant pressure on me. It caused a temporary break in my relations with them. They tried to understand—they really wanted to help me—but they simply couldn't grasp it all. They think these things don't happen to good, honest people. And the fact that I am a lesbian was too much for them. It put them in a position where it was emotionally difficult for them to support me. Their view was that the United States government always acts in the best interests of the people. That is a view I don't share. For them, the law and the Constitution are there to protect us, Terri and me, and we are abusing both—not the other way around, as we believe. Anyway, the women's community here is also my family now. Its members have supported us strongly most of the way. At first, a few of them said to me that maybe this case—the hunt for two fugitives wanted for bank robbery and murder—wasn't the issue to take a stand on against the government. After all, they said, those are very serious crimes. I agree with that. But I answered that unfortunately I hadn't had any choice in the matter, that the government had handed me the issue. Since I hadn't done anything wrong, I had to stand up now, or I would never be able to stand up to anything or anybody in the future. Then they understood."

A few of Grusse and Turgeon's friends were so frightened by the F.B.I. and the publicity surrounding the case that they avoided the two women. "Some of them are terrified by the whole thing," Grusse said. "They're frightened by the stigma of being publicly known as lesbians, the way we are now, so they live very privately, even secretly, to hide their lives from their families and employers. And now they're afraid of the political stigma, too. It used to be that lesbians were thought of as merely being perverted, but now they're seen as bank robbers and murderers or, at best, as friends and abettors of bank robbers and murderers. We believe that this is the government's basic motive—to intimidate women in the movement, to create fear among us, to split us up, and finally to destroy the women's movement. The best way to do that is by making the innocent seem guilty."

On February 5, 1975, the Department of Justice formally granted the U.S. Attorney's office in Connecticut permission to apply to the court for an order giving Grusse and Turgeon immunity. The letter from the Department conveying official permission to seek the grant was received and filed in the U.S. Attorney's office in New Haven on February 10th, and at six-thirty on the morning of the twelfth the U.S. marshal reappeared at the apartment shared by Grusse and Turgeon and served them with a new set of subpoenas, which ordered them to appear before the grand jury at ten o'clock the following morning. When they telephoned Avery, he told them that Judge Newman would undoubtedly grant the immunity requested before they were questioned by the grand jury the next day, and added, "They are going to send you to jail." Then we went to have a talk with Dow, in the slim hope that he might persuade him to drop the case. Avery told him that as a matter of public policy the government, with its immense power, should yield to the minute power of the individual when the opposition was so passionate and principled, as it clearly was in this case. Avery had little hope that this argument would prevail, though, and said privately, "I don't think the government will do that. It won't back off until its losses exceed its gains. The people who run the government should try to relieve democratic tensions when they can in order to preserve the system. But they don't see things that way, even though it's in their own self-interest. If the government is ever toppled, it will be its own officials who bring it down." Dow refused to listen to any suggestion that he alter his course. "A policeman was killed, and left nine kids," he said.

Grusse and Turgeon dreaded even the thought of going to prison, and kept hoping that the government would finally see that they were innocent and determined to remain silent. "Justice needn't be tempered with mercy—it should simply be fair," Grusse said. "If the government believes we are guilty of something, then it should charge us, take us to trial, and give us a chance to defend ourselves. That would be justice." And Turgeon added, "I don't think we've done anything wrong. We haven't committed any crime. Our stand is solely a matter of principle with us. We are two innocent women, and yet we have the whole United States government against us."

THE SUCCESS OF CATERPILLAR TRACTOR

Mr. PERCY. Mr. President, over the past 9 months the image of some multinational corporations and a portion of the American business community has been badly battered by the disclosure of questionable payments abroad. As ranking minority member of the Senate Foreign Relations Committee's Subcommittee on Multinational Corporations, I have been part of the investigative process. I have made numerous public comments on why I deplore these payments and why I believe they must be stopped.

In the din and commotion, however, we tend to lose sight of the fact that these payments represent a small proportion of U.S. business abroad and there are major companies which are eminently successful which have not participated in questionable practices. One example of these firms is Caterpillar Tractor. It has led this country as the major exporter of industrial products, almost $2 billion per year, and has contributed substantially to the U.S. balance of payments. Caterpillar exports contribute to the support of 29,000 U.S. jobs.

My pride in Caterpillar's contribution is enhanced by the fact that it is an Illinois company. The firm is a fine example of entrepreneurship and the benefits of open, nondiscriminatory world trade. Mr. President, there is one place that open trade plays well in the United States—it plays well in Peoria.

I ask unanimous consent to have printed in the Record for the benefit of my colleagues a recent lead article in the Wall Street Journal on the success of Caterpillar Tractor.

There being no objection, the article was ordered to be printed in the Record, as follows:

What Recession? A Leaping Caterpillar Is a Wondrous Thing, Even Its Rivals Agree

(By Harlan S. Byrne)

Peoria, Ill.—Caterpillar Tractor Co. is known for those bright yellow machines that have been scraping and scooping up earth for many years. Lately, Caterpillar's corporate performance has been almost as earthshaking as the big machines.

The company has expanded and spent heavily at a time when most firms cut back. And at a time when corporate profits in general declined sharply, Caterpillar's profits soared.

In late 1974, in the midst of the worst U.S. recession in 40 years, Caterpillar announced a $1.6 billion expansion program for 1975–77. The program doubled the outlays made in the previous three years. Under it, Caterpillar is increasing its capacity for making the larger and more profitable earthmoving machines that are in strong demand world-wide. In a bold move to capture a major share of the truck-engine market, the company is also doubling its capacity for making diesel engines.

There was no recession at Caterpillar. Profits in 1975 rose by 74%, to nearly $400 million from $229 million the year before. Sales jumped more than $900 million to nearly $5 billion. In both 1974 and 1975, the company struggled to meet demand. While most big manufacturers laid off workers by the tens of thousands. Caterpillar let go only 200 employes out of 80,000 around the world.

MORE GAINS AHEAD?

If Caterpillar has gauged the future correctly with its expansion program, further sharp increases in sales and earnings are ahead. The 1975 profit leap isn't likely to be repeated soon—in fact, recent easing of demand for many types of construction machines has led some analysts to figure that Caterpillar's earnings (despite a first to around $6.50 a share from $6.87—but most analysts think the company will surge ahead after 1976 and could easily double sales and earnings in the next five years.

A doubling of earnings would probably make Caterpillar one of the dozen most profitable U.S. manufacturing companies; in 1974, it ranked 36th, and the final returns for 1975 will probably put it in 15th or 16th place. Among U.S. multinationals, Caterpillar is No. 1 in some ways: For a number of years, it has been the leading industrial exporter ($1.9 billion last year); similarly, in most recent years it has been the chief contributor ($1.7 billion net last year) to the plus side of the U.S. balance of payments.

So far, the company has come through unscathed in the furor over foreign bribes paid by U.S. companies, though it has asked its outside auditing firm to look for any questionable payments. As far back as October 1974, it quietly beat other multinationals to the draw by preparing a "code of worldwide business conduct" for its management. The code doesn't say anything specific about payments to foreign sales agents, but it does declare, "We intend to hold to a single standard of integrity everywhere." Though the code hasn't been touted by Caterpillar, it has nonetheless become a model for other companies scrambling to write their own. The concern had to print 5,000 copies of the eight-page document to meet outside demand.

"Caterpillar is beginning to look like a rose among thistles," the president of another large multinational company observes with a touch of envy.

PRODUCTS AND SERVICE

If Caterpillar seems to be doing most things right these days, that doesn't necessarily mean it has found new secrets of success. Largely because of a long-standing reputation for quality products and service, it has been growing impressively and dominating the construction-machinery industry for years.

Though industry statistics aren't complete. Caterpillar is believed to have close to 50% of the U.S. market for earthmoving machines, the main category of construction machinery. Cat, as the company is commonly known, is the only full-line producer of earthmoving equipment, turning out a dozen product lines with more than 80 models. In some of the larger lines of machines, where the price tag may top $250,000, its market share is estimated at 60% to 80%, even though many of its machines are higher-priced.

"We seem to pay twice as much for Cat's machines, but they're four times better than any others," says the president of a large company in Indianapolis. "Twice as much" is an exaggeration, but some observers say that Caterpillar does get as much as 10% more for some machines. Manufacturers say price comparisons are difficult, however, because of varying features on machines.

ACCURATE FORECASTS

Sherwood T. Small, a vice president of Donaldson, Lufkin & Jenrette Securities Corp. of New York, attributes much of Caterpillar's success to management's ability to anticipate demand. In the mid-1960s, Caterpillar officials foresaw a proliferation of large construction projects—such as hydroelectric and irrigation dams, pipelines, and roads to new oil and gas regions and to newly developed farm areas—to help meet growing demand for food and energy. Such a proliferation, the company saw, would mean explosive demand for larger earthmoving machines. So, well before the current huge expansion program, expansion became the watchword.

At one point in the 1970–71 recession, some observers thought Caterpillar had overdone the expansion. But the energy crisis triggered by the Arab oil embargo of 1973–74 swept away doubts. Caterpillar was in good position to cash in on the ensuing demand. There was a boom in pipeline projects, stepped-up drilling for gas and oil, and a rush by oil-exploring countries of the Middle East and North Africa, flush with petrodollars, to industrialize their economies.

"The energy crisis touched off a wild scramble for large machines," recalls Lee L. Morgan, 56, Caterpillar's president. Mr. Morgan says demand from oil-producing countries has eased somewhat this year—he feels that some countries are temporarily near the limit of their capacity for using construction machines—but the energy markets are still among the strongest.

Recently, for instance, Caterpillar has been selling many machines for use at the giant Itaipu hydroelectric project, a $5 billion joint undertaking by Brazil and Paraguay that is one of the bigger earthmoving projects of all times. Construction of oil and gas pipelines also remains a big market. Probably no single project has occupied more Caterpillar machines than the trans-Alaska pipeline, where the company has more than 1,000 pipelayers and other machines in service.

But foresighted as Caterpillar may have been about the earthmoving boom, the company isn't error proof. Several years ago, for instance, it brought out a loading machine that proved defective; it had to spend several million dollars correcting the flaws.

Some critics of the company assert that in recent years Caterpillar has been more of a copier than an innovator. They say Caterpillar lets eager competitors come out with new models and spend a great deal of money before the bugs are worked out; then, they say, if Caterpillar is satisfied that the market justifies the effort, it introduces its own models, profiting on the competitors' mistakes and wielding its marketing muscle to quickly carve out a big share of the market. Caterpillar replies that it thoroughly checks out new models to assure quality whereas some competitors rush new models into production.

NO RUSH ON DIESELS

Caterpillar certainly hasn't rushed into the diesel-engine field. The company pioneered the use of diesel engines for construction machinery 35 years ago; since then, it has supplied its own needs and has sold engines to other machinery makers and for marine and industrial uses. But it was only 10 years ago that it began selling engines to truck makers, scoring a breakthrough in 1969 when Ford Motor Co. gave Caterpillar a big part of its business. Caterpillar now has about 10% of the U.S. truck-engine market.

As engine sales climbed, Caterpillar made two major moves. Anticipating a critical shortage of castings for engines and machines, the company built one of the world's largest and most modern foundries at Mapleton, Ill., near Peoria. And at Mossville, also near Peoria, it built a giant diesel-engine plant that went into service a year ago. Now the company is building another diesel-engine plant at Mossville and another foundry at Mapleton almost as big as the existing one, at a total cost estimated by industry sources at more than $400 million.

Mr. Small of Donaldson Lufkin, citing a general shortage of foundry capacity, says the new foundry will put Caterpillar in a superior position to supply engines at favorable profit margins. "We think Cat's share of the U.S. truck-engine market could more than double by 1980 to something in excess of 20%," he says. That would be an unwelcome development for Caterpillar's three biggest engine competitors: Cummins Engine Co., the Detroit Diesel division of General Motors Corp. and Mack Trucks Inc., a unit of Signal Cos.

The new truck-engine plant has led to speculation that Caterpillar, which makes large off-highway trucks for use mainly in mining, plans eventually to enter the market for heavy-duty over-the-road trucks. W. L. Naumann, Caterpillar's 64-year-old chairman and chief executive, says Caterpillar has thought about making such a move but has no present plans to do so.

LOCAL TALENT

Mr. Naumann exemplifies a surprising characteristic of Caterpillar: Despite the firm's success as a large multinational company, its management is largely home grown. Of the company's 19 administrative officers, all but one have spent most of their careers with Caterpillar. Most were originally from Illinois or Missouri, including the top five officers: Mr. Naumann, Mr. Morgan, the president, and the three executive vice presidents, Virgil V. Grant, Robert E. Gilmore and Edward J. Schlegal. The last two are natives of Peoria.

Caterpillar executives, though, can hardly be considered insular in their outlook. About half of them have had tours of duty abroad. Mr. Morgan, who came up through the sales ranks, spent as much as a third of his career abroad before he became president. "In 10 years' time I was in 65 countries," he says.

Five of Caterpillar's officers started as factory apprentices, and three of the five including Mr. Naumann, didn't finish college. Roger T. Kelley, personnel vice president, notes that Caterpillar has always stressed on-the-job training.

Visitors are impressed by the way Caterpillar executives seem to work hard and enjoy it. Also, the company doesn't go in for many frills; executives have the use of company airplanes, but none of them have chauffeur-driven cars.

Mr. Naumann thinks there is some connection betwen highly productive employes and the fact that the company's main operations are in the Farm Belt.

"Many of the people who work for us come from farms," he says, "and I can't help but think that a lot of them never forgot how to work."

Much of the credit for the reputation of Caterpillar's products must go to its ambitious research-and-development program. The company consistently spends 3% to 4% of its sales dollar for new and improved products, compared with 1% to 2% for most competitors. More than 4,000 engineers and scientists toil in a large research complex here and at proving grounds in Illinois and Arizona.

Caterpillar spent $169 million for research and development last year, and about $1 billion in the past 10 years. The results have been steady, with at least three or four models or products coming out annually.

IMPORTANCE OF DEALERS

Probably of equal importance to Caterpillar is its dealer organization; indeed, some observers say the dealers have made the company. Competitors privately concede that their own dealer networks can't approach Caterpillar's in size or service. The company has 122 dealers in the U.S. and 148 abroad, operating out of 900 places of business. The average dealership's net worth is around $8 million, and some dealers have sales of more than $100 million a year.

One such dealership is the John Fabick Tractor Co. of Fenton, Mo., near St. Louis. Fabick has more than 400 employes operating out of Fenton and four branches in Missouri and Illinois. Besides large facilities for repairing machines, the dealer also maintains a fleet of 100 trucks, on 24-hour call, to minister to ailing equipment. Each truck, specially equipped, costs about $50,000. Chairman John Fabick explains:

"Service is the key to this business; to sell, you have to service. Downtime is the worst enemy of a contractor. When something goes wrong with his equipment, you can't provide service fast enough for him."

Fabick also has an airplane based at a nearby airport to speed deliveries of parts.

Because most Caterpillar dealers are larger and better capitalized than competitors, they're able to offer customers a better supply of parts and a wider selection of equipment. Caterpillar dealers also are responsible for all equipment operating in their territory whether or not it was purchased from them, an arrangement that few competitors have with their dealers.

John C. Deagon, equipment vice president for Morrison-Knudsen Co., the big construction concern based in Boise, Idaho, praises the performance of Caterpillar dealers. "Only with Cat do we seem to get consistently good service around the world," he says.

MANY COMPETITORS

Caterpillar has many competitors, with some smaller companies selling only one or two lines of equipment. The major competitors are well-known and strong in some lines. The big ones include International Harvester Co., Deere & Co., Clark Equipment Co., Terex division of General Motors, J. I. Case division of Tenneco Inc., Fiat-Allis (a joint venture of Allis-Chalmers Corp. and Fiat S.p.A. of Italy) and Komatsu Ltd. of Tokyo.

One indication of what the competitors are up against: Caterpillar annually turns out nearly $1 billion worth of machines abroad, which is more than the total construction-machinery sales of any of its competitors. Caterpillar officials have convincingly demonstrated to unions and other critics of multinational concerns that overseas plants can stimulate exports and create new jobs in the U.S. By manufacturing some products in a foreign country, Caterpillar figures, it increases demand for other products shipped from U.S. plants.

An example is Brazil, where Caterpillar began making equipment in 1954. That year the company exported $10 million of machines and parts to Brazil. Today, even as expansion of capacity is continuing there, Caterpillar's exports to Brazil are about $100 million a year.

REVIEWING THE RULE XXII CHANGE

Mr. MONDALE. Mr. President, it has been 1 year since the Senate voted to change rule XXII of the Standing Rules of the Senate. Late on the night of March 7, 1975, after a 7-week fight which included 37 record votes, this body adopted Senate Resolution 4.

Senate Resolution 4, as passed, provided that debate in the Senate could be limited by the vote of three-fifths of the membership of the Senate. That is to say, it now takes 60 votes to invoke cloture. Prior to the passage of Senate Resolution 4, it had taken a vote of two-thirds of those Members present and voting to limit debate.

As one of the chief sponsors of Senate Resolution 4, I was confident that this change in the Senate rules would be beneficial. There were, however, some who did not join in my optimism. The New York Times, in an editorial dated March 7, 1975, called the modification of the rules "a toothless compromise" and the passage of Senate Resolution 4 a "hollow victory."

Fully realizing that, to quote Anthony Lewis, "[t]he very mention of rule 22 is enough to make most people's eyes glaze over," I believe that the time has come to consider what the change in rule XXII has meant to this body and to the country. We have now had 1 year's experience under the new rule XXII. Has anything changed? Have there been quantifiable results? Were the fears of the opponents of change realized?

It is important to note at the outset that the members of a great deliberative body, such as the U.S. Senate, have two vitally important rights—the right to debate and the right to decide. We must debate, for full discussion is the hallmark of rational consideration. Likewise, we must vote, for deliberation is an empty gesture without decision.

Unfortunately, rule XXII, before its amendment by Senate Resolution 4, protected the right to debate at the expense of the right to decide. Prior to the introduction of Senate Resolution 4 during the 94th Congress, there had been 100 record cloture votes since the adoption of rule XXII in 1917. Only 20 had resulted in the successful invocation of cloture.

The record cloture votes told a story of defeat and delay. But, cloture votes hardly told the whole story. Dozens of filibusters took place during the 58-year period that did not culminate in record cloture votes. Their toll was high in terms of the defeat, the delay, and the compromising of important legislation. Bare statistics did not reveal the bills that were lost in the jam created by filibusters. Bare statistics did not reveal the power of the threat of the filibuster. Bare statistics did not reveal the valuable time and money lost to filibusters.

During the first session of the 94th Congress, since the passage of Senate Resolution 4, there have been 19 cloture votes. Of these, 10 have been successful. When one removes from these figures the cloture votes on the New Hampshire Senate seat dispute, the figures are even more striking. There have been 14 cloture votes of which 10 have been successful.

In absolute terms, the use of cloture has increased dramatically during the 94th Congress. Only 100 cloture votes were taken during the 58 years preceding the 94th Congress. After the passage of Senate Resolution 4, 19 cloture votes occurred in 1 year.

This year, under the new rule XXII, there have been more cloture votes than during any previous first session of a Congress. Historically more cloture votes are taken in the final session of a Congress than during the first session. Of the 100 cloture votes taken prior to the 94th Congress, only 30 were taken during the first session of a Congress. If this pattern holds, the number of cloture votes taken during the second session of the 94th Congress will exceed those taken during the first session.

In terms of successful invocation of cloture, the record under the new rule XXII is even more dramatic. During the 58 years prior to the modification of rule XXII, cloture was invoked in 20 percent of the votes. Since the passage of Senate Resolution 4, cloture has been invoked better than 50 percent of the time.

When one removes the New Hampshire dispute, the success is greater than 70 percent. When one removes duplicate votes on the same measure, the success is greater than 80 percent.

What has this meant to the country in terms of actual legislative accomplishment? Probably the most dramatic result is capsulized by Al Eisele writing in the St. Paul Pioneer Press:

> The first test of the new rule came on May 13, (1975) when the Senate ended a four-year debate over a controversial bill to establish an independent consumer protection agency by invoking cloture and then passing the bill.

The Senate has also invoked cloture on a tax reduction measure a bill to provide needed staff to individual Senators, an extension of the Voting Rights Act, the Common Situs Picketing Bill, the Rail Services Act, aid for New York City, and other measures.

The change in rule XXII has meant another important improvement in Senate efficiency. An enormous amount of time has been saved. Cloture is now frequently invoked on the first—rather than the fourth—vote.

When one looks at the statistics on filibustered bills prior to the 94th Congress, one finds filibusters lasting for weeks. The post-Senate Resolution 4 statistics are striking. Most filibusters last only 3 or 4 days. The comparison with respect to the voting rights is illustrative of the saving of time. When the bill first came to the Senate in 1965, the filibuster against its enactment lasted for 25 legislative days. When the bill came to the Senate for renewal in 1975, the filibuster against its extension lasted but 3 days.

As with the pre-1975 use of cloture, the statistics on the use of the new cloture procedure do not tell the entire story. I would contend, Mr. President, that the entire atmosphere surrounding cloture has changed.

The burden on those seeking to invoke cloture is not only quantitatively different; it is also qualitatively different. Instead of having to persuade a colleague to vote for cloture without knowing whether his vote will be the 59th vote, with anywhere from 51 to 67 votes needed a proponent of cloture will be able to assure a colleague that his vote will satisfy a concrete—60-vote—burden.

Participation in cloture votes has increased dramatically. Since the passage of Senate Resolution 4, there have never been fewer than 88 Senators present for a cloture vote. The Washington Post, in an editorial dated March 5, 1975, anticipated this factor when it wrote:

> [A]ll senators would know how many votes were needed and how their actions, including their absences, could affect the result. Moreover, there is merit to the argument that imposing cloture is serious business, and senators who want to limit debate should be willing to interrupt their travels and come back to cast their votes. In this way, the new compromise could be a means of disciplining the majority, as well as striking a better balance between the right of a minority to debate and the ability of the majority to decide.

The threat of a filibuster has lost its muscle. In addition, cloture may now be effectively used to prevent time-consuming, nongermane amendments to bills under the provisions of rule XXII.

In short, Mr. President, the entire atmosphere surrounding has changed. While only once has the cloture vote fallen within the zone between two-thirds of those present and voting and three-fifths of the membership, there have been many cloture votes with more than 80 "aye" votes. Senators know that the 60-vote burden is easy to overcome. As a result, they tend to more readily vote for cloture. The filibuster has lost its power.

Finally, Mr. President, the change in rule XXII has surely helped the image of the Senate. The Minneapolis Star, commenting on the old rule XXII in an editorial on March 3, 1975, said:

> Even more serious than the strangling of any particular legislation or the waste of time, energy and money, has been the blow to the Senate's prestige.

Under the modified rule XXII, the Senate acts efficiently and effectively. I believe the American people notice the change.

Mr. President, I would be remiss if I did not address those fears so often, so ardently, raised by the opponents of Senate Resolution 4 and by the critics of the compromise version of Senate Resolution 4 which this body eventually adopted.

During the lengthy debate on Senate Resolution 4, many expressed the fear that meaningful debate in the Senate would be destroyed. William Safire, writing in the New York Times, feared that the new cloture rule would "crush dissent."

It must be remembered that attempts to limit debate do not generally occur until many hours of debate have taken place. In addition, even if cloture is invoked, 100 hours of debate are still allowed. Surely, 100 hours of debate—following what are commonly lengthy gestation periods for legislation are careful committee consideration—when combined with pre-cloture debate, adequately provides for careful consideration and extended discussion.

As a practical matter, the new rule XXII has permitted dissent and debate. During the consideration of two measures this session, early cloture votes have failed. Some Senators have expressed the desire to hear more debate and to engage in longer consideration. These bills were later the subject of successful cloture votes, after dissent had been fully expressed.

The critics of the version of Senate Resolution 4 which finally passed the Senate expressed the fear that the proponents of cloture were better off with the variable two-thirds rule. The 60-vote requirement is lower than that required by the former two-thirds rule so long as 89 or more Senators vote. If, however, from 51 to 88 Senators vote on a cloture petition under the old rule, only 34 to 59 votes were needed to cut off debate. Under the new rule, 60 votes are always required, no matter how many votes were actually cast.

Since the passage of Senate Resolution 4, only once have there been fewer than 89 Senators present for a cloture vote. Thus, with one exception, the 60-vote burden has always been less or equal to the former requirement of two-thirds of those present and voting. There were sufficient affirmative votes for cloture to satisfy the 60-vote burden on the one vote with fewer than 89 Senators present. As I have previously discussed, the new rule XXII has encouraged greater participation in cloture votes. It appears unlikely that the fears of the critics will be realized.

Mr. President, we cannot fully and definitely evaluate the effects of new rule XXII on the basis of a single year. What Frank Wright, writing in the Minneapolis Tribune on March 9, 1975, said about this issue is equally true today: "The jury is still out."

However, on the basis of what we have seen during the first session of the 94th Congress, Senate Resolution 4 has had, and will continue to have, a profound, positive impact on the Senate and on the country. The greatest deliberative body is still the greatest deliberative body. Now, it is a body that can and will act to meet the needs of this Nation.

Writing in The Federalist in 1787, Alexander Hamilton said:

> In those emergencies of a nation, in which the goodness or badness, the weakness or strength of its government, is of the greatest importance, there is commonly a necessity for action. The public business must, in some way or other, go forward.

Senate Resolution 4 has insured that the public business will go forward in the U.S. Senate.

THE GENOCIDE TREATY

Mr. GARN. Mr. President, within a few days, the Senate will apparently be considering the so-called Genocide Treaty. I have considered this question at some length, and feel that it would be appropriate to explain to the Senate my reasons for opposing this treaty.

First, Mr. President, there does not seem to be any clear agreement on what the treaty means. The International Court of Justice has decided that each nation is free to decide for itself what the treaty means, and that no country's decision is binding on any other nation.

Second, the matter of signatory status is somewhat in doubt. Under the same court decision, if another nation adopts definitions under the treaty, and we do not like their definitions, we can consider them nonsignatory, even though they have, in fact, signed the treaty. And, of course, if other nations do not like our definitions, they are free to reject us as signatories as well.

Third, although it is true, since we can make up any definitions we want that there is very little chance of an American citizen being extradited for trial for genocide. Still, there seems to be no real reason to run any risk at all. We have adequate laws in this country to punish anything that might reasonably be construed as genocide, and there does not seem to me to be any reason to call outsiders into the process.

Fourth, while there is not much danger to Americans within this country, the passage of the treaty might subject Americans abroad to danger. A country which does not happen to like the United States is free to adopt definitions under the treaty which would make any common traveler guilty of genocide, and thus subject to trial abroad.

Fifth, the uncertainty of the implications of the treaty during wartime. In the U.S. view, the treaty does not apply in times of war, but that is only our understanding. It is not binding on any other nation. Foreign countries would be free to execute American prisoners at will, for the crime of genocide.

Sixth, the worst effect of the treaty is the propaganda value it will have for other nations against the U.S. Under the treaty, alleged crimes can be brought before the United Nations for "investigation." In my view, we have nothing to fear from the U.N., at least as long as we are paying the bills, but the embarrassment could be considerable, and it is so unnecessary.

In short, Mr. President, the question occurs: What is the value of this thing? What do we gain by it? Do we demonstrate to the world that we are opposed to genocide? I would much rather make the demonstration by deeds than words. I note that the Soviet Union has signed this treaty, and I have seen little evidence that its signature has had any impact on the treatment of the captive nations within the Soviet Union.

What it all amounts to, then, is that we are going to adopt this treaty as a sort of symbolic gesture, inspired by the treatment of the Jews by Hitler during the Second World War. In my view, Mr. President, symbolism of this type is a poor way to remember such a tragedy. We would be better advised to apply within the United States the laws we presently have on the books, and leave the symbolism to those who do not have the substance.

Mr. President, in 1974 the Senate considered this treaty and failed to invoke cloture on the issue. In August of that year, Mr. Norman Douglas wrote an article for the New Guard discussing some of the problems with the treaty. I ask unanimous consent that Mr. Douglas' article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GENOCIDE TREATY: THREAT TO U.S. SOVEREIGNTY

(By Norman Douglas)

On February 5, 1974, after only a little more than one week of rather lackluster consideration, the United States Senate refused by a vote of 55–36 (two-thirds being necessary) to invoke cloture on debate of the so-called Genocide Treaty. The next day cloture failed again by a larger 55–38 vote and the Senate moved on to other business.

Aside from this brief two week run, the International Convention on the Prevention and Punishment of the Crime of Genocide, as it is officially entitled, has not appeared on the Senate floor since being initially proposed by President Truman for ratification on June 16, 1949. Until just this past year either the Senate Foreign Relations Committee would not act favorably toward the treaty or the supporters of the treaty realized that they did not have sufficient votes to gain ratification and therefore did not want the matter brought up. Consequently, the appearance of the treaty in the Senate for serious consideration this year indicated that either the Senate liberals, who have generally supported the treaty, felt that the composition of the Senate now made approval possible or the various lobbying organizations promoting ratification finally forced the issue to a vote.

Whichever might be the case, the vote on cloture indirectly revealed that a substantial majority of the Senators ostensibly favor ratification of the treaty, but probably not the two-thirds which the Constitution requires. Nonetheless, the treaty remains at the top of the Executive Calendar and could be brought up again at the discretion of Senate leadership during a legislative lull. With many Republicans who oppose the treaty out campaigning for re-election this summer the measure, if revived, could slip through in their absence. Even if it does not reappear this session, the prospective change of several Senate seats this November means the treaty almost undoubtedly will be voted on in the new Congress.

The treaty thus remains on the threshold of further consideration and possible adoption, yet there has been a nearly complete dearth of serious discussion of the measure throughout the country. In any Gallup poll on the treaty attitudes of the general public toward ratification of the treaty almost invariably would go from: "Huh?" to at best a "I haven't the faintest notion." The fascination with the treaty has largely been confined to the descendents of Wilsonian idealism in international relations. Thus aside from the halls of the United Nations, the United States Senate probably registers the highest intensity of enthusiasm for the proposal.

The treaty reflects the general trend in American foreign policy in which finely honed rhetoric replaces substantive treaty commitments and military strength. Aside from the creation of illusions, rhetoric does not have to be harmful, but when the rhetoric becomes an organic part of American law through the treaty process it deserves especial attention. Therefore, further discussion of the treaty requires an examination of several of the provisions.

Appropriately, the first problem which arises in considering the treaty concerns the title itself and the meaning of the term "genocide." The word "genocide" was coined in 1933 when a Polish lawyer, Raphael Lemkin, proposed to the International Conference on the Unification of Criminal Law in 1933 that they "declare the destruction of racial, religious, or social collectivities" a crime under the law of nations. Even today the usual dictionary definition of the term appears as "the deliberate and systematic destruction of a racial, political, or cultural group."

This definition initially received support from the United Nations General Assembly in their resolution on genocide adopted on December 11, 1946. Reflecting on the recent German experience the United States delegate to the Ad Hoc Drafting Committee of the U.N. sought to include the words "with the complicity of government" in the definition. However, the Soviet Union balked at both the inclusion of "political" groups in the definition or references to governmental collusion in the actions taken. The objections of the Soviets were sustained in the final drafting of the treaty. Thus the old and authentic definition of genocide conveniently went down memory hole and the word has been recycled through the Communist lexicon. In 1951, Senator Richard Nixon pointed out this disparity as he wrote:

"The major objection to the treaty is that its provision would not apply to the persecution of political minorities of the Soviet Union."

Neither the treaty nor the actions of the Soviets have been altered over the years and the right to kill "political" opponents remains outside the definition of the term "genocide" as used in this treaty. Even the proponents of the treaty grant that the present persecution of Jews and other dissidents in the U.S.S.R. is not covered by the treaty. They go on to say that we therefore do not have to worry about upsetting detente through ratification!

If the treaty does not outlaw the kind of persecution which the communists have engaged in for twenty years then one may quite properly ask just what is prohibited and in what manner. Article II of the Convention defines Acts Constituting Genocide as follows:

"In the present Convention, genocide means any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group, as such:

"(a) Killing members of the group;

"(b) Causing serious bodily or mental harm to members of the group;

"(c) Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part;

"(d) Imposing measures intended to prevent births within the group;

"(e) Forcibly transferring children of the group to another group."

Even allowing for the neglect of political persecution, this definition may appear at first glance quite straightforward. Yet the casual reader of political speeches must realize that this article is intended to become a part of our legal code through the treaty and associated implementing legislation and consequently must be subject to intense scrutiny. With each phrase one must ask precisely what the wording means and how it relates to any specific hypothetical action.

On this basis alone the entire treaty could easily be ruled unconstitutional because of the "void-for-vagueness" doctrine. The Supreme Court has ruled in *Connally* v. *General Construction Co.*, 296 U.S. 385, 391, that:

"A statute which either forbids or requires the doing of an act in terms so vague that men of common intelligence must necessarily guess at its meaning and differ as to its application, violates the first essential of due process of law."

Only when the average citizen knows precisely what the law is can he discern when his actions may constitute a crime.

Senator Ervin, a leading opponent of ratification, drew attention to the inadequacies of this section as he stated:

"If the convention is ratified, article II(b) (of the U.S. Constitution) would impose upon the United States the duty to prevent and prosecute and punish public officials and individuals who cause 'mental harm to members' of any of the four groups named in the convention. What mental harm means in this context is totally incomprehensible, and what psychological acts or omissions are made punishable in this context are left in obscurity."

Similar questions have been raised in the course of debate over the treaty whether alleged segregation policies might fall within the definition of offenses. In the 1954 *Brown v. Board of Education* decision the Supreme Court of the United States used terminology that could easily be construed to mean causing "mental harm to members of the group." The court ruled that separation "may affect their hearts and minds in a way unlikely ever to be undone . . . and has a tendency to retard their education and mental development . . ."

Given the current alignment of forces in the world community there is little doubt that charges of genocide would be brought against American citizens upon ratification under the treaty because of the immense propaganda value such charges would generate. It remains unlikely that anyone would be extradited and punished for the kinds of charges that may be conjured up, although the plain language of the treaty could lead to just such a situation.

Given the vague terminology of the treaty and its importance the question invariably arises as to who has the authority to determine precisely what the treaty does mean. This problem is resolved by Article IX which provides that:

"Disputes . . . relating to the interpretation, application or fulfillment of the present Convention . . . shall be submitted to the International Court of Justice at the request of any of the parties to the dispute."

Consequently, the International Court of Justice and not the United States Supreme Court is vested with the power to settle these vital disputes. Since the meaning of the treaty probably will goven the nature of almost any case brought up, American citizens will be largely subject to the jurisdiction of an international body whose composition in any particular year is more likely to govern a decision than historical legal precedents.

The Senate Foreign Relations Committee itself acknowledged many of the terminological problems associated with the treaty as drafted by appending three understandings and one declaration to the treaty when they favorably reported it out of committee. For example, the first understanding states that the definition in Article II applies only when the actions taken "affect a substantial part that genocide concerned." Thus they state that genocide cannot be committed against only one or several persons. But in 1950 the State Department stated that a part of the group under the treaty could mean a single individual. Moreover, the status of the understandings and reservations remain in considerable doubt as effective loopholes since they seemingly negate the clear language of the treaty.

Possibly the most interesting phenomenon associated with the attempt to ratify the genocide convention is that almost all of the proponents of the treaty have been in the vanguard of the movement of restrict American international responsibilities. Yet in the case of this particular treaty virtually no heed has been given to the possibility of actually enforcing its provisions against someone someday. Perhaps they themselves do not take the document seriously or actually believe laws are somehow self-enforcing.

Nevertheless, the implementing legislation for the treaty (Sec. 1092(c)) states: "The offense defined in this section, wherever committed, shall be deemed to be offense against the United States." A more open-ended commitment can hardly be imagined. Once again it should be emphasized that offenses are not determined by the United States but by any nation acting through the United Nations (under the provisions of Article VIII) and that disputes concerning violations are settled by the International Court of Justice (Article IX).

In one of his more candid moments, Senator Proxmire, the leader in the fight for ratification, who has belabored his colleagues daily with speeches on the subject, stated bluntly:

"Anyone who argues that the bill would be useless is thus saying that anyone may commit an offense against this country in contradiction with our laws and the Congress with impunity. Certainly this is not the case."

In another mood, however, Proxmire has taken a different tack in trying to pacify his critics by claiming that "looking at this from a realistic" viewpoint, there is nothing that the international community can do to punish government instigated genocide."

Thus one can conclude with Senator Proxmire that either the treaty would add new sweeping commitments to American foreign policy over which we would have little control, or else the treaty really consists of nothing more than some fine but meaningless rhetoric. In neither case would ratification of the treaty by the United States be appropriate.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, since the adoption of the Genocide Convention by the United Nations General Assembly over a quarter of a century ago, 82 nations have ratified the treaty. These nations include both friends and adversaries of the United States, but not the United States itself. This absence of the United States is especially disappointing in view of the key role played by the United States in the drafting of the convention.

William Korey, director of the International Council of B'nai B'rith, summarized the efforts of our Nation in a September 1972 article "On Banning Genocide: We Should Have Been First":

> Today it is all but forgotten that, in fact, the United States played a key role in the drafting of the treaty that was reflected in the text itself. Formulated in terms of familiar Anglo-American legal theory and couched in the language of traditional common-law concepts, the treaty drew upon the precise wording of common-law crimes long accepted in American jurisprudence. Most important, it was the United States that insisted that a specific intent to commit genocide must be proven before an offender could be punished. And the American delegation led the fight for its adoption. . . .
>
> The United States delegation was among the first to sign. Only two days after its adoption, the formal American signature was appended to the treaty.

Mr. President, it is a sad commentary on this body that we have failed to ratify this treaty for so many years. We should not allow our exaggerated fears of the past to continue to misdirect our interpretation of the Genocide Convention. I am hopeful that the recent endorsements of the Genocide Convention by the armed services of the United States, by the American Bar Association, and by the Senate Foreign Relations Committee will be the crucial turning point in our struggle to ratify the Genocide Convention.

PROPOSED LABOR DEPARTMENT JOBLESS RULES NEED STRENGTHENING

Mr. PERCY. Mr. President, although I am very grateful that the latest statistics indicate a lowering of the unemployment rate, it is imperative that we do not forget the bitter lessons we learned during last year's recession. One of these lessons centered on the need to shorten significantly the inordinate delays that many of the unemployed experienced and, tragically, continue to experience, in receiving unemployment compensation checks.

Some of these delays have ranged up to 6 months and have resulted in untold hardship to many productive Americans, who found themselves out of work due to no fault of their own. Because of slow payments, many of the unemployed fell into debt, were evicted from apartments, lost mortgages and suffered a host of personal problems that could have been avoided with the timely payment of unemployment benefits.

It was quite apparent at the time that these delays were brought to our attention that the Federal Government had abdicated its responsibility to set properly binding standards for prompt payment of benefits and to enforce them on State unemployment insurance agencies. The Federal Government should have been involved because State administrative costs are borne by the U.S. Labor Department. Voluntary guidelines that were in effect were useless because they were being ignored by the States.

Until now, the only recourse open to the beneficiary has been to seek redress in the Federal courts—a very costly and time-consuming process—because the Labor Department has failed to set meaningful guidelines for the performance of State agencies.

I met with then Labor Secretary John T. Dunlop last fall and urged him to promulgate standards that would force State unemployment compensation offices to respond to the urgent financial needs of the unemployed.

On March 5, 1976, the Labor Department finally issued binding standards for State performance on first-benefits payments to the unemployed. Initial reaction was one of gratitude that the Department had finally decided to act on this problem constructively.

However, upon closer examination, it appears that the new standards are full of holes and may actually worsen the plight of the jobless.

Mr. Sheldon Roodman, deputy director of the Legal Assistance Foundation of Chicago, has written me about the proposed standards and pointed out some serious flaws.

First, Mr. Roodman notes that the proposed standard is vague. It states that first-benefit payments to the newly unemployed shall be made with "the greatest promptness that is administratively feasible." This is hardly a clear-cut standard. Some States may interpret these proposed regulations to mean that delays of 2 to 3 months are permissible, as long as faster payments are not "administratively feasible." The criteria for meeting the standard is that 80 percent of intrastate beneficiaries and 60 percent of interstate beneficiaries must be paid within 14 days after the first compensable week—28 days in most States. This can be ignored, however, if the State comes up with a sound excuse for not meeting the standard. But what good are sound excuses to the unemployed worker who is so very much dependent on the unemployment compensation check?

Compare, for example, regulations of the Department of Health, Education, and Welfare and the Department of Agriculture which have interpreted timeliness in concrete terms. Aid for dependent children applications must be processed within 45 days; food stamp applications within 30 days.

Second, the proposed regulation in effect condones the failure to pay benefits promptly to 20 percent of all intrastate applications and 40 percent of interstate beneficiaries who are not paid within 2 weeks after the first compensable week.

Third, the proposed rule does not establish specific enforceable rights for the beneficiary to receive benefits in a timely manner. An individual who has failed to receive his unemployment compensation check in a timely manner would have no recourse if his State complied with the proposed standard.

Mr. Roodman, in his critique, has raised some issues that should be addressed by the Labor Department. What benefit can come from promulgating standards, if a broad escape clause is written into the standards? It does no good to tell the unemployed that their jobless checks are delayed by ostensibly valid administrative excuses. Their grocers, bankers, landlords, or lenders will not accept such excuses as payment on overdue accounts.

These proposed standards need to be modified. Clarity and precision must be substituted if they are to have the desired effect. We do not need any further regulations that will be flaunted.

I ask unanimous consent that Mr. Roodman's timely critique on the proposed regulations be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Legal Assistance Foundation of Chicago's Critique of the Department of Labor Proposed Regulations Regarding Prompt Payment of Unemployment Compensation Benefits

Widespread delays in paying unemployment compensation benefits to eligible unemployed workers has been, and is, a serious nationwide problem. The United States Department of Labor has admitted that its failure to promulgate regulations binding on state agencies and to spell out clearly that promptness in making payments is a federal requirement have been major elements in contributing to the delay problem. Unfortunately, the regulations now proposed by the Department of Labor on the subject (41 Fed. Reg. 9559–9561, March 5, 1976 will further exacerbate the problems of excessive delays, instead of providing a solid basis for future progress in this area. Criticism of these proposed regulations must be received by the Department of Labor, Room 7000, Patrick Henry Building, 601 "D" Street, N.W., Washington, D.C., 20213, no later than April 5, 1976. Only if substantial public criticism is submitted, is it likely that the content of the final regulations will be altered.

In its introduction to the proposed regulations, the United States Department of Labor concedes that Congress in enacting the "payment of unemployment compensation when due" provision in Section 303(a) (1) of the Social Security Act, 42 U.S.C. § 503(a) (1), considered the "prompt payment of unemployment compensation to be of crucial importance" and further recognized that "unless some precise interpretation of the phrase 'when due' is established, there exists no measure of satisfactory performance." The proposed regulations, however, clearly fail to provide a precise interpretation of the "when due" requirement. Moreover, they do not insure the full payment of unemployment compensation when due, and they in fact lessen the existing obligations of state agencies to pay unemployment compensation claims in a timely manner.

The proposed regulations adopt the following administrative interpretation of the "when due" requirement. States must provide "such methods of administration as will reasonably insure the full payment of unemployment compensation to eligible claimants with the greatest promptness that is administratively feasible." 41 Fed. Reg. 9561, proposed 20 C.F.R. § 640.4 (March 5, 1976). (Emphasis added.)

For intrastate claims, a State will be considered to be in "substantial compliance" with this standard if 80% of the first benefit payments are made within 14 days after the end of the first compensable week; for interstate claims, if 60% within 14 days. Any state failing to meet these criteria will be required to submit an Annual Benefit Payment Performance Plan, the content of which is not specified in the proposed regulations.

This regulatory scheme contravenes the congressional mandate set forth in the Social Security Act, 42 U.S.C. § 503(a) (1), (a) by failing to make a "precise interpretation" of the "when due" requirement, (b) by failing to establish maximum time standards for paying unemployment compensation to all eligible workers, and (c) by failing to establish specific enforceable rights to receive benefits in a timely manner.

First, the proposed standard, "the greatest promptness that is administratively feasible" is obviously no standard at all. In some states delays of three or more months may be considered "the greatest promptness that is administratively feasible." Recognizing this fundamental defect, the Supreme Court expressly rejected such a standard in Fusari v. Steinberg, 419 U.S. 379, 382 n.15 (1975). Clearly, the proposed standard provides no "precise interpretation" of the "when due" requirement to the individual claimant who has a statutory right to receive unemployment compensation benefits in a timely manner.

Second, other federal agencies, such as the Department of Health, Education, and Welfare in connection with the Aid to Families with Dependent Children program, and the Department of Agriculture in connection with the food stamp program, interpreting similar congressional mandates to insure the prompt payment of benefits, have adopted specified maximum time standards for the paying of such benefits to all applicants (45 C.F.R. § 206.10(a) (3) (45 days for processing AFDC applications) and 7 C.F.R. §271.4(a) (3) (30 days for processing food stamp applications). Such regulations properly interpret broad congressional mandates of timeliness to require the setting of maximum time standards for paying of benefits. The Department of Labor's failure to adopt a maximum time standard for the payment of benefits to unemployed workers results in these workers having no enforceable rights whatsoever, in contrast to applicants for AFDC and food stamps.

Third, by considering the processing of 80% of intrastate claims and 60% of interstate claims within 14 days from the end of the compensable week to be substantial compliance with the proposed standard (§ 640.5), the Department of Labor has rendered the regulatory scheme wholly ineffectual for individual claimants seeking to enforce their rights to prompt payment of unemployment compensation benefits. The proposed regulations in effect condone excessive delays in 20% of intrastate claims irrespective of the reasons. Such an approach emasculates the "when due" requirement and renders nugatory the legal obligations of state agencies to unemployed workers applying for unemployment compensation benefits.

For all of the above reasons, there is an urgent need to comment on the proposed regulations and to urge the United States Department of Labor to revise its interpretation of the congressional "when due" requirement, and its regulatory enforcement scheme. A proper interpretation would require the States to pay benefits to all eligible claimants within 14 days after the end of the compensable week with only narrow exceptions in cases of outside intervening factors or when the claimant causes a delay.

REPORTING REQUIREMENTS ON SMALL BUSINESSES

Mr. MONDALE. Mr. President, recently the Senate passed S. 3149, the Toxic Substances Control Act. A special concern that I have with this act is the potential effect of its reporting requirements on small businesses. I fully support the intent to protect the American public from harmful chemical substances. However, I want to assure at the same time that we do not inadvertently create a situation in which small businesses in this field will be submerged by paperwork and reporting requirements. I am convinced that these interests need not be in opposition to each other.

In my recent meetings with small businessmen in my home State of Minnesota, the strongest concern I heard is about Government regulations and the paperwork involved. The costs of the reporting requirements to demonstrate compliance with the laws we establish fall most heavily upon these small businesses. They lack the staff and resources for extensive reporting and recordkeeping. The relative costs of preparing such information are greater for them than for their larger competitors. And they believe that many of the reports they are asked to submit are not needed or used by the agencies that require them.

I recognize that the members of the Commerce Committee have given special consideration, as described in their report, to the impact of this legislation on small businesses. I commend my colleagues for their special attention to this most important issue. I want to stress for the record my own intent in supporting this legislation that its reporting requirements, especially for small businesses, be kept to an absolute minimum consonant with the Administrator's legitimate need to have the information necessary to enforce fully the protections that this law intends.

Section 8 of this law requires the maintenance of those records and the submission of such reports as the Administrator may reasonably require. Under section 5, this information must also be provided prior to the first manufacture of a new chemical substance. I believe that the Administrator should determine that the regulations to carry out these sections require only that information which is necessary for the full and effective implementation of this law. He should also ascertain that the forms promulgated are clear and explicit in their language. He should also establish a procedure to inform manufacturers that they have satisfactorily completed the reporting requirements and either that they are in compliance with them or else that they are not in compliance and the reasons for such determination.

Mr. President, I wish to reiterate my support for the intent of this legislation to protect fully our Nation's workers, consumers, and environment from unproven or dangerous chemical substances. However, I believe that it is also important to protect the small chemical manufacturers from the potentially hazardous economic consequences of the regulations and reporting requirements it establishes. I believe that with the proper expression of our legislative intent we can achieve both of these goals.

IS NATO MILITARILY VIABLE?

Mr. TAFT. Mr. President, one of the most important national defense questions we face is whether the NATO alliance is militarily viable. It is a question of such grave importance that it should be of concern not only to members of the Armed Services Committee, but to all Senators, in fact, to all Americans.

Accordingly, I plan periodically to ask permission to print in the Record articles and essays by noted military and strategic thinkers relating to the question, Is NATO viable? There is fundamental disagreement on this question. As I have learned through my work in the area of armed services, many of our most respected theorists believe NATO is not viable, or at least that, if current trends continue, it will not be viable in the forseeable future. Most interestingly, many of these theorists believe the essential problem to be qualitative, not quantitative; that is to say, it is not that the alliance as a whole does not have adequate resources to meet the challenge from the Warsaw Pact, or even that we are not allocating adequate resources for defense, but rather that we are allocating our resources on the basis of outdated and incorrect military concepts. The need is not for more spending, but rather for military reform, according to the thought of some of these strategists.

The question of whether NATO is militarily viable impacts on the very survival of the United States. Specifically, if the NATO forces in Central Europe are not capable of stopping a Warsaw Pact conventional/tactical nuclear attack, the United States would face the question of whether to accept a Soviet conquest of Europe in which 200,000 U.S. troops and their families would be destroyed, or to initiate a strategic nuclear exchange with the Soviet Union, in which the United States might be destroyed. As the 1975–76 white paper on defense issued by the Government of the Federal Republic of Germany notes:

> The parties to the Alliance must insure by maintaining strong conventional forces in Europe that, if possible, the compulsion to use nuclear weapons is avoided. It is only on this condition that the United States can be expected to incur the risk of using nuclear weapons.

Mr. President, I am going to ask unanimous consent to print in the Record the first of what I expect will be a series of articles on this critically important question of whether NATO has a viable conventional/tactical nuclear capability. This article is from the German magazine Der Spiegel of March 8, 1976, and it is an interview with one of NATO's foremost military authorities, German Gen. Johannes Steinhoff, retired. General Steinhoff was a World War Two air ace and one of the world's first jet fighter pilots. In 1966, as a lieutenant general, he became commander of the Luftwaffe, and in 1971 General Steinhoff was sent to NATO's headquarters in Brussels. He was Chairman of the NATO Military Committee in Brussels until April 1, 1974, when he retired.

General Steinhoff is both highly knowledgeable and highly critical of NATO's conventional capability. In this interview he states, "NATO is in no position to stop a massive Soviet attack with conventional arms. To expect this would be wholly unrealistic."

Mr. President, I ask unanimous consent that the interview with Gen. Johannes Steinhoff, "For Heaven's Sake, What a Picture of War," from the March 8, 1976, edition of Der Spiegel, be printed in the Record.

There being no objection, the interview was ordered to be printed in the Record, as follows:

Spiegel. Mr. Steinhoff, in your book "Whither NATO?" you severally criticized the shape of the alliance. You know what you are talking about: Until 1974 you were the highest ranking officer in the alliance. You summed up the situation by stating that NATO could not repulse an attack from the East with conventional weapons and that atomic deterrence is no longer taken too seriously. In that case wouldn't it be wiser to raise the white flag?

Steinhoff. Well, why not the red one? In all seriousness I did not say that NATO is no longer credible; it still is credible, that is, for the time being.

Spiegel. Your book, however, does not reflect such an optimism. Up to now, NATO's deterrent effect was based on the assumption that a potential attacker had to anticipate that the West would use its atomic might. Recently, however, there is an increasing feeling that the Americans wish to back out of their nuclear promise to Europe because they fear that Russia might use its atomic power against the U.S.

Steinhoff. From the American point of view it is quite understandable that they do not want to get involved in an immense escalation. I also understand the concerns voiced by former U.S. Secretary of Defense James Schlesinger and those of Donald Rumsfeld, his successor, who do not find the idea credible of using atomic weapons if NATO is not even in a position to stop a limited attack with conventional means.

Spiegel. The Americans want the Europeans to defend themselves for two and even three month with conventional arms before the atomic threshold is to be reached.

Steinhoff. NATO is in no position to stop a massive Soviet attack with conventional arms. To expect this would be wholly unrealistic.

Speigel. Even if reinforcements come from America?

Steinhoff. That takes too much time. When in this connection some ambitious admirals try to justify the construction of new German destroyers by saying that they must be used to protect supplies brought by ships from America, I can only say: "For Heaven's sake, what a picture of war."

Speigel. How long could NATO troops without U.S. supplies repulse an Eastern advance across the Zone?

Steinhoff. First, I don't believe the Soviets will involve Western Europe in a regular war. A massive attack is improbable as long as the risk of an atomic counterattack exists. On the other hand, we might be faced with several less massive advances consisting of political pressure and military threats and even limited aggression to enable the opponent to obtain the upper hand.

Spiegel. Even at smaller NATO exercises the hard-pressed defenders will only after a few hours send the following message: "We no longer can hold our lines; use atomic arms!"

Steinhoff. That is correct. So far it has been very difficult to convince the military that nuclear arms are no substitution for conventional artillery, that they are political weapons, that is, a means of deterrence to tell the opponent that the attacked party is ready to transfer the conflict to a higher level. We have got used too much to those concepts of war according to which the lieutenant after the atomic barrage climbs out of the trench, shakes off the dust from his sleeves and leads his soldiers in the attack.

We have to rid ourselves of those macabre ideas that a nuclear war can be waged for a short time. That surely is not true. After all, nobody knows what will happen if such a thing is used. That will get us in a situation nobody has the faintest idea about.

SPIEGEL. That means, the Americans are right by encouraging their European NATO partners to prepare for a longer conventional fight.

STEINHOFF. No doubt, atomic arms will continue to play an important role as far as preventing wars is concerned. On the other hand, we Europeans want to have conventional armed forces that, thanks to their effectiveness and readiness, must likewise be able to deter potential aggressions.

SPIEGEL. That's easy to say; in your book, however, you cite many examples teaching us that we must not expect too much of our conventional power of resistance. According to Author Steinhoff things do not look too well in the weak flanks of Northern and Southern Europe. In central Europe things are better. But even there it would take days until the poorly placed units could reach their theater of action.

STEINHOFF. That is correct. Some of our allies have reserve divisions that will take 14 days to be brought up to their full strength. The Dutch, for example, would first have to transport their tanks by train in order to get them ready for action.

SPIEGEL. Let's assume they really get there. Then after the first engagement they would not have the correct replacement parts and ammunition. They could not get them from their neighbors, the Germans and the English, because they use different tanks and cannons.

STEINHOFF. Standardization is one of NATO's biggest problems. We have 13 different antitank rockets used by 12 armies, we have four different types of tanks, 11 different types of aircraft, four different types of rockets to be used in attacks against objectives protected by concrete dugouts.

SPIEGEL. Things are even worse in the Navy. You stated in your book: "NATO has more than 100 different types of ships including destroyers and larger vessels. They carry 36 different types and systems of radar, eight different systems of antiaircraft rockets and 40 different types of cannons of caliber 30 and larger."

STEINHOFF. As far as the NATO naval forces are concerned they are practically unable to help each other.

SPIEGEL. As for the NATO Special Forces, that is, the Allied Mobile Force, the only mixed unit in the Alliance consisting of 5,000 soldiers of seven different nations, things are not much better.

STEINHOFF. It is, indeed, an excellent brigade but its individual national units use different weapons, means of communication and ammunition. It employs seven different types of aircraft, six different types of rifles, three different types of mortars and machine guns. Therefore, each national unit needs its own supply organization. General Andrew Goodpaster, a former NATO commander in chief, once stated that such units are only half as effective.

SPIEGEL. In a situation characterized by units in the wrong place and poor standardization of equipment faced by an opponent who according to NATO intelligence is correctly placed and equipped with standardized weapons, how long could Western units in Central Europe repulse an Eastern advance? Would the Russians not already be at the Rhine and the North Sea in two days?

STEINHOFF. That depends on how much early warning we get or better on how much time we have on hand from the moment we recognize the danger to the moment when we can take our countermeasures such as filling up units with reservists and transferring them to the theaters of action.

SPIEGEL. Since, according to NATO estimates, Soviet troops do not have to make special preparations for limited attacks and since they can attack, as it had been said so well, from a standing jump, the Western defenders would scarcely have the time to mobilize and deploy their forces.

STEINHOFF. In short-term alerts the NATO units would, in my opinion, be able to repulse the enemy only for a few days.

SPIEGEL. The Americans rest their hopes on the supply problems the Soviets would be confronted with as it happened in Czechoslovakia in 1968. At that time, Soviet units were without rations and gasoline for many days.

STEINHOFF. You know, already in WW II we were very much mistaken about the Soviets' capacity to improvise. They are masters in the art of living from the land and they would now get into regions in which each village has at least two gas stations.

SPIEGEL. What should NATO do to improve its chances—of course, without spending money inasmuch as nobody has money.

STEINHOFF. First, it must not be permitted that the armed forces of two neighboring states continue to stick to different periods of mobilization and use different equipment. In addition, we have in our alliance too many national plans, too many national general staffs—according to the motto: The smaller the nation the more important its general staff.

Furthermore, I don't see why NATO should not finally take advantage of its own outstanding military and scientific experts for the elaboration of a uniform tactical doctrine, structural improvements, standardization and assignment of tasks. This, of course, would require that each nation yield a small portion of its sovereignty. We also must not forget that a lot of money would be saved by concentrating power and standardizing arms even if we consider that modern weapon systems are always twice as expensive as the ones they replace.

SPIEGEL. That is a little too much at once. Do you have an idea how much time it would take to get all 15 NATO members with their national stubbornness under one hat?

STEINHOFF. This would certainly be a long-term procedure that surely would take from ten to twenty years. Of course, that takes a long time and requires political decisions. If Europe continues on its present course at the same speed we will soon have an unsettled East-West relationship with all its consequences which would not only be of a political nature.

SPIEGEL. In that case NATO can only hope that the Russians will for the next twenty years believe the West to be stronger than it really is.

STEINHOFF. Yes, therefore, it is very important that deterrence becomes credible again. The Soviet Union should know that it is running a high risk if it decides to attack. Here nuclear arms have a political significance.

SPIEGEL. How would a NATO commander feel who after the collapse of his conventional forces would have to admit: Now I depend on the good will of the U.S. President who, well out of harm's way, has to decide whether or not to defuse the first atomic missile.

STEINHOFF. I believe you are doubting too much the U.S. engagement in Europe. I feel the Americans will abide by their nuclear guarantee. Yet, I admit that there are certain powerful forces trying to get the U.S. out of its obligation.

SPIEGEL. In view of NATO's present shape the whole Western defense depends on the general confidence in the U.S. President and that he will do the right thing at the right moment.

STEINHOFF. Here again you oversubscribe a little. If we do not have such a conviction we could . . .

SPIEGEL. . . . immediately raise the white flag.

STEINHOFF. That's what you are saying.

SPIEGEL. Mr. Steinhoff, thank you for this conversation.

BIG GOVERNMENT

Mr. STEVENSON. Mr. President, it is fashionable in this political season to rail at the big and meddlesome Federal Government. Our distinguished colleague, Mr. GARY HART of Colorado, has contributes some neglected facts to this uninspiring debate about the Federal Government. In a recent speech in Denver he pointed out, among other things, that the number of Federal employees had decreased since 1961 in relation to the total work force and size of the economy, that about 80 percent of Federal employees were now engaged in defending the Nation or delivering its mail and that the Federal budget had not changed significantly since 1952 as a percentage of the gross national product. The growth has come at the State and local levels where the total number of employees has more than doubled since 1960.

Mr. President, the truth is worthy of some attention, too. As Senator GARY HART points out, the big problem with big government is inflation expectations and the myth that it can solve every problem. I ask unanimous consent that his speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

BIG GOVERNMENT

(By Senator GARY HART)

With so many people complaining about big government, I decided to find out how big the government actually is and to assess why people are so angry about it. The results of my research are surprising.

The federal bureaucracy is the most frequent target of cocktail party abuse and campaign rhetoric. The bureaucracy is perceived as growing at an alarming rate and expanding to control every aspect of our lives.

In 1974 the federal government employed approximately five million persons. But, surprisingly, almost exactly the same number of federal employees were on the payroll back in the year 1961.

Not only has a huge expansion of federal employment not occurred, but a significant number of important government agencies are noticeably smaller. For example, three major agencies are smaller now than they were in 1961—the Department of Defense, the Department of State and the Agency for International Development. Another three (the Department of the Interior, Department of Agriculture and the Postal Service) were smaller in 1975 than they were in 1970.

Critics always point out that new agencies are created and others grow. But they omit the important fact that some agencies are also cut back.

Dispelling the myth that growth of the federal bureaucracy is rampant, does not answer the criticisms levelled at big government. For one thing, bureaucracy has no real or precise meaning. It might be more appropriate to ask "what do federal employees do?" First, the overwhelming majority—64 percent to be exact—work in just one huge agency: the Department of Defense. So most of the famous "big government bureaucracy" turns out in reality to be our national security forces. About two-thirds of those bureaucrats are in uniform; one-third are civilians. So that takes care of

3.2 million of our 5 million federal employees.

What do the remaining 1.8 million federal employees do? The next largest agency—and the only other real giant of the bureaucracy—is the U.S. Postal Service with about 700,000 employees. This is no real surprise, since we know that delivering the mail is a labor intensive business.

The Postal Service is three times larger than any other agency except Defense. All other agencies are small by comparison. HEW—the welfare giant—has 139,000 employees; Treasury has 126,000.

But the startling growth in government has been at the state and local level. Let me give you some examples. In 1960, there were about 5.5 million state and local government employees. By 1975 the figure had more than doubled to 11.7 million employees. That is where the growth has occurred—not in distant Washington, but in governments closest to the people.

In 1960, the federal government employed 3.3 percent of the work force. In 1975, that figure declined to 3.1 percent of the work force. State and local government, on the other hand, presented a vastly different picture. In 1960, 7.7 percent of all workers were employed by state and local government.

At the state and local level much of the growth has occurred in a single area: our local schools. Of the 11.7 million state and local employees, nearly half of them work as teachers or in other support roles in our educational system.

That makes sense. Particularly since 1960, this country has made an enormous commitment to expand and improve our educational system, responding to the baby boom and the new importance we placed on education.

Bureaucracy is only one popular villain in the attack on big government. Government spending is another frequent target of criticism.

Before delving into government spending, however, a few notes of caution. Government spending figures are the most difficult to interpret and the most frequently distorted. The reasons are: first, the numbers are so large they tend to lose all meaning; second, inflation, a worldwide phenomena, alters the value of a dollar, so that the same government purchase made 10 years ago will appear smaller than an identical purchase made today. Because of inflation, for example, a 170-million dollar government program in 1975 is exactly the same size as a 100-million dollar program in 1967; third, both our economy and our population are growing. So in making an honest examination of government spending, we have to keep all these factors in proportion or we will end up with false comparisons.

With those conditions in mind, let's address the question: How much has government spending really grown? The answer is again surprising: "A little but certainly not a lot."

To compensate for both inflation and economic growth, one valid measure of government spending is a comparison between public expenditures and the gross national product—a term for the value of all the goods and services produced in the United States.

In 1952, the federal budget amounted to 19 percent of the gross national product. That means the government accounted for nearly one-fifth of all the goods and services produced in the nation. In 1973, the percentage remained just about the same: the government budget amounted to 20.9 percent of the gross national product. In other words, in that 21 year period the portion of the gross national product—or production—accounted for by the federal government changed little.

If you compare the government spending year by year, you will discover a marked degree of fluctuation. The government's share of the GNP rises during wars and recessions. It drops off when the economy is booming in peacetime. But the important point is this: there has been no major change in the proportion of our economic output consumed or distributed by the federal government. That fact is contrary to those who carelessly use federal spending as a whipping boy.

Still, the federal budget totals about 374 billion dollars, a figure so large as to lack real meaning. Important to a better understanding of the federal budget is an assessment of where the money goes.

Although the Department of Defense employs 64 percent of the federal work force, it accounts for only about one-quarter of the federal budget. Again inflation and economic growth can be deceiving. For, while the dollar totals for defense have climbed steadily year by year, defense has consumed a progressively smaller slice of the federal pie—largely due to the massively expanded "entitlement" programs.

A package of two major social programs directed at a single constituency accounts for by far the biggest share of the federal budget. The constituency is the elderly; the programs—social security and medicare—equal more than 108 billion dollars.

The nation's financial commitment to the elderly dwarfs all other federal social welfare programs. Assistance to the elderly is five times that provided to all other welfare programs.

Let us now turn from the bark of big government to the bite: federal tax collections. In 1951 the federal government collected approxmiately 20 cents of every dollar of goods and services produced in the United States. One decade later the federal government was still collecting 20 cents for every dollar of goods and services. Two decades later—in 1971—the federal government took the same 20 cents, and not until 1973 did the federal share increase to just over 21 cents. In broad terms, the federal tax burden has not changed significantly in 25 years.

These figures, however, count all federal tax collections including social security, income taxes, and corporate taxes. Lumping these taxes together blurs the truly significant changes in the tax burden.

Two taxes paid by individuals—income tax and social security—have indeed increased, both in absolute and relative terms. Despite wailing by some in business, the corporate tax burden has declined steadily since 1969. The legal corporate tax rate has remained constant at 48 percent, but so many tax "incentives," credits, and other tax breaks have been enacted that the "real" or effective corporate tax rate is now down to about 35 percent. On the other hand, inflation has pushed individuals into higher tax brackets, even though their purchasing power may remain the same.

At this point let me stop and sum up. I have described the trends in the federal government that can be statistically verified. The facts show that the three popular villains of big government are largely myths. Second, I believe *if* we have a problem with big government, it is not the size of the government bureaucracy. It is not uncontrolled increases in government spending. It is not enormous increases in the federal tax burden.

Once we have buried the trumped-up charges against big government, we can begin to zero in on what is left. Because we do indeed have a problem with big government, but it is not a problem of size or spending or taxes.

The central problem of big government springs from our attitudes and expectations. The problem of big government is big promises that cannot be backed up by performance. The problem of big government is inflated expectations that generate disillusionment rather than hope and progress. The problem of big government is the myth that it can solve every problem and meet every challenge.

There are two corrosive results of a generation of false promises and inflated expectations. The first is the growing disillusionment with our government. It results from performance falling short of expectations. But let me emphasize that the expectations are as faulty as the performance—which is the customary scapegoat. The second is the growing reliance on Washington—a phenomenon which affects every citizen. When problems are shipped wholesale to Washington for intended solution, we all are stripped of the responsibility of problem solving but we also are deprived of the rewards.

When problems are exiled to Washington for solution, people become clients of government programs rather than sovereign citizens to whom government must be accountable. The result of this process over the years is that people are stereotyped and stripped of humanity to fit into cold definitions of program categories. Real people become "recipients," consumers, clients of health care delivery systems. What we need are citizens and human beings.

This nation must grow beyond the arrogant and ill-considered promises that government could "whip" inflation, immediately win a "war on poverty," or guarantee world peace.

Does that mean that we give up on these problems and goals? Absolutely not. But this country must learn to live within limits. The days of the unlimited frontier are over. We are up against the last frontier and it is ourselves.

Learning to live within limits is the essential lesson for a strong nation growing up. For the three-fourths of us who are wasteful consumers, sacrifice, self-denial, and restraint will be necessary. We have discovered that our natural resources are finite. Finite resources mean that we must begin to develop an economic program that is no longer premised on unlimited growth or endless consumption.

Learning to live within limits means beginning the long job of reshaping our economy to emphasize the quality of life over the quantity of consumption.

Learning to live within limits means seeking a new balance of shared responsibility between the citizen and his government. We need to share not only revenue but responsibility.

Learning to live within limits means admitting that some kinds of problems will probably be solved most effectively by citizens and groups of citizens. A neighborhood working together without a dime of federal money might be more effective against local crime than another billion-dollar program.

Let us raise our spirits but limit our expectations to a reasonable level. There is much work to be done for a nation with the strength and patience to understand that to learn to live within limits is not to give up. The price of progress has not increased for those who sustain their commitment to our nation's goals.

THE WASHINGTON AQUEDUCT

Mr. MATHIAS. Mr. President, the Army Corps of Engineers has begun work to restore Montgomery County's historic Cabin John Bridge and to reopen it to one-way traffic. The bridge, which has been closed for more than a year, causing great inconvenience to area residents, was completed in 1863 and for the next 40 years had the distinction of being the longest stone ashlar arch in the world. A meticulous restoration is planned which will include harmonizing the concrete blocks used to shore up the sides of the bridge to blend with the dressed Port Deposit granite of the original abutments. I believe the background of this remarkable and still useful historic landmark would be of interest to a number of my colleagues.

Mr. President, I therefore ask unanimous consent that the statement on the Washington Aqueduct be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WASHINGTON AQUEDUCT CABIN JOHN BRIDGE

The conduit from Great Falls to Georgetown reservoir was the largest structure involved in the construction of the original Washington Aqueduct. The first Chief Engineer of the Washington Aqueduct, Captain Montgomery C. Meigs, decided to concentrate his first efforts upon this part of the project.

Considering each of the various structures of the Washington Aqueduct from historical and engineering viewpoints, Cabin John Bridge easily occupies the most important place, although its total cost was less than that of many of the other features of the work. Built by Captain Meigs during the period from 1857 to 1863 for the purpose of conveying the conduit over Cabin John Valley, this imposing granite arch immediately won its reputation as the longest masonry arch in the world and held this record for about 40 years. It is a familiar landmark to practically all of the citizens of Washington and, in the early days, it was visited by thousands of persons including many engineers from foreign countries.

Work on the conduit was begun in 1853 but no work started on Cabin John Bridge until 1857. In this interval, from 1853 to 1857, Captain Meigs changed his mind regarding the design and decided to construct a long, single arch. The reason for this change of design is easy to analyze. Captain Meigs wanted to build a novel and monumental structure. He knew that the cost of the single arch would be much greater than the cost of a series of small arches but considered that certain money saved by revised conditions at Great Falls and other places could be used for this purpose. Since the appropriations were made for the entire Aqueduct and not for individual structures, special permission of Congress was not required for the change.

Actual work on the bridge was begun in the Spring of 1857, as soon as the first large appropriation by Congress became available. Plans for the bridge were prepared by Mr. Alfred L. Rives and approved by Captain Meigs. Mr. Rives was a graduate of the University of Paris and a very capable designer. Soon after work on the bridge started, Mr. Rives was placed in charge of the construction by Captain Meigs as Resident Engineer and remained on the work until 1861 when he resigned to join the Southern Forces. Mr. Rives' principal assistant was Mr. C. T. Curtis who acted as foreman of masons and inspector.

Economical transportation of the heavy timbers and the stone for the bridge was an important question requiring an early solution. All of the granite and sandstone was brought to the site on the Chesapeake and Ohio Canal which was only about 1,000 feet away from the bridge. Transportation from the canal to the bridge was obtained by constructing a dam across Cabin John Creek near the canal together with a lock to permit boats to pass from the canal up to the pool under the bridge. At the direct site of the bridge, timbers and stone were hoisted into place by derricks and a travelling crane working along the bridge center line. A quarry for all of the abutment stone was opened a few hundred feet up the valley. At the present time the valley is overgrown with trees but indications of the old canal lock, piers, and quarry can be readily found.

The main arch of the bridge has a span of 220 feet and a rise of 57¼ feet. The arch ring is constructed of dressed granite from Quincy, Massachusetts, 4 feet 3 inches thick at the crown and 6 feet 2 inches thick at the spring line. The arch rests on abutments of dressed Port Deposit granite. The granite arch is backed with a secondary arch composed of Seneca sandstone in slabs 10 inches thick, placed in radial position. The brick conduit 9 feet in diameter and enclosed in cut stone rests over the top of the arch. Railings were not placed on the structure when it was first put into service, as Captain Meigs did not plan to use the bridge for highway traffic.

Preliminary work on the bridge progressed rapidly at first and, in May 1858, a contract was signed for the setting of all of the masonry. At this point the work was slowed up for many months, due to failure of the other contractors to deliver the granite for the arch. By the end of September 1859, the arch and part of the spandrels were finished but the work was stopped entirely owing to lack of funds. In March 1861, the work was again started by the contractor. In Captain Meigs' report at the end of the fiscal year 1861 he makes the following statement:

"The centering of the bridge has been removed and the weight of the arch rests on its own bearings. During the striking of the centers the closest instrumental observations failed to discover the slightest settlement in this largest stone arch in the world, 220 feet in span."

In this report Captain Meigs also gives the name of "Union Arch" to Cabin John Bridge but this name was never adopted for general use. The total time that the bridge was under construction was about six and one-half years but work was delayed at least 50 percent of this time due to lack of money and other causes.

Soon after the bridge was placed in service, it was realized that it was almost essential to use the structure for highway traffic as well as for conveying water as it was needed to give access to the top of the conduit between Cabin John and Great Falls for repairs and maintenance of the conduit. Congress was asked for funds for this purpose but the country was engaged in the Civil War and the work was not considered essential. Copings or parapets were not built on the bridge until 1873.

Several inscriptions were cut in the stone on the bridge by order of Captain Meigs, while it was being built and shortly after its completion. On the west abutment is the following:

WASHINGTON AQUEDUCT

Begun A.D. 1853. President of the U.S. Franklin Pierce. Secretary of War Jefferson Davis. Building A.D. 1861. President of the U.S. Abraham Lincoln. Secretary of War, Simon Cameron.

During the Civil War, the feeling against Jefferson Davis was so intense that the Secretary of the Interior, Caleb B. Smith, ordered the erasure of Mr. Davis' name. This was done in 1862 and the space was left blank. Forty-six years later, in 1908, the incident was brought to the attention of President Theodore Roosevelt and he ordered Jefferson Davis' name to be cut again on the tablet in its original position. In order to comply, it was necessary to cut all of the letters off the stone and to carve the entire inscription again with new letters. The present inscription is an exact copy of the original.

On the east abutment of the bridge appears the following inscription:

UNION ARCH

Chief Engineer, Capt. Montgomery C. Meigs, U.S. Corps of Engineers, Esto Perpetua.

This tablet was cut in 1861 by order of Captain Meigs, in order to fix the proposed new name for the arch. It is believed that Captain Meigs also intended to place the name of Alfred L. Rives on this tablet as Assistant Engineer but this was changed when Mr. Rives resigned to join the Southern Forces.

During the short absence of Captain Meigs from the Washington Aqueduct in 1860, when he was temporarily assigned to other work, Captain Benham and Lieutenant Morton caused their names to be inscribed on the arch stones near the east abutment. When Captain Meigs returned in 1861 he immediately had these names cut out and his own name inscribed as follows:

M. C. MEIGS

Chief Engineer, Washington Aqueduct, A.D. 1858, Fecit.

From an historical standpoint, Cabin John held the record as the longest stone ashlar masonry arch in the world from the time of its completion in 1863 to 1903 when the Luxemburg Bridge in Europe was opened. The span of this bridge was 277.7 feet or 57.7 feet longer than the Cabin John arch. One year later, in 1904, the masonry arch at Ploven, Saxony, was completed. This arch has a span of 295.3 feet and it is at present the longest stone arch in the world. The locations of a few other long span masonry arches are Trieste, Austria (span 278.9 feet), Mantanzas, France (span 262.8 feet), and Algiers (span 227.0 feet). History records, also, a long arch with a span of 251 feet at Trezzo, Italy, constructed in 1380 and destroyed in 1427, over 400 years before Cabin John arch was built.

All long-span masonry arch bridges are designed with hollow spandrel arches, above or at the ends of the main arch, to relieve the load as much as possible. Cabin John Bridge has five spandrel arches at the west end and four spandrel arches at the east end. These spandrel arches are hidden by the vertical side walls for the sake of appearances as they were constructed of less expensive materials. Many people, no doubt, believe that Cabin John Bridge is solid masonry but this, of course, is not correct. Two steel doors in the abutments, one at each end, have been provided to give access to the interior of the bridge so that it may be inspected at any time.

The origin of the title "Cabin John" as applied to the bridge and the stream is somewhat traditional. There is a story that a character by the name of "Captain John" or "John of the Cabin" had a small log house in the valley just above the site of the bridge in the early days but that he left or disappeared many years before the bridge was built. The old deeds of Montgomery County, Maryland, record the name of the creek clearly as "Captain John" and this is undoubtedly the correct original name, although the source of the name is unknown. However, the name "Cabin John" is the one that is now used both officially and by the general public. The name "Union Arch" was discontinued ten years after the bridge was completed.

HOW JEFFERSON DAVIS' NAME WAS ERASED

The true story of the erasure of Jefferson Davis' name from Cabin John Bridge as told by Mr. William R. Hutton, one of Captain Meigs' assistants and later Chief Engineer of the Washington Aqueduct under the Department of the Interior, in his own words, was as follows:

"Removal of Jefferson Davis' name from Cabin John Bridge which has been attributed to General Meigs is wholly without reason, he being at that time Quartermaster General. In June 1862, at the request of the Secretary of the Interior, Hon. Caleb B. Smith, to whose department the aqueduct had just been transferred, I accompanied the Secretary and a number of members of Congress on a tour of inspection of the aqueduct by way of the canal. Opposite Cabin John several of the party disembarked and walked to the bridge for a nearer view. Returning in hot haste, 'Do you know' said Hon. Galusha Graw to the Secretary, 'that d______d rebel Meigs has put Jeff Davis' name on the bridge.' Turning to me the Secretary said: 'The first order I give you is to cut Jeff Davis' name off the bridge.' A few days later I was appointed Chief Engineer of the Aqueduct. Not taking seriously the Secretary's remark, I did nothing in the matter. A week later Mr. Robert McIntyre, contractor, arrived to resume his work on the bridge and called to pay his respects to the Secretary. The Secretary said to him that they had put Jeff Davis' name on the bridge; he wished he would cut it off. 'With the greatest pleasure Mr. Secretary' was the reply. And the contractor's first work was to remove Mr. Davis' name."

As related in the section on Cabin John Bridge, Mr. Davis' name was restored on the inscription forty-six years later, by orders from President Theodore Roosevelt.

UNITED STATES AFFIRMS ITS COMMITMENT TO THE POLITICAL RIGHTS OF WOMEN

Mr. PERCY. Mr. President, I would like to bring to the attention of my colleagues a series of events in which the United States took a welcome and positive position in connection with ratification of international human rights treaties. In December of 1975, at the tail end of International Women's Year, the Senate Foreign Relations Committee, at my request, favorably reported for ratification without one dissenting vote the Inter-American Convention on the Granting of Political Rights to Women, in force since 1949, and the U.N. Convention on the Political Rights of Women, in force since 1954. In January, the full Senate ratified the two long-pending treaties. On March 22, 1976, the President signed the two conventions, noting that—

> The ratification of these two conventions serves to underscore our firm dedication to the principle of equality of political rights for women.

On April 8, 1976, Ambassador Barbara White, alternate U.S. Representative to the United Nations for Special Political Affairs, deposited at the U.N. the instrument of U.S. accession to the U.N. Convention on the Political Rights of Women. Ambassador White, who has worked tirelessly for women's rights at the U.N. and around the world, accurately asserts that U.S. accession to the U.N. convention gives credence to U.S. commitment to the principle of equal rights for women.

There is no more propitious time than in our Bicentennial Year and this International Women's Decade for the United States to take this positive action. To commemorate this occasion I ask unanimous consent that statements by the President and Ambassador White be printed in the RECORD.

There being no objections, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY AMBASSADOR BARBARA M. WHITE, ALTERNATE UNITED STATES REPRESENTATIVE TO THE UNITED NATIONS FOR SPECIAL POLITICAL AFFAIRS, ON DEPOSIT OF THE INSTRUMENT OF UNITED STATES ACCESSION TO THE UNITED NATIONS CONVENTION ON THE POLITICAL RIGHTS OF WOMEN, APRIL 8, 1976

It is with satisfaction that I herewith deposit the instrument of United States accession to the United Nations Convention on the Political Rights of Women.

What this Convention guarantees is simply stated: the rights of women—on equal terms with men, without any discrimination—to vote in all elections, be eligible for all publicly elected bodies, hold public office, and exercise all public functions established by national law.

These fundamental rights have indeed been guaranteed for some time in the United States. So the question may well be asked, why has the United States taken so long to accede to the Convention? The answer seems to be that it took the impetus of International Women's Year for this to happen.

As part of the process which the Year called for, the United States searched its conscience and examined its record. One of the results was that on January 22, 1976 the United States Senate, without dissenting vote, agreed to U.S. ratification of the Convention.

By this instrument, the United States makes a solemn commitment to its own people and to the world, that it will tolerate no broaching of these fundamental political rights for women. But no convention, no law can assure that women will take advantage of these rights. That is a matter of attitude, motivation, aspiration, and the very fabric of society itself. And here, too, the United Nations has a role. It cannot order or enforce, but it can and does help to raise consciousness, create a climate in which women will demand and exercise the rights that are their due.

This is what the United Nations has done in International Women's Year and will continue to do in the U.N. Decade for Women which has just begun. In this way the United Nations is making its contribution to what I believe will prove to be the primary frontier for progress in human rights in the last quarter of the Twentieth Century—the rights of women as full and equal human beings.

STATEMENT BY THE PRESIDENT

I am pleased to have the opportunity of signing the Inter-American Convention on the Granting of Political Rights to Women signed in Bogota in 1948 and the Convention on the Political Rights of Women signed by the United Nations General Assembly in 1953.

Our ratification of the 19th Amendment to our Constitution in 1920 granted women in this country equal voting rights with men. The ratification of these two Conventions serves to underscore our firm dedication to the principle of equality of political rights for women. Indeed the Preamble to the Charter of the United Nations to which our nation and others subscribe provides that we "reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small."

International Women's Year, 1975, has just concluded. We have now entered the United Nations Decade for Women as adopted by the 30th General Assembly of the United Nations. This Decade, 1975–85, will provide an opportunity to put into action the recommendations and suggestions resulting from IWY. This will serve as an opportunity for effectively measuring our commitment to continuing the advancement of the status of women. It is highly appropriate that the ratification of these two conventions by the United States Senate took place during the beginning of our Bicentennial year.

COMMUNITY AND JUNIOR COLLEGE RESOLUTION

Mr. MONDALE. Mr. President, recently I had the honor to address the annual convention of the American Association of Community and Junior Colleges. It was a great opportunity for me to pay tribute to the tremendous contribution that the community and junior colleges make to the educational development of our country. This commitment to the real meaning of full educational opportunity has expanded dramatically the number of Americans who have access to the fuller life that education makes possible.

At their convention, the association passed a resolution which addresses this issue of educational opportunity. I share their concern that the progress we have made toward greater access to postsecondary education not be lost. Community and junior colleges and other institutions of postsecondary education are designing innovative and creative new approaches to the diverse educational needs of the students/citizens in the communities they serve. However, they must be provided with the funds to carry out their services. This is a shared responsibility of the Federal and State governments. I am particularly pleased that I was able to convince my colleagues on the Senate Budget Committee to approve an additional $2 billion for education programs, including full funding of the basic grants program, in the budget it recently submitted to the Senate. I believe that this kind of additional support is critical to the educational goals that this country has established and which our excellent educational institutions are poised to carry out.

I commend this timely and eloquent resolution by the American Association of Community and Junior Colleges to the attention of my colleagues. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

DOORS TO EDUCATIONAL OPPORTUNITY MUST BE KEPT OPEN

Millions of citizens—senior citizens, workers, minorities, and others—are in danger of being denied the services of their local community colleges. For the first time a number of state legislatures are, in effect, closing doors of educational opportunity which they have helped to open in community colleges.

State contributions have become important to community college financing during the past decade. Such contributions have made possible low cost educational and social services to a wide clientele: young persons preparing for careers, persons in mid-careers developing new skills, senior adults learning how to make retirement productive and satisfying.

Now state budgets are dictating an examination of priorities. In some states legislatures are placing ceilings on community college enrollments. They are, in effect, saying educational services to some citizens will not be supported. But, the needs are still there.

The danger is that priority decisions concerning community colleges will be based on out-of-date information. The nation's 1,200 community and junior colleges enroll more than 4 million persons in credit courses alone. More than half of these (2.2 million) are part-time students. Additional large numbers of part-time students are enrolled in non-credit courses. The average age of community college students is age 29.

These are students who live in their communities. Most work part-time or full-time and pay taxes. The wide variety of services offered by community colleges are in response to their needs.

Community colleges also respond to the needs of their communities, working closely with human service agencies, business, industry, labor unions, to assess needs for manpower training and retraining.

The doors of community colleges have been traditionally open to all adults who can benefit from their services and there has been low or no tuition so that all who wish to learn may learn.

Nearly every state has opened new community colleges in the past decade. The result has benefited millions of persons in hundreds of communities. Increasingly the whole community is seen as the campus and every citizen a student. In many communities one in ten citizens are served by the community college each year. In some communities the average is higher.

Community colleges are not institutions for the young only. They are community resource centers to be used throughout every citizen's lifetime. They should be assessed in terms of responsiveness to community needs and the number of persons served. Services offered must be as broad as community and human needs.

We call on state legislatures to provide for new assessments of community educational needs. Educational needs in communities have changed remarkably in recent years. Adults and senior adults have increased their demands for educational services in many localities. Community colleges have responded. But now there is danger the gains made in extending educational opportunity may be lost in the name of economy.

We acknowledge the problems of finance in our present economy. But we cannot support solutions that simply propose a return to past priorities. Society's needs have changed, especially with regard to preparation for work, retraining, and retirement.

We call for each institution to examine itself toward increased productivity.

We urge alliances among those whose programs are often most needed but also most threatened by budget cuts: community colleges, community schools, organizations providing links between education and work, senior citizen groups, and others.

We call for new plans in each state to implement life-long learning opportunities for all citizens. State education priorities must consider our current economic *and* social needs. The educational opportunities of millions of citizens depend on it.

DESEGREGATION AND THE CITIES—PART I: THE LEGAL FRAMEWORK

Mr. BROOKE. Mr. President, during every session of Congress for the past decade there has been one or more attempts to limit the power of the Federal courts or executive agencies to end unconstitutional school segregation. Much of the debate in Congress has been emotional and there has been little effort to systematically review available information on urban desegregation since the completion of the work of the Senate Select Committee on Equal Educational Opportunity in 1972. Before the Senate begins its election year bebate on this issue it is important to review where we stand.

During the coming weeks Senator Javits and I will place in the Congressional Record a collection of background information on the law, changes in school and residential segregation, enforcement activities of Federal courts and executive agencies, social science evidence, and reports from individual communities. We hope that these materials will provide Senators and other readers of the Record with a broad perspective for analysis of the legislation that will be before us.

Today's insert contains the texts of the basic Supreme Court decisions on the rights of urban minorities. It begins with the 1971 decision in the Charlotte case, the unanimous decision that established the obligation of citywide integration in cities with a history of de jure segregation. It also provided that busing must not "risk either the health of the children or significantly impede the educational process." The next case, the 1973 Denver decision, first extended these principles to cities outside the South, defined the way that courts judge de jure segregation, and recognized the right of Mexican American children to a desegregated education. The third case, the 1974 Detroit decision, provided that remedies must be limited to a single district in the absence of proof of suburban or State government official action to preserve or extend segregation. The fourth case, Lau against Nichols, is not an integration decision but is a Supreme Court affirmation of the right of the rapidly growing non-English-speaking minorities in our cities to an educational program that meets their special needs. These four decisions have established the basic framework for urban desegregation policy.

Mr. President, I ask unanimous consent that the above-mentioned material be printed in the Record.

There being no objection, the material was ordered to be printed in the Record,

Swann v. Charlotte-Mecklenburg

402 U.S. 1 (1971)

Mr. Chief Justice Burger delivered the opinion of the Court.

We granted certiorari in this case to review important issues as to the duties of school authorities and the scope of powers of Federal courts under this Court's mandates to eliminate racially separate public schools established and maintained by state action. *Brown* v. *Board of Education*, 347 U.S. 483 (1954).

This case and those argued with it [1] arose in States having a long history of maintaining two sets of schools in a single school system deliberately operated to carry out a governmental policy to separate pupils in schools solely on the basis of race. That was what *Brown* v. *Board of Education* was all about. These cases present us with the problem of defining in more precise terms than heretofore the scope of the duty of school authorities and district courts in implementing *Brown I* and the mandate to eliminate dual systems and establish unitary systems at once. Meanwhile, district courts and courts of appeals have struggled in hundreds of cases with a multitude and variety of problems under this Court's general directive. Understandably, in an area of evolving remedies, those courts had to improvise and experiment without detailed or specific guidelines. This Court, in *Brown I*, appropriately dealt with the large constitutional principles: other Federal courts had to grapple with the flinty, intractable realities of day-to-day implementation of those constitutional commands. Their efforts, of necessity, embraced a process of "trial and error," and our effort to formulate guidelines must take into account their experience.

I

The Charlotte-Mecklenburg school system, the 43d largest in the Nation, encompasses the city of Charlotte and surrounding Mecklenburg County, N.C. The area is large—550 square miles—spanning roughly 22 miles east-west and 36 miles north-south. During the 1968–69 school year the system served more than 84,000 pupils in 107 schools. Approximately 71 percent of the pupils were found to be white and 29 percent Negro. As of June 1969, there were approximately 24,000 Negro students in the system, of whom 21,000 attended schools within the city of Charlotte. Two-thirds of those 21,000—approximately 14,000 Negro students—attended 21 schools which were either totally Negro or more than 99 percent Negro.

This situation came about under a desegregation plan approved by the district court at the commencement of the present litigation in 1965, 243 F. Supp. 667 (WDNC), a'd, 369 F. 2d 29 (CA4 1966), based upon geographic zoning with a free transfer provision. The present proceedings were initiated in September 1968 by Petitioner Swann's motion for further relief based on *Green* v. *County School Board*, 391 U.S. 430 (1968), and its companion cases.[2] All parties now agree that in 1969 the system fell short of achieving the unitary school system that those cases require.

The district court held numerous hearings and received voluminous evidence. In addition to finding certain actions of the school board to be discriminatory, the court also found that residential patterns in the city and county resulted in part from Federal, State, and local government action other than school board decisions. School board action based on these patterns, for example by locating schools in Negro residential areas and fixing the size of the schools to accommodate the needs of immediate neighborhoods, resulted in segregated education. These findings were subsequently accepted by the court of appeals.

In April 1969 the district court ordered the school board to come forward with a plan for both faculty and student desegregation. Proposed plans were accepted by the court in June and August 1969 on an interim basis only, and the board was ordered to file a third plan by November 1969. In November the board moved for an extension of time until February 1970, but when that was denied the board submitted a partially completed plan. In December 1969 the district court held that the board's submission was unacceptable and appointed an expert in education administration, Dr. John Finger, to prepare a desegregation plan. Thereafter in February 1970, the district court was presented with two alternative pupil assignment plans—the finalized "board plan" and the "Finger plan."

THE BOARD PLAN

As finally submitted, the school board plan closed seven schools and reassigned their pupils. It restructured school attendance zones to achieve greater racial balance but maintained existing grade structures and rejected techniques such as pairing and clustering as part of a desegregation effort. The plan created a single athletic league, eliminated the previously racial basis of the schoolbus system, provided racially mixed faculties and administrative staffs, and modified its free transfer plan into an optional majority-to-minority transfer system.

The board plan proposed substantial assignment of Negroes to nine of the system's 10 high schools, producing 17 to 36 percent Negro population in each. The projected Ne-

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Footnotes at end of article.

gro attendance at the 10th school, Independence, was 2 percent. The proposed attendance zones for the high schools were typically shaped like wedges of a pie, extending outward from the center of the city to the suburban and rural areas of the county in order to afford residents of the center city area access to outlying schools.

As for junior high schools, the board plan rezoned the 21 school areas so that in 20 the Negro attendance would range from 0 to 38 percent. The other school, located in the heart of the Negro residential area, was left with an enrollment of 90 percent Negro.

The board plan with respect to elementary schools relied entirely upon gerrymandering of geographic zones. More than half of the Negro elementary pupils were left in nine schools that were to 86 to 100 percent Negro; approximately half of the white elementary pupils were assigned to schools 86 to 100 percent white.

THE FINGER PLAN

The plan submitted by the court-appointed expert, Dr. Finger, adopted the school board zoning plan for senior high schools with one modification: it required that an additional 300 Negro students be transported from the Negro residential area of the city to the nearly all-white Independence High School.

The Finger plan for the junior high schools employed much of the rezoning plan of the board, combined with the creation of nine "satellite" zones.[3] Under the satellite plan, inner-city Negro students were assigned by attendance zones to nine outlying predominately white junior high schools, thereby substantially desegregating every junior high school in the system.

The Finger plan departed from the board plan chiefly in its handling of the system's 76 elementary schools. Rather than relying solely upon geographic zoning, Dr. Finger proposed use of zoning, pairing, and grouping techniques, with the result that student bodies throughout the system would range from 9 to 38 percent Negro.[4]

The district court described the plan thus:

"Like the board plan, the Finger plan does as much by rezoning school attendance lines as can reasonably be accomplished. However, unlike the board plan, it does not stop there. It goes further and desegregates all the rest of the elementary schools by the technique of grouping two or three outlying schools with one black inner city school; by transporting black students from grades 1 through 4 to the outlying white schools; and by transporting white students from the 5th and 6th grades from the outlying white schools to the inner city black school."

Under the Finger plan, nine inner-city Negro schools were grouped in this manner with 24 suburban white schools.

On February 5, 1970, the district court adopted the board plan, as modified by Dr. Finger, for the junior and senior high schools. The court rejected the board elementary school plan and adopted the Finger plan as presented. Implementation was partially stayed by the Court of Appeals for the Fourth Circuit on March 5, and this court declined to disturb the Fourth Circuit's order, 397 U.S. 978 (1970).

On appeal the court of appeals affirmed the district court's order as to faculty desegregation and the secondary school plans, but vacated the order respecting elementary schools. While agreeing that the district court properly disapproved the board plan concerning these schools, the court of appeals feared that the pairing and grouping of elementary schools would place an unreasonable burden on the board and the system's pupils. The case was remanded to the district court for reconsideration and submission of further plans. This court granted certiorari, 399 U.S. 926, and directed reinstatement of the district court's order pending further proceedings in that court.

On remand the district court received two new plans for the elementary schools: a plan prepared by the U.S. Department of Health, Education, and Welfare (the HEW plan) based on contiguous grouping and zoning of schools, and a plan prepared by four members of the nine-member school board (the minority plan) achieving substantially the same results as the Finger plan but apparently with slightly less transportation. A majority of the school board declined to amend its proposal. After a lengthy evidentiary hearing the district court concluded that its own plan (the Finger plan), the minority plan, and an earlier draft of the Finger plan were all reasonable and acceptable. It directed the board to adopt one of the three or in the alternative to come forward with a new, equally effective plan of its own; the court ordered that the Finger plan would remain in effect in the event the school board declined to adopt a new plan. On August 7, the board indicated it would "acquiesce" in the Finger plan, reiterating its view that the plan was unreasonable. The district court, by order dated August 7, 1970, directed that the Finger plan remain in effect.

II

Nearly 17 years ago this Court held, in explicit terms, that State-imposed segregation by race in public schools denies equal protection of the laws. At no time has the Court deviated in the slightest degree from that holding or its constitutional underpinnings. None of the parties before us challenges the Court's decision of May 17, 1954, that:

". . . in the field of public education the doctrine of "separate but equal" has no place. Separate educational facilities are inherently unequal. Therefore, we hold that the plaintiffs and others similarly situated . . . are, by reason of the segregation complained of, deprived of the equal protection of the laws guaranteed by the 14th amendment. . . .

"Because these are class actions, because of the wide applicability of this decision, and because of the great variety of local conditions, the formulation of decrees in these cases presents problems of considerable complexity." *Brown* v. *Board of Education, supra*, at 495.

None of the parties before us questions the Court's 1955 holding in *Brown II*, that:

". . . [s]chool authorities have the primary responsibility for elucidating, assessing, and solving these problems; courts will have to consider whether the action of school authorities constitutes good faith implementation of the governing constitutional principles. Because of their proximity to local conditions and the possible need for further hearings, the courts which originally heard these cases can best perform this judicial appraisal. Accordingly, we believe it appropriate to remand the cases to those courts.

"In fashioning and effectuating the decrees, the courts will be guided by equitable principles. Traditionally, equity has been characterized by a practical flexibility in shaping its remedies and by a facility for adjusting and reconciling public and private needs. These cases call for the exercise of these traditional attributes of equity power. At stake is the personal interest of the plaintiffs in admission to public schools as soon as practicable on a nondiscriminatory basis. To effectuate this interest may call for elimination of a variety of obstacles in making the transition to school systems operated in accordance with the constitutional principles set forth in our May 17, 1954, decision. Courts of equity may properly take into account the public interest in the elimination of such obstacles in a systematic and effective manner. But it should go without saying that the vitality of these constitutional principles cannot be allowed to yield simply because of disagreement with them." *Brown* v. *Board of Education*, 349 U.S. 294, 299–300 (1955).

Over the 15 years since *Brown II*, many difficulties were encountered in implementation of the basic constitutional requirement that the State not discriminate between public school children on the basis of their race. Nothing in our national experience, prior to 1955, prepared anyone for dealing with changes and adjustments of the magnitude and complexity encountered since then. Deliberate resistance of some to the Court's mandates has impeded the good-faith efforts of others to bring school systems into compliance. The detail and nature of these dilatory tactics have been noted frequently by this Court and other courts.

By the time the Court considered *Green* v. *County School Board*, 391 U.S. 430, in 1968, very little progress had been made in many areas where dual school systems had historically been maintained by operation of State laws. In *Green*, the Court was confronted with a record of a freedom-of-choice program that the district court had found to operate, in fact, to preserve a dual system more than a decade after *Brown II*. While acknowledging that a freedom-of-choice concept could be a valid remedial measure in some circumstances, its failure to be effective in *Green* required that:

"The burden on a school board today is to come forward with a plan that promises realistically to work . . . now . . . until it is clear that State-imposed segregation has been completely removed." *Green*, at 439.

This was plain language, yet the 1969 term of Court brought fresh evidence of the dilatory tactics of many school authorities. *Alexander* v. *Holmes County Board of Education*, 396 U.S. 19, restated the basic obligation asserted in *Griffin* v. *School Board*, 377 U.S. 218, 234 (1964), and *Green*, supra, that the remedy must be implemented forthwith.

The problems encountered by the district courts and courts of appeals make plain that we should now try to amplify guidelines, however incomplete and imperfect, for the assistance of school authorities and courts.[5] The failure of local authorities to meet their constitutional obligations aggravated the massive problem of converting from the State-enforced discrimination of racially separate school systems. This process has been rendered more difficult by changes since 1954, in the structure and patterns of communities, the growth of student population,[6] movement of families, and other changes, some of which had marked impact on school planning, sometimes neutralizing or negating remedial action before it was fully implemented. Rural areas accustomed for half a century to the consolidated school systems implemented by bus transportation could make adjustments more readily than metropolitan areas with dense and shifting population, numerous schools, congested and complex traffic patterns.

III

The objective today remains to eliminate from the public schools all vestiges of State-imposed segregation. Segregation was the evil struck down by *Brown I* as contrary to the equal protection guarantees of the Constitution. That was the violation sought to be corrected by the remedial measures of *Brown II*. That was the basis for the holding in *Green* that school authorities are "clearly charged with the affirmative duty to take whatever steps might be necessary to convert to a unitary system in which racial discrimination would be eliminated root and branch." 391 U.S., at 437–438.

If school authorities fail in their affirmative obligations under these holdings, judicial authority may be invoked. Once a right

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Footnotes at end of article.

and a violation have been shown, the scope of a district court's equitable powers to remedy past wrongs is broad, for breadth and flexibility are inherent in equitable remedies.

"The essence of equity jurisdiction has been the power of the chancellor to do equity and to mould each degree to the necessities of the particular case. Flexibility rather than rigidity has distinguished it. The qualities of mercy and practicality have made equity the instrument for nice adjustment and reconciliation between the public interest and private needs as well as between competing private claims." *Hecht Co.* v. *Bowles*, 321 U.S. 329–330 (1944), cited in *Brown II*, *supra*, at 300.

This allocation of responsibility once made, the Court attempted from time to time to provide some guidelines for the exercise of the district judge's discretion and for the reviewing function of the courts of appeals. However, a school desegregation case does not differ fundamentally from other cases involving the framing of equitable remedies to repair the denial of a constitutional right. The task is to correct, by a balancing of the individual and collective interests, the condition that offends the Constitution.

In seeking to define even in broad and general terms how far this remedial power extends it is important to remember that judicial powers may be exercised only on the basis of a constitutional violation. Remedial judicial authority does not put judges automatically in the shoes of school authorities whose powers are plenary. Judicial authority enters only when local authority defaults.

School authorities are traditionally charged with broad power to formulate and implement educational policy and might well conclude, for example, that in order to prepare students to live in a pluralistic society each school should have a prescribed ratio of Negro to white students reflecting the proportion for the district as a whole. To do this as an educational policy is within the broad discretionary powers of school authorities; absent a finding of a constitutional violation, however, that would not be within the authority of a Federal court. As with any equity case, the nature of the violation determines the scope of the remedy. In default by the school authorities of their obligation to proffer acceptable remedies, a district court has broad power to fashion a remedy that will assure a unitary school system.

The school authorities argue that the equity powers of Federal district courts have been limited by title IV of the Civil Rights Act of 1964, 42 U.S.C., section 2000c. The language and the history of title IV shows that it was not enacted to limit but to define the role of the Federal Government in the implementation of the *Brown I* decision. It authorizes the Commissioner of Education to provide technical assistance to local boards in the preparation of desegregation plans, to arrange "training institutes" for school personnel involved in desegregation efforts, and to make grants directly to schools to ease the transition to unitary systems. It also authorizes the Attorney General, in specified circumstances, to initiate Federal desegregation suits. Section 2000c(b) defines "desegregation" as it is used in title IV:

" 'Desegregation' means the assignment of students to public schools and within such schools without regard to their race, color, religion, or national origin, but 'desegregation' shall not mean the assignment of students to public schools in order to overcome racial imbalance."

Section 2000c–6, authorizing the Attorney General to institute Federal suits, contains the following proviso:

'. . . nothing herein shall empower any official or court of the United States to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve such racial balance, or otherwise enlarge the existing power of the court to insure compliance with constitutional standards."

On their face, the sections quoted purport only to insure that the provisions of title IV of the Civil Rights Act of 1964 will not be read as granting new powers. The proviso in section 2000c–6 in terms designed to foreclose any interpretation of the act as expanding the existing powers of Federal courts to enforce the equal protection clause. There is no suggestion of an intention to restrict those powers or withdraw from courts their historic equitable remedial powers. The legislative history of title IV indicates that Congress was concerned that the act might be read as creating a right of action under the 14th amendment in the situation of so-called de facto segregation, where racial imbalance exists in the schools but with no showing that this was brought about by discriminatory action of State authorities. In short, there is nothing in the act which provides us material assistance in answering the question of remedy for State-imposed segregation in violation of *Brown I*. The basis of our decision must be the prohibition of the 14th amendment that no State shall "deny to any person within its jurisdiction the equal protection of the laws."

IV

We turn now to the problem of defining with more particularity the responsibilities of school authorities in desegregating a State-enforced dual school system in light of the equal protection clause. Although the several related cases before us are primarily concerned with problems of student assignment, it may be helpful to begin with a brief discussion of other aspects of the process.

In *Green*, we pointed out that existing policy and practice with regard to faculty, staff, transportation, extracurricular activities, and facilities were among the most important indicia of a segregated system, 391 U.S., at 435. Independent of student assignment, where it is possible to identify a "white school" or a "Negro school" simply by reference to the racial composition of teachers and staff, the quality of school buildings and equipment, or the organization of sports activities, a prima facie case of violation of substantive constitutional rights under the equal protection clause is shown.

When a system has been dual in these respects, the first remedial responsibility of school authorities is to eliminate individious racial distinctions. With respect to such matters as transportation, supporting personnel, and extracurricular activities, no more than this may be necessary. Similar corrective action must be taken with regard to the maintenance of buildings and the distribution of equipment. In these areas, normal administrative practice should produce schools of like quality, facilities, and staffs. Something more must be said, however, as to faculty assignment and new school construction.

In the companion *Davis* case, the Mobile school board has argued that the Constitution requires that teachers be assigned on a "color blind" basis. It also argues that the Constitution prohibits district courts from using their equity power to order assignment of teachers to achieve a particular degree of faculty desegregation. We reject that contention.

In *United States* v. *Montgomery County Board of Education*, 395 U.S. 225 (1969), the district court set as a goal a plan of faculty assignment in each school with a ratio of white to Negro faculty members substantially the same throughout the system. This order was predicated on the district court finding that:

"The evidence does not reflect any real administrative problems involved in immediately desegregating the substitute teachers, the student teachers, the night school faculties, and in the evolvement of a really legally adequate program for the substantial desegregation of the faculties of all schools in the system commencing with the school year 1968–69." Quoted at 395 U.S., at 232.

The district court in *Montgomery* then proceeded to set an initial ratio for the whole system of at least two Negro teachers out of each 12 in any given school. The court of appeals modified the order by eliminating what it regarded as "fixed mathematical ratios" of faculty and substituted an initial requirement of "substantially or approximately" a 5-to-1 ratio. With respect to the future, the court of appeals held that the numerical ratio should be elminated and that compliance should not be tested solely by the achievement of specified proportions. Id., at 234.

We reversed the court of appeals and restored the district court's order in its entirety, holding that the order of the district judge was adoped in the spirit of this court's opinion in *Green* . . . in that this plan "promises realistically to work, and promises realistically to work now." The modifications ordered by the panel of the court of appeals, while of course not intended to do so, would, we think, take from the order some of its capacity to expedite, by means of specific commands, the day when a completely unified, unitary, nondiscriminatory school system becomes a reality instead of a hope. . . . We also believe that under all the circumstances of this case we follow the original plan outlined in *Brown II* . . . by accepting the more specific and expeditious order of [district] Judge Johnson. . . . 395 U.S., at 235–236 (emphasis original).

The principles of *Montgomery* have been properly followed by the district court and the court of appeals in this case.

The construction of new schools and the closing of old ones is one of the most important functions of local school authorities and also one of the most complex. They must decide questions of location and capacity in light of population growth, finances, land values, site availability, through an almost endless list of factors to be considered. The result of this will be a decision which, when combined with one technique or another of student assignment, will determine the racial composition of the student body in each school in the system. Over the long run, the consequences of the choices will be far reaching. People gravitate toward school facilities, just as schools are located in response to the needs of people. The location of schools may thus influence the patterns of residential development of a metropolitan area and have important impact on composition of inner city neighborhoods.

In the past, choices in this respect have been used as a potent weapon for creating or maintaining a State-segregated school system. In addition to the classic pattern of building schools specifically intended for Negro or white students, school authorities have sometimes, since *Brown*, closed schools which appeared likely to become racially mixed through changes in neighborhood residential patterns. This was sometimes accompanied by building new schools in the areas of white suburban expansion farthest from Negro population centers in order to maintain the separation of the races with a minimum departure from the formal principles of "neighborhood zoning." Such a policy does more than simply influence the short-run composition of the student body of a new school. It may well promote segregated residential patterns which, when combined with "neighborhood zoning," further lock the school system into the mold of separation of the races. Upon a proper showing a district court may consider this in fashioning a remedy.

In ascertaining the existence of legally imposed school segregation, the existence of a pattern of school construction and abandonment is thus a factor of great weight. In devising remedies where legally imposed segregation has been established, it is the responsibility of local authorities and district courts to see to it that future school construction and abandonment is not used and does not serve to perpetuate or reestablish the dual system. When necessary, district courts should retain jurisdiction to assure that these responsibilities are carried out. See *United States* v. *Board of Public Instruction*, 395 F. 2d 66 (CA5 1968); *Brewer* v. *School Board*, 397 F. 2d 37 (CA4 1968).

V

The central issue in this case is that of student assignment, and there are essentially four problem areas:

1. To what extent racial balance or racial quotas may be used as an implement in a remedial order to correct a previously segregated system;

2. Whether every all-Negro and all-white school must be eliminated as an indispensable part of a remedial process of desegregation;

3. What are the limits, if any, on the rearrangement of school districts and attendance zones, as a remedial measure; and

4. What are the limits, if any, on the use of transportation facilities to correct State-enforced racial school segregation.

Racial balances or racial quotas

The constant theme and thrust of every holding from *Brown I* to date is that State-enforced separation of races in public schools is discrimination that violates the equal protection clause. The remedy commanded was to dismantle dual school systems.

We are concerned in these cases with the elimination of the discrimination inherent in the dual school systems, not with myriad factors of human existence which can cause discrimination in a multitude of ways on racial, religious, or ethnic grounds. The target of the cases from *Brown I* to the present was the dual school system. The elimination of racial discrimination in public schools is a large task and one that should not be retarded by efforts to achieve broader purposes lying beyond the jurisdiction of school authorities. One vehicle can carry only a limited amount of baggage. It would not serve the important objective of *Brown I* to seek to use school desegregation cases for purposes beyond their scope, although desegregation of schools ultimately will have impact on other forms of discrimination. We do not reach in this case the question whether a showing that school segregation is a consequence of other types of state action, without any discriminatory action by the school authorities, is a constitutional violation requiring remedial action by a school desegregation decree. This case does not present that question and we therefore do not decide it.

Our objective in dealing with the issues presented by these cases is to see that school authorities exclude no pupil of a racial minority from any school, directly or indirectly, on account of race; it does not and cannot embrace all the problems of racial prejudice even when those problems contribute to disproportionate racial concentrations in some schools.

In this case it is urged that the district court has imposed a racial balance requirement of 71-to-29 percent on individual schools. The fact that no such objective was actually achieved—and would appear to be impossible—tends to blunt that claim, yet in the opinion and order of the district court of December 1, 1969, we find that court directing:

> ". . . that efforts should be made to reach a 71-to-29 ratio in the various schools so that there will be no basis for contending that one school is racially different from the others . . . , that no school [should] be operated with an all-black or predominantly black student body, [and] that pupils of all grades [should] be assigned in such a way that as nearly as practicable the various schools at various grade levels have about the same proportion of black and white students."

The district judge went on to acknowledge that variation "from that norm may be unavoidable." This contains intimations that the "norm" is a fixed mathematical racial balance reflecting the pupil constituency of the system. If we were to read the holding of the district court to require, as a matter of substantive constitutional right, any particular degree of racial balance or mixing, that approach would be disapproved and we would be obliged to reverse. The constitutional command to desegregate schools does not mean that every school in every community must always reflect the racial composition of the school system as a whole.

As the voluminous record in this case shows,[7] the predicate for the district court's use of the 71- to 29-percent ratio was twofold: First, its express finding, approved by the court of appeals and not challenged here, that a dual school system had been maintained by the school authorities at least until 1969; second, its finding, also approved by the court of appeals, that the school board had totally defaulted in its acknowledged duty to come forward with an acceptable plan of its own, notwithstanding the patient efforts of the district judge who, on at least three occasions, urged the board to submit plans.[8] As the statement of facts shows, these findings are abundantly supported by the record. It was because of this total failure of the school board that the district court was obliged to turn to other qualified sources, and Dr. Finger was designated to assist the district court to do what the board should have done.

We see therefore that the use made of mathematical ratios was no more than a starting point in the process of shaping a remedy, rather than an inflexible requirement. From that starting point the district court proceeded to frame a decree that was within its discretionary powers, an equitable remedy for the particular circumstances.[9] As we said in *Green*, a school authority's remedial plan or a district court's remedial decree is to be judged by its effectiveness. Awareness of the racial composition of the whole school system is likely to be a useful starting point in shaping a remedy to correct past constitutional violations. In sum, the very limited use made of mathematical ratios was within the equitable remedial discretion of the district court.

One-race schools

The record in this case reveals the familiar phenomenon that in metropolitan areas minority groups are often found concentrated in one part of the city. In some circumstances certain schools may remain all or largely of one race until new schools can be provided or neighborhood patterns change. Schools all or predominantly of one race in a district of mixed population will require close scrutiny to determine that school assignments are not part of State-enforced segregation.

In light of the above, it should be clear that the existence of some small number of one-race, or virtually one-race, schools within a district is not in and of itself the mark of a system which still practices segregation by law. The district judge or school authorities should make every effort to achieve the greatest possible degree of actual desegregation and will thus necessarily be concerned with the elimination of one-race schools. No *per se* rule can adequately embrace all the difficulties of reconciling the competing interests involved; but in a system with a history of segregation the need for remedial criteria of sufficient specificity to assure a school authority's compliance with its constitutional duty warrants a presumption against schools that are substantially disproportionate in their racial composition. Where the school authority's proposed plan for conversion from a dual to a unitary system contemplates the continued existence of some schools that are all or predominately of one race, they have the burden of showing that such school assignments are genuinely nondiscriminatory. The court should scrutinize such schools, and the burden upon the school authorities will be to satisfy the court that their racial composition is not the result of present or past discriminatory action on their part.

An optional majority-to-minority transfer provision has long been recognized as a useful part of every desegregation plan. Provision for optional transfer of those in the majority racial group of a particular school to other schools where they will be in the minority is an indispensable remedy for those students willing to transfer to other schools in order to lessen the impact on them of the State-imposed stigma of segregation. In order to be effective, such a transfer arrangement must grant the transferring student free transportation and space must be made available in the school to which he desires to move. Cf. *Ellis* v. *Board of Public Instruction*, 453 F.2d 203, 206 (CA5 1970). The court orders in this and the companion *Davis* case now provide such an option.

Remedial altering of attendance zones

The maps submitted in these cases graphically demonstrate that one of the principal tools employed by school planners and by courts to break up the dual school system has been a frank—and sometimes drastic—gerrymandering of school districts and attendance zones. An additional step was pairing, "clustering," or grouping" of schools with attendance assignments made deliberately to accomplish the transfer of Negro students out of formerly segregated Negro schools and transfer of white students to formerly all-Negro schools. More often than not, these zones are neither compact[10] nor contiguous; indeed they may be on opposite ends of the city. As an interim corrective measure, this cannot be said to be beyond the broad remedial powers of a court.

Absent a constitutional violation there would be no basis for judicially ordering assignment of students on a racial basis. All things being equal, with no history of discrimination, it might well be desirable to assign pupils to schools nearest their homes. But all things are not equal in a system that has been deliberately constructed and maintained to enforce racial segregation. The remedy for such segregation may be administratively awkward, inconvenient, and even bizarre in some situations and may impose burdens on some; but all awkwardness and inconvenience cannot be avoided in the interim period when remedial adjustments are being made to eliminate the dual school systems.

No fixed or even substantially fixed guidelines can be established as to how far a court can go, but it must be recognized that there are limits. The objective is to dismantle the dual school system. "Racially neutral" assignment plans proposed by school authorities to a district court may be inadequate; such plans may fail to counteract the continuing effects of past schools segregation resulting from discriminatory location of school sites or distortion of school size in

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Footnotes at end of article.

order to achieve or maintain an artifical racial separation. When school authorities present a district court with a "loaded game board," affirmative action in the form of remedial altering of attendance zones is proper to achieve truly nondiscriminatory assignments. In short, an assignment plan is not acceptable simply because it appears to be neutral.

In this area, we must of necessity rely to a large extent, as this Court has for more than 16 years, on the informed judgment of the district courts in the first instance and on courts of appeals.

We hold that the pairing and grouping of noncontiguous school zones is a permissible tool and such action is to be considered in light of the objectives sought. Judicial steps in shaping such zones going beyond combinations of contiguous areas should be examined in light of what is said in subdivisions (1), (2), and (3) of this opinion concerining the objectives to be sought. Maps do not tell the whole story since noncontiguous school zones may be more accessible to each other in terms of the critical travel time, because of traffic patterns and good highways, than schools geographically closer together. Conditions in different localities will vary so widely that no rigid rules can be laid down to govern all situations.

Transportation of students

The scope of permissible transportation of students as an implement of a remedial decree has never been defined by this Court and by the very nature of the problem it cannot be defined with precision. No rigid guidelines as to student transportation can be given for application to the infinite variety of problems presented in thousands of situations. Bus transportation has been an integral part of the public education system for years, and was perhaps the single most important factor in the transition from the one-room schoolhouse to the consolidated school. Eighteen million of the Nation's public school children, approximately 39 percent, were transported to their schools by bus in 1969–70 in all parts of the country.

The importance of bus transportation as a normal and accepted tool of educational policy is readily discernible in this and the companion case.[11] The Charlotte school authorities did not purport to assign students on the basis of geographically drawn zones until 1965 and then they allowed almost unlimited transfer privileges. The district court's conclusion that assignment of children to the school nearest their home serving their grade would not produce an effective dismantling of the dual system is supported by the record.

Thus the remedial techniques used in the district court's order were within that court's power to provide equitable relief; implementation of the decree is well within the capacity of the school authority.

The decree provided that the buses used to implement the plan would operate on direct routes. Students would be picked up at schools near their homes and transported to the schools they were to attend. The trips for elementary school pupils average about 7 miles and the district court found that they would take "not over 35 minutes at the most."[12] This system compares favorably with the transportation plan previously operated in Charlotte under which each day 23,600 students on all grade levels were transported an average of 15 miles one way for an average trip requiring over an hour. In these circumstances, we find no basis for holding that the local school authorities may not be required to employ bus transportation as one tool of school desegregation. Desegregation plans cannot be limited to the walk-in school.

An objection to transportation of students may have validity when the time or distance of travel is so great as to risk either the health of the children or significantly impinge on the educational process. District courts must weigh the soundness of any transportation plan in light of what is said in subdivisions (1), (2), and (3) above. It hardly needs stating that the limits on time of travel will vary with many factors, but probably with none more than the age of the students. The reconciliation of competing values in a desegregation case is, of course, a difficult task with many sensitive facets but fundamentally no more so than remedial measures courts of equity have traditionally employed.

VI

The court of appeals, searching for a term to define the equitable remedial power of the district courts, used the term "reasonableness." In *Green, supra,* this court used the term "feasible" and by implication, "workable," "effective," and "realistic" in the mandate to develop "a plan that promises realistically to work, and . . . to work *now.*" On the facts of this case, we are unable to conclude that the order of the district court is not reasonable, feasible and workable. However, in seeking to define the scope of remedial power or the limits on remedial power of courts in an area as sensitive as we deal with here, words are poor instruments to convey the sense of basic fairness inherent in equity. Substance, not semantics, must govern, and we have sought to suggest the nature of limitations without frustrating the appropriate scope of equity.

At some point, these school authorities and others like them should have achieved full compliance with this court's decision in *Brown I*. The systems will then be "unitary" in the sense required by our decisions in *Green* and *Alexander*.

It does not follow that the communities served by such systems will remain demographically stable, for in a growing, mobile society, few will do so. Neither school authorities nor district courts are constitutionally required to make year-by-year adjustments of the racial composition of student bodies once the affirmative duty to desegregate has been accomplished and racial discrimination through official action is eliminated from the system. This does not mean that Federal courts are without power to deal with future problems; but in the absence of a showing that either the school authorities or some other agency of the State has deliberately attempted to fix or alter demographic patterns to affect the racial composition of the schools, further intervention by a district court should not be necessary.

For the reasons herein set forth, the judgment of the court of appeals is affirmed as to those parts in which it affirmed the judgment of the district court. The order of the district court dated August 7, 1970, is also affirmed.

It is so ordered.

FOOTNOTES

[1] *McDaniel* v. *Barresi,* No. 420; *Davis* v. *Board of School Commissioners of Mobile County,* No. 436; *Moore* v. *Charlotte-Mecklenburg Board of Education,* No. 144; *North Carolina State Board of Education* v. *Swann,* No. 498. For purposes of this opinion the cross-petitions in Nos. 281 and 349 are treated as a single case and will be referred to as "this case."

[2] *Raney* v. *Board of Education,* 391 U.S. 443 (1968), and *Monroe* v. *Board of Commissioners,* 391 U.S. 450 (1968).

[3] A "satellite zone" is an area which is not contiguous with the main attendance zone surrounding the school.

[4] In its opinion and order of December 1, 1969, later incorporated in the order appointing Dr. Finger as consultant, the District Court stated:

"Fixed ratios of pupils in particular schools will not be set. If the board in one of its three tries had presented a plan for desegregation, the court would have sought ways to approve variations in pupil ratios. In default of such a plan from the school board, the court will start with the thought . . . that efforts should be made to reach a 71–29 ratio in the various schools so that there will be no basis for contending that one school is racially different from the others, but to understand that variations from that norm may be unavoidable."

[5] The necessity for this is suggested by the situation in the Fifth Circuit where 166 appeals in school desegregation cases were heard between December 2, 1969, and September 24, 1970.

[6] Elementary public school population (grades 1–6) grew from 17,447,000 in 1954 to 23,103,000 in 1969; secondary school population grew from 11,183,000 in 1954 to 20,775,000 in 1969. Digest of Educational Statistics 1964 ed. 1, 6, Office of Education Publication #10024–64; Digest of Education Statistics, 1970 ed. Table 28, Office of Education Publication #10024–70.

[7] It must be remembered that the District Court entered nearly a score of orders, numerous sets of findings and for the most part each was accompanied by a memorandum opinion. Considering the pressure under which the court was obliged to operate we would not expect that all inconsistencies and apparent inconsistencies could be avoided. Our review, of course, is on the orders of February 5, 1970, as amended, and August 7, 1970.

[8] The final board plan left 10 schools 86% to 100% Negro and yet categorically rejected the techniques of pairing and clustering as part of the desegregation effort. As discussed below, the Charlotte board was under an obligation to exercise every reasonable effort to remedy the violation, once it was identified, and the suggested techniques are permissible remedial devices. Additionally, as noted by the District Court and Court of Appeals, the board plan refused to assign white students to any school unless the student population of that school was at least 60% white. This was an arbitrary limitation negating reasonable remedial steps.

[9] In his August 3, 1970, memorandum holding that the District Court plan was "reasonable" under the standard laid down by the Fourth Circuit on appeal, the District Court explained the approach taken as follows:

"This court has not ruled, and does not rule that 'racial balance' is required under the Constitution; nor that all black schools in all cities are unlawful; nor that all school boards must bus children or violate the Constitution; *nor that the particular order entered in this case would be correct in other circumstances not before this court.*" (Emphasis in original.)

[10] The reliance of school authorities on the reference to the "revision of . . . attendance areas into *compact units,*" *Brown II,* at 300, is misplaced. The enumeration in that opinion of considerations to be taken into account by district courts was patently intended to be suggestive rather than exhaustive. The decision in *Brown II* to remand the cases decided in *Brown I* to local courts for the framing of specific decrees was premised on a recognition that this Court could not at that time foresee the particular means which would be required to implement the constitutional principles announced. We said in *Green, supra,* at 349:

"The obligation of the district courts, as it always has been, is to assess the effectiveness of a proposed plan in achieving desegregation. There is no universal answer to complex problems of desegregation; there is obviously no one plan that will do the job in every case. The matter must be assessed in light of the circumstances present and the options available in each instance."

[11] During 1967–68, for example, the Mobile board used 207 buses to transport 22,094 students daily for an average round trip of 31 miles. During 1966–67, 7,116 students in the metropolitan area were bussed daily. In Charlotte-Mecklenburg, the system as a whole, without regard to desegregation plans, planned to bus approximately 23,000 students this year, for an average daily round trip of 15 miles. More elementary school children than high school children were to be bussed, and 4- and 5-year-olds travel the longest routes in the system.

[12] The District Court found that the school system would have to employ 138 more buses than it had previously operated. But 105 of those buses were already available and the others could easily be obtained. Additionally, it should be noted that North Carolina requires provision of transportation for all students who are assigned to schools more than one and one-half miles from their homes. N.C. Stat. sec. 115–186(b).

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413 U.S. 189 (1973)

Keyes v. School District No. 1, Denver, Colo.

OPINION OF THE COURT

Mr. Justice Brennan delivered the opinion of the Court.

This school desegregation case concerns the Denver, Colorado, school system. That system has never been operated under a constitutional or statutory provision that mandated or permitted racial segregation in public education.[1] Rather, the gravamen of this action, brought in June 1969 in the District Court for the District of Colorado by parents of Denver schoolchildren, is that respondent School Board alone, by use of various techniques such as the manipulation of student attendance zones, schoolsite selection and a neighborhood school policy, created or maintained racially or ethnically (or both racially and ethnically) segregated schools throughout the school district, entitling petitioners to a decree directing desegregation of the entire school district.

The boundaries of the school district are coterminous with the boundaries of the city and county of Denver. There were in 1969, 119 schools[2] with 96,580 pupils in the school system. In early 1969, the respondent School Board adopted three resolutions, Resolutions 1520, 1524, and 1531, designed to desegregate the schools in the Park Hill area in the northeast portion of the city. Following an election which produced a Board majority opposed to the resolutions, the resolutions were rescinded and replaced with a voluntary student transfer program. Petitioners then filed this action, requesting an injunction against the rescission of the resolutions and an order directing that the respondent School Board desegregate and afford equal educational opportunity "for the School District as a whole." App. 32a. The District Court found that by the construction of a new, relatively small elementary school, Barrett, in the middle of the Negro community west of Park Hill, by the gerrymandering of student attendance zones, by the use of so-called "optional zones," and by the excessive use of mobile classroom units, among other things, the respondent School Board had engaged over almost a decade after 1960 in an unconstitutional policy of deliberate racial segregation with respect to the Park Hill schools.[3] The court therefore ordered the Board to desegregate those schools through the implementation of the three rescinded resolutions. 303 F. Supp. 279 and 289 (1969).

Segregation in Denver schools is not limited, however, to the schools in the Park Hill area, and not satisfied with their success in obtaining relief for Park Hill, petitioners pressed their prayer that the District Court order desegregation of all segregated schools in the city of Denver, particularly in heavily segregated schools in the core city area.[4] But that court concluded that its finding of a purposeful and systematic program of racial segregation affecting thousands of students in the Park Hill area did not, in itself, impose on the School Board an affirmative duty to eliminate segregation throughout the school district. Instead, the court fractionated the district and held that petitioners had to make a fresh showing of *de jure* segregation in each area of the city for which they sought relief. Moreover, the District Court held that its finding of intentional segregation in Park Hill was not in any sense material to the question of segregative intent in other areas of the city. Under this restrictive approach the District Court concluded that petitioners' evidence of intentionally discriminatory School Board action in areas of the district other than Park Hill was insufficient to "dictate the conclusion that this is *de jure* segregation which calls for an all-out effort to desegregate. It is more like *de facto* segregation, with respect to which the rule is that the court cannot order desegregation in order to provide a better balance." 313 F. Supp. 61, 73 (1970).

Nevertheless, the District Court went on to hold that the proofs established that the segregated core city schools were educationally inferior to the predominantly "white" or "Anglo" schools in other parts of the district—that is, "separate facilities . . . unequal in the quality of education provided." *Id.*, at 83. Thus, the court held that, under the doctrine of *Plessy* v. *Ferguson*, 163 U.S. 537 (1896), respondent School Board constitutionally "must at a minimum . . . offer an equal educational opportunity," 313 F. Supp., at 83, and, therefore, although all-out desegregation "could not be decreed, . . . the only feasible and constitutionally acceptable program—the only program which furnishes anything approaching substantial equality—is a system of desegregation and integration which provides compensatory education in an integrated environment." 313 F. Supp. 90, 96 (1970). The District Court then formulated a varied remedial plan to that end which was incorporated in the Final Decree.[5]

Respondent School Board appealed, and petitioners cross-appealed, to the Court of Appeals for the Tenth Circuit. That court sustained the District Court's finding that the Board had engaged in an unconstitutional policy of deliberate racial segregation with respect to the Park Hill schools and affirmed the Final Decree in that respect. As to the core city schools, however, the Court of Appeals reversed the legal determination of the District Court that those schools were maintained in violation of the Fourteenth Amendment because of the unequal educational opportunity afforded, and therefore set aside so much of the Final Decree as required desegregation and educational improvement programs for those schools. 445 F. 2d 990 (1971). In reaching that result, the Court of Appeals also disregarded respondent School Board's deliberate racial segregation policy respecting the Park Hill schools and accepted the District Court's finding that petitioners had not proved that respondent had a like policy addressed specifically to the core city schools.

We granted petitioners' petition for certiorari to review the Court of Appeals' judgment insofar as it reversed that part of the District Court's Final Decree as pertained to the core city schools. 404 U.S. 1036 (1972). The judgment of the Court of Appeals in that respect is modified to vacate instead of reverse the Final Decree. The respondent School Board has cross-petitioned for certiorari to review the judgment of the Court of Appeals insofar as it affirmed that part of the District Court's Final Decree as pertained to the Park Hill schools. Docket No. 71–572, *School District No. 1* v. *Keyes*. The cross-petition is denied.

I

Before turning to the primary question we decide today, a word must be said about the District Court's method of defining a "segregated" school. Denver is a tri-ethnic, as distinguished from a bi-racial, community. The overall racial and ethnic composition of the Denver public schools is 66% Anglo, 14% Negro, and 20% Hispano.[6] The District Court, in assessing the question of *de jure* segregation in the core city schools, preliminarily resolved that Negroes and Hispanos should not be placed in the same category to establish the segregated character of a school. 313 F. Supp., at 69. Later, in determining the schools that were likely to produce an inferior educational opportunity, the court concluded that a school would be considered inferior only if it had "a concentration of either Negro or Hispano students in the general area of 70 to 75 percent." *Id.*, at 77. We intimate no opinion whether the District Court's 70%-to-75% requirement was correct. The District Court used those figures to signify educationally inferior schools, and there is no suggestion in the record that those same figures were or would be used to define a "segregated" school in the *de jure* context. What is or is not a segregated school will necessarily depend on the facts of each particular case. In addition to the racial and ethnic composition of a school's student body, other factors, such as the racial and ethnic composition of faculty and staff and the community and administration attitudes toward the school, must be taken into consideration. The District Court has recognized these specific factors as elements of the definition of a "segregated" school, *id.*, at 74, and we may therefore infer that the court will consider them again on remand.

We conclude, however, that the District Court erred in separating Negroes and Hispanos for purposes of defining a "segregated" school. We have held that Hispanos constitute an identifiable class for purposes of the Fourteenth Amendment. *Hernandez* v. *Texas*, 347 U.S. 475 (1954). See also *United States* v. *Texas Education Agency*, 467 F. 2d 848 (CA5 1972) (*en banc*); *Cisneros* v. *Corpus Christi Independent School District*, 467 F. 2d 142 (CA5 1972) (*en banc*); *Alvarado* v. *El Paso Independent School District*, 445 F. 2d 1011 (CA5 1971); *Soria* v. *Oxnard School District*, 328 F. Supp. 155 (CD Cal. 1971); *Romero* v. *Weakley*, 226 F. 2d 399 (CA9 1955). Indeed, the District Court recognized this in reclassifying predominantly Hispano schools as "segregated" schools in their own right. But there is also much evidence that in the Southwest Hispanos and Negroes have a great many things in common. The United States Commission on Civil Rights has recently published two Reports on Hispano education in the Southwest.[7] Focusing on students in the States of Arizona, California, Colorado, New Mexico, and Texas, the Commission concluded that Hispanos suffer from the same educational inequities as Negroes and American Indians.[8] In fact, the District Court itself recognized that "[o]ne of the things which the Hispano has in common with the Negro is economic and cultural deprivation and discrimination." 313 F. Supp., at 69. This is agreement that, though of different origins, Negroes and Hispanos in Denver suffer identical discrimination in treatment when compared with the treatment afforded Anglo students. In that circumstance, we think petitioners are entitled to have schools with a combined predominance of Negroes and Hispanos included in the category of "segregated" schools.

II

In our view, the only other question that requires our decision at this time is that subsumed in Question 2 of the Questions

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Footnotes at end of article.

Presented by petitioners, namely, whether the District Court and the Court of Appeals applied an incorrect legal standard in addressing petitioners' contention that respondent School Board engaged in an unconstitutional policy of deliberate segregation in the core city schools. Our conclusion is that those courts did not apply the correct standard in addressing that contention.[9]

Petitioners apparently concede for the purposes of this case that in the case of a school system like Denver's, where no statutory dual system has ever existed, plantiffs must prove not only that segregated schooling exists but also that it was brought about or maintained by intentional state action. Petitioners proved that for almost a decade after 1960 despondent School Board had engaged in an unconstitutional policy of deliberate racial segregation in the Park Hill schools. Indeed, the District Court found that "[b]etween 1960 and 1969 the Board's policies with respect to these northeast Denver schools show an undeviating purpose to isolate Negro students" in segregated schools "while preserving the Anglo character of [other] schools." 303 F. Supp., at 294. This finding did not relate to an insubstantial or trivial fragment of the school system. On the contrary, respondent School Board was found guilty of following a deliberate segregation policy at schools attended, in 1969, by 37.69% of Denver's total Negro school population, including one-fourth of the Negro elementary pupils, over two-thirds of the Negro junior high pupils, and over two-fifths of the Negro high school pupils.[10] In addition, there was uncontroverted evidence that teachers and staff had for years been assigned on the basis of a minority teacher to a minority school throughout the school system. Respondent argues, however, that a finding of state-imposed segregation as to a substantial portion of the school system can be viewed in isolation from the rest of the district, and that even if state-imposed segregation does exist in a substantial part of the Denver school system, it does not follow that the District Court could predicate on that fact a finding that the entire school system is a dual system. We do not agree. We have never suggested that plaintiffs in school desegregation cases must bear the burden of proving the elements of *de jure* segregation as to each and every school or each and every student within the school system. Rather, we have held that where plaintiffs prove that a current condition of segregated schooling exists within a school district where a dual system was compelled or authorized by statute at the time of our decision in *Brown* v. *Board of Education*, 347 U.S. 483 (1954) (*Brown I*), the State automatically assumes an affirmative duty "to effectuate a transition to a racially nondiscriminatory school system," *Brown* v. *Board of Education*, 349 U.S. 294, 301 (1955) (*Brown II*), see also *Green* v. *County School Board*, 391 U.S. 430, 437–438 (1968), that is, to eliminate from the public schools within their school system "all vestiges of state-imposed segregation." *Swann* v. *Charlotte-Mecklenburg Board of Education*, 402 U.S. 1, 15 (1971).[11]

This is not a case, however, where a statutory dual system has ever existed. Nevertheless, where plaintiffs prove that the school authorities have carried out a systematic program of segregation affecting a substantial portion of the students, schools, teachers, and facilities within the school system, it is only common sense to conclude that there exists a predicate for a finding of the existence of a dual school system. Several considerations support this conclusion. First, it is obvious that a practice of concentrating Negroes in certain schools by structuring attendance zones or designating "feeder" schools on the basis of race has the reciprocal effect of keeping other nearby schools predominantly white.[12] Similarly, the practice of building a school—such as the Barrett Elementary School in this case—to a certain size and in a certain location, "with conscious knowledge that it would be a segregated school," 303 F. Supp., at 285, has a substantial reciprocal effect on the racial composition of other nearby schools. So also, the use of mobile classrooms, the drafting of student transfer policies, the transportation of students, and the assignment of faculty and staff, on racially identifiable bases, have the clear effect of earmarking schools according to their racial composition, and this, in turn, together with the elements of student assignment and school construction, may have a profound reciprocal effect on the racial composition of residential neighborhoods within a metropolitan area, thereby causing further racial concentration within the schools. We recognized this in *Swann* when we said:

"They [school authorities] must decide questions of location and capacity in light of population growth, finances, land values, site availability, through an almost endless list of factors to be considered. The result of this will be a decision which, when combined with one technique or another of student assignment, will determine the racial composition of the student body in each school in the system. Over the long run, the consequences of the choices will be far reaching. People gravitate toward school facilities, just as schools are located in response to the needs of people. The location of schools may thus influence the patterns of residential development of a metropolitan area and have important impact on composition of inner-city neighborhoods.

"In the past, choices in this respect have been used as a potent weapon for creating or maintaining a state-segregated school system. In addition to the classic pattern of building schools specifically intended for Negro or white students, school authorities have sometimes, since *Brown*, closed schools which appeared likely to become racially mixed through changes in neighborhood residential patterns. This was sometimes accompanied by building new schools in the areas of white suburban expansion farthest from Negro population centers in order to maintain the separation of the races with a minimum departure from the formal principles of 'neighborhood zoning.' Such a policy does more than simply influence the short-run composition of the student body of a new school. It may well promote segregated residential patterns which, when combined with 'neighborhood zoning,' further lock the school system into the mold of separation of the races. Upon a proper showing a district court may consider this in fashioning a remedy." 402 U.S., at 20–21.

In short, common sense dictates the conclusion that racially inspired school board actions have an impact beyond the particular schools that are the subjects of those actions. This is not to say, of course, that there can never be a case in which the geographical structure of, or the natural boundaries within, a school district may have the effect of dividing the district into separate, identifiable and unrelated units. Such a determination is essentially a question of fact to be resolved by the trial court in the first instance, but such cases must be rare. In the absence of such a determination, proof of state-imposed segregation in a substantial portion of the district will suffice to support a finding by the trial court of the existence of a dual system. Of course, where that finding is made, as in cases involving statutory dual systems, the school authorities have an affirmative duty "to effectuate a transition to a racially nondiscriminatory school system." *Brown II, supra*, at 301.

On remand, therefore, the District Court should decide in the first instance whether respondent School Board's deliberate racial segregation policy with respect to the Park Hill schools constitutes the entire Denver school system a dual school system. We observe that on the record now before us there is indication that Denver is not a school district which might be divided into separate, identifiable and unrelated units. The District Court stated, in its summary of findings as to the Park Hill schools, that there was "a high degree of interrelationship among these schools, so that any action by the Board affecting the racial composition of one would almost certainly have an effect on the others." 303 F. Supp., at 294. And there was cogent evidence that the ultimate effect of the Board's actions in Park Hill was not limited to that area: the three 1969 resolutions designed to desegregate the Park Hill schools changed the attendance patterns of at least 29 schools attended by almost one-third of the pupils in the school system.[13] This suggests that the official segregation in Park Hill affected the racial composition of schools throughout the district.

On the other hand, although the District Court did not state this, or indeed any, reason why the Park Hill finding was disregarded when attention was turned to the core city schools—beyond saying that the Park Hill and core city areas were in its view "different"—the areas, although adjacent to each other, are separated by Colorado Boulevard, a six-lane highway. From the record, it is difficult to assess the actual significance of Colorado Boulevard to the Denver school system. The Boulevard runs the length of the school district, but at least two elementary schools, Teller and Steck, have attendance zones which cross the Boulevard. Moreover, the District Court, although referring to the Boulevard as "a natural dividing line," 303 F. Supp., at 282, did not feel constrained to limit its consideration of *de jure* segregation in the Park Hill area to those schools east of the Boulevard. The court found that by building Barrett Elementary School west of the Boulevard and by establishing Colorado Boulevard as the eastern boundary of the Barrett attendance zone, the Board was able to maintain for a number of years the Anglo character of the Park Hill schools. This suggests that Colorado Boulevard is not to be regarded as the type of barrier that of itself could confine the impact of the Board's actions to an identifiable area of the school district, perhaps because a major highway is generally not such an effective buffer between adjoining areas. Cf. *Davis* v. *Board of School Commissioners of Mobile County*, 402 U.S. 33 (1971). But this is a factual question for resolution by the District Court on remand. In any event, inquiry whether the District Court and the Court of Appeals applied the correct legal standards in addressing petitioners' contention of deliberate segregation in the core city schools is not at an end even if it be true that Park Hill may be separated from the rest of the Denver school district as a separate, identifiable, and unrelated unit.

III

The District Court proceeded on the premise that the finding as to the Park Hill schools was irrelevant to the consideration of the rest of the district, and began its examination of the core city schools by requiring that petitioners prove all of the essential elements of *de jure* segregation—that is, stated simply, a current condition of segregation resulting from intentional state action directed specifically to the core city schools.[14] The segregated character of the core city schools could not be and is not denied. Petitioners' proof showed that at the time of trial 22 of the schools in the core city area were less than 30% in Anglo enrollment and 11 of the schools were less than 10% Anglo.[15] Petitioners also introduced substantial evidence demonstrating the existence of a dis-

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Footnotes at end of article.

proportionate racial and ethnic composition of faculty and staff at these schools.

On the question of segregative intent, petitioners presented evidence tending to show that the Board, through its actions over a period of years, intentionally created and maintained the segregated character of the core city schools. Respondents countered this evidence by arguing that the segregation in these schools is the result of a racially neutral "neighborhood school policy" and that the acts of which petitioners complain are explicable within the bounds of that policy. Accepting the School Board's explanation, the District Court and the Court of Appeals agreed that a finding of *de jure* segregation as to the core city schools was not permissible since petitioners had failed to prove "(1) a racially discriminatory purpose and (2) a causal relationship between the acts complained of and the racial imbalance admittedly existing in those schools." 445 F. 2d, at 1006. This assessment of petitioners' proof was clearly incorrect.

Although petitioners had already proved the existence of intentional school segregation in the Park Hill schools, this crucial finding was totally ignored when attention turned to the core city schools. Plainly, a finding of intentional segregation as to a portion of a school system is not devoid of probative value in assessing the school authorities' intent with respect to other parts of the same school system. On the contrary, where, as here, the case involves one school board, a finding of intentional segregation on its part in one portion of a school system is highly relevant to the issue of the board's intent with respect to other segregated schools in the system. This is merely an application of the well-settled evidentiary principle that "the prior doing of other similar acts, whether clearly a part of a scheme or not, is useful as reducing the possibility that the act in question was done with innocent intent." 2 J. Wigmore, Evidence 200 (3d ed. 1940). "Evidence that similar and related offenses were committed . . . tend[s] to show a consistent pattern of conduct highly relevant to the issue of intent." *Nye & Nissen* v. *United States,* 336 U.S. 613, 618 (1949). Similarly, a finding of illicit intent as to a meaningful portion of the item under consideration has substantial probative value on the question of illicit intent as to the remainder. See, for example, the cases cited in 2 Wigmore, *supra,* at 301–302. And "[t]he foregoing principles are equally as applicable to civil cases as to criminal cases . . . ." *Id.,* at 300. See also C. McCormick, Evidence 329 (1954).

Applying these principles in the special context of school desegregation cases, we hold that a finding of intentionally segregative school board actions in a meaningful portion of a school system, as in this case, creates a presumption that other segregated schooling within the system is not adventitious. It establishes, in other words, a prima facie case of unlawful segregative design on the part of school authorities, and shifts to those authorities the burden of proving that other segregated schools within the system are not also the result of intentionally segregative actions. This is true even if it is determined that different areas of the school district should be viewed independently of each other because even in that situation, there is high probability that where school authorities have effectuated an intentionally segregative policy in a meaningful portion of the school system, similar impermissible considerations have motivated their actions in other areas of the system. We emphasize that the differentiating factor between *de jure* segregation and so-called *de facto* segregation to which we referred in *Swann*[16] is *purpose or intent* to segregate. Where school authorities have been found to have practiced purposeful segregation in part of a school system, they may be expected to oppose system-wide desegregation, as did the respondents in this case, on the ground that their purposefully segregative actions were isolated and individual events, thus leaving plaintiffs with the burden of proving otherwise. But at that point where an intentionally segregative policy is practiced in a meaningful or significant segment of a school system, as in this case, the school authorities cannot be heard to argue that plaintiffs have proved only "isolated and individual" unlawfully segregative actions. In that circumstances, it is both fair and reasonable to require that the school authorities bear the burden of showing that their actions as to other segregated schools within the system were not also motivated by segregative intent.

This burden-shifting principle is not new or novel. There are no hard-and-fast standards governing the allocation of the burden of proof in every situation. The issue, rather, "is merely a question of policy and fairness based on experience in the different situations." 9 J. Wigmore, Evidence § 2486, at 275 (3d ed. 1940). In the context of racial segregation in public education, the courts, including this Court, have recognized a variety of situations in which "fairness" and "policy" require state authorities to bear the burden of explaining actions or conditions which appear to be racially motivated. Thus, in *Swann,* 402 U.S., at 18, we observed that in a system with a "history of segregation," "where it is possible to identify a 'white school' or a 'Negro school' simply by reference to the racial composition of teachers and staff, the quality of school buildings and equipment, or the organization of sports activities, a *prima facie* case of violation of substantive constitutional rights under the Equal Protection Clause is shown." Again, in a school system with a history of segregation, the discharge of a disproportionately large number of Negro teachers incident to desegregation "thrust[s] upon the School Board the burden of justifying its conduct by clear and convincing evidence." *Chambers* v. *Hendersonville City Board of Education,* 364 F. 2d 189, 192 (CA4 1966) (*en banc*). See also *United States* v. *Jefferson County Board of Education,* 372 F. 2d 836, 887–888 (CA5 1966), aff'd *en banc,* 380 F. 2d 385 (1967); *North Carolina Teachers Assn.* v. *Asheboro City Board of Education,* 393 F. 2d 736, 743 (CA4 1968) (*en banc*); *Williams* v. *Kimbrough,* 295 F. Supp. 578, 585 (WD La. 1969); *Bonner* v. *Texas City Independent School District,* 305 F. Supp. 600, 621 (SD Tex. 1969). Nor is this burden-shifting principle limited to former statutory dual systems. See, *e.g., Davis* v. *School District of the City of Pontiac,* 309 F. Supp. 734, 743, 744 (ED Mich. 1970), aff'd, 443 F. 2d 573 (CA6 1971); *United States* v. *School District No. 151,* 301 F. Supp. 201, 228 (ND Ill. 1969), modified on other grounds, 432 F. 2d 1147 (CA7 1970). Indeed, to say that a system has a "history of segregation" is merely to say that a pattern of intentional segregation has been established in the past. Thus, be it a statutory dual system or an allegedly unitary system where a meaningful portion of the system is found to be intentionally segregated, the existence of subsequent or other segregated schooling within the same system justifies a rule imposing on the school authorities the burden of proving that this segregated schooling is not also the result of intentionally segregative acts.

In discharging that burden, it is not enough, of course, that the school authorities rely upon some allegedly logical, racially neutral explanation for their actions. Their burden is to adduce proof sufficient to support a finding that segregative intent was not among the factors that motivated their actions. The courts below attributed much significance to the fact that many of the Board's actions in the core city area antedated our decision in *Brown.* We reject any suggestion that remoteness in time has any relevance to the issue of intent. If the actions of school authorities were to any degree motivated by segregative intent and the segregation resulting from those actions continues to exist, the fact of remoteness in time certainly does not make those actions any less "intentional."

This is not to say, however, that the prima facie case may not be met by evidence supporting a finding that a lesser degree of segregated schooling in the core city area would not have resulted even if the Board had not acted as it did. In *Swann,* we suggested that at some point in time the relationship between past segregative acts and present segregation may become so attenuated as to be incapable of supporting a finding of *de jure* segregation warranting judicial intervention. 402 U.S., at 31–32. See also *Hobson* v. *Hansen,* 269 F. Supp. 401, 495 (DC 1967), aff'd *sub nom. Smuck* v. *Hobson,* 132 U.S. App. D.C. 372, 408 F. 2d 175 (1969).[17] We made it clear, however, that a connection between past segregative acts and present segregation may be present even when not apparent and that close examination is required before concluding that the connection does not exist. Intentional school segregation in the past may have been a factor in creating a natural environment for the growth of further segregation. Thus, if respondent School Board cannot disprove segregative intent, it can rebut the prima facie case only by showing that its past segregative acts did not create or contribute to the current segregated condition of the core city schools.

The respondent School Board invoked at trial its "neighborhood school policy" as explaining racial and ethnic concentrations within the core city schools, arguing that since the core city area population had long been Negro and Hispano, the concentrations were necessarily the result of residential patterns and not of purposefully segregative policies. We have no occasion to consider in this case whether a "neighborhood school policy" of itself will justify racial or ethnic concentrations in the absence of a finding that school authorities have committed acts constituting *de jure* segregation. It is enough that we hold that the mere assertion of such a policy is not dispositive where, as in this case, the school authorites have been found to have practiced *de jure* segregation in a meaningful portion of the school system by techniques that indicate that the "neighborhood school" concept has not been maintained free of manipulation. Our observations in *Swann, supra,* at 28, are particularly instructive on this score:

"Absent a constitutional violation there would be no basis for judicially ordering assignment of students on a racial basis. All things being equal, with no history of discrimination, it might well be desirable to assign pupils to schools nearest their homes. But all things are not equal in a system that has been deliberately constructed and maintained to enforce racial segregation. . . .

". . . 'Racially neutral' assignment plans proposed by school authorities to a district court may be inadequate; such plans may fail to counteract the continuing effects of past school segregation resulting from discriminatory location of school sites or distortion of school size in order to achieve or maintain an artificial racial separation. When school authorities present a district court with a 'loaded game board,' affirmative action in the form of remedial altering of attendance zones is proper to achieve truly nondiscriminatory assignments. In short, an assignment plan is not acceptable simply because it appears to be neutral."

Thus, respondent School Board having

Footnotes at end of article.

been found to have practiced deliberate racial segregation in schools attended by over one-third of the Negro school population, that crucial finding establishes a prima facie case of intentional segregation in the core city schools. In such case, respondent's neighborhood school policy is not to be determinative "simply because it appears to be neutral."

IV

In summary, the District Court on remand, *first,* will afford respondent School Board the opportunity to prove its contention that the Park Hill area is a separate, identifiable and unrelated section of the school district that should be treated as isolated from the rest of the district. If respondent School Board fails to prove that contention, the District Court, *second,* will determine whether respondent School Board's conduct over almost a decade after 1960 in carrying out a policy of deliberate racial segregation in the Park Hill schools constitutes the entire school system a dual school system. If the District Court determines that the Denver school system is a dual school system, respondent School Board has the affirmative duty to desegregate the entire system "root and branch." *Green* v. *County School Board,* 391 U.S., at 438. If the District Court determines, however, that the Denver school system is not a dual school system by reason of the Board's actions in Park Hill, the court, *third,* will afford respondent School Board the opportunity to rebut petitioners' prima facie case of intentional segregation in the core city schools raised by the finding of intentional segregation in the Park Hill schools. There, the Board's burden is to show that its policies and practices with respect to schoolsite location, school size, school renovations and additions, student-attendance zones, student assignment and transfer options, mobile classroom units, transportation of students, assignment of faculty and staff, etc., considered together and premised on the Board's so-called "neighborhood school" concept, either were not taken in effectuation of a policy to create or maintain segregation in the core city schools, or, if unsuccessful in that effort, were not factors in causing the existing condition of segregation in these schools. Considerations of "fairness" and "policy" demand no less in light of the Board's intentionally segregative actions. If respondent Board fails to rebut petitioners' prima facie case, the District Court must, as in the case of Park Hill, decree all-out desegregation of the core city schools.

The judgment of the Court of Appeals is modified to vacate instead of reverse the parts of the Final Decree that concern the core city schools, and the case is remanded to the District Court for further proceedings consistent with this opinion.[15]

It is so ordered.

FOOTNOTES

[1] To the contrary, Art. IX, § 8, of the Colorado Constitution expressly prohibits any "classification of pupils . . . on account of race or color." As early as 1927, the Colorado Supreme Court held that a Denver practice of excluding black students from school programs at Manual High School and Morey Junior High School violated state law. *Jones* v. *Newlon,* 81 Colo, 25, 253 P. 386.

[2] There are 92 elemenatry schools, 15 junior high schools, 2 junior-senior high schools, and 7 senior high schools.

[3] The so-called "Park Hill schools" are Barrett, Stedman, Hallett, Smith, Philips, and Park Hill Elementary Schools; and Smiley Junior High School. East High School serves the area but is located outside of it. (See map following p. 214.)

[4] The so-called "core city schools" which are said to be segregated are Boulevard, Bryant-Webster, Columbine, Crofton, Ebert, Elmwood, Elyira, Fairmont, Fairview, Garden Place, Gilpin, Greenlee, Harrington, Mitchell, Smedley, Swansea, Whittier, Wyatt, and Wyman Elementary Schools; Baker, Cole, and Morey Junior High Schools; and East, West, and Manual High Schools.

[5] The first of the District Court's four opinions, 303 F.Supp. 279, was filed July 31, 1969, and granted petitioners' application for a preliminary injunction. The second opinion, 303 F. Supp. 289, was filed August 14, 1969, and made supplemental findings and conclusions. The third opinion, 313 F. Supp. 61, filed March 21, 1970, was the opinion on the merits. The fourth opinion, 313 F. Supp. 90, was on remedy and was filed May 21, 1970. The District Court filed an unreported opinion on October 19, 1971, in which relief was extended to Hallett and Stedman Elementary Schools which were found by the court in its July 31, 1969, opinion to be purposefully segregated but were not included within the scope of the three 1969 Board resolutions. The Court of Appeals filed five unreported opinions: on August 5, 1969, vacating preliminary injunctions; on August 27, 1969, staying preliminary injunction; on September 15, 1969, on motion to amend stay; on October 17, 1969, denying Motions to Dismiss; and on March 26, 1971, granting stay. Mr. Justice Brennan, on August 29, 1969, filed an opinion reinstating preliminary injunction, 396 U.S. 1215, and on April 26, 1971, this Court entered a *per curiam* order vacating the Court of Appeals stay, 402 U.S. 182.

[6] The parties have used the terms "Anglo," "Negro," and "Hispano" throughout the record. We shall therefore use those terms.

"Hispano" is the term used by the Colorado Department of Education to refer to a person of Spanish, Mexican, or Cuban heritage. Colorado Department of Education, Human Relations in Colorado, A Historical Record 203 (1968). In the Southwest, the "Hispanos" are more commonly referred to as "Chicanos" or "Mexican-Americans."

The more specific racial and ethnic composition of the Denver public schools is as follows:

Pupils	Anglo		Negro		Hispano	
	Number	Percent	Number	Percent	Number	Percent
Elementary	33,719	61.8	8,297	15.2	12,570	23.0
Junior high	14,848	68.7	2,893	13.4	3,858	17.9
Senior high	14,852	72.8	2,442	12.0	3,101	15.2
Total	63,419	65.7	13,632	14.1	19,529	20.2

[7] United States Commission on Civil Rights, Mexican American Education Study, Report 1, Ethnic Isolation of Mexican Americans in the Public Schools of the Southwest (Apr. 1971); United States Commission on Civil Rights, Mexican American Educational Series. Report 2, The Unfinished Education (Oct. 1971).

[8] The Commission's second Report, on p. 41, summarizes its findings:

"The basic finding of this report is that minority students in the Southwest—Mexican Americans, blacks, American Indians—do not obtain the benefits of public education at a rate equal to that of their Anglo classmates."

[9] Our Brother REHNQUIST argues in dissent that the Court somehow transgresses the "two-court" rule. *Post,* at 264. But at this stage, we have no occasion to review the factual findings concurred in by the two courts below. Cf. *Neil* v. *Biggers,* 409 U.S. 188 (1972). We address only the questions whether those courts applied the correct legal standard in deciding the case as it affects the core city schools.

[10] The Board was found guilty of intentionally segregative acts of one kind or another with respect to the schools listed below. (As to Cole and East, the conclusion rests on the rescission of the resolutions.)

PUPILS 1968-69

	Anglo	Negro	Hispano	Total
Barrett	1	410	12	423
Stedman	27	634	25	686
Hallett	76	634	41	751
Park Hill	684	223	56	963
Philips	307	203	45	555
Smiley Junior High	360	1,112	74	1,546
Cole Junior High	46	884	289	1,213
East High	1,409	1,039	175	2,623
Subtotal:				
Elementary	1,095	2,104	179	3,378
Junior high	406	1,996	363	2,765
Senior high	1,409	1,039	175	2,623
Total	2,910	5,139	717	8,766

The total Negro school enrollment in 1968 was:

Elementary	8,297
Junior High	2,893
Senior High	2,442

Thus, the above-mentioned schools included:

Elementary—25.36% of all Negro elementary pupils.

Junior High—68.99% of all Negro junior high pupils.

Senior High—42.55% of all Negro senior high pupils.

Total—37.69% of all Negro pupils.

[11] Our Brother REHNQUIST argues in dissent that *Brown* v. *Board of Education* did not impose an "affirmative duty to integrate" the schools of a dual school system but was only a "prohibition against discrimination" "in the sense that the assignment of a child to a particular school is not made to depend on his race . . . ." *Infra.* at 258. That is the interpretation of *Brown* expressed 18 years ago by a three-judge court in *Briggs* v. *Elliott,* 132 F. Supp. 776, 777 (1955): "The Constitution, in other words, does not require integration. It merely forbids discrimination." But *Green* v. *County School Board,* 391 U.S. 430, 437–438 (1968), rejected that interpretation insofar as *Green* expressly held that "School boards . . . operating state-compelled dual systems were nevertheless clearly charged [by *Brown II*] with the affirmative duty to take whatever steps might be necessary to convert to a unitary system in which racial discrimination would be eliminated root and branch." *Green* remains the governing principle. *Alexander* v. *Holmes County Board of Education,* 396 U.S. 19 (1969); *Swann* v. *Charlotte-Mecklenburg Board of Education,* 402 U.S. 1, 15 (1971). See also *Kelley* v. *Metropolitan County Board of Education,* 317 F. Supp. 980, 984 (1970).

[12] As a former School Board President who testified for the respondents put it: "Once you change the boundary of any one school, it is affecting all the schools . . . ." Testimony of Mrs. Lois Heath Johnson on cross-examination. App. 951a–952a.

Similarly, Judge Wisdom has recently stated:

"Infection at one school infects all schools. To take the most simple example, in a two school system, all blacks at one school means all or almost all whites at the other." *United States* v. *Texas Education Agency,* 467 F. 2d 848, 888 (CA5 1972).

[13] See the chart at 455 F. 2d, at 1008–1009, which indicates that 31,767 pupils attended the schools affected by the resolutions.

[14] Our Brother REHNQUIST argues in dissent that the District Court did take the Park Hill finding into account in addressing the question of alleged *de jure* segregation of the core city schools. *Post,* at 262. He cites the following excerpt from a footnote to the District Court's opinion of March 21, 1970, 313 F. Supp., at 74–75, n. 18: "Although past discriminatory acts may not be a substantial factor contributing to present segregation, they may nevertheless be probative on the

issue of the segregative purpose of other discriminatory acts which are in fact a substantial factor in causing a present segregated situation." But our Brother Rehnquist omits the rest of the footnote: "Thus, in part I of this opinion, we discussed the building of Barrett, boundary changes and the use of mobile units as they relate to the purpose for the rescission of Resolutions 1520, 1524 and 1531." Obviously, the District Court was carefully limiting the comment to the consideration being given past discriminatory acts *affecting the Park Hill schools* in assessing the causes of current segregation of *those schools*.

[15] In addition to these 22 schools, see 313 F. Supp., at 78, two more schools, Elyria and Smedley Elementary Schools, became less than 30% Anglo after the District Court's decision on the merits. These two schools were thus included in the list of segregated schools, 313 F. Supp., at 92.

[16] 402 U.S. 1, 17–8 (1971).

[17] It may be that the District Court and Court of Appeals were applying this test in holding that petitioners had failed to prove that the Board's actions "caused" the current condition of segregation in the core city schools. But, if so, certainly plaintiffs in a school desegregation case are not required to prove "cause" in the sense of "non-attenuation." That is a factor which becomes relevant only after past intentional actions resulting in segregation have been established. At that stage, the burden becomes the school authorities' to show that the current segregation is in no way the result of those past segregative actions.

Milliken v. Bradley 418 U.S. 717 (1974)

Burger, C. J., delivered the opinion of the Court, in which Stewart, Blackmun, Powell, and Rehnquist, JJ., joined. Stewart, J., filed a concurring opinion. Douglas, J., filed a dissenting opinion. White, J., filed a dissenting opinion, in which Douglas, Brennan, and Marshall, JJ., joined. Marshall, J., filed a dissenting opinion, in which Douglas, Brennan, and White, JJ., joined.

Mr. Chief Justice Burger delivered the opinion of the Court.

* * * * *

The District Court found that the Detroit Board of Education created and maintained optional attendance zones within Detroit neighborhoods, undergoing special transition and between high school attendance areas of opposite predominant racial compositions. These zones, the court found, had the "natural, probable, foreseeable and actual effect" of allowing White pupils to escape identifiably Negro schools. 338 F. Supp., at 587. Similarly, the District Court found that Detroit school attendance zones had been drawn along north-south boundary lines despite the Detroit Board's awareness that drawing boundary lines in an east-west direction would result in significantly greater desegregation. Again, the District Court concluded, the natural and actual effect of these acts was the creation and perpetuation of school segregation within Detroit.

The District Court found that in the operation of its school transportation program, which was designed to relieve overcrowding, the Detroit Board had admittedly bused Negro Detroit pupils to predominantly Negro schools which were beyond or away from closer White schools with available space; This practice was found to have continued in recent years despite the Detroit Board's avowed policy adopted in 1967, of utilizing transportation to increase desegregation:

"With one exception (necessitated by the burning of a white school), defendant Board has never bused white children to predominantly black schools. The Board has not bused white pupils to black schools despite the enormous amount of space available in inner-city schools. There were 22,961 vacant seats in schools 90% or more black." 338 F. Supp., at 588.

With respect to the Detroit Board of Education's practices in school construction, the District Court found that Detroit school construction generally tended to have segregative effect with the great majority of schools being built in either overwhelmingly all Negro or all White neighborhoods so that the new schools opened as predominantly one race schools. Thus, of the 14 schools which opened for use in 1970–1971, 11 opened over 90% Negro and one opened less than 10% Negro.

The District Court also found that the State of Michigan had committed several constitutional violations with respect to the exercise of its general responsibility for, and supervision of, public education.[5] The State, for example, was found to have failed, until the 1971 Session of the Michigan Legislature, to provide authorization or funds for the transportation of pupils within Detroit regardless of their poverty or distance from the school to which they were assigned; during this same period the State provided many neighboring, mostly White, suburban districts the full range of state supported transportation.

The District Court found that the State, through Act 48, acted to "impede, delay and minimize racial integration in Detroit schools." The first sentence of § 12 of Act 48 was designed to delay the April 7, 1970, desegregation plan originally adopted by the Detroit Board. The remainder of § 12 sought to prescribe for each school in the eight districts criterion of "free choice" and "neighborhood schools," which, the District Court found, "had as their purpose and effect the maintenance of segregation." 338 F. Supp., at 589.[6]

The District Court also held that the acts of the Detroit Board of Education, as a subordinate entity of the State, were attributable to the State of Michigan thus creating a vicarious liability on the part of the State. Under Michigan law, Mich. Stat. Ann. § 15, 1961, for example, school building construction plans had to be approved by the State Board of Education, and prior to 1962, the State Board had specific statutory authority to supervise school site selection. The proofs concerning the effect of Detroit's school construction program were, therefore, found to be largely applicable to show State responsibility for the segregative results.[7]

Turning to the question of an appropriate remedy for these several constitutional violations, the District Court deferred a pending motion [8] by intervening parent defendants to join as additional parties defendant some 85 school districts in the three counties surrounding Detroit on the ground that effective relief could not be achieved without their presence.[9] The District Court concluded that this motion to intervene was "premature," since it "has to do with relief" and no reasonably specific desegregation plan was before the court. 388 F. Supp., at 595. Accordingly, the District Court proceeded to order the Detroit Board of Education to submit desegregation plans limited to the segregation problems found to be existing within the city of Detroit. At the same time, however, the state defendants were directed to submit desegregation plans encompassing the three-county metropolitan area [10] despite the fact that the school districts of these three counties were not parties to the action and despite the fact that there had been no claim that these outlying counties encompassing some 85 separate school districts, had committed constitutional violations.[11] An effort to appeal these orders to the Court of Appeals was dismissed on the ground that the orders were not appealable. 468 F. 2d 902, cert. denied, 409 U.S. 844. The sequence of the ensuing actions and orders of the District Court are significant factors and will therefore be catalogued in some detail.

Following the District Court's abrupt announcement that it planned to consider the implementation of multidistrict, metropolitan area remedy to the segregation problems identified within the city of Detroit, the District Court was again requested to grant the outlying school districts intervention as of right on the ground that the District Court's new request for multidistrict plans "may, as a practical matter, impair or impede [the intervenor's] ability to protect" the welfare of their students. The District Court took the motions to intervene under advisement pending submission of the requested desegration plans by Detroit and the state officials. On March 7, 1972, the District Court notified all parties and the petitioner school districts seeking intervention, that March 14, 1972, was the deadline for submission of recommendations for conditions of intervention and the date of the commencement of hearings on Detroit-only desegregation plans. On the second day of the scheduled hearings, March 15, 1972, the District Court granted the motions of the intervenor school districts [12] subject, *inter alia*, to the following conditions:

"1. No intervenor will be permitted to assert any claim or defense previously adjudicated by the court.

"2. No intervenor shall reopen any question or issue which has previously been decided by the court.

* * * * *

"7. New intervenors are granted intervention for two principal purposes: (a) To advise the court, by brief, of the legal propriety or impropriety of considering a metropolitan plan; (b) To review any plan or plans for the desegregation of the so-called larger Detroit Metropolitan area, and submitting objections, modifications or alternatives to it or them, and in accordance with the requirements of the United States Constitution and the prior orders of this court." I App., at 206.

Upon granting the motion to intervene on March 15, 1972, the District Court advised the petitioning intervenors that the court had previously set March 22, 1972, as the date for the filing of briefs on the legal propriety of a "metropolitan" plan of desegregation and, accordingy, that the intervening school districts would have one week to muster their legal arguments on the issue.[13] Thereafter, and following the completion of hearings on the Detroit-only desegregation plans, the District Court issued the four rulings that were the principal issues in the Court of Appeals.

(a) On March 24, 1972, two days after the intervenors' briefs were due, the District Court issued its ruling on the question of whether it could consider relief in the form of a metropolitan plan, encompassing not only the city of Detroit, but the larger Detroit metropolitan area. It rejected the state defendants' arguments that no state action caused the segregation of the Detroit schools, and the intervening suburban districts' contention that inter-district relief was inappropriate unless the suburban districts had themselves committed violations. The court concluded:

"[I]t is proper for the court to consider metropolitan plans directed toward the desegregation of the Detroit public schools as an alternative to the present intra-city desegregation plans before it and, in the event that the court finds such intra-city plans inadequate to desegregate such schools, the court is of the opinion that it is required to consider a metropolitan remedy for desegregation." Pet. App., at 51a.

(b) On March 28, 1972, the District Court issued its findings and conclusions on the three "Detroit-only" plans submitted by the

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city Board and the respondents. It found that the best of the three plans "would make the Detroit system more identifiably Black . . . thereby increasing the flights of Whites from the city and the system." Pet. App., at 53a-55a. From this the court concluded that the plan "would not accomplish desegregation within the corporate geographical limits of the city." *Id.*, at 56a. Accordingly, the District Court held that "it must look beyond the limits of the Detroit school district for a solution to the problem," and that "[s]chool district lines are simply matters of political convenience and may not be used to deny constitutional rights." *Id.*, at 57a.

(c) During the period from March 28, 1972 to April 14, 1972, the District Court conducted hearings on a metropolitan plan. Counsel for the petitioning intervenors was allowed to participate in these hearings, but he was ordered to confine his argument to "the size and expanse of the metropolitan plan" without addressing the intervenors' opposition to such a remedy or the claim that a finding of a constitutional violation by the intervenor districts was an essential predicate to any remedy involving them. Thereafter, on June 14, 1972, the District Court issued its ruling on the "desegregation area" and related findings and conclusions. The court acknowledged at the outset that it had "taken no proofs with respect to the establishment of the boundaries of the 86 public school districts in the counties [in the Detroit area], nor on the issue of whether, with the exclusion of the city of Detroit school district, such school districts have committed acts of *de jure* segregation." Nevertheless, the court designated 53 of the 85 suburban school districts plus Detroit as the "desegregation area" and appointed a panel to prepare and submit "an effective desegregation plan" for the Detroit schools that would encompass the entire desegregation area." The plan was to be based on 15 clusters, each containing part of the Detroit system and two or more suburban districts, and was to "achieve the greatest degree of actual desegregation to the end that, upon implementation, no school, grade or classroom [would be] substantially disproportionate to the overall pupil racial composition. Pet. App. 101a–102a.

(d) On July 11, 1972, and in accordance with a recommendation by the court-appointed desegregation panel, the District Court ordered the Detroit Board of Education to purchase or lease "at least" 295 school buses for the purpose of providing transportation under an interim plan to be developed for the 1972–1973 school year. The costs of this acquisition were to be borne by the state defendants. Pet. App., at 106a–107a.

On June 12, 1973, a divided Court of Appeals, sitting en banc, affirmed in part, vacated in part and remanded for further proceedings 484 F. 2d 215 (CA6 1973)[15]. The Court of Appeals held, first, that the record supported the District Court's finding and conclusions on the constitutional violations committed by the Detroit Board, 484 F. 2d, at 221–238, and by the state defendants, 484 F. 2d, at 239–241[16]. It stated that the acts of racial discrimination shown in the record are "causedly related to the substantial amount of segregation found in the Detroit school system," 484 F. 2d, at 241, and that "the District Court was, therefore, authorized and required to take effective measures to desegregate the Detroit Public School System," 434 F. 2d, 242.

The Court of Appeals also agreed with the District Court that "any less comprehensive a solution than a metropolitan area plan would result in an all black school system immediately surrounded by practically all white suburban school systems, with an overwhelming white majority population in the total metropolitan area," 484 F. 2d, at 245. The court went on to state that it could "not see how such segregation can be any less harmful to the minority students than if the same result were accomplished within one school district," 484 F. 2d, 245.

Accordingly, the Court of Appeals concluded that the only feasible desegregation plan involves the crossing of the boundary lines between the Detroit School District and adjacent or nearby school districts for the limited purpose of providing an effective desegregation plan," 481 F. 2d, at 240. It reasoned that such a plan would be appropriate because of the State's violations, and could be implemented because of the State's authority to control local school districts. Without further elaboration, and without any discussion of the claims that no constitutional violation by the outlying districts had been shown and that no exidence on that point had been allowed, the Court of Appeals held:

> "[T]he State has committed *de jure* acts of segregation and . . . the State controls the instrumentalities whose action is necessary to remedy the harmful effects of the State acts." *Ibid*.

An inter-district remedy was thus held to be "within the equity powers of the District Court." 484 F. 2d, at 250.[17]

The Court of Appeals expressed no views on the propriety of the District Court's composition of the metropolitan "desegregation area." It held that all suburban school districts that might be affected by any metropolitanwide remedy should, under Rule 10, Fed. Rule Civ. Proc., be made parties to the case on remand and be given an opportunity to be heard with respect to the scope and implementation of such a remedy. 484 F. 2d. at 251–252. Under the terms of the remand, however, the District Court was "not required" to receive further evidence on the issue of segregation in the Detroit schools or on the propriety of a Detroit-only remedy, or on the question of whether the affected districts had committed any violation of the constitutional rights of Detroit pupils or others. 484 F. 2d, at 252. Finally, the Court of Appeals vacated the District Court's order directing the acquisition of school buses, subject to the right of the District Court to consider reimposing the order "at the appropriate time." 484 F. 2d 252.

II

Ever since *Brown* v. *Board of Education*, 347 U.S. 483 (1954), judicial consideration of school-desegregation cases has begun with the standard that:

> "[I]n the field of public education the doctrine of separate but equal has no place. Separate educational facilities are inherently unequal." 347 U.S., at 495.

This has been reaffirmed time and again as the meaning of the Constitution and the controlling rule of law.

The target of the *Brown* holding was clear and forthright: the elimination of state mandated or deliberately maintained dual school systems with certain schools for Negro pupils and others for White pupils. This duality and racial segregation was held to violate the Constitution in the cases subsequent to 1954, including particularly *Green* v. *County School Board of New Kent County*, 391 U.S. 430 (1968); *Raney* v. *Board of Education*, 391 U.S. 443 (1968); *Monroe* v. *Board of Commissioners*, 391 U.S. 450 (1968); *Swann* v. *Charlotte-Mecklenburg Board of Education*, 402 U.S. 1 (1971); *Wright* v. *Council of City of Emporia*, 407 U.S. 451 (1972); *United States* v. *Scotland Neck Board of Education*, 407 U.S. 484.

The *Swann* case, of course, dealt "with the problem of defining in more precise terms than heretofore the scope of the duty of school authorities and district courts in implementing *Brown I* and the mandate to eliminate duel systems and establish unitary systems at once." 102 U.S., at 6. In *Brown* v. *Board of Education*, 349 U.S. 204 (1955) (*Brown II*), the Court's first encounter with the problem of remedies in schol desegregation cases, the Court noted that:

> "In fashioning and effectuating the decrees the courts will be guided by equitable principles. Traditionally, equity has been characterized by a practical flexibility in shaping its remedies and by a facility for adjusting and reconciling public and private needs." *Brown* v. *Board of Education*, 349 U.S. 294, 299–300 (1955).

In further refining the remedial process, *Swann* held, the task is to correct, by a balancing of the individual and collective interests, "the condition that offends the Constitution." A federal remedial power may be exercised "only on the basis of a constitutional violation" and, "[a]s with any equity case, the nature of the violation determines the scope of the remedy." 402 U.S., at 15, 16.

Proceeding from these basic principles, we first note that in the District Court the complainants sought a remedy aimed at the *condition* alleged to offend the Constitution—the segregation within the Detroit City school district. The court acted on this theory of the case and in its initial ruling on the "Desegregation Area" stated:

> "The task before this court, therefore, is now, and . . . has always been, how to desegregate the Detroit public schools." Pet: App., at 61a.

Thereafter, however, the District Court abruptly rejected the proposed Detroit only plans on the ground that "while it would provide a racial, mix more in keeping with the Black-White proportions of the student population, [it] would accentuate the racial identifiability of the [Detroit] district as a Black school system, and would not accomplish desegregation." Pet. App., at 56a. "[T]he racial composition of the student body is such," said the court, "that the plan's implementation would clearly make the entire Detroit public school system racially identifiable" (Pet. App., at 54a), "leav[ing] many of its schools 75 to 90 percent Black." Pet. App., at 55a.

Consequently, the court reasoned, it was imperative to "look beyond the limits of the Detroit school district for a solution to the problem of segregation in the Detroit schools . . ." since "school district lines are simply matters of political convenience and may not be used to deny constitutional rights." *Id.*, at 57a. Accordingly, the District Court proceeded to redefine the relevant area to include areas of predominantly White pupil population in order to ensure that "upon implementation, no school, grade or classroom [would be] substantially disproportionate to the overall racial composition" of the entire metropolitan area.

While specifically acknowledging that the District Court's findings of a condition of segregation were limited to Detroit, the Court of Appeals approved the use of its metropolitan remedy largely on the grounds that it is: "impossible to declare 'clearly erroneous' the District Judge's conclusion that any Detroit only segregation plan will lead directly to a single segregated Detroit school district overwhelmingly black in all of its schools, surrounded by a ring of suburbs and suburban school districts overwhelmingly white in composition in a state in which the racial composition is 87 percent white and 13 percent black." 484 F. 2d, at 249.

Viewing the record as a whole, it seems clear that the District Court and the Court of Appeals shifted the primary focus from a Detroit remedy to the metropolitan area only because of their conclusion that total desegregation of Detroit would not produce the racial balance which they perceived as desirable. Both courts proceeded on an assumption that the Detroit schools could not be truly desegredated—in their view of what constituted desegregation—unless the racial

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composition of the student body of each school substantially reflected the racial composition of the population of the metropolitan area as a whole. The metropolitan area was then defined as Detroit plus 53 of the outlying school districts. That this was the approach the District Court expressly and frankly employed is shown by the order which expressed the court's view of the constitutional standard.

"Within the limitations of reasonable travel time and distance factors, pupil reassignments shall be effected within the clusters described in Exhibit P.M. 12 so as to achieve the greatest degree of actual desegregation to the end that, upon implementation, *no school, grade or classroom* [will be] substantially disproportionate to the overall pupil racial composition." Petn. App. at 101a–102a (emphasis added).

In *Swann*, which arose in the context of a single independent school district, the Court held:

"If we were to read the holding of the District Court to require as a matter of substantive constitutional right, any particular degree of racial balance or mixing, that approach would be disapproved and we would be obliged to reverse." 402 U.S., at 24.

The clear import of this language from *Swann* is that desegregation, in the sense of dismantling a dual school system, does not require any particular racial balance in each "school, grade or classroom."[19] See *Spencer* v. ———, ———, S1027 (1972).

Here the District Court's approach to what constituted "actual desegregation" raises the fundamental question not presented in *Swann*, as to the circumstances in which a federal court may order desegregation relief that embraces more than a single school district. The court's analytical starting point was its conclusion that school district lines are no more than arbitrary lines on a map "drawn for political convenience." Boundary lines may be bridged where there has been a constitutional violation calling for inter-district relief, but, the notion that school district lines may be casually ignored or treated as a mere administrative convenience is contrary to the history of public education in our country. No single tradition in public education is more deeply rooted than local control over the operation of schools; local autonomy has long been thought essential both to the maintenance of community concern and support for public schools and to quality of the educational process. See *Right* v. *Council of the City of Emporia*, 407 U.S. 451, 460. Thus, in *San Antonio School District* v. *Rodriguez*, 411 U.S. 1, 50, we observed that local control over the educational process affords citizens an opportunity to participate in decision-making, permits the structuring of school programs to fit local needs, and encourages "experimentation, innovation and a healthy competition for educational excellence."

The Michigan educational structure involved in this case, in common with most States, provides for a large measure of local control[20] and a review of the scope and character of these local powers indicates the extent to which the inter-district remedy approved by the two courts could disrupt and alter the structure of public education in Michigan. The metropolitan remedy would require in effect, consolidation of 54 independent school districts historically administered as separate units into a vast new super school district. See n. 10, *supra*. Entirely apart from the logistical and other serious problems attending large-scale transportation of students, the consolidation would give rise to an array of other problems in financing and operating this new school system. Some of the more obvious questions would be: What would be the status and authority of the present popularly elected school boards

Would the children of Detroit be within the jurisdiction and operating control of a school board elected by the parents and residents of other districts? What board or boards would levy taxes for school operations in these 54 districts constituting the consolidated metropolitan area? What provisions could be made for assuring substantial equality in tax levies among the 54 districts if this were deemed required? What provisions would be made for financing? Would the validity of long-term bonds be jeopardized unless approved by all of the component districts as well as the State? What body would determine that portion of the curricula now left to the discretion of local school boards? Who would establish attendance zones purchase school equipment, locate and construct new schools and indeed attend to all the myriad day-to-day decisions that are necessary to school operations affecting potentially more than three quarters of a million pupils? See n 10, *supra*.

It may be suggested that all of these vital operational problems are yet to be resolved by the District Court, and that this is the purpose of the Court of Appeals' proposed remand. But it is obvious from the scope of the inter-district remedy itself that absent a complete restructuring of the laws of Michigan relating to school districts the District Court will become first, a *de facto* "legislative authority" to resolve these complex questions, and then the "school superintendent" for the entire area. This is a task which few, if any, judges are qualified to perform and one which would deprive the people of control of schools through their elected representatives.

Of couse, no state law is above the Constitution. School district lines and the present laws with respect to local control, are not sacronsanct and if they conflict with the Fourteenth Amendment federal courts have a duty to prescribe appropriate remedies. See e.g., *Wright* v. *Council of City of Emporia* 407 U.S. 451; *United States* v. *Scotland Neck Board of Education*, 407 U.S. 484 (state or local officials preserved from carrying out a new school district from an existing district that was in process of dismantling a dual school system): cf. *Henry* v. *County Board of Education of Sevier County*, 420 F. 2d 304 (CAS 1909) (State contributed to separation of races by drawing of school district lines); *United States* v. *Texas*, 321 F. Supp 1043 (FD) Tex. 1970). aff'd. 417 F. 2d 441 (CA5 1971). cert. denied, *sub nom. Edgar* v. *United States*, 401 U.S. 1016 (one or more school districts created and maintained for one race). But our prior holdings have been confined to violations and remedies within a single school district. We therefore turn to address, for the first time, the validity of a remedy mandating cross-district of inter-district consolidation to remedy a condition of segregation found to exist in only one district.

The controlling pricinple consistently expounded in our holdings is that the scope of the remedy is determined by the nature and extent of the constitutional violation. *Swann, supra*, at 16. Before the boundaries of separate and autonomous school districts may be set aside by consolidating the separate units for remedial purposes or by imposing a cross-district remedy, it must first be shown that there has been a constitutional violation within one district that produces a significant segregative effect in another district. Specifically it must be shown that racially discriminatory acts of the state or local school districts, or of a single school district have been a substantial cause of inter-district segregation. Thus an inter-district remedy might be in order where the racially discriminatory acts of one or more school districts caused racial segregation in an adjacent district, or where district lines have been deliberately drawn on the basis of race. In such circumstances an inter-district remedy would be appropriate to eliminate the inter-district segregation directly caused by the constitutional violation. Conversely, without an inter-district violation and inter-district effect, there is no constitutional wrong calling for an inter-district remedy.

The record before us, voluminous as it is, contains evidence of *de jure* segregated conditions only in the Detroit schools; indeed, that was the theory on which the litigation was initially based and on which the District Court took evidence. See pp. 18–19, *supra* With no showing of significant violation by the 53 outlying school districts and no evidence of any inter-district violation or effect, the court went beyond the original theory of the case as framed by the pleadings and mandated a metropolitan area remedy. To approve the remedy ordered by the court would impose on the outlying districts, not shown to have committed any constitutional violation, a wholly impermissible remedy based on a standard not hinted at in *Brown I* and *II* or any holding of this Court.

In dissent MR. JUSTICE WHITE and MR. JUSTICE MARSHALL, undertake to demonstrate that agencies having statewide authority participated in maintaining the dual school system found to exist in Detroit. They are apparently of the view that once such participation is shown, the District Court should have a relatively free hand to reconstruct school districts outside of Detroit in fashioning relief. Our assumption, *arguendo* that state agencies did participate in the maintenance of the Detroit system, should make it clear that it is not on this point that we part company. The difference between us arises instead from established doctrine laid down by our cases. *Brown, supra, Green, supra, Swann, supra, Scotland Neck, supra*, and *Emporia, supra*, each addressed the issue of constitutional wrong in terms of an established geographic and administrative school system populated by both Negro and White children. In such a context, terms such as "unitary" and "dual" systems, and "racially identifiable schools," have meaning, and the necessary federal authority to remedy the constitutional wrong is firmly established.

But the remedy is necessarily designed, as all remedies are, to restore the victims of discriminatory conduct to the position they would have occupied in the absence of such conduct. Disparate treatment of White and Negro students occurred within the Detroit school system, and not elsewhere, and on this record the remedy must be limited to that system. *Swann, supra*, at 16.

The constitutional right of the Negro respondents residing in Detroit is to attend a unitary school system in that district. Unless petitioners drew the district lines in a discriminatory fashion, or arranged for White students residing in the Detroit district to attend schools in Oakland and Macomb Counties, they were under no constitutional duty to make provisions by Negro students to do so. The view of the dissenters that the existence of a dual system in *Detroit* can be made the basis for a decree requiring cross-district transportation of pupils cannot be supported on the grounds that it represents merely the devising of a suitably flexible remedy for the violation of rights already established by our prior decisions. It can be supported only by drastic expansion of the constitutional right itself, an expansion without any support in either consitutional principle or precedent.[22]

III

We recognize that the six-volume record presently under consideration contains language and some specific incidental findings thought by the District Court to afford a basis for inter-district relief. However, these comparatively isolated findings and brief comments concern only one possible inter-district violation and are found in the context of a proceeding that, as the District

Footnotes at end of article.

Court conceded, included no proofs of segregation practiced by any of the 85 suburban school districts surrounding Detroit. The Court of Appeals, for example, relied on five factors which, it held amounted to unconstitutional state action with respect to the violations found in the Detroit system:

(1) It held the State derivatively responsible for the Detroit Board's violations on the theory that actions of Detroit as a political subdivision of the State were attributable to the State. Accepting, *arguendo,* the correctness of this finding of State responsibility for the segregated conditions within the city of Detroit, it does not follow that an inter-district remedy is constitutionally justified or required. With a single exception, discussed later, there has been no showing that either the State or any of the 85 outlying districts engaged in activity that had a cross-district effect. The boundaries of the Detroit School District, which are coterminous with the boundaries of the city of Detroit, were established over a century ago by neutral legislation when the city was incorporated; there is no evidence in the record, nor is there any suggestion by the respondents, that either the original boundaries of the Detroit School District, or any other school district in Michigan, were established for the purpose of creating, maintaining or perpetuating segregation of races. There is no claim and there is no evidence hinting that petitioners and their predecessors, or the 40-odd other school districts in the tricounty area—but outside the District Court's "desegregation area"—have ever maintained or operated anything but unitary school systems.

Unitary school systems have been required for more than a century by the Michigan Constitution as implemented by state law.[23] Where the schools of only one district have been affected, there is no constitutional power in the courts to decree relief balancing the racial composition of that district's schools with those of the surrounding districts.

(2) There was evidence introduced at trial that, during the late 1950's, Carver School District, a predominantly Negro suburban district, contracted to have Negro high school students sent to a prodominantly Negro school in Detroit. At the time, Carver was an independent school district that had no high school because, according to the trial evidence, "Carver District . . . did not have a place for adequate high school facilities." Pet. App., at 138a. Accordingly, arrangements were made with Northern High School in the abutting Detroit School District so that the Carver high school students could obtain a secondary school education. In 1960 the Oak Park School District, a predominantly White suburban district, annexed the predominantly Negro Carver School District, through the initiative of local officials. *Ibid.* There is, of course, no claim that the 1960 annexation had segregatory purpose or result or that Oak Park now maintains a dual system.

According to the Court of Appeals, the arrangement during the late 1950's which allowed Carver students to be educated within the Detroit District was dependent upon the "tacit or express" approval of the State Board of Education and was the result of the refusal of the White suburban districts to accept the Carver students. Although there is nothing in the record supporting the Court of Appeal's supposition that suburban White schools refused to accept the Carver students, it appears that this situation, whether with or without the State's consent, may have had a segregatory effect on the school populations of the two districts involved. However, since "the nature of the violation determines the scope of the remedy," 402 U.S., at 15–16, this isolated instance affecting two of the school districts would not justify the broad metropolitan-wide remedy contemplated by the District Court and approved by the Court of Appeals, particularly since it embraced potentially 52 districts having no responsibility for the arrangement and involved 503,000 pupils in addition to Detroit's 276,000 students.

(3) The Court of Appeals cited the enactment of state legislation (Act 48) which had the effect of rescinding Detroit's voluntary desegregation plan (the April 7 Plan). That plan, however, affected only 12 of 21 Detroit high schools and had no causal connection with the distribution of pupils by race between Detroit and the other school districts within the tri-county area.

(4) The court relied on the State's authority to supervise school, site selection and to approve building construction as a basis for holding the State responsible for the segregative results of the school construction program in Detroit. Specifically, the Court of Appeals asserted that during the period between 1919 and 1969 the State Board of education exercised general authority as overseer of site acquisitions by local boards for new school construction, and suggested that this State approved school construction "fostered segregation throughout the Detroit Metropolitan area." Pet. App., at 157a. This brief comment, however, is not supported by the evidence taken at trial since that evidence was specifically limited to proof that school site acquisition and school construction within the city of Detroit produced *de jure* segregation *within* the city itself. Pet. App., at 144a–151a. Thus, there was no evidence suggesting that the State's activities with respect to either school construction or site acquisition within Detroit affected the racial composition of the school population outside Detroit or, conversely, that the State's school construction and site acquisition activities within the outlying districts affected the racial composition of the schools within Detroit.

(5) The Court of Appeals also relied upon the District Court's finding that:

"This and other financial limitations, such as those on bonding and the working of the state and formula whereby suburban districts were able to make far larger per pupil expenditures despite less tax effect, have created and perpetuated systematic educational inequalities." Pet. App., at 153a.

However, neither the Court of Appeals nor the District Court offered any indication in the record or in their opinions as to how, if at all, the availability of state financed aid for some Michigan students outside Detroit but not within Detroit, might have affected the racial character of any of the State's school districts. Furthermore, as the respondents recognize, the application of our recent ruling in *San Antonio Independent School District* v. *Rodriguez,* 411 U.S. 1, to this state education financing system is questionable, and this issue was not addressed by either the Court of Appeals or the District Court. This, again, underscores the crucial fact that the theory upon which the case proceeded related solely to the establishment of Detroit city violations as a basis for desegregating Detroit schools and that, at the time of trial, neither the parties nor the trial judge were concerned with a foundation for inter-district relief.[24]

IV

Petitioners have urged that they were denied due process by the manner in which the District Court limited their participation after intervention was allowed thus precluding adequate opportunity to present evidence that they had committed no acts having a segregative effect in Detroit. In light of our holding that absent an inter-district violation there is no basis for an inter-district remedy, we need not reach these claims. It is clear, however, that the District Court, with the approval of the Court of Appeals, has provided an inter-district remedy in the face of a record which shows no constitutional violations that would call for equitable relief except within the city of Detroit. In these circumstances there was no occasion for the parties to address, or for the District Court to consider, whether there were racially discriminatory acts for which any of the 53 outlying districts were responsible and which had direct and significant segregative effect on schools of more than one district.

We conclude that the relief ordered by the District Court and affirmed by the Court of Appeals was based upon an erroneous standard and was unsupported by record evidence that acts of the outlying districts affected the discrimination found to exist in the schools of Detroit. Accordingly, the judgment of the Court of Appeals is vacated and the case is remanded for further proceedings consistent with this opinion leading to prompt formulation of a decree directed to eliminating the segregation found to exist in Detroit city schools, a remedy which has been delayed since 1970.

Reversed and remanded.

FOOTNOTES

[3] Optional zones, sometimes referred to as dual zones or dual overlapping zones, provide pupils living within certain areas a choice of attendance at one of two high schools.

[4] The Court of Appeals found record evidence that in at least one instance during the period between 1957–1958, Detroit served a suburban school district by contracting with it to educate its Negro high school students by transporting them away from nearby suburban White high schools and past Detroit high schools which were predominantly White, to all or predominantly Negro Detroit schools. *Bradley* v. *Milliken,* 484 F. 2d 215, 231 (CA6 1973).

[5] School districts in the State of Michigan are instrumentalities of the State and subordinate to its State Board of Education and legislature. The Constitution of the State of Michigan, Art. VIII, § 2, provides in relevant part:

"The legislature shall maintain and support a system of free public elementary and secondary schools as defined by law."

Similarly, the Michigan Supreme Court has stated that "The school district is a state agency. Moreover, it is of legislative creation. . . ." *Attorney General* v. *Lowery,* 131 Mich. 639, 644, 92 N.W. 280, 290 (1902); "Education in Michigan belongs to the State. It is no part of the local self-government inherent in the township or municipality, except so far as the legislature may choose to make it such. The Constitution has turned the whole subject over to the legislature. . . ." *Attorney General* v. *Detroit Board of Education,* 154 Mich. 584, 590, 118 N.W. 606, 609 (1908).

[6] "Sec. 12. The implementation of any attendance provisions for the 1970–71 school year determined by any first class school district board *shall be delayed* pending the date of commencement of functions by the first class school district boards established under the provisions of this amendatory act but such provision shall not impair the right of any such board to determine and implement prior to such date such changes in attendance provisions as are mandated by practical necessity . . ." Act No. 48, Section 12, Public Act of Michigan, 1970; Michigan compiled Laws Section 388.182 (emphasis added). . . .

[7] The District Court briefly alluded to the possibility that the State, along with private persons, had caused, in part, the housing patterns of the Detroit metropolitan area which in turn produced the predominantly White and predominantly Negro neighborhoods that characterize Detroit.

"It is no answer to say that restricted practices grew gradually (as the black population in the area increased between 1920 and 1970), or that since 1918 racial restrictions on the ownership of real property have been removed. The policies pursued by both government and private persons and agencies have a continuing and present effect upon the complexion of the community—as we know, the choice of a residence is a relatively infrequent affair. For many years FHA and VA openly advised and advocated the maintenance of 'harmonious' neighborhoods, i.e., racially and economically harmonious. The conditions created continue." 338 F. Supp., at 587.

Thus, the District Court concluded,

"The affirmative obligation of the defendant Board has been and is to adopt and implement pupil assignment practices and policies that compensate for and avoid incorporation into the school system the effects of residential racial segregation." 338 F. Supp., at 593.

The Court of Appeals, however, expressly noted that:

"In affirming the District Judge's findings of constitutional violations by the Detroit Board of Education and by the State defendants resulting in segregated schools in Detroit, we have not relied at all upon testimony pertaining to segregated housing except as school construction programs helped cause or maintain such segregation." 484 F. 2d, at 242.

Accordingly, in its present posture, the case does not present any question concerning possible state housing violations.

[8] On March 22, 1971, a group of Detroit residents, who were parents of children enrolled in the Detroit public schools, were permitted to intervene as parties defendant. On June 24, 1971, the District Judge alluded to the "possibility" of a metropolitan school system stating: "As I have said to several witnesses in this case: how do you desegregate a black city, or a black school system." IV App., at 259–260. Subsequently, on July 17, 1971, various parents filed a motion to require to joinder of all of the 85 independent school districts within the tri-county area.

[9] The respondents as plaintiffs below, opposed the motion to join the additional school districts, arguing that the presence of the state defendants was sufficient; and all that was required, even if, in shaping a remedy, the affairs of these school districts was to be effected. 338 F. Supp., at 595.

[10] At the time of the 1970 census, the population of Michigan was 8,875,083, almost half of which, 4,199,931; resided in the tri-county area of Wayne, Oakland and Macomb; Oakland and Macomb Counties, abut Wayne County to the north, and Oakland County abuts Macomb County to the west. These counties cover 1,952 square miles, Michigan Statistical Abstract, 1972 (9th ed.), and the area is approximately the size of the State of Delaware (2,057 square miles), more than half again the size of the State of Rhode Island (1,214 square miles) and almost 30 times the size of the District of Columbia (67 square miles). Statistical Abstract of United States, 1972 (93d ed.). The population of Wayne, Oakland and Macomb Counties was 2,665,751, 907,871 and 625,309, respectively in 1970. Detroit, the State's largest city, is located in Wayne County.

In the 1970–1971 school year, there were 2,157,449 children enrolled in the school districts within the tri-county area, have a total enrollment of approximately 1,000,000 children. In 1970, the Detroit Board of Education operated 319 schools with approximately 276,000 students.

[11] In its formal opinion, subsequently announced the District Court candidly recognized that:

"It should be noted that the court has taken no proofs with respect to the establishment of the boundaries of the 86 public school districts in the counties of Wayne, Oakland and Macomb, nor on the issue of weather, with the exclusion of the city of Detroit school district, such school districts have committed acts of *de jure* segregation." 345 F Supp. 914,920.

[12] According to the District Court, intervention was permitted under Rule 24(a), Fed. Rule Civ. Doc. "Intervention of Right," and also under Rule 24(b), "Permissive Intervention."

[13] This rather abbreviated briefing schedule was maintained despite the fact that the District Court had deferred consideration of a motion made eight months earlier, to bring the suburban districts into the case. See n S, *supra*.

[14] The 53 school districts outside the city of Detroit that were included in the court's "desegregation area" have a combined student population of approximately 503,000 students compared to Detroit's approximately 276,000 students. Nevertheless, the District Court directed that the intervening districts should be represented by only one member on the desegregation panel while the Detroit Board of Education was granted three panel members. Pet. App., at 1973.

[15] The District Court had certified most of the foregoing rulings for interlocutory review pursuant to 28 U.S.C. § 1202(b) (1 App. 265–266) and the case was mutually decided on the merits by a panel of three judges. However, the panel's opinion and judgment were vacated when it was determined, to rehear the case en banc, 484 F.2d 215, 218 (CA6, 1973).

[16] With respect to the State's violations, the Court of Appeals held: (1) that, since the city Board is an instrumentality of the State and subordinate to the State Board, the segregative actions of the Detroit Board "are the actions of an agency of the State" (484 F.2d, at 238), (2) that the state legislation rescinding Detroit's voluntary desegregation plan contributed to increasing segregation in the Detroit schools (*Id.*); (3) that under state law prior to 1962 the state Board had authority over school construction plans and must therefore be held responsible for the segregative results" (*Id.*); (4) that the "State statutory scheme of support of transportation for school children directly discriminated against Detroit" (484 F.2d, at 210) by not providing transportation funds to Detroit on the same basis as funds were provided to suburban districts (484 F.2d, at 238); and (5) that the transportation of Negro students from one suburban district to a Negro school in Detroit must have had the "approval, ——— or express, of the State Board of Education." (*Id.*)

[17] The court sought to distinguish *Bradley* v. *School Board of the City of Richmond, Virginia*, 462 F.2d 1058 (CA4), affirmed by an equally divided Court, 412 U.S. 92, on the grounds that the District Court in that case had ordered an actual consolidation of three school districts and that Virginia's constitution and statutes, unlike Michigan's, did not give the local boards exclusive power to operate the public schools. 484 F.2d, at 254.

[18] Although the list of issues presented for review in petitioners' briefs and petitions for writs of certiorari do not include arguments on the findings of segregatory violations on the part of the Detroit defendants, two of the petitioners argue in brief that these findings constitute error. Supreme Court Rules 23 (1)(c) and 40 (1)(d)(2), as a minimum, limit our review of the Detroit violation findings to "plain error," and, under our decision last Term in *Keyes* v. *School District No. 1, Denver, Colorado,* 413 U.S. 180, the findings appear to be correct.

[19] Disparity in the racial composition of pupils within a single district may well constitute a "signal" to a district court at the outset, leading to inquiry into the causes accounting for a pronounced racial identifiability of schools within one school system. In *Swann*, for example, we were dealing with a large but single, independent school system and unanimous Court noted: "Where the proposed plan for conversion from a dual to a unitary system contemplates the continued existence of some schools, that are all or predominantly of one race [the school authority has] the burden of showing that such school assignments are genuinely nondiscriminatory." *Id.*, p. 26. See also *Keyes, supra,* 413, U.S., at 208. However, the use of significant racial imbalance in schools within an autonomous school district as a signal which operates simply to shift the burden of proof, is a very different matter from equating racial imbalance with a constitutional violation calling for a remedy. *Keyes, supra,* also involved a remedial order within a single autonomous school district.

[20] Under the Michigan School Code of 1955, the local school district is an autonomous political body corporate, operating through a Board of Education popularly elected. Mich. Comp. Laws Ann. §§ 340.27, 340.55, 340.107, 340.148–9, 340.188. As such, the day-to-day affairs of the school district are determined at the local level in accordance with the plenary power to acquire real and personal property, Mich. Comp. Laws Ann (MCLA) §§ 340.26; 340.77; 340.113; 340.165; 340.192; 340.352; to hire and contract with personnel, MCLA § 340.569; § 340.574; to levy taxes for operations MCLA § 340.568; to borrow against receipts, MCLA § 340.567; to determine the length of school terms, MCLA § 340.575; to control the admission of nonresident students, MCLA § 340.582; to determine courses of study, MCLA § 340.583; to provide a kindergarten program MCLA § 340.584; to establish and operate vocational schools, MCLA § 340.585; to offer adult education programs, MCLA § 340.586; to establish attendance areas, MCLA § 340.589; to arrange for transportation of nonresident students, MCLA § 340.-591; to acquire transportation equipment, MCLA § 340.594; to receive gifts and bequests for educational purposes, MCLA § 340.605; to employ an attorney, MCLA § 340.609; to suspend or expel students, MCLA § 340.613; to make rules and regulations for the operation of schools, MCLA § 340.611, to cause to be levied authorized mileage, MCLA § 340.-613a; to acquire property by eminent domain, MCLA § 340.711 *et seq.;* and to approve and select textbooks, MCLA § 340.882.

[21] Since the Court has held that a resident of a school district has a fundamental right protected by the Federal Constitution to vote in a district election, it would seem incongruous to disparage the importance of the school district in a different context. *Kramer* v. *Union Free School District No. 15,* 395 U.S. 621, 626. While the district there involved was located in New York, none of the facts in our possession suggest that the relation of school districts to the State is significantly different in New York than it is in Michigan.

[22] The suggestion in the dissent of Mr. Justice Marshall, that schools which have a majority of Negro students are not "desegregated," whatever the racial makeup of the school district's population and however neutrally the district lines have been drawn and administered, finds no support in our prior cases. In *Green* v. *County School Board of New Kent County,* 391 U.S. 403 (1968), for example, this Court approved a desegregation plan which would have resulted in each of the schools within the district having a racial composition of 57% Negro and 43% White. In *Wright* v. *Council of the City of Emporia,* 407 U.S. 45 (1972), the optimal desegregation plan would have resulted in the schools being 66% Negro and 34% White, substantially the same percentages as could be obtained under one of the plans involved in this case. And in *United States* v. *Scotland Neck Board of Education,* 407 U.S. 484, 491, n. 5 (1972), a desegregation plan was unplicitly approved for a school district which had a racial composition of 77% Negro and 22% White. In none of these cases was it even intimated that "actual desegregation" could not be accomplished as long as the number

of Negro students was greater than the number of White students.

The dissents also seem to attach importance to the metropolitan character of Detroit and neighboring school districts. But the constitutional principles applicable in school desegregation cases cannot vary in accordance with the size of population dispersal of the particular city, county, or school district as compared with neighboring areas.

[23] *Ex rel. Workman,* 48 Mich. 400 (1869), Act 34, § 28 of Mich. Pub. Acts of 1867. The Michigan Constitution and laws provide that "Every school district shall provide for the education of its pupils without discriminaion as to religion, creed, race, color or national origin," Mich. Const. 1963, Art. 8, § 2; that "No separate school or department shall be kept for any person or persons on account of race or color," Mich. Comp. Laws Ann., § 340.355; and that "All persons, residents of a school district . . . shall have an equal right to attend school therein," Mich. Comp. Laws Ann., § 340.356. See also Act 319, Part II, c. 2, § 9, Mich. Pub. Acts of 1927.

[24] Apparently, when the District Court, *sua sponte,* abruptly altered the theory of the case to include the possibility of multidistrict relief, neither the plaintiffs nor the trial judge considered amending the complaint to embrace the new theory.

MR. JUSTICE STEWART, CONCURRING

In joining the opinion of the Court, I think it appropriate, in view of some of the extravagant language of the dissenting opinions, to state briefly my understanding of what it is that the Court decides today.

The respondents commenced this suit in 1970, claiming only that a constitutionally impermissible allocation of educational facilities along racial lines had occurred in public schools within a single school district whose lines were coterminous with those of the city of Detroit. In the course of the subsequent proceedings, the District Court found that public school officials had contributed to racial segregation within that district by means of improper use of zoning and attendance patterns, optional attendance areas, and building and site selection. This funding of a violation of the Equal Protection Clause was upheld by the Court of Appeals, and is accepted by this Court today. See *ante*, p. 18, n. 18. In the present posture of the case, therefore, the Court does not deal with questions of substantive constitutional law. The basic issue now before the Court concerns, rather, the appropriate exercise of federal equity jurisdiction.[1]

No evidence was adduced and no findings were made in the District Court concerning the activities of school officials in districts outside the city of Detroit, and no school officials from the outside districts even participated in the suit until after the District Court had made the initial determination, that is the focus of today's decision. In spite of the limited scope of the inquiry and the findings, the District Court concluded that the only effective remedy for the constitutional violations found to have existed within the city of Detroit was a desegregation plan calling for busing pupils to and from school districts ouside the city. The District Court found that any desegregation plan operating wholly "within the corporate geographical limits of the city" would be deficient since it "would clearly make the entire Detroit public school system racially identifiable as Black." Pet. App. 161a–162a. The Court of Appeals, in affirming the decision that an inter-district remedy was necessary, noted that a plan limited to the city of Detroit "would result in an all black school system immediately surrounded by practically all white suburban school systems, with an overwhelmingly white majority population in the total metropolitan area." 484 F. 2d 215, 245.

The courts were in error for the simple reason that the remedy they thought necessary was not commensurate with the constitutional violation found. Within a single school district whose officials have been shown to have engaged in unconstitutional racial segregation, a remedial decree that affects every individual school may be dictated by "common sense," see *Keys* v. *School District No. 1, Denver, Colorado,* 413 U.S. 189 203 (1973), and indeed may provide the only effective means to eliminate segregation "root and branch," *Green* v. *County School Board,* 391 U.S. 430, 437 (1968), and to "effectunate a transition to a racially nondiscriminatory school system." *Brown* v. *Board of Education,* 349 U.S. 294, 301. See *Keyes, supra,* 413 U.S., at 198–205. But in this case the Court of Appeals approved the concept of a remedial decree that would go beyond the boundaries of the district where the constitutional violation was found, and include schools and school children in many other school districts that have presumptively been administered in complete accord with the Constitution.

The opinion of the Court convincingly demonstrates, *ante,* pp. 22–23, that traditions of local control of schools, together with the difficulty of a judicially supervised restructuring of local administration of schools, render improper and inequitable such an inter-district response to a constitutional violation found to have occurred only within a single school district.

This is not to say, however, that an inter-district remedy of the sort approved by the Court of Appeals would not be proper, or even necessary, in other factual situations. Were it to be shown, for example, that state officials had contributed to the separation of the races by drawing or redrawing school district lines, see *Heney* v. *County Board of Education of Sevier County,* 429 F. 2d 364 (CA8 1969); cf. *Wright v. Council of City of Emporia,* 407 U.S. 451; *United States* v. *Scotland Neck Board of Education,* 407 U.S. 484; by transfer of school units between districts, *United States* v. *Texas,* 321 F. Supp. 1013 (ED Tex. 1970), aff'd. 447 F. 2d 441 (CA5 1971); *Turner* v. *Warren County Board of Education,* 313 F. Supp. 380 (EDNC 1970); or by purposeful, racially discriminatory use of state housing or zoning laws, then a decree calling for transfer of pupils across district lines or for restructuring of district lines might well be appropriate.

In this case, however, no such inter-district violation was shown. Indeed, no evidence at all concerning the administration of schools outside the city of Detroit was presented other than the fact that these schools contained a higher proportion of white pupils than did the schools within the city. Since the mere fact of different racial compositions in contiguous districts does not itself imply or constitute a violation of the Equal Protection Clause in the absence of a showing that such disparity was imposed, fostered, or encouraged by the State or its political subdivisions, it follows that no inter-district violation was shown in this case.[2] The formulation of an interdistrict remedy was thus simply not responsive to the factual record before the District Court and was an abuse of that court's equitable powers.

In reversing the decision of the Court of Appeals this Court is in no way turning its back on the proscription of state-imposed segregation first voiced in *Brown* v. *Board of Education,* 347 U.S. 483 (1954), or on the delineation of remedial powers and duties most recently expressed in *Swann* v. *Charlotte-Mecklenburg Board of Education,* 402 U.S. 1 (1971). In *Swann* the Court addressed itself to the range of equitable remedies available to the courts to effectuate the desegregation mandated by *Brown* and its progeny, noting that the task in choosing appropriate relief is "to correct . . . the condition that offends the Constitution," and that "the nature of the violation determines the scope of the remedy. . . ." **402 U.S., at 16.**

The disposition of this case thus falls squarely under these principles. The only "condition that offends the Constitution" found by the District Court in this case is the existence of officially supported segregation in and among public schools in Detroit itself. There were no findings that the differing racial composition between schools in the city and in the outlying suburbs was caused by official activity of any sort. It follows that the decision to include in the desegregation plan pupils from school districts outside Detroit was not predicated upon any constitutional violation involving those school districts. By approving a remedy that would reach beyond the limits of the city of Detroit to correct a constitutional violation found to have occurred solely within that city the Court of Appeals thus went beyond the governing equitable principles established in this Court's decisions.

FOOTNOTES

[1] As the Court stated in *Brown* v. *Board of Education,* 319 U.S. 294, 300. "[E]quity has been characterized by a practical flexibility in shaping its remedies and by a facility for adjusting and reconciling public and private needs. These [school desegregation] cases call for the exercise of these traditional attributes of equity power."

[2] My Brother MARSHALL seems to ignore this fundamental fact when he states, *post,* at 19, that "the most essential finding [made by the District Court] was that Negro children in Detroit had been confined by intentional acts of segregation to a growing core of Negro schools surrounded by a receding ring of white schools." This conclusion is simply not substantiated by the record presented in this case. The record here does support the claim made by the respondents that white and Negro students within Detroit who otherwise would have attended school together were separated by acts of the State or its subdivision. However, segregative acts within the city alone cannot be presumed to have produced—and no factual showing was made that they did produce—an increase in the number of Negro students in the city as a whole. It is this essential fact of a predominantly Negro school population in Detroit—caused by unknown and perhaps unknowable factors such as in-migration, birth rates, economic changes, or cumulative acts of private racial fears—that accounts for the "growing core of Negro schools," a "core" that has grown to include virtually the entire city. The Constitution simply does not allow federal courts to attempt to change that situation unless and until it is shown that the State, or its political subdivisions, have contributed to cause the situation to exist. No record has been made in this case showing that the racial composition of the Detroit school population or that residential patterns within Detroit and in the surrounding areas were in any significant measure caused by governmental activity, and it follows that the situation over which my dissenting Brothers express concern cannot serve as the predicate for the remedy adopted by the District Court and approved by the Court of Appeals.

MR. JUSTICE DOUGLAS, dissenting

The Court of appeals has acted responsibly in these cases and we should affirm its judgment. This was the fourth time the case was before it over a span of less than three years. The Court of Appeals affirmed the District Court on the issue of segregation and on the "Detroit-only" plans of desegregation. The Court of Appeals also approved in principle the use of a metropolitan area plan, vacating and remanding only to allow the other affected school districts to be brought in as parties and in other minor respects.

We have before us today no plan for integration. The only orders entered so far are interlocutory. No new principles of law are presented here. Metropolitan treatment of metropolitan problems is commonplace. If this were a sewage problem or a water problem, or an energy problem, there can be no doubt that Michigan would stay well within federal constitutional bounds if she sought a metropolitan remedy. In *Bradley* v. *School Board of Richmond*, 462 F. 2d 1058, aff'd by an equally divided Court, 412 U.S. 92, we had a case involving the Virginia school system where local school boards had "exclusive jurisdiction" of the problem, not "the State Board of Education," 462 F. 2d at 1067. Here the Michigan educational system is unitary, heading up in the legislature under which is the State Board of Education.[1] The State controls the boundaries of school districts.[2] The State supervised school site selection.[3] The construction was done through municipal bonds approved by several state agencies.[4] Education in Michigan is a state project with very little completely local control,[5] except that the schools are financed locally, not on a statewide basis. Indeed the proposal to put school funding in Michigan on a statewide basis was defeated at the polls in November 1972.[6] Yet the school districts by state law are agencies of the State.[7] State action is indeed challenged as violating the Equal Protection Clause. Whatever the reach of that claim may be, it certainly is aimed at discrimination based on race.

Therefore as the Court of Appeals held there can be no doubt that as a matter of Michigan law the State herself has the final say as to where and how school district lines should be drawn.[8]

When we rule against the metropolitan area remedy we take a step that will likely put the problems of the Blacks and our society back to the period that antedated the "separate but equal" regime of *Plessy* v. *Ferguson*, 1963 U.S. 537. The reason is simple.

The inner core of Detroit is now rather solidly black;[9] and the blacks, we know, in many instances are likely to be poorer,[10] just as were the Chicanos in *San Antonio Independent School District* v. *Rodriguez*, 411 U.S. 1. By that decision the poorer school districts[11] must pay their own way. It is therefore a foregone conclusion that we have now given the States a formula whereby the poor must pay their own way.[12]

Today's decision given *Rodriguez* means that there is no violation of the Equal Protection Clause though the schools are segregated by race and though the Black schools are not only "separate" but "inferior."

So far as equal protection is concerned we are now in a dramatic retreat from the 8-to-1 decision in 1896 that Blacks could be segregated in public facilities provided they received equal treatment.

As I indicated in *Keyes* v. *School District No. 1*, 413 U.S. 189, 214–217, there is so far as the school cases go no constitutional difference between *de facto* and *de jure* segregation. Each school board performs state action for Fourteenth Amendment purposes when it draws the lines that confine it to a given area, when it builds schools at particular sites, or when it allocates students. The creation of the school districts in Metropolitan Detroit either maintained existing segregation or caused additional segregation. Restrictive covenents maintained by state action or inaction build black ghettos. It is state action when public funds are dispensed by housing agencies to build racial ghettos. Where a community is racially mixed and school authorities segregate schools, or assign black teachers to black schools or close schools in fringe areas and build new schools in black areas and in more distant white areas, the State creates and nurtures a segregated school system, just as surely as did those States involved in *Brown* v. *Board of Education*, 347 U.S. 483, when they maintained dual school systems.

All these conditions and more were found by the District Court to exist. The issue is not whether there should be racial balance but whether the State's use of various devices that end up with black schools and white schools brought the Equal Protection Clause into effect. Given the State's control over the educational system in Michigan, the fact that the black schools are in one district and the white schools are in another is not controlling—either constitutionally or equitably.[14] No specific plan has yet been adopted. We are still at an interlocutory stage of a long drawn-out judicial effort at school desegregation. It is conceivable that ghettos develop on their own without any hint of state action. But since Michigan by one device or another has over the years created black school districts and white school districts, the task of equity is to provide a unitary system for the affected area where, as here, the State washes its hands of its own creations.

FOOTNOTES

[1] Mich Const., Art VII, §§ 2, 3.

[2] See *Bradley* v. *Miliken*, 4-4 F. 2d 215, 217–218; Mich., Comp. laws §§ 340.402, 340, 310, 38.8081 (1970); Mich. Stat. Ann. §§ 15.3402, 15.3447, 15.2209.

[3] Mach. Comp. Laws § 388.851 (1948), as amended 1949 Public Acts No. 231 amended, 1962 Public Acts No. 175.

[4] See Mich Comp Laws § 132.1–132.2 (1970). Mich. Stat. Ann. §§ 531 SS (3)–(4), App. 444a 457.

[5] See *Bradley* v. *Miliken* 484 F 2d, at 248–249.

[6] See Detroit Free Press, Nov. 8, 1972, at 1A, col. 3. Michigan has recently passed legislation which could eliminate some, but not all, of the inequities in school financing. See 1973 Public Act No. 101.

[7] See 484 F.2d, at 246–247; Mich Const. Art. VIII, §§ 2, 3.

[8] See n. 2, *supra*.

[9] A tremendous change has occurred in the distribution of this country's black population since World War I. See Philip M. Hauser. "Demographic Factors in the Integration of the Negro," *Dacdalus* fall 1965, pp. 847–577. In 1910, 73% of al blacks lived on farms and in rural areas; by 1960 73% lived in urban areas, mainly in the largest metropolitan areas. Moreover, due to the fact that the black population is younger than the white population, the concentration of blacks in the ciites is even more pronounced for the school-aged population. The pattern of change which has existed since World War I is continuing, and hence the proportion of blacks in the urban North and West will continue to increase. James S. Coleman, *et al*, Equality of Educational Opportunity, pp. 30–40 (1966).

[10] "There are some definite and systematic directions of difference between the schools attended by minorities and those attended by the majority. It appears to be in the most academically related areas that the schools of minority pupils show the most consistent deficiencies. James S. Coleman, *et al.*, *supra*, at 120.

[11] That some school districts are markedly poorer than others is beyond question. The California Supreme Court has noted that per pupil expenditures in two different districts—both located in the same county—were $2,223 and $616. *Serrano* v. *Priest*, 5 Cal. 3d 584, 600 n. 15, 487 P. 2d 1211, 1252 n. 15, 96 Cal. Rptr. 601, 612 n. 15 (1971). In New York the Fleischmann Commission reported that the two Long Island districts of Great Neck and Levittown spent $2,078 and $1,189, respectively, per pupil. New York State Comm'n on the Quality, Cost and Financing of Elementary and Secondary Education, Final Report 2.7 (1972). "A further glaring inequity resulting from the current systems of school finance is that variations in per pupil expenditures among school districts tend to be inversely related to educational need. City students, with greater than average educational deficiencies, consistently have less money spent on their education and have higher pupil/teacher ratios than do their high-income counterparts in the favored schools of suburbia." Gluckstein & Want, Inequality in School Financing: The Role of the Law, 25 Stan. L. Rev. 335, 338 (1973).

[12] Cities face an especially difficult problem in paying the cost of education, since they have the "municipal overburden" which results from greater costs for health, public safety, sanitation, public works, transportation, public welfare, public housing, and recreation. Because of municipal overburden, cities on the average devote only about 30 percent of their budgets to their schools. This compares with the over 50 percent which is spent on schools by the suburbs. J. Berke & J. Callahan, Inequalities in School Finance (1971), *reprinted* in Senate Select Committee on Equal Educational Opportunity, 92d Cong., 2d Sess., 129, 142 (Comm. Print 1972), see Glickstein & Want, *supra*, p. 11, at 387.

[13] Mr. Justice Stewart indicates that equitable factors weigh in favor of local school control and the avoidance of administrative difficulty given the lack of an "inter-district" violation. *Ante*, at —. It would seem to me that the equities are stronger in favor of the children of Detroit who have been deprived of their constitutional right to equal treatment by the State of Michigan.

MR. JUSTICE WHITE, WITH WHOM MR. JUSTICE DOUGLAS, MR. JUSTICE BRENNAN, AND MR. JUSTICE MARSHALL JOIN, DISSENTING

The District Court and the Court of Appeals found that over a long period of years those in charge of the Michigan public schools engaged in various practices calculated to effect the segregation of the Detroit school system. The Court does not question these findings, nor could it reasonably do so. Neither does it question the obligation of the federal courts to devise a feasible and effective remedy. But it promptly cripples the ability of the judiciary to perform this task, which is of fundamental importance to our constitutional system, by fashioning a strict rule that remedies in school cases must stop at the school district line unless certain other conditions are met. As applied there, the remedy for unquestioned violations of the equal protection rights of Detroit's Negroes by the Detroit School Board and the State of Michigan must be totally confined to the limits of the school district and may not reach into adjoining or surrounding districts unless and until it is proved there has been some sort of "interdistrict violation"—unless unconstitutional actions of the Detroit School Board have had a segregative impact on other districts or unless the segregated condition of the Detroit schools has itself been influenced by segregative practices in those surrounding districts into which it is proposed to extend the remedy.

Regretfully, and for several reasons, I can join neither the Court's judgment nor its opinion. The core of my disagreement is that deliberate acts of segregation and their consequences will go unremedied, not because a remedy would be infeasible or unreasonable in terms of the usual criteria governing school desegregation cases, but because an effective remedy would cause what the Court considers to be undue administrative inconvenience to the State. The result is that the State of Michigan, the entity at which the Fourteenth Amendment is directed, has successfully insulated itself from its duty to provide effective desegregation remedies by vesting sufficient power over its public schools in its local school districts. If this is the case in Michigan, it will be the case in most States.

There are undoubted practical as well as legal limits to the remedial powers of federal courts in school desegregation cases. The Court has made it clear that the achievement of any particular degree of racial balance in the school system is not required by the Constitution; nor may it be the primary focus of a court in devising an acceptable remedy for *de jure* segregation.

A variety of procedures and techniques are available to a district court engrossed in fashioning remedies in a case such as this; but the courts must keep in mind that they are dealing with the process of *educating* the young, including the very young. The task is not to devise a system of pains and penalties to punish constitutional violations brought to light. Rather, it is to desegregate an *educational* system in which the races have been kept apart, without, at the same time, losing sight of the central *educational* function of the schools.

Viewed in this light, remedies calling for school zoning, pairing, and pupil assignments, become more and more suspect as they require that school children spend more and more time in buses going to and from school and that more and more educational dollars be diverted to transportation systems. Manifestly, these considerations are of immediate and urgent concern when the issue is the desegregation of a city school system where residential patterns are predominantly segregated and the respective areas occupied by blacks and whites are heavily populated and geographically extensive. Thus, if one postulates a metropolitan school system covering a sufficiently large area, with the population evenly divided between whites and Negroes and with the races occupying identifiable residential areas, there will be very real practical limits on the extent to which racially identifiable schools can be eliminated within the school district. It is also apparent that the larger the proportion of Negroes in the area, the more difficult it would be to avoid having a substantial number of all-black or nearly all-black schools.

The Detroit school district is both large, and heavily populated. It covers 139.6 square miles, encircles two entirely separate cities and school districts, and surrounds a third city on three sides. Also, whites and Negroes live in identifiable areas in the city. The 1970 public school enrollment in the city school district totalled 289,763 and was 63.6% Negro and 34.8% white.[1] If "racial balance" were achieved in every school in the district, each school would be approximately 64% Negro. A remedy confined to the district could achieve no more desegregation. Furthermore, the proposed intracity remedies were beset with practical problems. None of the plans limited to the school district was satisfactory to the District Court. The most promising proposal, submitted by respondents, who were the plaintiffs in the District Court, would "leave many of its schools 75 to 90 percent Black." *Bradley* v. *Milliken*, 484 F. 2d 215, 244.[2] Transportation on a "vast scale" would be required; 900 buses would have to be purchased for the transportation of pupils who are not now bussed. *Id.*, at 243. The District Court also found that the plan "would change a school system which is now Black and White to one that would be perceived as Black, thereby increasing the flight of Whites from the city and the system, thereby increasing the Black student population." *Id.*, at 244. For the District Court, "[t]he conclusion, under the evidence in this case, is inescapable that relief of segregation in the public schools of the City of Detroit cannot be accomplished within the corporate geographical limits of the city." *Ibid.*

The District Court therefore considered extending its remedy to the suburbs. After hearings, it concluded that a much more effective desegregation plan could be implemented if the suburban districts were included. In proceeding to design its plan on the basis that student bus rides to and from school should not exceed 40 minutes each way as a general matter, the court's express finding was that "[f]or all the reasons stated heretofore—including time, distance, and transportation factors—desegregation within the area described is physically easier and more practicable and feasible, than desegregation efforts limited to the corporate geographic limits of the city of Detroit." 345 F. Supp. 914, 930.

The Court of Appeals agreed with the District Court that the remedy must extend beyond the city limits of Detroit. It concluded that "[i]n the instant case the *only* feasible desegregation plan involves the crossing of the boundary lines between the Detroit School District and adjacent or nearby school districts for the limited purpose of providing an effective desegregation plan." 484 F. 2d, at 249. (Emphasis added.) It also agreed that "any Detroit only desegregation plan will lead directly to a single segregated Detroit school district overwhelmingly black in all of its schools, surrounded by a ring of suburban school districts overwhelmingly white in composition in a State in which the racial composition is 87 per cent white and 13 per cent black." *Ibid.* There was "more than ample support for the District Judge's findings of unconstitutional segregation by race resulting in major part from action and inaction of public authorities, both local and State. Under this record a remedial order of a court of equity which left the Detroit school system overwhelmingly black (for the foreseeable future) surrounded by suburban school systems overwhelmingly white cannot correct the constitutional violations herein found." *Id.*, at 250. To conclude otherwise, the Court of Appeals announced, would call up "haunting memories of the now long overruled and discredited 'separate but equal doctrine' of Plessy v. Ferguson, 163 U.S. 537 . . . (1896)", and "would be opening a way to nullify Brown v. Board of Education which overruled *Plessy*. . . ." *Id.*, at 249.

This Court now reverses the Court of Appeals. It does not question the District Court's findings that *any* feasible Detroit-only plan would leave many schools 75 to 90 percent black and that the district would become progressively more black as whites left the city. Neither does the Court suggest that including the suburbs in a desegregation plan would be impractical or infeasible because of educational considerations, because of the number of children requiring transportation, or because of the length of their rides. Indeed, the Court leaves unchallenged the District Court's conclusion that a plan including the suburbs would be physically easier and more practical and feasible than a Detroit-only plan. Whereas the most promising Detroit-only plan, for example, would have entailed the purchase of 900 buses, the metropolitan plan would involve the acquisition of no more than 350 new vehicles.

Despite the fact that a metropolitan remedy, if the findings of the District Court accepted by the Court of Appeals are to be credited, would more effectively desegregate the Detroit schools, would prevent resegregation,[3] and would be easier and more feasible from many standpoints, the Court fashions out of whole cloth an arbitrary rule that remedies for constitutional violations occurring in a single Michigan school district must stop at the school district line. Apparently, no matter how much less burdensome or more effective and efficient in many respects, such as transportation, the metropolitan plan might be, the school district line may not be crossed. Otherwise, it seems, there would be too much disruption of the Michigan scheme for managing its educational system, too much confusion and too much administrative burden.

The District Court, on the scene and familiar with local conditions, had a wholly different view. The Court of Appeals also addressed itself at length to matters of local law and to the problems that interdistrict remedies might present to the State of Michigan. Its conclusion, flatly contrary to that of the Court, was that "the constitutional right to equality before the law [is not] hemmed in by the boundaries of a school district" and that an interdistrict remedy "is supported by the status of school districts under Michigan law and by the historical control exercised over local school districts by the legislature of Michigan and by State agencies and officials . . . [I]t is well established under the Constitution and laws of Michigan that the public school system is a State function and that local school districts are instrumentalities of the State created for administrative convenience." 484 F. 2d, at 245–246.

I am surprised that the Court, sitting at this distance from the State of Michigan, claims better insight than the Court of Appeals and the District Court as to whether an interdistrict remedy for equal protection violations practiced by the State of Michigan would involve undue difficulties for the State in the management of its public schools. In the area of what constitutes an acceptable desegregation plan, "we must of necessity rely to a large extent, as this Court has for more than 16 years, on the informed judgment of the district courts in the first instance and on courts of appeals." *Swann* v. *Charlotte-Mecklenburg Board of Education*, 402 U.S. 1, 28 (1971). Obviously, whatever difficulties there might be, they are surmountable; for the Court itself concedes that had there been sufficient evidence of an interdistrict violation, the District Court could have fashioned a single remedy for the districts implicated rather than a different remedy for each district in which the violation had occurred or had an impact.

I am even more mystified how the Court can ignore the legal reality that the constitutional violations, even if occurring locally, were committed by governmental entities for which the State is responsible and that it is the State that must respond to the command of the Fourteenth Amendment. An interdistrict remedy for the infringements that occurred in this case is well within the confines and powers of the State, which is the governmental entity ultimately responsible for desegrating its schools. The Michigan Supreme Court has observed that "[t]he school district is a state agency," *Attorney General* v. *Lowrey*, 131 Mich. 639, 644, 92 N.W. 289–290 (1902), and "[e]ducation in Michigan belongs to the State. It is no part of the local self-government inherent in the township or municipality except so far as the Legislature may choose to make it such. The Constitution has turned the whole subject over to the Legislature. . . ." *Attorney General* v. *Detroit Board of Education*, 154 Mich. 584, 590, 118 N.W. 606, 609 (1908).

It is unnecessary to catalogue at length the various public misdeeds found by the District Court and the Court of Appeals to have contributed to the present segregation of the Detroit public schools. The legislature contributed directly by enacting a statue overriding a partial high school desegregation plan voluntarily adopted by the Detroit Board of Education. Indirectly, the trial court found the State was accountable for the thinly disguised, pervasive acts of segregation committed by the Detroit Board,[5] for Detroit's school construction plans that would promote segregation, and for the De-

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Footnotes at end of article.

troit school district not having funds for pupil transportation within the district.

The State was also chargeable with responsibility for the transportation of Negro high school students in the late 1950's from the suburban Ferndale school district, past closer suburban and Detroit high schools with predominantly white student bodies, to a predominantly Negro high school within Detroit. *Swann* v. *Charlotte-Mecklenburg Board of Education, supra.* at 20–21, and *Keyes* v. *School District No. 1,* 413 U.S. 189 (1973), make abundantly clear that the tactics employed by the Detroit Board of Education, a local instrumentality of the State, violated the constitutional rights of the Negro students in Detroit's public schools and required equitable relief sufficient to accomplish the maximum, practical desegregation within the power of the political body against which the Fourteenth Amendment directs its prescriptions. No "State" may deny any individual the equal protection of the laws; and if the Constitution and the Supremacy Clause are to have any substance at all, the courts must be free to devise workable remedies against the political entity with the effective power to determine local choice. It is also the case here that the State's legislative interdiction of Detroit's voluntary effort to desegregate its school system was unconstitutional. See *North Carolina State Board of Education* v. *Swann,* 402 U.S. 43 (1971).

The Court draws the remedial line at the Detroit School District boundary, even though the Fourteenth Amendment is addressed to the State and even though the *State* denies equal protection of the laws when its public agencies, acting in its behalf, invidiously discriminate. The State's default is "the condition that offends the Constitution," *Swann* v. *Charlotte-Mecklenburg Board of Education, supra,* at 16, and state officials may therefore be ordered to take the necessary measures to completely eliminate from the Detroit public schools "all vestiges of state-imposed segregation." *Id.*, at 15. I cannot understand, nor does the majority satisfactorily explain, why a federal court may not order an appropriate interdistrict remedy, if this is necessary or more effective to accomplish this constitutionally mandated task. As the Court unanimously observed in *Swann:* "Once a right and a violation have been shown, the scope of a district court's equitable power to remedy past wrongs is broad, for breadth and flexibility are inherent in equitable remedies." *Ibid.* In this case, both the right and the State's Fourteenth Amendment violation have concededly been fully established, and there is no acceptable reason for permitting the party responsible for the constitutional violation to contain the remedial powers of the federal court within administrative boundaries over which the transgressor itself has plenary power.

The unwavering decisions of this Court over the past 20 years support the assumption of the Court of Appeals that the District Court's remedial power does not cease at the school district line. The Court's first formulation of the remedial principles to be followed in disestablishing racially discriminatory school systems recognized the variety of problems arising from different local school conditions and the necessity for that "practical flexibility" traditionally associated with courts of equity. *Brown* v. *Board of Education,* 349 U.S. 294, 299–301 (1955) (*Brown II*). Indeed, the district courts to which the *Brown* cases were remanded for the formulation of remedial decrees were specifically instructed that they might consider, *inter alia,* "revision of school districts and attendance areas into compact units to achieve a system of determining admission to the public schools on a nonracial basis . . ." *Id.*, at 300–301. The malady addressed in *Brown II* was the statewide policy of requiring or permitting school segregation on the basis of race, while the record here concerns segregated schools only in the city of Detroit. The obligation to rectify the unlawful condition nevertheless rests on the State. The permissible revision of school districts contemplated in *Brown II* rested on the State's responsibility for desegregating its unlawfully segregated schools, not on any segregative effect which the condition of segregation in one school district might have had on the schools of a neighboring district. The same situation obtains here and the same remedial power is available to the District Court.

Later cases reinforced the clearly essential rules that state officials are fully answerable for unlawfully caused conditions of school segregation which can effectively be controlled only by steps beyond the authority of local school districts to take, and that the equity power of the district courts includes the ability to order such measures implemented. When the highest officials of the State of Arkansas impeded a federal court order to desegregate the public schools under the immediate jurisdiction of the Little Rock School Board, this Court refused to accept the local board's assertion of its good faith as a legal excuse for delay in implementing the desegregation order. The Court emphasized that "from the point of view of the Fourteenth Amendment, they [the local school board members] stand in this litigation as agents of the State." *Cooper* v. *Aaron,* 358 U.S. 1, 10 (1958). Perhaps more importantly for present purposes, the Court went on to state:

> "The record before us clearly establishes that the growth of the Board's difficulties to a magnitude beyond its unaided power to control is the product of state action. Those difficulties . . . can also be brought under control by state action." *Ibid.*

See also *Griffin* v. *County School Board,* 377 U.S. 218, 228, 233–234 (1964).

In the context of dual school systems, the Court subsequently made clear the "affirmative duty to take whatever steps might be necessary to convert to a unitary system in which racial discrimination would be eliminated root and branch" and to come forward with a desegregation plan that "promises realistically to work *now.*" *Green* v. *County School Board,* 391 U.S. 430, 437–438, 439 (1968). "Freedom-of-choice" plans were rejected as acceptable desegregation measures where "reasonably available other ways . . . promising speedier and more effective conversion to a unitary, nonracial school system . . . " exist. *Id.*, at 441. Imperative insistence on immediate full desegregation of dual school ssytems "to operate now and hereafter only unitary schools" was reiterated in *Alexander* v. *Holmes County Board of Education,* 396 U.S. 19, 20 (1969), and *Carter* v. *West Feliciana Parish School Board,* 396 U.S. 290 (1970).

The breadth of the equitable authority of the district courts to accomplish these comprehensive tasks was reaffirmed in much greater detail in *Swann, supra,* and the companion case of *Davis* v. *Board of School Commissioners,* 402 U.S. 33 (1971), where there was unanimous assent to the following propositions:

> "Having once found a violation, the district judge or school authorities should make every effort to achieve the greatest possible degree of actual desegregation, taking into account the practicalities of the situation. A district court may and should consider the use of all available techniques including restructuring of attendance zones and both contiguous and noncontiguous attendance zones. . . . The measure of any desegregation plan is its effectiveness." *Id.*, at 37.

No suggestion was made that interdistrict relief was not an available technique. In *Swann* itself, the Court, without dissent, recognized that the district judge, in fulfilling his obligation to "make every effort to achieve the greatest possible degree of actual desegregation . . . will thus necessarily be concerned with the elimination of one-race schools." 402 U.S., at 26.

Nor was there any dispute that to break up the dual school system, it was within the District Court's "broad remedial powers" to employ a "frank—and sometimes drastic—gerrymandering of school districts and attendance zones[,]"as well as "pairing, 'clustering,' or 'grouping' of schools," to desegregate the "formerly all-Negro schools," despite the fact that these zones might not be compactor contiguous and might be "on opposite ends of the city." *Id.*, at 27. The school board in *Swann* had jurisdiction over a 550 square mile area encompassing the city of Charlotte and surrounding Mecklenburg County, North Carolina. The Mobile County, Alabama, board in *Davis* embraced a 1,248 square mile area, including the city of Mobile. Yet the Court approved the District Court's authority to award countywide relief in each case in order to accomplish desegregation of the dual school system.

Even more recently, the Court specifically rejected the claim that a new school district, which admittedly would operate a unitary school system within its borders, was beyond the reach of a court-ordered desegregation plan for other school districts, where the effectiveness of the plan as to the other districts depended upon the availability of the facilities and student population of the new district. In *Wright* v. *Council of the City of Emporia,* 407 U.S. 451, 470 (1972), we held "that a new school district may not be created where its effect would be to impede the process of dismantling a dual system." MR. JUSTICE STEWART's opinion for the Court made clear that if a proposal to erect new district boundary lines "would impede the dismantling of the [pre-existing] dual system, then a district court, in the exercise of its remedial discretion, may enjoin it from being carried out." *Id.*, at 460. In *United States* v. *Scotland Neck City Board of Education,* 407 U.S. 484 (1972), this same standard was applied to forbid North Carolina from creating a new city school district within a larger district which was in the process of dismantling a dual school system. The Court noted that if establishment of the new district were permitted, the "traditional racial identities of the schools in the area would be maintained," *id.*, at 490.

Until today, the permissible contours of the equitable authority of the district courts to remedy the unlawful establishment of a dual school system have been extensive, adaptable, and fully responsive to the ultimate goal of achieving "the greatest possible degree of actual desegregation." There are indeed limitations on the equity powers of the federal judiciary, but until now the Court has not accepted the proposition that effective enforcement of the Fourteenth Amendment could be limited by political or administrative boundary lines demarcated by the very State responsible for the constitutional violation and for the disestablishment of the dual system. Until now the Court has instead looked to practical considerations in effectuating a desegregation decree, such as excessive distance, transportation time and hazards to the safety of the school children involved in a proposed plan.

That these broad principles have developed in the context of dual school systems compelled or authorized by state statute at the time of *Brown* v. *Board of Education,* 347 U.S. 483 (1954) (*Brown I*), does not lessen their current applicability to dual systems found to exist in other contexts, like that in Detroit, where intentional school segregation does not stem from the compulsion of state law, but from deliberate individual actions of local and state school authorities directed at a particular school system. The majority properly does not suggest that the duty to eradicate completely the resulting dual system in the latter context is any less than in the former. But its reason for incapacitating the remedial authority of the federal judiciary in the presence of school district perimeters in the latter context is not readily apparent.

The result reached the Court certainly cannot be supported by the theory that the configuration of local governmental units is immune from alteration when necessary to redress constitutional violations. In addition to the well-established principles already noted, the Court has elsewhere required the public bodies of a State to restructure the State's political subdivisions to remedy infringements of the constitutional rights of certain members of its populace, notably in the reapportionment cases. In *Reynolds* v. *Sims*, 377 U.S. 553 (1964), for example, which held that equal protection of the laws demands that the seats in both houses of a bicameral state legislature be apportioned on a population basis, thus necessitating wholesale revision of Alabama's voting districts, the Court remarked:

"Political subdivisions of States—counties, cities, or whatever—never were and never have been considered as sovereign entities. Rather, they have been traditionally regarded as subordinate governmental instrumentalities created by the State to assist in the carrying out of state governmental functions." *Id.*, at 575.

And even pointedly, the Court declared in *Gemillion* v. *Lightfoot*, 364 U.S. 339, 344–345 (1960), that "[l]egislative control of municipalities, no less than other state power, lies within the scope of relevant limitations imposed by the United States Constitution."

Nor does the Court's conclusion follow from the talismanic invocation of the desirability of local control over education. Local autonomy over school affairs, in the sense of the community's participation in the decisions affecting the education of its children, is, of course, an important interest. But presently constituted school district lines do not delimit fixed and unchangeable areas of a local educational community. If restructuring is required to meet constitutional requirements, local authority may simply be redefined in terms of whatever configuration is adopted, with the parents of the children attending schools in the newly demarcated district or attendance zone continuing their participation in the policy management of the schools with which they are concerned most directly.

The majority's suggestion that judges should not attempt to grapple with the administrative problems attendant on a reorganization of school attendance patterns is wholly without foundation. It is precisely this sort of task which the district courts have been properly exercising to vindicate the constitutional rights of Negro students since *Brown I* and which the Court has never suggested they lack the capacity to perform. Intradistrict revisions of attendance zones, and pairing and grouping of schools, are techniques unanimously approved in *Swann* which entail the same sensitivity to the interest of parents in the education their children receive as would an interdistrict plan which is likely ot employ the very same mtehods. There is no reason to suppose that the District Court, which has not yet adopted a final plan of desegregation, would not be as capable of or as likely to give sufficient weight to the interest in community participation in schools in an interdistrict setting, consistent with the dictates of the Fourteenth Amendment. The majority's assumption that the District Court would act otherwise is a radical departure from the practical flexibility previously left to the equity powers of the federal judiciary.

Finally, I remain wholly unpersuaded by the Court's assertion that "the remedy is necessarily designed, as all remedies are, to restore the victims of discriminatory conduct to the position they would have occupied in the absence of such conduct." *Ante*, p. —. In the first place, under this premise the Court's judgment is itself infirm; for had the Detroit school system not followed an official policy of segregation throughout the 1950's and 1970's. Negroes and whites would have been going to school together. There would have been no, or at least not as many, recognizable Negro schools and no, or at least not as many, white schools, but "just schools," and neither Negroes nor whites would have suffered from the effects of segregated education, with all its shortcomings. Surely the Court's remedy will not restore to the Negro community, stigmatized as it was by the dual school system, what it would have enjoyed over all or most of this period if the remedy is confined to present-day Detroit; for the maximum remedy available within that area will leave many of the schools almost totally black, and the system itself will be predominantly black and will become increasingly so. Moreover, when a State has engaged in acts of official segregation over a lengthy period of time, as in the case before us, it is unrealistic to suppose that the children who were victims of the State's unconstitutional conduct could now be provided the benefits of which they were wrongfully deprived. Nor can the benefits which accrue to school systems in which school children have not been officially segregated, and to the communities supporting such school systems, be fully and immediately restored after a substantial period of unlawful segregation. The education of children of different races in a desegregated environment has unhappily been lost, along with the social, economic, and political advantages which accompany a desegregated school system as compared with an unconstitutionally segregated system.

It is for these reasons that the Court has consistently followed the course of requiring the effects of past official segregation to be eliminated "root and branch" by imposing, in the present, the duty to provide a remedy which will achieve "the greatest possible degree of actual desegregation, taking into account the practicalities of the situation." It is also for these reasons that once a constitutional violation has been found, the District Judge obligated to provide such a remedy "will thus necessarily be concerned with the elimination of one-race schools." These concerns were properly taken into account by the District Judge in this case. Confining the remedy to the boundaries of the Detroit district is quite unrelated either to the goal of achieving maximum desegregation or to those intensely practical considerations, such as the extent and expense of transportation, that have imposed limits on remedies in cases such as this. The Court's remedy, in the end, is essentially arbitrary and will leave serious violations of the Constitution substantially unremedied.

I agree with my Brother Douglas that the Court of Appeals has acted responsibly in these cases. Regrettably, the majority's arbitrary limitation on the equitable power of federal district courts, based on the invisible borders of local school districts, is unrelated to the State's responsibility for remedying the constitutional wrongs visited upon the Negro school children of Detroit. It is obvious to the potential benefits of metropolitan relief, to the noneducational communities of interest among neighborhoods located in and sometimes bridging different school districts, and to the considerable interdistrict cooperation already existing in various educational areas. Ultimately, it is unresponsive to the goal of attaining the utmost actual desegregation consistent with restraints of practicability and thus augurs the frequent frustration of the remedial powers of the federal courts.

Here the District Court will be forced to impose an intracity desegregation plan more expensive to the district, more burdensome for many of Detroit's Negro students and surely more conducive to white flight than a metropolitan plan would be—all of this merely to avoid what the Detroit School Board, the District Court, and the en banc Court of Appeals considered to be the very manageable and quite surmountable difficulties that would be involved in extending the desegregation remedy to the suburban school districts.

I am therefore constrained to record my disagreement and dissent.

FOOTNOTES

[1] The percentage of Negro pupils in the Detroit student population rose to 61.9% in 1971 to 67.3% in 1972, and to 69.8% in 1973, amid a metropolitan school population whose racial composition in 1970 was 81% white and 19% Negro. Sources: Exhibit P. C. 6 (App. Va., at 16); Racial-Ethnic Distribution of Students and Employees in the Detroit Public Schools, October 1972, and October 1973; 484 F. 2d, at 250.

[2] The District Court's ruling on the Detroit-only desegregation plans is set out in full by the Court of Appeals, 484 F. 2d. at 242–245, and is not otherwise officially reported.

[3] The Court has previously disapproved the implementation of proposed desegregation plans which operate to permit resegregation. *Monroe* v. *Board of Commissioners*, 391 U.S. 450, 459–60 (1968) ("free-transfer" plan).

[4] The Court of Appeals also noted several specific instances of school district mergers ordered by the State Board of Education for financial reasons. 484 F. 2d, at 247. Limitations on the authority of local school districts were also outlined by the Court of Appeals:

"Local school districts, unless they have the approval of the State Board of Education or the Superintendent of Public Instruction, cannot consolidate with another school district, annex territory, divide or attach parts of other districts, borrow moneys in anticipation of State aid, or construct, reconstruct or remodel school buildings or additions to them." *Id.*, at 249 (Footnotes and supporting statutory citations omitted.)

And the Court of Appeals properly considered the State's statutory attempt to undo the adoption of a voluntary high school desegregation plan by the Detroit Board of Education as an indicia of state control over local school district affairs. *Ibid.* Finally, it is also relevant to note that the District Court found that the school district boundaries in that segment of the metropolitan area preliminarily designated as the desegration area "in general bear no relationship to other municipal, county, or special district governments, needs or services," that some educational services are already provided to students on an interdistrict basis requiring their travel from one district to another, and that local communities in the metropolitan area share noneducational interests in common, which do not adhere to school district lines, and have applied metropolitan solutions to other governmental needs. *Bradley* v. *Milliken*, 315 F. Supp. 914, 931, 935 (ED Mich. 1972).

[5] These included the creation and alteration of attendance zones and feeder patterns from the elementary to the secondary schools in a manner naturally and productably perpetuating racial segregation of students, the transportation of Negro students beyond predominantly white schools with available space to predominantly Negro schools, the use of optional attendance areas in neighborhoods in which Negro families had recently begun to settle to permit white students to transfer to predominantly white schools nearer the city limits, and the construction of schools in the heart of residen-

tially segregated areas, thereby maximizing school segregation.

MR. JUSTICE MARSHALL, WITH WHOM MR. JUSTICE DOUGLAS, MR. JUSTICE BRENNAN, AND MR. JUSTICE WHITE JOIN, DISSENTING

In *Brown* v. *Board of Education*, 347 U.S. 483 (1951), this Court held that segregation of children in public schools on the basis of race deprives minority group children of equal educational opportunities and therefore denies them the equal protection of the laws under the Fourteenth Amendment. This Court recognized then that remedying decades of segregation in public education would not be an easy task. Subsequent events, unfortunately, have seen that prediction bear bitter fruit. But however imbedded old ways, however ingrained old prejudices, this Court has not been diverted from its appointed task of making "a living truth" of our constitutional ideal of equal justice under law. *Cooper* v. *Aaron*, 358 U.S. 1, 20 (1958).

After 20 years of small, often difficult steps toward that great end, the Court today takes a giant step backwards. Notwithstanding a record showing widespread and pervasive racial segregation in the educational system provided by the State of Michigan for children in Detroit, this Court holds that the District Court was powerless to require the State to remedy its constitutional violation in any meaningful fashion. Ironically purporting to base its result on the principle that the scope of the remedy in a desegregation case should be determined by the nature and the extent of the constitutional violation, the Court's answer is to provide no remedy at all for the violation proved in this case, thereby guaranteeing that Negro children in Detroit will receive the same separate and inherently unequal education in the future as they have been unconstitutionally afforded in the past.

I cannot subscribe to this emasculation of our constitutional guarantee of equal protection of the laws and must respectfully dissent. Our precedents, in my view, firmly establish that where, as here, state-imposed segregation has been demonstrated, it becomes the duty of the State to eliminate root and branch all vestiges of racial discrimination and to achieve the greatest possible degree of actual desegregation. I agree with both the District Court and the Court of Appeals that, under the facts of this case, this duty cannot be fulfilled unless the State of Michigan involves outlying metropolitan area school districts in its desegregation remedy. Furthermore, I perceive no basis either in law or in the practicalities of the situation justifying the State's interposition of school district boundaries as absolute barriers to the implementation of an effective desegregation remedy. Under established and frequently used Michigan procedures, school district lines are both flexible and permeable for a wide variety of purposes, and there is no reason why they must now stand in the way of meaningful desegregation relief.

The rights at issue in this case are too fundamental to be abridged on grounds as superficial as those relied on by the majority today. We deal here with the right of all of our children, whatever their race, to an equal start in life and to an equal opportunity to reach their full potential as citizens. Those children who have been denied that right in the past deserve better than to see fences thrown up to deny them that right in the future. Our Nation, I fear, will be ill-served by the Court's refusal to remedy separate and unequal education, for unless our children begin to learn together, there is little hope that our people will ever learn to live together.

I

The great irony of the Court's opinion and, in my view, its most serious analytical flaw may be gleaned from its concluding sentence, in which the Court remands for "prompt formulation of a decree directed to eliminating the segregation found to exist in Detroit city schools, a remedy which has been delayed since 1970." *Ante*, at 33. The majority, however, seems to have forgotten the District Court's explicit finding that a Detroit-only decree, the only remedy permitted under today's decision, "would not accomplish desegregation."

Nowhere in the Court's opinion does the majority confront, let alone respond to the District Court's conclusion that a remedy limited to the city of Detroit would not effectively desegregate the Detroit city schools. I, for one, find the District Court's conclusion well supported by the record and its analysis compelled by our prior cases. Before turning to these questions, however, it is best to begin by laying to rest some mischaracterizations in the Court's opinion with respect to the basis for the District Court's decision to impose a metropolitan remedy.

The Court maintains that while the initial focus of this lawsuit was the condition of segregation within the Detroit city schools, the District Court abruptly shifted focus in mid-course and altered its theory of the case. This new theory, in the majority's words, was "equating racial imbalance with a constitutional violation calling for a remedy." *Ante*, at 21 n. 19. As the following review of the District Court's handling of the case demonstrates, however, the majority's characterization is totally inaccurate. Nowhere did the District Court indicate that racial imbalance between school districts in the Detroit metropolitan area or within the Detroit school district constituted a constitutional violation calling for inter-district relief. The focus of this case was from the beginning, and has remained, the segregated system of education in the Detroit city schools and the steps necessary to cure that condition which offends the Fourteenth Amendment.

The District Court's consideration of this case began with its finding, which the majority accepts, that the State of Michigan, through its instrumentality, the Detroit Board of Education, engaged in widespread purposeful acts of racial segregation in the Detroit school district. Without belaboring the details, it is sufficient to note that the various techniques used in Detroit were typical of methods employed to segregate students by race in areas where no statutory dual system of education has existed. See, *e.g. Keyes* v. *School District No. 1*, 413 U.S. 189 (1973). Exacerbating the effects of extensive residential segregation between Negroes and whites, the school board consciously drew attendance zones along lines which maximized the segregation of the races in schools as well. Optional attendance zones were created for neighborhoods undergoing racial transition so as to allow whites in these areas to escape integration. Negro students in areas with overcrowded schools were transported past or away from closer white schools with available space to more distant Negro schools. Grade structures and feeder school patterns were created and maintained in a manner which had the foreseeable and actual effect of keeping Negro and white pupils in separate schools. Schools were also constructed in locations and in sizes which ensured that they would open with predominantly one-race student bodies. In sum, the evidence adduced below showed that Negro children had been intentionally confined to an expanding core of virtually all-Negro schools immediatly surrounded by a receding band of all-white schools.

Contrary to the suggestions in the Court's opinion, the basis for affording a desegregation remedy in this case was not some perceived racial imbalance either between schools within a single school district or between independent school districts. What we confront here is "a systematic program of segregation affecting a substantial portion of the students, schools . . . and facilities within the school system. . . ." *Keyes, supra*, 413 U.S. at 201. The constitutional violation found here was not some *de facto* racial imbalance, but rather the purposeful, intentional, massive, *de jure* segregation of the Detroit city schools, which under our decision in *Keyes*, forms "a predicate for a finding of the existence of a dual school system," 413 U.S., at 201, and justifies "all-out desegregation." *Id.*, at 214.

Having found a *de jure* segregated public school system in operation in the city of Detroit, the District Court turned next to consider which officials and agencies should be assigned the affirmative obligation to cure the constitutional violation. The court concluded that responsibility for the segregation in the Detroit city schools rested not only with the Detroit Board of Education, but belonged to the State of Michigan itself and the state defendants in this case—that is, the Governor of Michigan, the Attorney General, the State Board of Education, and the State Superintendent of Public Instruction. While the validity of this conclusion will merit more extensive analysis below, suffice it for now to say that it was based on three considerations. First, the evidence at trial showed that the State itself had taken actions contributing to the segregation within the Detroit schools. Second, since the Detroit Board of Education was an agency of the State of Michigan, its acts of racial discrimination were acts of the State for purposes of the Fourteenth Amendment. Finally, the District Court found that under Michigan law and practice, the system of education was in fact a *state* school system, characterized by relatively little local control and a large degree of centralized state regulation, with respect to both educational policy and the structure and operation of school districts.

Having concluded, then, that the school system in the city of Detroit was a *de jure* segregated system and that the State of Michigan had the affirmative duty to remedy that condition of segregation, the District Court then turned to the difficult task of devising an effective remedy. It bears repeating that the District Court's focus at this stage of the litigation remained what it had been at the beginning—the condition of segregation within the Detroit city schools. As the District Court stated: "From the initial ruling [on segregation] to this day, the basis of the proceedings has been and remains the violation: de jure segregation . . . . The task before this court, therefore, is now, and . . . has always been, how to desegregate the Detroit public schools."

The District Court first considered three desegregation plans limited to the geographical boundaries of the city of Detroit. All were rejected as ineffective to desegregate the Detroit city schools. Specifically, the District Court determined that the racial composition of the Detroit student body is such that implementation of any Detroit-only plan "would clearly make the entire Detroit public school system racially identifiable as Black" and would "leave many of its schools 75 to 90 percent Black." The District Court also found that a Detroit-only plan "would change a school system which is now Black and White to one that would be perceived as Black, thereby increasing the flight of Whites from the city and the system, thereby increasing the Black student population." Based on these findings, the District Court reasoned that "relief of segregation in the public schools of the City of Detroit cannot be accomplished within the corporate geographical limits of the city" because a Detroit-only decree "would accentuate the racial identifiability of the district as a Black school system, and would not accomplish desegregation." The District Court therefore concluded that it "must look beyond the limits of the Detroit school district for a solution to the problem of segregation in the Detroit public schools. . . ."

In seeking to define the appropriate scope of that expanded desegregation area, however, the District Court continued to maintain as its sole focus the condition shown to violate the Constitution in this case—the segregation of the Detroit school district. As it stated, the primary question "remains the determination of the area necessary and practicably effective to eliminate 'root and branch' the effects of state-imposed and supported segregation and to desegregate the Detroit public schools."

There is simply no foundation in the record, then, for the majority's accusation that the only basis for the District Court's order was some desire to achieve a racial balance in the Detroit metropolitan area.[1] In fact, just the contrary is the case. In considering proposed desegregation areas, the District Court had occasion to criticize one of the State's proposals specifically because it had no basis other than its "particular racial ratio" and did not focus on "relevant factors, like eliminating racially identifiable schools [and] accomplishing maximum actual desegregation of the Detroit public schools." Similarly, in rejecting the Detroit school board's proposed desegregation area, even though it included more all-white districts and therefore achieved a higher white-Negro ratio, the District Court commented:

"There is nothing in the record which suggests that these districts need be included in the desegregation area in order to disestablish the racial identifiability of the Detroit public schools. From the evidence, the primary reason for the Detroit School Board's interest in the inclusion of these school districts is not racial desegregation but to increase the average socio-economic balance of all the schools in the abutting regions and clusters."

The Court also misstates the basis for the District Court's order by suggesting that since the only segregation proved at trial was within the Detroit school district, any relief which extended beyond the jurisdiction of the Detroit Board of Education would be inappropriate because it would impose a remedy on outlying districts "not shown to have committed any constitutional violation." *Ante*, at 26.[2] The essential foundation of inter-district relief in this case was not to correct conditions within outlying districts who themselves engaged in purposeful segregation. Instead, inter-district relief was seen as a necessary part of any meaningful effort by the State of Michigan to remedy the state-caused segregation within the city of Detroit.

Rather than consider the propriety of inter-district relief on this basis, however, the Court has conjured up a largely fictional account of what the District Court was attempting to accomplish. With all due respect, the Court, in my view, does a great disservice to the District Judge who labored long and hard with this complex litigation by accusing him of changing horses in midstream and shifting the focus of this case from the pursuit of a remedy for the condition of segregation within the Detroit school district to some unprincipled attempt to impose his own philosophy of racial balance on the entire Detroit metropolitan area. See *ante*, at 18–19. The focus of this case has always been the segregated system of education in the city of Detroit. The District Court determined that inter-district relief was necessary and appropriate only because it found that the condition of segregation within the Detroit school district could not be cured with a Detroit-only remedy. It is on this theory that the inter-district relief must stand or fall. Unlike the Court, I perceive my task to be to review the District Court's order for what it is, rather than to criticize it for what it manifestly is not.

II

As the foregoing demonstrates, the District Court's decision to expand its desegregation decree beyond the geographical limits of the city of Detroit rested in large part on its conclusions (A) that the State of Michigan was ultimately responsible for curing the condition of segregation within the Detroit city schools, and (B) that a Detroit-only remedy would not accomplish this task. In my view, both of these conclusions are well supported by the facts of this case and by this Court's precedents.

A

To begin with, the record amply supports the District Court's findings that the State of Michigan, through state officers and state agencies, had engaged in purposeful acts which created or aggravated segregation in the Detroit schools. The State Board of Education, for example, prior to 1962, exercised its authority to supervise local school site selection in a manner which contributed to segregation. 484 F. 2d. at 238. Furthermore, the State's continuing authority, after 1962, to approve school building construction plans[3] had intertwined the State with site selection decisions of the Detroit Board of Education which had the purpose and effect of maintaining segregation.

The State had also stood in the way of past efforts to desegregate the Detroit city schools. In 1970, for example, the Detroit School Board had begun implementation of its own desegregation plan for its high schools, despite considerable public and official resistance. The State Legislature intervened by enacting Act 48 of the Public Acts of 1970, specifically prohibiting implementation of the desegregation plan and thereby continuing the growing segregation of the Detroit school system. Adequate desegregation of the Detroit system was also hampered by discriminatory restrictions placed by the State on the use of transportation within Detroit. While state aid for transportation was provided by statute for suburban districts, many of which were highly urbanized, aid for intra-city transportation was excepted. One of the effects of this restriction was to encourage the construction of small walk-in neighborhood schools in Detroit, thereby lending aid to the intentional policy of creating a school system which reflected, to the greatest extent feasible, extensive residential segregation. Indeed, that one of the purposes of the transportation restriction was to impede desegregation was evidenced when the Michigan Legislature amended the State Transportation Aid Act to cover intra-city transportation but expressly prohibited the allocation of funds for cross busing of students within a school district to achieve racial balance.[4] Cf. *North Carolina* v. *Swann*, 402 U.S. 43 (1971)

Also significant was the State's involvement during the 1950's in the transportation of Negro high school students from the Carver school district past a closer white high school in the Oak Park district to a more distant Negro high school in the Detroit district. Certainly the District Court's finding that the State Board of Education had knowledge of this action and had given its tacit or express approval was not clearly erroneous. Given the comprehensive statutory powers of the State Board of Education over contractual arrangements between school districts in the enrollment of students on a nonresident tuition basis, including certification of the number of pupils involved in the transfer and the amount of tuition charged, over the review of transportation routes and distances, and over the disbursement of transportation funds,[5] the State Board inevitably knew and understood the significance of this discriminatory act.

Aside from the acts of purposeful segregation committed by the State Legislature and the State Board of Education, the District Court also concluded that the State was responsible for the many intentional acts of segregation committed by the Detroit Board of Education, an agency of the State. The majority is only willing to accept this finding *arguendo*. See *ante*, at 28. I have no doubt, however, as to its validity under the Fourteenth Amendment.

"The command of the Fourteenth Amendment," it should be recalled, "is that no 'State' shall deny to any person within its jurisdiction the equal protection of the laws." *Cooper* v. *Aaron*, 358 U.S. 1, 16 (1958). While a State can act only through "the offices or agents by whom its powers are exerted," *Ex parte Virginia*, 100 U.S. 339, 347 (1880), actions by an agent or officer of the State are encompassed by the Fourteenth Amendment for, "as he acts in the name and for the State, and is clothed with the State's power, his act is that of the State." *Id.*, at 347. See also *Cooper* v. *Aaron, supra; Virginia* v. *Rives*, 100 U.S. 313, 318 (1880), *Shelley* v. *Kraemer*, 334 U.S. 1, 14 (1948).

Under Michigan law "a school district is an agency of the State government." *School District of Lansing* v. *State Board of Education*, 367 Mich. 591, 600, 116 N.W. 2d 866, 870 (1962). It is "a legal division of territory, created by the State for educational purposes, to which the State has granted such powers as are deemed necessary to permit the district to function as a State agency." *Board of Education of Detroit* v. *Superintendent of Public Instruction*, 319 Mich. 436, 29 N.W. 2d 902 (1947). Racial discrimination by the school district, an agency of the State, is therefore racial discrimination by the State itself, forbidden by the Fourteenth Amendment. See, *e. g., Pennsylvania* v. *Board of Directors*, 353 U.S. 30 (1957).

We recognized only last Term in *Keyes* that it was the State itself which was ultimately responsible for *de jure* acts of segregation committed by a local school board. A deliberate policy of segregation by the local board, we held, amounted to "state-imposed segregation." 413 U.S., at 200. Wherever a dual school system exists, whether compelled by state statute or created by a local board's systematic program of segregation, "the *State* automatically assumes an affirmative duty to effectuate a transition to a racially nondiscriminatory school system [and] to eliminate from the public schools within their school system 'all vestiges of state-imposed segregation'." *Keys, supra*, 413 U.S., at 200 (emphasis added).

Vesting responsibility with the State of Michigan for Detroit's segregated schools is particularly appropriate as Michigan, unlike some other States, operates a single statewide system of education rather than several separate and independent local school systems. The majority's emphasis on local governmental control and local autonomy of school districts in Michigan will come as a surprise to those with any familiarity with that State's system of education. School districts are not separate and distinct sovereign entities under Michigan law, but rather are "auxiliaries of the State," subject to its "absolute power." *Attorney General* v. *Lowrey*, 199 U.S. 233, 240 (1905). The courts of the State have repeatedly emphasized that education in Michigan is not a local governmental concern, but a state function.

"Unlike the delegation of other powers by the legislature to local governments, education is not inherently a part of the local self-government of a municipality . . . Control of our public school system is a State matter delegated and lodged in the state legislature by the Constitution. The policy of the State has been to retain control of its

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Footnotes at end of article.

school system, to be administered throughout the State under State laws by local State agencies organized with plenary powers to carry out the delegated functions given it by the legislature." *School District of Lansing* v. *State Board of Education*, 367 Mich. 591, 595, 116 N.W. 2d 866, 868 (1962).

The Supreme Court of Michigan has noted the deep roots of this policy.

"It has been settled by the Ordinance of 1787, the several constitutions adopted in this State, by its uniform course of legislation, and by the decisions of this court, that education in Michigan is a matter of State concern, that it is no part of the local self-government of a particular township or municipality. . . . The legislature has always dictated the educational policy of the State." *In re School District No. 6*, 284 Mich. 132, 145–146, 278 N.W. 972 (1938).

The State's control over education is reflected in the fact that, contrary to the Court's implication, there is little or no relationship between school districts and local political units. To take the 85 local school districts in the Detroit metropolitan area as examples, 17 districts lie in two counties, two in three counties. One district serves five municipalities; other suburban municipalities are fragmented into as many as six school districts. Nor is there any apparent state policy with regard to the size of school districts, as they now range from 2,000 to 285,000 students.

Centralized state control, manifests itself in practice as well as in theory. The state controls the financing of education in several ways. The legislature contributes a substantial portion of most school districts' operating budgets with funds appropriated from the State's General Fund revenues raised through statewide taxation.[6] The State's power over the purse can be and is in fact used to enforce the State's powers over local districts.[7] In addition, although local districts obtain funds through local property taxation, the State has assumed the responsibility to ensure equalized property valuations throughout the State.[8] The State also establishes standards for teacher certification and teacher tenure;[9] determines part of the required curriculum;[10] sets the minimum school term;[11] approves bus routes, equipment, and drivers;[12] approves textbooks;[13] and establishes procedures for student discipline.[14] The State Superintendent of Public Instruction and the State Board of Education have the power to remove local school board members from office for neglect of their duties.[15]

Most significantly for present purposes, the State has wide-ranging powers to consolidate and merge school districts, even without the consent of the districts themselves or of the local citizenry.[16] See, *e.g. Attorney General* v. *Lowrey*, 131 Mich. 639, 92 N.W. 289 (1902), aff'd, 109 U.S. 233 (1905). Indeed, recent years have witnessed an accelerated program of school district consolidations, mergers, and annexations, many of which were state imposed. Whereas the State had 7,362 local districts in 1912, the number had been reduced to 1,438 in 1961 and to 738 in 1968.[17] By June 1972, only 608 school districts remained. Furthermore, the State has broad powers to transfer property from one district to another, again without the consent of the local school districts affected by the transfer.[18] See *e.g., School District of Lansing* v. *State Board of Education*, 367 Mich. 491, 116 N.W. 2d 866 (1962); *Imlay Township District* v. *State Board of Education*, 359 Mich. 478, 102 N.W. 2d 720 (1960).

Whatever may be the history of public education in other parts of our Nation, it simply flies in the face of reality to say, as does the majority, that in Michigan, "No single tradition in public education is more deeply rooted than local control over the operation of schools . . ." *Ante*, at 22. As the State's supreme court has said: "We have repeatedly emphasized that education in this State is not a local concern, but belongs to the State at large." *Collins* v. *Detroit*, 195 Mich. 330, 335–336, 161 N.W. 905, 907 (1917). See also *Sturgis* v. *County of Allegan*, 343 Mich. 209, 215, 72 N.W. 2d 56, 59 (1955); *Van Fleet* v. *Ottman*, 244 Mich. 241, 244, 221 N.W. 299, 301 (1928); *Child Welfare Society* v. *School District*, 220 Mich. 290, 296. 189 N.W. 1002, 1004 (1922). Indeed, a study prepared for the 1961 Michigan constitutional convention noted that the Michigan constitution's articles on education had resulted in "the establishment of a state system of education in contrast to a series of local school systems." Michigan Constitutional Convention Studies, at 1 (1961).

In sum, several factors in this case coalesce to support the District Court's ruling that it was the State of Michigan itself, not simply the Detroit Board of Education, which bore the obligation of curing the condition of segregation within the Detroit city schools. The actions of the State itself directly contributed to Detroit's segregation. Under the Fourteenth Amendment, the State is ultimately responsible for the actions of its local agencies. And finally, given the structure of Michigan's educational system. Detroit's segregation cannot be viewed as the problem of an independent and separate entity. Michigan operates a single statewide system of education, a substantial part of which was shown to be segregated in this case.

B

What action, then, could the District Court require the State to take in order to cure Detroit's condition of segregation? Our prior cases have not minced words as to what steps responsible officials and agencies must take in order to remedy segregation in the public schools. Not only must distinctions on the basis of race be terminated for the future, but school officials are also "clearly charged with the affirmative duty to take whatever steps might be necessary to convert to the unitary system in which racial discrimination would be eliminated root and branch." *Green* v. *County School Board*, 391 U.S. 430, 437–438 (1968). See also *Lee* v. *Macon County Board of Education*, 267 F. Supp. 458 (MD Ala. 1967), aff'd, 389 U.S. 215. Negro students are not only entitled to neutral nondiscriminatory treatment in the future. They must receive "what *Brown II* promised them: a school system in which all vestiges of enforced racial segregation have been eliminated." *Wright* v. *Council of City of Emporia*, 407 U.S. 451, 463 (1972). See also *Swann* v. *Board of Education*, 402 U.S. 1, 15 (1971).

These remedial standards are fully applicable not only to school districts where a dual system was compelled by statute, but also where, as here, a dual system was the product of purposeful and intentional state action. See *Keys, supra*, 413 U.S., at 200–201.

After examining three plans limited to the city of Detroit, the District Court correctly concluded that none would eliminate root and branch the vestiges of unconstitutional segregation. The plans' effectiveness, of course, had to be evaluated in the context of the District Court's findings as to the extent of segregation in the Detroit city schools. As indicated earlier, the most essential finding was that Negro children in Detroit had been confined by intentional acts of segregation to a growing core of Negro schools surrounded by a receding ring of white schools.[19] Thus, in 1960, of Detroit's 251 schools, 100 were 90% or more white and 71 were 90% or more Negro. In 1970, of Detroit's 282 schools, 60 were 90% or more white and 133 were 90% or more Negro. While in 1960, 68% of all schools were 90% or more one race, by 1970, 71.6% of the schools fell into that category. The growing core of all-Negro schools was further evidenced in total school district population figures. In 1960 the Detroit district had 46% Negro students and 54% white students, but by 1970, 64% of the students were Negro and only 36% were white. This increase in the proportion of Negro students was the highest of any major northern city.

It was with these figures in the background that the District Court evaluated the adequacy of the three Detroit-only plans submitted by the parties. Plan A, proposed by the Detroit Board of Education, desegregated the high schools and about a fifth of the middle level schools. It was deemed inadequate, however, because it did not desegregate elementary schools and left the middle level schools not included in the plan more segregated than ever. Plan C, also proposed by the Detroit Board, was deemed inadequate because it too covered only some grade levels and would leave elementary schools segregated. Plan B, the plaintiffs' plans, though requiring the transportation of 82,000 pupils and the acquisition of 900 school buses, would make little headway in rooting out the vestiges of segregation. To begin with, because of practical limitations, the District Court found that the plan would leave many of the Detroit city schools 75 to 90 percent Negro. More significantly, the District Court recognized that in the context of a community which historically had a school system marked by rigid *de jure* segregation, the likely effect of a Detroit-only plan would be to "change a school system which is now Black and White to one that would be perceived as Black . . . ."

The result of this changed perception, the District Court found, would be to increase the flight of whites from the city to the outlying suburbs, compounding the effects of the present rate of increase in the proportion of Negro students in the Detroit system. Thus, even if a plan were adopted which, at its outset, provided in every school a 65% Negro-35% white racial mix in keeping with the Negro-white proportions of the total student population, such a system would, in short order, devolve into an all-Negro system. The net result would be a continuation of the all-Negro schools which were the hallmarks of Detroit's former dual system of one-race schools.

Under our decisions, it was clearly proper for the District Court to take into account the so-called "white flight" from the city schools which would be forthcoming from any Detroit-only decree. The Court's prediction of white flight was well supported by expert testimony based on past experience in other cities undergoing desegregation relief. We ourselves took the possibility of white flight into account in evaluating the effectiveness of a desegregation plan in *Wright, supra*, where we relied on the District Court's finding that if the city of Emporia were allowed to withdraw from the existing system, leaving a system with a higher proportion of Negroes, it "may be anticipated that the proportion of whites in county schools may drop as those who can register in private academies . . . ." 407 U.S., at 464. One cannot ignore the white-flight problem, for where legally imposed segregation has been established, the District Court has the responsibility to see to it not only that the dual system is terminated at once but also that fuure events do not serve to perpetuate or re-establish segregation. See *Swann, supra*, 402 U.S., at 21. See also *Green, supra*, 391 U.S., at 438 n. 4; *Monroe* v. *Board of Commissioners*, 391 U.S. 450, 459 (1968).

We held in *Swann* that where *de jure* segregation is shown, school authorities must make every "effort to achieve the greatest possible degree of actual desegregation." 402

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U.S., at 26. This is the operative standard re-emphasized in *Davis* v. *Board of School Commissioners,* 402 U.S. 33, 37 (1971). If these words have any meaning at all, surely it is that school authorities must, to the extent possible, take all practicable steps to ensure that Negro and white children in fact go to school together. This is, in the final analysis, what desegregation of the public schools is all about.

Because of the already high and rapidly increasing percentage of Negro students in the Detroit system, as well as the prospect of white flight, a Detroit-only plan simply has no hope of achieving actual desegregation. Under such a plan white and Negro students will not go to school together. Instead, Negro children will continue to attend all-Negro schools. The very evil that *Brown I* was aimed at will not be cured, but will be perpetuated for the future.

Racially identifiable schools are one of the primary vestiges of state-imposed segregation which an effective desegregation decree must attempt to eliminate. In *Swann,* for example, we held that "The district judge or school authorities ... will thus necessarily be concerned with the elimination of one-race schools." 402 U.S., at 26. There is "a presumption," we stated, "against schools that are substantially disproportionate in their racial composition." *Ibid.* And in evaluating the effectiveness of desegregation plans in prior cases, we ourselves have considered the extent to which they discontinued racially identifiable schools. *See, e.g., Green* v. *County School Board, supra; Wright* v. *Council of City of Emporia, supra.* For a principal end of any desegregation remedy is to ensure that it is no longer "possible to identify a 'white school' or a 'Negro school.'" *Swann, supra,* 402 U.S., at 18. The evil to be remedied in the dismantling of a dual system is the "[r]acial identification of the system's schools." *Green, supra,* 391 U.S., at 435. The goal is a system without white schools or Negro schools, a system with "just schools." *Id.,* at 442. A school authority's remedial plan or a district court's remedial decree is to be judged by its effectiveness in achieving this end. See *Swann,* 402 U.S., at 25; *Davis, supra,* 402 U.S., at 37; *Green, supra,* 391 U.S., at 439.

We cautioned in *Swann,* of course, that the dismantling of a segregated school system does not mandate any particular racial balance. 402 U.S., at 24. We also concluded that a remedy under which there would remain a small number of racially identifiable schools was only presumptively inadequate and might be justified. *Id.,* at 26. But this is a totally different case. The flaw of a Detroit-only decree is not that it does not reach some ideal degree of racial balance or mixing. It simply does not promise to achieve actual desegregation at all. It is one thing to have a system where a small number of students remain in racially identifiable schools. It is something else entirely to have a system where all students continue to attend such schools.

The continued racial identifiability of the Detroit schools under a Detroit-only remedy is not simply a reflection of their high percentage of Negro students. What is or is not a racially identifiable vestige of *de jure* segregation must necessarily depend on several factors. Cf. *Keys, supra,* 413 U.S., at 196. Foremost among these should be the relationship between the schools in question and the neighboring community. For these purposes the city of Detroit and its surrounding suburbs must be viewed as a single community. Detroit is closely connected to its suburbs in many ways, and the metropolitan area is viewed as a single cohesive unit by its residents. About 40% of the residents of the two suburban counties included in the desegregation plan work in Wayne County, in which Detroit is situated. Many residents of the city work in the suburbs. The three counties participate in a wide variety of cooperative governmental ventures on a metropolitan-wide basis, including a metropolitan transit system, park authority, water and sewer system, and council of governments. The Federal Government has classified the tri-county area as a Standard Metropolitan Statistical Area, indicating that it is an area of "economic and social integration." *United States* v. *Connecticut Nat'l Bank,* — U.S. —, — (June 26, 1974).

Under a Detroit-only decree, Detroit's schools will clearly remain racially identifiable in comparison with neighboring schools in the metropolitan community. Schools with 65% and more Negro students will stand in sharp and obvious contrast to schools in neighboring districts with less than 2% Negro enrollment. Negro students will continue to perceive their schools as segregated educational facilities and this perception will only be increased when whites react to a Detroit-only decree by fleeing to the suburbs to avoid integration. School district lines, however innocently drawn, will surely be perceived as fences to separate the races when, under a Detroit-only decree, white parents withdraw their children from the Detroit city schools and move to the suburbs in order to continue them in all-white schools. The message of this action will not escape the Negro children in the city of Detroit. See *Wright, supra,* 407 U.S., at 466. It will be of scant significance to Negro children who have for years been confined by *de jure* acts of segregation to a growing core of all-Negro schools surrounded by a ring of all-white schools that the new dividing line between the races is the school district boundary.

Nor can it be said that the State is free from any responsibility for the disparity between the racial makeup of Detroit and its surrounding suburbs. The State's creation, through *de jure* acts of segregation, of a growing core of all-Negro schools inevitably acted as a magnet to attract Negroes to the areas served by such schools and to deter them from settling either in other areas of the city or in the suburbs. By the same token the growing core of all-Negro schools inevitably helped drive whites to other areas of the city or to the suburbs. As we recognized in *Swann,*

"People gravitate toward school facilities, just as schools are located in response to the needs of people. The location of schools may thus influence the patterns of residential development of a metropolitan area and have important impact on composition of inner-city neighborhood. . . . [Action taken] to maintain the separation of the races with a minimum departure from the formal principles of 'neighborhood zoning' . . . does more than simply influence the short-run composition of the student body. . . . It may well promote segregated residential patterns which, when combined with 'neighborhood zoning' further lock the school system into the mold of separation of the races. Upon a proper showing a district court may consider this in fashioning a remedy." 402 U.S., at 202. 20–21. See also *Keyes, supra,* 413 U.S., at 202.

The rippling effects on residential patterns caused by purposeful acts of segregation do not automatically subside at the school district border. With rare exceptions, these effects naturally spread through all the residential neighborhoods within a metropolitan area. See *Keyes, supra,* 413 U.S. at 202–203.

The State must also bear part of the blame for the white flight to the suburbs which would be forthcoming from a Detroit-only decree and would render such a remedy ineffective. Having created a system where whites and Negroes were intentionally kept apart so that they could not become accustomed to learning together, the State is responsible for the fact that many whites will react to the dismantling of that segregated system by attempting to flee to the suburbs. Indeed, by limiting the District Court to a Detroit-only remedy and allowing that flight to the suburbs to succeed, the Court today allows the State to profit from its own wrong and to perpetuate for years to come the separation of the races it achieved in the past by purposeful state action.

The majority asserts, however, that involvement of outlying districts would do violence to the accepted principle that "the nature of the violation determines the scope of the remedy." 402 U.S., at 10. See *ante,* at 25. Not only is the majority's attempt to find in this single phrase the answer to the complex and difficult questions presented in this case hopelessly simplistic, but more importantly, the Court reads these words in a manner which perverts their obvious meaning. The nature of a violation determines the scope of the remedy simply because the function of any remedy is to cure the violation to which it is addressed. In school segregation cases, as in other equitable causes, a remedy which effectively cures the violation is what is required. See *Green, supra,* 391 U.S., 439; *Davis, supra,* 402 U.S., at 37. No more is necessary, but we can tolerate no less. To read this principle as barring a District Court from imposing the only effective remedy for past segregation and remitting the court to a patently ineffective alternative is, in my view, to turn a simple commonsense rule into a cruel and meaningless paradox. Ironically, by ruling out an inter-district remedy, the only relief which promises to cure segregation in the Detroit public schools, the majority flouts the very principle on which it purports to rely.

Nor should it be of any significance that the suburban school districts were not shown to have themselves taken any direct action to promote segregation of the races. Given the State's broad powers over local school districts, it was well within the State's powers to require those districts surrounding the Detroit school district to participate in a metropolitan remedy. The State's duty should be no different here than in cases where it is shown that certain of a State's voting districts are malapportioned in violation of the Fourteenth Amendment. See *Reynolds* v. *Sims,* 377 U.S. 533 (1964). Over-represented electoral districts are required to participate in reapportionment although their only "participation" in the violation was to do nothing about it. Similarly, electoral districts which themselves meet representation standards must frequently be redrawn as part of a remedy for other over- and under-inclusive districts. No finding of fault on the part of each electoral district and no finding of a discriminatory effect on each district is a prerequisite to its involvement in the constitutionally required remedy. By the same logic, no finding of fault on the part of the suburban school districts in this case and no finding of a discriminatory effect on each district should be a prerequisite to their involvement in the constitutionally required remedy.

It is the State, after all, which bears the responsibility under *Brown* of affording a nondiscriminatory system of education. The State, of course, is ordinarily free to choose any decentralized framework for education it wishes, so long as it fulfills that Fourteenth Amendment obligation. But the State should no more be allowed to hide behind its delegation and compartmentalization of school districts to avoid its constitutional obligations to its children than it could hide behind its political subdivisions to avoid its obligations to its voters. *Reynolds* v. *Sims, supra,* 377 U.S., at 575. See also *Gomillion* v. *Lightfoot,* 364 U.S. 339 (1960).

It is a hollow remedy indeed where "after supposed 'desegregation' the schools are segregated in fact." *Hobson* v. *Hansen,* 269 F. Supp. 401, 495 (D. D. C. 1967). We must do better than "substitute . . . one segregated

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school system for another segregated school system." *Wright, supra,* 407 U.S., at 456. To suggest, as does the majority, that a Detroit-only plan somehow remedies the effects of *de jure* segregation of the races is, in my view, to make a solemn mockery of *Brown I*'s holding that separate educational facilities are inherently unequal and of *Swann's* unequivocal mandate that the answer to *de jure* segregation is the greatest possible degree of actual desegregation.

III

One final set of problems remains to be considered. We recognized in *Brown II*, and have re-emphasized ever since, that in fashioning relief in desegregation cases, "the courts will be guided by equitable principles. Traditionally equity has been characterized by a practical flexibility in shaping its remedies and by a facility for adjusting and reconciling public and private needs." *Brown II, supra,* 349 U.S., at 300. See also *Swann, supra.*

Though not resting its holding on this point, the majority suggests that various equitable considerations militate against inter-district relief. The Court refers to, for example, financing and administrative problems, the logistical problems attending large-scale transportation of students, and the prospect of the District Court's becoming a "de facto 'legislative authority'" and "'school superintendent for the entire area.'" *Ante,* at 24. The entangling web of problems woven by the Court, however, appears on further consideration to be constructed of the flimsiest of threads.

I deal first with the last of the problems posed by the Court—the spectre of the District Court qua "school superintendent" and "legislative authority"—for analysis of this problem helps put the other issues in proper perspective. Our cases, of course, make clear that the initial responsibility for devising an adequate desegregation plan belongs with school authorities, not with the District Court.

The court's primary role is to review the adequacy of the school authorities' efforts and to substitute its own plan only if and to the extent they default. See *Swann, supra,* 402 U.S., at 16; *Green, supra,* 391 U.S., at 439. Contrary to the majority's suggestions, the District Judge in this case has consistently adhered to these procedures and there is every indication that he would continue to do so. After finding *de jure* segregation the Court ordered the parties to submit proposed Detroit-only plans. The state defendants were also ordered to submit a proposed metropolitan plan extending beyond Detroit's boundaries. As the District Court stated, "the State defendants . . . bear the initial burden of coming forward with a proposal that promises to work." The state defendants defaulted in this obligation, however. Rather than submit a complete plan, the State Board of Education submitted six proposals, none of which was in fact a desegregation plan. It was only upon this default that the District Court began to take steps to develop its own plan. Even then the District Court maximized school authority participation by appointing a panel representing both plaintiffs and defendants to develop a plan. App. 99a–100a. Furthermore, the District Court still left the state defendants the initial responsibility for developing both interim and final financial and administrative arrangements to implement inter-district relief. App. 104a–105a. The Court of Appeals further protected the interests of local school authorities by ensuring that the outlying suburban districts could fully participate in the proceedings to develop a metropolitan remedy.

These processes have not been allowed to run their course. No final desegregation plan has been proposed by the panel of experts, let alone approved by the District Court. We do not know in any detail how many students will be transported to effect a metropolitan remedy, and we do not know how long or how far they will have to travel. No recommendations have yet been submitted by the state defendants on financial and administrative arrangements. In sum, the practicality of a final metropolitan plan is simply not before us at the present time. Since the State and the panel of experts have not yet had an opportunity to come up with a workable remedy, there is no foundation for the majority's suggestion of the impracticality of inter-district relief. Furthermore, there is no basis whatever for assuming that the District Court will inevitably be forced to assume the role of legislature or school superintendent.[20]

Were we to hold that it was its constitutional duty to do so, there is every indication that the State of Michigan would fulfill its obligation and develop a plan which is workable, administrable, financially sound and, most important, in the best interest of quality education for all of the children in the Detroit metropolitan area.

Since the Court chooses, however, to speculate on the feasibility of a metropolitan plan, I feel constrained to comment on the problem areas it has targeted. To begin with, the majority's questions concerning the practicality of consolidation of school districts need not give us pause. The State clearly has the power, under existing law, to effect a consolidation if it is ultimately determined that this offers the best prospect for a workable and stable desegregation plan. See *ante,* at 16–17. And given the 1,000 or so consolidations of school districts which have taken place in the past, it is hard to believe that the State has not already devised means of solving most, if not all, of the practical problems which the Court suggests consolidation would entail.

Furthermore the majority ignores long-established Michigan procedures under which school districts may enter into contractual agreements to educate their pupils in other districts using state or local funds to finance nonresident education.[21] Such agreements could form an easily administrable framework for inter-district relief short of outright consolidation of the school districts. The District Court found that inter-district procedures like these were frequency used to provide special educational services for handicapped children, and extensive statutory provision is also made for their use in vocational education.[22] Surely if school districts are willing to engage in inter-district programs to help those unfortunate children crippled by physical or mental handicaps, school districts can be required to participate in an inter-district program to help those children in the city of Detroit whose educations and very futures have been crippled by purposeful state segregation.

Although the majority gives this last matter only fleeting reference, it is plain that one of the basic emotional and legal issues underlying these cases concerns the propriety of transportation of students to achieve desegregation. While others may have retreated from its standards, see, *e.g., Keyes, supra,* 413 U.S., at 217 (POWELL, J., concurring in part and dissenting in part), I continue to adhere to the guidelines set forth in *Swann* on this issue. See 402 U.S., at 29–31. And though no final desegregation plan is presently before us, to the extent the outline of such a plan is now visible, it is clear that the transportation it would entail will be fully consistent with these guidelines.

First of all, the metropolitan plan would not involve the busing of substantially more students than already ride buses. The District Court found that statewide, 35–40 percent of all students already arrive at school on a bus. In those school districts in the tri-county Detroit metropolitan area eligible for state reimbursement of transportation costs, 42–52 percent of all students rode buses to school. In the tri-county areas as a whole, approximately 300,000 pupils arrived at school on some type of bus, with about 60,000 of these apparently using regular public transit. In comparison, the desegregation plan, according to its present rough outline, would involve the transportation of 310,000 students, about 40% of the population within the desegregation area.

With respect to distance and amount of time travelled, 17 of the outlying school districts involved in the plan are contiguous to the Detroit district. The rest are all within 8 miles of the Detroit city limits. The trial court, in defining the desegregation area, placed a ceiling of 40 minutes one way on the amount of travel time, and many students will obviously travel for far shorter periods. As to distance, the average statewide bus trip is 8½ miles one way, and in some parts of the tri-county area, students already travel for one and a quarter hours or more each way. In sum, with regard to both the number of students transported and the time and distances involved, the outlined desegregation plan "compares favorably with the transportation plan previously operated. . . ." *Swann, supra,* 402 U.S., at 30.

As far as economics are concerned, a metropolitan remedy would actually be more sensible than a Detroit-only remedy Because of prior transportation aid restrictions, see *ante,* at 11–12, Detroit largely relied on public transport, at student expense, for those students who lived too far away to walk to school. Since no inventory of school buses existed, a Detroit-only plan was estimated to require the purchase of 900 buses to effectuate the necessary transportation.

The tri-county area, in contrast, already has an inventory of 1,800 buses, many of which are now underutilized. Since increased utilization of the existing inventory can take up much of the increase in transportation involved in the inter-district remedy, the District Court found that only 350 additional buses would probably be needed, almost two-thirds fewer than a Detroit-only remedy. Other features of an inter-district remedy bespeak its practicality, such as the possibility of pairing up Negro schools near Detroit's boundary with nearby white schools on the other side of the present school district line.

Some disruption, of course, is the inevitable product of any desegregation decree, whether it operates within one district or on an inter-district basis. As we said in *Swann,* however,

"Absent a constitutional violation there would be no basis for judicially ordering assignment of students on a racial basis. All things being equal, with no history of discrimination, it might well be desirable to assign pupils to schools nearest their homes. But all things are not equal in a system that has been deliberately constructed and maintained to enforce racial segregation. The remedy for such segregation may be administratively awkward, inconvenient, and even bizarre in some situations, and may impose burdens on some; but all awkwardness and inconvenience cannot be avoided. . . ." 402 U.S., at 28.

Desegregation is not and was never expected to be an easy task. Racial attitudes ingrained in our Nation's childhood and adolescence are not quickly thrown aside in its middle years. But just as the inconvenience of some cannot be allowed to stand in the way of the rights of others, so public opposition, no matter how strident, cannot be permitted to divert this Court from the enforcement of the constitutional principles at issue in this case. Today's holding, I fear, is more a reflection of a perceived public mood that we have gone far enough in enforcing the Constitution's guarantee of equal justice than

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it is the product of neutral principles of law. In the short run, it may seem to be the easier course to allow our great metropolitan areas to be divided up each into two cities—one white, the other black—but it is a course, I predict, our people will ultimately regret. I dissent.

FOOTNOTES

[1] Contrary to the Court's characterization, the use of racial ratios in this case in no way differed from that in *Swann* v. *Charlotte-Mecklenburg Board of Education*, 402 U.S. 1 (1971). Here, as there, mathematical ratios were used simply as "a starting point in the process of shaping a remedy, rather than an inflexible requirement" 402 U.S., at 25. It may be expected that a final desegregation plan in the case would elevate from a pure mathematical approach. Indeed, the District Court's most recent order appointing a panel of experts to draft an inter-district plan requires only that the plan be designed "to achieve the greatest degree of actual desegregation . . . [w]ithin the limitations of reasonable travel time and distance factors." App. 101a. Compare 402 U.S., at 23.

[2] It does not appear that even the majority places any real weight on this consideration once it recognizes the inter-district relief would be proper where a constitutional violiation within one district produces a significant segregative effect in another district, see *ante*, at 25, thus allowing inter-district relief to touch districts which have not themselves violated the constitution.

[3] See Mich. Comp. Laws § 388.351.

[4] See Mich. Comp. Laws § 388.1179.

[5] See Mich. Comp. Law §§ 388.629 & 340.600.

[6] See Mich. Comp. Laws § 388.611. The State contributed an average of 34% of the operating budgets of the 51 school districts included in the original proposed desegregation area. In 11 of these districts, state contributions exceeded 50% of the operating budgets.

[7] *See, e.g.*, Mich. Comp. Laws § 340.575. See also 1949–1950 Report of the Attorney General 104 (Roth); 1955 Report of the Attorney General 561 (Kavanaugh); 1961–1962 Report of the Attorney General 533 (Kelley).

[8] *See* Mich. Comp. Laws §§ 244.34 & 340.681.

[9] *Id.*, § 340.569.

[10] *Id.*, §§ 257.811(c), 388.361, 388.371, 388.781, 388.782.

[11] *Id.*, § 310.575.

[12] *Id.*, § 388.1171.

[13] *Id.*, § 340.887(1).

[14] Op. Attorney General No. 4705 (July 7, 1970).

[15] *See* Mich. Comp Laws § 340.253.

[16] See generally Mich. Comp. Laws §§ 310.401–310.415 (consolidations); §§ 310.431–310.449 (annexations).

[17] See Michigan Senate Journal, 1968, Vol. 1, at 423.

[18] See generally Mich. Comp. Laws §§ 310.461–310.468.

[19] Despite Mr. Justice Stewart's claim to the contrary, at 4–5, n. 2, of his concurring opinion, the record fully supports my statement that Negro students were intentionally confined to a core of Negro schools within the city of Detroit. See *e.g., ante*, at 4–5, 10–12. Indeed, Mr. Justice Stewart acknowledges that intentional acts of segregation by the State have separated white and Negro students within the city, and that the resulting core of all-Negro schools has grown to encompass most of the city. In suggesting that my approval of an inter-district remedy rests on a further conclusion that the State or its political subdivisions have been responsible for the increasing percentage of Negro students in Detroit, my Brother Stewart misconceives the thrust of this dissent. In light of the high concentration of Negro students in Detroit, the District Judge's finding that a Detroit-only remedy cannot effectively cure the constitutional violation within the city should be enough to support the choice of an inter-district remedy. Whether state action is responsible for the growth of the core of all-Negro schools in Detroit is, in my view, quite irrelevant.

The difficulty with Mr. Justice Stewart's position is that he, like the Court, confuses the inquiry required to determine whether there has been a substantive constitutional violation with that necessary to formulate an appropriate remedy once a constitutional violation has been shown. While a finding of state action is of course a prerequisite to finding a violation, we have never held that after unconstitutional state action has been shown, the District Court at the remedial stage must engage in a second inquiry to determine whether additional state action exists to justify a particular remedy. Rather, once a constitutional violation has been shown, the District Court is duty-bound to formulate an effective remedy and, in so doing, the court is entitled—indeed, it is required—to consider all the factual circumstances relevant to the framing of an effective decree. Thus, in *Swann* we held that the District Court must take into account the existence of extensive residential segregation in determining whether a racially neutral "neighborhood school" attendance plan was an adequate desegregation remedy, regardless of whether this residential segregation was caused by state action. So here, the District Court was required to consider the facts that the Detroit school system was already predominantly Negro and would likely become all-Negro upon issuance of a Detroit-only decree in framing an effective desegregation remedy, regardless of state responsibility for this situation.

[20] In fact, the District Court remarked "that this Court's task is to enforce constitutioned rights not to act as a schoolmaster; the Court's task is to protect the constitutioned rights here found violated with as little interest into the education process as possible. The Court's objective is to establish the minimum constitutional framework within which the system of public schools may operate now and hereafter in a racially unified, non-discriminatory fashion. Within that framework the body politic, educators, parents, and most particularly children must be given the maximum opportunity to experiment and accrue a high quality, and equal, educational opportunity." App., at 82a.

[21] Sec. c. g., Mich. Comp. Laws §§ 340.69, 340,121 (d), 310,399, 340,582, 340,082(a), 310,-590.

[22] Sec. Mich. Comp. Laws §§ 310,330-330,-330u.

[Supreme Court of the United States]

Lau v. Nichols 414 U.S. 563 (1974)

[January 21, 1974]

Mr. Justice Douglas delivered the opinion of the Court.

The San Francisco California school system was integrated in 1971 as a result of a federal court decree, 339 F. Supp. 1315. See *Lee* v. *Johnson*, 404 U.S. 1215. The District Court found that there are 2,856 students of Chinese ancestry in the school system who do not speak English. Of those who have that language deficiency, about 1,000 are given supplemental courses in the English language.[1] About 1,800 however do not receive that instruction.

This class suit brought by non-English speaking Chinese students against officials responsible for the operation of the San Francisco Unified School District seeks relief against the unequal educational opportunities which are alleged to violate the Fourteenth Amendment. No specific remedy is urged upon us. Teaching English to the students of Chinese ancestry who do not speak the language is one choice. Giving instructions to this group in Chinese in another. There may be others. Petitioner asks only that the Board of Education be directed to apply its expertise to the problem and rectify the situation.

The District Court denied relief. The Court of Appeals affirmed, holding that there was no violation of the Equal Protection Clause of the Fourteenth Amendment nor of § 601 of the Civil Rights Act of 1964, which excludes from participation in federal financial assistance, recipients of aid which discriminate against racial groups, 483 F. 2d 791. One judge dissented. A hearing *en banc* was denied, two judges dissenting. *Id.*, at 805.

We granted the petition for certiorari because of the public importance of the question presented, 412 U.S. 938.

The Court of Appeals reasoned that "every student brings to the starting line of his educational career different advantages and disadvantages caused in part by social, economic and cultural background, created and continued completely apart from any contribution by the school system," 483 F. 2d, at 497. Yet in our view the case may not be so easily decided. This is a public school system of California and § 571 of the California Education Code states that "English shall be the basic language of instruction in all schools." That section permits a school district to determine "when and under what circumstances instruction may be given bilingually." That section also states as "the policy of the state" to insure "the mastery of English by all pupils in the schools." And bilingual instruction is authorized "to the extent that it does not interfere with the systematic, sequential, and regular instruction of all pupils in the English language."

Moreover § 8573 of the Education Code provides that no pupil shall receive a diploma of graduation from grade 12 who has not met the standards of proficiency in "English," as well as other prescribed subjects. Moreover by § 12101 of the Education Code children between the ages of six and 16 years are (with exceptions not material here) "subject to compulsory full-time education."

Under these state-imposed standards there is no equality of treatment merely by providing students with the same facilities, text books, teachers, and curriculum; for students who do not understand English are effectively foreclosed from any meaningful education.

Basic English skills are at the very core of what these public schools teach. Imposition of a requirement that, before a child can effectively participate in the educational program, he must already have acquired those basic skills is to make a mockery of public education. We know that those who do not understand English are certain to find their classroom experiences wholly incomprehensible and in no way meaningful.

We do not reach the Equal Protection Clause argument which has been advanced but rely solely on § 601 of the Civil Rights Act of 1964, 42 U.S.C. § 2000(d) to reverse the Court of Appeals.

That section bans discrimination based "on the ground of race, color, or national origin," in "any program or activity receiving federal financial assistance." The school district involved in this litigation receives large amounts of federal financial assistance. HEW, which has authority to promulgate regulations prohibiting discrimination in federally assisted school systems, 42 U.S.C. § 2000(d), in 1968 issued one guideline that "school systems are responsible for assuring that students of a particular race, color, or national origin are not denied the opportunity to obtain the education generally obtained by other students in the system." 33 CFR § 4955. In 1970 HEW made the guidelines more specific, requiring school districts that were federally funded "to rectify the language deficiency in order to open" the instruction to students who had "linguistic deficiencies." 35 Fed. Reg. 11595.

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[1] A report adopted by the Human Rights Commission of San Francisco and submitted to the Court by respondent after oral argument shows that, as of April 1973, there were 3,457 Chinese students in the school system who spoke little or no English. The document further showed 2,136 students enrolled in Chinese special instruction classes, but at least 429 of the enrollees were not Chinese but were included for ethnic balance. Thus, as of April 1973, no more than 1,707 of the 3,457 Chinese students needing special English instruction were receiving it.

By § 602 of the Act HEW is authorized to issue rules, regulations, and orders[2] to make sure that recipients of federal aid under its jurisdiction conduct any federal financed projects consistently with § 601. HEW's regulations specify, 45 CFR § 80.3(b)(1), that the recipients may not:

"Provide any service, financial aid, or other benefit to an individual which is different, or is provided in a different manner, from that provided to others under the program;

* * * * *

"Restrict an individual in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service, financial aid, or other benefit under the program";

Discrimination among students on account of race or national origin that is prohibited includes "discrimination in the availability or use of any academic . . . or other facilities of the grantee or other recipient." *Id.*, 80.5 (b).

Discrimination is barred which has that *effect* even though no purposeful design is present: a recipient "may not . . . utilize criteria or methods of administration which have the effect of subjecting individuals to discrimination" or has "the effect of defeating or substantially impairing accomplishment of the objectives of the program as respect individuals of a particular race, color, or national origin." *Id.*, 80.3 (b)(2).

It seems obvious that the Chinese-speaking minority receives less benefits than the English-speaking majority from respondents' school system which denies them a meaningful opportunity to participate in the educational program—all earmarks of the discrimination banned by the Regulations.[3] In 1970 HEW issued clarifying guidelines (35 Fed. Reg. 11595) which include the following:

"Where inability to speak and understand the English language excludes national origin-minority group children from effective participation in the educational program offered by a school district, the district must take affirmative steps to rectify the language deficiency in order to open its instructional program to these students." (Pet. Br. App. 1a).

"Any ability grouping or tracking system employed by the school system to deal with the special language skill needs of national origin-minority group children must be designed to meet such language skill needs as soon as possible and must not operate as an educational deadend or permanent track." (Pet. Br. p. 2a).

Respondent school district contractually agreed to "comply with title VI of the Civil Rights Act of 1964 . . . and all requirements imposed by or pursuant to the Regulations" of HEW (45 CFR Pt. 80) which are "issued pursuant to that title . . ." and also immediately to "take any measures necessary to effectuate this agreement." The Federal Government has power to fix the terms on which its money allotments to the States shall be disbursed. *Oklahoma* v. *Civil Service Commission*, 330 U.S. 127, 142–143. Whatever may be the limits of that power, *Steward Machine Co.* v. *Davis*, 301 U.S. 548, 590 *et seq.*, they have not been reached here. Senator Humphrey, during the floor debates on the Civil Rights Act of 1964, said:[4]

"Simple justice requires that public funds, to which all taxpayers of all races contribute, not be spent in any fashion which encourages, entrenches, subsidizes, or results in racial discrimination."

We accordingly reverse the judgment of the Court of Appeals and remand the case for the fashioning of appropriate relief.

Reversed.

Mr. Justice White concurs in the result.

Lau v. Nichols

[January 21, 1974]

Mr. Justice Stewart, with whom The Chief Justice and Mr. Justice Blackmun join, concurring in the result.

It is uncontested that more than 2,800 school children of Chinese ancestry attend school in the San Francisco Unified School District system even though they do not speak, understand, read, or write the English language, and that as to some 1,800 of these pupils the respondent school authorities have taken no significant steps to deal with this language deficiency. The petitioners do not contend, however, that the respondents have affirmatively or intentionally contributed to this inadequacy, but only that they have failed to act in the face of changing social and linguistic patterns. Because of this laissez faire attitude on the part of the school administrators, it is not entirely clear that § 601 of the Civil Rights Act of 1964, 42 U.S.C. § 2000d, standing alone, would render illegal the expenditure of federal funds on these schools. For that section provides that "[n]o person in the United States shall, on the ground of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."

On the other hand, the interpretive guidelines published by the Office for Civil Rights of the Department of Health, Education, and Welfare in 1970, 35 Fed. Reg. 11595, clearly indicate that affirmative efforts to give special training for non-English speaking pupils are required by Tit. VI as a condition to receipt of federal aid to public schools:

"Where inability to speak and understand the English language excludes national origin-minority group children from effective participation in the educational program offered by a school district, the district must take affirmative steps to rectify the language deficiency in order to open its instructional program to these students."[1]

The critical question is, therefore, whether the regulations and guidelines promulgated by HEW go beyond the authority of § 601.[2] Last Term, in *Mourning* v. *Family Publications Service, Inc.*, 411 U.S. 356, 369, we held that the validity of a regulation promulgated under a general authorization provision such as § 602 of Tit. VI[3] will be sustained so long as it is 'reasonably related to the purposes of the enabling legislation.' *Thorpe* v. *Housing Authority of the City of Durham*, 393 U.S. 268, 280–281 (1969)." I think the guidelines here fairly meet that test. Moreover, in assessing the purposes of remedial legislation we have found that departmental regulations and "consistent administrative construction" are "entitled to great weight." *Trafficante* v. *Metropolitan Life Insurance Co.*, 409 U.S. 205, 210; *Griggs* v. *Duke Power Co.*, 401 U.S. 424, 433–434; *Udall* v. *Tallman*, 380 U.S. 1. The Department has reasonably and consistently interpreted § 601 to require affirmative remedial efforts to give special attention to linguistically deprived children.

For these reasons I concur in the judgment of the Court.

Lau v. Nichols

[January 21, 1974]

Mr. Justice Blackmun, with whom The Chief Justice joins, concurring in the result.

I join Mr. Justice Stewart's opinion and thus I, too, concur in the result. Against the possibility that the Court's judgment may be interpreted too broadly, I stress the fact that the children with whom we are concerned here number about 1,800. This is a very substantial group that is being deprived of any meaningful schooling because they cannot understand the language of the classroom. We may only guess as to why they have had no exposure to English in their preschool years. Earlier generations of American ethnic groups have overcome the language barrier by earnest parental endeavor or by the hard fact of being pushed out of the family or community nest and into the realities of broader experience.

I merely wish to make plain that when, in another case, we are concerned with a very few youngsters, or with just a single child who speaks only German or Polish or Spanish or any language other than English, I would not regard today's decision, or the separate concurrence, as conclusive upon the issue whether the statute and the guideline require the funded school district to provide special instruction. For me, numbers are at the heart of this case and my concurrence is to be understood accordingly.

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales

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[2] Section 602 provides:

"Each Federal department and agency which is empowered to extend Federal financial assistance to any program or activity, by way of grant, loan, or contract other than a contract of insurance or guaranty, is authorized and directed to effectuate the provisions of section 2000d of this title with respect to such program or activity by issuing rules, regulations, or orders of general applicability which shall be consistent with achievement of the objectives of the statute authorizing the financial assistance in connection with which the action is taken. . . ."

[3] And see Report of the Human Rights Commission of San Francisco, Bilingual Education in the San Francisco Public Schools, Aug. 9, 1973.

[4] 110 Cong. Rec. 6543 (Senator Humphrey quoting from President Kennedy's message to Congress, June 19, 1963.)

[1] These guidelines were issued in further clarification of the Department's position as stated in its regulations issued to implement Tit. VI, 45 CFR pt. 80. The regulations provide in part that no recipient of federal assistance administered by HEW may

"Provide any service, financial aid, or other benefit to an individual which is different, or is provided in a different manner, from that provided to others under the program; [or]

"Restrict an individual in any way in the enjoyment of an advantage or privilege enjoyed by others receiving any service, financial aid, or other benefit under the program." 45 CFR § 80.3 (b)(1)(ii), (iv).

[2] The respondents do not contest the standing of the petitioners to sue as beneficiaries of the federal funding contract between the Department of Health, Education, and Welfare and the San Francisco Unified School District.

[3] Section 602, 42 U.S.C. § 2000d–1, provides in pertinent part:

"Each Federal department and agency which is empowered to extend Federal assistance to any program or activity, by way of grant, loan, or contract other than a contract of insurance or guaranty, is authorized and directed to effectuate the provisions of section 2000d of this title with respect to such program or activity by issuing rules, regulations, or orders of general applicability which shall be consistent with achievement of the objectives of the statute authorizing the financial assistance in connection with which the action is taken . . . ."

The United States as amicus curiae asserts in its brief, and the respondents appear to concede, that the guidelines were issued pursuant to § 602.

Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD the notification I have just received.

There being no objection, the notification was ordered to be printed in the RECORD, as follows:

OFFICE OF THE DIRECTOR, DEFENSE
SECURITY ASSISTANCE AGENCY,
AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE),
OASD/ISA,

Washington, D.C., April 28, 1976.

In reply refer to: I-2490/76.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding herewith Transmittal No. 76-50, regarding the Department of the Air Force's proposed Letter of Offer to Iran amending a telecommunications system case, with an estimated additional cost of $5.3 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF.

[Notice of proposed issuance of letter of offer pursuant to section 36(b) of the Foreign Military Sales Act, as amended.]

TRANSMITTAL No. 76-50

a. Prospective Purchaser: Iran.

b. Total Estimated Value: $5.3M*.

c. Description of Articles or Services Offered: This is amendment #1 to the basic FMS case that provided for contractor professional assistance to Iran for a general plan for the development of an integrated telecommunications system. This amendment is for an additional 325 man-months effort.

d. Military Department: Air Force.

e. Date Report Delivered to Congress: 28 April 1976.

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD at this point the notification I have just received. A portion of the notification, which is classified information, has been deleted for publication, but is available to Senators in the office of the Foreign Relations Committee, room S-116 in the Capitol.

There being no objection, the notification was ordered to be printed in the RECORD, as follows:

OFFICE OF THE DIRECTOR DEFENSE
SECURITY ASSISTANCE AGENCY AND
DEPUTY ASSISTANT SECRETARY
(SECURITY ASSISTANCE), OASD/ISA,

Washington, D.C., April 28, 1976.

In reply refer to: I-2486/76.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Nations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittal No. 76-46, concerning the Department of the Navy's proposed Letter of Offer to Israel for an estimated cost of $37.9 million.

Sincerely,

H. M. FISH,
Lieutenant General, USAF.

[Notice of proposed issuance of letter of offer pursuant to section 36(b) of the Foreign Military Sales Act, as amended.]

TRANSMITTAL No. 76-46

a. Prospective Purchaser: Israel.

b. Total Estimated Value: $37.9M.

c. Description of Articles or Services Offered: (Deleted) air-to-ground missiles.

d. Military Department: Navy:

e. Date Report Delivered to Congress: April 28, 1976.

SOVIET WEAPONRY

Mr. GARN. Mr. President, in all of the debates of strategic weaponry, we hear one argument raised again and again. Roughly it can be outlined as follows: "Both the United States and the Soviet Union have sufficient weaponry to annihilate the entire population of the world many times over. Under those circumstances, nuclear war is unthinkable by either side, and there is no justification for increasing our stockpiles of strategic weapons."

As I have listened to this argument repeated, there has always been a nagging thought at the back of my mind. If this fact is so obvious, why do we see the Soviet Union continuing to increase its own output and stockpiles of strategic weapons, nuclear warheads, and so on? Do they have a different perception of the real world, one which might lead them to conclude that a nuclear war is not unthinkable, that it could be "won?" Are they just making a mistake, and bankrupting themselves for no reason? Should we just let them go ahead and spend if they want to, and ignore the whole thing, saving our money for domestic social programs?

For instance, the Soviet Union is currently producing four different intercontinental ballistic missiles. I now note that the President has requested continued production of the Minuteman III missile, the last ICBM in production in the United States. Until that decision, it appeared that we would be left with no production of this type of strategic weapon.

Mr. President, many analysts and officials of the aerospace industry have considered these problems. It is essential to their business that they do so, and while they might be thought to be motivated by self-interest, to be merchants of death, I believe that their analysis can shed some light on the critical questions I have just asked.

One of these, Mr. O. C. Boileau of the Boeing Corp., recently addressed a seminar on technology and international security sponsored by Harvard University and the Massachusetts Institute of Technology. In his speech, Mr. Boileau outlined some of the disturbing trends taking place within the Soviet Union, and offered some explanations of those trends which do not fit into the conventional wisdom that "everyone knows that nuclear war is unthinkable." Mr. Boileau suggests that it may not be unthinkable to the Soviet Union, and if that is the case, it has some serious implications for our own strategy.

Mr. President, I submit that Mr. Boileau's analysis is worth our serious consideration, and so that all Senators may have an opportunity to look at it, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

NUCLEAR WAR: A SOVIET OPTION

When Kosta Tsipsis invited me to participate in your seminar, he touched off some rigorous soul-searching in my corner of the Boeing campus in Seattle.

I asked my public relations guy what he thought about me taking on this assignment, and he reacted with predictable alarm. "I can see it now, in Jack Anderson's column," he said. " 'Boeing bigwig launches fright campaign to sell more missiles'."

Well, I guess I will have to take that chance. I think the subject matter being explored this afternoon is important enough to over-ride both public relations considerations and my own personal trepidation.

In any event, I'm coming to you with questions—not with answers. I don't pretend to know the solutions to the concerns I want to talk about, and certainly I don't profess that they call for bigger and better missiles. At any rate, I assure you I left my salesman's satchel at home.

I don't mean that I am going to avoid the subject of missiles, for they and bombers are at the heart of any discussion of international security. So I will talk a bit about strategic weapons and similar unpleasantries with which we in the defense business have had to become acquainted. This is essential to any examination of the strategic balance between the U.S. and the Soviet, and of the changes which appear to be taking place in this balance. I am going to ask you to consider the question of whether America's long-term policy of strategic deterrence can remain valid indefinitely—both in the light of these changes and of what appear to be Soviet objectives.

I want to start by going back a ways in history. I recognize that here I am venturing onto ice which is a bit thin for a guy who is an engineer by trade. I hope you will take this into account during the question period.

My rather limited exposure to history has left me with one overall impression: That our world is one in which nations rise and almost inevitably fall. Often the causes of a fall are complex, but usually they include the fact that some other power comes along with superior military capability and provides a push. In 2000 B.C., the Egyptians and the Aegeans dominated the known world. Both empires collapsed following military disasters. The Persians reached their peak about 500 B.C., after which they, too, suffered a series of military defeats. The Romans held more power and influence, relative to their world, than any other nation in history. The road to their collapse was built upon a number of things, most of which I'm sure you know better than I, but in the end it was military defeats at the hands of the barbarians which administered the coup de grace.

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*The total value of this case increased from $23.6 million to $29.0 million with this amendment.

The United States is a relative newcomer on the world scene, yet its power and influence have been the dominant factor on the international front for three decades now. But history, like everything else, seems to move faster these days; there are historians who say we already have passed the peak of our power and are on the downhill side of the curve. I am not prepared to argue this view, pro or con. But if it is true, it is composed of many things, ranging from the League of Nations to Watergate to the conflict between Congress and Administration over control of foreign policy.

In the case of the Aegians and the Egyptians, the Persians and the Romans, collapse was preceded by degeneration, stagnation, lack of leadership. (They never got a chance to write the history books.) But the final shove that sent them over the brink was military. In today's world, the only power which conceivably may become able to apply that kind of push to the United States is, of course, the Soviet Union.

The Soviet's leaders, beginning with Lenin, have made no secret of their own view of history. They foresee the collapse of the West and the eventual triumph of communism. In this sense, they are not speaking merely as leaders of a powerful nation, but as men charged with the duty of carrying out the revolutionary mission of communism. The proclaimed objective of this doctrine, as you know, is a universal communist society. To them, this is the preordained outcome of the historical process. Any means they choose to employ in hastening this process, then, must be moral—because the ultimate objective is moral.

I think we ought to paste this point in our hats, and take it out and look at it when we think about the Middle East, or detente, or SALT agreements.

And if we think these communist leaders are poor prophets, maybe we should recall some of their early writings. A communist document called the "supplementary theses" said this:

"The breaking up of the colonial empire, together with the proletarian revolution in the home country, will overthrow the capitalist system in Europe. Consequently, the Communist International must widen the scope of its activities. It . . . must assume the task of combining the revolutionary forces of all the countries of the world."

Well, the colonial empires have been broken up, and capitalism in Europe is in disarray. And the revolutionary forces are on the march in many places, from Italy and Portugal to Angola—with Soviet assistance, military and otherwise.

In 1920, Lenin wrote this:

". . . the so-called cultured states of Western Europe and America are incapable of understanding either the present position of things or the real state of relative power . . . The capitalists of the whole world and their governments will shut their eyes to the kind of activities on our side . . . and will in this manner become not only deaf mutes but blind as well. They will open up credits for us, which will serve us for the purpose of supporting Communist parties in their countries. They will supply us with the materials and technology which we need for our future victorious attacks upon our suppliers. In other words, they will work hard in order to prepare their own suicide."

In a recent interview, Alexander Solzhenitsyn seemed to agree. He said, "The West is on the verge of a collapse created by its own hands." He said he has noted a decline in both the strength and resolution of the West during the two years he's been out of Russia. And he warned that the Soviet "economy is on such a war footing that, even if it were the unanimous opinion of all the members of the Politburo not to start a war, this would no longer be in their power." What Solzhenitsyn seems to be saying is that the degeneration is under way and that, off there in the wings, the military power is being prepared to apply the final push.

Now I don't know that Solzhenitsyn is any better a prophet than the guys who said Ohio State was going to win the last Rose Bowl game. Nor am I saying the Free World is in the same shape the Romans were in just before the Visigoths romped into their end zone. I've simply been trying to lay out some perspective which I think deserves as much attention as weaponry when we get to talking about long-range international security—or insecurity, if you wish.

As a matter of fact, the question of the balance of strategic power today is more confusing than the pre-primary information was in Massachusetts a few weeks ago. You can draw almost any conclusion from the deployed numbers of missile launchers, warheads and bombers, and the various estimates of deployed throw weight, equivalent megatonnage, and missile accuracy. Depending on which expert you believe, you can decide that the present U.S. advantage in missile accuracy and number of warheads either offsets, or does not offset, the Soviet advantage in throw weight and number of launchers.

Now, when I raise the specter of the strategic forces of the Soviet attempting to defeat those of the United States, I am not speaking of the ultimate holocaust most of us see in our nightmares. I am not talking about the wholesale devastation of cities and populations. I am referring to a nuclear exchange in which each side attempts to knock out the other's strategic forces. This is terrifying enough, bloody enough, but it is not necessarily unthinkable. As a matter of fact, it is the kind of engagement military men think about when they worry about the possibility of nuclear war.

In assessing the relative strength of the two powers, the answer cannot necessarily be ascertained by comparing what each side has: the warheads in silos, the submarines and the bombers. What is most important is what each side can do with what it has. The true relative strength can be determined by postulating the situation likely to prevail at the end of a strategic counterforce exchange. The throw weight surviving after such an exchange is an appropriate total measure of the residual capability on both sides. What does each side have left, with which to dominate the situation after the exchange? Remember, too, that most of the targets remaining after a counterforce exchange would be soft targets—sitting ducks. Hence missile accuracy and other refinements in the original postures would no longer be of much significance.

I am going to ask you to suspend judgment, for the moment, on the likelihood of any strategic attack by the Soviet. I don't want us considering its rationality at this point. I want us simply to examine capability, based on the best estimates available to the United States at this time.

If the Soviet had attacked U.S. strategic forces at any time during the 1960s, and the United States had responded, the United States would have emerged from such an exchange with clear superiority. In other words, our remaining strategic forces would have been stronger than those which remained in the Soviet Union.

In 1964, however, the Soviets began playing catch-up. They began to close the gap. And by 1973, America's position of superior post-exchange strength had disappeared. At that point, the Soviets had acquired sufficient capability to attack U.S. strategic forces with the expectation that, even if the U.S. fired back, the exchange would end with the Soviets retaining the greater strength.

Since 1973, the Soviets have increased their margin of post-exchange superiority. In the years ahead, this edge will continue to expand. By the mid-1980s, the Soviets will have acquired a large margin of absolute superiority over the United States.

The data on which these cold-blooded estimates are based are calculated on total throw weight. But they employ throw weight as a dynamic index of capability. The "after" or post-exchange balance considers the number, size and accuracy of each side's remaining warheads, as well as the prospective survivability of those forces which would be left. It takes into account U.S. advantages, as well as those of the Soviets. What we have here, in short, is a perspective quite different from the one usually presented, which is a straight comparison of static throw weight.

There are those who argue that total force throw weight, even after a counterforce exchange, is not a valid index of capability. We have looked at every reasonable index—at equivalent warheads, number of warheads, counter military potential, equivalent megatonnage, and total numbers of bombers and missiles. By every one of these, the Soviet will hold strategic superiority after a counterforce exchange.

Now if you're still with me at this point, I'm sure you're asking: What about the SALT agreements? Aren't they supposed to preserve the strategic balance—the balance of terror? Well, these projections of a continuing rise in Soviet superiority are based on a representative estimate of both U.S. and Soviet forces under the current Five Year Development Plan. They take into account the restraints placed on both sides by a SALT agreement which would impose the limits outlined at Vladivostok in November, 1974. Neither this proposed agreement nor its predecessor, the SALT agreement of 1972, will affect this trend. They merely constrain certain static indices of capability.

Remember that the Vladivostok accord would permit the Soviet to retain 300 larger silos—for the so-called "heavy" missiles. The U.S. would not be permitted to build any of these. We simply obtained a freeze on the present numbers of both heavy and light missile silos—and our number of heavies is zero. But we agreed to let the Russians catch up with us in the category in which we do presently hold a lead. This is in the arming of missiles with multiple warheads, the MIRVs.

In a recent interview with the National Observer, Fred Ikle shed some light on what went on at Vladivostok. Ikle is director of the U.S. Arms Control and Disarmament Agency. He said: "Negotiating with the Russians is tough. They tend to press for higher numbers. We had to settle for what we could get at Vladivostok." And we used to call ourselves Yankee Traders!

The last sentence is *my* comment, not Ikle's. But for those of you who share the standard suspicions of the Pentagon, it might be interesting to point out another comment made by Ikle. He noted that both the Pentagon and the Joint Chiefs of Staff favored lower levels of missiles than were finally approved at Vladivostok. My company builds missiles, but I'm with the Joint Chiefs. I'd gladly trade our Minuteman profit for a world in which neither we nor the Russians had any missiles at all.

To come back to those estimates I've been throwing at you—I recognize there's a temptation to say they're all hyperbole. Or they're based on nothing more substantial than the kind of factors you use when you're deciding which horse to bet.

Well, I know the type of men who make these calculations. I respect both their ability and their objectivity. And that's why I don't always sleep well at night. But there's some therapeutic value in giving a talk like this one. Now when I lie awake worrying, there may be some comfort in knowing that maybe one or two of you are lying awake, too. If we can get enough smart people worrying about it, maybe someone will come up with a solution.

Now that I've tried to convince you that we are going to be faced with Soviet nuclear superiority as far as the eye can see, it's time to ask whether such superiority is really usable.

Ever since the Soviet Union got its first nuclear weapon, the American policy has been to deter nuclear conflict rather than to attempt to win it. I'm sure most Americans believe that if the Soviet Union were insane enough to attack us, it would be annihilated by the U.S. retaliation. "Overkill" has become a buzz word. We're told that the U.S. has the capability to kill every man, woman and child in the Soviet many times over.

Actually, the U.S. has never had this kind of capability. We do have more than enough capability to kill the people in Russia's cities, provided they don't leave town. But the term "overkill" is nothing but mathematical fiddle-faddle; it has nothing to do with reality. After all, you could put the world's entire population in one piece of territory 19 miles in diameter, and kill them all with half a dozen bombs.

Whatever lethal capability the U.S. has, Russia has the same capability—with respect to you and me and the rest of us Americans. The result is what has come to be known, in heartwarming terms, as the doctrine of assured mutual destruction.

We are further comforted by the ABM Treaty, under which both sides have agreed to forego the development of anti-ballistic missiles. This, we are told, has virtually guaranteed the permanent effectiveness of the assured mutual destruction doctrine. Through this treaty, it was said, both great powers have recognized, and in effect agreed to maintain, mutual deterrence.

Against this background, a while back Secretary of State Kissinger raised this rhetorical question: "What in the name of God is superiority? What could the Soviet Union do with it?" The Secretary went on to say that nuclear superiority is devoid of any operational meaning. If he is right, the estimates I was giving you a few minutes ago are meaningless. For assured destruction has rendered superiority useless.

But if this is so, why then is the Soviet investing so heavily not only in achieving nuclear superiority, but in increasing it?

I guess this is the question that worries me more than anything else. I keep looking for a logical answer, a reason behind Russia's all-out drive for superiority. It may be something as simple as over-reaction to their feeling of insecurity. I hope that's all it is, but I'd like you to bear with me while I explore a little further.

A little bit ago, I asked you to suspend judgment on the likelihood of a Soviet nuclear attack on our strategic forces. Feel free to consider it now. This is where I ask you to think about the unthinkable.

But first, I have a request. Please remember that what is unthinkable to you and me may not necessarily appear that way to someone whose head is screwed on differently. In early 1945, when our GIs were pushing toward Germany, it surely must have been unthinkable to us that anyone would send millions of men, women and children into gas chambers. But, as it turned out, it wasn't unthinkable to Hitler.

Sure, I believe the Soviet leaders are a lot more rational than Hitler. Still, when we consider the prospect of nuclear war, I think we need to ask ourselves: How does it look when viewed through our adversary's eyes? When contemplated in terms of his philosophy, and his definition of morality?

We have a pretty good idea of what to expect, should deterrence fail. Last year Dr. Schlesinger, then Secretary of Defense, presented some data on this to the Senate Foreign Relations Committee. He said that a Soviet attack limited to U.S. strategic forces would produce fatalities on the order of five or six million. If the Soviet followed this with an attack on U.S. cities, a total of 96 million Americans would die. There was some controversy over his first figure, with some people contending that an attack on U.S. strategic forces would kill as many as 20 million.

Whatever the figure, it's unthinkable, to us.

It's conceivable, however, that the Soviet leaders might be able to accept a few million American casualties philosophically. But how many Russian casualties would they be willing to accept?

The answer to this may be important. It could, one day, determine whether the Soviets decide to apply their superiority. It could determine the manner in which they decide to apply it. Basically, there are three ways in which they could apply it, and I believe you know them as wéll as I. The least likely, I think, is that they would simply push all the buttons, not only going for our strategic-force jugular but wasting our cities at the same time.

More likely is the possibility that they might try to take out most of our strategic forces, hoping that we would not retaliate in the face of their overwhelming power, but being willing to accept it if we did. They might even feel fairly confident that we wouldn't retaliate because they would, in effect, be holding our urban population as hostage.

The most plausible of the three applications, it seems to me, is the scenario which goes like this: Ivan picks up his end of the hot line and calls the President of the United States. He says: "Mr. President, at 5 a.m., tomorrow, the troops of the Soviet Union are going to move into West Germany. Since we have a strategic position superior to that of the United States, we will expect you to be most reasonable and not respond."

Now I'm not predicting that any of these three things is going to happen. But I believe they warrant consideration, not merely by our defense chiefs and the leaders of our government—who most assuredly do consider them—but by the public. By us. And as I said a moment ago, I think the Soviet's willingness to pursue any one of these courses is going to be governed in considerable part by its estimate of the price it might have to pay.

It seems to me there are two factors to consider here. One is the difference in the values placed on human life by them and by us. I remember that during World War II we used to send out destroyers and whole squadrons of planes to search for three guys bobbing somewhere in a liferaft. And in Viet Nam there were countless times when American teams went in, under heavy fire, to try to rescue a helicopter crew downed behind enemy lines.

The Russians have a history of working people to death in slave labor camps. In the great purge of the 1930s, they deliberately brought about the death of from 20 to 30 million of their own people in order to shore up Communist control of the nation. This was all done in a good cause, of course—a moral cause, from their point of view. That same basic cause exists today.

The second factor is more direct: What does the Soviet count as the cost of a nuclear exchange, in Russian lives lost and Russian property destroyed?

An official Soviet estimate declares that, even if U.S. missiles strike their cities, they can hold their casualties to from five to eight per cent of their urban population. For Soviet demography, this works out to about ten million potential fatalities. That's only one-half to a third of the casualties the Russian leaders inflicted on their own people just to consolidate their internal political control. If you were a Communist leader, would you be willing to risk paying that price in exchange for a giant step on the road to a universal communist society?

Of course, this would still leave the question of the possible destruction of Soviet cities and Soviet industry. But the Russians have some estimates on this, too, and they differ dramatically from those of the U.S.

Behind these Russian calculations lies an intensive civil defense effort.

I want to go into a few details of this Soviet program to illustrate the thoroughness with which it has been conceived. I believe you will see its implications for the future strategic balance between the powers. Back when we were debating the antiballistic missile in this country several years ago, it was generally recognized that the effect of massive ABM deployments would be to undermine the stability of the strategic relationship between the two countries. If you had a first-class arsenal of ABMs, you might well decide that you could afford to fire the first salvo of ICBMs because you could shoot down most of the other guy's missiles when he fired back. Neither nation wanted to risk having the other get into this tempting position.

Well, the Soviet civil defense program threatens to destabilize the strategic relationship for the same reasons. When it's fully in place, Russia may well feel that she can absorb—at a limited cost—any retaliatory strike we can throw at her. Or even a first strike, if the U.S. has not by then totally renounced the use of a first strike regardless of circumstances. In any event, the net effect of a broad, in-place civil defense program is to transform strategic superiority into a tool useful for nuclear blackmail—or for winning a nuclear war.

Of course there are people who suggest that Soviet civil defense is mostly just a paper program. At one time Congressman Les Aspin called it a mere schoolchild exercise. Well, he's at least partly right; last June and July the Soviet government had 23 million of its young folks out in the countryside frolicking through a massive exercise officially described as "military-sports games." The program featured such Olympic events as survival training, identification of contaminated areas, and learning how to go around or through such areas in accordance with radiation safety rules. In this country, we can hardly get 23 million kids out for a rock concert!

If this Russian civil defense program is really kid stuff, there's a lot of Soviet brass in its second childhood. The permanent, full-time staff of the civil defense organization now numbers 72,000, and a major portion of them are military. The C.D. commanders of the 15 Soviet republics are major generals or lieutenant generals. Active-duty officers command the approximately 120 oblasts or third-level government centers. And in time of crisis, this permanent staff would be augmented by the Soviet's police force of half a million. If we have a crisis over here, most of our cops will probably still be out writing traffic tickets.

I said I would give you some details of this Russian civil defense program, so maybe I had better start. A lot of them are contained in the Soviet's official civil defense manuals, which are pretty impressive documents. We have some of them at Boeing. Incidentally, they're used as textbooks at all institutions of higher learning within the USSR, which may have led Congressman Aspin to his conclusion.

Civil defense preparation in Russia begins with urban planning. Like our urban planners, the Russians believe in lots of open space—but for different reasons. Their guidelines are aimed at the reduction of building density to improve the chances of survivability. They call for green belts and wide thoroughfares to serve as firebreaks and to permit the clearing of radiation-free passages after an attack.

U.S. calculations of Soviet fatalities, if we hit them all-out, are based on the assumption that Russian citizens will be in their cities at the time. This is not the Soviet plan. They intend to evacuate and disperse their population, prior to the onset of hostilities. This implies, of course, that the Soviet government will have a pretty good idea of when the hostilities are likely to begin.

We've laid some plans for evacuation of American cities, too. The air-raid sirens will howl, and presumably everyone will run out and jump into his car. If you're at work and your wife is at home, without a car, what will you do? And you can imagine what is likely to happen in a city like Boston. One fender-bender, and the traffic backs up for 17 miles.

The Russians have a different plan. They intend to provide an urban assembly area for each two to three thousand urban dwellers. These are permanently staffed. When an evacuation is ordered, a staffer will go to each residence or place of business and hand each individual an evacuation certificate—in triplicate. One copy goes to the police department, which is responsible for making sure the people move out at the appointed time. Another is to be returned to the assembly center for use in processing people out to the evacuation areas. Vehicle convoys and, in some cases, trains will be provided. Some of the able-bodied will be formed into marching brigades.

The evacuation areas are located on collective farms. The farmer's responsibilities are spelled out on planning sheets to be executed by every collective farmer. He's given the number, and even the names, of the people he's to receive. They already will have been assigned to work brigades. Some of these groups will go right to work building simple shelters, which are already designed. It takes about 11 hours to construct a shelter which will hold ten people, and it will have a blast resistance of 30 to 50 pounds per square inch and a radiation protection factor of about 1,000.

I'm aware that there is disagreement over whether an evacuation of Soviet cities would work according to plan. Maybe it wouldn't, but I'm sure they'd get their cities evacuated anyway. If their government simply told everyone to walk for one day and then dig a hole, the percentage of casualties would not be significantly higher than the Soviet estimate.

The Soviet also has a multi-layered strategy to limit the damage to its industrial facilities. The first layer is pretty chilling—it calls for holding the U.S. population hostage to deter us from retaliating against Soviet industry. The second layer is to disperse its industry by building new plants in small and medium-sized towns. The third layer is to harden industrial equipment to protect it from nuclear effect. The final hedge is to hold in reserve enough military capability that the Soviet can move into neighboring states and take over their industry.

U.S. estimates of the industrial damage our missiles could inflict are based on the amount of industrial roof space which would be destroyed. Interestingly enough, Soviet plans show little attempt to protect roof space. But within the buildings, they have worked out ways to protect machinery through the use of permanent protective structures, enclosures, hoods and housings, canopies and sandbags.

Now all this may sound like the Russians are simply whistling in a graveyard. We've come to think that the arrival of a nuclear warhead on the scene means total devastation. Well, a few months ago Boeing conducted a study intended to estimate the effectiveness of these Soviet protective measures applied to a typical industrial area. This study assumed that a nuclear exchange between strategic forces already had taken place. The U.S. already has fired its heaviest shots at the Soviet's hardened missile sites, and all we have left are our smaller warheads like the Poseidon and Trident.

We used the Seattle-Tacoma area as our laboratory for this study. We worked out the application of these Soviet protective measures to its industrial plants, large and small, and then we calculated the damage that would be done by these smaller warheads. The results showed that a lot of roofs would be blown off, but more than 50 per cent of the industrial equipment in primary target areas would survive. The supporting industry around them would do even better. Buildings would suffer extensive damage, but much of the equipment inside them would remain in working condition. Among the survivors would be three out of four blast furnaces, three-fourths of the foundries, 90 per cent of the machine shops, 80 per cent of the steel fabrication facilities, and 80 per cent of aircraft-related industries.

Of course the protective devices we employed in our study exist only on paper. I don't pretend to know how many of them exist, in fact, in the industrial plants of Russia. As with most things in Russia, we Americans don't know as much as we'd like to. But we do know a few things.

We know, for example, that the Soviet has been working on its civil defense program a long time. And we know that the pace has accelerated since the signing of the ABM treaty, a fact which may in itself be significant. Within a few months after signing that treaty, the Soviet named Colonel-General Altunin as Chief of Civil Defense and Deputy Minister of Defense. Since then, official Soviet sources have listed Civil Defense Troops on a par with the other five Soviet military services, including the Strategic Rocket Troops. And in a book he wrote last year, Soviet Minister of Defense Marshal Grechko asserted that civil defense has now become a matter of strategic significance. He is saying, in other words, that it is important to the strategic balance.

We know, too, that the Soviet is actively pursuing the training of its population in protective measures. In 1973, a new compulsory civil defense program added 20 hours of training to the basic 21-hour program in effect since 1967. Students in the second, fifth and ninth grades, as well as those in the institutions of higher learning, now have civil defense in their curriculum. In the 1972–73 time period, the Soviets constructed model villages for use in civil defense training. This training includes practice loading for evacuation, construction of expedient radiation shelters, firefighting, rescue, medical aid, decontamination, and reconstruction.

As early as 1972, Russia was testing various means of transporting evacuees. Motor convoy movements were rehearsed in Leningrad. In Magnitogorsk, street cars were tested for factory evacuation. Large refrigeration ships were tested for evacuating the population of Sevastopol, and river boats were used at Omsk.

Civil administrative authorities have been provided with hardened command facilities to ensure survival of political control after attack.

Through massive summer exercises, the Soviets are developing a cadre of trained people with the skills that will be needed in evacuation areas. The organization which provides this cadre now has about 10 million members.

There is evidence, too, that about three-quarters of the Soviet industrial plant built within the last decade has been placed in outlying towns. Scientific centers also have been located away from large urban areas. Duplicate facilities have been built for some critical industries, ready for urban evacuees to step in and start them up. We know the Russians have constructed some underground complexes, but we don't know how many.

According to our government's estimates, the Soviets are spending about one billion dollars a year on civil defense. Put all these factors together, and the evidence seems clear: Russia is working systematically to bring all the elements of its C.D. plan into being.

Why do they need all this protection—at the very time they're moving into a position of nuclear superiority which should assure them that the U.S. will not dare, under any circumstances, to initiate a nuclear exchange?

To summarize quickly, it seems to me we have this kind of situation: We have the Soviet Union driving hard to acquire the capability for knocking out most of America's strategic forces. At the same time, it seems to be driving equally hard to protect itself from the consequences of such an attack.

This does not necessarily mean that the Soviet's long-range strategy calls for nuclear war. The men in the Kremlin may simply be seeking to neutralize America's nuclear power. If they can accomplish this, they may feel they can pursue their objectives by other means—and with impunity. Recently they seem to have been doing quite well, without firing a shot.

I suppose each of us has his own opinion on what these Soviet objectives are. Does it simply want to extend its influence throughout the world? Does it want to become the dominant power on the world scene? Has it reverted to old-fashioned imperialism? Or it it still pursuing the goal of a universal communist society?

Some people have suggested one other eventuality that might bring the Soviet to use the power she is acquiring. This is, very simply, to ensure the adequacy of her food supplies.

As you know, Russia has lately been experiencing crop failures that have forced her to make massive grain purchases abroad. We tend to place much of the blame on her system of collective farming, but the Soviets say bad weather has been the decisive factor.

Coming from Seattle, I think I know something about rain, Beyond this, I claim no expertise on the subject of weather. But there are experts who say there's a climatic trend developing which may well affect crop production in part of the Northern Hemisphere. If these authorities are right, we may see Russia's crop production going from bad to worse in the years ahead.

These climatologists tell us the mean temperature in the Northern Hemisphere has been declining since the 1940s. It hasn't dropped enough yet to affect the market for long-john underwear, but it apparently doesn't take much of a drop to affect the market for crops. We're told that a decline of only one degree centigrade will translate into a 27 per cent reduction in agricultural yields at Northern latitudes, which include much of Asia, Eastern Europe and, of course, Russia.

I don't know that anyone is predicting the imminent arrival of another Ice Age, though a Rand Corporation study last year said that "recent climatic trends and the lessons of history make the little ice age conditions a promising scenario for a future climatic state." In any event, if Northern

Hemisphere temperatures do continue to decline, the United States may be confronted with this choice: Do we choose to feed our allies in Europe and Japan, or our adversaries in the Eastern bloc?

If we choose to feed our allies, we might then find Russia sorely tempted to employ its nuclear superiority. I know of no case in history when a nation with superior military power permitted itself to starve while another nation sat down to a full dinner table.

Whatever Russia is after, now or in the future, obviously the United States is likely to constitute the one big roadblock in the way. Like Avis, the Soviet has been number two for a long while. It's trying harder, but with more tangible results than Avis.

The Western colonies have disappeared, as communist doctrine predicted, and a growing number of them are now in the Marxist camp. Russia has about two and a half times as many men in uniform as the United States. It has enough spare tanks and SAMs and fighter planes to fill the order of any Third or Fourth World dictator who wants them. And from three rowboats and a leaky sloop, it has come all the way to a Navy with more ships, and newer ships, than ours. Our Sixth Fleet in the Mediterranean has been neutralized, and Russian naval power can now support its objectives anywhere in the world.

Recently we've seen growing evidence that, while the Soviet may be short on wheat, it's certainly feeling its oats. We've seen Angola. And now we see Russian arms, and allegedly Cuban soldiers, pouring into a Marxist Mozambique which has proclaimed a state of war with Rhodesia. We see a similar situation shaping up on the Algerian-Moroccan Border, and we see Israel fenced in by growing stacks of Soviet-furnished weapons.

But the subject I'm supposed to be addressing is strategic power. What's its role in all this? A few minutes ago, I suggested that the Soviet may simply be trying to neutralize U.S. strategic power. Russia's own nuclear capability is of course the big gun—the big threat—that stands behind the infantrymen and the tanks in Mozambique, the Arab states, and the Warsaw Pact forces. If the Russian nuclear gun is clearly of larger caliber than ours, then isn't it likely that the tactical forces of Russia's allies can move—perhaps with impunity, but at least without overt interference from what is left of the Free World?

All of this has been taking place since the Cold War ended. I'm sure it has ended, for a while back one of our Seattle television stations put on a very learned discussion proclaiming its termination. So now we have the more comforting term of Detente. Of course President Ford has exorcised the word from his vocabulary, but Brezhnev still likes it fine. At the recent Communist Party Congress, he said: "We make no secret of the fact that we see Detente as the way to create more favorable conditions for peaceful socialist and communist construction."

I'm not sure what he meant by the word "peaceful." I guess he meant that Russia can get what it wants while remaining at peace. All the shooting is done by Cubans and black men and maybe Arabs—with Russian weapons.

But this can be a dangerous game. John Kennedy once wrote a book called "Why England Slept," which recalled the step-by-step march that led to World War II. When Hitler set out on that road, England and France could have deterred him. Instead, they elected to do nothing while the Rhineland, Austria and Czechoslovakia disappeared. Success bred success and led, finally, to miscalculation. When he invaded Poland, I'm sure Hitler thought he had England and France bluffed out of this hand, too. After all, they had sat out the entire game up till then.

We have sat out the war in Angola, which was fought under the guise of a civil war. We probably would sit out an Algerian-Morocco war, and an invasion of Rhodesia, and perhaps we should. The Communists are smarter than Hitler and, so far, more patient too. If they achieve control of places like Italy and Spain, it will probably be through the Communist Party and its allies already inside the gates. They tried in Portugal last year, and came very close to succeeding.

Of course, it's difficult to see how the United States could use its military muscle in situations like these. But there are other kinds of situations. Suppose the Soviet should intervene directly in an Israeli-Arab war? Is this the point at which the United States, including the Congress, would decide that our national interest was at stake? And if so, what would we have for options?

James Schlesinger recently pointed out that the only way to have non-nuclear options is "to maintain effective general-purpose forces and a stalwart conventional capability." Right now, if I came to a face-to-face confrontation with the Soviet, I am afraid our conventional forces are outmanned and outgunned. (That's my comment; not Schlesinger's.)

In such a situation, we might be left with only our nuclear deterrent. And when that times comes—if it comes—and we are faced with Soviet nuclear superiority, then we have no deterrent at all.

Suppose you were the President of the United States and you picked up the hot line and took a phone call from Moscow like the hypothetical one I suggested earlier. Suppose the voice on the other end told you the Soviet was evacuating its cities. You know their industrial machinery is pretty well protected, and ours isn't. We are sitting here naked.

What would you do?

In summary, I'd like to re-emphasize that I have tried here only to raise some questions. I don't pretend to have the answers. As background for the questions, I've noted that there is a great deal of evidence to indicate that the Soviet Union is moving toward clear superiority in nuclear power. There is evidence that she is constructing a civil defense apparatus as a strategic companion to this power. I've asked you to consider the possibility that the Soviet may someday be tempted to use such superiority, either as a weapon or as a deterrent to prevent the United States from acting in its national interest.

I appreciate the opportunity to share these concerns with you. I hope you will not brush them off simply because they come from an individual you have categorized as a "hawk." I don't believe in hawks versus doves. I believe all of us want the same thing. All of us want to preserve both the peace and the values that have made this a great nation. In any event, neither a hawk nor a dove puts its head in the sand. This, presumably, is a trait only of the ostrich. Thus I think that in this seminar you will be objective in your examination of international security. I think it's a matter which calls for broad examination by thinking people everywhere—and what more appropriate place to start than in these two celebrated seedbeds of thought, MIT and Harvard?

Let me leave you with just one more word. It's something Winston Churchill said when World War II was over. He said: "And so, the great democracies triumphed, and were in a position to resume the follies that so nearly cost them their lives."

TV'S ROBERT MACNEIL REPORT DEALS WITH TAX REFORM

Mr. KENNEDY. Mr. President, the Robert MacNeil report recently devoted one of its evening TV programs to an excellent analysis and discussion of many of the complex questions involved in the current debate on tax reform and controls on tax expenditures.

The guest participants in the program were Robert Brandon, director of Ralph Nader's Public Citizen Tax Reform Research Group; Deputy Assistant Secretary of the Treasury William Goldstein; and Representative ABNER MIKVA of Illinois.

The Robert MacNeil report, produced in New York City by station WNET, is distributed nationally by the Public Broadcasting Service and is seen in Washington at 11:30 p.m. on channel 26.

Each night, the program provides a detailed analysis of an important issue in the domestic or international news. The program has received consistent high praise for its thorough and informative coverage as a useful supplement to the traditional TV news programs.

I believe that Members of the Senate concerned about tax reform will find the MacNeil report's discussion of great interest, and I ask unanimous consent that a transcript of the discussion may be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

For: WNET/TV (Channel 13).
Program: Robert MacNeil Report—Tax Reform.
Date: April 12, 1976, 7:30 p.m., New York City.

ROBERT MACNEIL. Good evening. The Senate voted late this afternoon to set a ceiling of nearly four hundred and thirteen billion dollars on federal spending for the next fiscal year; that is nineteen billion dollars higher than President Ford has requested. Whichever figure eventually wins out, this staggering quantity of money can come from only one place; the taxpayers, and the largest part from the individual returns due on Thursday. But this year, side-by-side with the Congressional debate on the budget, there's a hot debate on tax reform to reduce unfairness in the present tax system, and that's what we address tonight: Why reform is needed, what kind we're likely to get, and who would pay for it.

The income tax started in 1913 under the Sixteenth Amendment is a progressive tax; people who earn more, in theory, pay more both in actual dollars and in percentage of their income. But we also have a system of deductions, exclusions and credits begun in the 1920's which allows people to reduce the taxes they pay the federal government. Since rich people benefit more from deductions than poor people, the system is not as progressive as was originally intended. This system of deductions has made the tax code increasingly complex, its six thousand pages of fine print sometimes baffling even the IRS and forcing half the taxpayers to seek professional advice. This complexity, and the sense that the system is not fair, have led to growing demands for tax reforms. Jim?

JIM LEHRER. Yes, Robin, and tax reform has come to mean closing what most people consider to be loopholes in the tax system, but "loophole" is not an accurate description of what it's actually all about; the correct term is "tax expenditure" money that is not collected as taxes because, as you just said, exemptions, special deductions, credits and so on. They're sometimes known as "tax breaks" or "tax shelters"; all those items that are constantly under attack by everybody but their beneficiaries. Most are designed to encourage people to do something like buy homes or contribute to pension plans or charities, or offer relief for financial hardship like high medical bills, or encourage business to reinvest its profits to help the economy. There are eighty-two such items which qualify as tax expenditures under the present system; individual taxpayers were able to take advantage of seventy-one billion dollars worth last year, business and corporations twenty-one billion dollars, for a total of ninety-two billion not collected as taxes compared to two hundred and fifty billion that the government did collect.

Robert Brandon is Director of Ralph Nader's Public Citizen Tax Reform Research Group and a registered lobbyist for tax reform. Mr. Brandon, what is wrong with the tax system that allows these tax expenditures?

Robert Brandon. Well, the basic problem is tax expenditures are both unfair and inefficient. They're unfair because their primary benefits go to high income people and to owners of corporations as a result of the tax system that's grown out of the politics of taxation. I calculated recently that as a result of all the deductions, all the tax expenditures in the code, the average taxpayer making less than twenty thousand dollars a year is actually paying eight hundred dollars more in taxes to confer benefits on people making over twenty thousand dollars a year. In the extreme example you have in 1973, seven millionaires paying no federal income taxes. You have six hundred and twenty-two people making over a hundred thousand dollars a year and paying no income taxes. Tens of thousands more making over thirty thousand dollars a year paying very little income tax. And this has eroded the progressivity of the income tax system. On the corporate side you have, while a legal rate of forty-eight percent, tax expenditures provide tax avoidance for many large corporations so that the average tax rate is probably about thirty percent, some corporations going down to fifteen, ten or even five percent.

Lehrer. But aren't there benefits that accrue from this kind of tax investment credits, the various things that help business that do help people?

Brandon. There are benefits. I would say most of the benefits, though, are very inefficient. Because of the fact that tax expenditures are enacted in the code and hardly ever reviewed they continue to grow without anybody finding out whether or not the costs and benefits are worth it. In 1971 tax expenditures cost fifty-one billion dollars and they're now over a hundred billion dollars. If Congress says "no" to every new tax preference that's lobbied on, by 1981 we'll still have a hundred and fifty billion dollars of revenue lost and someone's going to have to make up the difference.

Lehrer. Are you, to make sure I understand your position now, are you against all tax expenditures?

Brandon. No, not at all. I think it's really deceptive to talk about tax expenditures, good or bad; the point is that viewing tax forgiveness as a form of direct—of government spending, conscious decisions to spend money in certain areas . . .

Lehrer. It's a form of subsidy, in other words?

Brandon. That's right. We can at least start, begin to evaluate whether or not these programs are effective and you no longer have this one quarter of the federal budget buried somewhere in the tax code, but rather you have it laid out, who's going to benefit by it, what are the essential benefits to society generally, and to test whether or not the costs are worth it; and there are many areas where the costs are definitely not worth it; aside from the fact that many of the preferences because of their very structure benefit higher income people opposed to lower income people, or benefit corporate interests that happen to lobby them through Congress.

Lehrer. Mr. Brandon, thank you. Robin?

MacNeil. William Goldstein is one of the senior men in charge of tax policy in the Treasury Department, he has the rank of Deputy Assistant Secretary and comes two steps under William Simon in the Treasury Hierarchy. Mr. Goldstein, what disturbs you most about the present tax setup?

William Goldstein. Well, the three goals of any tax system are: simplicity, equity, and neutrality. As you've already mentioned, our system is far from simple, it's complex and it gets worse each year, each time Congress tries to patch and tinker with the system it becomes worse. In the area of equity there are some provisions that are actually unfair, but a more serious problem I think at the present time is that the system's generally perceived to be unfair. Most everybody thinks that the guy down the street is getting a better deal taxwise than he; and finally, neutrality is the most complicated subject, but basically the system is not supposed to influence decisions, it's supposed to act upon decisions as they are. In fact, with a system of preferences that Mr. Brandon just described, in many cases the taxes are the dog and the business transaction is the tail that is wagging it.

MacNeil. People do things because the tax codes are arranged in certain ways?

Goldstein. Precisely.

MacNeil. Treasury Secretary Simon, your boss, said in December he wanted to see all tax expenditures, the kinds we've been discussing, wiped out. Is that still Treasury policy?

Goldstein. I believe what the Secretary said, and what he has continued to advocate, is that this type of reform, whether you call it basic tax reform, broad based tax reform, deserves the most furious, detailed study to see if a system can be devised that would accomplish that, still raise the necessary revenue, and make an improvement in each of those three areas that I've just outlined.

MacNeil. And that would wipe the slate clean of all these present expenditures, tax expenditures?

Goldstein. You would create a strong presumption against every single expenditure, try to start with . . .

MacNeil. And have to justify it all over again?

Goldstein. That's right, and many of those expenditures, the functions of those expenditures might be accomplished other than through the tax code by direct subsidy programs.

MacNeil. Well, for instance, on something that would concern a lot of people getting relief for the interest on their house mortgage or relief on their property taxes, how would they be compensated for losing that present benefit?

Goldstein. Yes. Well, if that is one of the benefits which fails to survive, presumably the greatly broadened base, derived mostly from repealing the tax benefits of the more wealthy and business, would permit drastically lower rates for all taxpayers and that the middle class, middle income fellow that presently likes his mortgage interest in tax deduction would be better off after taxes even though he didn't have that deduction.

MacNeil. Would you also be looking for some way of compensating corporations if their tax expenditures were removed?

Goldstein. Well, the corporations would presumably also benefit from lower rates, but the removal of these tax expenditures would also finance, or buy out, as we say, the very important program called integration of the corporate income tax which means, in effect, the elimination of the corporate income tax as such, and the passing on of that burden directly to the shareholders.

MacNeil. Mr. Brandon, in Washington, what do you see as the main difference in your approach and Mr. Goldstein's?

Brandon. Well, I think in theory we can agree on many things. I found it disturbing that on the heels of Secretary Simon's speech which really was a suggestion that we begin to look at this, President Ford in his State of the Union message, budget message, suggested an additional fifteen billion dollars of new tax expenditures. I think that's contrary to the way we ought to be going, we really should be moving in just the opposite way. I think, second, we really have to deal with some of the specific legislation in Congress now, I think the idea of that simplification is a goal that we have to strive for; there's a present bill in Congress now that I think needs to be focused on.

MacNeil. We're going to come to that in just a second. I just wanted to discuss another area for a moment; is an important part of taxation policy, Mr. Goldstein, to encourage the savings and the formation of capital to support industry in the country?

Goldstein. Yes, sir. The principal impact of the absence of neutrality in our system is there's a bias in our system built in in favor of consumption and against saving and investment. This is because we tax twice every dollar from corporate investment. We have a series, again, of patchwork things designed to overcome that bias, the whole system of capital gains, the fact that pension plan income is not taxed, and so on.

MacNeil. You also tax, as income tax individual interest gained in individual savings, private savings.

Goldstein. That's right, and we tax—of course, we tax corporate income at the corporate level and we tax the dividends again. And what this has resulted in, we feel, are several bad things: The first is, we have not had the investment growth rate of any of our competitor modern nations; and secondly, a drastic increase in the debt to equity ratios of corporations which places some of the major corporations in jeopardy.

MacNeil. Does that concern you, Mr. Brandon, the slowness of our growth rate as compared with other countries?

Brandon. Well, I think, if you look at the growth rate, our growth rate is not that slow. Our growth rate has been fairly constant over the last fifty years. It's a little difficult to compare our growth rate with those of the countries who were devastated during World War Two and try to make any real logical comparison. And the question of consumption versus spending, I think is a very important long range goal also. But let me say that the, quote, "capital formation proposals" that are being floated in Congress now really don't get at that. You have to remember, you mentioned savings interest, seventy-five percent of the adults in this country don't even have over five hundred dollars of liquid assets; they don't have enough money to save, they're simply trying to struggle and pay their bills and as we skew the tax system in favor of dividend holders, the top five percent of the income class, we're going to have to find ways of picking up additional revenue from the other ninety-five percent, the people that struggle all their lives just to try to make ends meet and really can't save.

MacNeil. Thank you. Jim?

Lehrer. Robin, the last tax reform bill was passed in 1969 and it was immediately tagged "the lawyers and accountants relief act" because it was so complicated. It's major innovation was a minimum tax on individuals, designed to get at millionaires who paid no taxes at all. As Mr. Brandon just said, another reform bill is now in the works, it's passed the House and is now in the Senate for hearings. It was written and drafted in the House Ways and Means Committee. Congressman Abner Mikva, Democrat of Illinois, is a member of Ways and Means. Congressman, what is in this bill that has passed the House and is now in the Senate? Does it take care of some of these abuses in this tax expenditure area, in your opinion?

Abner Mikva. Well, it's one small step toward taking care of the abuses; we estimate that it would close up somewhere between two and three billion dollars of tax preferences that are now in the code, if it passes in its present form but I must say that it's still alive over in the Senate but some of the powers that be over in the Senate don't seem too anxious to move on the bill.

Lehrer. It opens up some other ones, though, doesn't it? You say it closes about three billion in tax expenditures but doesn't it open up another two billion at the same time?

Mikva. Not really. There are some adjustments. About the only new area of preference, if you want to call it that, that's opened up is a substantial extension of the child care deduction. Some would argue that that isn't really a preference, that that is a legitimate cost of doing business, but if the wife or the second wage-earner has to hire somebody to take care of the children in order to earn money on which to pay taxes, that it's a legitimate deduction . . .

Lehrer. But without arguing the merits of it, it's still technically a tax . . .

Mikva. It is a deduction, yes.

Lehrer. Congressman, how in the world did all of this get started, this whole business of preferential treatment for some and not for others, the whole—it seems like a mess, looking at it from the outside.

Mikva. Well, it is a mess and it got started out of the best of intentions, somebody came up with an idea of something that really made sense, we really ought to subsidize a particular kind of activity, or encourage people to do something. Well, how do you do it? Let's create a preference for that kind of activity in the tax code, so therefore if you go out and you dig holes in your backyard, whether or not you strike oil you'll get some deductions in the tax code; if you strike oil we'll give you a special depletion allowance to encourage you to go out and strike more oil. Home ownership is a perfect example. Charity; one of the ones that everyone shies away from and I think that even Secretary Simon, when he's making his speeches on Wall Street, would not be for all at once getting rid of the charitable deduction. That is a clear example of why, of how we got in this mess. People thought it was a good idea to encourage charitable giving, so we put in a provision in the tax code that said you'll get a deduction for every dollar you gave away. Well, that sounded so simple and it has created such complications.

Lehrer. Well how do you feel about it? Do you think we ought to do away with the tax expenditures altogether and start all over again, or . . .

Mikva. Well, let me start off by saying if we did, if we got rid of almost all of them, let's say the charitable ones alone, we could reduce tax rates by somewhere between thirty and thirty-five percent, for everybody. It's a tremendous encouragement to go after that kind of a task. I think that the American people are kind of suspicious that we don't really mean it; one of the problems that we've had with tax reform in the past is that even as we closed up a loophole or close up a preference, the average taxpayer doesn't see any benefits going to him, they cynically say, "Well, that just means that much more money for the government to spend," or, "The lawyers will just find some new loophole to take the place of the old one." If we can carry reform to a real reduction in rate so that those middle people who are paying and paying and paying will really get a reduction in their taxes, then I think we can build a constituency for reform. Right now Mr. Brandon and Mr. Nader are our constituency and. . .

Lehrer. There's nobody—it is not a real fiery issue with the public, is there? Is that the reason, cause they can't, they don't see the relationship?

Mikva. They don't see the relationship. They're for it in theory but not in fact.

Lehrer. Mr. Goldstein, let me ask you. What do you think of this House bill that's now before the Senate?

Goldstein. The principal reform provisions in it, the limitation on artificial accounting losses and the minimum tax changes are basically, well the first is strictly an admission proposal back in 1973, the other is an idea that we support; we have another way of doing it, we're very much in favor of this type of reform, we're very much discouraged by what we think is going to happen to it this year.

Lehrer. What do you think's going to happen to it?

Goldstein. I think there'll be no action prior to the end of June when we'll have some kind of extension of tax cuts for the balance of the year, and there's some possibility of action in the fall but it wouldn't surprise me if there was even no action at that point.

Lehrer. Mr. Brandon, one of the things you do is keep tabs on how legislation is doing, do you agree with Mr. Goldstein's less than optimistic assessment of it getting through the Senate?

Brandon. Well I think it's still going to depend; we—clearly there are eighteen men over there in the Senate's Finance Committee that are going to have a lot to say about that, and one in particular, Russell Long.

Lehrer. He's the Chairman of the . . .

Brandon. That's right. Now, he has not been known for his propensity toward advocating tax reform in the past and, unfortunately, members of this committee have tended to go along with most of what he wants to happen and he has already said that he doesn't like the end to tax shelters which is contained in the House tax bill, and that he doesn't think his committee can deal with tax reform by June, and the tax cut may have to be split off.

Lehrer. So in other words, it isn't going to make it?

Brandon. Well, I don't know. I think it can make it. I think if people out there will write to their Senators, particularly the Finance Committee members . . .

Lehrer. What's your reading of it?

Mikva. I'm a little more optimistic than the Secretary or Mr. Brandon. It has—there's a regular obstacle course for it over there in the Senate, I don't deny that, but I think that there's enough seen behind the idea, even without a constituency, that any kind of tax bill that comes out of committee is going to get . . .

Lehrer. You know, I still I don't understand from any one of the three of you, why it's such a neat bill anyhow, other than it's called tax reform. What does it accomplish that is so great?

Brandon. Well, it does one very important thing, it primarily will stop tax shelters, it will stop the things that you read about in the paper, your favorite doctor or lawyer or executive being able to shelter hundreds of thousands of dollars of income by getting involved in artifical losses, drilling funds and so on. It does that. It strengthens the minimum tax considerably.

Lehrer. The movie—the movie . . .

Brandon. Well, it's real estate, it's oil . . .

Lehrer. Making money, a doctor or a Congressman or a television correspondent or anybody making a lot of money in their main occupation and then gambling it, say, on a movie enterprise and it doesn't matter whether they win or lose . . .

Mikva. That's right, they're paper losses many times. The paper loss is so great that it doesn't matter if the real investment is a winner or not.

Lehrer. Mr. Goldstein, let me ask you, you said earlier that you were very interested and feel that the tax laws should be simplified. Does this House bill make it any simpler? Is it still going to be complicated and we're all going to need help to make out our tax returns?

Goldstein. No, I think the House bill makes it more complicated in many important respects; that doesn't mean we don't support it. I think the provisions that Mr. Brandon described aimed at ending the so-called deferral type of shelter, even as passed by the House have many exceptions to the exceptions to the exceptions and to write those all down on paper takes a lot of paper and there's still going to be a lot of room for lawyers and accountants to move around. That's the nature of the beast we have now. One of the things that may come out, if this bill fails, is the beginning of the building of a real concensus to have the type of broad based tax reform that I was walking about earlier. That's the silver lining in the cloud, I guess.

Lehrer. In other words, do away with all tax expenditures and be able to lower the rate, you mean?

Goldstein. Yes, sir. At least that's to start with the presumption that none are needed, as I say, the chances are that several will come back in pretty good, but they really need to be looked at.

Lehrer. Who's opposed to this bill? If the Ralph Nader group is in favor of it and the administration's in favor of it and the liberals in the Congress are in favor of it, who's opposed?

Goldstein. Each group that would obviously have an initial detriment figures that they'd better start fighting early so that their voices are heard.

Lehrer. Everybody who has a preference, right?

Mikva. And those are the only voices that are heard, so therefore you get, the average Senator or Congressman gets only mail against the bill; there's nobody really for it except a few professionals and reform lobbyists like Mr. Nader, Mr. Brandon, but everybody else you hear from is against it, the real estate industry says, "Oh, you're going to kill the industry," the movie industry says, "Well, there goes Hollywood. . . .

Lehrer. There goes show biz. All right. Robin?

MacNeil. Just to stay on that point for a moment, Congressman, how much is Senator Long's personal opposition responsible for the slow pace in tax reform?

Mikva. The Chairman of the Senate Finance Committee under our structure is a very powerful man, especially when it comes to tax reform. He's very powerful, anyway, I assure you. But on this issue it's going to be very tough to move a bill without him, but not impossible and I really feel that given the pressure of an election year, and there are good things about that as well as bad things, that it's going to be very hard for Senator Long to sit and do nothing. He may end up doing very little in the committee, but I think when the bill hits the floor much more of the reform that we put in it in the House side will survive than is now expected.

MacNeil. So, what would you gentlemen guess we're going to end up with this year? You're very dubious, Mr. Goldstein, we're going to get anything before the election.

Goldstein. We'll get a tax rate extension, tax cut extension; we'll probably get some changes in the estate tax, increasing the personal exemption, there's a pretty broad consensus that's been built for that by some very effective lobbying; and we may get a type of minimum taxable income which Senator Long has indicated from time to time he favors.

MacNeil. What effect would that have, minimum taxable income? More high income people would pay more tax?

Goldstein. That's right The idea is almost everybody would pay some tax but on the other hand almost everybody would have the opportunity to participate in some of the shelters that they've been participating in.

MacNeil. What do you see, Mr. Brandon, as what we're likely to end up with?

Brandon. Well, I still think there's a good chance, I'll agree with Congressman Mikva, there are a number of people in the House and the Senate, like the Congressman, who worked very hard on behalf of the average taxpayer's interest in this and have really ignored the ramrodding through of special interest groups. There is a coalition on the Senate floor that will be led by Senator Kennedy, I believe, as well as a number of Senators, Senator Haskell on the Finance Committee, that would like to see some tax reforms through this year. I think we can get some tax reform. I would object to simply a general increase in the estate tax exemption that was mentioned, providing relief to the wealthiest seven percent of all the people in the country, it seems to me, that makes just no sense at all. . . .

MacNeil. That's just more of the old business again, isn't it?

Brandon. That's right, and it's being done in the name of the small family farm which I think does need help and can get help without giving great estate tax relief to the Nelson Rockefellers of the world.

MacNeil. Congressman, with the House and Senate now each having their own budget committees and each of them very anxious to balance expenditures and revenues, is that going to produce any pressure for tax reform? Are the two things tied up?

Mikva. Yes, and it's a healthy pressure. The House Budget Committee, for example, came out with a greater expectation of what we would achieve by way of tax reform than the Ways and Means Committee itself put down, and we're charged with the responsibility of getting about three billion dollars more in revenue by closing up some of these loopholes. I think that's a charge that the House and the Senate are going to take seriously and it's an extra pressure on the House Ways and Means Committee and on the Senate Finance Committee, and that's healthy. In the past, the biggest problem with these tax preferences, as Mr. Brandon and the Secretary pointed out, is once they were in the code nobody ever looked at them again, they stayed and stayed and stayed. Now every year the Budget Committee reminds us that there's ninety billion dollars, or a hundred billion dollars, of tax preferences and we ought to account for them and try to get rid of those that we can.

MacNeil. Okay. Just in conclusion, you've all said that there's no real hot constituency for tax reform and that's why it hasn't really gotten substantially ahead, but I'm a bit dubious, Mr. Goldstein, about this silver lining. Suppose you did get a constituency and you did wipe out all the tax expenditures and you started afresh with a clean slate. How is the average taxpayer going to have any guarantee with the huge Federal deficits there are and rising expenditure every year, that he's going to get all that back in lower tax rates? Wouldn't the pressure on you and the Treasury be irresistable to recommend using some of that money to meet the present deficit?

Goldstein. Well, of course it's the same pressure that we have now and notwithstanding that pressure the President has been recommending substantially larger tax cuts than Congress has been willing to give. We think there're two separate questions: One, as to how you raise taxes, what the code looks like; and the other is the size of the deficits and how much money you collect. Both important questions but they're not necessarily tied together, you know.

MacNeil. What do you think about that, Congressman?

Mikva. Well, I think that you really have to tie the two together politically if you're going to get rid of a major number of these preferences and I would like to see us propose a package, I think it's going to need more executive leadership, that says we will put together a tax cut of twenty or twenty-five percent in return for getting rid of a substantial number of these preferences, independent of whatever else we do by way of cutting taxes or raising taxes on the economic basis, this is the equity dividend that every taxpayer will get if we close up the loopholes. That, it seems to me is how you build up a constituency.

Goldstein. You mean a tax cut or a tax rate cut?

Mikva. A tax rate cut, absolutely. But it will mean a tax cut for the average taxpayer. You see . . .

Goldstein. But not twenty or twenty-five . . .

Mikva. No, it may not be that total for them, but it'll be a lot because the largest number of taxpayers do not get to take advantage of these so-called loopholes; on a salary you don't get them.

MacNeil. Thank you very much, Congressman; thank you Mr. Brandon; thank you Mr. Goldstein. Jim Lehrer and I will be back tomorrow evening. I'm Robert MacNeil, good night.

UNITED STATES AND SOVIET NAVAL CAPABILITIES

Mr. TAFT. Mr. President, it has come to my attention that a recent study by the Pentagon shows that, in the last 15 years, the United States had built 122 major surface combatants of over 3,000 tons, while the Soviet Union has built only 57. According to some, this indicates that the United States-Soviet naval balance is not moving in a direction unfavorable to the United States.

Whatever the Pentagon figures on construction reveal, it is useful to look at the change in the balance between the United States and the U.S.S.R. over the 15 years discussed. In 1960, the Soviet Union had 32 surface warships of over 3,000 tons; of these 8 were built before World War II. In that same year, the United States had 151 combatants of over 3,000 tons; 33 of those were aircraft carriers, our most powerful type of surface ship. In 1975, 15 years later, the Soviet Union had 72 surface warships of over 3,000 tons; the United States had 88—all figures are from Janes Fighting Ships, are based on standard displacement, and exclude amphibious ships. Of the 88 ships having over 3,000 tons displacement in 1975, only 14 were aircraft carriers.

There has been another interesting and key development in these last 15 years, in terms of ship numbers. In 1960, the United States had 23 nuclear submarines, the Soviet Union had 6. In 1975, the Soviet Union had 117 nuclear submarines of all types, the United States had 102.

To counter the Soviet submarines threat in 1960, the United States had 699 escort vessels. Again, the Soviets, while possessing a large conventional submarine fleet, had only six nuclear submarines. Today, to face the Soviet fleet of over 70 nuclear attack submarines; plus numerous conventional subs, we have 165 escorts. Moreover, there is little doubt the Soviet subs are programed to an antisurface ship role.

I think these figures give a useful picture of the numerical trends. What of the qualitative aspects of Soviet and Americans ships?

The "Kara"-class cruiser is the most modern in the Soviet Fleet. On a displacement of 8,200 tons it is armed with: helicopter; SS–N–10 antiship missiles; four SA–N–4 anti-aircraft-missile launchers; four SA–N–3 anti-aircraft-missile launchers; four 76 millimeter guns; 30 millimeter guns; and 16-tube MBU's for antisubmarine warfare.

In contrast, one of our most modern cruisers, the nuclear cruiser California, displaces 10,150 tons, and is armed with: no helicopter; no antiship missiles; launchers for Tartar antiaircraft missile; 5-inch guns; antisubmarine torpedo tubes; and ASROC antisubmarine weapon launcher.

We thus see that smaller Soviet ships often carry much more and more effective types of armament than larger U.S. Navy ships.

Also, the Soviet Navy has large numbers of ships under 3,000 tons. Some of these are not effective outside confined coastal waters, such as the Baltic. But others can operate effectively against U.S. Forces in areas such as the Mediterranean. For example, the Soviet Navy now has over 10 Nanuchka-class corvettes. These ships displace only 800 tons. But they are armed with: six SS–N–9 antiship missiles, each with an 1,100 pound warhead; two SA–N–4 anti-aircraft-missile launchers; two 57 millimeter guns; and one or two MBU's for ASW.

The "Nanuchka" class is capable of operating in the Mediterranean, and has a top speed of 32 knots.

These figures and facts give a somewhat different perspective on what is happening to the United States-Soviet naval balance. I am not quite certain how the Department of Defense calculated its figures; but I do not see how the trends illustrated here can give us comfort.

THE DAIRY FARMER AND HIS PROBLEMS

Mr. NELSON. Mr. President, the dairy farmers of this Nation face a dilemma: Though they are being forced out of business as a result of a price-cost squeeze that has gone on for years, they and their cooperative marketing organizations have been attacked in the public forum on charges that would make consumers believe the price of milk is too high in the supermarket.

Now dairy farmers through their organizations are beginning to tell their story to the public so that the consumer can understand his own self-interest in the preservation of the family operated dairy farm. Such an attempt was a 2-day conference recently sponsored here in Washington by the National Milk Producers Federation. Among the distinguished speakers on the program was my colleague from Wisconsin, the Honorable Robert Kastenmeier.

Congressman KASTENMEIER knows something about the dairy farmer and his problems, representing one of the more important dairy areas of the Nation. In addition, in his position on the House Committee on the Judiciary, he has conducted extensive hearings on milk cooperatives and their activities. His remarks at the NMPF symposium are very important to a better public understanding of the issue and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

COOPERATIVES AND PUBLIC POLICY

The Honorable Robert Kastenmeier of Wisconsin, U.S. House of Representatives, Member, House Committee on the Judiciary, I welcome this opportunity to discuss the issue of cooperatives and public policy—an issue of increasing importance to farmers as well as consumers.

There has been increased attention focused on dairy cooperatives in recent years. The rise in interest in the cooperatives can be traced to several factors. Chief among them is the increased bargaining power gained by dairy cooperatives. We all know that, as power increases, so does public attention.

Consumer interest in cooperatives has risen almost in direct proportion to the rise in food prices. Milk and dairy products are basic food items. It is, therefore, natural that when the price of these products increases, it attracts consumer attention.

Heightened consumer concern with prices has also made them more aware of the complicated Federal Milk Order system. They seem to suspect that farmers, through their cooperatives, are exerting their influence to preserve a system viewed as anti-consumer.

And, certainly, the illegal activities engaged in by former officers of the Associated Milk Producers focused attention on dairy cooperatives. It also raised the interest of the Justice Department and the Federal Trade Commission in the cooperatives.

However, there has not just been greater interest in dairy cooperatives. There have been increased attacks made on the cooperative system. And, the attacks seem to be coming from several quarters.

The Administration, through the Council of Economic Advisers, the Office of Management and Budget, and the Economic Report of the President, argues that the Capper-Volstead Act should be reevaluated in light of "recent cooperative abuses."

The Federal Trade Commission, in a September 30, 1975 staff report, concluded that dairy cooperatives dominate certain markets and allocate markets to keep prices artificially high. There is the threat of FTC antitrust action against "anticompetitive activities and unfair practices" by cooperatives.

The Justice Department has instituted a number of well publicized law suits against large dairy cooperatives such as AMPI and MID AM.

The Council on Wage and Price Stability has recently undertaken a study of the impact of milk cooperatives on the availability and price of dairy products. An earlier study concluded that cooperatives use Federal Milk Orders to limit the supply of milk and, thus, raise retail prices.

Congressman Robert McClory of Illinois has introduced a bill to give the Attorney General authority to prosecute cooperatives when he finds evidence of undue price enhancement.

There is a common thread running through these charges and investigations. The common thread seems to be the premise that there is a direct correlation between the increased bargaining power gained by dairy cooperatives and the increases in dairy prices. It is time to lay that premise to rest.

Certainly farmers engage in bargaining through their cooperatives to improve their economic welfare. This county has a long history of promoting collective action to protect the individual.

But, how successful that bargaining actually is depends on the amount of market power held and how that power is used. In this respect, cooperatives come out on the short end of the stick.

The courts, in general, have followed the Supreme Court decision in 1960 when it declared that "individual farmers should be given, through agricultural cooperatives, acting as entities, the same unified competitive advantage and responsibility available to businessmen acting through corporations as entities."

This is the basis of the so-called "cooperative exemption" from our antitrust laws. But, to call it a true exemption is a misnomer. For, while cooperatives are not illegal per se, they cannot engage in otherwise illegal activities under the antitrust laws.

Cooperatives, then, share the same status in the marketplace as other businesses under the antitrust laws. Yet, there is a major and distinctive difference between cooperatives and other businesses under the antitrust laws.

Business normally exercises major control over its product supply, and thus, is better able to control prices. Cooperatives, on the other hand, generally exercise no control over their member's production, and thus, no control over product supply. This inability to control supply places strict limits on the cooperatives' ability to control prices.

The fact is that, while the bargaining power of cooperatives may have increased, they still do not and cannot control prices. The entire U.S. dairy industry is perpetually balanced on a narrow and sensitive fulcrum. The smallest changes in production, sales, or imports can create violent price swings.

This clearly sets them apart from other businesses. This basic difference led a former Chief of the Bureau of Economics of the FTC to note that perhaps different standards should be used in assessing cooperative behavior than we use in assessing other business behavior.

Although the dairy farmer is still a price-taker, not a price-maker, charges are increasingly being made that dairy cooperatives are engaged in price enhancement. In fact, I predict that this will increasingly replace the question of whether large cooperatives are desirable or legal as the main issue of public debate.

The argument that cooperatives artificially raise prices clearly is strategic since it easily appeals to consumers who are paying record amounts for milk. Yet, this argument is based solely on retail prices paid by consumers. No consideration is given to the price and income realities of the dairy farmer himself.

I would bet that most dairy farmers would be astonished to hear that they are receiving prices so high as to be unjustified. Let's examine some of the facts surrounding the charge of undue price enhancement by dairy cooperatives.

Compared to private dairy firms, the largest cooperatives are really quite small. In 1974 the largest private dairy corporation had more dollar sales than the five largest dairy cooperatives combined.

Kraftco ranked 33d in "Fortune's 500" while the largest cooperative, AMPI, ranked 141st. Cooperatives are still out-ranked far and away by privates. If there are artificially high prices, the private sector must bear as much if not more responsibility as the cooperative sector.

The dairy coop's standby pool has been charged with protecting premium prices imposed by monopoly cooperatives in federal milk order markets. However, it is seldom noted that the standby pool has been losing rather than gaining members. Reserve supply plants dropped from 22 in December 1972 to 12 at the present time. If the standby pool had really been as successful in "undue price enhancement" as its critics charge, it surely would not be losing members.

What about milk prices? In relation to average wage rates, they have been declining. In 1960 it took 12.6 minutes at average wage rates to earn enough to buy a half gallon of milk. In 1974 it took only 10.7 minutes. While it is true that milk prices have risen in recent years, wages have risen even faster.

How much of the actual cost of milk paid by the consumer goes to the farmer? Only 51 cents of every dollar in 1975. Marketing margins cost the consumer almost as much as the milk itself. The grocer received 17 cents of the dollar and the processor received 22 cents. If prices are artificially high, the marketing system must bear an equal share of the responsibility.

What of charges of excessive government price support purchases? USDA dairy price support purchases are really relatively small. In 1974 they amounted to 1.1 percent of total fat and 2.6 percent of total solids not fat. This decreased in 1975.

The fact is that commercial markets are absorbing virtually all dairy products marketed at prices above support levels. This would seem to suggest little or no "undue price enhancement" in the marketplace as a result of government price support operations.

The cruel reality is that dairy farmers are dropping out of business in record numbers. There has been a 70 percent decrease since 1950. These farmers did not leave farming because they were receiving excessive returns.

What, in fact, is the situation for today's dairy farmer? Is he living "high on the hog" with the proceeds from artificially high prices? The facts seem to indicate not.

The 1974 cost of producing milk in my home State of Wisconsin was $9.59 per hundredweight, according to University of Wisconsin farm management experts. This assumes an 8 percent of gross receipts for management, and home grown grains valued at market prices.

This is more than the farmer receives for his milk. What this means is that most farmers, their wives and children, receive even less than the minimum wage for the number of hours spent running a farm. This doesn't sound like artificially high prices are resulting in great profits for the farmer.

Milk prices may be high, but not because of "undue price enhancement" by the dairy farmers and their cooperatives. The disastrous economic policies of the same Administration that houses many of the critics of cooperatives are more to blame than anything else for today's milk prices. Milk prices rise, it's true, but the portion of the increase which trickles down to farmers goes immediately to cover the increased costs of their production.

It is often forgotten that farmers are among our largest consumers. They are every bit as much victims of inflation as everyone else.

Workers who negotiate regular wage increases should not be surprised when those increases appear in the supermarket dairy cooler. They should realize that the farmer had to pay more for production elements to help finance their wage increase.

Every time a union negotiates wage increases, as the Teamsters recently did, the portion of the consumer's dollar that goes to the marketing of a product increases.

One sees the limitations faced by farmers acting through their cooperatives when they are compared to labor unions. Farmers are charged with setting artificially high prices when they negotiate returns for milk slightly in excess of the federal support level. Yet, unions are free to negotiate wages far above the national minimum wage.

Further, and quite important, union members can strike to achieve their goals. Farmers hardly have this bargaining tool available to them.

Having capsulized some of the issues surrounding cooperatives and their image with the public and some elements of government, I would like to turn to the Congress. What kind of action can you expect from the Congress in the months ahead?

There is no antitrust exemption for illegal behavior by cooperatives and I do not believe that Congress is likely to take any action this session to alter the Capper-Volstead Act. What this means is that any initiatives taken against cooperatives will be through the courts and in public forums.

There does not seem to be any danger that the Congress will pass legislation limiting the ability of cooperatives to function. Prosecution of AMPI and related actions seems to demonstrate that the existing law is adequate to deal with abuses of bargaining power.

Frankly, I believe that those in the FTC and the Justice Department who are highly critical of cooperatives recognize the adequacy of current law. I believe that this is why criticism has shifted to market orders and pricing.

Congressional interest in cooperatives has shifted to the more general subject of the food production and marketing system. Both the House Agriculture and Judiciary Committees are considering bills to initiate studies of what is involved in getting food from the farmer to the consumer.

It now appears that the two committees are attempting to reconcile their approach to how a study will be conducted. There has been opposition to allowing the Federal Trade Commission and Justice Department to undertake their own study.

The likely outcome will be the creation of a temporary commission to study the whole system of moving food from farmer to consumer.

I would like to spend the next few minutes discussing briefly what role those of you in the dairy industry must play in the months and years ahead.

There is a strong indication that the issue of retail milk prices will be debated for some time to come. This cannot be ignored and it is up to those of you who are informed on the problems facing the milk industry and the individual dairy farmer to regain the initiative in the discussion.

The simple fact is that, if the general public continues to hear only one side of this issue, it will not be long before considerable pressure is brought to bear on the Congress to take a serious look at cooperatives.

While there has been considerable criticism coming down on the milk cooperatives, there has been a dirth of suggestions as to what reforms should be undertaken that would still result in an ample and regular supply of milk at reasonable prices.

Congress is not about to dismantle the milk marketing system and simply let markets return to chaotic conditions which formerly prevailed. However, if there are defects in the system, and clearly there must be or else the farmer would be getting a better return on his production, you are best able to recommend changes.

There is always a need for examination of defects in existing institutions. Those of you intimately involved in milk marketing and pricing are clearly in the best position to evaluate the marketing and pricing systems. The nature of milk production and marketing has changed and continues to change. The system, at some point, must change also to adapt to different conditions.

In this regard, you have the potential to play an invaluable role in guiding the Congress in its future efforts to bring about whatever changes are necessary, desirable and equitable to all concerned.

There are many issues with which you must concern yourselves. For example, experts are predicting that the number of Federal milk orders will decline drastically by the end of this decade. The trend is toward a merging of many markets with Federal milk orders in other parts of the country. You should be concerned with this trend.

The Minnesota-Wisconsin price is now the basic indicator of changes in milk values. It will eventually be eliminated as a Class III and basic formula pricing mechanism as conversion to Grade A milk continues.

The use of this single price to represent the value of milk for manufacturing is creating major financial and equity problems. These are problems with which you must be concerned.

Other issues in the pricing area involve plants manufacturing temporarily disadvantaged products. They are experiencing wide swings over periods of time in the returns they receive on different products. Plants with widely varying daily and seasonal surplus milk supplies are incurring substantial financial losses because make allowances are inadequate to cover their costs.

What this all means is that you must be concerned with the pricing of surplus milk. Alternate procedures must be examined.

Another problem area is the assessment of non-members to help cooperatives cover the costs borne by them in carrying the surplus. Critics of the present situation have not even begun to consider this problem. You must be concerned about what to do with this critical issue facing the dairy industry.

So, it is up to you to let the public know how things really are down on the farm. As basic as it sounds, you must increase your dialog with consumers. Critics of cooperatives and the milk marketing system bring a developed skepticism to the subject, and have very appealing arguments if left unchallenged. But, they lack your expertise.

You must also strengthen your relationship with the Congress. Unless your Representatives know and understand your position, they may not represent that position.

Finally, you must take the initiative in examining the milk marketing system and suggest how it should adapt to changing conditions. Increasing conversion to Grade A milk and handling regional surpluses are timely issues that require your attention.

Facing these problems directly will help to demonstrate that dairy farmers are interested in changing with the times. Active participation will enhance your credibility with the public. It is the best way to deal with your critics.

And, in the end, it is the only way to assure that the dairy farmer is finally going to get a fair return on his investment.

Let us not forget that an adequate diet is still the exception rather than the rule for a large part of the world's population. The United States is very fortunate that food takes less of the consumer's total income than any other industrial nation. This is no accident. This has come to pass only because of the productivity of our farmers.

Some Americans believe that food comes from the supermarket and always will be available. You and I know that food comes from the sweat and toil of farm families—husband, wife and children—working harder than ever so fewer people can provide more for this country. Let us not forget that the foundation of our industrial system rests on the broad shoulders of America's farm families.

American farm families have contributed immensely to the growth and progress of this country in the last 200 years. We must now take pains to assure their vital and paramount role in the next 200 years.

S. 3192, THE CONSUMER COMMUNICATIONS ACT OF 1976

Mr. HANSEN. Mr. President, a number of the people responsible for providing telephone service in rural areas of Wyoming have written to me in the past week or so to express their support for S. 3192, the Consumer Communications Act of 1976 sponsored by Senator HARTKE. I know that both the distinguished Senator from Rhode Island, Mr. PASTORE, and his counterpart in the House, Congressman TORBERT MACDONALD of Massachusetts, are opposed to holding hearings on this legislation until much later in this second session of Congress. But I think that the voices of the people who operate the smaller telephone systems in the United States are lost in the loud debate in Washington over competition among the major companies in the telephone industry.

This dialog does not reflect the problems that confront the dedicated men and women providing telephone service to Americans who live far from large cities. They strongly support this legislation, and I believe that their story has not been told. They have serious problems that they believe this legislation can relieve.

S. 3195 is intended to reverse recently-evolved FCC rulings which permit the connection of customer-provided equipment into the telephone network and which allow specialized common carriers to provide private intercity telephone-type service. Wyoming telephone companies are concerned that these policies will result in a degradation in service at a higher cost to the average telephone user.

One telephone operator in Pinedale, Wyo., has already placed his company on the market for sale. He believes the FCC actions will raise the rates he must charge to the point that he will not be able to provide telephone service at a reasonable cost. He and others express the fear that intercity competition may force the Bell System to revise its cost separation procedures. Since local telephone systems share in the income from toll calls, this could reduce a local system's income and mean higher charges for local calls, since the loss must be made up somewhere else.

Customer-provided terminal equipment causes double trouble for rural telephone systems. First, the customer's telephone equipment must match the network's intricate technical specifications. When a businessman or homeowner buys a telephone on the open market, he cannot be expected to know what frequency ringer his telephone system requires or any other technical specifications. Most people think all telephones are alike inside, but they are not.

I believe that one of these rural operators, Mr. William A. Lamb of Dubois, expresses these problems very well in a letter to the Honorable Richard Wiley, Chairman of the FCC. I ask unanimous consent that Mr. Lamb's letter to printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Dubois Telephone Exchange, Inc.,
Dubois, Wyo.

Hon. Richard Wiley,
Chairman, Federal Communications Commission, 1919 M Street, N.W., Washington, D.C.

Dear Chairman Wiley: Your Commission's approval in Docket 19528 to permit the connection of terminal equipment, including extension telephones, to our telephone system will create a costly mess. We can't believe you have deliberately set out to increase the costs to the general public. Your sole obligation is to protect the public. Our responsibility is to give the best telephone service available at the least possible cost to any and every subscriber.

Last summer there were two incidents in our exchange which illustrate this fallacy. One young man added an extension set to a rural line. The line runs 12 miles north through some of the roughest country in the United States. Five other parties on that line could neither hear nor be heard without shouting. We sent two-man teams out numerous times. The case of trouble was intermittent and indicated "line" rather than "station" trouble. Finally one of the older hands spotted an outside wire located in a position contrary to specifications. In tracing it to the end, the trouble was located in the newly discovered wire and the illegally installed set was found at the end of it. The wire was partially hidden and had been deliberately disconnected when our men were checking close to that station.

Another young man moved a telephone from one house to another in an isolated area. The wire he left laying on the ground eventually became wet and destroyed service on another rural line running 12 miles west toward Togwotee Pass.

The two young men involved in these incidents are well-educated and are of above average intelligence. They both wanted to avoid a minimal charge. Our company expended well over $500.00 in man and vehicle time to locate and correct the problems they created. If all subscribers are allowed to do this we can expect services outages covering 1,692 square miles. We have only 573 subscribers within this area but 80 miles from east to west boundary. The two major cost items to our company are labor and motor vehicle. Our economic survival depends on our ability to control the maintenance and trouble expenses. The above policy will remove our control over these items.

The ringing system for our exchange is multi-frequency-decimonic, which gives us the capability of giving full selective subscriber signalling. Each set has a different cycle ringer to agree with the frequency sent out of the central office. The wrong ringer will cause chaos as far as the correct billing and ringing is concerned. You surely can't believe the general public could know what cycle ring is being sent out by equipment, what frequency they are receiving, and how the ringers on one line affect others on the same line.

In the past 12 months three of our subscribers have obtained by gift or purchase, automatic answering sets. We did not tell them they "could not" connect the sets, but we would not make the installation for them. None of the three sets were compatible with our equipment and would not work for them. This wasted expense on their part has caused them to be angry with us.

One subscriber-owned radio loop in use in our exchange is equipped with a highly sensitive receiver and is picking up random conservations on one of the cables it works through. It acts as a regular listening device to any and all conversations. If this is not corrected soon, it will have to be disconnected to protect the privacy of other subscribers. Another angry subscriber!

For an example of what we are afraid will happen to our present telephone system on a nationwide basis if your policies are to continue, you have but to tune in on any channel of the Citizens Band Radio Service.

With your actions it will be impossible for us to accept the responsibility for even mediocre telephone service. It is anticipated the result of your actions on the industry settlement structures built up over the past 50 years, will reduce the revenue we receive for costs of operating the toll facilities in this certificated exchange area. The costs will still be here and if we are to operate at all, we will have to raise the rates for local service.

Net result will be an extremely poor standard of telephone service at much higher price to the consumer. We fail to see how you have correctly discharged your obligation and you make it impossible for us to accept our responsibility.

Yours truly,

Dubois Telephone Exchange, Inc.,
William A. Lamb, *President.*

Mr. HANSEN. Mr. President, I hope that those responsible for setting the agenda of debate on S. 3192 will consider the plight of the small independent telephone companies that exist in the world beyond the Potomac and Hudson Rivers. Rural telephone systems serve subscribers that can be reached only by stringing miles of expensive cable. There is no profit to be made in this kind of service, but the rural system's monopoly requires that anyone who wants service be served. If the monopoly rate structure is diluted by FCC fiat, I am worried about the result in States like Wyoming.

The Hartke bill, which I have been pleased to cosponsor, has been supported by such diverse individuals and organizations as the Wyoming Public Service Commission the State treasurer, the State auditor, and numerous rural and independent telephone companies. I would hope this legislation could get more serious consideration during the remainder of the 94th Congress.

SPECIAL IMMIGRATION MEASURES FOR LEBANON

Mr. KENNEDY. Mr. President, I am pleased to note that the Department of State and the Immigration and Naturalization Service have announced that special measures are being taken to facilitate the immigration of Lebanese war victims to the United States.

The special measures stress family reunion and also cover Lebanese nationals currently in the United States, whose visas have expired.

These measures were outlined to me following a hearing of the Subcommittee on Refugees, which I serve as chairman. I commend the Department of State and INS for taking these special measures. These humanitarian actions deserve the full support of Congress and the American people. Hopefully, some of the immediate problems—especially those involving family reunion—will be speedily resolved.

Mr. President, the Subcommittee on Refugees will continue to monitor the situation in Lebanon closely, and we will work with the State Department on additional measures which may be needed.

I would like to share with the Senate a summary of the special measures taken by the Department, which were communicated to me in an April 27 letter from Assistant Secretary of State for Congressional Relations, Mr. Robert J. McCloskey. I ask unanimous consent that they be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

The "special measures" outlined in the letter to Senator Kennedy from the Department of State include the following:

(1) *As to Lebanese nationals in the U.S. whose visas have expired,* the Immigration and Naturalization Service has directed its district offices across the country "to view sympathetically requests by Lebanese nationals for extended voluntary departure in cases of compelling humanitarian need."

(2) *As to immigration from Lebanon to the U.S. for family reunion purposes,* the Department of State is cutting redtape and waiving certain document requirements to facilitate the processing of visa applications. The communication to Senator Kennedy states that "the Department is endeavoring to bring its consular complement in Beirut up to full strength. . . . At the current time the Embassy is down several officers because of the security situation and earlier drawdowns of Embassy personnel. . . . One of the greatest hindrances to rapid processing of visa applications in the past weeks has been the outbreaks of fighting in the country. Not only have applicants been interdicted from travelling to the Embassy but Embassy local personnel, vital to the processing system, have been forced to remain at home. We anticipate no major difficulties in meeting the workload requirements posed by the Lebanese situation. However, workloads will vary as conditions permit or restrict the free travel of applicants around Beirut.

(3) *As to Lebanese nationals stranded in Third countries such as Syria, Greece, Cyprus, etc.,* the Department will expeditiously process applications for both nonimmigrant and immigrant visas to the United States.

(4) *As to the use of the general refugee and parole provisions of the immigration laws for the expeditious movement of Lebanese nationals to the U.S.,* the Department stated that "all numbers" currently available for refugees "are committed until July 1." However, "the Department does not believe the situation now merits a general parole program. . . . If a parole program seems indicated, the Department in conjunction with the Justice Department will consult the relevant Congressional committees."

(5) Special measures are also being taken in behalf of Armenian and Assyrian refugees who remain in Beirut under the mandate of the United Nations High Commissioner for Refugees.

TAX CUTS

Mr. TAFT. Mr. President, I have commented in an earlier statement about the unfortunate failure of the Joint Economic Committee to consider the use of tax cuts rather than Government spending to stimulate the economy and reduce unemployment.

The committee is under the impression that Government spending is a faster way to stimulate demand than a tax cut, part of which may be saved, rather than spent. While the committee admits that a tax cut somewhat larger than the corresponding spending increase would be just as directly stimulative of demand, they do not seem to realize that there are supply effects to consider as well.

The increased tax burden—either from direct taxes or inflation—that an enlarged Government spending program would produce would have a direct disincentive effect on output. A lower set of tax rates would have a direct incentive effect on output. This fact is illustrated over and over again throughout economic history. Higher marginal tax rates on anything, be it liquor, luxuries, automobiles, labor, or capital, will result in less of that product or service being offered to the market. Higher taxes on labor and capital, the two major factors of production, must result in less labor—more leisure—and less capital formation—less investment and more consumption. This results in less output, or a slower rate of growth of output. This is exactly what we do not need at a time of high unemployment.

An excellent article from the National Observer details the successful use by this country of tax cuts for economic stimulation on many occasions in this century. It also details the disasters—the Great Depression, for one—that have been precipitated or aggravated when this country took the opposite course. I urge my colleagues to examine this article, which I ask unanimous consent be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SHOULD A GOP SCROOGE SHOOT ST. NICK?—TAXES AND A TWO-SANTA THEORY

(By Jude Wanniski)

The only thing wrong with the U.S. economy is the failure of the Republican Party to play Santa Claus.

The only thing wrong with President Ford is that he is still too much a Hoover Republican when what the country needs is a Coolidge Republican.

These statements, seemingly absurd, follow naturally from the Two-Santa Claus Theory of the political economy. Simply stated, the Two Santa Clause Theory is this: For the U.S. economy to be healthy and growing, there must be a division of labor between Democrats and Republicans; each must be a different kind of Santa Claus.

The Democrats, the party of income redistribution, are best suited for the role of Spending Santa Claus. The Republicans, traditionally the party of income growth, should be the Santa Claus of Tax Reduction. It has been the failure of the GOP to stick to this traditional role that has caused much of the nation's economic misery. Only the shrewdness of the Democrats, who have kindly agreed to play both Santa Clauses during critical periods, has saved the nation from even greater misery.

It isn't that Republicans don't enjoy cutting taxes. They love it. But there is something in the Republican chemistry that causes the GOP to become hypnotized by the prospect of an imbalanced budget. Static analysis tells them taxes can't be cut or inflation will result. They either argue for a tax hike to dampen inflation when the economy is in a boom or demand spending cuts to balance the budget when the economy is in recession.

AN EARLIER HEYDAY

Either way, of course, they embrace the role of Scrooge, playing into the hands of the Democrats, who know the first rule of successful politics is Never Shoot Santa Claus. The political tension in the market place of ideas must be between tax reduction and spending increases, and as long as Republicans have insisted on balanced budgets, their influence as a party has shriveled, and budgets have been imbalanced.

They were not always so dumb. The GOP's heyday was in the 1920s, when, acting on the advice of Treasury Secretary Andrew Mellon—who served Presidents Harding, Coolidge, and Hoover—the Republicans cut tax rates no less than five times. Mellon, the embodiment of the Republican Santa Claus, argued that a cut in tax rates would provide business an incentive to expand, increase prosperity, expand the tax base, and thereby provide more revenues to the Government than would have accrued without a tax cut.

Mellon pointed out that the 65 per cent surtax on excess profits, enacted by the Democrats to finance World War I, had yielded $2.5 billion in 1918, but, in driving the economy into a recession, brought in only $335 million in 1921. He asserted that high taxes are self-defeating. Experience proved him exactly correct.

THE ROARING TWENTIES

In 1921, over the screams of congressional liberals, he pushed through a cut in the personal-income surtax in the highest brackets, to 50 per cent from the 65 per cent maximum, and an elimination of the excess-profits tax. The economy leaped out of recession, tax revenues poured into the Treasury, and by 1924 Mellon was ready for another cut, this time driving the surtax maximum to 40 per cent and putting a 40 per cent lid on inheritance taxes. The Twenties Roared.

"Any man of energy and initiative in this country can get what he wants out of life," Mellon asserted. "But when that initiative is crippled by legislation or by a tax system which denies him the right to receive a reasonable share of his earnings, then he will no longer exert himself, and the country will be deprived of the energy on which its continued greatness depends."

Mellon didn't fool around. As national productivity galloped ahead, consumer prices fell, employment expanded, and revenue increased, Coolidge staked the 1924 election on Mellon's proposal to cut the surtax to 25 per cent and the inheritance tax to a top of 25 per cent, with an 80 per cent credits against state inheritance levies.

A COOLIDGE LANDSLIDE

The New York Times, which in those days preferred income growth to income distribution, editorialized: "Languid critics may say there is nothing inspiring in humdrum projects to enforce Government economy and lighten the burdens of taxation. But they can say this only if they lack the imagination to perceive what Mr. Mellon actually means. It would lighten the demands upon millions of purses hard to fill. It would not only do away with oppressive taxes. It would lower the cost of living. It would release capital for productive industry and enterprise of all kinds. This would result in fuller employment of labor, multiplication of goods in common consumption, and probably bring about a period of great and legitimate expansion of industry and commerce never surprised in the United States."

Coolidge was elected in a landslide, and the Congress that swept in with him had to be retrained by Mellon from cutting tax rates deeper than he had proposed. The next four years were as glorious as the Times had forecast. The low tax rates not only produced an enormous expansion of the economy, with real per capita income increases approaching 4 percent a year, but they also produced sufficient revenue to pay off almost a third of the national debt, slicing it back to $17 billion by 1928. In eight years American productivity—output per man-hour—increased by 30 per cent.

During these glorious years, Secretary of Commerce Herbert Hoover had nothing much to do but co-ordinate disaster-relief projects, winning national acclaim for his kind heart and compassion. Hoover and Mellon were not mutual admirers, and after Hoover's 1928 election Mellon stayed on at Treasury only because Hoover could not fire a national Republican hero. But it was broadcast that Treasury Undersecretary Ogden Mills, a Hoover man appointed without consulting Mellon, would call the shots.

SHAKY WORLD ECONOMY

Seven months after Hoover took office the stock market crashed, not the result of fiscal policy, but of economic contraction in Europe and a rapid unwinding of most of the stock-market loans that had been built on the excessive monetary policies of the Federal Reserve. Hoover turned away from Mellon, who had advised: "Liquidate labor, liquidate stocks, liquidate the farmers, liquidate real estate," meaning the Government should keep hands off and let prices fall to a new equilibrium that would provide a sound foundation for recovery.

"Secretary Mellon was not hard-hearted," Hoover wrote in his memoirs. "In fact he was generous and sympathetic with all suffering. He felt there would be less suffering if his course were pursued. The real trouble with him was that he insisted that this was just an ordinary boom-slump. . . ."

Hoover did everything he could think of to slow liquidation. He got businessmen to pledge to hold on to uneconomic labor and to sustain uneconomic wage rates. He tried to prop up farm prices. He argued for expansion of Federal Reserve credit. And he signed the Hawley-Smoot Tariff Act to protect American labor, thereby causing a further contraction of the world economy.

BALANCING THE BUDGET

But these measures only delayed liquidation and were probably offset to a degree by a 1 per cent cut in the corporate tax rate in 1930. By March 1931 the New York Times could suggest that the economy seemed to have gotten over the worst of the recession and recovery lay ahead. But through the summer, another outburst of trade wars in Europe caused further global economic contractions, and in September Great Britain went off the gold standard, adding currency warfare to the equation.

On the heels of Britain's decision, Hoover decided that the $2 billion in revenues lost during the recession had to be recovered so the budget could be balanced. He boosted taxes on "luxuries and nonessentials," raised the inheritance tax to 45 per cent from 23 per cent, raised the income tax to 45 per cent from 23 per cent, and imposed a 15 per cent corporate tax rate. The Republican Congress enacted these measures in the summer of 1932 going into the teeth of the Presidential elections, banks failing left and right, and the stock market reeling.

Franklin Roosevelt, the prototype of the Democratic Spending Santa Claus, was elected. But instead of just boosting Federal spending, pump priming as it was called, Roosevelt boosted tax rates too. In four years he pushed the rates beyond where they had been in 1920, putting the highest marginal tax rate to 92 per cent. The Roosevelt prescription was "tax and tax, spend and spend, elect and elect." The idea, perfectly suited to a Santa Claus who prefers income redistribution to growth, was to tax money away from the well-to-do, because they were not spending it fast enough, and spend it for them.

CONGRESS CUTS TAXES

Not only didn't conditions improve, but the big tax hike of 1936 inspired the recession of 1937, the recession within the Depression, and altogether the Roosevelt policies kept the Depression going for eight years. The drag of Roosevelt's tax policies became so obvious that in May 1938, over FDR's protests, Republicans and Southern Democrats in Congress forced repeal of the 1936 tax on "undistributed profits" and cut the corporate tax rate. The recession officially bottomed out the following month.

To this day, the two main economic theories that attempt to explain the Great Depression ignore or underestimate the impact of the steady increase in tax rates. The Keynesians either argue that Roosevelt did not tax or spend enough or simply that he did not spend enough. The monetarists, led by Milton Friedman, believe everything would have been wonderful if the Federal Reserve in 1930 and 1931 had printed a lot of money.

Keynesians like to argue that spending, pure and simple, brought prosperity during World War II. But the U.S. economy revieved first because the European powers liquidated wealth to wage war, spending that wealth on U.S. exports of munitions and materiel. Second, the United States financed its own effort chiefly through bond sales, not steep tax-rate increases. Most important, the "tax" on business through bureaucratic red tape and regulation that also flourished under the New Deal was ended as businessmen came to Washington to run the war-mobilization effort. In addition, industry could write off against taxes all war-related capital expansion; national survival made it necessary for the Government to permit producers to keep a reasonable share of their earnings.

RECOVERY UNDER TRUMAN

After V–J Day in 1945, the Democratic liberals made a pitch to keep the high nominal tax rates up to pre-war levels, along with an end to tax write-offs, of course. Liberals warned that unemployment would go to 10 million unless the Government taxed and spent on social desirables. But taxes were cut sharply. President Truman wisely liquidated war contracts on the word of the contractors instead of harassing them with tax audits. And recovery ensued.

As in Mellon's day, the lower tax rates produced expanded revenues, and the Republicans, led by Sen. Robert A. Taft of Ohio, demanded another tax cut. The Keynesian economists, who by this time dominated both the academic community and Washington policy makers, predicted a worsening of inflation if the Taft tax cut of $5 billion were enacted. It was enacted in 1948, over Truman's veto, and inflation came to a halt. The Keynesians to this day have explanations of why the tax cut should have produced a rampant inflation.

The Korean War upset Republican plans to cut taxes again in 1950, but in the tradition of Herbert Hoover, Dwight Eisenhower shot Santa Claus in January 1953. As in 1931, the GOP forgot Mellon's advice and sought to balance the budget, hoping to end the deficits of the Korean War years. The Republican chairman of the House Ways and Means Committee, Daniel Reed, introduced H.R. 1, a general tax-reduction bill, but Eisenhower's economic advisers argued that it would be fiscally irresponsible, and Ike asked Reed to withdraw the bill. In the 1958 recession, Eisenhower again stoically rejected calls for a tax cut by members of his own party.

ECONOMIC ROLE REVERSAL

As a result, there were eight years of Eisenhower economic stagnation. In 1953, as in 1931, the GOP brain trust insisted the tax cut would mean a deficit. The deficit would have to be financed with Treasury bond sales. And these sales would "crowd out" private borrowers from the capital market. In 1974 Treasury Secretary Simon made the same arguments in inveighing against tax cuts.

Ignoring these kinds of arguments, Presidents Kennedy and Johnson got the economy moving again by slashing taxes $20 billion between 1962 and 1965, doing the job the GOP Santa Claus should have done.

But as business expanded and the tax base grew, the Democrats spent the increased revenues that poured into the Treasury. The Great Society programs of 1965 through 1968 were financed by these tax cuts. So was the increased spending for the Vietnam War. The Democrats realized that the Republicans would never call for a tax cut unless the Federal budget were in surplus, so they engineered their spending programs in a way that would guarantee spending would always outrun revenues.

REPUBLICANS PLAY SCROOGE

The typical Great Society legislation that passed in 1965 and 1966 called for spending a few dollars the first year, $1 million or so the second year, and $1 billion in the third. The Democrats were spending anticipated revenues. Throughout the period, Republicans continued to play Scrooge, carping against increased spending without ever offering the obvious alternative of tax reduction. Even with a Republican back in the White House in 1969, it was the Democrats who pushed tax reduction in the face of continuing deficits. In 1969 and in 1971, tax cuts were put through over Republican budget concerns. After both, the economy expanded and revenues increased.

In learning how to play both Santa Clauses, the Democratic majorities in Congress grow larger and larger. They can alternate between increased spending and occasional tax cuts and take credit at the polls for both. The economy suffers, though, because the Democrats do not fulfill both roles with equal zest. They spend with exuberance and cut tax rates only when in doing so they can redistribute incomes from the middle and upper incomes to the less affluent. Americans, discouraged by ever-increasing tax rates, work less and invest less, devoting more time to leisure and a higher portion of their income to current consumption. Because middle- and upper-income Americans are the most productive (an engineer produces more than a ditch digger), taxing them the most has the effect of reducing economic output.

TAX CUTS—TIMIDLY

Until President Ford in January 1975 timidly proposed a tax cut of sorts (three-quarters of his $16 billion package was a rebate on 1974 taxes, not incentives to new production), the Republicans had gone 22 years without proposing the kind of reduction President Eisenhower rejected in 1953 upon the advice of his Hooverlike advisers.

Both President Ford and Ronald Reagan are inching toward the Mellon approach. Still, they each insist in one way or another that tax reduction be bound to spending cuts. This is an improvement on the straightforward demand that the Spending Santa be shot. But the Two-Santa Claus Theory holds that the Republicans should concentrate on tax-rate reduction. As they succeed in expanding incentives to produce, they will move the economy back to full employment and thereby reduce social pressures for public spending. Just as an increase in Government spending inevitably means taxes must be raised, a cut in tax rates—by expanding the private sector—will diminish the relative size of the public sector.

All the United States needs now to prosper is a Coolidge in the White House, a Mellon at Treasury, and a GOP tax-cutting St. Nick.

FARM POLICY: SUCCESS OR LUCK?

Mr. McGOVERN. Mr. President, the unacceptable risks which farmers and consumers take under the administration's present farm policy are described adequately in an excerpt from a March 1, 1976, column by Dominick Costello, farm editor of the Lincoln, Nebr., Star.

I ask unanimous consent that the excerpt be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SPOTLIGHT ON AGRICULTURE

(By Dominick Costello)

Is the current government policy on maximum sales of farm crops overseas and maximum production at home based on a highly skilled expert who made the plan, or just dumb luck?

There is no doubt Agriculture Secretary Earl Butz is a man who has had his share of luck. The Russian crop failure prevented the failure of the Butz program.

George Meany threw a monkey wrench into the program but if it does get dry enough to cut back production and hold prices up, Butz will appear to be vindicated once again.

If the Russians had been exporters and not importers, the world might have been overwhelmed with grain and farmers around the world would have faced a price situation that would have ruined most of them.

In any normal year there is a poor crop in some part of the world, but Earl Butz has managed to keep his little red farm wagon rolling in spite of problems.

Any farmer can tell you that given the problems of weather, sooner or later the Butz program is going to run into a few chuckholes on the road to success.

KENT STATE ANNIVERSARY

Mr. KENNEDY. Mr. President, today marks the anniversary of a national tragedy which occurred 6 years ago as a small group of national guardsmen halted a noontime campus demonstration against America's involvement in the invasion of Cambodia. Four young people died at Kent State University while attempting to convey to all Americans their message of peace and hope for the future of our country.

Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Full Circle" authored by a former student leader at Kent State University, Peter Davies. The article is appearing in today's edition of the Kent Stater; and I share it with my colleagues and the American people.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FULL CIRCLE

(By Peter Davies)

Six years ago today the nation's conscience was jolted by unreal television films showing us combat equipped American troops marching across your campus amidst clouds of tear gas and then, suddenly, aiming and firing their deadly M–1 rifles and .45 pistols at the backs of fleeing American sons and daughters. The jerky images of gunfire and terror taking place on the picturesque slopes of a midwestern campus conjured up eerie reminders of a similar massacre in the streets of Boston exactly two hundred years earlier. The incident in Massachusetts marked the beginning of the end of Britain's colonial aspirations in America and King George III's determination to rule over the colonists no matter what it might take to achieve that goal. The incident in Ohio two centuries later marked the beginning of the end of America's interventionist policies in Southeast Asia and Richard Nixon's ambition to complete two terms as President of the United States, no matter what crimes might have to be committed in order to achieve that end. And so, in a sense, the nation had come full circle when those Ohio guardsmen unnecessarily opened fire on scores of helpless young men and women and in so doing turned on the green light at the White House that spawned presidential approval of the Huston Plan and Watergate. For the father of one of the students killed there was a full circle in his future that would destroy not only much of his faith in American justice, but also that of twelve other families and victims and countless citizens who recognized the killings at Kent State for what they really were, a blatantly illegal repressive act in a democratic society.

The day after the shootings the country's major television networks showed us the grief stricken face of that horrified father as he struggled to speak about the brief life of his first born child, Allison Krause. "My daughter was not a radical," he said. "She was a feeling, caring person who was against the war in Vietnam, Cambodia, Israel, or any place else. She was not a member of a radical group, but rather acted as an individual who felt deeply." On that warm Spring day of May 4, 1970, Arthur's daughter had gone to the noon rally, along with her boy friend, Barry Levine, to see what was going on and to protest as much against the Ohio National Guard's occupation of your campus as to demonstrate her disapproval of President Nixon's decision to invade Cambodia.

"She had strong feelings for people," Mr. Krause told the television audience, "and demonstrated this by working with patients at St. Elizabeth's Hospital for the mentally retarded in Washington, D.C., and during the summer when she worked with epileptic children." For many who saw Arthur Krause on their screens the evening after the slaughter the utter bewilderment and loneliness of the man, as he tried to publicly cope with what the state had done to his child, was overwhelming. By doing what he did, Arthur Krause focused national attention on the killing of the other three students and the wounding of nine more, and at the same time brought down upon his head the condemnation and cruel villification of a great many Americans who approved both the shootings and the consequences. He bore that public abuse alone for many months because he knew his daughter had fallen victim to an act of murder, as had those who perished with Allison, but his burden was made that much heavier to bear by the silence of those whose children were dead and wounded.

In the aftermath of My Lai the Nixon-Agnew so-called law and order rhetoric had given birth to the ultimate horror for a democracy and inspired the immortal cry, "Don't shoot, we are your children." Of all those directly affected by the sudden explosion of gunfire only one, however, had the courage to publicly repudiate the President's callous statement that dissent turning to violence, regardless of the circumstances, "invites tragedy." Arthur Krause did this by emphasizing before the TV cameras that the dead and wounded were indeed our children, and he talked about how his daughter had phoned home thirty-six hours before she was killed. "She said there was some property damage and she was against that. She was not involved in that. But she felt they had to demonstrate. She felt they had to do this because there was no other way to express themselves. She felt that the war in Cambodia was wrong." His last words to Allison were, "Stay away from the National Guard." Six years ago today, at 12:45 p.m., she was 343 feet away from the National Guard, but such a great distance is no protection against the aimed trajectory of an M-1 bullet that can travel almost one mile.

Before her death Allison Krause had shouted obscenities at the guardsmen as they marched forth to disperse a perfectly legal rally. "Is this dissent a crime?" her father asked the next day. "Is this a reason for killing her?" Charles W. Colson, in his recently published book, relates his feelings as he watched Arthur Krause asking these questions on television. Mr. Colson recalls how angry he got when he heard Allison's father ask, "Have we come to such a state in this country that a young girl has to be shot because she disagrees deeply with the actions of her government?" The question implied that President Nixon was indirectly responsible for the Kent State killings, and Colson reacted accordingly. On second thought, however, he reports feeling that in a sense Mr. Krause was right, and that he, too, shared with Nixon partial responsibility for what had happened on your campus six years ago.

A great deal has happened since Mr. Krause threw down the gauntlet and challenged the Nixon Administration by saying to the nation, "What I would like to see happen is that my daughter's death and those of the other three children as well as the wounded not be in vain." Over the years there have been grand juries, indictments of students and eight guardsmen, and three major trials, but in the final analysis the judicial and moral issues posed by the killings at Kent State have been adroitly circumvented because they pose a challenge to our conscience that cannot be faced up to until the passage of time has deadened the potential national pain that the truth threatens as much as six years later.

It is, in a way, very much like the recent disclosures that President Franklin D. Roosevelt had been informed of Japan's 1941 decision to attack Pearl Harbor, and that Winston Churchill was advised, through the code-breaking system known as "Ultra-Secret", that the German air force was going to "obliterate" Coventry from the air in the early forties. In both instances the national leaders decided to sacrifice innocent human lives for the national security of their respective countries rather than warn the victims of the impending disasters. And so it will be with Kent State several decades from now when Americans will learn, to their amazement, that the shootings on your campus did not just suddenly happen but occurred as the result of a deliberate decision, at the national level, to "put the lid" on potential campus violence against President Nixon's decision on Cambodia. It is hardly surprising, then, that the Kent State case should run its course through our judicial system with such negative results.

The final answer to Mr. Krause's haunting question, "It this dissent a crime?", is "Yes", it is, and not only that, it is a crime warranting summary execution. How ironic that this affirmative answer should come as we celebrate the two hundredth anniversary of this great democracy. Even worse is the knowledge that we had, indeed, come to such a state in this country, under Richard Nixon, that a young girl had to be shot because she disagreed deeply with the actions of her government. May we never again tolerate such politically orchestrated hatred for any minority in this country be they college students, black Americans, Jews, American Indians, Puerto Ricans, or whatever. At your campus, six years ago today, prejudice reared its ugly head and was emotionally gratified in a fusilade of gunfire that killed four, paralysed Dean Kahler for life, and wounded eight others. The phychological input to those few guardsmen who aimed their weapons at the fleeing students was, in my opinion, furnished by the Nixon cabal of Agnew, Mitchell, Haldeman and Ehrlichman. The physical input to pull the triggers of those M-1 rifles and .45 pistols was provided in terms of an order that certain guardsmen, just like certain soldiers under Lt. Calley, unhesitatingly carried out in the interests of so-called national security. History, I believe, will show that this order to shoot some students came down the pike from the White House of Richard M. Nixon.

GRAIN INSPECTION REFORM

Mr. McGOVERN. Mr. President, last Monday this body spent several hours and hundreds of thousands of words debating a bill to reform the grain inspection system.

In three paragraphs, the farm editor of the Lincoln, Nebr., Star sums up the reason for enactment of the Senate Agriculture Committee's bill, and why our position should prevail in the forthcoming conference with the House.

I ask unanimous consent that the excerpt from the March 1, 1976, column by Dominick Costello be printed in the Record.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

Spotlight on Agriculture

(By Dominick Costello)

The U.S. Department of Agriculture is squirming like a fishing worm on a hot stove as it tries to wiggle out of farmer demands for a totally federalized grain inspection system.

The sweetheart relationship between the grain trade and the department simply must be brought to an end. All the private grading agencies must be forced under a federal checking system or we will continue to have graft.

It will be more expensive, but not nearly as expensive as what it is costing U.S. farmers in lost sales and resulting lower prices.

PROXMIRE SECOND B-1 SPEECH AND AIR FORCE REPLY

Mr. PROXMIRE. Mr. President, consistent with my commitment to place each Air Force rebuttal to my B-1 speeches in the Record, today I will include an Air Force statement in response to the second speech in my series which was delivered May 3, 1976. The full text of my original remarks also will be included today so that a comparison can be made at one point in the Record.

Furthermore, my comments on the Air Force position will be noted as appropriate. In order therefore will follow first, my original second speech, then the Air Force rebuttal, then my comments on the Air Force position.

Mr. President, I ask unanimous consent that the material cited be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

A Closer Look at the B-1's Performance Advantages

Mr. Proxmire. Mr. President, of all the many defenses raised in behalf of the B-1 program, perhaps the most often heard is the significant improvement the B–1 will provide to U.S. strategic bombing capability. And clearly the B–1 does embody some noteworthy advances that make it desirable in certain respects. Certainly for more than $2 billion the American people should be getting something for their money. After all, this is $100 for every man, woman, and child in the country.

Some of the advantages cited for the B–1 over the B–52 are: Supersonic capability; greater hardening against thermal overpressure from nuclear effects; improved takeoff capabilities; higher penetration speeds; lower radar cross-section; and larger payload.

This list of major advantages has been steadily shrinking since the inception of the B–1 program. Forever lost to this list are greater range, lower infrared signature, and many others. And as will now be described even the still-existing advantages are open to question.

A. SUPERSONIC CAPABILITY

Of all the advantages cited for the B–1, supersonic capability is undoubtedly one of the most over-rated and least understood. The B–1's supersonic capability makes the plane suffer very severe penalties in terms of weight, cost, complexity, and subsonic performance. Yet in terms of any realistic strategic mission, the B–1's supersonic capability will simply not be used; thus, it should probably fall under a category headed "disadvantages."

The chief justification for making any strategic bomber supersonic is to enhance its penetration capability. Since bombers can never hope to outrun missiles, it makes little difference whether a bomber arrives at its target in 5 hours rather than 10. Spending less time over hostile airspace is desirable, however, if doing so does not jeopardize the bomber's mission. The issue is whether the reduction in time spent over hostile airspace is worth the increase in bomber vulnerability stemming from greater radar and infrared visibility, reduced range, and other factors that accompany supersonic flight, flight only at medium and high altitudes.

The B–1 will be capable of supersonic since its supersonic on-the-deck requirement was dropped many years ago. Because supersonic flight consumes so much fuel, the B–1 would only fly supersonically over or near Soviet airspace. Yet high altitude penetration for bombers was ruled out years ago, even for the supersonic FB–111 and the old B–58, because such a flight mode makes a bomber easily visible to radar. As a result, all the emphasis in recent years has been on low level penetration for bombers. In addition to radar vulnerability, a B–1 flying supersonically would be much more vulnerable to infrared-seeking weapons and tracking devices. This arises because at supersonic speeds, especially at Mach 1.6, the B–1's engines will have their afterburners turned on. Under these conditions, the B–1 IR signature will light up like a Christmas tree, providing a much easier target for surface-to-air heat-seeking missiles.

RANGE REDUCTIONS

As if this were not bad enough, the range of the B–1, which is already seriously below its design goal will be sharply reduced by supersonic operation. The "fuel mileage"—specific fuel consumption—of jet engines typically deteriorates by a factor of anywhere from two to four during afterburner operation. For example, the FB–111's fuel mileage deteriorates by a factor of 4.3 at maximum supersonic capability over its normal subsonic operation.

Thus supersonic operation would slash the B–1's range still more; this would decrease the B–1's target coverage and evasive maneuvers capability while increasing its tanker dependence. Indeed, the combat mission requirements for the B–1 apparently do not include a supersonic, high altitude requirement: Should the need arise, the B–1 could also penetrate at supersonic speeds at high altitude. An extreme example of the impact of supersonic capability on B–1 range is seen by the fact that a B–1 operating supersonically for its whole mission would not be capable of reaching the Soviet Union and returning.

These performance costs are only the direct costs of the B–1's supersonic capability. Less direct but no less important are the penalties embedded in the B–1's design by its supersonic capability. An entirely subsonic B–1 could use more efficient jet engines—similar to those on the 747 and DC–10—that would extend the B–1's range and lower its infrared signature. Thus the B–1 is denied longer range, lower IR signature, greater target flexibility, heavier payload, greater evasive maneuver capability, shorter take-off distance, and thus overall higher survivability, all because of its supersonic capability. Additional subsonic compromises had to be made in the fuselage and wing design in order to give the B–1 a supersonic capability.

SWING-WING ISSUE

The Air Force claims that the cost of the supersonic capability is relatively low because even a subsonic-only B–1 would have to have the swing wing for acceptable flying qualities during on-the-deck penetration. While the swing wing does improve the B–1's penetration flying qualities at low altitude, there are other ways to do this. It is not clear that bomber designers would want to give a subsonic penetrator a swing wing, since that choice incurs a substantial weight, volume, and complexity penalty in the design. In fact, Boeing and General Dynamics, who competed with Rockwell for the B–1 contract, submitted alternative fixed-wing designs to the Air Force along with their swing-wing proposals. And as late as 1 year ago in an effort to reduce costs, the Air Force was reexamining the need for a variable sweep wing.

In a letter on the feasibility of conducting a cost-effectiveness study on the B–1's supersonic capability the GAO said:

"One of the important factors that must be considered when trying to determine whether the supersonic capability should be eliminated is that the design of the aircraft for the high subsonic speed mission gives it an inherent supersonic capability." (Letter of Dec. 24, 1975, from the Comptroller General of the U.S., B–163058, page 2.)

The GAO explains:

"The low-altitude, high subsonic speed and the fast-base escape requirements dictate a design with the swing-wing and high thrust engines. According to the Air Force, the additional flexibility of supersonic speed is worth the small additional cost." (Ibid.)

GAO appears correct in one regard—a swing-wing design possibly would be desirable for a subsonic bomber. There the similarity ends. For instance, a subsonic penetrating bomber would have engines far different from those on the B–1. High bypass ratio turbofans, such as those powering the 747 and DC–10, would give the subsonic bomber extremely high thrust at takeoff without the need for a fuel guzzling afterburner such as that required by the B–1 engines. These ultrahigh efficient turbofans simply cannot be used on supersonic aircraft. It is a certainty that a subsonic-only version of the B–1 would have radically different, and much more efficient, designs for the fuselage, the engines, and the wing itself.

The recent Air Force announcement that the B–1 top speed will be slashed from Mach 2.2 to Mach 1.6 offers insight into the real value of the much-vaunted supersonic capability. The Air Force adopted this modification in order to reduce the spiralling B–1 costs, but in fact, the program cost savings realized will only be $240 million.

In other words, the Air Force traded off half of the supersonic capability of the B–1 for a mere 1-percent savings in total program costs. If supersonic capability is such a critical necessity for our next strategic bomber, why did the Air Force sell half of it for such a pittance? The Air Force maintains that all features eliminated from the B–1 were done on the basis of cost-effectiveness. Senate Armed Services Committee hearings, fiscal year 1977, part 10, page 5553. So if the cost savings of eliminating supersonic capability are that small, the effectiveness of supersonic capability must be miniscule.

It should also be noted that at Mach 1.6 the B–1 could not begin to outrun anything but the oldest current Soviet interceptors.

I. DOLLAR COST OF SUPERSONIC CAPABILITY

The dollar cost of supersonic capability should also not pass unnoticed. The Air Force claims that the cost is only 15 percent of the procurement cost. GAO letter report, December 24, 1975. This, of course, ignores the substantial performance cost just discussed. Even if one accepts the Air Force estimate, which others dispute as being too low, the cost of supersonic capability would amount to a cost of $3 billion. That amount would be more than enough to pay the $2.1 billion cost of reengineering the B–52 fleet. Yet this $3 billion will be spent for a supersonic capability that is strategically useless and which degrades the vital subsonic performance of the plane.

And there are doubts over that 15 percent figure. As stated earlier, the present costly designs of the fuselage and airfoil are all made necessary by the supersonic requirement, and possibly that of the swing wing as well. Other Air Force officials a few years ago put the monetary cost of the supersonic capability at 20 to 30 percent, and other officials higher still. In 1968, the Defense Department estimated the cost to be as much as 30 percent higher than a subsonic bomber.

Also, maintenance costs have been traditionally higher for supersonic aircraft than for subsonic ones.

II. AIR FORCE JUSTIFICATION FOR SUPERSONIC CAPABILITY

In the face of all these cost, mission and performance drawbacks to the B–1's supersonic capability, why does the Air Force want this expensive option? The following responses are usually heard:

First. It can be used to burst through a Soviet AWACS threat;

Second. It can be used once the Soviet air defense threat has been seriously degraded;

Third. It can be used in some parts of the world of potential U.S. interest where defenses against high altitude penetrations do not exist;

Fourth. Supersonic capability forces the Soviets to divert resources in order to defend against such a penetration mode; and

Fifth. Supersonic capability gives the B–1 added flexibility which a subsonic-only bomber would not have.

Each argument merits individual attention.

First. Supersonic capability can be used to enable the B–1 to burst through a Soviet AWACS—SUAWACS—threat. This argument is unconvincing, for the B–1 or any supersonic bomber. In order to fly supersonically, the B–1 will have to leave the safer environment of low-level penetration and climb to high altitude. In exchange for the higher penetration speed, the B–1 would be vastly more visible to the Soviet AWACS radar and ground-based radars. And the greatly increased infrared signature of the B–1 at these speeds would make it much more vulnerable to surface-to-air and air-to-air missiles. A cheaper and much more effective alternative for the SUAWACS threat would be anti-SUAWACS missile. The Air Force started to work on the Hound Dog 2 as a SUAWACS killer, but for some reason halted its development. It should be pointed out that the Hound Dog 2 could be carried by the B–52 but not by the B–1.

The bomber defense missile, which is being studied by the Air Force and which will be compatible with both the B–52 and B–1, is a much more appropriate and cheaper method for countering a SUAWACS threat than is supersonic capability.

Second. Supersonic capability can be used once the Soviet air defense threat has been seriously degraded.

This argument is puzzling. If Soviet air defenses are degraded so much that supersonic high altitude penetration is feasible, why would not subsonic high altitude penetration be feasible as well? It is conceivable that a narrow set of circumstances could exist where supersonic but not subsonic high altitude penetration would be feasible. Yet it seems foolish to spend so much for such an unlikely event, especially considering the tremendous range penalty of supersonic flight.

Third. Supersonic capability can be used in some parts of the world of potential U.S. interest where defenses against high altitude penetrators do not exist.

The same reasoning used in the second argument applies here as well. If defenses against high altitude penetrators do not exist, then there would be no reason to fly supersonically. Subsonic high altitude flight would be just as effective and would not reduce the plane's range and target flexibility as supersonic flight does.

Fourth. Supersonic capability forces the Soviets to divert resources in order to defend against such a penetration mode.

The basis for this argument is that defense against supersonic high altitude penetration requires a substantially different sort of hardware than defense against subsonic penetration. Whatever the merits of this resource diversion argument are, it ignores the fact that the Soviets must defend against a supersonic bomber threat anyway, no matter what Congress decides on the B–1. The Soviets must defend against our supersonic FB–111 and the French Mirage IV–A. Forward-based and carrier-deployed supersonic U.S. aircraft also have a nuclear strike potential against the U.S.S.R. Not knowing ahead of time to which targets these aircraft would be directed, the Soviets already have to defend many of their targets against the possibility of a supersonic aircraft attack. Admittedly the FB–111 cannot now reach all targets in the Soviet Union when it is based in the United States. But in their air defense planning the Soviets would have to hedge against the possibilities of: Substantial refueling; one-way missions; and forward deployment of the FB–111s in a crisis.

Fifth. Supersonic capability gives the B–1 added flexibility which a subsonic-only bomber would not have.

On the face of it this seems to be true: Since the B–1 can fly both supersonically and subsonically, it will be capable of performing a supersonic mission should the need ever arise. But this is a narrow and incorrect interpretation of flexibility. In return for a capability that has been strategically obsolete for 15 years, the B–1 must sacrifice flexibility in range, payload, tanker dependency, evasive maneuver capability, and infrared signature, among others. It was precisely over this issue that there arose strong controversy within the Air Force, the Office of the Secretary of Defense, the National Security Council, and the Office of Management and Budget in 1969 and 1970. The White House and OMB made such strong arguments against the B–1's supersonic capability that it took the threat of resignation by the then-Deputy Secretary of Defense, David Packard, before the White House gave in and approved the supersonic capability.

And as shown earlier, this obsolete and unnecessary supersonic capability is costing the United States a minimum of $3 billion. This alone should give one pause about the B–1 program.

B. HARDENING AGAINST NUCLEAR EFFECTS

In any new strategic bomber, improving its survivability against the effects of nuclear blast is desirable. In times past it might have been conceded that this is a critically important advantage for the B–1, primarily for prelaunch survivability. However, recent statements by high Defense Department officials have almost completely discounted the value of this advantage in prelaunch survivability. In his 1975 testimony before the Senate Armed Services Committee, Dr. Malcolm Currie, Director of Defense Research and Engineering, stated that the joint strategic bomber study "has brought out that the hardness of the KC–135's can assure an adequate level of prelaunch survivability."

Since the B–52 is of the same generation as the KC–135 and has similar takeoff characteristics, this would seem to alleviate concern that the B–52 as it now exists would not have an adequate level of prelaunch survivability. Furthermore, the fact that the B–12 will be on active SAC duty through the 1990's offers assurance that the B–52 has an acceptable level of hardness against nuclear attacks. And as will be discussed later, a B–52 with new engines will have improved takeoff performance. Thus, though the B–1 is superior to the B–52 in hardening against nuclear effects, this advantage is not of overriding importance.

C. IMPROVED TAKEOFF CAPABILITIES

This is another advantage that up until a few months ago seemed to be of measurable importance. The B–1 was to have a shorter takeoff capability and quicker reaction time than the B–52, enhancing its prelaunch survivability. But once again, Dr. Currie's statement on "the adequate level of prelaunch survivability" of the KC–135 calls this belief into question. The KC–135 is basically no more dispersible than the B–52, and cannot fly away any faster, so one must conclude that the B–52 even as it now exists is not unacceptably inferior to the B–1 in this respect. And as will be described later, a B–52 retrofitted with new engines will have nearly the same takeoff distance as the now-degraded takeoff distance of the B–1. Thus, the B–1 may have little better takeoff capabilities than a cheaply modified B–52.

D. HIGHER PENETRATION SPEED

Higher penetration speed is chiefly important because it reduces the time a bomber must spend over hostile territory. This then reduces the bomber's vulnerability to air defenses. Yet the Joint Strategic Bomber Study found that the performances of the B–1 and B–52 in penetration were extremely sensitive to the performance of their electronic countermeasure, ECM. This would indicate that, all things equal, higher penetrating speed is desirable, but that overall penetration success is much more dependent upon the ECM package contained in the bomber than on its penetration speed. This is reminiscent of what the Department of Defense was saying some years ago:

> "The most important factor in manned strategic weapons systems appears to be the weaponry and penetration aids carried; the characteristics of the carrier are a secondary consideration, except as they relate to penetration aid effectiveness." (Hearings on Military Posture, House Armed Services Committee, February–April 1967, pages 499–500.)

Furthermore, as will be discussed later, the penetration speed of the B–52 can be improved with new engines. One anonymous source within the industry has stated that a reengineered B–52 with additional structural modifications could have the same penetration speed—Mach 0.85—as the B–1.

E. LOWER RADAR CROSS SECTION

This is certainly a big advantage that the B–1 has over the B–52, though once again the Joint Strategic Bomber Study seems to indicate that ECM is the most important variable in assessing bomber penetrability. Furthermore, from the point of view of radar detectability, the B–1 is at a great disadvantage compared to the cruise missile. The cruise missile is practically invisible to radar, having the radar cross-section of a seagull.

F. LARGER PAYLOAD

Mr. President, the so-called larger payload advantage is very puzzling, to say the least. Some B–1 enthusiasts go so far as to claim that the B–1 will carry three times the payload of the B–52. "Why the B–1?" North American Rockwell brochure. While it is true that the B–1 can carry three times the number of SRAM's internally than the B–52—24 versus 8—this is almost meaningless, as the B–52 carries an extra 12 SRAM's under its wings, and four additional conventional weapons—Mark–28 gravity nuclear bombs—in its forward bomb bay, making a total of 24 weapons per B–52, the same number as the B–1 carries. "Modernizing the Strategic Bomber Force," Quenbeck and Wood, the Brookings Institution, 1976, page 25. Thus B–1 payload advantage over the B–52 thus simply melts away.

Industry sources state that the B–1 will probably never carry any weapons externally because of the resulting range degradation which the B–1 can ill-afford. Maj. Gen. H. M. Darmstandler, special assistant for the B–1 to the Air Force Chief of Staff, told a group of congressional staffers that carrying the ALCM externally would result in "a 15 percent degradation of range." U.S. Senate staff briefing, May 15, 1975.

Furthermore, the total weapons capacity of the B–52 could be increased beyond that of the B–1 by relatively simple modifications. By extending the bomb bay aftward, the B–52 could be modified to carry two or even three SRAM rotary launchers internally. This should not require stretching the aircraft fuselage. Including the twelve missiles it can carry externally, the B–52 could thus carry a mix of 28 or possibly 36 SRAM's and cruise missiles. Again note that the B–1 can carry only 24.

DISAPPOINTMENT WITH AIR FORCE HANDLING OF B–1 DATA

Mr. President, I want to express my disappointment with the way the Air Force has handled this exchange of information. At the beginning of this series of speeches, I thought that the purpose would be to disseminate as much information about the B–1 as possible. In order to do this, I told the Air Force that I would put their replies to my speeches in the Record. I have done so and I will continue to do so.

In addition to this, as an experiment, I provided a full copy of my speech several days in advance to the Air Force. In turn, they promised to provide me with whatever response they might choose to make. This seemed to be a fair way of handling a complicated issue—even more than fair in that the Air Force would in effect have the last word on the day of my speech.

Well, several things have gone wrong. When the Air Force reply arrived in my office the morning of my first speech, my staff asked if this was the full response or was there more that had been provided to the press or other people. My staff was assured by two Air Force officials that indeed this was the full response. Only later did the Air Force admit that in addition to this reply to my office they had made available a different and much more extensive rebuttal to the Senator from Arizonia (Mr. GOLDWATER).

I have no objection to the Senator from Arizona being the spokesman for the Air Force on the B–1 or for the Air Force to prepare a rebuttal for him. But it does seem that the Air Force was not honoring its original commitment. This makes me wonder whether the Air Force can really be objective in this issue. If you ask the fox to justify chicken stealing, you might expect an eloquent statement about social justice or survival of the fittest. But the fox is not exactly an impartial observer. His way of life is at stake. So it is with the Air Force.

Mr. President, I would now like to comment on portions of the rebuttal provided to the Senator from Arizona and to my office by the Secretary of the Air Force.

First, the Air Force goes to great lengths to discredit my example of the range of the B–52. Conveniently for the Air Force argument, they delete the following sentence in my remarks. That sentence reads:

"Of course, in a strategic mission its range would be less than this but it is probably greater than that of the B–1."

Thus I made the very point the Air Force objects to. And yet they spent so much energy trying to rebut this point that I wonder if they even read the speech. Surely it is selective perception of the worst type to conveniently drop out the very sentence of my speech which qualifies the range data on the B–52.

Second, the Air Force states that the additional life cycle costs of the B–1 are closer to $8 billion rather than the $40 billion figure I use. My figure was meant to include all program costs. Not just the life cycle costs but the basic procurement costs of $21 billion plus the uncounted associated costs which the Air Force admits will cost $8 billion and which I think will be much higher. Thus the real total program costs will be at least $30 billion and will be over $40 billion with a new tanker system. The Air Force says they will not require a new tanker, but all the evidence, including a recently disclosed OMB memorandum point to a new tanker program costing at least $10 billion.

Third, I note that the Air Force always compares the characteristics of the B–1 bomber with the B–52 G model, never the B–52 H model. Why? Because the B–52 H has turbojet engines which are more efficient than the turbofan engines of the B–52 G. Since about half the B–52 fleet consists of B–52 H's, it is obvious that the Air Force seeks to state the worst case and overlook the more favorable comparisons with the B–52 H's.

Fourth, the Air Force costs for the SRAM assume that the B–1 does not carry a full complement of SRAMs—only about one-half a load. Thus the Air Force SRAM dollar figures understate full weapon payload costs. I used figures assuming a full SRAM load. The Air Force should supply the costs of the other weapons on each B–1 for an accurate comparison.

Fifth, I still have not received the information I requested from the Air Force in the first speech. They criticized some of my data but neglected to provide the hard evidence to support their own case. Therefore, I again call upon the Air Force to provide that data. I am speaking of a full comparison of the original specification of the B–1 in 1969, when initially presented to Congress, compared to its degraded specifications today. I am referring to an itemization of the performance degradations in the B–1. And the costs of reengineering the B–52 and the studies that have been performed on this subject; and whether or not the 747 or other wide bodied jets could be used for stand-off bomber platform and what studies have been done on this subject, and the full life cycle costs of the B–1 coupled together with the full production cost of the B–1. Those are highly relevant statistics which are critical to the Air Force case. But so far they have been lacking.

SUMMARY OF ARGUMENTS

In conclusion, Mr. President I want to summarize the principal arguments of this second speech.

First, it appears that the alleged performance advantages of the B–1 bomber are exaggerated or useless compared to other bomber alternatives.

For example, its supersonic capability is vastly overrated and causes severe penalties in terms of weight, cost, and mission. The low level supersonic capability for the B–1 has been dropped. Now it must use its supersonic capability at high and medium altitudes where it is vulnerable to radar detection. Furthermore due to the tremendous heat exhausted in supersonic flight, the B–1 will be more vulnerable to heat seeking missiles.

Supersonic flight also decreases the range of aircraft since it uses so much more fuel. A B–1 flying supersonic for an entire mission would not be able to get to the U.S.S.R. and back.

Supersonic flight therefore will most likely be used only over enemy airspace if at all. There the B–1 faces a trade off between less time over target and increased vulnerability due to its heat production.

The U.S.S.R. has the most heavily defended airspace on Earth. We will be flying into the teeth of their defenses—not a wise military strategy. There is a very real probability that these attacks into the U.S.S.R. could result in very high attrition rates resulting in what could be suicide missions for our pilots.

Bomber flight time to target involving hours matters very little when missiles can reach the same targets in 30 minutes. Already the Air Force has reduced the supersonic capability of the B–1 dramatically from Mach 2.2—2.2 times the speed of sound—to Mach 1.6. This makes the B–1 far too slow to outrun modern Soviet fighters.

The supersonic capability of the B–1 will cost at least $3 billion, or more than enough to reengine the B–52 fleet and produce a very effective subsonic bomber.

In view of these facts, the supersonic capability of the B–1 is of very little value and in fact has great costs.

Claims by the manufacturers of the B–1 that it can carry three times the payload of the B–52 are erroneous. While it is true that the B–1 can carry three times more short-range attack missiles—SRAMS—internally than the B–52—24 versus 8—this is almost meaningless as the B–52 carries an extra 12 SRAM's under its wings and 4 additional weapons in its forward bomb bay, making a total of 24 weapons per B–52 or the same as the B–1 will carry.

The B–1 probably will not carry external weapons because of the 15 percent reduction in range that requires. Furthermore the B–52 can be modified to carry even more SRAM launchers internally. Including 12 external missiles, the B–52 could carry a mix of at least 28 and possibly 36 SRAM's and cruise missiles while the B–1 carries 24.

As for a smaller radar image, the B–1 clearly is better off than the B–52. But the B–1 is far larger and more susceptible to detection than the cruise missiles which could be launched by a stand-off bomber platform—another cost effective alternative to the B–1.

The higher penetration speed of the B–1 can be adequately compensated for in the B–52 by new engines, but even then the most essential item is electronic countermeasures. These "black boxes" confuse enemy radars and missiles. The Air Force has testified that these black boxes are one of the most important factors in manned bombers. Yet they can just as easily be placed in B–52's as B–1's.

Beyond all the technical arguments, there are real bureaucratic reasons why the Air Force and its supporters in Congress are so adamant about spending $22 billion for the B–1. These are simply:

Every pilot wants the newest, latest aircraft. And the Air Force is dominated by pilots from World War II. Without the B–1, they might eventually have to fly unexciting stand-off bomber platforms.

Without the B–1 bomber, the Air Force might not be able to justify so many positions for generals and other highranking officers.

These are the parochial attitudes that lie behind the technical arguments but nonetheless help determine major funding decisions. That is why it is impossible to get an objective analysis from the Air Force.

COMPARISON OF POSITIONS

SENATOR PROXMIRE	AIR FORCE COMMENT	PROXMIRE COMMENTS
1. Some of the advantages cited for the B–1 over the B–52 are: Supersonic capability. Greater hardening against thermal overpressure nuclear effects. Improved take-off capabilities. Higher penetration speeds. Lower radar cross-section. Larger payload. This list of major advantages has been steadily shrinking since the inception of the B–1 program. Forever lost to this list are greater range, lower infrared signature, and many others.	1. The advantages of the B–1 over the B–52 were specified after in-depth analyses over a number of years. None of them was a casual or whimsical selection. Of those modified since the original design, none which affects the capability of the B–1 to accomplish its mission against the advanced threat has been permitted. Four of the six advantages listed by Senator Proxmire of the B–1 over the B–52 have not changed at all since the program was approved in 1970. The supersonic capability of the B–1 has changed. The production B–1 will be configured to fly at 1.6 Mach. The B–52 is a subsonic aircraft. The capability for speeds in excess of Mach 2 can be achieved, if required by installing the mechanism which operates the variable area inlet. Nothing else has to be done.	1. The Air Force agrees with the "advantages" listed in my second speech, none of which were claimed to be "casual or whimsical" in the words of the Air Force reply. The Air Force also agrees that the B–1 speed has been degraded and that the take off distance of the B–1 has been degraded. The Air Force does not challenge my point about subsonic aircraft having a lower infrared signature than aircraft flying supersonically.

COMPARISON OF POSITIONS—Continued

SENATOR PROXMIRE	AIR FORCE COMMENT	PROXMIRE COMMENTS
	The take-off distance of the B-1 has increased 15% since 1970 but the B-52 take-off distance is still 40% greater than the B-1. This means the B-1 will be able to use twice as many bases as the B-52. In the 48 contiguous states, this amounts to over 300 air fields.	
2. The B-1's supersonic capability will simply not be used.	2. The supersonic capability of the B-1 requires our potential adversaries to maintain an air defense system capable of coping with a supersonic, high altitude threat. These expenditures associated with such a defense are not trivial. Also, a supersonic capability provides the B-1 with a degree of versatility and tactical flexibility which, if one is to judge by history, will serve the nation well during its projected lifetime. Although not the primary tactic, high altitude, high speed penetrations can be highly effective against some lesser defended targets. A supersonic capability also provides another effective defensive measure during portions of the bomber's penetration to a low altitude descent point and withdrawal after striking its assigned targets. Not to be forgotten is the possibility that the B-1 might be used in roles other than its primary mission. When an aircraft is designed to have a lifetime spanning three decades, it is important to retain as much flexibility as economically possible to cope with unforeseen and unforecast situations. The B-52, because it is subsonic and has a large radar cross-section, is effectively denied the flexibility of the supersonic, high altitude tactic. As a bomber's speed approaches that of the interceptor, which is the case for the B-1 at both low and high altitudes, the margin for error by the defenses is reduced or eliminated making a first pass kill mandatory and complicating the air defense battle management because of the need for backup interceptors. Also, the more severe intercept problem decreases a missile's probability of successfully striking the bomber, even if a launch is possible. The Air Force believes that retention of the supersonic performance of the B-1 is highly cost-effective. It is a natural fall-out in enhanced operational flexibility accruing from the exacting design requirements of the primary mission—nuclear hardness, rapid escape and high speed low altitude flight.	2. The Air Force admits that the B-1 has no supersonic penetration capability at low altitude and that the supersonic capability will only be used for a very limited part of some, not all, missions. As for supersonic operation of the B-1 in roles other than its primary mission, it is difficult to see how an expenditure of $21 billion can be justified even in secondary operations by use in third world countries or against far less sophisticated potential adversaries. The reduction in speed of the B-1 makes it slower than many modern Soviet interceptors, thus making it more susceptible to intercept and destruction. Thus the supersonic capability built into the aircraft will be used under very limited circumstances, in some missions, and is not justified by an expenditure of 15 per cent of the procurement costs or $3 billion.
3. B-1's supersonic capability results in very severe penalties in terms of weight, cost, complexity and subsonic performance.	3. The supersonic capability does not penalize the B-1's capability to accomplish its design mission. To the contrary, it is a fall-out of a design which provides for rapid escape from its take-off base, a high degree of hardness to the effects of a nuclear burst, and for penetration at very low altitude at near the speed of sound. If the B-1 were redesigned with no thought of a supersonic mission, it would look very much like the B-1 looks today. Consideration of safe escape, hardness, and high subsonic penetration speed, coupled with the requirement to operate from relatively short runways, as compared to a B-52, would result in a swing-wing design, a long and slim fuselage, a very strong structure, and afterburning engines. The natural fall-out would be a supersonic capability. To repeat, the aircraft characteristics which support supersonic high altitude flight are the same as those which provide the hardness against nuclear blast for increased survivability and capability for near supersonic speeds at very low altitudes. Since the B-1 has been designed with the criteria of high survivability against nuclear effects and a *primary* penetration tactic of very low altitude, very high subsonic speed—the weight, cost, complexity and subsonic performance degradation attributable to the secondary supersonic penetration capability are very slight. In fact, if the supersonic mission were eliminated in a newly designed B-1, a decrease in weight and an increase in range of less than 2% would result.	3. The comparison here is with the B-52. Operation of any aircraft at supersonic speeds decreases range rapidly—a fact not disputed by the Air Force. Increases in weight resulting from structural requirements relating to a swing wing also reduces either range or payload or both. A penetrating bomber with modern high bypass ratio turbofans such as those on the 747 or the DC-10 would provide better fuel economy, range and payload to a bomber with a different design than the supersonic-dependent B-1. It is true that such a bomber might not have the Mach .85 penetrating speed of the B-1 but the Air Force has already indicated that top speed is not an essential characteristic of a new bomber by decreasing the supersonic speed of the B-1 and not building the B-1 with a supersonic penetrating capability. Increases in range, and payload would be dramatically higher than the Air Force argues when coupled with a new design to support a pure subsonic bomber.

COMPARISON OF POSITIONS—Continued

SENATOR PROXMIRE	AIR FORCE COMMENT	PROXMIRE COMMENTS
4. The B–1's infrared signature at supersonic speed makes it more vulnerable to SAMs and air-to-air missiles.	4. The high-altitude supersonic mission is not the B–1's primary mission; however, through tactics and protective countermeasures, it can be effective in that mission. If a supersonic penetration were required, SRAM missiles would be launched to degrade or destroy Soviet SAMs prior to entering their lethal zone if such zones could not be avoided. The B–1 will carry a large load of infrared decoy flares for protection against infrared guided missiles. These are automatically dispersed as needed. The ECM carried aboard the B–1 will also be highly effective in denying ranging and tracking data to SAM, AAA, and interceptor radars in both subsonic and supersonic penetration modes.	4. Obviously the more energy expended by an aircraft, the more susceptible it is to infrared detection and attack. Countermeasures are available, if necessary, as indicated by the Air Force in the form of ECM. The issue simply is that the B–1 will not fly supersonically for much if any of its mission and that when it does it is more exposed to infrared missiles. The Air Force reply does not dispute this fact.
5. The range of the B–1 is already seriously below its design goal.	5. The range of the B–1, on its design profile, is more than adequate to cover all of its strategic mission targeting requirements. The range decrement of about 7% below its design mission distance goal established six years ago cannot be called a "serious" degradation. Even if its range were to be degraded another 10%, it could still effectively carry out all of its assigned missions. Although the B–1 is capable of performing all of its missions on the exact profile as laid down in 1970, operational tactics available to the military planner, coupled with the flexibility of the aircraft, enable the range of the B–1 to be greatly extended if required. The simple expedient of tanker rendezvous at a point more distant from the B–1's takeoff base would allow much more range than the stylized specification mission profile. A "top off" by a tanker over the Arctic regions could add hundreds of miles penetration distance if, for some reason, alternate routing or "dog-legs" are desirable.	5. The Air Force reply makes the point addressed in my original speech. Reductions in the range of the B–1, as admitted by the Air Force and as cited in the Bisplinghoff Report, result in greater tanker dependency. Without tanker support the B–1 cannot now reach *all* targets in the USSR with a full range of mission profiles.
6. Supersonic operation would decrease B–1 range, thus decrease target coverage and evasive maneuver capability; increases tanker dependency and generally endangers success of its mission.	6. The statement is not correct. The Senator has confused the secondary supersonic mission with the primary low altitude mission. There is no decrease in target coverage or range unless supersonic speeds are used. This is not planned in conjunction with the low altitude mission, although it is a tactic which is available to the planner and aircrew. The B–1's primary employment altitude will be in the low penetration mode without supersonic flight. However, the supersonic capability still provides viable options, particularly for specialized situations, including those involving less than a massive nuclear exchange. In such roles, tanker dependency is not the issue. The supersonic capability of B–1 is derived from the requirement for successful, fast base escape and high subsonic, terrain following low altitude penetration in the face of technologically advanced Soviet defenses. The B–1 target coverage has not changed as a result of having a supersonic capability, nor has such capability adversely affected the aircraft's ability to maneuver in the most demanding terrain following conditions.	6. A most confusing answer from the Air Force. I stated that supersonic operation would decrease B–1 range, decrease target coverage and evasive maneuver capability, and increase tanker dependency. The Air Force responds that "There is no decrease in target coverage or range unless supersonic speeds are used." Thus we end up agreeing. Since the B–1 cannot fly supersonically at low altitudes, the statement must apply to the medium and high altitude flights referenced in my statement and noted as being secondary missions.
7. The B–1 is denied longer ranger, lower IR signature, greater target flexibility, heavier payload, greater evasive maneuver capability, shorter take-off distance, and thus overall survivability, all because of its supersonic capability. Additional subsonic compromises had to be made in the fuselage and wing design in order to give the B–1 supersonic capability.	7. Supersonic capability is inherent in the requirement for pre-launch survivability and low level, high subsonic speed penetration. If the aircraft cannot quickly escape its base or effectively penetrate defenses, it will be ineffective. Thus, supersonic capability for the B–1 required only minor additional provisions—a small price to pay for a viable B–1 employment option to provide a broad range of tactics to cope with future threats. Without a supersonic capability, mission planning flexibility is lost forever, no matter how desirable supersonic capability might become. Tactical flexibility, including the supersonic option, remains a definite plus to the B–1's cost-effectiveness.	7. The supersonic capability of the B–1, according to Air Force statements, has cost at least $3 billion or 15 per cent of the procurement costs of the fleet thus casting grave doubt on the assertion of the cost effectiveness of the B–1. The issue of reduced range, payload, less evasive maneuverability, shorter take-off distance and overall survivability derive from comparisons with an all subsonic mission and aircraft designed for that purpose.

COMPARISON OF POSITIONS—Continued

SENATOR PROXMIRE	AIR FORCE COMMENT	PROXMIRE COMMENTS
8. It is not clear that bomber designers would want to give a subsonic penetrator a swing-wing, since that choice incurs a substantial weight, volume, and complexity penalty in the design. In fact, Boeing and General Dynamics, who competed with Rockwell for the B-1 contract, submitted alternative fixed wing designs to the Air Force along with their swing wing proposals. And as late as one year ago in an effort to reduce costs, the Air Force was reexamining the need for a variable sweep wing.	8. The fact that analyses are made of a particular approach does not imply that it has any credence. Past and present analyses all indicate that the swing wing requirement is the most effective way to meet the fast takeoff requirement (wings forward) and the low altitude, high subsonic penetration requirement (wings swept back). This was true in 1970 when the Air Force asked all three airframe manufacturers to submit alternative fixed wing proposals. None of these fixed wing alternatives were judged adequate. Again last year, at the request of the Senate Appropriations Committee, the Air Force looked at a fixed wing design and found it unacceptable. The elimination of the variable swept wings would severely compromise B-1 takeoff distance, range, and penetration speed.	8. Within the aerospace community there is divided opinion about the swing wing concept for subsonic flight. My statement points out some of the conflicting opinion on this subject. The Air Force admits that analyses on this issue have been performed. It is not surprising that the Air Force would reject a fixed wing concept with the swing wing B-1 in hand.
9. "For instance, a subsonic penetrating bomber would have engines far different from those on the B-1. High bypass ratio turbofans, such as those powering the 747 and DC-10, would give the subsonic bomber extremely high thrust at takeoff without the need for a fuel guzzling afterburner such as that required by the B-1 engines. These ultra-high efficient turbofans simply cannot be used on supersonic aircraft."	9. The Senator's statement is based on a misconception of engine performance and aerodynamics associated with high speed, low altitude flight. The B-1 engines were optimized to perform the two basic phases of the strategic bomber mission—fast takeoff and low altitude penetration of enemy defenses at high subsonic speed. The solution is based on fundamental aerodynamics. The high bypass ratio, turbofan, which provides good initial acceleration on takeoff, becomes inefficient as high subsonic velocities are reached in the denser air of low altitudes. Thus, the design limiting factors are those imposed by low altitude flight at high subsonic speed. While high bypass ratio engines are extremely efficient for their design mission, which is cruise at high altitude (around 35,000 feet), their huge frontal area and the drag produced by such large frontal area make them inefficient in the low altitude, high speed regime. They simply could not meet the B-1 requirements.	9. The Air Force comment is based on the B-1 mission. A subsonic aircraft, with new more efficient engines would fly different mission profiles. Further, the Air Force neglects to note the sentence in my speech reading "it is a certainty that a subsonic-only version of the B-1 would have radically different and much more efficient designs for the fuselage, the engines and the wing itself." Thus the case is that measuring all alternatives by B-1 requirements is a logician's dead end. It rules out by definition the many other viable and cost effective alternatives.
10. The recent Air Force announcement that the B-1 top speed will be slashed from Mach 2.2 to Mach 1.6 offers insight into the real value of the much vaunted supersonic capability. The Air Force adopted this modification in order to reduce the spiraling B-1 costs, but in fact the program cost savings realized will only be $240 million. In other words, the Air Force traded off *half* of the supersonic capability of the B-1 for a *mere 1% savings* in total program costs.	10. The Air Force performed a detailed analysis of the difference in capability provided by a Mach 2.2 B-1 and a Mach 1.6 B-1. We found that with all of the B-1 characteristics considered, the difference in effectiveness was small, and that the Mach 1.6 speed still stressed the enemy defenses. The decision was therefore made to delete the Air Induction Control Inlets, which allow the higher supersonic speeds, from the production aircraft. While only 1% of the program costs, the $240 million saved is still a significant sum. While we do not consider the marginal increase in effectiveness of the Mach 2.2 speed to be worth the cost, we do consider the Mach 1.6 supersonic capability to be significant. Furthermore the Air Force has preserved the option to return to the Mach 2.2 speed with a relatively simple modification should that become necessary in the future.	10. The Air Force agrees that the B-1 bomber Mach 2.2 capability has been reduced to Mach 1.6. Thus the central fact is not in dispute. Neither is there a dispute about the cost savings of this change in specifications—$240 million or 1 percent of the B-1 bomber program costs. The Air Force is right in that $240 million is not an insignificant sum. It is small compared to the $3 billion cost of supersonic capability and small compared to the $21 billion program costs of the B-1.
11. The Air Force claims that the (supersonic) cost is only 15% of the procurement cost. This, of course, ignores the substantial performance cost just discussed.	11. Best estimate made in the 1970/1971 time period indicated that the cost differential between an aircraft designed for the primary high subsonic speed, low altitude mode only and an aircraft designed for both that mission and high altitude supersonic penetration was 10% to 15%. The Air Force states unequivocally that the B-1 as currently designed will perform the strategic bomber mission envisioned for it in 1970.	11. No dispute here except that other Air Force officials have placed the cost of supersonic capability much higher. Let us agree on 15 per cent.
12. . . . the cost of supersonic capability would amount to a cost of $3 billion. That amount would be enough to pay the $2.1 billion cost of re-engining the B-52 fleet.	12. While a re-engined B-52 would provide an aircraft more capable than the current B-52, penetration speed is not appreciably enhanced, weapons carriage capability remains unchanged, the radar cross section is substantially increased, and the old airframe remains. Such a modification was carefully examined in the Joint Strategic Bomber Study. The results were ambiguous: The increase in capability from just re-engining the B-52 is not cost effective.	12. The Air Force does not challenge the cost figures indicating that a re-engining of the B-52 would cost $2.1 billion compared to the $3 billion for supersonic capability. The penetration speed of the B-52 would be increased as would its fuel efficiency as indicated by the Rand Corporation study. With a redesign, the radar cross section could be reduced slightly compared to existing B-52's but will never approach that of a cruise missile.

COMPARISON OF POSITIONS—Continued

SENATOR PROXMIRE	AIR FORCE COMMENT	PROXMIRE COMMENTS
13. An anti-SUAWACS missile would be cheaper and more effective alternative.	13. Not true. The bulk of B-1 penetration of SUAWACS coverage will be at low altitude so that detection probabilities are minimized. Even if detected, the B-1 must still be engaged by very advanced look-down, shoot-down fighters. It is far from a trivial task to accomplish this reliably even assuming the availability of such fighters in very large numbers. Just the very broad expanse of available penetration routes into the Soviet Union make this an extremely difficult operation for the defenders to contemplate. The DOD's Joint Strategic Bomber Study examined an anti-SUAWACS missile and concluded that their expense and the fact that such weapons, devoted to self-defense, subtracted from weapons deliverable on objective targets, made them cost-ineffective for the threats examined.	13. It is curious that the Air Force argues that the USSR cannot effectively accomplish AWACS directed intercepts when discussing the B-1 bomber and yet argues that we must keep up with Soviet AWACS development when discussing purchase of a US AWACS system. Perhaps the converse also is true and the US is wasting its time and money on the US AWACS program because the Soviets know that it is "far from a trivial task to accomplish this reliably even assuming the availabilty of fighters in very large numbers." If the Air Force argument about the inefficiency of the AWACS concept is correct, the Congress should rethink its commitment to the US AWACS program as being cost-ineffective.
14. If high altitude defenses are degraded or nonexistent, subsonic B-1 penetration at high altitude would be just as effective without reducing range.	14. The statement is not correct. The threat environment is never as clearly black or white as painted here. When contiguous high altitude coverage is lacking, time spent in the existing coverage is vital. Thus added velocity is of extreme importance and penetration tactics must be very carefully planned. Supersonic B-1 penetration would only be employed when it was clearly advantageous to do so.	14. Again the Air Force conveniently neglects to make notice of the next sentences of my speech which reads "It is conceivable that a narrow set of circumstances could exist where supersonic but not subsonic high altitude penetration would be feasible. Yet it seems foolish to spend so much for such an unlikely event, especially considering the tremendous range penalty of supersonic flight." It should also be noted that the Air Force turned my sentence into a declaratory statement rather than the question that was posed. Quotations should be given accurately and without rewriting.
15. The B-52 is of the same generation as the KC-135 which was found in the Joint Strategic Bomber Study to have an adequate level of probability of launch survival.	15. While the B-52 and KC-135 are of the same "generation," there are substantial differences in their designs. We have examined the nuclear hardness characteristics of both the B-52 and KC-135. The KC-135 is assessed to be more resistant to nuclear blast and thermal effects than the B-52. Of course, new engines for the B-52 will *not* improve its hardness.	15. Hardness is only one element of launch survival—the issue I addressed. I did not argue that new engines would improve the hardness of the B-52. But I did argue that new engines would improve the take-off distance of the B-52 and thus substantially contribute to its launch survival.
16. The B-52 is not unacceptably inferior to the B-1 in takeoff capabilities.	16. This statement does not coincide with the facts. Because of the B-1's much faster acceleration on takeoff, much closer spacing allowable on takeoff roll, much higher flyout speeds, and much more resistance to nuclear blast, over pressures and other effects, as many as 15 B-1s can achieve safe escape by the time a single B-52 can escape. Furthermore, the B-1 can operate from twice the number of active airfields as the B-52 can.	16. The Air Force rebuttal has merit in terms of comparing the B-1 and existing B-52. However, with the admission that a reengined B-52 has nearly the same takoff distance as the B-1, the issue becomes one of available basing and runway use.
A B-52 retrofitted with new engines will takeoff in nearly the same distance as the B-1.	Yes—but with at least twice the takeoff interval (because of the wake turbulence it creates) as the smaller B-1 and at no increase in speed. The end result is that the B-1 still has far better survivability than the modified B-52.	
17. Higher penetrating speed is desirable but ECM is more important.	17. The combination of speed, altitude, radar cross section, and ECM combine with accurate weapons delivery to produce penetration effectiveness. But ECM is very important and in that area the B-1 has advantages ranging as high as a thousand-fold since its much lower radar cross-section is a *decisive* factor in the effectiveness of ECM.	17. The Air Force argument that the B-1 has a lower radar cross-section than the B-52 is accurate and noted in my speeches. As previously mentioned, however, if radar cross section is the decisive factor noted by the Air Force, then the logical choice should be the cruise missile platform instead of any manned penetrating bomber.
18. A reengined B-52 with additional structural modifications could have the same penetration speed as the B-1.	18. There is honest disagreement among experts as to whether such a modification is technically feasible. Even assuming that it is technically feasible, it would be very extensive and prodigiously costly. The very large radar cross section of the B-52 would still be there, even thought the modification would result necessarily in an essentially new airframe. In the end, all these improvements would go to an airplane which was already 20 years old. For what purpose? Additionally, still more modifications would be needed to permit lower altitude flight and better ECM. The effect of all this on the B-52's radar cross section would be to make it even larger. The Air Force has continually looked at ways to modify the B-52 and their analyses show that it is simply not a viable alternative to the B-1 against advanced threats.	18. The Air Force asks for what purpose should we examine the possibility of re-engining the B-52 and making additional structural modifications to give it the same penetration speed of the B-1? The purpose is to determine whether or not the $21 billion B-1 bomber program can be replaced with a system at one-third or one-quarter the price. This would seem to be a legitimate area of investigation considering the financial commitment required from the taxpayers.

COMPARISON OF POSITIONS—Continued

SENATOR PROXMIRE	AIR FORCE COMMENT	PROXMIRE COMMENTS
19. On the subject of radar cross sections "The Joint Strategic Bomber Study" seems to indicate that ECM is the most important variable in assessing bomber penetrability.	19. The statement disregards the tremendous benefit derived from low radar cross section in conjunction with ECM. When the effectiveness of ECM is measured, radar cross section is a critical component of that measurement. One of the purposes of ECM is to conceal the location of the bomber by masking its radar image. It is infinitely simpler to mask the B–1 with very small radar cross-section than the B–52 with its very large radar cross-section. In fact, the B–1 with ECM is equivalent, from a detectability standpoint, to a cruise missile without ECM.	19. Same answer as number 17.
20. The B–1 payload advantage over the B–52 melts away when you consider that the B–52 can carry 12 SRAM externally. The B–52 could be modified to carry two or three SRAM rotary launchers internally. Industry sources state that the B–1 will probably never carry any weapons externally because of the resulting range degradation which the B–1 can ill-afford.	20. The range penalty that a penetrating B–52 pays for carrying SRAM externally is severe. Such an option could only be used in a very few circumstances and is certainly not applicable for the full retaliatory mission. The B–1's range/payload advantage on the other hand is real and useful across the whole force. One additional SRAM rotary launcher could be put in the second B–52 weapons bay. Such a modification, along with the other modifications proposed by the Senator, have the same attribute: they are all attempts to emulate a B–1 with a 20-year-old airframe. We have subjected such modifications to thoroughgoing cost effectiveness analyses and found them deficient. This statement is contradictory to previous arguments made by the Senator concerning the benefits of external carriage. There is no intent to carry nuclear weapons externally on either the B–1 or B–52 in the penetration mode. The Air Force has long recognized the large range degradations associated with external weapon carriage and therefore, designed into the B–1 three large internal weapons bays. Each bay is capable of carrying nuclear and/or conventional weapons and if required can be converted into a fuel bay.	20. The point made in the original speech was that the contractor claims for the B–1 were erroneous. The statistics concerning the capacities of the B–52 and the B–1 are comparable. I have not argued that the B–1 would benefit by external carriage. On the contrary, my speech pointed out the constraints to just that situation. I am pleased to see that the Air Force acknowledged the increased capability inherent in the B–52 with SRAM rotary launchers. The same question remains for cruise missile capacity.

MARYLANDERS POLLED ON NATIONAL ISSUES

Mr. BEALL. Mr. President, I recently conducted my annual poll of Marylanders to determine their views on the major issues facing the Congress and the Nation today.

In conducting the poll, I sent questionnaires to some 600,000 households in my State, and received 120,000 individual responses back. This represents an extremely high rate of return for such surveys, and I am pleased that so many Marylanders were concerned enough about these issues to take the time to make their choices, and to let their elected official know their views.

Those responding indicated strong support for such actions as a balanced budget, a binding ceiling on Federal spending, mandatory minimum sentences for crimes committed with a gun, and welfare reform.

They also expressed their clear opposition to court-ordered busing and a liberalization of the Hatch Act.

Those responding also were asked to rank the top 10 issues facing the American people today. Crime was chosen as the issue of most concern to my constituents, with inflation, the economy, and Government spending also ranking very high.

However, there was one response which should be disturbing to each of us in Congress. When asked, "Do you have confidence in the ability of the Congress to deal effectively with today's problems?", four out of five Marylanders answered with a resounding "No."

It is clear, at least in Maryland, that Congress needs to improve its image, and I can think of no better place to begin this effort than to study the results of this and other similar polls of our constituents.

I ask unanimous consent that the full statewide results of my poll be printed in the RECORD.

There being no objection, the poll was ordered to be printed in the RECORD, as follows:

SENATOR J. GLENN BEALL, JR.

1976 QUESTIONNAIRE—STATE-WIDE RESULTS

(Based on total of 120,000 individual responses)

1. According to those responding to the poll these are the ten top issues facing the American people today: (Ranked in order with corresponding percentage)

	Percent
1. Crime	26
2. Inflation	21
3. Economy	19
4. Govt. Spending	16
5. Energy	7
6. Govt. Regulation	4
7. Environment	3
8. Education	2
9. Health	2
10. Unemployment	1

	Percent Yes	Percent No
2. Some experts believe that we must move to a balanced budget in order to control the rate of inflation. Do you agree with this view?	80	20
3. President Ford and others have proposed coupling a tax cut to a reduction in federal spending. Would you favor a dollar-for-dollar reduction in federal spending to equal the amount of any tax cut?	80	20
4. Should Congress impose a binding ceiling on the amount of federal spending?	79	21
5. Do you support mandatory minimum sentences for crimes committed with a firearm?	92	8
6. Are you in favor of capital punishment?	87	13
7. Do you believe that the present welfare system is in need of reform?	99	1
8. Would you favor a direct federal payment to persons in need rather than the current welfare system?	53	47
9. Do you support court-ordered busing as a means of achieving racial balance in our schools?	5	95
10. Would you be in favor of a constitutional amendment to prevent the court-ordered busing of school children?	83	17
11. Do you think the United States should continue to pursue a policy of detente (a relaxation of tension) with the Soviet Union?	64	36
12. Do you think the United States should re-evaluate its role in the United Nations?	89	11
13. Would you favor deregulation of oil and gas prices to stimulate domestic production and lessen U.S. dependence on foreign oil, even though this might mean an increase in gas and oil prices?	55	45

14. Do you favor liberalizing the Hatch Act to permit federal employees a greater amount of participation in partisan political activities?	30	70
15. Do you have confidence in the ability of the Congress to deal effectively with today's problems?	20	80

ESTO '76—ESTONIAN SALUTE TO THE AMERICAN BICENTENNIAL

Mr. BEALL. Mr. President, from July 5 to 11, 1976, Estonians from all around the world will gather in Baltimore for their second worldwide festival—ESTO '76. The theme of this festival will be "The Estonian Salute to Our Bicentennial." ESTO '76 will help to preserve Estonian customs and traditions while, at the same time, highlighting Estonian contributions to the growth of this great Republic.

Mr. President, on February 24, the 58th anniversary of Estonian Independence, I discussed the history of Estonia and its forcible incorporation into the Soviet Union during World War II. At that time I included in the CONGRESSIONAL RECORD information on the ESTO '76 activities. I have subsequently become aware that President Ford has agreed to serve as an honorary patron of the ESTO '76 Salute to the American Bicentennial. On February 19, 1976, the President issued a statement "To Americans of Estonian Ancestry" and I ask unanimous consent, Mr. President, that this Presidential document be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Presidential document follows:

THE WHITE HOUSE,
Washington, D.C., February 19, 1976.

To Americans of Estonian ancestry:

I am delighted to accept the high honor of Honorary Patron of ESTO '76—The Estonian Salute to America's Bicentennial.

As we celebrate the birth of freedom in America, your Estonian Festival calls attention to the remarkable contributions of millions of talented and hard-working immigrants from all over the world to building America into the great nation we know today.

In recalling the fortitude of our founding fathers, we must also rededicate ourselves to making America the same stronghold for men and women of individual spirit and energy it was in 1776—the cradle of liberty.

I am keenly aware of your great anxiety concerning your homeland, families and friends who have been and are still profoundly affected by East-West political developments in Europe. Last summer, just before departing for Helsinki, and before that in February of 1975, I met with your leaders to discuss these concerns and to emphasize that the accord I would sign in Helsinki was neither a treaty nor a legally binding document.

The Helsinki agreements, I pointed out, were political and moral commitments aimed at lessening tensions and opening further the lines of communication between the peoples of East and West.

I further stated that your understandable concern about the effect of the Helsinki declarations on the Baltic nations was groundless.

I can assure you that the United States has never recognized the Soviet incorporation of Estonia, Latvia and Lithuania and is not doing so now. Our official policy of nonrecognition is not affected by the results of the European Security Conference.

It is the policy of the United States—and it has been my policy ever since I entered public life—to support the aspirations for freedom and national independence of the peoples of Eastern Europe by every proper and peaceful means.

Finally, I indicated that there is included in the Declaration of Principles on Territorial Integrity the provision that no occupation or acquisition of territory in violation of international law will be recognized as legal.

In our White House meeting, I said this is not to raise the hope that there will be any immediate change in the map of Europe, but rather to emphasize that the United States has not abandoned and will not compromise this long-standing principle.

At the conference itself, I told the participants from the countries of the East that:

"We will spare no effort to ease tensions and to solve problems between us, but it is important that you recognize the deep devotion of the American people and their government to human rights and fundamental freedoms."

I assure each of you that this nation will be vigilant regarding detente. This nation will strive to maintain a safer and saner relationship with our competitors. At the same time, the relaxation of tensions can be implemented only on the basis of mutual concessions within the context of an American defense that is second to none. We will safeguard and advance our vital interests and security.

As we commemorate the 200th anniversary of our revolution, more and more Americans are mindful of their bi-national heritage. In this regard, I was especially pleased to learn that your community is preparing for a worldwide Estonian Festival in conjunction with our Bicentennial.

Your contributions to this nation are recognized and appreciated. I know you will continue to enrich our country's heritage with your art, your architecture, your music and the individual contributions of your many talented individuals.

I commend you for your continued contributions to our national legacy, to our durable system of representative government. Today, I salute you for your struggle on behalf of all human freedom.

GERALD R. FORD.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business, the conference report on S. 3065, which the clerk will state.

The legislative clerk read as follows:

Conference report on S. 3065, an Act to amend the Federal Election Campaign Act of 1971.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

ESTABLISHMENT OF A TIMETABLE FOR SENATE CONSIDERATION OF AND FINAL ACTION ON LEGISLATION DEALING WITH WATERGATE REFORM, INTELLIGENCE OVERSIGHT AND TAX PRIVACY

Mr. WEICKER. Mr. President, I ask unanimous consent that a resolution to establish a timetable for Senate consideration of and final action on legislation dealing with Watergate reform, intelligence oversight and tax privacy be considered at this time by the Senate.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

S. RES. 437

Whereas, over three years of congressional fact-finding have documented that the intelligence community, law enforcement agencies and the Internal Revenue Service have violated the constitutional rights of Americans;

Whereas, these public disclosures of illegal and unconstitutional activities have bred a public distrust in our government leaders and institutions;

Whereas, public and private organizations have recommended expedited action on pending reforms of our law enforcement and tax collection agencies;

Whereas, this is a government of laws;

Whereas, it is essential for this Congress to take the necessary steps to protect future generations against threats to their freedoms and liberties guaranteed by the Constitution;

Whereas, the integrity of, and the public confidence in, the institutions of government can only be restored by corrective legislative action;

Whereas, it is essential that the Congress establish a timetable to consider intelligence oversight, Watergate reform and tax privacy legislation to insure statutory and procedural safeguards are enacted prior to the adjournment of the 94th Congress;

Resolved, That it is the sense of the Senate that the Senate make every effort to reach by July 2 a final passage vote on Watergate reform, tax privacy and intelligence oversight legislation.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MANSFIELD. Will the Senator yield?

Mr. WEICKER. I yield.

Mr. MANSFIELD. I believe the word "make" in the resolve clause should be "shall."

Mr. WEICKER. "shall make" or "should make".

I believe it should be worded "should".

I ask that the resolution be so modified.

The PRESIDING OFFICER. Without objection, the resolution will be so modified.

The resolution, as modified, is as follows:

S. RES. 437

Whereas, over three years of congressional fact-finding have documented that the intelligence community, law enforcement agencies and the Internal Revenue Service have violated the constitutional rights of Americans;

Whereas, these public disclosures of illegal and unconstitutional activities have bred a public distrust in our government leaders and institutions;

Whereas, public and private organizations have recommended expedited action on pending reforms of our law enforcement and tax collection agencies;

Whereas, this is a government of laws;

Whereas, it is essential for this Congress to take the necessary steps to protect future generations against threats to their freedoms and liberties guaranteed by the Constitution;

Whereas, the integrity of, and the public confidence in, the institutions of government can only be restored by corrective legislative action;

Whereas, it is essential that the Congress establish a timetable to consider intelligence oversight, Watergate reform and tax privacy legislation to insure statutory and procedural safeguards are enacted prior to the adjournment of the 94th Congress;

Resolved, That it is the sense of the Senate that the Senate should make every effort to reach by July 2 a final passage vote on Watergate reform, tax privacy and intelligence oversight legislation.

Mr. WEICKER. Mr. President, I yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the resolution be voted upon at the hour of 2 p.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, it is my understanding that will be a yea and nay vote, a rollcall vote.

ORDER FOR VOTE ON FEDERAL CAMPAIGN ACT AMENDMENTS OF 1976—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I ask uanimous consent that the vote on agreeing to the Federal Election Commission conference report occur not later than the hour of 4 p.m. this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, reserving the right to object, and I shall not object, but I only indicate that the span of time following the vote on the Weicker resolution has been requested particularly to protect Senators Brock and Allen—and perhaps other Senators, of whom we are not aware—who we know wish to speak on the conference report before we vote on it.

ORDER FOR RECOGNITION OF SENATOR ALLEN AT 1:30 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Alabama (Mr. Allen) be recognized at approximately the hour of 1:30 p.m. this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, might I inquire of the majority and minority leaders as to whether or not it is their understanding, as it is my understanding, that at 1 p.m. we shall proceed to the debate on this resolution?

Mr. MANSFIELD. That is correct.

Mr. WEICKER. With a final passage vote at 2 p.m., and that the yeas and nays will be ordered?

Mr. MANSFIELD. They will be ordered in the meantime.

Mr. WEICKER. They will be ordered in the meantime.

Mr. MANSFIELD. That is on the Weicker resolution.

Mr. WEICKER. That is correct.

Mr. MANSFIELD. And then we will have the final vote on the conference report no later than 4 p.m. this afternoon.

The PRESIDING OFFICER. Does that conclude the unanimous-consent requests, or was that in the form of an inquiry?

Mr. MANSFIELD. No; I shall still make some additional requests.

LEADERSHIP RESPONSE TO COMMUNICATION FROM SENATOR WEICKER

Mr. MANSFIELD. Mr. President, first, I ask unanimous consent that the leadership response to a communication from Senator Weicker, contained on page S6152 of the Record under date of April 29, 1976, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Leadership Response to Communication From Senator Weicker

LEGISLATIVE PROGRAM

Mr. Mansfield. Mr. President, I am in receipt of a letter from our distinguished colleague, the Senator from Connecticut (Mr. Weicker), and it is my understanding that the distinguished Republican leader has received a communication of a similar nature.

For the information of Senator Weicker and the Senate, it is the intention of the joint leadership to call up the conference report on the Federal Election Commission as soon as possible after the House faces up to its responsibility on Monday next, as I understand the situation.

Personally I am unhappy that we have not been able to consider the conference report on FEC before this, but I am sure the reasons for not being able to do so are thoroughly understandable.

The Senate has also agreed to take up the Intelligence Oversight Committee matter on the 10th of next month, and it is my understanding that the assistant majority leader received permission from the Senate last night that it would be the pending order of business on that day, so that there is that assurance that this particular piece of legislation, S. 400, will be taken up at that time.

The distinguished Senator from Connecticut is also interested in Watergate reform and tax privacy legislation. He has urged the leadership to make every effort to guarantee a vote on final passage of these, as well as the other two proposals which I have already mentioned, before the July 4 recess.

It has always been the intention of the leadership to endeavor to do that and we will do our best to see that the wishes of the distinguished Senator from Connecticut are adhered to. But we can do nothing on Watergate reform and tax privacy legislation until those issues are reported out of committee. It is our hope that we will be able to dispose of all these matters well before the Fourth of July recess and we will jointly make every effort to do so.

Mr. Hugh Scott. If the distinguished majority leader will yield on that point. I have already assured the distinguished Senator from Connecticut (Mr. Weicker) to the same effect, that the measures in which he is interested that are out of committee will be acted upon. We hope that those in committee will be promptly reported. I would like to see, as the distinguished majority leader has said, action before the July recess, and I think we are both anxious, on both side of the aisle, to cooperate with the distinguished Senator from Connecticut.

I do want to stress the importance of the Federal Election Commission Act. I think that whatever we do, we should do very promptly here, and whatever the President does, he should do very promptly, so that the intent of Congress under the previous act with regard to matching funds legislation can be borne in mind and the effect of any action which would delay it should also be borne carefully in mind.

The conference report is, in my judgment, better than the Senate bill. It is infinitely better than the House bill. It still has its flaws.

It has one aspect which ought to be worth noting, and that is, it is not entirely satisfactory to either labor or management and, I suppose, the conference being made up as it was, it would not have been possible to achieve as an ideal.

But, certainly, progress was made and, certainly, serious and concerned efforts were devoted by the committees and by the conference, and there was no effort in the conference to delay this action whatsoever. Those who watched the open sessions of that conference should affirm, I think, that the conference, while it argued vigorously over many different points, did not indulge in any delaying tactics.

So the sooner we can act on this measure, the better.

Mr. MANSFIELD. Mr. President, it is my understanding, to recapitulate, that the Senate has agreed that a vote on the Weicker resolution will occur at the hour of 2 p.m., that the vote on final passage of the conference report will occur not later than 4 p.m., and that the Senator from Alabama (Mr. Allen) will be recognized at approximately 1:30 p.m.

The PRESIDING OFFICER. The Senator is correct.

ORDER FOR CONSIDERATION OF PRESIDENTIAL VETO OF H.R. 9803

Mr. MANSFIELD. Mr. President, for the information of the Senate, if the House of Representatives this afternoon overrides the child care bill (H.R. 9803), vetoed by the President of the United States, after talking with the acting Republican leader, it is the joint leadership's suggestion that if the veto is overridden the Senate will proceed to the consideration of H.R. 9803 at 1 p.m. tomorrow afternoon and vote on the veto at 2 p.m. tomorrow afternoon. I make that in the form of a unanimous-consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 1 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until 1 p.m. today.

There being no objection, the Senate, at 10:44 a.m., recessed until 1 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Stevenson).

Mr. MANSFIELD. Mr. President, if the Senator from Connecticut will yield to me, I should like to suggest the absence of a quorum without his losing his right to the floor.

Mr. WEICKER. I yield to the Senator from Montana.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR CERTAIN BILLS TO BE HELD AT THE DESK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when H.R. 10374, H.R. 12168, H.R. 13035, and H.R. 12018 are received, they be held at the desk pending further disposition.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. MANSFIELD. Also, under the same stipulation, H.R. 12216.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. MANSFIELD. I suggest the absence of a quorum, under the same conditions.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ESTABLISHMENT OF A TIMETABLE FOR SENATE CONSIDERATION OF AND FINAL ACTION ON LEGISLATION DEALING WITH WATERGATE REFORM, INTELLIGENCE OVERSIGHT AND TAX PRIVACY

The Senate continued with the consideration of the resolution (S. Res. 437) to establish a timetable for Senate consideration of and final action on legislation dealing with Watergate reform, intelligence oversight and tax privacy.

Mr. WEICKER. Mr. President, first let me express my appreciation to Senator Mansfield and Senator Scott, both for their supportive words of last week and for allowing the immediate consideration of this resolution (S. Res. 437) now before the Senate.

Why this resolution?

Because it parts the curtain of official silence behind which reform has been stalled to death by the Executive, the Congress, and the bureaucracy.

If there is to be no oversight, no Watergate reform, and no tax privacy, then let it be so voted in full view of the Nation.

As matters now stand, people believe one or all of the following:

We have acted.

Action is imminent.

Reform is guaranteed.

The FEC bill takes care of all problems.

Everybody does it so why get into a flap.

Our memories will keep us free.

President Ford's Executive orders have corrected all abuses.

Of course, none of the above is correct.

I do not doubt for a minute that some or all of the legislation mentioned in the resolution will pass if the Senate has to go public.

However, I cannot win a shadowboxing contest with the President, with the Directors of the CIA and FBI or with the empire-preservers of the Senate.

When this resolution is agreed to, an important step in defense of our Constitution will have been taken.

Laws, not memories, Executive orders or waiting games, are our business. Nobody will benefit politically today from legislation that essentially relates to the condition of the American spirit.

But our children tomorrow will have something better than we received and that is reward enough.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER AUTHORIZING REQUEST FOR YEA-AND-NAY VOTES TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order during the next half-hour or so to ask for the yeas and nays on the Weicker resolution and on agreeing to the conference report.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes.

The **PRESIDING OFFICER.** The Senator from Alabama.

Mr. ALLEN. Mr. President, I wonder if the distinguished manager of the bill would respond to two or three questions that I have in mind with regard to the conference report.

Mr. CANNON. I will be delighted to.

Mr. ALLEN. As I understand the conference report, in the matter of solicitation by a corporation or a labor organization or separate segregated funds set up by either of these concerns, there is a group of persons that the labor organization can solicit at any time, they being the members of the labor organization; and there is a group that the corporation or the segregated funds set up by the corporation can solicit at any time, they being the officers and executive or administrative personnel, and the executive or administrative personnel include those who are paid on a salary rather than an hourly basis and who have policymaking, managerial, professional, or supervisory authority.

Then there is another group as to each of these entities that can be solicited only twice a year.

As to the labor organization, it would be those that the corporation can solicit at any time and, of course, that would include employees who were not members of organizations, and the corporation or the separate segregated fund for political purposes of the corporation can solicit twice a year from the employees in addition to those that they can solicit at any time.

Is that correct?

Mr. CANNON. The Senator is correct, with the further proviso as to the method of solicitation.

Mr. ALLEN. That is correct. That has to be in writing.

Mr. CANNON. In writing, by mail.

Mr. ALLEN. To go back to a trustee.

Mr. CANNON. To the residence of the party, and designed in such a fashion that it cannot be ascertained who makes a contribution of $50 or less and who does not make such a contribution.

Mr. ALLEN. That is the way the Senator from Alabama understands it.

Now, an amendment which I offered on the floor and which was accepted by the manager of the bill, the distinguished Senator from Nevada (Mr. Cannon), amendment No. 1496, was adopted by the Senate and agreed to in the conference.

This amendment was made necessary by the fact that there are certain types of corporations or organizations that do not have stockholders. This amendment appears on page 19 of the conference report and is in section 321(b)(2)(C), starting with the third line from the bottom of the page:

> This paragraph shall not prevent a membership organization, cooperative, or corporation without capital stock, or a separate segregated fund established by a membership organization, cooperative, or corporation without capital stock, from soliciting contributions to such a fund from members of such organization, cooperative, or corporation without capital stock.

So if the members of such an organization, who, not being stockholders, still make up the corporation, would solicitations by such an organization of its members fall into the first category that I enumerated as to who may be solicited by a corporation or a labor organization or a separate segregated fund set up by one of these? Would they come in the class that could be solicited at any time?

Mr. CANNON. Yes, the Senator is correct, that the provisions of section 321 (b) (2) (C), and later, on page 19, section 321(b) (4) (C) would permit, for example, a mutual life insurance company or a separate segregated fund established by such an organization to solicit contributions for such a fund from its members. So any type of an organization that had members, though not categorized as stockholders, and so on, would be covered under that provision.

Mr. ALLEN. And could solicit at any time?

Mr. CANNON. They could solicit at any time, just as a corporation and its separate segregated fund can solicit certain classes at any time, and a labor union can solicit its members at any time.

Mr. ALLEN. So a membership corporation such as a State Farm Bureau Federation, the Grange, or the National Farmers Organization could solicit their members?

Mr. CANNON. Yes. If they are corporations they could solicit their membership.

Mr. ALLEN. And REA cooperatives could solicit their members at any time?

Mr. CANNON. Yes. That is my understanding of the intent of the Senator's amendment and of the language we have drafted in the report.

Mr. ALLEN. I appreciate the answers from the chairman. I am glad he mentioned specifically a mutual life insurance company, such as, I would understand, Metropolitan, Mutual of New York or Equitable. Any mutual life insurance company would be able to solicit its policyholders since they are the group that make up the corporation.

Mr. CANNON. If the policyholders are members within the definition of that type of an organization, then they could be solicited under that provision of the law.

Mr. ALLEN. Mr. President, I ask unanimous consent that a letter dated April 5, 1976, from Mr. Remmel H. Dudley, vice president, Metropolitan Life Insurance Co., here in Washington, be printed in the RECORD. I have shown the manager of the bill a copy of the letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

METROPOLITAN LIFE,
Washington, D.C. April 5, 1976.

Re Federal Election Campaign Act Amendments of 1976—S. 3065.

Senator JAMES B. ALLEN,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR ALLEN: In debating the above bill, the Senate on March 18, 1976 adopted your Amendment No. 1496, to bring "membership organizations, cooperatives, or corporations without capital stock" within the Act.

As you know, a mutual life insurance company has no stockholders. As we read the language of your amendment we are of the opinion that a mutual life insurance company would, therefore, be included. This interpretation was confirmed last week by your Legislative Assistant, Mr. Gentry. Indeed, Mr. Gentry told me other insurance companies had made a similar inquiry and had been assured it was your intent to include such companies.

To avoid any misunderstanding, and to make this perfectly clear, we wonder if it would be possible for the Conference Committee to include in its report a specific reference to mutual life insurance companies. While the language as it exists in your amendment is reasonably clear, such specific reference would preclude any question, and would be consistent with your intent. If this is not feasible, perhaps during debate on the conference bill you could make this point clear in a coloquy.

We appreciate your interest in including these organizations in your Amendment No. 1496.

With most cordial regards, I am
Sincerely yours,
REMMEL H. DUDLEY,
Vice President.

Mr. ALLEN. This letter is an inquiry from a vice president of the Metropolitan Life Insurance Co., saying that their attorneys construe this amendment to cover a mutual life insurance company. The answer that the chairman has made is that such an operation would be covered by this amendment and would permit a mutual life insurance company to solicit policyholders. That is correct, is it not?

Mr. CANNON. Yes, that is correct.

Mr. ALLEN. I thank the chairman.

I have one further inquiry. The manager of the bill was kind enough to indicate approval here in the Chamber and to offer to accept an amendment offered by the Senator from Alabama having to do with disclosure by Members of the House and Senate and all Federal employees making in excess of $25,000 per year of their assets, liabilities and net worth each year, I believe on April 15 of each year, provided they had an income in excess of $25,000 a year. There was a yea and nay vote in the Senate on this amendment and it was adopted overwhelmingly. I note this amendment is not carried forward in the conference report. I know that the conferees on the part of the Senate would have sought to express the will of the Senate in the conference report and have this amendment adopted. I would just like to inquire of the manager of the bill, who was the chairman of the conference, as to what happened to this amendment.

Mr. CANNON. I say to the Senator that the members of the other body were unwilling to accept the Senate position on that matter and it finally came down to a question of whether we were able to get a bill agreed upon without that provision or whether we would not get a bill. So the Members of the Senate conferees reluctantly receded from their position in their desire to get such a bill.

I may say just as a matter of passing concern that in my own State of Nevada the legislature last term adopted a similar provision with respect to State officeholders, both elective and appointive, quite similar to this. The matter was tested in our supreme court just within the last week and was held unconstitutional. I have not read the decision yet so I am not prepared to comment on it, but it was a matter of passing concern.

Mr. ALLEN. Was it unconstitutional as against the Nevada constitution or the U.S. Constitution?

Mr. CANNON. I cannot say that. All I can say is that I received the telephone information that the Nevada Supreme Court held that such a provision was unconstitutional and threw it out. I will advise the Senator after I have a chance to read the opinion.

Mr. ALLEN. I thank the distinguished Senator from Nevada. I recall when I offered the amendment the Senator modified the amendment by adding, as being subject to the amendment, not only Members of the House and Senate, but candidates for those offices. I thought that was a very constructive amendment.

Mr. CANNON. That is right. As the amendment was adopted here it referred to candidates for Federal office and it included also members of the executive and the judicial branch. So it would cover all three branches of the Government equally. I may say this is an amendment that the Senate has acted upon on several occasions before and we have been unable, up to the present time, to get the House to agree.

Mr. ALLEN. I thank the distinguished Senator. I do realize in a conference committee one has to give and take on these issues. I regret that the conferees were unable to have that amendment carried forward as part of the conference report.

I thank the distinguished Senator for accommodating me by answering these questions I had in mind.

Mr. CANNON. Mr. President, in my explanation of the conference report and in various discussions with my colleagues in the Chamber, I have referred to a number of instances where the conference substitutes change the present law. There are still other instances, such as the discussion at page 63 of the conference report of the relationship between section 301(f) and section 321, relating to communications and nonpartisan activities, where the conferees have attempted to clarify the law.

I think it is important to emphasize, however, that there has been no intent to make changes in existing law or legislative history by silence.

It is understood that where the conference bill has not changed existing law or where the conferees have not attempted to clarify various provisions, the legislative history of the 1971 act and the 1974 amendments will be controlling.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR YEAS AND NAYS

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays with a single show of hands on the Weicker resolution and on agreeing to the conference report.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered on the Weicker resolution and on agreeing to the conference report.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFCER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE ON THURSDAY, MAY 6, 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday, after the two leaders or their designees are recognized under the standing order, Mr. Proxmire be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR GOLDWATER ON THURSDAY, MAY 6, 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the recognition of Mr. Proxmire on Thursday, Mr. Goldwater be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. RES. 406

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, upon the disposition of the pending conference report, the Senate proceed to the consideration of Calendar Order No. 718, Senate Resolution 406, a resolution with reference to the importance of sound relations with the Soviet Union.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 2679

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, upon the dispositon of Senate Resolution 406, the Senate proceed to the consideration of Calendar Order No. 716, S. 2679, a bill to establish a Commission on Security and Cooperation in Europe.

The PRESIDING OFFICER. Without objection, it is so ordered.

ESTABLISHMENT OF A TIMETABLE FOR SENATE CONSIDERATION OF AND FINAL ACTION ON LEGISLATION DEALING WITH WATERGATE REFORM, INTELLIGENCE OVERSIGHT AND TAX PRIVACY

The Senate continued with the consideration of the resolution (S. Res. 437) to establish a timetable for Senate consideration of and final action on legislation dealing with Watergate reform, intelligence oversight and tax privacy.

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to vote on Senate Resolution 437, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. Biden), the Senator from Indiana (Mr. Hartke), the Senator from Minnesota (Mr. Humphrey), and the Senator from California (Mr. Tunney) are necessarily absent.

I further announce that the Senator from New Hampshire (Mr. Durkin), and the Senator from Connecticut (Mr. Ribicoff) are absent on official business.

I also announce that the Senator from Maine (Mr. Muskie) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey), and the Senator from Connecticut (Mr. Ribicoff) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. Curtis) is necessarily absent.

I also announce that the Senator from New York (Mr. Javits) is absent on official business.

The result was announced—yeas 91, nays 0, as follows:

[Rollcall Vote No. 163 Leg.]

YEAS—91

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary
Hart, Philip A.
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Inouye
Jackson
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NAYS—0

NOT VOTING—9

Biden
Curtis
Durkin
Hartke
Humphrey
Javits
Muskie
Ribicoff
Tunney

So the resolution (S. Res. 437) as modified, was agreed to.

The preamble was agreed to.

The resolution with its preamble, reads as follows:

S. Res. 437

Whereas, over three years of congressional fact-finding have documented that the intelligence community, law enforcement agencies, and the Internal Revenue Service have violated the constitutional right of Americans;

Whereas these public disclosures of illegal and unconstitutional activities have bred a public distrust in our Government leaders and institutions;

Whereas public and private organizations have recommended expedited action on pending reforms of our law enforcement and tax collection agencies;

Whereas this is a Government of laws;

Whereas it is essential for this Congress to take the necessary steps to protect future generations against threats to their freedoms and liberties guaranteed by the Constitution;

Whereas, the integrity of, and the public confidence in, the institutions of government can only be restored by corrective legislative action;

Whereas, it is essential that the Congress establish a timetable to consider intelligence oversight, Watergate reform, and tax privacy legislation to insure statutory and procedural safeguards are enacted prior to the adjournment of the Ninety-fourth Congress;

Resolved, That it is the sense of the Senate that the Senate should make every effort to reach, by July 2, a final passage vote on Watergate reform, tax privacy, and intelligence oversight legislation.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976—CONFERENCE REPORT

The PRESIDING OFFICER (Mr. Stafford). The Senate will now return to the unfinished business, the conference report on the Federal Election Commission on which, by unanimous consent, there will be a final vote before 4 p.m.

Mr. CANNON. Mr. President, may I say to my colleagues while the agreement is that we will have a vote before 4 p.m. I anticipate that the vote probably could come within the next 15 minutes.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. BROCK. Mr. President, I am not so sure we can make that 15-minute timetable. I do not intend to take much longer than that myself, but there may be other Members who wish to speak on the matter before us.

Mr. President, sometime ago I called the amendments to the Federal Election Campaign Act "a deceit, a sham, and a fraud on the American public." Since then, there have been many changes in those amendments; unfortunately, they are still a "deceit, a sham, and a fraud on the American public."

In their haste to make the Federal Election Commission a congressional protection agency, the conference committee bill strips the Federal Election Commission of almost all of its advisory authority.

In fact, the bill itself states that the Commission and none of its employees can issue "opinions of an advisory nature" unless Congress has first specifically approved the general rule of law to be discussed.

What this means is that candidates will probably be forced to go this entire election cycle without the guidance of advisory opinions. Every challenger will be required to face a law so complicated I doubt if it will be fully understood before it is changed again in ensuing years.

Even the old law was difficult to understand—with the benefit of advisory opinions. Let me give an example. My staff has noted three recent campaign filings by challengers. Each of these three individuals filed reports on April 10. And, each of them apparently violated the law in doing so.

I am certain that these violations—some sizable, some minor—were not intentional. But I find it quite distressing that all three of these gentlemen are lawyers, two have been active in politics for some time, and all have professed a commitment to follow the law.

Yet, despite their good intent and knowledge, they all apparently violated it. One person accepted a contribution in the form of a loan that is far in excess of the legal limit of $1,000. Another filed a report for his committee but did not file one for himself. Finally, the third filed two identical reports, one for himself and one for his committee.

These examples are being repeated all across the country. With a self-contradictory law, every candidate could be in the same boat unknowingly, unintentionally, and while sincerely trying to fulfill his ethical commitment to his constituency. Yet, what is Congress doing about this? Are we moving to make it easier for persons to comply with the law? Absolutely not. This bill makes it almost impossible for anyone not directly involved with the legislation to understand it and virtually impossible for those who wrote the law to understand it. The reduction of the advisory opinion power of the commission will make the system function less efficiently. The result will be more confusion, chaos, and a renewed suspicion about the intent of Congress as it writes its own reelection code.

Of course, in the rush to pass this legislation Congress has not overlooked its own best interest. For example, a new loophole was created to allow honorariums to be funneled into compaign activity. Not only was the honorarium limit increased to $25,000 per year, at the same time honorariums were exempted from the definition of contribution. Because a person may contribute an unlimited amount to his own campaign, funds for a speech given to a Senator can flow directly into his campaign—even if they are corporate funds. Clearly this is an incumbent protection feature.

As one would expect, the conference committee failed to impose any restraint on the use of the congressional franking privilege.

I say to my colleagues that the Senate has acted time and again to extend the limit on the frank to 60 days prior to an election, but unfortunately we were unable to sustain that posture with the House.

While the frank can be an important tool in the fight against apathy and misinformation, it is clearly susceptible to misuse during the closing days of a campaign. An amendment to increase the number of days before an election when the frank cannot be used was deleted. Thus, incumbent access to free mailing privileges is protected up to 28 days before an election.

Even sections of the conference report designed to help challengers—if there are any—are troublesome. Take the change in the requirement to preserve the identification of contributors. The threshold was raised from $10 to $50. This does relieve a burden on campaign treasurers. But, it also opens a new loophole to allow unreported contributions to flow into a campaign. The report language makes it clear that even if a person gives in excess of $100, it need not be reported under this act, if the contributions are made in amounts under $50. I find this a dangerous new precedent.

Actually, the total effect of this bill would be to make the Commission a subcommittee of Congress. That is what it amounts to. While I am certain that this cozy arrangement quiets many fears among those already in public office, it will help continue the virtual monopoly of incumbents in American election politics.

This situation reminds me of what has happened to other regulatory agencies. It is in fashion to say that regulatory agencies have become captives of the very people they are supposed to regulate. It may not just be fashionable, it is certainly factual in this particular case. Well, Congress was regulated for a few weeks and found the prospects pretty distasteful. This bill solves that problem, it will put the Commission under the thumb of Congress forever. Congress has made another power grab, this time for the supposedly independent commission designed to govern their own reflection.

I think that is the thing that bothers me most about this particular bill, Mr. President, because there have been abuses in the past, and every Member of this body and I think every person in the American Republic, knows that. Yet Congress never prosecuted a single person. Under the old Corrupt Practices Act, it was enforcing its own election process. Not one person was ever prosecuted.

So what have we done? We created an independent commission. The very heart and soul of that was to give them independence so we could have independent enforcement of the election process and, therefore, independent protection of the American people against the abuses, and we have destroyed that independence by this particular action that is before us today.

Obviously, some violations will be taken to court under this bill, but it is strange that we have taken out all of the felony provisions. In effect, we have decriminalized campaign violations, or will have if this bill becomes law.

I admit that even under this bill it is possible that some violations will be taken to court. And do not think for a minute the incumbents have not thought of that, too. Surprisingly, there are no more felony provisions in this act.

In a sense, campaign violations have been decriminalized—or will be if this bill becomes law. The maximum jail sentence for any violation is 1 year. I would have thought that events of the last few years would have convinced us that our election process needs better protection, tougher penalties, and more severe enforcement. I cannot understand what led the conference committee to take a different direction.

Equally bad, the Justice Department is no longer able to prosecute on its own. If an aggressive district attorney finds a clear violation of the law, he cannot take the person into court. He must refer the case to the Federal Election Commission. And what if this agency, which Congress has neatly overtaken, imposes nothing but a simple fine? That is it. The Justice Department can take no further action—even if it violently disagrees with the decision. I find the total "decriminalization" of the campaign law violations one of the most disturbing features of the bill.

I question whether we can decriminalize campaign violations, in all candor, with our constituency in the American people.

One cannot, however, be certain of the full impact of this bill. It is so poorly drafted, the language so convoluted, that I doubt if any of us will know for years the real meaning of many sections. The conference report illustrates the confusion and uncertainty that exist. Why, one section of the conference report makes a suggestion that is in clear opposition to the language of the statute itself. When Congressman WIGGINS raised this point, his argument was dismissed.

If the conferees cannot agree on what this statute means, how can we expect a candidate in Tennessee or Nevada to understand it. And, now that we have tied the hands of the Commission to issue advisory opinions, we have guaranteed that those questions will remain unanswered.

I suppose for those Members who face reelection this year it may be somewhat reassuring to realize that at any minute the rug can be pulled out from under a challenger by accusing him of a violation of this act. But I might say that can also be true of incumbents. Candidates, constituents, citizens and people need to understand the law with some clarity. That is utterly impossible with this particular bill.

I find the conflict of interest in that kind of legislation so overwhelming that I cannot believe it will pass this body and be enacted into law.

Mr. President, during the original debate, I supported a simple reconstitution of the Federal Election Commission. I still do. It is essential that we do so. Rightly or wrongly, we wrote a law that set up the rules for running in elections in this country for the House, the Senate, and the Presidency. We have already unfairly distorted and dislocated the Presidential process. We have disadvantaged not only candidates but people who were supporting those candidates because we changed the rules of the game in the middle of the game. And that is not right.

I did not like the way that law was written, but, for goodness' sake, we had an obligation to see that the law was kept intact during the process of the primaries so people would know where they stood. Despite that fact, the rules were changed. People, candidates and supporters have been put into an impossible situation.

We had no choice other than to reconstitute the Election Commission, to do it cleanly and simply, and proceed under the law as it was written for the balance of this year.

After this election is over a whole lot of changes need to be made. There is no question about that. Everybody here knows that. But we should not do it during the middle of a campaign; we should not do it so people do not have a fair chance to express their views in a free society.

I think perhaps the only process that I can suggest to my colleagues in the face of this situation we now find ourselves in is to attempt to reject the conference report, enact a simple extension of the Federal Election Commission with fully independent status, and set ourselves to work for the balance of this year to see where this law must be changed so that in the ensuing elections the American people will be better served by the representative branch of this particular constitutional system of ours.

Mr. HUGH SCOTT. Mr. President, I would like to address a couple of questions to the distinguished chairman of the committee. The Senate version of this law, Mr. President, carried the definition of the word stockholder and for some reason it was omitted from the substitute in conference. I am sure there was no attempt by that omission to deprive employees of corporations who own vested beneficial interests in the corporation stock from being within the definition of those who may be solicited by separate segregated funds. Is this not correct, in the chairman's opinion?

Mr. CANNON. I can say to my colleague there certainly was no attempt to deprive anyone of the general right of definition under the term stockholder. The conferees did not attempt to work out a description because generally the term stockholder is determined by looking at the particular State law. Certainly, if an individual has a vested beneficial interest in the stock, with the normal rights to vote and to receive dividends, if any, and to share in the profits or losses of the company in proportion to his or her percentage of ownership, all of which would accrue to an individual under the general principles of corporate law, then such an individual certainly would be considered to be a stockholder.

The conferees, as I said, did decide against an attempt to define that term and to leave that matter to the normal concepts of corporate law.

Mr. HUGH SCOTT. I would take it, then, an employee who has a stock acquisition plan by purchase, bonus or otherwise and who, therefore, has a vested interest in the employer corporation is not relegated to the status of a second-class stockholder position by this conference language.

Mr. CANNON. There certainly is no intent to relegate them to a secondary position. If they have a vested interest in the stock and the right to vote whatever proportionate shares they have under a stock ownership plan or whatever it may be, obviously they would be a stockholder within the meaning of the term. As I said, most State laws define in their own corporate law structure what constitutes a stockholder.

Mr. HUGH SCOTT. I have in mind such stock acquisition plans as Sears, Roebuck, Marriott Corp., and others. I do not think there is any attempt to deprive any person, even though an employee, of his rights as a shareholder and his right to be informed or solicited.

Mr. CANNON. There was no such intent.

Mr. HUGH SCOTT. I thank the chairman.

Mr. KENNEDY. Mr. President, I rise, first of all, to commend the chairman of the Rules Committee for the work that has been done in bringing this measure to the point where in a few moments we will be acting on the conference committee's action.

I support the conference committee's action on the election reform bill, and I hope that it will be approved by the Senate and signed by the President.

In my view, the pending legislation wisely went beyond the steps required to deal with the reconstitution of the Federal Election Commission in the wake of the Supreme Court's decision in Buckley against Valeo.

In addition to reconstituting the Commission, the present bill contains important and urgently needed provisions to prevent the artificial proliferation of political committees, and to insure that so called independent spending is genuinely independent of a candidate and his political committees, before such spending qualifies for the exemption from the limits on campaign spending under the Supreme Court's ruling.

I also commend the conferees for reaching acceptable compromises on the other sensitive questions involved in this complex legislation. Although not all of us may agree on particular solutions reached, it seems clear that the integrity and independence of the Commission have survived the unjustified assaults upon it, and that the many other difficult issues have been resolved fairly and dispassionately.

Obviously, the President is receiving strong pressure to veto this measure. Experience under the new law will tell whether or not additional modifications are needed. But I am convinced that the conference bill is far better legislation than either the present state of the law in the wake of the disruption and uncertainty produced by the Supreme Court decision, or the result likely to be obtained if Congress tries again from scratch.

My hope, therefore, is that in recognition of these realities, the President will not succumb to the partisan advice to veto the bill—or, if he does succumb, that Congress will have the good sense to override the veto. Certainly, the overwhelming House vote for the bill sends a clear message to President Ford to sign the law.

There is, of course, one major area where the law is obviously deficient—its failure to include public financing for congressional elections. So long as we maintain the shocking double standard of public financing for Presidential elections and private financing for Senate and House elections—so long as we refuse to take congressional elections off the auction block—our goal of genuine election reform will continue to be a hollow promise.

Public financing is the wisest possible investment of the taxpayer's money. It will pay rich dividends in the form of future Congresses more responsive to the people.

The dollar checkoff method of public financing is working. And it is working better every year. According to the most recent figures available from the IRS—based on tax returns processed so far this year—25 percent of taxpayers used the checkoff on their 1975 returns, up from 23 percent in 1974. The results for the 4 years of operation of the checkoff are:

Tax year, taxpayer participation, and amount:

1972, 3 percent, $12.9 million.
1973, 13 percent, $17.3 million.
1974, 23 percent, $31.9 million.
1975, 25 percent, $17.9 million (partial results).
Total, $80.0 million.

If the present pattern of participation continues for the remaining 1975 returns still to be processed, the IRS estimates that an additional $14–16 million will be designated for the Presidential campaign fund, for a total of approximately $95 million designated to the fund since 1972.

To date, $12.6 million has been paid out to candidates in the 1976 primaries, and requests for an additional $3.7 million are pending before the FEC.

It is clear that large numbers of taxpayers believe in public financing and are using it on their tax forms to vote for clean and honest presidential elections, free of the taint of special interest contributions and the appearance of corruption.

The average taxpayer deserves the chance to vote for such elections for Congress, too, because it will end the corrosive influence of large campaign contributors and bring more effective answers by Congress on vital national challenges like inflation and employment, health and education, crime and gun control and tax reform.

Taxpayers care about these issues. And they care about integrity in Government. The annually increasing participation by taxpayers in the checkoff on their tax forms is a welcome and healthy sign that concern about election reform and honest, open government is not fading as Watergate recedes.

The best way to achieve our goal of ending the appearance of corruption and the influence of special interest money in campaign financing in congressional elections is to adopt public financing for the House and Senate. The opportunity to achieve that goal has now passed in the 94th Congress. But I intend to do my best to insure that it has the highest priority in the new Congress that convenes next January.

I know from both the statements and the record which have been made by the chairman of the Rules Committee (Mr. CANNON), who reported a bill in 1974 and supported it and fought for it in the conference that year, that the chairman stands for the public financing of congressional elections.

I believe the American people want to ensure that the representatives they are selecting for the House of Representatives and the Senate will be accountable to the people rather than to fat cat contributors.

I feel that the case has been made convincingly for the importance of public financing in the American election system. The case is equally convincing for Senate elections, House elections, and Presidential elections.

Quite clearly, if we in Congress are going to provide sauce for the goose in terms of public financing for Presidential campaigns, I think it is only sensible and logical to provide sauce for the gander in terms of congressional and senatorial campaigns.

So, I indicate this afternoon to the chairman of the Committee on Rules and Administration and to my colleague, a senior member of the Rules Committee (Mr. HUGH SCOTT), who has worked closely with me in a bipartisan effort to achieve public financing for congressional campaigns, that I hope that this issue may be acted on early in the new Congress.

All of us know that the American people are going to pay for the campaigns one way or the other. If they do not pay for them through public financing, they are going to pay for them in terms of the special rules and special privileges that are given to the large concentrations of economic power that are able to wield their influence in the legislative process time and time again—and their influence and access is purchased through their campaign contributions.

That is why public financing of Presidential campaigns and congressional campaigns is the most important reform in terms of governmental responsibility and integrity that I have seen in the 14 years that I have been in the Senate.

The American people want their elected representatives to be accountable to them, and not to the large contributors. We have taken that giant step for Presidential elections, and it is time to take the same giant step for Congress.

I commend the Senator from Nevada (Mr. CANNON), who has been tireless in the pursuit of this reform, and the members of his committee for the work that they have done and the service that they have provided to our country in this important reform.

Mr. BROCK. Mr. President, I know the Senator from Massachusetts has had a long interest in the subject matter of public financing. I may have at one point been tempted to listen with some sympathy to his point of view.

But I do think that perhaps our experience might teach us something this year, and that is the fact that Congress can by action or inaction not only propose, but it can dispose or refuse to dispose and, in this particular case, refuse to sustain campaigns of decent people who are running for the Presidency.

The very fact that we wrote a law in which there were matching funds raised in Presidential campaigns and then allowed the Commission which disposed of the funds to lapse so that no check could be sent, tells me a great deal about the power that we are placing in the hands of this particular body when we write that kind of a law.

Mr. KENNEDY. Mr. President, will the Senator yield for an observation?

Mr. BROCK. I yield.

Mr. KENNEDY. The Senator is familiar with the fact that the bill that was actually passed by the Senate in 1974 would not have been vulnerable on the question of the Commission's method of appointment. So I think the Senator's indictment is of Congress as a whole in fashioning legislation that was eventually challenged successfully by the Supreme Court. The fact of the matter is the bill that was recommended by the Committee on Rules and Administration in 1974 and approved by the Senate would have been upheld by the Supreme Court, and the kind of objections that the Senator from Tennessee is expressing now never would have been made.

When we are talking about the legislative mixup on this, I certainly hope that our membership will understand quite clearly that it was to no extent due to the workings and functionings of the Senate or the Committee on Rules and Administration.

Mr. BROCK. The Senator is correct on the very limited point that the original Senate bill was constitutional as now interpreted by the Court. I would not argue that.

As a matter of fact, I think it is only fair to say—and I am not trying to get in a shouting contest with the other body—that throughout the process our Senate conferees and our Senate participants in this reform movement have had more rationality, coherence, and candor than perhaps some on the other side. I think the result would have been far better had we passed the Senate effort, but the fact is we did not.

What I remain concerned about is, whatever the circumstances that led us into the constitutional challenge, the fact is that once it was made and sustained Congress lacked the ability or the will, in its entirety, to come to grips with a desperate problem for legitimate candidates and legitimate supporters throughout the 50 States, and we have markedly disadvantaged certain campaigns as a result.

I also make one other point. I have learned something else from the fact that even when the funds were going to the candidates the situation did not seem to change very much. Viable candidates remained viable, and those who did not have an appeal to the electorate failed miserably.

That is the way it always has been, and public financing is not going to change that. All it does is to require the American taxpayer to put money into the campaign of an individual with whom he thoroughly disagrees. I find that somewhat difficult to justify to my constituency. If the Senator's constituency is different, he can make his own case there. But for myself, it is very difficult for me to prove to Tennesseans that I have a right to impose a tax upon them to support a candidate with whom they disagree on virtually every fundamental issue before the American people. I think that is the basic test.

However, the question I have today is not the constitutionality. It is not the public financing. It is the fact that this bill as written, as agreed to by the conferees, is impossible of interpretation, is disadvantageous to challengers, is advantageous to incumbents, is a self-perpetuating device for the Congress of the United States, which puts a stagnation upon the American political process.

It reduces our ability to freshen it by constant turnover, by change—by improvement, if you will. It is a process by which Congress can maintain control over its own reelection standards. I think that is wrong. That is what has been wrong with the process under the old Corrupt Practices Act for the last 50 years. All we have done is change the name. This bill maintains in the hands of Congress the right to set its standards, the conduct of elections, and under which it will allow or tolerate someone to challenge it. I believe that is unfortunate for the American people, who deserve better. I believe we can write a better piece of law than this, and I hope we will do so next year.

Mr. KENNEDY. Mr. President, having already commended the contribution made by the distinguished chairman of the Rules Committee, I also acknowledge the very strong contribution that has been made to this legislation by the distinguished Senator from Iowa (Mr. CLARK), as well as the Senator from Tennessee (Mr. BROCK), both of whom have followed this measure closely. All of us involved in the debate and the discussion of the bill know that they have been very much involved in the study and deliberation of the issues, and we appreciate the major effort they have given to the bill. They have made many very important contributions to our understanding of these complex issues. In spite of the fact that I have differed with the Senator from Tennessee on some of the issues, I think it is important to acknowledge the very important contributions the Senator from Tennessee has made to this legislation.

Mr. BROCK. The Senator from Massachusetts is very gracious. He knows that I respect him for his contribution.

Mr. PACKWOOD obtained the floor.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. PACKWOOD. I yield.

INCREASED PARTICIPATION IN THE INTER-AMERICAN DEVELOPMENT BANK

Mr. SPARKMAN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 9721.

The PRESIDING OFFICER (Mr. STAFFORD) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 9721) to provide for increased participation by the United States in the Inter-American Development Bank, to provide for the entry of nonregional members and the Bahamas and Guyana in the Inter-American Development Bank, to provide for the participation of the United States in the African Development Fund, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SPARKMAN. I move that the Senate insist upon its amendment and agree to the request of the House for a conference, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SPARKMAN, Mr. HUMPHREY, Mr. CHURCH, Mr. McGEE, Mr. McGOVERN, Mr. CASE, Mr. JAVITS, and Mr. HUGH SCOTT conferees on the part of the Senate.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes.

Mr. PACKWOOD. Mr. President, I had hoped to address this question to the chairman, but I will address it at this time to the ranking Republican member of the committee, and perhaps the chairman can address himself to this matter when he returns to the Chamber.

There is another point in the conference report on S. 3065 which requires clarification. This concerns section 321 (b)(2)(C). It authorizes various types of organizations to use union or corporate funds, as the case may be, to pay the expenses of establishment, administration, and solicitation of a separate segregated fund. It is my understanding that the list of organizations contained in the section is illustrative but not exclusive. For example, trade associations are frequently incorporated and, of course, all are membership organizations. Accordingly, is it correct that such an association may use corporate funds to pay the expenses of establishment, administration, and solicitation of its separate segregated fund?

Mr. HATFIELD. Mr. President, the chairman will return to the Chamber shortly. Perhaps the Senator from Oregon would like to suggest the absence of a quorum.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, it has been more than 3 months now since the Buckley against Valeo Supreme Court decision established the need for legislative changes in our Federal election law. Our original deadline and extension thereof have long passed, and here we are—still trying to reach agreement on a measure which should have been disposed of with a simple extension and restructuring in less than 2 weeks.

After tinkering with every aspect of our election laws during that time, we are today being asked in the name of campaign reform to make a judgment on an extremely complex compromise proposal—the long-range ramifications of which no one can accurately predict. For one who favors a strong and truly independent Federal Election Commission and the even-handed treatment of political interest groups, the option to support the conference report on S. 3065 is not a very attractive one.

SUBSTANTIVE CHANGES UNTIMELY

When the Senate considered its version of this legislation in March, I indicated my preference for a bill which would satisfy the Supreme Court's objections without further substantive changes. The situation which dictated that type of solution then is even more compelling now—for the middle of a Presidential election campaign is hardly the time to start changing the rules.

I am not against making useful modifications in our campaign guidelines, Mr. President, but I seriously question the propriety of doing so when every candidate and committee affected is already operating under an established set of standards. That was the whole point, of course, behind the earlier effort to simply reconstitute the Commission for the present and consider more comprehensive reforms next year.

SUPPORT ESSENTIAL AMENDMENTS

Let me say without equivocation that I support the immediate restructure of an independent Federal Election Commission. I also support—as do our so-called public interest lobbies—immediate passage of provisions which would permit a smooth transition to a new Commission, as well as amendments needed to close the gaps created by the Valeo decision.

In that category, I would certainly include the amendment which places a per candidate contribution limit on political action committee and their affiliates. The provisions requiring the reporting of all "independent" expenditures in excess of $100 and those for "internal" partisan communications by labor unions and corporations should also be considered essential.

REVERSE OF REFORM

But the balance of the bill is a ridiculous and ineffective attempt to grant political advantages to special interest groups and permit total domination of the Federal Election Commission by the majority party in Congress. It represents a step backward, not a step forward, in election reform.

Accordingly, I find it most curious that nonpartisan citizen organizations such as Common Cause are giving this conference report their unqualified support as a measure which "creates a strong and effective FEC and closes key loopholes in the 1974 law." Conveniently, they have omitted the word independent from their description of the FEC—and for good reason, since everything it does will be at the pleasure of the Senate Rules and House Administration Committees.

CONGRESSIONAL VETO POWER

Apparently, these lobbyist groups are willing to overlook the fact that this conference bill will not only allow advisory opinions of the Commission to be vetoed by either the House or Senate, but will also give Congress the right to make line item rejections of individual sections of a regulation. It seems to me this represents an abandonment of the commitment to an autonomous enforcement agency which they made 2 years ago—and I would certainly hope their membership might call upon them to explain the inconsistency.

Perhaps this new concept of self-protection which we are approving for ourselves might be extended to the average citizen out there who is looking for the same type of insulation from the Government bureaucracy. I assume that Common Cause and others who are endorsing the principle for Congress will also be prepared now to accord the veto privilege to every business in America subjected to regulations issued by the other independent commissions.

SUPPRESS CITIZEN INVOLVEMENT

Although the champions of this legislation would have us believe otherwise, I think it is clear from reading the conference report that vast portions of the bill preserve and carve out special benefits for union political action committees while limiting the authority of corporate PAC's. Some of the language can even be construed as prohibiting nonpartisan undertakings—including voter education, registration, and get-out-the-vote campaigns—with rank-and-file employees.

Such restrictions on political activity, even partisan in nature, are abhorrent at a time when good government calls for more, not less, citizen involvement. Restriction of political activity is not reform, Mr. President; that comes only through regulation and disclosure of political activity while encouraging it to the fullest extent.

COMMUNICATIONS REPORTING WEAK

Of special interest to me in S. 3065 is an amendment violently opposed by labor, but finally included in the conference version as a watered-down requirement that labor unions and corporations report amounts of money spent to communicate with their members or employees advocating the election or defeat of a candidate. Unfortunately, only expenditures in excess of $1,000 per candidate per election must be reported—opening up all kinds of opportunities for avoidance.

I personally feel that—to be meaningful and effective—any expenditures in excess of $100 should be reported. I can readily understand the basis for union concern over the provision, however, and would like to illustrate it by quoting the following paragraphs from an article entitled, "Labor is Back in Politics," written by Harry Bernstein and included in the March 13, 1976, issue of the Nation:

> After the nominations are made this summer, the AFL–CIO will begin its own operations on behalf of the Democratic nominee—assuming it isn't Wallace. Unions have already collected more than $4 million in voluntary contributions for the campaigns, and that money, plus a few million more dollars of similar volunteer money, can go directly into campaigns. But the cost of the computer and direct mailings to members will come out of union dues because the Supreme Court has agreed that, under the free-speech doctrine, unions have the right to spend dues money to communicate with their own members on politics.
>
> The "soft dollars," or dues money, can be used not only for the giant computer operation but for telephone banks, mailings, for sound equipment, and for the salaries of thousands of union representatives who work on campaigns, but who do so directly for the unions and among union members. It is this kind of action that gives labor its real political punch, and Alexander Barkan, director of the AFL–CIO Committee on Political Education, says that this year the federation's political strength will be greater than ever before.

I admire in some respects, labor interest and involvement and wish their enthusiasm were shared by all sectors of the public. Whether it is or it isn't, however, the cost and extent of this type of political activity should be reported, and without any $1,000 exemption.

LAW EFFECTIVELY DECRIMINALIZED

As another "example" of closing key loopholes, the drafters of this reform legislation have all but decriminalized our Federal election law. They have done so by completely rewriting a new penalty section—making it almost impossible for anyone to go to jail for a campaign violation.

Critics of plea bargaining will be very interested, I think, in the new idea of conciliation agreements, as they will in the exonerating terms "knowing and willful" and "lack of intent to commit" with respect to penalties for offenses. I just wonder, Mr. President, if this is part of the reform package which our citizens lobbies have helped engineer.

OUTLOOK VAGUE

The more I read of the conference report on S. 3065, the more convinced I become that no one really knows what the potential ramifications might be. Vague statutory additions to an already overly complex law is a sad commentary, in my view, on a Congress which set out with the task only of replying to specific court objections.

More disturbing is the fact that—after almost 100 wasted days and a far less than perfect product—our self-proclaimed public interest lobby groups are saying we cannot waste any more time, that the bill should be signed into law as is. What, then, has happened to all the election reform purists, and why are they telling us to accept a less than satisfactory bill when we can pass a totally acceptable one?

I urge the President to veto this conference report—assuming it is agreed to this afternoon—and would challenge my colleagues to sustain that veto and return to the White House within 1 week legislation which simply reconstitutes the Commission and plugs the gaps created by Valeo. We expedited consideration of a near objection-free TV sports blackout bill when we wanted to, and surely election reform merits equal attention.

For these reasons and others that I have outlined in my text, I shall vote against the conference report.

Mr. HATFIELD. Mr. President, I speak on behalf of my colleague (Mr. PACKWOOD), who was called from the floor. He had originally proposed a question to the chairman of the committee who, at that time, was unavoidably detained from the floor. Now that he has returned, I wonder, if he has been presented with the question, if the chairman would be willing to state for the record now the answer to that question.

Mr. CANNON. Mr. President, yes, I have been presented a copy of Senator PACKWOOD's question. I would say that his statement as to his understanding is correct. Under section 321(b)(2)(C), a trade association may use corporate funds to pay the expenses of establishment, solicitation, and administration of its separate segregated funds. This is fair and just because such association should be treated equally in the payment of operating expenses of its separate segregated funds with other types of organizations.

I point out that corporations, for example, can use corporate funds for the purpose of establishing and making a solicitation under the provisions of the act.

Mr. HATFIELD. I thank the Senator.

Mr. President, on behalf of my colleague, the Senator from Oregon—I see the Senator has returned to the floor. I was about ready to pose the second question in his behalf to the chairman, relating to the example of a phone bank. I yield to my colleague.

Mr. PACKWOOD. The specific question that I wanted to propound to the chairman dealt with phone banks that are put in by all kinds of organizations at the time of campaigning. I wanted to make sure that the cost of the phone banks in determining whether or not reporting must be made was an item to be included and it would not be regarded as just a normal, ongoing expense of an organization which would not be covered or would not be counted in terms of determining whether or not a threshold had been reached for purposes of reporting.

Mr. CANNON. I would say that if the phone banks were established solely for that purpose, of advocating the election or defeat of a clearly identified candidate, it would be included therein. If the phone bank is established for some other purpose however, and simply is used incidentally, as we have set forth in the bill, then I think it would not be included.

Mr. PACKWOOD. What if we had this situation: The phones are put in on Labor Day for the purposes of the upcoming election, 25 phones in an organization that otherwise has 10 lines. They are used for a variety of purposes—to get out the vote, registration drives, to get people to the polls, to call people advocating the specific election or defeat of candidates. What do we have in that kind of situation, where the phone bank is put in for the purpose of the election and taken out soon afterwards?

Mr. CANNON. I think I would have to refer the Senator back to the provisions of the act. The exclusion is "Other than a communication primarily devoted to subjects other than the express advocacy of the election or defeat of a clearly identified candidate."

If the phone bank were primarily used for the purpose of a registration drive or a get out the vote drive, then I would think that it would be excluded. But if it is not primarily used for that purpose, then I would think it would come under the provisions. If it is used primarily for the purpose of advocating the defeat or the election of a specifically identified candidate, then the section would apply for reporting purposes.

Mr. PACKWOOD. What if we have a situation where it is probably not used primarily for any single purpose, only 50 percent, but it is put in for the purpose of all the concomitant phone calls that go with a certain election?

Mr. CANNON. I certainly cannot engage in a colloquy with the Senator to say precisely what it is. We have defined the terms. We say if it is used primarily for the purpose of advocating the defeat or election of a candidate and it is to the extent of more than $2,000, it is reportable. That is all. It is just reportable. I would assume that the Commission would set up a rule or a regulation under this to define that type of circumstance, but I am not going to define it for them. I think that we have gone as far as we can go in what we developed in the language in the conference report.

Mr. PACKWOOD. I want to make sure that our history, however, does not prove the negative. If $10,000 worth of phones are put in for a month, phones and phone lines, and 30 percent of the time of the lines is used for advocating the specific election or defeat of a candidate, the corporation is free to allocate that cost. They should not be precluded by this legislation from saying that because it was not used solely for that purpose or primarily for that purpose, we will not allocate any of the cost at all.

Mr. CANNON. We have said, for example, that an editorial in a news magazine is not necessarily primarily for that purpose if the primary purpose of the communication or the magazine is for other purposes. I am not going to define that for the Senator, as I said earlier. I think that is a matter that the Commission will have to interpret under this provision in writing their rules and regulations. That is the best I can say. If it is primarily used for the election or defeat of a clearly identified candidate and the cost of it is more than $2,000, which obviously it would be, they would have to report it, period. That is all.

Mr. PACKWOOD. That is fine.

Mr. CANNON. I do not think we are

going to get into that kind of quibbling problem, because if there is any question in their minds, they are going to err on the side of reporting, because there is nothing else involved, simply the reporting.

Mr. PACKWOOD. I am satisfied with that last answer. If it is $2,000 worth of time going in on it or expenses put in on it and while it is being used, it is being used primarily to advocate the election or defeat of a candidate, that answer satisfies me.

ADDITIONAL STATEMENTS SUBMITTED ON FEC CONFERENCE REPORT

Mr. BAKER. Mr. President, notwithstanding that for several years now I have observed with interest, and participated in the several efforts to effect a more comprehensive scheme of governmental regulation of Federal elections, I am reminded, after perusing the conference report on S. *3065*, the so-called Federal Election Campaign Act Amendments of 1976, of the old witticism that "you can't make a silk purse out of a sow's ear."

Primarily because of my opposition to continuation of public financing of Federal elections, I voted against final passage of S. 3065 as it originally passed the Senate earlier this year; and for similar reasons, I voted against the 1974 Federal Election Campaign Act Amendments. Consequently, I must admit that I was hopeful that the conference committee might avail itself of the opportunity presented the Congress by the Supreme Court's decision in Buckley against Valeo, that is the opportunity to correct those abuses generated by the legislative overexuberance of the Congress in the aftermath of Watergate. Specifically, I was hopeful that a repeal could be effected of the public financing provisions of the campaign act, and that the legislative branch would avoid the temptation to establish and/or intensify the confrontation between labor and management in the political process.

Unfortunately, and somewhat unbelievably, the conference committee bill not only would perpetuate the incestuous effects of public financing, but also the provisions relative to corporate and union fund raising constitute what is perhaps the most insidious threat to the two-party system since the Civil War.

Thus, and notwithstanding that I consistently have supported the creation and the reconstitution of a general-purpose Federal Election Commission, I will oppose this conference report; and I urge and hope that the President will veto this measure should it reach his desk.

The mischief wrought by this legislation would be sufficiently serious without the divisive and discriminatory provisions relating to the so-called Political Action Committees. The perpetuation of public financing of Federal Presidential primaries, which can be considered as nothing more than political incest, and the continuation of pervasive regulation, as opposed to disclosure, by the Federal Government of the most intimate of democratic processes are condemnable in and of themselves. Nevertheless, in all due respect to my colleagues, we are on the verge of compounding the original felony by tacitly, if not directly, encouraging direct and substantial labor-management confrontations in the political process. At this juncture, the last thing that America needs is a class confrontation, or the creation of separate labor and management political parties; but, in my opinion, that is exactly what we would be doing in passing this bill.

In conclusion, Mr. President, and as I have stated previously, the Supreme Court erred in upholding the contribution limitation and public financing provisions of the Federal Election Campaign Act. The Congress should repeal those provisions, rather than elaborate and extend them as is proposed in this legislation; and I hope the President provides us yet another chance to correct our mistakes by vetoing these amendments.

Mr. STEVENSON. Mr. President, I will vote to approve the conference report on the Federal Election Commission with reluctance. I would have preferred to have acted with greater dispatch and simply reconstituted the Commission in a constitutionally valid manner with a full review of the subject to follow before the next election.

There are positive aspects to the conference report. It cures the constitutional infirmity in the FEC by making the Commissioners Presidential appointees subject to Senate confirmation. It gives the Commission primary civil jurisdiction and establishes new conciliation proceedings which may protect candidates from spurious political charges. It puts some limits on the proliferation of special interest political committees. It requires disclosure of "independent" expenditures on behalf of candidates and expenditures by corporations and unions even when directed only at their employees or members. The purpose of these provisions is to free our politics from the grip of special interests. One can only hope they will be implemented in that spirit and with a minimum of unnecessary, cumbersome redtape.

The conference dropped what I considered the most important provision—the Presidential Selection Commission sponsored by Senators MONDALE, PACKWOOD, BAKER, and myself. We need a thorough, in-depth look at how we select our Presidential candidates. Does a national or regional primary system make sense? Is public financing of primary candidates a wise expenditure of funds? Are there ways to more effectively communicate issues? We have never taken a systematic look at these and other fundamental questions which affect the manner in which we select Presidents. This Commission could have made recommendations to the Congress in time for the next Presidential election. The opportunity still exists for this Congress to establish such a Commission, and I will continue to press for one.

It is unseemly for Presidential candidates to pound at the Treasury's door for money—even candidates who are no longer actively campaigning. This was inevitable once we authorized public financing of primary candidates, an action I opposed. We cannot change the rules in the middle of the game, but I hope we can learn from this experience and end this pernicious practice as soon as this election is behind us.

Mr. President, the Congress was forced by the decision of the Supreme Court to confront campaign reform legislation in the heat of a campaign. The results were predictable—attempts by all sides to gain an advantage and ultimately a compromise giving everyone something. We should do better. I hope that none of us will feel that the job of reforming our elections is behind us.

Mr. WEICKER. Mr. President, in opposing this conference report on the Federal Election Campaign Act Amendments of 1976, I reiterate my strong opposition to public financing of Presidential campaigns.

Over the past few days, I have expressed my concern that this bill has been referred to as Watergate reform legislation. The only reform involved in this election bill is making it easier for candidates to get into the peoples' pockets to pay for their electioneering.

Thomas Jefferson believed, "to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors is sinful and tyrannical." Based upon this desire to maintain the individual's voluntary right to express themselves politically, a majority of the Watergate Committee recommended against the adoption of any form of public financing in which tax moneys are collected and allocated to political candidates by the Federal Government.

The FEC is valuable in policing our election process. Full financial disclosure, contribution limits and a sharply reduced time period for raising money and campaigning are what is needed for real reform. But using Federal funds to pay for Presidential politics is a con job in the name of reform.

Mr. DOMENICI. Mr. President, I am compelled to speak in opposition to the Federal Elections Commission conference report. I do not do this because I am opposed to cleaning up the electoral process. As my record clearly indicates, I have supported the establishment of the Federal Election Commission, I have supported public financing of Presidential elections and I have supported complete disclosure requirements.

While I am aware of the sense of urgency regarding this legislation and its effect on our current Presidential campaign, I cannot lend my vote to such a bill which in my opinion will benefit some groups at the expense of others.

Mr. President, I have listened to much of the debate regarding election reform and have come to the conclusion that the only real way to reform the election process is to permit only individuals to contribute funds to a candidate. A great deal of debate was heard on this issue. The Senate even voted directly on this issue. I regret the fact that this approach did not prevail, but I shall continue to support such a measure.

It is my belief that we must return our electoral process to the people. We must not permit corporate or labor political action committees to solicit enormous sums of money from their employees or members to contribute to candidates for Federal office. The conference report fails to adequately define "solicit" or "solicitation," thereby raising additional questions of what is permissible and what is not.

Mr. President, while I feel that much of this conference report is an improvement over the present law, I feel that on balance the inequities outweigh the equities. I feel that reform must come but, even though this may cause hardships among the Presidential, candidates, I must vote against this measure and urge that President Ford veto it should it reach his desk.

The PRESIDING OFFICER (Mr. Hatfield). The question is on agreeing to the conference report. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. Church), the Senator from Indiana (Mr. Hartke), the Senator from New Mexico (Mr. Montoya), and the Senator from California (Mr. Tunney) are necessarily absent.

I further announce that the Senator from New Hampshire (Mr. Durkin) and the Senator from Connecticut (Mr. Ribicoff) are absent on official business.

I also announce that the Senator from Maine (Mr. Muskie) is absent because of illness.

I further announce that, if present and voting, the Senator from Maine (Mr. Muskie) and the Senator from Connecticut (Mr. Ribicoff) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. Curtis) is necessarily absent.

I also announce that the Senator from New York (Mr. Javits) is absent on official business.

The result was announced—yeas 62, nays 29, as follows:

[Rollcall Vote No. 164 Leg.]

YEAS—62

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Gravel
Hart, Gary
Hart, Philip A.
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Morgan
Moss
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Williams

NAYS—29

Allen
Baker
Bartlett
Bellmon
Brock
Buckley
Byrd,
Harry F., Jr.
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hruska
Laxalt
McClellan
McClure
Roth
Scott,
William L.
Sparkman
Stennis
Thurmond
Tower
Weicker
Young

NOT VOTING—9

Church
Curtis
Durkin
Hartke
Javits
Montoya
Muskie
Ribicoff
Tunney

So the conference report was agreed to.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. HUGH SCOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. Hatfield). Will the Senate please be in order?

The Senator from Nevada.

Mr. CANNON. Mr. President, first I commend the conferees on the part of both the majority and minority, as well as the staff members, for their excellent work in trying to develop a satisfactory bill.

Mr. President, I hope that the President will see fit to sign this bill, that he will send up the names of the appointees to the Commission forthwith, so that the Commission can be reestablished, and that we can get on with the business so necessary in connection with the forthcoming elections.

Mr. HUGH SCOTT. Will the Senator yield?

Mr. CANNON. I yield to the Senator.

Mr. HUGH SCOTT. Mr. President, I am not entirely satisfied with the bill. Perhaps no one is. But I do believe that this is the best bill we are going to get out of this Congress and I think probably it is a choice between this bill and either no bill or a worse bill.

Under the circumstances, I have to express the hope that the President will see fit to sign it.

RELATIONS WITH THE SOVIET UNION

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of Senate Resolution 406, which will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 406) relating to the importance of sound relations with the Soviet Union.

The Senate proceeded to consider the resolution which had been reported from the Committee on Foreign Relations with an amendment to strike out all after the enacting clause and insert the following:

it is the sense of the Senate that:

United States relations with the Soviet Union are a central aspect of United States foreign policy, and thus it is critically important that we should sort out the difficulties that exist in the Soviet-American relationship, and define the national interest in that relationship.

Without illusions about the fundamental differences which separate the United States and the Soviet Union, we believe that the survival of the values we cherish in our free society requires the most careful and judicious regulation of relations between these two great powers. We proceed, then, from a recognition of the fact that the United States and the Soviet Union have, and are likely to have for some time, many competitive and conflicting interests. But we believe, nevertheless, that it is in the interest of both countries to regulate this competition and these conflicts so that they do not lead to war.

The basic premise of the United States approach to this relationship is that the United States must remain unchallengeably strong militarily, both to insure United States security and to contribute to the security of our friends and allies abroad. This military strength must include a strategic capability which is fully sufficient to deter any Soviet attack on the United States or its allies, and which leaves no room for misperception by the Soviet Union of our readiness and willingness to defend our vital interests and allies.

Beyond this determination to do all that is necessary to defend and protect our Nation, we believe that the lessening of international tensions must remain a continuing United States goal.

We therefore support:

1. Efforts to conclude, as soon as practicable, negotiations on a timely basis to implement the principles of the November 1974 Vladivostok accords and, in addition, to continue to negotiate to reduce mutually the strategic military forces permitted each country under those accords. These agreements, to be submitted to the Senate as a treaty, should be based upon actions founded on clearly stated and verifiable stipulations.

2. Initiatives on the part of both the United States and the Soviet Union demonstrating a commitment to the achievement of peaceful solutions in present and potential areas of conflict, in ways consistent with the mutual obligations of both powers to refrain from seeking advantages by exploiting troubled areas of the world.

3. Other diplomatic, economic, commercial, and cultural initiatives which are undertaken with a careful regard for the balance of risks and advantages, which are implemented on a mutual and reciprocal basis, which are consistent with the economic and national security interests of the United States, and which support the implementation of the Articles of the Final Act of the Conference on Security and Cooperation in Europe—particularly the provisions relating to respect for human rights and cooperation in humanitarian fields.

4. Taking actions in all these matters in close consultation and cooperation with our allies.

This resolution shall be transmitted by the Secretary to the President of the United States.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on passage of the pending business.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, there is no time limitation; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. SPARKMAN. Mr. President, as my colleagues will remember, some weeks ago Senator CRANSTON, for himself and a number of cosponsors, introduced Senate Resolution 406, concerning U.S. relations with the Soviet Union. Placed immediately on the calendar and soon thereafter called up in the Senate, the resolution quickly became the subject of a considerable debate. Eventually, after having amended the resolution several times, the Senate referred it to the Committee on Foreign Relations.

As the committee addressed this matter, Mr. President, it was with the understanding that the purpose of Senate Resolution 406 was to express certain premises, principles, and goals which should shape U.S. policy toward the Soviet Union. It was the committee's view that to serve this purpose satisfactorily, the resolution should be designed so as to engage broad support in the Senate, for the quite cogent reason that any approach to Soviet-American relations which does not have broad domestic support cannot be long sustained. Thus, in deliberating on Senate Resolution 406, the committee ought to accommodate various ideas which had been expressed in the Senate debate, so that Senate Resolution 406 as reported by the committee would merit the widest possible Senate support.

After discussing the resolution during several meetings, Mr. President, the committee reached agreement to report Senate Resolution 406 with an amendment in the nature of a substitute. Since American relations with the Soviet Union are by nature controversial, the committee—in seeking to fashion resolution language which would enjoy wide support—inevitably gravitated toward the expression of very general principles. Yet because even elemental principles are often overlooked during the rigors of public debate, the committee agreed that there would be value in reiterating, through this resolution, certain fundamentals of U.S. foreign policy.

As cited in the resolution, Mr. President, the underlying premises for a sound American policy toward the Soviet Union are essentially twofold: That the United States must remain unchallengeably strong militarily and that, while maintaining such strength, the United States should seek a reduction in international tensions. Given this dual imperative, the resolution sets forth certain operating principles and goals for American policy, as follows:

First, the resolution advocates that the United States continue to seek progress on strategic arms limitation through agreements which are concluded on the basis of "clearly stated and verifiable stipulations" and which are then, in keeping with proper constitutional practice, submitted to the Senate for consideration in treaty form.

Second, the resolution urges that both the United States and the Soviet Union seek to demonstrate a commitment to peaceful solutions in "present and potential areas of conflict" and that each side "refrain from seeking advantages by exploiting troubled areas of the world."

Third, Senate Resolution 406 urges that the United States undertake a full variety of initiatives to expand relations with the Soviet Union, but only initiatives "which are implementated on a mutual and reciprocal basis" and which do not compromise U.S. security interests or such basic principles as enunciated in the Helsinki agreement.

Finally, the resolution reemphasizes that all U.S. initiatives in the area of Soviet-American relations should be undertaken in "close consultation and cooperation with our allies."

Mr. President, as stated in its report on Senate Resolution 406, the Foreign Relations Committee is under no illusion that the passage of a Senate resolution will in itself affect the fundamental relationship between the United States and the Soviet Union. The committee does believe, however, that in public discussion of American foreign policy certain propositions should be recognized as elemental, the most basic being that the United States is and shall remain without reasonable alternatives to a policy of seeking peaceful accommodation with the Soviet Union. Such a policy need not entail unilateral concessions by the United States, nor does it require a sacrifice of long-term American interests in return for temporary and misleading gains. On the contrary, a sound approach to improved relations with the Soviet Union must necessarily involve reciprocal concessions and commitments, and can, if firmly and effectively pursued, produce a genuine advancement of American interests and national security.

Mr. President, I believe that Senate Resolution 406 serves a useful purpose by reiterating these fundamentals of U.S. foreign policy, and I urge my colleagues to support the resolution as reported by the Foreign Relations Committee.

Mr. CASE. Mr. President, our chairman has explained the resolution clearly. It speaks, I think, with eloquence and in simple but strong language the message that we wish to convey.

The Senator from California (Mr. CRANSTON) and a number of us joined in it. He, in particular, deserves good credit for his persistence and devoted attention to a resolution of any irrelevant difficulties which was accomplished as he usually accomplishes them by just plain hard work and understanding.

The committee gave the resolution its careful attention, has modified it in certain ways which are accepted by the sponsors, including Senator CRANSTON, and favorably recommends it by unanimous vote. I commend it to the Senate, as did our chairman.

As the committee report indicates and as the chairman also mentioned, we consider this at the same time as a resolution which I introduced to create a Helsinki Commission which originally we had thought of joining to this but later decided it would be better to handle separately. It is my understanding that the leadership has indicated that that will be presented to the Senate for action upon the completion of work upon the pending resolution.

I hope that both of these measures will not only receive, of course, the due deliberation which the Senate always gives to matters of consequence, but the Senate will also act with reasonable speed and favorably upon this and upon the Helsinki resolution as well.

I yield the floor for the time being.

Mr. HUMPHREY. Mr. President, as has been stated by the chairman of the Committee on Foreign Relations (Mr. SPARKMAN) and ranking minority member of the committee (Mr. CASE), this resolution is an affirmation of the efforts which have been made and are being made by the President and the Secretary of State to secure a working relationship with the Soviet Union on matters not only military but also in the fields of diplomacy, economic, commercial, and cultural activities. We are speaking therefore in the broader context of our relationships with the Soviet Union, broader than merely our military relationships.

The resolution does of course refer to our military relationships. It makes proper note of the fact that there must be careful and judicious regulation of relations between the two great powers of the United States and the U.S.S.R. It recognizes that there are competitive and conflicting interests, but it states also that it is in the interest of both countries to conduct this competition on a reasonable and sensible basis so that the basic differences in our two political and social systems do not lead to hostilities.

Mr. President, this resolution does not represent weakness. It represents strength, both in terms of our military posture and in terms of our sense of dedication to negotiation and to diplomacy, to better relationships between our two countries in a wide variety of fields: commercial, political, scientific, technological, and cultural.

I am very proud to be a cosponsor with the distinguished Senator from California (Mr. CRANSTON). I express my respect for and gratitude to the Senator from California for his constructive initiative. I think it represents the best that is in our country.

Mr. CRANSTON. Mr. President, I thank the chairman of the Committee on Foreign Relations, Senator SPARKMAN; the ranking minority member, Senator CASE; and its very effective member, Senator HUMPHREY, for their support for this resolution, for their kind words about my efforts in regard to it, and most of all for their work in seeing to it that the Committee on Foreign Relations dealt expeditiously, but with great care, with this resolution.

This resolution touches upon a matter that is of great importance to the security and to the well-being and to the future of the people of our country, the people of the Soviet Union, and the people of the world.

This resolution was referred from the floor of the Senate to the Committee on Foreign Relations because of its importance. It was referred because of the desire to make certain that it speaks exactly as the Senate wishes to speak on this matter; and there were those who were not certain that it had had that kind of thought at the time it came to the floor of the Senate.

The Committee on Foreign Relations worked the resolution over for a number of days prior to the final action taken on it in committee. I believe that the committee did very fine work, that we have an excellent resolution, and that some changes have been made that should make it more acceptable to the Senate and to the country, and more significant in terms of its consequences.

Two important changes have been made, generally, in the resolution.

First, there is now a greater emphasis on the need for adequate military strength on the part of our country while the process of détente, which is simply a process of seeking to negotiate differences, is carried on. Indeed, the resolution now states:

> The basic premise of the United States . . .

In its original form, it did not use the words "the basic premise." It now states:

> The basic premise of the United States approach to this relationship is that the United States must remain unchallengeably strong militarily . . .

The resolution, in the other principal change, alludes to the November 1974 Vladivostok Accords and urges that, as soon as practicable, negotiations on a timely basis be carried on to implement the principles of those accords; and the resolution specifically states that those agreements should be "submitted to the Senate as a treaty."

An additional change in the resolution is found in the second section of the resolving clauses. After calling for initiatives on the part of both the United States and the Soviet Union demonstrating their commitment to the achievement of possible solutions in present and potential areas of conflict, it states:

> . . . in ways consistent with the mutual obligations of both powers to refrain from seeking advantages by exploiting troubled areas of the world.

That is rather obviously an allusion to the events in Angola.

In regard to the section which urges that diplomatic, economic, commercial, and cultural initiatives be undertaken between the United States and the Soviet Union, the resolution now asks that these be "implemented on a mutual and reciprocal basis."

There is also an addition to that section which reads:

> . . . and which support the implementation of the Articles of the Final Act of the Conference on Security and Cooperation in Europe—particularly the provisions relating to respect for human rights and cooperation in humanitarian fields.

Finally, there is a new resolving section 4, which stresses the need that we be in constant consultation with our allies while negotiating with the Soviet Union. It states:

> Taking action on all these matters in close consultation and cooperation with our allies.

What we now have before the Senate, Mr. President, is a resolution which seeks to define what détente is all about, without using that word, which has been widely misunderstood and has become controversial. I do not see how there can be any opposition to the definition which is set forth in this resolution, which in effect states that we recognize that there are and there will be deep differences for a long time between ourselves and the Soviet Union, but that it is important to seek to regulate our competition and our inevitable conflicts in ways that lead us away from war. Obviously, it would be a catastrophe for Americans, for Russians, and for the world if we were to let our relations deteriorate into conflict.

This is a reiteration of the American hope that, by careful negotiations with the Soviet Union, we can regulate our relations and keep them on a peaceful basis.

I note, in closing, that we have a very broad cross section of the Senate, representing all philosophical views, both parties and all geographical sections of the country, among the cosponsors of the resolutions.

I express my gratitude once again to the Senator from Tennessee (Mr. BAKER) for his wonderful work as the principal cosponsor; and I again thank the two leaders, Senator MANSFIELD and Senator HUGH SCOTT, for their original support and sponsorship of the resolution.

Mr. BAKER. Mr. President, I thank the Senator from California for his kind and generous remarks. It has been a pleasure for me to work carefully with him in trying to construct a resolution that would express the appropriate sentiment of the Senate in a very delicate and difficult part of America's continuing international responsibility.

I particularly commend the Senator from California for the flexibility and the resourcefulness of his efforts in this respect while, at the same time, maintaining his firm devotion to twin commitments for a strong United States, for undoubtedly strong national defense, and the continuing concomitant courage to go forward in negotiation and conversation with countries that otherwise would be our categorical enemies.

Mr. President, this resolution has come a long way since it originally was introduced and debated on the floor of the Senate. I think it was appropriate that it be referred to the Committee on Foreign Relations, and I commend the Committee on Foreign Relations for their attention to it and their prompt reporting of this resolution for full Senate consideration.

I believe that the resolution is significantly improved. It is an even more careful and deliberate statement of an appropriate stance and posture of the United States. I am pleased once again to add my voice to those of others in this Chamber who urge its adoption today.

Mr. President, we have once again come to the consideration of the so-called détente resolution. We who introduced this resolution had hoped that the sentiments contained therein could be passed as a spontaneous declaration of support for a policy that everyone in this body, in all honesty, must conceive to be rational.

That was not to be, and perhaps it really does not matter, for the resolution that is now before us has been carefully considered and unanimously reported by the Foreign Relations Committee. It is worded somewhat differently; it is better worded, in fact, but, in substance, it expresses the same sentiment that was intended in the original.

That intent was to express the support of the Senate for a foreign policy that embraced two principal commitments.

The first of these commitments is that the United States should remain unchallengeably strong in its ability to defend the Nation and its allies.

The second commitment embraced by this policy is that from this position of unchallengeable strength—even, if you will, notwithstanding this unchallengeable strength—the United States will continue to seek and pursue every reasonable opportunity to diminish the possibility of war without principal adversary—a war the consequences of which are awesome even to contemplate.

It was hoped that the passage of this resolution by this broadly bipartisan body would still, at least to some extent, the inflamatory rhetoric that tends to pervade election year politics. Rhetoric tends to escalate of its own momentum, and distort the perceptions of both friends and adversaries as to the true nature of this one very important element of the Nation's foreign policy. More importantly, perhaps, it distorts the perceptions of the American public and that defeats this primary benefit of a democracy—the opportunity for the American people, as this Nation's sovereign, to make a rational and informed decision.

I have heard it said that there are some who fear that the resolution says too much. They fear, apparently, that by passage, we commit the Senate to a position of inferior strength or to a specific treaty that may or may not be in the best interests of the Nation. I would allay those fears, and I would counsel that they may be raising issues that simply are not contained in the resolution.

By this resolution, we are committed to no treaty, although I cannot help but add that a realistic, verifiable limitation of nuclear arms is clearly in our best interest.

By this resolution, we are committed to no position of strength inferior in any way to that of any other nation.

By this resolution, we are committed only to a very simple proposition—to remain unchallengeably strong and to have the confidence inherent in that strength to seek opportunities to lessen the possibility of confrontation and war.

Mr. President, I believe that dual commitment to be in the interest of the people of the United States, and I am indeed hopeful that this body will affirm my belief.

Mr. HUMPHREY. Mr. President, I ask for third reading.

Mr. ALLEN. Mr. President, I have a series of amendments that I shall offer when more Senators are on the floor to consider them. Until such time as we have a larger number of Senators here, it seems not to be advisable to offer the amendments because I would feel that if we had a vote based on the Senators' presence, the amendment probably would not be adopted.

The first question I would like to ask, rhetorically, at least, is why this resolution? What does it do? The sponsors say, let us go on record as preferring negotiations and agreement to nuclear attacks. Well, that is elementary; I suppose everybody is in favor of that. But why the agreement, then?

It is said that the resolution has come a long way. Well, it is somewhat different from the resolution that was originally introduced, which has circumvented the Committee on Foreign Relations and I do not see too much similarity in the two resolutions—that is, the resolution originally introduced and then the resolution that comes from the Foreign Relations Committee. So, apparently, the Committee on Foreign Relations did not think too much of the original resolution, because they completely rewrote the resolution.

We now find that the resolution apparently speaks approvingly of the Vladivostok agreement or accord, and it speaks approvingly of the Helsinki agreement or accord. And waiting in the wings is the Percy resolution. I understand—I may be mistaken at this point—that that was reported out of the Committee on Foreign Relations, either yesterday or today. Possibly, I am wrong on that, but at any rate, it is either pending before the committee, or has been reported out.

Mr. CASE. Just as a matter of information, we did report out the Percy resolution.

Mr. ALLEN. Then I did not speak inaccurately.

Mr. CASE. No, I knew the Senator was in some doubt.

Mr. ALLEN. I appreciate the Senator from New Jersey supplying this information. It seems that right here, on the floor of the Senate, we are going to decide the foreign relations questions and problems of the Nation without actually having these problems before us and, gratuitously and unilaterally, endorse these various concepts.

So this resolution talks about, in effect, the Helsinki accord. The Helsinki accord, of course, I think everyone knows, was an accord that was entered into to give rubber stamp approval to the Russian conquests in World War II. While it also provided other things, and we have talked about giving rubber stamp approval to Russian conquests in World War II, I think we have a whole lot more important things to be doing here in the Senate than to give rubber stamp approval to the boundaries as set by Russia in Europe. So that is involved in this resolution.

Let us see if I am right about that. Yes, here it is, on page 6, starting on line 11:

> We therefore support efforts to conclude, as soon as practicable, negotiations on a timely basis to implement the principles of the November 1974—

That is the Vladivostok one. The Helsinki language is found on page 7:

> Other diplomatic, economic, commercial, and cultural initiatives which are undertaken with a careful regard for the balance of risks and advantages, which are implemented on a mutual and reciprocal basis, which are consistent with the economic and national security interests of the United States, and which support the implementation of the Articles of the Final Act of the Conference on Security and Cooperation in Europe—particularly the provisions relating to respect for human rights and cooperation in humanitarian fields.

That has reference to the Helsinki accord.

Mr. HUMPHREY. Will the Senator yield there?

Mr. ALLEN. Yes.

Mr. HUMPHREY. The Senator is not opposed to the free movement of people; is he?

Mr. ALLEN. No.

Mr. HUMPHREY. The Helsinki accords provide that there should be free movement of people. The Helsinki accords provide for the protection of human rights.

Mr. ALLEN. Yes.

Mr. HUMPHREY. All it says here is we would like particularly to support those provisions relating to respect for human rights and cooperation in the humanitarian fields.

The simple truth is that if the Helsinki accords are lived up to, then the areas that are known as Eastern Europe will gain considerably in what we call the democratic rights of free speech, freedom of exchange, freedom of communication, freedom of movement—the very things that this country believes in.

Our concern with the Helsinki accords, I say to the Senator, is to insure that the Soviet Union lives up to them. What we are simply saying here is that we are interested in these accords, and that we want them implemented, so that the rights of the people of Eastern Europe will be expanded.

Mr. ALLEN. I thank the distinguished Senator. I might ask, then, if he is not endorsing the boundaries that were set by the Soviet Union, would he object to an amendment stating, in substance, without in any sense approving the boundaries specified by the Helsinki accord, because that is part and parcel of the Helsinki accord. I do not see how he can very well say we will take a portion of this agreement. That is fine, but the Helsinki accord does provide for the setting of the boundaries in Europe as a result of the Russian conquest.

The Senator is talking about getting Russia to give civil rights and civil liberties and freedom of movement there in Russia and enter into an agreement to that effect. I would like to find out from the Senator if he knows of any agreement that the Russians have lived up to. I would like to have a few citations to some of the agreements that have been lived up to.

If we look at the past and see what agreements they have lived up to and those that they have broken, I think that we would have to come to the conclusion that the Russians regard this unilateral action on the part of the United States as just a scrap of paper. They certainly would not pay any attention to it.

Mr. HUMPHREY. May I say to the Senator that what the Helsinki accord said was that there should be no use of force in the changing of the boundaries. It did not say that boundaries should not be changed, but rather that force should not be used to change boundaries.

Mr. ALLEN. I understand that. I am not talking about future changes; I am talking about changes which have heretofore been made and that the Helsinki accord ratified; that is what I am talking about.

Mr. HUMPHREY. No, may I say, the Helsinki accord does not ratify those. What it states is that there shall be no change of boundaries by the use of force, because that means war.

Mr. ALLEN. I understand that. But after they have taken over all they want.

Mr. HUMPHREY. Those are the facts of life.

May I say that if the people of West Germany, who have suffered as much as anybody, can accept the Helsinki accord—and they have had thousands of their people uprooted, half of their country taken away—then I think we can too. In the process we can promote better communication, more freedom of movement. We now have, in the Helsinki accord, a document which we can hold up to the Soviet Union, holding the Soviet Union accountable before world public opinion for any violation of human rights.

I am not completely satisfied with the Helsinki accord, may I say to the Senator. I did not get up and clap hands and say "hallelujah" and break out into some kind of enthusiastic response. But I know this: We were not about ready to go to war to change those boundaries.

It just seems to me it is a whole lot better for us to direct our energies toward negotiation, toward peaceful solutions, toward adjustment of the inequities in a peaceful manner, if possible, rather than going around flexing our muscles, rattling the saber, and knowing full well we are not going to do anything about it.

We are not going to go to war to change those boundaries. The Senator knows it. He just said a while ago that it is elementary that we are not going to have a nuclear exchange.

I would say this: That the American people are very desirous of pursuing a careful and prudent course in an effort to preserve peace.

The Senate of the United States is a very comfortable Chamber in which to make bellicose speeches because here nobody ever gets shot. We just get up here and we raise plenty of noise. But the real truth is we are pretty well protected. We have a gendarmerie around here such that nobody can get at us. We can be very brave. But the minute you get to talking about what you are going to do to the Soviet Union or what you are going to do to the People's Republic of China or even what you are going to do to Panama—and we have got one Presidential jockey doing that—I think that we had better be a little bit careful because, after all, there are not going to be many Senators who are going to be in the front line of the battle. They are going to be down there advising, and from very comfortable positions.

So I would just say that if we can do anything here that will be helpful in bringing about peace, we ought to follow it.

Let me now quote from article III of the Helsinki accord.

It says:

> The participating states regard as inviolable all one another's frontiers as well as the frontiers of all States in Europe and therefore they will refrain now and in the future from assaulting these frontiers.
>
> Accordingly, they will also refrain from any demand for, or act of, seizure and usurpation of part or all of the territory of any participating state.
>
> The participating States will settle disputes among themselves by peaceful means in such a manner as not to endanger international peace and security, and justice.
>
> The participating States will respect the territorial integrity of each of the participating States.
>
> Accordingly, they will refrain from any action inconsistent with the purposes and principles of the Charter of the United Nations against the territorial integrity, political independence or the unity of any participating State, and in particular from any such action constituing a threat or use of force.
>
> The participating States will likewise refrain from making each other's territory the object of military occupation * * * *

I think, when you look at this accord, basically what it does is to recognize the realities. It says that the purpose of the conference and the purpose of the final Helsinki agreement, which was participated in by a host of countries including the United States, was to secure a commitment to peace, security, and justice and the continuing development of friendly relations and cooperation.

I do not know how you can be against that. I think you can say it may not work. On that basis, of course, you can say that certain sections of the scriptures have not worked either, but I do not think we ought to be against them. I still believe in the scriptures, and I still believe in a lot of things even though some of them have not worked.

Mr. ALLEN. I thank the distinguished Senator for his comments.

The Senator, of course, is a practical man and a pragmatic person, and I do not believe he is gullible enough to believe that the wording of the Helsinki Accord means anything at all or that it guarantees that these borders, secured by invasion, secured by a war, will remain inviolate if Russia decides it wants to go over, go beyond those borders.

The Senator recalled, of course, the uprising in Hungary in 1956; and when they were going to have some sort of summit meeting about the time Russia took over Czechoslovakia, and they had to call the meeting off. I do not know the exact circumstances, but I do recall they were going to get together and discuss all of these agreements they were going to make, but on the way to reaching those agreements Russia took over Czechoslovakia.

Now, what the Helsinki accord does with regard to boundaries is to say that "We are going to accept all of these conquests that you have made in World War II" and subsequent to World War II, for that matter, "we are going to allow you to take them over, but you must promise not to be naughty again. You must not invade any other countries. You have got to respect these boundaries, and you have got to act good. You have got to be a good citizen.' "

But Russia does not play the game that way. The Helsinki accord does recognize the Russian conquest in World War II. There is not a thing in the world then that America, the United States, stands to gain by it. The promises of civil rights, humanitarian attitudes, are just so many words, and for us to waste the time of the Senate and the time of the country with a resolution that contains such gobbledygook and so much globaloney is certainly something I do not think worth while. It is certainly an exercise we should not be engaging in.

For us to say now that we favor negotiations, we favor any agreements to avoid attack by either side and we are going to implement the Helsinki Accord, we are going to implement the Vladivostok Accord, puts us too much in an attitude of unilateral beseeching of Russia not to move against this country rather than to insist on a strong defense that would guarantee without any agreement whatsoever that no attack could be made upon the United States without a massive retaliation that would make it undesirable, to say the least, for Russia to take this action. I notice here in the resolution, page 6, line 2:

> This military strength must include a strategic capability which is fully sufficient to deter any Soviet attack on the United States or its allies, and which leaves no room for misperception by the Soviet Union of our readiness and willingness to defend our vital interests and allies.

So I would suggest we put in there:

> Strategic first and second strike capability.

But to say strategic capability without defining it better than that would seem to me to be insufficient.

I notice here, also, in lines 5 and 6, it speaks of our readiness and willingness to defend our vital interests.

When we speak of being willing, willing to do something, that seems a little bit weak to my way of thinking.

I think a better choice of words would be:

> Our readiness and determination to defend our vital interests and allies.

I think that would be a much stronger wording, because we might be willing sometimes to do something and we do that reluctantly.

Mr. HUMPHREY. Would the Senator like to offer that as a technical amendment?

Mr. ALLEN. Yes, I would.

Mr. HUMPHREY. How does the Senator wish it worded?

Mr. ALLEN. I just mention that in passing. It is not one of the amendments I have.

Mr. HUMPHREY. I think that is good. Why not offer that now?

Mr. ALLEN. I ask unanimous consent that the resolution may be modified at that point.

Mr. HUMPHREY. And that is on page 6?

Mr. ALLEN. Page 6, line 6.

Mr. HUMPHREY. On line 6, it would read "our readiness and determination to defend our vital interests and allies." Is that right?

Mr. ALLEN. Yes.

Mr. HUMPHREY. Very good.

Mr. ALLEN. I ask unanimous consent that it may be so modified.

The PRESIDING OFFICER (Mr. BARTLETT). Is there objection to the unanimous consent request?

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The modification is as follows:

> On page 6, line 6, strike "willingness" and insert in lieu thereof "determination"

Mr. ALLEN. "Our vital interests and allies." Now, are we going to defend the vital interests of our allies? Are we going to defend our allies? Are we going to defend our vital interests and our allies?

Mr. HUMPHREY. That is all defined in treaties. I do not think we need to replay the treaties.

Mr. ALLEN. In the Vladivostok?

Mr. HUMPHREY. No, the treaty language in NATO makes clear what our commitments are. That is the kind of agreement we are referring to here.

Mr. ALLEN. I might ask, who are our allies?

Mr. HUMPHREY. Who are our allies? Let me name some: the Members of the North Atlantic Treaty Organization, Japan, Korea, Australia, New Zealand, the members of the Rio Treaty with our neighbors in Latin America. Those are some of our allies.

Mr. ALLEN. Russia, of course, engaged in the war against Germany. I ask, as a matter of information, at what point did Russia cease to be an ally?

Would the Senator make some guess at that?

Mr. HUMPHREY. At the end of the war.

Mr. ALLEN. At the time they started taking over?

Mr. HUMPHREY. We never had a treaty.

Mr. ALLEN. At the time they started taking over Eastern Europe they ceased to be an ally?

Mr. HUMPHREY. No one is trying to portray Russia as a housebroken pussycat just lounging around on the family furniture. That is not the description I would give to her.

I point out to my good friend from Alabama that this agreement—the Helsinki Accord—does not relate just to the Soviet Union. This treaty relates to Austria, Belgium, Bulgaria, Canada, Cyprus, Czechoslovakia, Denmark, Finland, France, the German Democratic Republic, the Federal Republic of Germany, Greece, the Holy See—the Pope saw fit to sign it—Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, the Netherlands, Norway, Poland, Portugal, Romania, San Marino, Spain, Sweden, Switzerland, Turkey, the Union of Soviet Socialist Republics, the United Kingdom, the United States of America, and Yugoslavia.

This agreement does not relate just to boundaries. It relates to human rights and self-determination of peoples; it relates to matters in science and technology, exchanges of observers, cooperation in the fields of economics, science, technology, and the environment; it relates to business contacts; it relates to marketing; it relates to industrial cooperations; it relates to the harmonization of international standards, to the arbitration of disputes.

It is a very long document. It relates to space research, medicine and public health, environment research, oceanography, to meterology and hydrology. It is a very extensive document.

Mr. President, I think the committee report itself states very eloquently why the resolution emphasizes the Helsinki accord, I quote:

> The final reference—to the Helsinki Agreement of August 1975—is, in the Committee's view, of particular significance. Being a political statement of intent, rather than a treaty or a legally binding agreement, the Helsinki Agreement is composed largely of general principles concerning East-West security issues and expanded East-West cooperation on economic, scientific, technical, environmental, and humanitarian matters. While recognizing the Helsinki Agreement as an important event, the Committee believes that the Agreement should be judged according to its future implementation, and that this in turn will depend heavily upon the extent to which the Agreement's salient principles—particularly those relating to respect for fundamental human rights and freedoms and to freer movement of people, ideas, and information—are reiterated and championed by the Agreement's principal parties, among them the United States. Therefore, at the initiative of Senator Case, the Committee emphasized the Helsinki accord in this resolution and, in reporting S. Res. 406, also reported favorably a bill sponsored by Senator Case, S. 2679, which would establish an eleven-member Commission on Security and Cooperation in Europe to monitor implementation of the Helsinki Agreement and to report periodically thereon to the President and the Congress.

Mr. President, the Helsinki accords is not a treaty. It is a statement of principle. It is a statement of hope. It is a statement of standards. It is a way that we have of measuring performance.

I understand the Senator's concern. I appreciate the feelings that he has about the way the Soviets have acted in many areas. But I think it should not be said that they do not keep any agreements, because they do. They live by the international air agreement, for example. They have kept their agreements in terms of purchases of foodstuffs from the United States. They have kept their agreement on the Antarctic Treaty. They have kept their agreement, insofar as we know, on the limited nuclear test ban. There are some things that they keep their agreements on.

But this is not a treaty. This was not brought before us for consent to ratification. This, however, was arrived at after years of negotiation. Every statement in that agreement had to be arrived at on the principle of unanimity. All the countries participating had to unanimously approve it.

Mr. ALLEN. The Senator says this is not a treaty and it did not come before us. Why, then, must we rush out and say that the Helsinki accords should be implemented?

Mr. HUMPHREY. I will say why: Because we believe that people should be protected in their rights. We believe that families ought to be united. We believe if there are people in the Ukraine and the Soviet Union who want to be joined with their friends and relatives here in the United States, the Soviet Union ought to be held accountable under the Helsinki agreement and we ought to be able to say to the Soviet authorities, "Look, here, you signed your name to this agreement. You said we could unite families. Look what you are doing. You are violating that agreement."

At least we have them signed up. Now we say to them, "Let us see what you will do about it." Before that we had nothing to base it on.

I do not think the Senator from Alabama would say we should not be for the reunification of families.

Mr. ALLEN. The Senator misses a point on that.

Mr. HUMPHREY. I do not miss the point at all.

Mr. ALLEN. This resolution approving the Helsinki accords is not going to provide civil rights in Russia.

Mr. HUMPHREY. Not a bit.

Mr. ALLEN. It will not provide for free movement of the inhabitants over there.

Mr. HUMPHREY. No, but what it does is the Congress takes note of the agreement and says, in substance, "We are going to watch it, we are going to monitor it, and we expect that it will be activated and that it will be implemented."

All we are really saying is that the things that are in that agreement, most of which we find very acceptable to us, ought to be implemented. That is all we are saying.

Mr. ALLEN. We took note of their taking over Czechoslovakia, but that did not prevent them from doing it. We can resolute all we want to here in the Senate. That is not going to make the Russians act one bit differently. That is the point.

The Senator was kind enough to accept one of my amendments, it occurred to me as I was reading this language. I wonder if the Senator would be willing to include another item in the list of things that we support on page 6. "We therefore support," and it lists four categories of things that we support. I wonder if the Senator would agree to put in there between sections 3 and 4 a new section, 3(a), which enunciates again the principle of the Jackson amendment.

We talk about agreements we are going to enter into here. Let us say what we stand for. Do not be mealymouthed about it. Do not beat around the bush. Do not have a lot of circumlocution that will enable them to say, "Well, that does not mean anything." Let us be a little specific about it.

"We support" in section 3(a), "the principle that any future treaty or agreement between the United States and the Soviet Union shall not limit the United States to levels of intercontinental forces inferior to the limits provided for the Soviet Union."

Do we stand for that or not?

Mr. HUMPHREY. The Senator is too wise a man to even ask me the question. I respect him too much. I will tell him why.

Mr. ALLEN. I asked a question, and I would like an answer.

Mr. HUMPHREY. Intercontinental missiles are only one part of a defense system. The B–52 bomber, the B–1 bomber we are going to vote on, the so-called Triad, the nuclear weapon system that we have in our submarines, all relate to our defense. The Soviets may feel that what they want are the big silos. We may feel it is a lot better to have nuclear submarines. What is important is that we have adequate deterrence.

I believe that we ought to have nuclear parity. But I will say one thing. There are people who know a lot more about defense than the Senator from Minnesota, who think that our balanced force structure—with the strategic long-range bomber, plus our ICBM's, plus our nuclear weapons in Western Europe, plus our nuclear submarines, and with the new Tridents—is much better to have than a larger number of holes in the ground for ICBM missiles.

Mr. ALLEN. If we have the balance, that would comply with this.

Mr. HUMPHREY. This resolution is about as bellicose as one can get without having a declaration of war in the name of peace. Here is what it says. It says, "The military strength must include a strategic capability which is fully sufficient to deter any Soviet attack" including "and which leaves no room for misperception by the Soviet Union and" with your amendment "our determination to defend our vital interests and allies."

This resolution speaks unmistakably on the basis of having powerful military power.

"The basic premise of the U.S. approach to this relationship" with the Soviets "is that the United States must remain unchallengeably strong militarily," without challenge, second to none, with the bugles blaring, "both to insure U.S. security and to contribute to the security of our friends and allies abroad."

I do not know how much stronger we can get if no one can even challenge our strength, if we have so much that the rest fade away. I do not know what more the Senator wants unless he wants firecrackers added.

Mr. ALLEN. The distinguished Senator knows that it is averred and alleged that both countries have sufficient power and strength to deliver an attack that would overkill to the extent of 10 to 1 and the destruction of a large portion of this country. So the Senator could comply with this resolution by having not a 10-to-1 capability but a 1-for-1 capability. We could comply with what this resolution calls for and cut back on our defense and offenses as well.

But if we cut back there is certainly no assurance that Russia is going to cut back.

This would not necessarily mean that we would have to have equal strength with Russia.

Mr. HUMPHREY. What is equal will be determined, it seems to me, on the basis of what we need for our security and our defense. If the Russians are fools enough to spend all of their money building more and more missiles to kill fewer and fewer people, that is their stupidity. We have enough now to kill all of God's creatures. Unless there is a new world that we have not found, we have enough now to obliterate all forms of life, and the Senator knows it.

We only have to do it once, I say to the Senator. That is all. If those Russians are stupid enough to want to build 20 to 1, when all they really need is 1 to 1, that is their mistake.

Do not misunderstand me. I want the United States of America to be strong enough so that as this resolution says, and I do not know how to make it any clearer, "The United States must remain unchallengeably strong militarily, both to insure the U.S. security and to contribute to the security of our friends and allies abroad." Then it says, "This military strength must include a strategic capability which is fully sufficient to deter any Soviet attack on the United States, and which leaves no room for misperception."

Is there anyone in this Chamber who thinks we have fewer long-range bombers than the Soviet Union? Is there anyone in this Chamber who thinks we are behind in the cruise missile? Is there anyone in this Chamber who thinks that the United States has a weaker nuclear-powered submarine fleet than the Soviet Union in terms of our Poseiden missile, in terms of our Polaris missile, or in terms of Trident missile?

We have so much military power that it is almost horrendous to even contemplate.

The trouble is we have a Presidential election, and we have someone out running around now thinking he is fighting the Spanish-American War all over again, that someone ought to sink the *Maine*. It is pretty bad when we send a signal out to the world during an election year that we are cringing weaklings over here.

As a matter of fact, our strength is not only in that weaponry, but our strength is also in the products that are produced in Alabama, Minnesota, and other places.

The Soviet Union may have a lot of missiles and have a lot of people in uniform, but they are short on wheat, and they are short on food. Napoleon, who knew more than anyone else about fighting wars before or since, said an army travels on its stomach. Even a modern one does.

I just voted in the Chamber the other day for a $112 billion resolution for defense. That is an awful lot of money in the budget resolution—$112 billion. I do not think there is a Senator who thinks that this great land of ours is going to be second to anyone. No way would HUBERT HUMPHREY ever vote to leave us second to anyone in security or national defense. I served on the National Security Council of this Government. I took my responsibility seriously. I am interested in our defense and our security.

I will tell the Senator that the best security is good diplomacy. That is what is the best security. If we can talk them out of a fight, it is better than fighting them.

Mr. ALLEN. I am sure the administration will be glad to hear the distinguished Senator from Minnesota say that the United States is the strongest nation in the world militarily.

Mr. HUMPHREY. I wish to reaffirm that, for the President is having a little trouble. He had some trouble down in Texas. He is now in Indiana. I do not think he in any way ought to plead weakness. I have my political differences with President Ford, but I am not going to ever let anyone say that the President has in any way weakened the defense of this country. No way. I do not put defense as a partisan political issue.

I think that the President of the United States ought to tell that fellow from California he does not know what he is talking about. Ronald Reagan knows a whole lot about borax, but he does not know much about defense.

Mr. ALLEN. I thank the distinguished Senator, and I, personally, as advocate of a strong national defense, appreciate the Senator's analysis. When he says that we do have the strongest military strength of any nation in the world, I think that is great. I certainly hope and believe that that is true.

I think that the distinguished Senator from Minnesota, who has great expertise in this field, has rendered a distinct service in making this statement.

That being true, I do not see why the Senator would object to the resolution embodying the words or the language of the Jackson amendment, which says that, in any future agreement between the United States and the Soviet Union, no such agreement shall limit the United States to a level of intercontinental strategic forces inferior to the limits provided for the Soviet Union.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ALLEN. No. Let me finish just a moment because if I yield I never will regain the floor.

Mr. HUMPHREY. I did not want the record to read as if I were being discourteous or unattentive. I have a call that I must answer immediately, if the Senator will permit me.

Mr. ALLEN. I wish to make one point. The Senator seemed to think that this language of the Jackson amendment had reference only to ICBM. That is not correct, because it speaks of level of intercontinental strategic forces. So that would cover bombers, submarines, and all other forms of strategic forces.

Mr. HUMPHREY. Yes. The author of the resolution is present, the Senator from California, and I know that he wishes to answer the Senator on some of these matters.

I was simply given the unique privilege of having walked into the Senate and given the opportunity to handle this resolution for which I am not exactly grateful.

Mr. ALLEN. I understand the Senator is not enjoying handling the resolution.

Mr. HUMPHREY. We are having a good time and a good argument. The Senator from California will take over for a minute, and I will be right back.

Mr. BARTLETT. Mr. President, will the Senator from Alabama yield?

Mr. ALLEN. I am delighted to yield.

Mr. BARTLETT. I heard a minute ago the Senator from Alabama talking about the language on page 6, line 4, in which it says "which leaves no room for misperception by the Soviet Union of our readiness," and I believe the Senator made an amendment "determination to defend our vital interests and allies."

Mr. ALLEN. That is correct.

Mr. BARTLETT. I ask the Senator specifically what change has there been in our will or our determination since the vote on the amendment by the Senator from California (Mr. TUNNEY) in which we cut off aid to Angola. I am simply wondering if the Senator feels that there has been a change to indicate that there is a willingness to defend our vital interests.

Mr. ALLEN. I sense a feeling of that sort on the part of the drafters of this resolution when they said "We are going to be willing to defend our rights," and that seemed to be a pretty weak word.

Mr. BARTLETT. Will the Senator say what changes have taken place that would lead to that conclusion?

Mr. ALLEN. No comment has been made by the committee as to why they thought it was necessary for us to make this affirmation. As I have stated all along, which I shall state to the distinguished Senator, it goes without saying that we do not want nuclear war, but I do not see that this resolution does anything to prevent that happening, if the Russians are so minded.

Talking about entering into agreements with them, if we enter into agreements with them, let us at least have the resolution say something, not just have it in language that is not too clear. As I say, it is a lot of baloney, it is gobbledegook, and it does not say a great deal that we can sit down and understand.

I have an amendment that embodies the language of the Jackson amendment which says that, in any future agreement having to do with nuclear weaponry, no such agreement shall provide that the United States shall have a position under that agreement or treaty that would be inferior to the position of the Soviet Union.

I asked the manager of the bill if he would agree to that amendment. But he stated that he would have to confirm it with the original author of the resolution, the distinguished Senator from California (Mr. CRANSTON).

Mr. BARTLETT. Mr. President, will the Senator yield further?

Mr. ALLEN. I yield further.

Mr. BARTLETT. It seems to the Senaator from Oklahoma that at the present time we really have no definite, clearcut foreign policy, as far as Africa is concerned from a military point of view. The administration had a position of resisting Communist intervention and aggression in Angola. The Senate and the House of Representatives vetoed that. I simply wondered if there is any language in this resolution that would indicate that we do have a military policy, as far as containment of the Soviets is concerned, regarding Africa, or is it unclear exactly what our foreign policy is because of the veto by the Senate regarding the aid to Angola?

Mr. ALLEN. It is unclear to me just what the resolution says about our resolve, and that is one of the objections the Senator from Alabama has to the resolution. It does not make clear what our position is. That is one reason why I am offering an amendment. When they talk about these agreements that we need to enter into to make agreements, make agreements—do not make war. That is about the size of the resolution.

What I say is this: Let us state our position. One of my amendments is to the effect that we stake out and determine that in any future agreement we have, we will not agree to anything that provides us less than parity with the Soviet Union in the area of offensive nuclear weapons. It is well understood and well agreed that the original SALT I did freeze in an advantage for the Russians over the United States of about 3 to 2.

The Jackson amendment said, "All right, it is a fait accompli; that has been done. We have the agreement here before the Senate. We have to act on it. All right, we'll accept this position." But that was a 5-year agreement, and I believe it would run out about September of 1977.

All the Jackson amendment said was, "All right, we made a mistake in agreeing to this; but in any future agreement that we make, let's stake out the position that any future agreement has to provide for parity in offensive nuclear weapons as between Russia and the United States."

All I am trying to do is to state that again. The effect of this resolution might be that we are not now insisting upon that, that we have abandoned it.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. BARTLETT. The language at the bottom of page 6, starting with the second line, reads:

> This military strength must include a strategic capability which is fully sufficient to deter any Soviet attack on the United States or its allies.

Then it goes on.

Does the Senator feel that because it does not provide the language "and conventional capability," this resolution is just turning its back to the conventional capability of the Soviets vis-a-vis the United States?

Mr. ALLEN. Yes.

Mr. BARTLETT. Or is the Senator concerned that this is missing in this resolution?

Mr. ALLEN. It does not seem to cover that phase of military parity, as I read it.

There, again, I take exception to the fuzziness of the language. This might well be a position that might be adopted in a political race. It covers everything after a fashion, but you do not know where you stand when you get through enunciating the position of the Senate under this resolution. I do not know where we stand after we get through agreeing to the resolution. Nobody else does.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. BARTLETT. The Senator from Oklahoma has real concern that, apparently, conventional weaponry is left out of this agreement. I feel that the military strength of the conventional weapons is also very vital to peace in the world; and it is through military strength of both conventional and strategic weapons of the United States that we have the opportunity to maintain peace.

I wonder whether the Senator from Alabama can state what he feels the meaning is of the language at the bottom of page 5, which states:

> The basic premise of the United States approach to this relationship is that the United States must remain unchallengeably strong militarily. . . .

Does that mean to the Senator from Alabama that in those areas not covered by SALT agreements, or any agreements of parity, the United States will be No. 1 militarily, or will the United States be second to none? I say to the Senator from Alabama that I think there is a big difference in the statement that we should have a policy of being second to none, because when that is made, there obviously is a very conscious effort not to say that we want to be No. 1 in areas not covered by an agreement of parity. My concern is that a policy that U.S. military might should be second to none will lead to a condition of the United States being second to one—the Soviet Union.

In the determination of how we rate or how we compare with the Soviets in weaponry, whether it be conventional or strategic, we depend almost entirely on the assessment by the CIA. We recently had an assessment by them with respect to the investment of the Soviets in military expenditures as a percentage of the gross national product, and the CIA said that they erred by 100 percent, raising the amount to 16 percent of their gross national product—their investment in military weapons.

If we want to be second to none, we certainly can include being on a parity; and if we misjudge what power they have, then could we not be second to one?

I am not concerned about that, because we have had a position for many years whereby the United States has been No. 1 militarily and the Soviets have been in a position of pursuing their legitimate goals. But I do believe that almost every American feels that if we were not No. 1, if we were No. 2, the Soviets would not accord us the same privilege.

So when we rely on a very close tolerance of information by the CIA, recognizing that their judgment is based on what they have and not on what they do not know, then I think it becomes a concern when we want to have a policy that we are second to none. I believe that in all the areas not covered by SALT agreements or agreements of parity, we must strive to be No. 1.

It seems to me that when we see examples in which détente has failed in Angola, in which it is very obvious that the approach that the Soviets have made to the SALT agreements is not a desire to lessen tensions but a means to their goals of military supremacy and distribution of their military presence around the globe, we have a real concern to remain No. 1, to remain strong.

So I have some concern with respect to the attitudes of the Soviets.

I know that the Senator spoke earlier about the Helsinki accords, and I know that he and I agree on the goal that we have peace, security, and justice around the world. But I do not believe that the Soviets sought peace, security, and justice in Angola. Yet, they played a very significant role in supporting the Cubans, in support of the MPLA, to have a minority group—minority in numbers—control the Government of Angola.

Mr. ALLEN. I thank the Senator. I share his concern.

A moment ago, the Senator mentioned our unwillingness to participate in any way in the Angola situation; and that makes me wonder about the language that the Senator read, starting on page 5, line 23, "that the United States must remain unchallengeably strong militarily, both to insure United States security"—this is the phrase to which I invite attention—"and to contribute to the security of our friends and allies abroad."

We had friends and allies, I assume, in that situation. With all the strength that we have, all of our wealth, we were unwilling to do anything to intervene in that situation. After the Senate voted to take no action, the Committee on Foreign Relations comes along with a recital that we are going to remain militarily strong so that we can protect the U.S. security and the security of our friends and allies abroad. It does not seem that we are going to help our friends in that country.

Another thing I might say——

Mr. BARTLETT. Will the Senator yield on that point?

Mr. ALLEN. I want to proceed just a little farther.

As I say, we are approving here, in principle, the Helsinki accord and the Vladivostok accord, and waiting in the wings is the Percy resolution approving the Kissinger Africa policy. Far from helping our friends on the continent of Africa, they promise economic aid to all countries who will join in the battle against Rhodesia.

Rhodesia is our friend. Rhodesia is a friend of the United States. Yet, far from assisting them, we are encouraging other African nations to join in economic boycotts of Rhodesia. So we do one thing and we say something else in this resolution.

It seems to me that this resolution is inconsistent with the Kissinger African policy.

Mr. BARTLETT. Will the Senator yield?

Mr. ALLEN. Yes.

Mr. BARTLETT. The Senator made an excellent point in talking about Angola. I was privileged to go there in February of this year and learned that the UNITA forces, which we were supporting, headed up by Mr. Savimbi, believed in constitutional government, free press, free elections. The other side, the MPLA, supported by the Soviets and the Cubans, did not believe in the free press nor were they practicing it in Luanda when I was there. Nor did they agree to having the free elections, nor do they agree to having constitutional government. So there was a big difference. The cutting off of support—covert support, it was called, but actually, it was overt, because we all knew the amount. I believe it was $28 million of overt support in the military area. I believe at that point, we were showing an example just the opposite of this language.

Mr. ALLEN. Yes.

Mr. BARTLETT. My question is what change has there been in this body, because it was this body that took an action that has created a situation where we do not now have, at least that I know of, a clear-cut foreign military policy for Africa. If we do have it or if this body has it, I would like to know what it is.

I am convinced that Congress cannot provide leadership in such areas. I think this must come from the executive branch. But I do think that Congress can refrain from vetoing very important day-to-day matters in foreign affairs in which it does not have the expertise nor the time nor the ability to engage. I am concerned here that this is rather vapid, empty language that does not have full meaning, based on the example that was recently given by this body last December of 1975.

Mr. ALLEN. I thank the Senator. One further point. I think quite a bit of interesting language is in this one sentence. This has the United States staying strong to protect itself and, at the top of page 6, "to contribute to the security of our friends and allies abroad."

That is a strange phrase to have in this resolution. It would seem that that language would indicate that this is an interventionist resolution, that we are going to have military might, not for our own security but for the security of our friends and allies abroad. Does that mean that our military might is going to be spent in the aid of our friends and allies abroad? Does that mean that we are going to take up the battles of our allies abroad and use our military security for their security? That is what the language says.

Mr. CRANSTON. Is the Senator suggesting that we would not aid our NATO allies if they were attacked?

Mr. ALLEN. I am just calling attention to what this does. We have the example of Angola, where no action was taken.

Mr. CRANSTON. Was Angola an ally of the United States?

Mr. ALLEN. I assume we had friends there or we would not have been interested in it at all.

Mr. CRANSTON. Does the Senator consider Angola an ally in the sense that the NATO countries are allies and friends of the United States?

Mr. ALLEN. I assume the word is "friends." We had friends in Angola or there would have been no debate on the subject. But here we are, under this resolution, being strong for the benefit of ourselves and our allies and friends abroad. This more or less pledges our military might to aid our friends abroad. That has not been, in recent years, too much the attitude in the Senate or too much the attitude of the sponsors of this resolution, from my observation of the votes in the Senate.

Mr. CRANSTON. I note that the Senator did not state whether or not he thinks we would go to the aid of our NATO allies if they were attacked. I believe we would; I believe we should.

Mr. ALLEN. This is not limited to NATO allies. This says our friends abroad. Who are our friends? I do not believe we have any.

Mr. CRANSTON. I trust we have some friends and I believe we probably have.

The language says "contribute to the security of our friends and allies abroad." The other language is more precise, where it states now, as amended by the Senator, "our readiness and determination to defend our vital interests and allies." Allies are different from friends. We have treaties with our NATO allies.

In regard to the discussion about Angola, they were not an ally. Angola was not an ally. There was a difference of opinion in this body and in the country over whether we had a vital interest or not in Angola. But not even the Ford administration was proposing that we really go all out to defend what they deemed, or it deemed, our vital interest in Angola was. They were proposing $30 million or so.

Mr. ALLEN. The Senator would go further than that?

Mr. CRANSTON. It is rather obvious that $30 million was too little, too late and the Ford administration was proposing what the Senator from Alabama might well call a "no win" policy in Africa. That is about what it was. We were going to do a little, but not very much. We were not going to send troops, we were not going to move in, and we would just prolong the agony a little bit longer.

I would like to discuss the Senator's amendment with him if he would.

Mr. ALLEN. I am delighted to.

Mr. CRANSTON. That might be a little more profitable use of time.

Would the Senator like to have a new section 2 rather than as it is here? It follows, I think, more logically the Vladivostok accords than——

Mr. ALLEN. Does the Senator mean to renumber the section?

Mr. CRANSTON. Yes.

Mr. ALLEN. I have no objection to inserting it in a different place.

Mr. CRANSTON. In regard to the substance, I assume that——

Mr. ALLEN. I quoted the language of the Jackson amendment, I might say. I have it here.

Mr. CRANSTON. I have been working from the amendment the Senator handed me, which reads—let us verify that we are talking about the same thing. What the Senator handed me was: "The principle that any future treaty or agreement between the United States and the Soviet Union shall not limit the United States to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union."

Mr. ALLEN. That is the Jackson amendment. That is correct.

Mr. CRANSTON. Would the Senator understand that the words, "levels of intercontinental strategic forces" means overall forces? It means that we should not be bound to forces that would, overall, be at levels inferior to the Soviet Union? It would not mean that we would have to have, as Senator HUMPHREY was saying, the same number of holes, necessarily, or the same number of submarines.

Mr. ALLEN. I would think it would be parity and not inferior overall.

Mr. CRANSTON. Overall, taking all factors, all elements into account?

Mr. ALLEN. Yes; that would be my judgment.

Mr. CRANSTON. Under that interpretation I do not see any reason not to accept the amendment.

I discussed it with Senators HUMPHREY and CASE, and with the revised placing of the amendment, which was not a substantive change obviously, I would be delighted to accept it.

Mr. ALLEN. Yes. In other words, when I say it would be the overall if, for example, and I do not know the relative value of one over the other but, say, 10 bombers to offset one ICBM.

Mr. CRANSTON. Right, something like that.

Mr. ALLEN. I do not know what the ratio would be, but that is what I have in mind. If we do not have it in one area, if we had the equivalent in striking power in another area that would balance off, I would say that is what I have reference to, and I would feel that is what the Jackson amendment meant. That is my personal view of it, and that is my intention in offering this amendment.

Mr. CRANSTON. I cannot conceive that the United States would sign a treaty that would limit us——

Mr. ALLEN. Well, they have done it.

Mr. CRANSTON. In overall concepts of strategic strength to a position inferior to the Soviet Union.

I would certainly feel we should not do any such thing. At the same time, I assume this language obviously will not bind us to building some colossal force if the Soviet Union lost its head, as HUBERT HUMPHREY was saying a while ago, and wanted to develop a thousandfold overkill, and that would be a separate matter, to be decided separately. This would not bind us to go up there, but it would not say that we would sign a treaty making us inferior to the Soviet Union.

Mr. ALLEN. That is correct.

Mr. CRANSTON. With that understanding, I would be happy to vote right now.

Mr. ALLEN. I thank the distinguished author of the bill.

Mr. CRANSTON. With the understanding that the amendment would be No. 2 on page 6, line 20, and that the following three sections become 3, 4, and 5.

Mr. ALLEN. Let me suggest the absence of a quorum to discuss the matter with the distinguished Senator from Virginia (Mr. HARRY F. BYRD, Jr.) and the distinguished Senator from North Carolina (Mr. HELMS) who are also interested in the amendment.

Mr. CRANSTON. Fine.

The PRESIDING OFFICER. The Chair would advise the Senator from Alabama that there is no amendment currently pending at the desk.

Mr. ALLEN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1632

Mr. ALLEN. Mr. President, on behalf of the distinguished Senator from Virginia (Mr. HARRY F. BYRD, Jr.,), the distinguished Senator from North Carolina (Mr. HELMS), and myself, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER (Mr. CULVER). The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alabama (Mr. ALLEN) for himself, Mr. HARRY F. BYRD, Jr., and Mr. HELMS, proposes an amendment:

On page 6 between lines 19 and 20 add the following new section:

"SEC. 2. The principle that any future treaty or agreement between the United States and the Soviet Union shall not limit the United States to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union."

Renumber subsequent sections accordingly.

Mr. ALLEN. Mr. President, this language is substantially the language of the Jackson amendment to the original agreement limiting offensive nuclear weapons. It is a clear statement of resolve on the part of the Senate, speaking for the Senate and the country, that any future agreement should not limit the United States to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union.

This would assure that any subsequent agreement called for in this resolution would have the principle of the Jackson amendment embodied in that agreement. It shows that there has been no turning back from the demand of the Jackson amendment that we have over the parity in offensive nuclear weapons.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. CRANSTON. Mr. President, I do not object to the yeas and nays, but I think we should consult the leadership, on when. There are a number of Senators absent now.

Mr. HELMS. Mr. President, I would just like to nail down the yeas and nays on this and I suggest the absence of a quorum so we can get enough Senators here.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that Bill Jackson and Murray Flander of my staff be accorded the privilege of the floor throughout consideration of this resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

AMENDMENT NO. 1633

Mr. ALLEN. Mr. President, I send an amendment to the desk and ask the clerk to state it.

The PRESIDING OFFICER. Is it an amendment to the pending amendment?

Mr. ALLEN. I merely send it to the desk for reading purposes, not to be considered.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The assistant legislative clerk read as follows:

The Senator from Alabama (Mr. ALLEN) for himself, Mr. HARRY F. BYRD, JR., and Mr. HELMS proposes an amendment:

On page 6 at the end of line 25 add the following as a new section:

"Section —. A joint effort on the part of the United States and the Soviet Union to bring about the immediate withdrawal by Cuba of all of her armed forces from Africa."

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BEALL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, I call up my amendment, which is at the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. There is an amendment pending. This will require a unanimous-consent agreement.

Mr. BEALL. Mr. President, I ask unanimous consent that the pending amendment may be laid aside temporarily so that I may call up my amendment which is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

That is which of the two amendments of the Senator?

Mr. BEALL. That amendment relating to the Baltic States.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maryland (Mr. BEALL) proposes an amendment. At the end of the resolution add the following:

Mr. BEALL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution add the following:

SEC. 2. (a) The Congress finds that—

(1) the three Baltic nations of Estonia, Latvia, and Lithuania have been illegally occupied by the Soviet Union since World War II;

(2) the Soviet Union appears to interpret the Final Act of the Conference on Security and Cooperation in Europe, signed at Helsinki, as giving permanent status to the Soviet Union's illegal annexation of Estonia, Latvia, and Lithuania, and

(3) although neither the President nor the Department of State issued a specified disclaimer in conjunction with the signing of the Final Act at Helsinki to make clear that the United States still does not recognize the forcible conquest of those nations by the Soviet Union, both the President in his public statement of July 25, 1975, and the Assistant Secretary of State for European Affairs in his testimony before the Subcommittee on International Political and Military Affairs of the House Committee on International Relations stated quite explicitly that the longstanding official policy of the United States on nonrecognition of the Soviet Union's forcible incorporation and annexation of the Baltic nations is not affected by the results of the European Security Conference.

(b) Notwithstanding any interpretation which the Soviet Union or any other country may attempt to give to the Final Act of the Conference on Security and Cooperation in Europe, signed in Helsinki, it is the sense of the Congress (1) that there has been no change in the longstanding policy of the United States on nonrecognition of the illegal seizure and annexation by the Soviet Union of the three Baltic nations of Estonia, Latvia, and Lithuania, and (2) that it will continue to be the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

Mr. BEALL. This amendment is almost identical to Senate Resolution 319 which was introduced by our distinguished colleague from Nebraska (Mr. CURTIS) on December 9, 1975. That resolution has now been cosponsored by 29 Senators. The House version, House Resolution

864, was unanimously approved on December 2, 1975, by a vote of 404 to 0.

What this amendment does is to restate that "there has been no change in the longstanding policy of the United States on nonrecognition of the illegal seizure and annexation by the Soviet Union of the three Baltic nations of Estonia, Latvia, and Lithuania." Last summer, before he flew to Helsinki to sign the Final Act of the Conference on Security and Cooperation in Europe, President Ford reassured Baltic Americans by saying—

> I can assure you as one who has long been interested in this question that the United States has never recognized the Soviet incorporation of Lithuania, Latvia, and Estonia and is not doing so now. Our official policy of nonrecognition is not affected by the results of the European Security Conference. There is included in the declaration of principles on territorial integrity the provision that no occupation or acquisition of territory in violation of international law will be recognized as legal.

In a letter to Senator SPARKMAN dated January 20, 1976, Assistant Secretary McCloskey stated that—

> The final act does not contain any endorsement, recognition, or acceptance of particular boundaries or territorial claims. Accordingly, the Department of State believes that S. Res. 319 would support the administration policy on the Baltic States.

Mr. President, I ask unanimous consent that the full text of Secretary McCloskey's letter be printed in the RECORD at the conclusion of my remarks.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(See exhibit 1.)

Mr. BEALL. Mr. President, in recent months considerable controversy has surrounded the so-called Sonnenfeldt doctrine. According to reports, State Department counselor, Helmut Sonnenfeldt advocated a permanent "organic union" between the Soviet Union and the captive nations of Eastern Europe. Such a policy would, if allowed to go unchallenged, suppress the natural desire of the Eastern European nations to exercise greater national autonomy.

Several recent articles have focused on the Sonnenfeldt doctrine and I ask unanimous consent that the following items be printed in the RECORD at the conclusion of my remarks: "A Soviet-East Europe 'Organic Union'" from the Washington Post of March 22, 1976; "Sonnenfeldt Report a Shock to East Europe" from the Washington Post of March 26, 1976; "U.S. Denies It Urged Moscow's Hegemony" from the Washington Star of April 7, 1976; "'Nonexistent' Sonnenfeldt Doctrine Keeps Coming Back To Haunt the United States" from the Baltimore Sun of April 15, 1976; and "Hot Issue—United States a Patsy for Russia?" from the U.S. News & World Report of April 19, 1976.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(See exhibit 2.)

Mr. BEALL. Mr. President, by making U.S. policy toward the Baltic States clear, we can let the leadership in Moscow know that we have not permanently conceded to them the right to rule Eastern Europe as though it were a part of the Soviet Union. By approving this amendment we join with the President and with the House of Representatives, in reaffirming our commitment to the cause of freedom.

Mr. President, I am ready to yield to the manager of the resolution.

EXHIBIT 1

DEPARTMENT OF STATE,
Washington, D.C., January 20, 1976.

Hon. JOHN SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate.

DEAR MR. CHAIRMAN: The Secretary has asked me to reply to your letter of December 12, 1975, requesting coordinated Executive Branch views on S. Res. 319, "Expressing the sense of the Senate that the signing in Helsinki of the Final Act of the Conference on Security and Cooperation in Europe did not change in any way the longstanding policy of the United States on nonrecognition of the Soviet Union's illegal seizure and annexation of the three Baltic nations of Estonia, Latvia, and Lithuania."

President Ford made it clear in his public statement of July 25, 1975, that the signing of the Final Act of the CSCE in no way affected the United States policy of not recognizing the Soviet incorporation of the Baltic States. The Final Act does not contain any endorsement, recognition, or acceptance of particular boundaries or territorial claims. Accordingly, the Department of State believes that S. Res. 319 would support the Administration policy on the Baltic States.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

Sincerely,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

EXHIBIT 2

[From the Washington Post, Mar. 22, 1976]

A SOVIET-EAST EUROPE "ORGANIC UNION"

(By Rowland Evans and Robert Novak)

Intense debate was set off within the Ford administration three months ago when Secretary of State Henry Kissinger's right-hand man declared in a secret briefing that permanent "organic" union between the Soviet Union and Eastern Europe is necessary to avoid World War III.

That policy, going well beyond any public position of the U.S. government, was enunciated in mid-December by State Department counselor Helmut Sonnenfeldt. He told a London meeting of U.S. ambassadors to European nations that the "inorganic, unnatural relationship" between Moscow and Eastern Europe based on Soviet military prowess threatens world peace. "So," he concluded, "it must be our policy to strive for an evolution that makes the relationship between the Eastern Europeans and the Soviet Union an organic one."

When transcripts of Sonnenfeldt's remarks hit Washington, some officials complained that this amounted to U.S. underwriting of Soviet dominion over Eastern Europe. As such, these critics contended, the Sonnenfeldt doctrine never had been U.S. policy and certainly should not be now.

Indeed, what was said three months ago may be the victim of President Ford's election-year harder line which has made "detente" an unword. Nevertheless, the Sonnenfeldt doctrine exposes underpinning of detente as practiced in the State Department until recently.

In their December briefing in London, both Kissinger and Sonnenfeldt stressed the need for the U.S. to come to terms with the Soviet Union as an emerging superpower—now their principal rationale for detente. Contending NATO is undermined by leftist gains in Western Europe, Kissinger declared: "The dominance of Communist parties in the West is unacceptable." That doctrine has no critics within the administration—in total contrast to Sonnenfeldt's message.

Lacking the attractiveness of past empires, Sonnenfeldt declared, the Kremlin relies on "the presence of sheer Soviet military power" to unify Eastern Europe. Because "a more viable, organic structure" is lacking, "the desire to break out of the Soviet strait jacket" has intensified among Eastern European countries.

The counselor saw this as no boon for the West, declaring: "The Soviets' inability to acquire loyalty in Eastern Europe is an unfortunate historical failure because Eastern Europe is within their scope and area of natural interest. It is doubly tragic that in this area of vital interest and crucial importance it has not been possible for the Soviet Union to establish roots of interest that go beyond sheer power."

After describing detente as a means of affecting the use of Soviet power, Sonnenfeldt warned Eastern Europe's "present unnatural relationship with the Soviet Union" may "sooner or later explode, causing World War III. This inorganic, unnatural relationship is a far greater danger to world peace than the conflict between East and West."

Sonnenfeldt cautioned that "any excess of zeal on our part" could reverse the "desired process" (the Soviet-Eastern European "organic" union). Consequently, he set "a policy of responding to the clearly visible aspirations in Eastern Europe for a more autonomous existence within the context of a strong Soviet geopolitical influence. This has worked in Poland. The Poles have been able to overcome their romantic political inclinations which led to their disasters in the past."

While declaring a post-Tito return of Yugoslavia into the Soviet orbit would be "a major strategic setback," Sonnenfeldt suggested the Yugoslavs "should be less obnoxious" to Moscow and disabused of the impression "they have a free ride" of independence guaranteed by Washington.

Critics inside the administration, describing themselves as "appalled" by the Sonnenfeldt doctrine, do not propose encouragement of futile anti-Communist insurrection in Eastern Europe. But they believe Sonnenfeldt's confirmation of Soviet dominion there undercuts Eastern European nationalists such as President Nicolae Ceaucescu of Rumania.

While ruling out Communist party control in Portugal or Italy, Dr. Kissinger's London briefing blamed the danger on the West's own problems, including "domestic paralysis in the U.S."

"The Soviets are not the key element in producing the present instabilities that we now face in Western Europe," he declared. "A Communist Western Europe would be a headache for us. It would be a headache for the Soviets as well. They probably prefer not to see Communist powers taking over in Western Europe. But in the final analysis their ideology requires them to assist in these efforts."

To avoid assistance from Moscow, Kissinger asserted, "we must create the maximum incentives for a moderate Soviet course." But Sonnenfeldt, usually the faithful mirror of his chief, goes even further by putting the U.S. on record for stabilization of the Soviet empire in Eastern Europe to preserve world peace.

[From the Washington Post, Mar. 26, 1976]

SONNENFELDT REPORT A SHOCK TO EAST EUROPE

(By Dusko Doder)

BELGRADE, March 24.—A high State Department official's reported suggestion that the

United States should, in effect, back Soviet domination of Eastern Europe has caused widespread concern here.

Syndicated columnists Rowland Evans and Robert Novak reported Monday that Helmut Sonnenfeldt, one of U.S. Secretary of State Henry A. Kissinger's top advisers, told a meeting of U.S. ambassadors in London in mid-December that the United States should support stabilization of Soviet control in Eastern Europe.

Sonnenfeldt reportedly said that Moscow, unable to gain control by other means, has resorted to force in East Bloc countries. The result, Sonnenfeldt argued, is that an explosion in the region could "sooner or later" lead to world war.

Sonnenfeldt's reported remarks suggest a shift in U.S. policy that has long been in the making, but their publication has had a profoundly disturbing effect on the Yugoslavs, who are not in the Soviet bloc, and on the Romanians, who belong to the Warsaw Pact but have managed through painstaking efforts over the years to carve out a degree of independence from Moscow.

East European sources commenting privately said that regardless of the accuracy of the report, its publication and "weak and perfunctory" State Department denials indicate a shift in Washington's attitude that will force the region's independent-minded and nationalist elements to reassess their long-term strategic thinking.

Both Yugoslavia and Romania have cultivated close relations with Washington as a counter to Soviet pressure. Washington's professed interest in the region was regarded as an important element that permitted Belgrade and Bucharest to pursue independent policies.

The recent Angola debacle and the publication of what is dubbed here as the "Sonnenfeldt Doctrine" have cast grave doubts on the credibility of private U.S. commitments.

One East European source said: "There once was a Mexican dictator, Porfirio Diaz, who cultivated good relations with the United States and used to say, 'God is far away but the United States is so near.'

"Now we are going to start thinking that America is far away but the Soviet Union is so near," the source added.

"The sinister aspect of this story," said one source, "is that the Americans have gone on record favoring Soviet domination of this region. This is a long way from John Foster Dulles' policy of rolling back the Iron Curtain."

The publication of Sonnenfeldt's remarks was also assumed to have been carefully timed and done by deliberate leak. The timing in the view of these sources, reflected the Ford administration's desire to keep its relationship with the Soviet Union on an even keel.

While employing somewhat sharper anti-Soviet rhetoric and making displays of anger such as the publicized announcement last week of the postponement of several U.S.-Soviet meetings, the Ford administration is viewed as quietly signaling to Moscow its willingness to accommodate the Soviets in Eastern Europe, the area of their primary interest.

According to this line of thinking, Mr. Ford's tough rhetoric fits the mood of a more conservative U.S. public in this pre-election period, while Sonnenfeldt's remarks reflect the substance of an alleged understanding by the two superpowers on spheres of influence in Europe and other parts of the world.

Apart from Yugoslavia and Romania, moderate nationalist leaders in other East European capitals who have sought not to leave the Soviet fold but only to diminish Soviet influence in their affairs are believed to have been disheartened by Sonnenfeldt's message.

[From the Washington Star, Apr. 7, 1976]

UNITED STATES DENIES IT URGED MOSCOW'S HEGEMONY

(By Henry S. Bradsher)

After two weeks of controversy the State Department has sought to end the public furor over East European policy by explaining that it favors more autonomy for the region rather than tighter Soviet control.

The administration wants to encourage desires in East Europe for normal national identities and independence from Soviet repression, according to the central figure in the controversy, Helmut Sonnenfeldt.

The counselor to Secretary of State Henry A. Kissinger said yesterday that words that he never used were published to give the opposite impression of an American desire to see the region incorporated more tightly into the Soviet system.

At the same time, a State Department spokesman complained about the publication of a secret summary of Sonnenfeldt's original remarks. They were made in London last December to a meeting of American ambassadors in Europe.

The spokesman, Robert L. Funseth, said the department was concerned about the leaking of documents. He singled out those which impugned policies or officials. Asked about leaks that tend to support a policy or make an official look good. Funseth refused to comment beyond deploring all leaks.

Funseth produced Sonnenfeldt before reporters to try to explain away the controversy, although the department refused officially to release the key document involved. Sonnenfeldt confirmed the general accuracy of a published text of the summary but denied the original interpretation put on it.

That interpretation led last week to a denunciation of the Ford administration by Republican candidate Ronald Reagan. He charged that Sonnenfeldt's remarks had amounted to selling out East Europe.

The summary of the December remarks had been originally reported by columnists Evans and Novak as saying "permanent 'organic' union between the Soviet Union and Eastern Europe is necessary to avoid World War III." The columnist wrote March 22 of "Sonnenfeldt's confirmation of Soviet domination."

The New York Times and the Chicago Tribune yesterday published their own versions of the summaries, and a Paris newspaper carried an account last week.

Sonnenfeldt told reporters he had spoken in December of an "organic relationship" as contrasted with one "based totally on power, force and repression." The term unity or union "was invented and inserted into one of the (newspaper) articles," and so was the word "permanent," he said.

According to yesterday's published summary of the original remarks, the counselor had said that in East Europe "the single most important unifying force is the presence of sheer Soviet military power," but the desire for national autonomy has intensified.

"Our policy must be a policy of responding to the clearly visible aspirations of Eastern Europe for a more autonomous existence within the context of a strong Soviet geopolitical influence," the summary said.

"We seek to influence the emergence of Soviet imperial power by making the base more natural and organic so that it will not remain founded in sheer power alone."

One form of influence has been increased American contacts with Eastern Europe, including visits there by President Richard M. Nixon and last summer by President Ford.

Sonnenfeldt said he deplored the debate over his remarks because it had given the impression the United States favors incorporation of the area into the Soviet Union, arousing concerns and anxieties, whereas American policy is the opposite. The policy encourages normal life in the area that does not depend upon Soviet military might.

Instability exists beneath the area's surface, Sonnenfeldt said. There is official concern here that that "any explosion in Eastern Europe would have spillover effects."

He refused to comment on reporters' assumptions that this referred primarily to apprehensions about a possible Soviet move to gain influence in Yugoslavia after President Josef Broz Tito dies.

[From the Baltimore Sun, Apr. 15, 1976]

"NONEXISTENT" SONNENFELDT DOCTRINE KEEPS COMING BACK TO HAUNT THE UNITED STATES

WASHINGTON.—The Romanian government had a go Tuesday at what it called the "Sonnenfeldt doctrine," saying it would sorely damage the United States abroad. Before that, members of Congress, saying pretty much the same thing, quizzed its author closely.

So the Sonnenfeldt doctrine lives on, despite the fervent assurances of President Ford, Henry A. Kissinger, Secretary of State, and Mr. Sonnenfeldt himself that it never existed.

And who, some are asking, is Sonnenfeldt? Actually those who ask have short memories, for Helmut Sonnenfeldt, 49, counselor of the State Department, has been at the heart of political storms—though reluctantly, to be sure—before.

This time his unwanted notoriety developed from the leak of a secret appraisal he delivered in London last December before U.S. ambassadors to European capitals. Among other things, he lamented the absence of what he called an "organic" relationship betwen the Soviet Union and Eastern Europe, leaving Moscow with military power as its only means of control.

To some that sounded suspiciously like the U.S. had abandoned Eastern Europe politically to Moscow, only a few months after it had signed the Helsinki declaration to the contrary. No, cried the administration, it favored full independence for Moscow's satellites.

Pristine truth probably lies somewhere in between. The central fact, it appeared, was that Washington wants never to be caught short again by being unable to respond after having encouraged East Europeans to resist communism.

But the implicit notion that somehow Mr. Sonnenfeldt has gone soft on Moscow inspires ironic chuckles in the State Department. For Mr. Sonnenfeldt is a conservative Democrat with a keen sense of the stakes in the global contest for power.

Like Mr. Kissinger, Mr. Sonnenfeldt is a German Jew who fled from nazism in 1938. His first job was in a commercial photography establishment—at $18 a week—in Baltimore.

To eke out his income he worked—for $1 an hour—at the Hecht Company, where he met Marjorie Hecht, his future wife. Mr. Sonnenfeldt graduated from the Johns Hopkins University and now is a member of the university's Board of Trustees.

He joined the State Department as a career in 1952, and immediately began to establish a reputation as a brilliant, sometimes abrasive—an adjective he amiably rejects—political analyst. Soviet affairs became his speciality.

Around the department his inclination to remain in the background is legendary. It also is an objective in which he has failed miserably. In 1960–61 he fought allegations that he had leaked information to the press and a foreign diplomat for months before he won clearance from both the department and the Federal Bureau of Investigation.

Again in 1973, critics were skeptical when he was nominated to become under secretary of the Treasury in charge of U.S.-Soviet trade. He finally received committee confirmation, but never made it into the job.

For Mr. Kissinger, for whom Mr. Sonnenfeldt had worked on the National Security Council staff, had become Secretary of State as well as national security adviser. Instead of Treasury, Mr. Sonnenfeldt went back to the State Department as a senior adviser.

Now he is at the heart of controversy again. There may never have been a Sonnenfeldt doctrine. But Mr. Sonnenfeldt has drawn a semantic lesson from the latest furor.

The word "organic," he says, has joined "détente" on the scrapheap of his vocabulary.

[From U.S. News & World Report, Apr. 19, 1976]

Hot Issue—United States a Patsy for Russia?

No issue in the '76 campaign is raising more fuss than U.S. foreign policy—and the man in the middle is, as usual these days, Henry Kissinger.

The Secretary of State stands accused of being too soft in dealing with Russia, of knuckling under to the threat of Soviet military might.

It is in the contest between President Ford and Ronald Reagan that the issue has been raised to a white heat.

Mr. Reagan zeroes in on the Secretary with two serious allegations:

One, that Mr. Kissinger once said: "The day of the U.S. is past and today is the day of the Soviet Union. . . . My job as Secretary of State is to negotiate the most acceptable second-best position available."

Two, that one of Mr. Kissinger's closest aides, Helmut Sonnenfeldt, told U.S. ambassadors at a private meeting in London that "the captive nations [controlled by Russia] should give up any claim of national sovereignty. . . . In other words, slaves should accept their fate."

On behalf of President Ford, the State Department issued a formal rejoinder characterizing these charges as "a total and irresponsible fabrication" and "a gross distortion of fact."

What are the facts? What are the real aims of Mr. Kissinger's détente policy? Is he actually encouraging the Eastern European Communist states to merge with the Soviet Union?

An unusual insight into the Secretary's thinking on these questions became available in the form of a leaked summary of the secret briefing given to American ambassadors in Europe by Mr. Sonnenfeldt, who spelled out U.S. policy toward Eastern Europe in these terms:

America's aim must be to influence developments in a way that promotes "a more natural and organic" relationship between Russia and the countries in today's Communist bloc.

The U.S. strategy is based on the danger that the present "unnatural relationship" between Russia and Eastern Europe could "sooner or later explode, causing World War III."

What makes the relationship "unnatural" is that it is almost entirely sustained by "the presence of sheer Soviet military power."

This in turn, Mr. Sonnenfeldt pointed out, has lead to "an intensification of the desire to break out of the Soviet strait jacket. This has happened in every Eastern European country to one degree or another. There are almost no genuine friends of the Soviets left in Eastern Europe, except possibly Bulgaria."

Mr. Sonnenfeldt, Counselor of the State Department, described this as "an unfortunate historic failure" because Eastern Europe in fact does lie within Russia's "area of natural interest."

"So," he added, "it must be our policy to strive for an evolution that makes the relationship between the Eastern Europeans and the Soviet Union an organic one."

It was this remark that led Mr. Kissinger's critics to charge that the U.S. is trying to force the Eastern European nations to integrate with the Soviet Union or at least resign themselves permanently to Russian rule.

Close examination of the summary of Mr. Sonnenfeldt's briefing, and discussions with top U.S. officials, show that the U.S. actually is engaged in something quite different—a delicate exercise aimed at reconciling conflicting interests in Eastern Europe.

On one hand, Washington recognizes Moscow's "vital interest" in the area—and it's determination to protect that stake with force if necessary.

On the other hand, the U.S. encourages the strong desire among Eastern Europeans to seek autonomy—but not to a point that would provoke a violent Soviet reaction.

Thus the "Sonnenfeldt doctrine" is not a radical departure from the approach to Eastern European problems taken by the U.S. ever since it abandoned John Foster Dulles's policy aimed at rolling back Soviet power in that part of Europe.

It was in 1956 that the "rollback policy" finally was written off—after the U.S. had demonstrated its unwillingness to risk war with Russia by challenging the Red Army invasion that crushed a popular uprising in Hungary.

On the wider issue of Secretary Kissinger's attitude toward the rise of Soviet power, Mr. Sonnenfeldt made this point: "There is no way to prevent the emergence of the Soviet Union as a superpower. What we can do is affect the way in which the power is developed and used."

One of the most important ways of accomplishing that, said Mr. Sonnenfeldt, is through economic concessions. These can be used over the long term "to break down the autarchic nature of the U.S.S.R. . . . to draw the Soviet Union into a series of dependencies and ties with the West."

IN 50 YEARS MAYBE

Analysts in Washington say that this strategy could produce results over a 50-year time span but is unlikely to be useful in containing Soviet power in the foreseeable future. In the words of one expert: "The Russians will pocket the concessions—and still go ahead with adventures like the one in Angola."

Mr. Sonnenfeldt's briefing in London did not answer the question of whether the Secretary of State believes that "the day of the U.S. is past" and it is Russia that is riding the wave of the future. But Mr. Kissinger himself provided a clue to his thinking on that score in an interview published in October, 1974. "I think of myself as a historian," he said. "As a historian you have to be conscious of the fact that every civilization that has ever existed has ultimately collapsed."

How Mr. Kissinger's views as a historian influence his actions as Secretary of State will remain a hot issue in the presidential campaign.

Mr. CRANSTON. Mr. President, I understand that this amendment, in the form of a resolution, was adopted by the House of Representatives unanimously, 404 to 0. Plainly the American people do not recognize the Soviet Union's occupation and annexation by force of the Baltic States.

This sends a message to the Soviet Union to that effect, along with the other messages that are in the resolution.

I see no reason not to accept the amendment offered by the Senator from Maryland. I think it is a useful message to send to the Soviet Union, a useful declaration for the Senate to make, and a useful move by the Senator from Maryland. I am prepared, as far as I am concerned, to have a vote on it right now.

Mr. BEALL. I thank the Senator from California.

Mr. HELMS. Mr. President, on behalf of the minority, we certainly favor the amendment and commend the distinguished Senator from Maryland.

The PRESIDING OFFICER. The vote now recurs on agreeing to the amendment of the Senator from Maryland.

The amendment was agreed to.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the Senator from Alabama.

The yeas and nays have been ordered.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENT SUBMITTED ON SENATE RESOLUTION 406

Mr. STEVENSON. Mr. President, if the object of this resolution is to support détente, that is to say, a lessening of tensions with the Soviet Union, then it is unobjectionable. It is a statement of the obvious. If, on the other hand, the Senate is asked to convey some meaning by this resolution, what is it? I have read the resolution three times and cannot say.

It is capable of any number of differing interpretations, some of which are altogether unacceptable to me and, I daresay, to the membership as a whole. It seems quite indifferent to the interests of our friends in the Third World, insensitive to the concerns of the People's Republic of China and capable of suggesting that the United States relies mainly on the military to contest Russian imperialism in the world. I trust the readers of the Congressional Record will not jump to any conclusions. This resolution should be as unintelligible to them as it is to us.

Mr. President, I am unwilling to vote against a lessening of tension with anyone, and I am unwilling to vote for a resolution that is unintelligible or capable of misinterpretation. If this resolution is not cleaned up, I would suggest to the Members that they all vote "present" and let the readers of the Congressional Record try to interpret that.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, the following agreement has been cleared with Mr. Humphrey, Mr. Cranston, Mr. Allen, Mr. Helms, Mr. Case, Mr. McClure, and others.

I ask unanimous consent that after the two leaders or their designees have been recognized on tomorrow, the Senate proceed immediately to the resumption of consideration of the pending resolution, Senate Resolution 406; that time for debate thereon be limited and under the control of Mr. Allen and Mr.

CRANSTON, and that debate extend up to 1 p.m.

At 1 p.m., of course, the Senate will proceed with debate on the override of the Presidential veto. There will be 1 hour of debate on that override, and at 2 p.m. the Senate will vote on the Presidential override.

I further ask unanimous consent that at the conclusion of that vote—to wit, 2:15 p.m.—the Senate proceed with debate on the first Allen amendment, an amendment as to the content of any future resolution on offensive nuclear weapons; that debate be limited to 5 minutes, to be equally divided between the author of the amendment and Mr. HUMPHREY; that a vote occur immediately on the first Allen amendment; that upon the disposition of the amendment, there be a 5-minute debate limitation on the second Allen amendment, an amendment dealing with the withdrawal of Cuban troops; that there be a time limitation of 5 minutes, to be equally divided between Mr. ALLEN and Mr. HUMPHREY on that amendment, at the conclusion of which time the Senate proceed to vote on the Allen amendment.

Provided, further, that upon the disposition of the amendment, the Senate proceed immediately and without further debate or intervening motion to vote on the adoption of Senate Resolution 406 as amended, if amended.

Mr. ALLEN. Mr. President, reserving the right to object—and I shall not object—if we have approximately 50 minutes before 1 o'clock to discuss the resolution and pending amendments, I am wondering why it would be necessary to allot additional time for the amendments. Could we not merely have the amendments back to back?

Mr. HUMPHREY. I should like to respond. The distinguished acting minority leader suggested that it might be well at least to reserve that amount of time. It is my judgment that we would not need it, that we would yield back the time; but if somebody wanted an explanation, we would have the time.

Mr. ALLEN. I understood that the distinguished Senator from Minnesota and the distinguished Senator from California were agreeable to taking the amendment.

Mr. HUMPHREY. Yes; the only reason for the reservation of time is in case one or more of our colleagues wanted some brief explanation by the Senator from Alabama, and we thought it would be proper.

Mr. ALLEN. I have no objection.

Mr. ROBERT C. BYRD. Mr. President, is it agreeable with all parties that upon the disposition of the second Allen amendment, the Senate proceed immediately to vote, without any intervening amendment, motion, or debate, on final passage of Senate Resolution 406, as amended, if amended?

Mr. HUMPHREY. That is correct.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from West Virginia?

Mr. PASTORE. I have no objection.

The **PRESIDING OFFICER.** The Chair hears none, and it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That immediately following the recognition of the two leaders on Wednesday, May 5, 1976, the Senate proceed to the consideration of S. Res. 406 (Order No. 718), a resolution on the importance of sound relations with the Soviet Union, with the time between then and 1:00 p.m. to be equally divided and controlled between the Senator from Alabama (Mr. ALLEN) and the Senator from California (Mr. CRANSTON). At 1:00 p.m. the Senate will proceed to the consideration of the veto message on H.R. 9803, with a vote thereon to occur at 2:00 p.m. Immediately following this vote, the Senate will resume consideration of S. Res. 406, with 5 minutes of debate on the pending Allen amendment, to be equally divided and controlled by the Senator from Alabama (Mr. ALLEN) and the Senator from Minnesota (Mr. HUMPHREY), followed by a vote thereon. The Senate will then proceed to a second Allen amendment on which there is 5 minutes, to be equally divided and controlled in the same manner, with a vote thereon to occur immediately, and then without intervening amendment, motion, or debate, the Senate shall proceed to vote on the resolution as amended, if amended.

RELATIONS WITH THE SOVIET UNION

The Senate continued with the consideration of the resolution (S. Res. 406) relating to the importance of sound relations with the Soviet Union.

Mr. ROBERT C. BYRD. Mr. President, have the yeas and nays been ordered on both Allen amendments?

The **PRESIDING OFFICER.** Just on one.

Mr. ROBERT C. BYRD. I ask for the yeas and nays.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I thank all Senators.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 12 noon tomorrow.

After the two leaders or their designees have been recognized under the standing order, the Senate will resume consideration of Senate Resolution 406. That debate will extend to 1 p.m. The time for debate will be under the control of Mr. ALLEN and Mr. CRANSTON.

At 1 p.m., the Senate will lay aside temporarily Senate Resolution 406 and will proceed to debate the override of the Presidential veto, the child care measure. That debate will extend until 2 p.m., at which time the automatic rollcall will occur on the vote to override the President's veto.

At the conclusion of that vote, or 2:15 p.m., the Senate will resume consideration of Senate Resolution 406, "The Importance of Sound Relations With the Soviet Union." The 5-minute debate will then ensue on the first amendment by Mr. ALLEN, an amendment as to the content of any future resolution on offensive nuclear weapons. The time for that debate will be divided between Mr. ALLEN and Mr. HUMPHREY. At the conclusion of the 5 minutes, the Senate will proceed to vote on that amendment. The yeas and nays already have been ordered.

Upon the disposition of that amendment, there will be a limitation of 5 minutes of debate on the second Allen amendment, an amendment concerning withdrawal of Cuban troops, the time to be controlled by Mr. ALLEN and Mr. HUMPHREY, and a vote will then occur on the disposition of the second Allen amendment.

Upon the disposition of that amendment, the Senate, without any intervening motion or debate or amendment, will proceed to vote by rollcall on the passage of Senate Resolution 406 as amended, if amended.

So, as of now, at least four rollcall votes are ordered for tomorrow, one of them being automatic under the Constitution. There may be other rollcall votes tomorrow.

Upon the disposition of Senate Resolution 406 on tomorrow, the Senate will take up, under the order previously entered, S. 2679, a bill to establish a Commission on Security and Cooperation in Europe.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 noon tomorrow.

The motion was agreed to; and at 5:58 p.m. the Senate adjourned until tomorrow, Wednesday, May 5, 1976, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate May 4, 1976:

IN THE JUDICIARY

Maurice B. Cohill, Jr., of Pennsylvania, to be U.S. district judge for the western district of Pennsylvania vice Louis Rosenberg, retired.

DEPARTMENT OF JUSTICE

John A. Field, III, of West Virginia, to be U.S. attorney for the southern district of West Virginia for the term of 4 years (reappointment).

Walter M. Garrison, Jr., of West Virginia, to be U.S. marshal for the northern district of West Virginia for the term of 4 years vice Rex K. Bumgardner, resigned.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. John Howard Elder, Jr., [redacted] Army of the United States (major general, U.S. Army).

IN THE ARMY

The following-named Army Medical Department officers for appointment in the Regular Army of the United States, to the grade indicated, under the provisions of title 10, United States Code, sections 3284, 3306, and 3307:

To be major general, Medical Corps

Maj. Gen. Robert Bernstein, [redacted], Army of the United States (brigadier general, Medical Corps, U.S. Army).

Maj. Gen. Marshall Edward McCabe, [redacted] [redacted] Army of the United States (brigadier general, Medical Corps, U.S. Army).

Maj. Gen. Robert Wesley Green, [redacted] [redacted] Army of the United States (brigadier general, Medical Corps, U.S. Army).

To be brigadier general, Medical Corps

Brig. Gen. Charles Calvin Pixley, [redacted] [redacted] Army of the United States (colonel, Medical Corps, U.S. Army).

To be brigadier general, Veterinary Corps

Col. Thomas George Murnane, Jr., [redacted] [redacted] Veterinary Corps, U.S. Army.

The following-named Army Medical Department officers for temporary appointment in the Army of the United States, to the grades shown, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major general, Medical Corps

Brig. Gen. Charles Calvin Pixley, [redacted] [redacted] Army of the United States (colonel, Medical Corps, U.S. Army).

Brig. Gen. Kenneth Ray Dirks [redacted] [redacted] Army of the United States (colonel, Medical Corps, U.S. Army).

To be brigadier general, Medical Corps

Col. Raymond Holmes Bishop, Jr., [redacted] [redacted] Medical Corps, U.S. Army.

Col. Enrique Mendez, Jr. [redacted], Medical Corps, U.S. Army.

IN THE NAVY

Vice Adm. Daniel J. Murphy, U.S. Navy, having been designated for commands and other duties commensurate with the grade of admiral determined by the President to be within the contemplation of Title 10, United States Code, section 5231, for appointment to the grade of admiral while so serving.

Rear Adm. Vincent A. Lascara, Supply Corps, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of colonel:

Richard F. Armstrong
George L. Bailey
Harry H. Bair
Andrew F. Bauer
Robert C. Baughman
Charles A. Barstow
Daniel T. Benn
Daryl E. Benstead
Arthur A. Bergman
Carl F. Bergstrom, Jr.
Donald C. Bieger
William A. Bloomer
Lawrence G. Bohlen
Paul G. Boozman
Harvey D. Bradshaw
Charles K. Breslauer
Jerome W. Brown
Desmond M. Browne
Gordon H. Buckner II
Louis H. Buehl III
Wayne F. Burt
Brendan J. Cassidy
Guy R. Chaney
James L. Cooper
Ernest C. Cunningham, Jr.
Richard L. Dennis
Neal L. Derickson
Walter R. Dillow
Clarence W. Dilworth
Arthur A. Dittmeier, Jr.
Alvin J. Doublet
Hollis T. Dunn
Martin J. Egan, Jr.
Robert F. Eggers
Eldon L. Erickson
William R. Etnyre
Ernest E. Evans, Jr.
Robert D. Fowner
William C. Frank
Laurence R. Gaboury
Edward E. Gerding
Robert E. Gibson
Edwin J. Godfrey
John C. Gonzalez
Joe L. Gregorcyk
Vincent J. Guinee, Jr.
Robert D. Hagan
Roger C. Hagerty
Richard E. Haislip
Thomas M. Hamlin
James T. Harrell III
Franklin A. Hart, Jr.
Vincent P. Hart, Jr.
Vincil W. Hazelbaker
Charles A. Henry
Gary W. Hintz
Lyell H. Holmes
John I. Hudson
Robert R. Hull
Donald L. Humphrey
Henry C. Ivy, Jr.
Harold L. Jackson, Jr.
Russell E. Jamison
Richard J. Johnson
Alvah J. Kettering
Robert D. King
Allan W. Lamb
Curtis G. Lawson
George H. Leach
David A. Lerps
Stanley P. Lewis
Orville V. Lippold, Jr.
Arthur S. Loughry
Anthony Lukeman
Bruce M. Maclaren
Marvin P. Mann, Jr.
Frank M. Manrod
John A. Manzione, Jr.
Melvin W. McCoury, Jr.
Leemon B. McHenry
William E. McKinstry
Morris A. Miller
Jacob W. Moore
Jimmie G. Morgan
Donald J. Norris
Alfonso Oseguera
Edwin C. Paige, Jr.
Louis J. Piantadosi
James D. Pierce
Charles H. Pitman
Robert Plant
Raymond R. Powell
Leonard T. Preston, Jr
Delbert G. Ranney
Bobby J. Ready
Thomas S. Reap
Robert J. Reid
Richard D. Revie
Alvin F. Ribbeck, Jr.
Charles D. Robinson
Jon R. Robson
Robert P. Rose
Eugene B. Russell
Paul M. Ryan
George W. Ryhanych
Glen Sanford
Norbert F. Schnippel, Jr.
Charles W. Schreiner, Jr.
Joseph A. Siler
Paul D. Slack
George P. Slade
Donald G. Smith
Lloyd W. Smith, Jr.
Francis T. Sullivan
Bennie W. Summers
William G. Swigert
Charles E. Thompson
Frederic J. Vanous
Donald J. Verdon
Alphonse I. Warczakowski
Edwin G. Weatherford
Robert D. White
William W. Widener
Warren H. Wiedhahn, Jr.
Robert J. Woeckener
Donald E. Wood
Walter N. Yanochik
Hans A. Zander

The following-named officers of the Marine Corps Reserve for permanent appointment to the grade of colonel:

Charles A. Block
John R. Dopler
Frank T. Tobin
Gerald H. Turley

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel:

Ray D. Ammon
Burk Andrews
Reginald E. Armstrong
Gene E. Bailey
Richard W. Bailey
Ross T. Bailey
Robert M. Balch
Albert P. Barry
Harry L. Bauknight
William R. Belcher
Alphonse A. Bernotas
Jay N. Bibler
Leroy A. Bickley
Samuel E. Black
Gordon O. Booth
Gerald W. Boston
Robert L. Bowersox
George H. Braman, Jr.
James R. Brandon III
Robert V. Brennan
Frank J. Breth
Billy R. Bridgewater
Charles G. Bryan
Bruce G. Brown
James R. Brown, Jr.
Jimmy L. Brown
James J. Bruce
William J. Burrows
Orlando L. Busby, Jr.
Robert A. Carnes
William R. Carroll
David L. Cartwright
John A. Chancey
Harold H. Clark
John T. Cline
Carl G. Collins
Donald R. Comer
Daniel B. Cone
Michael H. Conner
Harlan C. Cooper, Jr.
Jimmie A. Creech
Thomas J. Dalzell
Robert L. Daniels
Laurence Delmore III
Clifton L. Deornellas
Ted O. Dickson
Albert K. Dixon II
Terry C. Drew
Dave G. Drewelow
David S. Drum
John F. Drummond
Marcel J. Dube
Edward J. Dyer, Jr.
Henry L. Eisenson
Jerry W. Elliott
Gerald A. Enos
James P. Faulkner
Angelo Fernandez
Donald Festa
Raymond F. Findlay, Jr.
Walter M. Fitts
Charles A. Fleming
John G. Flynn
Joseph F. Flynn
David J. Frie
John R. Fritsch
Louis C. Gapenski
John T. Garcia
James F. Gazzale
Royall W. Geis
Michael S. Gering
Jerrald E. Giles
Alec Gillespie
William Gilfillan III
James E. Givan
Johnny B. Gobble, Jr.
Glen Golden
Edward L. Green
James P. Griffin
Darcey E. Grisier
Robert E. Hamilton
Ray L. Hanle, Jr.
Larry B. Hannah
Robert F. Harrington
Kenneth P. Harrison
John D. Haynes
Conrad W. Heinzerling, Jr.
Philip M. Hinkle
Donald B. Hirsch
Norman W. Huddy, Jr.
Earnest Jarvis
Charles M. Johnson
Ward B. Johnson, Jr.
Clyde J. Johnston
Donald W. Johnston
Richard K. Joiner
Warren D. Kalas
Charles W. Kappelman
Gordon W. Keiser
Floyd H. Keller
Jerry L. Kershner
Denis J. Kiely, Jr.
Robert F. King
George A. Kupets
Gerald F. Kurth
Carroll M. Lacroix
William P. Lakin
Gary M. Larson
Raymond G. Leidich
Francis J. Lennartz IV
James B. Leonard, Jr.
Rodney R. Letchworth
Ronald M. Losee
Francis A. Losik
Morris W. Lutes
John L. MacFarlane
James E. Masters
Thomas P. McBrien
Albert J. McCarthy, Jr.
William T. McFall
John J. McMenamin, Jr.
Jack D. McNamara
Charles J. Mears, Jr.
Thomas F. Meehan
Ben A. Meharg
Robert H. Melville
Frederick H. Menning, Jr.
Roland Merrill
Philip C. Mikkelson
Joe E. Miller
Richard P. Miller
Frank E. Millner
William S. Moriarty
Robert S. Morris, Jr.
Charles G. Mulford
Rudolf M. Nebel
Robert V. Nicoli
Edmund P. Noll
Leon E. Obenhaus
Joseph J. O'Brien
Thomas R. O'Donnell
Enos S. Olin
Michael G. O'Neill
Merton J. Oss
Victor F. Pacheco
Richard J. Pereira
Thomas J. Power
Roger L. Redelman
John H. Reece
Robert L. Reed
James E. Reilly
William H. Rever, Jr.
Eugene P. Richter, Jr.
James W. Rider
Jon A. Rindfleisch
Edward M. Ringley, Jr.
Hermon J. Rivella
Carson N. Robinson
John A. Rooke
John J. Rozman
Roger K. Ryman
Robert B. Savage, Jr.
Frederick J. Schober
Richard W. Schulz
Richard H. Schwartz
Herbert L. Seay
Wiley J. Sellers
William D. Seymour
Thomas H. Shannon
David V. A. Shuter
James D. Simpson
Malcolm E. Smith, Jr.
William J. Smith
Harry L. Solter, Jr.
James P. Souders
James E. Strawn
James D. Strickland, Jr.
James V. Sullivan
Robert E. Swartwood, Jr.
Orson G. Swindle III
Richard E. Theer
Michael W. Tierney
James H. Tinsley
Kenneth R. Town
John M. Tuttle
Leon D. Tyrrell
James M. Updyke
Roger D. Walters
Harold T. Ward, Jr.
Michael J. Wasko, Jr.
Thomas L. Watkins
Edward M. Weber
James E. Wells
Herman B. West, Jr.
Joel I. Westfall
Marvin A. Westphal
Robert G. Whaley
Faustin E. Wirkus, Jr.
Richard K. Young
Thornton L. Youngman
Jack R. Zellich

The following-named officers of the Marine Corps Reserve for permanent appointment to the grade of lieutenant colonel:

Robert E. Akins
Tedd W. Aldrich
John R. Aldridge
Terrence J. Armentrout
Brian M. Bellows
Daniel M. Bergbauer
Wayne J. Bienvenu
William T. Bolger
Owen G. Brown
Michael E. Cashman
Richard G. Cashwell
James J. Creamer, Jr.
Charles F. Daugherty
James C. Doyle, Jr.
James V. Dunbar, Jr.
Thomas F. Ellicott
Robert V. Evans
James M. Ewart
Peter R. Faber
Ronald B. Felsburg
Glendon C. Fleming
William E. Hacker
Gladen R. Hamilton, Jr.
Richard D. Hicks
Michael J. Hixson
Roger A. Holtzapple
Thomas R. Horton
Jackson G. Hudspeth
William B. Jessup
Herbert L. Johns
Richard D. Kinney
Fred L. Kinnick
Graham H. Kreicker
Michael A. Kuhar
Henry E. Lecy
James H. Loper, Jr.
James D. Lott
Earl S. Maeser
Richard L. Marlar
Edward L. Marshall
Robert J. Maxwell
Robert D. McCarthy
Edward V. McFarland
Charles S. McLeran
Richard H. Muller
Richard C. Murray, Jr.
Jacques C. Naviaux
Byron A. Nordberg
Nelson M. Olf
Michael A. Paydo
William A. Prior, Jr.
Francis P. Reidy
James J. Reynolds, Jr.
Charles E. Rice
Lowell R. Rowe
Arlan E. Scarbrough
Ronald G. Schwenkler
William C. Sims
Frank T. Siragusa
John W. Sledge, Jr.
James C. Snell
Daniel K. Sooy
Robert W. Sparrow
Kay R. Stang

Evan D. Thomas
David A. Villeneuve
Bruce E. Vogelsinger
Ernest M. Vollmer
Donavan F. Wohlers
Roy L. Womac
William H. Wundram
Richard L. Yarmy

The following named officers of the Marine Corps for permanent appointment to the grade of major:

Paul R. Aadnesen
Richard T. Adams
David P. Allen
Larry W. Allen
Donald K. Angel
Dennis M. Atkinson
Stephen A. Bamberger
Brent J. Barents
Richard K. Bardo
Charles E. Barnett
Merrill L. Bartlett
Robert A. Beeler
Raymond H. Bednarsky
James A. Bell
William H. Bennett
Coy T. Best, Jr.
George R. Bettle
Donald F. Bittner
William C. Blaha
Giles W. Bond, Jr.
John T. Braton
Harold L. Broberg
Gerald P. Brodeur
Charles O. Broughton
Clay A. Brumbaugh
Kenneth T. Brunsvold
James R. Bryan
John D. Buckelew
Earl L. Bufton, Jr.
Arthur E. Burns III
Jerry R. Cadick
William L. Cadieux
Theodore D. Carroll
Wilmer L. Carroll
Thomas C. Carter
Ronald D. Cater
Kurt J. Chandler
Leonard F. Chapman III
Charles W. Cheatham
Charles W. Christy
John A. Cirie
Joe Clark
Harry F. Clemence, Jr.
John R. Clickener
Michael H. Collier
George M. Connell
David P. Connelly, Jr.
David C. Corbett
Joseph P. Corcoran
Jerry L. Cornelius
Larry R. Cornwell
Harold W. Courter
John O. Cotton
Robert R. Craig
Ronald J. Curtis
Ronald M. Damura
James A. Davis
Oscar M. Dennis, Jr.
Bruce H. Dewoolfson, Jr.
Richard E. Dietmeier
Harris H. Dinkins
Steven J. Driscoll
Edward F. Dunne, Jr.
Paul R. Ek
James T. Egan, Jr.
Richard W. Elsworth
George R. Emerson
George K. Eubanks
Mark F. Felske
George I. Felt, Jr.
Louis J. Ferracane, Jr.
William A. Forney
Paul A. Fratarcangelo
Sidney R. Gale
Isaac E. Garcia
Chester M. Gardner, Jr.
James P. Gardner
Joel R. Gardner
David P. Garner
George R. Gay
Charles L. George
Aultie G. Gerwig
Michael R. Getsey
James P. Gleason
Humberto Gonzalez
John E. Grant, Jr.
Donald A. Gressly
Richard H. Griffin
Kenneth L. Gross
James H. Hanson
Joe M. Hargrove
Christian L. Harkness
Orville E. Hay
Everett D. Haymore, Jr.
Stanley E. Haynes
Robert W. Hein, Jr.
Jerry G. Henderson
Dennis B. Herbert
Donald H. Hering
James V. Hoekstra
John W. Hogue
Bobby G. Hollingsworth
Walter F. Hudiburg, Jr.
William E. Hudson
Orlando Ingvoldstad II
Jerrold T. Irons
William W. Jackson
Grant G. Jacobsen
Roger M. Jaroch
Robert D. Jassem
Gordon R. Jefferson
Harlan E. Jones
Lloyd C. Jones
Virgil W. Jones, Jr.
Gilbert D. Johnson
Paul S. Johnston
Karl J. Kabza
Gerard T. Kalt
Dennis W. Kane
Richard R. Kane
William M. Kay
Cary Kelly
Thomas W. Kelly
Rodney P. Kempf
John R. Kopka
Peter V. Kosmo
Leonard R. Krolak
Wallace F. Krywko
Edward Kufeldt
Lawrence C. Kutchma Jr.
Andrew D. Larson
James H. Lavalle
Herbert G. Lyles
James F. Lloyd, Jr.
George P. Lombardo
Matthew W. Lucas
Brice R. Luedtke
Douglas C. Maccaskill
Rudolph J. Maikis
Robert M. Mallard
William S. Marshall III
John B. Mathews
Ronald R. Mathews
Jeffrey W. Maurer
Michael D. McCulley
James J. McDonald
Bruce S. McKenna
Robert J. Melanson
John H. Mercer
Barry R. Montgomery
William C. Middlebrooks
Donald J. Miller, Jr.
Gerald L. Miller
James R. Mires, Jr.
Stuart J. Mock
John R. Morgan
Joseph G. Morra
John T. Mowrey
Philip J. Murphy
James W. Nall
David R. Nay
Joseph Q. Nesmith, Jr.
Ernest G. Noll, Jr.
John A. Nordin
James D. Norton
Ronald C. Oates
John P. O'Connor
Robert L. Oetting
Thomas P. O'Leary
Vincent E. O'Neill
Robert L. Padgett
Paul A. Pankey
William H. Parks
Paul D. Payne
James P. Pennell
William F. Percival
Jack F. Perry
Arthur J. Picone, Jr.
John H. Pierson, Jr.
Charles A. Pinney III
Ido E. Pistelli
Samuel J. Pitts
Charley L. Plunkett
Michael E. Popelka
Dirck K. Praeger
Stafford D. Purvis, Jr.
Jon D. Quinn
Robert H. Railey
William H. Rath
John J. Read
Henry W. Reed
Michael J. Reilly
Richard M. Reilly
Jesse J. Richardson
Ronald A. Rick
Donald G. Ringgold
Thomas J. Romanetz
Herbert G. Roser
Glenn W. Russell, Jr.
Victor M. Russillo
Christopher B. Salmon
Melvin P. Sams
Lynn E. Saracino
Nicholas E. Saunders
John L. Schensnol
Terry J. Schipporeit
Gordon M. Schlitz
George T. Schmidt
John W. Schwantes
Thomas E. Schwartz
John C. Sease
Phillip J. Seep
Stanford E. Sheaffer
Martin Shimek
David L. Siweck
Larry M. Smith
Phillip R. Smith
Ronald L. Smith
Billy L. Speed
Robert C. Springer
Robert J. Squires
James B. Sramek
Thomas W. Steele
Kent O. Steen W.
Hebert M. Steigelman, Jr.
George E. Stern, Jr.
John L. Stevens III
Joseph D. Stewart
Raymond A. Stewart, Jr.
Frank C. Stolz, Jr.
Rüssell H. Sutton
Charles T. Sweeney
Herbert H. Swinburne, Jr.
Theard J. Terrebonne, Jr.
Ky L. Thompson
Anthony P. Tokarz
David A. Tomasko
Arthur B. Tozzi
Melvin D. Trimble
Robert E. Tschan
Phillip E. Tucker
Kenneth W. Turck
John D. Tyson, Jr.
Robert A. Vanhouten, Jr.
Peter J. Vanryzin
Russell D. Verbael
James A. Vollendorf
John S. Walker
Larry D. Walker
Jack E. Wallace
David E. Wallin
John D. Weber
Larry L. Weeks
Donald A. Wellman
Ronald R. Welpott
Billy L. Williams
Clarence D. Williams
Peter D. Williams
Robert D. Williams
Monroe F. Williamson
John A. Woggon, Jr.
Mansel M. Wood
Larry A. Wooldridge
Robert C. Yost
Jack B. Zimmermann
Kenneth W. Zitz

The following-named officers of the Marine Corps for permanent appointment to the grade of captain:

Donald L. Abblitt
Gayle E. Adcock
Anthony C. Akstin
Walter D. Albritton
John E. Allen
Thomas E. Allen
David S. Ament
Robert D. Anderson
William T. Anderson
Jeffrey H. Andrews
George E. Anton
William V. Arbacas, Jr.
Anthony P. Armbrister
Billy T. Babin
Edward J. Baker
John G. Baker III
Steven T. Bakke
Edward J. Ball III
William F. Ball III
Jeri D. Balsly
Alan N. Bandoli
Deryll B. Banning
Terry L. Barnes
Thomas L. Barrows
Stanley N. Barton
John A. Basci
Russell F. Beagent, Jr.
Cameron G. Beals
Paul A. Beames
Stephen A. Beaulieu III
Joseph H. Beelart, Jr.
Michal R. Beggs
Charles R. Bell, Jr.
Patrick L. Bellantoni
Joseph F. Bellegarde, Jr.
Martin R. Bender
Robert G. Bender, Jr.
John W. Bergman
Martin R. Berndt
William D. Berry
James P. Bessey
Willard D. Blalock
David F. Bice
Wayman R. Bishop III
Larry J. Bockman
Harold C. Boehm, Jr.
William J. Boese
Dennis G. Bolton
Alan R. Bonham
Dennis M. Boone
William W. Boykin
Charles J. Boyle
Steven A. Bosshard
David F. Boulden
John C. Boulware, Jr.
Rodney L. Bowers
William D. Brandt
Daniel M. Brannon
Slade A. Brewer
Eugene D. Brindle
Jeffrey M. Briozolaro
George B. Brown III
Stephen E. Bruch
George E. Brudzinski
Leonard J. Bucko
David G. Buell
William N. Bullock
Duncan H. Burgess
Laurence K. Burgess
Robert R. Burke
Peter J. Burner
Jerry L. Burton
Francis J. Busam
Richard P. Bush
William D. Bushnell
James Q. Butler, Jr.
William S. Buttrill
Richard K. Campbell
Richard W. Campbell
Robert M. Cannis
Michael A. P. Cardinale
Craig L. Carver
Thomas E. Chaffin, Jr.
Carl C. Chappell, Jr.
William M. Charles II
John M. Christensen
William R. Christoph
Ronald R. Christopher Jr.
Joseph F. Ciampa
Warren J. Cicerrella
James L. Cieslak
Richard H. Clampitt
Eligah D. Clark, Jr.
John O. Clark
William B. Clark
Robert D. Clarke
Kenton P. Cleary, Jr.
Johnny D. Cockle
Lyle M. Coffelt
Larry D. Cohen
Gary W. Collenborne
Clarence M. Collins III
Robert D. Collins
Stephen W. Comiskey
Louis C. Consagra
Joel L. Cooley
Robert M. Corrigan
Daniel P. Cosgrove
Martin J. Costello
Richard A. Cote, Jr.
Lawrence G. Cowell
Edward M. Cranford, Jr.
Thomas F. Creal II
Jerry L. Creed
Michael J. Cross
Ronald K. Culp
Michael T. Curtis
Larry J. Cushman
William A. Dahl
Lewis W. Dahlin
Richard J. Dallaire
Daniel R. Dame
William H. Darrow
Gilbert H. Davis
King F. Davis, Jr.
Steven S. Davis
Michael A. Decker
John R. Defreytas
Richard E. Deneut, Jr.
John M. Depue
William F. Deubler
Howard Devore, Jr.
Benjamin F. Dillingham
Richard W. Divine
Robert F. Dockendorff
William A. Doig, Jr.
Raymond S. Dolgert
Thomas B. Donahoe, Jr.
Daniel H. Dougherty
Roger H. Dougherty
Robert T. Doupnik
William N. Dove, Jr.
John C. Dowell
John E. Drury
Cyril P. Dubrachek
David C. Duberstein
Keith M. Duhe
George R. Dunham
Clifford D. Dunn, Jr.
Perry R. Dunn
Theodore J. Dunn
Matthew W. Durney
Paul H. Duvall
Robert G. Dwyer
David A. Echternach
Stephen A. Edwards
Kevin R. Egan
Walter C. Ehmsen, Jr.
Robert C. Eikenberry
David R. Eisenbrey
Milton V. Elliott
Joe R. English
John D. Engstrom
Steven C. Erickson
Kenneth W. Estes
Harold W. Evans, III
Stephen P. Eyman
Douglas A. Farmer
Jerry M. Farrow
William A. Favor, Jr.
Robert J. Fawcett
John C. Feeney
Robert G. Fender
William F. Ferguson, Jr.
Charles S. Fisher
Thomas A. Flaherty
Peter J. Flatley
Steve Fletcher
Peter Florea
Thomas H. Flowers
James C. Flynn
Allen L. Force
Zachary T. Forester III
James R. Forney
Leonard S. Foster
Mark S. Fowler
Carey E. Foy
Michael J. Franks
Kenneth D. Frantz
Frasure K. Frye, III
Kenneth R. Fugate
Gary L. Galiger
David M. Gally
Joseph C. Garbrous
Robert D. Garner
Aldon M. Garrett
Donald R. Garrett
John C. Garrett
James E. Gass, Jr.
Robert W. Geary
Thomas M. Georgi
Lonney D. Getlin
Ronald M. Gilbert
Richard A. Gibson
Dexter W. Godbey
Bruce A. Gombar
Ronald Gonzalez
Frank I. Goral
Dennis M. Graves
Glen D. Graves
Dale A. Gray
Richard H. Gray
Michael R. Greene
Ronald J. Gross
Richard C. Guess, Jr.
Thomas B. Guiney
Rodney D. Gunnell
Gene H. Haga
Lawrence B. Hagel
Richard A. Hagerman
Nathan S. Hall
Thomas H. Hall, Jr.
Alfred A. Hamilton
Charles T. Hammond, Jr.
James D. Hammond
Thomas E. Hampton
Jerry G. Hanks
James R. Hannemann
Bruce R. Harder
Michael C. Harris
Michael B. Harrison
James E. Hatch
Jonathan C. Hatch
David J. Hawkins

Thomas C. Hayden III
James G. Heidmous
Daniel S. Hemphill
Michael B. Henderson
Theodore G. Hess
Michael C. Hickey, Jr.
Ross J. Hieb
Kennon D. Hines, Jr.
David M. Hisey
Joseph M. Hoeferlin
Richard C. Hoeschele
Ronald A. Holman
Ronald C. Hood III
Richard L. Horwitz
David S. Horton
Michael A. Hough
Dan P. Houston
Charles J. Howard, Jr.
Kenneth M. Howard
John E. Howard
Lonnie A. Howerton
John W. Hudson, Jr.
Daniel L. Hughes
Harry C. Hunt, Jr.
William E. Hunt
Sheldon B. Hurley, Jr.
Stephen F. Hurst
Lewis C. Hurt III
Franklin H. Hytken
James M. Ivy
David H. Jacobs
Dennis J. Jenkins
Adam G. Jett, Jr.
Donald R. Jillisky
Edward J. Jobin
Thomas A. Johnson
Zachary T. Johnson
Alan M. Jones
Robert E. Jones
Thomas S. Jones
William K. Jones, Jr.
William R. Jones
Anthony L. Jucenas
Kevin P. Judkins
Martin O. Juve
Orla W. Karn
John W. Kartunen
Mark D. Keaveney
Eugene V. Kelley, Jr.
Kevin P. Kelley
Terrell T. Kelley
Paul V. Kelly
Kevin M. Kennedy
George S. S. Keys
Dennis W. Kerrigan
Scott D. Ketchie
Frank N. Kibler
Wayne E. Kiger
William G. L. Kinard
Pierce R. King
Merritt B. Kleber
Christopher M. Klein
John P. Kline, Jr.
Samuel H. Kline III
Mac D. Kolar
Daniel P. Kollay
William J. Kopp
Rudolph J. Kosits
Bazil Kostin
Paul D. Krause
Timothy C. Krepps
George V. Kuck, Jr.
Terry D. Labar,
Thomas E. Lakin
Edward R. Langston, Jr.
Jack D. Larson
John R. Lasher, Jr.
Donald J. Lavoy
Arthur W. Leak
Robert B. Lees
Edward M. Leonard
John E. Leonard
Robert I. Leonard
Robert C. Logsdon
Dennis C. Lindeman
Douglas E. Lindeman
Stephen T. Linder
David C. Litchfield
Daniel J. Long
Curtis L. Lowe
James L. Lowery, Jr.
John M. Lowry
William J. Lucas
David A. Lutz
Charles H. Lyman
John N. Lyonnais
Harry M. Mack
Charles P. Mackin, Jr.
Robert A. Maddocks, Jr.
Robert Magnus
Rickey L. Malone
Michael V. Maloney
Gregory K. Manary
Frank J. Martello, Jr.
Steven E. Martin
Richard G. Martinez
Paul P. Mason
Stephen T. Mason
Sebastian V. Massimini
Keith L. Maxfield
Timothy A. McBrier
Martin J. McCaffrey
Dennis A. McConaghy
Fredrick McConnell II
Terry J. McCormack
Ray M. McCormick
John I. McClurkin III
John J. McDermott
Peter R. McDonald
Thomas O. McDonald
Robert C. McDonough, Jr.
James T. McDowell
Roger C. McElraft
Michael P. McGee
Dwight F. McGinnis, Jr.
Thomas A. McKinney
Vernon L. McMinn
Michael L. McPherson
Jerry W. McWhorter
Ronald W. Meares
Vernon G. Medinger
Gary F. Medrano
James A. Messerschmidt
Lonnie L. Messick
Peter T. Metzger
Thomas W. Miley, Jr.
Benjamen P. Miller III
George S. Miller
Douglas L. Miller
Larry D. Miller
Paul W. Miller
Wallace B. Miller
Ludwig B. Miosi D
David M. Mize
Benjamin E. Moody, Jr.
Frederick W. Moran
James P. Morgan
William Morgan, Jr.
Robert V. Morris
Samuel A. Morris
Wayne V. Morris
Richard M. Morrow
Daniel J. Moseler
Stanley J. Mosiej
Robert S. Motley
Charles D. Mowrer
Patrick A. Moxley
David C. Moynihan
Lorin L. Mrachek
Robert Mudrak
John B. Munkres
Ronald V. Murray
Richard H. Myers
William C. Neasham
Richard E. Nelson
James P. Newcomb
Elvin E. Newhouse
Michael A. Newlin
Bill R. Newson, Jr.
Frederick W. Nickel
Miken J. Nielsen
Siebrand H. Niewenhous
Andrew L. Normand, Jr.
Nicholas O. Norris
Michael J. O'Hara
Douglas A. Okland
Don A. Olowinski
Dennis O. Olson
Earle Z. Olson
Vaughn B. Olson
Martin E. O'Malley
Hugh J. O'Neill
Robert M. Orazi
Henry P. Osman
John F. Otis, Jr.
Jerry D. Owen
Michael G. Pallo
Donald W. Pardue
Garry L. Parks
Thomas D. Pasquale
Christopher R. Pastel
James H. Patterson
Ralph E. Pearcy II
Henry C. Perry
Paul L. Persinger, Jr.
David F. Peterson
George E. Peterson
Gregory C. Peterson
Stephen E. Petit
Jackson C. Pharris II
Terry R. Phelps
Paul M. Philpott
Russell D. Pilcher
Thomas J. Pitman
James G. Plantz
Bruce E. Poley
Sherman A. Poling
Geoffrey W. Pomroy
James R. Ponsford
Charles R. Porter
John H. Post III
Stephen E. Potter
Larry F. Potts
Richard H. Priest
Kenneth L. Priestly
Michael F. Prosser
Robert W. Pryce-Jones
Lawrence R. Purtell
Randall B. Pyles
Ronald M. Raine
Michael L. Ralph
Bernard F. Ramey, Jr.
Charles E. Ramsey III
Kerry O. Randel
John A. Randell, Jr.
Cecil R. Rasor
James P. Rathbun, Jr.
Michael A. Ray
Ross Rayburn
Michael J. Reardon, Jr.
Richard P. Red
Charles G. Reed
James L. Reeve
John F. Reiner III
Larry E. Rhoads
Charles Ribalta
Walter H. Riddick
Robert W. Rivers
George R. Rickley
Alan J. Roach
John M. Roake
Billy J. Roberts
William H. Roberts, Jr.
Gilford G. Robinson
James E. Rogers
Steven G. Rogers
Michael P. Rose
David R. Ross
Robert Rubachko
Truman T. Sager
Samuel C. Sammons
James R. Sandberg
William J. Sayers
John W. Schmidt
Robert E. Schwab
Richard R. Schwabe
Fred K. Schwetje
William R. Sears
William L. Sells, Jr.
Donald R. Selvage
Michael D. Selzer
Walter W. Sevon, Jr.
Walter W. Shallcross III
Thomas W. Shawver
John D. Shively
James G. Shockley
Roy M. Shoemaker
Harold C. Short
John M. Shotwell
Kenneth P. Shrum
Stanley Sieja, Jr.
David S. Simon
Victor A. Simpson
John D. Slattum
Clyde H. Slick
William S. Sloan
Kenneth R. Sluis
Danuel L. Smith
Edward D. Smith, Jr.
John D. Snakenberg
Myles P. Somers
Michael J. Soniak
Charles W. Spencer
Charles F. Sprietsma
Clark G. Spurlock
John A. Staley, Jr.
David A. Stamper
Clifford L. Stanley
Douglas R. Stanley
Michael R. Stanton
Richard D. Stearns
Harry S. Steever
John T. Stelma
William R. Stephens
David V. Stocks
Patrick T. Strom
Russel M. Stromberg
Alan E. Strong
Thomas L. Stuckey, Jr.
Garth K. Sturdevan
Patrick Sullivan
Jerry W. Summerlin
Timothy D. Sutton
Donald H. Tanaka
Rodney E. Taverna
Sears R. Taylor, II
Michael J. Teller
Jack C. Templeton
Donald W. Theune
James B. Thomas
Ralph M. Thrash
Clarence E. Thrasher
James L. Todd
Thomas G. Tomkowiak
Joseph E. Tommaney
Thomas B. Trammell, Jr.
David M. Tripp
Edwin W. Turner, Jr.
James T. Turner, Jr.
Thomas E. Turner
Larry J. Twitty
Thomas W. Tyler
John R. Vallaster
Robert E. Vener
Joseph R. Waldron
Timothy E. Walinski
Ronald E. Walker
John E. Walsh
William C. Ward
Walter H. Warme, Jr.
Charles C. Warren, III
Merrill C. Waters
James C. Weaver, Jr.
Joseph A. Wellington
David A. Wellman
Christopher C. Wells
David M. Wells
Edward F. Wells
William J. Wesley
William C. Westfall, Jr.
Robert A. White
Edward P. Whitner
Edward B. Wild
John B. Wilkes
Larry L. Williams
William T. Williams
Nicholas A. Willich
James F. Wilson
James W. Wilson, II
Marvin L. Wilson, Jr.
Steven L. Wood
Robert C. Wooten
Daniel M. Work, Jr.
John D. Wright
Richard M. Wright, Jr.
Charles F. Young
Kenneth H. Yazel
Richard H. Zegar
John E. Zeigler
Paul A. Zeigler

The following-named officers of the Marine Corps for permanent appointment to the grade of first lieutenant:

Thomas C. Adang
Steven A. Amos
Wilbur C. Anderson
Steven D. Anderson
Paul A. Andres
Gregory M. Anthony
Robert E. Apple, Jr.
Levon S. Asadoorian
Peter L. Aseritis
Donald H. Atchison
Robert J. Avila, Jr.
Joseph R. Ayala
Bruce M. Bachman
Johnny P. Bailey
William F. Bain
Charles L. Baker
Richard A. Bandlow
William M. Bann
Constance A. Barber
Thomas N. Barnhouse
John A. Barrett
Thordore H. Barrow
William M. Barth
Richard K. Bartzer
William F. Beal
Richard A. Bean
Dave Beasley, Jr.
Kenneth E. Beaton
Robert L. Beatty, Jr.
Paul E. Beckhart
Brian L. Behl
Richard G. Bell, Jr.
David C. Bender
Robert H. Bender
Mark E. Bennett
Kenneth Berger
Mark H. Biser
Matthew W. Blackledge
Charles H. Blackwell
Joseph E.Bockhold,Jr.
Edward J. Bonkoski
Charles T. Botkin
Raymond A. Boyd, Jr.
Rodell N. Branford, Jr
Boyce A. Bransington, Jr.
Michael C. Bridges
Michael A. Brooks
Roderick L. Brotherton
Mark J. Brousseau
Jerry L. Brown
Scott L. Brown
Andrew J. Budka
Mark A. Bultemeier
Jay E. Burzak
Michael G. Byrnes
Lee R. Cain, Jr.
Larry W. Calhoun
Steven C. Calkins
Thomas R. Calkins
Steven M. Callis
James H. Campbell III
Mark F. Cancian
Robert C. Carlson, Jr.
Edgar B. Carr
Charles R. Carrigan
Jere J. Carroll
Brett M. Carter
Richard R. Carter
James M. Casey
Carroll L. Cawyer
Jeffrey C. Christman
Stephen L. Claiborne
James G. Clark, Jr.
William M. Clark H.
John A. Clauer
Robert L. Click
David R. Clifton
Barbara J. Cole
Stanley K. Collins
Kenneth L. Collyer
Joseph H. Compton
James M. Cormani
Tony L. Corwin
Robert B. Cory
Mark A. Costa
Victor T. Cronauer
Kenneth D. Cunningham
Daniel E. Curfiss
Joseph F. Dalton, Jr.
John S. Davidson
Charles M. Davis
Edward W. Davis
Enrico G. Delpuppo
Bruce A. Denault
Mark F. Devane
John J. Dicks
Brain S. Dinwiddie
Duane A. Dinehart
Paul A. Dohring
Scott E. Donaldson
Edward J. Donofrio
David G. Dotterrer
Eric M. Doyle
Peter J. Dubuisson
Patrick J. Dulin
Frank D. Dunn
Edmund D. Eaton, Jr.
Gary H. Ebanks
Robert W. Elflein
John R. Elliott
Hugh T. Elood
Ronald S. Eulk
Michael D. Eriksen
Vincent P. Everman, Jr.
Candace L. Exler
Dennis F. Fallon
Patrick M. Flanagan
Ronald R. Fleming
Joe Flores, Jr.
William B. Fraser
John E. Freed III
Mark P. Freeman, Jr.
Sylvia M. Ford
David D. Fulton
David A. Galati
Brian E. Gapco
Michael W. Gardner
William B. Garrett
Candyce N. Gates
Roger L. Gemar
Timothy F. Ghormley
John R. Giberson
Christopher P. Gieser
Steele H. Glenn
Wellington H. Gordon
George E. Graham
John W. Graham
Sammy C. Graham
Elie S. Griffin
Steven P. Grohsmeyer
David A. Groves
Harry W. Gullett
Ralph D. Haddock
David L. Hall
Edward A. Hall
Patrick K. Halton
Richard D. Hamilton
James L. Hampton
Stephen D. Hanson

David E. Haralson
Dennis E. Haskins
Lawrence P. Hebron
Dennis L. Heider
Jacky C. Henderson
Leif H. Hendrickson
Lawrence M. Hennebeck
Joseph D. Hernandez
Leonardo G. Hernandez
Harry H. Hicks, Jr.
Kenneth W. Hill
David L. Hoagland
Nicholas J. Hoffer
Thomas W. Hoffman
Gerald P. Hogan
Larry N. Hollington
Harry L. Holloway III
Daniel D. Holstein
Luther E. Holt, Jr.
Robin Hood
William D. Hook
Alan M. Hoover
Richard J. Huchel
James E. Hull
Gregory A. Hunter
James R. Huston
John P. Hutchings
Gary R. Ing
Michael L. Inman
David K. Jackson
Dennis M. Jackson
James E. Jackson, Jr.
Wesley T. Jackson
Joseph M. Jacobs
Peter A. James
John A. Jauregui
Donald S. Jefferson
Darrell K. Jenkins
Charles A. Johnson
Richard F. Johnson
Henry L. Jones
Jimmy B. Jones
Larry W. Jones
Harold A. Juhl
Stephen C. Kanaga
Michael W. Karnath
Edward M. Kasica, Jr.
Martin P. Keeley III
Dennis G. Keller
Sean Kelly
Earl L. Kent III
George Kerlek, Jr.
Michael B. Kessler
Richard K. Ketler
John B. Kiser
Chester H. Kittrell
Thomas G. Klappert
Kerry A. Knowles
Richard C. Koch
Thomas H. Koger
George E. Kondreck, Jr.
Richard S. Kramlich
Al Kris
Richard A. Krogh
Richard W. Lachowicz
William J. Lademan
Robert N. Lafreniere
Franklin D. Lane
Timothy R. Larsen
Francis P. Lanzer
Robert L. Larkin, Jr.
Howard J. Laurie
Harold W. Laughlin, Jr.
Charles A. Leader III
Robert E. Lee, Jr.
Stanley J. Lehto
John A. Lemoine
Brian P. Lever
Candace A. Lewis
John M. Lilienthal
Michael W. Lindberg
Forrest R. Lindsey
David C. Ling
William F. Linnehan
William M. Lipsmeyer
Dennis E. Long
James C. Lotito
Daniel E. Lund
Robert E. Lupton
David W. Lutz
Steven C. Macallister
Gary D. Macfadden
Bruce H. Marquardt
Samuel T. Marsh
William E. Marsh
Chez Marshall III
Albert J. Martin
Robert W. Martin
Arthur Martinez, Jr.
William L. Maruchi, Jr.
William J. Marvin
John M. McAfee
Francis A. McBride III
Brad A. McCanna
William J. McCormick
Chance E. McDonald, Jr.
Michael M. McDonough
James L. McGowan
Peter R. McGrew
James P. McGrory, Jr.
Edward A. McGuigan, Jr.
Daniel M. McHale
Charles E. McKeone
Steven E. McKinley
David C. McLellan
Edward P. McLyman
Robert A. McMichael
Andrew D. Mechling
Gene Menke
Donald E. Miller
Jon T. Minerich
Michael W. Minter
Michael C. Mitchell
Steven R. Mock
Mark S. Moses
Dirk P. Mosis
James M. Mulholand
Daniel J. Murphy
John R. Murphy
Mark H. Naster
Richard F. Natonski
James P. Naughton
Robert D. Neal
David N. Neuenschwander
John D. Newmyer
Edward J. Novicki
Daniel C. O'Brien
Edward J. O'Brien
Thomas M. Ochala
William P. O'Donnell
Warren T. O'Hara III
William F. O'Hara, Jr.
David P. O'Neil
Mary L. Orozco
Bryant C. Orr
Paul W. O'Toole, Jr.
Jack E. Owen, Jr.
Nancy J. Pachuta
Dale M. Papworth
William E. Parker
James L. Patterson
Ronald W. Peck
Michael P. Perry
William R. Pesnell
Douglas T. Peters
Charles L. Peterson
Harriesclichy Peterson
Jerrold B. Peterson
Richard F. Piasecki
Douglas E. Pickelsimer
Lawrence J. Pietropaulo
James W. Piggott
Cleve B. Pillifant
Richard L. Plautz
Mark M. Pollitt
James E. Pons
Thomas S. Pope
Angus M. Prim
Dale A. Prondzinski
Rodney N. Propst
Lee C. Pugh
Steven R. Quentmeyer
Anthony J. Quinn
Robert P. Raclaw
Ronald E. Randolph
Richard K. Reager
John Recine
Douglas C. Redlich
Michael A. Reep
Arlen D. Rens
Stephen M. Rich
Edmond T. Richardson, Jr.
Steven M. Ritacco
William L. Riznychok
Karen E. Riecks
Jay W. Roach
Richard W. Roan
Mark E. Robbins
Donald E. Roberson
David B. Roche
Lowell R. Rogers
Ronald W. Ruescher
Ira S. Russell III
Timothy J. Ryan
Donald L. Sammons
Walter A. Schartmann
Norman G. Schlaich
Walter C. Schmick
Joseph H. Schmid
Nolan D. Schmidt
Richard F. Schmidt, Jr.
Robert L. Schmitt
Mark A. Seamans
Charles C. Senn, Jr.
Steven W. Shaulis
Thomas E. Sheets
John F. Sherman
Harry B. Shimp, Jr.
Larry K. Shipman
Donald P. Shirk
George C. Siller, Jr.
Barry L. Smith
David L. Smith
William W. Smith, Jr.
Steven B. Sonnenberg
Dennis C. Sorrell
William X. Spencer
Thomas S. Stanmore
Craig M. Steenberg
Stanley W. Stevens
Frank M. Stewart
Paul A. Stewart, Jr.
Richard A. Stewart
Robert D. Stockman
Richard A. Stolz
Douglas M. Stone
Thomas M. Strait
James A. Stuart III
Jerry L. Suenaga
Michael G. Sudholt
Tommy D. Sweatt
Don W. Tatone
Norman B. Taylor
James G. Teskey
Kenneth E. Thomas
William E. Thomas, Jr.
Thomas H. Thomiszer
David L. Thompson
Ernest C. Threadgill III
Steven M. Timm
Billy W. Tongate
Stephen P. Toth
Lawrence E. Troffer, Jr.
Barry W. Trudeau
Robert K. Tucker
William M. Twaddell
Peter Ulrich
Robert J. Urban
Joan L. Vanallen
Edward B. Vanhaute
James W. Vaught
Servando J. Velarde III
Jose Villanueva, Jr.
Peter R. Vogt
Charles P. Voith
Linus A. Voss
Daniel D. Vuilleumier
Jack S. Wakefield
Vernon E. Wallace
Thomas A. Walliser
Quentin R. Walsh, Jr.
John Wardell
Gregory S. Warner
William Waters, Jr.
Gene D. Watson M.
William P. Watson III
Walter W. Weigle
Thomas B. White III
Vicky L. Whitehill
Clifford N. Wildsmith
David F. Wills
Timothy T. Wilson
William E. Winter
Lance Wismer
Robert L. Wolf
John D. Woods
Arthur A. Wydler
John M. Yencha, Jr.
David H. Young

The following-named officers of the Marine Corps for temporary appointment to the grade of first lieutenant:

Alton L. Absher, Jr.
Stephen P. Agrati
Michael C. Albano
Patrick L. Alderson
Myron E. Allen
Richard C. Anaya
Lawrence J. Anderson
Albert J. Aquilina
Christopher C. Arenas
Charles W. Arnold
Clifford Arnold
Henry Attanasio
William C. Baker, Jr.
Douglas D. Ballard
James F. Barnes
Charles R. Barnette
Charles M. Barrett
James R. Barrett
Robert L. Barry
Terrence G. Barth
Charles H. Beale III
Doyle H. Beam
Fred W. Beard
Donald F. Beck
Gordon M. Bell, Jr.
Dellas R. Bennett
William A. Bennett, Jr.
Philip A. Bicknel
Mark A. Blahnik
John E. Blair
David J. Bland
Cleve R. Blouch
Craig T. Boddington
Edward W. Bogue
Ernest M. Boling III
James A. Bollengier
Donald J. Borje
Randy W. Brickell
John R. Brown
John C. Bruno, Jr.
David P. Brunstad
Ricky G. Budd
Mark A. Buechler
Ronald K. Burns
Mathew A. Butler
Michael G. Capoot
Patrick L. Carey
James C. Carnahan
Robert T. Carrese
Daniel D. Casad
Daniel C. Cassell
Ronald R. Chambers
Lynn M. Champagne
William D. Chapman
Donald P. Chappell
Gregory J. Chartier
Wendell H. Chastain
Leroy Chevis
Robert Clagett
Steven R. Clarke
Billy J. Clarkson
Francis B. Clements
Joseph D. Coco
Steele C. Coddington, Jr.
Jeffrey U. Cole
Mark E. Condra
William D. Conklin
Michael B. Connally
Joel R. Connolly
Daniel A. Conway
Michael W. Cook
Donald K. Cooper
James E. Cork
Joseph M. Coyle
James J. Coyne, Jr.
Ronald D. Crawford
Gary F. Crose
Richard L. Culver, Jr.
Scott E. Cunningham
Wilbur L. Cunningham
Rodger W. Daigger
Richard W. Davenport
Frank W. Davey
Bryan M. Davis, Jr.
James W. Davis, Jr.
Donald S. Debragga
David A. Debruyne
Richard J. Delacour
Russell E. Denman III
Homer D. Detrich
Albert J. Diehl III
George D. Diltz
Robert K. Dobson, Jr.
Albert G. Dorsch, Jr.
Bruce M. Doucette
Stephen M. Dreher
Daniel A. Driscoll, Jr.
Leslie F. Duer
Kenneth D. Dunn
Richard C. Dunn
Donald A. Duprez
Jerome M. Duran
Timothy A. Dusenbury
Ian O. Dziubinski
Roger R. Earley
Paul S. Edwards
Stephen B. Edwards
Ronald D. Eggleston
John M. Ellsworth
Stephen F. Embler
Carl J. Ericson, Jr.
John J. Esrey
James E. Etter, Jr.
Ronald E. Evans
Thomas J. Evans
John H. Feily
George P. Fenton
Fletcher W. Ferguson, Jr.
George M. Finnerty
Kermit E. Fitzmaurice
Robert W. Foltyn
Walter H. Freed
Marc E. Freitas
Douglas A. Fullaway
John M. Garner
Walter E. Gaskin, Sr.
Richard C. Gehrlein
Paul A. Gelinas
William S. Gerichten II
Leon O. Gibbs
Norman C. Gillette III
Melvin O. Gipson
Johnie Gombo
Michael R. Gorbell
Steven E. Graebner
William W. Graves, Jr.
Barney A. Grimes III
James T. Grimshaw
Christopher J. Gunther
Robert E. Hacker, Jr.
Daniel K. Hagood
Kevin R. Hannifan
Mark S. Hardy
Mark Hartzell
Douglas M. Haycock
Daniel P. Hayes
Robert L. Haynes
Phillip R. Hearlson
Dennis R. Heinle
William E. Heinzman II
Doyle W. Hensley II
Patrick H. Herd
Howard E. Hill
Robert W. Hillery
Stanley E. Hitchcock
Chris D. Hobbs
Carl W. Hoffman, Jr.
John P. Hogan
Halie C. Hogans
Richard D. Holmes
William P. Horrobin
Jack L. Hughes
Leon D. Hughes
David W. Hurley
Charles W. Hutcherson, Jr.
Edward D. Isajewicz, Jr.
Kenneth D. Jackson
David L. Jacobson
Mark K. Johnson
Raymond K. Johnson
Timothy A. Johnson
William D. Johnson
Thomas G. Kane
James C. Keffer
Stephen C. Kepher
Jerome Keyes
John O. Keyes
Eugene Kimbler
Gregory S. King
James M. Kinnaman
Glenn F. Koch
Larry D. Koenig
Richard W. Kokko
John G. Koran, Jr.
Charles W. Kossick, Jr.
James R. Kramer
Jeffrey N. Kramer
Terry W. Krummel
Theodore A. Kuhlmeier
Bevill F. Lambert, Jr.
Paul J. Landry
Richard K. Lane
Jimmy D. Langley
Albert L. Larson
Robert D. Larson
Thomas C. Latsko
Clay D. Leath
Thomas H. Lee
Scott E. Leitch
Gary C. Leupold
Garry W. Lewis
Frederick W. Ley
Thomas L. Linder
Eugene W. Lindley
Henry C. Loeffler, Jr.
Donald L. Lohmeier
Stanley W. Longworth
Michael J. Lores
Michael E. Lundy
James V. Maccarone
Ronnie R. Madrid
Frank S. Manaea
William T. Marsh
Nicholas V. Martino, Jr.
Thomas G. McCarthy
James D. McCarthy
James McDaniel
John T. McGaughey, Jr.
Robert M. McGinnis
Patrick J. McKay
Paul S. McKee
Richard S. McKenzie
Mark A. McLean
Joseph J. McMenamin
John H. McTier
Timothy W. McReynolds

Ronald R. Melin
Philip G. Meyer
John H. Miller, Jr.
Mark A. Milligan
Thomas E. Minor
John W. Mitchell, Jr.
Mark D. Montgomery
Mark E. Mooney
Charles Moore
Timothy G. Moore
Donavan D. Moorman
John P. Moranha, Jr.
Martin T. Morris
William L. Morris
William T. Motley
Gary E. Murphy
Cornelius W. Murray
Karl B. Nebbia
Edward A. Nelson
George W. Nickerson III
Thomas E. Nicoll
Andrew P. Niflis
Thomas M. O'Leary
Wilbert E. Orem, Jr.
James N. Osburn
John T. Paul
Thomas A. Peabody
Mark R. Pease
Alan C. Pendleton
Edward Y. Perales
Ronald V. Pereira
William M. Perkins
Richard A. Perry
Anthony F. Phelps
Matthew H. Phillippe
John P. Pickett II
Jerreld D. Pippin
Jonas Pomales
Mark L. Potocki
Earl W. Powers
Danny R. Praytor
Dale H. Pugh
Pedro J. Quinonestavarez
Gerald G. Raedel
Lee F. Ralston
Timothy N. Ranville
Robert M. Reed
Kevin F. Regan
James D. Riemer
Alan J. Pingree
Charles Robinson
Clarence J. Roddy
Quentin R. Roos
Charles W. Rose, Jr.
George D. Ross
Richard C. Roten
Christoper Rowan
James L. Rucks
Michael E. Satran
Paul M. Sauer
Ross A. Schmidt
Herbert M. Schrader, Jr.
Chester W. Schwartz
Reginald M. Sealey
John W. Sergeant
Kenneth A. Sharer
Stephen D. Shigley
James L. Shirk
Richard J. Shows
Francis R. Short
Daniel L. Sickinger
Chester L. Simpson
John T. Skelding
Gerald G. Skinner
Todd A. Slingsby
Duane A. Smith
Floyd R. Smith, Jr.
Gilbert M. Smith
Robert L. Smith
William L. Smith
Hubert E. Sowell, Jr.
Harry C. Spies
Samuel H. Spragins III
Richard J. Stacy
Carl D. Stanton
Konrad E. Stapler
Bradley A. Stephan
Richard D. Stephens
Jeb E. Stewart
Ronald A. Stewart
Paul D. Stinnett
Scott C. Stith
James R. Stoller
Gobel N. Strickland
Jerry W. Sullivan
Coral L. Swinson
Randall S. Tafelski
William D. Talbott, Jr.
Floyd E. Taylor
Lewis R. Taylor
Charles L. Teel, Jr.
Winfield J. Tench, Jr.
Arlan D. Tenkley
Timmy J. Terrebonne
Frederick L. Thielke
Duane D. Thiessen
Gerald M. Thomas
James P. Thomas
Richard H. Thomas, Jr.
Gary D. Thrash
Robert Tiberg
David P. Tidwell
James A. Tipple
Michael A. Toepfer
Edward R. Tokarz
Steven J. Tomisek
Charles T. Tonkens
Alexander M. Torrance
George J. Trautman III
Jerry W. Turley
John A. Turley
Andrew C. Turner
Douglas W. Ullmann
Larry O. Vanmeter
George K. Vanness
Joel M. Wade
John P. Wagemann
Donald J. Wagner
James C. Waites, Jr.
John J. Walsh, Jr.
Robert J. Walters
Andrew L. Ward
Stephen P. Watson
Thomas R. Watson
Bruce L. Way
Allan R. Weber
Donald L. Weiss
Lawrence E. Welker
Dean E. Wells
Robert M. Welter
Carl D. Westfall
William M. Wetherell
Ralph L. Wheaton
Kevin M. Wheeler
Fred E. White
Bruce A. Whomsley
Harry T. Williams
Frederick B. Witesman II
Robert O. Work
Julius L. Young, Jr.
Mark E. Zeltvogel

DEPARTMENT OF LABOR

Michael H. Moskow, of New Jersey, to be Under Secretary of Labor, vice Robert O. Aders, resigned.

THE JUDICIARY

James C. Hill, of Georgia, to be U.S. circuit judge for the fifth circuit vice Griffin B. Bell, resigned.

CONSUMER PRODUCT SAFETY COMMISSION

S. John Byington, of Virginia, to be a Commissioner of the Consumer Product Safety Commission for the remainder of the term expiring October 26, 1978, vice Constance E. Newman, resigned.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 4, 1976:

CONSUMER PRODUCT SAFETY COMMISSION

S. John Byington, of Virginia, to be a Commissioner of the Consumer Product Safety Commission for a term of seven years from October 27, 1975, vice Richard O. Simpson, term expired, which was sent to the Senate on January 20, 1976.

EXTENSIONS OF REMARKS

CAPITAL HOSPITALITY AND THE MARRIOTT TENT

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. GAYDOS. Mr. Speaker, in the last few weeks, Washingtonians have had the opportunity to have a fleeting sneak preview of what things will be like during the Bicentennial summer here in the Nation's Capital. The weather was hot some days—over 90°. The pollution was high—there were several alerts, and the traffic was heavier than usual due to the influx of visitors at Eastertime. And this was only a dress rehearsal for what is to come.

Besides the word "Bicentennial," the word one is going to hear most often around this town is "crowds." When you paint a picture in your mind of the '76 Bicentennial in Washington, crowds of visitors, and some typical hot city temperatures, you will probably have the sense to paint in a lot of fast food and drinks to go along with the rest of the scene.

That is exactly what Congress thought and so it enlisted the talents of the Marriott Corp. in a joint venture to open a large Bicentennial fast-food operation at the foot of the U.S. Capitol, across from the Botanic Gardens.

According to the Washington Post, Marriott paid between $45,000 and $50,000 to pave over the triangular lawn next to the Botanic Gardens west side, and per contract, will be permitted to sell refreshments in a tent there. Congress will spend some $200,000 to construct this congressional visitors area which will include a stage, bleachers, and covered picnic tables. This "staging area" will be the starting point for Capitol tours and the dropoff point for tour buses coming to the Capital. The site is scheduled for opening in about a week.

Like almost everything else that happens in Washington, this project is not destined to reach its conclusion without some snag or controversy. After the tent was put up, 100 of the city's licensed 2,600 street vendors held a press conference to protest the Marriott concession stand and regulations barring the vendors from selling in certain areas of the Mall. The vendors were irate because Congress allowed such a large corporation this advantageous and competitive position.

In looking into these complaints, one should note that we are not expecting just a handful of extra people in the city on a certain day; we are anticipating an extra 25,000 to 35,000 visitors every day. Any congressional staffer can attest to the fact that there are simply not enough eating facilities in the immediate Hill vicinity already to accommodate all the employees and visitors.

The cafeterias are closed to visitors during peak lunch hours, so without the Marriott tent, visitors would have had few choices. They might be able to get into the cafeterias during off hours or they could walk several blocks away to wait in lines at small avenue restaurants.

The Marriott food tent is a welcomed addition at the foot of the Hill considering the upcoming demands that will be made by our visiting constituents. This operation is not intended to drive the Mall vendors into destitution. The tourists in the Smithsonian and Hill area will still be turning to these many independent businesses. In fact, by all predictions, vendor sales should do very well this year.

The Marriott operation will be a vital supplement to existing dining facilities on the Hill. And Marriott had guaranteed that it will not run out of food. Can the vendors with their wagons make such a promise? And although Congress is not sharing revenues from food sales, the joint congressional committee on the Bicentennial has examined and approved what it feels is a reasonable price list.

The overall result of this project should be a smoothly run, fast-food convenience for visitors coming to this country's historic 200th birthday gathering. I certainly hope to see many of my friends from the 20th Congressional District of Pennsylvania here. I think the congressional visitors area will make a small contribution toward making their Bicentennial excursion more comfortable and enjoyable. Let us stop squabbling over peanuts and pennies and become a most gracious and hospitable Capital of the United States.

FINAL TRIBUTE FOR PHIL OCHS

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 3, 1976

Mr. DELLUMS. Mr. Speaker, on April 9, we saw the tragic suicide of a great American folk hero, Phil Ochs. His songs formed an almost daily newscast of the sweeping social change during the sixties that has given our country a new and vibrant approach to contemporary social concerns. Phil Ochs' coarse words helped to reeducate Americans about the atrocities committed by Americans in Vietnam. With his ballads he rekindled a social awareness among peoples from all walks of life. Through his verse we were enabled to perceive the great propensity to achieve peace, harmony, and justice not only in Southeast Asia, but throughout the entire world. He brought to light the tragic adventurism of the American presence in Vietnam.

Ochs was a romanticist, but the kind that strove to accomplish his highest ideals. His example as a politically motivated humanist should be an inspiration to us all, and his suicide a reminder of the cold political realities that shall forever press hard upon our minds.

His sister said that Phil hung himself because "the words no longer flowed"—he had not written a song for 6 years. His words came to mind, but not to mouth. With his vocal cords partially slashed during an emotional tour in Africa, Ochs seemed to have regressed into himself, singing only internal lyrics and music to be taken to his grave.

We ask ourselves "What was left for Ochs to sing about?" After all, the Vietnam War had ended, Watergate was a child of the journalists, and the investigations into the intelligence community were too cold and sophisticated to immortalized in romantic verse. The music of Phil Ochs as a medium of social awareness had seen its day, but we cannot allow his myriad of messages slip from our consciousness. Phil Ochs has left us all with an impression of his own, unique genius.

I believe the following articles express the warmth, respect, and oneness we all should feel for this perceptive human being.

[From Sevendays Apr. 19, 1976]

The Words Stopped Coming

(By Jerry Rubin)

(NOTE.—Phil Ochs, "the troubadour of the New Left," author of "I Ain't Marchin' Anymore" and other songs performed by Joan Baez, Bob Dylan and thousands of anti-war activists, committed suicide this Friday at age 35.)

I first met Phil Ochs on May 21, 1965, when he flew to California on Vietnam Day to be the singing bard at a big anti-war teach-in that lasted 36 hours. Later I went with him and Stew Albert to Chile for two months, and I saw him sing to the miners with Victor Jara, the folksinger who was eventually killed by the junta. It was clear that Phil's guitar was the musical expression of an American generation. That was his contribution: to put art, music and politics together in a way that few have done since Woodie Guthrie.

The main memory I have of Phil is his incredible love of life: he loved people, food, excitement, singing, reading the daily newspaper. I loved him at his most difficult and ecstatic moments. But on some deep level, Phil didn't love himself, and he couldn't believe that so many other people did. He had a great deal of anger at himself, and that anger expressed itself in depression. Instead of self-examination, he chose self-destruction; he was determined to live out the life script that he had created.

I don't want to turn him into an image. I knew his mind, and I knew his fears, and that's the Phil I want to have inside me. I knew the crazy Phil, the sloppy Phil, the real Phil. I knew the Phil who used to walk the streets, drunk and tormented, with a glazed look in his eye. And I knew Phil who'd come over to my house totally excited, wanting to go to a movie and analyze it for hours afterward. He loved movies, and often saw his life as one and himself as a character. That, in a way, explains the dramatic ending to his life.

Phil fed on the energy of the streets, he fed on the energy of his culture. And when the political movement disintegrated as a dramatic, unifying, exciting thing in the early seventies, he couldn't identify with new developments. Somebody said that for Phil the words stopped coming. In a sense, his own success betrayed him. He thought he had continually to outdo himself, and in that competition he had to lose.

I love you Phil. So many people did. I hope you knew that when you were alive, and I pray that you may be hearing the words of love now. We will never forget you.

[From New Times, Apr. 30, 1976]

Final Tribute

(By Arthur Lubow, Balladeer of the Movement)

Grant Park in Chicago was surrounded by troops, and inside Phil Ochs was singing the ballads against war and injustice that had made him the troubadour of the Movement. He was addressing not only the demonstrators in their T-shirts and cutoffs; he was also appealing to the rigid membrane of bluecoats containing the multicolored energy-charged nucleus ready to explode. When the music ended, Ochs walked up to the soldiers—who stood impassive with their bayonets—and begged them to desert. He couldn't understand why they refused.

That summer of '68 he ran through the Chicago streets, choking through clouds of tear gas. He was arrested with Jerry Rubin and a pig that the Yippies were running for president. After the Chicago demonstrations, the Humphrey nomination and the Nixon election, he released an album called *Rehearsals for Retirement*. On the album cover is a headstone engraved with the words "Phil Ochs—Born 1940; Died Chicago, Illinois, 1968." "I think in a way that was very prophetic," says his sister, Sonny Tanzman. "There was nothing after Chicago. He went on doing concerts, but it was just the old songs."

The words stopped coming to him. A friend recalls that Ochs was always carrying a guitar, insisting that his buddies listen to his latest song; and then the guitar disappeared. To replace the songwriting Ochs began coordinating rallies, working furiously to organize the Salute to Allende and the end-of-the-war celebration in New York. Last May, when he sang his old song "The War Is Over" to 50,000 people in Central Park, the world had finally caught up with him. His song brought the crowd to its feet, cheering, crying. It was his last great ovation, earned for a song he had written nine years earlier, granted by a crowd basking in nostalgia.

"When peace has come, what is somebody going to do when that's his last schtick?" a friend mused. But it wasn't simply that Ochs had run out of causes. The innocent confidence in change that had buoyed the Movement in the sixties and sparked the revival of "urban folk songs" or "topical songs" had fizzled out by 1970. Listening to Ochs' songs now, one realizes that their fervent optimism and confident humor dates them even more than their themes of labor organizing, draft resistance and civil rights struggles.

Born in El Paso, Texas, the son of an Army doctor, Phil moved with his family from town to town. "We didn't know what politics was in my family—some kind of disease, maybe," says his sister Sonny. Phil attended military academy in Virginia and then enrolled at Ohio State University, majoring in journalism. A guitar-playing roommate awakened him to both music and radical politics. In the middle of his last year, Phil wrote a pro-Castro article about the Bay of Pigs invasion. The story prevented him from becoming editor of the campus newspaper, and he dropped out of college in disgust. He became a musical journalist, performing first in Cleveland and then moving to Greenwich Village, where a talent scout spotted him in Gerde's Folk City. His first solo album was titled *All the News That's Fit To Sing*.

A gaggle of singers started out at Folk City, among them Bob Dylan, whose mountainous success cast a long shadow on his colleagues. By 1964 Dylan had already renounced the protest song, while Ochs, in Jerry Rubin's words, continued for the rest of the decade "to put his guitar at the service of the Movement." Sardonic political songs such as "Love Me, I'm a Liberal" and "Draft Dodger Rag," and rousing protest songs like "I Ain't Marchin' Anymore," established his reputation. But Ochs was also a talented and sensitive melodist, whose abilities transcended the pamphleteer's and whose ambitions encompassed art as well as politics.

Yet he was unable to make a Dylan-style transition of genres: his one attempt at Carnegie Hall six years ago ended ignominously. Dressed in a gold lamé Elvis Presley suit, singing old Buddy Holly numbers, Ochs thought he could develop a form that would survive the death of the Movement. "The revolution was getting too ugly," says his brother Michael. "For something to work you needed the beauty of an Elvis Presley with the intelligence and strength of a Che Guevara." But the crowd wanted their monument in worn boots and pea jacket. Demanding to hear the old songs, they booed and jeered.

Phil couldn't come up with new songs and he couldn't bear to keep singing old ones. For a few years he traveled, to Europe, to Australia, to Japan. On a trip to Chile he sang to copper miners as folk singer Victor Jara—murdered after the coup—translated. Living adventurously was a substitute for working creatively. But a last trip to Africa ended in disaster. Choked from behind by a mugger, he was convinced that his vocal cords had been damaged. He also complained about stomach troubles that doctors couldn't remedy. Returning home despondent, he skidded back and forth from Los Angeles to New York.

"It was more than not being able to write—he wanted to change everything at once fast, and make it better," says one friend. "The things he thought were important he didn't have an impact on anymore." He began work on an autobiographical album—"sort of his *Blood on the Tracks*," says a friend who heard and liked fragments—but he gave it up, complaining it was inferior to his previous work. He planned to organize a rally to save New York—"he wanted somehow to save New York too, as well as Chile and Vietnam," says friend Mayer Vishner—but his energy waned. A scheme to found a Soho bar that would serve as a hangout for revolutionaries never got off the ground.

Crashing in friends' apartments, he swept through New York last summer on a maniac streak, drinking heavily, getting into fights. Frightened by his behavior, he finally stopped drinking and withdrew, lost within himself. Last January he knocked at his sister's door in Far Rockaway, Queens, and asked if he could stay a few nights. He stayed three months. On Friday morning, April 9, after spending the previous day with his mother, he hanged himself.

[From the New Haven Advocate, Apr. 21, 1976]

Of Phil Ochs and Doing It While We're Here

(By Alan Kay)

Phil Ochs died two weeks ago; he was 35. He hanged himself.

Ochs had, by his own report, not written a song in six years, and had been drinking heavily. In the '60s, though, his writing had been prolific. Beginning several years before the appearance of his first album in 1964, he produced what *Time* often characterized as "protest" or "topical" songs—songs that spoke to the issues that many Americans cared passionately about: Vietnam, Southern racism, America as cigar-smoking plantation-owner in Latin America, the peculiar convenience of liberal politics.

Ochs was never a great singer, and a music critic once suggested that his guitar-playing "would not suffer much were his right hand webbed." But he was good, had a sense of humor, and a way with words. When it seemed to many, including the mass media, that protestors could only be crazies, immature students with no morals hell-bent on destruction, the voice of Ochs, and of Tom Paxton, Joan Baez, Dylan and few others, stirred the many with a feeling of belonging, and of being a part of a larger, committed movement.

Phil Ochs ran into confusion at the same time many young-but-growing-older folks did, at the beginning of the '70s. He started to take more seriously the Elvis Presley collage on his wall, and many commentators since his death have remembered with some embarrassment his Carnegie Hall appearance wearing a gold lame jumpsuit.

But listening to his records leaves no doubt that he was a sincere "radical," a man with a vision of a better world. Like many others, he became increasingly confused, perhaps overwhelmed, by the complexities of making social change happen in a society which seemed infinitely capable of absorbing particular criticism without allowing the basic system to be threatened. The consequences for him were, at first, a sort of losing touch: appearance such as his New Haven show with Jane Fonda for the Indochina Peace Campaign some four years ago. He appeared, looking much as he always had, and sang the same songs he had sung four years earlier—stirring songs, but songs no longer relevant to the issues at hand.

Under any circumstances, the suicide of a 35-year-old man is difficult to accept. At the very least, it would be good to be able to say that Ochs' death will have served some good in reminding all of us that there have been visions of a better world, visions that many think are attainable.

The movements of the '60s prepared young Americans not at all for the long haul—and not even very well for the simple task of growing up. Many have grown frustrated, despairing; some have given up completely and died, one way or another. They're gone; they won't be able to do anything any more. Whatever America's goals are to be, Ochs leaves us an injunction: we'd better get on with it, and do it while we're here.

CASTRO'S "PROLETARIAN PARADISE"

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 4, 1976

Mr. HARRY F. BYRD, JR. Mr. President, in recent months, because of the Cuban intervention in Africa, the administration seems to have cooled in its determination to "normalize" relations with Fidel Castro's dictatorship.

In the April 8 edition of the Southwest Virginia Enterprise, published at Wytheville, Va., an excellent editorial appeared describing present conditions in Castro's "proletarian paradise."

The editorial is based on letters from Cubans, and it shows vividly the kind of society which Castro seeks to export. It should make sobering reading for those inclined to credit Castro with improving the lives of his countrymen.

I ask unanimous consent that the editorial, "Smuggled Letters Tell True Story of Castro's 'Proletarian Paradise,'" be printed in the Record. The editor of the Southwest Virginia Enterprise is my close friend James A. Williams, Jr.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

SMUGGLED LETTERS TELL TRUE STORY OF CASTRO'S "PROLETARIAN PARADISE"

A revealing look at the way of life Fidel Castro is trying to export from Cuba to Africa comes in two letters recently smuggled out of Cuba. Their recipient, Dr. Herminio Portell-Vila, a noted commentator on Latin American affairs and former professor at the University of Havana, released portions of the letters to the press. Dr. Portell now lives in Washington, D. C.

A woman in Havana, who is also a wife and mother of two, writes the following in a letter dated February 8: "I got up at 4:45 a.m. sharp. It is Sunday, and I hurry up to join the queue of the bread. It seems endless, but after six o'clock I finally got half a loaf of bread. . . . .

"The market had received some supplies today. I got six pounds of rice, the ration for the month for the whole family; one cake of soap for the bathroom and another one for washing, to last one month; with seven ounces of detergent for 30 days, plus four pounds of sugar and one pound of lard. The report is that there will be a further rationing of sugar, and only one and one-half ounces of coffee every 15 days, and half a pound of lard during the same period, beginning in March.

"Why? Simply because they need to send food to the Cubans in Angola, and whatever will go to Angola will be less for the people here . . . Nobody expects anything better. But there is not a single protest because we are under a brutal repression, such a brutal one that nobody can imagine what it is."

A second letter, dated February 13 from a worker in Havana, says that "I can tell you, positively, that communism has not taken hold of the Cubans of the present generation and that they listen to what they learn at home from their parents and relatives.

"These youngsters are forcibly sent to work and to attend classes in the backwoods sleeping in the 'tobacco curing houses' or the huts, without hygienic facilities, with foul food and putrid water. Most become sick. It is said that they have been successfully indoctrinated, but no matter the propaganda.

"They were able to compare their sufferings with what they had left at home and down there in their hearts they rejected communism. They realized that they were being exploited, but they could not revolt against regimented oppression, and in silence they opposed everything."

Such is the way of life these 17 years after Castro set about to build his "proletarian paradise." To Africa—and to Castro's friends on Capitol Hill: Are you listening?

TOM DOWNEY RECEIVES COVETED AWARD FROM HADASSAH

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. WOLFF. Mr. Speaker, I want to bring to the attention of our colleagues an important honor and recognition of achievement that was recently bestowed on our colleague, Thomas Downey, of New York's Second Congressional District.

On Sunday, April 4, Tom Downey was the recipient of the Myrtle Wreath Award by the Suffolk Region of Hadassah, which has a membership of more than 2,500 in 23 chapters in Suffolk County.

The Myrtle Wreath citation of honor is a distinction bestowed on an individual whose outstanding performance has resulted in distinguished contributions to society in his specific field. It is derived from the word, Myrtle, which is the English translation of "Hadassah," and represents an everlasting perennial vine indigenous to Israel.

Downey was cited for his work on the House Armed Services Committee and the Select Committee on the Aging, in particular his concern for the economic problems facing senior citizens. In presenting the award, Mrs. Morris M. Mathews, president of the Suffolk Region of Hadassah, said:

> You are our neighbor, our friend, our Congressman, representative of the Second District. You are unique in many ways . . . You are a credit to Suffolk County as our Congressional Representative.

Mr. Speaker, it is my pleasure to join in recognizing the contributions and talents of our colleague, Thomas Downey.

SEWARD SCHOOL OF CHICAGO COMMEMORATES "LA BATALLA DE PUEBLA" HONORING THOSE WHO WROTE THE GLORY OF PUEBLA, MEXICO

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. FARY. Mr. Speaker, 114 years ago, a brave and valiant Mexican people, against overwhelming odds, defeated the French forces of Napoleon III, at the city of Puebla and struck a blow for all peoples, then and now, fighting for their freedom and dignity. On May 5, 1862, Cinco de Mayo as the revered date is known in Mexico, a Mexican force of 4,000 irregular troops armed with antiquated weapons, repulsed a well-equipped and well-provisioned French army of 6,000 and temporarily halted the French occupation of Mexico.

Napoleon III had designs on regaining an American colony and saw his opportunity as the beleaguered government of Benito Juarez defaulted in payment of its debt to foreign powers. France, along with Great Britain and Spain signed a convention in 1861 for joint intervention in Mexico and Napoleon's agents persuaded Archduke Ferdinand Maximilian of Austria to accept the throne of Mexico once the foreign conquest of Mexico was completed.

Spanish troops landed in Veracruz in December 1861, followed by the British and French. Benito Juarez, the full-blooded Zapotec Indian rallied the Mexican people to fight and defend their poor nation against the might of the most powerful nations in the world at that time. Fortunately for Mexico, the British and Spanish had limited objectives and did not support the French efforts to conquer Mexico and subjugate it to a foreign power.

The victory of the Mexican people on Cinco de Mayo at the town of Puebla was short-lived because the French eventually succeeded and in June 1863 entered Mexico City victorious. Eventually Maximilian became Emperor and ruled until 1867 when Juarez' forces finally defeated the foreigners. Although short-lived, the Mexican victory at Puebla became the symbol for all peoples who believe in independence and the right of all nations to settle their own affairs, who decry foreign intervention and domination, who believe in human dignity, who believe that strong faith in a righteous cause can overcome tremendous obstacles. The spirit of Cinco de Mayo carried Mexico to new heights and helped forge a new order which is today reflected in the character of the Mexican nation.

In this Bicentennial Year of our Nation's independence, it is fitting that we pay tribute to the brave and proud people of Mexico who told the world, as did our patriots of the Revolution, that human dignity, self-determination, and independence will prevail over the tyranny of foreign domination.

AMENDMENT TO STRIKE NUCLEAR WEAPONS FUNDS FROM ERDA AUTHORIZATION FOR FISCAL YEAR 1977

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Ms. ABZUG. Mr. Speaker, the ERDA authorization measure we will be considering on Thursday, H.R. 13350, contains a major defect: it combines both nuclear weapons activities and civilian energy program authorizations in the same bill. In my view the effect will be, once again, to prevent a full and reasoned discussion of American nuclear weapons policy.

During debate last year on fiscal year 1976 ERDA authorization, I offered an amendment to strike nuclear weapons authority from the bill so that it could be considered as a separate matter. More than 100 Members of this House supported that amendment. Several Members who voted against the amendment expressed strong support for the concept of separate authorizations and suggested that it could be done for next year.

In order to help resolve this problem of incompatibility in ERDA authorizations, I initiated a letter on March 21, 1976, to the chairman and vice chairman of the Joint Atomic Energy Committee which was cosigned by 34 Members. Noting statements of support for separate authorizations made during the debate last year—including remarks by members of the committee itself—the letter urged the committee to submit separate authorization bills.

However, on April 13 the committee chairman, Senator PASTORE, responded that it would not be feasible to make the change.

It seems that we will always be told that "this year" is too late to make the change and that we must wait for next year.

Well, next year is upon us and no change has yet been made. I therefore intend to offer amendments to H.R. 13350 on Thursday to strike the funds for "nuclear weapons activities."

My intention in seeking to strike these funds is not necessarily to reduce ERDA's ultimate nuclear weapons authorization, but rather to have them included in separate legislation. This will enable Congress to examine important nuclear weapons issues apart from unrelated civilian energy issues.

REFORM OF THE RAPE LAWS AT THE FEDERAL LEVEL

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. MOAKLEY. Mr. Speaker, the following letter is the second in a series which I plan to offer in the CONGRESSIONAL RECORD. This series deals with responses I have received in regard to H.R. 13237, a bill to revise the rape provisions in title 18 of the United States Code.

I have received very substantive feedback from many groups expressing interest in the bill.

Comments have been made by Mr. Donald Slater, Director of the Office of Federal Relations with the National League of Cities. They follow:

DEAR CONGRESSMAN MOAKLEY: We appreciate the opportunity to review and comment on your bill to revise chapter 99 of title 18 of the U.S. Code. Reform of rape laws at the federal level is long overdue and should indeed contribute to further action by states.

The attempt to redefine rape as a nonspecific sexual assault and to establish varying sentences for sexual assault and sexual contact is commendable. We suggest that you examine the Colorado and Michigan laws which establish degrees of sexual assault.

We do have some reservations about Section 2032(d) regarding sexual contact and sexual penetration with persons under the age of eighteen. Many girls and boys under eighteen are fully capable of giving consent to sexual contact and sexual penetration. The board concept of "statutory rape" in your bill may lead to flagrant abuse of the law. We would suggest that the age be lowered or that the crime be redefined to get at the specific problem—sexual abuse of children by adults.

With respect to medical examinations and law enforcement investigative practices, most studies of rape victims have shown that it is not the sex of the investigators that is important, but their sensitivity to the victim. Certainly a doctor or an officer of the same sex should be available if the victim requests it, but it is by no means a guarantee that he or she will conduct the examination or investigation in a sympathetic and skilled manner. The critical issue is appropriate selection and training of police officers and medical personnel. The bill might be revised to require that all federal officers assigned to investigate sexual assault cases undergo proper training in dealing with sexual assault victims. The District of Columbia, by the way, is considered to have one of the best training programs and sexual assault units in the country.

The prohibition on admitting into trial evidence of a victim's past sexual history is an important step in eliminating discrimination of victims in the courts. Another problem in this area is the degree and nature of corrobative evidence required to find an offender guilty of sexual assault. Several years ago, a local judge ruled that the District of Columbia's corroboration requirements were unconstitutional. We do not know whether similar requirements were or are in force in other federal jurisdictions. This is something you may want to look into.

Finally, I am enclosing a publication on rape which was developed by NLC. If we can be of further assistance, please call us.

Sincerely,

DONALD SLATER
Director, Office of Federal Relations.

THE BICENTENNIAL OF AMERICA

HON. J. WILLIAM STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. STANTON. Mr. Sepaker, Rev. Melvin Woodard is the very respected minister of the Peoples Baptist Church in Ashtabula, Ohio. He recently sent me the following poem which he has written and I think it is a marvelous testimonial to his patriotism and his faith:

THE BICENTENNIAL OF AMERICA

(By Melvin Woodard)

Two hundred years we've marched along
Two hundred years we've rung our song
With God as our Leader; Jesus Christ our Guide
We marched to victory, we'll not lose our stride.

Two hundred years of struggle and pain,
But Oh! the wonders of life we've gained
The road of life was some times rough
We'll march right on, till God says, "enough".

Why should we fear whate'er the future hold?
Our Father will guide us, we shall reach our goal.
The mountains are high, the valleys low;
We'll keep on marching as we onward go.

America the beautiful, America the great,
We'll march right on to Heaven's Gate
For God Himself is on our side,
With us forever, He will abide.

And now we thank Thee, our God above,
For having blessed us, with undying love
To Him we give our heartfelt praise
And bless His Name through all our days.

May all the people say "In God we trust"
For the many blessings He has given us
May we learn to love as He has said,
And by His Spirit may we all be led.

Until we reach our home in Heaven above
Where there is peace, joy, and undying love
For God has promised these things to man;
We must obey Him, for we know that we can.

And now my friends, may I say unto you,
Let us obey His Word, and he'll bring us thru.
For none of His promises will ever fail
Let's keep on marching, the Heavenward trail.

MARXISTS COORDINATE ANTI-CHILE CAMPAIGN

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. McDONALD of Georgia. Mr. Speaker, the "world Communist movement," as the Soviets like to term their propagandists, agents, and stooges, have decided to make their anti-Chile campaign a priority for 1976.

The propaganda campaign on a worldwide basis is being coordinated principally through the World Peace Council—WPC—the Soviet Union's principal international front, which set forth the tone of the attack on the anti-Communist Government of Chile at a meeting of its presidential committee in June 1975. The rhetoric is one we have heard echoed in the literature of a number of U.S. groups and in some of the mass media:

> The great majority of the Chilean population demonstrate by their growing anti-fascist struggle that the Junta represents only the most aggressive anti-national and anti-patriotic interests of the multinational monopolies. They rule by repression and terror contrary to the interests of the country.

The "big lie" technique of the Communist totalitarians completely ignores the findings of independent American polls taken in Chile which demonstrated overwhelming and widespread support for the military government which preserved Chile from the Leninist coup being prepared by Salvador Allende and his Cuban- and Soviet-backed Popular Unity coalition. The Soviets have developed over the years an extensive network of contacts among Marxists of various types, and among certain types of "liberals" who look no further than the surface of issues.

The Soviet-directed propaganda campaign is directed at obtaining the optimum media coverage for their line which presently is concentrating on attacking non-Communist and anti-Communist nations as "Fascist," "repressive," "exploitive," "racist," "torturers," or whatever other term can be dredged up from the propagandists' manuals.

The Soviets recognize that in the Western countries, the governments are responsive to public opinion—or what they perceive as public opinion. And they attempt to manipulate governments through pressure in the mass media and from certain amenable "public opinion makers." As the WPC itself stated:

> World public opinion has greater responsibility and greater power than ever before. It can turn the tide against the armaments profiteers, the cold warriors, the enemies of mankind.

Now we who serve as national legislators are again the targets for a pressure campaign. The National Coordinating Center in Solidarity with Chile—NCCSC—which I documented last year from secret Communist Party publications as the Communist Party, U.S.A.'s own front organization, is organizing a "National Legislative Conference on Chile," to be held May 16 and 17 at Gonzaga High School, 900 North Capitol Street here in Washington.

Under the slogan "Come to Washington," the NCCSC plainly states their need to persuade Congress and the Senate that America should support Chile's Marxist-Leninists and terrorists who formed Allende's Popular Unity regime. In their own words:

> Letters and telegrams cannot compare in effect to the personal presence of a Congressperson's constituents before him as representatives of an important cause. We must take full advantage of the extra sensitivity that members of government feel during an election year to the concerns of those who put them in office.

They continue by stating that their movement "must prove to Congress" that cutting off all U.S. support to the anti-Communist government of Chile "is an important issue in this country today."

As a tactical lever to persuade us to listen to their line, the NCCSC's delegations will present the Popular Unity revolutionaries as "those who sought to let Chile take her own path"—not mentioning the quantities of Soviet hand grenades, automatic assault rifles, machine guns and ammunition smuggled in to Allende's supporters by the Cubans.

The rhetoric of the anti-Chile lobby asserts "The White House, CIA, and many multinational corporations * * * banded together in common cause to overthrow the democracy of which the Chilean people were so justly proud." In fact, the Chilean military, supported by two thirds of the people, acted according to the Chilean constitution to depose a regime which was acting contrary to that Nation's constitution and which was preparing, from its position of power, a coup against the Chilean people. But then truth is irrelevant to a propagandist's work, and the other NCCSC statements are equally extreme and inaccurate.

The National Coordinating Center in Solidarity with Chile, operating from 156 Fifth Avenue, room 516, New York, N.Y. 10010 [212/989-0085] states:

> This conference will take place at a time when a new climate of opinion on Chile has emerged in the Nation's Capitol. Only 1 month ago, Congressman Tom Harkin (D.-Iowa), Toby Moffett (D.-Conn.), and George Miller (D.-Calif.) returned from a 6-day fact-finding mission in Chile. They confirmed the intensifying violation of human rights, and said they would press for a cut-off of military assistance to Chile. "As long as the U.S. keeps aid flowing through the pipeline," they stated at a press conference upon their return, "there is no deterrent to the junta's repressive human rights policy."
>
> Their pledge adds important weight to the already strong possibility that if we act now, Congress will decisively move this year to cutoff military aid and limit economic aid. It is our responsibility to prove to Congress that large numbers of their constituents regard human rights in Chile as an issue of deep concern in this election year.

The NCCSC's "National Legislative Conference on Chile" has three general goals. First is blocking "all forms of military aid." This includes attempting to stop delivery of items whose contracts were completed before the Kennedy amendment to the military aid bill; stopping all training of Chilean military personnel by the United States, and prohibiting direct arms sales by private U.S. companies to Chile.

Second, the anti-Chile lobby hopes to cut off "all forms of economic aid," including the food for peace program, which provides direct assistance to the people of Chile, and OPIC backing for new investments. It is almost ironically amusing to see the jackels of the World Peace Council and the NCCSC criticizing Chile's government for a 1975 inflation rate of 340 percent when this figure is a major reduction from the 900 percent inflation under Marxist-Leninist Salvador Allende.

For these groups, our assistance to Chile's struggle to clean up the economic chaos left by the Popular Unity crew is merely "increasing the burden of Chile's people."

The NCCSC professes concern over the suspension of Chile's trade unions which under Allende were being organized into the Communist Party-controlled Central Labor Union. NCCSC's professed concern for trade unions seems rather weak in that they don't even use union print shops for their own brochures which lack the customary "labor donated" excuse.

The third goal of the anti-Chile lobby is to cause the United States to "admit Chilean refugees and allocate resettlement funds."

The NCCSC reports:

> As a result of the pressure from the Senate Subcommittee on Refugees—Senator Edward Kennedy, chairman—the State Department has agreed to admit a "limited" number of Chilean refugees to the United States. * * * As of April, 1976, only 35 refugees and their families have been admitted, * * *. The refugees who have come here were all political prisoners. * * *.

The "refugees" who have been allowed to leave Chile are the members of the various revolutionary parties which composed Allende's Popular Unity regime. The Chilean Socialist Party which Allende headed is a Marxist-Leninist party far more openly violence-prone than the official pro-Moscow Chilean Communist Party. The U.S. laws prohibit the entry of persons holding recent or current membership in Communist or anarchist or fascist totalitarian organizations.

The United States has no responsibility to harbor Chile's revolutionaries. Some of the Latin American countries who have provided sanctuary for the Chilean Marxists have now realized their mistake. Argentina has found that Chileans who were members of the terrorist MIR organization, and of the Socialist and Communist parties have joined with their ERP terrorists receiving training from Cubans at guerrilla bases in remote areas of Argentina. In March, Costa Rican authorities decided not to extend or grant any more visas for some 3,500 Chileans. Apparently Costa Rica has grown weary of the Chilean expatriates' making their host country a base for international subversion.

The NCCSC has followed the usual

practice of listing a number of cosponsors of the upcoming conference. While the list contains the standard disclaimer, "organizations listed for identification purposes only," the listing is quite inaccurate in that nearly all of the CPUSA members and those active in the CPUSA's fronts are listed by the trade union to which they belong or by some other organization.

The published list of sponsors includes:

Senator James Abourezk.

Congressperson Bella Abzug.

Amherst Action Coalition.

Jose A. Alvarez, Puerto Rican Socialist Party (a self-proclaimed Marxist-Leninist revolutionary party which is controlled by the Cubans and which is associated with the FALN terrorists).

Chauncey A. Alexander, National Association of Social Workers.

Harry Amana, columnist, Philadelphia Tribune (and previous sponsor of NCCSC activities).

Dr. Herbert Aptheker, Hostos Community College, CUNY (CPUSA Central Committee member and leading CPUSA theoretician).

Father Henry L. Atkins, Community of the Advent, Episcopal Diocese of Washington, D.C.

Norma Becker, War Resisters League (a former "antiwar" leader from New York active in the CPUSA-dominated People's Coalition for Peace and Justice (PCPJ)).

Jere Behrman, Chairman, Dept. of Economics, University of Pennsylvania.

Paul Bennett, M.S.W.

Philip Berrigan.

Daniel Berrigan, S.J.

Kathy Blee, CALA (a Madison, WI, anti-Chile group).

Lisal Blockstein, Bnai Brith, Madison, WI.

Anne Braden, Southern Institute for Propaganda & Organizing (and one of CPUSA's most active organizers and recruiters in the South).

Edward Bragg, Vice President, District 1199 (Drug and Hospital Workers Union, long identified as a CPUSA-dominated union; he is a previous sponsor of NCCSC activities).

Fran Bright, Church Women United.

Charles Briody, Bay Area Ecumenical Committee of Concern for Chile (and former national chairman of the People's Party, an admitted socialist organization).

Congressperson George Brown.

John Pairman Brown, Ecumenical Peace Institute (Berkeley; a previous sponsor of NCCSC's activities).

Marion Brown, Dept. Agricultural Journalism, Univ. of Wisconsin.

Dr. Stephen A. Buff, Amherst College.

Alan Butler, Local 1, American Federation of Teachers.

Father Anthony J. Capizzi, S.J., Chile Emergency Committee (and previous NCCSC sponsor).

Rev. Marvin Chandler, San Francisco Council of Churches.

Sister Connie Charette, Catholic Student Community, Davis.

Diane Spaugh, Chapel Hill Peace Center.

Noam Chomsky, MIT (sponsor of CPUSA's National Coalition to Fight Inflation & Unemployment).

Ruth Gage-Colby, Fellowship of Reconciliation (and Women's International League for Peace and Freedom; PCPJ activist).

Hon. Larry Connolly, State Representative, Maine Legislature.

Christopher R. Conybeare, Ecumenical Justice Project (Cleveland; sponsor of CPUSA's National Conference for a Drastic Cutback in Military Spending in 1975).

Sylvia Crane, National Committee Against Repressive Legislation (cited as a CPUSA front).

Alexis Colon, President, Student Government, Hostos Community College.

Angela Davis, Co-Chairperson, National Alliance Against Racist and Political Repression (CPUSA Central Committee).

Congressperson Ron Dellums.

Arsh Derbabian, Michigan Federation of Teachers (active with NCCSC and in support of the CPUSA's anti-defense spending drive).

Rev. David H. Eaton, All Souls Church, Unitarian, Washington, D.C.

Father Philip Devlin, Holy Cross Fathers.

Joan Elbert, Clergy and Laity Concerned (an "antiwar" group led by Don Luce, previously a propagandist with the Indochina Resource Center).

Abe Feinglass, International Vice-President, Amalgamated Meatcutters and Butcher Workmen of North America (identified CPUSA member).

Mon. James B. Flynn, Comm. on Social Justice, Catholic Archdiocese of San Francisco (NCCSC supporter).

Stanley Faulkner, World Peace Council (an international Soviet-controlled Communist front. Faulkner, also a member of the National Lawyers Guild, serves a large number of Soviet international fronts, including the International Association of Democratic Lawyers (IADL) and the International Juridicial Association. Faulkner's rank in the Communist movement is indicated by his assignment to the legal defense of such important international Communist figures as Mexican painter and attempted assassin of Trotsky, David Sequeiros, and currently Chilean Communist Party leader Luis Corvalan.

Lucy Fried, Coalition for Economic Survival (a California affiliate of CPUSA's NCFIU).

Moe Foner, Exec. Secretary, District 1199, Hospital Workers Union (long dominated by the CPUSA).

Jeffrey Fox, Vice President, Local 1600.

Lawrence L. Geller, National Ministries, American Baptist Church.

Eugene D. Genovese, University of Rochester (a well-known and publicly admitted Marxist).

Russell W. Gibbons, Ass't Editor, *Steel Labor*, United Steelworkers of America.

Patrick E. Gorman, Secy.-Treas., Amalgamated Meatcutters & Butcher Workmen of North America.

Father G. G. Grant, S.J., Loyola (active with the Chicago Commission of Inquiry into the Crimes of the Chilean Junta and the NCCSC).

Edward Gray, UAW, Region 9.

Jeannette Harries, WILPF (Women's International League for Peace and Freedom, originally a pacifist group long penetrated by the Communists).

Fred Harris, Democratic Presidential Candidate.

Congressperson Michael J. Harrington.

Sister Joan Hartman, Presentation Sisters, Social Justice Committee.

Nat Hentoff (a jazz critic).

Rev. Will L. Hertfeld, Bethlehem Lutheran Church, Oakland.

Councilman Robert M. Hernandez, City Council, Kansas City, Missouri.

Rev. Lynn Hodges, N. California Ecumenical Council.

Father Bill Hogan, Chicago Metro Clergy and Laity Concerned.

Rev. Glends B. Hope, San Francisco Young Adult Network.

Russell Johnson, American Friends Service Committee, Boston.

Clarence Kailin, AFSCME Local 171, Madison, WI (a veteran of CPUSA's Abraham Lincoln Brigade and local leader of the Committee for a Democratic Spain, headed by Stanley Faulkner).

John Kailin, co-editor, Labor Today (the monthly publication of CPUSA's trade union penetration front, Trade Union Action and Democracy (TUAD)).

Prof. Mark Kesselman, Dept. of Political Science, Columbia University.

Susan Kinoy, National Association of Social Workers, N.Y. (daughter of National lawyers Guild activist Arthur Kinoy; former SDS activist.

Katherine Knight, American Friends Service Committee, Boston.

Max Kurz, U.S. Committee of Friendship with the German Democratic Republic (CPUSA's friendship organization with the East Germans).

Mrs. Donneter E. Lane, San Francisco Council of Churches.

Sol Landau, filmmaker (Institute for Policy Studies associate and propagandist for Fidel Castro).

Len Lear, president, Philadelphia chapter, Amnesty International.

Dr. Paul Lehman, American Committee for the Protection of the Foreign Born (one of the CPUSA's oldest fronts, now reduced now to mere letterhead status).

Rev. Art Lloyd, St. Francis House, Madison, WI.

Denise Levertov, poet (and PCPJ activist).

Walter Lowenfels, poet (and CPUSA member).

Naomi Marcus, president, WILPF U.S. Section, an organization active with PCPJ and internationally with the Soviet-controlled international front, the Women's International Democratic Federation (WIDF).

Jeanne Martinez, Women Strike for Peace (an organization active with PCPJ and which works internationally with the Soviet-controlled Women's International Democratic Federation).

Eugene McCarthy, Presidential Candidate.

David McReynolds, War Resisters League.

Rev. Alan McCoy, O.F.M., The Franciscan Friers of California.

Congressperson George Miller.

Congressperson Toby Moffett.

Charlene Mitchell, co-chairperson, National Alliance Against Racist and Political Repression (a CPUSA front; she is a member of CPUSA's Central Committee).

Rev. Ralph Moore, Co-Minister, Christian Association of Pennsylvania.

Leora Mosston, Esq., Civil Liberties Education & Action Project.

John C. Moyer, UNITAS, United Campus Ministries, Berkeley.

Bill Munger, Washington Peace Center.

Sister Joan Murphy, Ecumenical Peace Institute.

George B. Murphy, Jr., National Representative, Afro-American Newspapers (a CPUSA activist for some four decades).

Craig Newby, War Resisters League, Plains Regional Staff.

Robert Nichols, Resist.

Dr. Leo Orris, Assoc. Prof., New York University.

Dr. Paul J. Nyden, Dept. of Sociology, Univ. of Pittsburgh. (a lecturer at CPUSA's American Institute for Marxist Studies).

Grace Paley, Writer, Resist (and self-proclaimed anarchist).

Prof. Howard Parsons, Dept. of Philosophy, Univ. of Bridgeport.

James Petras, Dept. of Sociology, State University of New York.

Elaine C. Potter, president, Cleveland Women Speak Out for Peace and Justice.

Elias A. Ramos, School of Social Relations, Ramapo College, N.J.

John and Sarah Cunningham, actor and actress (and identified CPUSA members).

J. Metz Rollins, Sr. Pastore, St. Augustine Presbyterian Church.

James Rowen, Assistant to Mayor, Madison, WI (a former SDS activist credited by the underground press as the key person in organizing the riots which led to the bombing of the Army Mathematics Research Center by Karl Armstrong and his "New Year's Gang.' Rowen, exploiting his family relationship with a former presidential candidate, is organizing Cuba visits by American "New Left" activists who have attained elected or appointed public office).

Patricia Reif, IHM, Immaculate Heart Community.

Norman C. Roth, UAW, Local 6 (long associated with CPUSA's trade union publication, Labor Today).

Kathy Rothschild, National Council of American-Soviet Friendship (a cited CPUSA front).

Frank Rosen, International Vice-President, United Electrical, Radio and Machine Workers (long a CPUSA-dominated union).

Professor Michael Walt Robin, Cal. State College, Penna.

Earl Robinson, American Guild Authors & Composers.

Paul Ryder, Campaign for a Democratic Foreign Policy (formerly the Indochina Peace Campaign).

Ray Santiago, Farm Labor Organizing Committee.

Eric W. Schmidt, Committee for a Democratic Spain (a National Lawyers Guild activist and law partner to Stanley Faulkner who participated in the preliminary planning for the disruptions of the Democratic Convention in 1968.

Rev. Gustav H. Schultz, Univ. Lutheran Chapel, Berkeley.

Pete Seeger.

Ruth Seidel, writer.

Dr. Victor Seidel, Committee to Save Chilean Health Workers.

Jeffrey Segal, National lawyers Guild.

Dr. Thomas Skidmore, Dept. of History, Univ. of Wisconsin.

Mark Sheldon, United Methodist Office for the United Nations.

Hon. Paul Soglin, Mayor of Madison, WI.

Dorothy R. Steffens, Executive Director, U.S. Section, WILPF.

James Steele, chairperson, YWLL (the CPUSA's official youth arm).

Doris Streiter, Village Trustee, Maywood, IL.

Helen L. Sobel.

Morton Sobel (convicted atom spy and CPUSA member).

Mark Solomon, executive board, Citizens for Participation in Political Action.

Rev. Myron Talcott, University United Methodist Church, Madison.

Frank F. Teruggi, Chicago Typographical Union, Local 16.

Esteban Torres, International Department, UAW.

Dr. Richard S. Treptow, Chicago State University.

Rev. Verne Vicisk, Madison Campus Ministries.

John Van Eyck, Mid-West Regional Director, Actors Equity Ass'n, AFL–CIO.

Robert Weidenbaum, Alderperson, Madison, WI.

Alexander Wilde, Dept. of Political Science, Univ. of Wisconsin.

Hon. Warren Widner, Mayor, City of Berkeley.

Michael Wilkins, M.D.

Helen Winter, Communist Party, U.S.A. (Central Committee, International Affairs Secretary).

Ruth Wilson, Social Service Workers for Chilean Freedom.

Bernard J. Woolis, Fur-Leather Joint Board, AFL–CIO.

Michael D. Yates, Univ. of Pittsburgh.

Maurice Zeitlin, Dept. of Sociology, Univ. of Wisconsin.

PERSONAL EXPLANATION

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. HEINZ. Mr. Speaker, I regret that I was unable to be present earlier today to vote on the motion to override the President's veto of H.R. 9803, the Child Day Care Centers Act. Had I been present, I would have voted to override the veto.

While H.R. 9803 does not provide the ultimate answer to the complex problems surrounding the administration of federally assisted day care centers, the bill does respond to the immediate emergency in day care funding.

Without prompt passage of H.R. 9803, those day care centers across the country unable to meet new Federal day care requirements would be forced to close their doors to the children of the working poor. By approving this legislation over the President's veto, those of us in the Congress are reasserting our commitment to quality day care.

H.R. 9803, which authorizes $125 million to assist day care centers, will maintain current services for some 2 million children of working parents. Legislation to continue quality day care is essential both to working parents and to their children. But in addition, this legislation responds to the desires of the American taxpayers who wish to reduce the number of individuals on the welfare rolls. By enabling parents to have quality day care at a price they can afford, we are encouraging people to work, while saving countless tax dollars not only in welfare costs, but in related services for which welfare recipients are eligible.

Mr. Speaker, I am very pleased that my House colleagues, by a vote of 301 to 101, successfully overrode the veto of H.R. 9803. Hopefully, when the Senate considers this legislation tomorrow, they will join the House in overwhelming approval of this measure.

AWARDS FOR NONSEXIST TELEVISION PROGRAMS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Ms. ABZUG. Mr. Speaker, I would like to call attention to the certificates of commendation issued by American Women in Radio & Television—AWRT—Inc. to television productions which enhance the image of women, and contribute to their education, representation and professionalism. The certificates will be awarded to the producer, network, and funding sponsor of the programs at AWRT's Silver Anniversary Convention on May 6 in Philadelphia.

Some of the programs which will be receiving certificates in next week's initial presentation include: "Babe," coproducers Norman Felton and Stanley Rubin, CBS; three ABC programs, "Eleanor and Franklin," David Susskind, producer; "ABC News Closeup on Women's Health: A Question of Survival," producer, Marlene Sanders; and "Americans All: Dr. Jane Wright," producer, Tom Bywaters. On PBS the programs scheduled to receive the award this week include: "Jennie, Lady Randolph Churchill," Stella Ruchman, executive vice president, Thames Television; "Notorious Woman," producer, Peter Rogers of BBC; "Why Me?" producer, Joe Saltzman; and "Anything You Want To Be," producer, Susan Wayne. In addition, the 3M Co., and A.T. & T. will be receiving the certificate of commendation for their funding of "Why Me?" and "Anything You Want To Be," respectively.

American Women in Radio & Television, Inc., will continue to bestow certificates of commendation upon programs which meet at least five out of seven specific criteria. The program must: Deal with an area or issue of concern primarily to women, in dialog, dress and situation; give a new perspective on women in this or some other society; contribute to the future improvement of women—their image, position, welfare and aspirations' show women in a true light; and offer a role-model to which other women may aspire. In addition the program must have been produced with professional care, attention to detail and show commitment to technical excellence.

American Women in Radio & Television, Inc., is a national, nonprofit organization of over 2,500 women professionally employed as broadcasters, managers, executives, administrators, account executives, or in a creative capacity in radio, television, broadcast advertising, or closely allied fields. Their board of directors has chosen the above programs as recipients of the award upon recommendation from members of the broadcast industry and public.

In instituting the certificate of commendation program, AWRT Inc. wishes to encourage increased efforts by the broadcast industry to improve and enhance the image of women as portrayed to their broadcast audience. The awards program is significant because the electronic media industry has only recently begun to recognize that stereotyped portrayals of women are dishonest, and distortions of the true diversity and value of women's contribution to society. Future award plans include recognition of commercials, films, and regional programing. I hope that in the future, many more programs will qualify for this award.

THE 99TH ANNIVERSARY OF NEZ PERCE INDIAN RETREAT

HON. JOHN MELCHER

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. MELCHER. Mr. Speaker, this year many people in the States of Montana, Wyoming, Oregon, Washington, and Idaho will be observing the 99th anniversary of one of the most masterly military achievements in the annals of our country—the famed retreat of the Nez Perce Indians, led by Chief Joseph, in 1877. The route of the Nez Perce people, greatly outnumbered and under almost constant pressure from Government troops, extended for about 1,300 miles through some of the most remote and rugged wilderness in North America. Even today much of the route still is wild and inaccessible.

Most of their strategic withdrawals, which took nearly 4 months, was in the State of Montana. Battles were fought at Lolo, Wisdom, near Henry's Lake, Canyon Creek, Cow Island, and the final battle took place south of Chinook. There is a national monument at the Big Hole Battle site near Wisdom and a State monument at the final battle site of Bear Paw near Chinook. It was at Bear Paw that Chief Joseph uttered one of the most touching speeches of surrender ever made, ending with "From where the sun now stands, I will fight no more, forever."

Mr. Speaker, just as this year the Nation celebrates our Bicentennial, it is fitting that we initiate action in recognition of next year's centennial observance of Chief Joseph's historic trek. The bill I introduce today provides that the Nez Perce route be reviewed to ascertain its potential qualifications as a national scenic trail in the National Trails System, a fitting memorial to these hardy people.

INDOCHINA—ONE YEAR LATER

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my fellow colleagues the following article by my constituent, Henry Huglin, entitled, "Indochina—One Year Later."

I feel that Mr. Huglin, who is very capable and knowledgeable in national security and international affairs, makes some very valid points in his article.

The article follows:

Indochina Collapse—One Year Later

(By Henry Huglin)

Just a year ago Cambodia had fallen to the communist insurgents and South Vietnam was within a few days of final conquest by North Vietnam. Politically and psychologically, we were in the throes of our worst foreign affairs setback ever.

But we Americans have turned to other matters. And we little mourn for those who gave their lives or limbs for our well-meant cause in Vietnam—nor the fate of the South Vietnamese and Cambodians who put their trust in our support but whom, when our support was withdrawn, could not resist the relentless onslaught of their attackers.

And the global geopolitical tremors set in motion a year ago by the Indochina collapse have somewhat subsided; yes, uncertainty and instability remain.

Although most of us would like to keep Indochina out of our minds, we cannot really detach ourselves from concern with that area, any more than we can from any other major area of the world.

In Indochina there is much going on, mostly out of view.

In South Vietnam, the North Vietnamese have effectively consolidated their repressive control. An election for an overall National Assembly is being held April 25th to ratify and implement unification of the two Vietnams—thus fulfilling Ho Chi Minh's driving ambition, which cost so much in lives, resources, and agony.

The "peace" which came to Cambodia apparently resembles the peace of a concentration camp, even more so in Vietnam. Cambodia has practically been sealed off from the outside world. Under a totalitarian, puritanical, ruthless regime, a radical restructuring of that society is in process—at a reported cost so far of hundreds of thousands of lives and other great suffering.

The other Indochina country, Laos, became a "domino" when—as the result of the psychological blow of the fall of Cambodia and South Vietnam—the Laotian communists, backed by Hanoi, took over and lowered another "bamboo curtain."

And the "domino effect" still threatens to apply elsewhere.

In Thailand, the Hanoi-backed insurgency increases, despite the Thais' trying to play their centuries-old, wily game—to keep independent—of accommodating to the realities of power in their area, this time by trying to come to terms with Hanoi.

Now, thirty thousand Vietnamese troops are reportedly being maintained in southern Laos near the Thai border, and training Thai guerrillas and providing them with arms. And Hanoi has conducted a continuous, intense propaganda campaign against Thailand.

There is also renewed insurgency in nearby Malaysia.

So, there is understandable grave concern about the Hanoi leaders renewing the expansionism they have pursued for decades and seeking regional domination by force.

Further, Southeast Asia is an on-going area of Soviet-Chinese geopolitical rivalry. Hanoi leans toward the Soviets, who apparently aspire to use Vietnam as an outpost strategically flanking China.

In addition to the effects in the area, the Indochina collapse created widespread doubts as to our country's reliability and strength of will. And this questioning has been deepened by our not effectively responding to the Soviet-Cuban intervention in Angola.

Vice President Rockefeller reported on his return from a recent round-the-world mission the issue foremost in foreign leaders' minds was our country's steadfastness.

Yet, we Americans have not absorbed our Indochina experience objectively. The quick lesson is usually given as "no more Vietnams." Of course, no one wants to get into another "no-win" situation—the way our leaders played Vietnam. But we cannot avoid future challenges elsewhere in the world; and we may well not be able to avoid deep involvement in other crisis areas, if only because all other alternatives at the time might present worse prospects.

A danger a year ago was that we would over react to Indochina's fall with divisive recriminations and a major turning inward. But we have done neither. Yet, we still have a long way to go to regain our assurance, with a renewed consensus on the realities of the world and what our role should be. And we may not complete this renewal until some crisis forces us to do so.

Our involvement in Indochina lasted for decades. The many and profound consequences of the ultimate failure of our basic objective there—self-determination for the South Vietnamese—and the reflection of that failure on our reliability and nerve, may persist for decades, too.

Indochina is seldom now in the headlines or confronting us on our TV screens; but our experience there will long haunt us. Hopefully, as we continue to absorb and deal with its import, we will become wiser and not just turned off on the world and on our inescapable, on-going responsibilities as a great, powerful nation.

THE FEDERAL ELECTION ACT AMENDMENTS OF 1976: SOME REFORM

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. MICHEL. Mr. Speaker, having been necessarily absent from the session yesterday, I regretfully missed the debate on the elections bill. I was paired against the measure, however, and would like to take this opportunity to indicate the reasons for my unfavorable view of it.

When we passed the elections bill of 1974, I voted against it, and in doing so I raised several issues. I said it was an "incumbent protection act," for a variety of reasons, the most important of which was the expenditure limitation, which greatly reduced the chances of a challenger unseating an incumbent.

I said it would weaken our party structures, because it treated them like special interest groups so far as contributions to candidates were concerned.

I said it gave an unfair advantage to the labor unions, and I cited some rather remarkable statistics drawn from some of the special elections which had been run in that year, and which showed how the union machines were able to circumvent contribution limitations by manipulating the rules with regard to in-kind contributions.

I called for limitations on honoraria, and in that we were successful in getting an amendment adopted which limited the size of honoraria which a Senator or a Congressman or a Federal employee could receive.

There were any number of other problems with the 1974 bill, and I pointed many of them out in one way or another.

Now, what has happened since then? Of course, the Supreme Court stepped in and threw out some of the more objectionable portions of the 1974 bill, just as many of us said they would. They threw out, for example, the expenditure limitations, one of the major "incumbent protection" features of the law.

They also threw out another of those features, the method of selection of the Federal Elections Commission members. That was also a wise move in my view, but sadly, it had one unfortunate side-effect: it necessitated the Congress taking some new action.

That action is the bill we have been arguing about these many weeks now: It is a bad bill. It overturns, in substantial part, the FEC's so-called Sun-Pac decision, which was one of the very few decisions that body had made which was greeted with approval on my side of the aisle. But the majority party could not see fit to allow us that crumb, and so they have written into the new law a whole series of restrictions on corporate solicitations of campaign funds which I am reliably informed will cripple many of the good citizenship programs which many of these companies have planned to implement. Some reform.

And along the way, the drafters of this

bill also decided to throw out a portion of the Taft-Hartley Act and permit unions to collect political contributions through payroll deductions under law. Such provisions are now going to become part of the collective bargaining procedure, whereas before they were prohibited in all cases. So you see, the unions, which as I said in my 1974 remarks received a big advantage in that year, have extended and consolidated that advantage in this legislation. More power to the labor bosses: Some reform.

The limitations on honoraria were relaxed, so our friends on the other side of the Hill can earn a little more money for themselves, and a particularly heinous little provision has been added which permits anonymous campaign contributions up to $50.

That little gem opens the door for the wholesale circumvention of the contribution limitations. Now, the only limitation is on how many $50 bills and plain envelopes a fat cat wants to bother to combine and mail. Some reform.

And although the Supreme Court had said that Congressmen could no longer appoint Commission members, the new bill uses a number of other devices to make the commissioners toe the line to the greatest extent possible. In particular, they will have to toe the line for the Chairman of the House Administration Committee, to whom they must now report all their decisions for approval. The chairman of the House Administration Committee just happens to be also the chairman of the Democratic House Campaign Committee. Some reform.

And I could go on and on. All we needed to do is to pass a simple little bill reconstituting the FEC along lines that the Supreme Court would smile on, but instead the politicians used the opportunity to legislate themselves every possible advantage.

They took out all their frustrations, every thing the FEC had done which hampered their style a little bit, and changed it to suit themselves.

Some reform.

A good many of us have for years argued against the constantly growing penchant of Congress to regulate everything under the sun. Among other things, we have frequently cited the fact that regulations, whether they be of the OSHA type or the FCC type or the ICC type or whatever, tend to work to the advantage of the powerful, the guy with the clout.

It would be more to the advantage of the little guy, we have said, to leave things substantially unregulated, because then he can find a niche and he can compete.

But alas, it seldom has happened that way. And finally the Congress has got around to regulating politicians, and just like their business regulations, they work to the advantage of the guy with clout, in this case the fat cats, union bosses and incumbant Congressmen.

I will not be a party to such a action. I consider it unwise, unethical, unfair and unjustifiable. It will do for free elections what other laws have done for free enterprise. And that is not good.

RHODE ISLAND INDEPENDENCE DAY

HON. EDWARD P. BEARD

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. BEARD of Rhode Island. Mr. Speaker, exactly 2-months before the 200th birthday of this Nation, the General Assembly of the Colony of Rhode Island, meeting at Newport, declared the end of its allegiance to the Crown of Great Britain. Today, great celebrations are being held in Rhode Island. On this occasion I have pleasure in presenting for the Congressional Record, an editorial from the Westerly Sun, a daily newspaper published at Westerly, R.I., which adequately chronicles the events leading up to the first declaration of independence among the 13 original colonies in America:

1776—Rhode Island Led the Way

There must have been a bristling, a crackle, a sparkle in the air around Newport that first week in May two-hundred years ago. There was talk of separation from the Crown after years of humiliation at the hands of the King and the mother-country's Royal Governors and Colonial administrators.

Only seven years earlier, in 1769, the first overt act of violence took place when the British sloop "Liberty" was destroyed at Newport. Then the British revenue schooner "Gaspee" was burned to the waterline in 1769 and the first blood of the upcoming revolution was shed. "HMS Rose," a British frigate, was sent to maintain order and blockade the sea approaches to Narragansett Bay in 1775, and Rhode Island's Esek Hopkins was appointed Commodore of the United Colonies' infant Navy. In November 1775, Colonial Rhode Island's General Assembly, deposed the Hon. Joseph Wanton as Colonial Governor on account of his continued loyalty to the British Crown.

The General Assembly of the tiniest Royal Colony in America was ready to act. On Saturday, May 4, 1776, it did.

On that day, assembled in Newport, the following Act was entered upon the record:

"An Act repealing an act, entitled 'An act for the more effectually securing to His Majesty, the allegiance of his subjects, in this colony and dominion of Rhode Island and Providence Plantations; and altering the forms of commissions, of all writs and processes in the courts, and of the oath prescribed by law.

"Whereas, in all states, existing by compacts, protection and allegiance are reciprocal; the latter being only due in consequence of the former.

"And whereas, George the Third, King of Great Britain, forgetting his dignity, regardless of the compact most solemnly entered into, ratified and confirmed to the inhabitants of this colony, by his illustrious ancestors; and till of late, fully recognized by him; and entirely departing from the duties and character of a good king, instead of protecting, is endeavoring to destroy the good people of this colony, and of all the United Colonies, by sending fleets and armies to America, to confiscate our property, and spread fire, sword and desolation, throughout our country, in order to compel us to submit to the most debasing and detestable tyranny; whereby, we are obliged, by necessity, and it becomes our highest duty, to use every means, with which God and nature have provided us, in support of our invaluable rights and privileges; to oppose that power which is exerted only for our destruction."

So it was that two full months before representatives of the United Colonies signed the now-famous Declaration of Independence in Philadelphia, signifying their joint separation from the Crown, the General Assembly of the Colony of Rhode Island made its own move toward independence.

May 4th is a day for Rhode Islanders to remember—not solely because it came two full months before the Fourth of July back in 1776—but because it recognizes a group of Rhode Island colonists who lead the way in declaring independence for the future United States of America.

So two months before our country's 200th birthday, we salute these Rhode Islanders—the people who lead the way.

H.R. 50: AN OVERVIEW

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. RANGEL. Mr. Speaker, one of the most important matters on our legislative agenda is consideration of H.R. 50, the Full Employment and Balanced Growth Act of 1976. This legislation, conceived of and introduced by my distinguished colleague, Augustus Hawkins, established a sophisticated and comprehensive plan for providing full employment to all Americans who want to work, while promoting the continuing growth and stability of our Nation's economy.

I am pleased to inform my colleagues of an informative overview of the bill that appeared in the April issue of Focus magazine, published by the Joint Center for Political Studies. The JCPS, sponsored by Howard University and the Metropolitan Applied Research Center, is a private, nonprofit and nonpartisan organization providing research, education and technical assistance to minority elected officials. For the benefit of my colleagues, I would like to insert the Focus article into the Record at this point:

Full Employment Act of 1976

(By Representative Augustus F. Hawkins)

The Congress is currently considering an economic proposal which if approved will serve as the policy foundation for America's economic future. The Full Employment and Balanced Growth Act of 1976 (H.R. 50 in the House, and S. 50 in the Senate) is designed to enable the economy to provide genuine full employment opportunities to all adult Americans able, willing, and seeking to work. Additionally, H.R. 50 mandates policies, goals and programs for promoting the health and consistent growth of the national economy.

Full employment, economic growth and stabiliy are issues which hold universal interest for the American people regardless of race, religion or ethnic background. However, it is an issue which is of special importance to the black community. For it is the black community and the black worker who is most threatened by the peril of the business cycle's expansion-contraction motion. The black community, thus becomes the victim of the roller coaster ride through alternating periods of recession, inflation, and rapid growth. It also suffers from the demoralizing consequence of the inhumane method applied to controlling these cycles. Those methods frequently based upon faulty economic logic often lead to high rates of unemployment.

BLACK JOBLESSNESS

Although the nation's economy shows gradual signs of improvement, the economic picture in the black community continues to remain bleak. Nationally, joblessness has declined from an official high of 8.9 percent in May of last year to 7.5 percent in March of this year, according to Bureau of Labor Statistics (BLS) figures. But unemployment in the black community continued its rise until March when the official estimates placed black unemployment at 12.5 percent, a 1.21 percent reduction over the previous month. Nonetheless, this leaves some 1.3 million black workers without jobs, according to the conservative estimates.

Regardless of the figures, black joblessness remains at astonishingly high levels. Consider the fact that unemployment in the black community has not been below 6 percent since 1954, and with the exception of the two-year period, 1968–1969, black unemployment has remained above the 7 percent rate. This is the official Bureau of Labor Statistics count for the last 22 years. Work experience of all earners in black families has also been on a steady decline. Male heads of families with work experience the previous year dropped from 87 percent to 83 percent between 1969–1973; for black female heads of households the reduction was from 61 percent to 55 percent.

MEN, WOMEN, TEENAGERS

Adult black men were and continue to be the most likely to be laid off their jobs during a recessionary period. The inability to establish seniority because of traditional discriminatory practices leaves the black male in the perennial last hired—first fired category.

While adult black men were most likely to be laid off their jobs during the recession, adult black women were most apt to drop-out or stay out of the labor force all together. The rate of unemployment for black female heads of households exceeded that of black male heads of households, by 10.9 percent to 9.6 percent. Simply put, this means that black women who serve as their family's primary source of income suffer from the greatest level of joblessness of any primary breadwinner, black or white.

The teenage unemployment rate is traditionally the highest of any category, and as expected it soared during the recession; again black youths shouldered a disproportionate share of that burden. In March, while the national rate of teeenage unemployment was 19.1 percent, black teenage unemployment amounted to 35.9 percent according to official BLS estimates. In effect, massive numbers of young people, both black and white, are being denied the opportunity to become wage earners in a society which considers employment a fundamental aspect of citizenship.

Clearly the black community bears a disproportionate burden as a result of the economic recessive cycle in the form of unemployment, diminished purchasing power and the negative spin-offs resulting from an economically depressed condition. For while black workers constitute 12 percent of the labor force they account for over 30 percent of the number of labor force dropouts.

HUMANISTIC CAPITALISM

The economic plight of the poor was viewed by the Rev. Dr. Martin Luther King as being the result of a lack of the productive means to income. As he explained it: what was the use of being able to sit at a desegregated lunch counter if you didn't have the purchasing power to pay for the lunch? Dr. King envisioned the solution as full employment. The Hawkins-Humphrey Bill is as much a fullfillment of Dr. King's concern for the welfare of the poor as it is a realization of the promise of the original Employment Act of 1946 and the Equal Employment Opportunities title of the 1964 Civil Rights Act.

The only true means of attaining equal opportunities in this land is to assure an individual's right to employment. For equal opportunity was not intended to be construed as an equal opportunity to be poor or unemployed but an equal opportunity to share in the nation's vast wealth. Oddly enough, this view parallels that expressed by Laurence Rockefeller, who, in 1973, in a book titled the *Second American Revolution*, urged a "humanistic capitalism" under which "there is full opportunity for every member (of society) to contribute to the society and feel wanted and needed in return."

An attempt at making American capitalism more humanistic began after the conclusion of World War II. Toward the end of the war many began to fear that the end of the war would plunge the nation's economy back into the depression which characterized the pre-war economic situation.

It was the contention of various liberals that the capitalist economy could be saved by economic and social politics to provide a more equitable distribution of income. Developed from this concern was the original Full Employment Bill. Although supported and encouraged by President Franklin D. Roosevelt and later by President Harry S. Truman, the bill encountered stiff opposition from representatives of some sectors of big business. The two opposing forces reached a compromise in the form of the Employment Act of 1946. The commitment to full employment was thus changed from a full employment focus, to one which emphasized a provision of "maximum employment opportunities for those able, willing, and seeking to work."

The new Full Employment and Balanced Growth Act seeks to fulfill the promise of the original Employment Act of 1946. Several considerations emphasized the need for the new bill. First, in 1973 many people began to feel that a new lawfully enacted mandate was needed to strengthen and improve the 1946 legislation. Second, those of us in the Congressional Black Caucus began to voice concerns about the nation's ability to eliminate racial discrimination in the provision of equal employment opportunities. Third, many in Congress felt that action had to be taken to overcome administration policies which subscribe to the Phillips Curve concept of the employment-inflation tradeoff. This was reflected in administration and federal Reserve Board policies which sought to reduce inflation by increasing unemployment.

The result of these concerns is the Hawkins-Humphrey Full Employment and Balanced Growth Act of 1976.

PROVISIONS

The Hawkins-Humphrey Bill is designed to provide the basis for fair, stable, and long-term growth for American business and the national economy. In addition it creates a permanent framework within which the President, the Federal Reserve Board and the Congress are directed to develop the macroeconomic goals and policies necessary to provide productive employment for all adult Americans in both the short and long run.

The Full Employment and Balanced Growth Act establishes the right of all adult Americans able, willing, and seeking to work to opportunities for useful paid employment at fair wages. This, in effect, describes and defines full employment as a situation under which there are employment opportunities for all Americans who can and will work. A short-term employment goal is established at 3 percent adult unemployment to be attained as promptly as possible, but within not more than four years after the date of the enactment of this bill. Improvements beyond that level will be pursued as long as there are individuals who desire work, but have been unable to find employment.

Towards this end the President is required to determine the extent to which fiscal policy can be relied upon to achieve the previously established economic goals and priorities. This should include policies for energy, transportation, food, small business, environmental improvement, health care, education, day care, housing and other vital areas. The Presidential findings would be submitted to the Congress on an annual basis and would include his proposals for comprehensive anti-inflationary methods for increasing productivity and purchasing power.

A 12-person Advisory Committee on Full Employment and Balanced Growth would assist the Council of Economic Advisors in helping to establish the targets for full employment, production, and purchasing power, and the President's proposal to the Congress for policies and programs to meet those goals.

The bill mandates a Congressional review of the President's annual full employment proposal. Each year the Congress is to consider and vote on a Concurrent Resolution approving, modifying or disapproving the President's plan. Additionally, the bill calls for the establishment of a Division of Full Employment and Balanced Growth in the Congressional Budget Office.

With regards to monetary policies, H.R. 50 requires the Federal Reserve Board, the Nation's central bank, to submit its own plan to achieve the President's proposed goals through monetary policy.

In recognition of the economic problems which face state and local governments, the bill requires the development of policies that facilitate harmonious economic action between the federal government, regions, states, localities, and the private sector. Further consideration is given to a countercyclical grant program to stabilize state and local budgets during periods of recession and high unemployment; including employment policies to reduce chronic unemployment and under utilization of resources in depressed regions of the country and inner city areas. Provisions for the extension of credit to areas of high unemployment are also contained in the bill to facilitate aid to depressed regions.

The full employment bill requires the development of comprehensive youth employment programs, integrating, improving and expanding existing youth employment programs.

The full employment bill also authorizes the President to provide job opportunities through a Full Employment Office and reservoirs of state, local and private non-profit employment projects.

STATUS

In general the bill extends and amplifies the economic planning, policies, and machinery established by the Employment Act of 1946. It has most recently been approved by the Equal Opportunities Subcommittee of the Education and Labor Committee in the House and is now under consideration by the Subcommittee on Manpower, Compensation and Health and Safety, where it is expected to be approved for the full committee shortly.

The prospects for passage of the Full Employment and Balanced Growth Act are extremely bright. But total success will not be attained until the Full Employment and Balanced Growth Act receives massive public support. For legislation of this magnitude requires the inspired concern of the American people whose consciousness is frequently enlightened by the black community and its leaders.

MONTHLY LIST OF GAO REPORTS

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. BROOKS. Mr. Speaker, the monthly list of GAO reports includes summaries of reports which were prepared by the staff of the General Accounting Office. The April 1976 list includes:

Agriculture's Implementation of GAO's Wheat Export Subsidy Recommendations and Related Matters. ID–76–39.

Grain Reserves: A Potential U.S. Food Policy Tool. OSD–76–16.

Processing Applications for Food Stamps: How Long Does it Take? Red–76–74.

Opportunities for Improving the Effectiveness of Rapid Transit Grants. RED–76–75.

The Small Business Administration's Local Development Company Loans Are Making Capital Available—But Other Aims Are Often Subverted. GGD–76–7.

Potential for Using Electric Vehicles on Federal Installations. LCD–76–206.

Planning, Controlling, and Propriety of Training in Region VIII. FPCD–76–31.

A Summary of Observations on Postal Service Operations from July 1971 to January 1976. GGD–76–61.

Large Contract for Purchase of Letter Sorting Machines by U.S. Postal Service. GGD–75–100.

Opportunities for Reducing Office Copier Costs in Multi-Agency Federal Buildings. LCD—76–109.

Improvements Needed in Accounting Systems and Suggestions for Their Accomplishment. FGMSD–76–42.

How the District of Columbia Might Better Manage Its Tax Compliance Program. GGD–76–46.

ACTION's Progress Toward Meeting the Goals of Its Establishment. MWD–76–4.

How Federal Programs Affect Migrant and Seasonal Farmworkers in the Connecticut River Valley. MWD–76–65.

Improper Procurement Practices Used in Leasing Office Space in Hammond, Louisiana. LCD–75–345.

The National Aeronautical Facilities Program: Issues Related to Its Cost and Need. LCD–75–329.

Use of Cancer-Causing Drugs in Food-Producing Animals May Pose Public Health Hazard: The Case of Nitrofurans. MWD–76–85.

More effective Action Needed to Control Abuse and Diversion in Methadone Treatment Programs. GGD–76–51.

Recalls of Large Volume Parenterals (Liquid Drugs Administered Intravenously or by Other Non-Oral Means). MWD–76–67.

Comprehensive Cancer Centers: Their Locations and Role in Demonstration. MWD–76–98.

Conflicts Between State Health Insurance Requirements and Contracts of the Federal Employees Health Benefits Carriers. MWD–76–49.

Examination of Financial Statements of the Overseas Private Investment Corporation Fiscal year 1975 and 1974. ID–76–49.

Lessons in Management: Problems in Petroleum Procurement and Distribution in Southeast Asia. LCD–76–125.

Management Study of the U.S. International Trade Commission. GGD–75–89.

U.S. Agreements with the Republic of Korea. ID–76–20.

Student Attrition at the Five Federal Service Academies. FPCD–76–12.

Enclosures:

Technical Report on Survey of Factors Related to Attrition. FPCD–12A.

Review of Studies on Academy Attrition and Relate Issues. FPCD–76–12B.

Characteristics of Academy Students. FPCD–76–12C.

Improving the Effectiveness and Efficiency of Recruiting. FPCD–75–169.

Advertising for Military Recruiting: How Effective Is It? FPCD–76–168.

A Contributory Retirement System for Military Personnel. FPCD–76–43.

Defense Supply Agency Could Reduce War Reserve Requirements for Medical Items. LCD–76–405.

Selection of a Machine Gun for Armored Vehicles. PSAD–76–112.

Increased Disposal Costs Due to Unnecessary Demilitarization. LCD–76–218.

Second GAO Report on Need for Better Control over Government-Furnished Material Provided to Defense Overhaul and Repair Contractors. PSAD–76–78.

Use of Dogs in Experiments at Edgewood Arsenal, Maryland. PSAD–76–80.

Improvements Needed in the Navy's Fleet Modernization Program. LCD–76–406.

Use and Future Availability of Excess Defense Articles in the Military Assistance Program. ID–76–8.

Examination of the Announced Closure of Frankford Arsenal. LCD–76–305.

A–10 Close Air Support. PSAD–76–87.

Navy Sea Control Mission. PSAD–76–67.

SSN–688 Attack Submarine. PSAD–76–120.

Stronger Federal Assistance to States Needed for Radiation Emergency Response Planning. RED–76–73.

Comments on the Administration's Proposed Synthetic Fuels Commercialization Program. RED–76–82.

Bellefonte Nuclear Plant. PSAD–76–86.

Review of Appalachian Regional Commission's Contract With West Virginia's Rehabilitation Environmental Action Program. GGD–75–59.

Educational Assistance Overpayments, A Billion Dollar Problem—A Look at the Causes, Solutions, and Collection Efforts. MWD–76–109.

Additionally, letter reports are summarized including:

Status of impounded budget authority for 18 proposed rescissions. ACG–76–19.

Confirmation of release of $127.1 million of impounded budget authority required to be released. ACG–76–20.

Observations on administration of the Denver Veterans Administration Hospital. MWD–76–104.

Problems in developing, implementing, and enforcing the Federal Energy Administration's regulation of the price of natural gas liquids, such as propane, butane, and natural gasoline. OSP–76–15.

GAO comments on the proposed modified contract for the Clinch River Breeder Reactor demonstration project. RED–76–96.

How the General Services Administration can improve telephone directory and operator assistance information for Federal agencies in the Washington, D.C. area. LCD–76–111.

How the manufacturer requirement of the Walsh-Healey Act was being applied to small business firms bidding on Defense contracts. PSAD–76–88.

How the General Services Administration leased the Palomar Financial Building in San Diego for the Veterans Administration regional office and outpatient clinic. LCD–76–326.

GAO comments on the Air Force's justification of manpower requirements at aerial ports. LCD–76–217.

Depreciation charged to Government work by major Defense contractors. PSAD–76–65.

Methods of allocating costs between Holy Trinity Hospital in Minnesota and its board and care facility for Medicare reimbursement purposes. MWD–75–56.

Investigation of wasteful expenditures at Richards-Gebaur Air Force Base, Missouri. FPCD–75–135.

Department of Defense policies on "moonlighting" by military personnel. FPCD–75–136.

How many Federal Energy Administration employees are involved in providing information to the press and the public? OSP–75–10.

Why the Department of Defense chose to buy "choice" instead of "good" quality beef to feed the troops. LCD–75–428.

How much did it cost the Air Force to produce and distribute the pamphlet "Hints from Heloise"? LCD–75–425.

Management of the manganese ore stockpile at Deming, New Mexico. LCD–75–349.

Expenditures for consulting services under two federally funded education programs in Massachusetts. MWD–75–77.

Army's decision to stop producing MK 43 rocket grain at the Badger Army Ammunition Plant, Baraboo, Wisconsin. LCD–75–449.

Was the audit of the Illinois Trauma Program by Department of Health, Education, and Welfare auditors adequate? MWD–75–86.

U.S. Postal Service's practice of providing centralized mail receptacles free of charge to housing developers. GGD–75–92.

Allegations of mismanagement of Federal funds at the Community Health Center, Baldwin, Michigan. MWD–75–89.

Problems in the Boston office of the Equal Employment Opportunity Commission. MWD–75–102.

How much did it cost the Federal Government to vacate former President Nixon's residence at Key Biscayne, Florida? LCD–75–354.

Subcontract award for procurement of anticollision (strobe) lights for retrofit of the Navy P–3 aircraft was made properly. PSAD–76–3.

Problems of Automated Functions, Inc. in obtaining contracts with NASA, the Air Force, and the Navy. PSAD–76–1.

Allegations concerning a construction grant to Southwest Educational Development Laboratory. MWD–76–10.

Answers to questions about the Army's July 1974 reduction-in-force at Picatinny Arsenal, Dover, New Jersey. FPCD–76–11.

Methods used by the Internal Revenue Service to obtain teleprocessing services from the Control Data Corporation. LCD–76–106.

Procurement of aircraft wheels and brakes by the Air Force. PSAD–76–18.

Corps of Engineers procedures for accepting locksets for construction projects. LCD–76–318.

GAO supports Army's decision to curtail the special weapons mission at the Savanna Army Depot, Illinois. LCD–76–410.

Congressional cuts in the number of required recurring executive branch reports to the Congress will save the Government $205,000. OSP–76–7.

Navy and contractor estimates of the costs of the Navy Air Combat Fighter (F–18) program. PSAD–76–53.

How Federal highway funds are spent in West Virginia. RED–76–53.

GAO evaluation of the DOD-Maritime Administration study, "adequacy of the U.S. Shipbuilding Industry as a Mobilization Base." PSAD–76–58.

How the Environmental Protection Agency administered a contract with Lear Motors Corporation for development of a water-based working fluid turbine automobile engine. RED–76–51.

Department of Commerce plans to move the National Oceanic and Atmospheric Administration's National Weather Service Technical Training Center from Kansas City, Missouri, to Seattle, Washington. GGD–76–28.

Procedures used by the General Services Administration in awarding a contract for protective services at the Internal Revenue Service's Brookhaven Center. B–180481.

Information on the Air Force's Advanced Logistics System. B–163074.

Information on U.S. automotive trade with Canada for fiscal year 1971. B-178239.

The Department of Defense should evaluate the desirability and need for Department-wide criteria and guidance concerning switchboard operators' duties and staffing at administrative switchboards. LCD-76-118.

Value of recreational activities provided military personnel in Hawaii should be treated as compensation in evaluating military pay. FPCD-76-29.

How to improve Department of Labor's Contractor-held Property Management System. FGMSD-76-39.

Legislation needed to eliminate 6-month limitation on stays of veterans with non-service-connected disabilities in community nursing homes. MWD-76-97.

The Department of Housing and Urban Development needs to make sure that community block grant funds for rehabilitation of housing are used primarily to help persons with low or moderate incomes. RED-76-77.

Audit of the Library of Congress' Disbursing Officer's account. GGD-76-62.

How the Bureau of Indian Affairs can improve its accounting system. FGMSD-76-15.

ACTION needs to strengthen management control over personal services contract awarded by Peace Corps country directors and its financial disclosure system. PSAD-76-99.

GAO suggestions for improving management of the Export-Import Bank of the United States. ID-76-50.

The General Services Administration coud save $100,000 annually by consolidating two motor pools in the Kansas City area. LCD-76-222.

Problems in use of Federal funds by the New Mexico State Department of Education. MWD-76-103.

Use of a mark-sensed application form could save time and money in processing applications for Basic Educational Opportunity Grants. MWD-76-110.

The industrial fund accounting system for Navy Public Works Centers is being operated in accordance with the system design approved by the Comptroller General. FGMSD-76-52.

How to increase the effectiveness of the Sealift Readiness Program. LCD-76-220.

Potential benefits if the Department of Defense consolidates depot maintenance of small arms. LCD-76-426.

The Monthly List of GAO Reports and or copies of the full texts are available from the U.S. General Accounting Office, room 4522, 441 G Street NW., Washington, D.C. 20548. Phone (202) 275-6241.

Summaries of significant legal decisions and advisory opinions of the Comptroller General issued in March 1976 are also available as follows:

Annuity for Widow of Military Office. B-183848.

Overobligation of Army Procurement Appropirations. B-132900.

Naval Officers Entitled to Compute Retirement Based on Special Pay. B-184382.

Validity of Oral Government Sales Contract. B-185177.

Repaying Expenses for Temporary Quarters for Immediate Family. B-185727.

Award Without Discussions Is Justified. B-183830.

Separate Justification for Award Not Required. B-184835.

Official Time for Union Representational Duties. B-156287.

Travel for Dependents of Employees Assigned to Remote Areas. B-184729.

Lodging with Friends or Relatives While on Temporary Duty. B-183818.

Overtime Pay for Employee on Military or Court Leave. B-159835.

Retroactive Temporary Promotion. B-183960.

Reimbrusement of Entire Broker's Fee. B-184743.

Indian Self-Determination Law Provides Independent Contracting Authority. B-184427.

Absence of Contract Disputes Process No Bar to Set-Off. B-161283.

Agency Decision to Waive Regulations Must Be Communicated to All Offerors. B-184495.

If you need further information regarding these or other decisions, please call (202) 275-5028 or write to the General Counsel, U.S. General Accounting Office, Washington, D.C. 20548.

ISRAEL'S 28TH BIRTHDAY

HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. BURKE of Florida. Mr. Speaker, today is the 28th anniversary of the birth of modern Israel. For more than a quarter of a century, Israel has exemplified the enduring spirit of the Jewish people and their ability to translate their religious and cultural heritage into praccal achievements. In the face of the constant opposition of their Arab neighbors and the obstacles of a harsh climate, the Israelis have never turned from their goal. They have fully realized the prophecy that the desert shall blossom as the rose.

The anniversary of the birth of Israel should remind Americans of the achievements of this Nation. Along with Turkey, Israel is one of two existing democracies in the Middle East, and the only one which has achieved a high standard of living. Too rarely do we think how unusual this achievement is. The fact is that of 160 independent nations in the world today, only 57 are really functioning democracies.

Israel's democracy is a democracy for all its citizens, not just the Jewish people, but for Christians, Muslims, and Druzes as well. Israel's commitment to democracy is alive even in the occupied territories under its control. Only last week, elections were held in the West Bank territory. These elections were the freest in the Arab world, and allowed Jordanian women to vote for the first time.

I have always been a staunch supporter of Israel. Although the people of Israel and the United States have always worked for world peace, the history of both nations have been ones of conflict for survival. Regrettably, this seems unlikely to change in the future. It is our duty to work for peace, but it is also our duty to be prepared for war. In 1969, I received the Distinguished Service Award from the Zionist Organization of America for my service to Israel. In 1975, I received an honorary degree of doctor of laws from Hangyang University in Seoul, Korea, in recognition for my lifelong devotion to the advancement of world peace and freedom. My efforts on behalf of the Jewish people in my constituency, and on behalf of world peace are an everyday part of my life. There are many threats to the way of life we have chosen and many perils facing us in the future.

Mr. Speaker, you may recall that just 4 days before the U.N. partition resolution establishing the State of Israel in 1947, Jamal Husseini, spokesman for the Palestine Arab Higher Committee said:

> The partition line proposed shall be nothing but a line of fire and blood.

Throughout the past 28 years the Arabs have used war, terrorism, propaganda, and economic blackmail to attack Israel and isolate it diplomatically. They have had, and continue to have, financial and military support from the Soviet Union. In addition, they have oil, and they threaten to cut off fuel to nations of the world which do not cooperate in an anti-Israel policy.

Since 1967, some 40 nations have broken formal diplomatic relations with Israel. Criticism of Israel in international forums like the United Nations is rabid and outrageous.

Lebanon has torn itself apart in civil war. Israel had to watch as scarcely disguised troops of the Russian-backed Syrian Government intervened to determine the results of the fighting. The American Mediterranean fleet was faced with a superior Russian naval force.

It is a little more than a year since the United States witnessed the end of our involvement in Southeast Asia, and admittedly we lost much face in the world, and our enemies have made great strides. But we must remain committed to Israel's future. The message of Prime Minister Yitzhak Rabin on the occasion of Israel's 28th independence celebration was sent to me. I had the pleasure of meeting with Prime Minister Rabin on a number of occasions. I had this pleasure on two occasions this year—first in Israel and second during his state visit to the United States. I am pleased to share with you today, his remarks on this occasion:

THE PRIORITIES OF OUR TIMES

(By Yitzhak Rabin)

> From Jerusalem, the eternal capital of Israel, I extend my greeting on the occasion of Yom Ha'atzmaut, the twenty-eighth year of independence of Israel.
>
> With each passing year, the significance of this day assumes in the Jewish world a greater clarity and a more profound depth. It beckons attention both as an anniversary of freedom and as a new spiritual threshold in the life of the Jewish nation. Each new assault upon the integrity, unity and interdependence of the Jewish peoplehood serves to strengthen the unique quality of Yom Ha'atzmaut as a symbol of our impregnability in history.
>
> The Independence Day of Israel marks the end of one chapter in Jewish history and the beginning of a new. It draws a line between past survival by chance and future existence by self-will, of being helplessly controlled by events and of controlling events by our own choice, means and purpose. This is what we celebrate when we commemorate the rebirth of the Jewish State 28 years ago. It is a celebration of the victory of the Jew-

ish spirit over every suppressor and despot, past and present. It is a Jewish festival of freedom as lasting and as indestructable as the values, the faith and the heritage which inspired it.

As we enter into our 29th year of liberty, Israel remembers its sons and daughters who sacrificed all so that we might celebrate this day—those who fell in the struggle for our freedom and in the subsequent battles to protect it. Their legacy is precious and it imposes upon us the common obligation to build a better, a more beautiful and a stronger Israel. To do so we must address ourselves to five major challenges, each of which is formidable in itself, and together hold the key to our collective welfare. They are:

One, The Search for Peace: This, as always, represents the supreme priority of our policies. As a Jewish State, it is the essence of our heritage.

Two, The Strengthening of Our Defensive Capacity: So long as the basic attitude of our neighbors remains one of hostility and rejection, we have no choice but to continue to invest heavily in our self-defense. The cost is heavy and the sacrifice is great, but it is crucial as a deterrent to war, as the means to successfully protect ourselves if again attacked, and as an instrument to encourage the peace process itself.

Three, The Further Consolidation of Our Economic Infrastructure: An essential component of Israel's strength is its economic development which must continue to expand. This requires of us to work even harder, export more and consume less. It requires of the free Jewish world to invest in Israel in an unprecedented fashion and share, thereby, in its upbuilding.

Four, The Closing of the Social Gap: Twenty-eight years after our independence we are still engaged in the great human effort to give all our citizens equality of opportunity through better education, better skills, better housing and a better quality of life. Here, too, Israel continues to look to the generosity of the free Jewish world to give of its best in helping to create with us the instruments to meet the human needs of our society.

And five, The Further Strengthening of the Bond Between the Jewish State and the Jewish People: Herein lies the real strength of Israel and of our people everywhere. Israel is the child of us all. Our future, like our past, is one. It must be forged ever stronger and ever deeper through a new priority for Jewish education. It has to express itself through a new commitment to aliyah. And it must be reflected in closer ties of intimacy through volunteer efforts in Israel, visits to Israel in unprecedented numbers, the sharing of material means, public solidarity and an ever meaningful dialogue of thinking.

These, I believe, to be the Jewish priorities of our times. They relate to the welfare of us all and not least to our brethren in countries where freedom is denied them—the remnants of communities in Arab countries where they are held hostage, and the great Jewish community of the Soviet Union. Israel, together with Jews in the free world everywhere, will not rest until they are granted their elementary right to live a full Jewish life and to join us, without intimidation and harassment.

Let, then, this Yom Ha'atzmaut serve as a day of recommitment to the ideal and the vision expressed in the declaration of independence proclaimed 28 years ago—of peace, ingathering, equality, justice and of a Jewish peoplehood worthy of its prophetic destiny.

So very much depends, not upon others, but upon ourselves. If all of us will do what we can do, there is no obstacle that we cannot overcome together. With this as our commitment we shall, with God's help, accomplish the tasks we began together 28 years ago.

Chag Sameach!

THE TAX FORM BURDEN: 84 MILLION TAXPAYERS AWAIT RELIEF

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. **KASTEN**. Mr. Speaker, a total of 84 million Americans complete either the 1040 or 1040A tax form each year. Three million corporations submit income tax forms each year. These taxpayers can attest to the ordeal involved in completing those forms.

Most Americans pay their taxes willingly. But the process of determining what taxes they owe becomes increasingly complicated each year. Taxpayers are bombarded with complex forms phrased in obscure language. This tax labyrinth has prompted 43 percent of American taxpayers to seek professional assistance in preparing their return each year.

House Concurrent Resolution 270, legislation I introduced last year, calls for an end to the growing complexity that plagues taxpayers. The greatest inequity we have in the tax system is the complexity of the system itself. The resolution urged the IRS to simplify the myriad of hard-to-follow instructions and rid the tax forms of needless complexity.

It suggests that State and local governments pattern their forms after the Federal forms to eliminate duplication of effort involved in working three totally different forms. And finally it urges Congress to simplify the language of the Internal Revenue Code so that it would be easily understandable to the average citizen.

I am pleased that action is now being taken jointly by the Commission on Federal Paperwork and the Internal Revenue Service to simplify Federal tax forms. The Commission held hearings on the tax forms on April 29. The principal witness was Donald Alexander, Commissioner of the IRS and himself a member of the Paperwork Commission.

Mr. Alexander personally committed himself and the IRS to the goals of simplification and coordination of tax form paperwork. He stated that the paperwork generated by the tax collection process was the most burdensome faced by Americans. There was no argument between the Commission and Mr. Alexander as they discussed their common goal—lightening the paperwork burden of the average taxpayer.

Each question on the 1040 and 1040A forms is personally checked by the Commissioner to determine its utility. Mr. Alexander stated that no question not essential to tax collection was included by the IRS. But he added that other agencies, notably the Bureau of the Census, have inserted nontax related questions over the objections of the IRS. Elimination of the census questions would be a significant reduction. Thus, next year the 1040 and 1040A forms will include no census questions.

Both the IRS and the Paperwork Commission are setting the streamlining and clarification of tax forms as a priority for 1976. The IRS is holding hearings to that effect on May 30.

The IRS feels limited, according to Commissioner Alexander. They can only make the return forms as simple and logical as the tax laws written in the Internal Revenue Code of 1954 and its subsequent amendments.

The Internal Revenue Code has not become simpler over the years. On the contrary, it has doubled in size since 1950. Congress has added, and continues to add, numerous qualifications to the tax code.

This makes the job of collecting taxes that much more confusing. There will be a "garden tool credit" on this year's 1040 form, the result of an obscure congressional amendment to the tax code. The numerous deductions and so-called "loopholes" in the tax code necessitate careful scrutiny in computing tax liability. This is the reason that almost half the taxpayers in this country are unable, or feel unable, to complete their own return.

Despite attempts to simplify the 1040 and 1040A forms for 1975, 11 lines were added and only three of the original lines were deleted.

The IRS sees the failure of reforming the tax law as the main obstacle preventing reduction of tax paperwork. Provisions such as income averaging are complex and require simplifying legislation. Noted Commissioner Alexander:

> You can't take a complex statute and make it simple on a tax form.

However, he sees some of the tax reform bill proposals of 1975 as positive steps toward simplification.

An innovative proposal favored by Treasury Secretary Simon goes much farther. He called for a broadening of the tax base and elimination of deductions and exemptions. According to Secretary Simon, we could then afford to greatly reduce taxes for everyone. With this system, the income tax form might be the size of a computer card. Commissioner Alexander also favors Secretary Simon's plan, but this plan must be considered carefully before we alter our tax system so severely.

It would require no radical change to clarify our tax code. Congress must commit itself to simplification of the code in both form and content. The IRS must take that code and produce a clear and concise return form, as the Commissioner has publicly committed himself and his agency to doing.

The Commission on Federal Paperwork has adopted the goals of House Concurrent Resolution 270. Chairman HORTON stated his belief that the Commission will be able to reduce IRS paperwork. Positive, initial steps are being taken. Questions dealing with foreign bank accounts, applicable to only 0.4 percent of those filing returns, have been dropped from the general forms 1040 and 1040A. Allowing employers to report on worker wages and social security deductions once a year instead of each quarter has saved business $250 million and the Government $200 million.

But even more needs to be done, or the 1976 forms may be even more complicated than the 1975 forms. Congress, the IRS, and the Commission on Federal Paperwork must work together to untangle the present tax situation.

From the standpoint of 80 million American taxpayers it is a task worth undertaking promptly.

4-H OUTSTANDING MEMBERSHIP AWARDS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. DOWNEY of New York. All over the Nation community 4-H Clubs are providing valuable new learning experiences for boys and girls and providing our young people with the important skills and knowledge necessary for good citizenship.

The 4-H Club offers a world of opportunity to learn new things, go new places, and meet new people. Throughout the 4-H Club, boys and girls receive instruction in educational projects, conduct business meetings and do important service projects for the community.

Boys and girls who join 4-H Clubs work on projects which give life and meaning to the member's experience. These projects provide needed services to the community and when combined with other 4-H activities is a means by which member's personality, character, skill, and citizenship are developed.

Each year the community 4-H Clubs sponsor an achievement awards night where youngsters with outstanding records of achievement are honored. At this past year's event, I had the honor of being the guest speaker at the West Suffolk County, N.Y., achievement night ceremony and was very impressed and encouraged by the youngsters I met.

At this time, Mr. Speaker, I would like to have the names of these outstanding young citizens placed in the RECORD. The names follow:

4-H OUTSTANDING MEMBERSHIP AWARDS

WEST BABYLON

Rosyln Aranda, Amy Happ, Kim Suter, Donna Weaver, Kristin Draper, Mariann Robbins, Carlene Saporita, Laura Heins, Donna Suter, Susan Woods.

BRENTWOOD

Jennifer Arent, Kathleen Jordan, Carmela Salerno, Karen Hoffman, Jeanne Siracusa, Sheila Coates, Beverly Cutolo, Donna Biscoglia, Cindy Beyel, Sherryl Cohen, Gina Giovan.

Karen Peet, Marybeth Turner, Corinne Kropp, Laura Amott, Judy Biscoglia, Maureen Stancik, Lauren Grippo, Veronica Ryan, Maureen Coates, Lisa McCourt, Lauren Kramer, Susan Stancik.

COMMACK

Donna Woodworth, Stephanie Kaplan, Kathy, Selby, Janet Gluodenis, Rosemary Pelkofsky, Linda Moncavage, Lisa Roman, Alice Cassidy, Marybeth Wertz, Karen Woodworth, Tracy Malison, Donna Wertz, Diane Hansen.

Eileen Pelkofsky, Jeanne Dowling, Ruthanne Richardson, Noreen Davis, Sandy Woodworth, Kristen Reinertsen, Anita Gludenis, Debbie Neal, Susan Moncavage, Deborah Guldner, Laurie Grader, Caroline DiDiego.

RONKONKOMA

Raymond Grecsek, Coleen Grover, Robin Harris, Tony Gronbach, Merrill Baker, JoAnn Carabba, Karen Cosgrove, Tammy Wetherell, Maureen Grover, Joey Hayden, Diane Palerno.

Billy Brennan, John Cosgrove, Denise Mooney, Eric Wetherell, Eileen Grover, Linda Hayden, Lisa Van Dyke, Laura Carabba, Paul Cosgrove, Maria Pappas, Cindy Harris.

DIX HILLS

Barbara Burdo, Andrea Kojan, and Lisa Leffingwell.

GREENLAWN

Jennifer Brown, Grace Huempfner, Betsy McDonald, Robin Brush, Virginia Huempfner, Margaret Reuter, Lori Garnjost, Amanda James, Susan Kelly.

HAUPPAUGE

Carleen Minder, Pam Schultz, Lisa Konnerth, Charles Minder, Susan Willig, Dick Minder, Joyce Gerardi.

NORTH BABYLON

Carol Flanagan, Jeanne Eagan, Jeanne Sperando, Michelle Mezzipelle, Sheila Eagan.

NESCONSET

Raymond Mitchel, Philip Capozzoli, Richard Caviola, and John Sullivan.

SMITHTOWN

Laurie Ann Chichester, Jill O'Hara, Ann Crowley, Richard Harter, Maria Nordquist, Kathleen Broderick, Susan Bloom, Ann Ford, Cynthia Ferrara, Patricia Harter, Celine Lieffrig, Sandra Torregrossa.

Ruth Helman, Jane Nolechek, Karen Peters, Patricia Ford, Brenda Jonassen, Regina Harter, Nadine Leffrig, Christine Torriani, Kathleen Morabito, Noreen Morabito, Marla Becker, Susan Neilsen.

David Meistrich, Northport.
Elizabeth Kaliski, Central Islip.
Ethel Marie Kaliski, Central Islip.
Patricia Larson, Huntington.
Barbara Michalak, Lindenhurst.

AN ANTHEM FOR AMERICA

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. DOWNEY of New York. Mr. Speaker, I take pride today in presenting to the Congress a new song composed by Mr. E. W. Frisbie of Copiague, N.Y. He has expressed his deep love for his country through a ringing anthem for America entitled, "America's My Home."

His song, which he instructs us is to be sung with a strong patriotic feeling, captures within its lyric and melody a strong sense of belonging. Mr. Frisbie has expressed, I think, the sense of what we all hope for America—that it be a home of which we can be proud. Although we continue to struggle with our day-to-day contentions, I welcome the opportunity occasionally to look back upon what we have accomplished. We should all be indebted to Mr. Frisbie for his particularly eloquent statement of how far, and well, we have come.

The song follows:

AMERICA'S MY HOME

(By E. W. Frisbie)

America's my home, this land of Liberty
America's my home, It's where I choose to be
This is a land of hope and pride
A dream that had to be
Let's be heard, sing with me
As our flag waves gallantly
America, America;
America's My Home

America's my home, this land where all are free
America's my home, it's where I can be me
This is a land of hope and pride
A dream that had to be
Let's stand tall, sing with me
Let's be proud of our country
America, America;
America's My Home

ON OUR COMMITMENT TO THE SOLAR WAY

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. GAYDOS. Mr. Speaker, on a sweltering hot summer day in the city, one is very likely to overhear someone saying "it's so hot you could fry an egg on the sidewalk." Although that remark is probably in jest, this thought is not as farfetched as it first sounds.

The fact is, D. S. Halecy, Jr., has recently published an article in "Solar Science Projects for a Cleaner Environment" which describes a way to cook with sunshine by using a reflector cooker made primarily of cardboard and aluminum foil. All that is required to make this foldup, outdoors stove is about $5 worth of materials and a clear, sunny day.

This is only one example of the growing number of ingenious applications of solar energy. Interest in the solar way is gaining momentum along with increasing confidence in the potential of this young industry. The March 29 issue of U.S. News & World Report notes that small and large companies alike are coming into hot pursuit of what promises to be "a multibillion dollar market."

Generally speaking, enthusiasm for the various solar technologies runs high, not only because solar power is pollution-free, essentially inexhaustible and widely available, but also because of its numerous applications. People have already been able to cash in on the Sun's rays for heating and cooling homes, schools, apartments, commercial buildings, and for providing hot water.

The kind of support which the Federal Government is giving to solar energy research and development attests to the Nation's high expectations in this area. The pace of Federal funding has been stepped up significantly in the past few years. In fiscal year 1971, $1.23 million was appropriated for solar programs. By fiscal year 1976, Congress had allocated $140.7 million for solar energy research and demonstration. Thus, in a matter of 5 years, total Federal expenditures on solar programs have multiplied over 100 times. These funds are being applied to various solar energy technologies including: heating and cooling of homes and other buildings, solar-thermal conversion, wind-energy conversion, bioconversion to fuels and ocean-thermal conversion.

The concept of harnessing the Sun's energy to the benefit of man is an intriguing and attractive one, but the major existing drawback is cost. One of the key ingredients is the thin, silicon film "solar cell." These cells convert sunlight directly into electricity, however, they are extremely expensive to produce and relatively inefficient in their conversion capacity. Hopefully, intensive rescarch directed primarily by the Energy Research and Development Administration will solve these problems in the near future. In the meantime, solar power is not cost-competitive with other means of home space heating and water heating. For instance, crude estimates indicate that solar devices to supply between 50 and 70 percent of an average home's heating and hot water needs would cost between $6,000 and $10,000. One company estimates that three solar panel collectors which could handle the hot water needs of the average house would run about $1,500 and $1,800.

Despite the present rates, most experts believe solar power has an important role for the future. Federal Energy officials have said that solar energy could contribute from 15 to 30 percent of the Nation's total energy requirements about the turn of the century. They expect solar cells will first become cost-competitive on the household and community level, yet it is the individual homeowner who is least able to afford the initial capital outlay to purchase solar devices.

With the public's strong support for solar energy, more Federal commitment seems logical and reasonable. Traditionally, the Federal Government has used tax incentives as one method of promoting various national policies. But to date no legislation to provide tax credits or other tax incentives to purchasers of solar equipment has passed both Houses. The only pertinent legislation which has even come close was in H.R. 6860, the Energy Conservation and Conversion Act of 1975, and it has been in the Senate's Finance Committee for some time.

For decades, the fossil fuel industry has enjoyed the benefits of investment tax credits, depreciation and depletion allowances, and other breaks or subsidies. Should not the individual user of solar energy, who is virtually both producer and consumer, deserve some encouragement from the Federal Government? Are we fully committed to achieving energy self-reliance?

It seems obvious that the more we use solar power, the less we will be depleting other exhaustible fuels. Even a do-it-yourself solar heating system for an old Maryland farmhouse has reportedly cut heating oil consumption by nearly 50 percent.

The time is right to prepare wisely for our future energy needs by promoting the use of solar energy as one alternative resource. If solar power is going to be implemented on a wide-scale basis, and if we are going to make the most of this valuable and potentially ideal energy supply, the Federal Government should render all the assistance it merits. Accordingly, that assistance translates into continued generous funding levels for solar energy research and demonstration as well as liberal tax incentives to help the individuals who can cut down on fossil fuel consumption by employing existing solar technology.

A PULITZER PRIZE FOR THE CHICAGO TRIBUNE

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. MURPHY of Illinois. Mr. Speaker, I was indeed pleased to learn today that the Chicago Tribune won a Pulitzer Prize for two series on local housing and hospital scandals. I congratulate the Tribune reporters and writers who spent months documenting their stories, interviewing hundreds of people, and digging for the truth.

I would like to make special mention of the Tribune series on Federal housing entitled "A $4 Billion Disaster." During June and July last year I inserted many of the articles from the series in the Congressional Record. The Pulitzer prize does not single out any Tribune reporters for special mention but I would like to take this opportunity to do so. George Bliss and Chuck Neubauer made this housing series happen. George Bliss is the Tribune's chief investigator and Chuck Neubauer is the reporter who lived with the story for 7 months.

Bliss and Neubauer uncovered a lot of things that were embarrassments to the HUD central office. Some of the Bliss and Neubauer stories were in fact indictments of the way HUD conducted its business in Chicago. They talked about reports critical of mortgage companies that were never released. They pointed the finger at mortgage companies more interested in making a fast buck than in providing decent housing for qualified homeowners.

Bliss and Neubauer listened to first-time, low-income homeowners who were sold uninhabitable homes. If new homeowners were temporarily unemployed or underemployed, mortgage companies did not exercise forbearance or accept partial mortgage payments. They put these people out on the street and started the foreclosure process. It did not matter that a foreclosure cost taxpayers a lot of money. What mattered was that the mortgage company did not lose any of its investment.

When the Chicago HUD office tried to cut through the bureaucracy and clean up mortgage company practices, HUD central office discouraged Area Director John Waner and his staff. HUD made it clear that innovative thinking and new approaches to problems did not make points in Washington. The central office did not appreciate people who tried to implement reforms. The central office preferred business as usual even if that business threatened the survival of most Chicago neighborhoods.

Bliss and Neubauer did not start writing the housing series with the heroes and the villains already identified. But once they began their reporting, no official was too high to name and no mortgage company too powerful to denounce.

HUD Secretary Carla Hills initially reacted to the series with disbelief. But her disbelief later turned to admissions of fact and she implemented policy changes based on the Bliss-Neubauer series. The series further prompted Senate and House committee hearings in Chicago and in Washington, D.C.

I do not know how much improved Federal housing programs are today in Chicago but any improvements can be attributed to the work of these two reporters and the support of their newspaper.

PART VIII—SUPPRESSION OF INNOVATION

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. SYMMS. Mr. Speaker, I have been asserting that the 1962 amendments and FDA regulatory overkill have been costing American consumers a considerable amount of money. The following letter arrived from a small drug manufacturer and outlined the additional costs which were tacked onto just one drug because of overregulation. The drug in question was approved many years ago. But, like many older drugs which have proven their effectiveness in the marketplace, this drug was required by FDA to be retested. Because of the charges made by the writer of the letter, I have chosen that he shall remain anonymous. But his letter certainly provides an insight into the workings of the FDA and the unnecessary requirements it places upon manufacturers—for which the consumers must pay dearly. The letter follows:

April 12, 1976.

Hon. Steve Symms,
Congress of the United States,
House of Representatives,
Washington, D.C.

Dear Congressman Symms: Your recent letter concerning information regarding the 1962 amendments to the Food and Drug Act has been received. You are to be congratulated on undertaking what is a tremendous service to the American public—and at the same time a threat to the jobs of thousands of bureaucrats who have thrived on emotion and scare tactics.

Your speech before Congress on March 16 should be applauded by all reasonable thinking people in America. At long last it seems someone has peered through the fog created by the bureaucrats in Washington and discovered that what we are doing to ourselves is indeed not right—very costly—and contrary to progress.

Many of the products that we now sell are pre-1962 "grandfathered" drugs. The FDA seems to rest much of its authority in two recent court rulings involving the Bentex Company and the U.S. Vitamin Corporation. The rulings here substantially eliminated the grandfather clause—and the protection it afforded.

I hope you have had an opportunity to write to the National Ethical Pharmaceutical Association, the National Association of Pharmaceutical Manufacturers, as well as many of the smaller pharmaceutical companies who are attempting to stay in business, serve the general public, earn a fair profit, and provide the only competition to what is quickly becoming an industry monopolized by a few.

While managing a manufacturing company several years ago, I had direct contact with the FDA—almost daily. The ineptness of the many people involved, combined with unwieldy procedures, caused constant grief.

You asked specifically concerning drugs that had to be reapproved that were pre-1962 products. I am very familiar with one—Heparin Sodium Injection, which is an anticoagulant and has been on the market since the mid-1930's.

The major usage of this drug now is for open heart surgery, and in maintaining life for the kidney dialysis patient. For some strange reason, the FDA referenced this product in its NDA procedures and asked all companies manufacturing and selling the product to submit new drug application data. To make a long story short, about $10,000 was spent trying to tell the FDA officials, most of them completely inept, what the drug did, how it worked, and why it was safe. Now this is something that people in pharmacy, medicine and nursing already know, and we found it difficult to translate the information to the officials of the FDA.

For instance, the physician in charge of this "new drug" was a radiologist who knew nothing at all about anti-coagulant therapy. The long, drawn-out process was very expensive and frustrating.

In addition to the losses and frustrations incurred by the manufacturers, the only net result is that the consumer pays more. At the same time, the Heparin market was influenced to such a degree that prices escalated rapidly.

As with many governmental agencies, you are always forced to deal with a lot of different people—none of them seem to be around for more than six months—and the paperwork requested is overwhelming. It seems more care is given to clerical errors than to life-saving procedures.

It has also been my experience that to "show up" or "cross" these people in any way will eventually be extremely dangerous. Non-elected, non-responsible bureaucrats are a very vindictive group—small of mind and purpose.

As you might suspect, I have definite opinions concerning our "enemies" or "friends" in the FDA. Why we continue to hit ourselves on the head, I don't know. The drug industry has been responsible—responsive—equitable—and fair to all concerned. It hasn't deserved the hassle it has received from the FDA, and is an innocent victim in whatever price increases have been generated by redundant, stupid regulations from Washington.

I could go on and on and cite other instances as well.

SEVENTH CONGRESSIONAL DISTRICT YOUTH ADVISORY COUNCIL

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. BROWN of Ohio. Mr. Speaker, it is my privilege to enter in the Record at this point the rest of the results of the Seventh Congressional District Youth Advisory Council. I think my colleagues will agree that these reports show a particular sophistication among the youths who worked so hard studying these current issues:

A Report and Bill on Federal Revenue Sharing

Champaign/Logan County Congressional Youth Advisory Council: Ronald L. Aulls, Chairman; Craig M. Engle, Secretary, Co-Chairman; Ted Saul, Bill Smith, Pam Woodruff, Kem Sterns, Jan Yoder, Kim Householder and Debb Webb, members.

REPORT

The following is a report filed by the Champaign/Logan County Congressional Youth Advisory Council on Federal Revenue Sharing.

Federal Revenue Sharing (FRS) is our Federal Government's answer to the inadequate and out-of-date Categorical Grant System. Under the FRS program, FRS has redistributed, to almost 39,000 State, City and Local Governments, 30.2 billion dollars over a five-year allotment period. These checks are paid quarterly from the Office of Revenue Sharing (ORS), which was set up within the Treasury Dept. The ORS and the rest of the FRS program was established under the State and Logan Fiscal Assistance Act of 1972.

Some of FRS's major benefits over the Categorical Grant System is that FRS reduces on red tape and bureaucracy. FRS also cuts down on needless paper work and expensive data processing. The ORS only employs a staff of 100 people and ran on a 5-year, 3 million dollar budget. Another benefit that FRS has over the Categorical Grant System is that FRS is virtually string-free. The only requirements that the Federal Government enforces is that: 1) this money cannot be used to match other Federal Grants, 2) it must be spent within 24 months of its entitlements, and 3) it cannot be used in any way that discriminates against any minority.

The following are the major points of the Bill:

New Fiscal Year—Washington adopted a new fiscal year starts on October 1 and runs to Sept 31. This is changed from the old fiscal year which started on July 1. This jump (the length of one-quarter) explains the allotment figure of $1,625,000,000 (Bill, p. 2, 1.12 & 13). There is an allotment period between fiscal years, so that the new program can be started with the new fiscal year.

Planned Use Reports and Actual Use Reports—Each government who receives a quarterly check under the FRS program from the ORS is obligated to file a Planned Use Report (PUR) and an Actual Use Report (AUR). A PUR is sent to the ORS and is published in a newspaper over the geographical area of that receiving government at the beginning of an entitlement period or quarter. The PUR states the amount of money the government just received, and their tentative plans on the expenditures of that money. There are 14 different filing categories in the PUR under which governments insert their tentative expenditures. The categories are: Public Safety, Environmental Protection, Public Transportation, Health, Recreation, Libraries, Social Services to the Aged or Poor, Financial Administration, Multi-purpose General Govt., Education, Social Development, Housing and Community Development, Economic Development, and Other. Since these proposed expenditures are only tentative plans, under the Bill these governments are not legally obligated and spend the money exactly as outlined in their PUR. Actual Use Reports (AUR) are filed to the ORS within 90 days after the quarter is over. The AUR contains the actual way the government spent its allocated money, as well as the interest earned and unexpended balance.

Formulas—Rather than applying for a specific amount of money from the ORS, the FRS program employs two formulas which determine the amount of money a government will receive. The Receiving Government chooses either one of two formulas. They are: The 3-Factor Formula—Population, General Tax Effort, and Per Capita Income; and the 5-Factor Formula—Population, General Tax Effort, Per Capita Income, Urban Population, and State Income Tax. These figures are calculated by the receiving government and are set to the ORS, who computes the figures and then calculates the amount of the appropriation check.

Minimum-Maximum Allotted Receival—The equalizing thrust given by the 2 allocation formulas is blunted by the provision that no government shall receive less than 20 percent or more than 145 percent of their average local per capita entitlement. This section of the Bill prevents the old problem of "The rich get richer and the poor get poorer." Detroit, for example, has a higher per capita income and tax effort within the city, and they are well above the local district average; so without the ceiling, Detroit would be receiving more than 200 percent above the average local per capita entitlement. An example in the opposite direction is a certain town in Iowa had a low tax effort and per capita income, so after their formula was computed they would be receiving only about 10 percent of their legal per capita entitlement. With these floor and ceiling limits, FRS money is more equally balanced throughout the different governments of the U.S.

Publication Problems and $2,500 Minimum—Some Local Governments in the United States have an expense problem with the publication costs of their PUR. In many cases the Local Government has to spend all of its allotment or sometimes even more than that on paying the publicizing costs of the PUR's, mailing, and other administering costs. The problem can be solved by raising the Direct Receival Minimum from $200 to $2,500 (Bill p. 1, 1.6–8) under the original Bill. The minimum yearly amount for a government to directly receive a check from the ORS was $200. If the government was to receive a total over the year that was less than $200 (e.g. $130), that $130 would be sent to the Over-lying Government, where the Local Government would apply to that Over-lying Government for money on a Categorical Grant System (Bill p. 1, 1. 10–13). Under our new Bill, the minimum would be raised up to $2,500. This new figure would affect 70 percent of the Local FRS Receivers or approximately 8,000 governments. With the increase of the minimum, we would be taking the publicizing financing problem away from the governments who originally had that problem. Under our new Bill, the Over-lying Government who received the Under-lying Government's checks which totaled under $2,500, would publicize that amount plus their own allotment in their (the Over-lying Government's) PUR (Bill p. 2. 1.6–9).

Appropriation Figures—The new appropriation figures for the next Five-Year Renewal Period (Bill p. 2, 1. 12–25) were taken from H.R. 6558 Bill, which was presented to the House April 30, 1975, by Mr. Fountain. The yearly figures are increased by 150 million each year to offset the jump in inflation. The entire allotment over the five years, including the $1,625,000,000, equals to 43.1 billion dollars.

Bill

In the Congressional Youth Advisory Council, April 2, 1976, Mr. Ron Aulls introduced the following bill; which was presented to the entire 7th District Congressional Youth Advisory Council.

A bill to extend and revise the State and Local Fiscal Assistance Act of 1972

May it be enacted by the entire Congressional Youth Advisory Council here assembled that: The State and Local Fiscal Assistance Act be renewed in its entirety with the following amendments:

Sec. 1. To the section applying to the

minimum receival balance of $200. The section shall be amended to read:

Amendment A: "The minimum receival balance for any government to receive FRS monies directly from the Federal Government shall be increased to $2,500."

SEC. 2.

Amendment B: "Those governments, who fall under the $2,500 minimum balance, whose money will be sent to the over-lying government, will apply to that over-lying government on a categorical grant system."

SEC. 3. Those over-lying governments who will be receiving under-lying government's money who are affected by the new $2,500 rule, shall be obligated to publicize the amount of the under-lying governments money they received from the Federal Government in their PUR, under the following amendment:

Amendment C: "Those governments who are affected by the $2,500 minimum, will have that amount, that the over-lying government received for them, published under the basic balance in the over-lying governments PUR."

SEC. 4. The new 5-year appropriation figures shall be amended into the bill, and striking the old figures:

Amendment D: "(1) for the period beginning July 1, 1976, and ending September 30, 1976, $1,625,000,000:

"(2) for the fiscal year beginning October 1, 1976, $6,537,500,000;

"(3) for the fiscal year beginning October 1, 1977, $6,687,500,000;

"(4) for the fiscal year beginning October 1, 1978, $6,837,500,000;

"(5) for the fiscal year beginning October 1, 1979, $6,987,500,000;

"(6) for the fiscal year beginning October 1, 1980, $7,137,500,000; and

"(7) for the fiscal year beginning October 1, 1981, $7,287,500,000."

The bill was approved as submitted to the full council, April 2, 1976, by a voice vote.

ON-SITE CONSULTATION AS IT APPLIES TO THE OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

April 2, 1976, Clark County Committee of the 1975–76 Seventh Congressional District Youth Advisory Council: Mike Hatcher, Chairman; Gloria Schumacher, Secretary; Richard Wildman, Michelle Snodgrass, Jane Balzer, Leah Huturain, Bert Stinebauch, Dona Whipp and Tim Wright, Members

INTRODUCTION

As an attempt to reduce the 14,000 deaths, 2.2 million injuries, and 390,000 annual work related diseases, Congress passed the Occupational Safety and Health Act of 1970. (OSHA)

This Act covers almost all work-places except State and Local Governments, mining and railroad industries.

The Act "required employers to furnish the work place free from recognized hazards that had caused or were likely to cause death or serious physical harm to employees."

Federal occupational safety and health standards are promulgated by the Secretary of Labor.

A National Institute for Occupational Safety and Health (NIOSH) was created in HEW to study health hazards and to make recommendations to the Secretary of Labor.

The Occupational Safety and Health Administration conducts inspections and investigations of working conditions. Inspecttors issue citations for violations of the standards. Penalties are proposed and levied. Inspectors are not allowed to give advice but must issue citations.

If the employer disagrees with a citation or penalty he may appeal to the three man Occupational Safety and Health Review Commission (OSHRCI). Maximum penalties are $10,000 for each willful or repeated violation and $1,000 for each serious violation.

Federal grants are available for a maximum of 50 percent of state costs for carrying out their own standards that are at least equivalent to the federal standards.

MINORITY REPORT BY RICHARD WILDMAN

Consultation is already available through insurance companies who write workmen's compensation policies. The American National Insurance Alliance said in 1974 that "well over 3,500 full-time technical personnel are estimated now to be employed by insurance companies to provide occupational safety and health services." In comparison, there are 1700 employed in the OSHA inspection staff.

Although the Act has been interpreted to forbid federal on-site consultation, nothing prevents the states from providing their own system with federal assistance. As of late 1975, twenty of the twenty-two states that have their own safety and health standards and inspections offer some type of on-site consultation. With a maximum of 50% federal funding, these states employ approximately 145 consultants. Fifteen states without their own state plans have applied for federal funds for up to 50% of the cost of hiring consultants. If approved, approximately 208 consultants are to be employed in such programs.

Those who need consultation the most probably won't ask for it because of the liabilities involved. If a federal consultant finds what he feels is an imminent danger, he may get a restraining order. If a consultant gives misleading advice and the employer follows it he might later be fined for a violation he thought he had corrected.

A small employer may very well ask himself, "Why should I request a consultant who may call in an inspector or give me inaccurate advice, when I have a 97% chance of not being inspected this year, and, if I am inspected, I have a 7.4% chance of being cited for a serious violation which has an average penalty of $606.38?"

Important items for future consideration might be:

(1) A larger percentage of the OSHA budget might be spent on employer-employee education. This would help to promote safety since it is impossible to inspect all workplaces.

(2) A program might be initiated to minimize the number of standards, which should be made as simple as possible and deal with major hazards. This will make it easier for employers to comply on their own and it will also simplify inspections.

(3) Tax breaks over and above normal investment credit might be given to employers who spend money specifically on safety equipment.

BILL

The following is a revised version of HR 8618, a bill proposed by the Honorable Dominick V. Daniels, passed by the House of Representatives November 17, 1975, and referred to the Senate shortly thereafter.

A bill to amend the Occupational Safety and Health Act of 1970 to provide additional consultation to employers

Be it enacted that section 21 of the Occupational Safety and Health Act of 1970 be amended by adding at the end thereof the following new subsection:

In order to further carry out his responsibilities, the Secretary of Labor may visit the workplace of any employer, who so requests, for the purpose of providing consultation and advice to said employer. Such consultative visits may be conducted in the same format as a general inspection or may deal with specific areas, the type of inspection being determinable by the employer. In making consultative visits under this subsection, the Secretary shall give small businesses[1] and hazardous work places[2] priority. The Secretary shall make and transmit to the employer a written report, containing recommendations regarding the elimination of any hazards disclosed during any such consultative visit.

No consultative visit authorized by this subsection shall be regarded as an inspection or investigation as specified in the Act and no citations shall be issued nor any civil penalty be imposed by the Secretary upon such visit, except that: if there is substantial probability that imminent danger to the employees could result from conditions disclosed during a consultative visit, the Secretary shall immediately notify the employer of such conditions, affording him a reasonable time to eliminate such conditions. Where the Secretary is not satisfied through a further consultative visit, documentary evidence or other notification that such elimination has taken place, the Secretary may take any appropriate action outlined under section 13 of the Act to eliminate such conditions.

Information regarding consultative visits shall not be transmitted to representatives of the Secretary engaged in enforcement activities except where necessary in order to carry out the provisions of the preceding paragraph.

Except as otherwise provided, nothing herein shall affect the duties and responsibilities of the Secretary as stipulated by the pertinent sections of the original Act. Advice given during a consultative visit shall not be binding on the Secretary in the event of any inspection of the workplace. In the event of such inspection, a written report of the consultation visit may, with the consent of the employer, be considered by the Secretary for the purpose of determining the employer's good faith in proposing penalties.

In prescribing rules and regulations pursuant to this subsection, the Secretary shall provide for the separation of functions between officers, employees, or agents who conduct consultative visits pursuant to this subsection and officers, employees, or agents who conduct inspections or investigations.

The Bill was approved as submitted to the full Council, April 2, 1976, by a vote of 24–20.

HANDICAPPED AMERICAN OF THE YEAR AWARD

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. NEAL. Mr. Speaker, I wish to call to the attention of my colleagues a signal honor accorded last week to my friend and constituent, Forrest Webb Kiser of Winston-Salem, N.C. Mr. Kiser, who has had cerebral palsy since childhood, is the recipient of the "Handicapped American of the Year" award of the President's Committee on Employment of the Handicapped and was presented the President's Trophy, the Nation's highest award for a disabled citizen, in ceremonies at the White House.

The honor is one which is richly deserved by Bill Kiser. His ability to turn tragedy into triumph is well documented. It should inspire us all, for while each of

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[1] Those defined as having 25 or fewer employees.

[2] Those included in the Target Industry and Target Health Hazards Program.

us is handicapped in one way or another—if only by our fears and frustrations. In that the greatest handicap of all may be the absence of the will to overcome, Bill Kiser's courage and spirit are clear evidence that we can lift ourselves above the cruelties which destiny may seem to have handed us.

The Winston-Salem Journal took special note of Mr. Kiser's visit to Washington and its Washington correspondent wrote the following report:

BILL KISER IS "AN INSPIRATION TO EACH OF US"

(By Bob Poole)

WASHINGTON.—In ceremonies at the White House yesterday, President Ford gave Bill Kiser of Winston-Salem the 1978 President's Trophy, the country's highest award for a disabled citizen.

Kiser, 48, has also been named "Handicapped American of the Year" by the President's Committee on Employment of the Handicapped.

Although Kiser has had cerebral palsy since childhood, he runs his own business in Winston-Salem, which provides syndicated columns for six newspapers in the Carolinas and radio shows for 20 stations in both states. The columns are written for handicapped people.

Appearing with Kiser in the Rose Garden, Ford praised Kiser for "such great success in the news medium" and for being "an inspiration to each of us . . . and to others who are handicapped."

Ford referred to medical progress which has made life easier for the handicapped in recent years, but added: "Despite these great strides, my impression is that Bill Kiser would've made it on his own, regardless. . . . Bill, we congratulate you."

Gov. James E. Holshouser, Jr. of North Carolina accompanied Kiser. Holshouser, speaking from a text Kiser had written, accepted the award on Kiser's behalf.

After receiving his award, Kiser gave an autographed copy of his book, "New Light of Hope," to Ford.

Kiser, confined to a wheelchair, took several seconds to inscribe the book. The President bent down to hold the book open while Kiser wrote, patiently spelling out each letter with some effort. When finished, Kiser tilted his head up, chin out, so that the sunlight was flashing on his glasses. The small group was silent, with everyone watching Kiser. Ford was obviously moved. Almost inaudibly, Ford said to Kiser: "That will mean a great deal to me."

Kiser's administrative assistant, Mrs. Ruth Ann Thompson of Winston-Salem, also attended the ceremony. So did John Dalrymple of the N.C. Division of Vocational Rehabilitation.

In the acceptance text which Holshouser read, Kiser said: "You will readily see that I could have accomplished nothing without the help and support of countless individuals and organizations . . . As a token of my deep appreciation, I would like to share a copy of my book with you. Should you have a chance to read it, you will understand better what this award means to me. In order to prevent my excommunication, please accept greetings from my church, Knollwood Baptist in Winston-Salem.

According to the President's Committee on Employment of the Handicapped, Kiser once spent about eight years in a nursing home in a condition of "complete hopelessness" after both of his parents died and there was no one to care for him.

CONGRESSMAN MIKE McCORMACK SPEAKS ON ENERGY ISSUES

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. KASTENMEIER. Mr. Speaker, our colleague from Washington State, MIKE McCORMACK, recently appeared in Milwaukee, Wis., to address the Wisconsin Energy Coalition's Conference on Energy Supply and Economic Life.

The energy question is one of the most complex and controversial subjects facing the Congress. MIKE McCORMACK is widely recognized as being one of the hardest working, most knowledgeable, and most articulate Members on the energy issue, and I commend his comments to our colleagues.

Mr. Speaker, Congressman McCORMACK's remarks follow:

I am certainly honored to be invited to participate in this Conference on Energy Supply and Economic Life as it pertains to the State of Wisconsin, and I want to congratulate the Wisconsin Energy Coalition for arranging today's program.

Understanding the nature of the energy crisis and the role that nuclear energy will play in providing energy for the present and the future is a matter of supreme importance, for our nation is truly in moral danger. Our national security, the stability of our economic systems, and even our political institutions may well depend on our ability to develop responsible energy policies and to implement rational programs to carry them into effect.

It is no exaggeration to say that all the members of society can play a decisive role in initiating or supporting responsible positive action programs, and make the difference between success and catastrophe for our nation. This is true for members of business and labor, as well as the agricultural and educational community, officers and executives at the national level, and individuals at the local level. We all have an important role to play!

One of the most dangerous aspects of the energy crisis is that a large portion of our fellow citizens do not understand it. Indeed, a surprising portion of Americans deny that an energy crisis exists, and many who do, believe that it has been contrived by evil powers which could easily and quickly undo their nefarious deeds; that is, solve the energy crisis by magic.

Another danger is that many of us tend to reject some of the hard facts of the energy crisis because of their ominous implications for our own personal future—and a surprising number of Americans have been trapped into thinking that the energy crisis has been created as some sort of a game in which each person chooses one form of energy conservation or production to support, while opposing the others. The truth is that this is a deadly serious matter, and that we need all the energy we can get, and from every source, and as soon as possible.

Out of the confused debate that has developed with respect to the energy crisis, perhaps only one concept is universally accepted. That is that we must not waste our energy; that we must reduce our national annual energy growth rate. What isn't yet apparent, however, even to many sincere and concerned policy-makers, is that the total energy consumption our nation must continue to increase for as far as we can see into the future, even if we establish extraordinarily successful spartan conservation programs.

The report of the Ford Foundation Energy Policy Project assumes, as a reasonable scenario for the future, limiting the growth of total energy consumption for this nation of 2% per year. This would be a dramatic reduction in our contemporary growth rate of about 3.6%, but it may be a long range attainable goal which might not seriously harm the economy.

It is important to understand, however, that a 2% growth rate would mean doubling our energy consumption in about 35 years. However, since we can't possibly shift that quickly to new lifestyles without serious social disruption, we will almost certainly double our energy consumption within about 25 years. Within this overall growth, there will inevitably be a dramatic shift from the use of petroleum and natural gas to the production of electricity from coal and nuclear fission. Here the annual growth rate must be about 5% per year. This means doubling electric energy generation by about 1990.

Unfortunately, most of the debate of the energy crisis, in spite of the perils we are facing, has centered around such subjects as import tariffs, quotas, gasoline taxes and prices, allocation programs, regulations, deregulations, and incentives. While all this is important and has been the subject of intense Congressional activity, obsession with it tends to distort our national perspective. I do not take this matter lightly, but acting as if these problems constitute the energy crisis is somewhat like wrestling for deck chairs on the Titanic.

The stark realities are that our oil production is down about 10% in the last three years; our natural gas production is down almost as much; our coal production has increased less than 10% in this period; the percent of petroleum we import has increased from about 35% at the time of the Arab oil embargo to about 41% today; more railroads have gone out of business, the situation in the Middle East remains unstable; and a handful of anti-nuclear activists are advocating a moritorium on nuclear energy production—our only hope, along with coal, for energy self-sufficiency, economic stability and national security, during this century.

The challenge we face today is to reject these attempts to confuse us, and to overcome the paralysis that seems to grip us, and to develop now a systems approach to an integrated national energy policy, not only to eliminate waste and conserve energy wherever practical, but also to produce the energy that we will need in the future.

If we do create such an energy policy, and if we implement the programs which will carry it into effect, the people of this country can have adequate energy, environmental protection, and economic stability. If we fail, the inevitable result, I am convinced, will be economic, societal, and political catastrophe, both domestic and international.

There are several fundamentals upon which any energy policy must be built.

Any energy policy must be built upon the best scientific and engineering facts available, no matter how tough and unpleasant such facts may be. We Americans have an unfortunate habit of treating some of our problems as if we are living in a 30 minute TV drama. We have come to expect quick, easy, pleasant solutions, even if it means turning to make believe.

However, we cannot afford the luxury of basing our energy policies on fantasies, such as assuming that solar energy or geothermal energy or some suppressed carburetor design, or some magic will bail us out of our problems.

Nor can we base policies on anti-public-power or anti-utility-company or anti-Israeli or anti-Arab or anti-oil-company or anti-

nuclear prejudices or obsessions. Nor can we base our energy policies on hopes, such as the hope that we will keep finding enough gas or petroleum to keep us going, or the hopes of some that the people of this country will, in the name of conservation, voluntarily and in blind ignorance, accept still higher unemployment, and severely reduce their standard of living, when indeed, it is not necessary for anyone to suffer if we adopt responsibile policies to produce the energy required for full employment.

A national energy policy must allow a large segment of our people to continue to aspire to—and strive for—a higher standard of living, and greater freedom and dignity for all. This has always been the hallmark of American society, and we cannot expect low and modest income Americans—or average American housewives and workers in commerce, industry, or agriculture—those of all groups and walks of life who seek dignity and security—to sacrifice such aspirations just because we suddenly don't produce enough energy to provide employment for our fellow citizens, or because we have planned so poorly that all but the most affluent must cut back on their standard of living.

Certainly each of us recognizes that a sort of three-cornered dynamic equilibrium should exist between energy conversion, transmission, and consumption in one corner, a reasonable and rational program for protecting our environment and conserving our resources in the second, and the maintenance of a stable and responsible economic system in the third corner.

So, while we cannot afford the excesses which marked some industrial development of the past, raping our land and polluting the atmosphere, we cannot expect to have energy production without some impact on the environment, no matter how benign the source may seem to be from a distance; and we certainly cannot expect to have jobs for the American people unless we produce more energy.

So, we have several "environments" to protect all at the same time. There are, for instance, those that we classically think of in terms of air, land, and water, but there is also the environment of the job market, and an industrial capacity that will maintain this nation's national security and economic stability. Finally, there is the environment of our homes, and those of millions of low income Americans, where we must have enough energy for a decent standard of living. Our national energy policy must strike this dynamic balance in a rational manner.

Several studies have been completed examining the relationship between energy consumption and employment levels. They indicate that, with much of the waste in energy consumption in industry and residential uses eliminated, and with more efficient cars on the highways, as will be the case by 1985, then a shortfall in energy production of a million barrels a day—about 2%—could mean the loss of 900,000 jobs. This may be a pessimistic estimate, but it is based on thirty years of accurate data and is the most conservative of the three studies we have seen. This inter-relationship between energy consumption and employment levels makes sense to those who have ever considered it seriously. Now, however, it should sound a warning against our accepting the idea that we can solve our energy problems simply by cutting back on energy consumption.

We obviously can and must eliminate wasteful practices in energy consumption. However, there is a point beyond which further reduction will seriously impact the job market. Obviously, there is no moral justification for policies that would cause increased unemployment because of energy shortages. So, while energy waste can and must be eliminated, we must never allow one man's concept of conservation to be the cause of another man's unemployment.

High unemployment leads to political and social instability, to Federal deficit spending, and to a further eroding of this nation's relative strength in the international community. All relate directly to adequate energy production.

Other nations have learned this lesson, and this is the reason for the heavy emphasis on nuclear energy development throughout the world.

The next fact has to do with our resources of petroleum and natural gas. One of the most important realities that the American people must understand is that this nation has, since 1970, truly passed from one major historical era into another. We have passed from an era of cheap, abundant fuels, energy, and materials into an era of shortages and high costs which will, at best, be with us for many decades.

That reality is exceedingly difficult to accept, for us who have lived all our lives in a culture built on cheap mobility and the assumption that American affluence was endless. Nevertheless, we must face the fact that we have, almost certainly, already burned up more than half of all the petroleum, and almost half of all the natural gas we have ever discovered, or ever will discover, on this continent or off its shores, and that it will be gone, insofar as a significant supply of fuel is concerned, by about the end of this century, no matter what price—within reason—we pay for it today.

Remember, this will be happening while our demand for energy is doubling, even with a successful and spartan conservation program.

I consider it to be especially tragic that the world has plunged into this situation wherein we are burning up our fossil fuels so wastefully. They are, of course, "too valuable to burn", and now we will have an uphill struggle to preserve a portion of them—as we should be doing—as a heritage for the future for feedstocks for the petro-chemical industry.

As our supplies of petroleum and natural gas dwindle, this nation will become dependent for most of its energy on coal and nuclear fission. However, even these sources of energy are, in the long range perspective, only transitional. Although we must increase our reliance upon them from now until sometime in the 21st Century, we must also make plans for phasing them out in the more distant future, and replacing them with other, still-to-be-developed resources.

In this respect, one general misconception plaguing the Congress as we fund programs for future energy sources is the idea that research and development, lavishly supported, can solve this nation's energy problems in the very near future. Nothing could be further from the truth, as those of you with experience in science and engineering know.

Even with a crash program the time required between the successful laboratory demonstration of a concept for the conversion of an energy source to a usable form, and the actual significant implementation of this technology, varies from ten to thirty years, and it's usually closer to thirty. There is no way, for instance, that a tidal wave of Federal funds could make solar or geothermal energy a significant resource for this nation before the year 1990, or nuclear fusion before the year 2000.

So while we must support an aggressive, imaginative, well-funded program for energy research, development, and demonstration in every area of energy conversion, distribution, storage, consumption, and conservation, we must at the same time recognize that the benefits of a research and development program are long range benefits, and that this nation must proceed for the immediate and short range future with energy sources which are available to us today.

There is much we can do with respect to our existing energy sources. We must undertake aggressive programs of exploration and drilling for oil and gas, onshore and off. We must explore the potential of an oil shale program, and press for early application of improved technologies for secondary and tertiary oil recovery. We must convert our wastes to energy or fuels or energy intensive materials.

We must build new refineries, new ports, new pipelines, and new storage facilities for gas, petroleum, and petroleum products. In spite of the fact that we are running out of petroleum and natural gas, this program, along with the most stringent conservation measures, is our only short range strategy for trying to keep our energy supplies for our existing industrial and societal infrastructure as close as possible to future demands.

Of course, coal is our greatest resource of fossil fuel, and we must rely heavily upon it. However, even a superficial glance should warn us against taking it for granted. We will need to dramatically expand our coal production capacity with new mines that meet modern health and safety standards and have a minimum impact on the environment. We must allow coal to be surface mined, with realistic regulations, and responsible reclamation programs.

It will be necessary to restore our railway system with new roadbeds and new rolling stock, and back them up with slurry pipelines.

These tasks—of mining and transporting coal safely—are of bewildering complexity and dimension.

We will, of course, come to depend upon synthetic gaseous and liquid fuels from coal, but the cost of these programs in dollars, manpower, steel and other critical materials, in water, in logistics, and environmental protection are literally mind boggling. For example, trying to close the gap between supply and demand in natural gas in 1985 would require more coal than is mined today for all other purposes and would cost literally hundreds of billions of dollars.

In spite of all of these problems in mining, cleaning up, transporting, and burning coal; in spite of the costs of converting it to synthetic fuels, we must proceed with an aggressive program for increased dependence on coal. If we are sincere about attempting to solve the energy crisis that faces this nation, we must think in terms of tripling coal production by the end of this century.

I am acutely conscious, as I make this point, of the tragic deaths of 26 men in two separate accidents in a Kentucky coal mine during the week of March 7, 1976. It is indeed inexcusable that more has not been done to protect our coal miners from pulmonary diseases and the other hazards they face. We must undertake the research to develop safe mining conditions, and we must enforce regulations to insure that these safe conditions are met. The mining and burning of coal must be made as safe as the production of electricity from nuclear fission. This will markedly increase the cost of coal, but this source of energy must be made safe.

As responsible citizens sort out the facts with respect to our energy future, it becomes more and more obvious that one of the greatest strokes of good fortune this nation has experienced is to have our nuclear industry as well advanced as we find it today, ready now to provide much of the energy this nation will need during the next fifty to seventy-five years.

Nuclear energy is the safest, cleanest, cheapest, most reliable source of energy available, with the least environmental impact of any significant option. If we did not have a large block of nuclear energy available to us for the coming decades this country would be in critical danger, even if we succeed in tripling coal production by the year 2000.

Today, there are 59 nuclear plants licensed to operate in the United States. During 1975, nuclear energy produced about 8.5 percent of this nation's electricity, with a higher reliability factor than comparably sized coal plants of the same age. Had this amount of energy been generated by fossil-fired plants, 60 million tons of coal or 250 million barrels of oil would have been required. This is equivalent to two-thirds of a million barrels of oil a day, about 2 percent of our total energy production, and 4 percent of our total oil consumption. This nuclear energy production saved more than 2 billion dollars in generating costs in 1975.

Eleven more plants are scheduled to be on the line within the next twelve months. In addition to these 70 plants, there are 158 more nuclear plants which are under construction or committed. If these plants are all on the line by 1985, and they *can* be if we simply eliminate unnecessary delays and provide for construction capital; then this nation will have a nuclear capacity of about 226 thousand megawatts—about 30 percent of our electric generating capacity—by 1985.

One can appreciate the importance of such progress in view of the fact that each new nuclear plant, operating at 64.4 percent capacity, saves the equivalent of more than 10 million barrels of oil a year. It would require more than six million barrels of oil a day to produce the same electricity that these 228 plants would generate. This is approximately the same as the amount of petroleum products that the United States imports today.

With the nuclear breeder program in place in the 1990s, the advantages of nuclear energy will significantly increase, particularly with respect to establishing this nation's energy independence. At the present time we are in the midst of an extensive research, development and demonstration program involving nuclear breeder technologies and are focusing on learning essential engineering facts related to the liquid metal fast breeder. Our demonstration programs will have reached the point by about 1990 that licensing of commercial breeders should be in order. Unfortunately we are already far behind France, England, Germany, Russia and probably Japan in the commercialization of this technology.

A breeder is a nuclear power plant which produces more fuel than it consumes. With a breeder program, this nation can convert our large stockpile of Uranium 238, already mined and in purified form, into a nuclear fuel of extraordinary value. This will give our nation a chance at energy independence. The energy that can be produced from the otherwise useless Uranium 238 can, with a breeder program, produce as much electricity as would be produced by more than 5 times all the oil possessed by all of the OPEC nations combined.

Statements that the breeder program presents some sort of special safety problem are simply not true. All nuclear plants produce plutonium. The breeder simply produces more than it uses. This new fuel will, in turn, be used to provide for concurrent energy requirements. Nuclear wastes from breeder plants are no different from the wastes of today's nuclear plants. I will discuss waste management presently.

I am not unaware of the fact that there are those who have actually convinced themselves that nuclear energy represents a special hazard to the public, and that the program should be terminated, in spite of its obvious benefits. I appeal to them to recognize that the production of electricity from nuclear fission is far safer than most other human activities, including the mining, transportation, and burning of coal, which is the only other significant source of energy available.

There is no moral or intellectual justification for becoming so obsessed with hypothetical hazards of nuclear energy that one refuses to deal in facts.

The most important fact is that the campaign to undermine nuclear energy is, in effect, a campaign to cause additional unemployment. Cutting back on nuclear energy production will mean increased unemployment among American workers, not only those involved in the construction of the nuclear plants themselves, but, far more important, those involved in permanent industries which will require the energy produced.

This nation will need additional energy for new homes, cars, jobs for young Americans already alive, for increased agricultural production, for environmental protection (which requires more energy), for industries which will compete in international markets and which will keep jobs at home, and for raising the standard of living of millions of low income Americans.

The 228 nuclear plants that can be on the line by 1985 will provide the energy requirements for about 6 million permanent jobs for American workers. If this energy is not available, and from this source, these jobs will probably not be available either.

Of course, the nuclear industry, just as any other, does have some hazardous aspects, and we must assume that at some time in the future there will be some accident causing property damage, injuries, and even deaths. It is crucial, however, to ask how likely these accidents are, and how this risk compares to that associated with other everyday activities.

While it is essential that every reasonable precaution be taken to guard against every conceivable accident—and this is being done—there is a point beyond which imagining wildly unlikely nuclear accidents becomes meaningless at best. Obsession with such anti-nuclear fantasies, while ignoring the much greater hazards of the real world around us, does a great disservice to the people whom we elected public officials are expected to represent.

Recent studies by Dr. Norman Rasmussen of M.I.T. indicate that with 100 plants on the line (as will be the case before 1980) a major accident is 10,000 times less likely to happen in a nuclear power plant than a comparable accident in a non-nuclear facility. Thus, the hazard to any individual or group will be about the same in 1980—with 100 plants on the line—as the hazard of being struck by a meteor.

To put it another way, the chance that a person will be killed from a nuclear accident in a nuclear power plant in 1980 is one in five billion a year. This means that in twenty years, on the average, and with no further upgrading of the plants, one person in the United States would, on a statistical basis, die as a result of a nuclear accident in some one of those 100 plants.

By way of comparison, we will kill about forty-five thousand Americans a year, and suffer about 2 million serious injuries from automobile accidents. About 12,000 persons burn to death. Overdoses of aspirin and aspirin compounds cause hundreds of deaths per year. About 1,000 persons die from electrical shock. About 160 are killed by lightning. About 3,000 choke to death on food. More than 2,000 are bitten by rabid animals. About 2,000 are killed in airplane accidents.

The fact is that not a single radiation death or injury has resulted from the operation of any licensed nuclear power plant in the United States, or anywhere else in the free world, nor has any member of the public been exposed to any radiation in excess of internationally approved standards as the result of the operation of all the 59 nuclear power plants and their supporting activities, and the more than 100 U.S. military nuclear reactors now in service.

If we were to assume 1,000 nuclear power plants on the line and assuming no advances in emission control technology, the average person in the U.S. would receive the following radiation: 102 millirem per year from natural background, 73 millirem per year from medical X-rays and therapeutic radiation, but only 0.4 millirem per year from the operation of all 1,000 nuclear plants and all their supporting activities. That's less than one-half of a millirem, as compared to almost 200 from natural and medical sources.

New Yorkers may be interested to learn that the radiation level at the Vanderbilt Street entrance of Grand Central Station, due to the natural radiation from the building's granite, is more than 500 times greater than the radiation exposure a person would receive at the gate of a nuclear power plant from the plant. It is more than 100 times the maximum radiation dose allowed to a member of the public by the Nuclear Regulatory Commission for the closest approach to a nuclear plant.

The safe storage of radioactive wastes is certainly a requirement accompanying the beneficial use of nuclear fission, and our 30 years experience in the nuclear military program has given us the know-how to do this.

Using techniques that have been developed during recent years, the safe, permanent storage of radioactive materials is actually a simple matter of good engineering and good management.

In the near future the ERDA will announce plans for permanent storage of radioactive wastes. The technique almost certain to be chosen involves converting the wastes to a solid glass, similar to Pyrex glassware—and just as inert—and encapsulating these glassified wastes in welded stainless steel canisters. Ten to twelve canisters, one foot in diameter and ten feet long, will contain the wastes produced each year by a 1000-megawatt power plant. Each one will represent about $20 million worth of electricity produced. All of this glassified waste from our nuclear energy program through the year 2000 would make a stack about twelve feet deep between the goal lines of a football field. An individual citizen's share of glassified nuclear waste for the balance of this century will be about 4 cubic inches, and most of this material will be non-radioactive glass. The waste canisters will be stored in stable geologic formations deep underground. As far as I know, no one has suggested any scenario by which these materials would be introduced into the biosphere.

I am pleased to say that the Congress has taken the initiative in establishing well-organized programs in solar energy, geothermal energy, and nuclear fusion.

The Solar Heating and Cooling Demonstration Act of 1974 provides a five-year program to demonstrate the commercial feasibility of using solar energy to heat and air condition residences and other buildings. We will have 2,000 demonstration solar heating units on the line by the end of 1977, and, in addition, 2,000 combined heating and cooling demonstration units by the end of 1979.

We have also established a long range, comprehensive program for all aspects of solar energy conversion to electricity, including wind conversion, thermal electric conversion, photovoltaics, ocean thermal gradients, bioconversion and the incineration of wastes for energy, or their conversion to useful fuels.

Solar energy will clearly play an important role in our future, and I am proud of the overall program we have established. We have increased funding for solar energy research and development about one hundred times during the five years I have been involved in the program, and our Committee on Science and Technology has just doubled the authorization for FY '77 over the expenditure for FY '76.

However, we must keep the potential for solar energy in perspective. With well-managed, well-funded, aggressive programs, we may, if we are lucky, be able to provide 1% of our energy from solar heating and cooling, and another 1% from all other methods of solar electric conversion by the year 1990; but almost certainly not before. For instance, if we were to convert 10% of our 70 million homes in this country to solar energy for heating and cooling by 1990—and that would be a truly prodigious undertaking—the energy saved would be only slightly more than 1% of our national energy demand.

The same general perspective applies to geothermal energy. In the Geothermal Research, Development, and Demonstration Act of 1974, our goal is to have from six to ten geothermal demonstration plants on the line by 1980. These are small plants, generating up to fifty megawatts of electricity each, using presently undeveloped types of geothermal energy such as hot dry rock formations, hot water deposits, and geopressured water. Here again, prudence must govern our optimism. Even with such a crash program which we are funding aggressively, it is unlikely that we can produce 1% of our total energy from all geothermal sources before 1990.

During the last three years we have experienced very encouraging progress in nuclear fusion research, and certainly we are now operating on a new plateau—one which we have dreamed of and sought for twenty years. Now, for the first time, we understand the physics and the dynamics of the plasma in which the thermonuclear reaction must take place. This puts us in a position to move forward with a much more aggressive research program; in which we can, with considerable confidence, predict success.

I believe that we can have our first commerically feasible fusion electric demonstration plant on the line by the mid or late 1990's, but this will require massive support, starting now, for materials research and development, and for engineering studies. If this program is successful, we may—in the 21st Century—be able to look forward to providing unlimited quantities of clean, cheap energy forever, not only for this country, but for all mankind. We may also look forward to phasing out the burning of fossil fuels and the use of nuclear fission to produce electricity—in the 21st Century.

It should be completely obvious that we cannot reach these goals of the 21st Century unless we establish intelligent and responsible policies and programs during the balance of the 20th Century. It should be obvious that this is no time for pretending that there are simplistic solutions to the tangle of interlocking and complex problems that face us. It should be obvious that we cannot afford to base our policies on fantasies, fears, hopes, or prejudices. It should be just as obvious, however, that this nation can develop policies and programs which will provide for adequate energy to maintain our economic stability and standard of living, while protecting or even improving our environment and the health and physical well-being of our citizens.

I believe we can do it if we establish energy policies that do make sense and if we implement them at every level right away. Everyone who understands this has a special role to play helping his fellow citizens understand, because the real enemies this nation faces, in the struggle to overcome the energy crisis, are primarily ignorance, fear, prejudice and emotionalism.

We have faced tough problems before. Many of us here lived through the Depression and helped fight the 2nd World War. We never doubted for a single moment what our purpose was or that we would ultimately overcome the difficulties that beset us during those trying times. I am convinced that if the American people exercise the same resilience, confidence, and good sense that we have demonstrated in the past, and if we demand responsible leadership from all of our public officials, appointed or elected, and if we demand policies based on scientific facts, we can overcome the problems that face us today, and help build a better world.

BLUE RIBBON PANEL CALLS FOR CURBS ON ARMS TRADE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. ASPIN. Mr. Speaker, the extremely rapid expansion in the sale of arms to foreign nations is a matter of very grave concern to many of us. Between 1963 and 1973, U.S. arms sales rose by over 300 percent. By 1975, the total value of those sales reached $9.5 billion—far above the level of sales of any other country in the world.

Despite this massive increase in the transfer of armaments, the administration has failed to seriously consider the implications of increasing the destructive capabilities of countries in such explosive regions as the Middle East and Southern Africa. Nor has the administration considered the effects of allowing an escalation in the economic importance of commercial arms sales.

The United States must exert greater control over this deadly trade, and we must thoroughly evaluate the full range of its effects on America and on the world.

The United Nations Association, with the support of the Rockefeller Foundation, has taken the initiative in this area and has produced an important study of the international arms trade, a summary of which I am including in the RECORD:

BLUE RIBBON PANEL CALLS FOR CURBS ON THE INTERNATIONAL ARMS TRADE

Paul C. Warnke, former Assistant Secretary of Defense for International Security Affairs, Richard N. Gardner, former Deputy Assistant Secretary of State for International Organization Affairs, and James F. Leonard, President of UNA–USA, today announced the publication of an interim report of the UNA–USA National Policy Panel on Conventional Arms Control. The report recommends a series of unilateral and multilateral actions for controlling the flourishing international arms traffic.

The report is signed by twenty-two distinguished former government officials, business and labor leaders, academic experts and retired military officers. Thornton F. Bradshaw, President of the Atlantic Richfield Company, is Chairman of the panel and Cyrus R. Vance, former Deputy Secretary of Defense, is Vice-Chairman.

The annual pace of international arms transfers has more than doubled over the past decade, with the U.S. exporting almost as many weapons as all other nations combined. In the current fiscal year, foreign orders for U.S. arms are expected to exceed $10 billion for the third year in succession. Not only has the volume of U.S. arms transfers tripled during the past ten years, but some of the most sophisticated weapon systems in the U.S. arsenal, such as F–14 fighters and Spruance class destroyers, are being exported to developing countries in the Third World.

The massive transfer of armaments, especially very advanced weapon systems, to potentially explosive regions of the Third World can exacerbate local tensions and increase the likelihood of armed conflict. In particular, the shipment of fighter-bombers and surface-to-surface missiles with city-busting capabilities to conflict-prone Third World areas has dangerous implications. The widespread bombing of cities in a local conflict would greatly multiply civilian casualties and increase the threat of direct superpower involvement. With the growing danger of nuclear proliferation, the export of nuclear capable delivery systems could raise dangerous ambiguities regarding the intentions and capabilities of the recipient countries.

Therefore, the panel recommends that:

The transfer of weapons with city-busting capabilities, such as strategic bombers and surface-to-surface missiles, to Third World countries and should encourage other suppliers to follow suit.

The United States should declare a moratorium on the export to Third World countries of weapons whose primary or exclusive function is to deliver nuclear warheads and should encourage other potential suppliers to adopt similar restraints. The shipment of U.S. Pershing and Soviet Scud missiles to the Middle East is inconsistent with these principles.

The United should restrict its shipment of high-technology weapons with primarily offensive capabilities to developing countries and should encourage other suppliers to adopt similar restraints.

The United States should approach the Soviet Union regarding a freeze on the shipment of very advanced weapons to the Arab states and Israel.

The United States and the Soviet Union should agree to consult with each other before undertaking major arms shipments to the Middle East.

The U.N. Security Council, which includes the major arms-supplying nations, should be encouraged to formulate general guidelines concerning the shipment of armaments to conflict-prone areas.

As the emphasis in U.S. arms exports has shifted from aid to sales, which now make up more than 95 percent of U.S. arms orders, economic motivations have gained prominence. Yet in the long run, dependence on fluctuating foreign markets could be detrimental to the health of U.S. defense industries. Perhaps more importantly, the current scarcity of global resources underlines the urgency of curbing arms expenditures in the developing world, which have been increasing more rapidly than those in the developed countries.

Therefore, the panel recommends that:

Economic motivations, such as aiding the U.S. balance-of-payments or supporting our domestic arms industry, should be subordinate to foreign policy, national security and arms control considerations in determining U.S. arms export policies.

Congress should pass legislation to phase out commercial sales gradually.

Recent Congressional efforts to open arms sales transactions to public scrutiny should be pursued, since increased publicity will inhibit the widespread use of agents' fees and bribery of foreign officials to obtain arms sales contracts.

The United States and other developed countries should take account of the reasonableness of local military expenditures as one factor in determining the level of bilateral economic aid programs.

Arms transfers have proven to be an ineffective means of gaining lasting influence over the domestic and foreign policies of recipient countries. Through the transfer of armaments and concomitant support programs the U.S. can inadvertently become identified or involved with potentially unstable and often unattractive regimes.

Therefore, the panel recommends that:

Arms transfers should be more carefully coordinated with U.S. foreign policy interests. The United States should not commit itself to major arms sales to nations toward which it has only marginal foreign policy commitments, particularly if there is a risk that such arms transfers could have harmful consequences for U.S. foreign policy interests in the long run.

Given the dominant U.S. position in the arms trade, greater U.S. restraint is a prerequisite for the development of effective international control measures. While the U.S. should take the initiative by adopting certain unilateral restraints on its arms exports, in the long run limiting the global arms traffic will require international cooperation and multilateral agreements among both arms suppliers and recipients.

UNA-USA NATIONAL POLICY PANEL ON CONVENTIONAL ARMS CONTROL

Thornton F. Bradshaw, Chairman, President and Chairman of the Executive Committee, Atlantic Richfield Company.

Harvey Brooks, Dean of Engineering and Applied Physics, Harvard University.

Barry E. Carter, Attorney at Law, Morrison & Foerster, Formerly, National Security Council Staff.

Harlan Cleveland, Director, Program in International Affairs Aspen Institute for Humanistic Studies, Formerly, U.S. Ambassador to NATO.

Lynn E. Davis, Assistant Professor of Political Science, Columbia University.

Gaylord Freeman, Honorary Chairman of the Board, First National Bank of Chicago.

Richard N. Gardner, Henry L. Moses Professor of Law and International Organization, Columbia University, Formerly, Deputy Assistant Secretary of State for International Organization Affairs.

Richard L. Garwin, Thomas J. Watson Research Center, International Business Machines Corporation.

Paul Jennings, President, International Union of Electrical, Radio and Machine Workers.

Robert Kleiman, Editorial Board, New York Times.

Charles McC. Mathias, Jr., U.S. Senator for Maryland.

Paul W. McCracken, Edmund Ezra Day University Professor of Business Administration, University of Michigan, Formerly, Chairman of the Council of Economic Advisors.

Vice Admiral Gerald E. Miller, U.S. Navy (Ret.), Formerly, Commander of the Sixth Fleet.

Cyrus R. Vance, Vice Chairman, Partner, Simpson, Thacher & Bartlett, Formerly, Deputy Secretary of Defense.

Waldemar A. Nielsen, President, W. A. Nielsen and Company.

Frank Pace, Jr., President International Executive Service Corps, Formerly, Secretary of the Army; Chairman of the Board, General Dynamics.

General Bruce Palmer, Jr., U.S. Army (Ret.), Executive Director, Defense Manpower Commission, Formerly, Army Vice Chief of Staff.

Robert V. Roosa, Partner, Brown Brothers Harriman & Co., Formerly, Under Secretary of the Treasury.

Joseph M. Segel, Chairman, Presidential Airways, Board of Governors, UNA-USA.

Ivan Selin, Chairman of the Board, American Management Systems, Inc., Formerly, Acting Assistant Secretary of Defense for Systems Analysis.

Frank Stanton, Chairman of the American Red Cross, Formerly, Vice Chairman of the Board, Columbia Broadcasting System.

Paul C. Warnke, Partner, Clifford, Warnke, Glass, McIlwain & Finney, Formerly, Assistant Secretary of Defense for International Security Affairs.

Staff: Edward C. Luck, Project Director, Geraldine R. Caruana, Administrative Assistant.

ECHEVERRIA OPENS MEXICO TO ALL LATIN AMERICAN REDS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. McDONALD of Georgia. Mr. Speaker, the manner in which the President of Mexico, Luis Echeverria, is imposing on his country a collection of Communists who have been obliged to leave other parts of Latin America should be subject of general interest. I have mentioned it several times, and now we find confirmation in the New York Times—which, of course, leaves no doubt of its approval. It is worth noting that these foreign Communists are given preferential treatment and choice jobs in journalism, higher education, and government, at the expense of Mexicans who are as well, or even better qualified. I believe this demonstrates the determination of President Echeverria to push his country in directions determined by international communism.

The Times account of April 28 follows:

MEXICO A HAVEN FOR LATIN EXILES AS RIGHTIST REGIMES TIGHTEN CURBS

(By Alan Riding)

MEXICO CITY, April 27.—"We knew Mexico's tradition on asylum and we remembered the way Mexico helped the Chileans," recalled a Uruguayan doctor and Communist Party militant, now a political exile, "so I grabbed my wife and children and we headed for the embassy."

The doctor sat around Mexico City's Hotel Versailles with other Uruguayan leftists who have recently fled the country. "We just don't know what is happening to our friends and relatives," a woman historian said. "We were lucky to get out. The Mexican Embassy is now surrounded by soldiers and it's difficult to get in."

With right-wing governments continuing to tighten their grip on the South American republics, Mexico is becoming perhaps the last safe haven and political center in Latin America for leftist exiles from the entire region."

Outside the Hotel Versailles, which has become the first home in Mexico for growing numbers of South American exiles, the distinctive Argentine accents of a mother and two children identified members of a group of refugees who had just arrived from Buenos Aires.

"MEXICO IS GENEROUS"

"Mexico is extraordinarily open and generous with political exiles," said Dr. Ricardo Obregón Cano, former Governor of the Argentine province of Córdoba and now secretary general of a group called the Argentine Solidarity Committee. "No other country offers such personal and political security."

Although Venezuela, Colombia and Costa Rica, the only three Latin American countries generally considered to be democratic, have received some exiles in recent years, they have reportedly done so reluctantly.

"The Venezuelan Embassy in Montevideo actually turned away a refugee who was then immediately arrested," one Uruguayan exile recalled bitterly. "Colombia took five refugees against its will, while Costa Rica and Peru also closed their doors. But, at the last count, there were more than 100 exiles in the Mexican Embassy."

Mexico's tradition of granting asylum to political exiles goes back to the late 1930's when thousands of republican refugees from the Spanish Civil War were welcomed here by the left-leaning President, Gen. Lázaro Cárdenas.

Even during the 1950's and 60's when more conservative regimes governed Mexico, leftist opponents of the repressive regimes Brazil, Guatemala, Nicaragua and Haiti as well as right wing exiles from the Cuban Government of Fidel Castro were granted asylum here.

But, under President Luis Echeverría Alvarez, this tradition has been transformed into an active instrument of foreign policy that enables the Government to contrast its new liberalism with the strident conservatism of many South American regimes.

As a result, during the last three years Mexico has not only opened the doors of its embassies to persecuted leftists, put pressure on other governments to allow them to fly into exile and tried to negotiate the release of political prisoners, but has also been willing to sacrifice good relations with military regimes in order to protect their political opponents.

Mexico's warm welcome for refugees from Chile's military junta marked the beginning of this more aggressive policy in dealing with the problem of repression of leftists in several South American republics.

In part, this reflected the close friendship between President Echeverría and the late President Salvador Allende Gossens of Chile. The Mexican leader personally invited Dr. Allende's widow, Ortensia Bussi de Allende, to reside here and he later gave her a home in Mexico City.

TIES WITH CHILE BROKEN

But Mr. Echeverria also went out of his way to grant permanent or temporary asylum here to more then 3,000 Chilean leftists, including such prominent figures as former Foreign Minister Glodomiro Almeyda Medina and former Minister of Economy Pedro Vuskovic Bravo. And once the Mexican Embassy in Santiago was cleared of refugees, Mexico broke off diplomatic relations with the Chilean junta in November 1974.

The next wave of exiles came from Argentina, beginning in October 1974, after the Government of President Isabel Martinez de Peron swung to the right and a right-wing terrorist group, the Argentine Anti-Communist Alliance, began an offensive against leftists and even moderate opponents of the regime.

According to Dr. Obregón Cano, who now acts as a dental consultant as well as informal adviser to refugees, 450 to 500 Argentines, including two former university rectors, Rodolfo Puiggros and Raul Leguzzi, and former Interior Minister Esteban Righi, have taken up exile here since then. Most left Argentina after attempts or threats against their lives.

After the military coup against the Government of Mrs. Perón on March 24 this year, a new wave of exiles was expected to reach Mexico, but so far few have arrived. "The first thing the junta did was to surround all embassies, close the airports and even block all roads leading out of the country," Dr. Obregón Cano said in an interview. "This time the junta doesn't want any leftists to escape."

Like Argentina's new regime, the military-dominated Government of President Juan Maria Bordaberry in Uruguay does not recognize any of the country's own nationals as political refugees and therefore it refuses to grant them formal exile status.

Since the Uruguayan Army virtually took over the Government in June 1973, not only has the Tupamaro guerrilla movement been crushed but the Congress has also been closed, labor and student organizations have been outlawed and, according to exile sources, about 6,000 opponents of the regime have been imprisoned.

Last October, a new wave of repression agaist the Uruguayan left began, leading the London-based Amnesty International organization to denounce arbitrary arrests on a mass scale in Uruguay and the application of "institutionalized torture" against political prisoners there. Soon after, many who feared arrest began seeking asylum in the Mexican Embassy.

"The Uruguayan Government is furious with Mexico," one exile said, showing a visitor an editorial from the pro-Government Montevideo newspaper La Mañana that carried the headline, "Mexico on the Dangerous Path Toward Communism."

"It would like to expel the Mexican ambassador, but it doesn't want to draw too much attention," the exile said.

In Mexico, though, the Uruguayan situation has already become something of a cause celebre, at least among newspaper readers. Almost daily the newspapers here carry detailed accounts of repression and torture in Uruguay alongside reports of Mexico's assistance to opponents of the Bordaberry Government.

As in the cases of Chilean and Argentine exiles before them, this publicity should help the Uruguayans find jobs as well as sympathy in Mexico. For example, government offices and state universities know immediately that it is official policy to help the Uruguayan exiles.

Yet, even apart from the anxiety they feel over the situation of relatives back home, the Uruguayans are finding their first weeks in Mexico less than easy. "We know that Mexico has its own serious unemployment problem," said one recent arrival from Montevideo who, like many of his colleagues, asked that his name not be published. "And we also know that many of the teaching and professional vacancies have been filled by Chileans and Argentines."

Until they find work, however, they are under no pressure to leave the modest comfort of the Hotel Versailles, where the Government has agreed to pay for their rooms and meals for an indefinite period. "Obviously we want to find work," one young exile said, "but the Government seems to understand the difficulties."

Exiles arriving from Argentina, on the other hand, have the advantage of finding an established exile organization, including not only the Solidarity Committee but also a cultural center known as Argentina House. "We don't concern ourselves about the political position of each exile," Dr. Obregon Cano said, "so long as they are political refugees. Most of us are Peronists, but we also help people from other parties."

JOURNALIST FINDS WORK QUICKLY

For example, thanks to assistance from established exiles, an Argentine journalist from Cordoba recently found a job and obtained immigrant status in Mexico within a month of his arrival here, even though he belonged to the former radical opposition party.

In contrast, 30 months after the coup against President Allende, the Chilean exile community is showing signs of disintegration, with tradtional political differences now reflected in bitter divisions and infighting.

Part of Mexico's attraction for exiles is that, while it is as safe as many distant European countries, South Americans finding asylum here do not feel so out of touch with events back home.

"I'm so relieved I stayed here," said a former aide to President Allende who was also offered refuge in East Germany. "Here we're still in Latin America, people speak Spanish, It's more familiar, we don't feel so far from home. And, of course, the newspapers are full of news from Chile."

JOINT COMMITTEE SCHEDULING OF HEARINGS ON RADIOACTIVE WASTE MANAGEMENT

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. McCORMACK. Mr. Speaker, as chairman of the Subcommittee on Environment and Safety of the Joint Committee on Atomic Energy, I am pleased to announce that the subcomittee will conduct a series of public hearings on the management of radioactive wastes starting next Monday. The hearings will be held at 10 a.m., on May 10, 11, and 12 in the public hearing room of the Joint Committee, S. 407, U.S. Capitol.

The management and handling of radioactive wastes, including wastes from our nuclear energy industry, is a subject of intense concern throughout the country. There is not the slightest doubt but that the technology can be developed for isolating, encapsulating, and storing our nuclear wastes deep in the ground in such a way that they present no threat whatsoever to the biosphere, the environment, or the population. Furthermore, it should be possible to do this so economically that the additional cost for nuclear electricity associated with permanent waste management would be insignificant.

The time has come for a full public discussion of the technical alternatives associated with waste management. The Energy Research and Development Administration, along with the Nuclear Regulatory Commission, the Environmental Protection Agency, and other agencies of the Government, have been studying this subject in detail for several years. ERDA is now prepared to make public its recommendations concerning these alternate technologies, and these hearings are scheduled to provide a platform for the ERDA to describe to the Congress and the public what the technical options are, what they might cost, and when they will be available.

The Joint Committee on Atomic Energy has full responsibility for oversight and legislation in the field of management of radioactive wastes. These hearings are designed to provide a "no holds barred", in-depth analysis of all aspects of this question so that the Joint Committee may provide whatever legislation is necessary to see that the implementation of programs for nuclear waste management is carried forward expeditiously.

Our goal is to establish a program under which all radioactive wastes are concentrated, encapsulated, and stored in a manner that will assure the full protection of the public, both now and in the future.

The subject of radioactive waste management is of great concern to all of us and I hope that my colleagues in the Congress will have the opportunity to either attend the hearings or familiarize themselves with the testimony generated from the hearings.

The tentative schedule follows:

Monday, May 10, 1976, 10 a.m.:

Richard Roberts, Assistant Administrator for Nuclear Energy, Energy Research and Development Administration.

John Bartlett, Pacific Northwest Laboratory.

James Liverman, Assistant Administrator for Environment and Safety, Energy Research and Development Administration.

Frank Baranowski, Director, Division of Nuclear Fuel Cycle and Production, Energy Research and Development Administration.

Tuesday, May 11, 1976, 10 a.m.:

John Frye and Robert Fosch, National Academy of Sciences, Committee on Radioactive Waste Management.

George DeBuchananne, U.S. Geological Survey.

(Additional witnesses not yet identified.)

Wednesday, May 12, 1976, 10 a.m.:

Marcus Rowden, chairman, Nuclear Regulatory Commission.

Kenneth Chapman, Director, Office of Nuclear Material Safety and Safeguards, Nuclear Regulatory Commission.

Richard Roberts, Assistant Administrator for Nuclear Energy, Energy Research and Development Administration.

Roger Strelow, Assistant Administrator, Environmental Protection Agency.

CHEMICAL INDUSTRY LEADER FINDS LOAN GUARANTEES NECESSARY FOR CLEAN FUELS DEVELOPMENT

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. TEAGUE. Mr. Speaker, Thomas Milhaupt of the petrochemical energy group finds loan guarantees a necessity in the development of clean synthetic fuels. In testimony before the House Committee on Science and Technology, Mr. Milhaupt spoke as a representative of the many independent companies which comprise the petrochemical energy group. Each of the member companies is engaged in the production of refined products made from petroleum or natural gas.

By their very definition these companies are energy intensive, using petroleum and natural gas not only for fuels but for feedstocks. Mr. Milhaupt states:

> . . . we are uniquely affected and vitally interested in legislation assuring adequate and economic supplies of these resources for the nation. And because we understand that H.R. 12112 is designed to encourage and explore the development and utilization of our domestic energy resources we believe that it is a step in the right direction and are pleased to appear in support of such initiatives.

Mr. Milhaupt's testimony stressed the importance of oil and gas hydrocarbons to their industry, including the liquid and gaseous synthetic fuels that can be derived from coal, urban waste, and other resources.

The petrochemical industry is particularly vulnerable to oil and natural gas shortages because no matter how strictly they conserve their energy efficient production there is no significant possibility for conservation when these resources are used as feedstocks to produce the refined products. For this reason the petrochemical industry and the jobs it creates are extremely susceptible to supply shortages.

Petrochemicals provide the basis for a multiplicity of products upon which all Americans depend. Seventy-eight percent of the Nation's rubber used for tires, coal conveyor belts, irrigation piping and other products are petrochemical based. Americans use 29 billion pounds of petrochemical based plastics each year. Sixty percent of the textiles produced in this country depend on petrochemicals; ammonia made from natural gas forms the base of our fertilizer industry. The automobile industry is increasingly dependent upon synthetic rubber and plastic to achieve lower weight and better performance in their products. In 1975 the average U.S. automobile contained more than 300 pounds of petrochemicals. There is hardly a day when each of us does not use detergent, aspirin, antifreeze, hydraulic fluid for cars and numerous other products made from petrochemicals.

Independent studies, validated by the economy's recent recession, indicate that a sustained reduction of only 15 percent in feedstocks for petrochemicals would mean a loss of 1.8 million jobs and a loss of $65 to $70 billion in production value. This loss would reverberate across the country.

Mr. Milhaupt suggests that—

> . . . the future well-being of the Nation as a whole, including the domestic petrochemical industry, may depend upon a viable synthetic fuels industry.

He advises that coal-based synthetic natural gas plants are particularly desirable because they would convert a "dirty" resource into a usable and clean fuel, decreasing this Nation's dependence on imports while advancing the goal of environmental acceptable fuels.

Mr. Milhaupt concluded his testimony by stating:

> Our best chance for meeting threatened shortages head-on and to move ahead is to encourage and make best use of every potential domestic energy resource. We believe H.R. 12112 is a positive forthright step in that direction.

ARE PERSONALITIES OR FACTS MOST IMPORTANT IN TELEVISION NEWS REPORTING?

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. MOTTL. Mr. Speaker, I would like to share with other Members of the House the observations of a leading editor in my home city on a subject which is of great concern to our democratic republic.

The ultimate success of any democracy depends on the intelligent guidance it receives from a well-informed electorate.

Few subjects are of greater importance to our democratic institutions than the measure of information about public affairs, national and local, which is communicated to the people who create the public opinion which guides and controls this country.

The article I am about to present to you is written by Thomas Vail, editor and publisher of the Cleveland Plain Dealer, which is Ohio's largest newspaper. Mr. Vail is discussing the million-dollar bonanza which recently engulfed Barbara Walters, one of our leading television personalities.

Without further adieu, I will present Mr. Vail's article from the Plain Dealer of May 2 for your thoughtful consideration:

WILL EVENING NEWS SUIT BARBARA?

(By Thomas Vail)

The impending move of NBC's "Today" show superstar Barbara Walters, from NBC to ABC for a $5-million, five-year contract has brought forth interesting comment from the media about itself.

Usually media people do not talk about themselves which, for this writer, is an asset. Autobiographies are mostly inaccuracies. But this time there have been thoughtful observations about the media and its current role in our society.

Resident intellectual Eric Sevaried on CBS said show business was taking over the news business, at least on television. His point was that in times past the news was more important than the person presenting it. Sevaried said that this is changing and suggests that we are headed in the wrong direction when the people who present the news are more important than the news itself.

The Plain Dealer's able TV critic, Bill Hickey, wrote a column to the effect that the American Broadcasting Co. was not wasting any money by hiring Barbara Walters to anchor its evening news because higher Nielsen ratings for ABC's nightly news will enable that network to make many more millions by charging more for the advertising on the programs.

I have a personal observation to add, as I have been on the "Today" show twice and have had on various occasions interesting conversations with Barbara Walters. I wonder how the evening news format is going to suit her brilliant reportorial talent.

The genius of Barbara Walters is that she asks significant questions in a concise manner. Knowing that electronic journalism has above all a time problem, Ms. Walters gets right to the point. She asks penetrating questions designed to elicit as much as possible from her respondent in the shortest possible time.

This is the unique and essential gift of a top reporter. You must be curious, you must be informed, and you must know how to ask a question to get significant information from the person you are interviewing. Barbara Walters has these talents, which are unfortunately too often lacking among both print and electronic media people.

Many of my more intelligent friends are too often disappointed by the poor questions and the inept manner of asking them even at the higher levels of newsgathering. Presidential press conferences too often end up with the wrong questions asked in the wrong way. Some reporters are more interested in their own point of view than that of the person they are interviewing.

A few years ago when I was on "Meet the Press" with then Vice President Hubert Humphrey, an editor of a famous national publication spent five minutes giving his opinions of the Vietnam war. Apparently he forgot that you are not on hand in the media business to give your views but rather find out the views of others. Barbara Walters has not made these mistakes and has stuck to asking questions, which is a fundamental of the reporter's craft.

The question that remains is whether an evening news format makes the most sense for this kind of outstanding reportorial talent.

The evening news report on network television is put together by a staff of network reporters and from wire services. It is mainly a recitation of news and analysis gathered by others. Thus, Walter Cronkite, Harry Reasoner or John Chancellor mainly pass on information assembled by others. Most often they are conveyors rather than reporters. If the anchor person is moderate, middle-aged and "sincere," this is a main asset in the ratings game.

While Barbara Walters may like being the first woman to anchor a network evening news program and although she may enjoy the huge income, it will be interesting to see if her talents really fit into an evening news broadcast where reportorial talents play a lesser role.

ABC needs a new backup to the rather dull Harry Reasoner. His new brainy co-anchor person will liven up things for sure. Also we understand Barbara Walters will also be given other formats so she can continue to ask those penetrating questions.

In the meantime we will watch the Nielsen ratings and hopefully keep track of the significance of the news as well as the personalities who present it.

COPING WITH OSHA

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. ABDNOR. Mr. Speaker, South Dakotans are law-abiding people who do their best to adhere to the copious, confused, and often contradictory maze of Federal regulations they confront at every turn. They want the safe working conditions mandated by their own consciences and by the Occupational Safety and Health Administration.

Sometimes in coping with OSHA they find it necessary to radically alter their operations. I would like to share with my colleagues a report on how one South Dakota excavator handled the matter: he fired all his employees:

MAN EVADES OSHA'S WATCHFUL EYE

(By James Carrier)

SIOUX FALLS.—After giving him three fines, federal safety inspectors have stopped looking over Bob Colwill's shoulder.

He isn't any safer than he used to be. He just stopped being an employer. And without employes, Colwill's sewer-excavating business is out of the reach of the federal Occupational Safety and Health Administration (OSHA).

"I'm not about to spend six months in a penitentiary for giving someone a job," said Colwill. The maximum penalty for willful violation of an OSHA regulation in which an employe is killed, is six months in prison and $10,000 fine.

After two fines of $500 and $250 and a proposed fine (still under appeal) of $900, Colwill had enough. The next fine could have been $2,000 to $10,000.

"That created a lot of pressure for me, personally. It was on my mind constantly. I slept with it.

"No one got hurt in 25 years, except for a cut finger. It's a hazardous occupation, but we seldom do anything we don't feel is safe," said Colwill.

Following OSHA's third citation to Colwill last December, he fired his six employes (he employed 26 during busy periods), sold most of his equipment (at a $40,000 loss), and on the advice of his attorney formed a partnership with his son, Randy and former employe Dick Green.

"As partners they are not subject to the (OSHA) act," said Charles Hines, OSHA's South Dakota director. "As a partnership they could operate under hazardous conditions, I guess, if they elect to subject themselves to the hazards. We're strictly concerned with the safety protection of employes."

Hines and his inspectors pay particular attention to trenches and excavations, part of a national OSHA policy to reduce the 150 deaths in trenchs each year.

In the first eight months of this year, 30 trench deaths have been reported in the U.S. There has been one trench death in South Dakota in the last 1½ years, Hines said. A cave-in at a Huron sewer site April 13 led to injuries to a worker, and a "willful violation" citation against the construction company.

Colwill's three citations all involved shoring of trench sites. Colwill claims that no contractor is complying fully with the law, and that the regulations boost the price of a $100 job to $1,000.

He also says other contractors in Sioux Falls operate with one eye over their shoulder, watching for OSHA inspectors.

"If they are spending that much time, they could spend it correcting the condition rather than in looking over their shoulders," said Hines. "All we ask is that he comply with the regulations. We're not going to go out and pick on people. We absorb an awful lot of nasty comments.

"The action that motivates me is not my pay. It's the feeling that I'm able to prevent someone from losing his life, or being maimed, through what I saw."

Hines concedes that some contractors in the state may be violating the regulations. But he said OSHA was making an effort to find them.

OSHA's regulations for excavations are fairly straightforward. The contractor can slope the soil back from the trench to an angle where the soil won't slide. The angle varies with the soil, for example, less with sand, greater for clay.

He could also use a trench box or shield, in which the worker stands while working.

The third method is shoring of the sides with wood, metal or hydraulic braces.

Since the Sioux Falls OSHA office opened on July 16, 1974, inspectors have made 74 trench inspections, issued 39 "serious" citations and one "willful" and imposed fines of $21,745.

Nationwide, in the first eight months of the 1976 fiscal year, penalties of $400,498 have been imposed in trenching cases.

Colwill isn't entirely anti-OSHA. He agrees with many of the regulations. But he also says common sense served him well through the years.

HONESTY AND INTEGRITY SOUGHT BY CONSUMERS

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. ROONEY. Mr. Speaker, it was my good fortune to be a keynote speaker this past week at the "Discover America" National Conference and Travel Mart, in Pittsburgh, Pa.

Mr. Jack Yohe, Director of the Civil Aeronautics Board's Office of the Consumer Advocate, appeared on one of the panels. His comments should be shared by those who deal with the public and I ask that Mr. Yohe's talk be printed in the RECORD:

ADDRESS BY JACK YOHE

I want to sincerely thank you for the opportunity to meet with you today. I believe that there is a critical need to convince not only our foreign friends to discover America, but, even in this Bicentennial year, there is a need to convince many Americans to "Discover America". So at the outset I want to express my wholehearted support for your efforts. Of course air transportation is a vital, in fact for many people, an indispensable prerequisite to discovering America.

Today I want to tell you about some of the things that the Civil Aeronautics Board has done or is doing that I believe will help enable consumers to discover America. In fact, largely in response to the efforts of Board Member G. Joseph Minetti, our carriers in the early 1960s adopted the Visit U.S.A. fare. Travel to the United States was seen as promising not only widespread economic benefits but also a mutual sense of understanding. As the Board's consumer advocate, I am naturally also going to tell you about what consumers want and need, indeed demand, before you can convince them to "Discover America". As the title of the panel indicates, it is the consumer who ultimately decides. He decides whether to travel and he decides where to travel. As the Board's consumer advocate I am glad to see recognition of the fact that it is the consumer who will make these decisions.

So that you may put my comments into perspective, I will give you a brief outline of the functions of my Office. The Board's Office of the Consumer Advocate is staffed by attorneys, economists and consumer analysts. It is a unique consumer office in the Federal Government in that we not only handle individual consumer complaints against air carriers and tour operators, but, we also advocate the interests of consumers as an independent party in Board proceedings. In the last year or so we have handled over 12,000 consumer complaints.

We have also participated in about 36 Board cases as a party on behalf of consumers. These cases have included such things as a petition for rulemaking to liberalize the charter regulations; a third party enforcement complaint against a carrier's handling of passenger baggage claims; and several complaints against proposed fare increases. We have also supported liberalized compensation for lost, damaged and delayed baggage, supported Air Midwest's certificate application and we have urged adoption of new forms of tour charters.

One of our major objectives is to see that the benefits of low cost vacation air transportation are brought within the reach of an increasing number of Americans who heretofore have believed that vacation air travel was beyond their reach. In this regard I believe that charters offer consumers an unprecedented opportunity to discover their own country. Over the years the CAB has adopted ever more liberal charter rules with the objective of bringing the benefits of low-cost charters to the public in a nondiscriminatory manner.

Unfortunately, until recently, most of these rules were too forbidding to consumers and consumers decided against using them. Requirements as to advance purchase, minimum price, minimum stay and multiple stops coupled with the risk of forfeiture of money for late cancellation or inability to travel, caused far too many consumers to decide against purchasing charter packages.

Thus, while the Board did liberalize its rules far too few consumers purchased these charters. This was particularly true for domestic charters. To the extent success was achieved with earlier charter rules, it was primarily achieved in international transportation—that is, flights that took Americans abroad. For practical purposes, domestic charters were the province of affinity charters and subject to all the problems of affinities such as the group membership requirement on the one hand vs. illegal sales on the other hand.

However, last fall, just in time for the Bicentennial year, the Board adopted a new form of charter known as the OTC—for One-stop-inclusive Tour Charter. So far it looks like this is going to be by far the most successful form of publicly available charter yet adopted—and, it appears that the majority of OTC flights will be to domestic destinations. This rule, which permits package tours of as little as four days, and does not require multiple stops, has been particularly successful to destinations such as Hawaii, Las Vegas, and Miami.

Consumers have decided to accept and buy the OTC and I believe that they have done so because the tours are sold at a fixed price, the advance purchase requirement is short and, particularly for continental destinations, the 4-day package is economical. The question now is: will the tour operators and, I might add the venders of the ground accommodations—the hotels, the amusement and theme parks, the resorts and restaurants—provide the quality and quantity of service that will cause the consumer to decide that an OTC is a vacation that he will continue to buy.

If there is one point I want to make today it is that consumers do decide—they decide what they are going to buy and they decide afterward whether they received their money's worth—it's the ones who decide they didn't get what they paid for that I hear from. From the standpoint of this meeting, the question really is: What will make a consumer decide to discover America? Obviously, there are many answers to that question and no one answer will be, or can be, comprehensive. But, I would like to suggest two words as the answer—quality and honesty. Quality in service and accommodations and honesty in dealing with consumers; honesty in advertising and honesty when something goes wrong. The day is rapidly ending, if it has not already ended, when a consumer can be promised deluxe accommodations on the ocean and be given a flea bag 50 miles inland. At the same time, when a change in itinerary is necessitated or an accommodation becomes unavailable, honesty in dealing with the consumer is needed—honesty in admitting the problem and honesty in doing what is necessary to resolve the problem.

You know, in this post-Vietnam, post-Watergate Bicentennial year there is a great desire in this country to get back to the basics of what we used to call the "American Way". That expression in recent years has fallen into disrepect—but in the part of the country I come from the term did and I hope still does, carry deep meaning. It implied among other things, honesty and fairness in dealing with your fellow man and integrity in business dealings. I believe that ultimately those are the things that cause a consumer to decide what to purchase.

While the OTC is not the only, nor even the primary, means for domestic and international air travel, it appears to be one which will become increasingly more important. I believe that at the same time other types of package tours will grow correspondingly—including tours using scheduled air transportation as well as other modes of transportation.

Since Tours are becoming increasingly popular, we can expect greater consumer awareness of the companies who provide these tours. While some firms of long standing in the travel industry are operating the new types of programs, newcomers are also participating. It is my belief that the reputation of the tour operator is quite important in the consumers' decision to purchase one program over another.

Since these programs tend to be operated to the most popular destinations, a consumer often has a choice as to which one he will purchase to a given place. In making that decision, the companies' reputation is bound to be important. Many consumers have called my Office to find out if a particular operation is legitimate, that it is filed with the Board according to the regulations.

I think that even more importantly, consumers are also calling before, during and after their tours to complain bitterly about changes in schedules, quality of accommodations and generally shoddy performance. This is especially true of OTCs; so much so, in fact, that I am beginning to believe that OTCs may earn such a lurid reputation that consumers will decide that they will not purchase an OTC.

During the Las Vegas hotel strike, my office received a nearly unprecedented deluge of bitter complaints from outraged consumers. Outrage that alleged inferior hotels had been substituted for first class hotels. Outrage that some flights were cancelled and others, organized by the same company, were operated. Outrage that place and time of departure and/or return were arbitrarily changed with the curt explanation: "Go or forfeit your money."

But these were only symptoms of what I believe is a far more serious problem. In checking into the complaints, my staff found that most of these complainants never received, let alone signed, a contract. We found that many consumers didn't even know who the actual tour operator was, let alone who his bonding company was or where the escrow account was located. In fact, we found that often payments were not forwarded to the escrow accounts. To me, perhaps the most incredible thing was that professional travel agents were uncertain whose OTC they had sold—the travel agent having dealt with a tour wholesaler.

I would suggest to you that the travel agent has a duty to know what product he is selling; to know what his client's rights and obligations are before he sells a package tour; to know where the passengers' money is to be sent and to see that it gets there.

I further suggest to you that it is the organizer's duty to know who is selling his tours and how they are being sold. It is also the organizer's duty to deal honestly and forthrightly with the consumer—to advertise honestly, to tell the consumer ahead of time if there is going to be a change or delay and to offer reasonable reimbursement if, for reasons beyond his control, he must deliver less than he promised.

The complaints we receive tell us that it is not so much that changes are made that angers consumers. Rather, it is the fact that they are not told of the changes until at or near departure and the fact that, in many cases, they are not given any choice in the matter. The consumer is left feeling that he was not told of any changes because the organizer knew the changes were a "rip off" but kept silent rather than risk loss of the sale.

Some of the recent cases that you all may be familiar with are particularly damaging to the image of package tours, regardless of the mode of transportation or the type of service.

The recent Super Bowl fiasco was a particularly black day for tour operators.

A group of consumers who had purchased an all inclusive package to the Super Bowl received everything they paid for—except tickets to the Super Bowl. As a point of illustration, I would suggest that in such a situation an offer to refund the price of the game ticket is not an appropriate response.

Recently I read in the Washington Star about a round-the-world ocean cruise that cut short one too many port stays, thereby causing a near riot among the passengers. I suggest to you that the best way to deal with these consumers was not to throw five off the ship and threaten the rest with fire hoses.

On the Las Vegas OTCs I mentioned earlier, I suggest that it does no one any good to suggest that a third rate hotel was really as good as the first class hotel that had been advertised, or, that the absence of entertainment at the hotel would really not detract from the package.

Another recent case resulted from the earthquake which struck Guatemala just before a tour was to go there. The organizer changed the destination to Mexico City. Some passengers apparently felt their choice in the matter amounted to "go or face forfeiture."

In each of these cases, and too many more like them, events occurred over which the tour operators had little control but how much different the result would have been if the tour operator had dealt forthrightly with the consumer.

I said earlier and I reiterate now, the day when consumers accepted the theory of caveat emptor is past. That fact is witnessed not only by the letters and phone calls my office and other government and congressional offices receive, but also by the passage of new legislation to protect consumers.

On a more immediate basis, I am sure that you all know that last week the Federal Trade Commission's Boston Office announced a comprehensive investigation of the package tour industry—including tour operators, travel agents and carriers.

Today, my Office in Washington is filing before the CAB, a petition for rulemaking to license tour operators organizing tours under the Board's Special Charter Regulations.

We are also petitioning the Board to adopt standard forms for carrier-organizer contracts, organizer-participant contracts and escrow account agreements. Our proposal is not intended to limit the number of tour organizers or to carve out areas of operation. Rather, we are seeking to insure that tour operators demonstrate a minimum level of fitness before they can operate charters.

Further, our proposal would require complete disclosure of ownership and relationship with other organizers or air carriers. We believe our proposal would permit the Board to better monitor the performance of tour organizers, while, at the same time, reducing the administrative burden which current prior filing requirements impose on both the organizer and the Board. Under our proposal, once licensed, an organizer would merely be required to provide a listing of the flights he proposed to operate and to meet the appropriate requirements as to filing passenger lists and providing post flight reports.

Let me leave with you these few general comments on the "consumer movement".

A great deal of consumer protection machinery has already been built through regulatory steps, legislation, governmental and independent consumer advocacy, and the courts. It is unlikely that it could or would be easily dismantled, and I do not believe that it should be. It will continue operating and growing.

There is an important message that runs through all sincere consumer efforts. I think the consumer is really asking that the businessman, the manufacturer, the air carrier, the provider of goods and services, "care." I think that is what perceptive regulators and legislators see in consumer advocacy.

Of course, "care" cannot be imposed by regulation or compelled by legislation. They can only assure compliance and compliance is "after the fact." "Care" comes before the fact of regulation and law and it can make regulation and law easier to deal with. I suppose that I am just naive enough to believe that where "care" exists in sufficient quantity and quality, it could make a considerable amount of regulation and legislation unnecessary.

I believe that overall the air transportation companies, the tour operators and travel agents have done a good job in dealing with consumers. Unfortunately, however, there have been too many instances of misleading advertising and arbitrary itinerary changes and, at the same time, instances where the only significant consideration appears to have been how much profit there will be, or which program will pay the highest commission. These are legitimate and important considerations but they are not the only ones; and they follow logically only if the service has been sold with a high degree of professional responsibility.

I urge all of you—as I know the majority of you already do—to make every effort to see that the consumer gets a dollar's worth of value for every dollar he pays, because, in the long run, if the industry does not insure quality, the government will step in to do the job.

Let me conclude with this. If, in this Bicentennial year, you want the consumer to decide to Discover America, provide him with a dollar's worth of value for each dollar paid—a dollar's worth of value served with honesty and pride. Thank you.

POLITICS AND THE BLACK ECONOMIC CONDITION

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. YOUNG of Georgia. Mr. Speaker, this past weekend, the Caucus of Black Democrats, made up of leading black Democrats from across the Nation, met in Charlotte, N.C., to discuss and set forth the issues which we believe our party and its candidates at every level must end rose in this election year. Congresswoman Yvonne B. Burke, chairperson of the Congressional Black Caucus, spoke to the group on Saturday, and I believe that her remarks on "Politics and the Black Economic Condition" deserve the attention of all Members of this body and of all others across the Nation concerned with the direction of domestic and foreign policy.

The remarks follow:

Politics and the Black Economic Condition

(Delivered by Congresswoman Yvonne B. Burke at the Caucus of Black Democrats Issues Conference, May 1, 1976)

Black Democrats and Black Elected Officials have come together in Charlotte, North Carolina to speak to our party and to our nation about the economic condition and the needs of Black people in the country today—but most important—to talk among ourselves about what policies and actions we would like to see the next President of the United States undertake to improve and advance the Black Economic condition.

We have had many gatherings in the past, but never as a full Caucus of Black Democrats . . .

We met in Gary . . . We met at Little Rock and we met in Cincinnati to evaluate the responsiveness of the political system to the needs of Black Americans . . . and to discuss the feasibility of alternative political approaches.

You can remember that we were at our Party's convention in Los Angeles in 1960, in New Jersey in 1964, in Chicago in 1968. . . . and again in Miami Beach in 1972 where our numbers were even greater.

You also know that we have held countless meetings, conferences and forums on issues important to Black Elected Officials and their constituents.

Now we are here in Charlotte in 1976 where each of us recognizes that the foremost problem facing Black Americans in 1976 is the economy. An economy which we recognize as a problem facing all Americans, but one which has caused even greater hardships for Blacks. Our share of the problem is clearly disproportionate.

We are here also to recognize some painful realities:

We know that Blacks still earn less than whites ... In 1974 the median income for whites was $13,356, while for Blacks it was only $7,808, a $5,548 per year difference.

We also know that despite our tremendous educational achievements, we must wage a continuing fight to obtain resources for Blacks to attend college and for Black colleges to keep their doors open.

We know that our high school graduates are prevented from achieving an educational level that is sufficient to allow them to reach the full potential of their innate abilities... that eroded school systems are preventing these young people from gaining full access to the benefits of American society.

We listen to debate on the excessiveness of government and the problems of government-sponsored programs, but we do not hear of the benefits a major full employment program would have in stimulating billions of dollars in additional spending and taxes from individuals and from the private sector. Those who focus on the private sector fail to analyze the private sector's relationship to Blacks. No one has recognized that a major factor in our present depressed economic condition is the fact that we have been excluded.

Look at some realities:

Of the total number of businesses in America—excluding corporations—only 2.7 percent are owned by Blacks.

Of the total gross receipts of businesses, Black businesses accounted for only 1.7 percent.

Of the 14,000 banks in the United States, fewer than 100 are Black owned.

Of the 962 television stations (commercial and public), there is only 1 Black-owned station.

Of the 7,258 radio stations in the country, only 35 are Black-owned, despite the great impact we know the media plays in shaping the opinions of our citizens.

We are fortunate to have at least 130 Black weekly newspapers in the country, but only 4 Black-owned daily newspapers.

The fact is that Blacks make up not only a large bloc of voters, but we represent a large number of consumers as well. The most recent estimates of our spending power show that Blacks spend approximately $50 billion per year. This is truly an astounding figure when we consider our almost total lack of input into market decisions.

It becomes needless to review again and again all of the statistics which show the relative economic condition of Blacks in contrast to our numbers and spending power, but we must keep them in mind as we review the relationship between politics and the economic condition of Blacks as we discuss our goals in 1976.

We meet here in Charlotte representing an electorate of some 15 million persons of voting age . . . some 25 million Blacks of all ages. Among us are many of the 3500 Blacks who hold public office—from the Congress to the State Houses—from our Mayors to our school board members and our county officials.

Tremendous gains have been made without a doubt by Black Elected Officials in the last decade, and these officials have within their power the ability to achieve many of the goals, economic and political—set forth by Blacks.

But one of the reasons that we are here today is that we recognize that Black Elected Officials cannot alone truly change the economic condition of Blacks of the overall economy. We must have an administration that is aware and sensitive to the inequities which still exist for Black Americans and we must have non-Black Elected officials at all levels of government who are responsive to our needs.

There is one clear reality which cannot be ignored—we represent an electorate without which many Senators and Representatives and Officials of other levels of government cannot hope to win elections.

We know that as Blacks we had about a 45 percent turnout in 1972, but that we provided 25 percent of the vote received in the general election by the Democratic nominee.

The examples are striking as to how we have made the Black vote count in past Presidential elections as we recognized our self-interest.

In 1948, President Truman could not have defeated Thomas Dewey without the Black vote. California, Illinois and Ohio were key electoral States and he carried them by only several thousand votes each, which included solid Black support. In 1960, John Kennedy could not have won without the Black vote. His narrow margin of victory included about 80 percent of the Black vote, and the Black vote in Chicago, Cleveland, Detroit, Los Angeles and New York provided him with key margins in States with many electoral votes.

The political forecasters tell us that the Presidential Election in 1976 is likely to be close as well, and no Democratic Candidate can afford to ignore the Black vote.

I cannot stress enough the importance of looking at elections beyond the Presidential election in bringing to bear the strength of the Black vote. As a member of the U.S. House of Representatives, I see every day the increasing responsiveness of formerly unsympathetic Representatives to their newly enfranchised Black constituents. That is strikingly true in the South. Many Representatives from Districts 25, 30 and 40 percent Black have in the past voted consistently against the positions taken by the Congressional Black Caucus. That fact, thanks to many of you here in Charlotte, is beginning to change.

These members see that a sizable voting bloc in their Districts want the Voting Rights Act to continue, want school lunch programs to continue, want decent jobs and good housing. And they have begun to give us their votes in Congress. But I must tell you that there are still far too many instances where they have continued to vote against your interests. Only through a more direct and concentrated monitoring of critical votes by you at the local level will change that.

We know that our political power must be brought to bear immediately to increase the shockingly small number of Black delegates who have been selected so far. In 1972, we represented 15 percent of the convention delegates. To date in 1976, we make up half that proportion.

There are 21 primaries remaining and in many States, at-large delegates are still to be selected. The burden is on the Presidential candidates to see that Black delegates go to the convention in New York in numbers responsive to the 25 percent of the Democratic vote Blacks have provided.

What the Black voter impact in past elections—particularly in Presidential Elections—means is that Blacks will vote if they believe they are voting for a better way of life and for an Administration that will be sensitive to their needs and their problems. We have the power now to shape our economic condition . . . and we can thereby improve our overall condition.

What we are saying here in Charlotte is that Blacks can elect a President, and that no Democratic Nominee can become president unless we are motivated to vote—to register and then to go to the polls and vote. There are at least 15 million Blacks of voting age who can register and vote. Yet, in the primaries to date, only a small percentage of that potential support has been brought to bear. That support will not be given and must not be given unless support—strong and outspoken support—is given to us on major issues.

So we come to the major question for Blacks in Election Year 1976. What is it that we want from this person who would lead our country—What do we want from a candidate and from a President?

We want a candidate who will endorse and a President who will implement our issue priorities. The first priority is passage of the Full Employment and Balanced Growth Act of 1976. This bill has been the highest priority of the Congressional Black Caucus as well as of many national organizations and of an impressive number of local elected officials.

The Full Employment Bill is based on the premise that economic conditions and economic policies are inseparable factors, and that Black joblessness over the years is not accidental. It is a bill which would bring about a fundamental restructuring of our economic system. It would secure the opportunity for a job to all persons willing, able and seeking to work. It is the heart of our program to improve the economic condition for Black Americans and for all Americans.

We want a candidate who endorses and a President who will implement an issues platform which speaks to our needs in urban areas and rural areas. A platform that addresses our needs in equal opportunity, in health, in education, in the areas of energy and criminal justice reform. We want our needs viewed in the area of income maintenance to include welfare, food stamps, and tax reform. . . . Just as we want a commitment to minority business development and full recognition of our concerns about National Policy toward Africa.

We want a President who will not count our proposals in these areas as inflationary and reflective of too much federal government, but rather one who recognizes that a full employment policy would bring an additional $200 billion into our economy, bring in more tax revenue, increase private spending and production. We want a President who clearly recognizes that we already have quite a lot of government for the wealthier segments of our society. . . . That use regulations to foster monopoly and reduce competition . . . but too little government for those at the bottom.

We want a President who will have the Department of Commerce provide business opportunities for minorities. One who will insure that there are set-asides in the awarding of contracts for a sufficient number of Black businesses to increase their viability, as is now done for larger corporations.

We want a President who will look at the Interstate Commerce Commission and who will recognize that it is important for Blacks to participate in such industries as trucking, and who will change this Commission by appointing Commissioners who will provide equality in licensing to insure Black participation.

We want a President who will make appointments to the Federal Communications Commission so that policies and regulations will be developed to provide meaningful access by Blacks to commercial and public television and radio ownership, so that minorities can move into this area from which they have been excluded for so long.

We want a President who recognizes that the only way deteriorated urban centers can be rebuilt is by Government action. We want a President who would make decisions on such matters as the location of Federal Buldings so as to improve rather than undercut the viability of our cities. The Federal lead would encourage private industry to remain or relocate in our urban centers.

We want a President who will say to the Secretary of Housing and Urban Development that we will make home ownership available not just to the top income earners, but to those at the bottom as well. A President who would recognize as the National Rural Housing Coalition has pointed out, that 1 percent of the population with incomes above $50,000 per year receives $1.4 billion each year, or 10 percent of all housing subsidies through tax deductions. That by comparison the 14 percent of the population that earns less than $3,000 per year receives only 7 percent of all housing subsidies, or $0.9 billion per year.

We want a President who knows that food must be provided for the needy and who understands that a food stamp user is not automatically a "Food Stamp Chiseler".

We want a President who recognizes that a Department of Agriculture which makes millions of dollars in grain available to other countries, thereby driving up the price of bread for American consumers . . . And even foots the bill for transporting that grain . . . . cannot ever earn the respect and confidence of poor Americans.

We want a President who will appoint a Secretary of State who recognizes that the future of America is tied to Africa and that we must have a strong policy of resource development on that continent through such acts as putting more money into African Development Bank, working to develop more favorable trade policies toward African nations, and by ensuring that U.S. corporations develop investment policies which are consistent with the development of Africa for its people.

We want a President who will encourage the participation of Blacks at every level in the Department of Transportation, who understands that mass transportation and the revitalization of the urban centers are inseparable, and who will encourage the Secretary of Transportation to use his powers to ensure effective minority participation with the recently-funded Conrail system to revitalize the nation's railroads.

We want a President dedicated to a strong Equal Employment Opportunity Commission with effective powers and procedures for solving the problem of employment discrimination. Because until these problems are solved and adequate methods for redress of grievances exits, Blacks can never move into positions of authority. Such a President would recognize the absurdity of talking about reverse discrimination in a situation where the options for Blacks are so limited.

We want a President who will recognize education as a right and not as a privilege, and who recognizes the obligation by the Federal Government to provide the necessary loans and student aid to the disadvantaged so that they will be able to obtain a college degree and join the work force and contribute to the Nation's development.

We want a President who will support the kind of tax reform which truly eliminates the discrepancies which now allow major corporations to pay no tax while literally millions of poor and working class persons pay disproportionate amounts in taxes which they need for basic survival.

We want a President who recognizes that reform of our welfare system is critical if we are to make taxpayers of those non-workers who want to work but cannot find it . . . One who knows that adequate income must be provided those who cannot find work. Such a President would work to create a situation where the vicious cycle of poverty would be eliminated and would not endorse a level of political rhetoric borne out of ignorance and insensitivity which continues to blame victims for their plight.

We want a President who will not blindly support a massive military budget that takes money from social welfare programs that meet proven needs.

Power, whether political or economic, will not flow to us without forceful, dynamic action on our part to draw it to us. . . . Economic decisions in this country are made in the political arena. Through the foundations of the past we know that we have built the channel for Black Power. Now we must divert that power into Black Economic and Political endeavors.

It is our goal and mission as we go from here to see that our goals are implemented and that our demands are met. But our goals and demands will be no more than articulate rhetoric of the past undated by present realities unless we go from here into our communities and develop a Black voter registration plan which will get our brothers and sisters to vote, and see to it that they go to the polls at election time.

We must bring all the organizations of the Black community to bear on National Policies just as they have been brought to bear on politics within our own communities.

Leader of religious, business, civil rights, professional, social, civic, fraternal and political organizations must enter into a Black voter registration brain trust to devise a strategy to reach people. Our barber and beauty shops, entertainment spots, athletic events and, in fact, every social and business meeting of Blacks ought to begin with information on how to register, so that our numbers at the polls more closely resemble our numbers in the population.

We know how to turn out a crowd for "Earth, Wind and Fire or for The Temptations". We need to be able to turn out a crowd like that at the polls.

There are still skeptics among us who ask, "How is my one little vote going to count? How can Black people who are only 12 to 15 percent of the country decide elections"? To those questions I say:

Why vote? Vote because we have the highest percentage of poor people of any other group our size in the population in the richest and most achieving nation in the world.

Why vote? Vote because hundreds of the most talented leaders of our society are going unused or abused in political and economic positions because they are Black.

Why vote? Vote because that is the only institutionalized racism makes a mockery of other's good intentions and dehumanizes and cripples our people.

Why vote? Vote because we bear the brunt of poor planning decisions and poor leaders.

Why vote? Vote because that is the only way to make the political system respond to us and help undo the injustices of the past.

In this bicentennial year, when most Americans can celebrate 200 years of freedom of opportunity, we still must fight for basic freedoms and opportunities. We still must fight for basic civil rights and economic equality. But our increasing power and our ability to bring that power and influence to bear on the nation's political and economic structures can bring about the change we all seek.

Most importantly today, I want us all to understand that Black empowerment will only come through our own collective efforts. No one of us alone can deliver the Black vote into a power block backed by an issues platform like we are developing here in Charlotte. If, in the next hundred years of American life, the Black community is to become an equal partner in this American revolution, we must remember the immortal words of Billie Holliday: "God Bless the Child that's got his own.

Today, this year, and forever, Let's Get Our Own.

MAKING SOUTHERN AFRICA SAFE FOR COMMUNISM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. CRANE. Mr. Speaker, the African policy set forth for the United States by Secretary of State Henry Kissinger in his speech in Lusaka, Zambia, would be disastrous for the future of the free world and for stability in southern Africa.

When Dr. Kissinger calls for "majority rule" in Rhodesia he is using what is widely admitted to be a euphemism for something else—and quite different.

Upon his recent return from Rhodesia economist Milton Friedman, writing in the May 3 issue of Newsweek, points out that,

> "Majority rule" for Rhodesia today is a euphemism for a black-minority government, which would almost surely mean both the eviction or exodus of most of the whites and also a drastically lower level of living and of opportunity for the masses of black Rhodesians. That, at any event, has been the typical experience in Africa—most recently in Mozambique.

Discussing Dr. Kissinger's double standard of imposing the U.S. into the internal affairs of Rhodesia and South Africa while remaining silent about the depradations of the world's most brutal dictatorships, the Soviet Union and Communist China, Dr. Friedman notes that,

> Rhodesia has a freer press, a more democratic form of government, a greater sympathy with Western ideals than most if not all of the states of Black Africa. Yet we play straight into the hands of our Communist enemies by imposing sanctions on it. The Minister of Justice of Rhodesia cannot get a visa to visit the U.S.—yet we welcome the ministers of the Gulag Archipelago with open arms. James Burnham had the right phrase for it: suicide of the West.

In another thoughtful analysis of the Kissinger speech, George F. Kennan, perhaps the dean of American diplomats and now a professor at the Institute for Advanced Studies at Princeton, N.J., declared that,

> The implication of Mr. Kissinger's statements . . . is that all the Rhodesian whites have to do, in order to assure themselves of the blessings of a happy and prosperous future, is to move over and accept their place as a minority of the citizenry in a democratically governed country where race is of no importance.

Writing in the May 2 New York Times, Mr. Kennan asks:

> Is not what we are likely to encounter the more familiar syndrome of violence, civil

> war, the ultimate flight of the white population, and an ensuing period—indefinite in duration—of lowered living standards, educational standards, and standards of government, for those, the Africans, who are left behind?

The Wall Street Journal in its editorial of May 3 states that:

> The Lusaka statement is giving aid and comfort to efforts to settle international disputes by force of arms . . . in pledging increased economic aid and "unrelenting pressure," Secretary Kissinger is clearly encouraging resort to arms. We much prefer one of his predecessors' strictures against governments that won't leave their neighbors alone.

To repeal the Byrd amendment and make ourselves dependent upon the Soviet Union for our supply of chrome, and to aid the Maoist dictatorship in Mozambique to make war against the anti-Communist Government of Rhodesia is a suicidal course for the United States. Dr. Kissinger and President Ford should be put on notice that this policy will not be greeted with enthusiasm or support by many in the Congress.

In an important editorial on this question, the Richmond News Leader sums the situation up this way:

> Rhetoric to the contrary aside, the fundamental question is whether America will allow southern Africa to be made safe for Communism—whether the Communists will be permitted to carry forward their policy of expansion by force. The Communists have learned that they can exploit anti-white sentiment in Africa and throughout the world to promote their own ends. Thereby, they have thus far neutralized anti-Communist sentiment regarding Southern Africa. As a result of that neutralization, so evident in Secretary Kissinger's speech . . . the future for southern Africa is not what it used to be.

I wish to share with my colleagues the editorial, "About Southern Africa," as it appeared in the Richmond News Leader of March 23, 1976, and insert it into the Record at this time:

> About Southern Africa
>
> In his Dallas speech last night, Secretary of State Henry Kissinger sought to spell out the American position regarding the deteriorating situation in southern Africa. On the one hand, he said, America opposes war; on the other hand, America supports majority rule. He implied that America would do all it could to promote "majority rule" in Rhodesia, while seeking to forestall military action by Cuban cossacks and others allegedly distressed by the lack of majority rule in Rhodesia.
>
> If that is America's policy in southern Africa. Heaven help us. For at the heart of such a policy lie several hypocrisies and misunderstandings.
>
> (1) Call it what we will, the desire for a change of government in Rhodesia has nothing at all to do with a desire for "majority rule." Rather, it has to do with a desire for rule by blacks, and one is indulging in gross hypocrisy to suggest anything else. If one is opposed to minority rule, one then has to be opposed to most of the governments in the world—and to practically *every* government in Africa, where oligarchy and autocracy are the rules, not the exceptions. Where on the African continent is "majority rule" entrenched? In Algeria? In Nigeria? In Ghana? In the Congo or Zaire? In Uganda, Malawi, Tanzania, Zambia, Angola, or Mozambique? No, sir. And regarding majority rule in the Western Hemisphere, when was the last time they had a free election in Cuba?
>
> (2) The standard charge against the Rhodesian government of Ian Smith is that that government is "racist." But is one not equally "racist" in detesting that government simply because it is white? Moreover, one generally hears that government described as a "white minority" government—both words being, these days, pejorative. Yet throughout sub-Saharan Africa, "black minority"—*i.e.*, unelected—governments are commonplace, but they draw little rhetorical fire. And in much of the Communist bloc, "minority" governments—albeit "white" governments—preside.
>
> (3) If the Smith government is obdurate in its decision not to turn Rhodesia over to the blacks tomorrow, the blacks are partly at fault for their inability to agree among themselves as to who should receive the government if it were turned over to the them. The two tribes—the Shonas and the Matabeles—have their spokesmen, but none is a leader of consequence. And nowhere among the Rhodesian blacks is it suggested that if they were to be given the government, they would hold elections to create a government with majority support.
>
> (4) For America to be against war is one thing, but to be against aggression is something else. America's record during the past 15 years has been to acquiesce in aggression in Africa (as in Angola and Mozambique), or sometimes even to stand with the aggressors (as in the former Belgian Congo, now Zaire). To the degree that America has encouraged the mistakenly egalitarian notions championed by the anti-white forces now aggressing against the Smith regime in Rhodesia. America has encouraged the formidable forces arrayed against America itself. And to that degree, indeed, America has encouraged the very prospect of southern African war that it now deplores.
>
> (5) Rhetoric to the contrary aside, the fundamental question is whether America will allow southern Africa to be made safe for Communism—whether the Communists will be permitted to carry forward their policy of expansion-by-force. The Communists have learned that they can exploit anti-white sentiment in Africa and throughout the world to promote their own ends. Thereby, they thus far have neutralized anti-Communist sentiment regarding southern Africa. As a result of that neutralization, so evident in Secretary Kissinger's speech last night, the future for southern Africa is not what it used to be.

HAWAIIAN NATIVE CLAIMS: A PLEA FOR JUSTICE

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. MATSUNAGA. Mr. Speaker, at the beginning of the 94th Congress, I introduced the Hawaiian Native Claims Act, H.R. 1944, with my colleague from Hawaii, Mrs. Mink, as cosponsor. The bill, similar in some respects to the Alaskan Native Claims Act, provides that native Hawaiians may be compensated by the Federal Government for land taken from them at the time of Hawaii's annexation by the United States. Public hearings on the measure were held in Hawaii last year by Lloyd Meeds, chairman of the Indian Claims Subcommittee of the House Committee on Interior and Insular Affairs. More recently, the Senate Committee on Interior and Insular Affairs held hearings on a similar bill introduced by Hawaii's two U.S. Senators.

Mr. Speaker, early action on the claims measure would help to right a longstanding injustice. Mounting evidence indicates that the Hawaiian people were wrongfully deprived of their land at the time of Hawaii's annexation to the United States. Unlike the Alaskan situation, there is, in fact, today very little land in Hawaii which could be returned to the Native Hawaiians. The pending legislation, therefore, provides for the establishment of a revolving fund to be administered by Hawaiians, for the education and welfare of the Hawaiians.

I hope that all of my colleagues will have an opportunity to read the hearing records of the House and Senate committees for I believe that even a cursory reading of the hearings will convince them of the justice of the Hawaiian claims. One of the most convincing witnesses was Mr. William Kaauwai, of the island of Kauai. His remarks at the Senate hearings are submitted for inclusion in the Congressional Record in the belief that my colleagues will find them as moving as I did:

> Aloha! My name is William Kaauwai and I am here as a member of the A.L.O.H.A. Assn., and on behalf of our Hawaiian children.
>
> The civilization that the Hawaiian people enjoyed before their "discovery" by the white man was well suited to their environment. Every facet of their life was organized into a government that must have worked, as early reports told of their great numbers and excellent health. Each family had three houses, one each for sleeping, eating and living. This certainly was a good standard of living.
>
> The white man called them "heathen" and "savages". "Heathens", perhaps, but "savages" NO!
>
> The same belief in '"white supremacy" that enabled Spain's Cortez to destroy the great civilization of the Incas, sold Blacks into slavery, and sent Jews to the gas chamber, also allowed the foreigner to destroy the Hawaiian Civilization—first in the name of Sandal wood, then in the name of God, and—finally in the name of sugar.
>
> I know that you gentlemen have heard of the evidence concerning the illegal annexation of the Kingdom of Hawaii to the United States.
>
> Please remember that the sugar interests were so powerful they had actually rammed through a Constitution enabling the Citizens of America and European Countries to vote in Hawaiian elections! Please notice that the wording of this "Bayonet" constitution was careful to allow only "white" foreigners to vote, not orientals.
>
> With sugar interests so powerful, it is not hard to believe that these interests would overthrow a Queen.
>
> The basic white man's concept of superiority was the basis for the reasoning that led to the overthrow of Queen Liliuokalani. He just always assumed he knew best. It was just as impossible for him to understand a race who did not think "working hard and making money" was important, as it was for the Hawaiian to understand a race who thought "idle hands were the devil's workshop".
>
> I believe that many of the early white settlers in Hawaii loved the Hawaiians and did

their best to save them. But they always thought in the way of a father to a "slightly" slow son, or as a teacher to a student who was an "underachiever".

In the two volume set of books called "Koamalu", by Ethel Damon, (a history of the Rice family on Kauai), the granddaughter of early missionary William Hyde Rice writes of her memories. She writes, quote, "Whenever Grandfather Rice went to Honolulu or returned, it was always Kuhaupio who carried him in the water to the whaleboat at the landing—not because he was so heavy, but because Kuhaupio could do it better than anyone else and so was tacitly assigned this Place of Honor". Unquote. Taken from page 598, Vol. II.

Do you think Kuhaupio considered it an honor and a privilege to carry another man on his back through the water to shore, so the missionary wouldn't get his feet wet?

Why did the Hawaiians allow themselves to be humiliated like this? Because the Hawaiians had then, and still have, an innate sense of politeness and good manners. We would not embarrass the white man by refusing his demands. I have seen many examples of this highly developed sense of politeness within my own family. Some call "Aloha."

In the "Ohana" or extended family system of the Hawaiian culture, complaining or bragging was considered rude and contemptible.

The white man took control of the people of Hawaii easily. This was because the Hawaiians were so busy dying of the foreign diseases, that they had no time to gather together to protest.

My children are almost one-half Hawaiian and those with much less Hawaiian blood consider themselves "Hawaiian." My children have many of the Hawaiian attitudes and ideals, even though I have done my best to instill in them the inherent love of "work, power and money" of the white race. I have done this to help them to survive in the kind of world they must now live in.

It is a great shame what the white race has done to one of the gentlest, loving, and most generous races on this earth.

The foreigners sailed to these islands bearing "gifts." These "gifts" included fleas, mosquitoes, venereal disease, leprosy, and a host of other "offerings."

It is past time to give what is left of the Hawaiians, a gift of Real value—your support and your efforts to return what was once ours.

America has learned much since those days of Annexation. I love my country and I want to believe she will help these reluctant children of hers to stand proud once more.

America has helped her Indian children and her Eskimo children. Her Hawaiian children, true to their culture, are politely waiting their turn. We try hard to pretend we do not care. We will not beg. Instead we will tell a joke to make you laugh, and present you with a lei. We hide our tears. After all, we must keep our image of the "carefree" Hawaiian, playing on the beach and living on fish and poi.

We Hawaiians have lost our lands and our rights as the native people of these islands. It is within your power to restore to us, some of our dignity and at least, a part of our losses.

Mahalo for your time—and aloha.

POSTAL SERVICE POLICY MANAGEMENT—SERVICING THEMSELVES OR SERVING THE PUBLIC?

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. HANSEN. Mr. Speaker, I wish to express my views and those of many of my constituents concerning the present status of the U.S. Postal Service operations and the effects of many proposed and already imposed curtailments of services. The unique functions of this organization which has a daily effect on the lives of almost every American citizen makes the cost and quality of service a personal concern to all of us.

Studied observation will show ironically, that while drastic curtailments of services have been forced upon us each year, fees for stamps and all services and special services have soared. Although the present Postal Service management can produce endless figures showing major revisions and changes in operation, some representing definite improvements, the fact remains that the complaints from private citizens and businesses nationwide have also escalated to proportions that can no longer be ignored or pacified with stopgap excuses. It is clear that we must take an in-depth look into this situation that the Congress has been authorizing and call for drastic measures to alter the direction the Postal Service is taking us.

The Congress has created a quasi-governmental agency, mandated to operate itself like a self-sufficient business. Unfortunately, it has become an extravagant and costly operation which is neither businesslike nor self-sufficient. The taxpayers and patrons are being subjected to a scandalous rip-off with arrogant denial of services to the public and deplorable treatment of the rank and file postal employees.

It is not at all surprising to see the bumbling management of the U.S. Postal Service try to curtail rural mail services and facilities. Uncle Sam sees that rural areas have telephone and electrical facilities comparable to their urban counterparts through the Rural Electrification Administration and the Rural Telephone Bank. Traditional and even more basic, is mail service which was started long before electric and telephone service by one of our most prominent forefathers, Benjamin Franklin. No one can defend uncompromisingly that a condition should remain in the status quo in a changing world, but the basic philosophy of "service" should provide the framework for decisions and the priorities for changes in the Postal Service should be properly established.

You cannot tell me it is more important to have an army of highly paid supervisors from regional and other field units, bloated 250 percent in number in just 5 years, to birddog delivery men with stopwatches to determine where a few minutes can be shaved from one route or another than it is to provide such things as adequate rural service and door-to-door delivery to a new senior citizens' housing complex built clearly within city limits. In an instance in my district, several residents of a senior citizens' complex were finally granted door-to-door delivery due to physical inability to walk to the center of the block, but only after it was suggested they rely on neighbors to bring their mail each day.

Although partial door-to-door delivery was established in that complex the deliveryman is required to walk past all the other doors and deliver the rest of the mail to cluster boxes in the center of groupings of seven or eight units—a savings of only a few minutes, if any.

You cannot tell me that $20,000 to construct a catwalk and one-way mirror arrangement beside a mail workroom for a new postal facility in a small town with a negligible crime rate is more justified than providing adequate rural delivery service simply because postal security has decided this should be provided in all new facilities. Add to this the demoralizing effect on the employees who know they are constantly being watched or could be at any time by a force of inspectors which has grown over twice its size in just 5 years. Is such negative motivation productive under these circumstances?

You cannot tell me that continuing to pour millions of dollars into high-speed computerized machines that produce a high rate of damaged mail and parcels, many chewed beyond recognition, can be justified when a private parcel delivery service handles their parcels with minimal damage and greater speed at less cost. I believe the recent well-publicized discovery of Congressman WILSON at the Detroit postal facility and the disclosure at the Maryland center speak for themselves.

I have always believed that good employees should be well compensated for their work and have reasonable assurance of tenure and promotion and that this factor is vital to a well-motivated and productive work force. However, one wonders at the priorities of an organization which is allowed the luxury of a no lay-off policy while they are continuing to curtail services and closing rural facilities. Is the U.S. Postal Service in business to serve the public or themselves?

How does one explain the costly acquisition of computers for more efficient mail sorting which has not only not resulted in any reduction of regular employees but, in fact has caused an increase of some 2,300 building and maintenance personnel in just 5 years? Do we take this urban monstrosity which has yet to prove reasonable efficiency out of the hides of the rural areas in terms of services available?

What kind of management and budget know-how exist in an organization which authorizes a $5,324,000 initial investment for Postal Employees Development Centers—PEDC's—equipped with the latest electronic self-instructional machines and claims this is a one-time investment? Are we to believe these buildings and intricate electronic machines are maintenance-free and nondepreciating?

And what kind of spending priorities exist when the PEDC's advertise that the general educational development—GED—test can be received free at the center by an employee's spouse and children rather than at the tax supported university a few blocks away? This actually happened and documents are available as evidence.

How does one explain the need for trucking mail for up to 1 or 200 miles to costly sectional centers in areas where local mail which used to be delivered the next day is now taking 3 to 4 days at substantially higher postage rates.

And the 13-cent stamp certainly was

pegged right. That "unlucky" number has driven the public to seek new means of communications and mail delivery. Not heeding sound business principles of setting the price high enough to cover costs and low enough to get the business, USPS is driving down their parcel and first-class volume, thus cutting their vitally needed revenue sources. United Parcel Service is only one area where spinoff has occurred. Just consider the possibilities for private delivery services in the first-class field by using congressional offices as an example. Five hundred and thirty-five offices multiplied by a 13-cent stamp each comes to $69.55. Do you not think someone doing a general mailing to Congress could save by using a delivery person or an enterprising delivery service? Certainly the surety of delivery enters in and the depersonalization of mail forwarding with the new central markup concept has infuriated people with the number of returned letters that could have been avoided.

Inspectors, supervisors, auditors, and snooping devices by the score along with misdirected programs, high costs, inefficiency, poor accommodation, diminishing service, and undependability, are problems which must be met and solved by the Washington management team of the U.S. Postal Service and there can be no delay.

I say the Postmaster General should be directed to stop using proposed cutbacks as a decoy to take the heat off the bungling and scandalous management of the Postal Service. He should be told to clean it up and run it as a business as Congress directed or get out and let someone else who will.

If no immediate commitments are forthcoming, Congress should do no less than restore this delinquent monstrosity to its former status or, perhaps better yet, pursue the private enterprise avenue where efficiency, economy, and service are sought after and properly rewarded.

AMENDMENT OF REHABILITATION ACT OF 1973

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. BIAGGI. Mr. Speaker, I am pleased to rise as a cosponsor of the legislation which will be introduced later today by my distinguished colleague from New York. We are seeking to amend the Rehabilitation Act of 1973 to make it a more effective tool in helping to defeat employment discrimination against the handicapped.

Discrimination in employment against the handicapped is a national disgrace which should not be permitted to occur in a nation where equal opportunity for all is provided by law. For the approximately 44 million handicapped of this Nation, the barriers of discrimination are not only present in employment, but also in education, delivery of social services, and transportation. I am pleased to note that the gentleman from New York and I, myself, have been active in the area of transportation for the elderly. My amendment to the 1970 Transportation Appropriations Act made it law that all public transportation facilities be made adaptable for use by the elderly and handicapped. I am pleased to report that last Friday, after 6 long years, the Department of Transportation printed their final regulations implementing my amendment.

What we are seeking to do here today, is put additional teeth into certain existing portions of the Rehabilitation Act of 1973, which will insure that all safeguards are utilized to prevent discrimination in the hiring of handicapped individuals. In addition, we are establishing a special arbitration board which will hear all complaints of handicapped employment discrimination and the board would further be required to rule on the complaint within 90 days.

Finally, this bill will appoint five new members to the Interagency Committee on Handicapped Employment. At present, the committee does not even include one representative from the handicapped community. The five new members we are seeking to add to the committee would all come from the ranks of the handicapped and would, therefore, give the handicapped community more direct input into Federal Government programs related to their employment.

I consider this legislation to be imperative from both a social and economic standpoint. The stigma of discrimination has relegated many handicapped individuals to second class citizenry status. Further, in this time of economic uncertainty, our Nation's goal is to reduce unemployment in all sectors. With unemployment among the handicapped running as high as 80 percent, it is critical that more aggressive efforts be undertaken to provide job opportunities for these Americans. This bill will be an important start. Congress has already passed several bills providing funds for new public service jobs. All efforts should be made to include handicapped individuals under its coverage. Private employers should also take new initiatives to hire the handicapped.

There are millions of qualified handicapped individuals seeking gainful employment. Far too many of them find closed doors. We must allow them the opportunity for employment. In this Nation's Bicentennial Year as we rededicate ourselves to the principles of democracy and freedom let us work to insure that the 44 million handicapped of this Nation will be free from the barriers of employment discrimination. I urge the swift and favorable consideration of this legislation.

OUR VITAL PARTNERSHIP WITH JAPAN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my fellow colleagues the following article by my constituent, Henry Huglin, entitled "Our Vital Partnership with Japan."

Mr. Huglin makes many points that I am sure will be both interesting and enlightening to the membership.

The article follows:

Our Vital Partnership With Japan

(By Henry Huglin)

Tokyo.—Our security and trade partnership with Japan has become vital to our economic well-being and to our superpower role in the Orient.

Further, this partnership has provided the stability and the impetus under which Japan has become the only functioning democracy in Asia, the third economic power in the world, and a dynamo of industrial and technological vigor.

In return for the implicit nuclear umbrella and defense guarantee which we provide through our security treaty relationship, we get military bases and stability at the keystone point of the Far East geopolitical arch, where the interests and ambitions of Russia and China overlap.

The nature of our partnership was well expressed in the announcement at the end of President Ford's and Prime Minister Miki's talks last August: "Japan and the U.S., while sharing basic values and ideals, differ in their national characteristics and the circumstances in which they are placed; and yet the two nations, acting together, have drawn on the strengths inherent in such diversity to build a mature, mutually beneficial, and complementary relationship."

The differences in our historical and cultural backgrounds, geographic size, and military and economic strengths do make our two nations an "odd couple."

Another difference is that most of us tend to take the Japanese for granted and not to have a deep interest in their culture, policies, and activities, whereas they are obsessed with us—our international policies and actions, strengths and weaknesses, and music, dress, and general life-styles. Consequently, we have had far more influence on the Japanese than they have had on us.

But we Americans ought to greatly increase our understanding of Japanese culture, life-styles, and business methods. Such knowledge would be of much value to us, as well as deepening our relationship.

The Japanese have their faults, certainly, but they also have exemplary virtues.

They have a strong, deep culture with many fine attributes in aesthetics, cohesiveness, loyalty, cooperativeness, and traditional sensitivity to man's relation to the environment.

Of the major nations, Japan has, proportionately, the fewest police, people in prison, divorces, mental cases, and lowest infant mortality. Further, in contrast with other industrialized societies, as affluence has grown, crime has decreased.

Also, the Japanese have demonstrated the strength of their society in the economic miracle they have performed. Assisted by our enlightened occupation policies, and by virtue of their diligence and cooperativeness, they have risen like a Phoenix out of World War II defeat to be a leading, responsible, dynamic world econopower—in a country the size of California, with not as many natural resources, but with five times as many people.

There are no major problems now between our two countries.

Even the Lockheed bribery scandal, which has had an enormous play in the media in Japan, won't affect our relations appreciably. It has exposed some domestic corruption and also provided a spectacular, and symbolically exculpating, drama in the kamikazi-like dive of a fanatic pilot into the Tokyo home of

Yoshio Kodama, the "shadowy concession hunter," as he is called.

Domestically, the Japanese have problems of inflation and recession greater than ours.

And in world affairs, they are searching for ways in which they can play an increased political-diplomatic role—beyond their present influence from trade, investment capital, technological knowhow, and monetary matters. But, in international power politics they are heavily dependent on us, their superpower ally. And they are highly vulnerable to blackmail by their raw material suppliers, in particular, the oil-rich nations.

Yet, the Japanese will cope well with their troubles, within their remarkably effective consensus system of their strong society—if there is reasonable political and economic stability and progress elsewhere in the world, for which they have to depend greatly on our policies and actions.

Japan's future trend much depends on what our country does. If we continue to be a trustworthy ally, and to maintain unsurpassed military and economic strength and evident will to play our superpower role effectively, then the Japanese—irrespective of latent tendencies to do so—won't move much to the right and become militaristic, chauvinistic, and geopolitically expansionist again—with all the potentially dire consequences that would bring on.

So, for solid geopolitical, as well as economic, reasons, our partnership with Japan is highly important; we need to understand it well and nurture it. Copyright 1976 by Henry Huglin.

FORD'S WAY WORKED

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. MICHEL. Mr. Speaker, inflation is down. Unemployment is down. The economy as a whole is up. And Gerald Ford is President.

Moreover, I think that Ford deserves a major share of the credit for the good economic news, not just because he has been in office during these steadily improving times, but because the times are, in a very real sense the result of the policies he has set forth.

Much of that policy has, of necessity, been implemented through a bold and skillful use of the veto power. In my opinion, those vetoes have gone a long way toward rescuing the country from economic tragedy.

But I do not read much in the press about Ford getting credit for the way the economic indicators have been moving. Not nearly as much, anyway, as I am sure I would if they were trending downward.

That is why I was so pleased to read a well-reasoned editorial on the subject in a recent issue of my hometown paper, the Peoria Journal-Star. Editor C. L. Dancey really hits the point in this one, noting as he does that—

> You have to wonder what the state of the American economy would be if we had plunged forward with every wild scheme this Congress cooked up. . . .

Yes, you do. And you have to thank the man who, along with a third plus one of us here, stood between those wild ideas and the American people.

The article follows:

[From the Peoria Journal Star, Apr. 25, 1976]

FORD'S WAY WORKED

Gerald Ford doesn't sparkle.

If that is the way to measure "leadership," he's the dud that all the sparkly people of stage, screen, TV, and the cocktail party intellectuals seem to portray.

But as we look at the best economic indicators "in ten years," you have to begin to wonder—and look back at Ford's record 46 vetos.

There isn't much "leadership" a President can exhibit in the wake of a Watergate assault on the powers of the Presidency followed by a runaway post-Watergate Congress, which "sparkles" all over the place with grandiose plans for zipped up federal spending and programs for everybody under the sun.

About all a President of Ford's persuasion could do was have the courage to stand up against the tide and stick his fingers in the dike.

Forty of those vetoes stuck. Six were overridden.

You have to wonder what the state of the American economy would be if we had plunged forward with every wild scheme this Congress cooked up . . .

They would have made another giant investment in poverty—not in recovery or development—that is certain, and thereby another giant investment in runaway inflation.

When the private sector had been seriously wounded by previous irresponsibility of government, their remedy was that of the 18th century quack doctors. Bleed the patient some more!

The happiest thing that happened to us over this rough period was that Presidential resistance and Congressional confusion combined to prevent any of the major, massive "economic programs" cooked up from being launched by Uncle Sam.

As a result, we now have the best reversal on record. Just as we suffered at the same time from inflation and recession, we are now seeing recovery progress strongly from the recession together with the lowest "inflation" figures (in cost rise) in four years.

Would this have happened under the "managed" monstrosities of multi-billion dollar programs demanded by the extreme left-wing?

Did they know what they were talking about, at all?

Obviously, they did not, because their economic forecasts of a "deepening depression" of 1930's nature have proven to be a complete misreading of reality.

They didn't understand the problem, so what could you expect from their "answer"?

Whether he sparkles or not, and even whether he will turn out to be the best man available in November or not, the record begins to show clearly that Americans owe a considerable debt of gratitude to President Ford in his handling of the post-Watergate "crisis in government" and the post-Watergate economic crisis, as well.

He kept us from jumping out of the frying pan into the fire.—C. L. DANCEY.

SUPPORTING THE PLO: REVOLUTIONARY ATTEMPTS TO LEGITIMIZE TERRORISM

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. McDONALD of Georgia. Mr. Speaker, the National Lawyers Guild—NLG—a working coalition of revolutionaries in the legal profession that provides legal protection for a wide spectrum of militant and violent groups and individuals. The NLG has admitted it supports "armed struggle" by the American Indian Movement at Wounded Knee, by rioting prisoners at New York's Attica Prison; and has provided equal services to the Weather Underground Organization, the Black Liberation Army, prison gangs, and now to persons believed involved with the Puerto Rican FALN terrorists.

Formed originally at the direction of the International Red Aid by the Communist Party, U.S.A.—CPUSA—the National Lawyers Guild operated as the legal bulwark of the Communist Party, U.S.A., its fronts and controlled unions until the late 1960's when it received an influx of "New Left" law students and lawyers. The NLG is now operating as a coalition of Communist Party, U.S.A. members and supporters, Maoist communists, Castroites and other New Left revolutionaries.

The National Lawyers Guild is affiliated with the International Association of Democratic Lawyers—IADL—an international Soviet-controlled communist front which denounces as a "violation of human rights" any prosecution of Communists or subversive groups in the non-Communist world, while denying or ignoring the existence of any violations of human rights in the Communist ruled countries.

The NLG has been increasing its direct contacts with a number of foreign Communist governments, both through the IADL and directly. Now the NLG is developing direct relations with the internationally active terrrorists of the Palestine Liberation Organization—PLO.

NLG sources report that the Guild has accepted an invitation from the PLO to visit PLO facilities in Syria and Lebanon for three weeks in late August and September. The PLO's invitation was issued through its U.S. support arm, the Palestine Solidarity Committee—PSC—which operates from P.O. Box 1757, Manhattanville Station, New York, N.Y. 10027.

As one segment of a general campaign to make terrorism a "legitimate" form of political activity, the Palestine Solidarity Committee was formed in November, 1975, by Americans who had been working for more than a year in support of the PLO thugs. The initial meeting of the PSC was addressed by a number of PLO functionaries including Yasser Abd Rabbou, member of the PLO Executive Committee who heads the PLO "Information" Department; two members of the PLO United Nations contingent, Hassan Abdul Rahman and Basil Aql; and a PLO representative from Lebanon, Shafik al-Hout.

The Palestine Solidarity Committee described its origins in these terms:

> The PSC grew out of the work of individuals on the Palestine issue, and their participation in pro-PLO activities organized by the Arab community over the past year. A number of U.S. activists worked to mobilize support for the demonstration which greeted Yasser Arafat when he made his historic

> speech at the UN in October 1974, and for the Evening of Solidarity and demonstration on the occasion of the International Day of Solidarity with the Palestine People on last May 15 [1975].

That May, 1975, "solidarity" meeting featured foreign nationals representing the Vietnamese and Cambodian communists who had successfully completed their Soviet-sponsored conquests in Southeast Asia in the preceding weeks, and Ricardo Alarcon, Cuban U.N. ambassador. The Cuban Ambassador's presence at the Columbia University PLO "solidarity" event is an indication of the important role played by the Cubans as intermediaries in establishing contacts between Soviet-backed terrorist groups and reliable U.S. revolutionaries. In February, the Cuban U.N. delegation organized a large delegation of U.S. revolutionaries which met in Havana with representatives of the Angolan MPLA terrorists who now control that country thanks to the services of the Soviet Union and Cuban troops.

The most important message explaining why the U.S. supporters of socialism must move to support the Palestine Liberation Organization came from the Vietnamese representative who pointed out that "the victory in Vietnam was won not by Vietnamese alone but by the socialist camp, the oppressed people of the Third World, and progressive forces in the capitalist countries." And the speakers emphasized that without a strong "Fifth Column" in the United States, victory would have been exceedingly difficult.

The PLO has had a number of support groups working on its behalf since the 1960's. Some of these have been directed at developing support for the PLO terrorists among Arab-Americans, but most have been aimed at American revolutionaries who, as Marxist-Leninists, support the use of terrorism as part of revolutionary armed struggle. For the past decade, the PLO's most vocal and militant U.S. support came from the Workers World Party—WWP—and its youth arm, Youth Against War and Fascism—YAWF—which set up their Committee to Support Mid-East Liberation—CSMEL.

However, the Workers World Party was established by militant Trotskyists who split with the Socialist Workers Party in the late 1950's; and although the WWP has downplayed its Trotskyist origins and has desperately sought to ally itself with the various Soviet-supported guerrilla movements in Africa, the Middle East, Asia and with the Cuban-directed guerrillas in Latin America, it has used the "national liberation movements" to legitimize itself and spread its line among U.S. revolutionaries.

The Socialist Workers Party, the various Maoist sects, and others have caused similar problems for the guerrillas; and many of the foreign terrorists have been developing their own support groups among U.S. revolutionaries. The creation of the Palestine Solidarity Committee is one of these developments.

The PSC is publishing a newsletter, Palestine, from its New York Post Office Box address; however it is reported that a considerable amount of work on the newsletter and the PSC is being performed at the residence of George Cavalletto, Jr., and Sheila Maria Ryan, also known as Sheila Cavalletto, 200 Claremont Avenue, New York, N.Y. [212/850-5296].

The activities of Ryan and Cavalletto tend to throw considerable light on the interconnections between the Cubans, the PLO support apparatus in this country, and the Weather Underground Organization.

Sheila Maria Ryan, 32, was an early Students for a Democratic Society activist who came to public attention on March 11, 1965, when she was among seven persons arrested for a White House sit-in. Convicted for illegal entry into a Federal building, she was given a 6-month Federal sentence which she began serving in August 1967. At that time she was well known in Washington D.C., as a member of the Washington Free Press underground newspaper. Ryan joined the staff of Liberation News Service—LNS—after her imprisonment and remaining active in SDS became associated with the Weatherman faction. Ryan attended the June 1969 SDS national convention as a member of the Tom Pain SDS chapter and submitted a resolution on press policy against representatives of the non-revolutionary media.

Ryan traveled to Cuba with the first members of the Venceremos Brigade who were organized and selected by the Weatherman SDS faction. After her Cuban visit, Ryan and George Cavalletto began work on supporting the Palestine Liberation Organization and spent a year in Jordan and Lebanon, writing propaganda articles for the U.S. underground and revolutionary press about the PLO.

Ryan has been associated with a number of New Left research groups with close ties to the Cubans, including NARMIC—National Action/Research on the Military Industrial Complex, a project of the American Friends Service Committee in Philadelphia—and the North American Congress on Latin America (NACLA). My colleagues will no doubt recall that the self-professed "revolutionary socialist" Philip Agee wrote in his anti-CIA book that he could not have produced the volume without the assistance provided by the Cuban Communists and the NACLA staff. Ryan is currently active in the Weather-Underground Organization's Prairie Fire Organizing Committee—PFOC.

George A. Cavalletto, Jr., traveled to Havana with a contingent selected by the SDS Weatherman faction in July 1969, to meet with representatives of the Communist North Vietnamese and their Vietcong. After the SDS "War Council" at Flint in 1969, Cavalletto and Sheila Ryan have produced a steady flow of propaganda for the PLO. He and Ryan first reported for the Liberation News Service and the underground press, and Cavalletto assisted with the radical Ramparts Press Reader publication, "Palestine, An Arab-Israeli Conflict," by "sharing personal experiences of life with the resistance" with Ramparts editors.

Other PSC staff includes Barbara Lou Shafer, Milton Tamm, and John Ziv.

The PSC has already established units in three cities besides New York. The PSC chapters are operating from: Post Office Box 2203, Youngstown, Ohio 44504; Post Office Box 2078, Denver, Colo., 80201; and Post Office Box 6123, Albany, Calif., 94706.

Besides coordinating the National Lawyers Guild delegation to Syria, Palestine Solidarity Committee activities will include "launching a program of education and action in support of the PLO and against U.S. imperialism's oppression of the Palestinians."

The PSC will "serve as a center for distribution by mail" of PLO propaganda. The newsletter will be published 10 times a year. The principal on-going activity at the PSC at this time is preparing for the May 15 marches and rallies to mark the "Palestine Solidarity Day."

The PSC is supporting the New York City Palestine Day Mobilizing Committee—PDMC—operating from 183 Atlantic Avenue, Brooklyn, N.Y. The PDMC was formed at the call of the PLO terrorists' Information Office, distributed in the United States by the Palestine Information Committee.

In part, the PLO call for May 15 demonstrations reads:

> To All Progressive and Peace-loving Forces: May 15, since 1948, has been viewed as the day that witnessed the deprivation of our people of their right to self-determination, following the creation of Israel. * * * in spite of continued suppression, our people never gave in to Zionist-imperialist plots. * * *
>
> * * * The genocidal campaign against our people has failed. The imperialists and their reactionary lackeys have been unmasked. Our successful fight * * * has culminated in recent years in a worldwide recognition of our fundamental rights. All progressive, peace-loving and democratically-minded peoples today recognize * * * the unity of our people under the leadership of the sole legitimate representative of the Palestinian people, the Palestine Liberation Organization.
>
> "The concerted struggle of our people and the recognition accorded to it have changed the significance of May 15. It is now a day of asserting Palestinian national determination to fight * * *. In recent years, the day has been declared an international day of solidarity with the struggle of the Palestinian people.
>
> The PLO Information Office communique then made a statement which should cause concern to all those who must protect us from terrorism. Said the PLO, "We call upon all peace-loving and progressive forces to express their solidarity with the struggle of the Palestinian people.

"Peace-loving and progressive forces" is the usual Leninist jargon term for those on their side. But "expressions of solidarity" by Marxist-Leninists may range from teach-ins and picket lines to terror bombs. The severity of the actions depend on the amount and type of publicity to be generated; but to the terrorist mentality, bombings are desirable because they bring home to the largest number of people the issue being raised by the revolutionaries and because they undermine public confidence in our system's ability to deal with terrorist violence.

As is well-known, the Weather Underground Organization, with its long and close ties to the Cubans, has claimed "solidarity" bombings in support of revolutionaries in Chile, Puerto Rico and Vietnam. In Prairie Fire: "The Politics of Revolutionary Anti-Imperialism," the WUO stated,

> Our intention is to engage the enemy . . . to wear away at him, to harass him, * * * to reveal his vulnerability." On April 14, the Red Guerrilla Family, possibly a Weather Underground sub-group, severely damaged the Union Carbide offices in San Francisco in "solidarity" with the guerrilla terrorists in Rhodesia and Southern Africa.
>
> The PLO is calling upon its supporters to "act to stop the campaign waged by the imperialists against the PLO and to stop all economic and military aid granted to Israel. * * * act now to stop imperialist intervention in the Middle East.

In New York, the Palestine Information Committee and Palestine Day Mobilizing Committee, a march in Brooklyn on May 16, a Sunday, to a rallying point on Atlantic Avenue between Court and Clinton Streets. Their demands, not surprisingly, are identical with those raised by the PLO Information Office.

It is to be hoped that the public, and the media, will recognize that the PLO is an organization which has stepped far outside the limitations of civilization, and that it is the "only legitimate representative" of its Soviet-bloc sponsors and its own barbaric cadres.

And it is also to be hoped that those private persons, and local and Federal officials whose duty is to guard against terrorist attacks will remain especially vigilant during the days immediately preceding and following May 15, lest history repeat itself.

SECOND ANNUAL FINANCIAL DISCLOSURE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 4, 1976

Mr. DOWNEY of New York. Mr. Speaker, in keeping with a practice I began last year, I am publishing my financial statement for 1975. I believe that public officials have an obligation to make a full financial disclosure in order to have on the public record the sources of all income, and taxes paid, so that no question as to self-enrichment or conflict of interest can ever arise.

My financial statement as of December 31, 1975 follows:

Income For 1975

Salary—U.S. House of Representatives	$39,072.08
Salary—Suffolk County Legislature	138.66
	39,210.74
Other income:	
Honoraria	200.00
Second District Congressional Association[1]	4,664.50
Total	4,864.50
Total 1975 Income	44,075.24
Adjustment to Income:	
Congressional reimbursements: travel, stationery, district office, district office telephone	10,682.57
Congressional expenses: travel, stationery, district office, district office telephone, cost of living in D.C., miscellaneous	12,782.57
Total adjustment	2,100.00
Line 15: adjusted gross income	41,975.24
Itemized deductions:	
Medical	42.05
Taxes	1,377.55
Interest expense	149.03
Contributions	657.00
Miscellaneous Congressional Expenses	2,064.02
Congressional Association	4,921.62
Total	9,211.27
Personal exemption	750.00
Total	9,961.27
1975 taxable income	32,013.97
Federal income tax paid (income average method)	9,021.00
New York State income tax paid	3,363.00

Funds raised are used to increase the services and information I am able to provide my constituents.

The December 31, 1975 Statement of the Second District Congressional Association follows:

Income:	
Dues	$2,722.00
Pre-paid lunches	170.00
Luncheons	1,772.50
Total	4,664.50
Expenses:	
Printing	600.00
Office supplies, mail	1,566.30
Mobile office	287.24
Awards	209.98
Luncheons	2,219.10
Photos	39.00
Total	4,921.62

STATEMENT OF NET WORTH, DECEMBER 31, 1975

Assets:	
Cash value, congressional retirement system	$3,125.77
Personal property (approximately)	2,500.00
Liabilities: None.	

I have no outside business interests, and no connection with any business entity that does business with the Federal Government, or subject to Federal regulatory agencies.

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[1] The Second District Congressional Association is a non-profit membership fund which holds monthly meetings to keep members and the public informed about national issues and happenings in the Congress.

HOUSE OF REPRESENTATIVES—*Wednesday, May 5, 1976*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The fruit of the spirit is found in all that is good and right and true.—Ephesians 5: 9.

"Lord, while for all mankind we pray,
Of every clime and coast,
O hear us for our native land,
The land we love the most.

O guard our shores from every foe;
With peace our borders bless;
With prosperous times our cities crown,
Our fields with plenteousness.

Unite us in the sacred love
Of knowledge, truth and Thee;
And let our hills and valleys shout
The songs of liberty.

Lord of the nations, thus to Thee
Our country we commend;
Be Thou her refuge and her trust,
Her everlasting friend."

—John R. Wreford.

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3065) entitled "An act to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes."

The message also announced that the Senate insists upon its amendments to the bill (H.R. 9721) entitled "An act to provide for increased participation by the United States in the Inter-American Development Bank, to provide for the entry of nonregional members and the Bahamas and Guyana, in the Inter-American Development Bank, to provide for the participation of the United States in the African Development Fund, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPARKMAN, Mr. HUMPHREY, Mr. CHURCH, Mr. MCGEE, Mr. MCGOVERN, Mr. CASE, Mr. JAVITS, and Mr. HUGH SCOTT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2996. An act to authorize the Secretary of the Interior to permit the relocation of the John Witherspoon statue, and for other purposes.

COSTLY CONRAIL

(Mr. MOTTL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOTTL. Mr. Speaker, I voted against the bill to fund Consolidated Rail Corporation when the conference report was decided upon on January 28. I felt comfortable with my vote at that time because I was concerned about ConRail's price tag of $2.1 billion being too high.

I feel even more comfortable with my "no" vote today in view of the revelation that ConRail—despite facing a substantial deficit this year—is doling out country club memberships and Government autos to its top 11 executives.

I have objected all along to the top-heavy salaries of the ConRail executives. Edward G. Jordan, Chairman of the Board, is being paid $200,000 a year which is excessive for an individual who has minimal experience in railroading.

I think ConRail executives should spend more time reducing its high financial deficit and less time worrying about golfing privileges. These Government-subsidized employees should put forth more effort back in their office attempting to make their operation a solvent one and less effort trying to improve their golfing skills.

ConRail will never have my vote as long as its executives show such total disregard for the expenditure of taxpayers' money.

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO SIT DURING THE 5-MINUTE RULE TODAY AND TOMORROW

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations be permitted to sit during the 5-minute rule today and tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

CALL OF THE HOUSE

Mr. RONCALIO. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 235]

Ambro
Andrews, N.C.
Bell
Bevill
Boggs
Bolling
Bowen
Breaux
Broomfield
Brown, Ohio
Butler
Chisholm
Collins, Ill.
Conyers
Dellums
Diggs
Eckhardt
Eilberg
Eshleman
Evins, Tenn.
Flowers
Foley
Harris
Hayes, Ind.
Hechler, W. Va.
Hefner
Hinshaw
Jarman
Jones, Ala.
Karth
LaFalce
Lundine
McDade
McKinney
Macdonald
Madden
Mills
Mink
Mitchell, Md.
Moorhead, Pa.
Mosher
Nix
Pepper
Rees
Riegle
Ruppe
Sarbanes
Scheuer
Shuster
Simon
Stark
Stuckey
Symington
Udall
Waxman
Whitten
Wolff
Wydler

The SPEAKER. On this rollcall 374 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Roddy, one of his secretaries.

PERMISSION FOR SUBCOMMITTEE ON ENERGY, RESEARCH, DEVELOPMENT, AND DEMONSTRATION OF COMMITTEE ON SCIENCE AND TECHNOLOGY TO SIT TODAY DURING 5-MINUTE RULE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Subcommittee on Energy Research, Development, and Demonstration of the Committee on Science and Technology be permitted to sit today during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

THIRD ANNUAL REPORT ON ADMINISTRATION OF NATIONAL SICKLE CELL ANEMIA CONTROL ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce.

To the Congress of the United States:

I am pleased to transmit to the Congress the Third Annual Report on the Administration of the National Sickle Cell Anemia Control Act (P.L. 92-294) in accordance with the requirements of Section 1106 of the Public Health Service Act.

Sickle cell anemia is the most common genetic blood disorder in the United States. It is found predominantly, but not exclusively, in the black population where it affects nearly 50,000 persons. The individual cost of sickle cell anemia is tremendous; in addition to medical care and loss of time from school or employment, the resulting psychosocial and educational problems makes advancement against this disorder of highest priority.

This year's report highlights the progress made in the implementation of the National Sickle Cell Disease Program and other related activities of the Public Health Service carried out by the National Institutes of Health, the Center for Disease Control, and the Health Services Administration. We have continued to move ahead in the areas of research, education and public awareness, screening and counseling, and rehabilitation.

Fifteen comprehensive Sickle Cell Centers have been established, bringing together all aspects of research—basic, clinical, clinical application, and clinical trials. Continuing education and community demonstration programs have been included as integral parts of this important effort. This combination will permit the Centers to develop new and innovative approaches to education, testing, counseling and rehabilitation.

Also, last year 25 Sickle Cell Screening and Education Clinics provided information to more than one million persons, screened approximately 233,000 individuals, counseled more than 16,000 and referred many for appropriate medical care.

This activity is extremely important because the sickle cell trait is found in approximately two and one-half million black people. Although the sickle cell trait is primarily a healthy state wherein one carries genes for both sickle hemoglobin and normal hemoglobin, the blood disorder occurs as a result of the presence of genes for sickle hemoglobin inherited from both parents.

The National Institutes of Health is conducting intense investigations into the mechanisms of sickling in sickle cell anemia and subsequent complications, as well as carrying out therapy trials to alter the sickling process.

We must continue to push ahead for new knowledge and methodologies for the diagnosis, control and treatment of sickle cell anemia, as well as carrying on and improving existing screening and counseling, information, and education and training activites.

The progress made in the last year is heartening and sickle cell anemia program activities will continue to be of the highest priority. I am pleased to present this report to the Congress.

GERALD R. FORD.

THE WHITE HOUSE, *May 5, 1976*.

LAND AND WATER CONSERVATION FUND ACT AMENDMENTS AND NATIONAL HISTORIC PRESERVATION ACT AMENDMENTS

Mr. TAYLOR of North Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12234) to amend the Land and Water Conservation Fund Act of 1965, as amended, and to amend the act of October 15, 1966, to establish a program for the preservation of additonal historic properties throughout the Nation, as amended, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from North Carolina (Mr. TAYLOR).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12234, with Mr. PIKE in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from North Carolina (Mr. TAYLOR) will be recognized for 30 minutes, and the gentleman from Kansas (Mr. SKUBITZ) will be recognized for 30 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. TAYLOR).

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, H.R. 12234 amends both the Land and Water Conservation Fund Act and the Historic Preservation Act of 1966. I believe that this is one of the most important and constructive measures which has been presented by the Committee on Interior and Insular Affairs to the House during my 16 years in Congress. Its effects are far reaching in the ability of our Nation to protect its natural and historic heritage and meet the outdoor recreation needs of our people. The fact that this legislation has attracted 95 sponsors is most significant and shows unusual public support.

The land and water conservation fund program has now been in existence for 12 years. I think it is fair to say that it has been one of the most successful Federal programs initiated by Congress. The fund, in the main, comes from Federal receipts from Outer Continental Shelf oil and gas leasing. The fund is then used to acquire Federal recreation lands and to make matching grants to States and local units of government to acquire and develop such lands. This means that we are taking Federal income from the sale of resources and putting it back into other lasting resources for the Nation. This is sound policy because it means that these revenues would not simply be put into operating programs and used up.

The matching portion of the fund has allowed communities across the Nation to acquire and develop recreation lands with a combination of local and Federal money. State park and recreation systems have also benefited tremendously. Best of all, the matching grants have stimulated a major commitment of State and local funds to outdoor recreation programs, with over $1.2 billion having been obligated from these sources to date.

But the needs in this area are tremendous. Purchase of open land, particularly near urban centers, is increasingly expensive. We heard overwhelming testimony that State and local governments are ready and able to support a matching program at a far higher level.

This legislation would raise the existing land and water conservation fund from the present $300 million per year authorization to $450 million in fiscal year 1978; $625 million in fiscal year 1979; and $800 million in each succeeding fiscal year thereafter through the year 1989.

The National Park Service depends entirely on this fund for Federal land acquisition for recreation purposes and an increase is desperately needed. We have found that there are enormous existing backlogs of authorized lands which have not been acquired due to lack of funds. The cost of acquiring these lands is increasing each year so it is poor economy to authorize a national park or recreation area or seashore area and then delay several years in acquiring the land.

It will cost $500 million to buy the lands already authorized by Congress to be included in the National Park System. Without inflation it would take 8 or 10 years at the present appropriation level to pay for this land already authorized to be added to the National Park System.

One departmental witness testified that the existing level of funding does not compensate for the annual increase in the cost of the existing backlog of lands to be purchased. So at this level, we are actually getting further behind each year.

We are considering this increase in authorization at a time when President Ford is requesting Congress to curtail spending and I agree with the President that Congress must exercise restraint and control the growth of Federal spending. We purposely provided that the spending increases authorized in this bill would begin in 1978 so as not to affect the budget on which we are now working.

Most of you know that I usually vote conservatively on spending increases but certain existing conditions cause me to give strong support to this legislation.

First, Federal budgets for natural resource protection and use have been shortchanged and have not increased as have budgets for most other programs during the last decade.

Second, the diminished value of the dollar and the large increase in the cost of recreation land create a demand for larger funding.

Third, it is poor economy to continue creating national park and national recreation areas and to not acquire the lands authorized more promptly.

Fourth, the States and local units of government have shown a willingness to match much larger levels of funding.

Fifth, the increased offshore oil lease receipts provided a nontax source of funding.

Mr. Chairman, H.R. 12234 is the product of a great deal of careful and deliberate consideration by the Committee on Interior and Insular Affairs. Let me briefly review the history of this measure before going on to its other specifc features. The Subcommittee on National Parks and Recreation conducted hearings in the 93d Congress on several bills which proposed to increase the authorization for the Land and Water Conservation Fund. We also heard testimony on a bill to establish a similar fund for historic preservation purposes. The committee then reported a comprehensive bill late in the 93d Congress. Unforunately, the bill was not considered by the House of Representatives in the press of legislative business before adjournment. The Senate, however, did pass a companion measure in 1974.

The text of the bill reported by our committee last Congress was reintroduced in 1975. We conducted further hearings in July of last year, hearing congressional and departmental witnesses, and receiving written testimony from other interested organizations and individuals. The measure was again extensively debated and amended by both the subcommittee and the full committee. H.R. 12234 is a clean bill which reflects all the decisions reached throughout this debate.

I want to point out that, although H.R. 12234 contains several provisions, by far the most important aspects of the bill are the authorization increases it proposes. We should not lose sight of this while we are debating the other provisions of this measure.

A feature of the bill would permit a State to use up to 25 percent of its annual allocation to construct sheltered swimming pools and ice-skating rinks when the Secretary finds that the severity of climatic conditions justify such action. I believe that it is reasonable to extend the use of the funds to shelter the use of these facilities when they are constructed in regions which would otherwise have a very limited season of use. For instance, swimming in Alaska or North Dakota or ice skating in Florida might demand a sheltered facility. But we must remember that this has been since the beginning an outdoor recreation program and I would have to oppose any efforts to go further in using these funds for indoor recreational use.

The allocation formula for State distribution of the fund is modified to allow the more populous States to receive a slightly larger share of the fund. This change would not take effect until there are actual appropriations 33⅓ percent higher than are currently authorized.

Evidence was presented showing that the more populus States on the average are now receiving a much smaller per capita share of the fund than are the smaller States. Under this bill, the smaller States would continue to receive a larger per capita distribution, but the difference would be reduced somewhat.

Mr. Chairman, title II of the bill amends the Historic Preservation Act of 1966 to establish an expanded matching grant program for the preservation of historic properties.

The existing law authorizes $24.4 million in Federal grants this year to match State and local dollars in preserving historic properties. But here also we have found State and local response far exceeding our authorization. Requests for matching funds this fiscal year have exceeded $200 million. Failure to meet this level of commitment means that each year we are condemning innumerable buildings rich in American history to further decay or the wrecking ball.

H.R. 12234 establishes an historic preservation fund which draws its income from Outer Continental Shelf leasing receipts. Thus, like the land and water conservation fund, we will be placing a portion of our income from resource sales into preserving these other important resources. This fund would be authorized at $75 million annually in fiscal years 1978 and 1979, and $100 million annually for each fiscal year thereafter through 1989. It will still be subject to the normal appropriations process. Again, we are using the Federal matching money as a stimulus for other sources of funding for this program, and the

States are ready and able to support this expanded program.

Mr. Chairman, this legislation offers us the opportunity to build on two successful programs in meeting today's needs. The sources of the funding for these expanded programs would be offshore oil leases which next year and succeeding years should bring in income to the Interior Department a sum between $4 billion and $8 billion per year. I know that we have budgetary problems, but to me it makes sense to take a substantial portion of the money received from the disposition of nonrenewable resources and plow it back into other resources of lasting value. I urge the House to support these worthwhile programs and pass this bill.

Mr. SKUBITZ. Mr. Chairman, I yield myself 12 minutes.

Mr. Chairman, first I think Members ought to know what this bill is all about. What we are proposing to do here is to take $450 million out of the land and water conservation fund and out of the Outer Continental Shelf fund for 1978 and $625 million in 1979 and $800 million in 1980 and each year for the next 9 years thereafter up until 1989 and to use it for the purpose of development of urban and national parks.

I think you ought to know that what we are doing is determining whether these should be given a higher priority than matters such as jobs for the unemployed, care for the elderly, decent housing, health programs, and so forth.

I think you ought to know that the royalties from the Outer Continental Shelf oil leasing program, which go into the General Treasury will, under this bill, be put into this program and then we must find money somewhere else to take care of these other important projects.

I think you ought to know that a move is underway to build urban parks at the expense of taxpayers.

That's not so bad, except that we are going to be asked to make payments in lieu of taxes to these same cities and that is all the more reason this money is going to be needed.

Now, you are going to be told—that there are over 95 cosponsors to this bill. What is surprising is that there are not 200 cosponsors. However, by changing the formula for distributing the money under this bill, 36 States are going to be losers and 14 States are going to come out the big winners. And that is when statesmanship goes out the window, in this, the greatest deliberating body in this country.

I think you ought to know, in plain language, what this bill is all about:

We have been getting $300 million out of the Outer Continental Shelf receipts for parks and recreation.

This bill recommends that by 1980 the funding level finally reach $800 million.

Today this money goes—into the general revenue fund.

And every dime you take out of it for the parks means tax dollars have got to be found to replenish the general fund to meet our other needs.

Permit me to give you a brief history of the land and water conservation bill.

The Land and Water Conservation Act was enacted into law in 1964. At that time we thought we could raise the funds—

Through the sale of Golden Eagle permits; and

Funds from the sales of surplus property.

Both of them turned out to be "fizzers."

The funds from these sources were not drops in the bucket.

So in 1968 we turned to the funds in the Outer Continental leasing program. We argued—

First. If Congress wants parks and recreational areas it must pay for them. We cannot continue to authorize and not buy, it is not fair to the people; it is not fair to the fellow whose property is being taken.

Second. Since we could not get appropriated funds, give us a share of the Outer Continental oil leasing funds.

Third. Then an incidental argument was advanced if you use a national resource. Why not use the funds to invest in another.

Now many of us did not like the creation of a special fund, but we also knew that getting Congress to put up $300 million for parks and recreation was not a good idea either.

Hence we followed the less painful course.

The fund is currently authorized to be created with an income of $300 million:

First, 60 percent to be used for matching funds with the State for planning, acquisition, and development; and

Second, 40 percent for Federal purposes land acquisition.

Now what this bill proposes to do is:

First. Increase the take from the Outer Continental Shelf funds by keeping the amount at $300 million in 1977—that is to make it more palatable for the President: $450 million in 1978; $625 million in 1979; and $800 million in 1980 and thereafter.

Now the other body is no piker, it goes to $1 billion.

I offered an amendment in committee scaling the amount down to: $300 million in 1977; $450 million in 1978; $500 million in 1979; and $600 million in 1980.

I did this for two basic reasons:

First. All the funds from the Outer Shelf now go into the general revenue fund. If we increase our take it means we have got to raise taxes or add to the debt.

Second. I wanted to get something I thought maybe the President would sign. I am getting weary spinning wheels.

Even our committee recognizes we are overoptimistic about the funds in the Outer Shelf fund.

I read from our report to the Budget Committee:

> The committee recognizes the special problem created by the use of outer continental shelf (OCS) receipts as a variable in reducing the estimated budget deficit. For example, the President's budget for fiscal year 1977 estimates that the projected deficit for 1977 will be $43 billion, but this estimate is based on estimated $6 billion in OCS rents and royalty receipts that reduce the overall deficit by that same amount. Since the President's budget over the last fifteen years shows that OCS receipts were overestimated in eleven of those years, this committee would alert the committee on the budget that there is little likelihood of receiving the full $6 billion in receipts. Consequently, it is likely that the President's deficit is underestimated in his fiscal year 1977 budget.

My amendment failed by a vote of 13 ayes to 18 noes.

I am also disturbed by the change in the formula. Here the committee really showed its versatility in making every State a beneficiary while 36 of them turned out to be losers.

Here we treat all the States alike, insofar as the first $240 million is concerned and then the formula changes as we move into the big money:

The 14 larger States become the winners 36 other States are losers, except Puerto Rico, Guam, and the Virgin Islands. They get increases.

Fact is, this bill is looking toward the development of more urban parks, and may I say to the committee, that disturbs me no end.

I am not opposed to urban parks, but we have a payment in lieu of taxes bill which will require Congress not only to establish parks, but pay taxes on them for 5 years.

I urge you to read my remarks on page 38 and 39 of the committee report.

Mr. Chairman, later this afternoon I am going to offer two amendments:

First, that the take from the outershelf fund be reduced; and

Second, that the formula remain unchanged.

I urge your support of my amendment for the very reason that the higher funding level is the major objection of the administration to the bill. I read from the Department of the Interior's report:

> We recommend against the enactment of these bills because we believe that such an increase in the authorized level of the fund at this time would jeopardize the administration's efforts to hold down Federal spending.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield such time as he may consume to the chairman of the Committee on Interior and Insular Affairs, the gentleman from Florida (Mr. HALEY).

Mr. HALEY. Mr. Chairman, I thank the gentleman from North Carolina for yielding this time to me.

Mr. Chairman, I rise in support of this legislation. I think it is a good bill.

For more than a decade the Committee on Interior and Insular Affairs has been responsible for the land and water conservation fund program. The members of that committee have attempted to develop a responsible program compatible with the original objective; namely, to expand outdoor recreation opportunities throughout the Nation.

H.R. 12234, as recommended by the committee, continues that program. It provides for the expansion of the land and water conservation fund program and for the creation of an historic preservation fund.

Both of these programs are designed to help the States help themselves. For every Federal dollar expended, the States put up an equal amount, and this is all done with the initiative from the local level. It is not controlled by unnecessary Federal directions and controls. The States develop their own outdoor recreation and historic preservation plans. They pick the areas where the need is greatest. And they do the work to make these places available for the people.

This is no giveaway program. It is a partnership between the Federal Government and State and local governments to save those places that are meaningful to the Nation. After they are assured protection, the cost of operating and maintaining them rests solely with the States.

Last Congress, legislation was recommended to the House which would have enlarged the Land and Water Conservation Fund. Everyone would have benefitted if it had been enacted and implemented. Every State would already be receiving more matching money than they do under the existing act.

Areas like the Big Cypress National Preserve in my home State of Florida would have benefited if that legislation had been enacted, as well as many other national park, forest, and other outdoor areas which have been set aside for the use and enjoyment of present and future generations of Americans.

This legislation is needed if we are to go forward with projects like the Big Cypress National Preserve. Experience has shown that land prices in these outdoor areas escalate at a rapid pace after they are recognized as nationally significant areas. Not only is it unwise to delay these acquisitions because adverse developments occur, but it is financially irresponsible since prices increase so rapidly.

There is still another reason why these land acquisition programs should be promptly implemented. It is a question of fairness. Landowners who have invested their moneys in these areas are under a real cloud. They cannot sell their lands to anyone because of the impending government acquisition. They cannot sell to the Government, because it has not made the money available. They cannot proceed to develop their holdings, because they cannot get the necessary financing. The only thing they can do is pay taxes and wait until it is convenient for the Government to buy them out. This is not fair. It does not have to be this way, and this bill could help resolve this problem.

H.R. 12234 is a compromise bill. It is a good bill. It helps everybody and it hurts nobody. It deserves your support without amendment. Let us take this bill to conference and try to get a measure enacted this year. Otherwise everyone loses.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. HALEY. I yield to the gentleman from California.

Mr. JOHNSON of California. Mr. Chairman, I am glad to join my colleagues on the Committee on Interior and Insular Affairs in endorsing the enactment of H.R. 12234—a bill to expand the Land and Water Conservation Fund and to extend the national historic preservation program.

LAND AND WATER CONSERVATION FUND PROGRAM

Few programs have been as well received or as successful as the Land and Water Conservation Fund program authorized by the Congress in 1964. As everyone knows 40 percent of the funds authorized are used for Federal land acquisition needs by the agencies operating outdoor recreation programs. The remaining 60 percent is available to the States in matching funds for land acquisition and for development of outdoor recreation programs.

Since the program was first established, the formula for the distribution of the State side of the program has remained unchanged. That formula provides that two-fifths of the money is to be distributed equally among the States and the remaining three-fifths is to be distributed on the basis of need, as determined by population and other factors. Under present law, no State may receive more than 7 percent of the total amount available.

Naturally, when the moneys involved were small, the discrepancy between the States was not too important, but, when we look at the total amounts available since the program began and the growth envisioned by this legislation, it is clear that a discriminatory situation is developing which must be corrected.

Mr. Chairman, H.R. 12234 as reported by the committee is a reasonable and fair compromise. It could be argued that the State share of the moneys should be divided entirely on the basis equal per capita distribution, but the bill does not go that far.

As recommended, H.R. 12234 will assure every State that it will receive as much as it does under the present formula for the first $240 million on the State side of the fund. Beyond this level, a new distribution formula will apply which will allow a larger share of the increased funds to be distributed to the more populous States. While this will not achieve per capita equality, it will give people living in the heavily populated States a reasonable and fair share of the limited dollars available. At the maximum authorization proposed by H.R. 12234, half the State grant moneys will be allocated under the existing formula, and half under the more population-weighted formula.

I should also note that the committee bill changes the maximum amount which any single State may receive from 7 percent to 10 percent. Without this change, the present inequities are magnified.

Mr. Chairman, everyone has benefited under the existing program. The committee and the Congress can be proud of the positive accomplishments of the last decade. Every State has participated and Americans all over the country have enjoyed the fruits of this legislation.

HISTORIC PRESERVATION FUND

The second element in the measure now before the House involves the national historic preservation program. Like the land and water conservation fund program, this program has helped the States do a job for the American people. Through it, moneys have been available on a matching basis to assist the States in preserving places and buildings of historic significance.

If enacted as recommended by the Committee on Interior and Insular Affairs, H.R. 12234 will create a fund to underwrite the costs of this program. Like the land and water conservation fund, it will draw its income from revenues coming from the Federal leasing program on the Outer Continental Shelf. It is most appropriate that we provide that some of the receipts from the disposition of these assets belonging to all the American people be reinvested in other lasting resources—natural and historical—for the benefit of present and future generations.

Mr. Chairman, I want to compliment the gentleman from North Carolina (Mr. TAYLOR) on his efforts in behalf of this legislation. Since both of these programs were first enacted, he has continued to push for their full implementation. Over the years, he has made a real and lasting contribution to all phases of the Nation's outdoor recreation and historic preservation programs. We all owe him a debt of gratitude and future generations of Americans will long appreciate his contributions.

Before I close, Mr. Chairman, I want to emphasize one last point about H.R. 12234. This bill is a national bill. It benefits people in all parts of the country and in all walks of life. It does not matter whether you are young or old, black or white; Catholic, Jewish, or Protestant; rich or poor—everyone in America, now and in the future, will be affected by the action we take today.

It can mean a swimming pool in the hottest part of the central city, or a playground in a country town. It means the difference between the preservation and destruction of some of our historical and cultural heritage. It makes possible the preservation of our grandest natural and historical resources. The Redwoods National Park, Cape Cod National Seashore, Big Thicket and Big Cyprus National Preserves, Indiana Dunes National Lakeshore, C. & O. Canal and Boston National Historical Parks and many other areas too numerous to mention are all the products of this program.

Mr. Chairman, this is an all-American bill for all Americans. Every dime authorized in this legislation will be used to make our Nation a better place to live—now and in the future. It deserves the support of every Member of this House and I urge its approval without amendment.

Mr. SKUBITZ. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas (Mr. SEBELIUS).

Mr. SEBELIUS. Mr. Chairman, at the beginning I would like to pay tribute to the chairman of the subcommittee, the gentleman from North Carolina (Mr. TAYLOR), for the very outstanding job he has done; and to the gentleman from Kansas (Mr. SKUBITZ) who is now the ranking minority member of the full committee, and who has just poured his heart out down here in the well on a subject close to his heart.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, I would just like to return the compliment. No committee or subcommittee chairman could have a ranking minority member who has been more constructive and more cooperative and more helpful than has been the gentleman from Kansas (Mr. Sebelius).

Mr. SEBELIUS. Mr. Chairman, the bill now before the House represents the major Federal funding source for Federal, State, and local park and historic preservation and development efforts across the Nation. It is a product of almost 2 years of consideration by the Interior Committee, and reflects the input of many interested and affected entities and organizations.

The record is amply clear that all levels of government desperately need and can utilize the additional funding which can be made available by this bill for both recreation and historic preservation needs. A great deal of resource protection and development has been lacking due to the insufficient funding. This bill should permit a satisfaction of this pressing need, if appropriations can approach the authorization level.

It is important to note that the current identified backlog of federally authorized but yet unacquired lands amounts to a figure in excess of $2.3 billion. In regard to the demand to satisfy unmet outdoor recreation needs on the State side of the fund, the BOR has reported that the States have estimated their collective needs to total a whopping $45 billion for land acquisition and facilities development for the remaining statutory life of the fund—through 1989. This is a phenomenal amount of money, but the needs are indeed very great.

In testimony received from the principal departmental witness, the committee was advised that at the current rate of actual fund expenditure in purchasing lands contributing to the total Federal acquisition backlog figure, we are not even able to reduce the backlog total. The rate of inflation and escalation of land values is rising at a rate faster than the rate of acquisition to reduce the backlog, and this is occurring even without adding more new parklands to the backlog figure.

While the funding level has been the principal focal point of this legislation, numerous other important features are incorporated in this bill. They are principally designed to update the existing laws so as to satisfy current needs.

I want to particularly stress the importance of the land and water conservation fund in serving as a major tool for preserving our rapidly vanishing outdoor recreation resources. Not only are many of these potential recreation areas slipping rapidly and permanently from our grasp due to their being irretrievably committed to other uses, but the escalation of land values is moving at a frantic pace. While the development of some of the fund-acquired land with facilities for visitor use and enjoyment is also important, I cannot help but feel that the most urgent area for stress over the next decade is acquisition, rather than development.

As surprising as it might seem, on the State grant side of the fund over the decade of the fund's existence, the majority of the expenditure has been for facilities development, rather than for land acquisition and resource preservation. While each State should principally decide its own needs, and one State's needs do not necessarily correlate to another's, I am concerned that the historical slighting of land acquisition may be an extremely shortsighted and unfortunate approach, considering the long-run benefit for generations to come. Whether it be within heavily populated urban areas or in the more rural countryside, I would urge the Secretary of the Interior, in his execution of this law, to encourage and direct a greatly strengthened priority on land acquisition while land resources are still available.

In particular, I feel greatly increased consideration should be given to assuring the protection of the few remaining natural areas across the land which represent samples of once-primitive America. Some of these may never be conducive to high intensity recreational development. Nevertheless, they represent priceless remnants of natural diversity of our country's once diverse ecosystem. They should be identified and secured while they yet exist. Most are not unique or substantial enough to warrant Federal level protection. But they are a logical area for action by State and local governments.

I am also most concerned that the land and water conservation fund continue to retain its orientation to satisfying outdoor recreation needs. As much as various indoor recreation opportunities need greatly increased funding, there is not sufficient funding in this bill to permit a venture into the indoor recreation business. Such a venture would jeopardize the accomplishments yet much needed relevant to outdoor recreation.

Mr. Chairman, park and outdoor recreation interests, as well as historic preservation efforts, at all levels of government across the country desperately need this bill in order to continue to carry forth their good efforts. Few bills enacted by the Congress bring so much tangible and enduring pleasure and enjoyment to so many people for so long, as does a bill of this type.

I hope my colleagues will vote in favor of this very important legislation.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. Stephens).

Mr. STEPHENS. Mr. Chairman, I want to join my colleagues on the compliments they have paid to the chairman of our subcommittee. I have been on this subcommittee with the gentleman ever since I have been on the Committee on Interior and Insular Affairs, and nobody has done a greater job than the gentleman from North Carolina (Mr. Taylor) in the advancement of a great national park service for the people of the United States. I support our chairman and the members of our committee on this piece of legislation.

Mr. Chairman, one question has been raised as to the fact that this money that we are asking for to be allocated would call for funds to be put into other fields by assessments on the general tax revenue.

Let me point out what this fund actually does. This fund that we are asking for as an increase is from the depletion of a natural resource. I think it is very wise and very logical to put into outdoor recreation and into historic preservation the money that is coming from the depletion of a natural resource to restore and preserve some other natural resources.

I think that balances out very well and is an adequate justification for what is not often justified—the earmarking of a single fund. But in this instance I think it is highly justified for us to take this fund from one depletion and put it into preservation.

Mr. Chairman, I happen to be chairman of the Subcommittee on Historic Preservation and Coinage of the Committee on Banking, Currency and Housing. I have been anxious to see the historic preservation of our heritage continued, and I have been pleased and amazed how much of a "people's" program this historic preservation program is.

Mr. Chairman, when it comes to the question of priorities, and one of the priorities being to provide employment for the unemployed, I would imagine that if we had the figures here that the sums of money that were spent out of our funds we are talking about for the restoration for all of the environment around the home of Abraham Lincoln, in Springfield, there was a great employment effect in Springfield, Ill.

Wherever we have rehabilitated land and instituted a program of building outdoor recreational facilities, we have provided very good employment opportunities in those areas. So I think when we are talking about some of our priorities, we should recognize that this should have a high priority, and I think we should all get behind the subcommitee chairman and support this legislation. This is a bill that can provide impetus to a much needed and valuable program.

Mr. Chairman, I thank the gentleman for allowing me to have this time.

Mr. SKUBITZ. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. Lagomarsino).

Mr. LAGOMARSINO. Mr. Chairman, I would like to join with those Members who have already spoken in praise of the work of the gentleman from North Carolina (Mr. Taylor), who is the chairman of the subcommittee. As we all know, the gentleman from North Carolina (Mr. Taylor) has announced his retirement from this body. We will all miss him for the very fine work he has done over the years in this field.

I would like also to extend my congratulations to the ranking minority member of the committee, the gentleman from Kansas (Mr. Skubitz), and the ranking minority member of this subcommittee, the gentleman from Kansas (Mr. Sebelius). I think they have both done an outstanding job on this piece of legislation.

Mr. Chairman, I rise in support of H.R. 12234, the Land and Water Conservation Act Amendments. I think there is probably no area of the United States which has not benefited from this program, which many conservationists consider one of the most successful currently operated by the Federal Government. In the decade or so following the original enactment of the act in 1964, countless thousands of acres of parkland have been acquired and preserved for present and future generations of Americans. These lands stand as tangible proof of the farsightedness of this body in its original decision to establish the fund and are eloquent testimony to the effectiveness of the program in conserving natural areas for the benefit of the public.

An outstanding feature of this program is its blend of Federal, State and local funds to accomplish its goals. In past years I was privileged to serve on the board which administered some of these funds in California, and I was able to gain an awareness of the unique value of this fund. Frequently, land and water conservation funds spelled the crucial difference between saving and losing a valuable resource; in fact during the life of the act, through last February, almost $82 million in grants were made for 380 projects in California. The significance of this figure is enhanced when you realize that every one of those dollars was matched at the State and local level—evidencing a strong local base of support for the program—and when the cost of acquiring these lands at today's costs or at some time in the future is considered.

At the Federal level, the fund has served equally well, providing over $800 million for acquisition of lands by the National Park Service, Forest Service, Fish and Wildlife Service, and Bureau of Land Management. In fact, the fund has now become the sole Federal funding source for land acquisition by the National Parks System.

The need for expansion of the fund is well documented. A recent survey showed that the States could activate some $600 million worth of projects in the next fiscal year if adequate Federal matching funds were made available. At the national level, the Park Service now has a backlog of over $500 million worth of land acquisitions already authorized by law but which cannot be acquired. And the Forest Service estimates its unfunded needs for recreational lands at $1 billion.

Nor is there a shortage of revenue available to the fund. Receipts from the Outer Continental Shelf lands, which have been the principal source of income for the land and water conservation fund since 1968, are averaging over $4 billion a year. Even when fully implemented in 1980, the maximum annual authorization under this bill will be $800 million, or only 20 percent of present OCS revenues. This contrasts with the 34-percent share of offshore receipts which were earmarked for the land and water conservation fund during the 4 years immediately following the 1968 amendments. Yet the bill will have the effect of almost tripling the amount of funds which will be available for the program by 1980.

One final feature of the bill is worth noting, paragraph 14 of title I. This section, which was offered by Congressman KEITH SEBELIUS and I, directs the Secretary of Interior to make a comprehensive review of the needs, problems, and opportunities for parks near urban areas. Open areas which remain near cities are perhaps the most vulnerable to development. An excellent example would be the Santa Monica Mountains of southern California, which extend into the heart of Los Angeles and yet are relatively undeveloped. This study would provide us with a list of areas such as the Santa Monica Mountains which might be available for land and water conservation fund acquisition. The report is due within 1 year and should serve to help Congress decide how to deal with this particularly urgent problem.

In conclusion, Mr. Chairman, this is a bill long overdue which calls for a modest but appropriate level of investment in our future, using revenues which are available now but will not be later. It will provide dividends for generations to come. I urge an "aye" vote.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from Utah (Mr. HOWE), a member of the committee.

Mr. HOWE. Mr. Chairman, I appreciate the fact that the chairman of the subcommittee has allowed me to address the House for a few minutes on this bill. I join the others in commending him for his great service on our committee and his leadership on this particular legislation.

Mr. Chairman, I have enjoyed working on it, and I think it is one of the most important pieces of legislation to come before us.

Mr. Chairman, I am pleased to join with my colleagues, with whom I have participated in the formulation of this important legislation during both subcommittee and full committee consideration, and state my support for the amendments reported from committee. In our consideration of H.R. 12234, we sought to strengthen and improve the land and water conservation fund's contribution to the development of outdoor recreation opportunities. It is my sincere belief that the bill clearly reflects this concern.

Since the establishment of the fund, over 15,000 grants have been awarded to States to plan, acquire, and develop recreational land and facilities. It is safe to say that these grants have been received enthusiastically. State park systems and community outdoor recreation programs across the Nation have greatly benefited from the fund and substantially increased the recreation opportunities to citizens. In fact, the success of this program has been so pronounced that the demand for grants far exceeds the capacity of the fund at its present authorized level. This response is especially impressive when it is considered that the matching grants are made on a 50-50 basis, with each dollar of Federal money bringing forth an equally matching response from State and local agencies.

At the expressed request of other levels of government, the committee increased the authorization level for the fund to what I consider is a more acceptable and timely level. A recent survey found that the States are capable of activating some $600 million worth of projects in the next fiscal year if matching grants were available. At the fund's present $300 million level, it can be seen that we are only doing half the job. Last year in the State of Utah there were $24 million worth of grant requests and only $1.9 million in available moneys to satisfy those requests. The demand on the fund from Utah alone was six times more than the available moneys.

To meet this need, the committee increased the authorization level of the land and water conservation fund to $450 million in fiscal year 1978, $625 million in fiscal year 1979, and $800 million annually from fiscal year 1980 through fiscal year 1989. But, the committee did not raise this level without making provisions for accruals to the fund. We tied the increased authorization level to the transfer of a substantial percentage of the receipts from the Outer Continental Shelf leases. In recent years, receipts from Outer Continental Shelf leases have increased enormously and it is anticipated that fiscal year 1977 receipts could approach $6 billion.

During my experience in Congress and in my previous work as a public administrator, I have become thoroughly convinced that we must insure flexibility for local adaptation of any Federal program. To help communities that have restricted outdoor recreation opportunity because of severe climatic conditions, the committee adopted a provision that would allow up to 25 percent of the total amount allocated to a State to be used for sheltering swimming pools and ice skating rinks. This would be the case if the Secretary of Interior determined such projects are needed due to severe climate conditions and the result would be an increased use of the facilities. This change was made to assist those communities which have traditionally enjoyed swimming and ice skating activities in an outdoor environment but which, in addition, have "interrupted" activities because of climatic conditions. In my district in Utah there are areas that have, as we say "9 months of winter and 3 months of late fall." For these communities, swimming activities are limited to a few short summer months. Often, this is a costly limitation, because many of these communities have invested land and water conservation fund moneys into a facility that has limited use because of weather conditions. Under the change adopted by the committee, communities could shelter these facilities and make them available for year-round use—thereby substantially increasing the return to the public on the tax dollar. The Senate recognized the need for this provision in their legislation as well.

The committee singled out and limited this provision to swimming pools and ice skating rinks only because they are historically recognized as outdoor recreation activities. It was never our intention to change the intent of the fund to make it available for "indoor activities" but only to insure that State and local agencies be allowed the flexibility necessary to implement productive and rewarding recreational opportunities for citizens across the Nation.

The provision of the bill which establishes a national historic preservation fund of $75 million in fiscal year 1978 and 1979 and $100 million a year for the next 10 years is also worthy of commendation. This program will help acquire and restore important historical buildings worthy of preservation and vital to the history of our Nation. In Utah, it is my hope that this fund would help acquire such historic buildings as Salt Lake City's Devereaux House.

This bill establishes a careful balance between the recreational needs of all our States and includes, I believe, the only acceptable resolution to the competing recreational needs of some of our larger States, urban centers, and smaller, less populated areas. Therefore, I wish to caution those who would upset the committee's fund allocation formula. It is my belief the committee has done a thorough and timely job in recommending these amendments to the land and water conservation fund and I urge my colleagues to support the bill as recommended.

Mr. SKUBITZ. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. Don H. Clausen).

Mr. DON H. CLAUSEN. Mr. Chairman, I want to express my support for this very important piece of legislation, and I want to say that much credit for its contents and progress are due to the fine and able work of both our distinguished subcommittee chairman, Roy Taylor, and our able ranking minority member, Keith Sebelius.

All of us who serve on the National Parks and Recreation Subcommittee are keenly aware of the great need for and merit of setting aside the very select and prime resources across the country for parks and places for outdoor recreation. We are also very sensitive to and frustrated over the problem of authorizing more parks on the one hand, and seeing insufficient money available on the other hand to follow through and purchase and develop what we have authorized.

This lack of funds is a bad proposition for everyone—for the public, for the administering agency and for the landowner who never gets his money. Worse yet, delay means escalation of costs for the land. Often land ends up costing two or three times the value estimated at time of authorization, when delay is involved. This escalated cost means that fund moneys go less far. Increased funds from this bill to buy lands will be of great benefit to all parties involved.

On the State side of the fund, the situation is much the same. The greater the amount of money available, the greater the amount of local matching funds to be drawn forth, resulting in greater outdoor recreation benefit for our people.

Moreover, with more funds available to the State and local governments through this matching grant-in-aid program, the less the call for total Federal involvement in local recreation affairs. Most States have indicated an interest and ability to do a great amount more. All they need is a little more funding help.

It only seems logical that a small portion of the revenues derived from the disposal of the public's Outer Continental Shelf resources should be channeled into the land and water conservation fund and thereby reinvested in the purchase of other resources for public benefit in the form of outdoor recreation lands and facilities. That is what both the current law and this bill are designed to do, and I think it is a very commendable procedure.

The States, along with local governments, have done a fine job in providing increased outdoor recreation benefits for the public. This bill should help them continue that effort. I have seen the benefits of this effort in my own congressional district by bringing parks to the people.

I think this is an excellent bill, and it deserves the support of all Members of this body. I urge a favorable vote from all of my colleagues.

Mr. SKUBITZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. Ruppe).

Mr. RUPPE. Mr. Chairman, I support this very fine and important bill. It embodies a great deal of long hard work and thought by the committee, and it will provide new, much needed new tools to assist outdoor recreation needs across the country. One of the most important of these new tools, of course, is more money with which to do a better job faster. All levels of government—Federal, State, and local—will benefit from this legislation. Of course the ultimate beneficiaries are the recreating public, and particularly, the future generations of Americans who will be thankful for these earlier efforts to preserve as much as possible for our natural resource and outdoor recreation heritage.

I want to particularly point out the fine job which my State of Michigan has done in the field of setting aside parks and outdoor recreation areas, and in providing outdoor recreation facilities for our people. This bill will greatly assist the State of Michigan in doing an even better job. Moreover, a slight change in the allocation formula for State grants will favor the State of Michigan, principally due to its relatively high population compared to other States.

For the current year, the State of Michigan has received a Federal grant allocation from the fund of $5,795,000. This bill provides that, through the next few years, the State grant funds will increase, and at its maximum level, Michigan could receive as much as $17,047,000 annually—an increase that will triple the funds now available.

Mr. Chairman, this is a very important bill which will offer great and lasting tangible benefit for all of the people of this country, not only for those of us who are here today, but for future generations as well. I urge the support of this legislation by my colleagues.

Mr. SKUBITZ. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois (Mr. McClory).

Mr. McCLORY. Mr. Chairman, the purpose of my asking for time is to make some legislative history and to engage in a colloquy with the chairman of the subcommittee, the gentleman from North Carolina (Mr. Taylor).

If the gentleman will accommodate me, I would like to ask two questions. The first question is this:

Are there any circumstances under which land and water conservation fund assistance can be used to match costs which are incurred prior to the Bureau of Outdoor Recreation obligating funds for that project?

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. The major thrust of the land and water conservation fund program should be on a forward-looking basis with funds being obligated to an approved project only before a grantee incurs costs under the project. However, there may be occasions where it is necessary for a potential project participant to proceed with a project prior to its approval since approval may require considerable investigation and paperwork. For example, it may be necessary to act on an acquisition opportunity before the land is lost to other uses. Under such circumstances consideration has been given to agreeing that the project will not be disapproved on the basis of retroactivity if the State notifies the Bureau of Outdoor Recreation of the necessity to proceed prior to project approval, fully justifies the proposed action, and the Bureau concurs. Such concurrence does not constitute assurance of project approval. Any costs incurred prior to the obligation of Federal funds would be solely at the participant's own risk. These are essentially the guidelines now imposed by the Bureau.

Mr. McCLORY. Mr. Chairman, I would further ask the gentleman from North Carolina: Would costs incurred on the basis of waiver—concurrence to proceed—be eligible for assistance under a subsequently approved project if the funds obligated to the project had not been appropriated and available to the State at the time such costs were incurred?

And I yield to the gentleman from North Carolina for the purpose of answering my inquiry.

Mr. TAYLOR of North Carolina. Mr. Chairman, I thank the gentleman for yielding.

Section 6(c) of the Land and Water Conservation Fund Act states in part:

> No payment may be made to any State for or on account of any cost or obligation incurred or any service rendered prior to the date of approval of this Act.

Implicit in this language is the congressional intent that costs incurred after the act became law would be eligible for reimbursement. This might involve costs incurred before funds were appropriated. Past records indicate that costs incurred before funds were appropriated were actually reimbursed with the knowledge and concurrence of Congress. I believe it is in the public interest to continue to provide this kind of flexibility so that public agencies can take advantage of lower prices or situations to preserve needed recreation lands. This should only be used in an emergency situation and only with the understanding that there is no implied approval—only an assurance that dispproval will not be based on retroactivity.

Mr. McCLORY. Mr. Chairman, I thank

the gentleman from North Carolina very much for the answers he has given. I have the strong feeling that this will result in a more prudent, more efficient, and more effective use of the funds that are provided.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Wyoming (Mr. Roncalio), a member of the committee.

Mr. RONCALIO. Mr. Chairman, I thank the chairman for yielding me this time and I might state that I could spend the entire 3 minutes in a tribute to Roy Taylor in expressing my sadness at the thought that he is leaving the Congress. But I will save that until a later and more appropriate occasion on which we can all express these sentiments to Chairman Taylor.

Mr. Chairman, I take this time to briefly add my strong endorsement to the enactment of H.R. 12234 as recommended by the Committee on Interior and Insular Affairs.

As has already been explained, this legislation expands the very successful land and water conservation fund program and extends and improves the highly popular historic preservation program.

I support this bill without amendments not because it is a perfect bill—not because it does everything that is right—but because I think it is a reasonable and progressive measure which can be enacted into law. It is a positive step forward.

Several of my colleagues will have amendments to offer. Some of them may be desirable, but the question is: How much can this popular legislation carry before it collapses under the weight of these well-intentioned amendments. Mr. Chairman, I think this bill could get so overloaded with controversial provisions as to cause its strongest proponents to lose interest in it.

For example, in the interest of compromise on the issue of sheltered facilities the committee recommends that only a portion of the State matching moneys be available for sheltered facilities and that, even then, only swimming pools and ice skating rinks could qualify if warranted by climatic conditions. An amendment will be offered, I understand, which would broaden this language to allow State park agencies to use matching funds from the land and water conservation fund for the renovation and upgrading of any "indoor recreation facilities." Needless to say this is not consistent with the outdoor recreation objectives of the Land and Water Conservation Fund Act. It may be a desirable program, but it could eventually absorb all of the limited funds available under this legislation. Most importantly, however, the adoption of this amendment will most certainly result in a great loss of interest in this bill by the Nation's leading conservation organizations.

Let us take another example. Since the beginning of this program, matching funds have been available to the States on a dollar-for-dollar basis. This 50/50 sharing of the cost has been very popular. One of the reasons for H.R. 12234 is because the States have more matching funds available than the Federal Government can equal under present law. Now, I understand, an amendment is to be offered which would allow 70 percent Federal funding. There is no good reason for this change. It is counter productive. It will mean that less—not more—will be accomplished for each dollar invested.

Unfortunately, my friend from Kansas (Mr. Skubitz) has an amendment to reduce the ultimate amount to $600 million. There is no logical reason for such a reduction. The committee version incorporates a good compromise and should be sustained.

Finally, just one more example. The committee bill provides for a phased-in approach on the authorization of funds for the land and water conservation fund. It begins in fiscal year 1978 with an increase to $450 million. Ultimately, in 1980, it reaches $800 million. The Senate bill provides for an immediate increase to $1 billion per year. We think that the committee compromise is reasonable and responsible. It takes only a small share of the Outer Continental Shelf receipts and invests them in lasting resources for all the American people.

Mr. Chairman, it is possible that so many issues will be piggybacked on this good bill as to cause it to be jeopardized. That would be very unfortunate and it could be fatal for the historic preservation program which must have this authorization in order to continue uninterrupted. For this reason I hope all amendments to H.R. 12234 will be rejected and the bill will pass the House by an overwhelming majority.

Mr. Chairman, I would also like to have the record show that recently the Washington Post quoted a news item I believe from the Associated Press in Atlanta, Ga., stating that Georgia had received a Federal grant of nearly $1.1 million to help acquire frontage along the Chattahoochee River, near Ft. Benning, Ga., where I soldiered as an enlisted man more years ago than I care to remember, and where I received my infantry officers commission.

The articles state that Interior Secretary Kleppe admitted the announcement was politically motivated in part. He was asked and admitted that this was out of discretionary land and water conservation fund money. He said he was awarding it just before the primary, and he said:

> If you're asking me if that's political, I hope so.

If anybody thinks that I state this in order to criticize Mr. Kleppe, they are in error. I say it in tribute to him. I compliment the Secretary of the Interior, for being boldly candid. I am sorry the primary results from Georgia failed to reflect this grant. I hope the park money that will be expended on the Chattahoochee River frontage in the State of Georgia will be a classic example of the good purposes to be served through the use of such discretionary funds.

I might add that when Harold Ickes put thousands of unemployed to work to build Rock Creek Park, that a good deal of the reason for doing that was so as to help Franklin D. Roosevelt stay in office. This does not detract from the altogether excellence of the park program. So I thank the Secretary for his candor in this matter.

Further, Mr. Chairman, I hope we can defend the committee bill for the reasons given earlier. I believe that this is the best and most balanced proposal to serve all of the public facility requirements of our 50 political subdivisions.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 4 minutes to the gentleman from New Jersey (Mr. Maguire).

Mr. MAGUIRE. I thank the distinguished chairman of the committee.

Mr. Chairman, I, too, rise in support of the major outlines of the committee bill, H.R. 12234 to amend the land and water conservation fund. I compliment the chairman and the committee, and the subcommittee chairman and subcommittee, on the excellent work that has been done on this very important piece of legislation. I am, however, going to be offering three amendments later in the day which I believe will fine tune the very excellent provisions which the bill contains.

The first amendment would accept the new allocation formula which the committee has adopted. It is an excellent attempt to recognize the inequity of the existing allocations, but I would request the House to consider whether or not if the formula is beneficial—and I believe it is—it should not become effective above current funding levels. My amendment would hold all States harmless up to current funding levels, but instead of waiting for a hypothetical future funding level to be achieved before applying the formula, my amendment would simply apply the formula above the current funding level and, therefore, apply this beneficial formula somewhat sooner than the committee would.

My second amendment pertains to allowing States more discretion in how their allocation can be spent. I would ask that the renovation of existing facilities—not new construction; my amendment has nothing to do with new construction—indoors should be permitted at the discretion of the States, and accepting still the 25-percent cap which the committee has quite wisely placed in the legislation. This is a conservation measure. It is designed to permit conservation of existing year-round facilities which play such a crucial role in recreation in many parts of the country.

Professional park and recreation administration planners reject the arbitrary distinctions that are sometimes made between types of recreation, and they seek to approach recreation and park administration in a manner which gives weight to the various kinds of recreation needs that an area may have.

My third amendment also gives States more discretion than States have had with regard to their portion of the fund. It would allow less affluent rural and urban communities which cannot now meet the 50–50 funding requirement the opportunity to present a case for unmet priority needs on the basis of some criteria pertaining to population, density, low income, et cetera. Then the Secretary would be able to waive only in such cases of high priority need the 50–50 formula and go up to a 70–30 formula.

All three of these amendments are designed simply to perfect to an additional degree major outlines of the Committee bill which are already in place. I do not take issue with the major outlines of the bill; I affirm them; and I applaud the Committee on its work. I support the bill, but I do hope the Congress will accept these amendments.

The Interior and Insular Affairs Committee has worked diligently for 2 years and is making important recommendations to strengthen citizen participation in the State planning process, to increase substantially the level of authorization, to make the formula for distribution to the States more equitable, and to permit States with extreme climatic conditions to use up to 25 percent of their allocation for sheltering certain kinds of facilities. I support these changes and will support the bill as amended when it comes before the House.

However, as I have studied the testimony given before the committee I find that the committee's bill still does not address major problems repeatedly expressed by the States and localities who must administer this program. It is critical that we make the program as realistic and pragmatic as possible now.

My three amendments are consistent with the committee's bill, but will accelerate implementation and improve the fund's responsiveness to the needs of congested urban and less affluent rural areas. None of these amendments will require any additional funding above that recommended by the committee.

Amendment No. 1 will lower the authorization threshold at which the revised formula would take effect so that improvements can be implemented sooner. The proposed amendment would activate the committee's formula as soon as the annual authorization level exceeds the current $180 million level of funding.

Since the inception of the fund, 60 percent has been allocated to the State side of the fund and has been distributed to the States by a formula which apportions 40 percent equally among the States and 55 percent on the basis of population factors, with 5 percent reserved for contingencies.

Virtually every study of the land and water conservation fund has recommended substantial changes to make it more equitable and increase benefits for populous areas. In a report to Congress by the General Accounting Office, October 1972, entitled "Greater Benefits to More People Possible by Better Uses of Federal Outdoor Recreation Grants," the Comptroller General recommended:

First, increased apportionments to the most densely populated States; and

Second, a flexible matching formula.

In September 1974, the U.S. Senate Committee on Interior and Insular Affairs printed a previously suppressed report to the President and Congress, March 1970, called "The Recreation Imperative" or, informally, "The Hickel Report." It called for:

First, procedures to be developed whereby fund grants could be used for expanded recreation facilities at neighborhood centers in cooperation with the then existing HUD neighborhood facilities program which at that time covered indoor facilities;

Second, land and water conservation fund grants to be expanded and redirected to correct the imbalances in recreation opportunity in and near the Nation's large cities; and

Third, an expenditure of $12 to $13 billion to meet the nationwide need for recreation opportunities.

In 1974 the Senate Committee issued its own report, "A Nationwide Outdoor Recreation Plan," which called for:

First, greatly expanding outdoor recreation opportunities near metropolitan areas; and

Second, raising the funding level to meet the nationwide need.

The committee recognizes these problems and has proposed a new formula which would distribute 20 percent equally among the States, 75 percent on the basis of population factors, and 5 percent reserved for contingencies. But H.R. 12234 would not implement this new formula until the amount distributed to the States increases from the present $180 million to $240 million. My amendment would simply begin implementation of the new formula as soon as the fund increases above the present $180 million level.

Opponents argue that States with smaller populations will lose under both the Committee formula and the Maguire amendment. But this line of argument totally ignores the fact that all States regardless of size will gain substantially in absolute and per capita amounts with this proposed increase in the fund.

The table which follows illustrates how each State's per capita share will continue to increase under the Maguire amendment as the committee's authorization levels are funded. In some cases this per capita increase is dramatic, far more so than in the more populous States. While populous States will gradually increase their share somewhat sooner under the Maguire amendment, less populous States will still enjoy very substantial 2 to 1, 3 to 1, and 4 to 1 advantages per capita over more populous States even at the highest recommended funding level in 1980. All States will be held harmless since the current formula will continue to be used up to the present funding level.

The table follows:

STATE RECEIPTS FROM LAND AND WATER CONSERVATION FUND UNDER H.R. 12234 WITH MAGUIRE AMENDMENT

State (rank ordered by present per capita distribution)	Population (1973 estimates) (thousands)	1975–77 [1] Amount received per year (thousands)	1975–77 [1] Per capita	1978 [2] Amount to be received (thousands)	1978 [2] Per capita	1979 [3] Amount to be received (thousands)	1979 [3] Per capita	1980 [4] Amount to be received (thousands)	1980 [4] Per capita
Texas	11, 794	$6, 987	$0. 59	$11, 187	$0. 95	$16, 087	$1. 36	$20, 986	$1. 78
California	20, 601	12, 468	. 61	20, 801	1. 01	30, 523	1. 48	40, 245	1. 96
New York	18, 265	11, 232	. 62	18, 662	1. 02	27, 330	1. 50	35, 998	1. 97
Pennsylvania	11, 902	7, 481	. 63	11, 695	. 98	16, 611	1. 40	21, 527	1. 81
Illinois	11, 236	7, 123	. 63	11, 543	1. 03	16, 700	1. 49	21, 858	1. 94
Ohio	10, 731	6, 828	. 64	10, 769	1. 00	15, 368	1. 43	19, 966	1. 85
Florida	7, 678	4, 931	. 64	7, 840	1. 02	11, 234	1. 47	14, 627	1. 91
Territories and District of Columbia	3, 632	2, 313	. 64	3, 923	1. 08	5, 848	1. 61	7, 736	2. 13
North Carolina	5, 273	3, 413	. 65	4, 938	. 94	6, 718	1. 28	8, 498	1. 61
Michigan	9, 044	5, 932	. 66	9, 348	1. 04	13, 333	1. 48	17, 319	1. 92
Georgia	4, 786	3, 355	. 70	4, 968	1. 03	6, 850	1. 42	8, 732	1. 80
Indiana	5, 316	3, 800	. 72	5, 648	1. 07	7, 804	1. 47	9, 961	1. 88
New Jersey	7, 361	5, 362	. 73	8, 640	1. 18	12, 464	1. 70	16, 287	2. 22
Virginia	4, 811	3, 542	. 74	5, 318	1. 11	7, 392	1. 55	9, 465	1. 98
Wisconsin	4, 569	3, 388	. 74	5, 027	1. 10	6, 939	1. 51	8, 852	1. 92
Tennessee	4, 126	3, 065	. 74	4, 482	1. 09	6, 136	1. 49	7, 790	1. 89
Missouri	4, 757	3, 597	. 76	5, 421	1. 14	7, 548	1. 58	9, 675	2. 02
Massachusetts	5, 818	4, 433	. 76	6, 951	1. 19	9, 888	1. 69	12, 825	2. 19
Minnesota	3, 897	3, 114	. 80	4, 621	1. 18	6, 380	1. 63	8, 138	2. 08
Kentucky	3, 342	2, 683	. 80	3, 853	1. 15	5, 219	1. 56	6, 585	1. 97
Louisiana	3, 764	3, 053	. 81	4, 488	1. 20	6, 161	1. 65	7, 835	2. 10
Alabama	3, 539	2, 940	. 83	4, 226	1. 20	5, 726	1. 62	7, 225	2. 04
Iowa	2, 904	2, 495	. 86	3, 516	1. 22	4, 708	1. 63	5, 899	2. 05
Maryland	4, 070	3, 497	. 86	5, 224	1. 28	7, 240	1. 77	9, 255	2. 27
Washington	3, 429	3, 105	. 91	4, 561	1. 33	6, 261	1. 82	7, 960	2. 31
South Carolina	2, 726	2, 489	. 91	3, 448	1. 27	4, 567	1. 68	5, 686	2. 10
Mississippi	2, 281	2, 145	. 94	2, 916	1. 29	3, 815	1. 70	4, 714	2. 10
Oklahoma	2, 663	2, 510	. 94	3, 560	1. 35	4, 785	1. 82	6, 011	2. 29
Connecticut	3, 076	3, 012	. 98	4, 489	1. 45	6, 212	2. 00	7, 935	2. 55
Kansas	2, 279	2, 326	1. 02	3, 239	1. 42	4, 305	1. 88	5, 371	2. 35
Colorado	2, 437	2, 508	1. 03	3, 641	1. 49	4, 963	2. 03	6, 284	2. 58
Arkansas	2, 037	2, 127	1. 04	2, 880	1. 42	3. 759	1. 86	4, 638	2. 29
Oregon	2, 225	2, 386	1. 07	3, 353	1. 50	4, 481	2. 00	5, 608	2. 50
Arizona	2, 058	2, 314	1. 12	3, 310	1. 61	4, 472	2. 17	5, 634	2. 73
West Virginia	1, 794	2, 097	1. 17	2, 821	1. 56	3, 666	2. 02	4, 511	2. 47

STATE RECEIPTS FROM LAND AND WATER CONSERVATION FUND UNDER H.R. 12234 WITH MAGUIRE AMENDMENT—Continued

State (rank ordered by present per capita distribution)	Population (1973 estimates) (thousands)	1975–77 [1]		1978 [2]		1979 [3]		1980 [4]	
		Amount received per year (thousands)	Per capita	Amount to be received (thousands)	Per capita	Amount to be received (thousands)	Per capita	Amount to be received (thousands)	Per capita
Nebraska	1,542	$2,027	$1.32	$2,773	$1.80	$3,643	$2.36	$4,514	$2.93
New Mexico	1,106	1,804	1.64	2,397	2.15	3,089	2.75	3,782	3.35
Utah	1,157	1,972	1.70	2,707	2.33	3,564	3.06	4,422	3.78
Maine	1,028	1,767	1.72	2,310	2.24	2,945	2.85	3,579	3.45
Rhode Island	973	1,940	1.99	2,652	2.74	3,483	3.60	4,314	4.46
New Hampshire	791	1,697	2.15	2,207	2.78	2,802	3.52	3,397	4.26
Idaho	770	1,665	2.16	2,145	2.82	2,704	3.58	3,264	4.34
Hawaii	832	1,838	2.21	2,436	2.95	3,134	3.81	3,832	4.68
Montana	721	1,678	2.33	2,168	2.98	2,739	3.75	3,311	4.51
South Dakota	685	1,644	2.40	2,109	3.09	2,651	3.89	3,193	4.69
North Dakota	640	1,625	2.54	2,075	3.24	2,601	4.06	3,128	4.88
Delaware	576	1,707	2.96	2,240	3.91	2,862	5.02	3,484	6.13
Nevada	548	1,691	3.09	2,216	4.08	2,828	5.25	3,440	6.41
Vermont	464	1,559	3.36	1,968	4.23	2,445	5.25	2,923	6.26
Wyoming	353	1,526	4.32	1,919	5.47	2,378	6.80	2,837	8.14
Alaska	330	1,562	4.73	1,985	6.07	2,480	7.64	2,975	9.20

Data sources: (1) Bureau of Census, series P-25 No. 508, July and November, 1973 (provisional estimates). (2) U.S. Department of Interior Bulletin, Sept. 10, 1974.

Footnotes: 1-4—H.R. 12234 proposes funding (in millions) at the following levels:

	Total	State side
1977	$300	$180
1978	450	270
1979	625	375
1980	800	480

In summary, my amendments will begin now to remedy a well documented, longstanding problem with the fund.

Colleagues who are cosponsoring this amendment are:

JONATHAN BINGHAM, THOMAS O'NEILL, JIM WRIGHT, TOM RAILSBACK, WILLIS GRADISON, HENRY HYDE, PETE STARK, STEPHEN SOLARZ, FRANK THOMPSON, THOMAS DOWNEY, ROBERT EDGAR.

EDWARD KOCH, JAMES FLORIO, JOHN KREBS, MATTHEW MCHUGH, HELEN MEYNER, JERRY PATTERSON, PAUL FINDLEY, PAUL TSONGAS, ABNER MIKVA, NORM MINETA, BARBARA JORDAN, FRED ROONEY.

ROBERT ROE, CHARLES RANGEL, JAMES SCHEUER, YVONNE BURKE, JAMES COLLINS, MILLICENT FENWICK, BELLA ABZUG, WILLIAM HUGHES, JOHN LAFALCE, EDWARD MADIGAN, RICHARD OTTINGER, JIM HOWARD.

Amendment No. 2 will permit States to use up to the same 25 percent of their total allocation already designated in H.R. 12234 for renovation or upgrading of certain indoor recreation facilities to assist communities in conserving existing facilities which play a major role in the delivery of recreation services.

My amendment is a conservation measure in the best spirit of the land and water conservation fund. It is designed to permit conservation of existing indoor, year-round facilities which play a crucial recreation role in many parts of the country. It is a logical extension of existing Bureau of Outdoor Recreation policy which now permits the LWCF to be used for rehabilitation of outdoor recreation areas.

If precious indoor facilities—many of which were built during the 1930's—are allowed to deteriorate and become unusable, their replacement cost will be well beyond the ability of most State or local governments.

Absurd distinctions have been made repeatedly between the superior value of outdoor versus indoor recreation. Those who engage in this reasoning go to great lengths to argue that swimming and ice-skating are in essence outdoor activities, while basketball, for example is not. This debate is incomprehensible to those who are actually delivering recreation programs at the local level.

Professional park and recreation administrators and planners reject such arbitrary distinctions and urge instead a wholistic approach which seeks to adapt many different sports and recreation activities to both indoor and outdoor usage, depending on climate, facilities, and other resources available, and so forth. The goal is to serve people and to enrich their lives through diverse experiences.

I am inserting a letter from the National Parks and Recreation Association in response to my request for a sample of opinion on this amendment from park and recreation administrators around the country. Without exception they favor it. I believe we should listen carefully to the expressed views of these administrators who know far more about their own needs than we do.

Another point in favor of this amendment is that I believe States should be able to decide whether or not, within limits, they need to use a portion of their funds to renovate existing facilities. This will benefit any State which has indoor facilities whether predominantly rural or urban. It is simply presumptuous of the Congress to prevent States from using a reasonable portion of their allocation for their own greatest needs.

Critics of this amendment have said that it violates the intent of the land and water conservation fund. This is a myth. The intent of the fund is not just for land acquisition. Congress has redefined the purposes of the fund to include a strong emphasis both on acquiring and developing lands for recreation. The Bureau of Outdoor Recreation which administers the LWCF places high priority on funding projects which will meet recreation needs, whether or not they include land acquisition.

Some have suggested that Community Development Act funds are a more appropriate source for indoor recreation facilities, than the LWCF. This is, in fact, unrealistic.

In 1974 the Community Development Act abolished all former urban open space programs and consolidated funding within an omnibus package. As administered in most municipalities, CDA funds are used for housing and housing-related programs. Because parks and recreation are low in the priority scale, they have received a wholly inadequate share of the CDA funds. In New York City, for example, during the first year of funding 5 percent went to parks and recreation; during the second year only 1.9 percent was allocated for this purpose. As a practical matter, in parks and recreation, the fund is "the only game in town."

Finally, this is not an "open door" amendment which will allow the fund to be raided for development purposes. The language of my amendment is quite specific in requiring an existing indoor facility seeking funds to be of crucial importance to the delivery of quality recreation services within a community.

In fact, my amendment does not open the fund at all to additional development; it simply adds an additional dimension of conservation to its purposes. In this respect, it may be thought of as being more conservative even than the committee's proposed amendment.

Colleagues cosponsoring this amendment include:

JONATHAN BINGHAM, THOMAS O'NEILL, JIM WRIGHT, TOM RAILSBACK, ROBERT ROE, YVONNE BURKE, MILLICENT FENWICK, PAUL FINDLEY, JOHN LA FALCE, RICHARD OTTINGER—if Sebelius amendment fails to pass—STEPHEN SOLARZ, HELEN MEYNER, ABNER MIKVA, BARBARA JORDAN, FRED ROONEY.

MATTHEW MCHUGH, EDWARD KOCH, ROBERT EDGAR, BELLA ABZUG, CHARLES RANGEL, WILLIAM HUGHES, HENRY HYDE, THOMAS DOWNEY, JAMES FLORIO, NORM

Mineta, Frank Thompson, Pete Stark, Paul Tsongas, Jerry Patterson, Edward Madigan, James Scheuer, Jim Howard.

Amendment No. 3 will permit States flexibility in their matching formula up to 70 percent in areas of greatest need as determined through the State plans and by the Secretary of the Interior.

My amendment will benefit many less affluent rural and urban communities which cannot now avail themselves of the fund because of their inability to pay the matching share. This is particularly true in many poor rural communities and smaller urban areas which have not widely participated in the program in the past. Even though their State's overall allocation may increase in the future, they still will be unable to participate because of their inability to come up with matching share of 50 percent of the total project cost. Some larger urban areas are also finding it more difficult to participate and some have indicated that they increased State authorization levels unless there is a more flexible Federal matching formula.

A further argument in favor of my amendment is that no additional money is involved. States will not receive any more under my amendment; however, in their planning process they will be able to recommend areas and projects for 70–30 funding. This is an important flexibility which the States should have. It will greatly strengthen the planning process which has been weak historically and give some incentive to States to identify and meet high priority needs.

Finally, the present 50–50 match is unusually high for Federal assistance programs generally. The Public Works and Transportation Committee has compiled a list of over 19 programs which provide flexibility in the matching formula. I believe such flexibility should apply to this fund as well.

Colleagues who are cosponsoring these amendments include:

Ken Hechler, Jonathan Bingham, Paul Findley, James Howard, Abner Mikva, Norm Mineta, Barbara Jordan, Robert Roe, Yvonne Burke, Thomas Downey, Matthew McHugh, Helen Meyner, Thomas Railsback, Charles Rangel, Fred Rooney.

Stephen Solarz, Frank Thompson, Pete Stark, Millicent Fenwick, William Hughes, Edward Koch, Bella Abzug, Henry Hyde, John LaFalce, Robert Edgar, Edward Madigan, Richard Ottinger, Jerry Patterson, James Scheuer.

In conclusion, I would like to state that I recognize that the land and water conservation fund cannot meet all recreation needs. But with the modest changes proposed in these amendments we can make this program far more responsive.

All of these amendments have received the support of the U.S. Conference of Mayors, National Recreation and Parks Association, League for Conservation Legislation, and National League of Cities.

I am inserting in full the letter of support received from the National Recreation and Parks Association, the national organization most in touch with both the administrators and the constituents of the parks and recreation facilities which result from this fund.

The letters referred to follow:

National Recreation and
Park Association,
Arlington, Va., April 30, 1976.

Hon. Andrew Maguire,
U.S. House of Representatives,
Washington, D.C.

Dear Representative Maguire: We have your request for additional views on your proposed amendment to authorize the rehabilitation of recreation and park facilities, utilizing Land and Water Conservation Fund resources.

We have solicited the views of several professional park and recreation administrators, and their personal views are noted below. This, of course, should not be construed as a statistically valid sample of opinions but it does, we believe, reflect widespread support for your proposal:

James Hadaway, General Manager, Department of Recreation and Parks, Los Angeles, Ca.: "We eagerly embrace the options this amendment would provide. Central City facilities are rapidly deteriorating."

Bret McGinnis, Supt. of Recreation, Cincinnati, OH.: "This amendment is right on target. We have just finished a survey of city-wide recreation needs and rehabilitation of our physical properties is a high priority."

Sy Greben, Director of Parks and Recreation, Los Angeles County, CA.: "Proposal is fully consistent with urban park directions."

David Towne, Supt. of Parks and Recreation, Seattle, WA.: "This is something we have been recommending for some time. Citizen pressures are for rehabilitation of existing facilities, in addition to new development."

Charles Spears, Director of Parks and Recreation, Nashville, TN.: "In our metropolitan area we still have substantial land acquisition needs, but in cities with limited land options this would be beneficial."

Frank Vaydik, Director of Parks and Recreation, Kansas City, MO.: "We need desperately to salvage existing urban facilities to restore environmental quality."

Grover Keeton, Director of Parks and Recreation, Dallas, Texas: "We are very active in LWCF and have been placing emphasis on land, land, land. The proposal would give us the option of meeting a critical human need."

Sincerely,

Barry S. Tindall,
Director, Public and Environmental Affairs.

National Recreation and
Park Association,
Arlington, Va., April 27, 1976.

Hon. Andrew Maguire,
U.S. House of Revresentatives,
Washington, D.C.

Dear Representative Maguire: We have your request for our views on proposed amendments to the Land and Water Conservation Fund Act.

APPORTIONMENT AMONG THE STATES

A review of LWCF apportionments, especially on a state-by-state per capita basis, clearly reveals major inequities in the distribution of LWCF resources. We have long supported efforts to reduce these inequities while at the same time applying the "hold harmless" concept to protect lesser populated states, some of which serve as recreation destinations for more densely populated areas. These states should, however, benefit from tourism income.

In a letter dated January 26, 1976 to Honorable James A. Haley, Chairman, Committee on Interior and Insular Affairs, we supported the modified formula contained in H.R. 12234, but suggested that it should become effective in the $175 to $200 million range, the present normal apportionment level, rather than at $240 million as proposed. Your proposal to implement the revised formula when appropriations for state grants reach $180 million would, we believe, achieve greater equity. All states would continue to benefit substantially from LWCF increases, and more densely populated states could respond more effectively to population-related pressures on recreation resources.

REHABILITATION OF RECREATION FACILITIES

NRPA has, as early as 1974, publicly supported legislation which would make LWCF resources available for the development of indoor recreation facilities. In our view both the Senate-passed bill (S. 327) and H.R. 12234 are unduly restrictive in limiting the use of LWCF monies to "shelter" swimming pools and ice skating rinks only.

The net effect of this limitation is the Congress placing arbitrary values on specific types of recreation. In our view the development of year-round facilities substantially improves the cost-effectiveness of both Federal and local money spent to develop these facilities. Your proposal to allow rehabilitation of existing recreation facilities has, in our view, substantial merit. We support this initiative.

We believe the long standing arbitrary definition that artifically distinguishes between indoor and outdoor facilities should be abolished, and recreation and leisure programs should deal with recreation and leisure needs in a comprehensive and systematic way. We should focus on meeting the needs of the whole person and the whole community.

FLEXIBILITY IN STATE MATCHING FORMULA

NRPA has continuously supported changes in the Federal grant percentage for eligible State and local activities. In testimony before the Senate and House in 1974 and 1975 we supported a 75 percent Federal/25 percent State matching formula which would make park and recreation acquisition and development a competitive priority with other Federal programs. Most recently we testified in favor of a 70 percent Federal/30 percent State ratio for land acquisition, 60/40 for development, and 50/50 for planning. Your proposal to provide a change in the matching formula, at the discretion of the Secretary of the Interior, where unmet recreation needs are identified is significant. We have found numerous instances where, because of regional or local socioeconomic conditions, public agencies are financially unable to participate in the LWCF program. While we are not fully aware of the extent of this problem nationwide, clearly there should be Secretarial discretion to allow an appropriate response to these situations.

We hope you will find these views helpful. Please let us know if we can be of further assistance.

Sincerely,

Sidney G. Lutzin,
Acting Executive Director.

Mr. SKUBITZ. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. Bauman).

Mr. BAUMAN. Mr. Chairman, I rise in support of this legislation of which I am a cosponsor.

I want to take this occasion to say a few words about my chairman, the gentleman from North Carolina (Mr. Taylor). In the brief time of 3 years that I have been here, I have served on two major committees, a select committee and any number of subcommittees. I do not think I have once found another chairman his equal in both courtesy and his ability to understand the problems of the individual members and the need to reconcile differences that occur in committee and legislative debate.

We are all going to miss the gentleman from North Carolina. I believe it was Will Rogers who made the remark:

> Every time you turn a politician out you get a worse one in.

I do not know what the voters of North Carolina will do in this instance but I definitely know that the gentleman from North Carolina will be greatly missed by all of us. He is a rare man amongst men in this House of Representatives and we all appreciate his service and ability. We wish him well.

Mr. SKUBITZ. Mr. Chairman, I would like to join the gentleman from Maryland in bidding the gentleman from North Carolina (Mr. Taylor) farewell. We will miss him when he leaves this job. He has been one of the finest chairman and fellows I have ever worked with in the House of Representatives.

I served on the Subcommittee on Parks before I took over as the ranking minority member of the full committee. I have always found the gentleman from North Carolina to be fair and willing to cooperate in every way.

Mr. TAYLOR of North Carolina. Mr. Chairman, I thank both gentleman for these kind remarks. I hope they will both support this bill in the form the committee saw fit to approve it.

Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. Gonzalez).

Mr. GONZALEZ. Mr. Chairman, I wish to thank the very able and distinguished chairman of this committee and say also that I rise to endorse what I consider to be a very good piece of legislation. I think title II of this bill is a most felicitous idea and one which in the Bicentennial Year should bring forth nothing but praise from the general Members of the House for the chairman of this committee and its membership, because this bill will set up for the first time a fund for historic preservation and the fund shall be derived not from the general funds of tax sources as now, but will be from the proceeds from the leasing in the Outer Continental Shelf and from the naval petroleum reserve leases, which I think really is a stroke of genius.

Here we are going to divert whatever proceeds the Government derives from these leases that are in a way exploiting one natural resource and we are going to use those funds to conserve those things of historic worth and value. Judging by what is happening in my district and my State of Texas this fund will enable Americans in future generations to enjoy the heritage that our generation has enjoyed.

Mr. SKUBITZ. Mr. Chairman, I have no further requests for time.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. Seiberling), a member of our committee.

Mr. SEIBERLING. Mr. Chairman, I thank the chairman for yielding. I have a prepared statement which I will enter into the Record at the conclusion of these remarks, but let me just say I think that the chairman of the Subcommittee on National Parks and Recreation, Mr. Taylor, deserves exceptional commendation for bringing this bill to the floor. We all know he has had an outstanding record as chairman of the subcommittee and this bill is really one of the crowning achievements of his career in that position.

There is no way we are going to meet the recreational needs of the people of this country without greatly expanding the land and water conservation fund. We are not even going to be able to acquire all the lands that have been authorized for the national park system or that the States are willing to put up matching funds for unless we expand this fund. The chairman worked it out in such a way that it does not run into any problems with respect to the budget for the coming fiscal year and it meets the objections originally raised by the Department of the Interior from a budgetary standpoint, and yet does the job from the standpoint of preserving areas for outdoor recreation and historic preservation.

We all owe a debt of gratitude to the gentleman from North Carolina (Mr. Taylor) for his work in this area and to the rest of the committee for their diligence in working out this excellent piece of legislation.

Accordingly, Mr. Chairman, I rise in support of H.R. 12234, the bill to increase the land and water conservation fund. In the 93d Congress I introduced the original legislation that would have increased the fund, upon enactment, to $900 million a year. That bill was amended and reported favorably by the Committee on Interior and Insular Affairs but due to the press of business at the end of the 93d Congress was never considered on the floor of the House. The bill before us today is basically the same as the one passed by the Interior Committee 2 years ago. The major difference is that the funding increase in the present bill would not begin to take affect until fiscal year 1978.

The careful thought and hard work that the Interior Committee has put into this legislation, under the very able leadership of our colleague from North Carolina, the distinguished chairman of the Interior Subcommittee on Parks and Recreation does credit to the House. The method adopted by the committee to increase the fund in incremental steps is a reasonable compromise over the original legislation, and over the bill passed by the Senate which would increase the fund immediately to $1 billion annually. I am also delighted that the historic preservation efforts in this Nation will receive, for the first time, adequate assistance from the fund to meet the great strides that have been made on the State and local level.

Despite the success of the land and water conservation fund, the needs far outstrip the current funding that is available. The Bureau of Outdoor Recreation estimates that $45.6 billion is needed to meet State and local park and recreation needs over the next 15 years. At the current level of the fund, only $2.7 billion—12 percent—would be available.

The National Association of State Outdoor Recreation liaison officers, the State officials who administer the land and water conservation funds, recently surveyed their members and found that at the end of fiscal year 1975 there were 674 projects, valued at $80 million, awaiting funding across the country. The survey further revealed that within 1 year of notice, liaison officers would activate one-half billion dollars worth of projects, if the Federal funds were available.

In my own State of Ohio, this year the Ohio Department of Natural Resources was forced to turn down 126 local projects representing $16.4 million in requests, money that the local governments had committed to park acquisition and development. The State itself could have matched $7 to $8 million more. Yet Ohio received only $6.6 million from the fund of which over two-thirds went to local governments to aid 75 projects.

At this point I would like to insert in the record a copy of the letter I received from the Governor of Ohio, the Honorable James A. Rhodes, expressing his support for the legislation:

Office of the Governor,
Columbus, Ohio, April 21, 1976.

Hon. John F. Seiberling, Jr.,
U.S. Representative,
House Office Building,
Washington, D.C.

Dear Representative Seiberling: I am writing to you in regard to the proposed amendment to the Land and Water Conservation Fund Act (H.R. 12234).

During the past decade, the Fund has greatly helped Ohio to increase the quantity and quality of public outdoor recreation for its citizens and visitors. Ohio has received a total Federal reimbursement of $44.8 million which represents a total project amount of $89.6 million. More than 450 projects have been funded. These projects, by both our Department of Natural Resources and local governments, are found in all parts of the state.

However, there are always more applications for worthy projects than there are Federally allocated funds. This fiscal year we were able to fund 75 local projects. However, 126 projects seeking over $16,000,000 had to be denied due to lack of funds.

Therefore, I urge you, on behalf of the citizens of Ohio, to support this amendment to the Land and Water Conservation Fund Act including the state distribution formula which allocates increased funds to the fourteen most populous states.

Sincerely,

James A. Rhodes,
Governor.

HISTORIC PRESERVATION

The needs are even more tremendous for historic preservation efforts. State and local funding needs—and these are dollars that they could actually have spent—were over $214 million in fiscal year 1976 alone, yet they received only $20 million, less than 10 percent. Indeed, over the life of the preservation fund, grants to States have totaled $61.2 million—an average of only $6 million a year for the entire United States. Many of our Nation's historic treasures have been lost forever simply because the funds were not there to identify, restore, and preserve them.

This year, Ohio received 278 applications totaling over $14 million in historic preservation projects. The State only received $700,000 in Federal funds and consequently was able to assist only 38 projects. One that was not funded is of particular concern to me and the people I represent. It is a historic covered bridge in the heart of the new Cuyahoga Valley National Recreation Area. The bridge, listed on the National Register of Historic Places and the only covered bridge left in the county, was devastated in a flood last year. The people of the Akron and Cleveland area have rallied to raise funds for its restoration. The estimated cost to restore it is over $100,000. Without some Federal funding, however, it may prove impossible to restore the bridge and the Nation will have lost another example of its historic heritage.

NEED FOR LAND ACQUISITION

I have several other concerns which I would like to address regarding use of the land and water conservation fund by the States, particularly regarding land acquisition. The original impetus for establishing this fund came from a recognition that the land and water base for recreation was rapidly being lost to development. Congress therefore established this fund primarily for the purpose of encouraging States to set aside land so that Americans would have adequate resources for their recreation needs.

Congress did not write into the original legislation specific language which would require the fund to be used primarily for acquisition because in some States land acquisition was not a pressing need, and those States wished to develop existing resources. The bill reported by the committee continues that tradition of giving States maximum flexibility in use of the fund. Indeed, with a new sheltered facility provision, we have increased that flexibility.

It does seem to me, however, that in administering this fund, the Bureau of Outdoor Recreation and the States should not lose sight of its original purpose. States should be encouraged to inventory and assess their land and water resource base, and to use the fund to insure that future generations will have sufficient space for their recreation needs by purchasing land and water areas before they are lost to development.

Land acquisition for parks is particularly essential in and around our Nation's cities, where the vast majority of our Nation's people spend most of their lives. The energy crisis has added urgency to the need for more parkland for urban regions. As open space in urban areas is increasingly lost to development, some of it must be preserved now or it will be gone forever. Inflation adds to the cost of such land—in some areas upward of 15 to 20 percent per year—and so it makes economic sense to buy the land now before it is priced out of reach for recreation purposes.

The need for urban area parkland is so severe that this year the Interior Committee added to the bill a provision for a study by the Secretary of Interior of potential urban parks. The purpose is to analyze the needs and review the resources that are available in and around our cities to meet those needs. Professionals in the park and recreation field call these site specific studies, and the committee does indeed mean for this review to be very specific. In the past, a few such studies have been made on a case-by-case basis, the most notable was the one in the late 1960's by the National Park Service which led to the establishment of the Gateway and Golden Gate National Recreation Areas in New York and San Francisco, and the C. & O. Canal National Historical Park in Washington, D.C., and the proposed Chattachoochee River National Recreation Area in Atlanta. Although not all of the areas to be studied would necessarily be administered by the National Park Service—many may well be better served by State or local management—the Service has the kind of professional park planning expertise and experience that can make the study a truly meaningful and useful document.

A related concern involves use of the fund for conservation purposes. Despite its name, the State side of the land and water conservation fund is geared, through the State recreation planning process, to recreation needs, and not to conservation needs. These are not always the same. Preserving the habitat of an endangered species, for example, is a conservation need for which the recreation benefits may be relatively small. Both BOR and the States should understand that the use of the fund for such purposes is both permitted and encouraged.

A particular sort of land resource on which we might wish to focus State acquisitions is national landmarks. These important areas are given only nominal protection by this designation. States should be encouraged, where necessary, to use the land and water conservation fund to preserve these areas from degradation and destruction. This would be an excellent reflection of Federal-State cooperation in protecting our natural resources.

Furthermore, the Secretary's contingency fund—the 5 percent set aside for special emergencies—should be used primarily for acquisition and not development. It is my understanding that in the past the Bureau of Outdoor Recreation has stressed acquisition in the use of the contingency fund. However, in some cases it has been reported that such funds were used for political purposes, to gain favor for the administration. This is deplorable. The General Accounting Office, at the request of the Interior Committee, will soon begin a study of the administration of the land and water conservation fund program. I intend to request that, among other things, GAO review the Interior Department's use of the contingency fund, to assure that it is indeed used for the purposes for which it was intended.

NATIONAL SUPPORT FOR BILL

Mr. Chairman, H.R. 12234 has received wide support nationwide. In 1974, after introducing my original bill to increase the land and water conservation fund, I wrote to the Governors of each State asking for their views on the program. I received replies from 42 States. They unanimously endorsed raising the fund to at least $900 million a year and many offered suggestions for improving the program, several of which were incorporated into the version passed by the Interior Committee.

I recently requested a number of national organizations to provide me with their views on the proposed legislation. I would like to insert their letter of response into the record at this point, as it clearly documents the need for increasing the fund and illustrates the broad support for this bill nationwide:

April 27, 1976.

To: Honorable John F. Seiberling, U.S. House of Representatives.

Re: Views on H.R. 12234.

In response to your request for views on Land and Water Conservation Fund Act and Historic Preservation Act amendments, several organizations discussed the various aspects of H.R. 12234 and other anticipated amendments.

As many of us have previously testified, we strongly support the principal aspects of H.R. 12234—increasing the Land and Water Conservation Fund incrementally over a three-year period to $800 million, and establishing a historic preservation fund, increasing incrementally to $100 million in FY 80.

The record of Land and Water Conservation Fund Act and Historic Preservation Act implementation clearly sets them above many other Federal efforts. Over the last ten years for instance, LWCF resources have aided over 13,500 state and local park planning, acquisition and development projects. State and local governments have matched this Federal commitment.

Public demand for park and recreation resources continues at a high level. In 1975, National Park System recreation visits exceeded 200 million; state park visits exceeded 550 million; and use of local park and recreation resources exceeded 2 billion visits.

This demand translates directly into funding needs. After consultation with 54 state outdoor recreation liaison officers in 1974, the Bureau of Outdoor Recreation estimated that $45.6 billion would be necessary to meet state and local park and recreation capital projections over a 15-year period. This means a $23 billion LWCF demand. At the current authorized level ($300 million) over the remaining statutory life of LWCF, only $2.7 billion or 12 percent of these dollars will be available.

The Federal LWCF demand is also substantial, and BOR estimated that $2.9 billion is necessary to meet current known and estimated funding needs. For instance, in 1975 an estimated $698 million was needed to complete acquisition in authorized areas of the National Park Service, Forest Service, Fish and Wildlife Service and Bureau of Land Management. Over $1.4 billion is needed to purchase National Forest System and National Park System inholdings, and the estimated cost of pending or proposed legislation exceeds $550 million.

Historic preservation funding needs are equally substantial. Grants to state and local governments for planning, stabilization and restoration of historic preservation have totaled only $61.2 million since 1966, while identified state and local funding estimates for FY 76 alone exceeded $214 million.

The LWCF is now funded in part through Outer Continental Shelf lease and royalty receipts and the historic preservation fund would also be supported from these national resources now totaling about $3 billion annually. It is appropriate, we believe, to re-invest these revenues in other natural and cultural resource programs providing long-term public benefits.

While some of the undersigned organizations differ on other proposed amendments, we are united in our support for the LWCF and historic preservation fund authorization levels proposed in H.R. 12234.

National League of Cities.
U.S. Conference of Mayors.
Sierra Club.
National Governors Conference.
The Nature Conservancy.
North American Wildlife Federation.

National Association of County Park and Recreation Officials.

Izaak Walton League of America.

Citizens Committee on Natural Resources.

Defenders of Wildlife.

National Recreation and Park Association.

Preservation Action.

National Association of Counties.

Friends of the Earth.

National Association of State Park Directors.

Wildlife Management Institute.

Sport Fishing Institute.

National Conference of State Legislatures.

National Wildlife Federation.

National Association of State Outdoor Recreation Liaison Officers.

Mr. **SKUBITZ**. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. GOLDWATER).

Mr. **GOLDWATER**. Mr. Chairman, it gives me a great deal of pleasure to rise in support of H.R. 12234, the Land and Conservation Fund Amendments of 1976. There are, as each of us knows, many federally funded programs that have become riddled with waste, mismanagement, and confusion. Some of these programs have become counterproductive. Such is not the case with the land and water conservation program.

Through a matching grant approach, the land and water conservation program has permitted all 50 States to join with the Federal Government in reserving areas of local and regional value for use as open spaces, parks, and recreation areas. As a matter of fact, the program has been so successful that there is a substantial backlog of meritorious proposals that are awaiting only the Federal matching funds so that they can be completed.

It is this backlog, plus the desire of both the Congress and the States to expand historic preservation programs and undertake park and recreation projects of larger scope and utility that is behind this bill.

The program was created in 1964 and provided for an annual authorization level of $300 million; 60 percent of those moneys were reserved to the States and localities, 40 percent to Federal agencies—including the National Park Service—for use in acquiring and developing outdoor recreation lands. The sources for the funds are: Revenues from Federal surplus property sales; motorboat fuel taxes; and a portion of the Outer Continental Shelf leasing revenues. The revenues from the OCS leases have increased greatly over the last several years and stand to substantially accelerate the ability of the fund to assist the States in acquiring open space and recreational areas, particularly in and around our major urban areas.

I want to speak for a moment to the funding level increases and State share ratios. When I testified before the Parks Subcommittee on a bill I had introduced to increase the funding for the land and water conservation program, I expressed deep concern for flooding the fund with too much money too quickly. Measured increases in the funding levels will encourage the States and localities to continue to propose only the most needed or meritorious projects. My bill proposed increases spread over several years so that the States and localities would have a chance to adjust to the increases and set their priorities. Further, a phased increase approach also permits one of the most important aspects of the land and water program to be utilized effectively. The land and water conservation fund program not only permits but encourages State and local control and planning for any project undertaken. The program lets these units of government, rather than the Federal bureaucracy, determine the project, do the planning, determine the land use requirements, and be responsible for the basic operation and maintenance of the result. This is Federal-State cooperation at its best. Thus, I am in full support of the bill's provisions that provide for no increases in fiscal year 1977, a $150 million increase in fiscal year 1978, a $325 million increase in fiscal year 1979, and $500 million increases in fiscal's 1980 and 1981.

Regarding the changes in State share ratios, several States have a severe need for open space and recreational parks in areas where there is a major concentration of people. California, and particularly southern California, is no exception. In the greater Los Angeles area there is no major park or open space or recreational area. What is needed is an area that would be within urban transportation commuting distance and could serve 6 to 8 million people. Because of the high cost of land and because of the 7 percent share limit that is currently in operation, no State like California and no major metropolitan area like Los Angeles could afford to begin or continue an urban park and open space. The change in the proportional State share ratio from 7 to 10 percent will enable States and localities with high urban concentrations of population to save some of the remaining undeveloped areas for open space, parks, and recreational areas.

The Santa Monica Mountains, located in the Los Angeles area are a prime example. These mountains contain the last major undeveloped land in the greater Los Angeles region. Neither the State nor the local governments have been able to date to acquire and preserve significant portions of those mountains for recreational use by the whole population. Between the funding level increases and the increase in the maximum percentage any one State may receive from the fund, it will be possible when this bill becomes law for such areas to be preserved or for preservation to begin.

Mr. Chairman, this is important legislation. The States and localities need additional funding from the land and water conservation program. This bill provides the additional funds. It does so in a balanced, measured, intelligent way. I support the bill and urge my colleagues to do the same.

Mr. **TAYLOR** of North Carolina. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. KAZEN), a member of the committee.

Mr. **KAZEN**. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I rise in support of this legislation. I had the privilege to make some contribution to this legislation as a member of the subcommittee. I am particularly pleased with having had the opportunity to recommend the figures which appear in the provision for historical preservation.

The preservation of our historic sites which contain so much of our heritage is most important to generations yet to come. We can do no less than preserve the historic areas of our country in order that they may be understood and enjoyed by future generations even as we have had the opportunity. The testimony coming before our subcommittee from the various States who sent representatives to testify on this bill was to the effect that most States of the Union were in a position to spend more money for outdoor recreation and historical preservation than was available in matching funds from the Federal Government, so I am sure that all States will be able to take advantage of the additional money that is contained in this authorization.

Mr. Chairman, I want to commend my colleagues on the subcommittee and on the full committee for perfecting this bill, and I want to urge all Members to give it their full support.

Mrs. **MINK**. Mr. Chairman, I rise in support of the legislation before us this day which would assure more adequate funding for important parks projects throughout this country, and establish a program for preservation of additional historic properties across the Nation. Through passage of H.R. 12234, we have the opportunity to restate America's commitment to providing support for our National, State, and local parks programs with Federal assistance. This is especially important at a time when leisure time and recreational activities are more available to our citizens than ever before. We also have the opportunity to revitalize our program of historic preservation of sites and structures which are in danger of being lost to future generations who can benefit from these parts of our rich heritage.

There are two major parts of the bill we are considering. Title I would increase in incremental steps the authorization for the land and water conservation fund from the present $300 million to $800 million for the fiscal years 1980 and beyond.

The fund was established in 1965 to provide support for the States and Federal Government in outdoor recreation acquisition and development. Revenues are derived from the Federal motorboat fuel taxes and mineral receipts from development of the Outer Continental Shelf, the principal source of income for the fund. These revenues have increased over the past several years, averaging over $4 billion per annum.

In the coming fiscal year, 1976, it is expected that our revenues from development of the Outer Continental Shelf will total approximately $8 billion. This is a substantial increase as for previous years we have had the following approximate total receipts from OCS development:

[In billions]

Fiscal year 1975	$2.5
Fiscal year 1974	6.8

Fiscal year 1973	2.9
Fiscal year 1972	0.5
Fiscal year 1971	1.3

Since fiscal year 1971 when the authorization for the land and water conservation fund was set at $300 million, each year the OCS contribution amounted to about $250 million of the total. However with the projected twin increases in the authorization level of the fund and the receipts from OCS development, we can expect that future contributions from Outer Continental Shelf receipts will increase as well.

Matching grants are available from the fund for planning, acquisition, and development of outdoor recreation lands. The extent of the Federal commitment to reinvest in national resources of lasting benefit to the public was clearly stated when, in 1968, Outer Continental Shelf receipts were designated for this use. These receipts are expected to increase significantly over the next decade as a result of additional OCS development.

Yet in spite of the availability of these vast resources to the fund, the level of response from State and local governments to this program has now far exceeded the capacity of the fund at its presently authorized level. A recent survey pointed out that some $600 million worth of projects at the State and local levels could be activated were the funds authorized, a figure all the more impressive when one considers that for every Federal dollar committed to this program, another dollar must be committed locally under the 50/50 matching grant program.

At the Federal level, the cost of lands authorized to be included in the national park system, but not yet acquired, is now estimated to be more than $500 million. Recreation land acquisition needs within the national forests are estimated to exceed $1 billion.

As of the end of February 1976, my State of Hawaii had received a total of $11.7 million in 76 grants for planning, acquisition, and development of parks. This means a total allocation of resources from Federal and local sources of $23.5 million. These funds have been of great and lasting value to the people of all of our four counties in Hawaii. The allocation formulas in the bill before us will mean a substantial increase in the availability of funds to Hawaii.

The following is a list of all projects funded in Hawaii with these funds:

LAND AND WATER CONSERVATION FUND—ASSISTANCE TO STATES (HAWAII)

Project title	Project sponsor	Amount	Date approved
Kapaa Beach Park	County of Kauai	$20,518	Apr. 15, 1966
Hanapepe Salt Pond Beach Park	do	7,601	Do.
Kekaha Beach Park	do	13,255	Do.
Onekahakaha Beach Park	do	75,658	Do.
Spencer Beach Park	do	72,250	Do.
Kepaniwai Botanical Garden Complex.	County of Maui	82,765	Do.
Waimanalo Beach Park	City and County of Honolulu	62,231	Apr. 30, 1966
Haleiwa Small Boat Harbor	Division of Harbors	142,800	July 23, 1966
Pearl Harbor Park	City and County of Honolulu	134,951	Nov. 7, 1966
Wailua River State Park	Department of Land and Natural Resources.	168,688	May 25, 1967
Do	do	15,402	Do.
Waianapanapa State Park	do	83,640	Oct. 25, 1966
Mauna Kea State Park	do	149,940	Oct. 22, 1966
State Outdoor Recreation Plan	Department of Planning and Economic Development.	82,524	Dec. 21, 1966
Koko Head Sandy Beach Park	City and County of Honolulu	98,666	Feb. 22, 1967
Molokai Swimming Pool	County of Maui	127,695	Feb. 23, 1967
Coconut Island Beach Park	County of Hawaii	75,465	Aug. 29, 1967
Pearl Harbor Park	City and County of Honolulu	95,563	Sept. 5, 1967
Poipu Beach Park	County of Kauai	13,431	Aug. 31, 1967
Pokai Bay Beach Park	City and County of Honolulu	43,824	Sept. 5, 1967
Hapuna Beach State Park	Department of Land and Natural Resources.	53,812	Sept. 13, 1967
Do	do	19,219	Sept. 12, 1967
Haleiwa Small Boat Harbor	Department of Transportation	79,738	Mar. 18, 1968
Kahaluu Beach Park	County of Hawaii	16,203	Sept. 14, 1967
Kalihikai Beach Park	County of Kauai	44,431	Do.
Waimea Park Tennis Court	County of Hawaii	22,174	Do.
Punaluu Beach Park	City and County of Honolulu	34,975	Do.
Kamehameha Park Tennis Court	County of Hawaii	24,643	Do.
Sunset Beach Playground	City and County of Honolulu	48,296	Dec. 30, 1967
Hanamaulu Beach Park	County of Kauai	61,892	Sept. 14, 1967
Hoolulu Park Tennis Court	County of Hawaii	13,395	Do.
Punalu Beach Park	do	11,526	Feb. 2, 1968
Waiohinu Park	do	9,099	Sept. 15, 1967
Wailupe Beach Park	City and County of Honolulu	$19,880	Do.
Haleiwa-Wailua Beach Park	do	150,545	Feb. 27, 1970
Waimea Bay Beach Park	do	64,576	Feb. 20, 1969
Hookena Beach Park	County of Hawaii	151,723	Apr. 3, 1970
Kolekole Beach Park	do	22,251	June 15, 1970
State Comp. Outdoor Rec. Plan	Department of Planning and Economic Development.	43,258	June 30, 1970
Laupahoehoe Beach Park	County of Hawaii	17,804	Nov. 20, 1970
Maunalua Bay Beach Park	City and County of Honolulu	87,511	Nov. 25, 1970
Nuuanu Pali State Park	Division of State Parks	210,600	Mar. 17, 1971
Kalama Beach Park	City of Maui	19,409	Feb. 22, 1971
Kamaole Beach Park 2 and 3	do	44,845	Do.
Kawailoa Beach Park	City and County of Honolulu	52,000	June 29, 1971
Lucy Wright Park	County of Kauai	28,190	June 30, 1971
Wahiawa Freshwater State Park	Department of Planning and Economic Development.	156,000	Do.
Waimanalo Bay State Park	do	239,200	Do.
Hapuna Beach State Park, phase II	Department of Land and Natural Resources.	494,000	Sept. 3, 1976
Sand Island State Park	do	562,536	Aug. 23, 1971
Spencer Beach Park, phase II	Department of Parks and Recreation.	80,600	Feb. 4, 1972
James Kealoha Beach Park	do	650,000	Mar. 3, 1972
Koko Head District Park	City and County of Honolulu	262,777	June 1, 1972
Kaneohe District Park	do	424,607	June 30, 1972
Kamiloiki Community Park	do	90,438	Aug. 7, 1972
Haena State Park	Department of Land and Natural resources.	125,245	July 27, 1972
Hanalei Beach Park	County of Kauai	210,600	Jan. 2, 1973
Leleiwi Beach Park	County of Hawaii	608,340	Dec. 13, 1972
Kahului Community Park, phase I-A.	Comunity of Maui	623,686	Jan. 2, 1973
Aina Haina Beach Park	City and County of Honolulu	494,000	Mar. 6, 1973
Sunset Beach Park	do	96,525	Mar. 20, 1973
Ewa Beach Community Park	do	80,199	Mar. 1, 1973
Hawaii Outdoor Recreation Plan	Department of Planning and Economic Development.	80,000	June 30, 1973
James Kealoha Beach Park, phase II	County of Hawaii	292,240	June 6, 1973
Anini Beach Park	County of Kauai	69,390	June 29, 1973
Anahola Beach Park	do	93,340	do
Puhi Park Development	do	55,557	do
Kalawai Park Acquisition	do	118,614	Sept. 25, 1973
Waihee Beach Park	County of Maui	45,037	Apr. 8, 1974
Kapaa Ballpark	County of Kauai	276,169	June 28, 1974
Poipu Beach Park	do	34,996	June 27, 1974
Aina Haina Beach Park	City and County of Honolulu	133,120	Oct. 29, 1974
Kanaha Beach Park	County of Maui	108,139	Feb. 26, 1975
Hana Boat Launching Ramp	Department of Transportation	53,040	June 30, 1975
Heeia State Park	Department of Land and Natural Resources	1,055,860	
Pearl Ridge Park	City and County of Honolulu	245,180	Nov. 13, 1975
Total 1966 through Mar. 31, 1976		11,778,314	

Title II of this legislation establishes an additional fund for historic preservation purposes, drawing its revenue completely from the Outer Continental Shelf leasing program, and replacing the authorization section in the Historic Preservation Act of 1966.

Here, again, the response to the availability of this money for historic preservation far exceeds the current authorized funding level of $24.4 million per annum. Spurred by the celebration of the Bicentennial, there has been a renewed and very legitimate interest in preserving historic properties now being lost daily to other uses because of a lack of funds for their preservation from decay or outright destruction.

Hawaii has received grants under the 1966 act totaling $1,155,310 for the period running to the end of the current fiscal year and the transition quarter to fiscal year 1977. In fiscal year 1976 alone, such grants total $311,920. However, grant applications for the current year have requested far more—more than $4.5 million. The experiences of other States are similar.

I urge my colleagues to approve the legislation, Mr. Chairman, to assure an adequate allocation of Federal resources to these programs as has been recommended by the committee.

Mr. ANDERSON of California. Mr. Chairman, I rise in support of H.R. 12234, legislation to provide increased funds for the purchase of national parklands.

It is fitting that Congress should, in this our Bicentennial year, seek to increase the number of acres that are to be preserved in a condition as closely related to that in which they were 200 years ago. Though frontiers may no longer exist, in a physical sense, passage of this bill would insure, that, for generations to come, Americans will be able to visit, enjoy and experience wilderness lands—to breathe clean air and wander in grassy meadows.

Current and past generations of Americans have been awed by our parks in California, such as Redwood National Park, the slopes of Mount Shasta, and Death Valley's poignant desolation.

These and many more sites of wonder are already protected. But, as we all know, the need is growing to place more land in trust for today's populace and future descendents.

No substantial additions have been made, in recent years, to the national parks. This is not due to a lack of suitable lands—it is due to a dearth of funding. There is land that should be, needs to be, designated as parkland—but the money is not presently available.

It would be on the order of a national embarrassment if Congress does not appropriate the increased funding that this bill asks.

With a continuing increase in concern for environmental safety being evidenced throughout the country, we face the distinct irony of losing our most valuable natural lands, because Congress, the agent of a people trying to reconcile growth with environmental protection, refuses to reach a timely decision. Passage of this bill now will not eradicate the loss of prime redwood stands in California's Humboldt Park, or the loss of other parkland—but it would be a positive step.

Not only would the bill increase our ability as a nation to preserve open spaces; it would also enable the restoration of historic works of architecture on an unprecedented scale.

As may be judged from last year's figures, there is an abundance of both sites to be renovated, and communities anxious to undertake renovation. Last year, the fund was able to offer $20 million in 50-50 matching for renovation projects. The legitimate requests of the States was greater than $200 million. This represents projects that are capable of requirements put forth by the Department of the Interior—not projects undertaken on a haphazard basis.

The discrepancy in figures makes evident the need for title II of this bill.

The fund has been relied on by past and current administrations as the sole source from which national parklands may be purchased. It is also, for all practical purposes, the only source of outside aid for State preservation and restoration projects.

Such responsibility was not demanded of the fund when it was begun in 1965. Good legislation, though, is usually flexible enough to adjust to changes in original conditions. The bill before us today allows the fund to respond to the changed conditions we find ourselves in today.

Let me say, in closing, that it is strikingly appropriate that revenues from Outer Continental Shelf oil drilling should provide a large percentage of the fund's moneys. As we deplete one natural resource, we use proceeds from its development to preserve others.

In southern California we are particularly aware of offshore oil drilling—we have suffered enormous environmental damage from it, such as the devastating Santa Barbara oil spill. Yet, some comfort may be gained if a benefit arises from our tribulations—I hope this body will see fit to give meaning to our loss.

Mr. CLEVELAND. Mr. Chairman, this bill, H.R. 12234, eliminates the present 15 percent limitation on the use of the fund for the addition of national forest lands authorized by acts of Congress west of the 100th meridian. At the same time, the budget request for fiscal year 1977 ties practically all of the requested $29.9 million to areas authorized by acts of Congress.

I am concerned over the effect of both these actions and the availability of funds for land acquisition in eastern national forests and wonder whether the gentleman from North Carolina can assure me that our acquisition needs in the east will not receive a lower priority as a result of this provision. The White Mountain National Forest in New Hampshire is subject to intense recreational pressures and I would hate to see our acquisition plans curtailed because the funds are being directed elsewhere. Would the gentleman from North Carolina (Mr. TAYLOR) respond to my concern?

Mr. TAYLOR of North Carolina. Mr. Chairman, I want to assure the gentleman from New Hampshire that there is no intent on the part of this change to acquire lands in the western States at the expense of Forest Service acquisition programs in the rest of the country. The language adopted by the committee does exempt those areas specifically authorized by act of Congress, such as national recreation areas or units of the wilderness system, from the 15-percent acreage limitation contained in the parent act. However, this same section also empowers the Forest Service to purchase recreation lands in Weeks Act forests in the Eastern United States which have been approved as purchase units since the time of enactment of the Land and Water Conservation Fund Act. Furthermore, the previous limitation for acquiring lands adjacent to an existing national forest boundary for the purpose of recreation is lifted from 500 acres to 3,000 acres. This would also be most important in completing Forest Service recreation programs in the Eastern United States.

In summary, the effect of our amendment should be taken as permitting increased acquisition flexibility of planned Forest Service recreation lands throughout the country. By no means would we expect the Forest Service to recommend an acquisition program consisting primarily of western congressionally designated areas to the exclusion of other legitimate acquisition needs. I would support the gentleman in his concern that we continue to emphasize Forest Service recreation benefits in the eastern United States and I am glad to have this opportunity to make the legislative history plain on this matter.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I just want to state in closing that for more than a decade the Subcommittee on National Parks and Recreation has been responsible for the land and water conservation fund program. The members of that subcommittee have attempted to develop a responsible program compatible with the original objective—namely to expand outdoor recreation opportunities throughout the Nation.

Last Congress, legislation was recommended to the House which would have enlarged the land and water conservation fund. Everyone would have benefited if it had been enacted and implemented. Every State would already be receiving more matching money than they do under the existing act.

But that legislation was not enacted. It failed enactment not because the Congress opposed the increase in the levels of the fund, but because too many collateral and controversial issues were tied to it. Some wanted to permit enclosed facilities. Some wanted to change the formula for the distribution of the matching moneys. Some wanted the program to jump to $1 billion, but they all seemed to want a bill. Unfortunately they killed it with kindness.

Now the question is: Are we going to allow that to happen again? The bill before this House is a good bill. It is a reasonable and responsible bill. It provides—

For a phased increase in the level of the fund beginning in fiscal year 1978.

For a compromise formula which will adjust the amounts available to the States so that as the level of the fund goes up, larger States will receive a larger share of the proceeds.

For the enclosure of swimming pools and ice skating rinks where climatic conditions justify it.

For the continuation of the popular historic preservation fund program on a sound financial foundation.

H.R. 12234 is a compromise bill. It helps everybody and it hurts nobody. It deserves our support, without amendment. I understand there are some 9 or 10 amendments pending. Now, we do not want to cut this bill to pieces on the House floor. Let us take this bill to conference and try to get a measure enacted this year. Otherwise, everyone loses.

The CHAIRMAN. All time has expired. Pursuant to the rule, the Clerk will now read the bill by titles.

Mr. SKUBITZ. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Clerk will read title I of the bill.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

That the Land and Water Conservation Fund Act (78 Stat. 897), as amended (16 U.S.C. 4601-5 et seq.), is further amended as follows:

(1) In the first sentence of section 2, delete "and during such additional period as may be required to repay any advances made pursuant to section 4(b) of this Act,".

(2) In section 2(c)(1), delete "$200,000,000" and the remainder of that sentence and insert in lieu thereof "$300,000,000 for fiscal year 1977, $450,000,000 for fiscal year 1978, $625,000,000 for fiscal year 1979, and $800,000,000 for fiscal year 1980 and for each fiscal year thereafter through September 30, 1989.".

(3) In section 2(c)(2), delete "amount to $200,000,000 or $300,000,00 for each of such fiscal years, as" and insert in lieu thereof "equivalent to the amounts".

(4) Change section 5 to read as follows:

"ALLOCATION OF LAND AND WATER CONSERVATION FUND FOR STATE AND FEDERAL PURPOSES

"Sec. 5. Allocation.—There shall be submitted with the annual budget of the United States a comprehensive statement of estimated requirements during the ensuing fiscal year for appropriations from the fund. The appropriation from the fund shall be available in the ratio of 60 per centum for State purposes and 40 per centum for Federal purposes.".

(5) In section 6(b), change the period at the end of paragraph (2) to a colon, and add the following: *"Provided,* That whenever more than $240,000,000 is appropriated and available for States purposes in a given fiscal year, such sums in excess of that amount shall be apportioned among the several States in the following manner:

"(A) 20 per centum shall be apportioned equally among the several States, as defined in paragraph (1) of this subsection;

"(B) 75 per centum shall be apportioned on the basis of need to individual States as determined by the Secretary according to this paragraph; and

"(C) 5 per centum shall be made available to individual States to meet special or emergency needs, as determined by the Secretary.".

(6) In section 6(b), change "7 per centum" to "10 per centum".

(7) In section 6(b), revise the last sentence of the penultimate paragraph to read as follows: "Any amount of any apportionment that has not been paid or obligated by the Secretary during the fiscal year in which such notification is given and for two fiscal years thereafter shall be reapportioned by the Secretary in accordance with paragraph (2) (C) of this subsection without regard to the limitation for any one State.".

(8) Revise the last paragraph of section 6(b) to read as follows: "For the purposes of paragraph (1) of this subsection, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, and American Samoa shall be treated collectively as one State, and shall receive shares of such apportionment according to the relative size of their populations. The above listed areas shall be treated as States for all other purposes of this title.".

(9) In section 6(d), at the end of the second sentence, change the period to a colon and add the following: *"Provided,* That no plan shall be approved unless the Governor of the respective State certifies that ample opportunity for public participation in plan development and revision has been accorded. The Secretary shall develop, in consultation with others, criteria for public participation, which criteria shall constitute the basis for the Governors' certification.".

(10) In section 6(e)(2), add the following new sentence at the end thereof:

"Notwithstanding any other provisions of this Act, not more than 25 per centum of the total amount allocated to a State in any one year may be utilized for the planning and development of sheltered facilities for swimming pools and ice skating rinks within areas where the Secretary determines that (1) the severity of climatic conditions provides no feasible or prudent alternative to serve identified unmet demands for recreation resources; and (2) the increased public use thereby made possible justifies the construction of such facilities.".

(11) In section 6(f), at the end thereof, add the following: "Each State shall be required to evaluate its grant programs annually under guidelines set forth by the Secretary. Such evaluation and the publication of same shall be eligible for funding on a 50/50 matching basis. The results of the evaluation shall be annually reported on a fiscal year basis to the Bureau of Outdoor Recreation, which agency shall forward a summary of such reports to the Committees on Interior and Insular Affairs of the United States Congress. Such report to the committees shall also include an analysis of the accomplishments of the fund for the period reported, and may also include recommendations as to future improvements for the operation of the Land and Water Conservation Fund program.

"With respect to property acquired or developed with assistance from the fund, discrimination on the basis of residence, including preferential reservation or membership systems, is prohibited except to the extent that reasonable differences with respect to admission and user fees charged to local versus out-of-State residents may be permitted. Such fee differential shall take into consideration the relative total contribution from all funding sources to the affected area.".

(12) In section 7(a)(1), National Forest System, the following changes are made: (1) after the word "Act" insert ", or purchase units approved by the National Forest Reservation Commission subsequent to the date of this Act, all of"; (2) in the first proviso change "five hundred" to "three thousand"; (3) in the second proviso after the word "That" insert "except for areas specifically authorized by Act of Congress,".

(13) In section 8, delete "purposes." and insert the following in lieu thereof: "purposes: *Provided, however,* That in each case where significant acquisition or development is initiated, appropriate standardized temporary signing shall be located on or near the affected site, to the extent feasible, so as to indicate the action taken is a product of funding made available through the Land and Water Conservation Fund. Such signing may indicate the per centum and dollar amounts financed by Federal and non-Federal funds, and that the source of the funding includes moneys derived from Outer Continental Shelf receipts. The Secretary shall prescribe standards and guidelines for the usage of such signing to assure consistency of design and application.".

(14) A new section 12 is added as follows:

"Sec. 12. Within one year of the date of enactment of this section, the Secretary is authorized and directed to submit to the Committees on Interior and Insular Affairs of the Senate and House of Representatives a comprehensive review of the needs, problems, and opportunities associated with urban recreation in highly populated regions, including the resources potentially available for meeting such needs. Such review shall identify evolving and anticipated forces, factors, and trends, and shall present a full range of options and alternatives as to possible solutions and courses of action designed to preserve remaining open space, ameliorate recreational deficiency, and enhance recreational opportunity for urban populations.".

Mr. TAYLOR of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, as printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AMENDMENT OFFERED BY MR. SKUBITZ

Mr. SKUBITZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Skubitz: Page 2, lines 7 and 8, strike the figures "625,000,000" and "800,000,000" and insert in lieu thereof the figures "500,000,000" and "600,000,000' respectively.

Mr. SKUBITZ. Mr. Chairman, I offer an amendment to cut the ultimate annual increase in the authorization for the land and water conservation fund from $800 million to $600 million.

Even the lower figure is twice the size of the current annual LWCF authorization.

What H.R. 12234 does without this amendment is authorize annual incremental increases in the land and water conservation fund according to the following scale: $300 million in fiscal year 1977; $450 million in fiscal year 1978; $625 million in fiscal year 1979; $800 million in fiscal year 1980; and $800 million in fiscal year 1980; and $800 million in fiscal year each fiscal year thereafter through fiscal year 1989.

If my amendment passes the LWCF will be increased according to the following scale: $300 million in fiscal year 1977; $450 million in fiscal year 1978; $500 million in fiscal year 1979; $600 million in fiscal year 1980; and $600 million in each fiscal year thereafter through fiscal year 1989.

You will note that both the bill as written and my amendment do not increase the LWCF in fiscal year 1977.

This has been done deliberately in order to "ease" the increases into the administration's budget plans for the future.

There is no increase recommended in authorized outlays for the President's budget in fiscal year 1977 for the LWCF.

I hope my colleagues will see the wisdom in cutting back on the ultimate authorization level by $200 million.

But the hard fact is that these dollars will have to be made up with either increased taxes or more deficit spending. By asking for so much so soon for the LWCF we jeopardize the entire bill to a veto.

I am not certain that even the $600 million will be acceptable to the President, but it is far more reasonable than the $800 million already passed by the Senate for next fiscal year.

It behooves this House to pass this amendment resoundingly to give the other body a clear message that we will go to $600 million and no higher.

Mr. SEIBERLING. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as a member of the subcommittee, we went all through this. If the $800 million, which is the eventual figure that this fund would reach after several years, if that money were authorized in this or the next fiscal year, then I would say that the gentleman's position is well taken. But that is not what this bill does. It will not even reach the top figure until fiscal year 1980.

There is no question but that there is a pressing need for every bit of the money that will eventually go into this bill. It has been estimated by the Department of the Interor that there is a backlog of $45 billion worth of unacquired recreation land in this country if we take in all the needs of the States and the local governments. We are at least $500 million, and according to some estimates as much as $2.3 billion behind in the amount of money appropriated for units of the national park system that have already been authorized but not acquired. Some of them have been authorized for years and years.

I suggest that we are shortchanging future generations of Americans if we do not now provide adequate money to take care of these needs.

Mr. Chairman, I would like to point out something else. At the time the existing law went into effect the royalty revenues from offshore oil, which is the source of the funds for the land and water conservation fund, were comparatively small. As a matter of fact, they were less than the total amount authorized to be set aside every year in the present law, and that amount is $300 million a year. However, the offshore oil revenues have escalated enormously. They are in the multibillions of dollars per year.

At one point the Department of the Interior estimated that for this year alone they would reach $8 billion. That figure has been scaled down. Nevertheless, we are talking about receipts on the order of billions. Yet we have not increased the amount of money flowing into this very important fund, even as the revenues keep increasing.

The theory of the land and water conservation fund coming out of offshore oil royalties is that, while we are depleting a natural resource, we should take some of the money proceeds and put it into reclaiming other natural resources for the use of the people of America; namely, land for outdoor recreation. If, with the tremendous increase in oil revenues, we do not correspondingly increase the fund, then we in effect are shortchanging the American people because they had the right to expect that if we accelerated offshore production, we would accelerate payments into this fund.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, the gentleman should read our own report to the Budget Committee. We pointed out that the amount of money that has been allegedly going into the offshore oil fund has been enormously exaggerated, that in 11 out of 15 years the Presidents of the United States have overestimated the amount that was going into the Treasury from this particular fund.

Mr. SEIBERLING. Mr. Chairman, all I can say is that we do not need to look at the estimates; all we have to do is look at the facts. We are talking about offshore oil royalties in the multibillions of dollars per year in recent years. In some cases they were, in fact, underestimated by as much as 300 percent less than the amount that actually came into the fund.

The fact is that the amount of revenues has increased fantastically and the amount of leasing has increased enormously. I believe we can expect these revenues to continue at this rate.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield further?

Mr. SEIBERLING. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, let me refer my colleague to page 38 of the report. The gentleman speaks about the multibillions of dollars that are going in. However, the average for the last 15 years has been $1,160,000,000, and last year it was $2,400,000,000. Now we are talking about taking out over three-quarters of a billion dollars of that.

Mr. SEIBERLING. That is 1,000 percent more than what was going into the offshore royalties at the time this fund was created.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I thank the gentleman for yielding. I would like to compliment the gentleman on his statement and join him in his opposition to this amendment.

Mr. TAYLOR of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would first like to point out the reasons for the $800 million level as adopted by the committee.

Most of the bills which we first considered in our original hearing in the 93d Congress proposed to increase the fund to either $900 million or $1 billion per year. In conducting our hearings on these measures we found ample evidence that a fund of this magnitude could be matched and used by the States.

In addition as I pointed out earlier the Federal agencies relying on the fund are faced with enormous backlogs of unacquired lands.

The $800 million per year is a compromise figure and the bill as reported does not reach the $800 million figure until 1980. We must keep in mind that inflation in recreation land values has been excessive since the fiscal year 1971, when the authorization level of the fund was increased to $300 million. By the time the fund finally reaches the $800 million level by 1980, its actual purchasing power will not be as much above the $300 million level of 1971 as we might think.

Having explained the soundness of the committee recommendation I now want to state that I do not personally oppose the amendment by the gentleman from Kansas. I supported the amendment in committee. The gentleman from Kansas has been a supporter of this legislation since our first consideration of the matter in the last Congress. I recognize that he is looking toward the time when we will need to reconcile our bill with the $1 billion authorization already passed by the Senate. I am not speaking in opposition to the amendment for I believe that it is being proposed in the best interest of the legislation. I share Mr. Skubitz' concern that we ultimately enact a measure that the President can reasonably be expected to sign into law. I seek a solution of this problem, not a continuing issue. I believe that any level of funding above $800 million would almost certainly cause us severe difficulties with the executive branch.

Therefore, should there eventually be a conference on this matter between the House and the Senate I would be in favor of agreeing to no more than the $800 million authorization level. That would be splitting the differences between the $600 million recommended by the gentleman from Kansas and the $1 billion already authorized by the Senate. If the amendment of the gentleman from Kansas eventually leads us to a final recommendation of $800 million in this measure, then in my opinion he will have done this body a service.

I can state to the House that when we go into conference, I will make every effort to see that the final figure approved does split the difference between this $600 million and the bill that we have come up with containing a figure of $800 million, which I believe the Secretary of the Interior will recommend to the President and which I believe the President will sign into law.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I thank the gentleman for his statement, but I want to say that insofar as this Member is concerned, he feels that $600 million is adequate, absolutely sufficient, and that this House should hold the conferees' feet to the fire so that they will defend the $600 million level.

Mr. TAYLOR of North Carolina. Mr. Chairman, I state to the gentleman from Kansas (Mr. Skubitz) that while I agree with him today, when we get to conference, I will disagree with him; and I will work for the $800 million figure, which is a compromise.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas (Mr. Skubitz).

The question was taken; and on a division (demanded by Mr. Skubitz) there were—ayes 19, noes 21.

Mr. SKUBITZ. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Seventy-four Members are present, not a quorum.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. On hundred Members have responded. A quorum of the Committee of the Whole is present. Pursuant to the provisions of clause 2, rule XXIII, further proceedings under the call will be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand by the gentleman from Kansas (Mr. SKUBITZ) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 111, noes 282, not voting 39, as follows:

[Roll No. 236]

AYES—111

Allen
Archer
Bafalis
Bauman
Beard, Tenn.
Bennett
Brinkley
Brown, Mich.
Broyhill
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Carter
Cederberg
Chappell
Clawson, Del
Cochran
Collins, Tex.
Conable
Crane
Daniel, Dan
Daniel, R. W.
Davis
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
du Pont
Erlenborn
Evans, Ind.
Findley
Flynt
Forsythe
Fountain
Frenzel
Frey
Goodling
Grassley
Haley
Hansen
Harsha
Hefner
Henderson
Hillis
Hutchinson
Ichord
Jarman
Jenrette
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kelly
Kemp
Ketchum
Kindness
Landrum
Lloyd, Tenn.
Lott
Lujan
McDonald
Mann
Martin
Mathis
Michel
Milford
Miller, Ohio
Montgomery
Moore
Mosher
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Paul
Preyer
Randall
Rhodes
Robinson
Rose
Ruppe
Satterfield
Schneebeli
Sebelius
Shipley
Shuster
Sisk
Skubitz
Snyder
Spence
Stanton, J. William
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stuckey
Sullivan
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Treen
Waggonner
Whitehurst
Wiggins
Yatron
Young, Alaska
Young, Fla.

NOES—282

Abdnor
Abzug
Addabbo
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Chisholm
Clancy
Clausen, Don H.
Clay
Cleveland
Cohen
Conlan
Conte
Conyers
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
de la Garza
Delaney
Dellums
Dent
Derrick
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Evans, Colo.
Fary
Fascell
Fenwick
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Gradison
Green
Gude
Guyer
Hagedorn
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harris
Hays, Ohio
Heckler, Mass.
Heinz
Helstoski
Hicks
Hightower
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hyde
Jacobs
Jeffords
Johnson, Calif.
Johnson, Colo.
Jordan
Kasten
Kastenmeier
Kazen
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Long, La.
Long, Md.
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
Maguire
Mahon
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Price
Pritchard
Quie
Quillen
Railsback
Rangel
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Roberts
Rodino
Roe
Rogers
Roncalio
Rooney
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Russo
Ryan
St Germain
Santini
Sarasin
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Shriver
Sikes
Simon
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steelman
Stratton
Studds
Symington
Talcott
Thompson
Thone
Thornton
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitten
Wilson, Bob
Wilson, C. H.
Winn
Wirth
Wright
Wydler
Wylie
Yates
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—39

Adams
Alexander
Andrews, N.C.
Bell
Bevill
Brown, Ohio
Collins, Ill.
Corman
Diggs
Eshleman
Evins, Tenn.
Harrington
Hawkins
Hayes, Ind.
Hébert
Hechler, W. Va.
Hinshaw
Jones, Ala.
Karth
Lundine
McKinney
Macdonald
Madden
Madigan
Matsunaga
Mills
Mink
Mitchell, Md.
Nix
O'Hara
Pepper
Peyser
Rees
Riegle
Sarbanes
Stokes
Wilson, Tex.
Wolff
Young, Ga.

Mr. BAUMAN and Mr. NEAL changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SKUBITZ

Mr. SKUBITZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SKUBITZ: Page 2, line 22 through page 3, line 11, strike all of paragraph (5).

Mr. SKUBITZ. Mr. Chairman, this amendment simply strikes out the meddlesome changes which the bill would make to the current distribution formula.

If H.R. 12234's changes in this formula are passed into law, 36 less populous States will give up a portion of their share to 14 more populous States.

The current formula—based on need—has served us well and should continue.

When creating parks and recreation areas need is usually more a function of open spaces, scenic beauty, and natural wilderness than it is of population density.

The United States has a mobile population and its citizens travel widely to scenic areas and choice recreation spots.

Very few of these are locations with a large permanent population.

The actual population of a favorite vacation State is much higher because of the influx of tourists than what the census count would indicate. The new formula penalizes such States.

I urge Members to reject this attempt—to tinker with a successful formula—by supporting my amendment.

I include the following:

36 STATES LOSE; 14 STATES GAIN UNDER H.R. 12234 FORMULA CHANGE

States	Current formula, fiscal year			New formula, fiscal year			Difference between current formula and H.R. 12234 (3-yr period)
	1978	1979	1980	1978	1979	1980	
Alabama	$4, 410, 450	$6, 125, 625	$7, 840, 800	$4, 380, 450	$5, 990, 625	$7, 880, 800	−$205, 000
Alaska	2, 342, 250	3, 253, 125	4, 164, 000	2, 229, 450	2, 745, 525	3, 261, 660	−1, 522, 800
Arizona	3, 470, 850	4, 819, 625	6, 170, 400	3, 403, 950	4, 519, 575	5, 635, 200	−902, 150
Arkansas	3, 190, 050	4, 435, 625	5, 671, 200	3, 110, 250	4, 071, 525	5, 032, 800	−1, 082, 300
California	18, 701, 550	25, 974, 375	33, 247, 200	19, 258, 650	28, 481, 325	37, 704, 000	+7, 520, 850
Colorado	3, 762, 450	5, 225, 625	6, 688, 800	3, 707, 250	4, 977, 225	6, 247, 200	−745, 200
Connecticut	4, 518, 450	6, 275, 625	8, 032, 800	4, 494, 450	6, 167, 625	7, 840, 800	−324, 000
Delaware	2, 560, 950	3, 556, 875	4, 552, 800	2, 457, 150	3, 089, 775	3, 722, 400	−1, 401, 330
Florida	7, 396, 650	10, 273, 125	13, 149, 600	7, 489, 650	10, 691, 625	13, 893, 600	+1, 255, 500
Georgia	5, 032, 800	6, 990, 000	8, 947, 200	5, 027, 100	6, 964, 350	8, 901, 600	−76, 950
Hawaii	2, 756, 700	3, 828, 750	4, 900, 800	2, 661, 000	3, 398, 100	4, 135, 200	−1, 291, 950
Idaho	2, 497, 500	3, 468, 750	4, 440, 000	2, 390, 400	2, 986, 800	3, 583, 200	−1, 445, 850
Illinois	10, 683, 900	14, 538, 750	18, 993, 600	10, 910, 400	15, 858, 000	20, 805, 000	+3, 357, 150
Indiana	5, 699, 700	7, 916, 250	10, 132, 800	5, 721, 900	8, 016, 150	10, 310, 400	+299, 700
Iowa	3, 742, 200	5, 197, 500	6, 652, 800	3, 684, 300	4, 936, 950	6, 189, 600	−781, 650

36 STATES LOSE; 14 STATES GAIN UNDER H.R. 12234 FORMULA CHANGE—Continued

States	Current formula, fiscal year			New formula, fiscal year			Difference between current formula and H.R. 12234 (3-yr period)
	1978	1979	1980	1978	1979	1980	
Kansas	$3,488,400	$4,845,000	$6,201,600	$3,420,900	$4,541,250	$5,661,600	−911,250
Kentucky	4,024,350	5,589,375	7,154,400	3,977,850	5,380,125	6,782,400	−627,750
Louisiana	4,579,200	6,360,200	8,140,800	4,556,100	6,256,050	7,956,000	−312,050
Maine	2,650,050	3,680,625	4,711,200	2,548,950	3,225,675	3,902,400	−1,364,850
Maryland	5,244,750	7,284,375	9,324,000	5,250,450	7,310,205	9,369,600	+76,950
Massachusetts	6,650,100	9,236,260	11,822,400	6,713,100	9,519,750	12,326,400	+850,490
Michigan	8,897,850	12,358,125	15,818,400	9,051,450	13,049,325	17,047,200	+2,073,600
Minnesota	4,671,000	6,487,500	8,304,000	4,651,500	6,399,750	8,148,000	−263,250
Mississippi	3,217,050	4,468,125	5,719,200	3,137,550	4,110,375	5,083,200	−1,073,250
Missouri	5,395,950	7,494,375	9,592,800	5,406,150	7,540,275	9,674,400	+137,700
Montana	2,516,400	3,495,000	4,473,600	2,410,200	3,017,100	3,624,000	−1,433,700
Nebraska	3,040,200	4,222,500	5,404,800	2,955,000	3,839,100	4,723,200	−1,150,200
Nevada	2,536,650	3,523,125	4,509,600	2,431,950	3,051,975	3,672,000	−1,413,450
New Hampshire	2,546,100	3,536,250	4,526,400	2,441,110	3,063,750	3,686,400	−1,417,500
New Jersey	8,043,300	11,171,250	14,299,200	8,163,900	11,713,950	15,264,000	+1,627,100
New Mexico	2,705,400	3,757,500	4,809,600	2,606,700	3,313,350	4,020,000	−1,322,450
New York	16,848,000	23,400,000	29,952,000	17,327,700	25,558,650	33,789,600	+6,475,950
North Carolina	5,119,200	7,110,000	9,100,800	5,115,900	7,095,150	9,074,400	−44,550
North Dakota	2,436,750	3,384,375	4,332,000	2,327,250	2,891,625	3,456,000	−1,478,250
Ohio	10,242,450	14,225,625	18,208,800	10,450,650	15,162,525	19,874,400	+2,810,700
Oklahoma	3,765,150	5,229,375	6,693,600	3,709,050	4,976,925	6,244,800	−757,350
Oregon	3,578,850	4,970,625	6,362,400	3,515,850	4,687,125	5,858,400	−850,500
Pennsylvania	11,221,200	15,585,000	19,948,800	11,469,600	16,702,800	21,936,000	+3,353,400
Rhode Island	2,910,600	4,042,500	5,174,400	2,821,200	3,640,200	4,459,200	−1,206,900
South Carolina	3,734,100	5,186,250	6,638,400	3,676,500	4,927,050	6,177,600	−777,600
South Dakota	2,466,450	3,425,625	4,384,800	2,358,150	2,938,275	3,518,400	−1,462,050
Tennessee	4,596,750	6,384,375	8,172,000	4,573,650	6,280,425	7,987,200	−311,850
Texas	10,469,050	14,555,625	18,631,200	10,697,250	15,533,025	20,368,800	+2,943,200
Utah	2,937,850	4,103,125	5,258,400	2,870,250	3,716,925	4,557,600	−1,154,600
Vermont	2,338,200	3,247,500	4,156,800	2,224,800	2,737,200	3,249,600	−1,530,900
Virginia	5,312,250	7,378,125	9,444,000	5,318,850	7,407,825	9,496,800	+89,100
Washington	4,637,500	4,460,750	8,280,000	4,638,600	6,383,700	8,128,800	−227,150
West Virginia	3,145,500	4,368,750	5,592,000	3,064,200	4,002,900	4,941,600	−1,097,550
Wisconsin	5,081,400	7,057,500	9,033,600	5,078,400	7,004,000	9,009,600	−40,500
Wyoming	2,289,600	3,180,000	4,070,400	2,174,400	2,661,600	3,148,800	−1,555,200
District of Columbia	650,700	903,760	1,156,800	677,400	1,023,900	1,370,400	+360,440
Puerto Rico	1,629,450	2,263,125	2,896,800	1,693,950	2,553,375	3,412,800	+870,750
Virgin Islands	24,500	33,750	43,200	25,200	37,800	50,400	+11,950
Guam	32,400	45,000	57,600	33,600	50,400	67,200	+16,200
American Samoa	8,100	11,250	14,400	8,400	12,600	16,800	+4,050
Contingency	13,500,000	18,750,000	24,000,000	13,500,000	18,750,000	24,000,000	
Total	270,000,000	375,000,000	480,000,000	270,000,000	375,000,000	480,000,000	

Mr. SEIBERLING. Mr. Chairman, I rise in opposition to this amendment.

As I understand the amendment, this would scrap the carefully worked out formula in this bill, under which no State would get less money than it gets now and the additional sums of money authorized by the bill would be divided more in proportion to the population of the States. Accordingly, I oppose this amendment for the simple reason that it would continue the present inequitable system of distribution which is not based on putting the money where the people are but merely dividing it among the States in a way that does not bear any close relationship to the population.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I would like to join the gentleman from Ohio in opposition to this amendment.

What the proponent of the amendment does not say is that the formula does not treat all the people of this country alike on a per capita basis. Under the present formula the populous States, the 14 States which contain 278 of our congressional districts, have seen less than one-half of the dollars going to those States.

Here are some of the per capita figures: Illinois, 63 cents; Ohio, 64 cents; and New York, 61 cents. That is what the citizens of those States have been getting out of this land and water conservation fund.

At the other end of the scale we see a State such as Delaware getting more that $3 per capita. Vermont gets $3.44, and Alaska gets more than $5. So this is a totally inequitable formula as it stands.

In the committee we discussed at length what kind of a change in the formula should be made, and we came up with a compromise which is contained in the committee bill.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I thank the gentleman for yielding.

I wish to associate myself with the gentleman's remarks and with the remarks of the previous speaker.

Mr. MAGUIRE. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from New Jersey.

Mr. MAGUIRE. Mr. Chairman, I thank the gentleman for yielding.

I would like to reinforce what the gentleman from New York (Mr. BINGHAM) said a moment ago. If we look at the per capita figures, we find that certain States have a 6-to-1 or an 8-to-1 advantage over other States on a per capita basis. The General Accounting Office and the National Park Service and others have long pointed to this as a very serious inequity in the law.

The committee seeks to take care of that inequity by introducing the new formula while holding everyone harmless and insuring that none will lose money.

What will happen is that States like Wyoming and Vermont and others will double their per capita amounts over a 5-year period, States like Minnesota, Wisconsin, and Arkansas will get roughly 2½ times what they have been getting. And those States that have been so badly treated in the past, States like California, New York, New Jersey, Michigan, and Illinois, will do only slightly better by tripling their per capita amounts. But at the end of this whole process the less populous States will still have a 3-to-1 advantage over the more populous States on a per capita basis.

So, Mr. Chairman, this is a modest alteration in the formula, and it is one which is long overdue. Therefore, I support the gentleman from Ohio (Mr. SEIBERLING) in opposition to the amendment.

Mr. RUPPE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in reluctant opposition to the amendment offered by my distinguished colleague, the gentleman from Kansas (Mr. SKUBITZ).

I believe that the House would be well advised to preserve the compromise formula that has been developed by this committee, because in the legislation before us we state very clearly that as the first $240 million of the moneys is disbursed, we will give a very heavy emphasis to the needs of the small-population States. In fact, up to a total of $240 million of disbursements, those dollars will be spent on the basis of 40 percent to the States individually and 55 percent on the basis of population.

However, we should recognize that as the totals disbursed go beyond $240 million, we should give consideration to the populations of the major States, the States like New York, California, and Illinois, and as we move above $240 million, we have changed the formula so that population disbursement will go from 55 percent of the total to 75 percent of the total. I think it is a very, very fair compromise to limit the disbursement on the basis of population to 75 percent of the dollars and yet continue to give the smaller States, States like Nevada, Alaska, and Wyoming, a full 20 percent of the dollars.

Let me say that there will be an amendment offered a little later that would increase the ratio to the benefit of the higher-population States. I will oppose that amendment, as I am constrained to oppose this amendment, because I feel the distribution formula as developed by the committee is fair, more fair than it has been in the past, to those States with a higher population.

On the other hand, Mr. Chairman, the committee has protected all of the small States. None of those small-population States will at any time see their dollar distribution reduced, and we continue to allocate on the same old formula up to a total of $240 million of moneys disbursed.

Mr. Chairman, we continue to give the smaller States 40 percent of those dollars, recognizing, as we must, that all of us do not go to the western States, but we sometimes do go to Nevada, and we do go to Wyoming to enjoy the unique resources of the Rockies, and to areas that the Southwest has to offer.

Mr. Chairman, I feel, as one resident of the State of Michigan, that I do want to protect the values and enhance the recreation opportunities in my own State, but I certainly want to see a fair and a square deal for the smaller States of this country, particularly since I and certainly my youngsters want to go out and see and enjoy and participate in some of the unique recreational advantages they have. They need a little extra assistance from us.

Mr. Chairman, this formula in the bill protects the balance between the needs, if you will, of the high-population States and the very fundamental outdoor recreation values that are so paramount and so vital in these smaller States.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. RUPPE. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I would like to commend the gentleman for his statement. I wholeheartedly agree.

I would like to read the names of the States adversely affected by the amendment of the gentleman from Kansas (Mr. Skubitz) so that the Members might be advised of the situation in deciding how to vote.

They are California, Florida, Illinois, Indiana, Maryland, Massachusetts, Michigan, Missouri, New Jersey, New York, Ohio, Pennsylvania, Texas, and Virginia.

Mr. Chairman, I thank the gentleman for yielding.

Mr. RUPPE. Mr. Chairman, that sounds just like the type of States to which I was referring.

I thank the gentleman for his comment.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. RUPPE. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, I thank the gentleman for yielding.

I rise in opposition to the amendment, and associate myself with the remarks of the gentleman from Michigan (Mr. Ruppe).

With respect to the formula, I would direct the attention of the Members to the committee report. In spelling it out in precise terms, the formula reads the same up to the $240 million, then after that 20 percent would be apportioned equally and 75 percent according to need and then 5 percent on the basis of the special emergency need, at the discretion of the Secretary.

Mr. RUPPE. That is correct.

Mr. Chairman, I would like to say, in conclusion, that I oppose the amendment, and it cannot be said that I oppose it because we are talking of the State of Michigan or of other major States with respect to some of the moneys in this bill. In any event, I will also oppose any further amendments at a later time that would weaken or reduce the number of dollars going to the smaller States because the environmental and other factors of the smaller States have to be protected and developed, and they are so protected under the committee bill.

Mr. TAYLOR of North Carolina. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the manner of distributing the land and water conservation fund to the States created a great deal of debate in the committee. At present, 40 percent of the State's share of the fund is divided equally among the States each year. The balance is distributed on the basis of need. Need at present is based on total population, with some weight given to urban concentration in each State. This has resulted in a much higher per capita distribution to the smaller States.

When the formula was being written in 1965, it was pointed out that citizens do not seek recreational opportunities only within their own States. The residents of Boston spend weekends camping in New Hampshire State Parks. The Dallas native may be boating on an Oklahoma reservoir. New England is a recreation area for residents of New York City.

During recent years more emphasis has been placed on locating parks near urban centers, such as Gateway, New York, and Golden Gate Recreation Area in San Francisco, so as to conserve energy by encouraging recreation near at home.

If the level of the fund is to be raised, as contemplated, it appeared to the committee that some change should be made in the allocation formula so as to provide more benefits for the larger, more populous States.

Our colleague from New York, Mr. Bingham, has worked hard in the committee to help produce a workable solution which we can defend when we attempt to reconcile this bill with the Senate. The language adopted by the committee was compromise language which I proposed as a substitute to a more far-reaching amendment by Mr. Bingham.

The committee bill would make no change in the distribution formula on the first $240 million going to to the States. That means that there could be a 33⅓-percent increase in today's allocation before any change is made in the formula. All money received by the States above the $240 million would be divided 20 percent equally—not 40 percent as present—and 75 percent would be based on need, with 5 percent going for emergency situations. The smaller States would still get a larger per capita distribution but the difference would be reduced somewhat.

Now the gentleman from New Jersey (Mr. Maguire) would propose to amend this formula in the opposite direction from Mr. Skubitz so that any increase in the fund from its current level would be allocated more to the larger States.

I think that we must vote on this as national legislation and not out of purely parochial interest and not taking the position that I favor that which gives me more and you less. The committee has set an example here by adopting a reasonable middle ground which hopefully we can get the other body to accept. I urge my colleagues to follow this example and reject the amendment which would change the allocation formula in either direction from the committee's position.

Mr. SKUBITZ. Mr. Chairman, would the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, if I understand the gentleman from North Carolina correctly, what the gentleman is actually saying is that everybody is going to get a piece of the turkey. But 36 States are just going to get turkey and when it comes to the gravy, 14 lucky States are also going to get the gravy. Is that right?

Mr. TAYLOR of North Carolina. What I am saying is that as we increase this fund, we will find that the larger per-capita distribution is going to go to the small States in comparison to the larger States. In fact, some of the smaller States are going to get more than they can even spend. It just appears to me that this small, modest adjustment in the formula is proper at this time.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I thank the gentleman for yielding. It would seem that if the argument made by our friend, the gentleman from Kansas (Mr. Skubitz) is correct, then the House of Representatives should change its basis of representation so that we have an equal number of representatives from every State.

Mr. du PONT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Kansas (Mr. Skubitz).

I am sorry to see so many of my colleagues become so misguided on this issue. I represent one of those small States that for all these years has been providing Washington, D.C., with its summer capital. The gentleman from North Carolina (Mr. Taylor) pointed out that in the old days, he said back in the 1960's, that everyone used to go out of the State for their recreation. That is exactly what is happening in these new days, too, everybody leaves Washington on Friday evening and goes over to the Delaware beaches.

I am really sorry to see the 14 big States trying to take away resources from the little fellows who are trying to provide them with some nice recreational areas. I would think it would make an awful lot of sense to keep a formula that has been equitably worked out by the Congress in 1965—and I was not here then, but I have a lot of respect for the Congressmen who were here then, who worked so diligently and so hard to get a good formula. I would just say that I would hate to see 36 States lose money so that we can help out the Michiganites and the Californians. I think we have an equitable formula now. I would hope in the interest of the Members' summer fun on Delaware's beaches that we would keep that formula.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. DU PONT. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. I thank the gentleman for yielding.

I would like to give the names of those States that would stand to lose money if the amendment is not adopted. Mr. Chairman, I will read the States that are going to lose money if the amendment is not adopted. Alabama loses $200,000; Alaska, $1,500,000; Arizona loses; Arkansas loses; Colorado loses; Connecticut; Delaware; Georgia; Hawaii; Idaho; Iowa; Kansas; Kentucky; Maine; Minnesota; Mississippi; Montana; Nebraska; Nevada; New Hampshire; New Mexico; North Carolina; North Dakota; Oklahoma; Oregon; Rhode Island; South Carolina, $777,000; South Dakota; Tennessee; Utah; Vermont; Washington State; West Virginia; Wisconsin; and Wyoming. All of those States will lose money if this amendment is not adopted. I will say truthfully those States are the States that have the areas to provide the recreation to the largest States, and I think it is distressing to take this money away from them.

Mr. DU PONT. I would say the gentleman from Alaska is exactly right. Those States are the backbone of recreation in America today, and I would hate to see them lose money.

Mr. RUPPE. Mr. Chairman, will the gentleman yield?

Mr. DU PONT. I yield to the gentleman from Michigan.

Mr. RUPPE. I thank the gentleman for yielding.

Mr. Chairman, I am very pleased to note that the gentleman is making his statement with something of a smile on his face, because I cannot help but believe that next year after this bill passes there will be sufficient executive leadership in the State of Delaware to insure the tourist industry in that State—Rehoboth and elsewhere—a very fair opportunity to get those tourist dollars that are available to them from the District of Columbia and elsewhere.

Mr. DU PONT. I would say to the gentleman that the smile on my face is because of my naturally pleasant disposition and has nothing to do with the merits of the amendment.

Mr. Chairman, I yield back the remainder of my time.

Mr. SEIBERLING. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

The CHAIRMAN. Has not the gentleman from Ohio already spoken in opposition to this amendment?

Mr. SEIBERLING. Mr. Chairman, I ask unanimous consent that I may proceed for 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SEIBERLING. Mr. Chairman, I would just like to set the record straight here. Nobody loses anything under this bill. Every State will receive more funds. What will happen, though, is that the tremendous disproportion that goes to States with small populations will be somewhat redressed as far as the additional funds authorized by this bill are concerned.

I can see why the gentleman from Delaware would like to have the present formula continued. At the present time the State of Delaware gets $3.06 per capita under the existing formula allocation, whereas if we go to my State of Ohio we get 64 cents per capita, and if we go to any of the other populous States, it is similarly disproportionate. However, even under the committee's bill, by 1980 the State of Delaware would end up getting $6.69 per capita, which is double what they are getting now, and still the State of Ohio would only be getting $1.86 per capita.

So the most equitable formula from the viewpoint of the populous States would be to allocate the funds on a straight population basis all the way through. We have not done that; we have merely provided that 75 percent of additional money funds authorized by the bill will go on a population basis.

Of course, none of the States in that long list read by the gentleman from Alaska will get less than they get now. Nobody gets less under this bill; everybody gets more.

Mr. DU PONT. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Delaware.

Mr. DU PONT. I thank the gentleman for yielding.

I am sorry to hear the gentleman make that argument. The Congress, of course, is constantly structuring programs in which nobody loses. Nobody loses, of course, because we add more money to the pot.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas (Mr. SKUBITZ).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. DU PONT. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. MAGUIRE

Mr. MAGUIRE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAGUIRE: Page 2, line 24: Delete $240,000,000; insert $180,000,000.

Mr. MAGUIRE. Mr. Chairman, I think the House acted very wisely just a moment ago in accepting the formula which the committee has designed to begin—and it is just a beginning—to redress a very serious inequity that has existed in the past on the allocation of the moneys among States. I accept entirely the committee formula as the committee has proposed it. I endorse it. I think it is right.

What I am asking in my amendment is simply that the very excellent committee formula, which does hold all States harmless, be applied from the current level of funding onward rather than waiting until a hypothetical future, much higher level of funding, is attained.

The committee bill I think is frankly the result of a process of political compromise within the committee as to when the new formula should "kick in," and I do not think it necessarily reflects the views of the House as a whole.

There are two problems with waiting until the present $300 million level of funding reaches $400 million, with an increase in the State apportionment from $180 million to $240 million.

The first problem is that we may never achieve, as much as we might like to, those higher levels of appropriations. There has been tremendous pressure all along to cut these funds either altogether or to reduce them, and if this formula is beneficial, which I fully believe that it is, I would suggest that we should not tie the "kick in" of the formula to some future level of funding which may in fact never be achieved. That way we do not actually execute the intent of the committee in devising the new formula. It remains on the shelf unused and unavailable.

The second problem, which is somewhat ironic really, is that the situation would be as follows if the committee language as it now stands is adopted: In order to get beneficial results from the formula we would have to raise Federal spending in order to get to the point where the formula would kick in. I personally happen to believe we would need more money in this very important program area, but that may not be the view of the entire Congress, so my very simple amendment is to say merely: Let us apply the new formula at the $180 million State share instead of at the $240 million figure—let us get it going above current levels of funding. We have already decided here that the committee formula is a good one, so let us put it into effect.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. MAGUIRE. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I commend the gentleman.

I support his amendment. It seems to me that if there is some merit to providing that the additional funding be distributed 75 percent on the basis of need, which has been translated actually into population, then it is sound to do it as soon as the funds exceed $180 million a year rather than waiting until a subsequent year.

Mr. MAGUIRE. I thank the gentleman.

The National Recreation and Park Association, after a review of the national apportionments, clearly points out the inequities in distribution. They write that my proposal to implement the revised formula would "achieve greater equity."

I might also point out we have a bipartisan group favoring this amendment. We have some 35 cosponsors. On the Republican side we have the gentleman from Ohio, Mr. Willis Gradison, the gentleman from Illinois, Mr. Tom Railsback, the gentleman from Illinois, Mr. Henry Hyde, and the gentleman from Texas, Mr. Jim Collins. On the Democrat side we have a good mix geographically across the country.

Mr. HUGHES. Mr. Chairman, will the gentleman yield?

Mr. MAGUIRE. I yield to the gentleman from New Jersey (Mr. Hughes).

Mr. HUGHES. Mr. Chairman, I commend the gentleman from New Jersey (Mr. Maguire) for offering this amendment.

I rise in support of my colleague's amendment.

Mr. RUPPE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, a few moments ago I spoke against the amendment offered by the gentleman from Kansas. It certainly could be said at that time that I had a likely cause, inasmuch as the gentleman's amendment would have cost the State of Michigan some money; but at this particular point let me say just the opposite. I oppose the amendment of the gentleman from New Jersey. While I recognize at the same time my opposition to that amendment will in this instance cause our State of Michigan to lose a few dollars; I think we really should look at the equity of the situation. Right now the language in the committee bill says that any dollars beyond a $240 million distribution threshold will be divided up so that 75 percent of the dollars will be distributed on the basis of population, while only 55 percent would be distributed on the basis of population prior to reaching that $240 million threshold. In my opinion, that is how it should be. The smaller population States should not be penalized any more than they now are by the committee bill.

I might say in addition to equity, in my personal view, it is also necessary to retain the approach of the committee. For those of us who live in the east coast, or those of us who live in New York City, we depend on the recreational values of New Hampshire or Vermont as much as we often enjoy the recreational values in our own States.

I think we as a nation have an enormous stake in the Rockies and the environmental land values of Wyoming and the glaciers of Montana and many other outdoor recreational advantages that we enjoy in the West.

I think we should give to the smaller population States enough money for the present purchase of recreational facilities and lands to offer recreation and to preserve environmental values.

I think, speaking from the State of Michigan and, indeed, we would gain under this amendment, albeit I oppose it, I think this committee has developed a fair compromise between the needs and the requirements of the smaller States. On a national basis, those needs are often as important as any need in Michigan or Illinois or New York or California. The committee bill balances the needs of the smaller States and the enormous recreational and environmental values they possess with it, against demands by the larger States, such as New York, California, and Michigan, for a greater share of the expanded amount of money to create a balance which I think is favorable.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. RUPPE. I yield to the chairman of the subcommittee.

Mr. TAYLOR of North Carolina. Mr. Chairman, I thank the gentleman. I desire to associate myself with everything the gentleman has said. The gentleman's statement makes sense to me. The committee has after much study approved and presented to the House an amendment that helps the larger States. It should be adopted by the House.

Mr. Chairman, we went 1 mile. Now the gentleman from New Jersey wants to go 2 miles. We have reported a formula which, hopefully, we can get the other body to accept. I hope that the Members here will support the committee and defeat this amendment.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. RUPPE. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I voted for the amendment offered by the gentleman from Kansas and I was sorry it was defeated.

Now we have this amendment which would allocate funds more and more on a population basis. I am going to oppose it. I hope the Members will also.

If we had a bill before us to help children we would count children. If we had a bill before us to help the poor, we would count the poor; but we are not talking about people. We are talking about land that we want to acquire and preserve for everybody. Under those circumstances, I think we should count the land.

Mr. RUPPE. Mr. Chairman, I agree with the gentleman completely. We want with this legislation to certainly protect some of the greatest and finest land values here in the United States.

Mr. Chairman, I frankly do not mind going back to my people in Michigan and saying, "I'm sorry, I opposed an amendment that would give the State a few more dollars," but the fact is we get legislation that is balanced.

Mr. RONCALIO. Mr. Chairman, will the gentleman yield?

Mr. RUPPE. I yield to the gentleman from Wyoming.

Mr. RONCALIO. Mr. Chairman, may I add my commendation to the subcommittee chairman, and to the gentleman in the well, speaking for the only delegate from a State that is 51 percent federally owned and whose parks and resources are enjoyed by many, not only in the State of Wyoming.

Mr. BINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, since I did not speak during general debate, at this time I would like to express my thanks to the chairman of the subcommittee, under whose leadership I have had the privilege of serving for several years. The chairman of the subcommittee has done a superb job on this and other legislation, and I highly respect his fairness and his judgment. Also, I would like to say that it has been a pleasure serving with the ranking minority member of the Interior Committee.

Mr. Chairman, I rise in support of the Maguire amendment and to say that I will vote for it. It represents a relatively minor change in the compromise that was agreed to in the committee, in that it would get the new formulas started sooner. That is all it does. It does not basically change the formula the committee agreed to, but simply puts it into effect a little sooner.

Let me say one other thing in response to the argument just made by the gentleman from Colorado. This is not just a matter of acquiring land. Sixty percent of the funds that go to the States under this land and water conservation fund are used, not for acquisition of land, but for development of facilities. When we talk about the development of recreational facilities, there is even more need for some equalization of the benefits of the program in terms of population, or where the people are.

Also, it is to be noted that not all the States benefited by the present formula are very large States. If the present formula were based purely on acreage, there might be something to it, but it is not. It is based simply on the individuality of each State, so I support the gentleman's amendment.

It might be said, "Since you are a member of the committee and since you come from New York State, why did you not propose this amendment yourself in committee?"

To be honest and frank with the Members, let me say that we had a great deal of discussion about this matter of the formula in the committee, both last year and the year before. Many last year and the year before. Many different formulas were proposed, some by me, some going well beyond what the committee did. We ended up with the compromise which is contained in the committee bill. However, I stated in the committee that, if an effort was made to change the committee bill in the direction of keeping the present formula, I would feel free to support a move to improve the committee bill formula in the other direction. That is why I am supporting the gentleman's amendment at this time.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I thank my colleague for yielding to me. I would like to say a word here.

It is true, of course, that we must protect the lands in the fortunate States which have such magnificent recreational facilities and open land, but not every State has such unlimited advantages. I remember so well a letter sent me by a workingman in my State. He wrote:

> I, too, would like to go to see the Grand Canyon of the Colorado. I can't afford it. I can't afford to go to Yosemite or Yellowstone Park. We need something nearby where I can take my children and my family on a vacation that I can afford.

This is the kind of thing we are talking about here. We do not give money to the States. We give people the opportunity to see the land, and to enjoy nature.

Mr. BINGHAM. I thank the gentlewoman for her contribution.

Mr. MEEDS. Mr. Chairman, I move to strike the last word.

I rise in opposition to the amendment. I think it is particularly fortunate that these two amendments have come as they have, back to back, because it really flushes out what the real issue is here.

The real issue is that the Committee on Interior and Insular Affairs and the Subcommittee on National Parks and Recreation, I think, have dealt very evenhandedly with this problem. We have recognized the problem which the gentleman from Delaware states, that people from this area recreate in Delaware, largely. We recognize the problem of the gentleman from New York, that there is, in some instances, a disproportionate share of the distribution when we just consider population.

But what the members of the committee must do with the committee bill is look upon it as that recognition of both of these divergent problems and view the committee's position as down the middle on those two problems, recognizing that there are areas which need to be developed and where people will be away from the population centers, and yet there must be more money put into the population centers. Look upon the committee bill as a hold harmless agreement that will prevent a cutback on ongoing programs, programs that are calculated and based on the present distribution formula, but to give people time to see, when we get to a higher amount of money, that this hold harmless will have done its work, and then we will begin a new formula which more equitably represents the views of those people from New York, California, and other heavily populated areas, a view which will more evenly distribute the money on the basis of population.

But we are doing so in such a way as to not cut off the ongoing programs in the smaller States, in the States in which people of the more populous regions do recreate, in Vermont, in Wyoming, in Montana, in Delaware, and other places like that.

So I think this debate shows classically that the committee has taken into consideration the arguments of the gentleman from Delaware and the arguments of the gentleman from Alaska and the arguments of the gentlemen from California and from New York, and it has come out with a very evenhanded approach which, if the Members will support the committee bill, will achieve, it seems to me, the best possible formula as it shades into more recognition of population as a factor.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from North Carolina (Mr. TAYLOR).

Mr. TAYLOR of North Carolina. Mr. Chairman, I want to commend the gentleman on his statement.

I would like to point out few people from a rural area go to an urban area for outdoor recreation, and almost invariably the people in the urban areas seek out rural areas, which often are located in the lightly populated States, for their outdoor recreation.

Mr. MEEDS. Mr. Chairman, in closing, I would admonish all of the Members, please do not make a determination as to whether they are for or against either of these two amendments on the basis of the population of States, because this is not a true guide.

The gentleman from Colorado was precisely correct. We are considering a number of other factors. It is not just population. I think possibly my State will lose money under the committee bill, as opposed to the gentleman's State of California; but that is not the only criteria. The criteria, Mr. Chairman, contains a number of things, such as where the land is located, how far it is to recreation for people in more populous areas, population and other factors.

So I think the Committee's position, which is to vote down both of these amendments, is a very equitable, a very proper, and a very evenhanded approach.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the last word, and I rise in opposition to this amendment. With the defeat of the amendment offered by the gentleman from Kansas, you took the turkey away from us but you might leave us some feathers.

I can truthfully say, though, that this debate intrigues me because those people supporting this amendment on the floor of this House are the same people who voted for energy legislation that has caused some serious doubt whether there will be any money to ever occur from offshore development. And I speak not without some knowledge. We just had a sale in Alaska, which was predicted a year and a half ago of raising $2 billion just from those bids alone, and they raised $500 million. In California, the Santa Barbara area, it was one-third of what they originally estimated. And those people, voting from the large States that strongly support this type of legislation, taking money to support parks and recreation facilities, will turn right around and vote against providing the ability for raising the revenue that this Nation needs for parks and recreation areas.

That is having your cake and eating it, too. It is strange to me that many of you do not realize that we cannot have our cake and eat it, too. If you want parks and recreational areas, you are going to have to fund them. If we are going to try to fund them from the offshore oil fund, then we have to make sure the plans are environmentally sound and properly funded; we should not proceed as we are doing it here today.

It is time for us to realize that these dollars for recreational areas for the people of the United States are going to have to be raised somewhere and we are not going to get them from offshore oil development.

Mr. Chairman, I would like to see this amendment soundly defeated, and I would like to add that it is a sad thing that the amendment offered by the gentleman from Kansas (Mr. SKUBITZ) was not accepted.

Mr. SEIBERLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to make it clear, first of all, that although I am supporting the amendment offered by the gentleman from New Jersey (Mr. MAGUIRE), my State would be almost as well off under the committee's formula as under the Maguire amendment. So my support is not a matter of the narrow interests of my State.

The chairman of the subcommittee, I thought, made a very good point, in connection with the amendment the gentleman from Kansas (Mr. SKUBITZ) offered to reduce the total amount of the fund in 1980 from $800 million to $600 million. The chairman argued that we needed some trading position versus the Senate.

Mr. Chairman, we have the same situation here. We all know what the Senate is going to do with this formula. The Senate is organized on the basis of States, not people, which means that the States with small population are in the majority. If we are going to have any trading position at all, we must have something to give; otherwise we are not likely to end up with the formula in this bill but more likely something closer to the formula in the present law.

So it seems to me that we ought to support the amendment offered by the gentleman from New Jersey (Mr. MAGUIRE) if only to end up where we are under the committee's bill, which is a carefully worked out compromise. I think that is another sound reason for supporting the amendment offered by the gentleman from New Jersey (Mr. MAGUIRE).

Undoubtedly, some of the more populous States will gain by this amendment. I see that the gentleman from Illinois (Mr. ANDERSON) is about to rise. His State is one that would gain from the Maguire amendment. Whether it gains or not, it seems to me this is a good way to approach the problem, because certainly we do not want to end up with something weaker than the committee formula.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from New Jersey (Mr. MAGUIRE) to permit the committee's proposed revised distribution formula for States under the land and water conservation fund to take immediate effect as soon as appropriations exceed the current $180 million level. The committee bill, on the other hand, would not trigger in this new formula until appropriations exceed $240 million for the State side of the fund, and then only in the amount in excess of that figure.

Mr. Chairman, it seems to me that if the revised committee formula is more equitable than the present formula, and no one disputes that, then it should be triggered in as soon as possible, and not at some indefinite future date. I think it is important to point out several things about the Maguire amendment: First, it in no way increases the authorization levels recommended in the committee bill; second, it in no way alters the committee's revised distribution formula other than to accelerate the trigger; and third, less populous States will not suffer any reduction in funds under this amendment—they are held harmless and will still receive more funds as appropriation levels increase.

Mr. Chairman, under the 1964 Land and Water Conservation Fund Act, the Congress authorized $300 million annually for the acquisition and development of outdoor recreation lands—60 percent for the State side on a 50-50 matching grant basis, and 40 percent for the Federal side. The existing distribution formula for the State side allocates 40 percent equally among all the States, 30 percent on the basis of total population, and 25 percent on the basis of population living in SMSA's.

Under the committee's proposed revised distribution formula, 20 percent of the State side fund would be divided equally among the States and 75 percent would be allocated according to need, as determined by the Department of Interior, taking into account population density. The thrust of this revised formula is to shift more recreation funds to areas in which the need is greatest, that is, where more people reside.

Mr. Chairman, I commend the committee on recognizing and acting on the need for greater equity in the distribution of these funds to the States. But to paraphrase a familiar axiom, equity delayed is equity denied. The Maguire amendment would insure that this new equitable formula will be applied to any funds appropriated in excess of the current $180 million allocated to the States. Under both the committee bill and the Maguire amendment, the new formula would take effect in fiscal 1978 if State side funding increases from $180 million to $270 million, as authorized by this bill. But, whereas under the committee bill the new formula would only apply to those funds in excess of $240 million, or some $30 million, under the Maguire amendment the new formula would apply to the total increase over the present level, or some $90 million. My State of Illinois is the fifth most populous State in the Union, and yet we rank 46th out of 51 jurisdictions in per capita distribution from the fund under the existing formula. Our present allocation under the fund is approximately $7 million per year. In fiscal 1978, when the State side allocation is raised from $180 million to $270 million, and the new formula kicks in, Illinois would receive $10.8 million under the committee bill, and $11.5 million under the Maguire amendment. In fiscal 1979, when the State side allocation is raised to $375 million, Illinois would receive $15.8 million under the committee bill, and $16.7 million under the Maguire amendment. And in fiscal 1980, when the State side allocation is raised to $480 million, Illinois would receive $20.7 million under the committee bill, and $21.8 million under the Maguire amendment. Put another way, the per capita distribution for Illinois will go from the present 63 cents to $1.03, $1.49, and $1.94 in fiscal years 1978 through 1980 respectively under the Maguire amendment.

Mr. Chairman, while each of us is naturally interested in how these various formulae may affect our particular States, I think it is important to address ourselves to the broader question of how all this may relate to the quality of life in America and our future course as we face our third century as a Nation. While population shifts continue to occur, people still tend to flock to urban areas where economic and cultural life tend to flourish. One of the biggest challenges still confronting our country is how to make these urban areas not only fit for habitation and survival, but for life in the fullest sense of that word—the joy of living in a high quality environment; or, as our Founding Fathers put it some 200 years ago, governments are instituted among men to secure their God-given right to pursue happiness. Our Government has historically recognized that central to that pursuit of happiness is the preservation of our God-given natural environment. As our energy resources dwindle and costs rise, our travel options to seek out nature will be limited as well. We must plan now to insure that our needs for recreation and open spaces can be fulfilled in our own immediate environment. I think this legislation and the pending amendment will move us a giant step in that direction.

Mr. RAILSBACK. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Illinois.

Mr. RAILSBACK. Mr. Chairman, I simply agree with what the gentleman from Illinois (Mr. ANDERSON) has said.

I ask this question: Is it not a fact that in many of the more populous States, land values have literally skyrocketed, and it is becoming even more imperative, particularly in those States, that we do whatever we can to perpetuate the use of and try to seek more recreation lands such as in our own State or in New York or whatever?

Mr. ANDERSON of Illinois. Mr. Chairman, I thank the gentleman for his contribution. I think he makes an excellent point. It is in those heavily populated areas that the inflationary impact on land values has been the greatest.

Therefore, Mr. Chairman, unless we trigger in on an accelerated timetable this particular revised formula in the new bill, we are not going to have the money we need to provide for the recreational needs of our people.

Mr. MIKVA. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman and members of the committee, we people who come from the more populous States are kind of caught in a dilemma whenever these kinds of proposals come up.

On the one hand, while the people are happy to see us spend our tourist dollars in the less populous States, they do object when, as in the case of Indiana, for example, it was proposed to increase the amount of recreational land that was available. There was a complaint about Illinois getting involved in Indiana affairs, when my former colleague, Senator Paul Douglas, first proposed the National Lake Shore development.

The fact of the matter is that most of the people from Illinois do not have any place to go for open land, except to some of the surrounding areas.

On the other hand, when it is proposed to readjust the formula to permit us to obtain our own open land, we are told, "No, no, no, we are not talking about people; we are talking about land. Therefore, the formula ought to stay the way it is."

Mr. Chairman, I would just suggest that some of the less populated States cannot have it both ways.

I would also point out that when we talk about acquiring open land in a place like Illinois, it is very expensive. I just went through a situation in my area where the Federal Government helped acquire a small piece of prairie called Kennecott Grove. I suppose that most of the people from Wyoming or other States, for example, who went through it would not know what the fuss was about with respect to such an acquisition. It happens to be one of the few open pieces of land available in that part of Illinois.

Mr. Chairman, that kind of land is very expensive because the alternative use is for very high-cost housing.

If there are not more funds available, there is no way of getting open lands in the area. No one is going to buy the Chicago "Loop" with this kind of money, but we are hoping that the Members will make it possible for States like Illinois and others with large populations to try to do something about their own populations.

I continue to hope that we remember that we are one country and that it is just as much of a concern as to what happens to Alaska and Wyoming as it is to Illinois, but this is also a two-way street, and the Members ought to remember that for those of us who live in Illinois and who do not have some place to go, the problem is their problem just as much as it is the people of Illinois.

Mr. MYERS of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Indiana.

Mr. MYERS of Pennsylvania. Mr. Chairman, I do not think that there is much to disagree with in what the gentleman is saying, but I believe the point is: Where do we draw the line? There has to be some point where we stop and that we just do not continue going on buying more and more Federal land. I think, as an example, we started to build a reservoir and then the people descended on us and said, "Do not take that land out of cultivation, it is too valuable," yet to people in other places it would be something for someone to look at, and they consider it to be a priority item.

Mr. MIKVA. That being so, I would hope the gentleman would support the amendment because otherwise there will be tremendous pressure to spend more money for more land. The new formula will not kick in until a higher amount is appropriated. I would hope my colleagues would support the amendment; it is a fair amendment and it does not hurt any of the States in their existing proportions.

Mr. ECKHARDT. Mr. Chairman, would the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I would just like to clarify one thing that was brought out by the gentleman from Illinois and that is that I want to make it clear that this particular portion of the bill does not affect Federal lands but is, rather, a grant to the States for acquisition of State lands.

Mr. MIKVA. That is correct, and if we do determine that the States and local communities cannot do it on their own, then there has to be a great deal of pressure for Federal acquisitions, which is a much more expensive way to go.

Mrs. BURKE of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment because I recognize that there is a great deal of competition for land in our populace States today, and yet there are also so many demands on the revenues of those States that it is very difficult for them to try to change the usage of those lands into areas of recreation.

It is true that the people in our populace States do go into the rural areas, do go into the areas outside of the cities, whenever they get an opportunity to do so, especially for recreation. But I also want to point out to the Members that there are many, many young people, children, and families who never can even get outside of the areas within which they live so that we do have to make some provision in our populace cities for them. It costs money and new revenues in order to provide the land. I hope that we recognize that to the extent we can do so, that we will do something within our cities to provide recreation for young people and all of the people who live in our cities, and who live there under very difficult conditions. I hope that we will be able to move forward and be able to provide a better quality of life for those people.

The CHAIRMAN pro tempore (Mr. Bolling). The question is on the amendment offered by the gentleman from New Jersey (Mr. Maguire).

The question was taken; and the Chairman pro tempore announced that the noes appear to have it.

Mr. MAGUIRE. Mr. Chairman, I demand a recorded vote, and, pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. The Chair will count. Seventy two Members are present, not a quorum.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN pro tempore (Mr. Bolling). One hundred one Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The committee will resume its business.

RECORDED VOTE

The CHAIRMAN pro tempore. The pending business is the demand of the gentleman from New Jersey (Mr. Maguire) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 177, noes 221, not voting 34, as follows:

[Roll No. 237]

AYES—177

Abzug
Addabbo
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Annunzio
Archer
Ashley
Badillo
Bafalis
Baldus
Beard, R.I.
Bennett
Biaggi
Biester
Bingham
Blanchard
Boland
Brodhead
Broomfield
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burton, John
Carney
Carr
Chappell
Chisholm
Clancy
Clay
Collins, Tex.
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Daniels, N.J.
Danielson
Delaney
Dellums
Dent
Derwinski
Devine
Dingell
Downey, N.Y.
Drinan
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Erlenborn
Esch
Fary
Fenwick
Findley
Fish
Flood
Florio
Ford, Mich.
Ford, Tenn.
Frey
Fuqua
Gaydos
Gibbons
Gilman
Goodling
Gradison
Green
Guyer
Hall
Hanley
Hannaford
Harrington
Harsha
Hays, Ohio
Heckler, Mass.
Heinz
Helstoski
Holtzman
Horton
Howard
Hughes
Hyde
Jacobs
Jordan
Koch
Krebs
LaFalce
Latta
Lent
Lloyd, Calif.
McClory
McCloskey
McDade
McEwen
McHugh
Madigan
Maguire
Metcalfe
Meyner
Michel
Mikva
Miller, Ohio
Mineta
Minish
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Nowak
O'Brien
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Paul
Peyser
Pike
Price
Railsback
Rangel
Regula
Richmond
Rinaldo
Rodino
Roe
Rooney
Rosenthal
Rostenkowski
Rousselot
Roybal
Russo
Scheuer
Schulze
Seiberling
Shipley
Simon
Solarz
Stanton, J. William
Stanton, James V.
Stark
Steelman
Stratton
Studds
Teague
Thompson
Traxler
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Whalen
Wilson, Bob
Wilson, Tex.
Wright
Wydler
Wylie
Yates
Yatron
Young, Fla.
Zeferetti

NOES—221

Abdnor
Adams
Alexander
Andrews, N. Dak.
Armstrong
Ashbrook
Aspin
AuCoin
Baucus
Bauman
Beard, Tenn.
Bedell
Bergland
Blouin
Boggs
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Broyhill
Buchanan
Burgener
Burke, Fla.
Burlison, Mo.
Burton, Phillip
Butler
Byron
Carter
Cederberg
Clawson, Del
Cleveland
Cochran
Cohen
Conlan
Cornell
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Derrick
Dickinson
Dodd
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Evans, Colo.
Evans, Ind.
Fascell
Fisher
Fithian
Flowers
Flynt
Foley
Forsythe
Fountain
Fraser
Frenzel
Giaimo
Ginn
Goldwater
Gonzalez
Grassley
Gude
Hagedorn
Haley
Hamilton
Hammerschmidt
Hansen
Harkin
Harris
Hawkins
Hefner
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Howe
Hubbard
Hungate
Hutchinson
Ichord
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Krueger
Lagomarsino
Landrum
Leggett
Lehman
Levitas
Litton
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McCollister
McCormack
McDonald
McFall
McKay
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Mezvinsky
Milford
Miller, Calif.
Mills
Mollohan
Montgomery
Moore
Moorhead, Calif.
Mosher
Myers, Ind.
Natcher
Neal
Nichols
Nolan
Oberstar
Obey
Passman
Perkins
Pettis
Pickle
Poage
Pressler
Preyer
Pritchard
Quie
Quillen
Randall
Reuss
Rhodes
Risenhoover
Roberts
Robinson
Rogers
Roncalio
Rose
Roush
Runnels
Ruppe
St Germain
Santini
Sarasin
Satterfield
Schneebeli
Schroeder
Sebelius
Sharp
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Spellman
Spence
Staggers
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Tsongas
Udall
Vander Jagt
Waggonner
Wampler
Weaver
White
Whitehurst
Whitten
Wiggins
Wilson, C. H.
Winn
Wirth
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki

NOT VOTING—34

Andrews, N.C.
Bell
Bevill
Brown, Ohio
Clausen, Don H.
Collins, Ill.
Diggs
Eshleman
Evins, Tenn.
Hayes, Ind.
Hébert
Hechler, W. Va.
Hinshaw
Jones, Ala.
Karth
Lundine
McKinney
Macdonald
Madden
Mathis
Mink
Mitchell, Md.
Nedzi
Nix
O'Hara
Pepper
Rees
Riegle
Ryan
Sarbanes
Stokes
Treen
Ullman
Wolff

Mr. FINDLEY and Mr. MICHEL changed their vote from "no" to "aye."

Messrs. GIAIMO, LEHMAN, D'AMOURS, and ST GERMAIN changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SEBELIUS

Mr. SEBELIUS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SEBELIUS: Page 4, line 13, strike out all of paragraph (10) and insert:

"(10) In section 6(e)(2) change the period to a colon and insert the following: '*Provided*, That no assistance shall be available under this Act to enclose or shelter facilities normally used for outdoor recreation activities, but the Secretary may permit local funding to be used for sheltering of such facilities heretofore or hereafter constructed and associated with activities normally pursued outdoors in that area, if he determines that the severity of climatic conditions and the increased public use resulting therefrom justify such sheltering.'."

Mr. SEBELIUS. Mr. Chairman, the subject of diverting money from the outdoor recreation oriented land and water conservation fund to the support of indoor recreation has been one of the most controversial subjects during the Interior Committee's markup of this bill. Language similar to that in paragraph (10) of the bill now before us was once in the bill, was totally stricken, was reinstated with compromise language designed by Mr. ECKHARDT of Texas, similar to what I am now proposing, and was reinstated with the 25-percent provision as is now in the bill. It has been full circle. I now propose to reinstate what I feel is a compromise, which still allows shelters to be installed under certain conditions, but does not permit Federal grant funds to be used for so doing.

Paragraph (10) of the bill permits States to use up to 25 percent of their grant allocations for the construction of shelters over swimming pools and ice rinks. Now I sympathize with the logic and objective of maximizing the use of these facilities by extending their season of use in this manner. That is only commonsense. However, I am very concerned over the prospect of using Federal funds intended for outdoor recreation purposes, for the support of what in effect comes to constitute indoor recreation purposes, in this manner. This is a bad precedent which can lead to opening the door to a cascade of requests and pressures for further use of the fund to satisfy the overwhelming demand for more indoor recreation facilities. Moreover, it is conceivable that such Federal aid for providing such indoor recreation facilities could create unwarranted competition with private enterprise in providing such facilities.

I should mention that, so strict is the resistance to allowing any current fund money to become a part of any permanent indoor facility development, that under current practice the Bureau of Outdoor Recreation, which administers the fund, does not now permit State and local governments to even use their own funds to permanently enclose any outdoor facilities constructed with money from the fund.

I feel that a far better way to go in satisfying this problem would be to disallow the use of Federal funds for sheltering, but to permit the States to utilize their own funds to provide desired shelters—over any type of facility they choose—not limiting their sheltering options to just swimming pools and ice rinks, as the bill now does. I think most States would prefer this flexibility. After all, the cost of a shelter in most cases, is the least cost of the entire project.

My amendment would allow shelters to be built over facilities already constructed and in place, as well as over facilities yet to be constructed. In the case of both the present bill language and my amendment, shelters must meet the tests of being needed due to the severity of climatic conditions, and must result in increased public use being made of the facility. For the reason of both of these stipulations being common to both the bill and my amendment, neither of these would appear to constitute an issue.

There are two other important clarifications of my amendment. First, the facility to be sheltered must be one constructed to satisfy an activity normally pursued outdoors in that local area; and second, the shelter to be provided must not constitute a permanent building which effectively totally and completely encloses the facility from the outdoors for all time. Again, the intent is that the shelter is to be a shelter—not a permanent, totally enclosed building. I want to conclude by saying that I think that my amendment offers a logical compromise in avoiding the direct use of Federal funds for indoor recreation purposes, while allowing reasonable flexibility for the States to supply shelters for most any type of facility they choose.

I feel strongly about this matter, and I did circulate to all the Members a "Dear Colleague" letter, which had a letter attached to it that was addressed to me and signed by members of eight of the leading national environmental organizations: The Sierra Club, the National Wildlife Federation, the American Rivers Conservation Council, Friends of the Earth, the National Audubon Society, the Environmental Policy Center, Defenders of Wildlife, and the Izaak Walton League, all of whom do not want us to allow this foot in the door to begin to make this into an indoor recreation bill.

I urge the adoption of this amendment.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I very strongly support the gentleman's amendment, even though I suppose my area would benefit more from indoor recreational facilities. However, I believe this is the one provision we need for acquisition of park lands and for promoting outdoor recreation, and it ought to be kept that way.

Mr. Chairman, I congratulate the gentleman for offering his amendment.

Mr. SEBELIUS. Mr. Chairman, I thank the gentleman.

What we are really trying to accomplish is to get some of this money and use it for acquiring land, and we are afraid we will not have enough money to accomplish these things if some of the money is lost to structures for indoor recreation. We are going to try to help in this effort, but there is only so much money. If there are large chunks of this money used to build great big buildings to cover swimming pools or big buildings to cover skating rinks, we are going to lose that money for our purposes and we will not acquire the land.

One other thing the gentleman from Texas (Mr. ECKHARDT) and I were discussing was the fact that by our sheltering of these facilities, we are not helping matters in the energy crisis, because we are heating swimming pools in the winter time and we are cooling skating rinks in the summer.

That is just quite cavalierly using up energy when we have not adequately solved that problem yet. I really think, Mr. Chairman, that there are some really serious questions as to that.

Mr. Chairman, the thing my amendment would permit with State and local funds is the sheltering of outdoor facilities for activities normally pursued outdoors in that area, and the sheltering of outdoor facilities already constructed or which are yet to be constructed, as well as the sheltering of outdoor facilities where the severity of climatic conditions works against their extensive use because of their not being sheltered.

Mr. Chairman, the thing that my amendment does not do is that it does not permit the sheltering of outdoor facilities for activities normally pursued indoors, and it does not permit the sheltering of outdoor facilities for activities not normally pursued outdoors in that area.

Let us not break up a wonderful program which dates back to 1964 and supplemented with amendments in subsequent years, and is now being further updated under the leadership of the gentleman from North Carolina (Mr. TAYLOR), and his subcommittee.

Mr. Chairman, let us keep outdoor recreation as the principal and only theme of this legislation. Outdoor recreation is the sum total purpose of this amendment.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Is it correct, then, that the gentleman's amendment would permit the local government to use its own money for sheltering the facility?

Mr. SEBELIUS. That is right, but it cannot be a permanent structure which is totally enclosed permanently.

Mr. SEIBERLING. Mr. Chairman, I rise in support of the gentleman's amendment.

Mr. Chairman, I strongly support the position of the getlneman from Kansas. The whole purpose of the land and water conservation fund is to provide for outdoor recreation. To convert this into a fund to build shelters over swimming pools or over skating rinks or for any other type of indoor recreation is, to that extent, a frustration of the purpose of this fund. It is, moreover, going to nullify a great deal of the good which will otherwise be done by this bill.

Mr. Chairman, it is not as though there is not money available to the States for indoor recreation. Last year a total of $157 million went to the States from the land and water conservation fund, which they can use for development as well as for land acquisition. In addition, however, a total of $403 million went to the States from grants in aid, including $110 million for city recreation, $150.9 million for noncity general recreation, $11.3 million for historic preservation and rehabilitation, and $41 million for miscellaneous purposes dealing with recreation.

In addition, it is estimated that $380 million of revenue-sharing funds were used for recreation last year. So it is not as though the State and local governments do not have funds for indoor recreation if they want to use them.

The gentleman is absolutely right, however. If we once open the door to use land and water conservation funds for indoor recreation, then we are starting down the road to turning this into just another Federal project for construction and operation of buildings.

Mr. Chairman, I can understand, however, why the gentleman from New Jersey and Members from some other areas feel strongly about this, because their States have not spent the money that ought to be spent on land acquisition in the past. A preponderance of the fund money spent in those States has already gone to the development of recreational facilities largely in suburban and rural areas, and some of it has gone to such projects as one in New Jersey that was criticized by the GAO, which involved the use of $350,000 for expansion of the Atlantic City marina, including a boat slip where the average length of boats docked was 30 feet, and many of them were permanently leased to wealthy owners.

Therefore, Mr. Chairman, we are talking about opening the door to all kinds of developments that do not necessarily benefit the mass of the people.

If the proposed amendment carries, that does not mean that local communities will not be able to use land and water recreation funds to build swimming pools or to build skating rinks. Moreover, they will be free to have shelters built over them if the States and local communities want to spend the money, but it will be their money.

Mr. LAGOMARSINO. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in strong support of the Sebelius amendment. The idea of this fund itself was conceived by the congressionally established Outdoor Recreation Resources Review Commission over a decade ago. That Commission identified major problems resulting from a lack of attention and funding available for outdoor recreation needs. After a decade of hard-fought effort in redressing these recreational needs, it is found that there is still a need of $2.3 billion to purchase a backlog of authorized lands which has been identified as needed, there is also identified a need for another $800 million to purchase new Federal parklands and similar areas, during the next 5 years; the States have identified an acquisition and developmental need of $45 billion over the next 13 years. These are all just for outdoor recreational activities. The need for indoor recreational areas, of course, continues to increase, and in fact these needs could be many times the amount that I have already given. But there is no way we can divert money to indoor recreational facilities without diluting the effectiveness of the land and water conservation funds at a time when the fund is far from being able to meet the needs it was originally established to satisfaction.

As the gentleman from Kansas (Mr. Sebelius) has already pointed out, most of the major national conservation organizations are in strong support of his amendment and I urge its adoption.

Mr. ECKHARDT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I support the amendment offered by the gentleman from Kansas (Mr. Sebelius). If the language of the bill as now worded should prevail, it would be both too permissive and too restrictive. The bill as presently written would only permit the building of ice skating facilities or swimming pools; it would not permit, for instance, the covering of a tennis court, or facilities for various ice sports like curling, and other facilities that a local area may feel are necessary or desirable.

The Sebelius amendment would permit money to be used for any purpose, but that money would have to be local funds; it could not come out of the Land and Water Conservation Act funds. Indeed, it should not come from those funds even if it is for the purpose of covering swimming pools or ice skating rinks, because I point the attention of the Members to page 3 of the report where it is stated:

> This reflected the intent of Congress that some part of the revenues collected by the Federal Government from the sale of the Nation's natural resources should be reinvested in other national resources of lasting value for public benefit.

We have limited funds to so reinvest in other national resources of lasting value.

The longer we wait, the more expensive they will be to acquire. If they are acquired now, they are valuable for all time. But if we permit these funds to be wasted away in facilities that may depreciate, may ultimately be used up, we are expending our capital for current operations. That is precisely against our policy concerning use of the Land and Water Fund for the acquisition of valuable capital resources which will be useful for all time for all Americans.

Mr. Chairman, I strongly support the Sebelius amendment.

Mrs. SMITH of Nebraska. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of Mr. Sebelius' amendment to limit "sheltered facilities" spending. This provision would allow 25 percent of the States' allocation to be used for sheltering outdoor recreation facilities.

At the very outset I should make it very clear that I am basically supportive of this fine bill. The current 10-year-old land and water conservation fund law constitutes the principal Federal funding source to acquire and develop outdoor recreation lands. Over the years these funds have been converted into direct benefit and enjoyment for the American people in the form of national parks and recreation areas.

But despite my friendly feelings about the bill in general, I have serious misgivings about an action which would, in effect, permit many outdoor recreational facilities to be converted to indoor facilities. It is a dangerous precedent to commit outdoor recreation funds to further a basically indoor purpose.

The concept of "sheltered facilities" is foreign to the purposes of the conservation legislation which previously has been passed by Congress. Public Law 88–29, section I, 16 U.S.C. section 460L, contains the congressional declaration of policy. Allow me to take one sentence out that is particularly pertinent:

> The Congress finds and declares it to be desirable that all American people of present and future generations be assured *adequate outdoor recreation resources*, and that it is desirable for all levels of government and private interests to take prompt and coordinated action to the extent practicable without diminishing or affecting the respective powers and functions to conserve, develop and utilize such resources for the benefit and enjoyment of the American people. (Emphasis added).

The Land and Water Conservation Fund Act, which we are amending today, upholds this declaration of purpose fully with a special emphasis on outdoor resources:

> . . . assuring accessibility to all citizens of the United States or present and future generations and visitors who are lawfully within the boundaries of the United States of America such quality and quantity of outdoor recreation resources as may be available and are necessary and desirable for individual active participation in such recreation . . . Pub. L. 88–758, Title I, Section 1(B), 16 U.S.C. Section 460L–4. (Emphasis added).

The continual reiteration by these laws of the opportunity for outdoor recreation precludes the provision in this bill for sheltered facilities. That provision promotes indoor recreational opportunities. There has been no congressional declaration of the need to construct permanent indoor recreational facilities. Yet that would be the effect of this provision.

It is furthermore apparent to me that it is unnecessary for the Federal Government to undertake the responsibility of funding indoor recreation when the private sector is now so successful in supplying this form of diversion. Roller-skating rinks, bowling alleys, swimming pools, and many other forms of indoor enjoyment have been an integral part of our society for years without Federal involvement. There is no apparent need for Federal funds or the attendant Federal regulations to insure that all of these opportunities will continue to benefit our communities.

With the present state of our economy and with the need to hold the line on Federal spending, Congress should not plunge into a new program of funding indoor recreational facilities. For these reasons, I urge my colleagues to support Mr. Sebelius and delete the unnecessary sheltered facilities provision.

Mr. BINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment and to speak in defense of the committee's position on this bill. The Committee on Interior and Insular Affairs is very familiar with the purposes of the land and water conservation fund, yet we have been hearing a series of speeches today that would suggest that the committee does not know what the of that fund are.

The problem here is to avoid geographical discrimination on the basis of climate. If the fund is going to be used—and there is no quarrel with that—to permit the building of a swimming pool in, let us say, Florida where it can be in the open air, then it is unfair not to allow the funds to be used in a State such as mine where a swimming pool can be used only for a few months of the year if it is in the open air.

In the same way I have been approached on this matter by my colleague from Erie County, New York, where they are very interested in skating. But they cannot have uncovered skating rinks in that area because they get so much snow. That is a matter of climate. It is a matter of geographical accident.

I repeat what I said earlier, if this fund were being used solely for land acquisition or even primarily for land acquisition to preserve open spaces, and so forth, then the purists' environmental position, which has been expressed here by a couple of speakers, might be justified. But that is not the case. Sixty percent of the funds used by the States are going into the development of recreational facilities. On that basis it is simply not fair to eliminate from the benefits of the fund those States that have climates that do not permit the use of facilities which can be built with the fund elsewhere without any cover over them.

The bill is limited in coverage to two types of facilities and that in itself is a compromise. It is a fair provision to treat the States equally in terms of equalizing their differences in climate. It was agreed to by the committee after extended discussion and debate, and I hope the amendment will be voted down.

Mr. O'BRIEN. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

I would like to associate myself with the remarks made by the gentleman from New York (Mr. Bingham).

In my area we have approximately six swimming pools which afford recreational facilities mainly for the less privileged, and those young people use the pools intensely. It seems to me a great waste to use the pools just for 3 months. I think we ought to oppose this amendment.

Mr. SEBELIUS. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN. I yield to the gentleman from Kansas.

Mr. SEBELIUS. Mr. Chairman, there is nothing in my amendment which prohibits people in the gentleman's community or county from establishing some kind of shelter over the swimming pool. We just do not want the Federal money to be taken and used for that purpose. But still with my amendment the people in the gentleman's area can use their money for the swimming pool shelter.

Mr. O'BRIEN. Nevertheless I think the overriding consideration here is to use funds for increasing the use of these recreational facilities for the less privileged.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas (Mr. Sebelius).

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 36, noes 24.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. RHODES

Mr. RHODES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Rhodes: On page 7, line 7, after the period insert the following new section:

"(15) (a) The first and second sentences of section 4(a) (4) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–7(a) (4)) are amended to read as follows: "The Secretary of the Interior and the Secretary of Agriculture shall establish procedures providing for the issuance of—

"(i) an annual entrance permit (to be known as the Golden Age Passport) to any person sixty-two years of age or older, and

"(ii) a special annual entrance permit to any handicapped person

applying for such permit. For purposes of clause (ii) of this paragraph, the term 'handicapped person' means any mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired person. Such permits shall be nontransferable, shall be issued without charge, and shall entitle the bearer and any person accompanying the bearer in a single, private noncommercial vehicle, or a commercial vehicle transporting a number of handicapped persons to lands herein covered, to entry into any admission free area designated pursuant to this section."

(b) The second sentence of section 4(b) (1) of such Act (16 U.S.C. 4601–7(b) (1)) is amended to read as follows: "Any person bearing a valid Golden Age Passport issued pursuant to clause (i) of, or a valid special entrance permit issued pursuant to clause (ii) of, paragraph (4) of subsection (a) of this section shall be entitled upon presentation of such permit to utilize such special recreation facilities at a rate of 50 per centum of the established daily use fee.".

Mr. RHODES (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with, and that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. RHODES. Mr. Chairman, I offer as an amendment to the land and water conservation fund authorization bill my bill, H.R. 2247, to establish a special annual entrance permit for handicapped persons. Such an amendment would extend the special benefits made available in the 92d Congress (Public Law 92–347) to older Americans under the Golden Age Passport program to the handicapped.

These special benefits for the handicapped would include free admission to any designated admission fee area in the national park system or the national recreation areas which are administered by the Forest Service, as well as eligibility for a 50-percent reduction in special recreational use fees, including camping.

I have been impressed by the need for and the enjoyment of the camping experience by handicapped persons who have participated in Camp Easter Seal in Arizona and in similar camps. Therefore, I urge passage of this amendment in order that we might assist those limited by handicaps in their desire to enjoy America's natural wonders.

I might point out, Mr. Chairman, in the bill which I have introduced and which is now the subject of this amendment, that I have defined a "handicapped person" and the definition is made up of a series of words of art. I do not think it will be hard to determine the person who is handicapped.

We authorize, and in fact instruct, the Secretaries of Interior and Agriculture to promulgate the proper regulations for the issuance of these Golden Age Passports to the people who are handicapped and who will fall therefore under the regulations. I do not believe that this will be particularly expensive and I do feel that it would be a great service to those people who are handicapped.

The idea for this has come out of the experience of the people who have been at the Camp Easter Seal in Arizona. The handicapped currently pay a fee in order to enjoy the beauties of our national recreation areas.

I hope the amendment will be adopted.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I would like to urge acceptance of this amendment. I have worked closely with the handicapped and I have seen the enormous difference that recreation makes in their improvement.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. RHODES. Yes; I yield.

Mr. ECKHARDT. Mr. Chairman, I find it necessary to use my glasses to read the words, "visually handicapped." Am I visually handicapped under this definition?

If I take off my glasses, I cannot read "visually handicapped." I do not know what that means. Also, I would like to ask the gentleman this: The amendment says, "or other health impaired person." Suppose one takes three thyroid pills a day. Is he a health-impaired person?

Mr. RHODES. I think the gentleman from Texas would agree with me that we must leave some specifics to the regulations which would be promulgated by the Secretaries of Agriculture and the Interior. I have no problem with leaving that type of decision to them. I think they can spell it out much better on the basis of existing statutes and regulations than we could spell it out in a bill which the Congress would pass.

Mr. ECKHARDT. May I say, I agree with the gentleman entirely. It would have been better not to have a definition of a handicapped person than to write one that requires the Secretary to treat everyone who is visually handicapped, who is otherwise health-impaired, as being here included. I think we would have done much better, or the gentleman would have done much better in the drafting if the gentleman had set a proper angle to the definition of any handicapped person, because the definition is very broad.

Mr. RHODES. The gentleman from Texas, being one of the most noted lawyers in the House of Representatives, the gentleman's point bothers me somewhat and, of course, if the gentleman desires to offer an amendment to the amendment, I would do my very best to consider the acceptance of it. As I understand it, the definition of what a handicapped person is, taken from other legislation, I doubt that it would cause all of the problems which the gentleman mentions.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I would be glad to yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, I might point out for anyone that is not familiar with the law that at present any person age 62 or older can secure a Golden Age Passport free of charge.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

(At the request of Mr. TAYLOR of North Carolina, and by unanimous consent, Mr. Rhodes was allowed to proceed for an additional 2 minutes.)

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield further?

Mr. RHODES. Yes, I yield.

Mr. TAYLOR of North Carolina. Mr. Chairman, the Golden Age Passport permits free admission into any National Park for the person possessing it and anyone else riding in the same car that he is riding in.

Now, if the gentleman were to take this a step farther and would authorize a special annual entrance permit to any handicapped person and then the gentleman designates a handicapped person as a person who is mentally retarded, hard of hearing, deaf, speech-impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health-impaired person, this concerns me. I am with the gentleman in spirit. But how are we going to determine the degree of deafness or visual disability? Anybody who wear glasses has some visual disability, or someone with emotional disturbance, would qualify under this.

Mr. RHODES. Mr. Chairman, let me answer the question. I think the gentleman from North Carolina knows full well that in dealing with health matters we legislate with a very broad brush and then we let the regulations of the Departments cut a finer line. It would certainly be my intent to do that here.

This bill has been referred to the gentleman's subcommittee. I am sorry I had to offer it as an amendment. I am surprised that the subcommittee did not consider it.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield further?

Mr. RHODES. Yes, of course.

Mr. TAYLOR of North Carolina. If we look at the number of bills that the subcommittee has considered this year, we will realize why we did not get to this one. Time just has not permitted it.

Mr. RHODES. Well, of course, I have my own ideas about the merits of this bill, compared to some of the bills that the subcommittee has considered.

Nevertheless, if the gentleman would agree with me that the gentleman would take this bill up and consider it, I would certainly feel constrained to withdraw the amendment. I have no desire to hasten the matter unduly or push it down the subcommittee's throat; but it has received no attention whatsoever and I am doing my very best to get some attention for it.

Mr. TAYLOR of North Carolina. I would agree that that would be the better proposal.

The CHAIRMAN. The time of the gentleman from Arizona has again expired.

(At the request of Mr. Taylor of North Carolina, and by unanimous consent, Mr. Rhodes was allowed to proceed for 1 additional minute.)

Mr. TAYLOR of North Carolina. Mr. Chairman, if the gentleman will yield further, I believe that would be the better proposal, because we have had no testimony from the Department of the Interior.

This bill has laudable purposes, but I can see great difficulty in the administration of it. I think, certainly, the department should be permitted to testify on it.

Mr. RHODES. As I understand it, the gentleman is telling me that if I withdraw the amendment, he will consider the bill in the subcommittee and it will receive attention in this session

Mr. TAYLOR of North Carolina. Yes, I will make that promise.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I am in great sympathy with this type of legislation. I want to assure the gentleman that if he does withdraw the amendment, I will do everything in my power to see that it is considered.

Mr. RHODES. Mr. Chairman, having been assured by my good friend from North Carolina and my good friend from Kansas, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

AMENDMENTS OFFERED BY MR. MAGUIRE

Mr. MAGUIRE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Maguire: Page 4, line 13: Strike lines 13–24 and insert in lieu thereof the following:

"(10) In section 6(e) revise subparagraph (2) to read as follows:

"(2) Development.—For development, including but not limited to site planning and the development of Federal lands under lease to States for terms of twenty-five years or more. Notwithstanding any provisions of this Act, not more than 25 per centum of the total amount allocated to a State in any one year may be utilized for the following purposes:

"(a) planning and development of sheltered facilities for swimming pools and ice skating rinks within areas where the Secretary determines that (1) the severity of climatic conditions provides no feasible or prudent alternative to serve identified unmet demands for recreation resources; and (2) the increased public use thereby made possible justifies the construction of such facilities.

"(b) Renovation and upgrading of indoor recreation facilities of any State or local park system where the Secretary determines that (1) the facilities have deteriorated to the point where their usefulness is impaired, or they have become outmoded; and (2) the loss of these facilities would result in a loss of recreational opportunities to that community."

Mr. MAGUIRE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MAGUIRE. Again, Mr. Chairman, I want to make it very, very clear that I support this bill, and I laud the work the committee has done. However, I think there is a final point which I would ask the members of the committee to consider.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. MAGUIRE. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Was it the gentleman's intention to offer his amendment on indoor facilities? I believe the Clerk read the wrong amendment.

Mr. MAGUIRE. This is amendment No. 3.

The CHAIRMAN. Does the gentleman from New Jersey request unanimous consent to withdraw the amendment which was reported by the Clerk?

Mr. MAGUIRE. Yes, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The Clerk will report the other amendment offered by the gentleman from New Jersey (Mr. Maguire).

The Clerk read the amendment as follows:

Amendment offered by Mr. Maguire: Page 4, following line 4, insert the following new paragraph (9) and renumber the subsequent paragraphs accordingly:

"(9) In section 6(c), insert the following after the second sentence: '*Provided*, That the Secretary may waive, in accordance with such regulations as he shall promulgate, the requirement for a state to pay 50 percentum of the cost of any project in an area with significant unmet recreation needs identified pursuant to subsection (d), or where the project is of national or regional significance in the quality or quantity of recreational opportunities offered. In no case shall the federal share of the cost of any project exceed 70 percentum.' "

Page 4, following line 12, insert the following new paragraph 10 and renumber subsequent paragraphs accordingly:

"(10) In section 6(d), delete subparagraph (3) and insert the following, renumbering the subsequent subparagraph accordingly:

" '(3) an identification of those areas of highest unmet recreation needs, criteria for and development of a priority list for meeting these needs. Highest unmet recreation needs shall include but not be limited to such factors as:

"'Accessibility and service to large numbers of people in crowded urban or less affluent rural areas; and

"Provision of a recreation opportunity of national or regional recreational significance; and

"'Provision of a recreation opportunity of service to an area which has a high proportion of persons with incomes at or below the federal poverty level.

"'(4) A program for the implementation of the plan and priority list identified under subparagraph (3).'"

Mr. MAGUIRE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MAGUIRE. Mr. Chairman, the point I wish to make is that the committee provides now for 50-50 matching—50 percent Federal, 50 percent local—on any funding under this park and recreation program. My amendment, without adding a single dollar to the budget, would simply say that there are cases where less affluent rural and urban localities may need some extra help to meet high priority needs; needs that require some long term effort; needs which have not been met and which could not be met under the 50-50 formula.

There is ample precedent for some flexibility in regard to the matching requirement. Among them are the Public Works and Economic Development Act, Appalachia Regional Development Act, Local Public Works Development and Investment Act and the House Public Works and Transportation Committee Amendments to the Federal Water Pollution Control Act—all of which provide different ways for waiving an otherwise rigid formula requirement.

Mr. Chairman, my amendment would say that in cases where States made a judgment together with the localities that there was not the capacity to meet a 50-50 requirement, they could then present to the Secretary of the Interior a proposal that they be given as much as a 70-30 matching formula, but that would come about only if they could show and demonstrate that they had high priority unmet needs.

For example, they would have to show a high incidence of poverty. They would have to show that the recreation opportunities they were pursuing were of national and regional significance. They would have to show that they were going to make it acceptable and of service to large numbers of people.

So this does not "open up the door" in a way that would be unhelpful. What it does is that it permits discretion at the State level to take care of desperate unmet needs. And we have some of those, as the Members know, in both our rural and our urban communities.

Mr. Chairman, I would urge adoption of the amendment.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. MAGUIRE. I yield to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, I would like to commend the gentleman on his amendment which I think is a very thoughtful and needed one, and I would like to point out that in the Senate bill the formula for land acquisition has been made 70-30. If that should remain in the bill, certainly there would be a need for some balance, in terms of developmental funds, so that there would be a degree of possibility of 70-30 matching on the development side, as well as on the land acquisition side.

Mr. MAGUIRE. Mr. Chairman, I thank the gentleman.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. MAGUIRE. I yield to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, it is rather interesting that in 1974, Mr. Nathaniel P. Reed, Assistant Secretary of the Interior, in a letter to the Honorable ALAN STEELMAN, a member of the committee, suggested that in order to support the acquisition of more critical open space that the ratio of match be changed from the current 50-50 ratio to 70 percent Federal funds and 30 percent State funds.

Mr. Chairman, I can see some very serious problems if the Secretary had an untrammeled power to make this decision, because everybody would be putting the pressure on him to make that kind of a change. But the gentleman's amendment has some careful qualifications: that he must find that it is an area with significant unmet recreational needs, and he defines those in his amendment, or where the project is of national or regional significance in the quality and quantity of the recreational opportunities offered.

And I intend to offer an additional amendment which would require him also to find that the source of the funding available to the States are otherwise insufficient to enable the project to be carried out.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

(By unanimous consent, Mr. MAGUIRE was allowed to proceed for 2 additional minutes.)

Mr. MAGUIRE. Mr. Chairman, I thank the gentleman for his contribution.

I certainly intend to accept his amendment to my amendment, which I think is an excellent additional requirement to include.

Mr. Chairman, I might also point out that a 50-50 match is unusualy high for Federal assistance programs. Highway funds are now reimbursed at 90-10. Community development funds require no matching at all.

The National Recreation and Park Association has endorsed my amendment. They say that the proposal is very significant, and I quote:

> We have found numerous instances where, because of regional or local socio-economic conditions, public agencies are financially unable to participate in the land and water conservation program.

All I am asking for here is a little bit more flexibility where there are clear, demonstrable unmet needs, and I feel that that discretion should be exercised at the State and local levels.

AMENDMENT OFFERED BY MR. SEIBERLING TO THE AMENDMENT OFFERED BY MR. MAGUIRE

Mr. SEIBERLING. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

> Amendment offered by Mr. SEIBERLING to the amendment offered by Mr. MAGUIRE: At the end of the first sentence after the word "offered", change the period of a comma and insert the following: "if he finds that sources of funding available to the state are otherwise insufficient to enable the project to be carried out."

Mr. SEIBERLING. Mr. Chairman, this amendment simply adds another qualification to the power of the Secretary to waive the requirement that the State pay 50 percent of the money required for a particular project under this program. It would require that he find, in order to make that waiver, that the sources of funding available to the State are otherwise insufficient to enable the project to be carried on.

The State would still have to come up with at least 30 percent of the funds under the amendment offered by the gentleman from New Jersey (Mr. MAGUIRE), and my amendment to his amendment would not alter that ratio. It seems to me this is sound. However, there are situations, such as the present situation that the State of New York and the city of New York find themselves in, where there are obviously no funds available, or at least very stringent limitations on the funds available, for such projects as outdoor recreation.

Nevertheless, there are circumstances where an opportunity, for example, to acquire needed recreation land might be forever lost unless the State could act and come up with whatever funds are available locally, even though not amounting to 50 percent.

Mr. Chairman, I believe the gentleman's amendment does provide a certain amount of flexibility. While it should not be used except in instances of genuine need, the authority would be there for the Secretary to act if he finds all these criteria exist that are mentioned in the amendment.

Therefore, Mr. Chairman, I support the amendment, as amended by my amendment.

Mr. MAGUIRE. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from New Jersey.

Mr. MAGUIRE. Mr. Chairman, I would be happy to accept the gentleman's amendment to my amendment. I think it does improve my amendment.

I believe we really should agree to this amendment, as amended, because otherwise we are turning our backs on those parts of the country with tremendous populations which have desperate needs and which as a matter of fact simply will not be able to compete under the 50-50 formula.

Mr. TAYLOR of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to

the amendment of the gentleman from New Jersey.

For the past two Congresses, as our committee has conducted hearings and deliberated on this legislation, one of the strongest, most consistent arguments we have heard in favor of this spending increase has been that there is a willingness to match these funds dollar for dollar at the State and local level. We have been able to get $2 worth of program impact for every Federal dollar spent.

The language in the gentleman's amendment is very broad. It states that the Secretary may waive the requirement for a State to pay 50 percent of the cost of any project in an area with significant unmet recreation needs. Every section of the Nation feels that it has unmet recreation needs. The amendment further states:

> or where the project is of national or regional significance in the quality and quantity of recreational opportunities offered.

All areas will be contending that their projects are of regional significance in the quality and quantity of recreational opportunities offered.

Under the terms of the gentleman's amendment, it appears that a great number of projects would qualify for this giveaway funding, so that we would simply be taking over most of the burden, rather than acting in a real partnership with other levels of government.

Our entire premise in expanding this fund has been that other levels of government are ready to do their share. We would certainly do violence to that concept by adopting this amendment.

While the States are now anxious to match all Federal funds available on a 50–50 basis, if the word goes out that 70–30 money can be had, or that other States are getting 70–30 money, of course all States will start seeking the more favorable matching terms. The Federal Government then will be spending more money but will be getting less results.

During the 10 years the land and water conservation fund has been in operation, the Federal Government has given to the States a total of $1.2 billion for acquisition and development of recreational lands. This has been matched dollar for dollar and the States have also put up $1.2 billion of their money.

If the matching formula is changed to a 70–30 basis, it will then take 70 Federal dollars to produce 30 State dollars. Each Federal dollar will produce three-sevenths of a State dollar, or about 43 cents. If the matching formula had been on a 70–30 basis throughout the life of the program, we would have stimulated a State commitment, not of $1.2 billion but of only three-sevenths of this amount, or a total of $514,000.

I say again that the effect of this amendment will be that we will be spending more Federal dollars, but will be getting less results in badly needed recreational benefits.

The amendment goes on to require that each State include a priority listing in its comprehensive plan for meeting its "highest unmet recreational needs." The program for the implementation of the plan must then give priority in funding allocation to these listed projects. So we would be locking the States into a rigid schedule in making use of the funds. I believe that this would be contrary to the entire spirit and background of this program where we have given the States the guidelines they need for operation and then allowed them to administer their own programs. I believe they have done an admirable job of running this program and I would be opposed to imposing a series of big Government requirements on the States.

Present law requires each State to have a comprehensive plan. The bill before us states that, before a plan has been approved, there has to be ample opportunity for public involvement in the preparation of the plan, but we are not saying that each State must establish a priority list of recreational projects and go by that list in the future. Conditions change, recreational needs and opportunities change, and more flexibility is needed. The bill before us does require the Bureau to report to Congress each year and advise the Congress as to how the fund is being used.

In closing, I believe the gentleman from New Jersey is well intended in his proposal here, but I believe that he is wrong. I must oppose the amendment.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, what the amendment really does is to state that we are going to be simply building and spending on fewer projects rather than more projects; is that not correct?

Mr. TAYLOR of North Carolina. The gentleman is absolutely correct.

Mr. MAGUIRE. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from New Jersey.

Mr. MAGUIRE. Mr. Chairman, the distinguished chairman of the subcommittee appears to believe that many States seem to feel that they can move forward on programs under this provision with a 50–50 match. I do not dispute that at all.

However, I wonder whether the chairman would not agree with me that where we have a locality such as Newark in my own State or where we have localities in other urban and rural areas across the country which are in desperate financial condition, they would, in fact, be precluded under this 50–50 formula from participating in the project?

Mr. TAYLOR of North Carolina. The gentleman from New Jersey (Mr. MAGUIRE) mentions Newark. I represent a great many poor rural areas and small towns in the Appalachian region, and my towns are able to match the money.

I believe that Newark, if they need a recreational facility badly enough, will be able to match the Federal money.

Mrs. PETTIS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Maguire amendment.

Mr. Chairman, I sympathize with what this amendment attempts to do. However, I am afraid that a majority of the grant applications would plead financial matching inability, in an attempt to qualify for more Federal dollars for less local outlay.

I want to point out that during the committee hearings, other interest areas pleaded their case as to why they should be favored with a higher Federal match ratio, also coincidentally at a 70 to 30 ratio. These cases, too, were rejected, as I hope this one will be. All of these special interests and special cases seem meritorious. But which one or ones do you accommodate? Which ones do you refuse?

Perhaps must important of all, we must realize that as the Federal Government pays a greater share of a project and the local government pays less, the Federal dollars in the fund go a lot less far. We must remember that this bill is principally designed to raise the funding level, precisely because the current dollars are insufficient to do the job. If we raise the amount of available dollars on the one hand, and then at the same time provide that those dollars will buy less when we get them, we will nullify the very impact we are hoping this bill will have.

For these reasons, I hope all Members will vote against this amendment which, if adopted, could completely gut the principal thrust of this legislation.

Mr. SEBELIUS. Mr. Chairman, will the gentlewoman yield?

Mrs. PETTIS. I yield to the gentleman from Kansas.

Mr. SEBELIUS. Mr. Chairman, I thank the gentlewoman for yielding to me and I first want to commend the gentlewoman from California on her fine statement and to add that the gentlewoman is a very valuable member of our subcommittee and I wish to associate myself with her remarks.

Mr. Chairman, I must oppose the amendment due to the way in which it is constructed.

This amendment apparently seeks to prioritize fund expenditure in areas of low income which lack sufficient outdoor recreational facilities. In so doing, the amendment permits a discretionary match ratio change of up to 70 percent paid by the Federal Government. Now I have generally not favored seeing the Federal Government pay more than half the cost of any project, principally because our Federal dollars do not go nearly as far in drawing out matching dollars to get more projects underway. At the same time, I realize that States are more apt to prioritize projects where they can get the greatest match for their dollar. But most important, financially poor communities of low income and scant recreation facilities are also hard pressed to match anything, and need some assistance in order to get any benefit out of a recreation fund like this one. This objective of the amendment has some merit.

However, the second part of the amendment does violence to other aspects of the fund by revising the requirements that all State comprehensive outdoor recreation plans must prioritize their spending on areas of the highest unmet recreation need, with emphasis on high concentration populations and/or areas of low income. I believe this prioritizing, on top of the 70 percent Federal match funding, constitutes an unacceptable overkill. One big problem is that only so much money will be allotted to the State—so they can fund fewer projects if they use 70 percent of it. I must vote against it for that reason. I urge my colleagues to do likewise.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentlewoman yield?

Mrs. PETTIS. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, I too wish to commend the gentlewoman from California (Mrs. PETTIS) for her opposition to the amendment and to associate myself with her remarks. The opposing arguments she presents are persuasive, logical and very much to the point.

Mr. Chairman, in addition to the points that the gentlewoman from California has made, I am personally convinced that the basic objectives of the legislation, which is to move in the direction of reducing the backlog of land purchases, and for the development of recreational facilities, would be hindered.

Many other worthy special interests actually came before the subcommittee and pleaded for a 70/30 match ratio for their own pet concerns, and were rejected by the committee in the amendment process. If the 70/30 match ratio is to be adopted, what are the most worthy priorities for this reward? Is this one of them?

With a match ratio like 70/30, Federal funds do not go nearly as far. Hence the principal thrust of the bill, which is to raise the overall fund level, would be nullified and thwarted if coupled with an adopted amendment upping the Federal cost of projects.

Adopting this amendment will merely make the bill more controversial and hinder its chances of final enactment.

The second part of the amendment changes the priorities for all statewide comprehensive outdoor recreation plans, and would seem to reorient and prioritize all fund spending unduly on low-income areas. I do not think it is appropriate to meddle with the criteria for State plan preparation in conjunction with an amendment of this type, the magnitude of the change is too great.

Mr. Chairman, again I thank the gentlewoman from California for yielding to me.

Mr. SKUBITZ. Mr. Chairman, would the gentlewoman yield?

Mrs. PETTIS. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I too want to commend the gentlewoman from California on her excellent statement and to raise one point. It seems to me that if this amendment were to be adopted, would it not actually mean that the thrust would really be to put more of the money into the highly populated areas to the detriment of the smaller and rural areas?

Mrs. PETTIS. This could be.

Mr. MEEDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment and would like at the outset to say that I think that the amendment of the gentleman from Ohio does improve the amendment of the gentleman from New Jersey, but, like the Chairman, I think it does not make a bad amendment good enough to accept. The reason is this: The gentleman from New Jersey told us what his amendment did not do. He said it does not cost a cent, and I agree with him. But what the amendment does do, if it is effectuated, could reduce the acquisition of land under this bill by 20 percent.

On page 4 of the report the committee points out that a recent survey found that the States were able to activate some $600 million worth of projects in the next fiscal year if matching grants were available. That, I assume, is at the 50–50 match. I would ask the Members to place themselves in the position of a financially hard-pressed State where they are given the option of two programs, one under which there is 70–30 matching, and one under which there is 50–50 matching. Obviously, the State is going to try to get and get the 70–30 matching. Every time they do that, it will effectively cut the acquisition under this bill by 20 percent. That is a pretty substantial amount of acquisition.

When we go back to the original concept of this bill, which is a reinvestment of the resources of this Nation from offshore and surplus property sales and other things, a reinvestment of those resources in outdoor recreational acquisitions, I think it is a pretty serious matter, with one fell swoop of the pen, to knock off the possibility of acquiring 20 percent more at a time when the States could and are prepared to overmatch by some $600 million in acquisition.

I would like to point out to the committee that in education bills which come before the floor, and in a number of other bills which we have in which we deal with the States through grants, we have maintenance-of-effort clauses. The 50–50 matching provisions of this bill are largely a maintenance-of-effort clause, and if we are going to say that they can cut that effort by 30 percent—which is what the amendment does—we will in effect say that they can reduce their effort by 30 percent.

Clearly the dollars which we spend then will not go as far in the acquisition of land.

Finally, one last point is that we must look ahead to conference with the other body. The gentleman from Ohio is correct. The bill of the other body provides a 70–30 match, so we are already confronted with the fact that it is going to be something different than 50–50 if we have to come back with a compromise, as I assume we will. So we have already started down that path, and taking us as far as the gentleman from New Jersey and the gentleman from Ohio would do by their amendments is to put us in a disadvantageous position.

We should start from where the bill starts, at least, at 50–50, because we know that there is going to be a compromise on that.

I suggest that the amendment particularly under those circumstances will have a very deleterious effect on the acquisition of land under the Land and Water Conservation Fund Act.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman for yielding.

Under the program the gentleman referred to, the education and labor and social field, do many of them go as high as requiring a 50–50 match in local funds?

Mr. MEEDS. Some go higher.

Mr. SEIBERLING. But are not most of them considerably lower in terms of the local funds?

Mr. MEEDS. Indeed, some of them are, yes.

Mr. SEIBERLING. If the gentleman will yield further, I would like to just get back to the actual language of this amendment. This amendment does not give the Secretary a blanket right to decide things in his discretion. It says that he must make certain findings, and one is that the project is in an area with significant unmet recreation needs, and then it goes on and defines them, and it says that they shall include but not be limited to such factors as "accessibility and service to large numbers of people in crowded urban or less affluent rural areas."

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. SEIBERLING, and by unanimous consent, Mr. MEEDS was allowed to proceed for 1 additional minute.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield further?

Mr. MEEDS. I yield to the gentleman from Ohio.

Mr. SEIBERLING. If I may, I would just like to read the other two.

> Provision of a recreation opportunity of national or regional recreational significance; and
>
> Provision of recreational opportunity or service to an area which has a high proportion of persons with incomes at or below the federal poverty level.

Mr. MEEDS. I am aware of that language, and I commend the gentleman for adding those further provisions to the utilization of this amendment.

But the fact is that the Secretary will under this amendment be spending about 70 percent of his time, if he really understands the intent of this act, turning down those things. I think it is unfortunate that we should depart from the basic purpose of the law which provides 50/50 matching.

Mr. ECKHARDT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I regretfully speak against the amendment offered by the gentleman from New Jersey. I highly admire his ability and I also agree with his general desire to provide certain facilities at a cheaper rate for some areas that are poverty stricken.

That can already be done. The grants are to the States. The States may determine how much must be matched by the local entity so long as the total of

State and local money equals the Federal share.

But the main difficulty with this amendment is that what we are doing is throwing away the principle that a State must match each Federal dollar. The matching formula would be placed in the hands of the Secretary depending upon how many of the projects in a given State he certifies to be under the special exemptions. For instance it is conceivable that he might find virtually all of the requests in a given State to justify the 70/30 matching. In another State he might find none. I do not want to give that much authority to the Secretary.

I say that the amendment offered by the gentleman from Ohio improves this a bit, but there is no provision as to how these findings will be made. It does not say by rule, and there is no provision that there will be a hearing. There is no opportunity for the State of Louisiana or the State of Texas to protest an exception made in the State of New York or the State of New Jersey.

We can come into this body and argue the interests of our regional areas, but how do we come before the Secretary and say that our regions are being discriminated against?

I think this is entirely too much delegated authority to permit the Secretary to move from a 50/50 formula to a 30/70 formula even on these stipulated bases because, as the chairman of our subcommittee has clearly pointed out, the Secretary can always, or nearly always, find that many regions are underfunded and that there are many poor people in every big city of the United States.

But do we want the question to be determined dependent, for instance, upon what political party had the Presidency and appointed that particular Secretary? Do we want this question to be decided on which area of the country is able to put the most State lobbyists in Washington to urge a decision on the Secretary? There are many States that are not able to maintain a representative in Washington at all times to argue on all Federal projects.

But let us set the standard in the bill. Let us establish the method of matching among the States by statute. Let us not delegate that to any authority who is appointed and who is not responsible to the persons who elect us to office.

Mr. DOWNEY of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. MAGUIRE. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from New Jersey.

Mr. MAGUIRE. Mr. Chairman, I have to straighten out just a few of the inaccuracies about the amendment before we vote on it, because there have been several inaccuracies mentioned here by various Members.

First, the gentlewoman from California (Mrs. PETTIS) talked about increasing the Federal moneys involved. The moneys from the Federal Government remain precisely the same. Each State allocation remains precisely the same. It is simply a question of how each State chooses to divide and seeks to divide the money that it gets.

Second, the gentleman from Texas (Mr. ECKHARDT) conjures up the image of the Secretary of the Interior being battered from all sides for 70/30 funding. That will be prevented by the fact that the States are really going to request 70/30 funding only in cases of dire need. When they do that they will automatically reduce the amount of money they have available for other projects in the State. There is no additional money for States. The total funds for any State remain the same. States will simply have discretion and they will clearly exercise that discretion only on occasions when they have a very strong case and one on which they place a very high priority.

The States make the decision. There is not a single additional dollar of Federal money. The States, working with their own localities, will make the decision about what to ask the Secretary of the Interior for and they will be judicious. The Secretary of the Interior cannot unilaterally make judgments about matching; he must await an application from the State and he must use the guidelines in my amendment and in the amendment of the gentleman from Ohio.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, the thing is if a State can get half its Federal money on a 70–30 matching, it gets more Federal money than if it gets all its Federal matching on 50–50.

Mr. MAGUIRE. The gentleman from Texas has misunderstood my amendment. The States under the bill get a 60-percent share of the total Federal moneys available for this program and the Federal Government spends 40 percent directly. Of this 60 percent, 40 percent is now divided equally among all the States, 55 percent on the basis of population and 5 percent for contingencies. The State then would make a decision under my amendment on how to spend that limited number of dollars. It could make application for 50–50 matching or, where a locality could not afford that, it could ask for flexibility up to 70–30 where a locality could demonstrate high priority unmet needs.

Mr. ROSENTHAL. Mr. Chairman, the Maguire amendment would offer financial assistance for recreation opportunities and services to especially needy communities, while providing matching fund flexibility in the land and water conservation program. In most cases, the 50–50 matching requirement would remain in effect. Only when the Secretary of the Interior determines that such a match would defeat the purposes of the program, will he adjust the proportion up to 70–30.

Many Federal laws already provide administrative discretion in determining matching shares. These include: the Public Works and Economic Development Act, the Appalachia Regional Development Act, the Comprehensive Employment and Training Act, a wide variety of education programs, lead-poisoning control, crime control, health planning and services, alcoholism treatment, child development, and care for mothers and infants. All of these programs have incorporated some type of waiver provisions in cases where localities are unable to provide matching funds.

In considering the Maguire amendment, the Community Services Administration Act of 1974 is highly instructive. While it establishes guidelines for Federal-local funding proportions, it also provides that the Director may "approve assistance in excess of such percentages" if he determines, in accordance with objective regulations, that "such action is required in furtherance of the purposes" of the program. The act specifically warns against "a strict application" of the requirements which "would result in unnecessary hardships or otherwise be inconsistent with the purposes sought to be achieved."

Other pending measures, including the Local Public Works Development and Investment Act, and the House Public Works Committee amendments to the Federal Water Pollution Control Act, also incorporate the concept of waiving or reducing non-Federal shares where local governments simply cannot provide them.

In short, the concept of waivers is becoming widespread as Congress realizes that strict adherence to legislatively-determined matching grant proportions can defeat the real purpose of a program.

The goal of Federal matching grants is to expand outlays for specific programs by offering the incentive of Federal funds. In certain cases, unfortunately, the lack of required local funds means that the Federal dollars—and the projects they support—must be forsaken.

In many instances, a locality is forced to make painful cuts in worthwhile programs in order to satisfy matching requirements for federally aided programs. In these cases, the allocation of that locality's fiscal resources is seriously skewed by Federal policies, contrary to local needs.

New York City, for example, is in danger of losing over $1 billion in Federal matching funds because of serious cuts in local spending. This means that essential Federal funds, used for education, water pollution control, highways, headstart, community mental health services and other purposes, may be lost to the residents. Programs which we in Congress had intended to aid will instead totally collapse.

Of course, any legislation allowing administrative discretion entails the danger of abuse or mismanagement. But as I have indicated, a substantial number of programs already permit administrative discretion in determining matching formula shares and there is no indication that they have produced administrative problems.

More importantly, the Secretary of the Interior already has wide latitude in fulfilling his administrative duties under the act. This amendment would not substantially increase his authority. And, in no case could Federal funding exceed 70 percent.

Above all, this amendment provides three precise criteria which the Secretary must follow in adjusting the matching formula. These criteria will further the congressional intent of the act itself, namely that it is "desirable that all American people be assured adequate outdoor recreation resources; and it is desirable for all levels of government to take prompt and coordinated action to the extent practicable without diminishing or affecting their respective powers and functions." Without this amendment, those objectives will remain unrealized for improverished communities.

The Maguire amendment would be a positive step in providing recreational services for all Americans by insuring adequate funding for such services. Its passage is essential if the land and water conservation fund is to avoid locking out those very communities which need it the most.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. Seiberling) to the amendment offered by the gentleman from New Jersey (Mr. Maguire).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. Maguire), as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. MAGUIRE. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand by the gentleman from New Jersey (Mr. Maguire) for a recored vote.

A recorded vote was refused.

So the amendment, as amended, was rejected.

AMENDMENT OFFERED BY MR. SEIBERLING

Mr. SEIBERLING. Mr. Charman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Seiberling: On page 4, after line 12, insert a new section (10) as follows: renumbering the subsequent subsections accordingly:

"'(10) In section 6(d), delete subparagraph (3) and insert the following, renumbering the subsequent subparagraph accordingly:

"'(3) an identification of those areas having the highest degree of unmet outdoor recreation needs;

"'(4) a program for the implementation of the plan.'"

Mr. SEIBERLING. Mr. Chairman, this is a very simple and, I hope, a noncontroversial amendment. It merely adds to the requirements for a State outdoor recreation plan the requirement that it identify those areas having the highest degree of unmet outdoor recreation needs. It does not say anything about what the State is to do about those unmet needs, but merely that they be identified.

I hope for that reason that this amendment will not be opposed as strenuously by the subcommittee chairman as was the previous amendment.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, as I understand it, this amendment just gives more guidelines as to the content of the plan that the State shall submit?

Mr. SEIBERLING. That is correct. All it says is that it shall identify the areas having the highest degree of unmet outdoor recreation needs.

Mr. TAYLOR of North Carolina. It does not prevent the State from changing the plan as it determines those needs?

Mr. SEIBERLING. It does not. And it does not say what the priorities of the State are to be.

Mr. TAYLOR of North Carolina. And it does not take away from the State any of the flexibility and self-control that it now has in this area?

Mr. SEIBERLING. None whatsoever, other than its flexibility not even to identify the unmet needs.

Mr. TAYLOR of North Carolina. Mr. Chairman, I have no objection to the amendment.

Mr. RUPPE. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Chairman, I rise in opposition to the amendment for the simple reason that from all I can remember after all the discussions we have had, I have never at any time heard any criticism of the way the States develop their recreation plans or development plans. I have heard at no time any criticism of the priorities the States have developed on their own.

The State plan under present legislation must require an evaluation of the demand for and supply of outdoor recreation resources available in the State. The law simply in its present terms calls for an evaluation of demand and supply. That is a very, very generalized requirement.

The amendment offered by the gentleman from Ohio (Mr. Seiberling) says that the State plan shall now have an identification of those areas having the highest degree of unmet needs. That plan of the Governor goes to the Secretary, and from now on there is going to be endless debate within my State and the States of other Members. There is going to be tremendous furor in the Secretary's office, for instance, as to this: Does this State plan as developed in Michigan really get into an identification of those areas having the highest level of unmet needs or the highest degree of unmet needs?

If this amendment is agreed to, we are now taking a very generalized requirement and changing it into a very specific requirement. We are going to have endless haggling within the States, and this question will be asked: Does this area or that area stand highest in terms of degree of unmet recreation needs? That battle is not only going to be carried on within the States, but it is going to be carried on in the Secretary's office.

We have not had any criticism of the way the States have developed their plans and the way the varied 50 States have assessed their own needs and priorities. For the Federal Government now to tell the States that "You have to develop a list of prioritized unmet needs to the satisfaction of the Secretary" is, in my view, a far cry from the original direction of this legislation, which was designed to give the States more dollars to do the job, but not designed for the Federal Government to step in and take from individual States the prerogative of running their own programs, a prerogative that over the years they have managed in a very fair and very responsible manner.

Mr. SEIBERLING. Mr. Chairman, I just think that the gentleman from Michigan (Mr. Ruppe) is seeing ghosts here. I do not see anything in this amendment that tells the States what they have to do about any particular area. All it says is merely that the State plan should identify areas having the highest degree of unmet outdoor recreation needs.

As a matter of fact, they are supposed to do that now. However, there has been a lot of criticism from various groups that have made studies, such as one I am looking at now, which was made by the Center for Growth Alternatives in Massachusetts on recreation in the cities, which points out that one of the most notable weaknesses in State plans is that they fail to make any particular effort to look at the recreation needs in our cities. This merely says that they should identify them.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. Seiberling).

The amendment was rejected.

AMENDMENT OFFERED BY MR. CLEVELAND

Mr. CLEVELAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Cleveland: Page 5, delete lines 18 through 21 and insert in lieu thereof: "differences in admission and other fees may be maintained on the basis of residence."

Mr. CLEVELAND. Mr. Chairman, my amendment is designed to conform to present BOR administrative practices governing the option to assess reasonable differences based on residence in admission and other fees at recreational properties acquired through the fund.

Mr. Chairman, the purpose is clear. If a local community has been required to put up its own resources in matching money to obtain the BOR grant and is also responsible for the ordinary maintenance of the facility, then it would seem reasonable that the residents of that community should be permitted to enjoy the use of the facility at a lesser cost than out-of-town or out-of-State residents.

The bill as reported from the committee permits differences in fees with respect to local versus out-of-State users, but I think this section should be expanded to include differences based on place of residence within a given State. I think this practice has provided an incentive for people within a town to raise the matching money and apply for BOR grants, and that without this amendment, that incentive may be lessened.

Mr. Chairman, I have a letter from the National Recreation and Park Association signed by Sidney Lutzin, their acting executive director, with respect to my amendment, which is actually the present BOR administrative policy. They point out, of course, that the differential should not be allowed to be discriminatory, but they do point out this:

> We firmly believe that public park and recreation agencies at all levels of government should have the option to charge reasonable differential fees based on place of residency.

Mr. Chairman, I hope this amendment will be adopted.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. CLEVELAND. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, I would just like to say that the committee bill provides that use cannot be denied any citizen of a recreation facility constructed under this Federal matching money.

However, it provides that a State can establish a higher entrance fee for nonresidents than it charges for its own citizens because the State has put in its own money to build the facility.

As I understand it, the gentleman merely takes this principle down to the local level; is that correct?

Mr. CLEVELAND. Yes.

Mr. TAYLOR of North Carolina. The gentleman is stating that when a town or county puts up the matching money, therefore, that that town or county may charge a higher or a different entrance fee or use fee to nonresidents of the town than it charges to residents of the town; is that correct?

Mr. CLEVELAND. Yes.

Mr. TAYLOR of North Carolina. And the gentleman is also saying that the charge differential may give the town an incentive for action because everybody in the whole area may be using the facility, and consequently, if they do that, they can help finance it by this type of charge; is that correct?

Mr. CLEVELAND. Yes.

Mr. TAYLOR or North Carolina. Mr. Chairman, may I state that I have no reason to object to the amendment.

Mr. MEEDS. Mr. Chairman, will the gentleman yield?

Mr. CLEVELAND. I yield to the gentleman from Washington.

Mr. MEEDS. Mr. Chairman, I was the author of the amendment in the committee which put this antidiscrimination clause in the bill.

I just want to clarify, since the chairman said that there can be higher fees, that I agree with that; but that the difference in those fees must be based on the different proportions of the funds put into the program by the local people. Therefore, if it were 50-50, they would not be able to discriminate in fees.

If it was 50 percent Federal and 50 percent State, or 50 percent Federal and 50 percent local, they should not be able to discriminate on the basis of fees, it seems to me except to the extent the State or local capital and maintenance expenses exceed the Federal share. If it was 80-20, or something like that, then they could, based on that difference in their contribution. And with that understanding, I have absolutely no objection to the amendment because it just reduces that to the local level what the bill already does with regard to the States.

Mr. SKUBITZ. Mr. Chairman, would the gentleman yield?

Mr. CLEVELAND. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I have no objection to the gentleman's amendment. However, I am curious to know how one distinguishes between two people when they walk up to a gate to one of these recreation areas and apply for admission, how does one know whether one is a resident of the area or is not?

Mr. CLEVELAND. I can just simply tell the gentleman how we do it in our hometown, we have small bumper stickers.

Mr. SKUBITZ. But supposing the people walked up to the gate and did not have bumper stickers.

Mr. CLEVELAND. I am not sure how the gentleman from Kansas would do it in his State, but I can assure you that in New Hampshire we are a friendly State, and we all know each other and we do not have the problem there.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire (Mr. Cleveland).

The amendment was agreed to.

The CHAIRMAN. If there are no further amendments to title I, the Clerk will report title II.

The Clerk read as follows:

Title II

The National Historic Preservation Act of 1966 (80 Stat. 915), as amended (16 U.S.C. 470), is further amended as follows:

(1) Section 108 is amended to read as follows:

"Sec. 108. To carry out the provisions of this Act, there is hereby established the Historic Preservation Fund (hereafter referred to as the 'fund') in the Treasury of the United States. During the period commencing October 1, 1976, and ending September 30, 1969, there shall be covered into such fund $24,400,000 for fiscal year 1977, $75,000,000 for fiscal year 1978, $75,000,000 for fiscal year 1979, and $100,000,000 for fiscal year 1980 and each fiscal year thereafter, from revenues due and payable to the United States under the Outer Continental Shelf Lands Act (67 Stat. 462, 469), as amended (43 U.S.C. 1338), and/or under the Act of June 4, 1920 (41 Stat. 813), as amended (30 U.S.C. 191), notwithstanding any provision of law that such proceeds shall be credited to miscellaneous receipts of the Treasury. Such moneys shall be used only to carry out the purposes of this Act and shall be available to expenditure only when appropriated by the Congress. Any moneys not appropriated shall remain available in the fund until appropriated for said purposes: *Provided*, That appropriations made pursuant to this paragraph may be made without fiscal year limitation.".

(2) Section 206(c) is amended to read as follows:

"(c) For the purposes of this section there are authorized to be appropriated not more than $175,000 per year for fiscal years 1977, 1978, and 1979: *Provided*, That no appropriation is authorized and no payment shall be made to the Centre in excess of 25 per centum of the total annual assessment of such organization.".

Mr. TAYLOR of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that further reading of title II be dispensed with, and that it be printed in the Record and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. Are there amendments to title II? If not, under the rule, the Committee rises.

Accordingly the Committee rose and the Speaker pro tempore, Mr. Price, having assumed the chair, Mr. Pike, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 12234, to amend the Land and Water Conservation Fund Act of 1965, as amended, and to amend the act of October 15, 1966, to establish a program for the preservation of additional historic properties throughout the Nation, as amended, and for other purposes, pursuant to House Resolution 1157, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. RONCALIO. Mr. Speaker, I demand a separate vote on the Sebelius amendment.

The SPEAKER pro tempore. Is a separate vote demanded on the other amendment? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 4, line 13, strike out all of paragraph (10) and insert:

"(10) In section 6(e)(2) change the period to a colon and insert the following: '*Provided*, That no assistance shall be available under this Act to enclose or shelter facilities normally used for outdoor recreation activities, but the Secretary may permit local funding to be used for sheltering of such facilities heretofore or hereafter constructed and associated with activities normally pursued outdoors in that area, if he determines that the severity of climatic conditions and the increased public use resulting therefrom justify such sheltering.'."

The SPEAKER pro tempore. The question is on the amendment.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. RONCALIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas **248**, nays **147**, not voting 37, as follows:

[Roll No. 238]

YEAS—248

Abdnor
Adams
Alexander
Allen
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
AuCoin
Bafalis
Bauman
Beard, Tenn.
Bedell
Blanchard
Blouin
Boggs
Bowen
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Fla.
Burton, John
Burton, Phillip
Byron
Carney
Carter
Cederberg
Chappell
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Conlan
Conte
Cornell
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Davis
Derrick
Devine
Dickinson
Dingell
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Eckhardt
Edgar
Edwards, Ala.
Emery
English
Erlenborn
Esch
Evans, Colo.
Evans, Ind.
Fascell
Findley
Fish
Fisher
Fithian
Flowers
Flynt
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gibbons
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Hall
Hamilton
Hammerschmidt
Hanley
Harkin
Harris
Harsha
Hefner
Hightower
Hillis
Holland
Holt
Hubbard
Hughes
Hungate
Hutchinson
Ichord
Jarman
Jeffords
Jenrette
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Krebs
Krueger
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Tenn.
Lott
McCollister
McDonald
Madigan
Mahon
Mann
Martin
Matsunaga
Melcher
Mezvinsky
Michel
Milford
Miller, Calif.
Miller, Ohio
Mitchell, N.Y.
Moffett
Montgomery
Moore
Moorhead, Calif.
Mosher
Moss
Myers, Pa.
Natcher
Neal
Nichols
Nolan
Obey
Ottinger
Passman
Paul
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Regula
Reuss
Rhodes
Roberts
Robinson
Rogers
Rose
Roush
Rousselot
Roybal
Ruppe
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shriver
Shuster
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Teague
Thompson
Thone
Treen
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wydler
Wylie
Yatron
Young, Fla.
Young, Ga.
Zablocki

NAYS—147

Abzug
Addabbo
Ambro
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Baldus
Baucus
Beard, R.I.
Bennett
Bergland
Biaggi
Biester
Bingham
Boland
Bolling
Bonker
Brademas
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Carr
Chisholm
Clay
Cohen
Conyers
Corman
Cotter
Daniels, N.J.
Delaney
Dellums
Dent
Derwinski
Dodd
Downey, N.Y.
Early
Edwards, Calif.
Eilberg
Fary
Fenwick
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Gaydos
Giaimo
Gilman
Ginn
Green
Haley
Hannaford
Hansen
Hawkins
Hays, Ohio
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Holtzman
Horton
Howe
Hyde
Jacobs
Johnson, Calif.
Jones, Okla.
Jordan
Koch
LaFalce
Lloyd, Calif.
Long, La.
Long, Md.
Lujan
McClory
McCormack
McDade
McEwen
McFall
McHugh
McKay
Maguire
Mazzoli
Meeds
Metcalfe
Meyner
Mills
Minish
Moakley
Mollohan
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Peyser
Preyer
Price
Rangel
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Roncalio
Rooney
Rosenthal
Runnels
Russo
Ryan
St Germain
Santini
Sarasin
Shipley
Sikes
Solarz
Steed
Stephens
Stokes
Studds
Taylor, N.C.
Thornton
Traxler
Tsongas
Weaver
Wiggins
Wirth
Wolff
Wright
Yates
Young, Alaska
Young, Tex.
Zeferetti

NOT VOTING—37

Bell
Bevill
Brown, Ohio
Clancy
Collins, Ill.
de la Garza
Diggs
Eshleman
Evins, Tenn.
Harrington
Hayes, Ind.
Hébert
Hechler, W. Va.
Hinshaw
Howard
Jones, Ala.
Karth
Lundine
McCloskey
McKinney
Macdonald
Madden
Mathis
Mikva
Mineta
Mink
Mitchell, Md.
Morgan
Nedzi
Nix
Pepper
Riegle
Rostenkowski
Sarbanes
Stanton, James V.
Udall
Ullman

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Ullman against.

Mr. de la Garza for, with Mr. Rostenkowski against.

Mr. Bevill for, with Mr. Mitchell of Maryland against.

Mr. Mathis for, with Mr. McKinney against.

Mr. Brown of Ohio for, with Mr. Howard against.

Mr. Clancy for, with Mr. Mikva against.

Mr. McCloskey for, with Mr. Harrington against.

Mr. Bell for, with Mr. Diggs against.

Mr. Mineta for, with Mr. Karth against.

Mrs. Mink for, with Mr. Nedzi against.

Mr. Evins of Tennessee for, with Mr. Nix against.

Mr. Pepper for, with Mrs. Collins of Illinois against.

Mr. Jones of Alabama for, with Mr. Lundine against.

Until further notice:

Mr. Hayes of Indiana with Mr. Sarbanes.

Mr. Hechler of West Virginia with Mr. Madden.

Mr. Udall with Mr. Morgan.

Mr. James V. Stanton with Mr. Riegle.

Messrs. GONZALEZ, DUNCAN of Tennessee, LEHMAN, HALL, NEAL, KAZEN, MATSUNAGA, SYMMS, Mrs. SCHROEDER, and Mrs. SPELLMAN changed their votes from "nay" to "yea."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. McFALL. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. SEIBERLING. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 392, nays 3, not voting 37, as follows:

[Roll No. 239]

YEAS—392

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Evans, Colo.
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harris
Harsha
Hawkins
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Holtzman
Horton
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.

Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
Madigan
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Milford
Miller, Calif.
Miller, Ohio
Mills
Minish
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Neal
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rosenthal
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—3

Myers, Pa.
Paul
Wiggins

NOT VOTING—37

Bell
Bevill
Brown, Ohio
Clancy
Collins, Ill.
Diggs
Eshleman
Evins, Tenn.
Harrington
Hayes, Ind.
Hébert
Hechler, W. Va.
Hinshaw
Howard
Jones, Ala.
Karth
Lundine
McCloskey
McKinney
Macdonald
Madden
Mathis
Mikva
Mineta
Mink
Mitchell, Md.
Morgan
Nedzi
Nix
Pepper
Riegle
Rose
Rostenkowski
Sarbanes
Skubitz
Stanton, James V.
Ullman

The Clerk announced the following pairs:

Mr. Evins of Tennessee with Mr. Bell.

Mr. Hébert with Mr. Eshleman.

Mr. Mineta with Mr. Hechler of West Virginia.

Mr. Nix with Mr. Madden.

Mr. Morgan with Mr. McCloskey.

Mr. Rostenkowski with Mr. Brown of Ohio.

Mr. Sarbanes with Mr. James V. Stanton.

Mr. Ullman with Mr. Jones of Alabama.

Mr. Mitchell of Maryland with Mr. Skubitz.

Mr. Diggs with Mr. Clancy.

Mr. Bevill with Mr. McKinney.

Mr. Howard with Mr. Mathis.

Mr. Lundine with Mr. Pepper.

Mr. Macdonald of Massachusetts with Mr. Hayes of Indiana.

Mr. Riegle with Mr. Harrington.

Mr. Mikva with Mr. Nedzi.

Mrs. Mink with Mr. Rose.

Mrs. Collins of Illinois with Mr. Karth.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to the provisions of House Resolution 1157, the Committee on Interior and Insular Affairs is discharged from further consideration of the Senate bill (S. 327) to amend the Land and Water Conservation Fund Act of 1965, as amended, to establish the national historic preservation fund, and for other purposes.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. TAYLOR OF NORTH CAROLINA

Mr. TAYLOR of North Carolina. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. TAYLOR of North Carolina moves to strike out all after the enacting clause of the Senate bill, S. 327, and to insert in lieu thereof the provisions of H.R. 12234, as passed by the House, as follows:

TITLE I

That the Land and Water Conservation Fund Act (78 Stat. 897), as amended (16 U.S.C. 4601–5 et seq.), is further amended as follows:

(1) In the first sentence of section 2, delete "and during such additional period as may be required to repay any advances made pursuant to section 4(b) of this Act,".

(2) In section 2(c) (1), delete "$200,000,000" and the remainder of that sentence and insert in lieu thereof "$300,000,000 for fiscal year 1977, $450,000,000 for fiscal year 1978, $625,00,000 for fiscal year 1979, and $800,000,000 for fiscal year 1980 and for each fiscal year thereafter through September 3, 1989.".

(3) In section 2(c) (2), delete "amount to $200,000,000 or $300,000,000 for each of such fiscal years, as" and insert in lieu thereof "equivalent to the amounts".

(4) Change section 5 to read as follows:

"ALLOCATION OF LAND AND WATER CONSERVATION FUND FOR STATE AND FEDERAL PURPOSES

"SEC. 5. ALLOCATION.—There shall be submitted with the annual budget of the United States a comprehensive statement of estimated requirements during the ensuing fiscal year for appropriations from the fund. The appropriation from the fund shall be available in the ratio of 60 per centum for State purposes and 40 per centum for Federal purposes.".

(5) In section 6(b), change the period at the end of paragraph (2) to a colon, and add the following: "*Provided*, That whenever more than $240,000,000 is appropriated and available for State purposes in a given fiscal year, such sums in excess of that amount shall be apportioned among the several States in the following manner:

"(A) 20 per centum shall be apportioned equally among the several States, as defined in paragraph (1) of this subsection;

"(B) 75 per centum shall be apportioned on the basis of need to individual States as determined by the Secretary according to this paragraph; and

"(C) 5 per centum shall be made available to individual States to meet special or emergency needs, as determined by the Secretary.".

(6) In section 6(b), change "7 per centum" to "10 per centum".

(7) In section 6(b), revise the last sentence of the penultimate paragraph to read as follows: "Any amount of any apportionment that has not been paid or obligated by the Secretary during the fiscal year in which such notification is given and for two fiscal years thereafter shall be reapportioned by the Secretary in accordance with paragraph (2) (C) of this subsection without regard to the limitation for any one State.".

(8) Revise the last paragraph of section 6(b) to read as follows: "For the purposes of paragraph (1) of this subsection, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, and American Samoa shall be treated collectively as one State, and shall receive shares of such apportionment according to the relative size of their populations. The above listed areas shall be treated as States for all other purposes of this title.".

(9) In section 6(d), at the end of the second sentence, change the period to a colon and add the following: "*Provided*, That no plan shall be approved unless the Governor of the respective State certifies that ample opportunity for public participation in plan development and revision has been accorded. The Secretary shall develop, in consultation with others, criteria for public participation, which criteria shall constitute the basis for the Governors' certification."." (10 In section 6(e) (2) change the period to a colon and insert the following: "'*Provided*, That no assistance shall be available under this Act to enclose or shelter facilities normally used for outdoor recreation activities, but the Secretary may permit local funding to be used for sheltering of such facilities heretofore or hereafter constructed and associated with activities normally pursued outdoors in that area, if he determines that the severity of climatic conditions and the increased public use resulting therefrom justify such sheltering.'"

(11) In section 6(f), at the end thereof, add the following: "Each State shall be required to evaluate its grant programs annually under guidelines set forth by the Secretary. Such evaluation and the publication of same shall be eligible for funding on a 50/50 matching basis. The results of the evaluation shall be annually reported on a fiscal year basis to the Bureau of Outdoor Recreation, which agency shall forward a summary of such reports to the Committees on Interior and Insular Affairs of the United States Congress. Such report to the committees shall also include an analysis of the accomplishments of the fund for the period reported, and may also include recommendations as to future improvements for the operation of the Land and Water Conservation Fund program.

"With respect to property acquired or developed with assistance from the fund, discrimination on the basis of residence, including preferential reservation or membership systems, is prohibited except to the extent that reasonable differences in admission and other fees may be maintained on the basis of residence.".

(12) In section 7(a) (1), NATIONAL FOREST SYSTEM, the following changes are made: (1) after the word "Act" insert ", or purchase units approved by the National Forest Reservation Commission subsequent to the date of this Act, all of"; (2) in the first proviso change "five hundred" to "three thousand"; (3) in the second proviso after the word "That" insert "except for areas specifically authorized by Act of Congress,".

(13) In section 8, delete "purposes." and insert the following in lieu thereof: "purposes: *Provided, however*, That in each case where significant acquisition or development is initiated, appropriate standardized temporary signing shall be located on or near the affected site, to the extent feasible, so as to indicate the action taken is a product of funding made available through the Land and Water Conservation Fund. Such signing may indicate the per centum and dollar amounts financed by Federal and non-Federal funds, and that the source of the fund-

ing includes moneys derived from Outer Continental Shelf receipts. The Secretary shall prescribe standards and guidelines for the usage of such signing to assure consistency of design and application.".

(14) A new section 12 is added as follows:

"Sec. 12. Within one year of the date of enactment of this section, the Secretary is authorized and directed to submit to the Committees on Interior and Insular Affairs of the Senate and House of Representatives a comprehensive review of the needs, problems, and opportunities associated with urban recreation in highly populated regions, including the resources potentially available for meeting such needs. Such review shall identify evolving and anticipated forces, factors, and trends, and shall present a full range of options and alternatives as to possible solutions and courses of action designed to preserve remaining open space, ameliorate recreational deficiency, and enhance recreational opportunity for urban populations.".

TITLE II

The National Historic Preservation Act of 1966 (80 Stat. 915), as amended (16 U.S.C. 470), is further amended as follows:

(1) Section 108 is amended to read as follows:

"Sec. 108. To carry out the provisions of this Act, there is hereby established the Historic Preservation Fund (hereafter referred to as the 'fund') in the Treasury of the United States. During the period commencing October 1, 1976, and ending September 30, 1989, there shall be covered into such fund $24,400,000 for fiscal year 1977, $75,000,000 for fiscal year 1978, $75,000,000 for fiscal year 1979, and $100,000,000 for fiscal year 1980 and each fiscal year thereafter, from revenues due and payable to the United States under the Outer Continental Shelf Lands Act (67 Stat. 462, 469), as amended (43 U.S.C. 1338), and/or under the Act of June 4, 1920 (41 Stat. 813), as amended (30 U.S.C. 191), notwithstanding any provision of law that such proceeds shall be credited to miscellaneous receipts of the Treasury. Such moneys shall be used only to carry out the purposes of this Act and shall be available to expenditure only when appropriated by the Congress. Any moneys not appropriated shall remain available in the fund until appropriated for said purposes: *Provided*, That appropriations made pursuant to this paragraph may be made without fiscal year limitation.".

(2) Section 206(c) is amended to read as follows:

"(c) For the purposes of this section there are authorized to be appropriated not more than $175,000 per year for fiscal years 1977, 1978, and 1979: *Provided*, That no appropriation is authorized and no payment shall be made to the Centre in excess of 25 per centum of the total annual assessment of such organization.".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To amend the Land and Water Conservation Fund Act of 1965, as amended, and to amend the Act of October 15, 1966, to establish a program for the preservation of additional historic properties throughout the Nation, as amended, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 12234) was laid on the table.

GENERAL LEAVE

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material, on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CHANGE IN LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished majority leader as to the program for the balance of today, if any, and for the balance of this week.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the majority leader.

Mr. O'NEILL. Mr. Speaker, I thank the gentleman for yielding.

In reply to the inquiry of the gentleman from Arizona, let me state that we will take up the rule, House Resolution 1165 on the bill H.R. 8410 today, and we do not anticipate that that is going to take much time, at least from our own side. We will adjourn for today after that is completed.

Tomorrow we will take up and complete that bill, H.R. 8410, the Packers and Stockyard Act amendments.

We will then consider H.R. 9043, flexible work schedules for Federal employees, under an open rule, with 1 hour of debate.

That will be the program for tomorrow.

The normal program that we had scheduled for Thursday, H.R. 10451, nuclear career incentives, that has been taken off the schedule for this week; and also H.R. 13350, energy research and development authorization, has been taken off the program.

We will meet on Friday, and we will ask to meet at 10 o'clock on Friday morning, at which time we will take up H.R. 12384, the military construction authorization, under an open rule, with 2 hours of general debate.

That is the program for the remainder of the week.

Mr. RHODES. I thank the gentleman.

PERSONAL EXPLANATION

Mr. MATSUNAGA. Mr. Speaker, during the consideration of the bill, H.R. 12234, today, the land and water conservation fund amendments, on rollcall No. 236, in the Committee of the Whole, I was unduly delayed at another function and was unable to be present and vote. Had I been present I would have voted "no."

PROVIDING FOR CONSIDERATION OF H.R. 8410, PACKERS AND STOCKYARDS ACT OF 1921, AS AMENDED

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1165 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1165

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8410) to amend the Packers and Stockyards Act of 1921, as amended, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Agriculture now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from California (Mr. Sisk) is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. Del Clawson). Pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1165 provides for consideration of H.R. 8410 to amend the Packers and Stockyards Act.

The resolution allows 1 hour of general debate and provides that the amendment in the nature of a substitute recommended by the Committee on Agriculture shall be in order as an original bill for the purpose of amendment under the 5-minute rule.

The purpose of the bill is to assure payment to livestock producers for the animals they send to packing plants. The legislation was prompted by the increasing number of packer bankruptcies. Between 1958 and early 1975, 167 packers failed, leaving livestock producers unpaid for over $43 million worth of livestock.

Specifically, the bill amends the Packers and Stockyards Act of 1921 to require beef packers whose average annual purchases exceed $500,000 to be bonded. Prompt payment to sellers is required either at the point of transfer of the animals or 1 day thereafter by check or wire transfer unless other arrangements are made in writing.

In addition, packers covered by the act must hold in trust all livestock or proceeds derived from the livestock until full payment has been received by unpaid cash sellers. The bonding requirements, prompt payment, and trust provisions of the bill preempt current State laws on the subject.

The bill also empowers the Secretary of Agriculture to order packers to stop operating while insolvent. It specifically authorizes the Secretary to request the Attorney General to seek a temporary injunction against firms operating while insolvent or otherwise in violation of the act.

As I understand it, amendments may be offered to the bill, especially concerning the trust provisions. Since this is an open rule, all germane amendments would be in order. Therefore, Mr. Speaker, I urge my colleagues to adopt House Resolution 1165 so that we may proceed to the consideration of H.R. 8410.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1165 grants a 1-hour open rule for the purpose of debating the bill H.R. 8410, Packers and Stockyards Act of 1921, as amended. The committee substitute will be in order as an original bill for the purpose of amendment.

Enactment of H.R. 8410 assures the Nation's livestock producers that they will receive prompt payment for the animals they send to packing plants.

The Committee on Agriculture has informed us that between 1958 and 1975, 167 packers failed, leaving livestock producers unpaid for over $43 million worth of livestock. Beef packers whose average annual purchases exceed $500,000 would be required by H.R. 8410, to obtain a bond equal to the value of the cattle purchased on two average business days.

Payment, by packers, market agencies, or dealers, would be proscribed at the point of transfer or by transferring funds to the seller's bank account before the close of the following business day, unless otherwise agreed in writing. Packers will be further obligated to hold in trust all livestock, meats and proceeds until full payment has been received by unpaid cash sellers. The bonding and prompt payment provisions mandated by H.R. 8410 preempt current State laws.

The estimated cost for implementation of the bill over a 5-year period is estimated at $6.8 million, by the Congressional Budget Office.

Mr. Speaker, the Agriculture Committee reported H.R. 8410 by a vote of 35 to 2. I recommend adoption of the rule.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. SISK. Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 371, nays 3, not voting 58, as follows:

[Roll No. 240]

YEAS—371

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Bedell
Bennett
Bergland
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dent
Derrick
Derwinski
Devine
Dickinson
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Evans, Colo.
Evans, Ind.
Fary
Fascell
Fenwick
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harris
Harsha
Hawkins
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Holtzman
Horton
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McClory
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Milford
Miller, Calif.
Miller, Ohio
Mills
Minish
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Paul
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Traxler
Treen
Tsongas
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Zablocki
Zeferetti

NAYS—3

Burton, John
Ottinger
Quillen

NOT VOTING—58

Armstrong
Beard, Tenn.
Bell
Bevill
Biaggi
Bolling
Brown, Ohio
Clancy
Clay
Collins, Ill.
Conyers
Dellums
Diggs
Dingell
Duncan, Oreg.
Eshleman
Evins, Tenn.
Findley
Ford, Tenn.
Fraser
Giaimo
Harrington
Hayes, Ind.
Hébert
Hechler, W. Va.
Hinshaw
Howard
Jones, Ala.
Karth
Lujan
Lundine
McCloskey
McKinney
Macdonald
Madden
Madigan
Mathis
Mikva
Mineta
Mink
Mitchell, Md.
Nedzi
Nix
Pepper
Riegle
Rostenkowski
Sarbanes
Schneebeli
Skubitz
Slack
Stanton, James V.
Sullivan
Talcott
Thornton
Udall
Ullman
Wilson, C. H.
Young, Tex.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Eshleman.
Mr. Evins of Tennessee with Mr. Bell.
Mr. Mineta with Mr. Hechler of West Virginia.
Mr. Nix with Mr. Armstrong.
Mr. Biaggi with Mr. Beard of Tennessee.
Mr. Rostenkowski with Mr. Dingell.
Mr. Sarbanes with Mr. Findley.
Mr. Ullman with Mr. Fraser.
Mr. Mitchell of Maryland with Mr. Duncan of Oregon.
Mr. Diggs with Mr. Brown of Ohio.
Mr. Bevill with Mr. Harrington.
Mr. Howard with Mr. Jones of Alabama.
Mr. Lundine with Mr. Lujan.
Mr. Macdonald of Massachusetts with Mr. Clancy.
Mr. Riegle with Mr. McKinney.
Mr. Mikva with Mr. Hayes of Indiana.
Mrs. Mink with Mr. Madden.
Mrs. Collins of Illinois with Mr. Nedzi.
Mr. Clay with Mr. Ford of Tennessee.
Mr. Conyers with Mr. Schneebeli.
Mr. Dellums with Mr. McCloskey.
Mr. Giaimo with Mr. Karth.
Mr. Mathis with Mr. Pepper.
Mr. Slack with Mr. Madigan.
Mr. James V. Stanton with Mr. Skubitz.
Mrs. Sullivan with Mr. Talcott.
Mr. Charles H. Wilson of California with Mr. Udall.
Mr. Thornton with Mr. Young of Texas.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. CORMAN. Mr. Speaker, yesterday during debate on whether to pass H.R. 9803 notwithstanding the President's veto, I stated that the Public Assistance Committee had moved its hearing on block grants from May 23 to May 21. It is correct that we had moved the hearing, but I was incorrect when I stated that the Department had indicated that it was not ready to testify.

I checked with Assistant Secretary Kurzman, and he has indicated that the Department is ready to testify. I was incorrect, and I wanted to notify the House of that fact.

APPOINTMENT AS MEMBERS OF JOINT COMMITTEE ON DEFENSE PRODUCTION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Banking, Currency and Housing:

WASHINGTON, D.C.,
May 3, 1976.

Hon. CARL ALBERT,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Under the provisions of Section 712(a)(1), I have the honor of appointing the Honorable Parren J. Mitchell (D-Md.) and the Honorable David W. Evans (D-Ind.) as members of the Joint Committee on Defense Production.

It would be appreciated if their names would be spread on the record at the earliest date possible.

Sincerely,
HENRY S. REUSS, *Chairman.*

UNITED STATES-CANADIAN RELATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. RUPPE) is recognized for 30 minutes.

Mr. RUPPE. Mr. Speaker, I have recently cosponsored, along with 14 of my House colleagues, a study effort on United States-Canadian relations. I feel that the results of this study will interest my colleagues.

The importance of United States-Canadian relations as an element of our foreign policy has been neglected for too long. The United States must now develop a policy approach to Canada which assures cordial relations based on the realities both countries face.

The following introduction and general recommendations should set the tone for the text of this paper, which focuses on four aspects of United States-Canadian relations: energy, communications, trade and foreign investment, and transboundary issues:

UNITED STATES-CANADIAN RELATIONS

INTRODUCTION

The United States has long felt secure in an aura of continental good-will based on harmonious relations with our national neighbor to the North—Canada. Therefore, it has been a rude surprise to find our governments engaged in an exchange of verbal and economic brickbats. The deteriorating relations between the United States and Canada force us to re-evaluate the friendship that we have long taken for granted.

So accustomed are we to the friendship and interdependence of Canada and the United States that we forget that relationship is less than a hundred years old. For almost two hundred years, relations between Canada and America ranged from hostility to outright warfare. Since World War II, however, the U.S. and Canada have bound themselves together through formal mutual security arrangements between the governments and special trade relationships established by independent economic interests.

The current strain in relations is a product of many factors. Subtle changes in each nation's perception of its role in the world order have contributed to the altered climate. Both the U.S. and Canada are caught up in a period of intense self-examination. There is a similarity in that both countries show a shifting emphasis to domestic, rather than foreign concern. Canadians are caught up in a period of rising nationalism—a factor not dominant in the U.S. self-evaluation. There is a strong desire in Canada to break away from dependence on the United States.

Rising out of this spirit of nationalism is a concern with economic relations. Specific economic issues that are causing tension between the countries are:

Pending Canadian legislation which would require 80% different content in Canadian editions of U.S. magazines.

Plans to nationalize American-owned potash companies in Canada.

Pirating of U.S. television programs by Canadian cable stations which pick up U.S. programs but black out the commercials to replace them with Canadian sponsors.

The termination of special tax breaks for advertisers in Canadian editions of U.S. publications.

The sale of Canadian gas and petroleum to the U.S. at higher prices than charged Canadians.

With the Canadian government reacting to, and stimulating, a strong sense of nationalism it is appropriate for us to review areas of mutual concern.

GENERAL RECOMMENDATIONS

1. The Administration, in consultation with Congress should develop an intergrated policy approach to Canada which includes defense, economic and environmental concerns.

2. The U.S.-Canadian Interparliamentary Group should hold two meetings per year, one formal meeting for talks on the entire range of bilateral issues, and one public hearing, at an appropriate site, for the examination of a specific matter of transboundary concern.

3. Interparliamentary exchanges at the state and province level are encouraged on issues that are regional in character. However, where the issues are more national in character, relations between the U.S. and Canada should be directed through the chief executives of both countries to avoid policy conflicts.

4. The U.S. State Department should regularly apprise the appropriate committees of the U.S. Congress of Canadian legislation which might affect U.S.-Canadian relations.

5. Provisions should be made to hold regular bilateral summit meetings between the President of the United States and the Prime Minister of Canada.

6. At the next summit meeting in Washington, the Prime Minister of Canada should be invited to address a Joint Session of Congress.

Mr. McCLOSKEY. Mr. Speaker, as a cosponsor of this study effort on United States-Canadian relations, I am pleased to present to my colleagues the section regarding energy relations.

Bilateral energy relations between Canada and the United States have been strained by the Canadian decision to phase out energy exports to the United States. Misunderstandings about Canadian motives have produced an emotion-charged atmosphere between the two countries. The following section on United States-Canadian energy relations should be of interest to my colleagues:

UNITED STATES-CANADIAN ENERGY RELATIONS

BACKGROUND

For many years, Canada was considered the most reliable and secure source of imported energy for the United States. In 1973, for example, U.S.-destined Canadian oil exports reached a high of 1.3 million barrels per day. This represented about half of Canada's crude oil production and a little over 7% of American crude oil consumption.

Recently, however, bilateral energy relations have been strained by the Canadian decision to curtail energy exports to the U.S. Canada announced plans to phase out crude oil exports completely by 1981, and to drastically reduce natural gas exports to ensure Canada's ability to meet domestic requirements. Further, Canada raised its energy export prices to reflect high world market prices for oil and natural gas.

The new Canadian energy policies are an integral part of the official government "Canada first" program, which maintains that only energy sources found to be surplus to domestic demand will be exported. Additional reasons for the reversal of Canada's traditional oil and natural gas export policies are:

The dramatic change in the power of OPEC and the increased price of oil for Eastern Canada which is totally dependent on imported oil;

The recognition of diminishing oil and natural gas reserves in Canada;

Growing sensitivity to foreign economic control of key sectors of the economy (over 90% in petroleum).

The consequences of the Canadian policies of raising energy prices and curtailing energy exports are numerous:

A previously accessible and reliable foreign energy source will no longer be available;

More energy must now be imported from "unreliable" foreign sources;

Northern states, which depend heavily on Canadian sources of energy, will be hard-pressed to find substitutes for Canadian fuels;

The U.S. will have to pay an artificial Canadian oil price which subsidizes Canadian consumption of oil in the eastern provinces;

U.S. energy independence efforts may be delayed.

The bilateral energy relations include not only oil and natural gas, but also other energy sources such as electricity, coal, and uranium. As well, the proposed contruction of a natural gas pipeline to carry Alaskan Prudhoe Bay hydrocarbons to the lower 48 states has focused much attention on U.S.-Canadian relations. To understand the formulation of Canadian energy policy, however, one must first understand the unique relationship between the provincial and federal governments.

THE PROVINCIAL-FEDERAL RELATIONSHIP

There are two distinct, levels of government in Canada—the provincial and the federal. As in the United States, policy decision on both levels are made in response to separate sets of interests. In Canada, according to the British North America Act of 1867, the federal government has jurisdiction over all subjects of general or national concern while the provincial government presides over all matters of local interest.

The British North America Act, like the American constitution, outlines the distribution of power between the federal and provincial governments. Under the Canadian system, provincial governments own the natural resources within their borders and are empowered to make decisions concerning development and sale of those resources. The federal government is responsible for regulating inter-provincial trade and for protecting the interests of all Canadians: federal law does not, however, always override provincial law. For example, the Canadian Parliament cannot legislate to implement an international treaty if the subject matter falls within the exclusive competence of the provinces. Thus, policy initiatives are generated in accordance with both local interests and national concerns.

One result of this dual jurisdiction over oil resources is what the Canadian Chamber of Commerce calls "the tug of war for revenues"—both the federal and provincial governments are competing for large shares of oil revenues reulting from taxes.

In 1974, the producing provinces in Western Canada (Alberta, British Columbia, and Saskatchewan) instituted steep royalty charges on producing companies. These measures, by limiting company profits from oil and natural gas production, in effect also limited federal government revenue from taxation of those profits.

The federal-provincial taxes have caused quite a controversy in Canada; many Canadians feel that the separate tax policies should be coordinated and rationalized. Critics argue that the long-term interests of the energy industry and the economy will be damaged by increasing government regulation of the industry and inter-government squabbles about taxation of their revenues.

It is also argued that the taxes are frightening away companies which might invest in energy research. Speculation that the provinces will take over energy production for their respective areas makes capital investment even more risky.

CANADIAN OIL POLICY

Since the discovery of extensive oil fields in the Canadian province of Alberta in 1947, the Canadian oil industry, which is largely U.S.-owned, has grown rapidly. Consequently, Canada has faced basic policy questions concerning resource allocation and the regulation of exports. In 1959, the National Energy Board Act authorized the creation of the National Energy Board (NEB) to perform essentially two functions: to regulate specific areas of the oil, gas and electric industries in the national interest; and to advise the federal government on all matters relating to the development and use of energy resources.

In 1961, the National Oil Policy (NOP) was formulated. The NOP was designed to give oil from western Canadian provinces (which produce all of the country's domestic supply) full market access west of the "Ottawa Valley Line" (located approximately midway between Toronto and Montreal) and to encourage exports to the adjacent United States. The provinces in eastern Canada continued to be supplied by international oil sources. By 1970, Canada was technically self-sufficient in oil—meaning that the country produced as much oil as Canadians consumed. However, due to Canadian west-to-east transportation difficulties, the eastern provinces are still dependent on imported oil. Presently about 50% of Canadian petroleum requirements continue to be met from foreign sources (compared with 79% in 1950).

Under the NOP, Canadian oil exports to the U.S. increased steadily during the 1960's and into the 1970's. In 1960 the U.S. received about 250,000 barrels of Canadian oil per day; in 1972 the figure was approximately 1,108,000 barrels per day, supplying over 20% of our total oil imports. This increase occurred despite the presence of U.S. import restrictions which were subsequently removed in early 1973. U.S. requests for Canadian oil then increased dramatically and the Canadian government responded almost immediately by imposing export controls on oil, since U.S. demand was attracting oil away from Canadian refineries and threatening to create shortages in that country.

By 1973 Canada was the U.S.'s largest foreign source of crude oil—imports from Canada exceeded the total received from all of the Arab countries in OPEC. Presently, due to Canadian export controls, the Canadian share in the total American oil market is down from 7% in 1972 to 4%, ranking third behind Saudi Arabia and Nigeria. In many regional cases the Canadian share is much higher. In Minnesota, for instance, 20% of the total energy used is supplied from Canadian crude oil, and in other areas the Canadian supply approximated 100% for some refiners and markets.

Following the oil embargo and the subsequent energy shortage in both Canada and the U.S., Canada announced its intention to limit oil exports—which will result in the complete elimination of oil exports to the U.S. by the early 1980's.

Further, in 1973 Prime Minister Trudeau announced that the Ottawa Valley Line would no longer determine the division of Canadian oil supply between imported and domestic sources. Instead, he announced, Canada would embark on its version of Project Independence with plans to construct a $200 million pipeline from Sarnia, Ontario, to Montreal, Quebec. The pipeline will carry 300–900 million barrels per day of west Canadian crude oil eastward. Work on the pipeline has begun with projected completion by winter 1976.

Crude-oil pricing

Canada's imposition of export controls brought Canadian oil pricing policies under scrutiny. Until 1973, Canadian oil prices were determined by demand and supply in the protected U.S. market and the segregated Canadian market west of the Ottawa Valley, while the slightly lower prices in eastern Canada were determined by forces in the international market. As shortages of crude oil in the U.S. became evident even before the Arab oil embargo, and as U.S. market prices began to rise, Canada was forced to re-evaluate its energy policies. Canada could either allow domestic oil prices to parallel open-market prices in the U.S., or it could protect domestic prices and insulate Canadian consumers from U.S. oil-price developments.

Canada chose the latter course. The government's decision was influenced chiefly by the feeling that U.S. oil-price increases were due to factors unique to the U.S. and should not be imposed on Canadian consumers, as well as the feeling that the U.S. price increases were likely to be relatively temporary.

The Ottawa government implemented their new policy by levying an export charge on all oil shipments to the U.S. and using the proceeds from the charge to subsidize imports of oil in the eastern provinces. In October, 1973, the charge amounted to 49¢ per barrel of light crude oil, but subsequently rose sharply to a high of $6.40 and is now set at $4.50 per barrel. Basically, the export charge of $4.50 reflects the difference between the delivered price of imported oil into Montreal and the controlled wellhead price of oil in Alberta—which is currently $8.00 per barrel.

NATURAL GAS

The situation in the Canadian natural gas market is very similar to that of the oil market outlined above. Canada feels that it does not have sufficient natural gas production capacity to meet domestic energy demands and to fulfill existing export contracts during the balance of the decade. Thus, under the guidance of the NEB, the Ottawa government has decided to cut back Canadian natural gas exports to the United States. In addition, the export price of Canadian natural gas has more than quadrupled in the past three years. Canadian officials explain that highest gas prices are intended to bring the price of natural gas in line with the market values of competitive fuels, both to conserve a nonrenewable resource and to stimulate development.

EXPORT CUT-BACKS

Until a few years ago Canada was virtually the only foreign supplier of natural gas to the U.S. About 40% of Canadian gas production is exported to the U.S. (one trillion cubic feet), accounting for roughly 4% of the total U.S. natural gas consumption. As in the case of oil, Canadian natural gas is far more important in many regional U.S. markets than the 4% figure would indicate.

For example, Canadian natural gas exports account for:

71% of the gas consumed in New Hampshire, Vermont and Maine;

60% of the gas in Montana;

30% of total natural gas consumption in California, Washington and Oregon.

15.3% of the natural gas in Minnesota, Wisconsin and Michigan.

While oil is exported on monthly contracts, natural gas is sold for export in long-term contracts generally running for 25 years. There are presently a number of contracts permitting annual deliveries of up to one trillion cubic feet per year. However, since the early 1960's, U.S. importers of Canadian natural gas have known that no new exports would be approved by the NEB after 1970. The NEB took this action when Canadian gas reserves were judged inadequate to meet Canadian needs.

The NEB recently conducted extensive hearings into the supply, demand and deliverability of natural gas in Canada. The findings, released in July, 1975, show that the gas supply in Canada will be tight in future years. It was concluded that due to declining discovery rates, natural gas production in Canada would be insufficient for domestic demand and export commitments.

The Canadian government announced that through increased prices and strict allocation, domestic demand for natural gas will be curtailed. Canada may also find it necessary to curtail exports to the United States. However, the Canadian government has recognized the importance of natural gas supplies to certain regions of the U.S. It has assured the U.S. government of a chance to make its views known before a curtailment program is put into effect. The proposed cutbacks in natural gas exports are not expected until the winter of 1976–77.

Natural gas pricing

Recent trends in natural gas pricing in Canada reflect the Canadian view that higher prices are appropriate in both domestic and export markets. The export prices have risen considerably over the past three years, from an average price of 32¢ per thousand cubic feet (mcf) in 1973 to $1.60 per mcf as of November 1, 1975. Canadian domestic prices have also risen; natural gas now sells at the "city-gate" of Toronto at $1.25 per mcf.

Canadian natural gas export pricing is governed by three criteria set forth by the National Energy Board:

The export price should recover its appropriate share of the costs incurred.

The price should not be less than the price to Canadians.

The export price should not result in prices in the United States marketplace materially less than the cost of alternative sources of energy.

Canadian authorities believe that natural gas prices have for too long been unrealistically low, creating an artificial demand which has led to profligate use of this fuel. This relative undervaluation has had two results: the uneconomic use of a premium fuel, and a more rapid growth in demand for natural gas in North America than for other fuels. Despite rapid growth in the supply of natural gas, the undervaluation has resulted in unsatisfied demands for gas and the prospect of continuing shortages.

While desiring to receive fair market value for natural gas, Canadian authorities plan to direct the increased revenues from higher prices to producers. It is hoped that by stimulating new exploration and development, this will increase future supplies. Prospects for increasing output of natural gas in Canada are good, due to promising regions which are thought to have vast, yet unproved, reserves.

OTHER ENERGY SOURCES

Although U.S.-Canadian energy affairs revolve primarily around oil and natural gas, other energy sources play a role in the relationship. Bilateral trade in coal, electricity and uranium has assumed more importance as the nations strive to free themselves from unreliable or unstable energy producers. These energy sources are significant to both countries as alternative generators of energy.

Coal

In the matter of coal, as with both gas and oil, Canada has a geographical problem. The major coal reserves in Canada are in the western part of the country, while consumption is concentrated mainly in central Canada. The problems of transporting energy sources from the western part of Canada to the central and eastern regions necessitate energy importation. Canada imports about 18 million tons of coal from the U.S. annually, while exporting more than half (12 million tons) of its domestic production to Japan.

Canadian authorities, greatly concerned about the deliverability problem, have also expressed concern about recent and prospective increases in the price of U.S. coal. This, along with the increased American demand for coal, has made western Canadian coal a more attractive alternative for the Ontario energy requirements.

With 120 billion tons of proven coal reserves of various grades, Canada theoretically has the ability to meet all its coal requirements for many years. It is interesting to note that the coal Canada imports from the U.S. is sometimes used to American advantage. Last year, for example, Ontario Hydro, the largest importer of American coal, exported 5.9 billion kilowatthours of electricity—the equivalent of 2.1 million tons of coal or 31% of its coal imports—to the United States.

Electricity

Canada has exported electricity to the United States since before the turn of the century. A series of strong interconnections have been developed between Canadian and American utilities for mutual support in emergencies and for the exchange and sale of surplus power and energy.

In the last few years, with decreasing surplus capacity existing among U.S. utilities, Canadian total exports of electrical energy have increased from 5.6 billion kilowatthours in 1970 to 15.4 billion kilowatthours in 1974. Over the same period, Canadian imports of U.S. energy have declined from 3.2 to 2.1 billion kilowatthours. Trade relations in electricity have been enhanced by the fact that Canada and the U.S. face peak electrical usage at different times of the year—Canada in the winter, the U.S. in the summer.

Uranium

Principles underlying Canadian petroleum and natural gas export policies are also reflected in the export provisions of the new uranium policies announced by the Canadian government. Canada has urged the provision of a supply protection policy, as well as a stable pricing mechanism, to ensure that exports would receive fair market values.

In 1964, the United States, which was then the main purchaser of Canadian uranium, placed an embargo on all uranium coming into this country to protect and to provide incentives for domestic producers facing harsh foreign competition. The embargo, now scheduled to be phased out by 1977, was not well-received in Canada. However, due to recent changes in the demand for uranium, Canada expects an increased market for their plentiful uranium resource. In fact, the Canadian government has placed export controls on uranium to preserve its domestic supply. According to U.S. State Department officials, there is no major point of contention between the two countries over uranium.

ALASKAN NATURAL GAS PIPELINE ROUTES

The North Slope of Alaska could be one of the primary sources of natural gas for the United States after 1980. Already 26 trillion cubic feet of reserves have been confirmed and more discoveries are expected. Two applications to construct gas transportation systems from the North Slope are currently pending before the Federal Power Commission.

The outcome in this matter may be greatly affected by U.S.-Canadian relations because one of the proposals under consideration includes a gas pipeline which traverses Canada. Critics of this project say that recent anti-U.S. Canadian actions like the nationalization of the potash industries indicate that Canada cannot be relied upon to maintain their side of the bargain. However, others contend that U.S.-Canadian relations have not declined and cite numerous instances when both countries have successfully joined in a cooperative effort—like the construction of the St. Lawrence seaway. Due to this controversy, the bilateral relations are expected to undergo close scrutiny before a pipeline decision is made.

One proposal is that the El Paso Natural Gas Company through its subsidiary, the El Paso Alaska Company. Their proposal is to build a pipeline to carry the natural gas from Prudhoe Bay south through Alaska to Point Gravina where it would be liquidified and carried by tanker to Point Conception in Southern California.

The competing proposal is that of the Alaskan Arctic Gas Pipeline Company and its affiliate, the Canadian Artic Gas Pipeline Company. In this system, Canadian and Alaskan gas will be carried in a pipeline across Canada, with Canadian gas leaving the system in Alberta and American gas continuing through proposed pipelines to the upper-Midwest states.

The two proposals have been presented to the Federal Power Commission. The El Paso Alaska Company claims that:

The Trans-Alaska project is entirely within the jurisdiction of the U.S.;

The economic benefit of their project will be significant to the United States—it will provide employment for many American workers;

The Trans-Canadian project requires the spending of billions of dollars in Canada, the employment of Canadian workers and the payment by U.S. customers of billions to Canadian taxing authorities;

The environmental ramifications of the Trans-Alaskan pipeline will be far less than the Trans-Canadian project;

The construction of the El Paso project can be commenced more expeditiously than the proposed Trans-Canadian delivery system.

The Alaskan Arctic Gas Pipeline Company states their case and rebuttal as follows:

The existence of Canadian lands does nothing to alter the Trans-Canadian system as the obvious choice of transportation method;

The total cost of the project will be several hundred million dollars less than the El Paso project;

The Arctic Gas Project provides the most environmentally sound transportation for Alaskan gas;

The U.S. government and Canada have signed a Transit Pipeline Treaty which provides for an open framework for pipeline discussions between the two countries;

The U.S. and Canada are the world's largest trading partners and have cooperated on pipeline projects in the past. All of the oil consumed in eastern Canada, as well as over 50% of the natural gas traverses U.S. territory.

The Arctic Gas Company can start tapping the Alaskan gas supply 19 months before El Paso.

The Department of Interior has conducted an economic and technical feasibility study of two alternative delivery systems for Alaskan gas, each roughly analogous to the proposed Trans-Canada pipeline and the Trans-Alaska tanker projects. The Interior study, summarized in a report to Congress in December 1975, indicated that either route appeared technically feasible and that there were considerable benefits from bringing the Alaskan gas to the lower 48 states. The report did not develop information which permitted a decision as to which route was preferable. The Federal Power Commission, having already issued a draft environmental impact statement, wil shortly enter into phase two of its hearings into the competing applications for approval of the two proposals. An FPC decision is expected by the end of 1976.

However, congressional action concerning the choice of pipeline routes will undoubtedly preempt the FPC decision. Legislation has been introduced in both the House and the Senate on behalf of both proposed pipeline routes for Alaskan natural gas. Siding with the El Paso project are Senators Mike Gravel (D.-Alaska) and Ted Stevens (R-Alaska), while submitting legislation behalf of the Trans-Canada pipeline are Congressman Philip Ruppe (R.-Mich.) and Senator Walter Mondale (D.-Minn.). Both sides have also introduced legislation to expedite juridicial and licensing procedures once a route has been chosen.

Hearings in Canada before the National Energy Board began in October, 1975 for the Trans-Canada Pipeline project and a competing all-Canadian proposal which would carry only Canadian gas from the MacKenzie Delta to markets in Southern Canada. A final Canadian government decision is expected late in 1976 based on the findings and recommendations of the NEB. An independent inquiry into the social and economic impact of a northern pipeline is now underway by British Columbia Supreme Court Justice Thomas Berger.

THE CANADIAN POSITION

The Canadian energy outlook resembles that of the United States; both are relatively well-endowed with potential, although high-cost, sources of domestic energy. Canadian efforts to achieve energy independence are bolstered by the "Canada first" policy, elaborated from the "Third Option" decision made by the Canadian government. The "Third Option" is intended to reduce Canadian dependence on and vulnerability to the United States by strengthening Canada's own economy and ties with other countries, rather than by reducing ties with the U.S. As a means of securing independence, the "Canada first" program places the fulfillment of Canadian energy needs before consideration of energy exports.

High world oil prices have made it imperative for Canada to supply domestic needs with indigenous sources where possible. Canada's declining oil reserves means that the former rate of oil production, which was surplus to Canadian needs, has slowed. Although this has forced a curtailment of exports to the United States, the Canadian government has tried to accommodate U.S. needs by gradually phasing out oil exports instead of cutting them off abruptly. Further, the Canadian government has agreed to facilitate oil exchanges wherever consistent with other energy policy objectives to mitigate the adverse effect of the export curtailment on Canadian dependent refineries.

Canadians justfy their crude oil export tax by arguing that they cannot export oil to the U.S. at lower than the world-market price, which eastern Canada must pay for its imported oil. Canadian policy is to increase domestic oil prices to world levels and, as this is done, the export tax will decline.

Canadians maintain that natural gas is a diminishing natural resource and a fuel of high value because it is relatively clean burning with a limited environmental impact. Moreover, nearly half Canada's natural gas is being exported at a time when all potential Canadian users cannot be satisfied. The Canadian government also feels that it must get fair marketvalue for its exports of this fuel which substitutes for higher priced alternative fuels such as heating oil and residual fuel oil. Canada feels that the current American interstate market price of above $2 is indicative of the true resource value of natural gas in the United States and makes a case for the rise in Canadian gas export prices.

THE AMERICAN POSITION

The curtailment of Canadian crude oil and natural gas exports to the United States will have a major effect on certain regions—particularly the Northwest, the Northeast and the upper Midwest—which have come to rely on Canada as a source of energy. U.S. officials understand Canada's objective of limiting dependence on imported oil to protect its own economy from potential disruptions due to price and supply uncertainties. However, they believe that both nations' interests might be better served by the continued export of current and future surplus capacity to the U.S.

The U.S. State Department concurs with a U.S. government analysis which indicates that Canada's balance of payments could be improved substantially if Canada exported more oil now and imported more later. According to the analysis, Canada could maximize its export revenues during the time it had an exportable surplus; this continued export would give the U.S. more time for its landlocked refineries to adjust to the loss of Canadian oil and the coming on-stream of Alaskan production.

Further, the United States has steadfastly argued that the Canadian price increases in both natural gas and crude oil are discriminatory, since the U.S. is Canada's sole export customer. The United States argues that the two-tier system for the pricing of natural gas and crude oil may lead to the misallocation of resources and a distortion of efficient trade patterns, since low domestic prices in Canada will encourage inefficient use of energy resources. The fact that the Canadian government abruptly altered long-term natural gas contracts by raising prices has also irritated American companies.

U.S. State Department spokespersons similarly contend that a continued export tax on Canadian crude oil could eventually distort efficient, market-determined trade patterns. They point out that U.S. consumers have been forced to subsidize Canadian oil consumption by paying the export tax on crude oil.

Representatives on the American side also argue that the imposition of the crude oil export tax and the tax policies on natural gas have cut producer's profits in Canada and have lessened their incentive for further exploration and profit. By cutting these taxes, Americans posit, Canadian producers can not only produce more energy, but can also afford to seek out new areas for exploration.

RECOMMENDATIONS

In the United States there is widespread public misinterpretation of the basis of the Canadian actions affecting oil and natural gas exports to this country. The complexity of the issues involved provides fertile ground for mistrust of Canadian motives. In Canada, discussions for bilateral options tend to become polarized along the line of "continentalism" or complete independence. These misunderstandings have produced an emotion-charged atmosphere in bilateral energy relations. If not overcome, this could result in actions by both countries that would effectively foreclose options which might subsequently appear mutually attractive. Keeping this in mind, we make the recommendations outlined below.

1. Bilateral discussions of Canadian-U.S. energy relations should be conducted on an on-going basis, dealing with regional concerns before they become national problems.

2. The U.S. and Canada should encourage the process of swapping crude oil to ease shortages in both countries.

3. The two nations should carefully examine the possibility of a swap of liquefied natural gas, or a trade-off in which we import Canadian natural gas now in exchange for Alaskan natural gas exports in a few years.

4. Every effort should be made to expedite legislative and judicial proceedings necessary for the eventual delivery of Alaskan natural gas to the lower 48 states.

5. Because we recognize that high prices are an incentive for industries to seek new energy resource fields, we urge Canada to raise its domestic price of energy. This could result in new resource discoveries which would lessen the pressures to curtail Canadian energy exports to the United States.

6. The U.S. should embark on a positive energy policy which aims for self-sufficiency in energy yet recognizes the new interdependencies of the world.

Mr. MOSHER. Mr. Speaker, I am pleased to join with our distinguished colleague from Michigan on this special order regarding United States-Canadian relations. Today, I am inserting into the RECORD one chapter from a recent study on bilateral relations with Canada which I cosponsored.

This chapter discusses current developments in Canadian policy on communications industries. As you may know, several actions by the Canadian Government regarding U.S. media activities have caused concern in American communications industries.

The chapter from our United States-Canadian relations report follows:

UNITED STATES-CANADIAN RELATIONS: COMMUNICATIONS INDUSTRIES

The Canadian government has made major efforts in recent years to vitalize Canada's communications industries. Reacting to what it sees as excessive American involvement in the production and marketing of Canada's broadcast and print media, Ottawa has enacted or proposed several measures sharply restricting the activities of U.S. firms in Canadian communications markets. Through these protective steps, the Canadian government hopes to stimulate a "Canadian cultural product"—published or broadcast material relevant to Canada, produced with Canadian talent, advancing the financial and cultural interests of Canadians.

In the United States, these developments have caused concern over their potentially damaging effect on U.S. trade with Canada. The U.S. State Department has expressed American reservations over the new policy initiatives to the Canadian government. Affected business interests in the United States are seeking additional recourse in the Canadian courts, the U.S. Federal Communications (FCC), and the U.S. Congress. If an accommodation cannot be reached, retaliatory action by the United States, in the form of new tariffs or other trade barriers, is possible.

BACKGROUND

In the past year, the Canadian government has sponsored the following moves in furtherance of its national cultural goals:

Affirmation of a policy directive issued by the Canadian Radio-Television Commission (CRTC), requiring the deletion of advertisements from U.S. programs carried in Canada on cable television;

A proclamation by CRTC of noncompulsory guidelines to ensure that 70 per cent (rising to 80 per cent in three years) of all television commercials broadcast nationally in Canada are produced there;

A bill in Canada's Parliament eliminating the business expense tax deduction for Canadian advertising on U.S. broadcast stations;

Another provision of the same bill, eliminating the tax deduction for advertising in periodicals in Canada whose editorial content is not at least 80 per cent different from foreign editions and whose ownership is not at least 75 per cent Canadian;

A warning by Canada's Secretary of State that government action to protect the indigenous publishing industry in Canada may be forthcoming.

Each of these measures is plainly designed to cut off the flow of Canadian money to American media in Canada or near her borders, and thereby to make more funds available for Canadian broadcasting and publishing enterprises.

Commercial deletion

A central issue in the current debate is a 1973 CRTC order requiring the deletion of U.S. commercials aired in Canadian border cities by cable TV. This order has been implemented as a condition of license renewal for Canadian cable companies.

In 1975, Canadian cable TV stations in Calgary and Toronto deleted advertisements from their transmission of broadcasts from neighboring U.S. border television stations. When, for example, a Buffalo, New York station was showing "All in the Family", a Canadian cable operator in nearby Toronto would re-transmit the Buffalo signal to the home televisions of cable subscribers in Canada; but the cable operator would delete the advertisements sponsoring the Buffalo broadcast, and substitute Canadian commercials or public service announcements.

Three Buffalo television stations whose broadcasts have been subjected to commercial deletion by a Toronto cable TV company have protested the CRTC order. The Buffalo stations have filed suit in Canadian courts to test the legality of the commercial deletion and the CRTC policy authorizing the practice. The Canadian Federal Court of Appeals ruled in favor of CRTC and against the Buffalo stations in January 1975. The Buffalo stations have appealed the ruling to the Supreme Court of Canada, where the matter is pending.

But, in apparent despair of receiving relief in Canada, the Buffalo stations submitted an application to the FCC in October 1975 requesting permission to erect an experimental "jamming" mechanism to prevent their broadcasts from being seen by viewers on the Canadian side of the border. The application for the "jamming" permit was made after a June 1975 conference between FCC Chairman Richard Wiley, U.S. State Department officials, and Pierre Juneau, then-chairman of CRTC, failed to bring about a softening of Canadian policy. The FCC has not taken action on the application.

In both the suit against CRTC and in the "jamming" application, the Buffalo stations have argued that in the absence of any violations of law or treaty, U.S. television stations should be allowed "the opportunity to earn the honest and lawful rewards" of the service they provide. Canadian cable carriers do not pay U.S. stations for the right to transmit U.S. broadcasts, but do pay Canadian commercial stations for carriage rights. The Buffalo stations point out—and Canadian authorities acknowledge—that the free transmission of popular U.S. programs is a major factor in the growth and increased profitability of the Canadian cable TV industry. (In 1973, during which operating revenues for Canadian cable operators totaled about $107 million, before-tax profits were $22.5 million—providing an after-tax return of 17% on equity investment. 1974 before-tax profits were $29.5 million.)

The U.S. stations argue that if Canada's government is seriously interested in protecting and stimulating that nation's television industries, the government should bar U.S. *programming* as well as commercials from Canadian airwaves. But to allow the profitable use of U.S. programming without permitting the originating stations to collect contracted revenues, they contend, is tantamount to piracy.

One Buffalo station's advance commitments from Canadians to buy advertising for the first quarter of 1976 totaled only 40% of the commitments it had received for the first quarter of 1975. The station claims that the commercial deletion has been a major factor in the dropoff in commitments.

The position of the Canadian government up to now has been firm and unmistakeable. In reviewing its commercial deletion and substitution orders, CRTC affirmed in September 1975 that this policy "remains an appropriate and necessary means to implement the policy objectives for the Canadian broadcasting system which are set out in the Broadcasting Act." The Broadcasting Act, passed in 1968, makes it Canadian federal policy to promote a nationwide television system which reflects and contributes to Canada's emerging national identity.

At stake in the commercial deletion matter, the Canadian broadcast authorities contend, is an annual $20 million in revenues paid by Canadian advertisers to U.S. border stations. Canadian broadcasters concede that comparatively slender ad revenues now make it difficult for Canadian producers to compete with the bigger-budgeted television programs produced in Hollywood. Until the Canadian TV industry earns more liberal production allowances, it is clear that Canadian viewers will continue to watch U.S. programs, and Canadian advertisers will continue to sponsor U.S. programs to reach the greater viewing audiences. But, the Canadians say, if the funds traditionally attracted by U.S. programing were invested in Canadian production, the Canadian industry might one day produce competitive programing and generate revenues without protective regulation.

The CRTC has argued that there is nothing wrong with deleting part of U.S. television broadcasts, since U.S. television stations are not licensed to serve Canada. But, significantly, Canadian cabe TV companies have shown no enthusiasm for the deletion of commercials, and newspaper editorials in Toronto, Winnipeg and Vancouver have called the deletion policy a license for "piracy" and "theft".

Commercial guidelines

In January 1976 CRTC issued noncompulsory guidelines for the proportion of indigenous commercials Canadian networks will be expected to carry. The measure asks that 70 percent of all television commercials (rising to 80 percent in three years) be produced in Canada. For monitoring purposes, Canadian broadcasters will be required to register the national origin of every commercial aired.

The leading performers' union in the United States, the 30,000-member American Federation of Television and Radio Artists (AFTRA), has said the guidelines could result in more unemployment for actors in the U.S. television and radio commercials. AFTRA believes the new rules might lead U.S. corporations to produce one commercial in Canada for use in both countries.

But Canadian officials expect the "70 per cent" guidelines to have only limited effect on the United States industry, since 60 to 70 per cent of all TV commercials shown in Canada now are produced there.

The Association of National Advertisers, and American group, echoes the Canadians' belief that the guidelines would not make United States advertisers move production operations out of the U.S. The Association says that the power of United States unions to stop the broadcast of Canadian-made commercials here would be a deterrent to such a change.

The tax bill

The tax bill, C–58 in Canada's House of Commons, would prohibit advertisers from taking the business expense deduction from Canadian income tax presently allowed for advertising in foreign media. Such a measure would effectively create a 100 per cent tariff on Canadian commercials aired or published outside Canada. The tax bill complements other Canadian government efforts to enhance the profits and production capabilities of domestic media by discouraging the flow of Canadian capital to the United States.

Bill C–58 was passed in the House of Commons in March, 1976, and now awaits *pro forma* ratification by the Canadian Senate. Once that approval is granted, the bill will become law.

For U.S. border television stations, the tax bill, combined with continuing deletion of commercials, would present a formidable obstacle to the stations' ability to attract Canadian advertising. The National Association of Broadcasters (NAB), representing United States television and radio stations, has protested strongly against the bill. NAB has urged the U.S. State Department to communicate to the Canadian government the dissatisfaction American broadcasters feel over the discriminatory nature of the tax proposal.

Bill C–58 would also eliminate the special tax treatment enjoyed in Canada by *Time* magazine and a handful of other periodicals since 1965. A 1965 Canadian statute allowed advertisers to take tax deductions for ads placed in periodicals whose ownership was at least 75 per cent Canadian, and whose content was "not substantially the same" as a foreign version's. Ordinarily, the Canadian editions of *Time* and *Reader's Digest* would not have qualified under this law for tax deductible advertising. But those two publications, with a few smaller magazines, were exempted from this measure, apparently because they had already established operations in Canada by 1965.

The tax bill would now require 75 per cent Canadian ownership for a periodical to offer tax-deductible advertising, as before; and, it would further define a "Canadian" periodical eligible for tax-deductible ads as having at least 80 per cent different content than a foreign edition.

In a compromise move, the Canadian government announced in February 1976 that *Reader's Digest* may continue to publish its Canadian edition if American material is condensed and edited in Canada.

But in response to House of Commons passage of the tax bill, *Time* Magazine ceased publication of its Time-Canada edition in early March 1976. *Time* will continue to print a magazine for Canadian distribution, but *Time's* editorial staff in Canada has been disbanded, the Canadian section of the magazine (normally 5 or 6 pages per issue) has been discontinued, and rates for Canadian advertisers are being cut in half to deal with the end of tax-deductible status for advertising. *Time* officials say these changes will cut the magazine's profits in Canada in half.

Time—like *Reader's Digest*—had consistently signaled its willingness to effect 75 per cent Canadian ownership of its Canadian subsidiary in order to comply with provisions of the tax bill. In addition, *Time* had hoped for a compromise on the content requirements. The magazine's executives had said that a "50 per cent different" content rule once suggested to them by Canadian Secretary of State Hugh Faulkner would have been acceptable, on the grounds that it would establish a "substantial" difference between Canadian and foreign editions without forcing publishers to print a wholly separate magazine in Canada. But, said *Time,* the "80 per cent different" content figure amounted to censorship of the press, a condition *Time* could not accept.

BOOK PUBLISHING

Another sign of Canada's intentions came in an address by Secretary of State Faulkner to the Association of American Publishers in April 1975. Secretary Faulkner told the book publishers that unless their subsidiaries north of the border grow more responsive to the cultural needs of Canada (through increased attention to native fiction, poetry, criticism and letters, for example), regulation and legislation would be put to use to allow Canadian publishers to fill those needs. At any rate, Mr. Faulkner said, his government would soon subject foreign publishers to "careful scrutiny" and is now considering measures to fortify the health of the Canadian book publishing industry.

U.S. Government efforts to date

With the appearance of steadily more aggressive proposals from Ottawa, concern in the United States for the stability of U.S.-Canadian communications trade has intensified. An unceasing exchange of diplomatic letters and contacts between the two countries since 1974, all touching at least in part on communications matters, testifies to the importance attached to these disputes in both governments—and, as well, to the absence of easy solutions.

In a July 1975 letter to United States Secretary of State Henry Kissinger, Senator James Buckley (C–N.Y.) and 14 other Senators asked for State Department action to renew diplomatic negotiations in the television controversy. They wrote, "When combined with the commercial deletion policies of the CRTC, such [tax] legislation would appear to be aimed at the total elimination of U.S. television stations from Canadian advertising markets . . . If Canada were seeking to reject the services of U.S. stations in their entirety, actions aimed at preventing the sale of advertising—however regrettable—would at least be understandable. The fact is, however, that . . . the CRTC actively promotes . . . the reception of U.S. stations' *program* services . . . in its licensing of Canadian cable television systems."

In September 1975, Senators Warren Magnuson and Henry Jackson, both of Washington state, said in a separate letter to the Secretary of State that the tax bill and commercial deletion "must be viewed as calculated trade discrimination." Senator Magnuson is chairman of the Senate Commerce Committee, and is known to be considering retaliatory trade legislation.

At a news conference at the end of a 2-day visit to Ottawa in October 1975, Secretary Kissinger said that he had discussed the television and publishing matters with Allan MacEachen, Canadian Secretary of State for External Affairs. Mr. Kissinger noted then that feelings in the United States were "rather intense" on the television issue, but that any final disposition of the problem would have to await the decision of the Supreme Court of Canada in the suit brought by the Buffalo stations.

Continuing diplomatic contacts produced a new meeting between U.S. and Canadian officials January 13, 1976 in Ottawa. At that meeting, for the first time, Canadian officials formally agreed to consider alternatives to the commercial deletion approach to encouragement of the Canadian television industry. Additional talks to search for solutions to the deletion controversy are planned for the near future.

RECOURSE

The broad range of matters discussed here have caused concern in the United States. It is our hope that the Canadian government will consider the legitimate trade interests of the United States in any new actions affecting communications industries in Canada. However, if we are led to conclude that U.S. trade interests are being unfairly restricted or compromised, several avenues of recourse would be open to us.

Trade Act of 1974

The U.S. Trade Act of 1974, passed to promote free and nondiscriminatory world trade, permits the President of the United States, upon a finding of unfair foreign treatment of U.S. trade interests, to take remedial action. Subject to Congressional approval, the President may revoke trade agreement concessions or impose new duties or other restrictions on the products and services of the offending country.

The Trade Act also allows "interested parties" to file complaints with the Special Representative for Trade Negotiations, and Ambassador-level official who coordinates U.S. trade policy and is the President's chief representative in international trade negotiations. The Special Representative is empowered to conduct public hearings, investigate complaints, and report semiannually to the House of Representatives and the Senate. If Congress determines action is warranted, it could take measures it deemed appropriate.

The Trade Act covers both "goods" and "services" in international trade, and therefore advertising—generally considered a "service"—in U.S. broadcast and print media are included in the activities protected by the Act.

The Trade Act has never before been used against a major trading partner, but its provisions appear to offer ample recourse should we need to turn to it.

Jamming

Arguing for approval of a "jamming" permit for the Buffalo stations (and henceforward for others that might need to seek one) would be a distasteful course, but it must be considered an option. "Jamming" would be costly for our stations and unpopular with Canadian viewers, but it would, at least, put a stop to the pirating of U.S. television programs on Canadian cable TV. We note that the U.S. Federal Communications Commission, in a preliminary determination, has advised the Buffalo stations that "jamming" would not be a violation of international law.

RECOMMENDATIONS

We recognize the right of sovereign nations to make foreign and domestic policies consistent with national goals. However, it is apparent to us that the Canadian government has charted a course in communications policy which is discriminatory to trading interests in the United States. How far Canada follows that course will ultimately determine the need for and the character of our response.

Our television stations near the Canadian border have been faced with regulations threatening, and in some cases injuring, their ability to fulfill contractual advertising obligations. Pending legislation, if enacted, could severely hamper the ability of U.S. television stations and magazines to earn advertising revenues in Canada. Stricter guidelines on the production of commercials in Canada may have a detrimental effect on employment among American performers. In the absence of blatantly unlawful commercial practices by U.S. firms, or other mitigating circumstances, a positive United States response to these developments is in order.

To that end, we offer the following recommendations:

1. If progress continues in the talks on the commercial deletion matter, U.S. border stations should be encouraged to offer ameliorative proposals, such as the establishment of "shell" subsidiaries in Canada (for management of Canadian ad revenues) which would be liable for Canadian income tax levies, in return for an end of the deletion practice.
2. If no progress is made in the negotiations over commercial deletion, consideration should be given to endorsing U.S. border stations' requests for permission to "jam" their own signals beamed toward Canada.
3. The Special Representative for Trade should be asked to investigate whether Canada's policies in the several communications fields are discriminatory to U.S. trade with Canada.
4. President Ford should be asked to undertake a similar investigation, with a view toward possible swift action under the terms of the Trade Act of 1974 is warranted.

Mr. GRADISON. Mr. Speaker, as another cosponsor of this study effort on United States-Canadian relations, I share the belief that bilateral relations with Canada are deterioriating.

The following section on trade and foreign investment points out that although the United States and Canada have the largest bilateral trading patterns in the world, many problems exist. These areas of irritation include: foreign investment in Canada, agricultural trade, and the United States-Canadian automotive agreement. My colleagues should find this section very interesting.

United States-Canadian Relations: Trade and Foreign Investment

Since World War II, Canada and the United States have maintained a "special relationship" based on economic and political ties. There has been a tremendous integration of the two economies for both economic efficiency and development. Canada and the United States have the largest bilateral trading patterns in the world, amounting to approximately $40 billion. The United States supplies 70% of Canada's imports and about 66% of its exports. In recent years, however, the "special relationship" seems to be breaking down.

Canadians have become increasingly wary of their neighboring economic giant to the south. Some Canadians claim that their country is one huge American plant. Figures indicating the extent of U.S. domination of the Canadian economy support the Canadian claims. Americans own 80% of the long-term foreign investment in Canada. They control 96% of the auto industry, 90% of the electrical equipment industry, and 50% of all manufacturing. Moreover, the U.S. "Trading With the Enemy Act" has forbidden Canadian subsidiaries to trade with Cuba, North Vietnam, North Korea and, until a few years ago, China.

Canadian economic nationalism is clearly observable in a recent Gallup poll. Fifty-eight per cent of the Canadians interviewed indicated that Canada should buy a majority control of U.S. companies operating in Canada, even if it meant a reduction in Canada's standard of living. Support for this proposal has risen 12% in the past five years. In fact, nationalist sentiment has escalated on such a broad scale that the Canadian government—a traditional ally of the U.S.—has taken heed.

In recent years, through legislative and executive action, Canada has curtailed American imports of both capital and agriculture. Trade restrictions imposed by Canada, and by the U.S. in retaliation, have been the source of much hard feelings between the two countries. Consequently, the bilateral trade affairs reflect problems faced by the more general relations between the United States and Canada.

Presently there are three specific areas of irritation in U.S.-Canadian trade relations: foreign investment in Canada, agricultural trade, and the U.S.-Canadian Automotive Agreement.

FOREIGN INVESTMENT IN CANADA

Canadians are becoming increasingly concerned that so much of their industry is owned and/or controlled by foreigners. In 1970, for example, foreigners controlled 98% of the nation's petroleum industry, 78% of its chemical production, and 57% of the manufacturing sector. Of the more than $50 billion for foreign investment in Canada, more than 75% is U.S.-controlled.

"About $270,000 an hour is drained from Canada every day of the year and most of it by American corporations," says a spokesperson for the Committee for An Independent Canada, an organization trying to decrease foreign investment. These figures have caused the Canadians to reconsider their economic relations with the United States and attempt to gain control of more of their own industry.

In a position paper prepared by the Trudeau Government in 1972, three options were proposed regarding Canada's economic relations with the U.S.:

Maintenance of the status quo;

Closer integration with the United States;

Strengthening of the domestic economy to secure Canada's independence.

Not surprisingly, the third option was endorsed by the Trudeau Government. The policy was devised to reduce Canadian economic vulnerability to the U.S. In a subsequent move to limit foreign economic control of Canada, the Canadian government passed legislation to review new foreign investment.

Canadian legislation

The Canadian Parliament passed the Foreign Investment Review Act on December 12, 1973, and according to the Canadian government, the purpose of the Act is to ensure that foreign investment will be of significant benefit to Canada. The Act gives the Canadian government the legal authority to review:

Foreign acquisitions or control of Canadian firms with assets valued at more than $250,000 or with revenues exceeding $3 million.

Establishment of new businesses by foreigners not already doing business in Canada.

Opening of a new business by an existing foreign-controlled firm in an unrelated line of activity.

The Act does not provide for the review of expansions of existing foreign controlled businesses or for the review of the establishment of new businesses which are closely related to a foreign controlled business presently operating in Canada.

The Foreign Investment Review Agency, created to enact the new law, has drafted a "significant benefit test" to guide its determinations. The Agency weighs such factors as:

Whether the nation will benefit by increased employment or technology.

What the effect on Canadian competitors will be.

The extent of Canadian ownership and management in the venture.

Assurances that highly trained employees as well as sophisticated hardware will stay in Canada.

Observers in the U.S. felt that passage of the Act would have long-range effects on American investment in Canada. Thus far, however, the effect on American investment has been nominal: the Foreign Investment Review Agency has recommended five takeover bids for every one rejected. In a recent decision by the Foreign Investment Review Agency, the Citicorp Leasing International Inc. of New York was allowed to take over North American Business Equipment Ltd., Direct Leasing Ltd., and Medi-Dent Service Ltd. The three are Burlington, Ontario-based equipment-leasing subsidiaries of Hamilton Group Ltd.

In 1975, Parliament passed two additional bills affecting foreign investment. One calls for a majority of Canadian directors on boards of foreign controlled corporations. American corporations, however, had foreseen passage of this Act, and once the law went into effect, very few changes had to be made for American corporations in Canada to comply with the regulation.

The second bill, amending the "Combines Investigation Act", states that any person, or company, who obeys any foreign law, directive, or court order that harms either domestic or foreign trade of Canada is subject to a two-year term of imprisonment. This amendment is aimed at U.S.-owned subsidiaries which obey the U.S. "Trading With the Enemy Act".

This amendment may have little effect on the United States because American subsidiaries in Canada, wishing to trade with nations such as Cuba, have formerly been able to skirt the "Trading With the Enemy Act" when Canadian directors of a corporation outnumber their American counterparts. American observers maintain that the passage of this legislation has more a taint of nationalism than of real economic substance.

AGRICULTURE

Agricultural trade between the United States and Canada exceeded $2 billion in fiscal 1975, with an American surplus of over $800 million. This surplus can be traced to two factors:

The U.S. does not import Canada's major global export—wheat and grains.

Canada imports from the U.S. fruits and vegetables which, because of the Canadian climate, cannot be produced there.

With a volume of trade this large, and an imbalance between the two countries, it is understandable that difficulties or "irritants" should occasionally arise. Three such irritants are presently troubling U.S.-Canadian agricultural relations: the planned nationalization of the potash industries; current Canadian legislation requiring bilingual labeling of all products sold in Canada and; quota restrictions imposed by both Canada and the United States.

Potash

Late in 1975, the Canadian provincial government of Saskatchewan announced plans to nationalize privately-owned potash industries located in the province. Potash is one of the three major ingredients in the production of fertilizer and a major Canadian export. Though the potash nationalization question is basically a Canadian federal-provincial issue, the proposed action has caused much anxiety in this country for a number of reasons:

Fully 60% of the assets to be taken over are U.S.-owned;

More than 70% of American potash comes from the province of Saskatchewan and American agricultural officials are concerned lest U.S. potash supplies be curtailed;

The price of potash exported to the U.S. could rise as a result of the Canadian takeover.

The Canadian federal government, in a recent "note" sent to the American Embassy, maintained that the purpose of the Saskatchewan takeover legislation is to ensure orderly expansion of production of potash to meet growing world demand. Further, according to the communique, the provincial government of Saskatchewan has assured the federal government that it does not intend to curtail the production of potash with the object of inducing scarcity and artificially forcing up prices.

Recently, concern over Saskatchewan's actions to nationalize potash industries was embodied in U.S. Senate Resolution 403. The resolution, relating to the need to assure the availability of potash for American agriculture, was reported to the floor March 15, 1976, by the Senate Committee on Agriculture and Forestry, chaired by Senator Herman E. Talmadge (D.-Ga.).

Citing U.S. dependence on potash, Saskatchewan's proposed takeover, and the possible resultant fluctuations in the price and supply of potash delivered to the United States, the resolution, passed unanimously by the Senate, made the following recommendations:

The Department of State should express our concern to the Canadian Government as well as the Government of the Province of Saskatchewan that the supplies of potash not be disrupted;

The Department of State should ascertain the precise objectives and anticipated conclusions of the proposed takeover by the Government of the Province of Saskatchewan;

The Department of Agriculture should immediately develop contingency plans to assure an adequate supply of potash for American agriculture in the event that supplies from the Saskatchewan deposits should be temporarily or permanently disrupted.

The Senate resolution implicitly compared Saskatchewan's actions on potash with those of OPEC with respect to oil. However, the recent Canadian "note" to the U.S. Embassy sited the OPEC reference in S. Res. 403 as an example of a general lack of understanding in the United States of the nature of the Saskatchewan action on potash. Immediately following the passage of the Senate resolution, Saskatchewan Premier Allan Blakeney publicly reassured the United States that there would be no change in the availability of potash for American agriculture.

Bilingual labeling

Recent Canadian legislation requires bilingual labeling of imported and domestic products. While U.S. industries recognize that this regulation is part of Canada's effort to enhance its identity as a bilingual nation, it nevertheless places a financial burden on U.S. exporters of agricultural products to Canada. In dealing with the new law, U.S. shippers feel that they have three options:

Convert all shipping cartons to bilingual labeling;

Pack goods especially for the Canadian market;

Ignore the restrictions and run the risk of losing the market.

Hardest hit by the regulations—scheduled to go into effect March 1, 1976—are the small farmers who transport their produce to the Canadian border with little or no wrapping. What is yet to be determined is the extent to which the regulations will be enforced. Stringent enforcement would, of course, discourage trade between the two countries.

Quotas

Import quotas have greatly affected the trade relationship between the United States and Canada. Import quotas, which limit the amount of a commodity that may be imported into a country, are used to stimulate domestic industry and to maximize producers' profits. Canada and the U.S. have imposed trade quotas in a number of areas: beef, veal, pork, cattle, and eggs.

The 1973 wage and price freeze in the United States gave rise to a price differential in beef between the U.S. and Canada. Consequently, American producers began sending their cattle and beef into Canada to take advantage of the higher prices. On April 9, 1974, Canada imposed regulations stating that cattle raised with the use of DES (a growth stimulant) could not be imported into Canada—the reason given being that DES was linked with the formation of cancer in women. The timing of the restriction, however, caused speculation as to what was truly the object of the quota, concern for Canadian women or the influx of American beef. Regardless, this restriction effectively cut off all trade between the two countries in cattle and beef.

In August, 1974, following bilateral negotiations, Canada and the U.S. resolved their differences over the DES beef restrictions. Within a week, however, Canada imposed further restrictive quotas on certified non-DES beef, veal, and live cattle. President Ford responded to the new Canadian quota with an American quota, officially called a compensatory action, on imported Canadian beef, veal, pork, hogs, and cattle. The President, explaining his action, charged that Canada had erected "unjustifiable import restrictions" against U.S. products.

One year later, in August, 1975, all restrictions on U.S.-Canadian trade in cattle. hogs, and pork were removed. This bilateral action was followed on December 20, 1975 by the announcement of an agreement between Canada and the U.S. removing quota restrictions on trade in beef and veal. Canada's Agricultural Minister, Eugene Whelan, expressed his belief that "normal trade in beef and veal between the two countries could be resumed early this year".

Quotas in the egg market have been a further source of conflict between the U.S. and Canada. Canada has implemented egg stabilization policies in an attempt to increase domestic prices and profits. In 1974, the Canadian Egg Marketing Agency, the government arm that controls egg production, destroyed 28 million surplus eggs to keep producer returns up. Subsequently, thousands of surplus Canadian eggs poured onto the American market, selling for as low as 27¢ per dozen.

In July, 1975, the Canadian Egg Marketing Agency, implementing further egg stabilization policies, imposed an import quota on eggs. U.S. Agriculture officials maintain that the quota impeded free trade between the two countries. Presently, both American and Canadian officials have undertaken negotiations to reach an acceptable resolution of the problem.

THE CANADIAN AUTOMOTIVE AGREEMENT

Background

In the early 1960's, the Canadian automotive industry was unable to compete effectively in international markets because of its traditional position as a smaller high-cost duplication of the United States' automotive industry. As a result, the Canadian automotive industry suffered from inefficient production. The degree of inefficiency is reflected by the following facts:

Canadian vehicle prices were at least 10% higher than U.S. prices.

Employees were paid about 30% less in Canada than in the U.S.

The return to capital was probably no higher, on the average, in Canada than in the United States.

In 1961 and 1962, Canada took unilateral steps to improve the competitive stance of the Canadian automotive industry. Canadian proposals, such as duty-rebates to Canadian manufacturers, irritated Canada's economic relationship with the U.S. The two countries sought a mechanism which would allow Canada to develop a more efficient automotive industry without adversely affecting U.S. industry. The resulting Automotive Agreement (The Automotive Products Trade Act), signed by Canada and the United States on January 16, 1965, created the basis for an integrated automotive market by, in effect, removing duties on trade between the two countries in specified motor vehicles and original equipment automotive parts.

The Agreement sets forth three objectives:

The creation of a broader market for automotive products within which the full benefits of specialization and large scale production can be achieved.

The liberalization of U.S. and Canadian automotive trade with respect to trade barriers and other factors tending to impede it.

The development of conditions in which market forces may operate efficiently to attain the most economic pattern of investment, production, and trade.

Each government agreed to avoid actions that would frustrate the achievement of these objectives. Consequently, the U.S. removed its duties on specified new and used Canadian motor vehicles and original automotive parts. Canada fulfilled its obligations under the Agreement somewhat differently, by according duty-free treatment to specified new motor vehicles and original equipment parts on a Most-Favored-Nation basis to all automotive manufacturers who had production facilities in Canada at the time the Agreement was negotiated.

In recognition of a need for a transitional period for the smaller, higher-cost Canadian industry to adjust to the competitive pressures of the larger North American market, certain restrictive measures were set forth in an annex to the Agreement:

Only bona fide Canadian vehicle manufacturers may import automotive products duty-free and,

In order to be considered bona fide, manufacturers must meet certain minimum Canadian value-added and Canadian production-to sales ratio requirements.

The duty-free import privileges apply only to vehicle manufacturers however, as individuals are required to pay the Canadian import duty of 15%. This restriction on duty-free import privileges has contributed to higher prices in Canada by eliminating the competition dealers would otherwise experience from duty-free imports by private citizens.

Since the signing of the Agreement in 1965, automotive trade, which acounts for one-third of total U.S.-Canadian trade, has increased eightfold. As a result of the Agreement, American automotive companies made large investments in Canada which in turn led to an excess Canadian productive capacity. This expanded capacity, together with a lack of growth in the Canadian automotive market and significant overseas import penetration, led to an erosion of the pre-Agreement U.S. surplus, and eventually to a deficit. In recent years however, the Canadian market has strengthened, the market share of overseas imports in Canada has decreased, and trade in snowmobiles has been reduced. As a result, U.S. automotive exports to Canada have grown faster than imports, generating an automotive trade surplus with Canada of $426 million in 1973, $1.23 billion in 1974, and an even higher expected surplus for 1975.

Current discussion of the agreement

Several major industrial groups have scrutinized the Automotive Agreement in the past few years and have voiced some opposition to provisions in the Agreement. This opposition stems partly from the dynamic pattern of U.S.-Canadian trade, and the change in relative strength of the industries of the respective countries.

The current reevaluation of the Automotive Agreement has brought comment from industries which are intimately involved with the workings of the automotive industry. Most of the groups support the spirit of the Agreement, but suggest that changes could be made.

The major industrial groups were represented in a hearing before the International Trade Commission on December 11, 1975, in Detroit. The ITC prepared a study of the Automotive Agreement which was completed January 22, 1976. The study was called for by Senator Russell B. Long, chairman of the Senate Committee on Finance.

The United Auto Workers of America opposes the Agreement as it now stands and wishes to see it revised. In testimony before the International Trade Commission, UAW President Leonard Woodcock maintained that:

The existing price differential of 6.6% between Canadian and American auto prices must be abolished in order to increase production and employment in both countries.

What is at stake is not only the jobs of Americans and Canadians employed directly in the auto industry, but also the jobs of workers in supplier industries, such as steel, aluminum, glass, and rubber.

The North American content percentage of cars built in Canada should be raised to provide more jobs for Canadian and American workers.

The UAW President also urged that we draw the line against duty-free importation where imports have been subsidized by the exporting country, or where the exporting country denies workers the right to organize themselves freely and to engage in collective bargaining. Mr. Woodcock cited the actions of Ford Motor Company in laying off hundreds of workers at its Lima, Ohio, plant, while importing subsidized Brazilian engines for cars assembled at its St. Thomas, Ontario plant, most of which are sold in the United States.

Mr. Woodcock also called on the International Trade Commission to examine carefully the methods used to measure the trade flows between the two countries. He maintained that the auto companies may be motivated to manipulate their internal transfer prices in order to shift accounting profits to the country where total tax payments are minimized by the combined effect of U.S. and Canadian tax laws. The UAW President further argued that there is some evidence that the invoice prices which are maintained in the trade between business parties in the automotive industry are not likely to be the same as those which pertain in arms-length transactions between independent companies. If such deliberate price and profit distortions are indeed occurring, the revenue loss to either the U.S. or the Canadian governments could be considerable.

The Automotive Parts Manufacturers' Association of Canada has also had second thoughts regarding the Automotive Agreement. The Association is quite upset because of the tremendous trade surplus the U.S. has in its automotive parts trade with Canada. According to their testimony, Canadian parts producers have seen their share of the domestic market go from approximately 92% in 1964 to less than 6% in 1973. The Association argues that there should be some degree of protection afforded the Canadian automotive parts industry under the present economic conditions.

On the pro side of the Agreement, however, the Motor Vehicle Manufacturers Association warns that termination of the pact would have a crippling effect on the U.S. motor vehicle manufacturing industry and thus on the U.S. economy. A spokesperson for the Association argued that the Agreement is essential to maintain the high level of automotive trade between the U.S. and Canada.

The Canadian Motor Vehicle Manufacturers Association, which consists largely of American automotive subsidiaries, is in concordance with its American counterpart that the effects on Canada of a termination of the Automotive Agreement would be economically devastating.

The ITC study concluded that the Automotive Agreement is by no means a free trade agreement. Further, the ITC reported that Canada has not fully complied with the terms of the agreement. Moreover, the fact that Canada has not phased out the provisional restrictions, according to the study, impedes the realization of the original objectives of the Agreement.

RECOMMENDATIONS

Having reviewed U.S.–Canadian relations in trade and foreign investment, we feel the relationship is much too important to allow competing sentiments of nationalism to interfere. Taking into account differences in national perspective, we make the following recommendations:

1. A permanent bilateral panel should be established to monitor trade between the two countries and particularly to help resolve problems as they arise.

2. In view of Saskatchewan's proposed nationalization of potash industries, we concur with S. Res. 403, and further, we urge the province of Saskatchewan to give full and equitable remuneration to American potash industries which are purchased or expropriated.

3. The provisions of the U.S.–Canadian Automotive Agreement should remain intact. We believe that the Automotive Agreement has greatly benefited both Canada and the United States, not only in trade, but employment and production as well. Although the International Trade Commission recommends that Canada phase out the transitional provisions of the original agreement, we believe that this is not the time to eliminate the provisions because of Canadian trade imbalance due to cyclical economic patterns.

Further, we maintain that any effort to increase the North American "content required" percentage would have only cosmetic effects and would exhibit protectionist tendencies not in line with our belief in international free trade.

Mr. PRITCHARD. Mr. Speaker, I, too, am a cosponsor of the study effort on United States-Canadian relations. Today I would like to share with my colleagues that study's chapter on transboundary issues.

This section of our paper discusses a broad collection of transboundary issues faced by the United States and Canada. Many of these issues revolve around a central problem: the need for access to natural resources combined with the concurrent need to protect the environment. There has been a great deal of cooperation between the United States and Canadian Governments on these matters. We hope that this cooperative spirit will facilitate continuing success in dealing with transboundary issues.

Mr. Speaker, the transboundary section of our United States-Canadian relations report is as follows:

UNITED STATES-CANADIAN TRANSBOUNDARY ISSUES

The boundary between the United States and Canada, including the Alaskan border, stretches over five thousand miles. Along the international boundary, and in the ocean waters off this continent's east and west coasts, are natural resources of sufficient abundance and variety to supply many of our two countries' needs. As well, these boundary areas contain some of the most beautiful wilderness in North America.

Confronted simultaneously by rising demands on the earth's resources and a need to protect fragile natural environments, the United States and Canada each face many difficult choices in coming years. Energy and materials shortages have led both countries to give high priority to fossil fuel production and resource management. In recognition of a balancing need for conservation, standing bilateral agreements commit the United States and Canada to avoid pollution of boundary waters and to a major cleanup effort in the Great Lakes. As pressures for resource utilization and preservation converge—especially when in a border area—cooperation between the United States and Canada will become more and more a necessity.

BACKGROUND

In recent years, a variety of federally- and privately-sponsored projects on both sides of the border have provoked concern for the environmental impacts on the affected region. The governments of the United States and Canada have consulted frequently on these issues to avoid damaging each other's interests. At present, the following matters dominate U.S.-Canadian border relations:

The Garrison Diversion Unit, a partially constructed multipurpose water project in North Dakota, which Canada fears would degrade Canadian waters if completed according to plan;

A proposed oil refinery and tanker port at Eastport, Maine; Canada says an "unacceptable risk" would be created by tankers carrying crude oil to Eastport through treacherous Canadian waters in the Bay of Fundy;

Heavy tanker traffic from Alaska entering the narrow Rosario and Juan de Fuca Straits above Puget Sound (Washington State); with several refineries now active and tanker traffic due to intensify after completion of the TransAlaska Pipeline, Canada is worried about the risk of oil spill damage along her beautiful and well populated West Coast;

A variety of issues in the Great Lakes, including (1) tardy U.S. compliance with the 1972 Great Lakes Water Quality Agreement, which bound the U.S. and Canada to have secondary sewage treatment for Great Lakes Basin municipalities by December 31, 1975; (2) regulation of Great Lakes water levels; and (3) commercial fishing disputes in Lake Erie;

A Canadian proposal to build flood control apparatus along the Richelieu River north of Lake Champlain (New York State); the United States fears that present construction plans, if implemented, might have a harmful effect on Lake Champlain;

Plans by a Canadian metals firm to mine and refine coking coal at a site in Canada eight miles north of Glacier National Park (Montana); the United States is concerned that the proposed "Cabin Creek" project could cause waste and runoffs posing a serious threat to the pristine beauty of Glacier, the Flathead National Forest and the Flathead River basin;

An upcoming session of the Third United Nations Law of the Sea Conference, where articles on fisheries, deep seabed exploitation, jurisdictional definitions, navigation rights, and other issues of interest to both the United States and Canada may be incorporated into an international treaty.

GARRISON DIVERSION UNIT

Garrison is a plan to divert water from the Missouri River for irrigation, municipal and industrial water supply, and recreational areas, in central and eastern North Dakota. The project, whose initial stage would affect 250,000 acres, was first passed by Congress in 1944 and funded beginning in 1965. Appropriations for Garrison totaled $13.3 million in FY 1976. The President requested $23 million for the project in his FY 1977 budget. With completion now planned for 1990, the current estimate for the cost of the entire project is $496 million.

The Garrison Diversion Unit has long been controversial. Its advocates claim that Garrison's irrigation features would greatly increase farm profitability in North Dakota by making possible a multi-crop economy. A Bureau of Reclamation environmental study purports to show a cost-benefit ratio of 2.9 to 1. North Dakota's Congressional delegation supports the project, as do most supervisory agencies and farm organizations in the state.

But the Canadian government has concluded that saline return flows from the project's sprinkler irrigation would have adverse effects on Canadian portions of the Souris, Assiniboine and Red Rivers and on Lake Winnipeg, causing injury to health and property in Canada in contravention of the Boundary Waters Treaty of 1909. (Article IV of that Treaty between the U.S. and Canada forbids either country from polluting boundary waters "to the injury of health or property" on the other side of the border.) In a diplomatic note presented to the U.S. government in October 1973, the Government of Canada requested the U.S. to "establish a moratorium on all further construction of the Garrison Diversion Unit until such time as the United States and Canadian governments can reach an understanding that Canadian rights and interest have been fully protected in accordance with provisions of the Boundary Waters Treaty."

The United States government has assured Canada that no construction potentially affecting waters flowing into Canada will be undertaken until it is clear that our Boundary Waters Treaty obligations to Canada can be met. The International Joint Commission, a bilateral group chartered by the Boundary Waters pact to settle boundary waters issues, is studying the matter and has promised a report by October 31, 1976.

EASTPORT

An application by the Pittston Company (New York) for a permit to build an oil refinery and tanker port at Eastport, Maine, has brought particularly strong protests from the Canadian government. Tankers serving the proposed refinery would have to pass through Head Harbor Passage in the Bay of Fundy—an especially dangerous channel due to near-constant fog, severe tidal fluctuations and a rocky coastline.

Pro-refinery forces in Maine say construction of the project would bring needed jobs and industry and might reduce the cost of oil products in this economically depressed region. However, opponents of the project in Maine and Canada point out that the risk of oil spills is great, and the damage a spill would cause to fragile Maine and New Brunswick fishing industries would be extremely serious. Opponents also question the Pittston Company's dedication to environmental responsibility—in 1974, an earthen dam collapsed at at Pittston strip-mine site in West Virginia, killing over 100 people and causing flood damage in 14 nearby communities.

The State of Maine Board of Environmental Protection granted building permits to Pittston in June 1975. The company is still in the process of obtaining necessary U.S. permits. At any rate, construction cannot begin until Canada grants passage rights for crude oil-bearing tankers. Canada has said the risk of spills is "unacceptable" and has implied that Parliament would deny passage rights through Head Harbor Passage.

The U.S. Government has asked that Canada grant any Pittston application a full and fair hearing. The U.S. points out that vessels proceeding to or departing from U.S. ports through the waters of Head Harbor Passage enjoy the right of innocent passage under international law and that this right is not subject to unreasonable or arbitrary interference or suspension.

STRAIT OF JUAN DE FUCA

Canada is concerned about the hazards of large-scale tanker traffic from Alaska passing through narrow Canadian straits en route to a refinery at Cherry Point, Washington. In early 1974 the Canadian government proposed a West Coast Environmental Protection Agreement to lessen the hazards of oil spills. The U.S. Government reserved its position on the proposal, but agreed at that time to technical discussions in all areas of Canadian concern. These discussions have led to the enactment of several traffic control measures which are now in force in the Straits of Rosario and Juan de Fuca and in Puget Sound. Washington State is now studying the possibility of building a tanker port near Port Angeles on the western end of the Strait—a more desirable location in terms of tanker traffic safety.

This situation will grow more critical with the completion in the late '70s of the TransAlaskan Pipeline. The volume of crude oil-bearing tanker traffic from Alaska to West Coast refineries in the United States is expected to increase dramatically. Canada is hoping to avoid a concomitant rise in the risk of oil spillage.

THE GREAT LAKES

The Great Lakes chain is a critical resource for both the United States and Canada. Major portions of both countries' population and industry are located in the Great Lakes Basin. The United States and Canada face many issues involving shipping, hydropower, pollution and resource management in the Lakes; the matters discussed in the sub-paragraphs which follow are of especial current interest:

The Great Lakes Agreement. The 1972 Great Lakes Water Quality Agreement between the United States and Canada committed both countries to a massive effort to construct and upgrade municipal sewage treatment facilities in the Great Lakes Basin. Under the Agreement, both nations were required to have waste treatment facilities in all basin municipalities with sewer systems either complete or in "process of implementation" by December 31, 1975. Canada has substantially fulfilled its obligations under the Agreement.

In the United States, only an estimated 60 per cent of the basin population were being served by "adequate" sewage treatment plants when the deadline passed. Another 20–25% of the population lives in areas where plants are in an early planning stage. Our program's tardiness is traceable to (1) difficulties experienced by many municipalities in meeting U.S. Environmental Protection Agency administrative requirements to qualify for grants and (2) the impoundment of $3.5 million in targeted funds by the Nixon Administration in fiscal years 1973 and 1974. Additionally, the U.S. General Accounting Office has suggested that Federal water pollution control funding may not be adequate for timely completion of the U.S. Great Lakes program. Canada has expressed its concern over the delays in the U.S. program directly to President Ford and Secretary of State Kissinger. During Secretary Kissinger's visit to Ottawa last October, the Secretary recognized our obligations under the Agreement and acknowledged that our program is behind schedule. At that time, he pledged that the Administration would make every effort to encourage total U.S. compliance.

Regulation of the Great Lakes. The United States and Canada for many years have cooperated, under the authority of the Boundary Waters Treaty of 1909, in regulating the water levels of Lakes Superior and Ontario. This regulation, through control works at key inflow and outflow points, is intended to moderate extreme long-term fluctuations in the levels of those two lakes for various purposes, including the protection of property, navigation and hydropower interests.

In recent years extremely high water levels, especially on Lakes Erie, Huron and St. Clair, have caused intensive erosion and flood damage to shore property. Though regulation of Lakes Superior and Ontario does marginally affect the water levels in the other Great Lakes, no effective means actually exist to regulate the water levels of Lakes Michigan, Huron, Erie and St.

Clair. This damage has caused great public outcry from property owners, who hope for some governmental response to the urgent need for regulation of the lakes, to modify the cyclical high and low water levels that naturally occur in the lakes.

The International Joint Commission, created by the 1909 Treaty and charged with overseeing regulation of lake levels, has conducted an extensive study of the water levels on all the lakes. The I.J.C. now is reviewing at least two specific plans, identified by the Corps of Engineers as exhibiting favorable cost/benefit ratios, for further regulation to benefit all of the Great Lakes as one system. It now is anticipated their report will be submitted to the two governments for their approval in early May, 1976.

COMMERCIAL FISHING IN LAKE ERIE

Commercial fishermen from Ohio have complained of overfishing and poaching in Lake Erie by Canadian fishermen from Ontario. The Ohio fishermen charge that the U.S.-Canada Convention on Great Lakes Fisheries (1955) provides inadequate protection against depletion of fish stocks, and that a new treaty is needed to safeguard their livelihood.

The 1955 agreement created a bilateral Great Lakes Fisheries Commission to conduct research on management of fisheries stocks. However, the Commission does not have regulatory powers. Regulation now exists only on the state and province level, and Ohio fishermen argue that regulation by the province of Ontario has been ineffective in stopping overnetting by Ontario boats in Lake Erie.

Earlier U.S. complaints about poaching (illegal fishing by Ontario boats in Ohio waters) in Lake Erie brought promises of strengthened supervision from provincial authorities. The Ohio fishermen argue that unless stringent seasonal gear and catch size standards are adopted and observed, the fishing industry in Lake Erie for both the U.S. and Canada could suffer fatal damage.

RICHELIEU RIVER-LAKE CHAMPLAIN

Because of high water levels on Lake Champlain and flooding of its outlet river, the Richelieu, the United States and Canadian governments asked the International Joint Commission (IJC) to study means of flood control and regulation. The subsequent IJC report said that regulation of lake levels should not go forward before exhaustive environmental studies were conducted. U.S. interests continue to oppose regulation unless it is clear that its environmental impacts are minimal.

In early 1975, the IJC proposed a careful compromise which would have allowed the Canadian government to begin construction of control works, provided for further environmental studies, and postponed the adoption of a regulation plan until adequate environmental data was available.

The United States government endorsed the IJC compromise proposal. Canada approved further environmental studies and in late 1975 applied to the IJC for an order of approval for a new construction plan. The plan is for a fixed-crest weir, or submerged dam, in the Richelieu River which would provide a reduction in flood levels while maintaining low water levels on Lake Champlain near natural conditions.

The Canadian government regards the new construction proposal as a significant compromise to U.S. interests. Canada argues that there is an urgent need for flood control in the Richelieu Basin and that earlier environmental studies have shown that the impact of the project on the environment will be minimal. The U.S. believes that the proposal has merit and should be studied by the IJC's Richelieu-Champlain Board, but that no decision should be taken on implementation until environmental studies are completed.

FLATHEAD RIVER/CABIN CREEK COAL PROJECT

A Canadian mining company has drawn up plans to take an estimated 110 million tons of high grade coking coal from a site eight miles north of the international boundary on Cabin Creek, a tributary of the North Fork of the Flathead River which runs into Montana. The North Fork forms the western border of Glacier National Park and is presently under consideration for inclusion in the U.S. Wild and Scenic Rivers System. Mining operations could result in transboundary air and water pollution affecting Glacier National Park and end all hopes of preserving the river in a wild and scenic state. The project is strongly opposed by local residents, the Montana delegation, and U.S. and Canadian conservation groups. There appear to be no economic advantages to the U.S. from the proposed development; coal from the site is expected to be exported to Japan.

Canada has pledged to ensure that any development at Cabin Creek will be so designed and operated as to meet Canada's treaty obligations not to pollute waters crossing the boundary to the injury of health or property. The Canadian government welcomes consultations with the U.S. to reach a mutually acceptable solution.

The U.S. government is concerned that the proposed Cabin Creek project would seriously undermine efforts to protect the unique environmental value of Glacier National Park, the Flathead National Forest and the Flathead River Basin and could cause injury to both public and private property in these areas. The U.S. welcomes Canada's assurances that it will abide by its treaty obligations and appreciates Canada's willingness to hold consultations to ensure that American interests are protected. The U.S. government believes that no approval for actual mining should be granted by provincial or federal authorities until it is clear that U.S. interests will be adequately safeguarded. To this end, the United States has asked the government of Canada to explore with us the utility of a bilateral agreement or other arrangements which would help assure that the unique beauty of the Glacier National Park area can be preserved.

LAW OF THE SEA

The United States and Canada hold many common interests in the Third United Nations Law of the Sea Conference, whose third session convened in March in New York City. The two countries have proposed slightly different approaches to several issues. However, at the present meeting, or in a subsequent parley (if needed) in Geneva in August, both the United States and Canada hope to see articles on the following subjects incorporated into a final treaty:

Fisheries management and conservation principles for coastal states including rules for primacy of jurisdiction, the right to establish quotas, and special protection for anadromous species (fish which spawn inland or upstream and then migrate to distant ocean waters, e.g., salmon and tuna);

A regime for international straits, defining rights of international navigation and overflight, and balancing rights of coastal states to prevent environmental damage;

A deep seabed authority, to govern international exploitation of minerals and living resources on the ocean floor beyond the continental margins;

The establishment of territorial and economic zones or boundaries in the sea;

Peaceful settlement of disputes.

U.S. and Canadian coastal fisheries have been seriously depleted by foreign distant-water fishing fleets. At the Law of the Sea Conference, the Canadian position on fisheries is similar to that of the United States. The U.S. favors (1) coastal state management and sovereign rights over coastal species out to 200 miles; (2) exclusive host state control of salmon and other anadromous species to the full extent of their migratory range; and (3) regional or international management of highly migratory species such as tuna.

The Trudeau and Ford Administrations have opposed drives within their own countries to enact unilateral 200-mile fishing zone legislation. The U.S. and Canadian governments have, instead, urged that similar 200-mile coastal state primacy standards be ratified through a Third International Law of the Sea treaty. The Canadian government has been successful in resisting internal pressures up to now. Congress recently passed a bill, H.R. 200, to extend the U.S. fishing jurisdiction to 200 miles. However, the measure may never be effected unilaterally, since the House-Senate Conference report, adopted by both houses and awaiting the President's signature, postpones until March 1, 1977, the in-force date of the bill. It is hoped that by that time a new international agreement will have eliminated the need for unilateral action by the United States.

On pollution issues, Canada's determination to preserve her fragile Arctic environment led to the enactment of the 1970 Canadian Arctic Waters Pollution Control Act. The Act proclaimed for Canada pollution jurisdiction over foreign vessels in a 100-mile pollution control zone off Canadian shores above the 60th parallel. At the Law of the Sea Conference, Canada proposes to vest broad power in the port state and coastal state to enforce both national and international pollution control standards for vessels in ports and coastal waters.

The United States shares Canada's determination to prevent pollution of the seas, but favors an approach which is different in several respects. Specifically, the United States rejects Canada's assertion of a right to unilateral extension of pollution jurisdiction such as is claimed in the 1970 Canadian Arctic Waters legislation. In the Law of the Sea forum, the United States has maintained that only international construction and discharge standards apply to vessels beyond the territorial sea (12 miles offshore), except such additional standards as a flag state may impose upon its own vessels. The United States supports an enforcement system in which the flag state would (1) be obligated to enforce violations of international law against its own vessels; (2) be able to enforce against violations of international as well as national law for all vessels which are voluntarily present in its ports; and (3) have a right to enforce international and national standards applicable to vessels within its territorial sea, provided that such rules did not hamper innocent passage.

Exploitation of the international deep seabed area beyond the economic zones of individual coastal states is a matter of profound interest to all countries participating in the Law of the Sea Conference. The United States favors access to international seabed resources for individual nations and private commercial interests, coupled with revenue sharing for the benefit of the world community. Many of the highly industrialized countries, including the U.S.S.R. and the E.E.C. states (minus Ireland), also support this concept.

Canada, siding with a large number of developing countries, wants to endow the future International Seabed Authority with exclusive rights to carry out all activities in the international seabed area. This would permit production-sharing as well as revenue-sharing. Under this scheme, the Authority could grant service contracts to nations or corporations but would maintain its full and effective control at all times.

RECOMMENDATIONS

In general, we urge that the United States renew its long-standing commitment to amicable transboundary relations with Canada. We recommend that steps be taken which will affirm our adherence to agreements protecting the environments and resources along the U.S.-Canadian border, without unduly restricting needed development projects. We make the recommendations outlined below in the belief that our shared land water boundary areas can be hardy, perennial sources of food, fuel and recreational pleasure in the future, if we commit ourselves to the preservation of the time-tested natural balance of the elements.

1. Congress should give careful consideration to the forthcoming report of the International Joint Commission on probable impacts of Garrison Diversion Unit return flows on Canadian waters. If the I.J.C. report shows that construction of the project would *not* cause U.S. violations of the Boundary Waters Treaty, we would support completion of the project, with such modifications as might be necessary to eradicate significant Canadian concerns.

If the I.J.C. report demonstrates conclusively that construction of Garrison's Initial Stage *would* cause adverse impacts on Canadian waters in contravention of the Boundary Waters Treaty, we would support a moratorium on the appropriation of funds for construction of project features affecting Canada.

2. The Canadian government should give the Pittston Company a full and fair hearing consistent with the protection of innocent passage under international law, if and when the Company applies for transit and navigation rights through Canadian waters to a proposed crude oil refinery at Eastport, Maine.

3. To resolve the threat of oil spills from tanker traffic through the Strait of Juan de Fuca, Congress should explore the potential for federal-state cooperation in testing the utility of a western site for refineries and tanker port in Puget Sound.

4. We urge oversight committees in Congress to weigh the effectiveness of present research, construction and quality control measures designed to bring about U.S. compliance with the 1972 Great Lakes Water Quality Agreement. We also believe that increased participation by the states would lead to faster and better-supervised allocation of needed funds for waste treatment facilities in the Great Lakes Basin. To help states finance added water pollution control burdens, Congress should consider legislation such as H.R. 2175 [Rep. James Cleveland (R.-N.H.) and Rep. Jim Wright (D-Tex.)].

5. The U.S. and Canadian governments should make further bilateral efforts to moderate extreme fluctuations in water levels on the Great Lakes. The two governments should weigh carefully the forthcoming report of the International Joint Commission on regulation of lake levels to prevent damage to shore property.

6. To prevent depletion of fish stocks, and to protect legitimate U.S. fishing interests, the U.S. should explore with Canada the need for a new regime governing management of fisheries in Lake Erie.

7. In the interests of insuring against premature construction of flood control apparatus at Lake Champlain, the U.S. should support continued funding of International Joint Commission studies of the environmental impacts of regulation of water levels at the lake.

8. The U.S. State Department should continue to impress upon the Canadian government the importance of preventing pollution of the Flathead Basin and Glacier National Park (Montana) area from any future coal operations on the Canadian side of the border.

9. The United States and Canada should seek every available opportunity for cooperative effort at the U.N. Law of the Sea Conference convening in March in New York. Agreement this year on a final negotiating text for a 3rd International Law of the Sea Treaty would hasten the inauguration of needed ocean resource management controls.

GENERAL LEAVE

Mr. PRESSLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include therein extraneous material on the subject of the special order today by the gentleman from Michigan (Mr. Ruppe).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

THE FOREIGN POLICY ASSOCIATION GREAT DECISIONS PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. Whalen), is recognized for 5 minutes.

Mr. WHALEN. Mr. Speaker, I recently had the pleasure, with other members of the House International Relations Committee, to meet with the Foreign Policy Association and discuss the results of their 1976 great decisions in U.S. foreign policy program.

For the first time in the 27-year history of the nationwide great decisions discussion program, the Foreign Policy Association conducted a national tabulation of opinion ballots. Over 60,000 participants in 47 States and the District of Columbia took part in great decisions program, voicing their opinions on eight major foreign policy issues confronting the Nation.

One of these major topics was titled "Rethinking U.S. Foreign Policy." The initial question posed to respondents was: "What policies should the United States follow to enable it to cope with the major existing and new issues on the international agenda?" Opinions were then obtained concerning management of relations with our European allies, détente with the Soviet Union, and U.S. participation in and attitudes toward the United Nations.

Results on specific courses of action were:

[In percent]

	Pro	Con	No response
a. Continue to pursue détente with the USSR	68	14	17
b. Maintain present commitments to NATO	64	17	19
c. Work for a united Western Europe	65	15	20
d. Strengthen UN in U.S. foreign policy	67	19	14
e. Downgrade U.N. in U.S. foreign policy	14	60	26
f. To resolve global problems be willing to surrender limited-amounts of sovereignty:			
1. Temporarily	44	23	33
2. Permanently	22	37	41
g. Deal with global problems through world government	41	37	22

In addition, more than 400 written comments were obtained. It is interesting to note that more than two-thirds of those surveyed favor continuing the administration's policy of détente with the Soviet Union, and written comments indicated a preference for a firmer U.S. bargaining stance and caution concerning Soviet motives. There was similar general support for maintaining our present commitment to NATO, while encouraging our NATO allies to shoulder more of the burden. Again, nearly two-thirds of the respondents supported our present European policies. The results also indicate that the great decisions public has reached no firm conclusion on surrendering limited amounts of American decisionmaking power to the international community.

Mr. Speaker, it is my firm belief that we in Congress need to elicit more public opinion on foreign policy issues. For this reason, I commend the Foreign Policy Association for their activities in this regard, and wish to convey my appreciation as a Member of the International Relations Committee for the information they compiled and presented to Mr. Buchanan, Mr. Gilman, and me last week. The Honorable Carter Burgess, Chairman of the FPA, has done a superb job in advancing public awareness and comprehension of the importance of internal relations. I congratulate him and his outstanding associates.

A NEW WAY TO GOUGE THE CONSUMER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Annunzio) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, the day after the Easter recess began it came to my attention that the Nation's second largest bank had found a new angle from which to gouge the consumer's pocketbook.

First National City Bank of New York City has declared that it will begin charging an automatic 50-cent service charge of its Master Charge Customers each time they pay their bills within the first month after a purchase.

Shortly after Citibank's announcement, I strongly criticized the move in a public statement and said that unless the new fee is repealed by the bank, I will introduce legislation which not only would prohibit such charges, but would also make it mandatory for businesses which accept credit cards to give discounts to customers using cash. At present, such discounts are allowed by the Fair Credit Billing Act Amendments but are not mandatory.

As Chairman of the Consumer Affairs Subcommittee, I am particularly upset with the bank's action because for years. Citibank has promoted its Master Charge accounts by telling consumers that if they pay their balances off promptly, they will not incur any charges. Approximately 350,000 account holders are paying their entire balances each month at the bank. But just like the spider who lured the fly into its parlor and then trapped it in its web, the bank has lured customers into its credit card program with glossy promises and is now trying to collect extra fees.

While the 50-cent charge may seem insignificant to individual cardholders, it represents a windfall profit to the bank and once the practice of the extra charge is established it will only be a matter of time before the 50 cent charge is increased to a much higher figure.

The next step may well be a charge for customers who do not use their credit cards during any given month.

Shortly after Citibank announced its new service fee, the bank's parent company, Citicorp, reported earnings which are up 4 percent from this same period last year—a fact which does not help the bank's argument that unless the additional fees are imposed, some customer services will have to be curtailed. Already, credit card companies make billions of dollars a year in fees received from merchants. These fees are accompanied now by finance charge rates which, at 18 percent per annum, are the highest ever.

This decision by Citibank to impose a service fee on those credit card customers who pay within a month, should encourage consumers to shop around for another card which could be used either on a regular basis, or in those months when prompt payment is anticipated. In this way, the holder could save as much as $6 a year and at the same time, actively demonstrate discontent with the Citibank charge.

The public response I have received in just a few weeks indicates more than 6 to 1 that such a law could win widespread public approval. I would remind my colleagues that the ink is barely dry on a bill which originated in the Consumer Affairs Subcommittee last session prohibiting merchants who accept credit cards from adding surcharges—additional fees—to credit card purchases. This legislation was designed to make certain that credit card customers were not saddled with billions of extra dollars solely because they prefer to make a purchase on time with a credit card. This bill was applauded by the banks which offer credit cards, Citibank included, as a great boon for consumers. However, now that there is a chance to make a few bucks for itself, the consumer concern of Citibank appears at least to be on the wain.

I said it in the battle against surcharges and I will say it again: Unless credit cards are protected from unfair and unnecessary fees such as this, they could easily become the most expensive pieces of plastic in history.

MAJORITY WHIP JOHN J. McFALL COMMENDS THE SHAWNEE, OKLA., TRIBUTE TO SPEAKER CARL ALBERT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFALL) is recognized for 15 minutes.

Mr. McFALL. Mr. Speaker, the people of Shawnee, Okla., turned out in force on April 10 to pay a warm, well deserved tribute to our esteemed Speaker of the House, CARL ALBERT.

Our colleague TOM STEED, of the Fourth District of Oklahoma, who has been in the House almost as long as the Speaker, delivered a moving and eloquent tribute that could only have been given by an old friend.

The people at the sellout event enthusiastically seconded Mr. STEED's remarks and showed their own deep affection for Congressman CARL ALBERT with hearty and prolonged applause.

The Speaker responded with a stirring speech such as only he can deliver, glorifying Oklahoma, the Congress and the Democratic party. The Pottawatomie County Democratic Leadership Club, which sponsored the dinner, was overwhelmed and delighted with its success. I am sure that Members too would like to read the tribute that Congressman STEED paid to Speaker ALBERT, and I am inserting the full text of the banquet address as well as the text of remarks made by Congressman STEED at a CARL ALBERT Appreciation Day event earlier in the afternoon:

REMARKS OF CONGRESSMAN TOM STEED AT THE CARL ALBERT APPRECIATION DAY CEREMONIES, SHAWNEE, OKLA., APRIL 10, 1976

At the outset, may I say that by the grace of God granting me good health, and the suffrage of the people I have been given a special honor of public office in the Bicentennial Year of my Country's history. I deem this the highlight of my career and my gratitude cannot be expressed in words.

And, as the nation's birthday is a matter of great historic importance, so is another important historical figure Speaker Carl Albert worthy of the honor we extend to him here today. With your indulgence, I would like to highlight some of the reasons why he has built such a role in our national history.

In the finest American tradition he has gone from humble beginnings to become a major national and world figure in our time. Carl Albert is completing thirty years as a member of the United States Congress, the longest time any Oklahoman has served in this great body. During this time he rose from freshman member to majority whip, then to majority leader, and finally to the high office of Speaker. Twice during the time he has served in this powerful office, which among other things puts him third in line for the Presidency, he has been a single heart-beat from that high office because the office of vice-president was vacant.

During this time some of the great legislative battles of all time have been fought. Decisions involving the issues of national defense, the national economy, the general welfare and world peace have been made. All these made heavy requirements upon the Speaker, many times so really very heavy as to be fantastic in their magnitude.

But in addition, crisis after crisis also occurred, putting the nation to the test in many times and many ways, and he had the burden to carry.

Speaker Albert participated in, and in some instances made the final decisions, that dealt with the violence that followed in the streets of our cities after the Martin Luther King assassination, leading to an attempt, which almost succeeded, to burn down the city of Washington itself. The great marches and demonstrations that spun out of the Vietnamese difficulty placed tremendous burdens on those in the Capital who had a responsibility to maintain law and order.

Great crises came when a President was shot dead in Dallas, a Senator running for President was shot dead in Los Angeles, a Governor running for President was permanently crippled after being shot down in Maryland. Even greater decisions were required when a Vice-President resigned to avoid prosecution; when a President resigned to avoid impeachment.

It seems somewhat strange to me that a point of great interest in this connection has been overlooked. When President Nixon faced certain impeachment, Speaker Albert made the decision for those proceedings to go forward. Prior to that a Vice-President selected by President Nixon had to be confirmed, by both the House and the Senate. Knowing Mr. Nixon would be impeached, all Mr. Albert had to do to become the President of the United States was to have used his great powers as Speaker to bottle up the confirmation of Jerry Ford as Vice-President.

I will not speculate on what course our history would have taken if Mr. Albert had been possessed of the kind of mad ambition that seems to have become commander of the actions of so many of our public officials, especially Senators, in these days. I can assure you that every decision Mr. Albert made in these great events was guided solely by what he thought was best for our country.

Almost as remarkable as the events to which I have already referred is the unswerving devotion Carl Albert has given to his native State of Oklahoma through all these thirty years. He won his first campaign after a long recount that became the first and only time his election victory has ever been in doubt or jeopardy. His conduct of himself as a debater and as a candidate in that first campaign set the pattern for all his political activity—never slinging mud, never clouding or confusing the issues, never forgetting the source of all power in elective public office—the people.

He stands today as a brilliant example to all young men and women who aspire to office—you can do it and stay completely clean—you can do it without great wealth. He has proved that clean, honest and intelligent campaigning is the best campaigning—you *have* to believe it because he has lasted longer than anyone else.

He has also set an example of achievement at all levels of being a Representative in the United States Congress. First, his district. It has proposed during his time in office. His state, it certainly has grown and prospered. His nation, it is still the greatest nation on earth. The world, it has a better hope for mankind than has ever before been true. He made his mark in all these levels, finding the heart, the mind and the time to minister each as needed.

And, he has had his share of the slings and arrows that little minds always see fit to impose upon our leaders. And, perhaps his finest hours as a man, are exhibited when he endures these bitter experiences.

Finally, I must say I think two points place this man in truer and better focus than anything else—he is a poor man financially, but other assets—love, trust, appreciation—make him one of the wealthiest men on earth.

Friends, I am sure you are as interested and curious as I am about what plans our great Speaker has for the future. All I can say is: should he decide to continue in public service, he will go on to prove the words that are written: what is past is prologue.

REMARKS OF CONGRESSMAN TOM STEED AT THE POTTAWATOMIE COUNTY DEMOCRATIC LEADERSHIP DINNER HONORING CONGRESSMAN CARL ALBERT, SHAWNEE, OKLAHOMA, APRIL 10, 1976

Thirty years ago a political campaign was waged in Oklahoma's third congressional district that made history. With no incumbent running, the race attracted two very bright young men, fresh home from the war, who staged a campaign that wrote a new dimension for Oklahoma politics. Carl Albert of McAlester was one of these candidates. His opponent was from Durant. The high class campaign ended in a deadlock and several weeks passed before the outcome was known. McAlester went solid for Albert, Durant equally solid for their home town favorite. McAlester had a few more voters and Albert won. Some people in Durant thought their community had lost.

Three years later, Congressman Albert was a very active member of the House Committee on Agriculture. A major bill revising the whole national farm program, including acreage allotments for cotton, wheat, corn and peanuts, passed the House. In the Senate, due to the strong interest Senator Anderson of New Mexico had for his cotton plan, some changes were made in the peanut program to win the support of the committee members from the peanut producing states of the southeastern United States.

As the bill went to conference, Congressman Albert, not senior enough to be a conferee, nevertheless had his eye on the whole situation and discovered that the bill contained trick language which wiped out Oklahoma's peanut program in favor of the southeastern states. Carl Albert came to me, since I represented some of our peanut producing counties, and after hearing his explanations we decided to go see Senator Elmer Thomas of Oklahoma, who fortunately was Chairman of the Senate Agriculture Committee.

After hearing Mr. Albert's explanation, Senator Thomas picked up the telephone, called Senator Anderson and said: "If you want your cotton amendment, or if you want any farm bill at all, get with Carl Albert on the peanut section. Until he tells me the bill is all right, there will be no bill." The conferees came to an agreement that very same day and Oklahoma's peanut program was saved. Peanuts continue to be a major farm crop in our state. Peanuts were then and are now a major economic factor for Durant and Bryan counties. Carl Albert's keen mind and alertness made his election a Durant victory, not a defeat.

Land, wood and water became Oklahoma's rallying cry more than a quarter century ago, with Senator Robert S. Kerr organizing the Oklahoma delegation into a team to achieve what, at first seemed the impossible dream. Oklahoma has seen most of this dream come true and I think the Congressional team in Washington can feel modest pride in having had a major role in ths ongoing goal of progress.

Early in this quarter century, Congress began to consider a nationwide super highway program. Since Oklahoma enjoyed a geographical edge in benefitting from this greatest of all public work projects, the plan gained highest priority with the Oklahoma team in Washington. It was in this program that Carl Albert's leadership began to prove its worth. First as majority whip, later as majority leader and Speaker, he was called on many times to break deadlocks, effect coalitions, work out controversies to keep the gigantic proposals moving.

At one point all seemed lost. After three years, the House had passed a super highway bill with the joint blessing of President Eisenhower and Speaker Sam Rayburn. But a Tennessee Senator blocked the bill in the Senate at about the same time that Senator Kerr's obsession to make the Arkansas River navigable had run into trouble because Congressman Mike Kirwan of Ohio, Chairman of the Appropriations Subcommittee which handled river project funds, developed little enthusiasm for the project or Senator Kerr.

Senator Kerr outranked the Tennessee senator in the Senate's Public Works Committee. Congressman Kirwan was Chairman of the Democratic Congressional Committee, which was broke. Neal Curry of California was President of the American Trucking Association, whose members desperately wanted a super highway bill. Carl Albert, who was closest advisor to Speaker Rayburn, moved in. As a result Senator Kerr pushed the highway bill through the Senate and through conference, the way Rayburn wanted it. Congressman Kirwan began financing projects on the Arkansas. The truckers began to raise money for the campaign fund. The roads were built, the river is carrying barge traffic and the congressional fund has prospered and gone broke ever since. Only Carl Albert can tell you all the details of how these powerful forces were brought into coalition and harmony.

I was on the House Public Works Committee and lived through a great deal of this three-year legislative enterprise and can attest to the key roles that Carl Albert played. Without him, I do not believe there would ever have been a super highway bill, or navigation on the Arkansas. Oklahoma has richly benefitted, both from the highway traffic generated, and from the favorable rates that navigation brought about.

No communities have benefitted more from all this than Oklahoma City and Tulsa, and yet I still hear caustic criticisms flowing from these august centers of human endeavor.

In passing, I would like to ask these critics some questions. If Carl Albert, who has been there the longest, thirty years, and the whole democratic congressional team for that matter, have been such a liability to Oklahoma, how do you answer these questions?

Are there more people in Oklahoma today than 30 years ago?

Are more people working today than 30 years ago? Are they making better wages?

Do we have better roads than we had 30 years ago? Are we now the hub of the greatest super highway network in all history?

Do we have more water resources now than 30 years ago? Have we done anything to protect against devastation of floods and erosion?

Is our land more productive?

Do we have more and better schools, vocational training plants and universities, than 30 years ago? Are there more students now than then? Are we graduating more from high schools and colleges?

Do we have better environment, better recreation and more fish and wildlife?

Do we have better transportation and less discriminatory freight rates? Do we have better airports and all other kinds of communications, by air, land and water?

Since the answers have to be a resounding yes, how have some so soon forgotten the people and the work that have kept Oklahoma surging forward on all fronts?

The longer I work in Washington the more astonished I become at the number of commentators and reporters who presume to chronicle the times we live in, but who miss its essence so widely.

A point to illustrate is how glibly you are told about how good or how weak is this, that or the other leader.

Permit me to highlight some of our recent history. We all know the great unrest that swarmed out of the Vietnamese war. A Vice President had to be moved off a college campus under a cloak of secrecy to avoid physical harm. A national democratic party convention was turned into a shambles by the hippies and yippies of the times. Demonstrations were the order of the day, with special honors being bestowed upon those who could provoke violence or discredit our institutions.

Racial unrest was generated to the highest pitch in history. Washington saw some of the greatest mass gatherings in all history. The poverty marchers soiled much of the beauty of the capital city. Students purporting to be promoting the environment and anti-pollution left such a sordid and trashy mess on the Washington Monument grounds that it cost many thousands of dollars to clean the place.

Martin Luther King was shot down by an assassin, and rioters in protest tried to burn Washington to the ground, and almost succeeded. Other cities were made to suffer the fire and destruction of riots. Violence became the order of the day, and the courts seem to lean over to a breaking point to forgive and protect the rioters and trouble makers. A bomb exploded in the Capitol building itself, doing great damage.

President John Kennedy was shot dead in Dallas. His Senator brother, Robert, was shot dead in Los Angeles while running for President. Governor Wallace of Alabama was shot and permanently crippled while running for President. Then came Watergate and the resulting conviction of a whole squadron of high officials. A Vice President, failing to obtain protection on a visit to Congress, resigned to avoid prosecution. A President, facing certain impeachment, resigned. For the first time, the Nation had a President and Vice President who were appointed, not elected.

This story goes on and on, covering a period of extreme unrest and lawlessness and travail of the most unusual kind for our country. And through it all, there was one man who, because of his position of leadership, had to take part, or actually decide, steps to be taken to protect and preserve our Government in all these innumerable crises. Carl Albert, first as Majority Leader and then as Speaker of the House was this man.

And despite the great wisdom shown, the cool and wise decisions he made, the soft, soothing balm he placed at a time when it was so sorely needed, the pundits of self-appointed greatness, have failed to see or understand what real historians at another time will hail as a special time of greatness and leadership, provided by this one man.

And yet, despite the genius he had, and the tremendous service he gave us in doing so much to keep this old Ship of State on an even keel and a steady course, we here must face the distressing fact that he is so little understood or appreciated in some quarters, but instead is the target of an attack which pointedly questions his ability to lead.

I say shame upon those who so crassly uttered these puny words of attack, and I also say shame on those who by their silence, seem to acquiesce in those charges.

History tells us that each crisis our nation has faced brought forth a great leader specially fitted for the time and problem, who pulled us through and brought us to this great bicentennial year. As one who has been privileged to have walked by his side and under his leadership through these modern day crises, may I assure you that Carl Albert will find his place in history as one of these special men.

And, as a final reminder, I want to point out that all these already hard and difficult problems were made even more complex and difficult because a great deal of the time saw one political party in control of the White House and another in control of Congress. All these burdens fell especially heavy upon Speaker Albert, since he not only had to be the partisan leader of his party, but the great impartial presiding officer facing off the executive and legislative branches of our government.

In a recent article commenting on the passage of so many old timers from the Washington scene, and lamenting the small talent shown by the newcomers, Tom Braden, a Washington commentator and columnist, said of them:

"They were important here partly because they were fixtures, familiar and steady, changing a little with the political weather, but providing, nevertheless, points of reference, like oak trees in the minds of boys on the way to school.

"They saw the New Deal, World War II and the Marshall Plan. They saw the troubles of Harry Truman, the war in Korea, the New Frontier. They saw their country come a cropper in Viet Nam, and they saw Richard Nixon make everything they and their country had stood for look phony.

"They were not always on the same side of all questions and of none of them can it be said, 'He was always right'. But they shared a common vision of their country and a common idea of its role in the world. They thought of the United States as espousing the twin principles of liberty and equality and as having mastered to a workable degree the problems of conflict between them."

He numbered Carl Albert as one of the most important of these veterans of the great era now passing.

And so we have here a man who has scaled the highest mountains, drunk the sweet cup of political victory for thirty years, suffered the agony that leaders always suffer when a nation's fate hangs in the balance time after time, endured the slings and arrows of jealous and petty minds and lived to see the day when no man could find an iota of dishonesty or lack of faith and trust in an almost unprecedented political career.

His long road has led him from the tenant farmer fields of Pittsburg County through school and college, to war and to high public service. As a Rhodes Scholar in Oxford of England he acquired a broadened viewpoint that was to stand him in good stead later on as he helped to decide great matters of world interest and importance. He has sat in consultation and conference with kings and potentates, poobahs and presidents, the high and the low and has not changed. He still wears the same size hat of thirty years ago.

For many years he has weilded the gavel of control over the most powerful law-making body the world has ever known, guiding laws that have done more for the nation's education, welfare and general good than any like period in the history of our country. Through war and peace, turmoil and tranquility, travail and triumph, he has steered a steady course. And you and I and all of us are the better for it.

Many things measure his greatness, but none more than the part he played, and the statesmanship he displayed in playing it, in a crucial hour of our nation's life. When President Nixon faced certain impeachment, Speaker Albert made the decision for those proceedings to go forward. Prior to that, a Vice President chosen by President Nixon had to be confirmed, by both the House and the Senate. Knowing that Mr. Nixon would be impeached, all Mr. Albert had to do to become President of the United States was to delay the confirmation of Jerry Ford as Vice President. Instead, he had to exert the strongest effort to bring about his confirmation. Thus passed the first and only time in our nation's history that one man had the power to make himself our President. And this interesting bit of American history seems to have escaped all our media experts entirely.

I know not what his plans for the future may be. But I can say from the close and personal vantage point where I have stood these last twenty-eight years, that if he chooses to continue in public service, then will come to pass the words that are written: what is past is prologue.

Friends, many great honors have come to me in my life, but none is more cherished by me than to be able to call the man I now present to you as my friend.

AMENDMENT TO MILITARY CONSTRUCTION AUTHORIZATION IS NEEDED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 10 minutes.

Mr. O'NEILL. Mr. Speaker, as you may know I intend to offer an amendment to H.R. 12384, the military construction authorization which would require a 1-year notice for all closures of major military installations within the United States and for installations facing a reduction in operations of over 50 percent. In reviewing the material in my files on this subject matter I reread the hearings held before the Subcommittee on Military Construction of the Senate Committee on Armed Services entitled: "Base Closures or Realinement Program, Massachusetts."

These hearings were held on June 21 and 22, 1973, as a result of the base closure announcements of April 1973 by then Secretary of Defense Elliot Richardson. The exchange which takes place between Senator KENNEDY and various officials of the U.S. Navy clearly indicate the need for the adoption of my amendment to the military construction authorization bill. Let me here just quote the concluding statement in point here but I recommend to each and every Member that he read this incredible exchange in its entirety. The conclusion of the exchange is as follows:

Senator CANNON. Do we understand, then, that the savings that you have been talking about are simply net savings to the Navy alone and have not taken into consideration the loss in tax revenues to the Federal Government, the amount that will have to be paid out in unemployment compensation, all of these incidental costs have not been estimated in connection with your so-called net savings?

Mr. SHEEHAN [Director, Office of Economic Adjustment, Office of the Secretary of Defense]. That is [illegible]

Mr. WARNER [illegible] ry, U.S. Navy]. That is correct.

Mr. Speaker, I ask each Member to read this exchange and to vote for my amendment so that this situation will be avoided in the future:

Senator KENNEDY. In your estimate, the economic, the total savings, as I understand on the closing was $23 million, is that correct, for Boston, $24 million?

Admiral ZUMWALT. $23 million, yes, sir; $23.8 million.

Senator KENNEDY. Now, did you estimate the number of people that were going to be made unemployed up there in Massachusetts as a result of this?

Admiral ZUMWALT. Yes, sir. That is one of the tragic conditions.

Senator KENNEDY. What percent of those people would be made unemployed, from your projections?

Admiral ZUMWALT. I will provide that for the record.

Secretary WARNER. I think we could answer it now.

Admiral Gaddis has those figures with him. Admiral Gaddis.

Senator KENNEDY. Give me the cost of unemployment to the Federal Government, also the estimated tax loss and also any additional, costs for any of these fellows that are going to be on welfare.

Admiral GADDIS. I obviously do not have those additional data. The number of people involved is 4,600.

Senator KENNEDY. Obviously, you do not have what?

Secretary WARNER. You asked for the number of people and we do have that.

With reference to the unemployment impact, we will have to supply that for the record. But the admiral was about to give the number of people involved.

Senator KENNEDY. We have the number of people. We have had that for some time. I am interested in your studies on the economic impact, what projections you make for those people getting unemployment. Obviously that has a cost factor, does it not, or do you figure because it is not paid for by the Navy then, therefore, it is not figured in?

Secretary WARNER. There are economic studies available.

Senator KENNEDY. Who has those, that is what we are interested in?

Secretary WARNER. We will ask Mr. Rogner, who works for the Office of the Secretary of Defense.

STATEMENT OF E. A. ROGNER, DIRECTOR, BASE UTILIZATION, OFFICE OF ASSISTANT SECRETARY OF DEFENSE (INSTALLATIONS AND LOGISTICS)

Mr. ROGNER. We have some figures here we would like—I am not quite sure——

Senator KENNEDY. You talked about the savings to the Defense Department, approximately $24 million. I am trying to figure out whether these are really, you know, savings maybe to the Navy and to the Federal Government. I wonder whether it is really not going to be even more expensive because of the unemployment compensation that is going to be paid for by the Federal Government, the welfare programs, the loss of tax revenues, and the other indirect losses to the economy from the unemployment of large numbers of people. Those are legitimate factors in any economist's consideration of a given economic situation. I question in my own mind what consideration was given to those and I want to be shown wrong by the kind of response you are going to give me.

Mr. ROGNER. That is what I thought you were asking.

Senator KENNEDY. Now we understand.

Mr. ROGNER. The point is, sir, the figures that we are talking about here are savings, the people that will be moved out of the State or reduced are strictly Department of Defense figures. Where the impact comes together, the economic impact comes together, is the President's Economic Adjustment Committee. That is where all of the Government gets together on the economic impact including OMB, the agency which oversees this.

We have Mr. Sheehan here from the Economic Adjustment Committee. These are the people that make the studies that you are asking about.

Senator KENNEDY. Well, whoever. There is a large group here, Mr. Secretary. I am glad to meet everyone. [Laughter.]

STATEMENT OF WILLIAM SHEEHAN, DIRECTOR, OFFICE OF ECONOMIC ADJUSTMENT, OFFICE OF ASSISTANT SECRETARY OF DEFENSE (INSTALLATIONS AND LOGISTICS)

Mr. SHEEHAN. Senator Kennedy, I am Mr. Sheehan. The first question that you have raised is in reference to the personnel. Mr. Clewlow is concerned with the question.

Senator KENNEDY. Is he here?

Mr. SHEEHAN. The personnel question is very germane here. The question is how many people will be actually put on the unemployment rolls. This has not been determined because, we must first know the number of retirements, people that will be transferred etc. The work force that will be unemployed is the concern of my office and the President's Economic Adjustment Committee, is concerned with i.e., adjusting those individuals into other productive jobs.

Senator KENNEDY. That is a nice general answer. I would like to know what you projected out as being the cost of these various factors. We are all familiar with the possibilities of early retirement, all the rest, I want to know what is your estimate given the economic side effects, the rate of unemployment, and the particular skills and ages of these workers.

Secretary WARNER. We will supply this for the record.

Senator KENNEDY. I want something now. These are key monetary and fiscal matters, Mr. Secretary. I want to ask some questions about them.

Secretary CLEMENTS. Until we net this out and know exactly where we stand after the surveys are made, which are in process right now, we cannot really definitively answer your question.

Senator KENNEDY. You do not know what the cost savings are or the expenditures?

Secretary CLEMENTS. We have estimates on this.

Senator KENNEDY. Give me the man that has the estimates and let him talk to the question.

Secretary CLEMENTS. We cannot really answer this definitively.

Senator KENNEDY. Answer it accurately and say you do not have them.

Secretary CLEMENTS. We will supply it for the record.

Senator KENNEDY. Who knows about this? Do you not have anybody here that can talk on this question about the economic impact to the community?

Secretary CLEMENTS. Yes, sir.

Senator KENNEDY. Let us hear from that man.

Secretary CLEMENTS. We cannot talk to it in the terms you are asking.

Senator KENNEDY. Has he not done a study in those terms? There is not an economist who would not have considered those factors. You have not gotten it and I do not believe it was done.

Secretary CLEMENTS. To the contrary, the estimates were made but they are not in the form that you are asking for them.

Senator KENNEDY. We will hear it in the form that you have done it, then.

Mr. SHEEHAN. In regard to the net, the real question here is the net unemployment impact on the community. I do not mean to be redundant but out of the total impact of, let us say, 5,000 in the case of the Rhode Island civilian work force—

Senator KENNEDY. I am sure Senator Pastore is going to want to get on to Rhode Island. Take Boston.

Mr. SHEEHAN. 4,600. I had the figures here and I can provide those for the record.

Senator KENNEDY. What is the average worker making in the Boston Navy Yard now? What is he making in the Boston Navy Yard?

STATEMENT OF CARL W. CLEWLOW, ACTING ASSISTANT SECRETARY OF DEFENSE (MANPOWER AND RESERVE AFFAIRS)

Mr. CLEWLOW. Approximately $9,500 a year.

Senator KENNEDY. What are they paying in taxes?

Mr. CLEWLOW. I think that question would have to be referred to the Internal Revenue Service.

Senator KENNEDY. Do you have any figures? You must know the difference. What are they going to make now after the closing of this base? What is your best estimate of the average they are going to make after the closing?

Mr. CLEWLOW. We have made no estimates of the amount which will be made after closing because the determination as to retirement, if one chose to retire, is a personal situation. Not all of those eligible to retire made such a decision yet.

Senator KENNEDY. Do you have any estimate of the total Federal revenues in terms of the taxes that are going to be lost as a result of closing?

Mr. CLEWLOW. I do not deal in that matter.

Senator KENNEDY. Who does?

Mr. SHEEHAN. This is a consideration, Senator Kennedy, and can be provided. We have not computed this as such. Our concern was one with the direct impact on Boston, and the second, this is the total civilian reduction. The second related to the point Senator Pastore raised yesterday in terms of the multiplier effect and we have an independent judgment with reference to the multiplier effect on the economy. These are the people that service, retail, tertiary, the tertiary employment sector, and these figures we can provide for the record. And Senator Pastore raised the question yesterday, he is using about a 2.5 multiplier effect. I seriously question whether that is an acceptable multiplier effect since he was quoting a figure based on work done by an individual in our office covering some 15 major base reductions over the years in, incidentally, including the Springfield Arsenal.

Our multiplier effect is at 1.6 as against the multiplier effect he quoted of 2.5.

Senator KENNEDY. How many do you have working with you in your office, how many in your particular office?

Mr. SHEEHAN. We have a staff of about 30 full-time people including secretarial staff.

Senator KENNEDY. What are they working on?

Mr. SHEEHAN. They are working—our concern, Senator, is with all of the current major base closure actions. Out of the 274 actions, we are concerned with about 30 major locations.

Senator KENNEDY. And you have 30 employees working in that particular capacity?

Mr. SHEEHAN. Yes, sir.

Senator KENNEDY. And only working on that?

Mr. SHEEHAN. Yes, sir; but let me explain this just one moment. These individuals are in effect project managers, that they supervise really, the task force that is mounted in connection with each location from all 15 Federal agencies and we have had as many as 45 and 50 Federal agency people working in concert with them.

Senator KENNEDY. Well, now, in this evaluation do you give the number of people that you expect in a Boston type situation that will be on welfare, and the resulting costs?

Mr. SHEEHAN. Not at this point. This can really not be determined.

Senator KENNEDY. How was this figured in prior to the time you made your ultimate decision about the economic impact? You are saving $23 million, as I understand, from the figures that you have given us, and I want to know whether these are real dollars or unreal dollars when you are dropping, as in Rhode Island, some 5,000 people onto the relief rolls. I want to have an estimate of the number of people you think will be on welfare and what that is going to cost. Have you thought about that?

Mr. SHEEHAN. Again, Senator, until the net figure has been determined as to the number of individuals who are going to transfer with the missions——

Senator KENNEDY. What is your estimate on that?

Mr. SHEEHAN. Well, this has not been determined and this is the concern of Mr. Clewlow here from Manpower, from the Assistant Secretary's Office in Manpower. His staff in concert with the individuals at Boston Shipyard, are working on that precise figure.

Senator KENNEDY. Do you not think it would have been worthwhile having those figures before you made a final decision-determination about what the real savings were going to be about closing Boston?

Mr. SHEEHAN. Senator, that is an impossible figure to ascertain until first you determine how many individuals are going to transfer with the mission. As you draw those figures down you come up with a net impact. Those individuals who are not going to transfer, those individuals who are not going——

Senator KENNEDY. Do you not think it is worthwhile knowing that before you can tell us about what the savings are going to be? Do you not think you ought to have that information?

Mr. SHEEHAN. It would be desirable to have that information, Senator, but we are dealing with 4,500 individuals and until they have made the personal decision as to whether to transfer or retire this is an impossible figure really, to obtain. It would be ideal, I would agree with you.

Senator CANNON. Would the Senator yield?

Senator KENNEDY. Yes, sir.

Senator CANNON. Do we understand, then, that the savings that you have been talking about are simply net savings to the Navy alone and have not taken into consideration the loss in tax revenues to the Federal Government, the amount that will have to be paid out in unemployment compensation, all of these incidental costs have not been estimated in connection with your so-called net savings?

Mr. SHEEHAN. That is correct.

Secretary WARNER. That is correct.

Senator CANNON. Let me ask one further then. How much new construction will be required as a result of these realinements and what effect does that have on the military construction bill for 1974 and was that figure computed in your net savings?

Admiral ZUMWALT. Yes, sir, it was.

Senator CANNON. What is that figure?

Admiral GADDIS. The military construction bill contains $45.2 million worth of projects which are related to base realinements.

Senator CANNON. $45.2 million this year?

Admiral GADDIS. Yes, sir.

Senator CANNON. How much do you project in the future as a result of the base realinement?

Admiral GADDIS. A total of $60 million in the future, sir.

Senator CANNON. Does that total include the $45 million?

Admiral GADDIS. No, sir; they are additive and this is added into our figures as a part of the cost of base realinements.

Senator CANNON. So you are saying as a part of the cost of base realinement it is going to cost you $125.2 million for military construction?

Admiral GADDIS. $105.2 million.

Senator CANNON. 105. Excuse me.

Mr. ROGNER. That is only for Rhode Island and Navy.

Senator KENNEDY. Why do you ask him to sit down? He is being very helpful.

Admiral GADDIS. This is for all Navy base closures.

Admiral ZUMWALT. These costs that I have been reciting are costs that we must undertake in order to avoid costs on the order of a billion dollars net over the 5 years ahead.

Senator CANNON. I thank the Senator for yielding to me.

Senator KENNEDY. Your figures of that have been provided about the one time cost. You have estimated those would be approximately $33 million, Mr. Secretary, in the closing of the Navy complex at Boston?

Admiral ZUMWALT. That is correct.

Senator KENNEDY. And you talk about relocation of personnel, civilian, military, civilian severance pay, then relocation, preservation of equipment and facilities, and then it is MILCON in Philadelphia. Those are the items which come up to approximately 33 millions of dollars?

Secretary WARNER. That is correct.

RETENTION OF FUNDS IN VETERANS PROGRAMS CRITICAL TO FUTURE OF BUDGET PROCESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, this week House and Senate conferees on the first concurrent budget resolution will make a critically important precedent-setting decision affecting this Nation's fiscal and social policy development and the restoration of Congress constitutional right and responsibility to determine fiscal priorities. This decision will affect the integrity of the entire budget process, and hereafter the authority and ability of congressional authorizing committees to pursue their rightfull functions. This decision concerns the fate of a $610 million increase in function 700 veterans' benefits and services of the budget resolution that was added by a House floor amendment.

Although this sum represents less than one-fourth of 1 percent of the congressional budget resolution, the conference committee's decision whether to retain funds for veterans' program initiatives will be their most crucial decision. This is the only amendment—excluding the Wright amendment to restore cost-of-living increases to the veterans budget that was supported and intended by the Budget Committee—to the budget resolution approved by either the House or the Senate. The retention of the funds for legislative initiatives in veterans programs is critical to the future of the entire budget process. Why is this $610 million so critical to the budget process?

First is the issue of the President's deliberate manipulation of the veterans budget and the congressional budget process. The House Budget Committee report emphasized that the budget submitted by the administration for veteran's benefits and services was both unrealistic and deceptive. The administration's budget was in effect a deliberate attempt to legislate and even exercise "veto" and "legislative repeal" over veteran's legislation through the budget process. The administration's budget deliberately omitted cost-of-living increases in veteran's pension, compensation and readjustment benefits, knowing as the Budget Committee points out, that "This increase will be provided and should be provided" by Congress. The House affirmed the House Budget Committee's contention by its nearly unanimous adoption of the Wright amendment to restore cost-of-living increases for these programs.

The administration's budget assumes a benefit reduction—and thus a decrease in expenditures—resulting from the September 1 loss of an 8-percent pension increase and from the repeal of Public Law 93-337 which extended the GI bill delimiting date from 8 to 10 years. Considering the House adopted the Edgar amendment intended to extend the delimiting date another 2 years, the prospect for a reduction in the delimiting date is inconceivable. The administration budget leaves absolutely no room for legislative reform measures initiated by the Congress—some of which have passed either the House or Senate. In effect the administration is attempting to dictate to Congress what it can and cannot legislate; and the administration is setting Congress up as the "fall guy" to absorb every charge of fiscal irresponsibility; because any increase we propose will look astronomical compared to the deceptively low figure submitted by the President.

The House Budget Committee report states:

> The Budget Committee feels the President's exclusion of funds for (cost of living increases) is a deceptive budget practice and urges the President to submit a budget amendment to fund these cost of living increases.

The President however refused to submit the amendment to restore the $1.2 billion needed for cost-of-living increases. Because of the administration's failure to engage in honest and realistic budget practices, the House was compelled to enact the Wright amendment to provide a $1.2 billion cost-of-living "increase" in the veterans category. This amendment was not in fact an increase at all; it was a restoration of funds that should have been in the President's budget in the first place. Thus the only actual increase in the veterans budget was the $610 million Edgar amendment for new program initiatives: an extremely modest sum considering it provides funding for less than 25 percent of $2.4 billion in program initiatives under consideration by the Veterans' Affairs Committees. In fact, the Edgar amendment is less money than the projected cost—$737 million—of the pension reform legislation unanimously passed by the Senate.

Should the House Budget Committee concede to the Senate Budget Committee the funds in the Edgar amendment for new program initiatives, it will be conceding to the President the Veterans' Affairs Committee's constitutional right and responsibility to consider veterans' program initiatives. By precluding the Veterans' Affairs Committee from considering program initiatives the administration will have succeeded in the principal objective using the new budget process to usurp the Veterans' Affairs Committee's authority to consider programs affecting our Nation's veterans.

This is an extremely dangerous precedent to set. If the President can use the budget process to preclude authorizing committees from fullfilling their rightful functions—other than the perpetuation of existing programs through cost-of-living increases—then the Veterans' Affairs Committee and other authorizing committees shall serve little viable purpose. Many of the program initiatives sought by the Veterans' Affairs Committees shall result in substantial long term savings and significant short-term economic recovery and employment potential. To deny the Veterans' Affairs Committees the authority to consider program reforms will have serious adverse fiscal and social implications for both the veteran and the taxpayer and directly subvert the mission and intent of the budget process.

The Veterans' Affairs Committees have the expertise and the experience essential for effective oversight, reform, restructuring and development of veterans programs. The budget process must encourage and utilize that experience and expertise and not undermine it by relegating the Veterans' Committees to merely allocating cost-of-living increases.

It has been the policy of the Veterans' Affairs Committees not to include automatic cost-of-living increases in the pension, compensation, and readjustment programs in order to encourage and facilitate yearly oversight and program reform initatives. This annual program assessment is a prudent and responsible policy. However it is seriously jeopardized by a budget process that forces veterans to fight merely for their cost-of-living increases. It may very well result in the Veterans' Affairs Committees legislating cost-of-living escalators into the pension, compensation, and readjustment programs to the detriment of program oversight.

The budget process must not only just permit the Veterans' Affairs Committees to pursue their responsibility for the oversight of existing programs, and the development of new legislative initiatives that may better serve the veterans and the taxpayers; it must encourage, assist, enhance, and motivate the authorizing committees to carry out this responsibility. The budget process can not fulfill this mission be denying the authorizing committees the fiscal latitude required to consider program reforms.

An important tool in the effort to develop an effective and fiscally responsible budget is the Congressional Budget Office. The CBO has the resources lacking in the authorizing committees for indepth analysis and evaluation of legislative initiatives, especially those having significant effects on programs, problems, and needs outside of the jurisdiction of the authorizing committee considering a specific piece of legislation. Three of the program initiatives omitted from the veterans budget have been or are currently under analysis by the Congressional Budget Office—pension reform, health care reform S. 2908, and readjustment reform—accelerated entitlement. It will seriously undermine the effectiveness and the purpose of the Congressional Budget Office if the first budget resolution precludes program reform initiatives under analysis by the CBO prior to consideration of the CBO's findings by the Budget and Veterans' Affairs Committees.

Another extremely serious precedent that will be set should the House relinquish the authority for legislative initiatives facilitated by the $610 million Edgar amendment will be the defacto "vetoing" or "repeal" of legislation previously enacted by either body of Congress. The Senate approved unanimously—obtaining a waiver from the Senate Budget Committee—the $739 million Veterans' and Survivors Pension Reform Act. The Senate Budget Committee action to delete funds to pay for this program amounted in effect to a repeal of this legislation in the Senate and will preclude its effective consideration in the House. The Senate Budget Committee should justify—all of its members having voted for the pension reform bill—the exclusion of the $739 million necessary to pay for this program or recommend program or funding alternatives.

The same is true for the House passage of legislation extending readjustment entitlement to 45 months for graduate students. Should one body have enacted legislation prior to the adoption of the budget resolution, the budget resolution should at least facilitate consideration of that legislation by the other body.

As important as not allowing the Budget Committee to abrogate the authorizing committee's right to consider legislative initiatives, it is equally imperative that a precedent not be set to allow the authorizing committees to abrogate their responsibility to consider legislative initiatives to the Budget Committee. It is very tempting for an authorizing committee to say "Sorry, we would like to consider this program, however, there are not sufficient funds in our budget target to permit its enactment." The budget process must not be made a vehicle whereby authorizing committees can expeditiously avoid consideration of controversial issues or programs which they do not personally favor.

One of the most alarming aspects of denying the Veterans' Affairs Committee sufficient latitude to consider program reform initiatives is the long-range fiscal and social implications of failing to enact critical program reforms. It is very tempting this election year when "fiscal responsibility" is an important issue with the electorate to defer essential programs under the guises of immediate savings of the taxpayers money; even though these short-term savings will be offset by substantially greater long-term costs. Legislative initiatives in this category omitted from the budget target include: Pension reform, health care reform, and readjustment benefit reform—accelerated entitlement. It is imperative that the Veterans' Affairs Committees give careful consideration to these programs now and not use the budget resolution as an excuse to defer action.

Congress must not forget their commitment to improving the VA health care system currently handling record caseloads with limited staffs, outmoded facilities and resources. We cannot allow veterans health care to fall back into the disgraceful state it was in only a few years ago.

Retention by the Budget Committee conference of the $610 million for veterans program initiatives will not give the Veterans' Affairs Committees the authority to enact any new program reforms or to spend an additional $600 million. It will only insure that the Veterans' Affairs Committees have the latitude to consider program reforms. Each legislative initiative must stand the full test of the legislative process in the Veterans' Affairs Committee and on the floor of Congress should legislation be reported.

Retaining the Edgar amendment for program initiatives is in no way inconsistent with the budget reform process. Senate Budget Committee Chairman EDMUND MUSKIE said himself:

> I doubt if anybody on the Budget Committee likes everyone of these figures. I expect some of them may be amended. That is fine with me. This budget resolution is not holy writ. (Senator Muskie, CONGRESSIONAL RECORD, page 10161, April 8, 1976.)

The $600 million for program initiatives in the House budget resolution represents less than 25 percent of the cost of essential veterans program reform initiatives. Let no one say that this $600 million for program initiatives does not represent a severe sacrifice to fiscal responsibility by our Nation's veterans, or that the Veterans' Affairs Committees will not have to look long and hard as to where and how they allocate their limited fiscal resources.

Let no Member of Congress think that this $600 million amendment represents only Mr. EDGAR's right to a full and fair hearing on the extension of the delimiting date.

Retention of these limited funds means:

That the President does not have the right to "veto" program initiatives through the submission of deliberately low and deceptive budgets;

That the administration should not destroy its own credibility and that of the entire budget process through the submission of unrealistic budgets;

That the Congress should not repeal legislative initiatives it has already approved through the budget process;

That Budget Committees must not usurp the authority of the authorizing committees to consider new program initiatives;

That the authorizing committees must not use the budget process to abrogate their responsibility to consider new program initiatives;

That the budget process must not be used to defer essential program reforms for short term political and fiscal expedience to the long-term fiscal and social detriment of the veteran and the taxpayer;

That the budget process and the Congressional Budget Office must be used to insure, inspire, and facilitate effective and responsible Federal spending and not to stagnate authorizing committees or perpetuate ineffective programs by thwarting program reform initiatives;

And that the Congress is willing and able to fulfill its obligation and responsibility to the Nation's veterans.

MATSUNAGA INTRODUCES COMMUNITY CRIME PREVENTION ASSISTANCE ACT OF 1976

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 5 minutes.

Mr. MATSUNAGA. Mr. Speaker, in spite of the billions of dollars poured by the Federal Government into the fight against crime over the last decade, statistics continue to tell a sobering tale of escalating crime rates. I believe it is now safe to say that the painful lesson we have learned is that no amount of money alone will solve this crucial problem. Instead, the prevention of crime requires the dedication of all citizens, and is not, nor is it desirable that it should be, the sole responsibility of our dedicated professional law enforcement officials.

Yet, I believe that our law enforcement effort has long overlooked a group which has the potential, already realized to some degree, of being a tremendously effective force in the prevention of crime. I speak of the ordinary citizenry of our country, a vast majority with a personal stake in crime prevention who are more than willing, given professional guidance, to volunteer their time and energy to this effort.

In recent years, increased attempts have been made to harness this great potential. Citizen groups have effectively assisted local law enforcement officials via coordinated neighborhood patrols. Police-citizen group seminars have led to increased community awareness of crime and its prevention. Perhaps the most well known community involvement program is the highly successful operation identification.

I believe, however, that what has been accomplished to date is only the tip of the proverbial iceberg when it comes to the potential contributions which citizens can make to the enforcement of our criminal laws. In an attempt to address this oversight in our law enforcement system, I am today introducing my proposed Community Crime Prevention Assistance Act of 1976.

My bill is aimed at the Department of Justice's Law Enforcement Assistance Administration—LEAA—the Federal agency which, since its creation under the Omnibus Crime Control and Safe Streets Act of 1968, has spent more than 4 billion Federal dollars on the improvement of our criminal justice system. Because its authorization is expiring this year and must be extended, LEAA is the current focus of congressional efforts to improve and strengthen our crime-fighting apparatus.

SPECIAL LEAA OFFICE

My bill contains three proposals. The first seeks to recognize the contributions which citizen groups can make to law enforcement, if provided a modicum of Federal support, by establishing within LEAA an office of community anticrime programs.

The office would be responsible for overseeing and coordinating with other Federal agencies support for community and citizen initiatives in the prevention of crime, as well as for dispensing information on the success of such programs. Since January 1974, such responsibilities have been handled to a certain degree by the citizens initiatives program within LEAA's Office of National Priority Programs. I hope, by proposing the creation of this new office under the direction of the Deputy Administrator for Policy Development, both to assure that greater attention is given to community programs, and to provide LEAA with the administrative apparatus necessary to handle the increased emphasis on such programs which I envision.

CITIZEN INVOLVEMENT IN STATE PLAN DEVELOPMENT

Under the law, the recipients of the major portion of LEAA funds are the State crime control planning agencies—SPA's—which then distribute most of these funds to State and local crime control efforts considered by the State to be most crucial. However, each SPA, prior to receipt of such funds from LEAA, must formulate a comprehensive plan for law enforcement within that State which meets with the approval of LEAA. The second provision in my bill requires the SPA to assure the participation and involvement of citizen and community groups in the formulation of this State plan.

FUNDS FOR COMMUNITY ANTICRIME EFFORTS

The majority of LEAA grants are made under part C of the act, which authorizes grants for law enforcement purposes. In fiscal year 1975, LEAA awarded a total of $568 million in part C grants to SPA's and other organizations involved in crime prevention efforts. To assure that the purposes for which I am introducing this bill are adequately addressed, I am proposing an authorization of $15 million to be allocated as part C grants to the community crime prevention effort.

Mr. Speaker, my proposals are modest, but are intended to stimulate further the involvement of our communities in the prevention of crime. I hope they will serve both to strengthen tried and tested programs of community involvement, and to encourage the development of new and innovative strategies. The desire of our communities to do so is certainly not lacking, and to further neglect this fact would be to ignore a group which can impact greatly on our law enforcement efforts. Accordingly, I commend my proposals to my colleagues, with the hope that they will receive serious consideration during the present congressional debate on LEAA.

I include at this point the text of my bill:

H.R. 13563

A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to provide increased assistance for community involvement in crime prevention

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Community Crime Prevention Assistance Act of 1976".

OFFICE OF COMMUNITY ANTI-CRIME PROGRAMS

SEC. 2. Section 101 of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding at the end the following:

"(c) There is established in the Administration the Office of Community Anti-Crime Programs (hereinafter in this subsection referred to as the 'Office'). The Office shall be under the direction of the Deputy Administrator for Policy Development. The Office shall—

"(1) provide appropriate technical assistance to community and citizens groups to enable such groups to apply for grants to encourage community and citizen participation in crime prevention and other law enforcement and criminal justice activities;

"(2) coordinate its activities with other Federal agencies and programs (including the Community Relations Division of the Department of Justice) designed to encourage and assist citizens participation in law enforcement and criminal justice activities; and

"(3) provide information on successful programs of citizen and community participation to citizen and community groups.".

CITIZEN AND COMMUNITY PARTICIPATION

SEC. 3. Section 203(b) of the Omnibus Crime Control and Safe Streets Act of 1968 is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof the following: "; and"; and

(3) by adding at the end the following: "(4) assure the participation of citizens and community organizations at all levels of the planning process.".

AMENDMENTS TO PART C

SEC. 4. Section 301(b)(7) is amended by striking out "the approval of" and inserting "notification to" in lieu thereof.

AUTHORIZATION OF ADDITIONAL APPROPRIATIONS

SEC. 5. Section 520(a) of the Omnibus Crime Control and Safe Streets Act of 1968 as amended by adding at the end the following: "In addition to any other sums available for the purposes of grants under part C of this title, there are authorized to be appropriated not to exceed $15,000,000 for the fiscal year ending September 30, 1977 for the purposes of grants for community patrol activities and the encouragement of neighborhood participation in crime prevention and public safety efforts under section 301(b)(7) of this title.

SUBCOMMITTEE ON MONOPOLIES AND COMMERCIAL LAW TO HOLD HEARINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, the Subcommittee on Monopolies and Commercial Law of the Judiciary Committee will hold 2 days of hearings on May 6, 1976, and May 13, 1976, to consider H.R. 13131. This bill provides for premerger notification, stay, and a waiting period. The hearings will be held in room 2141, Rayburn House Office Building at 9:30 a.m. Testimony will be taken from members of the business community, economists, attorneys, and others having an interest in premerger notification.

MEMO IN SUPPORT OF AMENDMENT TO END MILITARY ASSISTANCE TO URUGUAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 15 minutes.

Mr. KOCH. Mr. Speaker, today in the Foreign Operations Subcommittee of the Appropriations Committee I offered an amendment to end all military assistance to Uruguay. I am delighted to report that the amendment carried by a vote of 6 to 4. The reasons which I gave in support of the amendment are set forth in a memorandum which I provided to the committee members and which I am pleased to report they apparently found persuasive. I am setting forth that memorandum here so that our colleagues will be apprised of the facts:

MEMO IN SUPPORT OF AMENDMENT TO END MILITARY ASSISTANCE TO URUGUAY

In the past several months I have devoted increasing attention to our foreign policy in Latin America. I am particularly concerned about our military aid program in Uruguay, a country which is now considered the charnel house of Latin America. Terrorism by the Uruguayan government against its own people is a well-established fact, documented by Amnesty International and confirmed by the State Department. Given this situation, I have sought out the justification for military aid to Uruguay. I am unconvinced by the justifications provided to the Committee by the State and Defense Departments. The abhorrent situation in Uruguay and the absence of an adequate justification for our military aid program there compel me to offer an amendment to cut off all military assistance and credit sales to Uruguay.

CONDITIONS IN URUGUAY

Let me summarize the present situation in Uruguay. Uruguay is ruled by military dictatorship in all but name. President Bordaberry has effectively turned all power over to the military. In a memo, a copy of which I have obtained, written to the junta of generals, Bordaberry categorically states that, "This is not a democracy anymore." He intends to suspend the Presidential elections scheduled for this year and has declared the right to vote illegal because it "provides the opportunity the Marxists are waiting for."

I am appending at the end of this memo excerpts from President Bordaberry's memo.

The military has taken complete charge of the government, and it is dealing with any and all dissidents through a brutal campaign of arrest, torture, and murder. In hearings before the Subcommittee on April 7, Mr. Williams of the Latin American Bureau of the State Department confirmed Amnesty International's assertion that Uruguay is at least the equal of Chile in terms of torture, appraising as "correct" my statement that both countries were "pretty bad." (See page 10837 of CONGRESSIONAL RECORD of April 13.)

Amnesty International states that Uruguay now has the highest concentration of political prisoners in the world; one in 500 is a political detainee. AI has documented 22 cases of persons tortured to death by the government. It is a grizzly accounting of barbarities committed against political prisoners and sometimes against non-violent persons with no apparent political leaning. One man was tortured to death simply because he happened to be the son of a leftist political leader. (See page 8013 of CONGRESSIONAL RECORD of March 25.)

With the repression of political parties, many persons have looked to the Catholic Church to speak out against government-sponsored terrorism, which it has. The response of the government has been to label the Catholic Church "one of the centers that has been subverted by international communism." This tactic of labelling all dissent as communist-sponsored seems prevalent. According to AI, "Under the pretext of combatting armed subversion, ever wider circles of peaceful dissent are subjected to oppression and persecution." (See page 8013 of CONGRESSIONAL RECORD of March 25 and page 9490 of CONGRESSIONAL RECORD of April 5.)

EXAMINATION OF JUSTIFICATIONS FOR MILITARY AID TO URUGUAY

The situation, in brief, is one of an untrammeled military dictatorship committing torture and repression against its own people. How then does our military aid program relate to the situation? What is the justification for our providing military assistance? It is clear there is no external threat to Uruguay, for in that same Subcommittee hearing of April 7, I asked Mr. Williams whether any other country threatened Uruguay and his response was, "No." (See page 10837 of CONGRESSIONAL RECORD of April 13.)

Do we have vital strategic military interests to protect in Uruguay? If we do, the Defense Department was remiss in failing to mention them in the Congressional Presentation Document provided the Subcommittee. In the document, references are made to the fact that Uruguay supports the United States politically and has helped in earthquake relief operations in Nicaragua and Peru. It is clear that the total thrust for our providing military aid to Uruguay is "internal seecurity". Terrorism threatened the government from 1968–1973, the Document states. It further says that, "this threat has been greatly reduced by the Uruguayan security forces, although the potential for terrorism remains." The document includes other items, such as that our military assistance "serves to enhance military-to-military relations . . . and maintains an adequate counterinsurgency capability."

Let's be honest about how our aid is being used. The military is the government. As we "enhance military-to-military relations" we identify completely with the military dictatorship and against the democratic elements. In his memo to the generals, President Bordaberry claimed that military control of the government must mean an exclusion of all political parties. By saying that "the power of the political parties and the power of the Armed Forces exclude each other," he has unintentionally set the either/or choice before us, forcing us, I believe, to cut off military aid to Uruguay. (See appended excerpts.)

I am also troubled by our assistance to Uruguay to "maintain an adequate counterinsurgency capability." I have no problem in voting for military aid to a government which is threatened by an externally-supported insurgency. But given the barbarity of the Uruguayan regime and its indiscriminate labelling and suppressing of all dissidents as "communists", I cannot in good conscience support military assistance to Uruguay. Frankly, I believe that our assisting Uruguay for "internal security" reasons make us part and parcel of the torture operation there.

Some might ask why Uruguay? Why not almost every South American country receiving military aid from us, since the same case can be made out against many of them? And my response is, if I could, I would. But pragmatically, if we can cut off military aid to Uruguay, the worst of them, perhaps the others will see that time is running out, and will change their present course of repression.

Exhibit One

Excerpts of Bordaberry Memo to Generals

(Published in Excelsior, Mexico City, April 11, 1976; excerpts from article by Julio Scherer Garcia, editor)

Today the dialogue between the President of the Republic and the Armed Forces is the only direct dialogue possible. The Armed Forces must make it clear whether they are ready to accept in principle the role that the President reserves for them. . . .

The power of the political parties and the power of the Armed Forces exclude each other. . . . a new order of power (must be established) in which the Armed Forces shall support the new government in replacement of the political parties . . .

It (the government) will have to extend the power, instead of limiting it as did previous Constitutions, because the enemy of personal liberty is not the government but by a danger coming from outside the country . . .

Government actions alone will determine whether the Constitution is good or bad, not whether these actions are unconstitutional, discussions which used to paralyze government actions in the past.

There is a need for a higher and permanent entity, a Supreme National Council in addition to the National Security Council for any important political decision-making, whose existence would allow the Armed Forces to take an immediate action in case of danger. The government would have the authority in this entity, supported by the consensus which comes about when the governing functions are carried out without interference from particular interests, either from the labor unions or the economy.

The political parties would represent the authorized opinion but would not be allowed to grab power in the traditional manner: through agitations or the press.

The legitimacy of voting has been gradually degenerating into the illegitimate creed that after obtaining electoral victory, there would exist a complete freedom of action even against the national will and interest. This is not a democracy anymore.

PERSONAL STATEMENT

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, I insert in the Record at this point a statement regarding several recorded votes I missed recently and an indication of how I would have voted had I been present.

APRIL 30, 1976

Rollcall No. 221, a vote on final passage of H.R. 365, Firefighters Benefits Act. The bill was passed by a vote of 178 to 80. I was paired for this bill and had I been present, would have voted in favor of it.

MAY 3, 1976

Rollcall No. 225, a vote on final passage of H.R. 5523, to improve the administration of fish and wildlife programs. The bill was passed by a vote of 360 to 0. I was paired for this bill and had I been present, would have voted in favor of it.

Rollcall No. 226, a vote on final passage of H.R. 11505, marine protection research and sanctuaries authorization for fiscal year 1977. The bill was passed by a vote of 362 to 0. I was paired for this bill and had I been present, would have voted in favor of it.

Rollcall No. 227, a vote on final passage of H.R. 13035, national sea grant college amendments. The bill was passed by a vote of 326 to 34. I was paired for this bill and had I been present, would have voted in favor of it.

Rollcall No. 228, a vote on final passage of H.R. 11920, use of exchange funds. The bill was passed by a vote of 348 to 14. I was paired for this bill and had I been present, would have voted in favor of it.

Rollcall No. 229, a vote on final passage of H.R. 12168, Natural Gas Pipeline Safety Act Amendments of 1976. The bill was passed by a vote of 277 to 88. I was paired for this bill and had I been present, would have voted in favor of it.

INTRODUCTION OF PROPERTY TAX BILL

(Mr. CARR asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. CARR. Mr. Speaker, the property tax has long been the most unpopular tax in the view of the public, and the most unfair in the minds of many economists. Yet, rather than being phased down or out, it is being increased in many jurisdictions in order to make up for dwindling revenues and to meet increased demands for local services. The subject of property taxes comes to my attention as Congress considers continuation of Federal revenue sharing. Members of city, county, and State governments have lobbied intensively for continuation of the program on the grounds that it is desperately needed for local governments to stay afloat financially. The same demand is being made on property taxes and yet I believe local units of government need to rethink their property taxation.

One property tax reform that could be made at the State and local level would be to shift the financing of education from the property tax to some other more equitable tax. Unlike sewers, water, and police and fire protection, education has no direct link to property. Financing education on the property tax is bad for education, for people on fixed incomes, and for local government finances.

To give States incentive to rethink their property taxation and hopefully stop financing education with it, I am introducing a bill to increase the revenue-sharing allotment to those jurisdictions where education is not financed with the property tax. Each unit of government which qualified would receive 110 percent of their scheduled allotment. Currently, Hawaii is the only State that would qualify, and the increased funding to that State would be $2.7 million in the first year. No State would be penalized by reduced funding.

My proposal would not force States and local governments to eliminate the property tax. It would give them incentive to stop financing education with it and to evaluate their total tax structure.

PROVIDING FOR RELIEF OF SMALL BUSINESSES DOING BUSINESS WTH U.S. GOVERNMENT

(Mr. GUDE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, yesterday I introduced a modified version of H.R. 10904, which I had introduced earlier this Congress for the relief of small businesses who do business with the Federal Government. Reintroduction of this modified version is particularly appropriate at this time, immediately preceding Small Business Week, for it addresses a widespread problem—late payment of bills by the Federal Government—which affects the entire business community, both large and small.

This matter first came to my attention when a constituent wrote to me indicating that he had performed a contract for a Federal agency but that the agency failed to pay him for a period of 90 days after the contract had been performed. As a result he was compelled to take a short-term bank loan to cover his payroll and taxes due the Federal Government. The Government caused the problem, and at the same time benefited from the late payment penalty on his taxes. As a result I polled the small businesses in my district to determine the extent of the problem. The results of the poll are distressing and illustrate the type of situation which causes citizen frustration with Government red tape and bureaucracy. Many small business owners indicated a great variety of problems exist in obtaining money due them from the Government.

The average payment time was 90 days after the service was performed or the goods were delivered; the normal payment period in business is 30 days. Because of this timelag problem, the cash flow of these small businesses was severe and several had come close to bankruptcy, others were forced to take out loans at 12 to 18 percent interest; a rather large number had simply stopped doing business with the Government because they found that they either lost money or that it was simply not worth their effort. When the situation is so bad that businesses no longer want to do business with the Government, we all lose, for many of these businesses have fine products, and fine services to offer the Government. The effect is that we stifle and reduce competition.

Another common complaint was that the Federal Government almost always took a 2 or 3 percent "prompt payment discount," which is a normal business practice used to encourage purchasers to pay their bills in 10 to 20 days. The Federal Government it seems, almost always takes this discount, even if the payment is made three months late. For the small businessman to fight this automatic discount, he must incur additional costs and run the risk of being branded a troublemaker by contracting officers, and thus, jeopardize his chances of getting further Government business.

Obviously, this situation concerns me and concerns my constituents; it is basically unfair and incompatible with our free enterprise system. I am sure that my colleagues will find a similar situation in their own districts. The General Accounting Office has begun a broad-scoped national survey of Federal payment problems and has determined preliminarily that the problems of late payments to both large and small businesses is nationwide. The study will not be complete for about 8 months, but the first results show that the Government is derelict in paying its bills, and does a disservice to the entire business community.

My legislation mandates that the Government pay *12 percent* annual interest on all bills outstanding more than 2 weeks. This modified version requires contractor and Government to establish a definite due date and incorporate that date into the contract; therefore, the question of when a payment is due will not hamper the operation of this bill. The purpose of the 12-percent interest section is to compensate the businessman for the loss of capital during any period of Government tardiness. An ancillary effect would be to allow a speedy audit mechanism—missing under the current payment system—to check on which agencies are not paying the bills properly; the interest payment figures could be easily tabulated and reviewed by agency heads and Congress alike.

I look forward to reviewing the GAO study on this matter when it is available, but feel that Congress would be wise to turn its attention to this mechanism immediately before the Federal Government's payment practices cause further hardship on the entire business community. The text of my prompt payment bill is as follows:

H.R. 13525

A bill to require the payment of interest by Federal agencies on overdue contract payments, to amend the Office of Federal Procurement Policy Act, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6(d) of the Office of Federal Procurement Policy Act is amended—

(1) by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon; and

(2) by inserting immediately after such paragraph the following new paragraph:

"(7) promulgating, not later than July 1, 1976, regulations (a) requiring that any contract with any small business concern, as that term is defined by the Small Business Administration pursuant to section 3 of the Small Business Act, bear a specific date for payment, and (b) requiring the payment of interest at an annual rate of 12 per centum applied to the amount of any such payment which is overdue with regard to such date by more than two weeks".

SUPPORT URGED FOR NARCOTICS SENTENCING AND SEIZURE ACT OF 1976

(Mr. McCLORY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. McCLORY. Mr. Speaker, I am pleased to introduce today a measure recommended by the President aimed at curbing the increased trafficking, possession, and use of narcotics and other dangerous drugs.

Mr. Speaker, the legislation which several of my colleagues and I are sponsoring is tough legislation aimed at a dangerous and cruel business, namely, the commerce in narcotics and other hard drugs. Control of these addictive products, which account for a high percentage of the criminal activity in our country and which are so destructive to large segments of our population—particularly our young Americans—requires strong legislative measures coupled with strict enforcement of the laws which we enact.

As the President stated in his recent message to the Congress:

> The cost of drug abuse to this Nation is staggering. More than 5,000 Americans die each year from the improper use of drugs. Law enforcement officials estimate that as much as one half of all 'street crime'—robberies, muggings, burglaries—are committed by drug addicts to support their expensive and debilitating habits. In simple dollar terms, drug abuse costs us up to $17 billion a year.

Since 1975, conditions have grown steadily worse, with the availability of heroin on the streets of our major cities on a steady increase.

According to estimates which I received when I was in Mexico City recently, as much as one-third of overall Mexican income from exports can be traced to the export of hard drugs to the United States.

Mr. Speaker, without delineating the broad scope and radical, albeit essential, changes which this legislation will effect, I will, instead, attach to these remarks a descriptive statement of the entire legislative program. The bill which is being introduced today is cosponsored by my colleagues Mr. HUTCHINSON, Mr. FREY, and Mr. CARTER.

Mr. Speaker, I urge other Members from both sides of the aisle to join as cosponsors of this legislation. In addition, I urge prompt committee action as well as an early House vote in support of these important steps aimed at reducing the trafficking in narcotics and other dangerous drugs.

NARCOTIC SENTENCING AND SEIZURE ACT OF 1976: SECTION-BY-SECTION ANALYSIS

Title I.—Mandatory Minimum Sentences.
Title II.—Conditions of Release.
Title III.—Forfeiture of Proceeds of Illegal Drug Transactions.
Title IV.—Illegal Export of Cash.
Title V.—Prompt Reporting of Vessels.

SECTION-BY-SECTION ANALYSIS

Section 1 of the draft bill provides that the Act may be cited as the Narcotic Sentencing and Seizure Act of 1976.

Title I.—Mandatory minimum sentences

Title I of the draft bill provides mandatory minimum prison sentences for most persons convicted of an offense involving manufacturing, importing, or trafficking in opiates. The defendant could not be paroled until he had served the minimum sentence. The judge could not sentence the defendant to probation, suspend his sentence, or sentence him under the Youth Corrections Act. If, however, the judge found that, at the time of the offense, the defendant was under 18 years of age, that his mental capacity was substantially impaired, that he was under unusual and substantial duress, or that he was a minor participant in the offense, the judge could sentence the defendant to a lower term of imprisonment with a lower term of parole ineligibility, to probation, or to a suspended sentence; a mandatory minimum term of imprisonment under these provisions would be consecutive to any other term of imprisonment and a mandatory minimum term of parole ineligibility would be consecutive to any other term of parole ineligibility.

The provisions would apply only to offenses involving an opiate, which is defined as "a mixture or substance containing a detectable amount of any narcotic drug that is a controlled substance under schedule I or II, other than a narcotic drug consisting of (A) coca leaves; (B) a compound, manufacture, salt, derivative, or preparation of coca leaves; or (C) a substance chemically identical thereto." The provisions are primarily aimed at heroin and morphine traffickers, importers, and manufacturers.

Section 101 of the draft bill contains the mandatory minimum sentence provisions for manufacturers and traffickers of opiates.

Section 101(a) would amend section 401 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 841), pertaining to illegal manufacture, distribution, and dispensing of controlled substances, to provide a mandatory minimum term of imprisonment of three years and a mandatory minimum term of parole ineligibility of three years for a first offense relating to an opiate. If the offense followed a previous conviction for a federal, state, or foreign offense relating to an opiate which was punishable by over one year in prison, the minimum mandatory term of imprisonment and the minimum mandatory term of parole ineligibility would each be six years.

Section 101(b) would amend section 405 of the Act (21 U.S.C. 845) pertaining to distribution of controlled substances by a person at least 18 years of age to a person under 21, to provide a six-year mandatory minimum term of imprisonment and a six-year mandatory minimum term of parole ineligibility for a first offense of selling an opiate to a person under 21 years of age. If the offense is committed after a previous conviction for a federal, state, or foreign felony involving an opiate, the mandatory minimum term of imprisonment and mandatory term of parole ineligibility would be nine years.

Section 101(c) would amend section 406 of the Act (21 U.S.C. 846), relating to attempts and conspiracies to violate the drug laws, to provide that, if the offense was an offense under section 401 involving an opiate, the mandatory minimum term of imprisonment and mandatory minimum term of parole ineligibility would be three years for a first offense. If the offense followed a previous conviction for a federal, state, or foreign felony involving an opiate, the mandatory minimum term of imprisonment and mandatory minimum term of parole ineligibility would be six years.

Section 102 contains the mandatory minimum sentence provisions for persons who illegally import or export, or who manufacture or distribute for illegal importation, opiates.

Section 102(a) would amend section 1010 of the Act (21 U.S.C. 960), pertaining to illegal importation and exportation and to manufacture and distribution for illegal importation, of a controlled substance, to provide a mandatory minimum term of imprisonment of three years and a mandatory minimum term of parole ineligibility of three years, for a first offense relating to all opiate.

Section 102(b) would amend section 1012 of the Act (21 U.S.C. 962) to provide that, if an offense involving an opiate is committed after a previous conviction for a federal, state, or foreign felony relating to an opiate, the mandatory minimum term of imprisonment and mandatory minimum term of parole ineligibility is six years.

Section 102(c) would amend section 1013 of the Act (21 U.S.C. 963), pertaining to attempts and conspiracies to violate the laws concerning importation and exportation of controlled substances, to provide a mandatory minimum term of imprisonment and a mandatory minimum term of parole ineligibility of three years for a first offense of attempting or conspiring to violate section 1010(a) if the offense involves an opiate. If the offense is committed after a previous conviction of a federal, state, or foreign felony involving an opiate, the mandatory minimum term of imprisonment and the mandatory minimum term of parole ineligibility would be six years.

Section 103 would add a new Rule 32.1 to the Federal Rules of Criminal Procedure to provide for a sentencing hearing to those cases where the provisions of the Comprehensive Drug Abuse Prevention and Control Act of 1970 require a minimum term of imprisonment and parole ineligibility. The hearing would be held without a jury. Parties would have a right to counsel, to compulsory process, and to cross-examination of witnesses who appear at the hearing. If the defendant is found by a preponderance of the information, including information submitted during the sentencing hearing, to be subject to a mandatory minimum term of imprisonment and parole ineligibility, the judge would sentence him in accordance with the appropriate provisions of the Comprehensive Drug Abuse Prevention and Control Act of 1970, as amended.

Title II.—Conditions of release

Release of defendants charged with or convicted of criminal offense is presently governed by the Bail Reform Act of 1966 (18 U.S.C. 3141-56). Title II would amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to provide standards of release and denial of release for defendants charged with trafficking in opiates or with illegally importing or exporting opiates, or with attempting or conspiring to commit one of these offenses.

Proposed section 412 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 would permit the judge, in setting pretrial release conditions under the Bail Reform Act for persons charged with opiate trafficking, exporting, and importing, and with attempts or conspiracies to commit those offenses, to consider the danger the person poses to the safety of any other person or to the community, or would revert to criminal activity of a nature similar to that constituting the basis on the pending charge.

Proposed section 413 of the Act permits the denial of release of certain persons charged with serious opiate offenses. Subsections (a)(1) through (a)(5) list the categories of opiate offenders who may be subject to denial of release. These include persons previously convicted of a federal, state or foreign opiate felony, persons on parole, probation, or other conditional release at the time of the offense, persons who are nonresident aliens or in possession of illegal passports at the time of arrest, and persons convicted of having been fugitives or escaping from prison or willfully failing to appear before a court or judicial officer under federal or state law.

Subsection (b) requires that a hearing be held before a person may be denied release under the section, and that a person may be denied release only if the judge finds that there is clear and convincing evidence that the person charged with a serious opiate offense belongs in one of the categories of persons subject to denial of release, that no condition or conditions of release—including the setting of a high bail—will reasonably assure the safety of any other person or the community, and that there is a substantial probability that the person committed the offense with which he is charged. The judge must also issue an order denying release accompanied by written findings of fact and a statement of reasons for the order's entry.

Subsection (c) outlines the procedures and rights in the hearing. The defendant is entitled to representation of counsel, has the right to testify and to produce information by proffer or otherwise, and to present witnesses in his own behalf.

Under subsection (d), if a person is denied release prior to trial under the provisions of the section, his case must be placed on an expedited calendar.

Title III.—Forfeiture of proceeds of illegal drug transactions

Section 301(a) would amend Section 511 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 881) to permit the forfeiture of all proceeds, moneys, negotiable instruments and securities used or intended to be used in violation of this Act.

Since the purpose of this section is to reach only that which is used or intended to be used as consideration for receipt of controlled substances in violation of this Act, the descriptive terms of consideration are defined as follows: (1) "Monies" means officially issued coin and currency of the United States or any foreign country; (2) "Negotiable instruments" means that which can be legally transferred to another party by endorsement or delivery; and (3) "Securities" refers to any stocks, bonds, notes or other evidences of debt or property; and (4) "Proceeds" refers to any other property furnished in exchange for a controlled substance in violation of this Act.

Section 301(b) is simply a clarifying amendment.

Section 301(c) provides that property forfeited pursuant to Section 301(a) would be disposed of by the Attorney General in accordance with existing law and with due regard for the rights of any innocent persons involved. Subsection (h)(3) of Section 301 also provides that the Attorney General shall cause to be deposited in the general fund of the United States Treasury all monies forfeited pursuant to Section 301(a) and all currency derived from the sale of forfeited negotiable instruments and securities.

Title IV.—Illegal export of cash

Title IV of the proposed bill would amend the Currency and Foreign Transactions Reporting Act. Section 401 would amend section 231(a) of the Currency and Foreign Transactions Reporting Act to provide that a violation of the currency reporting requirement occurs when a person who intends to transport monetary instruments out of the United States in an amount exceeding $5,000 on any one occasion does not file a report prior to departing from the United States.

Section 231(a) of the Currency and Foreign Transactions Reporting Act (31 U.S.C. 1101(a)) currently requires reports to be filed by persons transporting or causing to be transported monetary instruments in excess of $5,000 into or out of the United States. However, on March 25, 1976, the United States District Court (S.D. Fla.) dismissed a criminal proceeding against Juan Manuel Centeno who was discovered departing the United States with $250,000 of unreported currency. The district court reasoned that no violation had occurred because the law is violated only after a person has actually left the United States without filing the required report. As a consequence of this decision, effective enforcement of the reporting requirement was significantly impaired. To remedy this defect in the law, the proposed amendment would require a report to be filed prior to departure by any person who wishes to transport or have transported out of the United States any amount exceeding $5,000. A person departing by aircraft or vessel would have to file the report prior to boarding the outbound carrier. Failure to file the report would then be a detectable violation. The law pertaining to reports by persons entering the country would be unchanged.

The sale of narcotics and dangerous drugs in the United States produces vast sums of money much of which leaves the United States. By monitoring the flow of currency and monetary instruments, significant information is developed with respect to narcotics trafficking and the illegal exportation of arms and munitions. However, the gap in the enforcement authority of the Customs Service noted by the district court has reduced the effectiveness of this program. By closing a loop-hole in the reporting requirements and strengthening Customs search authority of departing persons, the programs to halt the flow out of the country of illicitly obtained currency and currency which will be used for the purchase of narcotics destined for the United States would be aided substantially.

Currently, section 235 of the Currency and Foreign Transactions Reporting Act requires a search warrant in order to seize monetary instruments being taken from the United States in violation of the reporting requirements of section 231 of the Act. Section 402 of the proposed bill would allow warrantless searches under exigent circumstances where there is probable cause to believe that monetary instruments are in the process of transportation and with respect to which a report required under section 231 of this Act (31 U.S.C. 1101) has not been filed or contains material omissions or misstatements.

This proposal would have no effect on the current Customs authority which allows warrantless searches of persons entering the United States.

Title V.—Prompt reporting of vessels

Title V of the draft bill would require the master of any vessel arriving from a foreign port or place, or of a foreign vessel arriving from a domestic port, or a vessel of the United States carrying bonded merchandise or foreign merchandise for which entry has not been made, to immediately report arrival of the vessel at the nearest customhouse or such other place as the Commissioner of Customs may prescribe in regulations.

In recent years, the use of private yachts and pleasure vessels to smuggle narcotics and dangerous drugs has created a significant detection and interdiction problem for the Customs Service. The existing law contributes to this problem because, with the exception of vessels arriving from Canada or Mexico, the law permits twenty-four hours in which to report arrival of the vessel. Thus a narcotics smuggler using a small boat can land in the United States without facing the prospect of an immediate Customs inspection and discovery of contraband. This problem has become particularly acute in Florida where private yachts and pleasure yachts with easy access to nearby foreign islands and the U.S. inland waterways complicate detection. The proposed amendment, section 501, would authorize the Commissioner of Customs to require the master of a vessel to report immediately and would also afford greater flexibility in designating the places where arrival may be reported. Customs would, thus, be in a position to concentrate enforcement activities on those vessels failing to report immediately, on the assumption that they are liable to be involved in smuggling. Section 502 contains a conforming amendment to section 459 of the Tariff Act (19 U.S.C. 1459) relating to the arrival of vessels from Canada and Mexico.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Mitchell of Maryland (at the request of Mr. O'Neill), for today, on account of a death in the family.

Mr. Clancy (at the request of Mr. Rhodes), after 4 p.m. today and for the balance of the week, on account of official business to attend a Health Subcommittee meeting in Salem, Oreg.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Pressler) to revise and extend their remarks and include extraneous material:)

Mr. Ruppe, for 30 minutes, today.

Mr. Whalen, for 5 minutes, today.

(The following Members (at the request of Mrs. Meyner), to revise and extend their remarks, and to include extraneous matter:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. McFall, for 15 minutes, today.

Mr. O'Neill, for 10 minutes, today.

Mr. Wolff, for 5 minutes, today.

Ms. Abzug, for 15 minutes, today.

Mr. Dodd, for 5 minutes, today.

Mr. Downey of New York, for 60 minutes, today.

Mr. Matsunaga, for 5 minutes, today.

Mr. Rodino, for 5 minutes, today.

Mr. Koch, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Evans of Colorado and to include extraneous matter.

Mr. Rosenthal immediately prior to the vote on the second Maguire amendment in the Committee of the Whole today.

(The following Members (at the request of Mr. Pressler) and to include extraneous matter:)

Mr. Young of Alaska.

Mr. Mitchell of New York.

Mr. Winn.

Mr. Crane.

Mr. McCollister in two instances.

Mr. Edwards of Alabama.

Mr. Anderson of Illinois.

Mr. Steiger of Wisconsin.

Mr. Kemp in three instances.

Mr. Ketchum in two instances.

Mr. Goodling.

Mr. Rhodes.

Mr. Archer.

Mr. Spence.

Mr. Lent.

Mr. Gilman.

Mr. Kasten.

(The following Members (at the request of Mrs. Meyner) and to include extraneous matter:)

Mr. Anderson of California in three instances.

Mr. Gonzalez in three instances.

Mr. Hungate.

Mr. Fraser.

Mr. Rangel.

Mr. Litton.

Mr. Mazzoli in two instances.

Mr. Steed.

Mr. Brown of California.

Mr. McDonald of Georgia in three instances.

Mr. Downey of New York.

Mr. Minish.

Mr. Eilberg in 10 instances.

Mr. Delaney.

Mr. Boland.

Mr. Dingell in four instances.

Mr. Holland.

Mr. Bonker.

Mr. Danielson.

Mr. Bingham.

Mr. James V. Stanton.

Mr. Jones of Tennessee.

Mr. Solarz.

Mr. Gibbons.

Mr. Waxman.

Mr. Harkin.

Mr. Charles H. Wilson of California.

Mr. Breckinridge.

Mr. Ichord.

Mr. Stephens.

Mr. Richmond.

Mr. Moffett.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2996. An act to authorize the Secretary of the Interior to permit the relocation of the John Witherspoon statue, and for other purposes; to the Committee on House Administration.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3065. An act to amend the Federal Election Campaign Act of 1971 to provide that members of the Federal Election Commission shall be appointed by the President, by and with the advice and consent of the Senate, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on May 4, 1976, present to the President, for his approval, bills of the House of the following titles:

H.R. 2782. An act to provide for the reinstatement and validation of U.S. oil and gas lease No. U-0140571, and for other purposes; and

H.R. 11876. An act to amend the Water Resources Planning Act (79 Stat. 244) as amended.

ADJOURNMENT

Mrs. MEYNER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 13 minutes p.m.), the House adjourned until tomorrow, Thursday, May 6, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

[Omitted from the Record of April 14, 1976]

3190. A letter from the Administrator of General Services transmitting revised regulations proposed to govern the archival processing, restriction, and public release of the Presidential materials of the Nixon administration, pursuant to section 104(a) of Public Law 93-526; to the Committee on House Administration.

[Submited May 5, 1976]

3191. A letter from the Under Secretary of Health, Education, and Welfare, transmitting a report on the study of the measure of poverty used in the allocation formula for title I of the Elementary and Secondary Education Act of 1965, pursuant to section 823 of Public Law 93-380; to the Committee on Education and Labor.

3192. A letter from the Administrator of General Services, transmitting a draft of proposed legislation to amend section 5726(c) of title 5, United States Code, to remove the time limit on nontemporary storage of household goods and personal effects of civilian employees assigned to isolated locations in the continental United States; to the Committee on Government Operations.

3193. A letter from the Administrator of General Services, transmitting a report on the transfer of the functions of auditing all Government transportation freight and passenger bills from the General Accounting Office to the General Services Administration, pursuant to section 203(d) of Public Law 93-604; to the Committee on Government Operations.

3194. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the intention of the Department of State to consent to the request of the Government of Iran for permission to transfer certain U.S.-origin defense articles to Jordan, pursuant to section 3(a) of the Foreign Military Sales Act, as amended, and section 505(e) of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

3195. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of intention of the Department of State to consent to the request of the Government of Jordan for permission to transfer certain U.S.-origin defense articles to Morocco, pursuant to section 3(a) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

3196. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of the principles to guide future U.S.-Greek defense cooperation, initialed on April 15 by the Secretary of State and the Foreign Minister of Greece, together with the texts of letters released the same day regarding the Aegean and Cyprus; to the Committee on International Relations.

3197. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation under the authority of section 244(a)(1) of the Immigration and Nationality Act, as amended, together with a list of the persons involved, pursuant to section 244(c) of the act [8 U.S.C. 1254(c)]; to the Committee on the Judiciary.

RECEIVED FROM THE COMPTROLLER GENERAL

3198. A letter from the Comptroller General of the United States, transmitting an analysis comparing the cost effectiveness of the Department of Defense's Uniformed Services University of the Health Sciences and the Armed Forces Health Professions Scholarship Program; jointly, to the Committees on Government Operations, and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ULLMAN: Committee on Ways and Means. H.R. 13396. A bill to authorize appropriations to the International Trade Commission for fiscal year 1977, to provide for greater efficiency in the administration of such Commission, and to provide for the continuation of certain reports by such Commission regarding synthetic organic chemicals (Rept. No. 94–1088). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 12664. A bill to revise and extend the provisions of title XII of the Public Health Service Act relating to emergency medical services systems, and for other purposes; with amendment (Rept. No. 94–1089). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H.R. 13553. A bill to provide for the efficient and regular distribution of current information on Federal domestic assistance programs; to the Committee on Government Operations.

By Mr. CARR:

H.R. 13554. A bill to amend the State and Local Fiscal Assistance Act of 1972 to provide incentives for the funding of education by means other than property taxes; to the Committee on Government Operations.

By Mr. DOMINICK V. DANIELS:

H.R. 13555. A bill to amend the Federal Metal and Nonmetallic Mine Safety Act and to transfer certain functions relating to coal mine health and safety under the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

By Mr. DODD (for himself, Ms. Abzug, Mr. Beard of Rhode Island, Mr. Bedell, Mr. Blanchard, Mr. Cotter, Mr. D'Amours, Mr. Harrington, Mr. Helstoski, Mr. Mikva, Mr. Mitchell of New York, Mr. Mosher, Mr. Nedzi, Mr. Nowak, Mr. Ottinger, Mr. Pattison of New York, Mr. Pepper, Mr. Riegle, Mr. Rostenkowski, Mr. Sarasin, Ms. Spellman, and Mr. James V. Stanton):

H.R. 13556. A bill to amend title 38 of the United States Code relating to the recognition of representatives of the Polish Legion of American Veterans as claims agents for claims arising under laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. EDWARDS of Alabama:

H.R. 13557. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FLOOD:

H.R. 13558. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HANNAFORD:

H.R. 13559. A bill to amend title 5, United States Code, to allow a retired Federal employee to revoke an election not to provide for a survivor annuity to his spouse on his death, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HÉBERT:

H.R. 13560. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HEINZ (for himself, Mr. Harrington, Mr. Patterson of California, Mr. Rodino, and Mr. Breckinridge):

H.R. 13561. A bill to amend the Internal Revenue Code of 1954 to encourage businesses to purchase surplus school or hospital buildings from governmental and nonprofit entities by providing rapid amortization for such buildings; to the Committee on Ways and Means.

By Mr. HOWARD:

H.R. 13562. A bill to alleviate massive unemployment in the housing and related industries, to provide homeownership opportunities not otherwise available because of excessive interest rates, and to assist in restoring the Nation's economic health; to the Committee on Banking, Currency and Housing.

By Mr. MATSUNAGA:

H.R. 13563. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to provide increased assistance for community involvement in crime prevention; to the Committee on the Judiciary.

By Mr. MOLLOHAN:

H.R. 13564. A bill to reaffirm the intent of Congress with respect to the structures of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MURPHY of New York (for himself, Mr. Addabbo, Mr. Fish, Mr. Ottinger, Mr. Pike, and Mr. Walsh):

H.R. 13565. A bill to amend the Regional Rail Reorganization Act of 1973 to authorize States to acquire certain rail properties from the Consolidated Rail Corporation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. NOVAK:

H.R. 13566. A bill to amend the Internal Revenue Code of 1954 to increase from $1 million to $10 million the exemption from industrial development bond treatment for certain small issues; to the Committee on Ways and Means.

By Mr. SMITH of Iowa (for himself, Mr. Evins of Tennessee, Mr. J. William Stanton, Mr. Conte, Mr. Bergland, Mr. Gonzalez, Mrs. Fenwick, Mr. Corman, Mr. Hanley, Mr. Goodling, Mr. Yatron, Mr. Breckinridge, Mr. Hungate, Mr. McFall, Mr. Addabbo, Mr. Whalen, Mr. John L. Burton, Mr. Don H. Clausen, Mr. Lehman, Mr. Downey of New York, and Mr. LaFalce):

H.R. 13567. A bill to amend the Small Business Act and the Small Business Investment Act of 1958; to the Committee on Small Business.

By Mr. TALCOTT:

H.R. 13568. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNG of Texas:

H.R. 13569. A bill providing for cost-sharing modifications of the Corpus Christi Ship Canal project; to the Committee on Public Works and Transportation.

By Mr. ABDNOR (for himself and Mr. Nolan):

H.R. 13570. A bill to amend title 39,

United States Code, to provide that the nature of services provided by any post office facility may not be changed without the approval of a majority of the patrons of the facility, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BRINKLEY (or himself, Mr. Ginn, and Mr. Young of Georgia):

H.R. 13571. A bill to amend the Tariff Schedules of the United States to repeal the special tariff treatment accorded to articles assembled abroad with components produced in the United States; to the Committee on Ways and Means.

By Mr. D'AMOURS:

H.R. 13572. A bill to provide for the cancellation of outstanding principal of certain national defense education loans for service prior to June 30, 1970, in the Armed Forces of the United States; to the Committee on Education and Labor.

By Mrs. FENWICK (for herself and Mr. Esch):

H.R. 13573. A bill to establish a Commission on Security and Cooperation in Europe; to the Committee on International Relations.

By Mr. HARRIS (for himself and Mr. Fithian):

H.R. 13574. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to individuals who rent their principal residences for a portion of the real property taxes paid or accrued by their landlords; to the Committee on Ways and Means.

By Mr. HEINZ (for himself, Mr. Harrington, Mr. Patterson of California, Mr. Rodino, and Mr. Breckinridge):

H.R. 13575. A bill to authorize the Secretary of Housing and Urban Development to make grants to local agencies for converting closed school buildings to efficient, alternate uses, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. KASTENMEIER (for himself, Mr. Baldus, Mr. Dodd, and Mr. Fithian):

H.R. 13576. A bill to amend title 39, United States Code, to establish procedures to regulate the manner in which the U.S. Postal Service may close post offices serving rural areas and small communities and towns; to the Committee on Post Office and Civil Service.

By Mr. McCLORY (for himself, Mr. Hutchinson, Mr. Frey, and Mr. Carter):

H.R. 13577. A bill to protect the public from traffickers in heroin and other opiates and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, the Judiciary, Banking, Currency and Housing, and Ways and Means.

By Mr. NOLAN:

H.R. 13578. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. SPENCE:

H.R. 13579. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffim the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STUDDS (for himself, Ms. Abzug, Mr. AuCoin, Mr. Bauman, Mr. Duncan of Oregon, Mr. Emery, Mr. Howard, Mr. Jones of North Carolina, Mr. Lagomarsino, Mr. Lent, Mr. Moakley, Mr. Ottinger, Mr. Pritchard, Mr. Richmond, Mr. St Germain, and Mr. Charles Wilson of Texas):

H.R. 13580. A bill to clarify the tax status of certain independent fishermen, and for other purposes; to the Committee on Ways and Means.

By Mr. STUDDS (for himself, Mr. Emery, Ms. Abzug, Mr. AuCoin, Mr. Cohen, Mr. Duncan of Oregon, Mr. Jones of North Carolina, Mr. Lagomarsino, Mr. Lent, Mr. Moakley, Mr. Ottinger, Mr. Pritchard, Mr. St Germain, and Mr. Charles H. Wilson of Texas):

H.R. 13581. A bill to amend the Tariff Schedules of the United States to provide for a lower rate of duty for certain fish netting and fish nets; to the Committee on Ways and Means.

By Mr. TRAXLER (for himself and Ms. Burke of California):

H.R. 13582. A bill to authorize the Secretary of Agriculture to make financial assistance available to agricultural producers who suffer losses as the result of having their agricultural commodities or livestock quarantined or condemned because such commodities or livestock have been found to contain toxic chemicals dangerous to the public health; to the Committee on Agriculture.

By Mr. BIAGGI:

H.J. Res. 936. Joint resolution authorizing the President to proclaim the week beginning June 20, 1976, and ending June 26, 1976, as National Truck Week; to the Committee on Post Office and Civil Service.

By Mr. BIAGGI (for himself and Mr. Young of Florida):

H.J. Res. 937. Joint resolution to provide for the appointment of George Washington to the grade of General of the Armies of the United States; to the Committee on Armed Services.

By Mr. GIBBONS:

H.J. Res. 938. Joint resolution to make certain that the corporate income tax was not repealed by the Revenue Adjustment Act of 1975; to the Committee on Ways and Means.

By Mr. MITCHELL of New York:

H.J. Res. 939. Joint resolution memorializing Dr. Mahlon Loomis; to the Committee on Post Office and Civil Service.

By Mr. BUCHANAN (for himself, Mr. Conlan, Mr. Erlenborn, Mr. Pressler, Mr. Badillo, Mr. Lehman, Mr. Fauntroy, Mr. Simon, Mr. Frenzel, Mr. Rosenthal, Mr. Eilberg, Mr. Drinan, Mr. Archer, Mr. Duncan of Oregon, Mr. Stark, Mr. Koch, Mr. Krebs, Mr. Tsongas, Mr. O'Hara, Mr. Mikva, Mr. Armstrong, Mr. Bedell, Mr. Schulze, Mr. Moorhead of Pennsylvania, and Mr. Burgener):

H. Con. Res. 626. Concurrent resolution to urge the Soviet Union to release Georgi Vins and permit religious believers within its borders to worship God according to their own conscience; to the Committee on International Relations.

By Mr. BENNETT (by request):

H. Res. 1173. Resolution disapproving the President's proposal to use authority under Public Law 85–804 to obligate funds for naval shipbuilding contracts; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. WINN introduced a bill (H.R. 13583), for the relief of Christopher Robert West, which was referred to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

378. By the SPEAKER: Memorial of the House of Representatives of the State of Hawaii, relative to reform of the Food Stamp Act; to the Committee on Agriculture.

379. Also, memorial of the House of Representatives of the State of Hawaii, relative to the effects of Federal Communications Commission decisions on State public utilities commissions; to the Committee on Interstate and Foreign Commerce.

380. Also, memorial of the House of Representatives of the State of Hawaii, relative to amending the Internal Revenue Code to promote the sale of residential land subject to leaseholds; to the Committee on Ways and Means.

381. Also, memorial of the House of Representatives of the State of Hawaii, relative to regulations governing the application of title XX of the Social Security Act; to the Committee on Ways and Means.

382. Also, memorial of the House of Representatives of the State of Hawaii, relative to amending the supplemental security income program to equalize Federal payments to, and States' costs of, benefits for the blind, aged, and disabled; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 13350

By Mr. COUGHLIN:

Page 24, immediately after line 13, insert the following:

"(5) in section 106(a), by adding at the end the following: 'No sums are authorized to be appropriated or otherwise made available for the purposes of the Clinch River Breeder Reactor to pay for more than that percent of any costs of such Reactor, after the total Federal contribution to the costs of such Reactor equals $2,000,000,000, which is determined as follows: 70 percent for costs when the cumulative total Federal contribution equals or is less than $2,250,000,000; 60 percent for costs when the cumulative total Federal contribution equals or is less than $2,500,000,000 but is greater than $2,250,000,000; and 50 percent for costs when the cumulative Federal contribution exceeds $2,500,000,000.';"

Redesignate the succeeding paragraph accordingly.

By Mr. DINGELL:

On page 9, line 25, strike all after the word "whenever" through "(2)" on line 2 of page 10; and on page 10, line 6, strike the period and insert the following: "in order to meet the needs of national defense or protection of life and property or health and safety."

On page 10, line 8, insert a comma after the word "used" and the following: "as provided in annual appropriation Acts enacted after the date of enactment of this Act,".

On page 29, line 21, strike all after the word "whenever" through "(2)" on line 23; and on page 30, line 3, strike the period and insert the following: "in order to meet the needs of national defense or protection of life and property or health and safety."

On page 30, line 5, insert a comma after the word "used" and the following: "as provided in annual appropriation Acts enacted after the date of enactment of this Act,".

On page 10, line 8, strike the words "may be retained and used" and insert therein the words: "shall be deposited into the treasury to the credit of the Administration and used by the Administrator, as provided in annual appropriation Acts enacted after the date of enactment of this section,".

On page 30, line 5, strike the words "may be retained and used" and insert therein the words: "shall be deposited into the treasury to the credit of the Administration and used by the Administrator as provided in annual appropriation Acts enacted after the date of enactment of this section,".

By Mr. FRASER:

Page 24, immediately after line 13, insert the following:

"(5) adding at the end of section 106(a) the following: 'Prior to the issuing of any permit authorizing the commencement of construction of the Clinch River Breeder Reactor Demonstration Plant, the Nuclear Regulatory Commission shall find that the operation of this facility will be in accord with the common defense and security and will provide adequate protection to the health and safety of the public.';"

Redesignate the succeeding paragraph accordingly.

By Mr. MURTHA:

Page 4, line 13, strike out "$5,000,000" and insert in lieu thereof the following: "$9,000,000, including $4,000,000 for grants for pilot research and development projects to demonstrate a practical approach to the transmission of technology required by the range of skills necessary for research in and the production and utilization of coal, including extraction, conversion, transportation, processing, storage, transmission, and other elements essential in increasing national coal usage".

Page 2, line 9, strike out "$1,047,182,000" and insert in lieu thereof "$1,051,182,000".

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research service pursuant to clause 5(d) of House rule X. Previous listing appeared in the Congressional Record of May 4, 1976, page 12371.

HOUSE BILLS

H.R. 13236. April 13, 1976. Agriculture. Directs the Secretary of Agriculture to assure that National Forest System resource management plans provide for multiple uses and sustained yield of forest products and services.

Requires the Secretary to provide public participation in the final adoption and amendment of such plans.

Limits timber harvesting contracts to 10 years, unless the Secretary informs appropriate Congressional committees that a longer period is required.

Revises provisions relating to the sale of timber found on National Forest Service lands.

H.R. 13237. April 13, 1976. Judiciary. Replaces Federal criminal statutory provisions penalizing "rape" and "carnal knowledge of females under 16" with provisions penalizing "sexual assault." Designates guilty of sexual assault any person who knowingly engages in sexual contact or penetration of another person without such person's consent.

H.R. 13238. April 13, 1976. Post Office and Civil Service. Amends the Legislative Reorganization Act of 1946 to deny Members of Congress any increase in pay under any law passed, or plan or recommendation received, during a Congress unless such increase is to take effect not earlier than the first day of the next Congress.

H.R. 13239. April 13, 1976. Judiciary. Standards of Official Conduct. Requires Members of Congress, the President, the Vice President, and specified military and civilian officers and employees to file financial disclosure statements with the Comptroller General annually.

H.R. 13240. April 13, 1976. Judiciary. Incorporates the Gold Star Wives of America.

H.R. 13241. April 13, 1976. Post Office and Civil Service. Repeals the Postal Reorganization Act. Reenacts provisions relating to the postal service which were in effect immediately prior to the enactment of such Act.

H.R. 13242. April 13, 1976. Ways and Means. Amends the Social Security Act to include hearing aids and dentures under the Medicare supplementary medical insurance program.

H.R. 13243. April 13, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13244. April 13, 1976. Ways and Means. Provides that in any legal action initiated by the Government, or in any action instituted by a taxpayer contesting the accuracy of a deficiency or claiming a refund of taxes paid where the taxpayer prevails or substantially prevails, the Government shall be liable for the reimbursement in full of all reasonable litigation expenses incurred by the taxpayer as a consequence of legal defense, under the Internal Revenue Code.

H.R. 13245. April 13, 1976. Agriculture. Prohibits new rules and regulations from becoming effective under the Food Stamp Act of 1964 until after the enactment of legislation with respect to the eligibility and purchase requirements of persons receiving benefits under the Food Stamp Act of 1964.

H.R. 13246. April 13, 1976. Interstate and Foreign Commerce. Amends the Securities Exchange Act of 1934 to extend by six months the Securities and Exchange Commission's study on segregation of dealer and broker functions and the study on banking.

H.R. 13247. April 13, 1976. Public Works and Transportation. Designates a specified Federal building in Grand Rapids, Michigan, as the "Arthur H. Vandenberg Building."

H.R. 13248. April 13, 1976. Post Office and Civil Service. Permits specified Personnel security investigators of the Defense Investigative Service who were on November 5, 1977 law enforcement officers employed in the Naval Investigative Service or in the Air Force Office of Special Investigations to elect to have all service with the Defense Investigative Service considered as service as law enforcement officers for civil service retirement and pension purposes.

H.R. 13249. April 13, 1976. Ways and Means. Permits the use of unemployment insurance funds, under the Internal Revenue Code, for making payments to employers of otherwise unemployed individuals under State plans requiring that the employer pay such individual wages comparable to the amount paid to other individuals doing the same work.

H.R. 13250. April 13, 1976. District of Columbia. Declares that the United States Park Police is continued as an entity under the jurisdiction of the Secretary of the Interior. Stipulates that the members of the Park Police shall have and perform the same powers and duties as the District of Columbia Metropolitan Police.

Places the Park Police under the exclusive charge and control of the Director of the National Park Service.

Establishes the compensation rate and a system of retirement and disability benefits, including survivor benefits and annuities, for members of the Park Police.

H.R. 13251. April 13, 1976. Merchant Marine and Fisheries. Amends the Merchant Marine Act to extend coastwise shipping laws with respect to the transportation of crude oil, residual fuel oil, and refined petroleum products to the Virgin Islands.

H.R. 13252. April 13, 1976. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 13253. April 13, 1976. Judiciary. Directs the Foreign Claims Settlement Commission to reopen a certain claim.

H.R. 13254. April 13, 1976. Judiciary. Permits a certain individual to withdraw from certain civil service retirement coverage.

H.R. 13255. April 13, 1976. Veterans' Affairs. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13256. April 14, 1976. Judiciary. Requires specified minimum prison sentences for any individual who uses or carries a firearm during the commission of a felony that may be prosecuted in a Federal court and for whoever is convicted by a State court of using or carrying a firearm transported in, or affecting, interstate commerce during the commission of a felony.

H.R. 13257. April 14, 1976. Merchant Marine and Fisheries. Amends the Shipping Act of 1916 to provide that no common carrier by water subject to this Act shall submit to any agency of the United States rates or charges covering shipments of household goods, moving in whole or in part by water, in the foreign commerce of the United States, unless those rates or charges shall have been filed with the Federal Maritime Commission at least 30 days prior to the date of such submission.

H.R. 13258. April 14, 1976. Agriculture. Amends the Forest and Rangeland Renewable Resources Planning Act of 1974 to direct the Secretary of Agriculture to include in the Renewable Resource Program, national program recommendations which take into account specified policy objectives.

Requires the Secretary to provide for public participation in the formulation and review of proposed land management plans and to promulgate regulations for their development and revision.

Revises provisions relating to the sale and use of timber found on National Forest Service lands.

Revises provisions relating to Congressional disapproval of the Presidential Statement of Policy regarding the formulation of budget requests for Forest Service activities.

H.R. 13259. April 14, 1976. Armed Services. Amends the Federal Civil Defense Act of 1950 to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief.

H.R. 13260. April 14, 1976. Veterans' Affairs. Designates the general medical and surgical Veterans' Administration hospital located in Augusta, Georgia, the "Robert G. Stephens, Jr., Veterans' Administration Hospital."

H.R. 13261. April 14, 1976. Interstate and

Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 13262. April 14, 1976. Ways and Means. Amends the Internal Revenue Code to exempt farmers or farm operators from the highway use tax on heavy trucks if the farmer (1) uses such vehicle primarily for farming purposes, and (2) is not a corporation with gross receipts in excess of $950,000 or with gross receipts more than 50 percent of which are from activities other than farming.

H.R. 13263. April 14, 1976. Merchant Marine and Fisheries. Establishes the Minnesota Valley National Wildlife Refuge, Minnesota.

H.R. 13264. April 14, 1976. Education and Labor. Repeals the Occupational Safety and Health Act of 1970.

H.R. 13265. April 14, 1976. Interstate and Foreign Commerce; Post Office and Civil Service. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to create 50 additional positions in the Public Health Service, raising the total number of positions to 200. Requires that not less than 125 positions be for the National Institutes of Health and that not less than 25 be for the entity through which the Federal Food, Drug, and Cosmetic Act is administered.

SENATE—*Wednesday, May 5, 1976*

The Senate met at 12 noon and was called to order by Hon. PATRICK J. LEAHY, a Senator from the State of Vermont.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God and Father of all mankind, whose promise is to bless that nation whose people covenant to know and do Thy will, make known to us what we should think and how we should live to fulfill Thy divine intention. May Thy goodness overrule our mistakes and Thy greatness strengthen our weakness. Hasten the day when Thy purposes are expressed not only in the hearts of a few wise and brave men, but throughout the whole Nation, in Congress and in court, in workshop and office, in field and forest, in the city and in the country. Draw us together in this body in unity of spirit, and in bonds of peace that the words of our mouths and the work of our minds may be acceptable in Thy sight, O Lord, our strength and our Redeemer. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

> U.S. SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, D.C., May 5, 1976.*
>
> *To the Senate:*
>
> Being temporarily absent from the Senate on official duties, I appoint Hon. PATRICK J. LEAHY, a Senator from the State of Vermont, to perform the duties of the Chair during my absence.
>
> JAMES O. EASTLAND,
> *President pro tempore.*

Mr. LEAHY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, May 4, 1976, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet until 1 p.m. or the end of the morning business, whichever comes later.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Nos. 703 and 733.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZING APPROPRIATIONS FOR THE NUCLEAR REGULATORY COMMISSION FOR FISCAL YEAR 1977

The Senate proceeded to consider the bill (S. 3107) to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes, which had been reported from the Joint Committee on Atomic Energy with amendments as follows:

On page 2, line 1, strike "$249,430,000" and insert "$274,300,000";

On page 2, line 8, after the period, insert "Funds may be obligated for purposes stated in this section only to the extent provided in appropriation Acts.";

On page 2, beginning with line 16, insert the following:

AMENDMENTS TO PRIOR YEAR ACT

SEC. 104. (a) Title I of Public Law 94–79 is amended by adding section 102 to read as follows: "Moneys received by the Commission for the cooperative nuclear research program may be retained and used for salaries and expenses associated with that program, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), and shall remain available until expended. Funds may be obligated for purposes stated in this section only to the extent provided in appropriation Acts.".

(b) Section 101 of Public Law 94–79 is amended by adding the phrase "and shall remain available until expended" after the words "September 30, 1976".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 101. There is hereby authorized to be appropriated to the Nuclear Regulatory Commission in accordance with the provisions of section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended; for salaries and expenses, $274,300,000 to remain available until expended.

SEC. 102. Moneys received by the Commission for the cooperative nuclear safety research programs may be retained and used for salaries and expenses associated with those programs, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), and shall remain available until expended. Funds may be obligated for purposes stated in this section only to the extent provided in appropriation Acts.

SEC. 103. Transfer of sums from salaries and expenses may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred.

AMENDMENTS TO PRIOR YEAR ACT

SEC. 104. (a) Title I of Public Law 94–79 is amended by adding section 102 to read as follows: "Moneys received by the Commission for the cooperative nuclear research program may be retained and used for salaries and expenses associated with that program, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), and shall remain available until expended. Funds may be obligated for purposes stated in this section only to the extent provided in appropriation Acts.".

(b) Section 101 of Public Law 94–79 is amended by adding the phrase "and shall remain available until expended" after the words "September 30, 1976".

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

STATUE OF BERNARDO DE GALVEZ

The bill (S. 3031) to authorize the erection of a statue of Bernardo de Galvez on public grounds in the District of Columbia was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior shall select an appropriate site for the location of a statue, including pedestal therefor, of Bernardo de Galvez, a gift of the Government of Spain in recognition of the Bicentennial celebrations of the United States of America and as a token of the friendship that exists between the people of Spain and the people of the United States. Such statue shall be erected on grounds now owned by the United States of America in the District of Columbia if (1) the choice of the site and the design of the statue is approved by the Commission of Fine Arts and the National Capital Planning Commission, and (2) the erection of the statue is begun within five years after the date of the enactment of this Act. The erection of the statue and proper landscape treatment of the site, including walks, shall be without expense to the United States of America, except for necessary maintenance after completion.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the acting minority leader seek recognition?

REVENUE SHARING: WHEN WILL CONGRESS ACT?

Mr. GRIFFIN. Mr. President, more than a year has passed since President Ford urged Congress to extend the general revenue sharing program. That legislation was introduced in the Senate on May 1, 1975, as S. 1625 and in the House 1 day earlier as H.R. 6558. Various other measures to renew revenue sharing also were proposed last spring.

Despite the urgent need, Congress has done virtually nothing. In the House there has been a tiny bit of movement. A subcommittee of the House Committee on Government Operations has been marking up a renewal bill, but there is no firm indication as to when it will be reported by the full committee. The Senate is not expected to act until after a bill is passed by the House.

While Congress has been almost ignoring revenue sharing, State and local governments across the Nation have been in a quandary—which pushes some of them closer and closer to the brink of financial disaster.

Those who have the responsibility to manage our cities, big and small, simply do not know at this point whether they can continue to count on this important fiscal assistance. The existing program expires in December. But States and localities that have fiscal years beginning in July have already been required to finalize their fiscal year 1977 budgets. Some have guessed, in formulating their budgets, that they will receive only half a year of revenue sharing payments; others have climbed out on a limb and assumed in their budgets that revenue sharing will be extended beyond December.

The uncertainties caused by this situation create serious problems. Some small jurisdictions count on revenue sharing to fund up to 20 percent of their budgets. Large cities and States have millions of dollars at stake.

The city of Detroit, for example, does not know whether the $40 million it has received each year in revenue sharing will continue to be available.

This state of affairs—the failure of Congress for an entire year to act on this vital legislation—is inexcusable.

One of the many advantages of the revenue sharing program in the past has been the fact that State and local governments were aware in advance of the level of funding they were to receive from year to year. As a result, there was the opportunity to plan wisely for use of the money.

But now Congress is pulling the rug out from under the States and local governments of this Nation, leaving not only the future of the program—but also the welfare of millions of Americans—seriously in doubt. They need to know now whether the program will end or will be extended.

I cannot understand this foot-dragging. I think most of my colleagues would—if given a chance to vote—agree with me that revenue sharing has been a success. It should be extended under its present broad guidelines, as proposed by President Ford a year ago.

Since general revenue sharing was enacted in October 1972, more than $23 billion has been made available to States and local communities throughout the Nation. These funds have done much to strengthen the viability of our federal system of government, a system built on the shared exercise of powers and responsibilities. A strong working partnership between Federal, State, and local governments is necessary if our Republic is to respond effectively to the needs of its citizens.

Revenue sharing has contributed to a revitalization of our federal system by returning more resources to the governments closest to the people, where there is a clearer perception of the needs of citizens. Simply put, some tasks are better performed by State and local governments—a fact the framers of our constitutional system wisely recognized.

Revenue sharing has placed funds where needs exist. It has given significant assistance to our hard-pressed center cities. In my own State of Michigan, for example, the city of Detroit in 1974 received $27.79 in revenue sharing funds for each of its citizens. By contrast, the wealthy suburb of Grosse Pointe Farms received $3.83 per capita.

Likewise, the program has aided low-income States more than wealthier ones. A 1972 study found that governments in Mississippi received $39.90 per capita as compared with $28.05 for California.

The program has been free of much of the costly, often counterproductive, bureaucratic redtape associated with most categorical grant programs. Small and rural communities, which often benefit little from other forms of Federal assistance, have participated in revenue sharing without the need to engage in highly expensive "grantsmanship" competition with other communities—other communities which often are equally deserving.

Revenue sharing funds have helped States and communities maintain vital public services and stabilize crushing tax burdens—particularly real property and sales taxes that fall hardest on blue-collar workers and the elderly.

With shared revenues, State governments and almost 39,000 units of local government have been able to meet many urgent needs. Improved education, better police and fire protection, more extensive emergency health and accident assistance, and expanded local transportation systems have all resulted from the availability of shared revenues.

If revenue sharing payments were cut back or cut off, the impact on State and local governments would be severe and our efforts to assure economic recovery would be dealt a serious blow. Governments would be forced either to cut back further on services and public employment or to increase taxes and borrowing.

Every day we delay in renewing the general revenue sharing program increases the risk of future deprivation and suffering by those who have entrusted this Nation to our care.

It is past time for Congress to quit dallying on revenue sharing. Let us get about the business of passing this legislation.

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a period for the conduct of morning business, with a time limitation of 3 minutes attached to statements therein.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield 3 minutes of my time to the distinguished Senator from North Carolina (Mr. HELMS).

Mr. HELMS. Mr. President, I thank the distinguished majority leader.

WISE COUNSEL FROM EDWIN GILL—A DISTINGUISHED TAR HEEL

Mr. HELMS. Mr. President, the other day I received a copy of an exceedingly sensible letter written by one of North Carolina's ablest and most dedicated public servants, the Honorable Edwin Gill, State treasurer.

I greatly respect Edwin Gill's judgment in fiscal matters—particularly those affecting the proper fiscal management of State governments. He believes in local responsibility, in sound management, and fiscal integrity.

Almost constantly, the Federal Government seeks to put roadblocks in the way of States wishing to follow the path of prudent, economical government. Such is the case with a bill that has been reported out of the House Ways and Means Committee, H.R. 12774. This is a bill which would allow a State or local government to issue taxable financial obligations, the interest on which would be included in the gross income of the buyer. The Secretary of the Treasury would then be required to pay a percentage of the yield on each obligation made taxable.

Obviously, Mr. President, such an arrangement would disrupt bond markets tremendously, driving capital out of those markets and increasing the net cost of local financing.

This arrangement would put the Federal Government up to its ears in the business of local debt financing. That involvement, as surely as the sun will rise tomorrow, will bring more and more Federal controls on the uses of that financing.

The Committee on Finance has never endorsed such a radical change in our Tax Code, and in 1969, the committee considered a House-passed bill similar to H.R. 12774, and voted against sending it to the full Senate. I certainly hope in the course of its deliberations on changes in the Internal Revenue Code, the Committee on Finance this year, will not recommend this legislation to the Senate.

North Carolina's State treasurer, Edwin Gill, has outlined the situation from the perspective of a man who must work with the bond market and see that State finances are in order. I ask unanimous consent that his letter to Al Ullman, the distinguished chairman of the House Ways and Means Committee, be printed in the Record at this time.

There being no objection, the letter was ordered to be printed in the Record, as follows:

State of North Carolina,
Department of the Treasurer,
Raleigh, N.C., April 27, 1976.

Re: H.R. 12774.

Hon. Al Ullman,
Chairman, U.S. House Ways and Means Committee, Congress of the United States, Washington, D.C.

Dear Mr. Ullman: As Treasurer of North Carolina and ex officio Chairman of the Local Government Commission, I wish to express my opposition to the above bill.

This legislation, in my opinion, will serve to destroy the hard-earned credit of the state and local governments throughout the nation. The provision allowing for the taxable bond option compounds the destructive nature of this legislation in that it would place the state and local governments under heavy obligation to the United States government in connection with their financing.

I had hoped that we were entering a period in which there would be an independent partnership among the federal, state and local governments. Such a partnership becomes a mirage if the federal government assumes this dominant role in government financing. You will recall that in 1969 and again in 1973 attempts were made to repeal the exemption on state and local government bonds. Although the proposed legislation was defeated in each case, the threat of such legislation had a very disturbing effect upon the bond market for state and local securities.

The legislation now proposed, in my opinion, would tend to chill the initiative of state and local governments, especially those that have made a determined effort to refine and improve their fiscal policies.

I hope very much that after due consideration the House will reject this legislation as contrary to the great tradition of our country.

It is important that this legislation be disposed of as soon as possible for as long as it is pending, it could have an adverse effect on the state and municipal bond market.

With kindest regards, I am
Cordially yours,

Edwin Gill,
State Treasurer and ex officio Director of Local Government.

ORDER FOR RECOGNITION OF SENATOR CULVER AND SENATOR MANSFIELD TOMORROW

Mr. MANSFIELD. Mr. President, may I inquire of the desk what Senators have been allowed special orders for tomorrow?

The ACTING PRESIDENT pro tempore. Senator Proxmire and Senator Goldwater.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that following those two, the Senator from Iowa (Mr. Culver) and the Senator from Montana, now speaking, each be allowed to proceed for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TESTIMONY OF MR. WILLIAM MAGRUDER OF PIEDMONT AVIATION

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the Record the testimony today of Mr. William Magruder, executive vice president of Piedmont Aviation, before the Subcommittee on Aviation and Transportation, Research and Development, House of Representatives.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Testimony of Mr. W. M. Magruder

I. INTRODUCTION

Mr. Chairman, I am most pleased with this opportunity to testify before the subcommittee on aviation and transportation R&D for a single reason—it offers great encouragement to those of us who have devoted our professional lives to this outstanding U. S. industry that our elected officials are probing this industry in order to find out what role our government can and should play; and just as significantly, what government should not do. To assist your successful accomplishment of this objective, I shall address two issues: first, the industry viewpoint of our situation today, a little about how we got to this point and where I think we could be headed; and, secondly, some economic and institutional issues related to how the U. S. Government can play a successful role in aviation R&D. All of this, from my background of 15 years as a member of the aerospace manufacturing industry as a designer, program manager, test pilot and engineer, 14 years as a government official involved in testing/program management and evaluation, and as a special consultant to the President of the United States, and for the past three years as an executive of a regional airline, Piedmont Aviation, serving major and small cities east of Chicago and Memphis.

II. MY OBSERVATIONS OF THE INDUSTRY VIEWPOINT REGARDING AERONAUTICAL R. & D.

(a) National goals are essential for the focusing of governmental and public attention and effort. There is no lack of stated goals in aeronautics in the U. S. Congress from the appropriate committees and subcommittees going back to World War II. But, today, among congressional leaders and the administration, within the U. S. communication system and among the public institutions, there is no clear mandate, support or goal. More importantly, there is very little understanding of the three most important ingredients necessary for this kind of support. There is no clear awareness of:

How our aeronautical system got to its present state of world-wide preeminence.

What the public and national benefits of this industry are, and could be.

What the proper justifications for governmental support of Aeronautical R & D in our Federal system are.

It is not hard to discern why a clear and cogent national aviation goal is missing from today's dialog in our Nation's Capital; aviation is hardly a popular subject in the national communication system. In 1971, during my assignment to the White House staff, I attempted to canvass the Congress about their national priorities. Using about a 50% response, here is what I found to be the 1972 election year congressional priorities (not including defense):

Priority No.:
1. Employment.
2. Health care.
3. Environment.
4. Education.
5. Law enforcement.
6. Urban transit.
7. Conservation of natural resources.
8. Community development.
9. Productivity.
10. Trade.

Today I would expect that we would add energy at least to this list, but only indirectly does aviation impact upon productivity, trade and employment. The reasons for the absence of such a critical industry from the top 10 is not difficult to understand; in fact, it was carefully pointed out in the 1970 national goals report preamble by Dr. Patrick Moynihan. In essence, Dr. Moynihan pointed out national goals are avoided by elected leaders, unless they are very popular issues, because they too quickly become standards by which political performance is measured. Even if the goals are attained, they are attained too late or at too great a cost when perceived in the public eyes. Therefore, they are avoided. Now, in the case of an unpopular issue, which aviation certainly is these days, ERGO, SST's cause cancer, C-5's, TFX's, Lockheed loan, overseas payoffs, election funds, etc., etc. The establishment of a popular mandate to support this industry becomes quite a monumental task. Our public relations has been terrible for the past decade. Nonetheless, we need a national goal; we need to be evaluated fairly and openly based upon the balance of good things we provide the Nation and the world so that these contributions to our society are not lost in the minute examination of the few warts that we, and all other institutions, exhibit in our failures to reach perfection.

Recently, at the annual American institute of Astronautics and Aeronautics, I was asked to develop a national aviation goal. Here is what I offered to that outstanding organization:

"To provide low-cost, economic, safe, quiet and clean transportation of people and goods readily convenient to all destinations within or without the continental U.S. that have a clear need, and to provide augmentation for our military airlift system."

The benefits of this goal could also be stated as:

"So as to encourage the communications and commerce of our citizens throughout the Nation and the world and then realize the benefits of this communication and commerce in conditions that promote peace, a healthy society and a strong U.S. economy able to compete in the world."

(b) *Current situation of the civil aviation industry*—Sometimes the clarity of an observation of what is currently going on can be enhanced by a quick glance back over one's shoulder. Let me glance back five years to 1971 when our Congress abandoned the SST experiment, an act which made the aviation and financial communities sit bolt upright and take stock of the situation. Something which "could never happen" had just occurred. Here is what was clearly stated to me by most of the aviation industry leaders and their major lenders in early 1971, when I surveyed the situation at the request of President Nixon:

Airline earnings had so diminished since the peak profit years of 1966 and 1967 that they were delaying acceptance of their options for new widebody airplanes even though the lower operating costs of the new airplane and their decreased noise and fuel consumption were needed.

Capital costs of new equipment and the "profit squeeze" for airlines were so severe that no new U.S. programs were likely to be financed for some time unless the Federal Government stepped in to help.

Foreign competition from British, French, Dutch, and German models existed in three markets where the U.S. was now excluded:

SST's—Concorde and Concordski.

Twin wide-body—A-300.

Short-range jets—F-28 and VFW-614.

U.S. manufacturers were excluded from joint civil programs by anti-trust statutes but joint overseas ventures were not excluded; therefore, our manufacturers were heading overseas for capital:

G.E.-Snecma talks for 10 ton engine.

Boeing-Italy—7x7 talks.

P&W-MTW and Rolls-Royce—Talks for 10 ton engine.

Boeing-USSR—Talks for an aviation community to be built in Russia.

Capital costs of new programs for major civil transports were in the $1 to $2 billion range and for SST's up to $5 billion, or two to five times the net worth of the manufacturers with the payback period from start to breakeven exceeding 10 years. No capital availability was foreseen by the lenders considering two factors:

Lack of government support for airlines as evidenced by poor cab support reflected in airline earnings.

Lack of government support for manufacturers as evidenced by the SST decision.

The past historical flow of technology from major military bomber and transport projects was no longer as direct nor well timed to aid major civil transport projects. The Radcap project (research and development contributions to aviation programs, 29 February 1972) prepared by DOD, DOT and NASA, verified these 1971 observations.

Even a casual examination of these 1971 projections will show that they were conservative. Things got a lot worse than the industry leaders of 1971 predicted:

Airlines total system profits from 1970 through 1975 have totalled a miserable $510 million for all U.S. certificated carriers compared to the cab 12% ROI standard of $4.8 billion—a $4.3 billion shortfall.

Not one single "new" U.S. civil project has been undertaken since 1971. Only the shortened Boeing 747–SP has actually been delivered as a "new" design. Lockheed and McDonnell-Douglas have likewise limited their "new" design efforts to derivatives of current models—neither with any success in the sales area.

Foreign subsidized competition has actually expanded;

The Concorde is in service.

The Concordski TU–144 is in limited service.

The A–300 is in service and is outselling U.S. wide-body jets overseas.

The F-28 is in service.

The VFW-614 is in service.

The Canadian DHC-7 STOL short-haul transport goes into service next year.

The Russian YAK-40 is being offered at $1.8 million (30 seats) through a Canadian outlet. German and Italian commuter lines are actually operating this Russian transport.

The Joint overseas projects have become a fact and are expanding each year:

G.E. and SNECMA are in production for a 10 ton jet engine.

P&W MTU and Rolls Royce are also producing a 10 ton engine.

Boeing, Italy and Japan are under contract for the B-7X7 family of airplanes.

Dehaviland of Canada has purchased the lear jet 600 featuring the U.S. invented super critical wing to be built in Canada.

The RADCAP investigation verified the restricted flow of military program benefits into civil aviation when published in February, 1972.

The insurance companies have, for the first time, "red lined" the airlines for new equipment. Airlines are being forced to lease new equipment.

Airline stocks are at all time lows, drying up the equity market.

Fuel prices have skyrocketed to three times the 1971 values, adding $2 billion per year to U.S. airline system costs.

The 1975 recession, greatest since the 1930's, stunted revenue and profit growths and severely curtailed purchase of new equipment from U.S. manufacturers.

The 1976 election year fever in Washington, D.C. for "regulatory reform" could not have developed at a worse time, fully eroding lender confidence and adding the greatest uncertainty to this industry since the original CAB Act was written in the 1930's.

Now, in spite of all that bad news, we in the industry see many silver linings to the clouds. For example.

Air traffic is projected to grow at from 5 to 8% annually while most other passenger transportation modes will slacken or grow at less robust levels.

The world-wide new air transport market through 1990 looks to be over $70 billion, or more than all the history of civil air transport to date.

These two statistics are more than enough reason for not being downhearted; also good reason for doing just what this committee is trying to do—investigate, understand, prepare and then to act. Notice that almost all of the industry's major problems are external to the industry—an exogenous function, to use a favorite term of the economists; one which often signifies justification for Federal assistance.

III. SOME POLICY ISSUES

(a) *Justification for Government support.*—The business community views expenditures for research and development as a business expense and they recover these costs from their sales. The independent research and development costs and bid and proposal costs for Government programs are likewise treated as normal, recoverable business expenses, as they should be.

In the administration's 1971–1973 overall evaluation of Federal R&D, with which I was associated while on the White House staff from 1971 to 1973, I attempted to better define the justification for Government investment in research and development.

I found that the in-dept economic analysis of this justification, while not voluminous, did exist. For example:

(a) *The economic reports of the President*, transmitted to the Congress in January, 1972 said, "it is widely agreed that the group of activities called research and development plays a central role in our economy. It has led to new products and industries; and it can contribute in important ways to solving today's complex economic and social problems. . . . The nature of R&D activities will help determine tomorrow's comparative cost conditions and the patterns of world trade."

(b) *Business economics, September*, 1971. "The Productivity Slowdown" by John W. Kendrick, professor of economics, the George Washington University. "If productivity had continued to rise at its average rate after 1966, the GNP in 1970 would have been $60 billion higher than it was. Instead, the loss in GNP from 1969 through 1970, because of the productivity slowdown, was close to $120 billion. This sum could have made a big contribution toward reversing the deterioration of the environment, financing the income maintenance program to overcome poverty; and, still had enough left over ot finance the SST development! . . . . All available evidence indicates that research and development is an important contribution to economic growth and productivity."

(c) *National Science Foundation*, "A Review of the Relationship Between R&D and Economic Growth/Productivity," February, 1971. "Research to date seeking to measure the relationship points in a single direction—the contribution of R&D to economic growth/productivity is positive, significant and high."

While this support may appear to be substantial and at a decision making level, there still remains the problem of providing specifics for guidelines regarding what conditions justify government involvement. To this end, I prevailed upon the President's council of economic advisors in 1973 to develop and forward to me these guidelines. Here is what we developed as criteria for government support:

(a) When the welfare of all citizens of the U.S. is affected and no one segment of the society can provide the right type of service. An example is our national defense establishment.

(b) When institutional restrictions, such as anti-trust laws, result in a clear impediment and government action is required to reduce friction or barriers. Examples are FHA mortgages, Federal Deposit Insurance Corporation and the S.E.C., which requires total disclosure of relevant facts of a firm issuing public securities.

(c) When externalities occur which are beyond an individual firm's control, such as the fuel embargo or the transition from peace to war and vice-versa.

(d) It is the position of the government that a surplus in the balance of trade account is necessary now and for future years if the United States is to finance its aid program to other nations and to meet its world commitments without further increases in its short-term obligations to official foreigners. The government has, through the Domestic International Sales Corporation (DISC) made available to exporters somewhat more favorable tax treatment, and the Export/Import Bank has increased its financing facilities. Generally, however, the government opposes direct or indirect subsidies to specific industries for two reasons:

(1) It is unwise to distort the national economy to change the trade balance.

(2) It is difficult to identify the specific industries which should be subsidized.

(b) *Aeronautical justification for Government support*—In the wake of the congressional vote against the SST in 1970–1971 it seemed to me to be wise to ask aviation experts in the industry, and in the Government, a single question, "How did our aerospace industry grow to a position of worldwide preeminence?" None could answer this in sufficient detail to offer guidance regarding Government support. On September 9, 1971, I initiated studies with the DOD, supported by DOT and NASA, the results of which became known as RADCAP (R&D Contribution to Aviation Progress), published by the DOD in August, 1972. This is what this intense investigation of the aeronautical industry since 1925 said:

"Government sponsorship, primarily military, has provided most of the significant technological advances that have been made in U.S. aviation.

Early military application of technological advances in accomplishing the defense mission has provided the basis for this acceptance and use in civil aviation.

Other bonus effects, or spin-off benefits, of military aeronautical R&D have been extensive, including manufacturing technology and techniques, production methods, tooling, and plant and test facilities.

The military aeronautical R&D program, in support of defense objectives, will continue to be substantial.

With the possible exceptions in the area of large, long-range transonic and supersonic cruising aircraft, the research and technology generated by the military R&D program will continue to be available for civil aviation application, essentially as in the past.

The benefits occurring to civil aviation from the military sponsored development and production base, however, have decreased in both reliance and importance.

In short-haul transportation, the downward trend in the hardware transfer process should reverse, and relevancy should begin to improve.

In long-haul transportation, little change to the current "low to moderate" relevancy status is forecast."

Notice that much of the foundation for a "planned" military-civil partnership is already in place and either being tested, developed or about to be placed into project status. For example:

The USAF advanced medium STOL transport projects, Boeing YC–14 and the McDonnell-Douglas YC–15 civil STOL technology for a commercial program in the 1980's, if and when we can pull together the air traffic system, airports, financing, etc. for such such a downtown-to-downtown system.

The Navy's advanced carry-on-deck logistic transport project could produce a low-cost, quiet, clean and efficient short-haul jet transport for small city service in the 1980's, replacing our already obsolete propeller fleet.

The B–1 development program could be the proving ground for advanced dual cycle engines which will make a truly efficient and economic supersonic transport a practicable reality.

(c) Do the accepted criteria apply to aeronautics and how can they be improved?—Indeed they do and they can be improved, probably by this committee's activities. Look at the current application:

Aerospace is probably the single largest contributor to the national defense.

Almost all of the industry problems today eminate from "externalities" which are beyond individual firms' or even the total industry's control; e.g., fuel embargo, foreign subsidized competition, inflation, recession, cab fares and routes policies, State Department involvement in international air transport decisions, etc.

For the past decade, the aerospace foreign sales have been the difference between a positive and a negative balance of trade.

With respect to this last item, our trade balance, often maligned but seldom understood, let me offer this anecdote. During the great SST debate, I offered the following testimony in defense of the U.S. obligation to have a favorable trade balance. First, not all nations can have a positive trade balance since in the sum it must equal zero. Second, the U.S. has made commitments to help the under-developed nations and people of the free world, and need a positive trade balance to do this. I was not allowed, for political reasons, in 1971, to mention that the end result of a sustained negative trade balance could be a dollar devaluation. One year after that testimony, the U.S. had devalued the dollar twice and the international monetary system was in its most unstable status since 1932. We discovered, with a shock, that everything we bought overseas cost a lot more in dollars. Trade balance also helps to meet our international military obligations and no single industry can match aerospace for exports.

In addition, consider that aerospace is near the top as a U.S. industrial employer, over 700,000 in 1975 and with a conservative multiplier in terms of jobs of 2.5 (survey of current business, November, 1969), about 1.8 million total direct and indirect jobs.

We can improve upon these basic economic criteria without distorting market forces by using some or all of the criteria developed by Patrick Haggerty's report to the President's science advisory committee of September, 1971. Mr. Haggerty, of Texas Instruments, Inc., recommended consideration for federal involvement to add the following criteria to those already mentioned:

Exploratory research: as basic to the welfare of our entire society providing new knowledge and scientific and engineering training in our universities.

Whenever a major beneficial social impact can be determined, and:

(a) The private sector is fragmented: Agriculture is an example in the past and perhaps housing and mass urban transit are examples today.

(b) High risk, duration and size of investment exceeds private capability: an example could be satellites, nuclear power and now major air transport programs.

(c) Anti-trust law or the regulatory characteristics of the industry prevent R. & D.: Examples are pollution and auto safety R. & D. being inhibited by federal involvement.

When international competitiveness in world trade is threatened: Other nations' methods involve cartels, government subsidies and are not as open as U.S. industry, creating a disadvantage for U.S. firms.

(d) Some additional considerations for R. & D. stimuli—the primary need in the civil aerospace industry today is to "get well" as quickly as possible within the present system. To do this will require some and maybe all of the following:

(1) Stop the present "deregulation fever" in Washington, D.C. and establish reform within the present 1958 Federal Aviation Act in order to produce:

Confidence in the financial community, making capital available.

Faster CAB response on routes and fares.

An ROI standard that can be used, refined and adopted for long-range planning for capital needs.

More pricing flexibility.

Federal support for our international carriers in their negotiations with international competitors.

Renewed support for small city service to stimulate growth and commerce.

(2) Establish a trust fund (tax free and interest earning) based upon a ticket tax and to be used for new equipment acquisition and noise alleviation as well as fuel conservation. It will:

Have no budget input.

Be paid for by consumers.

Accelerate noise abatement.

Reduce fuel consumption.

Reduce costs through efficient equipment development.

(3) Allow replacement costs, not original costs, as the basis for corporate income taxation in times of inflation.

(4) Provide for Government procurement regulation to similarly recognize replacement costs in overhead costs and profit aims during Government contracting.

(5) Extending the investment tax credit and allowing its use as a tax rebate during times of severe inflation and/or depressed earnings from externalities.

(6) Adopt no fault insurance for operators and manufacturers in order to reduce risks, costs and still provide fair compensation.

(7) Reduce the current ticket tax, waybill tax and departure tax for the airport trust fund and stop efforts to penetrate this fund for reasons not originally intended.

(8) The provision of a focal point in the Federal Government for aviation. DOT—not so hot. NASA—supportive but restricted.

Once the restoration of the basic health of the industry is assured, some new and innovative ideas can also be considered for this critical industry. Some candidates could include the following, which were submitted to me in the Executive Office for consideration in 1972–1973:

(9) Tax incentives:

(a) An investment tax credit of 7% to be paid to professional R&D personnel as a means of countering potential disincentives of the capital goods tax upon the capital goods of R&D.

(b) A 25% tax credit to private firms for grants made to university R&D to provide a tie between industry and university R&D that does not now exist. What level are coop programs?

(c) Provide cash payments to private firms in the amount of unrealized benefits from tax provisions intended as incentives for R&D expenditures, thus providing stimulation to small firms and new ventures whose profit levels prevent incentives from tax credits and even tax deductions.

(d) Provide for tax deductions for R&D expenditures on products brought to successful commercial implementation, thus providing an incentive for successful R&D output where other incentives encourage R&D input.

(10) Broad base incentives:

(A) Provide for the use of IR&D funds for R&D on any problem of national interest since present use is restricted to mission-oriented military R&D.

(b) Experiments to be conducted to determine the means of stimulating industrial productivity.

(c) Use of matching grants to certain industrial associations as a means of stimulating research in certain areas.

(d) The use of national prizes and awards to stimulate inventions and innovation.

(11) A civil air transport financial assistance fund. This legislation was proposed by the aerospace industries association to the administration in 1973 and supported by the CAB. It offered the following:

Financial assistance to airframe/engine manufacturers for new civil ventures.

A civil air transport financial association fund committee of nine members which would assure:

Design—Significant advance.

Design—Meets public transportation needs.

Design—Competition with foreign designs, if any.

Design—Noncompetitive with privately funded U.S. designs.

Market—Adequate.

Operation—Independent of all departments and agencies.

Financing—For development and production.

(E) What is needed now?—The primary need today is to, with all deliberate haste, replace uncertainty with positive action. I hope, and believe, that the output of this committee could at least be to do as the 1971 Haggerty committee recommended for all Federal R&D:

(1) Assist in providing a more consistent approach to the support of research and development among agencies and programs.

(2) Make the decisionmaking process more orderly and traceable.

(3) Assist in identifying alternative course of action to present R&D policies. And,

(4) To uncover those factors that our decisionmakers consider to be relevant and important.

Thank you, Mr. Chairman, and good luck.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. LEAHY) laid before the Senate a message from the President of the United States submitting the nomination of George Henry Kuper, of the District of Columbia, to be Executive Director of the National Center for Productivity and Quality of Working Life, which was referred to the Committee on Government Operations.

REPORT ON THE ADMINISTRATION OF THE NATIONAL SICKLE CELL ANEMIA CONTROL ACT—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. LEAHY) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

I am pleased to transmit to the Congress the Third Annual Report on the Administration of the National Sickle Cell Anemia Control Act (P.L. 92–294) in accordance with the requirements of Section 1106 of the Public Health Service Act.

Sickle cell anemia is the most common genetic blood disorder in the United States. It is found predominantly, but not exclusively, in the black population where it affects nearly 50,000 persons. The individual cost of sickle cell anemia is tremendous; in addition to medical care and loss of time from school or employment, the resulting psychosocial and educational problems makes advancement against this disorder of highest priority.

This year's report highlights the progress made in the implementation of the National Sickle Cell Disease Program and other related activities of the Public Health Service carried out by the National Institutes of Health, the Center for Disease Control, and the Health Services Administration. We have continued to move ahead in the areas of research, education and public awareness, screening and counseling, and rehabilitation.

Fifteen comprehensive Sickle Cell Centers have been established, bringing together all aspects of research—basic, clinical, clinical application, and clinical trials. Continuing education and community demonstration programs have been included as integral parts of this important effort. This combination will permit the Centers to develop new and innovative approaches to education, testing, counseling and rehabilitation.

Also, last year 25 Sickle Cell Screening and Education Clinics provided information to more than one million persons, screened approximately 233,000 individuals, counselled more than 16,000 and referred many for appropriate medical care.

This activity is extremely important because the sickle cell trait is found in approximately two and one-half million black people. Although the sickle cell trait is primarily a healthy state wherein one carries genes for both sickle hemoglobin and normal hemoglobin, the blood disorder occurs as a result of the presence of genes for sickle hemoglobin inherited from both parents.

The National Institutes of Health is conducting intense investigations into the mechanisms of sickling in sickle cell anemia and subsequent complications, as well as carrying out therapy trials to alter the sickling process.

We must continue to push ahead for new knowledge and methodologies for the diagnosis, control and treatment of sickle cell anemia, as well as carrying on and improving existing screening and counseling, information, and education and training activities.

The progress made in the last year is heartening and sickle cell anemia program activities will continue to be of the highest priority. I am pleased to present this report to the Congress.

GERALD R. FORD.

THE WHITE HOUSE, *May 5, 1976.*

MESSAGES FROM THE HOUSE

At 12:50 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 1402. An act for the relief of John W. Hollis;

H.R. 1762. An act for the relief of Mrs. Lessie Edwards;

H.R. 8065. An act for the relief of Carmela Scudieri;

H.R. 9414. An act for the relief of TV Facts, Rochester, N.Y.;

H.R. 9965. An act for the relief of Boulder Daily Camera, Boulder, Colo.;

H.R. 12216. An act to amend the Domestic Volunteer Service Act of 1973 to extend the operation of certain programs by the ACTION Agency; and

H.R. 12704. An act to authorize appropriations for environmental research, development, and demonstration.

The message also announced that the House has passed the bill (S. 1699) for the relief of Mrs. Hope Namgyal, with an amendment in which it requests the concurrence of the Senate.

The message further announced that the Speaker has appointed as members on the part of the House of the U.S. Group of the North Atlantic Assembly Mr. HAYS of Ohio, chairman, Mr. RODINO, Mr. BROOKS, Mr. PHILLIP BURTON, Mr. ANNUNZIO, Mr. JARMAN, Mr. BOB WILSON, Mr. DEL CLAWSON, and Mr. EDWARDS of Alabama.

The message also announced that the Speaker has appointed as members from private life of the Commission on Executive, Legislative, and Judicial Salaries Mr. Edward H. Foley, of the District of Columbia, and Sherman Hazeltine, of Arizona.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the enrolled bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide that members of the Federal Election Commission shall be appointed by the President, by and with the advice and consent of the Senate, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. LEAHY).

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. LEAHY) laid before the Senate the following letters, which were referred as indicated:

Supplemental Appropriations To Pay Claims and Judgments—(S. Doc. No. 94–180)

A communication from the President of the United States transmitting a proposed appropriation request of $19,431,229 to pay claims and judgments rendered against the United States (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

Proposed Supplemental Appropriations for the Department of the Army—(S. Doc. No. 94–182)

A communication from the President of the United States transmitting a proposed appropriation request of $50 million for the Department of the Army, Corps of Engineers—Civil (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

Proposed Transfer of Funds for the Energy Research and Development Administration—(S. Doc. No. 94–181)

A communication from the President of the United States transmitting a proposed transfer request in the amount of $12,630,000 for the Energy Research and Development Administration for the fiscal year 1976 (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

Notice of Meetings Related to the International Energy Program

A letter from the Acting Assistant General Counsel of the Federal Energy Administration transmitting, pursuant to law, notice of certain meetings related to the International Energy Program (with accompanying papers); to the Committee on Interior and Insular Affairs.

Proposed Legislation by the General Services Administration

A letter from the Administrator of General Services transmitting a draft of proposed legislation to amend section 5726(c) of title 5, United States Code (with accompanying papers); to the Committee on Post Office and Civil Service.

Order of the Immigration and Naturalization Service

A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders suspending deportation, together with a list of the persons involved (with accompanying papers); to the Committee on the Judiciary.

Proposed Construction Projects for the Naval and Marine Corps Reserve

A letter from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, notification of seven construction projects to be undertaken by the Naval and Marine Corps Reserve (with accompanying papers); to the Committee on Armed Services.

Supplemental Request for the Energy Research and Development Administration

A letter from the Administrator of Energy Research and Development transmitting a proposed supplemental request in the amount of $13 million (with accompanying papers); to the Committee on Appropriations.

Prospectus of the General Services Administration

A letter from the Administrator of General Services transmitting, pursuant to law, a prospectus for a succeeding lease for space occupied in Arlington, Va. (with accompanying papers); to the Committee on Public Works.

PETITIONS

The ACTING PRESIDENT pro tempore (Mr. LEAHY) laid before the Senate the following petitions which were referred as indicated:

Thirteen resolutions adopted by the Michigan Audubon Society relating to the Nation's wetlands, the proper use of land, the bounty law on coyotes, the energy problem, throwaway cans and bottles, the Nation's sand dunes and shoreland, 40,000 acres of land contiguous to the AuSable and Manistee Rivers, the laying of a grid of underground cable, methods for recycling paper, additional nuclear powerplants, mosquito abatement districts, extending thanks to the Capitol Area Audubon Club, and a tribute to one of its members; ordered to lie on the table.

Three resolutions adopted by the Michigan Audubon Society relating to deterioration of our national park and wildlife refuge systems, the Garrison diversion unit in North Dakota, and the Natural Rivers Act; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Michigan Aububon Society relating to PCB levels; to the Committee on Labor and Public Welfare.

A resolution adopted by the Michigan Audubon Society relating to soil fertility; to the Committee on Public Works.

A resolution adopted by the Michigan Audubon Society relating to expanding use of untested chemicals; to the Committee on Agriculture and Forestry.

Senate Resolution No. 338, adopted by the Senate of the State of Hawaii; to the Committee on Finance:

"SENATE RESOLUTION REQUESTING THE UNITED STATES CONGRESS TO ENACT A NEW SUGAR ACT

"Whereas, the Federal Sugar Act expired on December 31, 1974; and

"Whereas, the people of Hawaii are economically dependent on its sugar industry with sales now averaging one-half billion dollars annually; and

"Whereas, an act regulating the import and sale of sugar is necessary to assure the sugar industry the possibility of continued viability, stability, and growth; and

"Whereas, this industry is based on over 500 farms and plantations distributed throughout each county in the State; and

"Whereas, more than 200,000 acres are now devoted to the culture of sugar, with more than 6,000 non-managerial wage workers alone engaged in the growing of this crop, these workers constituting half of all persons in the State directly employed in agricultural pursuits; and

"Whereas, the expired Sugar Act embodied a stable forty-year-old method designed to supply the United States market with its annual sugar requirement of some twelve million tons by a system of allocation of 55 per cent of the sugar market to domestic producers of beet and cane sugars, and 45 per cent to 32 nations overseas; and

"Whereas, the enactment of this Act is absolutely necessary to provide Hawaii's economy with sufficient protection to permit the continued solvent operation of its total sugar agricultural endeavor which provides the State's largest single agricultural product—or 85 per cent of the State's total income from all agriculture, and an increase in dollar amount of 389 per cent over the past decade; now, therefore,

"*Be it resolved* by the Senate of the Eighth Legislature of the State of Hawaii, Regular Session of 1976, that the Congress of the United States is urgently requested to pass a Federal Sugar Act, specifically H.R. 14747–74, now pending before it; and

"*Be it further resolved* that certified copies of this Resolution be transmitted to the President of the Senate and the Speaker of the House of Representatives of the United States, to the United States Secretary of Agriculture, and to each member of the delegation to the Congress from the State of Hawaii."

House Resolution No. 473, House Resolution No. 23, and House Resolution No. 53 adopted by the House of Representatives of the State of Hawaii; to the Committee on Finance:

"H.R. No. 473

"House resolution requesting Congress to amend the Internal Revenue code to promote the sale of residential land subject to leaseholds

"Whereas, there are now over 26,000 outstanding residential leaseholds in this State, an increase of more than 100 per cent in seven years; and

"Whereas, the Legislature passed Act 307 in 1967 to encourage the sale or condemnation of such residential leaseholds in order to promote fee simple landholdings; and

"Whereas, Act 307 has not yet been implemented, in part because of constitutional questions, and in many areas older leases are now being renegotiated in large number with staggering increases in annual lease rentals; and

"Whereas, the concentrated ownership by large estates and the rental increases now taking place has made it almost impossible for the young people of Hawaii to build or buy a single family home and is causing those on fixed incomes to sell their homes, even those whose mortgages are paid up; and

"Whereas, one reason the large estates refuse to sell land to homeowners in this State is that the estate's value of the land as originally obtained is almost negligible but the land today is worth millions or billions of dollars and sale of land under these circumstances would result in a prodigious tax impact since if more than a small number of lots are sold during one tax year, the income therefrom would be taxed as ordinary income at a rate of 48 per cent; and

"Whereas, recently the Internal Revenue Service allowed Castle estate to sell certain residential lands to their tenants without taxing the sales as ordinary income, but this ruling only concerns a small number of units; and

"Whereas, amendment to the Federal Internal Revenue Code to alleviate this tax burden would encourage the sale of residential lands now leased, ameliorate the problems caused by substantial lease rent increases upon renegotiation, and further the public policy of more citizens owning their homes as is the case in the rest of America where residential leaseholds do not exist; and

Whereas, several of the large private landowners who currently lease property for residential purposes are charitable trusts and are restricted from investing funds from sales of leasehold land in other ventures by the fear of loss of tax-exempt status; now, therefore,

"*Be it resolved by* the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1976, that the United States Congress is urged to amend the appropriated Federal Internal Revenue Code insofar as it affects the treatment of the sale of lands within residential leasehold developments to enable real property sale transactions voluntarily and/or involuntarily under Act 307, Hawaii Revised Statutes, without the present prodigious tax impact that would now be imposed on landowners and to thereby enhance the opportunity of the citizens of Hawaii to own the lands upon which their homes are located; and

"*Be it further resolved* that certified copies of this Resolution be transmitted to the Speaker of the United States House of Representatives, the President of the United States Senate, each member of Hawaii's delegation to Congress, and the Secretary of the Treasury of the United States."

"H.R. No. 23—H.D. 1

"House resolution requesting the Congress of the United States to amend the Federal supplemental security income program to equalize Federal payments to, and States' costs of, benefits for the blind, aged, and disabled.

"Whereas, the federally administered supplemental security income program provides direct cash benefits to the aged, the blind and/or disabled; and

"Whereas, on an optional basis, Hawaii has supplemented federal SSI benefits; and has provided additional state supplements under Act 145 for those recipients whose needs exceed SSI federal-state supplements; and

"Whereas, under the federal hold harmless provision, Hawaii's liability for SSI expenditures is frozen at $3.5 million provided, the state supplemental payment level does not exceed the State's adjustment payment level or hold harmless level which is the average of cash payments made to SSI recipients who had no other income for January, 1972; and

"Whereas, in July, 1976, a federal cost of living adjustment will increase federal benefits to recipients by 7%, causing the average SSI payments for Hawaii recipients to exceed the hold harmless level, and placing the fiscal burden on the State; and

"Whereas, the State's failure to pass on the cost of living increase while maintaining the current level of state supplements would result in suffering on the part of recipients due to the escalating cost of living in Hawaii; and

"Whereas, failure on the part of the federal administration to enact increases to the state adjustment payment level in effect, penalizes recipients in states like Hawaii which provide higher levels of assistance to offset higher costs of living; now, therefore,

"*Be it resolved* by the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1976, that the House of Representatives requests and urges the Congress of the United States to amend the federal supplemental security income program to provide for corollary increases in the state adjustment payment level to offset any increase in federal benefits due to cost of living adjustments, thereby permitting Hawaii's recipients of the federal SSI to have the full dollar benefit of the annual cost of living increases; and

"*Be it further resolved* that certified copies of this Resolution be transmitted to the President of the Senate and the Speaker of the House of Representatives of the United States; the Secretary of the United States Department of Health, Education, and Welfare; each member of the delegation to the Congress from Hawaii; and the Director of the American Public Welfare Association."

"House resolution requesting the United States Department of Health, Education and Welfare to Review and amend Federal title XX regulations to eliminate those requirements related to eligibility and implementation which hinder and forestall state implementation and action.

"Whereas, Title XX of the federal Social Security Act provides that the United States Department of Health, Education, and Welfare make regulations governing the application of the Act and funds derived thereunder; and

"Whereas, many of the regulations promulgated under this title by the present administration are so stringent and time-consuming that in many instances timely delivery of services ostensibly provided by the Act is a physical impossibility; and

"Whereas, innumerable instances of such stringency serving to emasculate the Act can be cited; for example, in order to provide a minor with drug abuse clinical services, federal regulations require the minor to bring in each parent's last tax return and current paycheck stubs to permit eligibility for clinical services to be verified under the Act—an action few, if any, minors engaged in drug abuse are likely to tolerate; now, therefore,

"*Be it resolved* by the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1976, that the United States Department of Health, Education, and Welfare is requested to review and amend federal regulations governing Title XX of the Social Security Act so as to facilitate implementation of programs and delivery of social services at the state level; and

"*Be it further resolved* that special consideration be given to simplification of income verification for means tested services; and greater flexibility with respect to the definition of family for purposes of sensitive services such as family planning, drug and alcohol abuse; and

"*Be it further resolved* that certified copies of this resolution be transmitted to the Secretary of the Department of Health, Education and Welfare; the President of the Senate and the Speaker of the House of Representatives of the United States; and to each member of the delegation to the Congress from the State of Hawaii."

House Resolution No. 351 adopted by the House of Representatives of the State of Hawaii; to the Committee on Interior and Insular Affairs:

"H.R. No. 351—H.D. 1

"House resolution requesting the U.S. Congress to enact legislation to compensate or to make reparation to Hawaiians for damages suffered by them at the time of annexation

"Whereas, prior ot the annexation of Hawaii by the United States of America, the administering of all lands of Hawaii was provided for by the monarchy; and

"Whereas, such lands were historically used by and for the benefit of all the Hawaiian people; and

"Whereas, the Hawaiian lifestyle is intertwined with the land and since the Hawaiian people have been deprived of the use of the land, the Hawaiian lifestyle has been seriously altered; and

"Whereas, after the overthrow of the monarchy, the government of the United States displayed a blatant disregard and disrespect for the Hawaiian heritage by acquiring lands which heretofore provided for the benefit, liberal use, and enjoyment of the aborigine or native Hawaiians; and

"Whereas, aborigine or native Hawaiians were deprived of certain property or property rights as the result of the annexation of these islands by the United States of America without compensation; now, therefore,

"*Be it resolved* by the House of Representatives of the Eighth Legislature, State of Hawaii, Regular Session of 1976, that the Congress of the United States of America be respectfully requested to enact legislation to compensate the aborigine or native Hawaiians, deemed entitled thereto, for damages suffered by them as a result of the annexation of the Hawaiian Islands to the United States of America; and

"*Be it further resolved* that duly certified copies of this Resolution be transmitted to the President of the United States of America; the Vice-President of the United States of America; the President Pro Tem of the Senate of the Congress of the United States of America; the Speaker of the House of Representatives of the Congress of the United States of America; to the Chairman of the Interior and Insular Affairs Committee of the Senate of the Congress of the United States of America; to the Chairman of the Interior and Insular Affairs Committee of the House of Representatives of the Congress of the United States of America; to the Honorable Hiram L. Fong, and the Honorable Daniel K. Inouye, Senators from the State of Hawaii, and to the Honorable Spark M. Matsunaga, and the Honorable Patsy T. Mink, Representatives from the State of Hawaii of its United States of America."

"H.R. No. 51—H.D. 1

"House resolution relating to Federal Reform of the Food Stamp Act

"Whereas, the Food Stamp Act of 1964 was originally designed to permit low income households to purchase a nutritionally adequate diet through normal channels of trade; and

"Whereas, the primary focus of previous program amendments appears to be on supplementation of incomes in order to increase food purchasing power rather than on improving nutritional levels; and

"Whereas, the Food Stamp program is responsive to the needs of both those who are persistently poor and those experiencing temporary poverty; and

"Whereas, 77% of food stamp recipients have gross incomes below $5,000 a year and 92% below $7,000 a year; and

"Whereas, Food Stamp participation increased by 5 million recipients from 14 million to 19 million in the period between August, 1974 to June, 1975; and

"Whereas, one result of increased participation and the consequent changes in the composition of the food stamp program has been to raise new questions about its scope and costs; and

"Whereas, certain structural features of the food stamp law are clearly a source of problems and of some abuse; and

"Whereas, the Administration and Congress are seeking reform of the Food Stamp Act; and

"Whereas, major legislative proposals to reform the program are currently under consideration by Congress; now, therefore,

"*Be it resolved* by the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1976, that the Congress of the United States is requested to give speedy and favorable consideration to the major reforms embodied in the Dole-McGovern Food Stamp Reform Act (S2541); in particular, the establishment of a standard deduction for eligibility determination, varied by region and adjusted semi-annually to reflect changes in the consumer price index; and the elimination of the purchase requirement to ensure that all poor families are able to benefit from the program; and

"*Be it further resolved* that Congress seriously consider the adequacy of the present level of benefits in permitting low income households to purchase nutritionally adequate diets; and

"*Be it further resolved* that Congress is requested to address concerns related to program administration such as limiting the frequency of amendments to federal rules and regulations to twice annually; increasing the federal share of funds for program administration to 100%; and extending the definition of outreach to include recipients of other income maintenance programs; and

"*Be it further resolved* that any reform measure given favorable consideration by Congress address the following program concerns: eligibility determination, equity of benefits, adequacy of the benefit structure, and administrative efficiency; and

"*Be it further resolved* that certified copies of this House Resolution be transmitted to members of Hawaii's Congressional Delegation, the President of the United States Senate, the Speaker of the United States House of Representatives, and the respective committees on Agriculture of the Senate and House of Representatives."

Senate Resolution No. 725 adopted by the Senate of the Commonwealth of Puerto Rico; to the Committee on Agriculture and Forestry:

"Resolution for the Senate of Puerto Rico To Transmit to the Senate of the United States Its Satisfaction for the Disapproval of the Amendment Introduced by Senator James Allen Concerning the Food Stamps Program

"STATEMENT OF MOTIVES

"It is of general knowledge the impact that the federal Stamps Program has on the Puerto Rico's economy.

"About seventy percent of the Puerto Rican families are benefited by same, contributing thereto to the social and political stability of the Island as well as to its economic progress.

"The amendment of Senator James Allen was overwhelmingly defeated in the Senate of the United States. If same had been approved, it would have had a devastating effect on the poor families of Puerto Rico and on the economy in general.

"*Be it resolved by the Senate of Puerto Rico:*

"Section 1.—To express its satisfaction to the Senate of the United States for its resolution of defeating the amendment of the Senator from Alabama, Mr. James Allen, aimed at substantially reducing the economic assistance received by the poor families of Puerto Rico through the distribution of food stamps.

"Sec. 2.—This resolution shall take effect immediately after its approval.

"Thus, I have the honor to transmit it to you for the purposes as may be proper.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S.J. Res. 163. A joint resolution to authorize and request the President to issue a proclamation designating the week beginning May 9, 1976, as "National Small Business Week" (Rept. No. 94–776).

S.J. Res. 182. A joint resolution to authorize and request the President to issue a proclamation designating the period of May 9, 1976, through May 15, 1976, as "National Horse Week" (Rept. No. 94–777).

S.J. Res. 150. A joint resolution to authorize and request the President to issue a proclamation designating July 4 of each year as "Independence Day" (Rept. No. 94–778).

H.R. 6512. A bill for the relief of certain postmasters charged with postal deficiencies (Rept. No. 94–779).

By Mr. SPARKMAN, from the Committee on Foreign Relations, with amendments:

S. Res. 436. A resolution supporting the new United States policy toward Africa (Rept. No. 94–780).

By Mr. SPARKMAN, from the Committee on Foreign Relations:

S. Con. Res. 115. An original concurrent resolution authorizing the printing of background information on the Foreign Relations Committee as a Senate document (Rept. No. 94–781) (Referred to the Committee on Rules and Administration).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

William D. Keller, of California, to be U.S. attorney for the central district of California.

Eldon L. Webb, of Kentucky, to be U.S. attorney for the eastern district of Kentucky.

Ermen J. Pallanck, of Connecticut, to be U.S. marshal for the district of Connecticut.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. EASTLAND, from the Committee on the Judiciary:

Robert M. Takasugi, of California, to be U.S. district judge for the central district of California.

Morey L. Sear, of Louisiana, to be U.S. district judge for the eastern district of Louisiana.

Ross N. Sterling, of Texas, to be U.S. district judge for the southern district of Texas.

George C. Pratt, of New York, to be U.S.

district judge for the eastern district of New York.

Charles Schwartz, Jr., of Louisiana, to be U.S. district judge for the eastern district of Louisiana.

Harlington Wood, Jr., of Illinois, to be U.S. circuit judge for the seventh circuit.

Phil M. McNagny, Jr., of Indiana, to be U.S. district judge for the northern district of Indiana.

Mr. THURMOND. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nomination of Vice Adm. Emmett H. Tidd, U.S. Navy, for appointment to the grade of vice admiral on the retired list. Also, Lt. Gen. William A. Knowlton, U.S. Army, to be general as Commanding General, Allied Land Forces, Southeastern Europe. I ask that these nominations be placed on the executive calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. In addition, Mr. President, there are 790 in the Naval Reserve for temporary appointment to the grade of captain and below (list beginning with Donald T. Adams). Also there are 61 in the Navy to be permanent ensigns in the line or staff corps (list beginning with Jean M. Cackowski). Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again. I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of April 9, 1976, at the end of the Senate proceeding.)

HOUSE BILL JOINTLY REFERRED

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when H.R. 12704, to authorize appropriations for environmental research, development, and demonstration, is received from the House, it be referred jointly to the Committees on Public Works, Commerce, Labor and Public Welfare, and Agriculture and Forestry.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HOUSE BILLS REFERRED

The following bills were each read by their titles and referred as indicated:

H.R. 1402. An act for the relief of John W. Hollis; to the Committee on the Judiciary.

H.R. 1762. An act for the relief of Mrs. Lessie Edwards; to the Committee on Veterans' Affairs.

H.R. 8065. An act for the relief of Carmela Scudieri; to the Committee on the Judiciary.

H.R. 9414. An act for the relief of TV Facts, Rochester, N.Y.; to the Committee on the Judiciary.

H.R. 9965. An act for the relief of Boulder Daily Camera, Boulder, Colo.; to the Committee on the Judiciary.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that today, May 5, 1976, he presented to the President of the United States the following enrolled bill:

S. 3065. An act to amend the Federal Election Campaign Act of 1971 to provide that members of the Federal Election Commission shall be appointed by the President, by and with the advice and consent of the Senate, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. TAFT:

S. 3378. A bill to amend section 303 of the Internal Revenue Code of 1954 to facilitate certain stock redemptions for the purpose of paying estate taxes. Referred to the Committee on Finance.

By Mr. CHURCH (for himself, Mr. CLARK, and Mr. PEARSON):

S. 3379. A bill to require reporting and analysis of contributions, payments, and gifts made in the conduct of international business, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs and the Committee on Foreign Relations, jointly; and, if and when reported, to the Committee on Finance for not to exceed 30 days, by unanimous consent.

By Mr. SPARKMAN (by request):

S. 3380. A bill for the relief of Mary Vance Trent. Referred to the Committee on Foreign Relations.

By Mr. BUCKLEY:

S. 3381. A bill to accelerate the formation and accumulation of the investment capital required to expand both job opportunities and productivity in the private sector of the economy. Referred to the Committee on Finance.

By Mr. SCHWEIKER:

S. 3382. A bill to amend the Federal Reports Act, and for other purposes. Referred to the Committee on Government Operations.

By Mr. PEARSON (for himself and Mr. BELLMON):

S. 3383. A bill to authorize and direct the Secretary of Commerce to develop a national policy on weather modification, and for other purposes. Referred to the Committee on Commerce.

By Mr. PEARSON:

S. 3384. A bill to assure that the Federal Government discharges its present constitutional and statutory responsibilities in such manner as to protect and serve the interests of consumers, and for other purposes. Referred to the Committee on Government Operations.

By Mr. METCALF (for himself and Mr. MANSFIELD):

S. 3385. A bill to authorize construction of power generating facilities at the Libby Reregulating Dam, Kootenai River, Montana; and

S. 3386. A bill to amend the River Basin Monetary Authorization and Miscellaneous Civil Works Amendment Act of 1970 with respect to the project for Libby Dam, Mont. Referred to the Committee on Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TAFT:

S. 3378. A bill to amend section 303 of the Internal Revenue Code of 1954 to facilitate certain stock redemptions for the purpose of paying estate taxes. Referred to the Committee on Finance.

Mr. TAFT. Mr. President, today I am proposing legislation to amend section 303 of the Internal Revenue Code of 1954 to facilitate certain stock redemptions by small family firms for the purpose of paying estate taxes.

At a time when the country is becoming increasingly concerned about the effects of lack of competition in business, it is proper for us to examine ways in which we might strengthen small independent firms which are in danger of being acquired by larger concerns. One way of preserving the small family firm is to raise the exemption from estate taxes. This step, long overdue, has been proposed in several bills now before the Congress. The added step I call for today would liberalize the tax treatment of the sale of stock of a closely held firm back to that firm by the estate of the owner for the purpose of paying estate taxes.

At the present time, under section 303 of the Internal Revenue Code of 1954, certain stock redemptions of stock in closely held corporations are treated as sales of stock to the corporation. Under this section, if the value of the stock has been included in the gross estate of the decedent, for purposes of the Federal estate taxes, and if the value of the stock included in the estate was either more than 35 percent of the decedent's gross estate or 50 percent of the decedent's taxable estate, then the redemption of the stock of the decedent will be treated as a sale of the stock by the decedent to the corporation. Capital gains treatment is available on the difference between the distributed sum of money and the basis of the decedent in the shares. This treatment is available whether all or part of the stock is to be redeemed.

The apparent underlying purpose of section 303 of the Code, as stated by the House Committee on Ways and Means in its report on the enactment of the section in 1950, was to remove the strain on many estates of paying estate taxes where the estate is comprised largely of closely held stock. Because such stock is not widely marketable, the corporation itself was frequently forced to redeem the stock to pay the estate taxes. The committee stated, in its report:

> It has been brought to the attention of your Committee that the problem of financing the estate tax is acute in the case of estates consisting largely of shares in a family corporation. The market for such shares is usually very limited, and it is frequently difficult, if not impossible, to dispose of a minority interest. If, therefore, the estate tax cannot be financed through the sale of the other assets in the estate, the executors will be forced to dispose of the family business . . ."

House Report No. 2319, 81st Congress, 2d session (1950). The remedy adopted by the committee was the enactment of section 303. Now, where the estate is largely comprised of closely held stock, the stock may be redeemed by the corporation and the estate will have a lower tax on that redemption. Furthermore, the receipts of the redemption may be used to pay the estate taxes.

My proposal is that the restrictions that the closely held stock comprise either 35 percent of the decedent's gross estate or 50 percent of the decedent's taxable estate be lowered to 20 percent and 40 percent respectively. Since this would facilitate stock redemptions in more cases than at present, thus assisting the individual's estate to pay the estate taxes, it would act to encourage the continued operation of small businesses, rather than their sale to larger concerns to raise estate tax funds.

This bill restricts this liberalization to a certain class of firms.

First, there is an asset test; the firm must have equity capital of less than $2.5 million. This makes allowances for family firms which are large enough to provide jobs for the founder and several of his children with families to support, while keeping firms of substantial size from participating in this special treatment.

Second, there is an "important block" test; 20 percent or more of the value of the voting stock of the firm must be in the estate. Small blocks of stock could either be sold outside the family with little risk of depressed prices, or of loss of control of the firm, or perhaps be picked up by several of the family members with little or no borrowing.

Third, there is a 10-shareholder limit; the firm must have had 10 or fewer shareholders immediately before the date of death of the decedent. This special treatment is not to be available to firms which are so broadly held that they no longer resemble family businesses, nor by firms with a sufficient number of shareholders to make a ready market for the decedent's shares.

In the credit crunch of the last recession, it would have been difficult for the estates, or the heirs, of many major stockholders in family firms which did not quite qualify for section 303 treatment to borrow the funds they needed to meet estate taxes or to purchase the decedent's shares. By insuring the favorable tax treatment of section 303 for a broader range of small family firms, we can prevent the forced liquidation of these companies, and help to preserve them as a stimulus to competition.

I have recently received a moving letter from a constituent detailing the adverse impact of the heavy estate tax burden on small businesses. It illustrates the planning nightmare that many families face, and goes on to describe the adverse burden on cash flow and employment that heavy insurance premiums, on policies taken out in anticipation of estate taxes, can produce. He says:

> We employ, at the moment, seventy people in a plant of some eighty thousand square feet with a great deal of wood-working equipment in it. Our costs are typical: about twenty thousand dollars to create a job. This has grown since 1926 when my father started the company with three employees and some thirty-five dollars in capital. He has, through the years, given away some of his stock to me and to the children simply because he knew that it was what he should do. As you can appreciate, this hasn't been an easy thing for him to do—this company is his whole life—absolutely, especially since the death of my mother, who also worked in the company. I graduated from college in 1951, the first of my family to do so, having worked during the summers here during school vacations since I was ten, and I have continued here. My eldest daughter is being married in June to a young man who came to work here shortly after they became engaged. My son aspires to nothing other than working here. This is, I think, a pretty typical pattern of the people you met during our stay in Washington; and of small businesses in general.
>
> So we've worked hard and saved, and we've paid our taxes. We've paid taxes on the profit that the company made after it paid all the property, intangible, franchise and so forth taxes. Then we paid taxes on the dividends that our company paid to us and another tax just for the privilege of holding the stock. But we still managed to save, not easily, enough to be where we are now.
>
> But where are we now? Should my father die within the next three years after he gives away all of his stock (paying at that time more in gift taxes than we are able to show as net profit in a year), we will be faced with having to raise (I don't know how to express this abstractly) $260,000.00, just to pay the tax. Of course, we don't have that sort of money available, so we will either have to sell the company under distress, or mortgage it. Then, of course, one of these days, I will die and the whole process will start all over again. Dad never bought enough insurance to cover these contingencies because when he was young enough to get insurance, he couldn't afford it, and now he's too old to get it.
>
> As I told you, I have recently bought an additional policy to provide (hopefully) enough money to pay my estate taxes. Now, remember, insurance premiums are paid with money on which the income tax has already been paid, so it's the hard kind to find. But with what these premiums cost my company, we could hire an additional three people for the year and pay their income, social security and all the other related taxes. You'll recall that we employ seventy. If we hired three more, that would increase our employment by about 4¼%, which just happens to be about the difference between the national rate of unemployment now and the lowest it has got to since the war, isn't it. I don't propose that altering the estate tax program would correct our unemployment, but rather giving an example.
>
> So, that's taken the estate through my father and me. When my wife dies, and then my children, the same process will be repeated over and over again until the government has taken it all—there's no alternative. It is the business of ghouls which, though legal, can't be very moral. It does not, from what I can learn, bring in enough revenue to justify the above. It is an evil thing. I hope it can be changed.

Mr. President, I ask that the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3378

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 303(b)(2) of the Internal Revenue Code of 1954 (relating to limitations on distributions in redemption of stock to pay death taxes) is amended by adding at the end thereof the following new subparagraph:

"(C) Special rule for distributions by certain corporations.—Notwithstanding the provisions of subparagraphs (A) and (B), in the case of a distribution under subsection (a) by a corporation—

"(i) which has equity capital of less than $2,500,000 (determined on the date of death of the decedent),

"(ii) 20 percent or more in value of the voting stock of which is included in determining the gross estate of the decedent, and

"(iii) which has 10 or less shareholders immediately before the date of death of the decedent, the term '20 percent' shall be substituted for the term '35 percent' each time it appears in subparagraphs (A) and (B) and the term '40 percent' shall be substituted for the term '50 percent' each time it appears in such subparagraphs. For purposes of clause (i), the equity capital of a corporation is the sum of money and other property (in an amount equal to the adjusted basis of such property for determining gain), less the amount of its indebtedness (other than indebtedness to shareholders).".

(b) The amendment made by this Act applies with respect to redemptions of stock included in the estate of decedents who die after the date of enactment of this Act.

By Mr. SPARKMAN (by request):

S. 3380. A bill for the relief of Mary Vance Trent. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request I introduce for appropriate reference a bill for the relief of Mary Vance Trent, a retired Foreign Service officer.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill and an explanation be printed in the Record at this point, together with the letter from the Assistant Secretary of State for Congressional Relations to the President of the Senate dated April 30, 1976.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 3380

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the annuity payable from the Foreign Service Retirement and Disability Fund pursuant to title VIII of the Foreign Service Act of 1946, as amended (22 U.S.C. 1061–1116), to Mary Vance Trent, a retired Foreign Service officer, shall be adjusted and paid from its commencing date in the amount that would be payable if it had commenced April 1, 1974 disregarding service and salary earned on and after such date but basing the credit for unused sick leave on Miss Trent's sick leave balance on her actual date of separation.

Department of State,
Washington, D.C., April 30, 1976.

Hon. Nelson A. Rockefeller,
President of the Senate.

Dear Mr. President: The Department recommends the attached draft bill for the relief of Mary Vance Trent, a retired Foreign Service officer, to the Congress for early and favorable consideration. Relief is required because Miss Trent, through no fault on her part, was not notified of the cost-of-living increase that became effective on April 1, 1974, until after that date and consequently did not retire in time to benefit by that annuity adjustment.

Miss Trent was serving in Saipan in 1974, which is not a Foreign Service post and not a place where information on the U.S. Consumer Price Index is available in the local press. Despite repeated requests, Miss Trent did not receive regular administrative notices addressed to all employees abroad by the Department during the period in question. As a result, she did not learn of the Foreign Service cost-of-living adjustment effective April 1, 1974 until after the fact and thus did not retire until later that year. Because the Foreign Service did not and still does not have the "fall-back" annuity computation formula in effect for the Civil Service, she is losing over $450 per year in annuity and the loss will increase with every subsequent cost-of-living increase.

The Foreign Service Grievance Board has rendered a decision favorable to Miss Trent. The Board found that the problem arose because of a communications failure which was in no way the fault of Miss Trent. Notices intended for distribution to all employees about the April, 1974 cost-of-living increase were not forwarded to Saipan and, consequently, Miss Trent had no way of knowing about the increase. The Board also accepted Miss Trent's position that she would have elected retirement on March 31, 1974 had she been aware of the April 1 increase. Since Miss Trent was nearing mandatory retirement age, we see no reason to doubt this conclusion.

The Board formally advised the Department that it has a responsibility actively to seek a means of redress for Miss Trent and that this includes supporting necessary legislation. The Department concurs with the Grievance Board finding and is accordingly recommending favorable action on the attached draft bill.

We are advised by the Office of Management and Budget that there is no objection from the standpoint of the Administration's program to the submission of this legislation to the Congress. We are sending a similar letter to the Speaker of the House of Representatives.

Respectfully,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

Enclosure: Draft bill and explanation.

EXPLANATION

This bill would provide relief to Mary Vance Trent, a retired Foreign Service officer. Relief is required because Miss Trent through no fault on her part was not notified of the cost-of-living increase that became effective on April 1, 1974 until after that date and consequently did not retire in time to benefit by that annuity adjustment. Miss Trent did retire in August 1974, but on a lower annuity than she would have received if she had retired prior to April 1, 1974.

Miss Trent was assigned to the Office of Micronesian Status Negotiations, an interagency group with headquarters in offices of the Interior Department in Washington. The officer, however, worked in Saipan in Micronesia which is well off the beaten track especially with respect to news about the U.S. Consumer Price Index and related Foreign Service cost-of-living increases.

Micronesia, the Trust Territory of the Pacific, is under the jurisdiction of the Department of Interior. Saipan is not a Foreign Service post. Unfortunately *during* the time in question, it was not on anyone's mailing list for distribution of general departmental notices. The Department of State has since corrected that. Despite complaints from the officer, she did not receive any copies of the Department's Newsletter from October, 1973 to May, 1974, some of which contained information about the April cost-of-living increase, nor any other communications concerning that adjustment. She learned about the increase after its effective date from another Foreign Service officer traveling through Saipan.

Miss Trent was nearing retirement age and would have retired no later than March 31, 1974 if she had received any of several notices sent to all Foreign Service posts advising employees considering retirement of the advantages of retiring prior to April 1 to benefit from the 6.3% cost-of-living increase effective on that date. The officer did retire in August, 1974, but her annuity today is some $450 per year less than it would be if she had retired in March, 1974. She will suffer a continuing and increasing financial loss that over a period of years will amount to several thousand dollars, unless some action is taken to remedy the situation.

Miss Trent presented her case to the Foreign Service Grievance Board. The Board, then chaired by William E. Simkin, made a finding in favor of Miss Trent on March 11, 1975. The Board concluded "that the Department has a responsibility actively to seek a means of redress for the grievance in this case, and that it should do everything in its power to bring about a means of redress." The Department lacks authority to redress this wrong. Accordingly, it strongly recommends enactment of this bill which would provide appropriate redress.

The Foreign Service retirement system does not contain a provision similar to one contained in the Civil Service retirement system (Public Law 93-136), which allows annuities of employees who retire after the effective date of a CPI increase to be computed on the basis of that previous adjustment when such computation would produce a higher annuity than one computed as of the actual retirement date. If it did contain such a provision, this bill would be unnecessary.

This bill would authorize a recomputation of Miss Trent's annuity exactly as if such a provision had been a part of the Foreign Service Act at the time she actually retired. Such an amendment of the Foreign Service Act was included in S. 1791, as passed by the Senate in 1974, and is included in similar draft legislation now pending in the Congress. However, this legislation would apply only to persons who retire in the future.

Miss Trent had a unique assignment to a remote area far outside the U.S. where Foreign Service personnel were not customarily assigned. The Department knows of no other employee in similar circumstances who did not receive notification about upcoming cost-of-living increases.

It is estimated that enactment of the bill would increase the unfunded liability of the Foreign Service retirement system by $6,000.

By Mr. CHURCH (for himself, Mr. CLARK, and Mr. PEARSON):

S. 3379. A bill to require reporting and analysis of contributions, payments, and gifts made in the conduct of international business, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs and the Committee on Foreign Relations, jointly; and, if and when reported, to the Committee on Finance for not to exceed 30 days, by unanimous consent.

THE INTERNATIONAL CONTRIBUTIONS, PAYMENTS AND GIFTS DISCLOSURE ACT

Mr. CHURCH. Mr. President, today I am introducing a bill entitled the International Contributions, Payments and Gifts Disclosure Act that comprehensively deals with the problem of bribes, kickbacks, and questionable payments made by U.S.-based corporations operating abroad.

Over the past year, the Subcommittee on Multinational Corporations has held extensive hearings on the subject of political contributions and agents' fees, questionable payments and outright bribes paid by U.S.-based corporations to persons in other countries. The results of our investigations, unfortunately, have been very fruitful. Lockheed Aircraft Corp. alone spent hundreds of millions of dollars attempting to sell planes around the world. Bribes were paid high government officials in Italy and in the Netherlands; over a hundred million dollars were spent in the Middle East on agents who may very well have passed the money on to those in influential positions. In Japan millions were paid to the prime supporter of the ultra-rightwing militarists in Japanese political life. Obviously, we are not talking about a little "grease" to some petty clerk to speed documents through a bureaucracy.

Further, as we all know, the Lockheed affair has been indicative of the behavior of many other U.S.-based corporations. The Multinational Subcommittee alone held hearings on overseas payments by such companies as Northrop, Exxon, Gulf, and Mobil. The Senate Banking Committee has also produced days of testimony in this area. Scores of corporations have voluntarily disclosed such payments to the Securities and Exchange Commission; others have done so under duress of court order. The record is replete with examples of these practices.

And it is not just a way of doing business abroad. In fact, James Akins, previously Ambassador to Saudi Arabia, stated in sworn testimony before the Multinational Subcommittee that bribery was unnecessary, and in fact, detrimental to good business relations in Saudi Arabia. His warning to U.S. corporations went unheeded.

While corporations frequently argued that these are practices common and accepted in other cultures, those same corporations have engaged in intricate machinations to conceal the existence of these payments. Double bookkeeping, "off-the-books accounts," Swiss bank accounts, dummy or shell corporations set up in Switzerland or Lichenstein, numerous agents or intermediaries, whose existence is often kept secret, code names, and code books dispute the credibility of the "common and accepted practice" argument. There is no country in the world where bribes and kickbacks are either legal or publicly "accepted."

Yet, these very practices have extremely serious consequences both for the conduct of U.S. foreign policy and the reception U.S. business receives abroad.

U.S.-based corporations should not be allowed to weaken a friendly government through bribery and corruption while the United States is relying on that government as a stable sure friend supporting our policies. U.S.-based corporations should not be supporting political factions antithetical to those supported by the U.S. Government. Nor do we want, as was revealed in Multinational Subcommittee hearings, the defense priorities of our allies distorted by corporate bribery.

Further, when these payments become known, and they will and do, whether it be through revelations by Senate subcommittees or through the common knowledge that leads to revolution and the downfall of such governments as the Idris regime in Libya, the repercussions are often international and the foreign policy implications for the United States severe. Payments by Lockheed alone may very well advance the communists in Italy. In Japan, a mainstay of our foreign policy in the Far East, the government is reeling as a consequence of payments by Lockheed. Inquiries have begun in many other countries. The Communist bloc chortles with glee at the sight of corrupt capitalism. But let us not forget that there are costs to the business community, too, for these short-sighted practices. There is no question these payments have had a detrimental effect on the "investment climate" for U.S.-based corporations in certain countries.

This is not to say that only the corporations are at fault. For every giver there is a taker. And often the initiative comes from the foreign government official. Indeed, in some cases, this initiative amounts to extortion. But too often the corporate response has been passive acquiescence, a shrug of the shoulders, passing the added cost on to the consumer.

Moreover, our Government has initiated no real concern with this problem. Rather, aside from some statements of a cosmetic nature, it prefers to stick its head in the sand and hear no evil, see no evil, and pretend there is no problem. But there is a problem, a problem of cancerous dimensions which is eating away at the vitals of democratic society. So there is a need for action, and action now.

Let's not forget that these payments seriously injured competitors and damaged competition. The perfect example again is Lockheed. It sold its planes through payment of millions of dollars over more than a decade. Yet its competitors for the wide-bodied aircraft sale in Japan were only other American companies. Lockheed's payments may very well have distorted the marketplace and injured its competitors.

These business practices are antithetical to the U.S. foreign policy objective of open, nondiscriminatory world trade. They complicate and often are detrimental to our foreign policy objectives. Yet, ironically, the American taxpayer unknowingly subsidizes these practices. Corporations commonly illegally deducted bribes, kickbacks, and questionable payments as costs of doing business thus relieving part of their U.S. tax liability.

Senator PERCY and I have introduced an amendment to the Foreign Military Sales Act requiring disclosure of such contributions, payments and gifts to the Department of State and upon request to the Congress, the SEC, and the IRS. This is a necessary first step, but only a beginning. There is a need for more comprehensive legislation, which I am introducing today. The bill contains the following provisions:

The Securities and Exchange Commission is directed to collect significant information on international contributions, payments and gifts, which will be made public unless the President determines that it will severely impair the conduct of foreign policy. The Secretary of State will provide annually—or more frequently if necessary—a comprehensive review and foreign policy analysis of these payments to Congress. To insure that complete and accurate information is reported to the SEC, an independent audit committee is mandated within corporations and given certain rights and responsibilities including the responsibility for the internal audit of contributions, payments, and gifts. Additional provisions encourage corporate personnel to submit complete and accurate information to the audit committee. All payments illegal under U.S. or foreign laws will be nondeductible for U.S. tax purposes. To encourage the private sector to police itself, shareholders and competitors are insured rights of action when damaged. Finally, the President is encouraged to obtain international agreements to prohibit such practices wherever possible.

To solve this problem on a global scale, an international agreement or treaty is necessary. Yet, that must not prevent us from taking strong affirmative steps on our own part. We have identified the problem and proposed a legislative solution which is carefully drawn to recognize the existence and sovereignty of foreign law. The burden now will shift to other countries. We are cleaning house here; now other countries must either act or bear responsibility for their inaction.

Mr. President, I ask unanimous consent that the bill and the summary be printed in the RECORD.

There being no objection, the bill and the summary were ordered to be printed in the RECORD, as follows:

S. 3379

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Contributions, Payments, and Gifts Disclosure Act".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress of the United States, after extensive examination of facts presented in public hearings, by the Securities and Exchange Commission and in public statements made by major United States companies and foreign governments, finds that certain United States based companies have made, and may continue to make contributions, payments, or gifts or convey other benefits upon foreign individuals, foreign governmental employees, foreign politicians, and foreign political entities, which may be illegal in the country where made or of a questionable nature and that when these payments are discovered and become publicly known they create substantial foreign policy problems for the United States. Specifically, these contributions, payments, and gifts can allow, and in some instances have allowed, corporate interests to take precedence over United States foreign policy objectives and can create and foster an anti-American sentiment in individual foreign countries.

(b) Therefore, it is the purpose of the Congress of the United States to insure availability of adequate information about such payments to the Department of State and the Congress of the United States. To this end, the Department of State is charged with providing Congress with a comprehensive review and analysis of such contributions, payments, and gifts and their foreign policy implications.

(c) The Congress of the United States also finds that certain contributions, payments, and gifts, which were made, and may continue to be made, have an adverse impact on the long- and short-term operations of United States business abroad. The payments have had detrimental effects on the "investment climate" for some United States based corporations in certain countries, resulting in threats or actual expropriation, halting compensation for corporate property previously expropriated, cancellation of investment contracts and concessions, loss of prospective sales in a country and damage to the reputation of United States based corporations. These payments, therefore, are damaging to United States foreign economic policy objectives. Furthermore, certain contributions, payments, and gifts were made for the purpose of acquiring an unfair competitive advantage over either United States or foreign companies. As such, they are antithetical to the United States foreign economic policy objective of open, nondiscriminatory world trade and are acts in restraint of trade and unfair methods of competition. In a number of cases, the boards of directors of the corporations making such payments were not notified of such contributions, payments, and gifts; in no case were shareholders or the investing public informed.

(d) Therefore, it is the purpose of Congress to insure availability of adequate information to the boards of directors of corporations and to existing and potential investors. To this end, mechanisms are established to insure discovery of such information during the audit process and its transmittal to the board of directors and shareholders. The Securities and Exchange Commission is charged with collecting and providing such information to the investing public.

(e) The Congress of the United States also finds that contributions, payments, and gifts, illegal either under United States law or under foreign law are being used to reduce United States tax liability. Therefore, it is the purpose of Congress to insure the nondeductibility of such contributions, payments, and gifts.

(f) Finally, the Congress of the United States realizes that such practices by corporations also must be dealt with on an international scale. Provisions of this Act are designed to encourage the President of the United States to seek pertinent international agreements.

PAYMENTS TO FOREIGN PERSONS

SEC. 3. Subsection (a) of section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended, by adding at the end thereof, the following new paragraphs:

"(40) The term 'agent' when used in the context of payments to foreign persons by a company subject to the reporting requirements of this title, means any person retained or employed by such company to perform such services on behalf of the company as the Commission may, by rule, define, including, but not limited to, promoting, selling, soliciting, or securing indications of interest for any product or service produced, sold, distributed, or performed by that company or any of its subsidiaries or affiliates.

"(41) The term 'foreign government' means the government of a country other than the United States, any political or local subdivision thereof, any agency or instrumentality of such a government or subdivision, and any politician, political party, or political association within a foreign country.".

SEC. 4. Subsection (a) of section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a)) is amended, by adding after paragraph 2 thereof, the following new paragraphs:

"(3) a sworn disclosure statement containing such information and documents (and such copies thereof), certified by independent public accountants, as the Commission shall deem necessary or appropriate to provide a complete accounting of any offer or agreement of any agent or employee of a company or its parent, to make any contribution, pay any fee or give anything of significant value in connection with—

"(A) direct and indirect political contributions to foreign governments;

"(B) direct and indirect payments and gifts to employees of foreign governments which are intended to influence the decisions of such employees and which are made either with or without the consent of their sovereign; and

"(C) direct and indirect payments and gifts to employees of foreign, nongovernmental purchasers and sellers which are intended to influence normal commercial decisions of their employer and which are made without the employer's knowledge or consent.

"(4) the disclosure statement required to be filed by paragraph (3) above shall be filed annually and shall include—

"(A) the name and address of each person who made such contributions, payment, or gift;

"(B) the date and amount of such contribution, payment, or gift;

"(C) the name and address of each recipient and beneficiary, direct and indirect, of each contribution, payment, or gift;

"(D) a description of the purpose for which such contribution, payment, or gift was furnished;

"(E) a statement whether the contribution, payment, or gift was legal where made;

"(F) identification of relevant foreign law when foreign law prevents filing information required by this Act, as stated in paragraphs (8) and (9); and

"(G) such other information as the Securities and Exchange Commission may by rule or regulation require as necessary or appropriate in furtherance of the purposes of the International Contributions, Payments and Gifts Disclosure Act.

"(5) any company making contributions, payments, and gifts reported pursuant to paragraph (3) shall maintain related books and records for not less than five years.

"(6) no such contribution, payment, or gift may be made in connection with any transaction described in paragraph (3) through or by any agent or other person who has not first agreed to maintain, for not less than five years, copies of such books and records in the United States or to make available upon request by the company such books and records relevant to said company to show the ultimate recipient of each such contribution, payment, or gift, whether furnished to such ultimate recipient directly or through another agent, subagent, or other intermediary.

"(7) the Securities and Exchange Commission shall promulgate such rules and regulations as it may deem necessary to carry out the provisions of the International Contributions, Payments, and Gifts Act.

"(8) whoever, unless prevented by foreign law, (a) knowingly fails to file a statement required by this section, (b) knowingly files a false statement, or (c) knowingly fails to obtain from any agent all information required for any disclosure statement under paragraph 3 of this Act, shall, upon conviction, be fined not more than $25,000 and imprisoned for not less than one month and not more than two years.

"(9) any person who signed the disclosure statement required by paragraph 3, any person who is a director of or partner in the company required to file such disclosure statement and any other person who, with his consent, has been named as having prepared or certified any part of such disclosure statement, or as having prepared or certified any statement or evaluation used in connection with the disclosure statement and who, unless prevented by foreign law, (a) knowingly fails to file a statement, (b) knowingly fails to obtain information required by this subsection, or (c) knowingly files a false statement, shall, upon conviction, be fined not more than $25,000 and imprisoned for not less than one month and not more than two years.

"(10) all information provided pursuant to paragraph 3 above shall be made available to the public unless the President determines public disclosure will severely impair the conduct of United States foreign policy. If the President makes this determination, this information shall be placed in a separate report and submitted to the Committee on Foreign Relations of the Senate and the International Relations Committee of the House. The fact that information has been deleted from the public record shall be noted on the public record.".

FOREIGN POLICY ANALYSIS

SEC. 5. (a) The Secretary of State shall provide annually to the Committee on Foreign Relations of the Senate and the International Relations Committee of the House of Representatives a comprehensive review and foreign policy analysis by country, concerning companies'—

(1) direct and indirect political contributions to foreign governments;

(2) direct and indirect payments and gifts to employees of foreign governments which are intended to influence the decisions of such employees either with or without the consent of their sovereign; and

(3) direct and indirect payments and gifts to employees of foreign, nongovernmental purchasers and sellers which are intended to influence normal commercial decisions of their employer and which are made without the employer's knowledge or consent.

(b) The report required by paragraph (a) shall contain—

(1) the aggregate value of such contributions, payments and gifts, if the total amount equals or exceeds a value determined by the Secretary of State as having significant foreign policy consequences, identification of the companies involved, and an analysis of foreign policy implications;

(2) a description and analysis of specific transactions whose effects are directly or indirectly detrimental to the interests of the United States;

(3) a statement of whether the Department of State was aware of such contributions, payments and gifts prior to their making; and

(4) such other information as the Secretary of State deems necessary to provide a complete analysis of the foreign policy implications for the United States of the transactions involved.

(c) The Secretary of State shall have access to all information from the Securities and Exchange Commission he determines is relevant to the formulation of this report. Further, the Secretary of State may suggest to the Securities and Exchange Commission additional rules and regulations, for promulgation by the Securities and Exchange Commission, designed to obtain information for the Secretary's report. The Secretary of State may also request that the Securities and Exchange Commission seek supplementary information to enable the Secretary to provide as complete a report as possible.

(d) Nothing shall prevent the Secretary of State from making more frequent reports or briefings, partial or complete when deemed necessary by either the Secretary of State or the Committee on Foreign Relations of the Senate or the International Realtions Committee of the House.

DISCLOSURE OF INFORMATION ON ANNUAL REPORTS TO SHAREHOLDERS

SEC. 6. (a) Each company reporting pursuant to this Act shall disclose in its annual report—

(1) the aggregate values of contributions, payments and gifts reported under each of subparagraphs (A), (B), and (C) of paragraph 3 of section 13(a) of the Securities and Exchange Commission Act of 1934, as amended above;

(2) a statement whether any of these payments, contributions, or gifts were illegal where made; and

(3) a statement that the information on specific transactions is publicly available at the Securities and Exchange Commission.

NONDEDUCTIBILITY OF ILLEGAL PAYMENTS BY FOREIGN CORPORATIONS AND DISCS

SEC. 7. (a) IN GENERAL.—Section 162(c) of part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to illegal deductions) is amended by adding the following as a new paragraph (3) and redesignating present paragraph (3) as paragraph (4):

"(3) FOREIGN CORPORATIONS.—The provisions of paragraphs (1) and (2) shall apply in computing the earnings and profits of a foreign corporation for any taxable year.".

(b) DISCS.—Part VI of subchapter N (relating to Domestic International Sales Corporations) is amended by adding at the end thereof the following new section:

"SEC. 998. NONDEDUCTIBILITY OF ILLEGAL PAYMENTS.

"The provisions of paragraphs (1), (2), and (3) of section 162(c) shall apply in computing the taxable income and earnings and profits of a DISC or former DISC for any taxable year.".

(c) CONFORMING AMENDMENTS.—

(1) Section 901(g) (relating to foreign tax credit cross references) is amended by adding at the end thereof the following new paragraph (5):

"(5) For nondeductibility of illegal payments in computing earnings and profits of foreign corporations and DISCS, see section 162(c)(3) and section 998.".

(2) Section 964(a) (relating to earnings and profits of controlled foreign corporations) is amended by adding after the words "section 312(m)(3)" and before the first comma the following new words "and section 162(c)(3)".

(3) The table of sections for part IV of subchapter N is amended by adding at the end thereof the following new item:

"SEC. 998. Nondeductibility of Illegal Payments.".

(d) EFFECTIVE DATE.—The amendments made by this Act shall apply to taxable years beginning after December 31, 1976.

BOARD OF DIRECTORS, THE AUDIT COMMITTEE AND AUDITS

SEC. 8. (a) At least one-third, or three members, of each company's board of directors shall be composed of independent outside directors—individuals having no direct or indirect financial ties with the company. These independent outside directors shall be elected by the shareholders.

(b) Among these responsibilities as full members of the board of directors, independent, outside board members shall constitute the audit committee of the board. The audit committee shall have the responsibility for initiating and pursuing internal investigations of company operations arising from this Act and may initiate and pursue other internal investigations. It shall report the results of any investigation to the board of directors and at the audit committee's discretion, to the shareholders, the Securities and Exchange Commission and other relevant bodies. The audit committee shall hire independent auditors for the company and can hire counsel and other staff necessary to fulfill its responsibility. Those hired by the audit committee shall report to that committee.

(c) It is the responsibility of any independent auditor hired to inquire fully into any illegal, unusual or questionable activities.

(d) Each member of the board of directors must provide the independent auditors with a signed, sworn statement that (1) he knows of no illegal or unusual payment that has not been reported to the independent auditors nor of any books or records of the company whose existence is not known by the independent auditors, and (2) he has no knowledge of any irregularities in areas of the firm's business that are difficult to audit.

(e) Independent auditors shall have civil recourse for actual damage against persons or companies who withhold or misrepresent information necessary for the auditor to carry out its responsibilities.

SHAREHOLDER'S RIGHT OF ACTION

SEC. 9. (a) Section 27 of the Securities Exchange Act of 1934 (15 U.S.C. 78aa) is amended, by designating existing section 27 as subsection (a) thereof, and adding, at the end thereof, the following new subsections:

"(b) Any person who can demonstrate actual damage in connection with the actual or proposed purchase or sale of any security or waste of assets resulting from—

"(1) the contributions, payments, or gifts described in the report required by paragraph 3 of subsection (a) of section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a)); or

"(2) the failure of compliance with any part of the International Contributions, Payments, and Gifts Disclosure Act or the rules and regulations thereof—

may maintain an action, at law or in equity in accordance with subsection (a) of this section.

"(c) In the case of any successful action to enforce liabilities described in subsection (b) above, the court shall determine any liability for the costs of the action, and reasonable attorneys' fees.".

PRIVATE RIGHT OF ACTION

SEC. 10. Any person who can establish actual damage to his business resulting from illegal (as determined by United States law or the laws of the country in which the contribution, payment, or gift was made) contributions, payments, or gifts, made by a competitor and who has not made such illegal payments himself in a relevant time period, may maintain a cause of action against that competitor and, if successful, can recover—

(a) treble the actual damage accruing to his business activity; and

(b) costs of the action and reasonable attorney's fees as determined by the court.

INTERNATIONAL EFFORTS

SEC. 11. (a) All efforts should be made by the President to obtain international agreements in as many forums as appropriate concerning the reporting and exchange of this information and the establishment of international standards and codes of conduct for the operations of companies.

(b) The President shall make all efforts to obtain international rules and regulations for international government procurement and sales.

ABBREVIATED SUMMARY OF THE INTERNATIONAL CONTRIBUTIONS, PAYMENTS AND GIFTS DISCLOSURE ACT

The attached International Contributions, Payments and Gifts Disclosure Act aims at accomplishing six distinct, but related goals. The rationale for these objectives is explained in the "Findings and Purposes" which is based on an extensive Congressional hearing record as well as other sources.

First, the Securities and Exchange Commission is directed to collect significant information on international contributions, payments and gifts, which will be made public unless the President determines that it will severely impair the conduct of foreign policy.

Second, the Secretary of State will provide annually (or more frequently if necessary) a comprehensive review and foreign policy analysis of these payments to Congress.

Third, to insure that complete and accurate information is reported to the SEC, an independent audit committee is mandated within corporations and given certain rights and responsibilities including the responsibility for the internal audit of contributions, payments and gifts. Additional provisions encourage corporate personnel to submit complete and accurate information to the audit committee.

Fourth, all payments illegal under U.S. or foreign laws will be non-deductible for U.S. tax purposes.

Fifth, to encourage the private sector to police itself, shareholders and competitors are insured rights of action when damaged.

Finally, the President is encouraged to obtain as many international agreements as appropriate.

SYNOPSIS OF THE MAJOR PROVISIONS OF THE INTERNATIONAL CONTRIBUTIONS, PAYMENTS AND GIFTS DISCLOSURE ACT

Section 4 amends the SEC Act to include:

Subparagraph (3)—which requires the Securities and Exchange Commission to collect annual information on significant international contributions, payments and gifts;

Subparagraph (4)—which lists the minimum information on contributions, payments and gifts that must be included;

Subparagraphs (5) and (6)—which insures maintenance of adequate books and records by companies and their agents;

Subparagraph (7)—which allows the SEC to promulgate rules and regulations as necessary to carry out its responsibilities;

Subparagraphs (8) and (9)—which provide fines and criminal penalties for knowingly failing to file required reports, knowingly filing false reports, and knowingly failing to obtain information required to be reported;

Subparagraph (10)—which provides that all such information will be made public unless the President determines that disclosure will severely impair the conduct of U.S. foreign policy.

Section 5 requires the Secretary of State to provide the Senate Committee on Foreign Relations and the House International Relations Committee an annual comprehensive review and foreign policy analysis of the contributions, payments and gifts information collected by the SEC. The report can be more frequent at the discretion of the Secretary or at the request of the Committee on Foreign Relations or International Relations Committee.

Section 6 requires that each company disclose aggregate contributions payments and gifts information on its annual report.

Section 7 insures that contributions, payments and gifts illegal under U.S. law or under foreign law are non-deductible for U.S. tax purposes.

Section 8 establishes an independent audit committee on each company's Board of Directors, composed of independent outside directors, who will have the responsibility for pursuing internal company investigations ensuing from this Act. They may initiate and pursue other internal investigations, shall hire independent auditors, and may hire other relevant personnel who will be responsible to them.

The independent auditors must inquire fully into illegal, unusual or questionable activities and must obtain from each member of the Board a signed, sworn statement that he knows of no unreported illegal or unusual payments, no books or records whose existence is not known by the auditors and no irregularities in those areas of the firm difficult to audit. Independent auditors will have civil recourse against those persons or companies withholding or misrepresenting information necessary for the auditors to carry out their responsibilities.

Section 9 insures a shareholder's right of action for actual damage in connection with the actual or proposed sale of any security or waste of assets resulting from contributions, payments and gifts.

Section 10 establishes a private right of action for competitors whose business has been damaged by illegal (under U.S. or foreign law) contributions, payments and gifts, but only if the complaining party himself has not made such contributions, payments and gifts in a relevant time period.

Section 11 encourages the President to seek relevant international agreements and, in particular, international rules and regulations for international government procurement and sales.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that a bill introduced earlier relative to contributions and gifts made by American companies in international business be referred to the Committees on Banking, Housing and Urban Affairs, and Foreign Relations jointly, and, if and when reported by those committees, it then be referred to the Committee on Finance for not to exceed 30 days.

The **PRESIDING OFFICER**. Is there objection?

Mr. **GRIFFIN**. Mr. President, reserving the right to object, though I do not know that I shall, is it possible to ask the Chair where this bill would be referred in the absence of such a request.

The **PRESIDING OFFICER**. It would be referred to the Banking, Housing and Urban Affairs Committee.

Mr. **GRIFFIN**. Not to the Committee on Finance?

The **PRESIDING OFFICER**. That is correct.

Mr. **GRIFFIN**. Under those circumstances, I shall not object. As I have indicated before, I do not like the practice of limiting a committee on time to consider the bill. It would be exceptionally objectionable if we were limiting the committee with primary jurisdiction. With that statement by the Chair that it would not have primary jurisdiction in this case, I will not object.

The **PRESIDING OFFICER**. Is there objection? The Chair hears none. It is so ordered.

By Mr. BUCKLEY:

S. 3381. A bill to accelerate the formation and accumulation of the investment capital required to expand both job opportunities and productivity in the private sector of the economy. Referred to the Committee on Finance.

Mr. **BUCKLEY**. Mr. President, I know of no one who disagrees with the absolute importance of restoring conditions of full employment in this country. While it is true that we are gradually cutting back on the rate of unemployment, the naked, obstinate fact remains that there are today millions of Americans who want to work but cannot find jobs.

The debate, and it is perhaps the most important debate in economic matters we face today, is not over the goal of full employment but over how to go about achieving it. Can we assure Americans of full employment and a high standard of living through centralized planning and reliance on massive Federal "make work" programs such as public service jobs or should we take measures to harness the energies of the private economy in order to assure ourselves of what ought to be our goal of steady economic growth with full employment?

I am firmly convinced that our recent severe economic troubles have been the direct result of trying to manipulate our complex economy through mistaken fiscal and monetary policies.

Now that we are so clearly in the midst of a significant recovery, it is particularly important that we discard the disproven remedies of recent years and start thinking once again about such fundamentals as capital formation and investment, and the creation of the private, productive jobs that we require.

To put it another way, this is precisely the wrong time to be siphoning huge amounts of capital away from productive private investment into nonproductive public make-work programs. Those who are at this stage urging still larger public efforts are in fact prescribing inflationary policies that can blunt the recovery and discourage job-producing investment in the private sector.

Mr. President, the choice is clear. We can continue to attempt to solve the unemployment problem through direct governmental intervention in competition with the private sector, or we can attempt to create long-term productive jobs by restoring incentives to save and to invest. The latter approach has been incorporated in an imaginative tax reform bill introduced in the House of Representatives by Congressman JACK KEMP, of New York, under the title, the Jobs Creation Act. I am today introducing that bill in the Senate as I believe that it represents as intelligent and constructive an approach to job creation as I have seen, and I commend it to the Finance Committee for its careful study.

In introducing the bill, I do not necessarily endorse every one of its provisions, as I have not yet had the opportunity of examining all of them in sufficient detail. I wholeheartedly agree, however, with the basic principle that we can only create the large number of production jobs we need now and in the years ahead by restoring the necessary incentives for capital formation and private investment. I also share the view that properly structured tax reductions will in short order result in larger returns to the Treasury.

Mr. President, I ask unanimous consent that the tabulation of the econometric study prepared by Dr. Norman Ture concerning the economic and revenue effects of the Jobs Creation Act be printed in the RECORD together with the text of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ECONOMIC EFFECTS OF THE JOBS CREATION ACT OF 1975

[Money amounts in billions of 1974 dollars]

Jobs Creation Act section, proposal, and years after enactment	Increases in: Private GNP	Employment (thousands)	Capital outlays	Federal revenue
§ 3 Savings tax credit of 10 percent, up to $1,000 ($2,000 for joint returns), not exceeding tax due:				
1	$31.0	1,780	$22.3	$1.9
2	40.2	2,100	23.3	4.8
3	50.1	2,430	24.3	7.9
§ 5 Exclusion of domestic corporate dividends from adjusted gross ncome:				
1	20.9	1,200	15.5	.6
2	28.7	1,510	16.3	3.1
3	35.7	1,740	17.0	5.3
§ 6 Exclusion of $1,000 of capital gain per year:				
1	9.0	520	6.8	1.6
2	12.7	920	7.1	2.8
3	15.6	760	7.4	3.7
§ 9 Reduction of normal corporate tax rate from 22 22 to 20 percent (with no change in surtax):				
1	11.0	630	7.7	1.1
2	13.7	710	8.1	2.0
3	17.7	860	8.4	3.2
§ 10 Reduction of surtax rate from 26 to 22 percent (no change in normal tax rate of surtax exemption):				
1	20.0	1,150	14.1	2.0
2	25.0	1,300	14.8	3.7
3	82.3	1,570	15.3	5.8
§ 11 Increase in surtax exemption from $25,000 to $100,000 (with present normal and surtax rates):				
1	$11.0	$630	$7.7	$1.1
2	13.7	710	8.1	2.0
3	17.7	860	8.4	3.2
§ 12 Increase in investment credit from 7 percent with limitations to 15 percent for all sec. 1245 property:				
1	23.9	1,370	17.4	4.3
2	31.7	1,660	18.2	6.8
3	39.9	1,940	18.9	9.4
§ 13 Increase in asset depreciation range (ADR) from 20 percent to 40 percent:				
1	12.9	760	7.0	2.3
2	22.2	1,250	7.4	1.8
3	28.2	1,520	7.7	1.6
§ 14 Optional capital recovery allowances:				
1	55.6	3,400	16.7	8.7
2	70.3	4,070	17.4	11.5
3	82.4	4,550	18.0	14.2
Combined effect:				
1	151.4	7,180	74.6	5.2
2	200.5	9,020	77.9	14.6
3	248.9	10,910	81.1	25.2

Note: The estimates with respect to any combination of these proposals are not necessarily equal to the sum of the individual estimates. An estimate will be forthcoming for provisions of the bill which are not included above if adequate data become available.

Estimates for certain of these proposals may differ from previous estimates for similar or identical proposals because of revisions in Government data and underlying assumptions. Assumptions used in this table are consistent among alternatives.

Where exact qualification of variables was impossible, conservative assumptions about the values of those variables were employed. A full documentation of the estimating procedure is available upon request.

Estimates are based on changes with respect to the law in 1974 rather than the temporary provisions enacted in 1975. Effects for year 1 are for 1975 and assume that the proposal would have been operative since Jan. 1, 1975. Effects for years 2 and 3 refer to 1976 and 1977 levels of GNP, employment, etc., relative to their assumed trend values had the 1974 law remained unchanged. Note that employment effects are not cumulative; the 40 percent ADR, for instance, would lead to an increase of 1,520,000 full-time equivalent employees in year 3 over the number of such employees in the absence of this tax change, not 760 plus 1,250 plus 1,520 equals 3,530,000.

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Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Jobs Creation Act".

(b) Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. TABLE OF CONTENTS.—

Sec. 1. Short title; amendment of 1954 Code.
Sec. 2. Table of contents.
Sec. 3. Tax credits for qualified savings and investments.
Sec. 4. Individual retirement savings, accounts, and bonds.
Sec. 5. Exclusion from gross income of amounts received by an individual as dividends from domestic corporations.
Sec. 6. Limited exclusion of certain capital gains.
Sec. 7. Deferral of gain on sale or exchange of certain small business property.
Sec. 8. Extension of time for payment of estate tax where estate consists largely of interest in closely held business and farms.
Sec. 9. Adjustment of corporate normal tax rates.
Sec. 10. Adjustment of corporate surtax rate.
Sec. 11. Increase in corporate surtax exemption.
Sec. 12. Graduated and increased investment tax credit.
Sec. 13. Increase in class life variance for purposes of depreciation.
Sec. 14. Capital recovery allowances.
Sec. 15. Alternative amortization period for pollution control facilities.
Sec. 16. Increase in exemption from industrial development bond treatment.

TAX CREDITS FOR QUALIFIED SAVINGS AND INVESTMENTS

SEC. 3. (a) IN GENERAL.—Subpart A (relating to credits allowable) of part IV of subchapter A of chapter 1 of subtitle A is amended by adding at the end thereof the following new section:

"SEC. 43. INCREASED SAVINGS AND INVESTMENTS BY INDIVIDUALS.

"(a) IN GENERAL.—There shall be allowed to an individual, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to 10 percent of the increase in the total amount of qualified savings deposits and investments such individual held at the end of such year over the amount of total qualified savings deposits and investments of the individual held at the end of the prior year.

"(b) LIMITATION.—The credit allowed by subsection (a) for a taxable year shall not exceed $1,000 ($2,000 in the case of a joint return under section 6013).

"(c) DEFINITIONS.—For the purposes of this section—

"(1) QUALIFIED SAVINGS DEPOSITS AND INVESTMENTS.—The term 'qualified savings deposits and investments' means—

"(A) amounts deposited in a savings deposit or withdrawable savings account in a financial institution;

"(B) amounts used to purchase common or preferred stock in a domestic corporation;

"(C) amounts used to purchase a bond or other debt instrument issued by a domestic corporation;

"(D) (1) with respect to any life insurance contract, the increase in the surrender value of the life insurance during the taxable year;

"(2) with respect to any annuity, the consideration paid, less any amount withdrawn, during the taxable year; and

"(E) with respect to any mutual fund, the consideration paid, less any amount withdrawn, during the taxable year.

"(2) FINANCIAL INSTITUTION.—The term 'financial institution' means—

"(A) a commercial or mutual savings bank whose deposits and accounts are insured by the Federal Deposit Insurance Corporation or otherwise insured under State law;

"(B) a savings and loan, building and loan, or similar association the deposits and accounts of which are insured by the Federal Savings and Loan Insurance Corporation or otherwise insured under State law;

"(C) a credit union the deposits and accounts of which are insured by the National Credit Union Administration Share Insurance Fund or otherwise insured under State law;

"(D) any company duly chartered by a State, territory, or possession of the United States, or the District of Columbia, and in good standing therein, which issues life insurance or annuity contracts; and

"(E) any investment company, as defined by section 80a-3(a) of title 15, United States Code.".

(b) TECHNICAL AMENDMENT.—The table of sections for such subpart A is amended by adding at the end thereof the following:

"Sec. 43. Increased savings and investments by individuals.".

(c) EFFECTIVE DATE.—The amendments made by section (a) of this section shall apply to qualified savings deposited and investments made after December 31, 1975.

INDIVIDUAL RETIREMENT SAVINGS, ACCOUNTS, AND BONDS

SEC. 4. (a) Part VII of subchapter B of chapter 1 is amended by striking out section 219 (relating to the maximum deduction for retirement savings) and inserting in lieu thereof the following:

"SEC. 219. RETIREMENT SAVINGS.

"(a) DEDUCTION ALLOWED.—In the case of an individual, there is allowed as a deduction amounts paid in cash during the taxable year by or on behalf of such individual for his benefit—

"(1) to an individual retirement account described in section 408(a),

"(2) for an individual retirement annuity described in section 408(b),

"(3) for a retirement bond described in section 409 (but only if the bond is not redeemed within 12 months of the date of its issuance),

"(4) to a trust described in section 401(a) which is exempt from tax under section 501 (a), but only if the payment of such amount is made by the individual, or

"(5) for the purchase of an annuity contract described in section 403(b).

Paragraph (4) shall not apply to any governmental plan (within the meaning of section 414(d)), unless such plan has made an election under section 410(e). For purposes of this title, any amount paid by an employer to such a retirement account or for such a retirement annuity or retirement bond constitutes payment of compensation to the employee (other than a self-employed individual who is an employee within the meaning of section 401(e)(1) includible in his gross income, whether or not a deduction for such payment is allowable under this section to the employee after the application of subsection (b).

"(b) LIMITATIONS AND RESTRICTIONS.—

"(1) MAXIMUM DEDUCTION.—The amount allowable as a deduction under subsection (a) to an individual for any taxable year may not exceed an amount equal to 15 percent of the compensation includible in his gross income for such taxable year, or $2,000, whichever is less.

"(2) REDUCTION ON ACCOUNT OF EMPLOYER CONTRIBUTIONS TO QUALIFIED PENSION, ETC., PLANS.—The amount of the limitation otherwise determined under this subsection for any taxable year shall be reduced by the amount (determined in accordance with regulations prescribed by the Secretary or his delegate) of contributions paid on behalf of the individual by his employer (including an employer within the meaning of section 401 (c)(4)) for the individual's taxable year—

"(A) to a trust described in section 401(a) which is exempt from tax under section 501 (a), or

"(B) for the purchase of an annuity contract described in section 403(b).

In the case of any plan other than a defined contribution plan, under regulations prescribed by the Secretary or his delegate, the amount of contributions described in subparagraphs (A) and (B) of the preceding sentence paid on behalf of an individual by his employer for his taxable year shall be deemed to be an amount equal to the percent arrived at by dividing the employer's aggregate contribution to the plan for the taxable year by the aggregate compensation paid or accrued during the taxable year to employees covered by such plan multiplied by the compensation paid or accrued to such individual for such taxable year attributable to the performance of personal services for such employer.

"(3) REDUCTION APPLICABLE TO CERTAIN PUBLIC AND OTHER EMPLOYEES.—If a taxpayer has earned income for the taxable year which is not subject to tax under chapter 2, 21, or 22—

"(A) the limitation otherwise determined under this subsection for such taxable year shall be reduced by the Social Security equivalency amount; and

"(B) in determining the amount paid by such individuals under subsection (a)(4) for purposes of subsection (a) (but not for purposes of computing the limitation under this subsection), so much of the amount paid by such individual under such subsection (a)(4) as does not exceed the social security equivalency amount shall not be taken into account.

For purposes of this paragraph, the term 'social security equivalency amount' means an amount equal to the tax (or the increase in the tax) that would be imposed upon such earned income under section 3101 for such taxable year if the personal services from the performance of which such income is derived constituted employment (within the meaning of section 3121(b)).

"(4) CONTRIBUTIONS AFTER AGE 70 1/2.—No deduction is allowed under subsection (a) with respect to any payment described in subsection (a) which is made during the taxable year of an individual who has attained age 70½ before the close of such taxable year.

"(5) RECONTRIBUTED AMOUNTS.—No deduction is allowed under this section with respect to a rollover contribution described in section 402(a)(5), 403(a)(4), 408(d)(3), or 409(b)(3)(C).

"(6) AMOUNTS CONTRIBUTED UNDER ENDOWMENT CONTRACTS.—In the case of an endowment contract described in section 408(b), no deduction is allowed under subsection (a) for that portion of the amounts paid under the contract for the taxable year properly allocable, under regulations prescribed by the Secretary or his delegate, to the cost of life insurance.

"(c) DEFINITIONS AND SPECIAL RULES.—

"(1) COMPENSATION.—For purposes of this section, the term 'compensation' includes earned income as defined in section 401 (c)(2).

"(2) MARRIED INDIVIDUALS.—The maximum deduction under subsection (b)(1) shall be computed separately for each individual, and this section shall be applied without regard to any community property laws.".

(b) Section 410(d) of such Code is amended by adding the following new subsection at the end thereof:

"(e) ELECTION BY GOVERNMENT TO HAVE PARTICIPATION, VESTING, FUNDING, ETC., PROVISIONS APPLY.—

"(1) IN GENERAL.—If the governmental entity which maintains any governmental plan (within the meaning of section 414(d)) makes an election under this subsection (in such form and manner as the Secretary or his delegate may by regulations prescribe), then the provisions of this title relating to participation, vesting, funding, etc. (as in effect from time to time) shall apply to such plan as if such provisions did not contain an exclusion for governmental plans.

"(2) ELECTION IRREVOCABLE.—An election under this subsection with respect to any governmental plan shall be binding with respect to such plan, and, once made, shall be irrevocable.".

(c) Section 408 (relating to individual retirement accounts) of subpart A of part I of subchapter D of chapter 1 of subtitle A is amended by striking out "$1,500" in the three instances in which said figure appears and by inserting in lieu thereof "$2,000".

(d) Section 409(a) (relating to retirement bonds) of subpart A of part I of subchapter D of chapter 1 of subtitle A is amended by striking out "$1,500" and by inserting in lieu thereof "$2,000".

(e) The amendments made by subsections (a), (b), (c) and (d) of this section shall apply to taxable years beginning after December 31, 1975.

EXCLUSION FROM GROSS INCOME OF AMOUNTS RECEIVED BY AN INDIVIDUAL AS DIVIDENDS FROM DOMESTIC CORPORATIONS

SEC. 5. (a) (1) Subsection (a) of section 116 (relating to partial exclusion of dividends received by individuals) of part III of subchapter B of chapter 1 is amended to read as follows:

"(a) EXCLUSION FROM GROSS INCOME.—Gross income does not include amounts received by an individual as dividends from domestic corporations.".

(2) The section heading of such section 116 is amended by striking out "PARTIAL EXCLUSION" and inserting in lieu thereof "EXCLUSION".

(3) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 116 and inserting in lieu thereof the following:

"Sec. 116. Exclusion of dividends received by individuals.".

(4) Section 643(a)(7) of such Code is amended by striking out "partial exclusion" and inserting in lieu thereof "exclusion".

(b) The amendments made by the first subsection of this section shall apply to taxable years beginning after December 31, 1975.

LIMITED EXCLUSION OF CERTAIN CAPITAL GAINS

SEC. 6. IN GENERAL.—Part III (relating to items specifically excluded from gross income) of subchapter B of chapter 1 is amended by—

(1) redesignating section 124 as section 125, and

(2) inserting immediately after section 123 the following new section:

"SEC. 124. LIMITED EXCLUSION OF CERTAIN CAPITAL GAINS.

"(a) GENERAL RULE.—In the case of a taxpayer other than a corporation, gross income for the taxable year does not include an amount equal to the net section 1201 gain resulting solely from the sale or exchange of securities, to the extent that such amount does not exceed $1,000.

"(b) Exception.—Subsection (a) does not apply to a taxpayer who is subject to the tax imposed under section 1201(b).

"(c) Definitions.—

"(1) Net section 1201 gain.—The term 'net section 1201 gain' has the same definition it has under section 1222(11).

"(2) Securities.—The term 'securities' has the same meaning it has under section 165 (g)(2).".

(b) Technical Amendments.—

(1) Section 1202 of such Code (relating to deductions for capital gains) is amended by adding at the end thereof the following new sentence: "No amount of such excess shall be allowed as a deduction under this section to the extent such amount is excluded from gross income under section 124.".

(2) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 124 and inserting in lieu thereof the following:

"Sec. 124. Limited exclusion of certain capital gains.

"Sec. 125. Cross references to other Acts.".

(c) Effective Date.—The amendments made by this section apply to sales or exchanges of securities occurring after December 31, 1975.

DEFERRAL OF GAIN ON SALE OR EXCHANGE OF CERTAIN SMALL BUSINESS PROPERTY

Sec. 7. (a) General Rule.—Part III (relating to common nontaxable exchanges) of subchapter O of chapter 1 is amended by adding at the end thereof the following new section:

"Sec. 1040. Exchange of Qualified Small Business Property.

"(a) Nonrecognition of Gain.—If any individual sells or exchanges qualified small business property, at the election of the taxpayer, gain from such sale or exchange shall be recognized only to the extent that the amount realized on such sale or exchange exceeds the cost of any qualified small business property purchased by the individual during the reinvestment period. An election under this subsection shall be made at such time and in such manner as the Secretary or his delegate may prescribe by regualtions.

"(b) Reinvestment Period.—The reinvestment period referred to in subsection (a) shall be the period beginning 1 year before the date of the sale or exchange of the qualified small business property and ending 1 year after such date.

"(c) Qualified Small Business Property.—

"(1) In general.—For purposes of this section, the term 'qualified small business property' means—

"(A) property which—

"(i) is held by an individual for productive use in a trade or business carried on by the individual; and

"(ii) is real property or is personal property if such personal property is of a character subject to the allowance for depreciation; and

"(B) any interest held by an individual in a qualified partnership or a qualified corporation.

"(2) Qualified partnership.—For purposes of paragraph (1), the term 'qualified partnership' means any partnership—

"(A) which does not have more than 10 partners;

"(B) which does not have as a partner a person (other than estate) who is not an individual;

"(C) which does not have a nonresident alien as a partner; and

"(D) not more than 50 percent of the gross receipts of which for its last taxable year ending before the sale or exchange is passive investment income (as defined in section 1372 (e)(5)(C)).

"(3) Qualified corporation.—For purposes of paragraph (1), the term 'qualified corporation' means any corporation—

"(A) which does not have more than 10 shareholders;

"(B) which does not have as a shareholder a person (other than an estate) who is not an individual;

"(C) which does not have a nonresident alien as a shareholder;

"(D) which does not have more than one class of stock; and

"(E) not more than 50 percent of the gross receipts of which for its last taxable year ending before the sale or exchange is passive investment income (as defined in section 1372(e)(5)(C)).

"(4) When determination is made.—For purposes of this section the determination of whether a partnership is a qualified partnership or of whether a corporation is a qualified corporation shall be made as of the time immediately before the sale or exchange.

"(d) Basis Adjustment.—If the purchase of any qualified small business property results in the nonrecognition of gain under subsection (a), the basis of such property shall be reduced by the amount of gain which is not recognized under subsection (a).

"(e) Assessment of Deficiencies.—If the taxpayer has made an election under subsection (a) with respect to a sale, then notwithstanding any other provision of law or rule of law the statutory period for the assessment of any deficiency (including interest and additions to the tax) shall not expire until 3 years from the date the Secretary or his delegate is notified by the taxpayer (in such manner as the Secretary or his delegate may by regulation prescribe) of the purchase of qualified small business property or the failure to timely purchase such property. Such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of section 6212(c) or the provisions of any other law or rule of law which would otherwise prevent such assessment.".

(b) Clerical Amendment.—The table of sections for part III of subchapter O of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Sec. 1040. Exchange of qualified small business property.".

(c) Technical Amendments.—

(1) Section 1245(b)(4) of such Code (relating to like kind exchanges; involuntary conversions, etc.) is amended by striking out "1031 or 1033" and inserting in lieu thereof "1031, 1033, or 1040".

(2) Section 1250(d)(4)(A) of such Code (relating to like kind exchanges; involuntary conversions etc.) is amended by striking out "1031 or 1033" and inserting in lieu thereof "1031, 1033, or 1040".

(d) Effective Date.—The amendments made by this section shall apply to sales or exchanges after December 31, 1975.

EXTENSION OF TIME FOR PAYMENT OF ESTATE TAX WHERE ESTATE CONSISTS LARGELY OF INTERESTS IN CLOSELY HELD BUSINESS AND FARMS

Sec. 8. (a) General Rule.—Section 6166 (relating to extension of time for payment of estate tax where estate consists largely of interest in closely held business) is amended to read as follows:

"Sec. 6166. Extension of Time for Payment of Estate Tax Where Estate Consists Largely of Interest in Closely Held Business and Farms.

"(a) Five-Year Deferral; 20-Year Installment Payment.—

"(1) In general.—If the value of an interest in a closely held business which is included in determining the gross estate of a decedent who was (at the date of his death) a citizen or resident of the United States exceeds either—

"(A) 35 percent of the value of the gross estate of such decedent, or

"(B) 50 percent of the taxable estate of such decedent,

the executor may elect to pay part or all of the tax imposed by section 2001 in 2 or more (but not exceeding 20) equal installments.

"(2) Date for payment of installments.—If an election is made under paragraph (1), the first installment shall be paid on or before the date which is 5 years after the date prescribed by section 6151(a) for payment of the tax, and each succeeding installment shall be paid on or before the date which is 1 year after the date prescribed by this paragraph for payment of the preceding installment.

"(3) Limitation.—The maximum amount of tax which may be paid in installments under this subsection shall be an amount which bears the same ratio to the tax imposed by section 2001 (reduced by the credits against such tax) as—

"(A) the qualified small business amount reduced (but not below zero) by the excess (if any) of such amount over $300,000, bears to

"(B) the value of the gross estate.

"(b) Ten-Year Installment Payment Where Qualified Small Business Amount Exceeds $300,000.—

"(1) In general.—If the qualified small business amount exceeds $300,000, the executor may elect to pay all or a portion of the tax imposed by section 2001 in 2 or more (but not exceeding 10) equal installments.

"(2) Date for payment of installments.—If an election is made under paragraph (1), the first installment shall be paid on or before the date prescribed by section 6151(a) for payment of the tax, and each succeeding installment shall be paid on or before the date which is 1 year after the date prescribed by this paragraph for payment of the preceding installment.

"(3) Limitation.—The maximum amount of tax which may be paid in installments under this subsection shall be equal to the excess (if any) of—

"(A) the amount which bears the same ratio to the tax imposed by section 2001 (reduced by the credits against such tax) as the qualified small business amount bears to the value of the gross estate; over

"(B) the amount of such tax which is payable in installments under subsection (a).

"(c) Definitions.—For purposes of this section—

"(1) Closely held business.—The term 'interest in a closely held business' means—

"(A) an interest as a proprietor in a trade or business carried on as a proprietorship;

"(B) an interest as a partner in a partnership carrying on a trade or business, if—

"(i) 20 percent or more of the total capital interest in such partnership is included in determining the gross estate of the decedent, or

"(ii) such partnership had 10 or less partners, or

"(C) stock in a corporation carrying on a trade or business, if—

"(i) 20 percent or more in value of the voting stock of such corporation is included in determining the gross estate of the decedent, or

"(ii) such corporation had 10 or less shareholders.

For purposes of this subsection, determinations shall be made as of the time immediately before the decedent's death.

"(2) Qualified small business amount.—The term 'qualified small business amount' means the aggregate of the value of any interest in a closely held business which qualifies under subsection (a)(1).

"(3) Value.—Value shall be value determined for purposes of chapter 11 (relating to estate tax).

"(d) Special Rule for Interests in 2 or More Closely Held Businesses.—For purposes of subsections (a), (b), and (h)(1), interests in 2 or more closely held businesses with respect to each of which there is included in determining the value of the decedent's gross estate more than 50 percent of the total value of each such business, shall be treated as an interest in a single closely held business. For purposes of the 50 percent requirement of the preceding sentence, an interest in a closely held business which represents the surviving spouse's interest in property held by the decedent and the surviving spouse as community property shall be treated as having been included in determining the value of the decedent's gross estate.

"(e) Education.—Any election under subsection (a) or (b) shall be made not later than the time prescribed by section 6075(a) for filing the return of tax under section 2001 (including extensions thereof), and shall be made in such manner as the Secretary or his delegate shall by regulations prescribe. If an election under subsection (a) or (b) is made, the provisions of this subtitle shall apply as though the Secretary or his delegate were extending the time for payment of the tax.

"(f) Proration of Deficiency to Installments.—If an election is made under subsection (a) or (b) to pay any part of the tax imposed by section 2001 in installments and a deficiency has been assessed—

"(1) the deficiency shall (subject to the limitation provided by subsection (a)(3)) be prorated to the installments (if any) payable under subsection (a); and

"(2) to the extent that the deficiency is not prorated under paragraph (1), the deficiency shall (subject to the limitation provided by subsection (b)(3)) be prorated to the installments (if any) payable under subsection (b).

The part of the deficiency so prorated to any installment the date for payment of which has not arrived shall be collected at the same time as, and as a part of, such installment. The part of the deficiency so prorated to any installment the date for payment of which has arrived shall be paid upon notice and demand from the Secretary or his delegate. This subsection shall not apply if the deficiency is due to negligence, to international disregard of rules and regulations, or to fraud with intent to evade tax.

"(g) Time for Payment of Interest.—If the time for payment of any amount of tax has been extended under this section, interest payable under section 6601 on any unpaid portion of such amount shall be paid annually at the same time as, and as a part of, each installment payment of the tax. Interest, on that part of a deficiency prorated under this section to any installment the date for payment of which has not arrived, for the period before the date fixed for the last installment preceding the assessment of the deficiency, shall be paid upon notice and demand from the Secretary or his delegate.

"(h) Acceleration of Payment.—

"(1) Withdrawal of funds from business; disposition of interest.—

"(A) If—

"(i) aggregate withdrawals of money and other property from the trade or business, an interest in which qualifies under subsection (a)(1), made with respect to such interest, equal or exceed 50 percent of the value of such trade or business, or

"(ii) 50 percent or more in value of an interest in a closely held business which qualifies under subsection (a)(1) is distributed, sold, exchanged, or otherwise disposed of,

then the extension of time for payment of tax provided in subsection (a) or (b) shall cease to apply, and any unpaid portion of the tax payable in installments shall be paid upon notice and demand from the Secretary or his delegate.

"(B) In the case of a distribution in redemption of stock to which section 303 (or so much of section 304 as relates to section 303) applies—

"(i) subparagraph (A)(i) does not apply with respect to withdrawals of money and other property distributed; and for purposes of such subparagraph the value of the trade or business shall be considered to be such value reduced by the amount of money and other property distributed, and

"(ii) subparagraph (A)(ii) does not apply with respect to the stock redeemed; and for purposes of such subparagraph the interest in the closely held business shall be considered to be such interest reduced by the value of the stock redeemed.

This subparagraph shall apply only if, on or before the date prescribed by subsection (a)(2) or (b)(2g), as the case may be, for payment of the first installment which becomes due after the date of the distribution, there is paid an amount of the tax imposed by section 2001 not less than the amount of money and other property distributed.

"(C) Subparagraph (A)(ii) does not apply to an exchange of stock pursuant to a plan of reorganization described in subparagraph (D), (E), or (F) of section 368(a)(1) nor to an exchange to which section 355 (or so much of section 356 as relates to section 355) applies; but any stock received in such an exchange shall be treated for purposes of such subparagraph as an interest qualifying under subsection (a)(1).

"(D) Subparagraph (A)(ii) does not apply to a transfer of property of the decedent by the executor to a person entitled to receive such property under the decedent's will or under the applicable law of descent and distribution.

"(2) Undistributed income of estate.—

"(A) If an election is made under this section and the estate has undistributed net income for any taxable year after its fourth taxable year, the executor shall, on or before the date prescribed by law for filing the income tax return for such taxable year (including extensions thereof), pay an amount equal to such undistributed net income in liquidation of the unpaid portion of the tax payable in installments. Any amount paid under the preceding sentence shall be applied first against the unpaid portion of the tax which is payable in installments under subsection (b).

"(B) For purposes of subparagraph (A), the undistributed net income of the estate for any taxable year is the amount by which the distributable net income of the estate for such taxable year (as defined in section 643) exceeds the sum of—

"(i) the amounts for such taxable year specified in paragraphs (1) and (2) of section 661(a) (relating to deduction for distributions, etc.);

"(ii) the amount of tax imposed for the taxable year on the estate under chapter 1; and

"(iii) the amount of the tax imposed by section 2001 (including interest) paid by the executor during the taxable year (other than any amount paid pursuant to this paragraph).

"(3) Failure to pay installment.—If installment under this section is not paid on or before the date fixed for its payment by this section (including any extension of time for the payment of such installment), the unpaid portion of the tax payable in installments shall be paid upon notice and demand from the Secretary or his delegate.

"(i) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to the application of this section.

"(j) Cross References.—

"(1) Security.—

"For authority of the Secretary or his delegate to require security in the case of an extension under this section, see section 6165.

"(2) Period of limitation.—

"For extension of the period of limitation in the case of an extension under this section, see section 6503(d).

"(3) Interest.—

"For provisions relating to interest on tax payable in installments under subsection (a), see subsections (b)(1) and (j) of section 6601."

(b) Five-Year Exemption From Interest.—Paragraph (1) of section 6601(b) of such Code (relating to last date prescribed for payment) is amended by striking out the period at the end thereof and inserting in lieu thereof ", except that the late date prescribed for payment of any tax payable in installments under section 6166(a) shall be the last date prescribed for payment of the first installment of such tax.".

(c) Four-Percent Interest Rate.—Section 6601 of such Code (relating to interest on underpayment, non-payment, or extension of time for payment, or tax) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new section:

"(j) Extension of Time for Payment of Estate Tax.—If the amount of any tax imposed by section 2001 is payable in installments under section 6166(a), interest on such amount shall be paid at the rate of 4 percent, in lieu of the annual rate established under section 6621 as provided in subsection (a). For purposes of this subsection and subsection (b)(1), the amount of any deficiency which is prorated to installments payable under section 6166(a) shall be treated as an amount of tax payable in installments under such section.".

(d) Technical Amendment.—Paragraph (2) of section 6161(a) of such Code (relating to extension of time for paying estate tax) is amended by striking out the period at the end thereof and inserting in lieu thereof "or, if later, in the case of an installment payable under section 6166(a), not in excess of 6 months from the date fixed for the payment thereof.".

(e) Effective Date.—The amendments made by this section shall apply to the estates of decedents with respect to which the date for the filing of the estate tax return (including extensions thereof) prescribed by section 6075(a) of the Internal Revenue Code of 1954 is after the date of the enactment of this Act.

ADJUSTMENTS OF CORPORATE NORMAL TAX RATE

Sec. 9. (a) Adjustments of Corporate Normal Tax Rate.—Section 11(b) (relating to the normal tax imposed on corporations) of part II of subchapter A of chapter 1 of subtitle A is amended to read as follows:

"(b) Normal Tax.—The normal tax is equal to 20 percent of the taxable income, in the case of a taxable year beginning after December 31, 1975. For purposes of applying the percentage of tax set forth in the preceding table in the case of a corporation which is a component member of a controlled group of corporations (within the meaning of section 1563), the taxable income of the other component members of such group shall, under regulations prescribed by the Secretary or his delegate, be taken into account.".

(b) The amendments made by this section shall apply to taxable years beginning after December 31, 1975.

ADJUSTMENT OF CORPORATE SURTAX RATE

Sec. 10. (a) Adjustment of Corporate Surtax Rate.—Section 11(c) (relating to surtax imposed on corporations) of part II of subchapter A of chapter 1 of subtitle A is amended to read as follows:

"(c) Surtax.—The surtax is equal to 22 percent of the amount by which the taxable income exceeds the surtax exemption for the taxable year, in case of a taxable year beginning after December 31, 1975.".

(b) The amendment made by this section shall apply to taxable years beginning after December 31, 1975.

INCREASE IN CORPORATE SURTAX EXEMPTION

SEC. 11. (a) IN GENERAL.—Section 11(d) (relating to surtax exemption) of part II of subchapter A of chapter 1 is amended by striking out "$50,000" and inserting in lieu thereof "$100,000".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 1561(a) (as in effect for taxable years beginning after December 31, 1974) (relating to limitations on certain multiple tax benefits in the case of certain controlled corporations) or part II of subchapter B of chapter 6 is amended by striking out "$50,000" and inserting in lieu thereof "$100,000".

(2) Paragraph (7) of section 12 (relating to cross-references for tax on corporations) of part II of subchapter A of chapter 1 is amended by striking out "$50,000" and inserting in lieu thereof "$100,000".

(3) Section 962(c) (relating to surtax exemption for individuals electing to be subject to tax at corporate rates) of subpart F of part III of subchapter N of chapter 1 is amended by striking out "$50,000" and inserting in lieu thereof "$100,000".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1975.

GRADUATED AND INCREASED INVESTMENT TAX CREDIT

SEC. 12. (a) GENERAL RULE.—Paragraphs (1) section 46(a) (relating to determination of amount of credit) is amended to read as follows:

"(1) GENERAL RULE.—The amount of the credit allowed by section 38 for the taxable year shall be equal to the sum of—

"(A) 25 percent of the qualified investment to the extent that the qualified investment does not exceed $25,000;

"(B) 20 percent of the qualified investment to the extent that the qualified investment exceeds $25,000 and does not exceed $50,000; plus

"(C) 15 percent of the qualified investment to the extent that the qualified investment exceeds $50,000.".

(b) TECHNICAL AMENDMENTS.—

(1) Section 46(a) of such Code (relating to determination of amount of credit) is amended by striking out paragraphs (4) and (5) and inserting in lieu thereof the following:

"(4) MARRIED INDIVIDUALS.—In the case of a husband or wife who files a separate return—

"(A) paragraph (1) shall be applied by substituting for each dollar amount contained in such paragraph an amount equal to one-half of such dollar amount; and

"(B) subparagraphs (A) and (B) of paragraph (2) shall be applied by substituting '$12,500' for '$25,000' each place it appears. This paragraph shall not apply if the spouse of the taxpayer has no qualified investment for, and no unused credit carryover or carryback to, the taxable year of his spouse which ends within or with the taxpayer's taxable year.

"(5) CONTROLLED GROUPS.—In the case of a controlled group, each dollar amount contained in paragraph (1) and the $25,000 amount specified in paragraph (2) shall each be reduced by being apportioned among the component members of such group in such manner as the Secretary or his delegate shall by regulations prescribe. For purposes of the preceding sentence the term 'controlled group' has the meaning assigned to such term by section 1563(a).".

(2) Section 46(e)(1) of such Code (relating to limitations with respect to certain persons) is amended by striking out "the qualified investment and" and inserting in lieu thereof "the qualified investment, each dollar amount contained in subsection (a)(1), and".

(3) Section 48(f)(3) of such Code (relating to estates and trusts) is amended—

(A) by striking out "the $25,000 amount" and inserting in lieu thereof "each dollar amount contained in section 46(a)(1) and the $25,000 amount"; and

(B) by striking out "same ratio to $25,000" and inserting in lieu thereof "same ratio to the dollar amount contained in section 46 (a)(1) or $25,000, as the case may be,".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

INCREASE IN CLASS LIFE VARIANCE FOR PURPOSES OF DEPRECIATION

SEC. 13. (a) IN GENERAL.—Section 167(m) (1) (relating to class lives for purposes of depreciation) of part VI of subchapter B of chapter 1 is amended by striking out "20" and inserting in lieu thereof "40".

(b) EFFECTIVE DATE.—The amendment made by this section applies to property acquired or the construction of which is begun after December 31, 1975.

CAPITAL RECOVERY ALLOWANCES

SEC. 14. (a) Part VI of subchapter B of chapter 1 is amended by adding after section 188 the following new section:

"SEC. 189. CAPITAL RECOVERY ALLOWANCE.

"(a) GENERAL RULE.—In lieu of the deduction provided by section 167 the taxpayer may elect, in accordance with regulations prescribed by the Secretary or his delegate, to take a reduction for captial recovery with respect to any section 189 property. Such election may not be revoked except with the consent of the Secretary or his delegate.

"(b) SECTION 189 PROPERTY.—For purposes of this section, the term 'section 189 property' means—

"(1) tangible personal property, or

"(2) other tangible property (including a building and its structural components) but only if such property—

"(A) is used as an integral part of manufacturing, production, or extraction or of furnishing transportation, communications, electrical energy, gas, water, or sewage disposal services, or

"(B) constitutes a research facility used in connection with any of the activities referred to in subparagraph (A) or

"(C) constitutes a warehouse or storage facility used in connection with any of the activities referred to in subparagraph (A), or

"(D) constitutes a pollution control facility which is used to abate or control water or atmospheric pollution or contamination by removing, altering, disposing, or storing of pollutants, contaminants, wastes, or heat.

Such term includes only property with respect to which a deduction for depreciation (or for amortization in lieu of depreciation) would be allowable if the taxpayer did not make an election under this section. The preceding sentence shall not be construed to limit or deny a deduction under this section for any taxable year prior to the taxable year in which a deduction for depreciation (or for amortization in lieu of depreciation) would first become allowable with respect to any property.

"(c) AMOUNT OF DEDUCTION.—The deduction allowed for any taxable year with respect to property which is the subject of an election under subsection (a) shall be any amount elected by the taxpayer which does not exceed—

"(1) in the case of secton 1245 property (as defined in section 1245(a)(3)) or property described in subsection (b)(2)(D) of this section, the amount determined by applying to the acquisition costs of such property the applicable percentage set forth in the following schedule:

"For the year which is—	The applicable percentage is—
The first taxable year after such costs tion costs were paid or incurred	40
The first taxable yead after such costs were paid or incurred	24
The second taxable year after such costs were paid or incurred	18
The third taxable year after such costs were paid or incurred	12
The fourth taxable year after such costs were paid or incurred	6

"(2) in the case of section 1250 property (as defined in section 1250(c)) other than property described in subsection (b)(2)(D) of this section, the amount determined by applying to the acquisition costs of such property the applicable percentage set forth in the following schedule:

"For the year which is—	The applicable percentage is—
The taxable year in which the acquisition costs were paid or incurred	20
The first taxable year after such costs were paid or incurred	16
The second taxable year after such costs were paid or incurred	14
The third taxable year after such costs were paid or incurred	13
The fourth taxable year after such costs were paid or incurred	11
The fifth taxable year after such costs were paid or incurred	9
The sixth taxable year after such costs were paid or incurred	7
The seventh taxable year after such costs were paid or incurred	5
The eighth taxable year after such costs were paid or incurred	3
The ninth taxable year after such costs were paid or incurred	2

"(d) ACQUISITION COSTS.—For purposes of this section, the term 'acquisition costs' means any costs paid or incurred to acquire section 189 property which would be taken into acocunt in determining the basis of such property under section 1012. The taxable year in which such costs or any portion thereof are paid or incurred shall be the first year in which the taxpayer either obtains title to the property, or has the incidents of ownership such as possession, use, and risk, even though legal title for security purposes remains in the vendor or another. If the acquisition costs of an item of section 189 property are paid or incurred in more than one taxable year, the maximum deduction under subsection (c) shall be computed separately with respect to each portion of such costs which are paid or incurred in a different taxable year.

"(e) CARRYOVER OF UNUSED DEDUCTIONS.—If in any taxable year the taxpayer elects to deduct less than the maximum amount deductible under subsection (c), the excess shall be carired forward and be deductible in any succeeding taxable year.

"(f) CROSS REFERENCE.—

"For special rule with respect to certain gain derived from the disposition of property the adjusted basis of which is determined with regard to this section, see sections 1245 and 1250.".

(b) Section 46(c)(2) (relating to the investment credit) is amended by adding at the end thereof the following new sentence: "The useful life of any property which is the subject of an election under section 189(a) shall, for purposes of this subpart, be the useful life that would otherwise have been used in computing the allowance for depreciation under section 167 had the taxpayer not made such an election.".

(c) Section 57 (relating to tax preference items) is amended by adding at the end thereof the following new subsection:

"(d) Exception.—Notwithstanding any other provision of this section, no part of any amount allowed as a deduction for capital recovery under section 189 shall be considered an item of tax preference.".

(d) Paragraph (2) of section 1016(a) (relating to adjustments to basis) is amended by inserting "capital recovery," before "and depletion.".

(e) Paragraph (2) of section 1245(a) (relating to recomputed basis) is amended by inserting "or for capital recovery under section 189" after "or for amortization under section 168, 169, 184, 185, 187, or 188" each time such phrase appears therein.

(f) Paragraph (3) of section 1245(a) (relating to the definition of section 1245 property) is amended by inserting "or to the allowance or capital recovery provided in section 189" after "the allowance of amortization provided in section 185".

(g) Paragraph (3) of section 1250(b) (relating to depreciation and adjustments) is amended by inserting "capital recovery," after "obsolescence,".

(h) Paragraph 1250(c) (relating to the definition of section 1250 property) is amended by inserting "or to the allowance for capital recovery provided in section 189" after "the allowance for depreciation provided in section 167".

(i) The amendments made by this Act shall take effect on January 1, 1976, and the amendment made by subsection (b) shall apply only to acquisition costs paid or incurred on or after such effective date.

ALTERNATIVE AMORTIZATION PERIOD FOR POLLUTION CONTROL FACILITIES

Sec. 15. (a) In General.—Section 169 (relating to amortization of pollution control facilities) of part VI of subchapter B of chapter 1 is amended by—

(1) striking out "60 months" in subsection (a) and inserting in lieu thereof "60 months or 12 months",

(2) striking out "60-month period" in subsection (a) and inserting in lieu thereof "60-month or 12-month period", and

(3) striking out "60-month period" in subsection (b) and inserting in lieu thereof "60-month or 12-month period".

(b) Effective Date.—The amendments made by this section apply to any new identifiable treatment facility (as defined in section 169(d)(4) of such Code) acquired or the construction, reconstruction, or erection of which is begun after December 31, 1975.

INCREASE OF EXEMPTION FROM INDUSTRIAL DEVELOPMENT BOND TREATMENT

Sec. 16. (a) Paragraph (6) of section 103 (c) (relating to exemption from industrial development bond treatment for certain small issues) is amended—

(1) by striking out "$1,000,000" in subparagraph (A) and inserting in lieu thereof "$10,000,000"; and

(2) by striking out subparagraphs (D), (E), (F), (G), and (H).

(b) The amendments made by subsection (a) shall apply to obligations issued after December 31, 1975.

By Mr. SCHWEIKER:

S. 3382. A bill to amend the Federal Reports Act, and for other purposes. Referred to the Committee on Government Operations.

Mr. SCHWEIKER. Mr. President, I send to the desk a measure entitled "The Federal Reports Act Amendments of 1976," to establish strict standards to cut back on Federal paperwork and to permit Congress to take an active role in overseeing the preparation of such forms.

As documented by the Federal Paperwork Commission, individuals, small businesses and major corporations in this country are being virtually buried under an avalanche of paperwork required by the Federal Government. Last year alone, at a cost of $18 billion, the Federal Government turned out and processed about 10 billion sheets of paper to be completed by U.S. businesses. It cost small business alone another $18 billion to complete these forms.

The Federal paperwork burden has become one of the major headaches of the business community. Although the Federal Government has a legitimate need for information, this seemingly never-ending demand for more and more information has now reached the point where it drains an estimated $40 billion a year from the national economy.

Businesses and institutions have been forced to hire unbelievable numbers of people simply to fill out Federal forms. Many small businesses simply do not have the expertise needed to fill out forms as they are now written. They are forced to spend excessive amounts of time and money to complete the scores of forms required each year.

Storage of the necessary records to meet Federal reporting requirements is another major expense. Official records stored around the country total 11.6 million cubic feet—or a volume 11 times greater than the Washington Monument.

In 1942, Congress passed the Federal Reports Act in an effort to limit the red tape which had arisen with the contemporary expansion of the Federal Government's role. Although this measure has been updated since 1942, it has been ineffective for a number of reasons. For example, the Internal Revenue Service, which generates 35 percent of all Federal paperwork, was exempted from the review process. Moreover, the review process itself seldom amounted to anything more than a "rubberstamp" of decisions of the agencies it was supposed to oversee.

Congress created the Federal Paperwork Commission in 1974 in another attempt to deal with this problem. Unfortunately, however, the Commission's final report and recommendations won't be issued until the fall of 1977. I do not think we should or can wait that long—we already know enough about the paperwork problem to start solving it.

My bill today would require General Accounting Office approval of all new forms prepared by Federal agencies, including the Internal Revenue Service, for use by any person outside of the Federal Government. In effect, GAO will act as the agent of the Congress to insure Federal agencies do not exceed their statutory mandate in requiring unnecessary or extraneous information from the American people. GAO would approve the form only if:

First. It requires information essential to implement the legislation passed by Congress to which the form relates, without requiring extraneous information;

Second. It can be easily understood;

Third. It does not require excessive time or money to complete, considering the resources of the persons to whom it applies and the value of the information sought;

Fourth. It does not unnecessarily duplicate information already available through another Federal agency.

Additionally, those forms intended for use by persons or groups which do not ordinarily have the full time assistance of lawyers, accountants, or other professionals must be susceptible to completion without such assistance.

If GAO rejects any form, on any of these grounds, it would then be returned to the originating agency with a written list of deficiencies, and those congressional committees having jurisdiction over that agency would be advised by GAO of its action. This provision will give the committees of Congress a clear indication of any agency attempt to exceed its authority, and oversight hearings could then be conducted.

Mr. President, this measure would seek to assure that only those forms absolutely essential to the efficient operation of the Federal Government are required of the American public. I discussed this problem when GAO officials testified before the Appropriations Committee recently, and I know GAO is deeply concerned about the paperwork problems, and will have very definite views about how to solve it. I believe we should utilize fully the expertise of GAO, the Paperwork Commission and the other experts in this field, but I also believe we must move now to solve this problem.

I ask unanimous consent that the text of my bill, and the Commission on Federal Paperwork's fact sheet, "Bits and Pieces of the Paperwork Problem," be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 3382

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Reports Act Amendments of 1976".

Sec. 2. (a) Chapter 35 of title 44, United States Code, is amended by adding at the end thereof the following new section:

"§ 3513. Supervision of Federal forms

"(a) The head of a Federal agency or independent Federal reulatory agency may require the completion of a form or otherwise collect information upon identical items from 10 or more persons, other than Federal employees, only with the prior approval of the Comptroller General of the United States. For the purposes of this subsection, the Comptroller General shall require the submission of forms or other descriptions of the information collection systems involved together with such supporting documents or other information as the Comptroller General determines to be appropriate.

"(b) The Comptroller General may approve a form or description submitted pursuant to subsection (a) only if such form or description—

"(1) requires only information essential to implement a function or duty of the Federal agency or Federal independent regulatory agency which is a statutory responsibility of any such Federal agency or Federal independent regulatory agency and to which the form or system relates, without requiring extraneous information;

"(2) is easy to understand;

"(3) is reasonably susceptible to completion without professional assistance, including lawyers and accountants, by persons who do not ordinarily have the financial resources to obtain such full-time assistance or otherwise have access to such assistance;

"(4) does not require the expenditure of excessive time, effort, or money to complete, considering the financial and other resources of the persons who are subject to the use of such forms and the value of the information sought; and

"(5) does not unnecessarily duplicate information already available through another Federal agency or Federal independent regulatory agency.

"(c) If any form or description of a system for the collection of information submitted pursuant to subsection (a) is not approved, such form or description together with all supporting documents and information, shall be returned by the Comptroller General to the requesting Federal agency or Federal independent regulatory agency and shall be accompanied by a written statement of the reasons why approval was withheld. At the same time that any such form or description is returned to the originating requesting Federal agency or Federal independent regulatory agency, the Comptroller General shall inform all congressional committees having legislative jurisdiction or oversight responsibilities with respect to the subject matter contained in the original form or of the Federal agency or of the Federal independent regulatory agency of his action with respect to any such form.

"(d) Notwithstanding any other provision of law no person shall incur any civil or criminal liability for failure to complete any form subject to the provisions contained in this section and which does not bear a clear and conspicuous legend indicating the approval required under this section and the file reference number of any such approval from the Comptroller General and the date such approval was given and the date of the expiration of such approval.".

(b) The table of sections of chapter 35 of title 44, United States Code, is amended by adding at the end thereof the following:

"3512. Information for independent regulatory agencies.
"3513. Supervision of Federal forms.".

(c) The amendments made by this section apply to any form or system first prescribed on or after the date of enactment of this Act or to any revision or modification made on or after such date to any form or system.

Sec. 3. Section 3507 of title 44, United States Code, is amended by striking out "the Internal Revenue Service,".

COMMISSION ON FEDERAL PAPERWORK,
Washington, D.C.

BITS AND PIECES OF THE PAPERWORK PROBLEM

Government agencies print about 10 billion sheets of paper a year to be completed by U.S. businesses—enough to fill more than 4 million cubic feet of space.

Paperwork stemming from Federal, State and local governments averages to about 10 forms for every man, woman, and child in the United States.

Each year:

The U.S. public spends about $40 billion on paperwork;

The Federal government spends about $15 billion to process paperwork;

U.S. government spends about $1 billion for forms;

U.S. government spends about $1 billion for directives accompanying forms;

U.S. spends about $1.7 billion to file and store forms.

Businesses with 50 employees or less complete approximately 75 to 80 types of forms.

A company with 40,000 employees maintains about 125 file drawers of records to meet Federal reporting requirements.

A company operating three small TV stations filed 45 pounds of forms for a license renewal application.

A radio station in New Hampshire paid $26 in postage to mail an application to Washington.

A big oil company files 409 reports to 45 different Federal agencies, excluding tax reports.

Another big oil company spends $17 million and uses 475 persons full time to file reports to the Federal government, excluding all tax reporting.

Each year the Federal government issues a 2-mile high stack of quarterly wage report forms.

Harvard University employs 26 people full time to complete paperwork at a cost of $300,000.

A typical small business with gross income under $30,000 is required to file 53 tax forms.

The State of Maryland refused a $60,000 HEW grant for a consumer education program because costs of completing forms would approximate 75 percent of the grant.

The Department of Agriculture has on hand 989,224 feet of records, including an increase of 64,631 cubic feet or almost 36,500 file drawers in the last year. The Department spends $150 million yearly on forms, reports and supporting systems.

A stack of all census forms measures 6 feet.

Official records stored around the country total 11.6 million cubic feet or an amount 11 times larger than the volume of the Washington monument.

Costs of Federal paperwork in 1973 totaled more than Federal government costs for health, education, welfare, saving the environment, community development and housing combined.

By Mr. PEARSON (for himself and Mr. BELLMON):

S. 3383. A bill to authorize and direct the Secretary of Commerce to develop a national policy on weather modification, and for other purposes. Referred to the Committee on Commerce.

Mr. PEARSON. Mr. President, I am introducing today for appropriate reference with the distinguished Senator from Oklahoma, Mr. BELLMON, the National Weather Modification Policy Act of 1976, a bill to authorize and direct the Secretary of Commerce to develop a comprehensive and coordinated national weather modification policy and a national program of weather modification research and development.

Mr. President, I need hardly elaborate on the magnitude of the devastation of drought and flood conditions experienced this year in the West and Midwest and in particular my own State of Kansas. These and similar weather-related disasters and hazards affect virtually all Americans and annually cause untold human suffering and loss of life and result in billions of dollars of economic loss to crops and other property. While weather modification projects have been operational for upward of 25 years and have been shown to have significant potential for preventing, diverting, moderating, or ameliorating the adverse effects of such weather related disasters and hazards, I am concerned regarding the lack of a coordinated Federal weather modification policy and a coordinated and comprehensive program for weather modification research and development. As has been pointed out by reports and studies conducted by such diverse organizations as the National Academy of Sciences, the National Advisory Committee on Oceans and Atmosphere, the General Accounting Office, and the Domestic Council, the lack of a comprehensive Federal weather modification policy and research and development program, the fact that there is no lead agency for weather modification activities responsible to the Congress and the President and the anemic Federal funding of such efforts, have resulted in both slow progress in a scientific area that promises to have a high benefit to cost ratio and less than optimal benefits from existing weather modification projects.

Senator BELLMON, who has long been concerned with seeking solutions to these problems, introduced early in this Congress three bills, S. 2705, S. 2706, and S. 2707, that were designed to increase both the level and intensity of Federal involvement in the field of weather modification. On February 16, 1976, I chaired a hearing of the Oceans and Atmosphere Subcommittee that considered his proposed legislation. During that hearing, both Senator BELLMON and myself heard testimony from governmental, scientific, and user group representatives who agreed that the establishment of a comprehensive and coordinated Federal weather modification policy and a Federal commitment to an expanded weather modification research and development program could yield important scientific and economic advances in such areas as rain enhancement, hail suppression, fog dissipation, hurricane dispersal, and other weather phenomena.

Building upon the legislation introduced earlier by Senator BELLMON, the testimony received at the hearings that I chaired on this subject, and follow-up discussions with interested parties, Senator BELLMON and I are introducing the National Weather Modification Act of 1976. The bill reflects our strong view that it is imperative that a comprehensive national weather modification policy be developed as soon as possible and a recommended program for weather modification research and development be presented to the Congress for its consideration.

Mr. President, I ask unanimous consent that a section-by-section analysis of this bill and the full text of the bill be printed at this point in the RECORD.

There being no objection, the analysis and bill were ordered to be printed in the RECORD, as follows:

The National Weather Modification Policy Act of 1976 would—

Sec. 2(a).—make findings that weather modification projects have significant potential for preventing, diverting, moderating or ameliorating the adverse effects of weather-related disasters and hazards and enhancing crop production and the availability of water; also that Federal action is required to prevent or alleviate such disasters and hazards.

Sec. 2(b).—declare that the purpose of Congress in this Act is to develop a comprehensive and coordinated national weather modification policy and a national program of weather modification research and experimentation.

Sec. 4.—require the Secretary of Commerce to conduct a comprehensive investigation and study of the state of scientific knowledge concerning weather modification, the present state of development of weather modification technology, the problems impeding effective implementation of weather modification technology, and other related matters.

Sec. 5(a).—require the Secretary to submit within one year a final report on the findings, conclusions, and recommendations of the study conducted pursuant to Sec. 4, including a statement of a recommended national policy on weather modification and a description of a recommended national weather modification research and development program, recommendations for levels of Federal funding sufficient to support adequately a national weather modification research and development program, recommendations for any changes in the organization and involvement of Federal departments and agencies in weather modification which may be needed to implement effectively the recommended national policy on weather modification and the recommended research and development program, and recommendations for any legislation which may be required to implement such policy and program.

Sec. 5(b).—specifically require the Secretary to solicit and consider the views of State agencies, private firms, institutions of higher learning, and other interested persons and governmental entities in the conduct of the study required by Sec. 4.

Sec. 6.—authorize to be appropriated to the Secretary for the purposes of carrying out the provisions of this Act not to exceed $1 million.

S. 3383

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Weather Modification Policy Act of 1976".

Sec. 2. Declaration of Policy.

(a) Findings.—The Congress finds and declares the following:

(1) Weather-related disasters and hazards, including drought, hurricanes, tornadoes hail, lightning, fog, floods, and frost, result in substantial human suffering and loss of life, billions of dollars of annual economic losses to owners of crops and other property, and substantial financial loss to the United States Treasury;

(2) Weather modification projects have significant potential for preventing, diverting, moderating, or ameliorating the adverse effects of such disasters and hazards and enhancing crop production and the availability of water; and

(3) The interstate nature of climatic and related phenomena, the severe economic hardships experienced as the result of occasional drought and other adverse meteorological conditions, and the existing role and responsibilities of the Federal Government with respect to disaster relief, require appropriate Federal action to prevent or alleviate such disasters and hazards.

(b) Purpose.—It is therefore declared to be the purpose of the Congress in this Act to develop a comprehensive and coordinated national weather modification policy and a national program of weather modification research and experimentation—

(1) to determine the means by which deliberate weather modification can be used at the present time to decrease the adverse impact of weather on agriculture, economic growth, and the general public welfare, and to determine the potential for weather modification;

(2) to conduct research into those scientific areas considered most likely to lead to practical techniques for drought prevention or alleviation and other forms of deliberate weather modification;

(3) to develop practical methods and devices for weather modification;

(4) to make weather modification research findings available to interested parties; and

(5) to assess the economic, social, environmental, and legal impact of an operational weather modification program.

Sec. 3. Definitions.

As used in this Act:

(1) The term "Secretary" means the Secretary of Commerce.

(2) The term "State" means any State of the United States, the District of Columbia, or any commonwealth, territory, or possession of the United States.

(3) The term "weather modification" means any activity performed with the intention and expectation of producing changes in precipitation, wind, fog, lightning, and other atmospheric phenomena.

Sec. 4. Study.

(a) The Secretary shall conduct a comprehensive investigation and study of the state of scientific knowledge concerning weather modification, the present state of development of weather modification technology, the problems impeding effective implementation of weather modification technology, and other related matters. Such study shall include—

(1) a review and analysis of the present and past research efforts to establish the degree of development of practical weather modification technology, particularly as it relates to reducing loss of life and crop and property destruction;

(2) a review and analysis of research needs in weather modification to establish areas in which more research could be expected to yield the greatest return in terms of practical weather modification technology;

(3) a review and analysis of existing studies to establish the probable economic importance to the United States in terms of agricultural production, energy, and related economic factors if the present weather modification technology were to be effectively implemented;

(4) an assessment of the legal, social, and ecological implications of expanded and effective research and operational weather modification projects;

(5) recommendations concerning legislation desirable at all levels of government to implement a national weather modification policy and program;

(6) a review of the international importance and implications of weather modification activities by the United States;

(7) a review and analysis of present and past funding for weather modification from all sources to determine the sources and adequacy of funding in the light of the needs of the Nation; and

(8) a review and analysis of the purpose, policy, methods, and funding of the Federal departments and agencies involved in weather modification and of the existing interagency coordination of weather modification research efforts.

Sec. 5. Report.

(a) In General.—The Secretary shall prepare and submit to the President and the Congress, within 1 year after the date of enactment of this Act, a final report on the findings, conclusions, and recommendations of the study conducted pursuant to section 4. Such report shall include:

(1) a summary of the findings made with respect to each of the areas of investigation specified in section 4;

(2) other findings which are pertinent to the determination and implementation of a national policy on weather modification;

(3) a statement of a recommended national policy on weather modification and a description of a recommended national weather modification research and development program which is consistent with, and likely to contribute to, achieving the objectives of such policy;

(4) recommendations for levels of Federal funding sufficient to support adequately a national weather modification research and development program;

(5) recommendations for any changes in the organization and involvement of Federal departments and agencies in weather modification which may be needed to implement effectively the recommended national policy on weather modification and the recommended research and development program; and

(6) recommendations for any legislation which may be required to implement such policy and program. Each department, agency, and other instrumentality of the Federal Government is authorized and directed to furnish the Secretary any information which the Secretary deems necessary to carry out his functions under this Act.

(b) Operation and Consultation.—The Secretary shall solicit and consider the views of State agencies, private firms, institutions of higher learning, and other interested persons and governmental entities in the conduct of the study required by section 4, and in the preparation of the report required by subsection (a).

Sec. 6. Authorization for Appropriations.

There is authorized to be appropriated to the Secretary for the purposes of carrying out the provisions of this Act not to exceed $1,000,000.

By Mr. PEARSON:

S. 3384. A bill to assure that the Federal Government discharges its present constitutional and statutory responsibilities in such manner as to protect and serve the interests of consumers, and for other purposes. Referred to the Committee on Government Operations.

CONSUMER PROTECTION ACT OF 1976

Mr. PEARSON. Mr. President, I introduce for appropriate reference a bill entitled the "Consumer Protection Act of 1976." I ask unanimous consent that the text of my bill be included in the Record immediately following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, this legislation is based upon S. 200, a bill to establish an independent, nonregulatory Agency for Consumer Advocacy within the executive department of the Federal Government. Although S. 200 has passed the Senate and comparable legislation has passed the House, the bill faces an uncertain future, to say the least.

Under the bill I am today offering, there would be established within the Department of Justice a new Division for Consumer Protection, with an Assistant Attorney General at its head. The Assistant Attorney General for Consumer Protection would coordinate the efforts of independent consumers counsel in the various Federal agencies and departments. Thus, under my bill, consumers would have the dual advantage of coordinated Federal representation and expert representation within each of the respective agencies.

Mr. President, this legislation vests in the independent consumer counsels those powers contemplated for the ACA under S. 200. However, the "dragnet" authority for information gathering under S. 200 would be limited under my bill.

Mr. President, there is no reason to abandon our efforts to improve consumer representation in the Federal

Establishment. The bill that I am offering, which is substantially similar to S. 200, would achieve effective consumer advocacy without the attendant disadvantages of a new "superagency." The secret to effective representation of consumer interests in the Government is knowledgeable advocacy by specialized independent consumers counsel within each of the various agencies.

This bill would achieve this objective.

S. 3384

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Protection Act of 1976".

SEC. 2. DECLARATION OF POLICY.

(a) The Congress finds and declares the following:

(1) The interests of consumers are inconsistently, incompletely, and/or inadequately represented within the Federal Government.

(2) Regulations have been promulgated, and policies have been adopted, by agencies of the Federal Government without such agencies have first developed available information as to the impact on consumers, and the potential and probable costs and benefits, of such regulations and policies.

(3) Vigorous representation of the interests of consumers is necessary for and conducive to the efficient and fair functioning of a free-market economy and to the economic welfare of the United States.

(4) In the execution of its present constitutional and statutory responsibilities, the Federal Government and the agencies thereof should consistently, completely, and adequately represent the interests of consumers and should not promulgate regulations or adopt policies wtihout first developing such information, and should act in such manner as to protect and serve the interests of consumers.

(b) The purposes of the Congress in this Act are as follows:

(1) Effective consumer advocacy before and within Federal agencies would help such agencies to exercise more fully and effectively their statutory responsibilities, in a manner consistent with the public interest and with effective and responsive government. It is the purpose of this Act to protect and promote the interests of the people of the United States, as consumers of goods and services that are made available through commerce, by establishing independent Offices of Consumer Counsel within the executive branch and certain agencies of the Federal Government, and by establishing a new Consumer Protection Division within the Department of Justice to coordinate and assist such Offices.

(2) It shall be the purpose of each Office of Consumer Counsel to represent the interests of consumers before and within the Federal agency of which it is a part and before the Federal courts in matters relating to such agency; to receive and transmit consumer complaints; to develop and disseminate information of interest to consumers; and to perform other functions to protect and promote the interests of consumers. In the exercise of its functions, powers, and duties, each such Office shall be independent of all other offices and officers of the agency of which it is a part.

(3) It is the purpose of this Act to promote the protection of consumers with respect to the—

(A) safety, quality, purity, potency, healthfulness, durability, performance, repairability, effectiveness, dependability, availability, and cost of any real or personal property or tangible or intangible goods, services, or credit;

(B) preservation of consumer choice and a competitive market;

(C) prevention of unfair or deceptive trade practices;

(D) maintenance of truthfulness and fairness in the advertising, promotion, and sale by a producer, distributor, lender, retailer, or other supplier of such property, goods, services, and credit;

(E) provision of full, accurate, and clear instructions, warnings, and other information by any such supplier concerning such property, goods, services, and credit;

(F) protection of the legal rights and remedies of consumers; and

(G) provision of estimates of the costs and benefits of programs and activities established by regulations and laws of the Federal Government.

SEC. 3. DEFINITIONS

As used in this Act, unless the context otherwise requires—

(1) "agency action" includes the whole or any part of an agency "rule," "order," "license," "sanction," or "relief" (as defined in section 551 of title 5, United States Code), or the equivalent thereof, the denial thereof, or the failure to act;

(2) "agency activity" means any agency process, or phase thereof, conducted pursuant to any authority or responsibility under law;

(3) "agency proceeding" means agency "rulemaking", "adjudication", or "licensing" (as defined in section 551 of title 5, United States Code);

(4) "commerce" means trade, traffic, commerce, or transportation, within the jurisdiction of the United States, (A) between a place in a State and any place outside of such State, or (B) which affects trade, traffic, commerce, or transportation described in clause (A);

(5) "consumer" means any individual who uses, purchases, acquires, attempts to purchase or acquire, or is offered or furnished any real or personal property, tangible or intagible goods, services, or credit for personal, family, agricultural or household purposes;

(6) "Consumer Counsel" means, with respect to a Federal agency, as defined in this section, the officer who is appointed pursuant to this Act to represent the interest of consumers in accordance with this Act;

(7) "Federal agency" or "agency" means the Departments of Agriculture, Defense, Commerce, Health, Education, and Welfare, Housing and Urban Development, Interior, Justice, Labor, Transportation, and Treasury, the Civil Aeronautics Board, the Consumer Product Safety Commission, the Energy Research and Development Administration, the Environmental Protection Agency, the Federal Communications Commission, the Federal Energy Administration, the Federal Maritime Commission, the Federal Power Commission, the Federal Trade Commission. the National Aeronautics and Space Administration, the National Transportation Safety Board, the Securities and Exchange Commission, and the Small Business Administration;

(8) "Federal court" means any court of the United States, including the Supreme Court of the United States, any United States court of appeals, any United States district court established under chapter 5 of title 28, United States Code, the District Court of Guam, the District Court of the United States Customs Court, the United States Court of Customs and Patent Appeals, the United States Court of Claims;

(9) "interest of consumers" means any health, safety, or economic concern of consumers involving real or personal property, tangible or intangible goods, services, or credit, or the advertising or other description thereof, which is or may become the subject of any business, trade, commercial, or marketplace offer or transaction affecting commerce, or which may be related to any term or condition of such offer or transaction. Such offer or transaction need not involve the payment or promise of a consideraton;

(10) "participation" includes any form of submission;

(11) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Canal Zone, Guam, American Samoa, and the Trust Territory of the Pacific Islands; and

(12) "submission" means participation through the presentation or communication of relevant evidence, documents, arguments, or other information.

SEC. 4. ESTABLISHMENT

There is hereby established within each Federal agency an independent Office of Consumer Counsel. Each such Office shall be directed and administered by a Consumer Counsel. Each Consumer Counsel shall be appointed by the President, by and with the advice and consent of the Senate, for a term not to exceed four years and shall be compensated at a rate not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of title 5, United States Code. Each Consumer Counsel shall be an individual who, by reason of training, experience, and attainments, is qualified to represent effectively and independently the interests of consumers. Upon the expiration of his term, each Consumer Counsel shall continue in office until he is reappointed and qualifies. A Consumer Counsel may be removed by the President for neglect of duty or malfeasance in office.

SEC. 5. POWERS AND DUTIES OF CONSUMER COUNSEL

(a) Each Consumer Counsel shall be responsible for the exercise of the powers and the discharge of the duties of the Office, and shall have the authority to direct and supervise all personnel and activites thereof.

(b) In addition to any other authority conferred upon him by this Act, each Consumer Counsel may, in carrying out his functions under this Act and to the extent funds are appropriated—

(1) select, appoint, employ, and fix the compensation (subject to the civil service and classification laws) of such officers and employees as are necessary to carry out the provisions of this Act, and shall prescribe the authority and duties of such officers and employees;

(2) employ experts and consultants, in accordance with section 3109 of title 5, United States Code. Each Consumer Counsel may compensate individuals so employed for each day (including travel time) at rates not in excess of the maximum rate of pay for Grade GS–18, as provided in section 5332 of title 5, United States Code, and may, while such experts and consultants are so serving away from their homes or regular place of business, pay them travel expenses and per diem in lieu of subsistence at rates authorized, by section 5703 of title 5, United States Code, for persons in Government service employed intermittently;

(3) promulgate, in accordance with the applicable provisions of the Administrative Procedure Act, title 5, United States Code, such rules, regulations, and procedures as may be necessary to carry out the provisions of this Act, and to assure fairness to all persons affected by the actions of the Office, and to delegate authority for the performance of any function to any officer or employee under his direction and supervision;

(4) utilize, with their consent, the services, personnel, and facilities of State. regional, local, and private agencies and instrumentalities;

(5) accept voluntary uncompensated services, notwithstanding the provisions of sec-

tion 3679(b) of the Revised Statutes (31 U.S.C. 665(b));

(6) conduct conferences and hearings and otherwise secure data and expression of opinion;

(7) accept unconditional gifts or donations of services, money or property, real, personal, or mixed, tangible or intangible;

(8) designate representatives to serve or assist on such committees as he may determine to be necessary to maintain effective liaison with other Offices of Consumer Counsel and with State and local agencies carrying out programs and activities related to the interests of consumers;

(9) appoint such advisory committees as he deems necessary or appropriate to assist him with respect to his functions under this Act. Each Consumer Counsel may compensate the members of any such advisory committees (other than those who are regularly employed by the Federal Government) in the manner provided under paragraph (2) of this subsection. All meetings of such committees shall be open to the public, and interested persons shall be permitted to attend, appear before, or file statements with any such committee, subject to such reasonable rules or regulations as the Consumer Counsel involved may prescribe; and

(10) perform such other administrative activities as may be necessary for the effective fulfillment of his duties and functions.

(c) Each Consumer Counsel shall prepare and submit a monthly report, on the activities of his Office of Consumer Counsel, to the head of the Federal agency of which such Office is a part, and he shall prepare and submit to the President and to the Congress simultaneously, not later than April 1 of each year beginning April 1, 1976, an annual report on such activities. Each such annual report shall include a description and analysis of—

(1) the activities of his Office, including its representation of the interests of consumers;

(2) the relevant Federal agency actions and Federal court decisions affecting the interests of consumers;

(3) the appropriation by Congress for the Office, the distribution of appropriated funds for the current fiscal year, and a general estimate of the resource requirements of the Office for each of the next three fiscal years; and

(4) the extent of participation by consumers in the activities of his Office, and the effectiveness of the representation of consumers before the agency of which his Office is a part.

(d) Each office and officer of the agency of which an Office of Consumer Counsel is a part shall provide such Office with such information and data as the Consumer Counsel requests, except as provided in section 11 of this Act. The budget requests and budget estimates of each Office of Consumer Counsel shall be submitted by the agency of which it is a part directly to the Congress, and moneys appropriated for the use of such an Office shall not be used by the agency of which it is a part for any other purpose.

SEC. 6. OFFICE FUNCTIONS

Each Consumer Counsel shall—

(1) represent the interests of consumers within and before the agency of which his Office is a part and before the courts, to the extent authorized by this Act;

(2) conduct and support research, and studies, to the extent authorized by section 10 of this Act;

(3) submit recommendations annually to the appropriate committees of the Congress and the head of the agency of which his Office is a part, on measures to improve the operation of such agency and of the Federal Government in general in the protection and promotion of the interests of consumers, including, but not limited to, any reorganization recommendations;

(4) receive, transmit to appropriate officials, and make publicly available consumer complaints, to the extent authorized in section 8 of this Act;

(5) conduct conferences, surveys, and investigations, including economic surveys, concerning the needs, interests, and problems of consumers: *Provided*, That such conferences, surveys, or investigations are not duplicative in significant degree of similar activities conducted by other Federal officials or agencies;

(6) cooperate with State and local governments and encourage private enterprise in the promotion and protection of the interests of consumers;

(7) keep the appropriate committees of Congress fully and currently informed of all the activities of his Office, when asked or on his own initiative;

(8) encourage the adoption and expansion of effective consumer education programs;

(9) encourage the application and use of new technology, including patents and invention, for the promotion and protection of the interests of consumers;

(10) encourage the development of informal dispute settlement procedures involving consumers;

(11) encourage meaningful participation by consumers in the activities of his Office;

(12) publish information and material obtained and developed in carrying out his responsibilities under this Act, including, but not limited to, a consumer register of matters that may be useful to consumers; and

(13) perform such other related activities as he deems necessary for the effective fulfillment of his duties and functions.

SEC. 7. REPRESENTATION OF CONSUMERS.

(a)(1) Whenever a Consumer Counsel determines that the result of a relevant proceeding or activity of the agency of which his office is a part may substantially affect an interest of consumers, he may as of right intervene as a party or otherwise participate for the purpose of representing an interest of consumers, as provided in paragaph (2) of this subsection. The Consumer Counsel shall refrain from intervening in any proceeding as a party, unless he determines that such intervention is necessary to represent adequately an interest of consumers. The Consumer Counsel shall comply with the relevant Federal agency statutes and rules of procedure of general applicability governing the timing of intervention or participation in such proceeding or activity and, upon intervening or participating therein, shall comply with laws and agency rules of procedure of general applicability governing the conduct thereof. The intervention or participation of a Consumer Counsel in any proceeding or activity in accordance with this subsection shall not affect the obligation of the Federal agency conducting such proceeding or activity to assure procedural fairness to all participants.

(2) Whenever a Consumer Counsel determines, with respect to the agency of which his Office is a part, that the result of any relevant Federal agency proceeding—

(A) which is subject to the provisions of section 553, 554, 556, or 557 of title 5, United States Code;

(B) which involves a hearing pursuant to the administrative procedural requirements of any other statute, regulation, or practice;

(C) which is conducted on the record after opportunity for an agency hearing; or

(D) which provides for public notice and opportunity for comment;

may substantially affect an interest of consumers, he may as of right intervene as a party or otherwise participate for the purpose of representing an interest of consumers in such proceeding.

(b) At such time as a Consumer Counsel determines to intervene or participate in a proceeding under subsection (a)(2) of this section, he shall issue publicly a written statement setting forth his findings under subsection (a)(1) of this section and stating concisely the specific interest of consumers to be protected. Upon intervening or participating, he shall file a copy of such statement in the proceeding.

(c) To the extent that any person, if aggrieved, would by law have such right, a Consumer Counsel shall have the right, in accordance with the following provisions of this subsection, to initiate or participate in any Federal court proceeding that involves an action of the agency of which his Office is a part:

(1) A Consumer Counsel may, as of right, and in the manner prescribed by law, initiate a civil action in a Federal court for the review of a relevant Federal agency action that the Consumer Counsel determines may substantially affect an interest of consumers. If the applicable Consumer Counsel did not intervene or otherwise participate in such Federal agency proceeding or activity out of which such agency action arose, the Consumer Counsel, before initiating a proceeding to obtain judicial review, shall petition such agency for rehearing or reconsideration thereof, if the statutes or rules governing such agency specifically authorize rehearing or reconsideration. Such a petition shall be filed within 60 days after the Federal agency action involved, or within such longer period as may be allowed by applicable procedures. The Consumer Counsel may initiate a judicial review proceeding immediately if the Federal agency does not finally act upon such a petition within 60 days after the filing thereof, or at such earlier time as may be necessary to preserve the Consumer Counsel's right to obtain effective judicial review of the Federal agency action. If the applicable Consumer Counsel did not intervene or otherwise participate in the relevant Federal agency proceeding or activity, the court shall determine whether the Consumer Counsel's initiation of a judicial proceeding pursuant to this subsection would impede the interests of justice. When the Consumer Counsel initiates a judicial proceeding arising out of a relevant agency proceeding or activity in which he did not intervene or otherwise participate, he shall file a statement setting forth the reasons for such failure, for the court's consideration in connection with its determination as to whether the initiation of such a proceeding would impede the interests of justice.

(2) A Consumer Counsel may, as of right, and in the manner prescribed by law, intervene or otherwise participate in any civil action in a Federal court if such civil action involves the review or enforcement of an action of the agency of which his Office is a part, if he determines that such civil action may substantially affect an interest of consumers.

(3) The initiation, or other participation of, by a Consumer Counsel in a judicial proceeding pursuant to this subsection shall not alter or affect the scope of review otherwise applicable to the agency action involved.

(d) Whenever a Consumer Counsel determines it to be in the interest of consumers, he may request the relevant Federal agency to initiate a judicial proceeding for review, or to take such other action, as may be authorized by law with respect to such agency. If such Federal agency fails to take the action requested, it shall promptly notify the Consumer Counsel of its reasons therefor, and such notification shall be a matter of public record.

(e) Appearances by an Office of Consumer Counsel under this Act shall be in its own name and shall be made by qualified representatives designated by the respective Consumer Counsel.

(f) In any Federal agency proceeding in which a Consumer Counsel is intervening or participating pursuant to subsection (a) (2) of this section, such Consumer Counsel is authorized to request such Federal agency to issue, and such agency shall issue, such orders as are authorized pursuant to its statutory powers for the copying of documents, papers, and records, for the summoning of witnesses and the production of books and papers, and for the submission of information in writing. Such orders shall only be issued by a Federal agency upon a statement or showing by the Consumer Counsel of general relevance and reasonable scope of the evidence sought, if such a statement or showing is required by the general rules of procedure of such agency.

(g) A Consumer Counsel is not authorized to intervene in proceedings or actions before State or local agencies and courts.

(i) Each Federal agency shall review its rules of procedure of general applicability, and, after consultation with its Consumer Counsel, shall issue any additional rules which may be necessary to provide for such Consumer Counsel's orderly intervention or participation, in accordance with this section, in its proceedings and activities which may substantally affect the interests of consumers.

(j) Each Consumer Counsel is authorized to represent an interest of consumers which is presented to him for his consideration upon petition in writing by a substantial number of persons or by any organization which includes a substantial number of persons. Each Consumer Counsel shall notify the principal sponsors of any such petition, within a reasonable time after receipt of any such petition, of the action taken or intended to be taken by him with respect to the interest of consumers presented in such petition. If a Consumer Counsel declines or is unable to represent such interest, he shall notify such sponsors and shall state his reasons therefor.

SEC. 8. CONSUMER COMPLAINTS.

SEC. 8. (a) Whenever a Consumer Counsel receives from any person any complaint or other information which discloses—

(1) an apparent violation of law, agency rule or order, or a judgment decree, or order of a Federal court relating to an interest of consumers; or

(2) a commercial, trade, or other practice which is detrimental to an interest of consumers;

he shall, unless he determines that such complaint or information is frivolous or outside the jurisdiction of the agency of which his Office is a part, promptly transmit such complaint or information to the Federal official which has the authority to enforce any relevant law or to take appropriate action. Each Federal agency shall keep its Consumer Counsel informed to the greatest practicable extent of any action which it is taking on complaints transmitted by him.

(b) Each Consumer Counsel shall promptly notify producers, distributors, retailers, lenders, or suppliers of goods, services, and credit of all complaints of any significance concerning them received or developed under this section, unless such Consumer Counsel determines that to do so is likely to prejudice or impede an action, investigation, or prosecution concerning an alleged violation of law.

(c) Each Consumer Counsel shall maintain a public document room for public inspection and copying (without charge or at a reasonable charge, not to exceed cost), containing an up-to-date listing of all consumer complaints of any significance which he has received, arranged in meaningful and useful categories, together with annotations of actions taken in response thereto. Unless a Consumer Counsel, for good cause, determines not to make any specific complaint available, complaints listed shall be made available for public inspection and copying: *Provided*, That—

(1) the party complained against has had a reasonable time to comment on such complaint and such comment, when received, is displayed together with the complaint;

(2) the Federal official to whom the complaint has been referred has had a reasonable time to notify the Consumer Counsel what action, if any, he intends to take with respect to the complaint; and

(3) no unsigned complaints shall be placed in the public document room.

SEC. 9. CONSUMER INFORMATION AND SERVICES.

(a) In order to carry out the purposes of this Act each Consumer Counsel shall develop on his own intiative, and shall, subject to the other provisions of this Act, gather from other offices and officers of the agency of which his Office is a part and from any other source, and shall disseminate to the public (in such manner, at such times, and in such form as he determines to be most effective), information, statistics, and other data, including, but not limited to, any matter over which his agency has jurisdiction concerning—

(1) the functions and duties of his Office;

(2) consumer products and services;

(3) problems encountered by consumers generally or conditions, situations, developments, or practices which may adversely affect consumers; and

(4) notices of hearings, proposed and final rules and orders, and other pertinent activities of the agency of which his Office is a part that affect consumers.

(b) All Federal agencies which possess information which would be useful to consumers are authorized and directed to cooperate with their respective Consumer Counsels in making such information available to the public.

SEC. 10. STUDIES.

Each Consumer Counsel is authorized to conduct, support, and assist research, studies, plans, investigations, conferences, and surveys concerning the interests of consumers: *Provided*, That such activities are not duplicative of other efforts of the respective agencies.

SEC. 11. ACCESS TO INFORMATION.

(a) Upon written request by the Consumer Counsel, each Federal agency is authorized and directed to furnish or allow access to all documents, papers, and records, in its possession which such Consumer Counsel deems necessary for the performance of his functions and to furnish at cost copies of specified documents, papers, and records. Notwithstanding this subsection, a Federal agency may deny its Consumer Counsel access to and copies of—

(1) information classified in the interest of national defense or national security by an individual authorized to classify such information under applicable Executive order or statutes, and restricted data whose dissemination is controlled pursuant to the Atomic Energy Act (42 U.S.C. 2011 et seq.);

(2) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;

(3) information which such Federal agency is expressly prohibited by law from disclosing to another Federal agency, including, but not limited to, such expressly prohibited information contained in or related to examination, operating, or condition reports concerning any individual financial institution prepared by, on behalf of, or for the use of an agency responsible for regulations or supervision of financial institutions;

(4) information which would disclose the financial condition of individuals who are customers of financial institutions; and

(5) trade secrets and commercial or financial information described in section 552(b) (4) of title 5, United States Code—

(A) obtained prior to the effective date of this Act by such Federal agency, if the agency had agreed to treat and has treated such information as privileged or confidential and states in writing to the Consumer Counsel that taking into account the nature of the assurances given, the character of the information requested, and the purpose, as stated by the Consumer Counsel, for which access is sought, to permit such access would constitute a breach of faith by the agency; or

(B) obtained subsequent to the effective date of this Act by the Federal agency, if the agency has agreed in writing as a condition of receipt to treat such information as privileged or confidential, on the basis of its reasonable determination set forth in writing that such information was not obtainable without such an agreement and that failure to obtain such information would seriously impair performance of the agency's function.

(b) Before granting a Consumer Counsel access to trade secrets and commercial or financial information described in section 552(b) (4) of title 5, United States Code, the agency shall notify the person who provided such information of its intention to do so and the reasons therefor, and shall, notwithstanding section 18(b) of this Act, afford him a reasonable opportunity, not to exceed 10 days, to comment or seek injunctive relief. Where access to information is denied to its Consumer Counsel by a Federal agency pursuant to this subsection, the head of the agency and the Consumer Counsel shall seek to find a means of providing the information in such other form, or under such conditions, as will meet the agency's objections.

SEC. 12. LIMITATIONS ON DISCLOSURE.

(a) Except as provided in this section, section 552 of title 5, United States Code, shall govern the release of information by a Consumer Counsel or any employee or agent of his Office.

(b) No officer or employee of an Office of Consumer Counsel shall disclose to the public any information which was received solely from its Federal agency when such agency has notified the Consumer Counsel that the information is within the exceptions stated in section 552(b) of title 5, United States Code, and the Federal agency has determined that the information should not be made available to the public; except that if such Federal agency has specified that such information may be disclosed in a particular form or manner, such information may be disclosed in such form or manner.

(c) The following additional provisions shall govern the release of information by a Consumer Counsel pursuant to any authority conferred by this Act, except information released through the presentation of evidence in a Federal agency or court proceeding pursuant to section 7 of this Act:

(1) A Consumer Counsel, in releasing information concerning consumer products and services, shall determine that (A) such information, so far as practicable, is accurate, and (B) no part of such information is prohibited from disclosure by law. A Consumer Counsel shall comply with any notice by his Federal agency pursuant to section 11(b) of this Act that such information should not be made available to the public or should be disclosed only in a particular form or manner.

(2) In the dissemination of any test results or other information which directly or indirectly disclose product names, it shall be made clear that (A) not all products of a competitive nature have been tested, if such is the case, and (B) there is no intent or purpose to rate products tested over those not tested or to imply that those tested are

superior, inferior, or preferable in quality over those not tested.

(3) Notice of all changes in, or any additional information which would affect the fairness of information previously disseminated to the public shall be promptly disseminated in a similar manner.

"(4) Where the release of information may cause substantial injury to the reputation or good will of a person, the Consumer Counsel shall notify such person of the information to be released and afford him a reasonable opportunity, not to exceed 10 days, to comment or seek injunctive relief, unless immediate release is necessary to protect the health or safety of the public. The district courts of the United States shall have jurisdiction over any action brought for injunctive relief under this subsection, or under section 11(a)(5) of this Act.

Sec. 13. Notice and Construction.

(a) Each Federal agency considering any action which may substantially affect an interest of consumers shall, upon request by its Consumer Counsel, notify him of any proceeding or activity at such time as public notice is given.

(b) Nothing in this Act shall be construed to limit the right of any consumer or group or class of consumers to initiate, intervene in, or otherwise participate in any Federal agency or court proceeding or activity, nor to require any petition or notification to the appropriate Consumer Counsel as a condition precedent to the exercise of such right, nor to relieve any Federal agency or court of any obligation, or affect its discretion, to permit intervention or participation by a consumer or group or class of consumers in any proceeding or activity.

Sec. 14. Consumer Protection Division of the Department of Justice.

(a) Chapter 31 of title 28, United States Code, is amended by adding immediately after section 507 thereof the following new section 507a:

"§ 507a. Assistant Attorney General for Consumer Protection

The President shall appoint, by and with the advice and consent of the Senate, an Assistant Attorney General for Consumer Protection, who shall coordinate and assist the Offices of Consumer Counsel established pursuant to the Consumer Protection Act of 1976 and who shall perform such other duties as the Attorney General may prescribe.".

(b) The analysis of chapter 31 of title 28, United States Code, is amended by adding at the appropriate place the following new item:

"507a. Assistant Attorney General for Consumer Protection.

(a) Paragraph (19) of section 5315 of title 5, United States Code, is amended by striking out "(9)" and inserting in lieu thereof "(10)".

Sec. 15. Exemptions

(a) This Act shall not apply to the Central Intelligence Agency, the Federal Bureau of Investigation, or the National Security Agency, the national security or intelligence functions (including related procurement) of the Departments of State and Defense (including the Departments of the Army, Navy, and Air Force), the military weapons program of the Energy Research and Development Administration, and the broadcast license renewal proceedings of the Federal Communications Commission.

Sec. 16. Authorization of Appropriations

For purposes of this Act, existing appropriated funds should be utilized to the greatest extent possible. However, there are authorized to be appropriated such sums as are necessary, not to exceed $500,000 for each Office of Consumer Counsel for the fiscal year ending June 30, 1976, $125,000 for the fiscal year transition period from July 1, 1976, through September 30, 1976, and $500,000 for the fiscal year ending September 30, 1977.

Sec. 17. Evaluation by the Comptroller General

(a) The Comptroller General of the United States shall audit, review, and evaluate the implementation of the provisions of this Act.

(b) Not less than 30 months nor more than 36 months after the effective date of this Act, the Comptroller General shall prepare and submit to the Congress a report on his study conducted pursuant to subsection (a) of this section, which shall contain, but not be limited to, the following:

(1) an evaluation of the effectiveness of consumer representation activities authorized by this Act;

(2) an evaluation of the effect of the activities of the Consumer Counsels on the efficiency, effectiveness, and procedural fairness of affected Federal agencies in carrying out their assigned functions and duties;

(3) recommendations concerning any legislation he deems necessary, and the reasons therefor, for improving the implementation of the objectives as set forth in section 2 of this Act.

(c) Restrictions and prohibitions under this Act applicable to the use or public dissemination of information by Consumer Counsels shall apply with equal force and effect to the General Accounting Office in carrying out its functions under this section.

Sec. 18. Miscellaneous Provisions.

(a) Nothing in this Act should be construed to limit the discretion of any Federal agency or court, within its authority, including a court's authority under rule 24 of the Federal Rules of Civil Procedure, to grant a Consumer Counsel additional participation in any proceeding or activity, to the extent that such additional participation may not be as of right, or to provide additional notice to the respective Consumer Counsel concerning any agency proceeding or activity.

(b)(1) No act or omission by any Consumer Counsel or any Federal agency relating to such Consumer Counsel's authority under sections 7 (a), (d), (f), (i), and (j), 8, 9, 12, and 13 of this Act shall affect the validity of an agency action or be subject to judicial review: *Provided*, That—

(A) a Consumer Counsel may obtain judicial review to enforce his authority under sections 7 (a), (d), (f), (i), and (j), 9, and 13 of this Act: *Provided, further*, That he may obtain judicial review of his Federal agency determination under section 7(f) of this Act only after final action by such agency and only to the extent that such determination affected the validity of such action;

(B) a party to any agency proceeding or a participant in any agency activity in which its Consumer Counsel intervened or participated may, where judicial review of the final agency action is otherwise accorded by law, obtain judicial review following such final agency action on the ground that the Consumer Counsel's intervention or participation resulted in prejudicial error to such party or participant based on the record viewed as a whole; and

(C) any person who is substantially and adversely affected by any action taken by a Consumer Counsel pursuant to section 7(f), 9(a), or 12 of this Act may obtain judicial review, unless the court determines that such judicial review would be detrimental to the interests of justice.

(2) For the purposes of this subsection, a determination by a Consumer Counsel that any proceeding or activity of the agency of which his Office is a part may substantially affect an interest of consumers or that his intervention in any proceeding is necessary to represent adequately an interest of consumers shall be deemed not to be a final agency action.

Sec. 19. Public Participation.

(a) After reviewing its statutory authority and rules of procedure, relevant agency and judicial decisions, and other relevant provisions of law, each Federal agency shall issue appropriate interpretations, guidelines, standards, or criteria, and rules of procedure, to the extent that such rules are appropriate and are not already in effect, relating to the rights of individuals who may be affected by agency action to—

(1) petition the agency for action;

(2) receive notice of agency proceedings;

(3) file official complaints (if appropriate) with the agency;

(4) obtain information from the agency; and

(5) participate in agency proceedings for the purpose of representing their interests. Such interpretations, guidelines, standards, criteria, and rules of procedure shall be published in proposed and final form in the Federal Register.

(b) Each Federal agency shall take all reasonable measures to reduce or waive, where appropriate, procedural requirements for individuals for whom such requirements would be financially burdensome, or which would impede or prevent effective participation in agency proceedings.

(c) Any rules of procedure issued by any Federal agency pursuant to this section shall be published in a form and disseminated in a manner that is designed to inform, and that is able to be understood by, the general public.

Sec. 20. Cost and Benefit Assessment Statements.

(a) In furtherance of the purpose and policy of section 2(b)(3) of this Act, and except as otherwise provided in this Act, each Federal agency which is authorized to promulgate rules (as defined in section 554 (4) of title 5, United States Code) shall prepare a cost and benefit assessment statement with respect to any rules to which section 553(b) of title 5, United States Code, is applicable, and which are likely to have a substantial economic impact. Each such statement shall be short and concise, and, together with such supporting documentation as the agency in its discretion determines to be necessary or appropriate, shall consist of the following three elements:

(1) estimated costs, that are foreseeable as a result of the effective implementation of such rule;

(2) estimated benefits, that are foreseeable as a result of the effective implementation of such rule; and

(3) the apparent relationship, if any, between such costs and benefits.

To the extent deemed practicable by the agency responsible for its preparation, each cost and benefit assessment statement shall indicate in an appendix the assumptions, if any, which were made by it regarding the means, or alternative means, and attendant costs of compliance with the proposed rule, including any manufacturer's costs and consumer costs reflected in the price of any product affected by such rule.

(b) With respect to any proposed rule subject to the requirements of subsection (a), each Federal Register notice of proposed rulemaking shall request interested persons to submit to the applicable agency, in writing, comments, materials, data, information, and other presentations relevant to the preparation of the required cost and benefits assessment statement.

(c) Each agency shall, to the extent it deems necessary or appropriate, seek to obtain comments, materials, data, information, and presentations relevant to the costs and benefits, if any, likely to ensue from effective implementation of any proposed rule, within the time prescribed for consideration of the proposed rule, from other Federal agencies and persons. No extensions of time for comment shall be granted solely for the purpose of receiving any such presentations with respect to such benefits.

(d) Each person who contends that effective implementation of a proposed rule will result in increased or decreased costs, may furnish to the applicable agency the information upon which he bases such assertion, and which is in his possession, is known to him, or is subject to his control. Such information shall be furnished to the agency in such form, manner, and detail as such agency in its discretion prescribes. Whenever any relevant information, which an applicable agency deems necessary or appropriate to the preparation of a cost and benefit assessment statement, is or may be in the possession or control of a person who may be directly affected by the proposed rule, such agency is authorized to request such relevant information as reasonably described by it, and such person shall furnish such revelant information promptly to such agency. Such request for information shall be enforceable by appropriate orders by any court of the United States. Such information as is furnished shall be considered a statement for purposes of section 1001 of title 18, United States Code.

(e) A cost and benefit assessment statement prepared pursuant to subsection (a) shall be first published at the end of the year in which it was prepared in the Federal Register in a report which shall contain all cost and benefit assessment statements applicable to rules promulgated during the preceding 12 months. All relevant information developed or received by the applicable agency in connection with the preparation of such statement shall be available to all interested persons, subject to the provisions of section 552 of title 5, United States Code.

(f) The President, or his designee, shall issue, pursuant to the provisions of this subsection, (1) regulations providing guidelines for Federal agencies as to the nature and content of any cost and benefit assessment statement required by subsection (a) of this section and (2) regulations which shall insure that any agency shall be able to obtain information deemed by it to be necessary or appropriate to the preparation of any such cost and benefit assessment statement. Such regulations shall be issued by the President upon the recommendation submitted to the President by the Director of the Office of Management and Budget and the Comptroller General of the United States. In issuing or modifying any regulations implementing this section, the President shall proceed in accordance with the procedures prescribed by subsections (b) and (c) of the new section inserted by section 202, Public Law 93–637 (88 Stat. 2193; 15 U.S.C. 57 (a), (b), (c)). The President shall provide public notice of proposed rulemaking to implement this subsection within sixty days of the effective date of this Act. After issuance of any regulations implementing this section, the President shall transmit them to the Congress, together with all recommendations submitted to the President pursuant to this subsection. Such regulations shall take effect 90 legislative days after such transmittal to the Congress by the President, unless either House of Congress by resolution of disapproval, pursuant to procedures established by chapter 35, title 44, United States Code, and by section 1017 of the Congressional Budget and Impoundment Control Act of 1974 (31 U.S.C. 1407), disapproves such regulations.

(g) No Federal officer or agency shall submit proposed legislation to the Congress which is likely, if enacted, to have a substantial economic impact, unless such legislation is accompanied by a cost and benefit assessment statement. The statement required by this subsection shall be prepared in accordance with the provisions of subsection (a) of this section. The requirements of this subsection may be postponed upon the request of a committee of Congress having jurisdiction over such legislative proposal, for a period not to exceed 30 days from the date of submission to the Congress of such legislation.

(h) In addition to the definitions in section 3 of this Act, the following definitions shall apply with respect to the provisions of this section:

(1) The term "benefit" includes any direct or indirect, tangible or intangible, gain or advantage which the agency, in its discretion, deems proximately related to the promulgation of a proposed regulation or the enactment of the proposed legislation. The term shall include such nonquantifiable benefits as the agency identifies and describes. Benefits may include the costs that would be likely to result from the agency's failure to act, but which are likely to be avoided by the agency's action.

(2) The term "cost" includes any direct or indirect expense, including competent costs of production and supply, and any loss, penalty, or disadvantage which the agency, in its discretion, deems proximately related to the promulgation of a proposed regulation, or the enactment of proposed legislation. The term shall include such nonquantifiable costs as the agency identifies and describes.

(3) The term "legislation" or "law" means a statute of the United States or any amendment thereto.

(4) The term "rule" has the meaning prescribed in section 441(4) of title 5, United States Code.

(i) The Comptroller General of the United States shall monitor and evaluate the implementation of this section. In addition to any other reports or studies made by the Comptroller General relating to this section, he shall, three years after the effective date of this section, conduct a comprehensive review of this section including an evaluation of the advantages and disadvantages of cost and benefit assessment statements and of the nature and extent of Federal agency compliance with this section. The Comptroller General shall prepare and submit to the Congress and to the Congressional Office of the Budget a report based on such study and review. Such report shall include, but need not be limited to, his recommendations as to the necessity or advisability of the provisions of this section, and of the need to amend subsection (k), or any other provision, of this section.

(j) No court shall have the jurisdiction to review, or enforce or shall review, or enforce and, except for the general review of the effectiveness of this section provided for in subsection (i), no officer or agency of the United States, other than the agency responsible for the preparation of a cost and benefit assessment statement and the duly authorized committees of the Congress, shall have the authority to review, or enforce or shall review, or enforce, in any way the compliance of any cost and benefit assessment statement with this section, or, except where the agency preparing such a statement seeks to enforce in court its request for information, the compliance, by such agency with any other requirement of this section, including the manner or process by which such statement is prepared: *Provided*, That a Federal court may, upon the request of any interested person, review and enforce compliance with the provisions of this subsection.

(k) The requirements of this section shall supersede the requirements of any existing executive order or law imposing any economic, cost-benefit, inflationary, or other similar impact assessment requirement. No requirement of this section shall alter or supersede any Federal agency statutory requirement, regulation, or lawful practice which such agency determines to be inconsistent with any of the requirements of this section. Further, no agency shall be required to prepare and issue a cost and benefit assessment statement required by this section, if information which would be contained in such statement is encompassed within another statement required by law to be prepared in connection with the promulgation of the applicable rule.

(l) The provisions of this section shall become effective upon the effective date of implementing regulations submitted by the President under subsection (g) of this section.

SEC. 21. EFFECTIVE DATE.

(a) This Act, other than section 20 of this Act, shall take effect 90 calendar days following the date on which this Act is enacted, or on such earlier date as the President shall prescribe and publish in the Federal Register.

"(b) Notwithstanding subsection (a) of this section, any of the officers provided for in this Act may be appointed in the manner provided for in this Act at any time after the date of the enactment of this Act.

SEC. 22. SEPARABILITY.

If any provision of this Act is declared unconstitutional or the applicability thereof to any person or circumstance is held invalid, the constitutionality and effectiveness of the remainder of this Act and the applicability thereof to any persons and circumstances shall not be affected thereby.

By Mr. METCALF (for himself and Mr. MANSFIELD):

S. 3385. A bill to authorize construction of power generating facilities at the Libby Reregulating Dam, Kootenai River, Mont.; and

S. 3386. A bill to amend the River Basin Monetary Authorization and Miscellaneous Civil Works Amendment Act of 1970 with respect to the project for Libby Dam, Mont. Referred to the Committee on Public Works.

Mr. METCALF. Mr. President, I am today introducing for Senator MIKE MANSFIELD and me two bills which relate to completion of the Libby hydroelectric dam in northwestern Montana. One provides for authorization for the installation of generators in the downstream reregulating dam; the other increases the authorization for the accompanying fish hatchery to mitigate losses caused by impoundment of the Kootenai River.

I ask unanimous consent that they be printed at this point in the CONGRESSIONAL RECORD, along with the copy of a letter which I recently sent to Senator MIKE GRAVEL, whose Subcommittee on Water Resources of the Senate Public Works Committee will soon have hearings on this general subject matter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3385

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the installation of power generating facilities at the Libby Reregulating Dam, Kootenai River, Montana, authorized for phase I design memorandum stage of advance engineering and design by section 1(a) of the Water Resources Development Act of 1974 (88 Stat. 12), is hereby authorized to be carried out, substantially in accordance with the recommendations of the Chief of Engineers, Department of the Army, in Senate Document Numbered 94–   , at an estimated Federal cost of $62,000,000.

S. 3386

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the River Basin Monetary Authorization and Miscellaneous Civil Works Amendment Act of 1970 (84 Stat. 310), as amended by section 48 of the Water Resources Development Act of 1974 (88 Stat. 12), is further amended to read as follows:

"Sec. 7. (a) The project for Libby Dam, Kootenai River, Montana, is hereby modified to provide that an amount estimated at $6,500,000 may be used for the construction, operation and maintenance of a 50,000 pound cutthroat trout hatchery at Murry Creek for mitigation of fish losses attributed to the Libby project, including the reregulating dam and any additional hydropower units that may be installed, and for the acquisition of necessary real estate, water rights and construction of access roads and utilities as deemed appropriate by the Secretary of the Army, acting through the Chief of Engineers.

"(b) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to convey, without monetary consideration, to the Montana Fish and Game Commission all right, title and interest of the United States in the fish hatchery constructed under subsection (a) including associated lands, water rights and access roads along with a monetary amount equal to the capitalized hatchery operation and maintenance requirements estimated at $150,000 per annum for the life of the project. The interest rate used for capitalization will be the current rate applicable for plan formulation at the time of payment to the state. The deed of conveyance shall provide that all rights and interests conveyed, including the remaining portion of the capitalized operation and maintenance funds, shall revert to the United States in the event the hatchery production ceases to be used for stocking waters impacted by the Libby Project.".

U.S. Senate,
Committee on Interior and
Insular Affairs,
Washington, D.C., May 4, 1976.
Hon. Mike Gravel,
Chairman, Subcommittee on Water Resources, Public Works Committee, Washington, D.C.

Dear Mr. Chairman: I am advised that your Subcommittee will consider an Omnibus Public Works Authorization bill in early May. I wish to have two matters included in your consideration.

The first regards authorization for the installation of power units in the Libby Reregulating Dam; the second concerns authorization for the construction of a fish hatchery near the Libby site for mitigation of fish losses resulting from the construction of the Libby project.

I have enclosed a copy of my testimony submitted to the Senate Appropriations Subcommittee on Public Works which explains the progress and problems confronting the Libby Project (Exhibit A). You will note that in my testimony, I have supported the President's budget request for $260,000 for advanced engineering and design for the installation of power units in the Reregulating Dam.

Now I request of your Subcommittee the authorization for installation of those power units. Three units would be installed in the Reregulating Dam which will produce a total of 76,400 kilowatts of power. The bill draft enclosed would create such authority (Exhibit B).

The cost of adding this power capacity to the Reregulating Dam, estimated at $62 million, includes $33 million specifically for the power units themselves and another $29 million for construction, concurrently with the dam itself, of minimum provisions for the installation of power facilities. These minimum provisions include power intake structure, skeleton bays for power generating units, forebay and tailrace channel excavation, and retaining wall to support a railroad embankment. These provisions would be transferred to the Libby Additional Units and Reregulating Dam Project since they would have to be accomplished as part of the project for the construction of the Reregulating Dam itself, even though these provisions are chargeable to the power installation in the Reregulating Dam.

Your attention is also directed to the attached draft bill (Exhibit C) in the form of an amendment to the authorization for the original dam project, i.e., Libby Dam–Lake Koocanusa, which would allow construction of the fish hatchery designed to mitigate the loss of fish habitat caused by the existing Libby Dam and the planned Reregulating Dam. The authorization for construction funds for the fish hatchery is now limited to $4 million which is not enough to construct a hatchery at Murry Creek of sufficient size to mitigate the impact of the Libby project. Also, the present language does not allow adjustment for inflation. The amendment would authorize the Secretary of the Army to transfer title of the hatchery to the State of Montana to be operated by the State Fish and Game Department.

Under my proposal, authorization for the hatchery would be raised to an estimate of $6.5 million which would include construction as well as operation and maintenance for the life of the project at an estimated annual cost of $150,000. The amendment also provides that the hatchery must be used by the State for mitigation of fish losses in the waters impacted by the Libby project or title to the hatchery would revert to the Federal government.

Senator Mansfield and I will be introducing the enclosed bills to accomplish the foregoing purposes. I hope your Subcommittee will keep these matters in mind while it considers an Omnibus Public Works Authorization Bill. I have sent a similar letter to Senator Randolph.

It is imperative that these matters be dealt with before year's end in order that badly needed power can be on line as soon as possible and there will be no further delay in construction of the already long overdue fish hatchery.

Very truly yours,

Lee Metcalf.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 2925

At the request of Mr. Muskie, the Senator from Connecticut (Mr. Weicker), the Senator from Vermont (Mr. Stafford), the Senator from North Carolina (Mr. Helms), the Senator from South Dakota (Mr. McGovern), and the Senator from Indiana (Mr. Bayh) were added as cosponsors of S. 2925, a bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, and for other purposes.

S. 3036

At the request of Mr. Stone, the Senator from Hawaii (Mr. Inouye), was added as a cosponsor of S. 3036, a bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors.

S. 3275

At the request of Mr. Talmadge, the Senator from Florida (Mr. Chiles) was added as a cosponsor of S. 3275, a bill to amend sections 358, 358a, 359, and 373 of the Agricultural Adjustment Act of 1938 and title I of the Agricultural Act of 1949 for the purposes of improving peanut programs.

SENATE RESOLUTION 439—SUBMISSION OF A RESOLUTION RELATING TO THE OVERSUPPLY OF WHEY

(Referred to the Committee on Agriculture and Forestry.)

Mr. HUDDLESTON submitted the following resolution:

S. Res. 439

Whereas whey is a natural by-product in the manufacture of cheese; and

Whereas in recent years cheese manufacturers have spent substantial sums of money on the construction of facilities to process whey in an attempt to conform to Environmental Protection Agency rulings; and

Whereas the economic value of whey has been substantially reduced due to an increase in the supply of such product; and

Whereas whey is a nutritious product containing valuable nutrients which can be used to fortify foods for human consumption and animal feeds; and

Whereas because of depressed market conditions processors are unwilling to convert either the raw or condensed product into powdered form which has resulted in the waste of a nutritious product and in higher cheese production costs and higher cheese prices; Now, therefore, be it

Resolved, That—

(1) it is the sense of the Senate that the Secretary of Agriculture should assess the whey supply situation and advise the Committee on Agriculture and Forestry of the Senate of his findings;

(2) the Department of Agriculture begin a research program to utilize whey more efficiently for the mutual benefit of both producers and consumers.

Sec. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Secretary of Agriculture.

Mr. HUDDLESTON. Mr. President, in recent years the cheese manufacturers of our Nation have been forced to spend millions of dollars to construct facilities to process liquid whey in an attempt to conform to Environmental Protection Agency rulings and rulings of State environmental agencies. As a result of these rulings the cheese manufacturing industry began drying and evaporating this natural byproduct of cheesemaking.

Whey has been found to contain valuable nutrients which can be used to fortify foods for human consumption. It also has a wide range of other usages. In the powdered form whey is a highly nutritious product that contains 13 percent protein and 70 percent lactose. Powdered whey is used in the production of baked goods, beverages, canned goods, cheese products, confections, frozen foods, frozen desserts, and animal feeds.

But the market for dry whey has suffered numerous economic setbacks during the past year because of increased supplies. At present the cost of production of powdered whey far exceeds its market price.

Due to the fact that in recent months whey processors have found it difficult to move their product in commercial channels, cheese manufacturers are unable to find processors willing to convert either raw or condensed whey to the powdered form. This results in higher production costs for cheese and higher prices for consumers.

I rise today to introduce a resolution which requests the Secretary of Agriculture to assess the whey supply situation and advise the Senate Committee on Agriculture and Forestry of his findings. This resolution further calls upon the Department of Agriculture to begin a research effort directed at more fully utilizing liquid, condensed, and powdered whey.

SENATE CONCURRENT RESOLUTION 115—ORIGINAL CONCURRENT RESOLUTION REPORTED AUTHORIZING THE PRINTING OF BACKGROUND INFORMATION ON THE FOREIGN RELATIONS COMMITTEE

(Referred to the Committee on Rules and Administration.)

Mr. SPARKMAN, from the Committee on Foreign Relations, reported the following original concurrent resolution:

S. Con. Res. 115

Resolved by the Senate (the House of Representatives concurring), That there be printed with an illustration as a Senate Document background information relating to the history of the Senate Committee on Foreign Relations in connection with its 160th anniversary (1816–1976); and that there be printed for the use of that Committee seven thousand, five hundred additional copies of such document.

ANNOUNCEMENT OF HEARINGS

Mr. NELSON. Mr. President, I wish to announce that the Senate Labor and Public Welfare Subcommittee on Employment, Poverty, and Migratory Labor will be holding hearings on S. 50, the Full Employment and Balanced Growth Act of 1976, on May 14, 17, 18, and 19.

On each of these days, the subcommittee will begin at 9:30 a.m. On May 14 and 19, the hearings will be held in room 4232 Dirksen Senate Office Building. On May 17 and 18, the hearings will be held in room 1114, Dirksen Senate Office Building.

Witnesses for these hearings will be announced in the next few days. For further information about the hearings, contact Scott Ginsburg of the subcommittee staff at 224–3968.

ANNOUNCEMENT OF MARKUP BY GOVERNMENT OPERATIONS COMMITTEE

Mr. PERCY. Mr. President, I wish to announce that the Committee on Government Operations will hold a markup on Tuesday, May 11, 1976, at 10 a.m. in room 3302, Dirksen Senate Office Building, and will consider S. 2872, which would extend the life of the Federal Energy Administration until September 30, 1979; S. 1439, the Export Reorganization Act of 1975; S. 2166 and H.R. 1244, the Presidential Protection Assistance Act of 1975; S. 3281, the Federal Programs Information Act, and other business.

ADDITIONAL STATEMENTS

ACHIEVEMENT REDEFINED

Mr. HUMPHREY. Mr. President, I share with my colleagues a deeply moving and sensitive profile of achievement written by Miss Rebecca Hage of St. Cloud, Minn.

Rebecca won first place in the 1976 national "Ability Counts" writing contest and was honored for her efforts at the annual meeting of the President's Committee on Employment of the Handicapped. Her essay was about a teacher injured in an accident whose life today is an example of what can happen when handicapped people do not lower their sights because of their disabilities.

Rebecca is an 11th grade student of Technical High School in St. Cloud, Minn. She plays a flute in the concert band; is a staff member of "Techoes," the school yearbook; and a staff member of "Techniciana," a book containing a collection of students' poems, short stories and art.

Active also in the community, she is a candy striper at the St. Cloud Hospital where she has worked over 400 hours. For the past 3 years, she has been a volunteer for Stearns County Social Services where she is working at a home for profoundly retarded children under the direction of a physical therapist.

Rebecca is a member of the Sons of Norway youth group, the 4–H, and is a senior Girl Scout.

Mr. President, I ask unanimous consent that Rebecca's essay, "A Profile of Achievement: How a Handicapped Person Approaches Life," be printed in the Record.

There being no objection, the essay was ordered to be printed in the Record, as follows:

A Profile of Achievement: How a Handicapped Person Approaches Life

October 16, 1972. John Wertz, an achiever. Husband; senior high social studies teacher; swimmer; avid sports enthusiast.

October 17, 1972. John Wertz: intensive care, University of Minnesota Hospital critical list; crushed chest cavity; excessive internal bleeding; multiple leg fractures; severed spinal column diagnosed paraplegic.

John Wertz was riding his motorcycle. He was full of life and energy and was tasting the freedom of speed and the satisfaction of physical exertion. Perhaps, he was thinking that sometimes it seemed that there was nothing he couldn't accomplish in life. Perhaps, he was thinking of his parents' silly warning, "to write a will." Maybe, that was when the drunken driver ran him off the road, and changed it all....

For John's wife Sharon, there was only one concern, "Would John live?" She held on to the belief that because John was crisis oriented, if he would live, everything would work out. The doctors informed John's family that he would never walk again. For them, it was a time of little hope.

Sharon remembers crying together with John. She remembers the sadness and the depression. She also remembers that, because of John, this dark time lasted only a few days.

Hope, and a time for a new beginning, came for John when he came to the conclusion, "I must continue to achieve. I will not lower my standards for what I expect of myself." For John, this was the first step in the process of learning what real achievement is.

Sharon said, "Adjusting after the accident was hard; but I was not living with a crippled man, I was living with John." For John, some of the most difficult things were learning that independence does not always mean being in complete control, and that freedom cannot always be defined in physical terms.

John was, and remains, the only paraplegic teacher in the Saint Cloud school district. For many of his colleagues, it was a new experience and was hard to accept. It's different when it's faculty in a wheelchair, rather than a student, and teaching from his chair forced John to face many new challenges. Again, this was the beginning of a process of redefinition. He was forced to redefine his vocational achievement. John concluded, "So much of it is my own attitude. If I assume it's going to be awkward, it is." John also realized that the school wouldn't go out and look for a handicapped teacher, and that if he lost his job it would be difficult to find another. Because of this, John believes that, "being in school, being handicapped, helps the students." One of his dreams for achievement was to serve as a special example.

One of his students, Barkley Carrier, said, "His handicap doesn't bother the students, and because of his unique personality, they're comfortable with him." Another student remarked, "Mr. Wertz was the first handicapped person I was exposed to. Until Mr. Wertz, I always thought of them as freaks. I wish all students could have the opportunity to relate to him." His presence is also a model for handicapped students. He helps them with their problems and they know that he is really committed to a fight for the rights of other handicapped people.

Margaret McCormick student-taught with him the first quarter after he returned from the accident. She couldn't imagine how it was going to work. However, "He set the tone and gave a base to react to. He was very open. The wheelchair didn't slow him down at all. I know he never wanted pity and he was always student oriented.. The students came first. He has continued many of his relationships with students after they graduate."

John's closest friends summarized their fears and pointed out some of the obstacles that they were afraid he couldn't face. They worried that he would lose his job, would give up all of his activities, wouldn't be able to support his family, and perhaps the biggest fear was that his accident had taken away his masculinity.

John has proven his friends' fears false. Mr. John Kjera remarked, "I could see that he has self supportive and that he had discovered his real inner resources. He is definitely more of a man because of it."

One friend summed it up, "After the accident he had more depth, and more substance as a person. He seemed to think more of other people and seemed to know his own needs more."

John said, "I don't usually compare myself before and after. I see myself as two different people, one died in 1972, one was born. They were two different lives, two different lifestyles. Looking back, I can see that I didn't lose anything that I really value. I value being able to communicate, and to form close personal relationships. I value my hands as a tool, and I value my teaching."

Some of Sharon's thoughts about John's new life were, "Before the accident he was getting more withdrawn. Now he laughs and jokes more, and seems to really enjoy life."

John's original commitment that he could not lower his standards for achievement are echoed in his remarks that he doesn't see himself as having any greater handicap than anyone else, some peoples' are physical, some are emotional, and some are mental. John's achievements, even according to his own tough standards, are impressive. Some of his activities include membership in the Equity in Education Institute in Saint Cloud and the District 742 Affirmative Action Program. He is also a member of the Saint Cloud Tenants Association and an executive for the District Seventeen Democratic Party.

John Wertz is an example of "achievement redefined". As his friend, John Kjera, puts it, "being around John makes you realize, that a real handicapped person is someone who refuses to try, either physically or mentally."—John Wertz is not handicapped.

THE SOVIET MILITARY BUDGET VERSUS OURS

Mr. GOLDWATER. Mr. President, press releases, which have been offered on the subject of the Soviet military budget versus ours probably come in the hundreds, so I am not going to release anything to the press on this matter, but merely place it in the Record in the hope my colleagues will read it and give it the attention it deserves.

I refer to an article by the former Director of the Defense Intelligence Agency, Lt. Gen. Daniel O. Graham, U.S. Army, retired. The article mentions some Members' names and I hope they will not be offended, for at times they are not mentioned in the most complimentary terms, but I think this is something we all face in this business. Those of us who live the closest to this problem; namely, those members of the Committee on Armed Services and the Committee on Foreign Relations, I think have been for some time vitally concerned about the tremendous emphasis the Soviets have been placing on their military preparedness. But I must warn my colleagues that, in my opinion, they have been engaged in other activities which, if true, will require a drastic rethinking on our part in the whole field of strategic effort. I have asked the chairman of the Armed Services Committee (Mr. Stennis) to hold hearings on this matter and I will direct a letter to the chairman of the Foreign Relations Committee making the same suggestion.

There is every reason to believe that the Soviets have been spending large sums of money putting all of their command posts underground, their communications systems likewise and protecting both of these from nuclear effect and at the same time, placing much of their industry in dispersed areas and a lot of it underground. What I am trying to say is that actions such as these, if true, could change the entire concept we have of our ability to destroy the Soviet war machine and its industrial might.

I ask my colleagues to imagine the position the United States would be placed in if our country was suddenly faced by a Soviet declaration that they, in effect, had no targets that could be touched or damaged by our nuclear might. I ask my colleagues to think carefully on the complete destruction of our dependency on deterrents and the impossible position we could be placed in if such facts as I am relating are true. I hope that responsible committees of the entire Congress will get into this matter without any further delay. Before closing, I ask unanimous consent that the article by General Graham, appearing in the Air Force magazine of May, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

THE SOVIET MILITARY BUDGET CONTROVERSY

(By Lt. Gen. Daniel O. Graham, USA (Ret.))

In the fall of 1975, shortly before the abrupt dismissal of Dr. James Schlesinger as Secretary of Defense, I found myself embroiled in a sharp public debate over the size of the Soviet defense budget. The row was sparked by the Secretary's public statement that the Soviets were spending as much as fifty percent more on military forces than was the United States. Congressional budget-cutters and some elements of the press sharply criticized this estimate, accusing Dr. Schlesinger of distorting intelligence. Sen. William Proxmire maintained that both William Colby, then Director of the Central Intelligence Agency (CIA), and I, as Director of the Defense Intelligence Agency (DIA), supported his claim that the Secretary's figures were inflated. In fact, Dr. Schlesinger's figures came from Mr. Colby's CIA, and my view was that the Secretary, far from overstating the case, was *under*stating it. In March 1976, after Mr. Colby's forced retirement, CIA published figures that again supported Dr. Schlesinger's warnings about the gross imbalance between Soviet and US military outlays. (*See also "New CIA Assessment of Soviet Military Expenditures," p. 42.—The Editors.*) The CIA analysis again in my view, is too conservative and tends to understate the actual Soviet defense burden.

WHEELS WITHIN WHEELS

Estimating Soviet military costs has been one of the toughest jobs for American intelligence analysts. This is an area in which the new information-gathering satellites don't help much. The military analysts in the Pentagon today can state with remarkable precision how many missiles, aircraft, ships, and divisions the Soviets have. Further, they can do a pretty good job of using such data to estimate how many Soviet soldiers and sailors it takes to man the USSR's military machine. But when it comes to estimating with reasonable confidence how much it all *costs*, analysts have been faced with a nearly impossible task.

The task would be a lot easier if the Soviets openly published their defense expenditure figures as the US does and if there were open debates in Moscow about the costs of various defense programs. Of course, this is not the case. If there are debates about military spending, they are among very few persons in Moscow, and they are held in utmost secrecy. The Soviets do publish the total state budget, but the figures for military expenditures are patently phony. For instance, Brezhnev recently announced the official military budget figures for 1976—17.4 billion rubles. At the Soviet official rate of exchange for foreign trade purposes—1.35 dollars to the ruble—this amounts to about $23.5 billion, a totally unbelievable figure.

Ostensibly, the 17.4 billion figure is a decrease of 200 million rubles from last year. All this means absolutely nothing except as an indicator of what figure best suits the needs of Kremlin propagandists. It must be high enough in comparison to previous figures to assure the faithful that the socialist guard will not be let down, low enough to allay any guns-vs.-butter worries in the general Soviet populace. The figure must also be both low enough and trending in the right direction to back up the Soviet peace offensive in Western minds. No reputable scholar of Soviet economics gives the slightest credence to these announced Soviet military expenditures. Moscow's official figures have remained at seventeen-point-something billion rubles for many years.

To make matters worse, we would still have serious intelligence problems even if the Soviets *did* release an accurate account of military expenditures. There are a number of large items that Western countries count as military expenditures, but the Soviets do not. For instance, retired pay for military people is carried in the budget of the Soviet Welfare Ministry. Much of the basic training of Soviet soldiers takes place in secondary and higher civilian schools. This is paid for by the Ministry of Education. Most of the costs of moving military units and materiel in the USSR are carried in the budget of the Ministry of Transportation. The wages of the hundreds of thousands of reservists periodically called to active-duty training are borne by the factories and farms where they work. Thus, even if the Soviets should release a frank presentation of the Ministry of Defense budget, it could not be taken as a fair presentation of Soviet military costs when compared with those of the United States or any other Western power.

Also, when it comes to comparisons, we would have the problem of Soviet budget figures expressed in rubles. And what is a ruble worth? Well, in the USSR it is worth whatever the Soviets say it is, because all prices are determined and manipulated by the Soviet government. Further, the Soviets don't set a given price for a particular item. There are different prices for the same items sold in different markets. For instance, a given type of Soviet-manufactured truck sold to a collective farm is priced at 40,000 rubles; sold to a state enterprise, it is priced at 10,000 rubles; sold outside the USSR, it costs only 4,000 rubes. We are not sure what the Soviet Army "pays" for this truck, but probably near the lower end of the price scale. This means that the other parts of the Soviet economy, say the collective farms, are actually paying a huge subsidy for military trucks, and it wouldn't show in a budget. Thus, even if the Soviets were not so secretive about their defense budgets, intelligence analysts would have a terrible time converting the figures to dollars to compare them to our defense budgets.

CIA'S MISLEADING METHODOLOGY

For many years, intelligence people, both at CIA and in the Pentagon, simply didn't try to estimate the Soviet military budget. It was not until the early '60s that CIA felt compelled to try to express the Soviet military budget in dollars. The pressure came from Mr. McNamara's "whiz kids." At that time, "systems analysis" and "cost-effectiveness studies" became the big game in Washington as far as military planning was concerned. The indispensable yardstick in such studies is the dollar. Nothing would do but to come up with dollar figures attached to Soviet military programs.

CIA, with its usual "can-do" attitude, responded to the pressure for dollar estimates of Soviet defense expenditures and gave it a try. The basic approach was to take a Soviet weapon system, *e.g.*, a missile, estimate what it would cost to build it in the US, estimate the relative efficiencies of the Soviet and US industries involved to obtain a "ruble-dollar" ratio, and multiply the results by an estimated number of such missiles in the Soviet inventory. The room for error in the process so far was considerable. But that wasn't the end of the problem. It was also necessary to calculate the costs of the men to man the weapons, maintain the equipment, train the crews, build the launch pads, and so on. One can imagine the enormous complexity of such efforts covering thousands of weapon systems from aircraft carriers to pistols. Naturally, the process was computerized to a large extent.

Initially, most CIA analysts connected with this effort recognized some of the method's inherent drawbacks and inaccuracies. What was not recognized was that the results of the system consistently and seriously understated the total burden of military expenditures on the Soviet budget. This fact did not become apparent for several years after the method had begun to crank out estimates of the Soviet military budget in dollars and rubles. When the costing methodology came under attack, however, many of its adherents had forgotten their initial misgivings. It became a matter of institutional and professional pride to defend the cost estimates. Figures originally suspect had become sacred cows.

The first challenge to the costing method came in 1970 from the Defense Intelligence Agency. That agency has the responsibility for projecting ten years into the future the numbers and types of Soviet weapons and units. Since such projections are bound to be imprecise, DIA always gives a range of possibilities for each weapon system projected. There is a low figure, a high figure, and one between the two representing a best guess. The high figure usually represents what would happen if the Soviets made very strong efforts to acquire quantity and quality in a particular type of weaponry. We are always worried that someone might try to add up all the high figures for the various types of weapons and units, that is, all the worst cases, and exaggerate the threat. Therefore, all such projections have for many years carried the warning to users that the high side figures should not be added together because their totality would "place an intolerable strain on the Soviet economy."

In fact, Soviet efforts resulting in all the high side estimates coming true would dislocate their economy, but not according to our costing methodology. When that methodology was applied to all the high figures, it produced a strange result. Not only did it appear that the Soviets could go all out on all types of military capabilities, but they could do so at an ever-decreasing percentage of Gross National Product! From that time forward, DIA never used the results of the CIA costing methodology in its publications.

Shortly thereafter, the validity of the costing methodology came under fire again. This time the analysis was a National Intelligence Estimate, a paper that has to be agreed to by all intelligence agencies—CIA, DIA, the State Department, and others. During the process the same case was made against the method, but from a historical rather than a futuristic point of view. CIA provided cost figures covering the Soviet military budgets for the time frame 1960–71. These figures indicated a very modest two or three percent annual increase in the Soviet budget, which to DIA estimators was incredibly low. During that time frame the Soviets had deployed 1,500 or more ICBM launchers; built more than fifty missile-launching nuclear submarines; deployed most of 700 medium and intermediate-range missile launchers, some 7,000 surface-to-air missile launchers, and a large theater force opposite China; created twenty new divisions; and introduced on a broad scale five or six new fighter aircraft. And that is only a partial list. This simply could not have been done at the low costs indicated by the methodology.

The most dubious figures were those ascribed to Soviet strategic attack forces. In 1960, the Soviet strategic offensive force consisted of four intercontinental ballistic missile launchers, no missile subs, 200 heavy bombers, and 200 or so medium-range ballistic missiles. By 1971, the Soviets had overmatched the US in ICBMs, had nearly matched us in missile subs, deployed more than 700 medium and intermediate-range missiles, and still had the 200 heavy bombers. Further, they were undertaking a massive construction program to accommodate the four new ICBM systems under test. We were to believe that costs for strategic forces in 1971 were only one-third of one percent higher than in 1960! From that point on, DIA would never agree to the inclusion of such cost figures in National Estimates even though CIA continued to produce these figures on a regular basis.

MAKING MOSCOW'S CASE

As Deputy Director for Estimates at DIA during this period, I became chief antagonist of the low cost estimates. I became even more determined to correct this anomaly in intelligence when I found that these underestimates were being used by the whole world. The US was publishing an annual unclassified report on worldwide arms spending as a service to the UN. The Sovet and Warsaw Pact figures in that document were simply the totals derived from the CIA direct costing methodology, cleaned up a bit to protect intelligence sources and methods. As a result, the report, which found its way into the reference files of most universities and research institutes around the globe, stated that NATO outspent the Warsaw Pact on arms by about $30 billion a year! The Soviets must have been enormously pleased to see the US making Moscow's case for them.

Although my DIA estimators and I were the first to balk at the Soviet budget figures, I would not like to leave the impression that the controversy was a purely Pentagon vs. CIA issue. There were analysts in DIA who supported the figures, and analysts at CIA who shared my doubts. A doubter from the outside was Joe Alsop, the well-known columnist, whose pungent criticisms of low intelligence estimates of the Soviet military budget sparked half-joking barbs directed at me by my CIA colleagues. Alsop seemed to use a number of my arguments in his columns, and there was a strong suspicion that I was leaking them to him. I wasn't, but I must confess to enjoying his efforts.

This controversy boiled and bubbled along for about three years. CIA continued to publish the results of the suspect methodology; indeed, they had no other choice because there was a constant demand for such figures. There was no other official source for them. And we continued to get into controversies over dollar costs of Soviet and even Chinese efforts. During the debate over continuing aid to South Vietnam, we were asked by Congress to estimate the dollar cost of Communist aid to North Vietnam. The minute we were asked, I knew we were in for another round of outraged expressions from some congressmen based on the proposition that the U.S. had put more dollars into South Vietnam than the Soviets and Chinese had put into North Vietnam. Later, we had the same problem with regard to North and South Korea. It seemed impossible to avoid providing these rather useless dollar figures, and all the warnings of intelligence people about our lack of respect for the figures could not prevent them from becoming the centerpiece of arguments over policy.

Both DIA and CIA, meanwhile, were trying to find alternate ways of assessing the defense expenditures of the USSR. Experts on Soviet economics from academia and the "think-tank" world were assembled on the subject. Only one of them, however, had a strikingly different approach. That was a Mr. William T. Lee, a persistent, extremely objective analyst who had been previously employed at CIA. [Mr. Lee is the author of the article "Military Economics in the USSR," which appeared in the March "Soviet Aerospace Almanac" issue of Air Force Magazine.]

Mr. Lee's approach was essentially this: In order for the Soviets to manage their economy, they must publish real budget figures; otherwise, they would confuse their own bureaucrats and managers. Therefore, the *real* defense expenditures are somewhere in the overall budget figures. The trick then was to find those sums that could not be accounted for in *non-defense* outlays. The residual then would probably represent the hidden defense expenditures. This all made some sense, but unfortunately for Bill Lee, his method indicated that the results from the old direct costing method were not just a *little* too low, they were *100 percent too low*. His results showed an expenditure of some sixty billion rubles a year vs. about thirty billion estimated by CIA. Neither CIA nor DIA analysts could swallow that big an admission of error. Thus, Bill Lee's results were rejected with much criticism of his analytical approach. But Lee was eventually to have the last laugh. His method may or may not have serious flaws, but his results were far closer to the truth than those of his critics.

SENATOR PROXMIRE'S PERNICIOUS PLOY

The whole matter of Soviet defense spending come to a head again in the spring of 1975. As is the case with most intelligence controversies, this one was solved by the acquisition of good evidence. By April 1975, evidence from a variety of sources combined to provide solid proof that we had indeed been underestimating the Soviet budget by *at least* 100 percent. In terms of percentage of GNP, the new evidence showed that our old estimates of six to eight percent were wrong. At a minimum, the Soviets are spending fifteen percent of their GNP on the military. In my view, the actual figure is probably closer to twenty percent, because the fifteen percent figure still excludes pensions, much training, and transportation costs, which remain hidden in the budgets of various non-military ministries of the USSR.

This new information came to light right in the middle of the first big US defense budget fight with the new post-Watergate Congress, one that promised to be the most hostile to the military establishment in many years. Evidence of the substantially larger Soviet defense expenditures, particularly compared to those of the US, could conceivably be used to persuade the Congress to increase, or at least maintain, the existing level of defense spending. If one chooses to believe the conventional wisdom around Washington, one would expect military intelligence to have immediately used this bombshell to help fend off broadax cuts in the Defense budget. This was not the case. With the agreement of Dr. Schlesinger, Mr. Colby, the CIA Director, and I, now Director of DIA, elected not to release the new evidence pending a thorough redo of cost estimates. We judged that its use at this time in the congressional arena would evoke a furious attack on the validity of the evidence and endanger the sources of the information.

We were able to continue this policy until July, when Senator Proxmire requested Mr. Colby and me to testify on the Soviet budget. We did so, and we both mentioned the new evidence and informed the Senator that our estimates of the Soviet budget were going to rise sharply. Senator Proxmire asked that we be as liberal as possible in declassification of the testimony for publication. We were, and the declassified testimony was ready for publication within a few days. It seemed strange to me that the testimony remained unpublished and unreleased for three months. I cannot escape the suspicion that had Mr. Colby and I testified that the Soviet military budget was *lower* than we had previously held, that testimony would have been released with alacrity.

Senator Proxmire finally released the testimony in October 1975, in a press conference following Secretary of Defense Schlesinger's public statement that the Soviets were outspending us on military matters. To my astonishment—and, I am sure, to Mr. Colby's—Proxmire's press conference managed to convey the impression to newsmen that both of us would quarrel with Dr. Schlesinger on the ground that he was overstating the case. The facts were that Dr. Schlesinger was using Mr. Colby's estimates of dollar costs of Soviet military expenditure, and my only quarrel would have been that, the revisions notwithstanding, the dollar estimates still tended to *understate* Soviet expenditures. Upon rereading my testimony to Senator Proxmire, I find it inconceivable that he would come up with the opposite impression.

MANPOWER COST: AN ANOMALY

In the controversy over Soviet military spending, the military pay factor is consistently cited by those who believe the *dollar* figures too high. The rank and file of the Soviet Army are draftees and are paid very little in rubles. If their wages are translated directly into dollars, the Soviets obviously get them very cheaply when compared to US soldiers. The dollar figures provided by the CIA for the Soviet military budget, however, represent an effort to state what their forces would cost if they had to be purchased in dollars. Thus, those estimates charge the Soviets US wages for their military men.

On the face of it, this would appear to *inflate* the estimates of Soviet military expenditure. In reality, it does not. The dollar estimates are made for the purpose of comparing Soviet military costs to those of the US. The ruble prices and wages of the USSR, which are easily manipulated by the Kremlin, simply don't count in such an equation. The *actual* cost to the general economy of the USSR of putting a man in uniform is greater than it is in the United States. The Soviet economy is manpower intensive. Not only is everyone employed, the economy is short of manpower. In agriculture the shortage is so acute that the Army is called out at harvest time to assist. In the US one can reasonably deduct from the wages paid servicemen the costs that would be incurred by the country if a million or so able-bodied men were *not* in uniform and were added to the ranks of the unemployed. The problem of explaining these matters to congressmen, newsmen, and others is one of the reasons I have been a severe critic of dollar comparisons of US and Soviet military budgets.

The uproar over the size of the Soviet military budget will wax and wane, but is sure to crop up frequently during the presidential campaign. As a participant in the internal intelligence debates over the issue for the past five years, I am convinced that Dr. Schlesinger did not overstate the case when he said that the Soviets may be outspending us on military matters by fifty percent in dollar terms. I am also convinced by good evidence that the Soviets are expending in rubles about twenty percent of their Gross National Product on the military. The Soviet GNP is around $750–$900 billion. Twenty percent of that gives a rough estimate of $150 to $180 billion in defense expenditures, which, in my view, is a much more accurate figure than any derived by the discredited method that has produced the erroneous figures provided by intelligence in the past.

The figure $180 billion in Soviet military spending is and should be a shockingly high one to US citizens. It would not shock the dissident Soviet academician Andre Sakharov, recent Nobel Prize winner. In fact, he would consider the estimate of twenty percent of GNP to be an understatement. In 1972, he was quoted as having calculated the burden of Soviet military expenditures at *forty percent* of GNP. This figure was roundly pooh-poohed by US intelligence experts at the time. I agree with the experts that the forty percent figure is too high, and it remains unclear as to whether Sakharov was talking about GNP or budget percentages. But I would point out to those experts that they would have roundly pooh-poohed a figure as high as fifteen percent of GNP one year ago.

STRATEGIC IMPLICATIONS

In December 1975, the Soviet government announced the civilian economic output for the year had been drastically short of expectations, particularly in agriculture. Further, Moscow announced that 1976 was going to be another bad year. Of course, part of the reason for this remarkably poor performance was bad weather, which reduced harvests, as well as the chronic bungling of an overcentralized economic system. But to these factors must be added the impact of enormous military outlays over the past several years. It is not just weather that caused a ten percent drop in agricultural output; it was also a lack of good farm machinery. Soviet military hardware is produced in the same factories with farm machinery. In a Soviet plant that turns out both tractors for farms and tanks for the military, high tank production lowers tractor production. In a plant producing both war gases and insecticides, the more gas manufactured, the less insecticide. And so it goes. Heavy military expenditures are putting a severe strain on other sectors of the Soviet economy, and the Soviet leaders seem determined to endure that strain rather than check the growth of military power. They would rather expend their limited hard currency to buy grain from America than alter military priorities.

The huge Soviet military expenditures alone do not lead to the conclusion that the US is today in a militarily inferior position. They do, however, demonstrate Moscow's resolve to extend Soviet military advantages where they exist, cancel out the few remaining US advantages where they exist, and achieve recognition as the prime military power in the world. If this happens, US intelligence officers can throw away that comforting lexicon of words used in past intelligence appraisals to describe Soviet behavior in the world—"pragmatic," "cautious," "nonadventurous," "defensive," and so on. Already such adjectives fit poorly current Soviet behavior, *e.g.*, the thrust into southern Africa.

I hope that the internal intelligence struggles with the problems of estimating the Soviet military budget are behind us. My only worry is that it is very hard for some analysts to accept a 100 percent error in their long-held views, and there is bound to be a tendency to try to obscure that magnitude. But solution of an intelligence anomaly is not nearly as important as the strategic implications of very high Soviet expenditures on military matters. The Soviets are spending twenty percent of their GNP on their armed forces and civil defense; Adolf Hitler's Germany was spending somewhat less—fifteen percent of GNP—for armaments in 1938 just prior to the outbreak of World War II. Can the United States continue to deter the growing Soviet military threat with a grudging 5.4 percent outlay on defense?

NATIONAL HEALTH INSURANCE: ANATOMY OF A POLITICAL ISSUE

Mr. TALMADGE. Mr. President, I ask unanimous consent that an article entitled "National Health Insurance: Anatomy of a Political Issue" which was written by Mr. Jeffrey Prussin and which appeared in the March/April issue of Medical Group Management be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATIONAL HEALTH INSURANCE: ANATOMY OF A POLITICAL ISSUE

(By Jeffrey A. Prussin)

Another year has come and gone and no real progress has been made in the enactment of a National Health Insurance plan. Can we look to a more productive year ahead? No, says the author, in this cogent discussion of a political issue with implication for all clinic managers.

Enthusiasm for enactment of a National Health Insurance (NHI) plan was at a high level when the First Session of the 94th Congress convened early in 1975. The Nixon and Ford administrations had both made NHI a top domestic priority in 1974, and the House Ways and Means Committee, under the chairmanship of Representative Wilbur D. Mills (D-Ark.), had completed marathon hearings.

When the new Congress convened in 1975, key Congressional leaders, including Senate Majority Leader Mike Mansfield (D-Mont.), Speaker of the House Carl Albert (D-Okla.), and new House Ways and Means Committee Chairman Al Ullman (D-Ore.), labelled NHI a top Congressional priority and vowed quick action. In addition, the large group of freshmen Democrats in the 94th Congress that was swept into office in the wake of Watergate was generally liberal and favored NHI action. Furthermore, unlike most freshmen Congressmen in previous years who served a traditional apprenticeship period during which they were seen but not heard, the Class of '75 formed a relatively cohesive group which did not sit idly by and accept the conservatism of some of their seniors. Finally, under a House reorganization plan implemented in 1975, the House Ways and Means Committee was required to form subcommittees, one of which was a Health Subcommittee chaired by Representative Dan Rostenkowski (D-Ill.). Previously, the Ways and Means Committee had no subcommittees, which meant that the committee's ability to simultaneously consider numerous pieces of complex legislation, including tax reforms and NHI, was severely limited.

Nonetheless, the hopes that were held for NHI action at the beginning of the First Session of the 94th Congress quickly paled, and it became evident that no NHI plan would be forthcoming in 1975. Furthermore, because of the magnitude and pervasiveness of the problems encountered *vis-a-vis* NHI in 1975, it may be projected with a fair degree of certainty that NHI will not be enacted in 1976—even though political prognostication is at best perilous, especially in a presidential election year.

One of the prime factors serving to preclude enactment of an NHI plan has been the state of the economy, and there is virtually no hope for quick improvement in this area. As a result of the economic situation, President Ford called for a moratorium on new spending programs, including NHI, in 1975, thus reversing his 1974 support for immediate enactment of a comprehensive NHI plan based on a public/private partnership concept. The President did call for enactment of a catastrophic health insurance plan for Medicare recipients—the costs of which would be at least partially offset by increases in patient cost-sharing on smaller bills unded Medicare—in his January 19, 1976 State of the Union address. However, the proposal does not even begin to approximate a comprehensive NHI plan such as the Comprehensive Health Insurance Plan (CHIP) which Ford strongly supported in 1974.

The nation's economic problems have also placed Congressional liberals who favor publicly financed NHI plans squarely on the horns of a dilemma.

On the one hand, they are seriously questioning the advisability of imposing additional taxes to finance NHI—particularly in an election year. Payroll tax financing is regressive, and many observers believe that Social Security taxes will have to be increased, even without the addition of new programs and/or benefits, in order to cover projected deficits in the trust funds. Therefore, advocates of publicly financed NHI plans must consider the use of general revenues for NHI financing. But given the severe budgetary problems of government at all levels, the initiation of a major new spending program, such as NHI, would probably mean that current programs would have to be cut. Even more important, however, is the recent experience with the Medicaid program on the state level. In response to fiscal problems, approximately half of the States have instituted, and/or are instituting, reductions in the benefits and/or payments to providers under their Medicaid programs. This situation serves as a warning that health delivery programs might not fare too well if they are forced to compete with other priorities in the budgetary process, especially during hard economic times. Therefore, advocates of publicly financed NHI plans are left with the alternatives of using payroll tax financing, which is regressive, and/or financing NHI through general revenues, which means that NHI will have to compete with other priorities in the budgetary process and may therefore suffer reductions in the benefits and/or quality of care rendered under the program.

On the other hand, however, most advocates of publicly financed NHI plans would prefer to wait for enactment of NHI until such a plan becomes feasible rather than compromise on an NHI plan which is privately financed through employer and/or employee contributions to qualified or certified private health insurance plans. Indeed, organized labor, which strongly supports the Health Security Act (S. 3/H.R. 21), a comprehensive NHI plan that would be financed by both payroll taxes and general revenues, has worked to block NHI action whenever it appears that a plan relying on the private, rather than the public, sector for financing and administration will be enacted. The main concern is the probability that enactment of a compromise NHI plan that relies on private financing and administration will preclude enactment of a publicly financed and administered NHI plan when the economy improves.

Another major set of factors serving to forestall NHI action centers on the problems being encountered under current health delivery programs, including Medicare and Medicaid. The cost overruns of both programs have been monumental in comparison with original cost estimates, and this fact has generated more than a moderate degree of concern *vis-a-vis* NHI in Congress—even among liberals. In addition, many experts are projecting substantial deficits in the Social Security trust funds, and President Ford has proposed a 0.3 percent increase in Social Security taxes to cover the projected deficits, a situation which at least creates doubts concerning the imposition of additional payroll taxes to finance NHI. Furthermore, attempts to impose cost and quality controls under the Medicare and Medicaid programs have met with little success, which has created skepticism concerning the possibility of implementing such controls under an NHI plan. Finally, many of the program abuses experienced under the Medicare and Medicaid programs have received widespread publicity, which has served to make many Congressional liberals, including those who endorse publicly financed and administered NHI plans, hesitant to place administration of such a plan under the jurisdiction of a bureaucracy that is already racked with problems.

The fact that there is much less agreement on the NHI issue than many health policy analysts indicate is another basic obstacle in the path of NHI enactment. While there is general agreement on the desirability of an NHI plan, as is evidenced by the fact that only two of the announced 1976 Presidential candidates—former California Governor Ronald Reagan and Senator Frank Church (D-Ida.) oppose enactment of an NHI plan, there is no consensus concerning the fundamental principles that should be embodied under an NHI plan. For example, there is no agreement on basic NHI issues, such as sources of financing, administration, scope of benefits, and so forth, which must be addressed and resolved if an NHI plan is to be enacted.

Most analysts felt that the spirits of compromise and consensus reigned over the NHI issue when Senator Edward M. Kennedy (D-Mass.), who is Chairman of the Health Subcommittee of the Senate Labor and Public Welfare Committee and prime Senate sponsor of the Health Security Act, and Representative Wilbur D. Mills (D-Ark.), who was Chairman of the House Ways and Means Committee, introduced a compromise NHI plan, the Comprehensive National Health Insurance Act (S. 3286/H.R. 13870), early in the Second Session of the 93rd Congress (1974). Almost immediately after the compromise measure was introduced, Mills held extensive NHI hearings and shortly thereafter began NHI mark-up sessions. However, any hopes that were held for quick NHI action were doused when Mills suddenly cancelled his NHI mark-up sessions because absolutely no agreement could be reached among the members of his committee on such basic issues as NHI financing and administration. Indeed, even if the 25 Ways and Means Committee members (in 1974) could have agreed on an NHI bill, there were no assurances that such a proposal would have been accepted by the full House or by the Senate. In any event, Congress appears to be no closer to agreement on basic NHI issues today than it was when Mills was forced to abandon his NHI mark-up sessions for lack of consensus.

Another major problem facing NHI architects is the sparsity of hard data on NHI issues. Indeed, the paucity of data has probably contributed to the lack of consensus on NHI. Since the proponents of the various positions generally lack the data necessary to support their positions, they are forced to argue primarily on the basis of personal opinion. For example, there is a great inadeqacy of data on the costs of providing specific services under NHI; the potential impacts of providing some services, such as home health services, on the costs and utilization of other services, such as inpatient hospital and extended care services; and the impacts of increased or decreased utilization of a specific service on the per-unit costs of the particular service. Furthermore, there is virtually no data currently available on the potential impacts of imposing various forms of cost-sharing, such as deductibles, coinsurance and copayments, on the utilization and costs of specific services.

In addition, much of the data which are currently available, such as that on the administrative costs incurred by various types of payers in claims processing, are contradictory. For example, while a recent General Accounting Office (GAO) study indicated that the Social Security Administration's (SSA) claims processing costs under the Medicare program were higher than those incurred by commercial insurance companies and Blue Cross and Blue Shield, other recent studies have revealed higher administrative costs for commercial insurance companies and Blue Cross and Blue Shield than for the SSA.

More important, however, is the fact that there are virtually no studies extant on the potential impacts of proposed NHI programs on the "health status" of the individuals who would be covered by the particular plan, the availability and/or accessibility of health care services, the "health status" of the general population, the costs and quality of health care services, and so forth.

Indeed, the illusory issue of quality is bound to create a great deal of frustration among legislators and administrators in the development and implementation of an NHI plan. Definitions of "quality" care, as well as measures thereof, that are acceptable to the health community have not been developed. Therefore, it will be extremely difficult, if not impossible, for Congress and the Administration to regulate the quality of the services that may be purchased under NHI.

A final roadblock in the path of NHI enactment, which could preclude NHI action even if other obstacles are overcome, concerns the jurisdictional disputes which involve the Health Subcommittees of the Ways and Means and Interstate and Foreign Commerce Committees in the House, which are chaired by Representatives Dan Rostenkowski (D-Ill.) and Paul Rogers (D-Fla.), respectively, and the Finance Committee and the Health Subcommittee of the Labor and Public Welfare Committee in the Senate, which are chaired by Senators Russell B. Long (D-La.) and Edward M. Kennedy (D-Mass.), respectively.

It is perhaps ironic that the same House reorganization under which the Health Subcommittee of the Ways and Means Committee was established served to accentuate the jurisdictional disputes between the two House Health Subcommittees; and since NHI is such a visible political issue, and therefore desirable from a political standpoint, Rostenkowski and Rogers have refused to abandon their jurisdictional claims on the issue. Therefore, both subcommittees have proceeded independently on the NHI issue with duplicative hearings.

The potential impact of the jurisdictional disputes on NHI was illustrated early in 1975 by the issue of health insurance for the unemployed. Basically, the Ways and Means Committee approved a bill which was killed by the Interstate and Foreign Commerce Committee. The bill never reached the floor of the House for a vote.

Attempts to resolve the disputes by the health task force of the Democratic study group, which is chaired by Representative Bob Eckhardt (D-Tex.), and Speaker of the House Carl Albert (D-Okla.), have failed, as have direct attempts by Rogers and Rostenkowski. Indeed, Albert told a recent meeting of freshmen House Democrats that he is "washing my hands" of the NHI jurisdictional disputes and leaving them to Rogers and Rostenkowski for settlement.

The only glimmer of hope for resolution of the conflicts in the House is the fact that Rogers and Rostenkowski are cosponsoring an April 1976 conference on development of a national health policy which was initiated by James Hastings (R-N.Y.), a former member of Rogers' Subcommittee, who retired from Congress at the end of 1975.

On the Senate side, both committees claiming NHI jurisdiction had held NHI hearings prior to the 94th Congress. However, the jurisdictional disputes in the Senate have not yet reached the same magnitude as in the House because the Senate has been waiting for the House to act on NHI and has therefore remained relatively dormant on the NHI issue. However, when and if it becomes apparent that the House will send an NHI bill to the Senate—which is an unlikely occurrence in the immediate future—or when Senate NHI activity increases, the jurisdictional disputes in the Senate are likely to equal or exceed the proportions that the conflict has reached in the House.

In sum, NHI action in 1976 is highly unlikely. Rather, Congress and the Administration will probably view Medicare and Medicaid as NHI laboratories and focus on major reforms thereof. For example, there will probably be considerable experimentation with various benefits, cost-sharing provisions, payment and administrative mechanisms, and so forth, under Medicare and Medicaid in order to generate a data base for use in development of an NHI plan. Furthermore, Congress and the Administration will certainly make a concerted effort to reduce program abuses under Medicare and Medicaid which, in turn, may make Congressional liberals, many of whom are becoming skeptical, more sanguine concerning the government's ability to administer the NHI plan. Finally, Congress and the Administration will continue to work on the development of programs, such as professional standards review organizations, health planning, health manpower, health maintenance organizations, and so forth, which are viewed by many health analysts as necessary components of an NHI plan if the costs and quality of care are to be controlled and availability and accessibility are to be guaranteed.

PRESIDENT ASSAD OF SYRIA

Mr. PERCY. Mr. President, at a time when the Middle East is once again beset with crisis, it is gratifying to note that some of the leaders of the Middle East are encouraging restraint and reconciliation.

The current focus of danger in the Middle East is Lebanon, rent with division between left and right and between Moslems and Christians. The Government of Israel has thus far shown commendable restraint by refraining from intervention in the Lebanese civil war.

A major influence for a reasonable compromise in Lebanon has been brought to bear by President Assad of Syria. In past years we have, of course, had important differences with Syria. We deeply regret, for example, Syria's reluctance to support Egypt in the recent Sinai agreement and to proceed herself with additional steps toward agreement with Israel.

All of these issues notwithstanding, in fairness I commend President Assad for his sustained efforts to bring about a compromise settlement of the Lebanese civil war.

In view of the significant role of the President of Syria, I believe that the Senate will be interested in two articles, the first in the Washington Post of April 4, 1976, entitled, "Syria's Assad: Wily Player in Middle East's Game of Nations"; the second in the International Herald Tribune of April 19, 1976, entitled "Cautious Intervention: Syrians Stake Out a Role in Lebanon." I ask unanimous consent that the two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 4, 1976]

SYRIA'S ASSAD: WILY PLAYER IN MIDDLE EAST'S GAME OF NATIONS

(By Jonathan C. Randal)

DAMASCUS.—With the deliberation characteristic of a man who has established a political longevity record in his own notoriously unstable country, President Hafez Assad seems to be on his way, despite occasional setbacks, to extending his political influence throughout most of the Arab East.

Until recently, Assad's proconsul was calling the shots in neighboring Lebanon in what older Arabs would have considered the fulfillment of a long-harbored dream in Damascus of heading a Greater Syria encircling its one-time Lebanese possession.

Assad is on the best of terms with Jordan's King Hussein, a monarch who * * * former and more verbally radical Syrian regimes equated with treason and reaction for a quarter of a century.

Assad has neatly balanced a still-vague joint command with Jordan with another similarly hazy joint-command relationship with the Jordanian king's arch enemy—Yasser Arafat's Palestine Liberation Organization.

Such is the shifting nature of Middle East politics that Arab observers have yet to decide whether Assad's potential power to control the PLO represents a victory for Assad alone or a shared triumph with U.S. Secretary of State Henry A. Kissinger.

Kissinger and his step-by-step diplomacy revealed Assad to the world not as just another narrow visioned, authoritarian military dictator, but as a leader capable of playing the Game of Nations Middle East-style.

Kissinger, whose grandiose schemes have often been upset by Assad's decisions, has described Assad as "the most interesting man in the Middle East. In negotiations he seems to waffle and waver. But he has an exquisite sense of timing and is decisive in the crunch."

If Assad does indeed bring even a semblance of order to the chaos in Palestinian and Lebanese ranks, kept divided by the bankrolling of rival Arab regimes, that could well be the long-missing link allowing an overall regional settlement to be seriously contemplated.

Yet, Assad's emergence has been at the expense of Kissinger's once-high hopes of parlaying his piecemeal diplomacy into a neat and quick overall Middle East solution.

In late 1974, according to some observers, Assad realized that any Kissingerian step for Syria would be too miniscule to be accepted by the Syrian public. So, even before he condemned the Egyptian-Israeli Sinai disengagement deal of last September as Cairo's abandonment of the Arab cause for a mess of sandy pottage, Assad was apparently active in seeking to protect himself from his critics.

Military self-defense prompted Assad to woo King Hussein to protect Syria against an Israeli strike through the northwest corner of Jordan and into Damascus itself. It was also self-defense, but political this time, that prompted Assad to cozy up to the PLO, deflecting criticism that his Kissinger connections had not paid off.

Forced last fall to prolong the presence of the U.N. Disengagement Force on Syria's Golan Heights out of fear of taking on Israel frontally, Assad turned a potential humiliation into a diplomatic victory. He conditioned his renewal of UNDEF's mandate on a rider that gave the PLO its first chance to take part in a U.N. Security Council debate.

After months of encouraging all sides in the Lebanese civil war, he unleashed the regular PLO troops he controls and had them invade Lebanon, in January. Only a largely discredited Christian leader protested as Syria, in effect, took Lebanon into temporary custody with the tacit blessing of the rest of the Arab world, except for Iraq, ever hostile to Syria. The United States and even Israel accepted Syria's unleashing of the Palestinians.

Such accomplishments, even if they prove to be ephemeral, were beyond the wildest dreams of Assad's unquestioning aides only a few brief months ago. They seemed secretly to be happy enough then that Assad had completed five years in power—a record after Syria's previous two decades of yearly coups or attempted coups.

For all his success, however, Assad remains largely unknown to his 7 million fellow Syrians, even though his dour likeness, in a formal photograph or in a popular outsized plastic medallion profile, is a ubiquitous reminder of his regime.

Content to let events speak for him, Assad does nothing to encourage the kind of interest in his personal life and preferences that politicians elsewhere employ highly paid consultants to publicize.

His public appearances are few. So, too, are his speeches in a part of the world all too often led astray by the power of the word.

His wife and five children are rarely mentioned, although Assad is widely respected as a good family man—if anyone who works until well after midnight most of the time could thus qualify.

Even a close adviser was unable, for example, to say exactly when the stocky, jut-jawed leader was born. But the Syrian public does not appear to be disturbed by Assad's personal secretiveness. For, aside from stability and an end to the more obvious forms of naked police repression, his reign has brought the first breath of prosperity after more than a decade of doctrinaire Marxist economic deprivation.

Part of the public's sense of relief reflects approval of an end to the years of wrangling with the rest of the Arab world and a de-emphasis of Syria's previous vainglorious self-identification as the burning heart of Arab nationalism.

Ceasing to be Arabs' odd man out has been worth hundreds of millions of dollars in investment by conservative oil-rich Arab governments satisfied that Damascus no longer calls for the overthrow of their "decadent feudal" regimes, as the Syrian press and radio used to describe them.

Assad came to the fore partly because of Egyptian President Nasser's death in 1970. Nasser's disappearance allowed other Arab leaders to merge on a scene long dominated by Egypt.

Even before the 1973 Arab-Israeli war, Assad's reign had begun to symbolize an undercurrent of Syrian yearning for an honorable Middle East settlement that would end a generation of fruitless confrontation with Israel.

Syria may have lost more territory in the 1973 fighting but, for the first time, Assad managed to stand and fight back on the battlefield. This military success allowed Assad to edge away from Syria's previous total refusal to negotiate with Israel.

Assad has come a long way in his own thinking and he has brought along a notoriously hard-to-govern country.

Knowing your enemy is standard practice for most governments. But, significantly, Assad was the first Syrian leader to procure Israeli newspapers—through Rome—and to have them translated for his daily intelligence report.

"No politician, no army officer, wanted or wants to disturb the process Assad is working out," one self-admitted detractor said. "He still has the option to make peace and become the greatest man in modern Syrian history."

In an afterthought, reflecting Syria's penchant for political instability, the detractor added, "Assad's being tolerated to allow him to reach a peace settlement."

That Assad reached the top of a notably greasy pole—and while still relatively young—was not just because of his own considerable qualities (including a coolness not normally associated with Arab leaders, an extraordinary memory, an ability to listen and Kissinger-like attention to detail, and physical stamina permitting him to function on as little as four or five hours' sleep). He also combines a defiance of the laws of averages and of diminishing returns that can only be called luck—*Baraka* in Arabic, a kind of divine protection against disaster.

Assad has helped along his *baraka* by reinforcing his ties with three minority groups. He maintains half a dozen intelligence-cum-secret police outfits and a Praetorian Guard of at least a division under the command of a brother.

The key groups are his own religious sect, the Alawites, the air force, and the Baath Party—once the most radical pan-Arab political party but now Assad's tame instrument.

Assad is one of six brothers and two sisters born to a hard-scrabble farmer, Ali Assad, in Kardaha, a mountain village southeast of the Mediterranean port, Latakia. His father was known for his opposition to French colonial rule. His grandfather, Sleiman, fought the Turks all the way down to the Yeman in the failing days of the Ottoman Empire.

To this day, Assad is known to his intimates as "Abu Sleiman," Arabic for "Sleiman's father," an unusual sign of respect suggesting that he possesses his grandfather's force of character.

For Hafez Assad and many other ambitious Alawites, the military was the way up.

Assad went to elementary school in his village, then to Latakia for secondary education, but little is known of his early years until he entered the military academy at Homs at a relatively advanced 22.

For Alawites, the profession of arms has been a way out of their generally downtrodden existence ever since the French recruited heavily among minorities for their colonial army in Syria. Until Assad's generation, Alawites were enlisted men.

The dominant Sunni sect of Islam, accounting for roughly 70 per cent of the population, traditionally had little use for the Alawites who make up 10 per cent of the population. They were suspect because of their refusal to pray in mosques, their dedication to mysterious rites and unwillingness to make the pilgrimage to Mecca. The Sunnis tend not to consider the Alawites as Moslem at all.

Holed up in the mountains, the Alawites worked their poor earth or moved to the coast and other richer farming areas elsewhere as hired hands. When Sunnis passed, Alawites would get off the sidewalks.

The Alawite country, centered on Latakia, has prospered under Assad. A new railroad links it with the northern trading metropolis of Aleppo and the giant Tabqa Dam with its ambitious irrigation projects farther east. A university is also taking form in Latakia.

Alawites hold key positions in the country's major institution, the armed forces, often down to NCO level. Their special fief is Assad's own arm, the air force and air defense command, manned by Alawites sent to the Soviet Union for special missile training.

"If Assad can hold on another five years, he can write his own ticket for the foreseeable future," a critic remarked, referring to the thousands of young Alawites Assad had dispatched abroad for a wide spectrum of specialized training.

Some observers believe that alleged favoritism toward fellow Alawites is Assad's Achilles' heel.

The Sunni merchants who once controlled Syria readily admit their error in failing to send their sons to the Homs military academy after Syria won independence from France. Their contempt for the military profession was to cost them dearly—first political power, then control of the economy.

Assad's was the first generation of Alawite air force officers. The first Alawite air force commander played a crucial role in persuading Assad and 13 others to join an early batch of cadets when the air force academy was opened in Aleppo.

Assad flew British-made Meteor jets, was credited with downing a British Canberra bomber that strayed over Syrian air space in the Anglo-French-Israeli Suez operation in 1956 and later went to the Soviet Union for a course in night-flying with Mig-17s.

Although his official biography surely errs in stating that he joined the Baath Party when 16—the party was not founded until the following year—Assad was active politically in that pan-Arab Socialist movement whose name means "resurrection."

When Syrian instability prompted the Baathists to call Egypt's President Nasser into Syria in 1958 to prevent a feared Communist takeover, Nasser's first act was to purge Baathist officers. Many of those who survived, including Assad, were sent to Egypt for easier surveillance.

Assigned to a night-combat squadron, Assad was still a very minor figure in the Alawite air force.

A disgruntled former Baath Party leader remarked, "We knew how to organize—that's very important in plotting." When the union between Egypt and Syria collapsed in late 1961, Syria's new rulers took no chances. Assad was one of the many surviving Baath Party officers who were eased out of the armed forces. Assad was transferred to the Ministry of Sea Transportation.

Such precautions proved inadequate. Cashiered Baathist and Nasserite officers took advantage of a coup that put in power Paris-trained Michel Aflaq and Salah Bitar, the Baath's two civilian ideologues, only months after officers in neighboring Iraq seized power in Baghdad in their name.

The Baathist officers then drove the Nasserites from the army. From then on, the Baathists, increasingly of Alawite extraction, began eliminating each other in a series of power struggles

The Alawite air force leaders promoted themselves to general and made a Sunni, Gen. Amine Hafez, the figurehead president of the republic.

Another internal eruption, in February 1964, saw Aflaq and Bitar rely on the army to expel the younger civilians from the party. The party founders became, in turn, political hostages of the military.

The two leading Alawite air force generals fell out. The loser, Mohammed Amrane, was forced out of the country and assassinated in Lebanon in 1971 by killers widely believed to be acting at Assad's behest.

The winner, Salah Jadid, felt so weakened by the successive purges that he leaped headlong into the arms of the Soviets and the Egyptians to shore up his position.

Jadid sought to turn the Baath Party into a real instrument of power, formally resigned from the armed forces and handed the army over to Assad. A lieutenant colonel upon returning to active service in 1963, Assad was a lieutenant general by December 1964 and defense minister and full general after a Jadid-led coup in 1966.

But Jadid made himself unpopular. His uncompromising Marxist economics and nationalizations proved disastrous. During the Six-Day War with Israel in 1967, he mistakenly announced that the vital city of Kuneitra had fallen, touching off a general panic in the Syrian army that facilitated Israel's capture of the Golan Heights.

"Any civilian with a pistol could have taken Damascus the week after the Six-Day War," one Syrian exile remarked. "The newspapers, the ministries, the central bank, all had decamped and set up temporary shop in Homs. Damascus was an open city."

It was only after the debacle that Assad emerged from the shadows, with characteristic caution. Legend insists that Assad was at first not empowered to make command changes involving air force officers above the rank of major.

Assad built up his own air force intelligence operation and made it independent of Syria's other intelligence and secret police networks. He insured air force loyalties by lavishing on officers privileges that were anathema in an otherwise fanatically Marxist regime.

When Assad decided to move, it was with the backing of the most modern arm of the armed forces and with the knowledge that to many Syrians, bored with the intricacies of Baathist politics, any change would be welcome.

Indicative of the prevailing atmosphere then—and of Assad's own character—is the story of his intervention on behalf of the Alawite poet-Bedouin Jabal. An anti-Baathist, the poet published a poem in 1968 in a Beirut newspaper ridiculing the party. Syrian secret police chief Abdel Karim Jundi kidnaped him.

When Assad found out, he telephoned Jundi and ordered him to release the poet alive and well on pain of having his headquarters bombed. Jundi replied that the poet was in a coma and had been thrown out of a speeding police car in front of a Damascus hospital. Assad summoned the best doctors in Damascus and Beirut to care for the poet, who remained under his personal protection.

Assad did not move against Jadid until his rival gave him a perfect opening. In October 1970, Jadid ordered Syrian armor across the Jordanian-border to aid Palestinian commandos to overthrow King Hussein. The invasion was a total failure—notably because Assad deliberately withheld air cover. This allowed a dozen over-age Jordanian jets and armor to maul the Syrians badly.

In rapid succession, Assad had himself named premier and defense minister that November, elected president of the republic for a seven-year term on March 12, 1971, and named the party leader the following August.

Assad disappointed Syrians who had hoped he would dismantle the party's police operations.

Although he enjoyed complete control of the armed forces, he soon placed his controversial, womanizing brother, Rifaat, at the head of what for all intents and purposes is another army. Formally called the Republican Companies, this organization of from 13,000 to 40,000 men is an elite anti-coup force stationed near Damascus and equipped with its own helicopters, planes, artillery and other modern materiel.

Assad's toleration of Rifaat's personal and business excesses is an anomaly in an otherwise puritanical regime.

To insure his continuity in power, Assad sits at the center of a half-dozen intelligence operations, for the most part run by Alawites. "Each is empowered to arrest anyone," an opponent remarked, although in recent years ordinary citizens have worried less about arbitrary arrest. Nevertheless, one Syrian lamented, "even with connections it takes weeks often to find out where someone is being detained."

Assad pays lip service to the Baath Party apparatus, in part, apparently to camouflage his own absolute personal power. The party also helps to distract attention from the Alawites' important share of power.

Even in decline, the Baath Party symbolizes the mainstream of Syrian nationalism, a form of protective coloration that minorities such as the Alawites, Christians and Druzes have found a useful channel for assimilation in a still predominantly Sunni society.

The product of one of the toughest survival courses in the unstable Middle East, Assad has been careful to travel outside his own country only rarely.

Nonetheless, as acute an observer as Mohammed Hassanein Heikal, Nasser's confidant and former boss of Cairo's Al Ahram publishing empire, maintains that Assad has a "comprehensive view of the world and knows exactly what he wants."

[From the International Herald-Tribune, Apr. 19, 1976]

SYRIANS STAKE OUT A ROLE IN LEBANON

(By Henry Tanner)

DAMASCUS.—Syria's decision to send troops into Lebanon April 9 was made more than 10 days earlier, after an unsuccessful meeting here between President Hafez al-Assad and the leader of the Lebanese leftist-Moslem alliance, Kamal Jumblat.

The purpose of the Syrian move was to make sure that Mr. Jumblat and the "Lebanese Arab Army" of Lt. Ahmed Khatib, the Moslem army deserter, would not defy an explicit Syrian order against an all-out attack on Christian areas, Syrian officials said.

The second aim was to prevent el-Fatah, the largest group within the Palestine Liberation Organization, from renewing its military support to Mr. Jumblat after having withdrawn it from him under extreme Syrian pressure.

In direct diplomatic contacts and through King Hussein of Jordan, who was in Washington this month, the Syrians were implored by the State Department to keep down the number of their troops in Lebanon and to stay north of the Damascus-Beirut line, well away from the Israeli border, informed Western diplomats said.

Both wishes were respected. Western diplomats said that Syrian special forces that have penetrated deep into Lebanon total only "several hundred men" but that a force of about 8,000 men is massed on the border, some of them just inside Lebanon, and ready to move.

How far the Syrian forces will eventually push is not clear.

The Syrians have not yet decided, Western diplomats believe. Mr. Assad is moving in the deliberate way that has been his method all along in the Lebanese crisis. He is known to have taken direct personal charge of Syrian policy in Lebanon.

The impression here is that Mr. Assad would like to keep his troops out of Beirut but that he would not hesitate to send them there if he judged it necessary.

"I just don't see any clear line where they could stop," a diplomat said.

"We are cautious people," a Syrian official said. He and others made it clear that the decision to use Syrian troops openly had been made reluctantly.

"A reluctant but determined dragon," was the way a diplomat described Syria. He added that the Syrians came to the conclusion they had to intervene directly after all attempts to direct events in Lebanon by remote control through as-Saiqa, the Syrian-dominated Palestinian commando group, had failed.

According to Palestinian sources in Beirut, several thousand Palestinians deserted as-Saiqa after it was used by the Syrians to obstruct Lt. Khatib's force of deserters from moving on the presidential palace outside Beirut.

One of the main points that emerged from conversations here and in Beirut with Syrian and Palestinian officials and diplomatic sources was that the Syrian military intervention was not in itself a club by which the Syrians imposed their will on el-Fatah and Mr. Jumblat, but that it was a "follow-up" to political persuasion.

The Jumblat-Assad meeting took place March 27.

According to the Syrian version, the Lebanese leftist leader told Mr. Assad that the Moslems now had the military strength to achieve all-out victory over the Christian conservatives and that he, Mr. Jumblat, intended to establish a leftist Arab popular republic in Lebanon.

The Syrians, aware that the military balance had shifted in favor of the Moslems, were determined to prevent this.

"We could not let them destroy the Christian side," a Syrian official said. "The war in Lebanon cannot be permitted to end in a military victory for one side. When it is over, the Lebanese must be able to live with each other and the Palestinians in Lebanon must be able to live with the Lebanese, all the Lebanese," he added.

"If we had not acted, the fighting of the last few months would have looked like child's play compared to the slaughter that would yet come," another Syrian source said.

Mr. Assad therefore told Mr. Jumblat that he had to call off the Moslem-leftist action. Mr. Jumblat grudgingly complied a few days later.

Mr. Assad also conferred with Yassir Arafat, the head of both el-Fatah and the parent PLO. In what informed diplomatic sources here describe as "the toughest meeting" between the two men, Mr. Assad told the Palestinian leader that the Palestinians had to choose between Syria and Mr. Jumblat.

The Syrian President is reported to have added that if el-Fatah did not give in, Syria would not only cut off arms to the Palestinians but also cease to support the Palestinian cause internationally and would look out for its own narrow national interests, including perhaps a disengagement agreement with Israel.

Mr. Arafat reluctantly chose Syria over Mr. Jumblat and el-Fatah ended its direct participation in the leftist Moslem military offensive. That made the April 2 truce possible.

But, as the Syrians knew, el-Fatah officials were profoundly unhappy.

El-Fatah officials in Beirut at the time said they would never permit Syria to take over el-Fatah and turn it into another as-Saiqa. They charged that the Syrians and as-Saiqa had alienated the majority of Lebanese Moslems and thus endangered the long-term presence of the Palestinians in Lebanon.

"We like the Syrians, but up there at their borders, not down here in Beirut," a Fatah official said in an interview.

The Syrians, aware of such feelings, feared that el-Fatah might yet change back to all-out military support for Mr. Jumblat.

As for Mr. Jumblat, he became anathema in Damascus since he challenged Mr. Assad.

It was against this background that Syria decided to intervene militarily. Its ships blocked supplies to the Moslem-held port of Tripoli in northern Lebanon. As-Saiqa prevented a Libyan plane from unloading arms at Beirut Airport and got into a fire fight with members of the commando group of George Habash. The land incursions from the Syrian border followed.

For the moment, the Syrian intervention appears to have achieved its purpose. Mr. Jumblat no longer talks about complete victory.

But nobody here claims to know whether the present level of Syrian involvement will be enough to end the Lebanese civil war.

THE FLORENCE AGREEMENT

Mr. HUMPHREY. Mr. President, since 1966 the United States has adhered to a most successful international convention—the Florence agreement—which eliminates tariffs and other trade barriers to the free international flow of educational, scientific and cultural materials. Over 60 other countries also adhere.

The existing agreement, which was drafted in 1950 deals largely with the traditional printed materials, such as books, periodicals and music. In Paris in late March of this year an international meeting was held which drafted an extension—called a protocol—to the Florence agreement which would give the same treatment to films, recordings, and microfilm publications. Additional provisions provide special benefits to nonprofit libraries of all types. This protocol, if approved by the UNESCO General Conference in October of this year, will be open for adherence as a supplementary international convention late this year or early 1977.

The organized producer and consumer groups in this country concerned with film, recordings and microforms are enthusiastic supporters of the protocol and look forward to the day when the same duty-free treatment will be given to these materials as is now accorded to printed publications under the existing agreement.

Mr. President, I commend to my colleagues an article on this subject in the April 26, 1976, issue of Publishers Weekly entitled "Delegates Adopt Protocol for Florence Agreement," and I ask unanimous consent that this article, by Herbert R. Lottman, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DELEGATES ADOPT PROTOCOL FOR FLORENCE AGREEMENT

The process of including films, recordings and other new materials in the 1950 Florence Agreement on the importation of educational, scientific and cultural materials was all but completed at an intergovernmental conference held in Paris in March.

The document hammered out by delegates of 56 member states and adopted unanimously at the closing session on March 30 will now go to next fall's General Conference of UNESCO, scheduled to open in Nairobi in October, for final approval. Once approved by the General Conference, the new document, known as a Protocol, will be open for accession as an international convention to countries which are already members of the original Florence Agreement (there are 68 member countries at present).

At the same time, the Protocol clarifies the definition of books exempt from customs duties to include printed books regardless of the space given over to illustrations, workbooks, crossword puzzle books, luxury editions, etc. It adds microfilms of all types of publications, maps and charts, architectural and engineering plans. Countries accepting the Protocol must also accept clarification of the duty-free import of works of art of an educational, scientific or cultural character; scientific instruments and apparatus; articles for the blind and other handicapped persons. But they may choose between two options for visual and auditory materials, either according unrestricted exemption, or limiting this franchise to materials of an educational, scientific or cultural character when imported by approved institutions.

The first step toward broadening the Florence Agreement took place in Geneva in December 1973, when a review conference proposed a certain number of amendments. UNESCO appointed consultants to suggest precisely what new materials should be covered. In August 1975 countries belonging to the original Florence Agreement were asked for comments on a draft Protocol by December 15 of that year. Most of them did not turn in their replies in time, and a good many changes were made in the course of the conference held at UNESCO headquarters from March 22 to 30. The United States, which came into the Florence Agreement relatively late (1966), is a major producer of materials included in the Protocol, and it is predicted that the major publishing countries, representing the lion's share of world trade—exporting and importing—in these materials. will move quickly to ratify and accede to the Protocol when it is published after the General Conference.

One issue raised but not resolved in Paris was the claim of the Common Market countries, all of which are members of the Florence Agreement, that they could not accede individually to the new Protocol, since the Treaty of Rome establishing the European Economic Community requires them to act as a body on tariff matters. The matter was turned over to the Nairobi General Conference for resolution. Another and expected hurdle was raised by representatives of developing nations who asked for special treatment in the form of reduced excise and other manufacturing taxes on exported materials in the producing countries. Such adjustments being beyond the ken of exporters, a compromise was accepted by which producing countries agree not to levy export taxes—which they don't do anyway.

On the final day the conference agreed to include an escape clause for developing countries should they find outside competition harmful to domestic products. On a product-by-product basis they can limit acceptance of the Protocol, but in such cases they must give notice, and if possible advance notice, to UNESCO, which will inform member states. But, if they choose to do this, developing nations must act on a non-discriminatory basis, not directed against any one country or countries. A significant breakthrough was the clause by which contracting states agree to provide licenses and/or foreign exchange for public library acquisitions, although this is one of the clauses which has been made optional.

The United States delegation was headed by the State Department's Guy Coriden, director of the Office of International Arts Affairs in the Bureau of Educational and Cultural Affairs. Another member of the delegation, Robert W. Frase, assistant executive director of the National Commission on New Technological Uses of Copyrighted Works, served the conference as Rapporteur, sharing the speakers' table with Finnish Ambassador Ake Frey, conference chairman.—HERBERT R. LOTTMAN.

A BICENTENNIAL EVENT IN BALTIMORE, MD.

Mr. MATHIAS. Mr. President, the Bicentennial is upon us, and although I have some misgivings about some of the artificiality that has been created to commemorate it, I also feel a deep sense of pride in some of truly meaningful ways that Americans are going about observing our 200th anniversary as a nation. I am particularly proud of some of the things that are happening in Maryland, which contributed so much to the birth and early development of the country, and has so much to share with the rest of the country this year. The Washington Post, in an editorial May 5 entitled "Maryland Heritage," described a Bicentennial event in Baltimore that has contemporary significance even beyond its historical basis. I am pleased to bring Baltimore's achievement in this regard to the attention of my colleagues, and I ask unanimous consent that the editorial from the Post be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 5, 1976]

MARYLAND HERITAGE

Baltimore's five exhibits on the American Revolution are revolutionary in themselves. For the first time in America's cultural history, it seems, different institutions in the same city are closely working together, pooling their financial, technical and scientific resources on one big show.

The show is a survey of "Maryland's Heritage" and will be open until June 20th. The Walters Gallery displays "European Art at the Time of the Revolution" with emphasis on English, French and Italian paintings that have influenced American art. There is also a display of European artifacts which have been produced for the American market, such as clocks decorated with a portrait of George Washington. The Baltimore Museum has prepared an exhibit of "American Painting and Decorative Art of the Revolutionary Period." It includes paintings by Joshua Johnston, America's first widely known black painter. The museum also shows Chippendale, Hepplewhite and Sheraton furniture by Baltimore and Philadelphia cabinet makers. The Maryland Historical Society shows us daily life in the tobacco and wheat growing colony under the title "From Feudalism to Freedom: Maryland in the American Revolution." In addition to several wealthy households, the exhibition also documents the sordid lot of the slaves. The Peale Museum's "Baltimore in the Revolutionary Generation" illustrates the exploits of the city's leaders who fought in the revolution and the War of 1812 and who capped their civic efforts by erecting Baltimore's Washington Monument. The Maryland Academy of Science celebrates two Maryland Nobel Prize winners. Albert Michelson, who measured the speed of light, and Christian Anfinesen, who discovered certain characteristics of enzymes. Among the other scientists featured in the display is Banjamin Banneker, the black tobacco farmer who died in 1797 and who was a self-educated astronomer given to highly complex mathematical calculations. He is best remembered for his almanac.

More impressive, perhaps, than the exhibitions themselves, is the spirit of cooperation between the five institutions that created them. More often than not, cultural institutions in America are as competitive as business organizations, competing with one another not only for financial contributions, but also for art scoops and acquisitions (my Picasso is bigger than your Picasso!), but also for popularity. Baltimore's museums have cooperated before, but never to this extent. Their joint planning of the bicentennial exhibit has given it more depth and interest than any one museum could have created by itself. It has only one catalogue, which is, of course, a great deal less expensive than five. There is, furthermore, a special bus service that takes visitors around the five museums for only ten cents.

All this has startled the National Endowment for the Arts into granting a substantial subsidy. The Endowment's museum specialist, John R. Spencer, proclaimed the feat "the most fantastic thing I have ever heard of." And the Endowment's chairman, Nancy Hanks, talks about it in her speeches all over the country, citing Baltimore's joint exhibition as an example for other cities to follow.

THE PANAMA CANAL TREATY

Mr. McGEE. Mr. President, in Monday's issue of the Washington Post, there appeared an excellent column written by Marilyn Berger analyzing the current controversy over the Panama Canal Treaty negotiations.

As Ms. Berger so aptly noted:

> It's distressing that a candidate for President of the United States can win votes by promising to lead us into the past. That's what Ronald Reagan has done with his demagogic misleading refrain about the Panama Canal. "We bought it and paid for it . . . it's ours . . . just as much as the Louisiana Purchase and Alaska are ours . . . we're not going to give it up to some tinhorn dictator."

Candidate Reagan's assertions are both factually incorrect and simplistic. This would be disconcerting enough under normal circumstances. However, the Governor is holding himself out to be a serious candidate for his party's nomination to this Nation's highest office, while demonstrating that his leadership capabilities must be called into serious question. The conduct of foreign policy is not a simplistic process of jingoistic breast-beating and club-swinging. The world has changed much too rapidly to accommodate such primitive delusions. Ultimately, it can only serve to endanger what our vital national and security interests might be.

The proper role for those who must give the ultimate direction to the foreign policy decisionmaking process is to reduce the uncertainty of potential threats in the conduct of such policy and to have the vision and wisdom to insure against the occurrence of future events which would have enormous costs to our Nation. It is apparent that Governor Reagan is not a man of these important qualities, as evidenced by his rhetoric associated with such foreign policy issues as the Panama Canal.

The cautious estimate of our own Department of Defense is again worth noting. We are negotiating to protect our interests in the canal; no treaty relationship is so endurable that modernization of such a relationship is not required from time to time; and to hold out the notion that maintaining the status quo is even relevant is indeed a dangerous proposition. The Department of Defense could hardly be characterized as an institution which is "soft on communism" or which demonstrates a proclivity for Marxism. Certainly, one could hardly characterize our distinguished colleague from Arizona, Senator BARRY GOLDWATER, as a "giveaway artist."

In essence, the entire Panama Canal Treaty debate, as offered by Governor Reagan, is a ludicrous contradiction of simplistic rhetoric. Ms. Berger most appropriately observed in her concluding remarks that:

> Our statesmen—even our politicians—are supposed to have vision. But Reagan has been facing in the wrong direction. Unhappily, the results of the Republican primary in Texas did not offer much hope that we will be able to turn around any time soon and look forward again.

I ask unanimous consent the column be printed in the Record.

There being no objection, the column was ordered to be printed in the Record, as follows:

[From the Washington Post, May 3, 1976]

Panama Canal: Reagan's "Good Old Days" Issue

(By Marilyn Berger)

It's distressing that a candidate for President of the United States can win votes by promising to lead us into the past. That's what Ronald Reagan has done with his demagogic misleading refrain about the Panama Canal: "We bought it and paid for it . . . it's ours . . . just as much as the Louisiana Purchase and Alaska are ours . . . we're not going to give it up to some tinhorn dictator."

To Texas, where Reagan turned up the volume on a melody we first heard in New Hampshire, it seemed as effective as a call to "Remember the Alamo." His audiences loved it. It's an issue that appeals to patriotism, love of flag and country. It permits a show of American strength after years of being pushed around in Vietnam. What's more, it's a foreign policy issue people can understand. It's not complicated like limitation of strategic arms or the problem of proliferation of nuclear weapons.

It evokes images of Teddy Roosevelt, the good old days when men were men and what America wanted America got. Doesn't everybody remember reading in his school books that we conquered the jungle and yellow fever all at once and dug a canal? One official has called it the moonshot of the first decades of this century.

That we engineered the revolt of Panama from Colombia and presented a treaty to the new Panamanian leaders on a take-it-or-leave-it-basis doesn't figure much in those memories. The Panamanians had to accept or they would have been left to the tender mercies of Colombia.

That's how we got control "in perpetuity" over the 10-mile strip of land that bisects Panama. But even that treaty does not make the United States sovereign in the Canal Zone. No less a legal expert than William Howard Taft, who later became Chief Justice, said the United States does not exercise sovereignty there, that the Hay-Bunau-Varilla treaty of 1903 did not make the Canal Zone "ours."

Nor did the $250,000 a year we were paying to Panama until 1936 when the sum was adjusted to $500,000 because of the depressed value of the dollar. Since 1955 we've been paying $2.3 million (which amounts to just about one-tenth of one per cent of what we'll be paying for a fleet of new bombers).

While the United States has acted as if it were sovereign in the Zone and offended the Panamanian sense of nationhood, the attributes of sovereignty were missing. Take just two examples: An American can remain in the Canal Zone only as long as he or she is employed there. A person born in the Zone of Panamanian parents is not an American citizen. Anyone born in any of the states of the Louisiana Purchase, or Alaska, to borrow Reagan's examples, is a U.S. citizen no matter what the nationality of the parents.

In 1964, following three days of riots along 4th of July Street, President Lyndon B. Johnson (a Texan), made a public commitment to negotiate a canal treaty of fixed term—meaning the end of rights "in perpetuity." Treaties were completed by 1967, but then domestic politics interfered. First Panama had an election, then a revolution. Then there were the 1968 elections in the United States. Anyway, the new government of Panama, under Gen. Omar Torrijos, rejected the draft treaties.

The Panama Canal was becoming a symbol to Latin American countries of Yankee oppression in an era when colonial rule was ending almost everywhere. Ambassador Ellsworth Bunker, the chief U.S. negotiator for a new Panama treaty, has warned that unless there is a new foundation for a more modern relationship "some form of conflict in Panama would seem virtually certain."

Most officials admit the canal is indefensible. It is a hostage to every ship that passes through the locks. A well-placed grenade thrown from nearby hills could knock it out of commission. That hasn't happened, and the Panamanians have been patient. By most accounts, they didn't expect any spectacular achievements this year, another election year in the United States.

Torrijos, who has placed far greater stress on his country's educational system than on its defense, has even shown a sense of humor. During a recent press conference in Jamaica, where he was on a state visit, he said he didn't want to talk about the Panama Canal because it had become a political issue in the United States. "There is one candidate," he said, "who sounds like his speeches were written by Cassius Clay."

The negotiations for a new treaty seem to have been going along well, if slowly, when the Reagan challenge forced the administration into a low profile. In fact, officials in the Pentagon and the State Department will say nothing for quotation, giving the impression that the entire government apparatus has been enlisted in the service of President Ford's reelection. That service, for the moment, is to keep quiet.

Some diehards in the Senate think they could block any new treaty that "gives away" the canal. The administration thinks otherwise, that a reasonable treaty preserving our interest in the operation and defense of the canal with a gradual turnover to Panama, will be approved by reasonable men. Keeping the canal open and efficient does not require that 40,000 Americans live in what amounts to a company zone, with company stores, a colonial enclave representative of another era.

Much more than the canal is at stake. The nations of Latin America see this as a test case. The outcome can determine whether there will be hemispheric cooperation or hemispheric confrontation, with our southern neighbors joining the rest of the Third World in opposition.

Our statesmen—even our politicians—are supposed to have vision. But Reagan has been facing in the wrong direction. Unhappily, the results of the Republican primary in Texas did not offer much hope that we will be able to turn around any time soon and look forward again.

MR. REAGAN'S VICTORY IS NOT A CALL TO THE RIGHT

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that an editorial from yesterday morning's Philadelphia Inquirer entitled "Mr. Reagan's Victory Is Not a Call to the Right," be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Philadelphia Inquirer, May 4, 1976]

Mr. Reagan's Victory Is Not a Call to the Right

There are primary elections today in Alabama, Georgia and Indiana, hot on the heels of Ronald Reagan's sweep of the Republican primary in Texas Saturday. There is more to come after that, before the Republican convention, and thus far, Mr. Reagan has not made a winning showing against President Ford outside the South. Time, as is its habit, will tell.

None of that minimizes the dramatic impact of Mr. Reagan's victory in Texas, carrying all the delegate races by margins wider than his own most optimistic hopes. But to take the Texas bombshell as indication that Mr. Reagan represents a prudent nominee for the Republican Party would be, we believe, to ignore both the best interests of the party and those of the nation.

Mr. Reagan is a campaigner of charm and force. He is fortuitiously running—as Jimmy Carter is in the contest for the Democratic nomination—as an "outsider," a man not having to carry a feather of the albatross of the federal government in Washington, which clearly has aliented immense numbers of Americans. He has earned loyal support within the conservative wing of his party by hard work going back to the Goldwater campaign of 1964.

It was Mr. Reagan's articulate support of Sen. Goldwater's presidential candidacy which first vaulted him into the hearts of Americans of conservative disposition. And in that there is a revealing irony.

Even as the Texas votes were being analyzed, Sen. Goldwater told a television panel that Mr. Reagan's position on the Panama Canal dispute is a wrong-headed one. Mr. Reagan campaigned hard on the contention that the Ford Administration is soft on Panama, caving in *when* it should be standing firm—and so on. Sen. Goldwater's appraisal: "I have to support Ford's position," which is to renegotiate the canal treaty. And—most significantly—"I think Reagan would too, if he knew more about it."

For the grand old man of Republican conservatism to read out for superficiality his faction's standard-bearer is particularly dramatic example of what we take to be the central failing of the Reagan candidacy. It is simplistic and it is more tuned to theatrics and to easy answers than to constructive principles.

The Texas results emphasized that. The cross-over to Republican primary ballots by Democrats was enormous. Mr. Reagan clearly picked up the votes of the disenchanted who have for years been identified with George Wallace. Texas itself is a state with a conservative stripe far wider than that of the national electorate.

Mr. Ford campaigned hard in Texas, and latterly took to strong personal criticisms of Mr. Reagan, on one hand, and increasing emphasis of his own conservative positions on the other. Both tactics were ill-conceived.

The strength of American politics—and, as Sen. Goldwater is best able to attest, of the Republican Party—is in the ideological center. Mr. Reagan, with his Texas victory, has increased the force of his threat to Mr. Ford. For Mr. Ford to move more strongly to the ideological extreme which Mr. Reagan represents would be to play to his opponent's strength—a strength which at its greatest has never carried the country or even a significant minority of it.

Mr. Ford would enhance his own strength by emphasizing the accomplishments and the essential sanity of the broad, moderate and progressive middle ground of his party—and of the nation's electorate.

WALL STREET JOURNAL FAVORS REPEAL OF DISC TAX SUBSIDY

Mr. KENNEDY. Mr. President, this morning's Wall Street Journal contains a significant editorial calling for the repeal of DISC, the expensive $1.4 billion in the Internal Revenue Code.

Earlier this week, the distinguished Senator from Colorado (Mr. HASKELL) and I released a study by the Library of Congress concluding that repeal of DISC would have no disruptive effect on U.S. jobs or the level of U.S. exports.

Although the Wall Street Journal editorial disagrees with some of the conclusions of the Library of Congress study, the editorial states unequivocally that DISC should be repealed, because it is an unjustifiable subsidy to foreign consumers over U.S. consumers and to U.S. exports over domestic producers.

Mr. President, there is growing support in the Senate for the repeal of DISC. I believe the Wall Street Journal editorial will be of interest to all of us as we prepare to consider the issue, and I ask unanimous consent that the editorial may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE "DISC" STUDIES

[From the Wall Street Journal, May 5, 1976]

Are Domestic-International Sales Corporations (DISCs) in the national interest? Does the economy benefit by giving a special tax break to exporters? The U.S. Treasury says yes. A Library of Congress study, commissioned by Senator Edward Kennedy of Massachusetts and Floyd Haskell of Colorado, says no.

We say yes and no. We agree with the Senators that the 1971 law permitting tax advantages to exporters should be repealed. Giving manufacturers of export goods a tax preference over manufacturers of domestic goods is a departure from the most efficient allocation of resources. There's no reason exporters should be singled out for special treatment any more than companies with names beginning with the letters A through M.

Yet we think that the rationale offered up in the Library of Congress study is patent nonsense. It concludes that repeal would have little or no adverse impact on jobs or exports because exporters would export anyway. In other words, tax rates have no effect. The government might as well repeal DISC and keep the $1.4 billion.

But a tax increase is a tax increase and will reduce incentives to invest, employ and produce just as surely as would an increase of $1.4 billion in the tax on capital in some other area. Of course the economy would suffer. Which is why, in addition to repealing DISCs, the corporate tax rate should be cut to 46% from the current 48%. The idea behind these export-sales companies is so silly it could only have been conceived in Washington, D.C. If an Illinois company wants to make widgets for sale in Belgium, it gets a tax break. But if it exports Illinois widgets to Ohio, it get no tax break. If you are a consumer of Illinois widgets, it is thus to your advantage to be a foreigner rather than an American.

Replacing the DISC loophole with an across-the-board corporate tax cut, which is in fact the perfectly logical proposal of Rep. Sam Gibbons of Florida, would not only give American buyers of American goods equal footing with foreigners, it would also be beneficial to the U.S. economy, reducing the need for thousands of loophole lawyers and accountants and their counterparts in the Washington bureaucracy.

1976 U.S. WHEAT OUTLOOK

Mr. HUMPHREY. Mr. President, I wish to share with this body a special report prepared by the Western Wheat Associates regarding the outlook for wheat production in 1976.

There have been numerous reports concerning the extensive drought throughout areas of the southern Great Plains from last fall into early 1976, and these stories have created some fears as to the level of production to be anticipated in 1976.

While it is true that some reductions in output are expected and particularly in the States of Kansas, Oklahoma, Texas, Colorado, and to a certain extent Nebraska, we do expect to harvest the second largest wheat crop in history this year.

Recent rains have reduced the likelihood of serious yield reductions although total winter wheat production is expected to be 200 million bushels lower than last year. Total U.S. wheat production for this year is presently estimated at around 2 billion bushels.

More importantly, it is anticipated that the approximate carryover of 525 million bushels of July 1, 1976, will be increased by further 200 million bushels from the 1976–77 crop.

Mr. President, I ask unanimous consent that this special report be printed in the RECORD so that my colleagues may have the benefit of this information.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[Special report from Western Wheat Associates, USSA, Inc., Washington, D.C., Apr. 22, 1976]

THE 1976 U.S. WHEAT PRODUCTION OUTLOOK

In spite of the persistent drought which plagued the Southern Great Plains area from August well into March, the United States will harvest the second largest wheat crop in history this year. The production this year, added to the carryin stocks, will result in the highest level of available wheat supplies since 1961. With the somewhat lower expectation for 1976/77 exports, the wheat carryover next year is projected to increase for the third consecutive year.

The winter wheat crop in the Southern Plains states received some fairly general and beneficial rains in April which helped alleviate the effect of the severe drought. However, the moisture will not bring a major reversal in production prospects since the crop was already too far gone in many areas. With the added moisture, some farmers will likely plow down the weakened wheat stands and plant sorghum in an attempt to recoup their losses with a cash crop. Brighter prospects in the Northern Plains will offset some of the major losses incurred further South.

Total winter wheat production will be approximately 200 million bushels lower than a year ago, with most all of the reduction coming from the Hard Red Winter wheat producing states of Kansas, Oklahoma, Texas, Colorado and—to a lesser degree—Nebraska.

The Hard Red Winter wheat crops in Montana, South Dakota and Nebraska have benefited from the timely April rains and the 30 day weather outlook for these states predicts above normal precipitation. With the more favorable plantings, the wheat production in the Northern Great Plains will be approximately the same as last year.

The Pacific Northwest states of Washington, Oregon and Idaho increased their white wheat acreage slightly last fall and the moisture conditions are generally favorable throughout the entire area. This region experienced excellent yields last year in most areas and, with the slight increase in plantings and good moisture conditions thus far, the 1976/77 white wheat crop could be ten million bushels more than last year's record crop. The Soft Red Winter wheat production in Illinois, Indiana and Ohio will be at about the same levels as last year.

Based on the current weather conditions and projected plantings, the 1976 winter wheat crop—including Hard Red Winter, Soft Red Winter, and White wheat—is estimated at 1,450 million bushels, 200 million bushels less than a year ago.

The spring wheat production prospects in the Northern Plains states of Montana, North Dakota, South Dakota and Minnesota have improved considerably. Spring wheat plantings, which are underway at the present time, are about two to three weeks ahead of normal. The USDA Prospective Plantings report indicates a large 16.5% increase in spring wheat plantings and solid moisture conditions improved during April to allow for optimistic production prospects.

The increased spring wheat acreage has primarily been the result of a reduction of 545,000 acres in projected durum plantings in North Dakota, Montana and South Dakota plus a 525,000 acre reduction in Flaxseed plantings in North Dakota, South Dakota and Minnesota. A 210,000 acre reduction in projected Barley plantings and 200,000 acre reduction in Oat plantings will also go into the sharply increased projected spring wheat acreage. In addition, some traditional grassland has been broken up in Montana and North Dakota to bring new land into production. It is estimated that 100,000 acres of rangeland in Eastern Montana and 200,000 to 300,000 acres in North Dakota have been plowed up, most of which will be seeded to spring wheat.

Spring wheat production—including durum—is estimated at 550 million bushels, a 100 million bushel increase over last year. The larger acreage in the traditional spring wheat areas plus significantly higher durum plantings under irrigation in California and Arizona account for the sharp increase in the combined spring wheat and durum production.

Total U.S. wheat production for the 1976/77 crop is currently estimated at two billion bushels. The beginning stocks on July 1, 1976 will be approximately 525 million bushels, bringing the total supply availability to 2,525 million bushels. This is the highest level since 1961 when the wheat supplies were 2,679 million bushels.

We estimate domestic usage at 700 million bushels for 1976/77. The domestic milling requirements are a predictable 530 million bushels, leaving the remaining 170 million bushels for seed and animal feed. This is up only slightly since the prospective record corn crop will likely prevent larger amounts of wheat from being used in domestic livestock feeding because of the price relationship.

We project 1976/77 wheat exports at a maximum of 1,100 million bushels. Although it is not possible to make firm export estimates at this early date because of the vagaries of weather in either major wheat producing or consuming regions, the present situation does point to lower levels than the 1975/76 record of about 1,250 million bushels.

Weather conditions are generally favorable in the Northern Hemisphere with the possible exception of the U.S.S.R. The Soviet winter wheat crop is believed to have suffered larger than average winterkill of 25%. This will likely result in higher than normal spring wheat acreage, which is currently being planted.

Eastern Europe has received beneficial moisture as has North Africa and the Middle East. Rainfall has been infrequent and spotty in the major wheat growing areas of China but is considered to be generally adequate.

Brazil's government is pushing an all-out program of expanding wheat production to reduce their dependency on imports. Brazil will import about 3.4 million tons of wheat from all sources this year but, if their planting targets are realized, total imports could fall to approximately one million tons in 1976/77.

India, the largest customer for U.S. wheat this year, is expecting at least an average spring grain crop. The wheat to be shipped to India under a pending PL 480 agreement is expected to go into their reserve system, which is a strong indication that their 1976/77 import requirements may not be as great as in recent years. Of course, this situation could change rapidly and significantly if the summer monsoons are not sufficient to develop a good fall grain crop.

Of more importance are the developments in the other major wheat exporting countries. Canada's spring wheat planting intentions are estimated to increase by 18% over the 1975 crop. The Canadian Wheat Board has substantially increased the initial payment on their 1976 crops to encourage farmers to expand wheat production.

Under their new government, Argentina is also sharply raising wheat support prices to encourage expanded wheat production. Their goal is to improve their balance of trade position through increased wheat exports.

The other major wheat exporter, Australia, has good soil moisture conditions for wheat plantings and intends to increase planting by 12% over last year. These expanded plantings in the major exporting countries indicate more competition for U.S. wheat in the export markets, which will likely result in lower world wheat prices.

In summary, the 1976/77 wheat crop will be the second largest on record at two billion bushels. Adding the 525 million bushels of carryover stocks, total wheat supplies will be the largest in 15 years at 2,525 million bushels. With approximately the same level of domestic usage of 700 million bushels and a lower export level of 1,100 million bushels, wheat stocks at the end of the 1976/77 marketing year are projected to increase another 200 million bushels to 725 million bushels. This would be the highest level since July 1, 1972, and would be the third consecutive year that wheat stocks have increased from the very low levels of 247 million bushels on July 1, 1974.

U.S. WHEAT PRODUCTION AND UTILIZATION

	USDA 1972/73	USDA 1973/74	USDA 1974/75	WWA 1975/76	WWA 1976/77
Planted (million acres)	54.9	59.0	71.4	75.1	78.4
Harvested (million acres)	47.3	53.9	65.6	69.7	69.4
Yield (bushel/acre)	32.7	31.7	27.4	30.6	28.8
Stocks (million bushels)	863	438	247	327	525
Production (million bushels)	1,545	1,705	1,796	2,134	2,000
Imports (million bushels)	1	4	2	2	2
Total supply (million bushels)	2,409	2,147	2,045	2,463	2,527

	USDA 1972/73	USDA 1973/74	USDA 1974/75	WWA 1975/76	WWA 1976/77
Domestic use (million bushels)	786	752	679	688	702
Exports (million bushels)	1,185	1,148	1,039	1,250	1,100
Total usage (million bushels)	1,971	1,900	1,708	1,938	1,802
Ending stocks (million bushels)	438	247	327	525	725

CAB URGES CUTBACK IN REGULATORY HOLD

Mr. PERCY. Mr. President, on April 8, 1976, the Subcommittee on Aviation of the Senate Commerce Committee heard some outstanding testimony. John E. Robson, Chairman of the Civil Aeronautics Board, said that its regulation of the airline industry has probably resulted in higher fares. In addition, he urged "a redirection of public policy toward reliance essentially on competitive market forces rather than governmental decisions."

In this age of proliferating Federal agencies, it is a pleasure to take note of a Federal agency that recommends its regulatory activities be curtailed. I wish more agencies would subject themselves to a similar self-scrutiny.

Mr. President, I ask unanimous consent that the excellent testimony of the Civil Aeronautics Board given by Chairman John E. Robson before the Subcommittee on Aviation be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE CIVIL AERONAUTICS BOARD GIVEN BY CHAIRMAN JOHN E. ROBSON, ON REGULATORY REFORM

Mr. Chairman and Members of the Committee, it is both a privilege and a challenge to appear here today to participate in Congress' most comprehensive examination of air transport regulation in almost forty years. The Civil Aeronautics Board welcomes the opportunity to contribute its views in your study of this vital matter.

In these remarks, we will first summarize the Board's existing responsibilities under the Federal Aviation Act, outline the Board's discharge of those responsibilities and offer some thoughts on the air transport system as it has grown and as we find it today. Second, offer the Board's views on the Administration's program for aviation regulatory reform, as embodied in the proposed "Aviation Act of 1975". Third, put forth the Board's own recommendations for regulatory reform.

ROLES AND RESPONSIBILITIES OF THE BOARD

In presenting our views, the Board has tried to keep in mind its role in the air transport system. Simply stated, our role is faithfully to carry out, as Congress' delegate, those regulatory functions and authorities specifically assigned by law.

We have no other powers or duties. Our existence and our tasks are wholly dependent upon Congressional decisions.

Consistent with this role, it is our obligation to inform Congress of our honest and objective opinions. We also are fulfilling our specific statutory obligation to transmit to Congress our "recommendations as to legislation" (§ 205).

We do not take it as the purpose of these hearings merely to provide a forum for the Board to defend the past or to champion continuation of the status quo. We will try to deal with the present and the future as thoughtfully and responsibly as we can.

There has been substantial recent interest and discussion regarding the question of what air transport regulatory policies this nation should pursue. Unfortunately, the debate has frequently been polarized, sometimes misleading, and, on occasion, irresponsible. There has sometimes emerged an accusatory theme marked by uncomplimentary characterizations of airline management, airline labor, financial institutions, the Board, and others. We look on these accusations as unfortunate. They make no contribution to a consideration of the difficult issues before you.

The Board has no axe to grind. In offering our considered judgments on what we believe to be sound long-term regulatory policy and in stating our honest assessment of the uncertainties and risks in whatever policy is pursued, we do not intend to imply either hostility or indifference to management, labor, financial institutions, airport operators, aircraft manufacturers, smaller communities, or others whose interests are affected by these policies.

Many months ago the Board determined that its observations on fundamental questions of regulatory policy and the Administration's proposed Aviation Act of 1975 should be deferred until we came before the Committees of the Congress formally charged with considering those questions and that legislation. That time has now arrived.

During this period, considerable effort has gone on within our agency. Careful attention has been given to the many reports and studies which have been published on the subject, including the Reports of the CAB Special Staff on Regulatory Reform and the Advisory Committee on Procedural Reform, both of which were undertaken at the Board's request, and the Report of the Subcommittee on Administrative Practice and Procedure of the Senate Judiciary Committee. In addition, the Board has solicited and considered public comments on the Aviation Act of 1975. The views we offer reflect the considerable thought and analysis of the Board's professional Staff and its Members, representing observations and opinions gathered and crystalized over many collective years in both Government and the private sector.

We emphasize that this is the product of the Board alone, independent of and without consultation or clearance with any individual serving in any other agency or branch of Government.

The decisions concerning regulatory reform are for the Congress to make—just as it was the Congress' decision in 1938 to bring the aviation industry within the scope of Federal economic regulation. The Congress must look closely at the existing system, its benefits and its shortcomings, and determine what changes, if any, are required. Independently, we have reached the best judgments we could and today we present these judgments to the Congress.

Briefly summarized, our judgments are as follows:

1. Economic regulation should be redirected so domestic air transport is, in time, essentially governed by competitive market forces. In the long run, we believe this can result in a more efficient, lower-cost system

which will successfully respond to public needs for air travel.

2. The transition to a system emphasizing free-market forces should be gradual and carefully monitored. Transition plans must take into account the potential need for regulatory actions to prevent or mitigate special problems which could arise during transition and could adversely affect the traveling and shipping public or other national interests.

3. It must be recognized that there are uncertainties and risks involved both in movement toward and in operation under a regime relying essentially on market forces.

Specifically, these risks and uncertainties include possible disruptions of service and the possible failure of less efficient carriers. These are natural concomitants of a free competitive environment. But we believe there also will be significant risks and uncertainties, and fewer potential future benefits if the present regulatory regime is continued.

4. There are portions of the Administration's Aviation Act of 1975 which the Board opposes and some which it endorses.

The Board today offers for Congress' consideration an alternative program of monitored regulatory reform designed to place greater reliance on the natural forces of the marketplace and competition, including the entry of new carriers into the industry.

THE 1938 ACT

When Congress created the present airline regulatory system in 1938, it determined that the orderly development of civil aviation required that it be subject to public utility-type regulation to promote the development of a nationwide air transportation system capable of meeting the needs of commerce, the postal service, and the national defense.

The Congress required that the Board take into account such factors as the encouraging of a degree of competition, the fostering of sound economic conditions in the industry, and the promotion of adequate, economical. and efficient service. Price-regulation standards not only embraced traditional concepts of just, reasonable, economical and nondiscriminatory fares, but specified that the revenue needs of individual carriers were to be taken into account.

The Board was empowered to regulate the air transportation system with these general, and sometimes contradictory, standards to guide it, by granting individual licenses to operate over specified routes upon a showing of public convenience and necessity, to regulate rates and fares, and to enforce the carriers' obligations to provide service in accordance with the terms of their licenses. However, the Board was precluded from exercising any authority over schedules or equipment.

The Act contemplates that adjustments to the route system must be undertaken on a case-by-case basis, and that licensing changes or new entry can only be accomplished after notice and hearing primarily on the basis of carrier applications. The Board's exemption powers are limited by the statute.

While the statute contemplates a degree of competition, the concept of competition is qualified by statutory injunctions to find public convenience and necessity before making route awards and to pursue a policy of competition only to the extent necessary to assure sound development of a properly adapted air transportation system.

Thus, the statute in fact contemplates limited entry rather than free entry—that is control by governmental regulation, generally speaking, rather than free market forces. Indeed, the Court of Appeals for the District of Columbia has stated that "... the fact [is] that the entire regulatory scheme set up by the Federal Aviation Act is severely anticompetitive."

The desirability of establishing a coordinated system gave a substantial advantage for new route authority to applicants which already held existing routes and could thus offer improved single-plane or on-line connecting service to communities beyond the particular city-pair market at issue in a given case.

THE GROWTH OF THE SYSTEM

Despite these limitations and contradictions in the governing Act, an air transportation system has evolved over the past 38 years which may be fairly characterized as the finest in the world.

It combines a very high level of safety, service, and convenience with a level of fares which are low when measured against fares prevailing in most other parts of the world. Few other industries can match the long-term growth rate that domestic air transportation enjoyed until recent years. From a level of just under a half billion revenue-passenger-miles in 1938, scheduled domestic traffic has grown to 131.7 billion revenue-passenger-miles in 1975.

Since 1938 more and more city-pairs have received new service—58,000 city-pairs are currently part of the domestic route network—and more and more city-pairs have received single-plane, non-stop, and competitive service. The 1938 Act, by Congressional mandate, accorded grandfather rights to 19 then existing trunk carriers (excluding those in Alaska), 10 of which have survived. The Big Four Carriers at that time—American, United, TWA, and Eastern—carried more than 80 percent of the domestic revenue-passenger-miles, in 1975 they carried 57 percent.

By 1975, entirely new categories of direct and indirect carriers had developed—local service airlines, cargo specalists, charter specialists, communter carriers and air taxis, and air freight forwarders. The smallest of the local service carriers operated over 78 million revenue-passenger-miles in 1974—nearly four times as many revenue-passenger-miles as the largest of the original trunkline carriers in 1939. Today, the *local service* airlines generate more than 20 times as many revenue-passenger-miles as all the airlines generated in 1938. The commuter carriers and air taxis served more than six and three-quarter million passengers in the year ended June 30, 1975, and provided air transportation to small and large communities throughout the country.

Air fares have gone down when measured against prices in the rest of the economy. While the consumer price index rose by about 275 percent between 1946 and 1975, fares per mile rose by only about 40 percent during the same period. Expressed in 1967 dollars, scheduled fares which in 1946 averaged 9.16 cents per mile had actually decreased to an average of 4.56 cents per mile by 1975, or about half their level at the end of World War II.

Recently, low-cost air transportation also has become increasingly available under new charter rules promulgated by the Board and a wide variety of discount fares and off-peak fares which have been allowed by the Board.

In other respects, too, the consumers, represented by 175 millon passenger enplanements last year, have had the benefit of regulations protecting them against various consumer problems—although we cannot say that these are, like the environmental problems, continuing areas of controversy.

Through the years the domestic air transport system has achieved great technological progress as it has joined in a profitable partnership with aviation manufacturers and suppliers.

In terms of overall benefits to the Nation's commerce, employment, manufacturing and balance of payments, generated by the air transport industry itself, and as a vital infrastructure service to general commercial activity, our domestic air transport system makes a major contribution.

THE BOARD'S ADMINISTRATION OF THE ACT

The Board does not claim credit for the remarkable growth of the air transport system. We did not build it, and we did not decree it. On the contrary, the driving forces behind creation of the present air system have been the enormous demand of the American public for fast, safe, convenient, and comfortable transportation, and the stream of technical innovation which has enabled the industry to meet that demand.

To those who contend that inherent demand and technological innovation would have produced the air transport system we have today or perhaps an even better one if we had not had government regulation, we can only say that no one will ever know. We can say that the principal development of the air transport system occurred during the period of Federal regulation. Speculation as to where we would be today if history had been different is interesting. But the real question is where do we go from here.

We do, however, want to address ourselves to those who argue that the Board has betrayed its statutory mandate. We address the Board's detractors not because the Board and its staff seek vindication, but because the Board is today proposing a program of regulatory reform which, in significant part, the Board would administer.

If you become convinced that the Board has been faithless to its existing mandate, you will naturally not want to entrust the administration of the transition toward a system placing greater reliance on market forces to the Board, but will want to write into the statute fixed dates and fixed actions which leave no administrative flexibility. That, essentially, is the Administration bill's proposal, which we see as being excessively rigid. But we can only convince you of the desirability of our more flexible reform proposal if you believe that the Board will carry it out in accordance with the expressed intent of Congress.

We address ourselves, then, to some of the major charges made against the Board. The first of these is that the Board has systematically precluded new entry into air transportation.

It is true that only once has the Board awarded a trunkline-type certificate to a carrier which previously held no certificate at all. But the Board has certificated whole classes of new carriers to perform specialized types of air transport service. Carriers which did not exist in 1938 today provide charter and cargo service to every corner of the globe. The local service carriers have progressively been awarded new route authority until today they are effectively regional trunklines, flying modern jet aircraft and serving route systems more extensive than the ones served in 1938 by any of the "grandfather" carriers other than the "Big Four". None of these carriers existed in any form in 1938.

In addition, literally hundreds of air taxis and commuter carriers have freely set up shop under a blanket exemption granted by the Board. These exempted carriers are now authorized to fly aircraft larger than the standard trunkline aircraft of 1938. We would note, further, that the Board in the early 1960's proposed the continuation of individually ticketed authority for the supplemental carriers, but the Congress chose to confine them essentially to charter service only.

A second allegation is that the Board has suppressed route competition among carriers. On the contrary, although the 1933 Act calls only for "competition to the extent necessary" to develop a properly adapted air transportation system, the Board in its route decisions has frequently proclaimed competitive service to be an affirmative good, to be authorized even where there has been no affirmative showing in a particular case that the existing monopoly service in the market was deficient. Whereas competitive air service was confined to a handful of major markets in 1938, today roughly seventy percent of domestic air travel takes place in markets where two or more carriers are authorized.

We do not suggest that there are no more markets where competition could be authorized; in fact, within the past year the Board has set for hearing applications for competitive service in a number of such markets. We do say that no one who dispassionately studies the Board's route decisions over the years could fairly say that the Board has shown itself hostile to route competition.

A final set of allegations is that the Board has suppressed price competition between air carriers, and has, instead, encouraged a wasteful kind of service competition which increases costs.

It is true that there is not much competition among carriers in the level of basic fares. That, however, is not because the Board has deliberately suppressed it, but rather, we suggest, because in a system with limited freedom of entry the carriers appear to have very little incentive to compete in that way. The fact is that we almost never find a carrier filing for a general reduction of basic fares.

On the other hand, while the Board's attitude toward promotional and discount fares has varied over the years, during the past decade it has for the most part been quite receptive to carrier experimentation with such fares. As you know, a wide variety of discount fares are in effect today. Finally, the Board's liberalization of its charter rules has encouraged this very fundamental form of price competition.

As to the alleged encouragement of wasteful service competition, we fear that such competition is an inherent feature of the basic regulatory system, rather than a product of the Board's particular decisions.

And the Board has acted to prevent some major costs of service competition from being passed through to the consumer in higher fares. That is the crux of the Board's load-factor standard, adopted in the Domestic Passenger-Fare Investigation. A major source of increased costs from service competition is the provision of excessive capacity; resulting in the operation of flights with too many empty seats. The 55% load factor standard established in the DPFI means that the carriers are allowed to charge the public only the costs of operating, on the average, enough flights to accommodate the traveling public at normal fares with 55% of the seats full. Costs of operating capacity in excess of that standard are disallowed for ratemaking purposes. In the past several years, these disallowances have totaled hundreds of millions of dollars. Without discussing the details of the DPFI, we think it refutes the charge that the Board is indifferent to the problem of burdening the consumer with the costs of excessive service competition.

Without defending particular errors or decisions which in hindsight may appear to have been unwise, the Board believes that over the 38 years of the Board's existence, the Board and its staff have faithfully, intelligently, and on the whole, successfully, carried out the basic statutory directives of the 1938 Act.

The best evidence of this is that since the statute's enactment, the Congress had not seen fit to change in any significant way the statutory policy or the substantive or procedural provisions of the basic law governing air transport economic regulation. If any systematic abuse or significant departure from Congressional intentions had been perceived or if any major policy direction was not acceptable to the Congress, the statute would have been changed.

Thus, the question of the efficacy of the present framework of aviation regulation does not, we think, go so much to the Board's administration of the law as it goes to the law itself.

PROSPECTS UNDER THE CURRENT REGULATORY REGIME

Despite the incredible growth of the domestic air transport system since 1938 and its considerable successes, there are serious current problems and some clouds on the horizon. The economic environment which existed when air transport regulation began and in which the system grew so dramatically has changed. And we are concerned that the present regulatory system may have great difficulty in coping successfully with the future.

It is these concerns that lead us to think that the Nation has come to a crossroads where some fundamental choices as to the direction of air transport regulation must be made.

How will economic regulation affect the development of air transportation and how will the airlines be affected in the years ahead if the legislative regulatory direction and framework remains essentially unchanged?

It is a difficult undertaking to forecast the economic future. But one way to assess the future is to attempt to understand the past, and, more specifically, to determine whether it is likely that the trend of events already experienced will continue.

It is the travelers' demand for air transportation that has built and today sustains the system, except for some subsidized service. The level of demand for air travel is determined by the overall performance of the economy, the discretionary income available, and the price of air transportation relative to all other goods and services. Price, in turn, is determined largely by costs. And costs, finally, are significantly influenced by those aspects of economic regulation which allow costs to flow through to the consumer without sufficient incentives to contain them.

The present system of economic regulation has remained largely unchanged since 1938. But during this time the general economy has been rapidly expanding. As a result of this expansion the demand for air transportation has increased at an average annual rate of between 12 and 17 percent, depending on the precise period used for computation. This great, sustained boom has resulted in an air transportation market that is now more than 240 times larger than in 1938 when measured by revenue-passenger-miles.

Demand for air travel has made it possible for the industry to acquire faster, more comfortable and more efficient aircraft. And the rapid introduction of enormously productive aircraft technology permitted, particularly in the 1960's, the real price of air transportation to decline in absolute terms and relative to all other goods and services. This productivity allowed corporate profitability to increase even as airline labor received significantly higher wages at a rate far exceeding national averages.

Because of the extraordinary increase in demand for air transportation, the Board was able to, and did, award a great array of new competitive routes to existing carriers. "Trunkline" carriers, which in 1938 served routes shorter than those of today's local service carriers, today span the continent. In this process the Board also made the local service carriers (which now number 8) a part of the nonspecialized air transportation system. This expansionary route program contributed significantly to the vast improvement in service that occurred throughout the postwar period.

Thus, over an extended period marked by the coincidence of tremendous growth in traffic and rapidly declining unit costs, primarily made possible by new, enormously productive aircraft, the system grew, the airlines made substantial profits, fares were stable or declining, and the Board could follow an expansionary competitive route policy without excessive concern for the immediate financial risks to the carriers. Any mistakes by the Board or the industry could be and were absorbed by the expansion of the economy and the industry.

It is a fact, however, that the rates of expansion in airline traffic that characterized the 1950's and the 1960's have not been carried into the present decade, and it is widely thought that they will not be resumed. In fact, a number of air transport forecasts for the next decade are in accord that the rate of traffic growth will probably be only half of the earlier rates. These forecasts assume that the historic ability of the airline industry to reduce unit costs by means of new aircraft technology has, at least temporarily, been slowed. It is also a fact that the airline industry has come to require higher and higher investment costs. Similarly, the rising costs of petroleum-based energy, consumer protection and environmental requirements, together with an inflationary rate much higher than we have experienced in the past, will continue to have an impact on the costs of producing all goods and services, including air transportation.

What are the implications for the regulatory system of a sharply reduced rate of traffic growth combined with declining productivity and increased costs? Our concern is that these factors will make regulation increasingly difficult and progressively less capable of meeting public needs.

If fare levels are moderated the effect might be to prevent carriers from earning sufficiently high profits to attract equity capital. Whether true or not, this perception has assertedly prevented airlines from securing equity capital for some time. As carriers find it necessary to acquire new, more fuel-efficient and environmentally acceptable aircraft, they may thus become even more debt-ridden. Because of the leverage effect of high debt ratios, the airlines may become more and more vulnerable to swings in the general economy.

If the forecasts of slower air-traffic growth and a decline in the rate of cost improvement reflected by sagging productivity gains are accurate, and if, as we might expect, the general economy continues to experience periodic troughs as part of the ups and downs of the economic cycle, it is likely that individual airlines will, as in the past, experience uneven financial fortunes. If this occurs—and it is to some degree occurring now—even debt capital could become unavailable, except for aircraft mortgages or lease/purchase agreements.

Pressures could then develop for the government to insure equipment loans; there would then be pressures to require advance government approval for all equipment purchases; and a process toward tighter and more restrictive regulation would have begun.

Moreover, if the fortunes of a number of carriers were to decline, the feasibility of the Board's granting competitive route awards or allowing new entry would be seriously constrained. Community expectations of an over-expanding route network, built up by the Board's route expansion programs of the 1950's and 60's, would have to be drastically disappointed.

It is very possible, then, that a future Board could find itself in the position of responding with rapid and sizeable fare increases and maintaining, at the same time, a very restrictive route award and entry policy. Alternatively, a future Board might face inexorable, simultaneous public pressures for expanded service on the one hand and lower fares on the other, a road which could lead ultimately to financial disaster for the industry and the possibility that Federal funds would be required to sustain the air transportation system.

In a democracy, Government has to have general acceptance if it is to govern effectively. We are sincerely concerned that future Boards may not be able to function effectively in an environment in which economic regulation would be subject to increasing attack both by a dissatisfied traveling public and a dissatisfied industry. An environment which constantly calls into question the efficacy of regulation would also create major difficulties for the carriers' ability to plan for the future and to obtain needed capital.

TWO ALTERNATIVE POLICY DIRECTIONS

Mr. Chairman, we have outlined why we have doubts that, over the long term, the mixture of regulation and competition for air transport, historically, and thus far successfully pursued under the current regulatory scheme, can succeed in an economic environment which is likely to be so different from that of the past few decades.

If this is so, the Nation would seem to be presented with some basic choices on what long-term regulatory course to pursue. We perceive two fundamental options.

The first is to move in the direction of a progressively stricter utility-type regulatory scheme—that is, to reduce competition by very strict entry and route-award standards, promote mergers and route swaps, encourage anti-competitive domestic capacity-limitation agreements, and pursue other steps in the direction of a greater monopoly status for the carriers' individual routes. This could result in greater concentration in the industry as a whole and a strengthening of the already entrenched position of the airline oligopoly. Indeed, there is a possibility that carrier failures or mergers will bring this result even if the Board takes no affirmative restrictive actions.

However, a necessary concomitant of enhancing the carriers' monopoly status would seem to be much tighter regulation of fares and more stringent Government regulatory control over cost categories which contribute to higher fares. Much higher load factors would be aggressively pursued, ultimately, perhaps, through some form of control over scheduling. And such a regime may, as it has in other regulated monopoly industries, lead to supervision of advertising costs, food service, and other amenities, and conceivably intervention into the pricklebushes of executive and non-executive salaries, wages, and airport costs.

While the Board very decidedly does not recommend such a course, we recognize that others, including many in the financial community, have seriously advanced it as a rational and desirable means of insuring stability and profitability of the present airlines in the industry by suggesting the rationalization of capacity and demand and eliminating redundancy. One economist has described this process as "perfecting the cartel", and some have argued that a perfect cartel, well regulated, would give better and cheaper service than the half-regulated, half-competitive "imperfect cartel" that they see us as having today.

The other fundamental long-term regulatory path which can be pursued is one which moves in the direction of relying fundamentally on competition and the operation of natural market forces—a system which minimizes Governmental interference to the greatest extent possible and emphasizes greater management freedoms in entry, exit and pricing. As we have previously stated, it is the Board's judgment that this is the preferable course.

As the foregoing analysis indicates, there are substantial dangers in a continued, uncritical reliance upon the regulatory framework established in 1938. The question remains: Why move in the direction of the competitive marketplace if that entails a considerable degree of risk to at least some of the present carriers, and thus to their labor forces and financial backers? To answer this question requires us to go back to the most basic premises of our national economic policy.

Historically, this country has relied for its economic growth on the stimulative and innovative pressures of a competitive marketplace. That reliance has made us the greatest industrial society in the world today. But we do not function, and have probably never really functioned, with a perfectly free market. Government regulation of private enterprise to curb various abuses of economic power such as fraud, monopoly, exploitation of labor, and more recently product hazards and environmental pollution, are recognized facts of industrial life.

In particular, however, Government regulation of public transportation has, at least since the creation of the Interstate Commerce Commission, represented a major exception to the general principle of competitive freedom. The Federal Aviation Act of 1938 is the embodiment of this exception for the field of air transportation. To determine whether this exception is still justified, we should first look at the rationale for the exception and then ask if it is still applicable to the economics of air transport as we know them today. In our view, careful analysis leads to the conclusion that reliance on natural market forces for air transport is achievable and holds out the best long-term possibilities for the continued fulfillment of the public's need for air travel.

Utility regulation is predicated upon several assumptions:

That the industry in question is vital to the economy;

That it is characterized by the need for large amounts of capital to be invested in fixed, immobile assets, the duplication of which would be wasteful and economically destructive;

That there exist economies of scale for large firms, i.e., that unit costs which tend constantly to decrease as output increases are available to the most efficient producer, who consequently is able to drive out all competitors maximizing his returns from consumers.

These characteristics, and there are others, are not necessarily all equally apparent in the industries for which economic regulation has been deemed necessary. But the striking point is the degree to which none—save the first—are characteristic of commercial air transportation. Indeed, most of the available evidence points in the opposite direction.

Very little of the airlines' capital investment goes into immobile assets, nor are threshold costs prohibitively high;

The extreme mobility of the airlines' principal assets, their airplanes, makes actual and potential competition a powerful and efficient regulator of market behavior;

Giant firms have no inherent cost advantage in providing air transportation and may in fact be handicapped by their sheer size.

These factors are such that competitive market forces could furnish the Nation with an efficient, adaptable air transport system, free of the protection of anticompetitive regulation. Yet to base the admittedly difficult transition from today's regulation to a more competitive system wholly on the presumption that competition is a preferred national goal could appear to some to embrace unrealistic idealism.

The arguments for greater reliance on competitive market forces in air transport are strongly buttressed by numerous detailed studies of the airline industry that have been carried out over a period of twenty years. It is not possible to cover the substance of these analyses in our testimony, but each describes specific situations in which regulation has led to inefficiency, has delayed desirable change, or has benefited vested interests at the expenses of the general public. Invariably each analyst concludes that greater reliance on competitive forces would have better served the public interest. Support for these findings has grown over fifteen years and the Board finds the analyses and arguments persuasive.

In addition, such empirical evidence as exists is consistent with the view that greater reliance on market forces will be successful and ultimately beneficial to the traveling public. The commuter airline industry—which has been exempted from protective entry and price regulation—provides good service to many communities, some not served by regulated carriers. The rapid growth and success of this sector of the commercial aviation industry—more rapid even than the growth of the regulated sector—indicates that neither the carriers themselves nor the traveling public require protective economic regulation of the air transport system.

Where intrastate carriers have not been subject to the protective entry and price regulation of the Federal Aviation Act, they have provided levels of service at fares that are frequently low in relation to the fare level of the regulated carriers. The experiences in California and Texas are examples. We will not recount the details and we would underscore that these are limited experiences which may not necessarily be wholly representative of the interstate system. But we can find in them little support for the view that protective regulation is required in the public interest.

Close analysis seems to bear out that regulation has, over time, probably produced a higher cost level than would have occurred in its absence. The higher costs are in two principal areas: those relating to the quality of service—load factors, seating density, and aircraft utilization—and labor costs—both gross wage rates and the impact of work rules.

Critics of airline regulation contend that the Board has administered prices at a level which has permitted a higher quality of service than that for which users would have opted if they had been given a choice between higher-quality service and higher fares, on the one hand, and lower-quality service and lower fares, on the other hand. This has occurred in various forms over the years. For instance, while seating density increased for any given type of aircraft during the growth period of coach travel in the 1950's, load factors and aircraft utilization rates began to fall as jets came into the fleets in large numbers during the decade of the 1960's.

The decline in load factors reflects higher quality service—that is, more frequencies and capacity than would otherwise have been offered. The prospective passenger had a wider choice in selecting travel time and greater convenience in air travel than probably would have existed if incentives pushed for higher load factors.

The second area, wage rates, is more complex. Regulation has influenced the rise in wage rates. First, the value of a carrier's route certificate to other carriers has operated as an effective assurance that even the employees of airlines approaching bankruptcy would be assured jobs and seniority through the merger process. And this assurance has strengthened the bargaining position of labor in wage, benefits, and work rules negotiations. Second, the administration of airline prices by the Government assured both labor and management that labor costs would be recovered without review. Under these conditions, airline wage rates have increased at a substantially faster rate than average wages for industry as a whole.

During the 1960's, when jet aircraft with significantly lower unit costs were introduced, some reduction in real prices occurred. However, due to escalating wage rates and the costs of excessive capacity (overscheduling), the reduction in fares to the consumer was less than the dramatic improvement in aircraft technology could have yielded.

When unit costs began to increase in the early 1970's, the Board developed a price control program designed to limit capacity by disallowing the costs of excessive service. The present conflict between the airlines and airline investor interests, on the one hand, and the Board on the other, revolves around the question of whether the Board is justified in disallowing these costs with the claim being that the fleets now in place were acquired on the expectation that traffic growth would continue at the high rates experienced prior to 1970.

An additional factor which might be considered in this analysis are some inherent limitations of Government economic regulation.

Economic regulation is, in part, a process of Government substituting its judgment for the natural and faster allocations and decisions of the marketplace. But, there is a natural difficulty in doing so.

Few assert that air transport regulators are, as a class, inherently more intelligent than those responsible for managing their respective airline businesses. Yet, we regulators have the final word on two of their most basic business decisions—where the product can be sold and at what price.

The fact is that a Government regulatory agency is comprised of human beings of different backgrounds, perspectives, and values. Under the laws we administer, we are legally charged to consider several different goals—some of which are in conflict—and as public officials we must be responsible to the overall public interest.

An examination of recent testimony before Congress and other statements indicate that, from the perspective of the regulated industry and the financial community, regulation seems to operate against their interests.

It is asserted that fares are held too low or that too promiscuous a competitive route award policy has been pursued, and finally, that the decision making process is too slow to permit adequate planning or response in a changing marketplace.

It is pointed out, for example, that the industry achieved the return on investment allowable under regulatory rate-making standards only twice in the past twenty years.

Similar complaints that rates have not risen to adequate levels to preserve a healthy private industry have been leveled at the ICC's regulation of the rail industry and has stirred serious Congressional consideration of the regulatory constraints which should be placed on natural gas prices. And the recent experience in the railroad industry has caused some to question whether the transport industry will fare well under long-term Government regulation.

With respect to matters of competitive entry, it is perhaps fair to observe that the regulator is faced with a difficult situation where an entrepreneur only wants a chance to sell his better mousetrap. Even in sectors such as telephone service which have traditionally been viewed as warranting monopoly status, regulators have recently relaxed restraints on competition.

Conceding that regulatory lag is a serious problem throughout the regulatory community, we would point out that some element of delay is inherent where a public agency has regulatory powers over business decisions, some element of delay is inevitable by reason of the requirement of due process and an inherent awkwardness in decision-making by large multi-member institutions.

We raise these points because the apparent resistance by the airline industry and the financial community to any significant relaxation of the regulatory grip seems at odds with their assertions that regulation has not been responsive to their interests.

We do not argue that improvements cannot be made in the regulatory process, particularly in the area of expediting decision-making. But if it is unrealistic (as we think it is) to expect that the regulatory apparatus will be restructured so as to primarily accommodate the economic interests of the regulated industry—one might at least inquire why the regulated do not perceive it in their interest to shed the burdens of regulaton.

UNCERTAINTIES AND RISKS

At various places in our testimony we have pointed out that uncertainties and risks attach to any decisions Congress might make with respect to the basic direction for air transport regulation.

In a dynamic economy, no one can confidently forecast with precision what all the possible future benefits and burdens of pursuing a particular regulatory course might be. However, having reached the judgment to recommend a system which relies essentially on natural market forces, the Board believes that it should bring to your attention some of the possible problems, uncertainties and risks we perceive.

The benefits from reliance on market forces depend, of course, on those forces operating in a relatively unrestricted manner. This point is made because certain existing elements of the air transport system could limit the ability of the marketplace to operate freely. For example, limited access to airport landing slots, gates, and other ground facilities, possible air traffic control limitations, state or local regulation, particularly with regard to environmental considerations such as curfews, or the practical inability of potential new entrants to obtain sufficient capital, are factors which could restrain the operation of market forces. We do not suggest that these are probable or irremediable obstacles even if they were found to exist. But they are matters which would bear scrutiny during the transition.

Some have advanced the argument that a consequence of an air transport system essentially reliant on market forces would be a tendency toward a more concentrated industry—that is one with fewer carriers and a greater risk of anticompetitive behavior. Analysis indicates that this is not a proper assessment of the characteristics of the air transport industry. However, it has yet to be proven that this would be an impossible evolution.

We have alluded previously to the risk that one or more carriers—new entrants as well as existing carriers—could face the ultimate consequence of an inability to compete successfully, financial failure. It may well be that the existing carriers would be able to adjust to the demands of a new competitive environment, assuming a gradual transition toward that environment. However, the potential impact of a new entrant which could operate with greater efficiency at lower costs raises the possibility of the failure of an incumbent carrier.

If such a result should occur, we think it probable that replacement services would fill the gap for the traveling public. It appears unlikely that a disruption of service following a carrier bankruptcy would be more than temporary.

The heavily-traveled routes in the U.S. are already served by two or more carriers. The high cost of aircraft suggests that the aircraft of a bankrupt carrier would not be withdrawn from service for very long in any market where there is substantial unmet demand for service. The high mobility of aircraft means that it is probable that lost services in most markets would be restored by other carriers. Indeed, changes in the Federal Aviation Act that the Board is proposing would enable us to authorize expeditiously replacement service if that should prove necessary in the wake of bankruptcy. In other cases, an unregulated commuter carrier could fill the gap.

But those of us who think seriously about these issues of regulatory change must consider such a situation, and the hardship it would cause for some employees, investors, creditors, and suppliers as well as the possibly temporary inconvenience for communities and the traveling public.

There are also possible repercussions in the capital markets and aircraft manufacturing community that could extend beyond the failing carrier, because other airlines may find capital more difficult or more costly to raise and long-term commitments to acquire new equipment could become uncertain. Similarly, we recognize that airport development revenue and financing could be adversely affected.

We believe, that in the long term these problems should become stabilized and, with the prospect of expanded demand for air travel in a less regulated environment, capital and equipment needs should concomitantly grow and be satisfied.

There is also a legitimate concern for the service provided to and from the smaller communities in America. We support the public financing of air transportation to small communities, under a responsible program which will substantially protect these communities against loss of service resulting from a different regulatory environment.

Another possibility is a reduction in the convenience and comfort of air service received by various classes of the traveling public. As market determinations replace regulatory decisions regarding fares and service levels, some classes of air traveler could receive less service or pay higher prices than they now pay, even though, on balance, we think, more travelers will probably pay lower fares.

Specifically, air travelers might find some reduction in convenience. A reduction in the frequency of flights in certain markets and the disappearance of last-minute seat availability on some flights may occur as the system shifts toward higher load factors. Those who enjoy the convenience of nonstop or single-plane service in certain city-pair markets could find that this level of convenience has diminished because a majority of air travelers have opted for lower prices with the associated inconvenience of more frequent transfers. We may expect that those who object to such a decline in service convenience will make their displeasure known to you and to us.

As we have suggested above, the road by which we hope to reach the benefits of a more competitive system may well prove to have some bumps. The only sensible course is to discuss these frankly. You must decide whether the eventual destination justifies the journey, and we, together, must be prepared to absorb those bumps. By proceeding under the Board's program, we would hope to avoid many of the bumps and to minimize the pain of those we can't avoid.

THE PROCESS OF CHANGE

The basic question of what direction regulation should take has been addressed. The Board believes that the proper direction is to essential reliance on market forces. What should be the process of change? The Board believes that there are two basic alternatives:

1. Gradual or phased loosening of entry, exit and price controls; and

2. Abrupt elimination of such controls after some period of notice, such as three or five years. In our view, gradual and controlled movement towards a competitive environment is the preferable course. This view is founded on the belief that the interests which might be adversely affected can make better adjustments, and the risk of injury can be minimized, under a controlled, monitored regime than under abrupt change, even with substantial notice.

Even a gradual program has potential pitfalls. It is possible that if the program is misconceived it will be ineffective in achieving the intended results or it could produce unforeseen perversities. But in our judgment, the Administration has proposed too much change in too short a time.

Mr. Chairman, the present domestic air transport system has developed over nearly four decades under a Federally prescribed utility-type regulatory regime. It is only natural that airlines, their management and labor groups, aircraft manufacturers and suppliers, investors and lenders, airport operators, towns and cities and other elements of the aviation community have grown accustomed to a way of life under that regulatory environment. Financial and other commitments and patterns of conduct exist and grew up in substantial reliance on the way things were and were expected to continue to be under the legislatively prescribed regulatory framework.

The system of regulation has muted competition in the airline industry; entry controls have partially sheltered higher-cost carriers from more efficient competitors. As entry and price controls are relaxed, this measure of protection will be diminished. Existing carriers have made commitments over the years to their employees, to the communities and airports they serve, to their suppliers and to their creditors premised on the expectation that protective regulation would continue. Changing the rules of the ball game, however gradually, as is now proposed, will give advantages to those that have made no such prior commitments. We particularly recognize that some of the existing carriers have functioned under the present protective regulatory system with subsidy. Here, a controlled and monitored approach seems necessary to provide a fair opportunity for successful adjustment to a new regime.

The Board does not believe it is equitable, if Congress determines that the direction of air transport regulation should be fundamentally altered in the direction of primary reliance on market forces, for such a change to be precipitous.

Maintenance of some regulatory guidance over the transition to an air transport regime basically reliant on natural market forces is an underlying theme in the Board's recommended program. We certainly do not claim that our program cannot be improved upon or guarantee that it will in fact accomplish the kind of deliberate but determined movement we contemplate. It represents, however, our best present judgment.

We have considered the arguments some have advanced for a more abrupt change—arguments which have as their premise something like the lines from Shakespeare's Macbeth: "If it were done . . . , then 'twere well if it were done quickly." We cannot say that there is no merit in those arguments.

However, the Board is not persuaded that the advocates of this approach are correct and we think that we must take into account the fact that regulatory change as significant as we propose will affect real people, real jobs, real financial commitments and real air service.

THE PROPOSED "AVIATION ACT OF 1975"

Thus far, you may be thinking, there is little to distinguish the Board's approach to regulatoray reform from that of the Administration's proposed Aviation Act of 1975. Both call for a redirection of public policy toward reliance essentially on competitive market forces rather than governmental decisions. Neither the Board nor the Administration advocate a program for the total elimination of regulatory powers, either at once or on a day certain in the future.

But there the similarity of approach ceases and the differences begin. The Administration approach is premised on the notion that transition toward a freer system can only be achieved if Congress spells out in the statute, and sets dates for, the precise substantive and procedural steps along the road, and removes or hedges any Board supervision or discretion over critical areas of decision. Furthermore, although "regulatory lag" is one of the major complaints against the Board today, the Administration bill ensures that in certain areas the Board's action will be even slower than it is today.

The Board has submitted a detailed section-by-section analysis and critique of the Administration's proposed bill. Some provisions we support, most notably the change in the statutory declaration of policy, which sets the overall direction regulation will take. Others we oppose as unnecessary, misdirected, or potentially harmful in their consequences.

In our testimony we will not discuss each provision of the Administration bill. A few examples, however, illustrate the thrust of some of its provisions. For example, the Aviation Act of 1975 sets precise deadlines within which the Board must first set for hearing and then act on every route application filed, regardless of their number or the scope of authority they seek. If the Board fails to act within the prescribed time, the Board must issue the certificate. That will be done without regard to whether the application seeks authority in a single moderate-sized market or in the one hundred largest markets in the country, and regardless of how many competing applications have been filed. Presumably they would all have to be granted together.

The Board supports procedural reform, including establishing deadlines through rulemaking procedures in which all interested parties could participate.

Indeed, the Board has just recently set a deadline of 120 days for Board action on petitions for rulemaking. Through such a framework, the Board could achieve sufficient flexibility to dispatch properly its regulatory duties in difficult cases and during crises, while at the same time remove much of the currently existing uncertainties. However, the Board finds statutory deadlines too inflexible to permit sound allocation of limited regulatory resources and opposes the specific provision of the Administration's bill because it is fraught with latent, unpredictable consequences for the air transport system during a difficult transition time.

The Administration bill also forbids the Board to impose operating restrictions in new certificates or amendments to existing certificates. Operating restrictions are comprehensively defined to cover any provision in a certificate which precludes a carrier from operating unrestricted nonstop service between any two points on a route segment, or which imposes any limitation on service between points on different segments other than the requirement to stop at a segment junction point. The Administration bill further requires the elimination by January 1, 1981, of all existing restrictions, including the requirements to stop at existing segment junction points, so that thereafter each carrier will have unrestricted nonstop authority between any two domestic points on its system on January 1, 1975.

This provision, we believe, could have perverse effects—some now, some in 1981 or earlier—which appear not to have been anticipated and certainly have not been discussed in the materials to which we have had access.

Thus, effective upon enactment of the bill, the Board could not extend a carrier's route to a new point unless it was prepared to give the carrier at least one-stop authority between the new point and every point on its existing system. An obviously unintended result is that, under this provision, it would, for example, have been far more difficult for the Board several years ago to give Ozark Airlines its relatively noncontroversial route extension from Peoria to Washington and New York, benefiting thousands of downstate Illinois travelers, since the Board would not have been able to limit the scope of the proceeding by excluding in advance the extremely controversial issues of additional one-stop authority in the New York-Chicago, New York-St. Louis, and New York-Dallas markets. Similar relatively noncontroversial route changes, often of great benefit to the public, would be much more difficult during the transition period. Indeed, any application to extend a carrier's route to a significant off-route point would automatically involve one-stop issues in a large number of other major markets. Any competing application by another carrier to serve any of these other markets might well have to be heard simultaneously, and that could draw into the hearing even more markets. Thus, every hearing would tend to expand and involve the entire domestic route network.

Pretrial restrictions, the Board's major tool in keeping its route cases within manageable bounds, would be gone. This provision, coupled with the route-award procedural deadline and automatic-grant provision of section 5, could conceivably result in total deregulation of entry within a year or two.

The companion provision of the Administration bill for removing all existing restrictions would, effective January 1, 1981, substantially eliminate any remaining route regulation. For instance, the number of authorized competing carriers in the New York-Los Angeles market could precipitously and automatically increase from three to nine, that is, every domestic trunkline carrier plus Pan American, but not Continental and Western, which do not serve New York. This result seems arbitrary. New York-Chicago carriers would increase from three to fourteen. National Airlines would automatically become an authorized New York-Atlanta nonstop carrier, even though its present "authority" is solely to fly by way of Miami and San Francisco. It could either exercise its newly acquired direct New York-Atlanta authority, or under the Administration bill, could sell that authority to another carrier. Similar results could obtain in hundreds of markets. In some modest-sized markets which can sustain service by only one or two carriers, a half-dozen or more could automatically be authorized. On the other hand, in monopoly city-pair markets where no other carrier currently serves both cities—and there are a good number of those—no competition would be created.

The Board favors the removal of operating restrictions which are unneeded or obsolete, or where removal would fulfill an unmet public need. To accomplish this, we have adopted special expedited procedures. We cannot support the Administration's proposal because of its potentially perverse effects during the transition period and its abrupt abolition of virtually all control on operating authority on January 1, 1981, with some apparently arbitrary exceptions—a date on which we have no basis to be certain that the system will be prepared for such a sweeping change.

In the rate area, the Board would be precluded from requiring a carrier to charge a passenger more than its "direct costs." "Direct costs," however, exclude not only depreciation, interest, capital costs, route development costs, general and administrative costs, and overhead in general, but also exclude any part of the costs on operating the airplane if it would have flown without that passenger.

"Direct costs" would apparently include only the out-of-pocket costs of making the passenger's reservation, writing and collecting his ticket, handling his baggage in the terminal, and feeding him. For a standby passenger with carry-on luggage on a no-meals flight, "direct costs" would be essentially zero. The Administration's proposal leaves us uncertain as to what is intended with respect to minimum rates, since we are not aware of any instance in which a carrier has sought to charge less than "direct costs" as defined in the bill, except in the case of free transportation.

Regarding maximum rates, the Board could not suspend any tariff increasing fares ten percent above the level prevailing a year earlier. This might be reasonable enough in time of inflation when carriers' unit costs were increasing by ten percent a year. But in a time of stable or even slowly rising unit costs—and absent the threat of competitive entry—this provision could result in fare levels out of line with reasonable costs.

Finally, although the Administration bill proposes rigid deadlines in some areas, in others it could slow down the Board's functioning. For instance. it would empower the Attorney General or Secretary of Transportation to require the Board to hold a full hearing before approving any intercarrier agreement, however innocuous it might be, without giving any reason. In the areas of mergers, the bill would enable the Attorney General to secure a trail de novo in the District Court after the Board has completed its hearing and decision on a proposed merger. This provision would, as a practical matter, effectively preclude virtually any merger opposed by the Attorney General, regardless of its merits.

The Administration's bill, in summary, although its objective is similar to the Board's contains many provisions that are insufficiently thought out, and could have, it seems to us, incalculable and unintended effects on the carriers and the air transport system. Moreover, contrary to its stated purpose to promote new entry, it has provisions which may actually impede new entry.

By removing virtually all Governmental powers to monitor, supervise, and oversee the air transport system during transition, they fail to provide any safeguarding mechanism to protect the consumer or the air transport system from unanticipated and possibly serious adverse consequences. This is the bill's most serious and dangerous drawback.

THE BOARD'S REFORM PROGRAM

The Board proposes a program of regulatory reform in which it would be given a new policy directive by the Congress, a number of new standards to apply, a variety of new tools with which to accomplish the changes in regulatory policy which Congress wants accomplished, and flexibility to phase in change. Within the scope of the new statutory mandate, and with appropriate Congressional guidance for orderly transition, we would monitor the transition to a more market-based regime, and take protective action where needed to prevent unacceptable disruptions in the system. We ask Congress to take out of the existing Act some of its existing rigidities and arbitrary features, not to bring new ones in, as the Administration's bill would.

Time does not permit me in my testimony to discuss all the features of our reform program. At this time I want to mention a few of its principal thrusts.

In the materials submitted to you today the elements of the Board's program are set forth in some detail. These will, we hope, receive scrutiny and discussion as you consider the basic issues of the direction of regulatory policy. As you decide these issues, the Board is prepared to work with this Committee in the development of specific legislative language.

One further caveat is essential. The Board has pending before it a number of extremely important proceedings. We are, as you know, a regulatory agency required to decide specific cases on the basis of the evidence produced for the record in those proceedings. The pendency of these matters does not relieve the Board of its responsibility to offer the Congress its best judgment on the future of aviation regulatory policy. I can assure this Committee that all cases brought before the Board will be decided on the basis of the record and in light of our understanding of the existing statutory mandate.

The Board's recommendations cover the broad range of its regulatory responsibilities. The first major portion of our program is designed to reduce the scope of regulation by increasing the number of unregulated zones of activity in specialized areas of air transportation. Specifically, the Board supports legislation which would essentially remove existing economic regulation of charter transportation and domestic air freight. We also support amendments which would expand the zone of unregulated air-taxi and commuter operations.

These zones—charters, freight and air-taxi and commuter operations—are specialist areas where free competition should benefit all concerned and where Board regulation serves only limited purposes even at present.

Open entry into these fields could—as it has done in the past—provide a training ground for companies that aspire to trunkline or local service status. In all these areas, the Board proposes to retain its powers regarding unfair practices and unfair methods of competition.

In addition, we propose that the Board's mandatory jurisdiction over mergers, consolidations, acquisitions of control, and the like, be modified in those areas in which entry regulation has been removed so as to eliminate routine and unnecessary procedures and replace them with discretionary jurisdictional powers.

The second major element of the Board's program contemplates that regulation of the trunkline and local service sectors should place greater emphasis on the promotion of competition and carrier efficiency. This part of our plan calls for substantially increased price flexibility and greater opportunity for competition, particularly by encouraging new entry into the various levels of the industry.

Of crucial importance to these goals is a revision of the statutory declaration of policy currently set forth in Section 102 of the Federal Aviation Act. We view as essential, an amendment of the policy statement which would unambiguously favor competition and new entry and, at the same time, explicitly relieve the Board from the responsibility of protecting the "security of route" which is a major underpinning of the current statutory concept of air transportation regulation.

We also propose that the Federal Aviation Act be amended to authorize the Board to adopt regulations providing for expansion of existing route systems, including the removal of existing certificate restrictions and the limited creation of new route systems, by carriers demonstrating fitness, through procedures which are less cumbersome than those presently required. We recommend repeal of the existing statutory restriction which prohibits a single carrier from holding certificates for both scheduled and supplemental service. This is a key element of the reform program because, as a practical matter, potential competition in the scheduled field is most likely to come from existing supplemental carriers, rather than completely new entrants. Such entry would not be automatic, but the legal impediments to its authorization should be removed.

On the pricing side of the regulatory equation, we recommend that Congress amend the rule of ratemaking in section 1002(e) of the Federal Aviation Act to indicate clearly a statutory preference for competitive interplay. Coupled with this we have suggested specific amendments to the Board's suspension and investigation powers over tariffs.

We would retain the existing tools for dealing with problems of discrimination, preference and prejudice, but beyond that, the Board's power over fare filings would be limited only to those fares which are higher than a Board-determined reasonable maximum, which are predatory or so low as to cripple adequate service. However, as the effects of freer entry and competitive pressure are felt within the system, the carriers would be given greater flexibility to raise fares, as well as lower them. Our proposal would place additional limits on the Board's powers over rates charged in the segment of the industry—such as air freight—in which we favor removal of entry and exit restrictions.

There are several other important facets to our recommended program. Procedural expedition, changes in antitrust immunity, subsidy reform, charter liberalization, and amendments to the sections governing the carriage of mail are all proposed. In particular, we propose an amendment which would make the termination of service a decision dictated by the marketplace to a much larger extent than may be the case today, subject only to a permissible period of delay to allow substitute service to be arranged.

In many cases these proposals are closely interrelated. For instance, reorganization of the subsidy program must be considered in conjunction with the authorization of air taxi operators to use larger aircraft, since this creates the possibility of direct competition on certain subsidized local service routes. Therefore, the Committee should consider our proposed reforms as an integrated package. You should also recognize that our evaluation of these reforms and others which you have or will have before you is not yet complete.

If the Congress concludes that changes to the regulatory system should be made, the Board has presented what it believes to be a workable alternative to the proposals already before you. We offer to the Congress for its consideration a comprehensive program for regulatory reform designed to maximize carrier efficiency and lower the cost of air transportation to the consumer by placing primary emphasis on the natural forces of the marketplace to regulate the aviation industry and by de-emphasizing the extent of Government—rather than management—decision-making. Unlike the Aviation Act of 1975, our program would preserve in the Board's hands some essential regulatory tools and procedures with which to cope with the hazards of the transition period. This is necessary, we believe, to protect the traveling and shipping public to assure the maintenance of vital air transportation services.

CONCLUSION

The Congress will have to decide the issues we are discussing today. The Committee system places upon this Committee the responsibility in the Senate for the primary analysis and the initial judgments as you attempt to reconcile conflicting views.

The choices are difficult. Whatever Congress decides brings with it risks and uncertainties. For us to ignore those risks and uncertainties would be a disservice to you and we have tried to address them forthrightly. We have also tried to provide you with our best judgment regarding the direction of the regulatory policy governing commercial aviation. In short, the current recipe, which has as its primary ingredient Government regulation, should be gradually but definitely altered so that the primary ingredient becomes the forces of the marketplace. Our view of public responsibilities leads us to believe that the process of change should be gradual and provide some safeguards during the transition. The management of this change will not be easy, but we believe it can be done.

The specific provisions of the various proposals now pending before you are vehicles for further deliberation as you shape your decisions.

Mr. Chairman, the Civil Aeronautics Board has the responsibility of assisting you and your colleagues in thinking through these difficult issues. We are prepared to work with the Committee to further your deliberations and to develop the specifics of any legislation which reflects your best judgment.

ISRAEL INDEPENDENCE DAY AND THE JEWISH HERITAGE OF AMERICA

Mr. KENNEDY. Mr. President, today marks the 28th anniversary of the founding of the State of Israel. It is a special day which all Americans can join Israel in celebrating. On this day we pay tribute to a people and a nation whose struggle for peace and freedom is one very much our own. And in this Bicentennial Year it is also especially appropriate that we honor the role our Jewish ancestors played in the development of our great Nation.

No nation merits our continuing support more than Israel. During her first 28 years, the State of Israel has endured more trials, fought more battles, and overcome more obstacles to its survival than most nations experience in 200 years of history.

Yet, in many respects, Israel's struggle for liberty goes back centuries. For the dream of a Jewish homeland is as ancient as the heritage of Israel itself. And that vision has been kept alive throughout the ages by the faith of all Jews, and in their continuing belief in the words of Israel's prophets.

That spirit triumphed 28 years ago. And the land of Israel—a land of immigrants and a land of hope—became a free and independent nation where Jews in exile could return to the land of their fathers—to be in Jerusalem once again. For Israel is a haven—perhaps the only one there is—for a people who have given the world so much and have been its victims all too often.

And since that hour when Israel's first Prime Minister—David Ben-Gurion—proclaimed a new freedom in an ancient land, the United States has stood side by side in Israel's quest for peace. A peace that would end the suffering, a peace that would end the hatred, and a peace that would last forever.

I am proud of our special relationship with Israel and her people. I am proud of her accomplishments. For these 28 years have been a time of fulfillment and a time of realization, and a time of building.

It is not always easy for Americans to understand the unique burden of the people of Israel.

We do not live in a sea of threat and hostility. We do not pass each day in the face of war. And we do not lose our sons and fathers in the constant defense of our homeland. But the people of Israel do.

Yet Israel is like the United States in many ways—we share much in common. And these similarities are the cornerstone of our bonds of friendship, and the foundation of our support for this beleagured nation.

Both nations won bitter fights for independence. Both acknowledge the supremacy of moral law. Both believe in individual as well as national liberty—and both will fight to maintain that liberty. For the values of American democracy and social justice course through the history and life of Israel. And whether here, or in Israel, we must stand for their preservation and protection.

The United States is the oldest republic, and so it is fitting in this Bicentennial Year that we, the oldest republic and the youngest people, pay tribute to Israel, the youngest republic and the oldest people, and reaffirm our commitment to her today.

Let all nations know that our commitment to Israel is continuing and real. Our pledge is firm, the bond will not be broken. The United States will do all it can to provide Israel with the means to defend her security until she enjoys a peace which she has sought for 28 years.

No people deserve this more than those we honor today.

Two hundred years ago, just as 28 years ago, the Jews of Europe came to a new land in search of freedom, and a haven from oppression and tyranny. Even before our Nation's independence, Jews could be found in the new world.

The first organized settlement of European Jews in the United States dates back to the 17th century when several families organized the first Jewish congregation in Newport, R.I. And according to historians, it is claimed that the earliest recorded date of a European Jew arriving in America is in 1648, when in my home State of Massachusetts, Issac Abraham—a respected man of commerce—sold one of his vessels in Boston.

The ordinary men who fought for America's independence, and at times just endured, were the men who fought for America's freedom, and among them were Jewish Americans.

One was Issac Solomon, a member of the Marblehead, Mass., colonial regiment that fought against the British at Bunker Hill. He is the only revolutionary soldier who signed a payroll by writing his name in Hebrew letters.

To this day their monuments endure. In Boston, when the Bunker Hill Monument was under construction in 1840, the civic leaders of Boston could build no more from lack of funds and community support. Then one of New England's most famous citizens—Judah Touro—came forward and rallied the citizens of Massachusetts to complete the task.

Others soon followed. From Russia and Holland, from England and Ireland, from every European nation, the Jewish people joined the steady tide of new immigrants to a new land. They came to Boston, to New York, and the cities and towns of America. They pioneered their way across the Nation. And as they reached the shores of America, they soon began to leave their legacy in all facets of American life.

Wherever we look, in business and the labor movement, in literature and the law, in medicine and public service, in defense of the equality of all Americans, at every level of our Government, we find citizens of American Jewish heritage. Indeed the Jewish experience in America serves as an inspiration to all Americans and people everywhere who treasure man's greatest right—his right to be free.

In many respects, it is far too difficult to list the accomplishments of America's Jews. From a heritage, a culture, and a religious tradition comes a spirit which is fully integrated into the values of America and her way of life. And that spirit of righteousness and equality is the pillar of our Nation's democratic heritage.

In this Bicentennial Year, in my home State of Massachusetts as across the Nation, let us honor the people of Israel on their independence day. Let us pay tribute to America's Jewish heritage. Let our two nations join together to bring security and peace to the Middle East. For Jewish Americans have found a home in a grateful nation. Their spirit and determination to pursue a life dedicated to the preservation of America's heritage serves well to remind us that we are a nation of immigrants.

"MICHIGAN DAY" IN THE NATION'S CAPITAL

Mr. GRIFFIN. Mr. President, earlier this morning, my senior colleague from Michigan (Mr. PHILIP HART) and I took part in a ceremony on the Capitol steps to launch "Michigan Day" here in our Nation's Capital throughout this day. There are a number of programs planned to focus on the many important historical and cultural contributions made by our great State of Michigan to our Nation.

"Michigan Day"—which was set up by the District of Columbia Office of Bicentennial programs—will be marked by a number of appearances by outstanding Michigan artists performing the works of native-son composers. Among those performing today are: The Wayne State University Band; Mountaineer Magic of Iron Mountain High School; the Queen's Guard Drill Team of Central Michigan University; the Menominee High School Swing Choir; The Jills of Bloomfield Hills; the Detroit Mormon Choir; the Okemos High School Orchestra; and the Pernambuco Quartet of Western Michigan University.

"Michigan Day" is a happy day for all Michiganders; it gives us an excuse to do even more boasting about the wonders and achievements of our State.

A little later in this month we will be observing "Michigan Week," May 15–20, back in our State. I am now wearing one of this year's booster buttons that proclaims our theme, "Michigan—Pioneer in Progress."

"Pioneer in Progress." That sums up Michigan pretty well. There is a lot we are proud of about our State, and for a great many reasons.

Many people who think of Michigan, I suppose, think first of cars. And football teams. And breakfast cereal. And the Motown sound. But there is more, much more.

First, there is her scenic beauty, nestled among the Great Lakes and carpeted with rich forests and rolling farmlands. With 11,037 inland lakes—Minnesota claims only 10,000—and with 36,000 miles of rivers, you can stand anywhere in Michigan and be no more than 6 miles away from a lake or stream. No State save Alaska has a longer shoreline and none has more parks and recreation areas.

Then, there is Michigan's strategic location, so crucial to the development of the continent that it was bitterly fought over for centuries. Four flags—those of England, France, Spain, and the United States—have flown over Michigan during her colorful history.

Today, Michigan is a strategic link in the St. Lawrence Seaway and boasts four international seaports. One of them, at Detroit, is actually closer by sea to London than is New York City. At Sault Ste. Marie—which incidentally was founded in 1688 and is the oldest town between the Alleghenies and the Rockies—the shipping locks handle more traffic every year than does the Panama Canal.

Michigan's size also makes her special. The Upper Peninsula alone is bigger than Connecticut, Delaware, Massachusetts, and Rhode Island combined; Ironwood in the Upper Peninsula is as far west as St. Louis, Mo.; Port Huron in "the thumb" is as far East as Greenville, S.C., or Asheville, N.C.; Hancock, also in the Upper Peninsula, is farther North than Montreal.

In Michigan you will find the largest limestone quarry, the largest commercial copper deposit, and the largest variety of minerals in the world.

From these blessings of nature, our State has developed important lumbering, fishing, mining, and farming industries. That Senate bean soup you had for lunch is made from Michigan beans and your next piece of cherry pie will probably be made of Michigan cherries. We grow more of both than anybody else.

One thing that might make our friends in California and New York a little nervous—Michigan now is the third-leading wine-producing State in the country and growing fast.

And we build cars, millions of them every year, leading the world in automotive production.

All of that is the Michigan that people can hear, see, touch, and taste.

But her contributions to the world of ideas are more intangible. Michigan has drawn her citizens from all over the world—Germans to Frankenmuch, Dutch to Zeeland and Holland, Finns to the Upper Peninsula, Poles to Hamtramck. Five of our 83 counties are named for counties in Ireland, and one for Queen Isabella of Spain.

Her universal appeal has made Michigan a leader in education. The University of Michigan was the first State university established by vote of the people through their constitution. Michigan State University was the first land-grant college. Michigan was the first State to guarantee every child a tax-paid high school education and the first to provide for public libraries in its constitution.

This is part of what makes Michigan a true pioneer in progress.

But the secret of that progress lies not in our State's beauty, or in her wealth of resources, or in her economic and intellectual strength. It lies in Michigan's people—Michiganders like those who are celebrating here today.

People are Michigan's most important product.

Out of our great ethnic diversity have sprung outstanding industrial and labor leaders, distinguished scientists and educators, great athletes and artists, astronauts and artisans, public servants in the courts, the Congress and in the Presidency of the United States.

Michigan's Number One Citizen, our friend, President Ford, joined in the "Michigan Day" observance by sending a message to the many who were gathered on the Capitol steps. I ask unanimous consent that a copy of President Ford's message be printed in the RECORD.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., May 5, 1976.

We now mark the beginning of our Third Century as an Independent Nation as well as the 200th Anniversary of the American Revolution. For two centuries our Nation has grown, changed and flourished. A diverse people, drawn from all corners of the earth, have joined together to fulfill the promise of democracy.

America's bicentennial is rich in history and in the promise and potential of the years that lie ahead. It is about the events of our past, our achievements, our traditions, our diversity, our freedoms, our form of government and our continuing commitment to a better life for all Americans. The Bicentennial offers each of us the opportunity to join with our fellow citizens in honoring the past and preparing for the future in communities across the Nation. Thus, in joining together as races, nationalities, and individuals, we also retain and strengthen our traditions, background and personal freedom.

I am most happy to welcome the fellow Michiganders who are gathering in our Nation's Capital for the District of Columbia's Salute to Michigan program. Special activities such as "Michigan Day" are helping to make our great national celebration a memorable and meaningful one for all.

GERALD R. FORD.

PERFORMANCE OF EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Mr. WILLIAMS. Mr. President, yesterday, Senator JAVITS and I issued a statement, as chairman and ranking minority member of the Senate Labor and Public Welfare Committee, containing our views on the performance of the Equal Employment Opportunity Commission. Our statement reflected, in part, an update on the committee's oversight of the Commission and, in part, our views on the recent spate of news media coverage of the Commission's operations. I ask unanimous consent that this statement be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WILLIAMS. Nearly 1 year ago, Senator JAVITS and I reported to the Senate on the committee's continuing oversight of the Commission and about our concern about the need for effective equal employment opportunity enforcement by all responsible Government agencies. At that time, we indicated that we would continue our efforts to work with the Commission to more effectively administer its mandate, and expressed a hope that cooperation with the committee would improve the Government's overall equal employment enforcement effort as well as increase benefits to those individuals who continue to suffer discrimination in the workplace.

During the last year, this cooperative effort has, I believe, been beneficial. The flow of information between the Commission and the committee has been constructive, both for us and for the Commission. We have been able to express our concerns about the operations of the Commission to the top management personnel of the agency, and they, in turn, have kept us informed of improvements and changes that have been made. Last fall, for example, the Chairman of the Commission, at the committee's request, submitted to us a comprehensive and detailed report on changes in the management of the Commission and improvements in its operations. I felt this report indicated a good direction. And there has been progress during the last year, both in the increased level and effectiveness of enforcement and a higher rate of charge resolution. It is unfortunate that the pending departure of the current Chairman, Mr. Lowell Perry and other top management personnel, as well as the recent press coverage of the Commission's activities, may now set back some of this progress.

This is not to say that the Commission does not have many continuing problems in its administration and operations, and I do not think that the news media has either distorted the facts or has been unfair. We are all aware of the continuing intolerable backlog of pending charges at the Commission and the relatively low level of compliance activity. We are also aware of the continuing internal problems. But I believe, Mr. President, that these problems can be overcome, they must be overcome. Equal employment opportunity continues to be an issue of high national priority, and the Commission must fulfill its responsibility to effect this important goal. The committee will continue its cooperative efforts in this regard, and we look toward further improvement in the implementation of this important law.

Exhibit 1

Joint Statement of Senators Williams and Javits on Equal Employment Opportunity Enforcement

A recent series of articles, editorials and extensive commentary in the news media has once again drawn public attention to the Equal Employment Opportunity Commission. These have raised serious questions about that agency's ability to fulfill its obligations under Title VII of the Civil Rights Act of 1964. As the Federal agency to which Congress has assigned the predominant responsibility for insuring that all American workers—not just minorities or women—have an equal right to work up to their full potential, it has a vital role in promoting this nation's economic growth and social development.

As the Chairman and ranking minority member of the Senate Labor and Public Welfare Committee, which has oversight responsibility over the Commission, we are concerned by the continuing failure of that agency to fulfill the important obligations assigned to it in 1964 by the Civil Rights Act, and the enforcement responsibilities assigned to it in 1972 by the Equal Employment Opportunity Act. Nearly one year ago, we reported to the Senate our continuing concerns in this regard and admonished the Commission to correct its problems and get about the business of enforcing its mandate. We also noted at that time that we would continue our investigation and monitoring of the agency, and would take whatever actions are within the Committee's authority to improve the Commission's performance.

We regret that continuing committee oversight appears to confirm the disheartening conclusion that this afflicted agency, over its more than ten year history, has had meager impact on employment discrimination which continues to pervade many employment practices in this country. Especially in our society, which so often equates vocational accomplishment with individual worth and social status, the moral and legal standards of equal opportunity set forth in the Civil Rights Act must be rigorously pursued by all of our institutions. Failure to establish and follow a strong leadership role at the Federal level through the Equal Employment Opportunity Commission is unacceptable. The Committee on Labor and Public Welfare will pursue its evaluation of the Commission to identify its weaknesses, and strengths, and recommend corrective action.

We also call on the President to bring the weight of his office to bear on EEOC's problems, and ask him to evaluate the resources and support provided to this agency. The President can complement our efforts by pursuing his own evaluation of the Commission and recommend the steps necessary to reform and to strengthen its operations.

The most recent public revelations of problems besetting the operation of the EEOC stem from information contained in a series of internal audits initiated by its Chairman, Mr. Lowell Perry. These reports have been made available to the Labor and Public Welfare Committee and are currently being reviewed and evaluated. Although the charges and allegations contained in these reports have not been verified, they certainly raise serious questions about the organization and management of the Commission's 32 district offices and of its headquarters as well. The Committee will examine these reports in light of its continuing investigation of the Commission. We note that at the Commission's last meeting on April 27, it adopted a resolution calling for its own analysis of these reports, which contemplates disciplinary proceedings in cases of individual misconduct if substantiated, and referrals to the Department of Justice when possible violations of criminal laws are found.

Our view that the important goals embodied in Title VII of the Civil Rights Act must be fully attained has prompted us to monitor and evaluate the Commission's performance continuously through ongoing oversight by the Senate Labor Committee. Our actions in this regard, which have also involved extensive staff effort, have unfortunately continued to reinforce our findings that the Commission is still plagued by internal problems which significantly hamper the attainment of Title VII's objectives.

In order to provide the committee with a thorough report on the Commission's operations, we requested the GAO, shortly after the adopting of the 1972 amendments to Title VII, to conduct a comprehensive investigation of the Commission's operations. This GAO investigation has been in progress since that time and has been an important part of the Committee's continuing oversight of the agency. In August of 1974 the GAO provided a preliminary staff report of its findings which noted a number of problems experienced by the Commission and offered preliminary corrective suggestions. At that time we requested the GAO to continue its investigation and to provide the Committee with an expanded and more detailed report. The GAO has nearly completed a comprehensive program review of the EEOC, and we have requested it to expedite this report and submit it to the Committee at the earliest practicable date.

It is vitally important that we have the most current and accurate information about the organization and management of the EEOC, by hearings or otherwise, to evaluate the Commission's effectiveness in bringing relief to individuals who have suffered employment discrimination and in reforming systematic discriminatory practices where they are found to occur. We are examining, for example, the allocation of the resources to the Commission's field activities, the staffing and performance of district and regional offices and litigation centers, the utilization of state fair employment practice agencies, and the systems used to measure the quality of investigations in the entire compliance effort. We are also evaluating the Commission's strategy in investigating systemic discrimination to determine whether its resources are being brought to bear where they will have the greatest impact. Further, the Committee is analyzing the use of employment statistics required of employers, the effectiveness of the EEOC's follow-up of conciliation agreements and consent decrees, and the extent of coordination with other Federal agencies having equal employment responsibilities.

Deficiencies in these and other areas have been noted in previous reports of our Committee. Nevertheless, it appears to us that the Commission has failed to correct the majority of these problems, and continues to fail in fully and effectively implementing its mandate.

It is particularly disturbing that the EEOC also continues to suffer from a lack of continuity in its top management. This problem may well be a substantial underlying cause of many of its problems. Since its inception, the Commission has had seven chairmen or acting chairmen, and ten executive directors or acting executive directors. Although policy responsibility is shared among the five commissioners, administrative responsibility rests with the Chairman who has the power to appoint the executive director and other senior officials of the agency. Therefore, continuity in almost all of the Commission's operations, including supervision of field compliance activities, has been sorely lacking.

This leadership turnover persists, as evidenced by the recent announcement by Chairman Lowell Perry that he is resigning effective May 15, 1976. Because these frequent changes in leadership and policy direction complicate and frustrate management control, and contribute to fragmentation, we call on the President to exercise great care in the prompt selection of a new Chairman for the agency. The candidate must be both committed to the purposes of Title VII and to staying on the job, and must be willing to take prompt and decisive action to correct the problems besetting the Commission. The EEOC cannot afford either ineffective leadership or a short-term commitment. We will certainly cooperate with the President in every way possible to achieve this aim.

The failings of the Commission are both disturbing and disheartening to us. The high expectations with which the Civil Rights Act established the Commission in 1964 have not been fulfilled. Such empty promises underlie the distrust of many citizens with government. The Commission's supporters in the Congress cannot countenance such a disappointment.

The Commission's continuing failure to implement Title VII may well prompt the Congress again to seek legislative solutions to achieve the results embodied in the law. We will continue our efforts in this area, and will keep the Senate fully informed of the Committee's actions and our recommendations for the attainment of the goal of equal employment opportunity.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, many opponents of the Genocide Convention have voiced concern that the "international penal tribunal" mentioned in article VI poses a serious threat to the constitutional rights of American citizens. I have heard it said that Americans will be deprived of their right to trial by jury, or that they will be forced into a trial in some foreign court where our constitutional procedures are not followed.

If we actually read the full text of article VI, we will see that it poses no threat whatsoever to the rights guaranteed American citizens. Article VI says:

> Persons charged with Genocide or any of the other acts enumerated in article III shall be tried by a competent tribunal of the State in the territory of which the act was committed, or by such international penal tribunal as may have jurisdiction with respect to those Contracting Parties which have accepted its jurisdiction.

Since no such tribunal exists at present, those accused would be tried in an American court. Furthermore, there is nothing in the convention which mandates our participation in an international tribunal if one should ever be created. If the United Nations did in the future adopt a treaty providing for a tribunal, then the President would have to approve it and submit it to the Senate for ratification before the treaty became effective.

Mr. President, like most other objections to the Genocide Convention, this one concerning the international tribunal is on very shaky ground if we examine the actual wording of the Convention. There is absolutely no reason to believe that any American citizen will be deprived of his constitutional guarantees. What the Genocide Convention does in fact is reaffirm our support on an international scale of the basic human rights guaranteed in our own Constitution.

MRS. HELEN STRUBLE MELDRUM, WYOMING'S "MOTHER OF THE YEAR"

Mr. McGEE. Mr. President, a delightful lady graced my office yesterday morning. She is Mrs. Helen Struble Meldrum of Buffalo, Wyo., and I am pleased to announce she is Wyoming's "Mother of the Year" as chosen by American Mothers Committee, Inc., of the Washington, D.C., Bicentennial Conference.

Since my own mother continues to enjoy good health and happiness, I take great delight in remembering other mothers as well. It is especially delightful to pay accolades to Mrs. Helen Struble Meldrum, Wyomings "Mother of the Year."

EXPLANATION OF VOTE ON THE FIRST CONGRESSIONAL BUDGET RESOLUTION

Mr. STENNIS. Mr. President, on April 12 the Senate passed by a vote of 62 to 22 Senate Concurrent Resolution No. 109, the first congressional budget resolution. The recorded vote is shown on page S5526 of the CONGRESSIONAL RECORD for that date. I voted yea, in favor of the passage of the resolution.

As I intended to do at the time but did not have the opportunity due to the pressure of time. I wish to make a brief explanation of my vote on this legislation.

The first concurrent resolution on the budget for fiscal year 1977 establishes budgetary targets for outlays and new budget authority, estimates revenues, and from these sets forth the anticipated deficit in the budget and the resultant level of the public debt. In doing so it sets a ceiling, or cap, on spending for the year.

My vote of "yea" on this budget resolution was a vote in favor of establishing a finite cap on the amount of money that can be spent in the coming fiscal year. As a procedural matter it was the lowest spending ceiling that could reasonably be expected to receive a majority vote. Although it is too large it is better than no ceiling at all. Accordingly, I voted for it.

My vote of "yea" on this measure does not mean that I approve of the very large projected deficit. I disapprove of it. Neither does my vote mean that I intend to vote for all of the appropriations that will be proposed to carry out the expenditures set forth in this budget resolution. My vote made no such commitment, and as far as I am concerned every appropriation item must stand on its own demonstrated merit.

Mr. President, this new congressional budget procedure holds great promise for an ultimate return to balanced budgets. I approve of the procedures in the new system even though I do not endorse the large projected deficit. I hope and believe that these procedures, as they are refined and tested by time, will turn the tide against deficit spending and put the Government back on a pay as we go basis. This must be done, for the future of the Nation is at stake.

B-1 BOMBER ANALYSIS BY THE PACIFIC NORTHWEST RESEARCH CENTER

Mr. PROXMIRE. Mr. President, in order to continue the debate on the B-1 bomber, today I am placing in the RECORD an analysis of that program by the Pacific Northwest Research Center in Eugene, Oreg. This organization has examined the B-1 bomber in considerable detail and has produced a provocative article. It was written by Paul Fitzgerald, John Markoff, Roger Walke, and John Woodmansee with an introduction by G. William Domhoff.

Although I do not agree with all aspects of this analysis, it is a useful contribution to the national debate on the wisdom of procuring the B-1 at a cost of over $21 billion.

In keeping with the concept of having all sides heard in this debate, should the Air Force find any part of this analysis not consistent with their position and should they wish to make a detailed rebuttal to this article, I would be pleased to have the Air Force reply printed in the RECORD.

Mr. President, I ask unanimous consent that the analysis of the B-1 program by the Pacific Northwest Research Center be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

A BOMBER OBSOLETE TEN YEARS BEFORE ITS TIME

Over the past twenty years, Defense Department officials, Congressmen, and corporate lobbyists have all played their part in moving the B-1 bomber off the drawing boards and into the stratosphere. At the heart of the B-1 lobby have been a few powerful, well-connected individuals. These men have sat on the boards of America's largest corporations, bankrolled presidential candidates, occupied key posts in government, and after hours have gathered informally in the most elite social clubs.

It is this small group which is the real show behind the B-1 bomber. They are centered in Rockwell International, prime contractor for the B-1, Mellon National Bank, the seat of what may be America's largest fortune, and Hewlett-Packard, a giant electronics corporation, whose multimillionaire cofounder shepherded the B-1 bomber program through the Defense Department.

Obsolete ten years before it was built, the Rockwell International B-1 Advanced Manned Strategic Bomber will cost the American people $92 billion over the next thirty years. This cold war relic is being kept alive today by a lethal combination of powerful corporate oligarchs and aging Strategic Air Command generals.

The American people do not need a new jet bomber to protect them or to make their cities safe places to live. But because giant multinational corporations like Rockwell International have continued to guard their lucrative profit opportunities by building defense boondoggles, the taxpayers shell out for an absurd variety of new superweapons.

This new generation of death-delivering arms will cost untold billions which might have been spent on social needs in this country; education, housing, rebuilding our cities, or quick and comfortable mass transportation.

Instead, a distorted collection of corporate-dictated national priorities are leading America to the brink of disaster. These policies are fueling inflation and causing the deterioration of our communities at home, while overseas they are buttressing repressive governments to ensure the continued flow of profits back to a powerful American corporate elite.

Even though it was declared obsolete by defense experts over a decade ago, this new Air Force Strategic Bomber won't be cheap. In fact, the first prototype models cost more than their weight in gold. Weapons like the B-1 are built in part to support "Aerospace Dinosaurs," ten or twenty top-heavy corporations which depend on building these weapons for their continued existence.

Each year Rockwell International ranks among the largest defense corporations and in 1974 it was the 9th largest supplier of military hardware to the U.S. government.

In the same year, largely because it is developing the costly B-1 for the Air Force, Rockwell was the nation's largest military research and development contractor. Right behind Rockwell in second and third place were General Electric, who developed the B-1 jet engines, and the Boeing Company, who is supplying its electronic gear. The B-1 bomber is big business!

For all that it will cost them. what will the taxpayers get for their money? The B-1 is supposed to replace the B-52 stategic bomber, a somewhat dubious weapon whose only claim to fame in the last twenty years is that it dropped more tons of bombs on Indochina than were dropped during the entire course of World War II. Notably, despite all the pain and suffering that was inflicted, the B-52 had no decisive effect on the Vietnamese people's struggle for self-determination.

The B-1 is designed as a strategic bomber and is intended to join the "triad" of deterrence with America's vast arsenal of land- and sea-based missiles. As one pundit phrased it, the triad (composed of bombers and land- and sea-based missiles) is "as mystically enshrined in American military theology as the Holy Trinity."

The U.S. military has 1,710 land- and sea-based missiles which carry 7,274 separate nuclear weapons. This figure does not include the number of weapons which can be carried by the current B-52 force, If the military is allowed to deploy a fleet of new B-1s, it will expand the number of missiles to 7,566 and the number of warheads to a mind-boggling 13,130, more nuclear weapons than there are major cities on the face of the earth.

While this course of action may seem irrational to most Americans, it spells profit, huge profits, to the corporations. They are plunging ahead. Some of the biggest power-brokers in the country are pushing a fleet of 244 titanium-plated B-1s through Congress.

THE B-1 FINDS A HOME IN SOUTHERN CALIFORNIA

Without a bomber to fly much of the excitement and glamour of the Strategic Air Command would slip away. If no replacement is built for the B-52, Strategic Air Command Officers will be left tending missile silos in the Dakotas. It certainly won't be the prestigious and powerful Air Force of the past.

The Air Force is painfully aware of this and they have been hard at work to replace the B-52. "Once the bomber admirals are dead," points out I. F. Stone, "the clamor for a new bomber will die out too."

For the time being the "bomber admirals" are alive and kicking. More importantly, they have friends in high places. The Air Force has been cooking up schemes for new "follow-on" jet bombers since before the last B-52 rolled off the assembly line back in 1962.

A previous candidate to replace the B-52 was the B-70, built by North American Aviation (the Southern California military-bound corporation which merged in 1967 with Pittsburgh-based Rockwell-Standard to become North American Rockwell). Only two of these space-age monsters were built because defense experts concluded that they were obsolete, even in the sixties. One crashed and the other made its last flight in 1969 to Dayton, Ohio, where it now rests in an Air Force museum.

After the B–70 was stopped the military and the corporations developed in quick succession a flock of new design studies for yet another manned bomber. Plans were developed for a Subsonic Low Altitude Bomber (SLAB), followed by the Extended Range Strike Aircraft (ERSA), Low Altitude Manned Penetrator (LAMP), Advanced Manned Precision Strike System (AMPSS), and finally the Advanced Manned Strategic Aircraft (AMSA).

The manned bomber stayed on a back burner throughout the Johnson Administration and re-emerged after Hubert Humphrey's defeat in November of 1968. During the short lame duck period before Nixon took office, McNamara's successor at Defense, Clark Clifford, a well-connected Wall Street lawyer who had made a million dollars helping the duPonts pass a special capital-gains law through Congress, put into the defense budget $77.2 million, allowing AMSA to enter the competitive design phase. When the Nixon Administration came into power, Melvin Laird, the new Secretary of Defense, accelerated the initial request by raising the budget to $100.2 million. Under the new Nixon Administration the Advanced Manned Strategic Aircraft became "our most urgent requirement."

While the more congenial relations between the bomber admirals and their new civilian colleagues in the Nixon Administration is perhaps one of the reasons for the reappearance of the manned bomber in 1969, the key reason was the new strategic and conventional military doctrines which were developed by the Nixon Administration to deal with the post-Vietnam world situation. For a variety of strategic reasons the Nixon Administration wanted a new heavy bomber very badly.

A STRATEGY TO START WORLD WAR III

Today the American people find themselves confronted with a group of leaders who are making nuclear war a matter of fundamental policy. On July 2, 1975, the Washington Post ran a headline reading: "U.S. 'First Strike' Called Conceivable." The story under the headline documented how American policy-makers were prepared to use nuclear weapons in a first strike attack:

"Under certain circumstances, the United States 'conceivably' would fire its nuclear missiles at the Soviet Union before being fired upon, Secretary of Defense . . . Schlesinger said yesterday."

In an era of proclaimed "detente" with the communist world, where giant corporations are eagerly seeking trading agreements with the Soviet Union and the People's Republic of China, our government has embarked on a perilous course, deploying an incredible assortment of new nuclear superweapons. Within three years of the signing of two separate Strategic Arms Limitation Agreements, Americans have suddenly discovered that their government is constructing an armory of new weapons which threaten the very existence of our planet.

The strategic bomber, like the aircraft carrier, is a perfect implement for an aggressive foreign policy like the new Nixon-Kissinger Doctrine. Henry Kissinger developed the Nixon Doctrine when it became clear that the United States couldn't win the ground war in Vietnam. It was designed to allow America to maintain repressive regimes around the world, but instead of sending U.S. troops, the burden of fighting was placed on native mercenaries with the support of American airpower.

The Ford Administration, which retains Henry Kissinger, the architect of the Nixon Doctrine, and James Schlesinger, one of its most articulate spokesmen, is committed to a foreign policy based on the principle of propping up dictatorships around the world which are friendly to American business. In the years ahead this will lead increasingly to the exercise of American military strength in opposition to movements for national liberation and economic justice around the world.

To borrow a phrase used by American policy makers, it will mean that the U.S. will find it continually necessary to demonstrate "a visible show of resolve" in order to maintain the status quo.

When the veil of rhetoric and equivocation is stripped away from the statements of the military and corporate supporters of the B–1 bomber, it is revealed that the B–1 will be used as an instrument of a foreign policy which has been designed solely for the advantage of American multinational corporations.

Having failed to win in Vietnam with the "science" of counterinsurgency which was developed during the Kennedy Administration, American leaders are turning increasingly to nuclear sabre-rattling today.

At least twice since 1960, American presidents have put the B–52 fleet in the air on full alert, threatening the Soviet Union with nuclear destruction if they refused to accede to U.S. demands. "The most dramatic example" of American big-bomber diplomacy, boasted Readers Digest, "was the 1962 missile crisis. For 30 days and nights, the Strategic Air Command (SAC) kept a substantial percentage of its B–52 force crowded against the U.S.S.R.'s air-defense radars. . ."

Recently Kissinger put the SAC B–52 force on strategic alert again during the 1973 Middle East War, and when he was criticized for his nuclear brinkmanship, promised a full explanation. No such explanation was ever forthcoming from the State Department.

However, there is an explanation. This aggressive style of diplomacy which relies on military power is based on the principle of the "graduated application of force." Kissinger first wrote about force and the role of strategic bombers two decades ago, long before he assumed his role as the modern Metternich of the West:

"A doctrine of graduated employment of force would enable us to escape the vicious circle in which we find ourselves paralyzed by the implications of our own weapons technology . . . If the military position of an enemy became untenable and if he were offered choices other than unconditional surrender, he might accept local withdrawals without resorting to all-out-war. If S.A.C. . . . retains its retaliatory capacity, the other side may decide that amputation is preferable to suicide. . ."

The strategic bomber has replaced Teddy Roosevelt's Big Stick as the instrument of an aggressive U.S. foreign policy. In a world where many countries will soon possess nuclear weapons this military strategy will have the effect of creating more crises than it contains. When this doctrine is viewed against the background of recent statements by President Ford and Secretary Schlesinger, indicating that the U.S. would use nuclear weapons first, it is clear that it will lead to a renewed Cold War and a new spiral of the arms race.

Even within the defense community there are significant doubts as to whether the B–1 will ever be a viable weapon in the missile age. It will take intercontinental ballistic missiles less than a half hour from launch to target. The B–1 bomber will take a full 8 hours to reach its targets.

In a nuclear war, missiles would arrive first, and strategic bombers like the B–1 would find only "empty holes" when they reached their targets. Additionally, due to the slow speed of bombers compared to missiles, it is increasingly likely that the planes will be destroyed on the ground before beginning their mission of nuclear destruction.

Bombers have become the most vulnerable of America's nuclear weapons. This vulnerability makes it much more likely that bombers will be launched early during an international crisis. This would increase the likelihood of nuclear war during such a crisis by constituting a clearly aggressive escalation. Therefore the very "flexibility" of which military planners boast makes a bomber force volatile kindling for starting nuclear wars.

The tanker fleet which is necessary for both the B–52 and the B–1 to complete their missions is also extremely vulnerable. Tankers are slow and "soft" targets. They would be sitting ducks in a nuclear war. Without tankers, even if the B–1 managed to take off, the crew would run out of fuel long before it reached its target.

There is also real skepticism among many defense experts that the B–1 can accomplish its primary mission of penetrating sophisticated air-defense systems in the 1980's. According to a report issued by the Center for Defense Information in January of 1973 the B–1 would represent very little increase in real performance capabilities over the B–52, its predecessor.

The likelihood of Soviet improvements in their air-defense system, including the development of an interceptor with "look-down-shoot-down" capability (the ability to shoot down low flying bombers like the B–1), makes a penetrating manned bomber a hopeless anachronism, produced more for the benefit of the Air Force bureaucracy and the corporations than for the defense of the United States.

These startling inadequacies have not deterred the power brokers behind the B–1 who intend to use a fleet of new bombers as a versatile tool.

* * * * *

Reagan's announcement cast a shadow of suspicion on the Pentagon's statement that the Rockwell bid had been the best deal offered, a statement which they were forced to make in the face of mounting criticism several days after the B–1 contract had been awarded.

North American Rockwell chairman Willard Rockwell Jr. admitted just one month after the B–1 contract was awarded that winning the B–1 sweepstakes was a do or die effort. "We knew that as a business we had just one more chance—the B–1," Rockwell was quoted in the July 1970 Fortune magazine. Prior to the award of the B–1 contract Rockwell was in a slump. North American Aviation, which was incorporated as the weapons and space manufacturing division of North American Rockwell, had never recovered from the blow of the Apollo Space Program disaster which killed three astronauts in a fire on the launching pad. Now with the multi-billion dollar B–1 development program Rockwell felt confident that they would turn around their ailing aerospace division.

Within two weeks after Rockwell had been awarded the contract for the B–1, Aviation Week & Space Technology, a weapons industry trade journal, reported that on the estimated $1.35 billion airframe contract Rockwell stood to gain an "incentive fee" of $115.75 million just for meeting the terms of the contract. The original contract called for the development of seven airframes, but within two years, as costs skyrocketed and it became obvious that Rockwell management could not run the B–1 program adequately, the Air Force cut that number back to four.

In 1975 the B-1 appeared to be a prime candidate for the honor of being the first major weapon-system ever turned down by Congress. A combination of cost-overruns and performance-underruns, coupled with program mismanagement and inflation nearing 100% appeared ready to shoot down the B-1 before it ever reached Russian air-defense systems.

The B-1 bomber promises to be the most expensive in a long line of exotic and incredibly costly military weapons. When it was on the drawing boards in 1969 the original estimate was a cost of $29.2 million per plane. This in itself is a startling figure, more than three times the cost of its predecessor the B-52, however, this was only the beginning of the B-1 cost spiral.

By the time the contract had been awarded to Rockwell International, the cost had already gone up $15 million per plane, before so much as a rivet had been put in place. And once Rockwell went to work, the familiar story of other military-industrial-complex cost-plus adventures was repeated.

In June 1970 when Rockwell International was awarded by B-1 research and development contract the official cost estimate stood at $44.1 million per plane for a fleet of 246 planes, including five test planes and two airframes for ground testing. At this early date in the program the projected "Buck Rogers" capabilities were beginning to be struck one by one before the first plane left the ground.

Additionally, just days after the contract award was announced, the Philadelphia Inquirer reported that the Air Force already had two sets of cost estimates for the plane, one for the public, and a real one. In a private briefing an Air Force spokesman admitted to Inquirer reporter Saul Friedman that the 20-year cost of the B-1 and its necessary accessories would be at least $43.9 billion. Despite these early admissions, the Air Force and Rockwell were to continue to deny these high cost estimates on the record for the next five years.

The first public estimate of the B-1 cost was fictitious because the Air Force had never released the original cost estimates. Instead they undertook a cost cutting effort and managed to "trim" $752 million off their first public cost estimate. This cost cutting project was known as Project Focus. It was completed by September of 1970. According to the Wall St. Journal: "it lopped off $752 million from the $10.8 billion estimate. Then in violation of Defense Department Directive 7000.3, the GAO says the Secretary's bookkeepers credited these savings retroactively, holding the bomber's first year cost growth to $1.3 billion instead of $2 billion."

The American people were not to find out about the B-1 cost-overruns for several years afterwards, but one of the immediate effects of Project Focus * * *

This was not new to the program. Before the B-1 award was given to Rockwell in June of 1970, Secretary of Defense Melvin Laird had scrapped a requirement that the B-1 be able to fly supersonically at sea level. Later, according to the same Wall St. Journal article which revealed the existence of the Project Focus overruns, Laird forced the Air Force Generals to accept reductions in payload, navigational accuracy and engine thrust. Suddenly, early in the B-1 program, the Air Force no longer seemed to have a super-duper bomber. The B-1 would now require more runway to take off from and about half of the costly avionics gear was cut out of the design . . . supposedly to lower the cost of the bomber.

By the middle of 1971, B-1 system costs had begun to shoot through the ceiling. Besides the cost of the new bomber being on the way up, the price of its nuclear tipped short range attack missiles (SRAM) was reported by the press to be nearing the $1 million mark per copy, up from a 1965 estimate of $335,000. The mission plan of the B-1 calls for it to carry up to 24 SRAMs. These missiles have always constituted one of the hidden costs of the B-1, adding billions of dollars to the final weapon system cost.

In the face of these cost difficulties Pentagon weapon managers cut back the B-1 development program during 1971. The Air Force announced that the B-1 program would be "restructured," only three airframes instead of the initial 7 would the built and only 27 F-101 jet engines would be purchased from General Electric instead of 40. These program changes took place only 8 months after the B-1 contract had been given to Rockwell International. A year before critics of the new swing-winged bomber had begun to organize efforts to stop its construction, the Air Force knew that their new space-aged flying machine was in trouble.

This new restructured program meant that B-1 performance capabilities had been downgraded for at least the third time since 1969. On February 22, 1971 Aviation Week & Space Technology announced that the B-1 "take-off performance was reduced by about 10% to cut costs," making it no quicker than the giant wide-bodied jets like the Boeing 747.

These setbacks for Rockwell and the Air Force were only the start, for it would soon become obvious that the B-1 was in real trouble. Within the next year it was announced that the weight of the B-1, a factor which was absolutely crucial to the supposed advantages of having a B-1 rather than a B-52, had begun to rise ominously. It had already risen 11,000 pounds or 7% of the total empty weight of the plane.

At the same time it was announced that the rough-landing-field capability was going to be "relaxed somewhat." This implied a further setback for B-1 proponents. Like the ill-fated C-5A before it, one of the big selling points of the B-1 had been that it would be able to be dispersed widely on many small and previously unused airports, making it a more difficult target to hit. (This was ignoring the fact that the wide dispersal of B-1s all over the country would make many places targets in a nuclear war which had not been targets before.) Losing its ability to land on short-rough fields meant that the B-1 performance characteristics were already dipping toward being no improvement at all over the B-52, and thereby effectively undercutting the Air Force's case for a new manned bomber.

At this time the Air Force admitted to the public for the first time that their development of a new-fangled crew escape capsule had fallen behind schedule. The capsule, which was being used by Rockwell as a big selling point for the B-1, was supposed to allow the crew to operate the bomber in a "shirt sleeve" environment and also allow them to "rocket to safety" if the B-1 was shot down. Perched precariously on the nose of the airplane it was supposed to drop lightly to the ground suspended by an Apollo spacecraft-type parachute after separating from the B-1. In their publicity campaign for the B-1, Rockwell ignored the fact that such a crew capsule had never been built before, and as it turned out later, it never would be put into production.

1973 was a bad year for the B-1. It was also a very bad year for Major General Douglas T. Nelson, Air Force Chief of the B-1 program, who was kicked out and replaced the next year by Major General Abner B. Martin in a general management shakeup.

"OLD-FASHIONED VIRTUES"

The year started with the release of a General Accounting Office (GAO) report which warned Congress of cost growth in the B-1 program. The GAO report revealed that one area of potential growth would be in the area of avionics (avionics are the aircraft's electronics gear), where the Air Force seemed to be intentionally underdesigning in order to hold costs down. The B-1 had the capacity to carry up to 10,000 pounds of avionics, but as designed less than half that amount was in place. The cost even for understated avionics payload was astronomical. This electronic gimmickry is so expensive that they figure its cost by the pound. In 1973 a pound of the stuff cost $1,231.

Early in 1973 Major General Nelson was still publicly saying that the final per plane cost of the B-1 program would be $35.2 million, more expensive than any plane in history, but still only a fraction of the current cost estimate of $84 million. Nelson's words in Ordnance Magazine strike a note of irony only two years after they were written:

"Don't forget some of the old-fashioned virtues: low costs from cradle to grave, reliability, and reasonable performance without trying to increase performance above that which is required."

Two years later no one around the Rockwell plant says very much about the "old-fashioned virtues."

In the middle of 1973 a second program restructuring was instituted. On July 16, 1973 it was reported that B-1 prototype production was to be "stretched" by approximately ten months and that the first flight of the B-1 was to be pushed back by two months into mid-summer of 1974. Ultimately the program fell even farther behind schedule and the first flight did not take place until December of 1974. Within a week of this announcement Secretary of the Air Force John L. McLucas revealed under questioning before the Senate Armed Services Committee that Rockwell would lose its B-1 "incentive fee." McLucas stated:

"One of the features of the contract is the so-called award fee, which is a fee which the contractor will receive depending on how well he does on the job. And obviously having gone through this slip just now, he is not going to get this award fee. The fee is based on his ability to meet the schedule, to meet the obligation which he is committed to."

Under further questioning McLucas disclosed that Rockwell was "about 15% behind schedule" when the decision to stretch the B-1 program was made. In the face of all this, by September the Air Force was putting the cost of the B-1 at about $56 million per plane. Shortly after this announcement the Senate Armed Services Committee reported that they were cutting the Air Force B-1 research and development request for the next year by $100 million. The Committee stated that the $100 million cut was an expression of their "dissatisfaction and serious concern regarding the management of this program." Later in House-Senate Conference negotiations the cut was softened to $25 million. The Air Force was going to have to take drastic steps to save their new plane, with even the most loyal military supporters in Congress beginning to ask what a plane that cost over $50 million per copy could do that was so unusual.

The biggest jolt was yet to come. In November of 1973 the Bisplinghoff Committee released its review of the management of the B-1 program. Dr. Raymond Bisplinghoff, the Deputy Director of the National Science Foundation, had been called in earlier in the year by Secretary McLucas to put together a panel of "experts" to review the B-1. Bisplinghoff was known for his close links to the defense industry and he had been called in before when another costly weapon-system, the C-5A, was in trouble. His panel of "experts" consisted almost entirely of military-industrial-complex scientists and managers. Some panel members even came from corporations like the Boeing

Company which stood to gain billions of dollars in sales if the B–1 fleet was built. Four members of the Bisplinghoff Committee were Boeing employees, but B–1 proponents chose not to see the obvious conflict of interest.

Despite the controversial circumstances under which the B–1 review took place, the findings of the Bisplinghoff panel still were a setback for Rockwell and the Air Force. They reported that the total development costs of the B–1 program, which had already gone up to $2.79 billion could increase as much as 10% more and that performance figures along a wide spectrum would be lower than the Air Force had specified. For example; the most probable empty weight of the B–1 was judged to be up 19%, while the range of the B–1 was reported as being down anywhere between 10% and 20%. Additionally, takeoff weight, thrust margin, and maximum refueled weight all had been downgraded.

Faced with an airplane which would perform at best only marginally better than the B–52, the Air Force decided on a new strategy to get their new fleet of "superbombers" through Congress. They requested that Congress fund a fourth "pre-production" prototype plane. This strategy according to analysts quoted by the Wall St. Journal, "would blur the line between development and full production, enabling the Air Force to move the plane into production a little bit at a time."

The move constituted a real gamble for the Air Force. It was one they took in the face of mounting Congresssional opposition to their new jet bomber. By this time the per plane cost of the B–1 had hit $84 million and it was obvious that the plane was headed for defeat if strong measures weren't taken.

Against the background of continually rising costs and a seemingly endless array of "cost-saving" performance cutbacks the Air Force undertook yet another study of the B–1 in attempt to quell critics. Known as the Joint Strategic Bomber Study Group Report, this one was strictly an in-house affair.

According to a letter written by Senator Thomas McIntyre, Chairman of the Research and Development Subcommittee of the Senate Armed Services Committee, 24 of the 30 study contributors were Air Force officers or civilian employees of the Air Force, and one of the three advisory committee members was an Air Force general officer. Apparently the Air Force was more interested in being able to present a classified report which argued that the B–1 was more "cost-effective" compared to alternative weapon systems of similar cost, than in evaluating whether or not there is actually a need for a new bomber at all.

McIntyre wrote in his letter to Defense Secretary Schlesinger:

"Despite this unmistakably clear Congressional interest in having a full and objective evaluation of the B–1 and its alternatives, I am writing to you now to express my deep disappointment that the Joint Strategic Bomber Study failed to meet these standards of completeness and objectivity and, therefore it is most inadequate as a tool in forming a Congressional decision about the B–1."

McIntyre's attack on the Air Force study, which had been designed to show that the B–1 was the best deal for the money, no matter how great the sums were, forced the Air Force to abandon this line of argument when they appeared before Congress this year. With the official estimate of the cost of a fleet of B–1s, without weapons, a new tanker fleet, adequate avionics, or operation, maintenance or spare parts, already reaching $20.6 billion in real dollars, the Air Force decided to blame skyrocketing costs on inflation.

There are at least two things wrong with the Air Force's claim that most of the growth in the B–1 program cost is due to inflation. First, military spending on tremendously costly weapons like the B–1 is one of the principal causes of inflation.

Thirty years of vast military spending since World War II has had an incredible inflationary effect on the American economy and the price has been paid by people on low and fixed incomes. They have seen their ability to buy the things they need to live stolen from them by an all-pervasive military-industrial machine created by the corporate elite.

Second, although the Air Force claimed in testimony before Congress this year that only 12% of the total cost increase of the B–1 program was from "real" cost growth (the rest was blamed on "inflation") their figures are deceptive because growth estimates are based on an original plane (the one of the drawing board in June 1969) which is very much different than the real plane that is flying today.

Since making the original cost estimate the Air Force has made the following major design changes:

The crew capsule which was supposed to allow the crew to "rocket to safety" was dropped after it proved impossible to engineer one that would work at speeds in excess of 300 MPH. It was replaced by individual ejection seats after the Air Force had spent over $100 million attempting to develop the crew capsule and Rockwell had advertised it widely as a "state of the art" wonder.

The ability of the B–1 to fly supersonically at sea level was dropped by Secretary of Defense Melvin Laird in 1969. Six years later on June 16, 1975 the Air Force announced that it was dropping the B–1's projected capability to fly faster than twice the speed of sound at high altitude by taking special variable engine inlets out of the B–1. Shortly after this, Representative Les Aspin of Wisconsin charged that the B–1 would never fly supersonically on its missions: "Because of the high fuel consumption involved in supersonic flight, it is expected that the B–1 with current and projected Soviet defenses will never fly a supersonic mission."

The B–1 will weigh more, possibly as much as 26% more than the original design called for according to the Bisplinghoff report. This not only will mean that the B–1 would need longer runways to takeoff from, but it will seriously impair the all-important thrust-to-weight ratio which determines the plane's agility while in the air.

The highly publicized ability of the B–1 to carry more than twice the bomb load of the B–52 may be a myth. General Ryan, the Air Force Chief of Staff estimated that a "normal payload" for the B–1 would only be 15,000 to 20,000 pounds, possibly even less than the B–52.

As a consequence of these and other design changes, the $35 million Air Force swing-winged wonder has turned out to be a $84 million slow-flying turkey. Although Rockwell and the Air Force claim that inflation explains most of the program cost growth, they are comparing two different planes. The B–1, if it ever goes into full production, will not be a miracle of Rockwell International Twenty-First Century know-how, but rather, merely another example of defense industry cost-plus-blundering.

THE REAL COST

What will the real cost of the B–1 be? Today the Air Force is admitting to a per plane cost of $84.43 million, which would mean a total cost of $20.6 billion between 1970 and 1985. In common language this would mean $100 for every person in the United States. This Air Force estimate is barely the tip of the iceberg. One independent estimate made by Princeton engineer Bruce MacDonald, and reprinted in the Congressional Record on May 6, 1971, indicates that the total cost including procurement of SRAM missiles, warheads, a new fleet of 255 jet tankers for refueling the B–1, a 13 percent overrun allowance, and operation and maintenance of the B–1 fleet until 1995 will cost a staggering $75 billion.

Spokesmen from Rockwell International have professed astonishment at these figures, but have not refuted them. One Rockwell official wrote in a letter:

"Contrary to published reports, there is no production contract for the B–1, so estimates (and some I've seen are so wild that they are ludicrous) about huge overruns on B–1 production are just so much guessing. In fact with inflation going the way it is today who can guess what anything will cost in 1979 or 1980. It might cost 25 cents to buy a daily newspaper by that time!"

If you were going to buy a house, what would you think if your contractor told you that its price was "just so much guessing?". By saying that there is no production contract yet awarded on the B–1 Rockwell has cleverly avoided admitting the stunning total cost of building a new fleet of useless strategic manned bombers.

A more recent estimate by the authoritative Center for Defense Information indicates that the ultimate cost of buying a new fleet of bombers may be even higher than the $75 billion figure first estimated by MacDonald in his 1971 study. A $75 billion B–1 bomber would equal $348 for every man, woman, and child in the United States. However, the Center for Defense Information study released in June of 1975, predicts that the actual cost of producing and maintaining a fleet of B–1s for thirty years will reach $92 billion!

This amount is so great it defies comprehension. The entire war in Vietnam cost $110 billion. Now Rockwell International and the Pentagon are planning on spending almost as much on a titanium-plated, swing-winged flying dinosaur.

What will the American people get for their $92 billion? The Pentagon claims that they will be getting national security and the ability to "deter" aggression around the world. But a down-to-earth assessment of the B–1 bomber reveals that the billions for bombers will really buy international crises and the danger of new world wars, the continued existence of a massive militarized sector of our economy which produces nothing of social value, millions of unemployed put out of work by a type of government spending which creates far fewer jobs than equal spending in the social sector, and perhaps most ironically, it will buy a weapon which was obsolete ten years before it was built.

GAO REPORT GIVES EVIDENCE OF PERFORMANCE SLIPPAGE OF B–1 BOMBER

Mr. PROXMIRE. Mr. President, since my first speech on the B–1 bomber on April 26, the issue of performance slippages in the B–1 has grown increasingly important. On two occasions I have asked the Air Force for a full comparisons of the characteristics of the B–1 as first presented to Congress in June of 1969 with its present characteristics. That information has not been forthcoming.

In view of the absence of a response from the Air Force on this issue, today I am including in the Record two detailed charts from the General Accounting Office study of the B–1 aircraft program dated March 5, 1976. The first chart from page 13 of the GAO report, outlines, the B-1 bomber cost estimates from 1969 to September 1975.

This data indicates that the B-1 was originally presented to Congress as a program that would cost $8.8 billion. Today the total stands at $21.2 billion. Escalation accounts for $10.2 billion.

The second chart is most interesting. It compares the changes in B-1 performance or technical characteristics since the planning estimate to Congress in June of 1969. Although some of this material has been deleted from the chart, it can be seen that the B-1 bomber's supersonic penetration speed has declined 27 percent, its payload has decreased from 32 to 24 SRAMS internally, its takeoff gross weight has been increased by 11 percent and the takoff distance has increased by 15 percent.

The Air Force has classified the statistics for changes, if any, in subsonic range, supersonic range, and maximum speed at sea level.

I do not understand why this data could not be declassified at least to the extent of allowing the public to determine if decreases in performance have occurred in these areas as well. If there have been performance degradations in these areas, the case against the B-1 would be overwhelming.

Mr. President, I ask unanimous consent that the two charts from the General Accounting Office report be printed in the RECORD.

There being no objection, the charts were ordered to be printed in the RECORD, as follows:

B-1 SAR COST ESTIMATES

[In millions]

Description	Planning estimate June 1969 [1]	Development estimate June 1971 [2]	Current estimate [2]		
			September 1974	September 1975	Net change
Development	$1,800.0	$2,685.0	$3,615.6	$3,884.0	+$268.4
Procurement	7,000.0	8,533.8	15,017.0	17,312.0	+2,295.0
Subtotal	8,800.0	11,218.8	18,632.6	[3] 21,196.0	+2,563.4
Logistic support and additional procurement costs	(4)	829.5	388.7	(4)	−388.7
Total	8,800.0	12,048.3	19,021.3	21,196.0	+2,174.7
Escalation included above	0	1,499.9	6,422.8	10,172.4	+3,749.6

Description	Planning estimate June 1969 [1]	Development estimate June 1971 [2]	Current estimate [2]		
			September 1974	September 1975	Net change
Quantity:					
Development	5	5	5	4	−1
Production	241	241	239	240	+1
Total	246	246	244	244	0
Procurement unit cost	29.0	35.4	62.8	72.1	+9.3
Program unit cost (development and procurement)	35.8	45.6	76.4	86.9	+10.5

[1] Stated in 1968 dollars.

[2] Estimates are in then year dollars.

[3] As of Dec. 31, 1975, program costs had increased to $21,419,000,000 and the Air Force advised us that it is expected to increase an additional $200,000,000. They stated these increases were due to reductions in requested funding.

[4] Not reported.

CHANGES IN ESTIMATES FOR SELECTED B-1 PERFORMANCE OR TECHNICAL CHARACTERISTICS

	Subsonic range (nautical miles)	Supersonic range (nautical miles)	Maximum speed sea level (mach)	Supersonic penetration speed (mach)	Payload-internal SRAM's (number)	Takeoff gross weight (pounds)	Takeoff distance (feet)
Planning estimate, June 1969	[Deleted.]			2.2	32	358,000	6,000
Development estimate, June 1970				2.2	24	356,000	6,500
June 1971, estimate				2.2	24	360,000	6,500
June 1972, estimate				2.2	24	368,600	6,760
June 1973, estimate				2.1	24	389,772	6,950
June 1974, estimate				2.1	24	395,000	7,500
September 1975, estimate				1.6	24	395,000	7,500
Degradation—Development estimate to September 1975 estimate				.6	0	39,000	1,000
Percent				27		11	15

RESEARCH AND TRAINING NEEDS IN GERONTOLOGY

Mr. WILLIAMS. Mr. President, research and training provide valuable support activities for solving every day problems of older Americans and delivering vital services.

But as things now stand, research and training have a low priority in the field of aging.

This is particularly evident in the administration's fiscal 1977 budget request.

No funding, for example, is recommended for title IV training under the Older Americans Act. Yet, a critical shortage of adequately trained personnel constitutes one of the most serious problems in the entire field of aging.

This need is likely to intensify in the years ahead. In a recent report—entitled "Research and Training in Gerontology"—the Gerontological Society gave this candid assessment:

> The gap between the need for trained personnel and the capacities of present training programs is so great that there is no danger in overtraining for several decades.

Estimates made in 1973 of projected 1980 manpower requirements provide clear and convincing evidence for stepping up our training efforts, instead of pursuing a policy of retrenchment as advanced by the administration.

In 1973, there were about 5,000 managers for retirement housing. By 1980, the projected need ranges from 32,000 to 43,000. Nearly 47,000 social workers for long-term care facilities will be needed by 1980, or 27,000 more than in 1973.

Like training, money spent on research has proved to be a sound and prudent investment.

The title VII nutrition program, for example, is a direct result of nutrition demonstration projects funded by the Administration on Aging.

Today the nutrition program for the elderly provides 245,000 meals a day at 5,500 sites located throughout the country.

With the new funding under the fiscal 1976 Labor-HEW Appropriations Act, nearly 360,000 meals can be served daily.

Recently, Dr. Carroll Estes—a member of the Gerontological Society's Public Information Committee—presented compelling testimony about the need to fund research and training programs in the field of aging.

Mr. Preident, I commend Dr. Estes' testimony before the House Labor-HEW Appropriations Subcommittee to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY BY CARROLL L. ESTES

Representative Flood and distinguished members of the Subcommittee, my name is Carroll Estes and I am an Associate Professor at the University of California, San Francisco. I am a member of the California Commission on Aging for which I Chair the Committee on Older Americans Act programs and the subcommittee on Constituency Concerns. I am a member of the Gerontological Society's Public Information Committee and an Executive member of one of the Society's four Sections.

I have been conducting research and teaching in gerontology for more than twelve years and have published research articles on organizational and political problems in implementing state and area programs under the Older Americans Act and on Revenue Sharing issues as they concern the aging. My most recent study was of innovative legislative and programmatic developments in aging for a sample of states (just published by the California Commission on Aging under the title, *Developments and Trends in Aging*).

The Gerontological Society is comprised of more than 4200 persons engaged in research, training and direct services to older people. As such, the Society is the largest multidisciplinary, scientific organization in gerontology in the world and it provides the leadership in the international community. The Society is concerned with the application of knowledge to services, and its accomplishment through integrated and expanded efforts between and among training, research and practice. I am here today to share with you the concerns and recommendations of the Gerontological Society regarding FY 1977 appropriations in these areas.

The President's Budget request for FY 1977 will seriously hamper the efforts of the three units which currently fund most of the federally-supported research, training and service programs in gerontology—the Administration on Aging (AoA), the National Institute on Aging (NIA), and the National Institute of Mental Health, Center on Aging (NIMH). The Administration request for AoA for FY 1977 of $192 million represents a cutback of $52 million over FY 1976.

If you and the full Congress support the President's Budget, this would mean that more than one out of every five dollars spent by AoA in 1976 will not be available in 1977. Similarly, NIMH would suffer an 86 million dollar reduction if the Administration's request succeeds, and one out of every four dollars to be spent in 1976 would not be available in 1977. This incidentally, would virtually extinguish any hope for fiscal support for NIMH Center on Aging projects in research, training and services. Finally, the President's Budget for the NIA, while allowing for a modest increase over FY 1976, does not begin to accommodate the unique circumstances wherein these funds must support the *development* of this new Institute, which just this Spring will be acquiring its first Director and which is already delayed in being organized. NIA is the smallest of 11 Institutes of the National Institutes of Health—ranking 11th of 11—with the nearest Institute in size of resources having nearly two times the support currently envisioned for NIA. Further, the funds initially provided NIA did not represent NEW money in that they were essentially drawn (almost in toto) from the National Institute of Child Health and Human Development (NICHD) in FY 1976 (the NIH unit which previously supported research and training in biological, psychological, medical and social aspects of aging).

ADMINISTRATION ON AGING—AOA

Model Projects (Title III, Sec. 308, Older Americans Act):

The President's Budget Request for FY 1977 for Title III (Sec. 308) for Model Projects is zero. This figure is $8 million lower than the amount available in FY 1975, which had included a $3 million Congressional supplement to a continuing resolution of $5 million. This is the first time since the inception of Model Projects (FY 1974) that the Administration has requested no funds for this Title. Yet Congress has just assigned (in the 1975 amendments to the Older Americans Act) new major priorities for model projects: nursing home ombudsman, legal services, day care, and projects for older Americans not receiving emphasis under other provisions of the Act, e.g., Indians, limited English-speaking, rural elderly.

Model Projects provide a crucial mechanism for demonstrating new and innovative approaches to service delivery. Appropriations which support the demonstration of the viability of alternative strategies for the provision of social services under this Act are essential. It is worth recalling that the current Title VII Nutrition Program was begun under the Model Project strategy, which permitted the initial testing of what is now regarded by many as the most successful aspect of the Older Americans Act.

The Gerontological Society advocates an appropriation for FY 1977 of at least $10 million (the FY 1975 operative level) so that Model Projects in these innovative program and direct service areas may be carried out.

Training (Title IV-A, Older Americans Act):

Possibly no field of human and social concern more critically needs trained qualified manpower at all levels than does the field of aging. Further, gerontology is also one of the most vulnerable fields both in institutions of higher education (because of the fact of its recent developments) and in the recruitment of competent professionals, semi-professionals and para-professionals because of the prejudice and low status assigned to older persons and the pervasive negative myths and stereotypes of old age.

Although it was only in the late 1960's that small amounts of federal monies were appropriated specifically for the development of beginning programs in gerontology, the Administration proposes to eliminate all Title IV training funds for the fourth consecutive year. The Society believes that continued and increased support of training is essential if programs for the aging are to be staffed by those with adequate knowledge and skill.

As you know, training under Title IV A is divided approximately equally between short-term, in-service and longer term, career training. The portion of Title IV A funds currently supporting short-term and in-service training is administered by state agencies and focussed on strengthening program management and capability at the state and area level for both Title III and VII programs. The long-term training activities funded under Title IV-A now support programs at 58 colleges and universities, most of which are at the undergraduate, certificate or master's level, with only 11 awards in FY 1975 including doctoral training as a component.

Since reaching a high of $10 million in FY 1974 (of which $0.5 million was withheld), training support under this Title has already been effectively reduced $1.5 million (in FY 1976 and 76). What is not widely recognized is that academically-based career training was reduced more than half in FY 1974, when half of all AoA training monies went to short-term training (a pattern which has continued to the present time).

To eliminate (or severely reduce) Title IV-A training would not only result in a major setback in the educational gains which have only recently been achieved, but also in the dismal prospect of having to fund such programs in the future at many times the cost of the investment of continuing these education programs now. Also of great importance is the fact that terminating Title IV-A training in 1977 would mean the end to all training to build the capacity of state and area agencies—resulting in a direct impact on services for older persons.

To summarize, the purpose of Title IV-A training funds is to develop educational resources critical to successfully implementing the intent of the Older Americans Act. Virtually eliminating the capacity for short- and long-term training (as the President's Budget request suggests) precisely as the government augments its support of programs for the aged appears highly inconsistent with expressed Congressional goals. The Gerontological Society recommends that for Title IV-A (in-service and university programs), $18 million be appropriated for FY 1977.

Research (Title IV-B, Older Americans Act):

Research and demonstration (under Title IV-B) is primarily devoted to improving services for the elderly. In contrast to NIMH and NIA research, AoA research is related to service delivery strategies and focussed on non-biological (social) problems of aging described in the Older Americans Act (e.g., transportation, nutrition, educational needs of older persons). Research supported under this Title is particularly important in that it (1) provides knowledge critical to effective management of AoA's legislatively mandated Title III and VII programs, and (2) represents "a primary source of basic knowledge required by AoA in carrying out the legislative mandates of the Older American's Act, as amended." (Select Committee on Aging Hearing, September 24, 1975:50.)

If the President's Budget Request is accepted by the Congress, appropriations for Title IV-B research will have been reduced 36% (from $9.0 millilon in FY 1972 and 1973 to $5.8 million in FY 1977), precisely as the total AoA program has increased more than 180% in the same time period. The $5.8 million Administration request is barely enough to continue existing projects, not to mention the funding of new projects. The $10 million which we are requesting for research would augment the $7 million level which has been in effect for the past three fiscal years. It will deal with increased costs and provide some new funds to support research into new and important areas.

Currently the Administration is attempting to reduce the FY 1976 Title IV-B research budget by $1.2 million (cutting back AoA research from $7 million to $5.8 million) to provide for the Congressionally mandated increase in the support of State Administration (Title III) by the same amount. The Administration also proposes to institutionalize this reduction by recommending a 1977 support level for Title IV-B which represents the same 1.2 million dollar decrease suggested for FY 1976. We urge that research monies not be robbed in order to provide adequate funding for State Administration. The Gerontological Society supports the increment to State Administration but also urges the appropriation of $10 million to support the important policy-relevant research carried out under Title IV-B for FY 1977.

Multidisciplinary Centers on Aging (Title IV-C, Sec. 421, Older Americans Act:)

We were extremely gratified that the House Select Committee on Aging recommended to you the initial funding of 1 million dollars for multidisciplinary centers in the FY 1976 Supplemental Appropriations Bill. This is recognition that the Congressionally mandated multidisciplinary centers of gerontology finally must be funded. These centers would differ from Title IV-A and other federal training programs in bringing together specialists in many different fields of research and practice to learn from each other new and more comprehensive perspectives on problems of the elderly, and to improve their programmatic and legislative solutions. The most advanced training and research findings and techniques would be gathered from and disseminated to a number of fields. These centers would assist in the improvement of programs and services through technical assistance to state and area agencies.

The significance of the multidisciplinary center concept as formulated in Title IV-C, Part C (Sec. 421) is that it would link basic and applied research to practice on the regional and community levels, both in terms of the training of and consultation to staff members of public and voluntary organizations with respect to the needs of older people and the planning and development of services for them. Major advantages would accrue from the opportunities which such centers would provide for innovative, multidisciplinary efforts in teaching, research and demonstration projects with respect to the aging.

The Gerontological Society, which consists of members from many disciplines has long recognized the essential interdisciplinary nature of research and services for older people and of training for work in these aspects of the field.

The Gerontological Society urges that $8 million be appropriated for FY 1977 to carry out the intent of Title IV-C of the 1973 amendments to the Older Americans Act.

NIMH CENTER ON AGING

The Gerontological Society is pleased to recommend your support for the newly created NIMH Center on Aging by directly appropriating 5 million dollars for research and training and services for FY 1977. Why is such a Center needed and what would it do?

The NIMH Center on Aging is needed and must be funded. *First,* because of the magnitude of the problem of mental illness among the elderly. Although representing 10% of the U.S. population, 15 to 25% of persons 65 and over suffer mental illness; they commit 25% of the suicides, and they comprise nearly one forth of all annual mental hospital admissions. *Second,* the "dumping" syndrome of older persons into institutions (and most recently, out of them) without adequate support systems is a national disgrace. This phenomenon is attributable at least in part to the myths about old age, many of which are unfortunately shared by large numbers of health and mental practitioners. *Third,* the mental health problems of the old age have created a serious economic issue; alternatives must be found to expensive institutionalization (costing approximately an average of $10,000, and in some states up to $18,000, annually for each institutionalized older American). Such alternatives are lodged in the prevention and early treatment of depression and other symptoms of mental disorders and in the development of community support systems. *Fourth,* we know that without a specific commitment to aging research, training and service, the problems of older persons will be given insufficient attention. *Fifth,* less than 1% of training and 3% of research in aging are currently supported by NIMH funds.

As it stands now, any major hope for the expansion of and gerontological progress in the field of mental health and aging probably will have to come from congressional support and continued interest. If funded, the NIMH Center on Aging would immediately—without administrative costs—involve itself in three major types of activities: (1) research; (2) training; and (3) services. *Research* will be supported which focuses on specific mental health problems of the aged, (e.g., organic brain syndrome, depression, paranoia), on the impact of institutions on the mental health of the aged; and on the relation of service delivery and family support systems to the etiology and amelioration of mental illness in aging.

The NIMH Center on Aging will involve *training* in geriatric aspects of mental illness for the staff members of the 500 Community Mental Health Centers (which, as a result of the 1975 legislation are mandated specifically to provide programs for older persons); it will stimulate the development of similar training for psychiatrists and psychologists; and perhaps most important, if funded, the NIMH Center on Aging will provide continuing education and other experimental education programs for the family members, friends and neighbors of older persons to bolster, activate and effectuate support systems available to the elderly.

Services offered by the NIMH Center on Aging will be community services, on a demonstration basis, involving the development of different models of service delivery (primarily associated with the CMH Centers). This aspect of the NIMH Center on Aging is of far-reaching and immediate importance because of the projected 50 million dollars to be spent in CMH Centers. Thus, your support for the initial investment in the NIMH Center on Aging by a direct appropriation for FY 1977 of 5 million dollars is likely to have a demonstrable impact on the entire Community Mental Health program nationwide.

Finally, the Center, if funded, plans to initiate a program of "Matching funds" with other units within NIMH, NIH, AoA and additional governmental agencies to stimulate their overall investment in research related to aging. This approach will foster multifaceted and coordinated efforts to solve problems of the aged. The area of senile but also specialized education in Geriatric Medicine and mid-career training (re-training) for those professionals who in mid-life desire to undertake work in the geriatric or gerontological fields.

It needs to be stressed that the activities of the NIA are in no way duplicative of those of AoA or of those to be undertaken by the NIMH Center on Aging. All three of these units are actively engaged in mutually shaped efforts, including participation in one another's task forces and advisory committees.

For FY 1977 the Administration has asked for an increase from $17.5 million to $26.2 million but has allocated none of this amount for training activities. Most of the amounts requested by the Administration will in fact support on-going programs only and developmental costs for this new Institute, allowing little for growth in research intended by the creation of NIA. It is known, for example, that NIA currently has a backlog of more than $7 million dollars of high-priority, approved, research proposals.

The scientific community has indicated that there are many avenues of research which are likely to produce significant advances in the area of health, reducing the necessity for and cost of institutionalization and increasing the quality of life of older persons. The Gerontological Society urges that you appropriate $30.1 million for FY 1977 to the National Institute on Aging in order to get expanded research and training underway. This additional funding for NIA will enable the Institute to extend its training scope from its current emphasis on biological sciences into clinical medicine and the behavioral and social sciences.

GERONTOLOGICAL SOCIETY RECOMMENDATIONS FOR FEDERAL FUNDING

[Dollar amounts in thousands]

Federal agency	Fiscal year 1976—Appropriated or continued (1)	Fiscal year 1976—President's supplemental budget request for fiscal year 1976 (2)	Fiscal year 1976—Supplement recommended by Gerontological Society (3)	Fiscal year 1976—Total recommended by the Gerontological Society (4)	Fiscal year 1977—Requested by the administration (5)	Fiscal year 1977—recommended by the Gerontological Society (6)
NIA (National Institute on Aging)	[1] $17,526	0	[2] $1,762	$19,288	$26,220	[3] $30,100
AOA (Administration on Aging):						
Title III:						
State Administration	15,000	[4] $16,200	16,200	16,200	16,200	17,000
State and Commission Services	76,000	76,000	93,000	93,000	82,000	125,000
Model projects	[5] 5,000	5,000	10,000	10,000	0	10,000
Title IV:						
Pt. A (Training)	8,000	0	15,000	15,000	0	18,000
Pt. B (R. & D.)	7,000	[4] 5,800	8,000	8,000	5,800	10,000
Pt. C (Multidisciplinary Centers)	0	0	1,000	1,000	0	8,000
NIMH (National Institute of Mental Health): Center on Aging	0	0	0	0	0	[6] 5,000

[1] Without training.

[2] For training.

[3] The Gerontological Society recommends the authorization of 215 staff positions for the NIA in fiscal year 1977.

[4] Note: The administration proposes reducing the research budget by $1,200,000 and increasing the support of State administrations by that same sum. The Gerontological Society supports the mandated increment to State administrations but also firmly supports a continuing level of $7,000,000 for research in the AOA budget for fiscal year 1976.

[5] Actual appropriations in fiscal year 1975 were $8,000, including a $3,000 congressional supplement.

[6] Little or no funds are currently available for programs, research and education in mental health and aging. The amount suggested above is in keeping with the general agreement at the White House Conference on Aging as the minimal amount necessary.

FINANCIAL STATEMENT OF SENATOR MOSS

Mr. MOSS. Mr. President, for the last 12 years, I have made public disclosure of my income and financial assets. The disclosure I make today updates the record through April 1976.

This statement has been prepared by Touche Ross & Co., of Salt Lake City, certified public accountants, based upon my tax returns and based upon the cost figures at the time of purchase.

Last year I received lecture fees of $6,100; royalties of $122 on my book, "The Water Crisis," and small dividends of $32 from marketable securities that I hold. These are my only earnings outside my Senate salary, with the exception of $509.64 gross a month—net $455.58—which I draw as retired military pay for my service in the U.S. Air Force. My wife has no separate assets or earnings.

I ask unanimous consent that my current financial statement be printed in full in the RECORD.

There being no objection, the financial statement was ordered to be printed in the RECORD, as follows:

Senator Frank E. Moss—Statement of assets and liabilities, April 30, 1976

Assets

Cash	$6,200
Marketable securities	241
Notes receivable	8,007
Cash surrender value of life insurance policies	19,100
Automobiles	2,000
Real estate:	
House in Washington	46,000
House in Salt Lake City	31,086

Senator Frank E. Moss—Statement of assets and liabilities, April 30, 1976

Real estate:	
House in Maryland	73,000
Condominium at Bear Lake	39,500
Unimproved lot in Salt Lake City	8,000
Subtotal	197,586
Total	233,134
Liabilities	
Note payable	10,080
Mortgage on real estate:	
House in Washington	2,650
House is Salt Lake City	12,472
House in Maryland	60,396
Condominium at Bear Lake	33,890
Subtotal	109,408
Total	119,488
Net assets	113,646

ROBERT BUTLER: NIA DIRECTOR AND PULITZER PRIZE WINNER

Mr. CHURCH. Mr. President, the Congress in 1974 authorized establishment of a National Institute on Aging, "responsible for the conduct and support of biomedical, social, and behavioral research and training related to the aging process and the diseases and other special problems and needs of the aged."

May 31 will be the second anniversary of the signing of the NIA legislation, but until May 1 of this year, the Institute was attempting to function under a major handicap: it had no permanent Director.

Fortunately, the situation was ended when the Director of the National Institutes of Health announced at the start of this month that Dr. Robert N. Butler, psychiatrist and gerontologist, has been appointed the first NIA Director.

Dr. Butler is an excellent choice. As a psychiatrist, he has continually urged greater attention to the mental health needs of the elderly, who are so often neglected in this area. As an advocate for action on matters of concern to older Americans, he has helped our citizens to become aware of the dangers of "ageism," or negative attitudes toward the aging process and all that now goes with that process. As a consultant to the National Institutes of Health, the Senate Committee on Aging, and the Center for Law and Social Policy, Dr. Butler has helped shape national goals and actions on aging.

And as an author, Dr. Butler has made major contributions over the years, but he has now achieved a new peak of accomplishment with his book "Why Survive? Being Old in America." Coincidentally, that work received the Pulitzer Prize for nonfiction during the same week that Dr. Butler assumed his duties at NIA.

It seems to me that everyone concerned about aging should welcome the Pulitzer Committee action. Dr. Butler's book, focusing as it does on a broad range of issues related to aging, can do much to broaden understanding about the problems and vast changes, many of them positive, which occur in this Nation and others as more persons live more years in retirement.

Mr. President, an excellent article by Victor Cohn in the May 5 issue of the Washington Post reports on Dr. Butler's accomplishments and the evolution of his professional and personal interest in aging. I ask unanimous consent to have that articles, together with a letter I wrote to Dr. Butler, printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Post, May 5, 1976]

Pulitzer Winner's Big Day

(By Victor Cohn)

Psychiatrist Robert Butler was raised by old people.

When he was 11 months old and his parents separated, he was taken in by his grandparents to live on a New Jersey farm. When he was 7, his grandfather, whom he loved greatly, died.

It was then that he decided he wanted to be a doctor because he thought the right kind of medicine might help people live longer.

His grandmother—"a tenacious woman of triumphant spirit" finished bringing him up despite grim depression and poverty, and from her determination and will, "I was myself helped to survive."

All these elements seemed to come together Monday when Robert Butler marked two achievements.

First, he reported for work as the first director of the new National Institute on Aging, the latest unit of the National Institutes of Health. Then, in the afternoon, he began getting phone calls from reporters telling him that he had won the 1976 Pulitzer prize for nonfiction for his much acclaimed book, "Why Survive? Being Old in America."

By the title, "Why Survive?", he explained yesterday, he did not mean old age is not worth surviving for. In fact, he said, it can be one of life's finest times, full of live.

For too many people, he said, it is instead a tragedy—this because of poverty, preventable sickness and above all "the fact that we have shaped a society which is extremely harsh to live in" for the old.

Dr. Butler, who lives with his family at 3815 Huntington St. NW., faced an audience of inquiring reporters at NIH yesterday. They were attracted by his Pulitzer prize rather than by what he considered the far more important fact that there now is a NIH institute devoted to improving the lot of the aged.

Can it be improved?

Yes, he said. "First we have to deal with the fundamental problem of increasing income," and do it by other means than "the welfare approach, which destroys pride."

Then, he said, we need to give the aged proper medical care instead of just "Medicare, which is written as though old people were in their 20s—it doesn't pay for health checkups, preventive care, hearing aids or eyeglasses, and it pays only 42 per cent of older persons' medical expenses."

Finally, he said—getting into his new role as an NIH research planner—"we need biomedical research, not so much to increase years of life as to increase its quality."

Medical training is as important as research, he noted, since "not one U.S. medical school requires students to spend a day in a nursing home, though there are now more patients in nursing homes than in hospitals."

Butler dealt with all these things in his 496-page heavily documented and footnoted—but still highly readable—book. It was praised by critics and specialists, though its sales, he said, have been "modest"—to date, 15,000 copies. And it was seen as a rare combination of warm feeling and hard analysis.

The combination was no surprise to Butler's friends, patients and students. Since 1955, he has been a Washington psychiatrist and psychoanalyst, and a teacher at Howard and George Washington universities, the Washington School of Psychiatry and the Washington Psychoanalytic Institute.

Now, 49, he built his course of treatment on a base of both caring and knowledge, obtained as a boy on the farm, as a youthful researcher at the University of California, then as an NIH research psychiatrist.

An earlier book, "Human Aging," questioned commonly held myths about the inevitability of "senility," the supposed inability of the elderly to learn and change.

"He's just full of ideas for solving human problems," one friend said. "He's interested in the whole science of human development. He's just a remarkable person."

Butler smiled yesterday about such things. It was only with some hesitation, he said, that he put into his prize-winning book a mere 25-line "personal note" about his own remarkable grandparents, and how they influenced him.

His grandfather already was in his 70s when the child, Robert Butler, was brought to live with him.

"I remember his blue overalls, his lined face and abundant white hair," he wrote. "He was my close friend and my teacher. Together we rose at 4 a.m. each day to feed chickens, candle eggs, grow oats and tend to the sick chickens. . ."

Then "he disappeared suddenly when I was 7," and his grandmother, then 58, had to go on relief. They lived in a cheap hotel and ate from "welfare" canned food with demeaning white labels.

"But she was not one to give up easily," he remembered yesterday. "She was very tenacious."

She sewed at a WPA sewing room, learned to type and lived for 20 years, giving the young Butler his lessons in cheer and persistence.

"It was easy," he said, "to be inspired by her."

May 4, 1976.

Dr. Robert N. Butler,
Washington, D.C.

Dear Dr. Butler: You have my heartfelt congratulations for the high honor announced today. I have long admired the many contributions you have made to gerontology as practitioner and spokesperson; your book, *Why Survive: Being Old in America,* sums up a great deal of your achievements and thinking in the many fields related to aging. It is therefore as much a personal tribute as a professional one that the Pulitzer Committee chose it for its award.

It's not every day that the Senate Committee on Aging can point to one of its consultants as a Pulitzer prize-winner, and it's not every day that I can extend best wishes on the same day to one person for two honors—I am delighted that you are Director Designate of the National Institute on Aging, as well.

And so I draw great satisfaction from the opportunity to do both.

With best wishes,

Sincerely,

Frank Church,
Chairman.

IMPROVING THE ADMINISTRATION OF OUR FOOD AND AGRICULTURAL POLICIES

Mr. HUMPHREY. Mr. President, I wish to share with this body an article of mine which was printed in the March–April issue of Public Administration Review entitled "Pragmatic Administration of Food Policies: Domestic and International."

In this article I pointed out some of

the recent developments in the area of our food and agricultural policies. I referred to some of the major instabilities which the chief economist of the Department of Agriculture, Don Parlberg, described at a May 24, 1975, address in Des Moines, Iowa. Dr. Parlberg indicated some of the major market fluctuations which have troubled our producers and been particularly harsh on our livestock growers.

I also indicated some of the elements which should go into a food policy in the future. I suggest that, first of all, our farmers need to be able to be assured of a reasonably stable income so that they are not ruined by one bad year. In addition, I suggest that our consumers need to be assured of a steady supply of food. Further, I indicated the need to provide some assurance to our foreign agricultural customers that we can meet our export commitments and at prices which do not bounce wildly from year to year.

It is clear we have made drastic changes both on the farm and in our agricultural policies in the last 4 years. And our consumers have paid a very high price for this instability with food prices increasing more than $57 billion in the last 3 years. This far exceeds the $40 billion which our farm programs cost from 1933 to 1972.

In spite of the likelihood of further instability and disruptions, the administration refuses to learn from these last few years. Our farmers face the prospect of increasing stocks of grains and depressed prices in the next year while the world needs this abundance. Clearly, we need to develop programs and policies which can deal with occasional surplus but at the same time realistically face the likelihood of long-term shortages on the world food markets.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Public Administration Review, March–April 1976]

PRAGMATIC ADMINISTRATION OF FOOD POLICIES; DOMESTIC AND INTERNATIONAL

(By HUBERT H. HUMPHREY, U.S. Senator from Minnesota)

Food is a problem in the United States, either when there is too little or when there is too much. It is a problem when excessive amounts of grain cover the streets of small midwestern towns, or when scarcity creates lines of consumers at metropolitan store counters. It is a problem when the poorest classes of consumers face difficulty in securing minimal food needs, when amounts of food shipped abroad raise food prices at home, and when government budget deficits cause cutbacks in food stamp programs. It is a problem that is prevalent most of the time; and it requires continuous oversight by the federal government.

Oversight of food problems is carried out by a number of departments, agencies, councils, and committees of the federal government. Representation changes as the pendulum swings between too much and too little. The roster of players changes almost daily. In times of food commodity surpluses, representation is heavier from agricultural and budgetary agencies. When relative scarcity prevails, representation increases from consumer and foreign policy agencies. At all times, the national importance of these issues keeps the White House and the Agriculture Committees of Congress closely tuned in and intimately aware of day-by-day events.

The shifts from scarcity to surplus occur with a rapidity that is difficult to anticipate. The tremendous fluctuation in agricultural supplies and markets since 1972 point up the overriding importance of accurate information and pragmatic decisions in the development of agricultural policies and programs by the federal government. Differences in philosophy on the proper role of government, and on farm programs specifically, underlie the administration of food policies at national and international levels. Sharp philosophical differences currently divide the executive and legislative branches of government. It is understandable that there will be differences of opinion on the administration of food and farm programs. For the good of the nation, however, these differences must be resolved, and pragmatic decisions must replace divisive philohophies in food policy formulation.

DATA NEEDS FOR FOOD POLICY

How to resolve differences and remove "false starts" from our food policy making are questions deserving of much thought. Obviously, we have many food problems. When famine affects the world, the issue becomes how much food assistance to provide at what cost. When malnutrition exists in poverty areas of the United States, the issue is how much in food payments middle and upper income people will provide to poverty classes.

The decisions, in both instances, eventually hinge on the amount of famine and the number of malnourished. These are questions that require information for their resolution. These are questions for which the answers change monthly, or even weekly. An information network is essential, if current data is to be available on which reasonably to argue for and against policy decisions on such questions.

Some are worldwide questions, toward which the United Nations' Food and Agriculture Organization has directed its attention since its inception shortly after World War II. Quite obviously, FAO has not received adequate resources to measure famine and malnutrition around the world. Even in the United States, there has been no fully adequate measure of nutrition or the degree of malnutrition. This is true despite the White House Conference on Nutrition in 1969, and the followup establishment of a Select Committee on Nutrition and Human Needs in the United States Senate.

It remains unclear whether the state of nutrition today is better or worse than a decade ago. Unlike unemployment, where we have monthly measurements of the size and the problem, we do not have a monthly or annual measure of malnutrition or even of hunger. We do have indirect measures—the number of food stamp recipients, participation in direct food distribution programs, or attendance at senior citizen feeding programs—but we have no overall measure of the state of nutrition in the United States. It is a case where "since we can't measure it, we don't know much about it."

Until we have better data, malnutrition and hunger will continue to be argued on a philosophical basis, with those who generally oppose government assistance programs continuing their opposition to food assistance programs. On the other side will be supporters of greater food assistance. Having seen hunger and malnutrition at close range, they are convinced that more assistance is needed, or even essential. But one line of unemployed workers does not convince a government it must establish unemployment assistance; and one malnourished family does not bring about expanded food assistance programs. It requires statistical analyses—8 per cent or 9 per cent unemployment figures for the nation—and similar measures for hunger and malnutrition.

INCREASED COORDINATION OF FOOD POLICIES

Increased coordination is an essential objective for this nation's food policies, in my judgment. The temporary imposition of embargoes on exports of soybeans and other food commodities and price ceilings on meat animals are clear indications of failure in food policy administration. Both were radical departures from traditional food management policies. Both were the outgrowth of a lack of information. In the case of the soybean embargo in 1973, the government suddenly found that more soybeans were scheduled for export than were available. In the case of meat price ceilings, the government found a shortage of supplies and a public unwillingness to live with higher meat prices as the means of allocating such supplies. In both cases, it was clearly a case of trying to coordinate inadequate supplies of food using inadequate supplies of information.

Thus, one comes to the question of how to improve coordination of food programs. One obvious need is for timely and accurate information that gives an "early warning" of upcoming problems. This issue was addressed in the form of a major World Food Conference resolution in 1974, and we need to push ahead on implementing it.

A second means of improving coordination is through an increased awareness of the essential role of the federal government in managing affairs that have both domestic and foreign aspects. There is no possible way that food policy coordination can be left solely to the marketplace. The impact on the nation when the world supply picture changes suddenly, or when other governments change their food policies, or when our own production fails, is just too disruptive—to farmers, to consumers, and to our foreign policy.

The Department of Agriculture's chief economist, Don Paarlberg, cited a list of such disruptions on March 24, 1975, when addressing the 1975 National Farm Institute banquet in Des Moines, Iowa. Looking back, he made this assessment of the previous years:

> Prices of farm products gyrated wildly as the familiar supply-demand benchmarks were swept away.
>
> Net farm income almost doubled and then plunged downward again.
>
> New export markets suddenly developed and the overseas movement of grains increased dramatically.
>
> Reserve stocks were drawn down and we scraped the bins.
>
> Price relationships between feed and livestock first turned very favorable to livestock and then sharply unfavorable.
>
> Land values increased 46 per cent in two years. Some young men who went deeply into debt to buy land recently at these high prices got into difficulty.
>
> Prices and production costs of wheat and corn rose above the loans and targets specified in the Agricultural Act of 1973, and left these producers virtually without a program.
>
> Public concern about the price of food escalated and became a major factor in agricultural policy.

These problems indicate the importance of a positive policy for coordinating farm and food programs. They indicate that food policy in the 1970s is a complex affair. It affects production efficiency, human welfare, national security, foreign policy, and domestic tranquility. It may have greater effect on more people than any other set of policies legislated and administered by the United States government. How much food we produce, how we distribute it between domestic and foreign markets, and how much we allow the market to allocate those supplies between rich and poor consumers, are vital national decisions. In practice, the questions become: more food aid versus larger commercial exports, larger school lunch programs as opposed to larger family expenditures for school lunches, or larger subsidies for farmers as opposed to a larger role for the marketplace in determining farm incomes.

These kinds of decisions fall into many categories. Considered independently, each of them may result in what appears to be a rational reaction to an overriding problem. When the decisions are added together, however, they often add up to more than the sum of the parts. We end up with excessive foreign demand and export embargoes, or gyrating meat prices and price controls, or consumer boycotts and producer withholding actions. There is, under these conditions, much to be gained from greater coordination of food policies and programs.

GOALS FOR AGRICULTURAL POLICY

Essential for future food policy debate is some agreement on a framework of policy goals, within which individual policy decisions can be balanced with each other. There are several goals to aim toward.

First, our policies must assure farm families of more stable incomes, so that lifetime investments will not be swept away by one bad year. One year of extremely high feed prices must not threaten livestock producers. One year of extremely low grain prices must not threaten grain producers.

Second, our policies must provide insurance for farm families against natural and economic disasters. We provide unemployment compensation to working people, and social security to retired persons. We must similarly provide farmers with economic insulation against economic disaster.

Third, we must provide opportunity for new farmers who are capable of entering farming. And we must give them some assurance that unstable farm prices will not force them out before they have a chance to prove themselves.

Fourth, we must assure the nation's food consumers that food markets will have a steady supply of food every week when they go to the store, and not only if they go early, or stand in long lines.

Finally, we must assure our foreign customers of stable grain and fiber supplies, at prices that do not bounce wildly from year to year. Otherwise, when prices and supplies move sharply up and down, either the United States may be forced into a painful last resort action to protect its own supplies (the soybean export embargo) or foreign countries may resort to equally undesirable action to protect their buyers (the recent cancellation of cotton contracts).

Clearly, we have enough first-hand experience with what extreme instability in food supplies and prices can bring. The past three years brought food shortages for consumers in 1973, feed shortages for livestock producers in 1974, and fears of grain surpluses for crop growers in 1975. That kind of instability—from feast to famine and back again—recalls the 1920s and 1930s, when farm foreclosures struck fear into the hearts of rural Americans and brought about "farmer holidays" in the grain belt of the nation.

The lievstock kills and consumer boycotts of the past three years differ in form, but not in intensity for the people involved, from those earlier tragedies. As both farmers and food consumers rode the economic roller-coaster beginning in 1973, there were outcries for government action. These calls made sense. We are a civilized nation. Our destiny is in our own hands. We are not a nation that must remain at the mercy of a free and unfettered market when it brings hardship to our people. The very essence of government is to prevent this kind of hardship.

Long ago, when the Great Depression bankrupted farm families, we learned the cruel lesson of economic instability. We should not have to relive those years to relearn the lessons. We can reread the history books, if we have forgotten. While others reacquaint themselves with that debacle, if that is necessary, I will spend my time fashioning programs to reduce economic instability.

Stabilizers are needed so that farmers can, with confidence, produce the abundant food supplies that are required for school breakfast and lunch programs and for international food aid. These are programs that rank high among our national priorities, but instability of commodities and supplies will not give this nation the stable food supplies necessary to carry them out. It may do so during one year of surpluses, but not year after year.

We must remember that our people must eat in both good years and bad, when weather is kind and when weather is hostile. It is too much to ask our poorest consumers to eat only in good years, when favorable weather or economic cycles result in abundant food supplies.

RECENT ADAPTATIONS IN AGRICULTURAL POLICY

Since the 1930s, there has been a succession of agricultural acts. Passed by Congress and signed into law by the President, these acts initially established a comprehensive set of government programs that required individual farmers to reduce production of specific crops and, in some instances, of livestock. Acreage quotas limited production of individual crops, and marketing orders and allotments managed production of many fruits and vegetable items. In turn, price supports were provided to farmers in order to assure stable production, prices, and profits—all in a manner beneficial to both farmers and consumers.

For a number of reasons, both political and economic, these programs were revised to allow for greater flexibility in farm operations. A major change was made in 1961, when the concept of voluntary participation was established for feed grain diversion programs. That change was followed in 1964 by the establishment of voluntary programs for wheat producers, and in 1966 for cotton producers.

After five years of experience with these individual programs, the Agricultural Act of 1970 established a "set-aside" concept to allow for substitution of cropland between crops. After a farmer withdrew the required acres from production, the remainder could be planted to whatever crop promised the greatest economic return. The set-aside program allowed expanded production of specific crops in areas where irrigation or other technological improvements had increased the profitability of such crops, and allowed substitution to alternate crops, or to grass for livestock, in regions where new conditions rendered that advantageous. In general, no wholesale shifts of crop production occurred, but individual producers did readjust their farm operations to take advantage of changed production and market conditions.

Two additional, major changes in the agricultural policy situation occurred beginning in 1972. One of these was the sharp upturn in farm prices which commenced in late 1972, and which resulted in the termination of all restrictions on crop production. The second was passage of the 1973 Agriculture and Consumer Protection Act, which established the concept of target prices. Under the target price system, government payments to farmers no longer are determined by the number of acres diverted from production. They are determined, instead, by the extent (if any) to which market prices during any year are below the target price guarantees. Diversion (set-aside) of cropland may be required if necessary to prevent stock buildup but it is not mandatory in order to qualify for government payments. Farmers produce at maximum levels with no restrictions on production, and receive payments at the end of the crop year if market prices fall below the targets.

Passage of the 1973 Farm Act was, in some ways, a "final step" in releasing agricultural producers from the restraints imposed on their individual operations by the long succession of government-sponsored farm programs. With the type of deficiency payment program now in effect under the 1973 Act, farmers operate in nearly a free market environment. Decisions on what to produce, how to produce it, where to sell it, and when to sell it are all made in response to market prices. As market prices fluctuate, producers respond by changing their production or marketing plans. Since market prices are currently well above government support levels, prices are free to fluctuate in both directions—a distinct change from past years when prices rested near support levels and could only move upward.

Without the floor that was previously imposed by government supports, price uncertainty has been greatly enhanced. Fluctuations in markets—especially foreign markets—have led to dramatic surges and declines in commodity prices. This price volatility is reverberating into secondary sectors of agriculture, especially the livestock, dairy, and poultry sectors. The producers in those sectors face uncertainty in planning their investments, as prices of feed and other inputs change substantially over production and feeding cycles. Profits or losses occur that are far different from those expected at the time of the initial investment. Producers are developing strategies to minimize their potential losses. Mostly, these have involved reductions in the size of animal herds, and the sale of cash grain for eventual export to other nations rather than use of the grain domestically for animal feed.

Cutbacks in production of meats and other high-protein foods generally consumed by the American public cannot continue indefinitely. There are ever more consumers to be fed, even though a low birth rate prevails in the United States. Also, most will have more income when the economy expands again. Thus, food production, and especially production of meat, milk, eggs, fruits, vegetables, and sugar, will eventually have to expand. If high enough prices prevail relative to costs, the farmers will undertake to expand production despite the uncertainty and risk.

The major question is whether the nation should pay a continuously rising level of food prices that may be necessary to bring forth a growing food supply under conditions of great price uncertainty, or whether it would rather use some new government policies and programs to reduce farm price uncertainty and hence the average level of prices necessary to give producers an incentive toward larger production.

The answer to that question depends on whether the present price uncertainty is inherently a part of a market-oriented agricultural economy as now exists, or whether it is an outgrowth of the unusual events of the past three years. Or, stated differently, is the instability of the type experienced in the last three years inherent in a free market agricultural economy?

NEW STRAINS ON THE MARKET AS ALLOCATOR

Until 1970s, countries facing food shortages during periods of grain scarcity were largely unable to import the necessary amounts of grain through commercial channels of trade. This was true of India in 1965 and 1966, when the monsoon failure made large imports necessary on short notice. The Indian government was unable to command enough foreign currencies to buy the grain in commercial channels, and the result was an appeal to the United States government for food assistance under Public Law 480 (Food for Peace). This placed the U.S. government in the position of allocator of the scarce supplies of grain. President Johnson announced a "short tether" policy on grain shipments, in order to assure that domestic markets would not be left short and to prompt needy nations into taking the hard steps necessary to balance their future food supplies and requirements.

A similar environment prevailed in previous periods of scarcity, such as the Korean hostilities of 1951–53, and during World War II. Needy countries were dependent on other countries to supply the necessary food, without immediate payment. As a result, decisions on how much food to supply were made by government agencies. While actual purchases and shipments were handled by commercial companies, governments were fully informed and in full control of quantities purchased and shipped. All market participants were aware of intended purchases, and higher prices rationed the availalbe supplies.

That situation no longer prevails, and the change has imposed increased strains on market prices as a reliable allocator. The primary change represented by the soybean shortage of 1973 and the grain shortages of 1974 and 1975 was that purchases by importing countries were made from commercial grain exporting firms, not directly from governments. As a result, the extent of prospective purchases was not known until after a sizeable amount of the grain was already sold. Then market prices began to rise sharply to ration the remaining supplies of grain among the competing domestic and foreign buyers. That meant, however, that large foreign buyers already had satisfied major needs before market prices rose. For that reason, market prices were ineffective in allocating scarce grain supplies.

It is not easy to determine why market prices do not operate effectively in such instances of international commercial sales. Otherwise, the answers would have been forthcoming after the soybean embargo of 1973; market operations would have been changed; and the problem would not have reoccurred.

Some changes were made in government monitoring of export markets. A reporting system was established, under which exporting firms had to report future export commitments within seven days after a sale. This reporting period was later reduced to 48 hours and still later to 24 hours, and after cancellation of the Russian grain sale in late 1974, prior permission had to be obtained to make large export commitments.

These restraints were later removed as grain supplies became less scarce in early 1975, when the Soviet Union again commenced large purchases of U.S. grain. It still is not evident, however, whether or not such regulations function so that the public is adequately informed before the grain companies enter the market to buy grain to cover foreign sales. Unless such information is made available to the public on a timely basis, prices cannot perform their rationing function effectively.

BUFFERS AGAINST MARKET DISRUPTIONS

The background of recent export sales discussed above may indicate problems that will arise with future U.S. farm exports. A year of favorable weather for crop production in other nations and the resultant reduction in U.S. farm exports, or an unfavorable year abroad and extra large U.S. exports, can place considerable pressure on our supplies and markets unless we construct buffers between our markets and world markets. One type of buffer is timely and accurate information on production prospects in other countries. This need has grown in almost direct proportion to the expansion in U.S. agricultural exports, although the worldwide reduction in grain reserves has also increased the sensitivity of our grain markets to changes abroad.

The establishment of an adequate information system is not achievable overnight. It must be built over time, by continuously improving the flow of information from national and international agencies. The United States must strive to develop a system of foreign agricultural information that is similar in timeliness and accuracy to the system already available on domestic agricultural production. The domestic system, built up over the decades in the Statistical Reporting Service of the U.S. Department of Agriculture, provides estimates of agricultural output on a regular schedule as prescribed by law. It was recognized long ago that information on domestic agricultural conditions was of great economic importance to domestic producers and handlers of food products, and was crucial to the smooth functioning of commodity markets.

The recent experience with export controls and price gyrations has demonstrated the importance of foreign market information. There is need to expand and improve all aspects of foreign market information, including both grain production and utilization. Whether the traditional methods of gathering information on crop production are most appropriate, or whether the development of a satellite survey system with computerized data analysis would be more accurate and useful, is yet to be determined.

Improved information on foreign markets and supplies, while essential, will not be adequate to prevent sharp fluctuations in our grain markets in the future, when foreign production changes dramatically. To soften that kind of impact, we need actual quantities of grain—buffer or reserve stocks—to substitute for lost production. Such stocks must be built up during periods of adequate production, in order that periods of shortfall do not create havoc in grain and livestock markets. A system of international rules for managing reserve stocks of food commodities must also be developed and agreeed to, to assure equitable allocation of commodity supplies in times of severe shortage. When and how such rules would be put into effect must be understood and stated explicitly before any shortage occurs.

Such buffers against market disruptions as improved information systems and reserve stocks are essential elements in future food and agricultural policies of the United States.

CONCLUDING REMARKS

Issues involving food policy and administration are always troublesome, and have bothered mankind throughout his existence. European nations, with their longer historical perspective, have isolated their food supplies from the remainder of the world in a vain attempt to prevent sudden shocks to their economies. Although there is stability in their food systems, the cost of this stability has been high, with food budgets taking a much higher proportion of consumer incomes than in the United States.

The United States also had relative stability in food prices when this nation held large stockpiles of grain and fiber products. That also entailed a significant cost. If in the future U.S. crop production is favorable, and agricultural exports should be reduced, the nation could once again hold significant quantities of grain in storage. Grain prices paid to farmers could stabilize near government support levels, and livestock products could become relatively more abundant. Food prices could stabilize and then increase at more traditional rates, and concern over food problems could abate for an indefinite period.

On the other hand, if U.S. crop production levels were to drop significantly, or if major additional Soviet purchases occur, farm prices for grain will again rise sharply and livestock products will remain in short supply. The likely result would be another round of food price increases, and renewal of the feed and food crisis for livestock producers and consumers.

Given the uncertainty about how the future will actually unfold, we must formulate pragmatic and flexible food policies and administrative machinery if the United States is to avoid recurring crises in the food sector of our economy.

NATIONAL PARKING ASSOCIATION'S 25TH ANNIVERSARY

Mr. ROBERT C. BYRD. Mr. President, the National Parking Association, the trade organization representing the commercial off-street parking industry, is celebrating its 25th anniversary this year. The organization's convention is scheduled for June 20–24 at the Washington Hilton Hotel. I ask unanimous consent to have printed in the RECORD a summary of the association's progressive history beginning in 1951.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATIONAL PARKING ASSOCIATION: A QUARTER CENTURY OF PROGRESS

Letters from NPA's Washington, D.C. headquarters to people unfamiliar with the association often begin like this: "National Parking Association is the 1,300-member trade organization representing the commercial, off-street parking industry in the United States and 21 foreign countries. Its membership is made up of operators, owners and developers of parking facilities as well as parking consultants, architects, engineers, real estate interests, municipal parking authorities and institutions such as banks, hospitals, colleges and universities." All this is accurate but only begins to describe the National Parking Association of 1976.

1951

The association, with headquarters now located at 1101 17th Street, N.W., Washington, D.C., was formed in the fall of 1951. Parking industry leaders, meeting in Chicago, decided they could benefit from a national organization as so many other industries had. Their goals: an exchange of knowledge and promotion of the free enterprise system.

That group elected B. M. Stanton of Norfolk, Virginia as the association's first president. It chose Fritz W. Drybrough of Louisville, Kentucky as vice president; Charles Gallagher of Dallas, secretary; and entrusted its meager funds to Earl J. Mendola of New Orleans, the first treasurer.

These NPA founders were aware that parking was becoming a greater problem every year in most American cities. In their initial action, the new association's members called on cities with parking problems to review their current off-street parking supply and make better use of it. Then, if more were needed, private industry and business should do the job.

NPA held its first convention in Cincinnati on October 1, 1952. L. B. Doggett, Jr., of Washington moved in as vice president and Manny Schubiner of Detroit took over as secretary. By this time the association boasted a magazine, a legal advisor, a legislative representative, a public relations program, an ethical code and its first executive director, Charles T. McGavin. In 1953, the group's second convention was held in Washington, D.C. where John F. Hendon of Birmingham, Alabama was elected president, Walter Briggs of Los Angeles, vice president and Arthur G. Debendorf of Washington, treasurer.

By the time of the 1954 convention, Doggett took over as president and NPA had come up with concrete goals for the industry to seek and offered the services of its executive director to help attain them.

The U.S. Chamber of Commerce, which had been holding parking clinics of its own around the country, announced a parking policy statement in 1955. The statement called for private capital to "be given full encouragement without hindrance, competition or subsidization by government" to set up off-street parking. If the parking was to be free or below cost, the Chamber said, "the businessmen and property owners benefiting therefrom should provide same without subsidization by government."

The Chamber asked for a ban on government condemnation of land for commercial parking facilities, encouragement of "first priority in street and highway use to movement of people and goods with such restrictions on curb usage as this principle may dictate." The statement also asked for "a proper balance between public and private transportation," without overloading street access facilities.

National Parking Association went beyond the Chamber statement, calling for well-lit, clean and attractive parking facilities, clearly posted pricing information, and community service by its members.

In 1956, William G. Barr, who was to take over the industry's story throughout the country for nine years, took over as the association's executive director.

By the time NPA held its seventh annual convention in New York City in 1958, the group was offering the parking industry ideas on building and employee training, park-and-shop programs, and bookkeeping and management training.

In 1959, the association developed a 10-point program for parking progress which could be used as a community-wide effort to improve parking and traffic problems. Implicit in the program was cooperation by city officials and local merchants. The program suggested, among other things, that: the best located on-street spaces should be reserved for short-term shoppers; "meter-feeding" parkers should use fringe parking; short-term parking zones must be enforced; traffic could be facilitated by the use of tandem parallel parking; merchants should conduct parking supply surveys, publicizing the results; directional signs should be fully used; Park-and-Shop and Ride-and-Shop plans should be implemented; rates for third and fourth parking hours in off-street lots should be increased encouraging long-term parkers to use fringe lots; and all on-street parking should eventually be eliminated opening additional street space to traffic.

1976

Today's National Parking Association has an annual budget of more than a quarter of a million dollars and represents members in all 50 states and more than 20 foreign countries. Regular members pay from a minimum of $75 a year to a maximum of $5,000. Dues are based on gross parking revenue. Allied members, primarily suppliers to the industry, pay $200 annually.

Publications include Parking Magazine, sent quarterly to more than 5,500 members, subscribers and others; Parking World Newsletter, sent monthly; Parking Angle, a monthly newsletter reserved for regular members; and NPA Reports on EPA, an environmental newsletter published at least 12 times a year. NPA also publishes a Canadian newsletter.

Regular members also receive state legislative notices alerting them to pending state and local action that could affect their businesses. Special reports from the Washington office keep them informed on such things as tip reporting, unemployment compensation, minimum wage requirements, environmental regulations, occupational safety and health rules and other government activities.

The association has published special reports on construction methods and costs, asphalt and concrete maintenance, building standards, legal liability, new car sizes and parking feasibility. Its annual reports include a record of garage construction and a compilation of state and local environmental regulations affecting parking.

In 1972, the Parking Consultants Council of National Parking Association was formed, its membership restricted to individuals in the private practice of parking consulting. The Council now consists of 35 members chaired by Ricard F. Roti of Ventura, California.

THE STAFF

Since 1965, the association's business has been handled by Noreen Dann Martin. She was named executive vice president in 1968. Before coming to NPA in 1953, Mrs. Martin was an editor for the Macmillan Company in New York. Holding a B.A. from Black Mountain College in North Carolina and an M.A. from Columbia University, she is perhaps the nation's foremost authority on the parking industry. Mrs. Martin sits on advisory boards of the Highway Users Federation and the National Bank of Washington and serves as a member of the Transportation Committee of the Highway Research Board. She is also active in United Cerebral Palsy and the Episcopal Church.

Sandra Kay Ferrell, born and educated in the District of Columbia, joined NPA's staff in 1969. Now holding the position of Bookkeeper/Office Manager, she is active in Washington's Officers Service Club.

NPA's first in-house legislative representative, David L. Ivey, joined the staff in 1973. Ivey, who is active in Democratic Party affairs, came to the association after service as a newspaper reporter and an aide to former Senator J. W. Fulbright (D-Ark). His legislative work on behalf of NPA has been aimed at comprehensive amendments to the Clean Air Act of 1970 and new federal legislation providing funds to states and localities for balanced land use planning programs.

With this additional investment in what goes on in Washington, NPA has become increasingly active on Capitol Hill and within the federal agencies. When the Environmental Protection Agency proposed targeting the parking industry for special enforcement under the Clean Air Act, NPA responded calmly. The association worked quietly with the agency pointing out the obvious defects in its proposed regulations and the harm those rules could do to urban areas. The regulations were modified.

When, after facing a court order requiring certain parking-related controls, the agency again turned to commercial parking operations, NPA, in concert with other real estate-related organizations, worked closely with members of Congress to have the law changed.

The Congress is now poised to pass the first comprehensive changes in the Act in six years.

NPA's annual conventions have become important business gatherings where parking people, suppliers and others exchange information and ideas and learn specific ways to improve both efficiency and service.

Since 1974, for example, NPA conventions have heard Senators Lloyd Bentsen (D-Tex), Robert Byrd (D-W. Va.), and Jennings Randolph (D-W. Va.) along with numerous government officials and spokesmen for nationally prominent business groups. Panels have included presentations on energy, security, revenue control, employee relations, labor and environmental laws, graphics in parking facilities and construction and operating techniques.

With its increasingly influential role in Washington and around the country, National Parking Association will be heard from for a long time to come.

GRAND JURY REFORM—A HISTORICAL PERSPECTIVE

Mr. ABOUREZK. Mr. President, yesterday I had printed in the RECORD the first of three articles by Richard Harris dealing with abuse of the grand jury system and government disregard for the fifth amendment. Today I submit the second of these articles, which have been serialized in the New Yorker magazine.

Mr. Harris' second article does an impressive job of tracing the origin of the right against compulsory self-incrimination. He focuses on the story of John Lilburne, a 17th-century Englishman who endured torture and imprisonment rather than incriminate himself against his will and his principles. Despite the passing of over 300 years and the suffering of men and women such as John Lilburne, many Americans today face similar crises of conscience when forced grants of use immunity require them to choose between self-incrimination and imprisonment.

Mr. Harris' article makes fascinating reading and I commend it to be the Members of this body.

I ask unanimous consent that Richard Harris' article from the April 12 issue of the New Yorker magazine be printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TAKING THE FIFTH—II

(By Richard Harris)

Late in 1637, an English Puritan by the name of John Lilburne was arrested for importing seditious books from Holland into England. From the government's viewpoint, the arrest was to prove a calamitous mistake, for Lilburne, who was then a twenty-three-year-old clothier's apprentice with little formal education, turned out to be one of the most effective revolutionaries in English history. A volatile, contentious, unyielding, self-righteous, and abrasive man, of whom a contemporary said, "If John Lilburne were the last man in the world, John would fight with Lilburne and Lilburne with John," he was also, as he described himself, "an honest, truebred freeborn Englishman that never in his life loved a tyrant nor feared an oppressor." By the time he died, twenty years later, Lilburne had brought the British government to its knees.

After his arrest, Lilburne was turned over to the Attorney General, who assigned an aide to question him. The aide told Lilburne what he was charged with and informed him that a confederate had sworn to an affidavit against him. Lilburne replied that he had indeed visited Holland and that he had talked to some people and looked at some books there, but he claimed that he was innocent of the charge against him, and refused to say more about the affair. "I see you go about by this examination to ensnare me, for seeing [that] the things for which I am imprisoned cannot be proved against me, you will get other matter out of my examination," he said. The aide finally gave up and passed Lilburne on to the Attorney General, who had no more luck and sent him back to jail. After a couple of weeks, Lilburne was taken before the Court of Star Chamber—an inquisitorial body that functioned as the sovereign's personal tribunal for trying matters of state. A clerk handed him a Bible and told him to swear by it.

"To what?" Lilburne asked.

"That you shall make true answer to all things that are asked of you," the clerk said.

"Must I so, sir? But before I swear, I will know to what I must swear."

"As soon as you have sworn, you shall, but not before."

Lilburne refused to take the oath, was sent back to prison, and a few weeks later was again brought before the Star Chamber, this time for trial, together with an alleged accomplice, and elderly bookseller named John Wharton. The Attorney General charged them with refusal to take the required oath, and then read the affidavit against them. Declaring that the charge was "a most false lie and untrue," Lilburne once more refused to take the oath, as did Wharton, and the two were returned to their cells. A week later, they were brought back for trial before the same court, and repeated their refusal to take the oath, which, Lilburne told his judges, was "both against the law of God and the law of the land." This time, the Star Chamber found them guilty of contempt, and sentenced them to fines of five hundred pounds each, punishment in the pillory, and imprisonment until they took the oath and testified as ordered; Lilburne was additionally sentenced to be whipped through the streets on the way from Fleet prison to the pillory, a distance of two miles.

Tied to the back of a cart and stripped to the waist, Lilburne was lashed every few steps by an executioner wielding a three-thonged whip, and at the end the prisoner's shoulders "were swelled almost as big as a penny loaf," a contemporary reported, and the "wales on his back . . . were bigger than tobacco pipes." The streets along Lilburne's route were lined with spectators, who moaned at his agony and shouted words of encouragement. Once in the pillory, Lilburne dumbfounded everyone by proceeding, despite his pain, to deliver a stirring half-hour oration to the crowd, which was spellbound by the account of his ordeal, including his trial, which, he told them, was "absolutely against the law of God, for that law requires no man to accuse himself."

The oath that Lilburne refused to take was known as the oath ex officio, which had an ancient lineage reaching back to the thirteenth-century oath *de veritate dicenda*—swearing to speak the truth in answer to all questions. This device, an invention of the Catholic Church in 1215, had quickly become one of the most feared instruments of the Inquisition's attempts to stamp out heresy, and was subsequently used by a long series of British clerics and British monarchs to suppress religious and political unorthodoxy. Suspects who were given the oath were not told the evidence of their misdeeds, the identity of their accusers, or the charges against them. If they refused to take the oath, they were considered guilty of the offenses being investigated; if they took the oath and lied, they were guilty of perjury, and swearing falsely was not only a grave sin against God but was taken as evidence of guilt in the offenses at issue; and, of course, if they told the truth they might condemn themselves.

In short, the oath had one purpose: to trap witnesses into betraying themselves and others. Official reliance on the oath—and the physical and mental torture often inflicted on those who resisted it—became so widespread and abusive in England that bitter opposition to it rose among members of Parliament and of the common-law bar, who saw the overweening power of royal and ecclesiastical courts as a threat to both the common law and all free Englishmen. Protests were mounted, petitions were signed, and early in the fourteenth century Parliament outlawed the oath. Both Crown and Church ignored the prohibition.

Throughout the remainder of that century, opponents of the inquisitorial system fought for its replacement by the common law's accusatorial system, through which the state had to prove an accused person's guilt without his assistance and under prescribed rules. To this end, they repeatedly invoked Magna Carta, then over a century old, and contended that its command to the sovereign to obey "the law of the land" guaranteed everyone accused of any crime the right to a formal accusation and to a trial by jury under common-law procedures. There was no justification whatever for the claim, but the myth that Magna Carta spoke for the freedom of all men of the realm and not, as it clearly had, solely for the rights of the barons who forced King John to sign the document at Runnymede was to survive and ultimately to be widely accepted as fact. And, of course, history has repeatedly demonstrated that myth is a far more powerful influence in human affairs than truth.

During the sixteenth century, resistance to use of the oath in the Court of Star Chamber and its ecclesiastical equivalent, the Court of High Commission, mounted. Sir Thomas More, who as Lord Chancellor had compelled many heretics to take the oath ex officio and had sent them to their deaths for what they revealed, refused to take the oath himself and reveal why he opposed Henry VIII's claim to be head of the Church in England. More argued that he was being forced to condemn either his soul (if he lied) or his body (if he told the truth); the dilemma was resolved when the King had him beheaded and the Church made him a saint. A few years later, Mary Tudor devoted most of her five years on the throne to wiping out all traces of Protestantism by killing Protestants.

Not long after her death, John Foxe wrote "The Book of Martyrs," which recounted the history of Christian martyrdom since the eleventh century, including the fate of Bloody Mary's victims. He described how innocent people in her reign were ordered to answer on oath all questions about their beliefs and associations, were tortured if they resisted, were forced to accuse themselves and their friends and relatives of crimes that often had not been committed, and then were burned alive at the stake. "The Book of Martyrs" went through many revised and expanded editions, and it became a sort of primer of the theory that there was an inherent personal right to freedom of religious conscience, and that there were also inviolable legal rights such as the guarantee of a formal accusation and a fair trial, and the right to refuse, as Lilburne was to refuse some eighty years later, to incriminate oneself. For over a century, "The Book of Martyrs" was, after the Bible, the most popular book in the English-speaking world.

Around the time that Foxe's book was first published, Chief Justice James Dyer ruled for a unanimous Court of Common Pleas that a witness who refused to take the oath ex officio was justified by the maxim "*Nemo tenetur prodere seipsum*," or "No man is bound to betray himself." This appears to have been the first common-law use of the principle that was to be embodied more than two centuries later in the Fifth Amendment to the United States Constitution: "No person shall be . . . compelled in any criminal case to be a witness against himself." According to Professor Leonard W. Levy's splendid book "Origins of the Fifth Amendment" (the basic work on the subject, winner of the Pulitzer Prize for history in 1969, and the source for this historical résumé), Chief Justice Dyer's ruling was apparently aimed at Queen Elizabeth, to discourage her from following Mary Tudor's oppressive example. As it turned out, Elizabeth's aims were somewhat different from her predecessor's, for under Good Queen Bess's rule subjects were persecuted for political rather than religious heresy when they persisted in clinging to religious beliefs that denied supremacy of the state in matters both mundane and religious. "Politics, rather than religion, had become the basis of government policy," Professor Levy explained, and added that while the distinction may have seemed slight to those who were executed, it contributed a small advance to the English legal system, for although they underwent inquisitorial examinations at the hands of the State Chamber or the High Commission, at least they were later tried under the common law's accusatorial system. More and more Catholics and Protestants responded to the Queen's determination to bring their God to his knees before the throne with the plea "*Nemo tenetur prodere seipsum*," which by now was probably believed to be a firm principle of Magna Carta, too. They still went to their gory deaths—not at the stake but at the gibbet, where they were hanged, cut down while alive, and disembowelled—and yet their claims that all subjects possessed a natural right against compulsory self-incrimination slowly began taking hold in the minds of lawyers and judges. Originally, resistance to forced self-betrayal had developed as an outgrowth of religious conscience, but as the use of the oath ex officio became secular so did the resistance to it, and gradually a belief emerged that to force a man to inform on himself not only violated the natural law of self-preservation but destroyed his dignity and self-respect and undermined justice itself. However, official acceptance of this view was still many years away.

Lilburne's bravery while being whipped through the streets and his dramatic speech while locked in the pillory made him famous throughout London overnight. In retaliation, the Star Chamber judges ordered that he be "laid alone with irons on his hands and legs . . . where the basest and meanest sort" of prisoners were kept, and that he be denied all books, writing materials, and visitors. His warders went further by chaining him to the bare floor, without the usual pallet, and giving him no food for ten days. Suffering from his beating and a higher fever that followed it, Lilburne would probably have died if his fellow-prisoners hadn't slipped food to him through cracks in the floor. He recovered from his illness, and after four months in solitary confinement he was transferred to a more hospitable part of the prison, where he was confined for the next two and a half years. During this period, he secretly wrote and smuggled out of prison nine pamphlets attacking the Star Chamber and demanding the natural rights due every Englishman. With the appearance of each pamphlet, which the authorities were unable to suppress, Lilburne's popularity soared anew.

Charles I was on the throne, and his inept policies were bringing England closer to civil war by the day. Desperately in need of money to raise an army and defend himself, he called Parliament into session in 1640—the first time he had allowed it to sit in eleven years—but when its members refused to appropriate funds until he agreed to their demands for reform, he dissolved the session, known as the Short Parliament, after three weeks. A little later, a Scottish force defeated a royalist army and occupied the north of England, and then a London mob of two thousand people broke into and sacked the hated Court of High Commission. A few days afterward, Charles called Parliament into session again—in the Long Parliament, which was to sit, with intermissions, for twenty years—as his only hope of getting money to save his crown. The Long Parliament was dominated by Puritans, one of whom was Oliver Cromwell, a newly elected member from Cambridge, whose maiden speech was a plea for the release of John Lilburne. A few days later, popular support, forced the King to free Lilburne, who immediately began demanding an end to the Courts of Star Chamber and High Commission and abolition of the oath ex officio. Petitions in support of his stand poured into the House of Commons from around the country, and the following summer Parliament enacted a bill outlawing the two courts and the oath, which the King reluctantly signed on July 5, 1641. After four centuries of torment and bloodshed, the inquisitorial power of church and state seemed at an end.

In 1642, the outbreak of civil war—fought to determine whether England would be ruled by Parliament or the Crown—brought Lilburne into the Parliamentary army as a captain. He was fiercely devoted to the popular cause, and was as fearless a soldier as he had been a pamphleteer. During a battle, he was captured and sentenced to death for treason, but when Parliament sent word that it would execute a batch of royalist prisoners if he was harmed, Lilburne was freed. He returned to London, where immense crowds greeted him, a contemporary reported, "with public joy, as a champion that had defied the King." Lilburne turned down Parliament's offer of a high post, saying of himself that he would "rather fight for eightpence a day, till he saw the liberties and peace of England settled, than set him down in a rich place for his own advantage."

Returning to the front, he soon became a lieutenant-colonel and a confidant of Cromwell's. In time, though, Lilburne grew alarmed by the anti-libertarian spirit that was overtaking the Puritan movement, which was becoming as tyranically repressive as any British monarch. Presbyterians controlled Parliament, and they began demanding that their faith replace the Anglican Church as the official state religion and that various other forms of Puritanism, which contained scores of factions and schisms, be suppressed.

These new demands for orthodoxy were too much for Lilburne, and after Parliament awarded itself the power to censor all publications in England, he quit the army and went back to pamphleteering. He was soon in trouble again—this time for attacking religious persecution in general and censorship in particular—and after one of his pamphlets appeared he was summoned before the House of Commons Committee on Investigation, which found the tract "scurrilous, libellous, and seditious." According to Professor Levy, Lilburne was let off because of his great popularity and his service to the Parliamentary cause, but he refused to remain silent, and was soon arrested and dragged back before the committee for libelling the Speaker of the House.

Determined to challenge the right of Parliament to inquire into his opinions or to force him to accuse himself, Lilburne refused to testify, and demanded that the legislature obey the rules of common-law courts. The committee rejected his demand, and when Lilburne persisted in refusing to testify and claimed "a right to all the privileges that do belong to a free man as [to] the greatest man in England," he was sent back to prison. Taking up his pen again, Lilburne wrote a furious tract accusing the committee of trying "criminal causes betwixt man and man concerning life, liberty, estate" without observing the ordinary rules of justice. The committee summoned him again, and again he refused to testify and was sent back to his cell. But the Parliamentary army considered Lilburne one of its own, and its mutinous mutterings about his treatment finally prompted Cromwell to persuade Parliament to let Lilburne go after he had served four months in jail.

The following year, Lilburne was arrested and taken before the House of Lords for criticizing one of its members in another pamphlet, and he refused to testify before that august body. He was thrown back in jail and then ordered to reappear before the Lords to be tried for his pamphlet. Lilburne refused to go, and had to be dragged there. Once before the assemblage, he not only refused to kneel but stopped up his ears so that he couldn't hear the charges against him. He was found guilty, fined two thousand pounds (more than most Englishmen could earn in a lifetime), disqualified for life from holding any public office, and imprisoned indefinitely in the Tower of London. "By its injudicious treatment of the most popular man in England," a historian of that period observed, "Parliament was arraying against itself a force which only awaited an opportunity to sweep it away." By the following spring, Cromwell's army was said to be "one Lilburne throughout," and its soldiers regarded his writings not as commentaries on the law but as the law itself. Under pressure from the army, Parliament, released Lilburne in 1648, and he immediately set about attacking Cromwell himself. After enduring the attacks for several months, Cromwell dispatched a force of two hundred armed men, who surrounded Lilburne's house, arrested him, and dragged him and three friends before the Council of State.

The prosecutor asked him whether he had written the defamatory pamphlet against Cromwell. Lilburne, retorting that he was amazed after all that had happened that such a question could even be asked, declined to answer. He and his friends were taken out of the room, and Cromwell pounded on the table and shouted at his colleagues, "I tell you, sirs, you have no other way to deal with these men but to break them in pieces. . . . If you do not break them, they will break you!" Committed to the Tower on suspicion of high treason, Lilburne wrote and smuggled out one fiery pamphlet after another, and soon petitions with tens of thousands of signatures supporting him poured into Parliament, and the army threatened to revolt. In Cromwell's view, "the kingdom could never be settled so long as Lilburne was alive," and in the fall of 1649 he was charged with high treason and put on trial for his life.

The trial took place in London before an Extraordinary Commission of Oyer and Terminer, made up of eight common-law judges, four sergeants-at-law, the recorder of the city, twenty-six special judges (including some city aldermen and members of Parliament), and the Lord Mayor. The trial was held in the great Guildhall, the streets around it were lined with troops to prevent demonstrations against the government, and Lilburne was kept under constant guard to prevent his rescue by the angry crowds that gathered throughout the city to protest what was being done to the man they knew as "Freeborn John."

Although Lilburne had no legal training, he soon demonstrated to the court his forensic abilities. "His great achievement at the trial was holding at bay the judges and ... his prosecutor while he expounded to them and to his fellow citizens in the jury box and in the audience the fundamentals of fair criminal procedure from the time of arrest through trial," Professor Levy wrote. "He placed the right against self-incrimination in the context of what he called 'fair play,' 'fair trial,' 'the due process of the law,' and 'the good old laws of England.' " Lilburne railed on endlessly over the smallest points of law and legal procedure. He insisted on having a copy of the indictment and a lawyer to represent him (rights that were still half a century in the future), and when he was refused both he said, "Then order me to be knocked on the head immediately in the place where I stand, without any further trial, for I must needs be destroyed if you deny me all the means of my preservation." When the presiding judge begged him to be silent and promised, "Hear me one word, and you shall have two," Lilburne retorted that since he was on trial for his life he must be free to speak, and if they would neither let him speak nor allow a lawyer to speak for him they might as well murder him and get it over with. "O Lord!" he cried, "was there ever such a pack of unjust and unrighteous judges in the world?" The chief judge sternly told him that no one had ever been tried by "so many grave judges of the law," whereupon Lilburne denounced the proceedings for being extraordinary, and asserted that he would rather have been tried by one judge in an ordinary court of law.

The chief judge replied, "If you had not had this great presence of the court, you would have outtalked them, but you cannot do so here." Lilburne raised himself up indignantly and said, "Truly, sir, I am not daunted at the multitude of my judges, neither at the glittering of your scarlet robes, nor the majesty of your presence and harsh, austere deportment towards me. I bless my good God for it, who gives me courage and boldness." He defiantly refused to answer any questions about his authorship of the pamphlet at issue, on the ground that under the good old laws of England he could not be compelled to accuse himself. Then he triumphantly pointed out to the jury that his indictment was based partly on a pamphlet that had been published while he was in the Tower—that is, after his arrest—while the law making such statements as those in the pamphlet treasonous had been passed during his imprisonment, making it an illegal ex-post-facto use of the law.

When Lilburne finally rested for the defense, the audience broke out in loud shouts of "Amen! Amen!" and, a report on the event noted, these were followed by "an extraordinary great hum," which so alarmed the judges and the military commander in charge that three more companies of soldiers were dispatched to guard the hall. The chief judge then delivered a hanging charge, in which he accused Lilburne of fomenting a plot the likes of which "never . . . was seen in the world before." The jury was out for an hour and returned to find Lilburne not guilty. "The whole multitude of people in the hall, for joy of the prisoner's acquittal, gave such a loud and unanimous shout, as is believed was never heard in Guildhall, which lasted for about half an hour without intermission," the report said. When word of the verdict spread throughout the city, there were wild public celebrations and "the people caused that night abundance of bonfires to be made all up and down the streets."

In 1651, Lilburne wrote another pamphlet attacking an influential member of Parliament, was summoned before the bar of Commons, convicted without formal accusation or trial, and by means of a bill of attainder was fined seven thousand pounds, banished from England for life, and sentenced to death if he returned. Helpless this time, he fled to Holland. But a year and a half later, when Cromwell dissolved the Rump Parliament that had convicted him, Lilburne assumed that there would be a freer mood at home, and returned to England. He was clapped into Newgate prison and again put ontrial for his life.

There were countless demonstrations on his behalf, and petitions circulated around the country came back to London with thousands upon thousands of signatures demanding his release and pardon. The furore led a contemporary to remark, "It is not to be imagined how much esteem he hath got, only for vindicating the laws and liberties against the usurpations of this time." This response in turn, led Cromwell to clamp a virtual state of martial law on London. At the trial, held in the Old Bailey, Lilburne argued that the Rump Parliament had been illegally constituted, so the bill of attainder it had enacted must be illegal, too.

Then Lilburne solemnly warned the jurors that if he died on Monday, on Tuesday Parliament could pass sentence on every one of them, on their families, on all the people in London, and eventually on everyone in England. The jury found him not guilty. "Joy and acclamation" were said to have resounded for "an English mile," except among members of the Cromwellian party, whose leader was "infinitely enraged." At his direction, Parliament ordered the jurors examined on their verdict before the Council of State, but once there the jurors refused to speak, on the ground of conscience.

When all else failed, Cromwell had Lilburne secretly moved at night from Newgate to the Tower, rejected all writs of habeas corpus, and put the prisoner under such strict guard that he managed to write and smuggle out only one more pamphlet—his last. The government's refusal to free him after he had been found innocent by a jury of his peers provoked plots against the government and attempts on Cromwell's life. To remove the rebellious symbol from the center of unrest, Cromwell ordered Lilburne taken from the Tower and transported to a fortress on the island of Jersey. The following year, when the tumult over his case had subsided, he was moved to a house in Dover, where he was imprisoned until he died, two years later, at the age of forty-three.

"Lilburne had made the difference," wrote Professor Levy. "From his time on, the right against self-incrimination was an established, respected rule of the common law, or, more broadly, of English law generally." Of far greater importance, though, the fight that Lilburne had led sparked into a conflagration the movement that would ultimately overthrow tyranny—the people's growing belief that each of them possessed a personal right to be free under just laws that had to be obeyed by the highest as well as the lowest person in the realm. The concept of the individual as a being whose self-respect and dignity and privacy were inviolable had been born. According to the historian Margaret Atwood Judson, this movement was "the first great outburst of democratic thought in history, with John Lilburne . . . leading the way."

One of the basic causes of the American Revolution was England's failure to give colonists here the common-law rights that it professed to assure them. Although the common law was extremely reactionary in many ways—it severely restricted freedom of expression, for example, and its courts were used to punish criticisms of church and state long after the Courts of High Commission and Star Chamber were abolished—still the American colonists looked upon that legal system as a shield against official abuse of their basic rights. The slow, diverse, and uncertain growth of the legal protection of those rights under American colonial law is unclear, for, Samuel Eliot Morison has written, "legal development is probably the least known aspect of American colonial history." Records are fragmentary, and much of the evidence that was recorded is more confusing than enlightening.

By the late eighteenth century, however, the specific rights that were to be embodied in the Bill of Rights existed, in one form or another, in colonial laws. After the Declaration of Independence was issued, eight states adopted constitutions that included prohibitions against compulsory self-incrimination. When Rpresentative James Madison, the "father of the Constitution," submitted a bill of rights to the First Congress, in 1789, his proposed guarantee against forced testimony stated "No person shall be . . . compelled to be a witness against himself." As far as written records show, Madison said nothing to explain this proposal, either then or later. In order to avoid conflict with a statute setting up the federal court system, a colleague in the House suggested that the proposal be changed to read, "No person shall be . . . compelled in any criminal case to be a witness against himself," and the alteration was adopted unanimously and, as far as the record shows, without further debate in either house. In 1791, the amendment was approved, along with the rest of the Bill of Rights, and appended to the body of the Constitution.

With this monumental event, Levy—then Earl Warren, Professor of Constitutional History at Brandeis University—concluded his account of the Fifth Amendment's origins:

"With good reason the Bill of Rights showed a preoccupation with the subject of criminal justice. The Framers understood that without fair and regularized procedures to protect the criminally accused, there could be no liberty. They knew that from time immemorial, the tyrant's first step was to use the criminal law to crush his opposition. Vicious and *ad hoc* procedures had always been used to victimize noncomformists and minorities of differing religious, racial, or political persuasion. The Fifth Amendment was part and parcel of the procedures that were so crucial, in the minds of the Framers, to the survival of the most treasured rights. One's home could not be his "castle," his property be his own, his right to express his opinions or to worship his God be secure, if he could be searched, arrested, tried, or imprisoned in some arbitrary or ignoble manner. . . . The Framers of the Bill of Rights saw their injunction, that no man should be a witness against himself in a criminal case, as a central feature of the accusatory system of criminal justice. While deeply committed to perpetuating a system that minimized the possibilities of convicting the innocent, they were not less concerned about the humanity that the fundamental law should show even to the offender. Above all, the Fifth Amendment reflected their judgment that in a free society, based on respect for the individual, the determination of guilt or innocence by just procedures, in which the accused made no unwilling contribution to his conviction, was more important than punishing the guilty."

In 1803, Chief Justice John Marshall delivered the Supreme Court's opinion in the case of Marbury v. Madison, which made the Court the ultimate arbiter of what the Constitution means by giving the Court the authority to overrule acts of Congress and the executive branch that violate the nation's fundamental law. Along the way in that case, Marshall ruled for the Court that a witness did not have to answer a question if he felt that his reply might incriminate him. Four years later, Marshall was riding the circuit, as justices then did, and presided over the trial of Aaron Burr for treason, in the Circuit Court for the District of Virginia. When a witness refused to answer a question on the ground of possible self-incrimination (or "crimination," in the usage of the time), the Chief Justice said, "If the question be of such a description that an answer to it may or may not criminate the witness . . . it must rest with himself, who alone can tell what it would be, to answer the question or not. If, in such a case, he say upon his oath that his answer would criminate himself, the court can demand no other testimony of the fact. . . . While that [fact] remains concealed within his own bosom, he is safe; but draw it from thence, and he is exposed to a prosecution. The rule which declares that no man is compellable to accuse himself would most obviously be infringed by compelling a witness to disclose a fact of this description. What testimony may be possessed, or is attainable, against any individual, the court can never know."

For half a century, Chief Justice Marshall's words were taken as the highest judicial support for a witness's absolute right to remain silent. But in 1857 Congress—in an inquiry into charges that some of its members had extorted money from special interests in exchange for favorable legislation—abrogated this right by passing an "immunity" statute that protected any witness who was compelled to testify "before either house of Congress or any committee of either house" from prosecution for "any fact or act touching which he shall have testified." The law uncovered more corruption and provided less opportunity for doing anything about it than anyone had anticipated, because members of Congress and those who had bribed them appeared before the investigating committee, confessed to innumerable crimes of all kinds that they had committed, and were automatically relieved under the new law of any liability for them. Recoiling at these "immunity baths," Congress repealed the law and replaced it in 1862 with a narrower "use immunity" statute, which provided not full immunity from prosecution for certain crimes revealed in compelled testimony before congressional committees but only immunity from use of the specific evidence thus extracted.

Criminal proceedings could still be brought against witnesses who testified against themselves, as long as the prosecution based its case on other evidence. Then, in 1868, Congress expanded this law to cover federal judicial proceedings in specific categories of criminal cases, and when the Interstate Commerce Commission was set up, in 1887, Congress gave it the same power to compel testimony from witnesses who were granted use immunity. If witnesses refused to testify after being given immunity, they could be fined and imprisoned until they talked.

In November, 1890, a federal grand jury in Illinois that was looking into possible violations of the Interstate Commerce Act of 1887 summoned a grain dealer by the name of Charles Counselman and asked him about his dealings with several railroads that were suspected of giving illegally low freight rates to favored customers. Counselman, who had been granted immunity, asserted his Fifth Amendment right and refused to answer several questions; the grand jury reported his refusal to the presiding judge; he ordered Counselman to answer the questions; Counselman again refused; and the judge found him in contempt of court, fined him five hundred dollars plus the cost of the proceedings, and sent him to jail until he decided to talk. He decided, instead, to appeal the order. It was upheld by the Court of Appeals, so he took the case to the Supreme Court. Justice Samuel Blatchford, in a unanimous opinion of that Court, declared that the Fifth Amendment "privilege is limited to criminal matters, but it is as broad as the mischief against which it seeks to guard," and that "the liberal construction which must be placed upon constitutional provisions for the protection of personal rights" obliged the Court to find the use-immunity law unconstitutional, since it didn't protect witnesses from the later use of their testimony, by way of its leads to other evidence, to prosecute them. "We are clearly of opinion that no statute which leaves the party or witness subject to prosecution after he answers the criminating question put to him can have the effect of supplanting the privilege conferred by the Constitution of the United States," the Court concluded, for the statute did not give witnesses "complete protection from all the perils against which the constitutional prohibition was designed to guard." That made it less than "a full substitute" for the amendment, and for such a law to be an adequate substitue it would have to provide "absolute immunity against future prosecution for the offense to which the question relates."

The notion that there could be a "substitute" for constitutional mandates was a curious one, since the primary purpose of the Framers in formulating a written constitution in the first place was to put its mandates beyond the reach of the national legislature. The only way in which the fundamental law of the nation could constitutionally be changed was by way of amendment, and the Framers had given Congress a limited role, which was shared with the people at large, in the amending process. Now, though, the Supreme Court's conclusion that the Fifth Amendment could be supplanted by a federal law effectively gave Congress the power to amend the Constitution on its own initiative and without public approval. Finally, since the Constitution flatly states, "No person shall be . . . compelled in any criminal case to be a witness against himself"—not that a person can be compelled to be a witness against himself as long as he isn't prosecuted for what he says—the Supreme Court failed to place even a literal, much less a liberal, construction on "constitutional provisions for the protection of personal rights." Rather than giving absolute protection to those rights, the Court actually limited them in the case of the Fifth Amendment by handing the state the power to compel what the Constitution said could not be compelled.

Congress wasted no time in rushing through the door that the Court had opened. Sixteen days after the decision in Counselman was handed down, a bill was introduced in Congress guaranteeing that after immunity was granted to witnesses before the Interstate Commerce Commission "no person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he may testify." The bill—providing a form of absolute immunity that was to become known as transactional immunity—was soon enacted, and was judicially tested when the auditor of the Allegheny Valley Railway, a man named Brown, refused to answer questions put to him by a federal grand jury about low freight rates to good customers. Granted the new form of immunity, Brown pleaded the Fifth Amendment and remained silent, and the presiding judge found him in contempt of court, fined him five dollars, and sent him to jail until he agreed to testify. The Court of Appeals upheld this ruling, and the case—Brown v. Walker—went to the Supreme Court.

By a five-to-four vote, in 1896, the Court upheld the new immunity law. Justice Henry B. Brown delivered the majority's opinion, which was wholly based on the conclusion in Counselman that if absolute immunity was granted a prospective witness his Fifth Amendment right was fully protected. According to Justice Brown, that right could be looked at in one of two ways: it could be interpreted literally, as "authorizing the witness to refuse to disclose any fact which might tend to incriminate, disgrace, or expose him to unfavorable comments," or it could be viewed as an attempt "to secure the witness against a criminal prosecution."

The Court concluded that "the clause should be construed, as it was doubtless designed, to effect a practical and beneficent purpose—not necessarily to protect witnesses against every possible detriment which might happen to them from their testimony, nor to unduly impede, hinder, or obstruct the administration of criminal justice."

There was no historical justification whatever for the conclusion that this was the purpose for which the Fifth Amendment was "doubtless designed." Indeed, since the "practical and beneficent purpose" that Justice Brown mentioned entirely served the interests of the state rather than those of the individual citizen, that alone betrayed the intent of the Framers—to protect the individual against the state. To get around this point, Brown took refuge in an ancient judicial sanctuary—the tradition that courts should not overturn congressional acts unless they are flagrantly at odds with fundamental law. This tradition is based on the theory that since the members of Congress are democratically chosen and directly represent the citizenry, their decisions should not be overruled arbitrarily by the courts, which are essentially undemocratic in that their members are appointed rather than elected. In our system, the theory is absurd—even a cowardly abdication of judicial responsibility—for the Framers specifically designed our federal judicial system to serve as an undemocratic check on the democratic excesses that so often seize legislators. In any event, Justice Brown conceded that the colonists had so feared the inequities of the inquisitorial system of justice that they, "with one accord, made a denial of the right to question an accused person a part of their fundamental law." But then he went on to find ample justification for compelling one who was not formally accused of a crime—who was, in fact, given immunity against any such accusation—to tell of others' crimes. That power, he claimed, was "within the control of the legislature." And to contend, as the defendant had, that "he would incur personal odium and disgrace from answering these questions seems too much like an abuse of language to be worthy of serious consideration," the Justice said. Above all, though, the Court majority relied on the needs of government to justify transactional immunity on constitutional grounds. "Every good citizen is bound to aid in the enforcement of the law, and has no right to permit himself, under the pretext of shielding his own good name, to be made the tool of others who are desirous of seeking shelter behind his privilege," Justice Brown declared, and thereby accused the defendant in the case of a crime that no one had charged him with—conspiracy to conceal a crime. (Although the Fifth Amendment says only that no one shall be compelled to testify against himself, testifying against others may involve admitting that one did not report a crime, and not reporting a crime is, of course, a crime.)

The Court majority's reliance on the principle of good citizenship was utterly untenable, for the duties of citizens are nowhere mentioned in the Constitution. The authors of the Fifth Amendment did not speak of good citizens or bad citizens, they merely said that no citizen could be forced to accuse himself. And, of course, the Bill of Rights was written not to help the government enforce its laws but to restrain it from abusing *any* citizen through unjust laws and unfair enforcement of them. But to the majority of the Court the needs of government were paramount, and since, Justice Brown stated, "enforcement of the Interstate Commerce law or other analogous acts . . . would become impossible" without compelled testimony, testimony must be compelled. In short, the Supreme Court declared that if legislative acts could not be enforced without violating the Constitution, then the Constitution would have to be violated to uphold those acts.

The four justices in the minority dissented vigorously, and at points bitterly, from the majority opinion. Justice George Shiras, Jr., for instance, pointed out that the immunity law specifically provided that a witness who was forced to testify was not given immunity from the crime of perjury when he testified, whereas if he were allowed to assert his constitutional right to remain silent he could not incur a charge of perjury for what he had not said. Beyond that, Shiras went on, "a moment's thought will show that a perfectly innocent person may expose himself to accusation, and even condemnation, by being compelled to disclose facts and circumstances known only to himself, but which, when once disclosed, he may be entirely unable to explain as consistent with innocence." Another dissenter in the case was Justice Stephen J. Field, who used the defense counsel's arguments verbatim in describing the rule against compulsory self-incrimination as the "result of the long struggle between the opposing forces of the spirit of individual liberty on the one hand and the collective power of the state on the other." That power is absolutely limited under our form of government, he added, for "the proud sense of personal independence which is the basis of the most valued qualities of a free citizen is sustained and cultivated by the consciousness that there are limits which even the state cannot pass in tearing open the secrets of his bosom." Above all, Field argued in a long and passionate section of his dissenting opinion, there could be no assurance that the authors of the Fifth Amendment had not intended it to protect a witness against self-infamy as well as against self-incrimination. "Both the safeguard of the Constitution and the common-law rule spring alike from that sentiment of personal self-respect, liberty, independence, and dignity which has inhabited the breasts of English-speaking peoples for centuries, and to save which they have always been ready to sacrifice many governmental facilities and conveniences," the Justice said. "In scarcely anything has that sentiment been more manifest than in the abhorrence felt at the legal compulsion upon witnesses to make concessions which must cover the witness with lasting shame and leave him degraded both in his own eyes and those of others."

Legal scholarship of the time—especially on the Supreme Court—was so inadequate and slipshod that apparently Justice Field was unaware of an ancient sanction against compulsory self-infamy that strongly supported his argument. As far back as 1528, William Tyndale's "The Obedience of a Christian Man" had condemned the legal practice of forcing a man "to shame himself." By the late seventeenth century, this principle was embedded in English law, and in a notable case in 1679 a judge ruled that a witness could not be asked about his misdeeds even after being assured that he would not be prosecuted, because "neither his life nor name must suffer, and therefore such questions must not be asked him." And in 1696 Lord Chief Justice George Treby said, "Men have been asked whether they have been convicted and pardoned for felony, or whether they have been whipped for petty larceny; but they have not been obliged to answer, for though their answer in the affirmative will not make them criminal or subject them to a punishment, yet they are matters of infamy; and if it be an infamous thing, that is enough to preserve a man from being bound to answer." Sir William Blackstone's "Commentaries on the Laws of England," which was published in the mid-eighteenth century and was considered the leading text on the law by the Framers, stated that "no man is to be examined to prove his own infamy."

Two years before the Supreme Court upheld the immunity act in Brown v. Walker, a lower federal-court judge named Peter Grosscup had rejected the statute as unconstitutional. In his opinion, delivered in 1894, he addressed himself to the issue of self-infamy, among other matters, as making up an integral part of the Framers' design when they drew up the Fifth Amendment:

"Did they originate such privilege simply to safeguard themselves against the law-inflicted penalties and forfeitures? Did they take no thought of the pains of practical outlawry? The stated penalties and forfeitures of the law might be set aside; but was there no pain in disfavor and odium among neighbors, in excommunication from church or societies that might be governed by the prevailing views, in the private liabilities that the law might authorize, or in the unfathomable disgrace, not susceptible of formulation in language, which a known violation of law brings upon the offender? They, too, if the immunity was only against the law-inflicted pains and penalties, the government could probe the secrets of every conversation, or society, by extending compulsory pardon to one of its participants, and thus turn him into an involuntary informer. Did the Framers contemplate that this privilege of silence was exchangeable always, at the will of the government, for a remission of the participant's own penalties, upon a condition of disclosure, that would bring those to whom he had plighted his faith and loyalty within the grasp of the prosecutor? I cannot think so. . . .

"The oppression of crowns and principalities is unquestionably over, but the more frightful oppression of selfish, ruthless, and merciless majorities may yet constitute one of the chapters of future history. In my opinion, the privilege of silence against a criminal accusation, guaranteed by the Fifth

Amendment, was meant to extend to all the consequences of disclosure."

Both the Supreme Court's narrow endorsement of transactional immunity and its rejection of the theory that the Fifth Amendment prohibited the government from forcing one to disgrace oneself were ultimately to abet the tyranny of the majority that Judge Grosscup foresaw. As a result of anti-Communist hysteria, which had spread throughout America from the time of the Bolshevik Revolution in 1917 until it burst out into a national nightmare of repression in the late nineteen-forties and early nineteen-fifties, Congress, which had created most of the hysteria in the first place, responded to it by enacting some of the most repressive laws ever to be placed on this nation's books.

Armed with these laws, congressional committees and federal grand juries summoned their victims, who were forced to admit their radical political beliefs and associations and to inform on their friends or go to prison. In one of the most famous of these cases, which reached the Supreme Court in the mid-fifties—Ullman v. United States—the Court upheld a transactional-immunity statute that Congress had passed to implement one of the more far-reaching anti-radical laws. Since the statute provided absolute immunity, Justice Felix Frankfurter said for the seven-man majority, it was consonant with the decision in Brown v. Walker, which had "consistently and without question been treated as definitive by this court." Of the two dissenters, Justice Hugo L. Black opposed the decision on the ground that if the Constitution said, "No person shall be . . . compelled in any criminal case to be a witness against himself," that was what the Constitution meant. The other dissenter, Justice William O. Douglas, called upon the Court to overturn the five-man majority opinion in Brown and to raise the four-man minority opinion there to the status of constitutional doctrine by ruling "that the right of silence created by the Fifth Amendment is beyond the reach of Congress."

Above all, Douglas shared the concern expressed sixty-odd years earlier by Judge Grosscup and Justice Field about self-infamy, and he appealed to the Court to stand up for "conscience and human dignity and freedom of expression" by giving a person's reputation and his sense of independence and self-respect the full protection accorded it before the Supreme Court went to work on the Constitution. "The critical point is that the Constitution places the right of silence *beyond the reach of government,*" he repeated. "The Fifth Amendment stands between the citizen and his government." But the Court's majority refused to listen.

After Brown v. Walker, the most important case concerning compulsory self-incrimination to be decided by the Supreme Court was Twining v. State of New Jersey, in 1908. In a state criminal trial, a judge had noted in his charge to the jury that the defendants had declined to take the stand in their own defense, and they appealed this act as a violation of their Fifth Amendment rights as interpreted by the Fourteenth Amendment. That amendment says, "No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws."

The Fourteenth Amendment was adopted in 1868, and many legal scholars and judges believed that its purpose was to make the entire Bill of Rights binding on the states. But, in 1873, five years after the amendment was adopted, the Supreme Court decided that it guaranteed citizens of the states only those rights the states said they possessed—that is, the Fourteenth Amendment was meaningless. Four members of the Court led by Justice Field, bitterly contested the 1873 decision, for if the Fourteenth Amendment did no more than the majority held, he said, "it was a vain and idle enactment, which accomplished nothing, and most unnecessarily excited Congress and the people on its passage."

In Twining v. New Jersey, the defendants reopened the argument by contending that the Fifth Amendment right against compulsory self-incrimination had been "incorporated" through the "privileges or immunities" clause of the Fourteenth Amendment to cover state criminal proceedings. But the Court rejected this view, and cited its 1873 decision as binding.

To buttress this conclusion, Justice William H. Moody, speaking for the Court in Twining, pointed out that the rights and privileges of national citizenship so far recognized by the Supreme Court were "the right to pass freely from state to state the right to petition Congress for a redress of grievances, the right to vote for national officers, the right to enter the public lands, the right to be protected against violence while in the lawful custody of a United States marshal, and the right to inform the United States authorities of violation of its laws." The rights enumerated in the Bill of Rights, among them freedom of religion, speech, press, and assembly; the right to be secure against unreasonable searches and seizures, against indictment for felony except by grand jury, against double jeopardy and against involuntary self-incrimination; the right to a speedy and public trial by an impartial jury, to a public accusation describing its nature and cause, to be confronted by one's accusers, to have the power to summon witnesses, on one's behalf, and to have a lawyer; and the right not to be subjected to excessive bail or fines or to cruel and unusual punishment—all these fundamental rights were the privileges and immunities of citizens only when they came up against the authority of the federal government.

Not one of these rights, the Court declared, was guaranteed to citizens against the authority of individual states unless specifically provided for under the laws of those states. In fact, the states could suspend or abolish any of the rights they had guaranteed their citizens, and no power, including that of the national government, could stop them. Accordingly, Justice Moody asserted, the right against compulsory self-incrimination was not a privilege or immunity of a citizen in a state criminal proceeding.

Going on to the defendants' further claim that compulsory self-incrimination also denied them due process of law, as guaranteed by both the Fifth and Fourteenth Amendments, Justice Moody stated that to constitute due process any legal principle had to be shown to be an intrinsic part of "the law of the land," as that phrase was meant by the authors of Magna Carta. He then asked rhetorically whether the prohibition against compulsory self-incrimination was "a fundamental principle of liberty and justice which inheres in the very idea of free government and is the inalienable right of a citizen of such a government." He answered that it was not, because a search through English and American history prior to the Revolution revealed "nothing to show that it was then thought to be other than a just and useful principle of law."

In England, he went on, the "privilege was not dreamed of for hundreds of years after Magna Carta (1215), and could not have been implied in the 'law of the land' there secured."

The test Moody proposed was faulty. For one thing, many of the principles that had been considered fundamental at the time the American Constitution was adopted had not been dreamed of for hundreds of years after Magna Carta. Indeed, if the founding of the United States was nothing more than a repetition of that document's principles, then six centuries had passed with no political progress to be shown for them. For instance, when King John signed the Great Charter even jury trials in criminal cases were unknown in England. In addition, Magna Carta contained almost no fundamental rights of ordinary people as we understand such rights today.

Those that were claimed so fervently—by men like Lilburne, among thousands of others—to be indelibly imprinted in it were actually imposed on it by myth in the centuries after it was written. The key sentence in Magna Carta that was later believed to contain the fundamental principles of democratic law reads, "No freeman shall be taken, or imprisoned, or disseised, or outlawed, or exiled, or any wise distroyed; nor shall we go upon him, nor send upon him, but by the lawful judgment of his peers, or by the law of the land."

In thirteenth-century England, "the law of the land" meant trial by battle or by an ordeal such as being branded with a hot iron to see whether the burn healed quickly, which meant one was innocent, or became infected, which meant one was guilty, and "the lawful judgment of his peers" referred to those who umpired the battle or interpreted the reaction to the iron.

Continuing, Justice Moody pointed out that there was no reference to a guarantee against self-incrimination in the English Petition of Right, submitted to the king in 1628. Once again the Justice—that is, the Supreme Court—was wrong. As Professor Levy has pointed out, a crucial part of the Petition was designed to stop the sovereign from forcing subjects to lend money to the Crown, and from forcing those who declined to make such loans to take self-incriminatory oaths before a special royal commission. Moody also claimed that compulsory self-incrimination "was then a matter of common occurrence in all the courts of the realm."

While that was true, Moody ignored the fact that beginning a few years later and for more than two centuries afterward compulsory self-incrimination under oath was not permitted in common-law courts in England; in fact, during this period defendants were not even allowed to testify under oath, either for or against themselves, in such courts of the realm until only ten years before Moody delivered the Supreme Court's opinion in Twining. Moody claimed that the English Bill of Rights of 1689 was "likewise silent, though the practice of questioning the prisoner at his trial had not then ceased."

Actually, by that time the rule against allowing prisoners to be questioned under oath was already established. Moreover, the English Bill of Rights was largely a fraud for it contained little to assure rights to the common man—aside from sanctions against excessive bail and fines and cruel and unusual punishment—but was mainly designed to protect the government's rights. One demonstration of this purpose emerged when Thomas Paine attacked that Bill of Rights in "The Rights of Man" by saying, "The act, called the Bill of Rights . . . what is it but a bargain, which the parts of the government made with each other to divide powers, profits, and privileges?" As if to prove his point, the British government charged Paine with treason, and he was convicted of committing, among other crimes, seditious libel against the Bill of Rights.

Justice Moody then moved on to America, and asserted that only four of the original thirteen states had asked that the Constitution be amended by adding a bill of rights that included the right against involuntary self-incrimination. He did say that six of the thirteen states had such a right written into their own constitutions, but he did not mention that every state having a separate bill of rights prohibited compulsory self-incrimination. He also ignored the broadest and most pertinent document of freedom up to that time, the Virginia Declaration of Rights, written by George Mason, which had greatly influenced all the state constitutions and the national Constitution; it, too, contained a sanction against forced self-incrimination.

And, finally, Justice Moody ignored the Supreme Court's own finding in Brown v. Walker that the American colonists "with one accord, made a denial of the right to question an accused person a part of their fundamental law." In conclusion, Justice Moody dismissed the prohibition against involuntary self-incrimination as being in any way fundamental by sayng that "it is nowhere observed among our own people in the search for truth outside the administration of the law"—in other words, the rule has no counterpart in ordinary society.

This claim, which has repeatedly been made by such eminent jurists of today as Walter V. Schaefer, of the Illinois Supreme Court, and Henry J. Friendly, of the Court of Appeals for the Second Circuit, misses a couple of basic points. For one, "the search for truth" has nothing to do with the Fifth Amendment, which was obviously written with the express purpose of allowing people to conceal the truth. For another, the world outside the law is not like the world inside the law—most notably in the respect that in civil society one cannot be imprisoned for one's transgressions. Indeed, if the rules of civil society were the standard on which our criminal law were based, then no one would be forced to talk about others or go to prison, because scarcely anyone is regarded with more scorn in the ordinary world than the Judas figure—from the childish tattletale to the adult informer.

By the beginning of the eighteenth century, criminal-court judges in England generally concluded that compelled confessions were untrustworthy, and this realization became another reason for not allowing an accused person or a witness to be tortured. But in America the use of torture went on illegally for many years—and, in fact, still goes on. As it turned out, the Supreme Court was to have as much difficulty in facing this problem as it has had in facing the problem of coerced confessions in general.

In the mid-nineteen-thirties, three black men were arrested in Mississippi on a charge of murdering a white man. Five days after the crime, they were indicted, arraigned, given court-appointed counsel, and then were taken to trial the following morning. The trial lasted less than two days, and at its conclusion the three were found guilty and sentenced to death. Aside from their confessions, there was no evidence against them, and during the trial their story of how they had come to confess was laid before the jury. The story told how a deputy sheriff had led a mob to one of the defendants, hanged him by a rope from a tree outside the dead man's house for a time, let him down long enough to hear him proclaim his innocence, hauled him up again, let him down, heard him repeat his claim, then tied him to a tree trunk and whipped him until the mob tired of it and released him, without persuading him to confess.

A couple of days later, the deputy and a colleague went to the man's house and took him to jail—by way of nearby Alabama, where they stopped and beat him some more. They vowed to go on beating him until he confessed, and finally he did, whereupon they took him to jail. The deputy then picked up two other black men who had been implicated by the first suspect, took them to jail, made them strip and lie down over chairs, and whipped them with the buckle end of a leather belt until their backs were cut to pieces. In time, they confessed, too. During the trial, they displayed the fresh wounds on their backs to the jurors, and the defendant who had been hanged showed them the rope marks on his neck. The deputy sheriff readily admitted while on the stand that he had beaten one of the men, but, he said, "not too much for a Negro." The judges of the Mississippi Supreme Court read the trial record and upheld the convictions and death sentences.

Brown v. Mississippi, unlike thousands of similar cases across the country, ended up in the United States Supreme Court. In the arguments there, counsel for the State of Mississippi contended that Twining controlled the issue and that, accordingly, the federal rule against involuntary self-incrimination didn't apply to a state case. In February, 1936, the Court announced its decision, which upheld the state's contention on this point. "The question of the right of the state to withdraw the privilege against self-incrimination is not here involved," announced Chief Justice Charles Evans Hughes for the Court. What was involved, though, he went on, was that "torture to extort a confession" was so "revolting to the sense of justice" that it constituted a denial of due process, which was a right that the state could *not* withdraw. On this ground, the Court reversed the convictions.

State courts apparently couldn't believe that the Supreme Court had been serious in finding such practices illegal, and they continued to uphold convictions based on third-degree confessions. After all, there were states' rights, and none of them was more jealously guarded than the right to assert the police power at will. And, as Sir James Fitzjames Stephen, a prominent Victorian jurist, observed, "It is far pleasanter to sit comfortably in the shade rubbing red pepper into a poor devil's eyes than to go about in the sun hunting up evidence." To give the law some semblance of integrity, state courts went through what has been called "the swearing contest," in which policemen swore that defendants hadn't been beaten, defendants swore that they had, and judges and juries invariably took the word of the policemen. Time after time when such cases reached the Supreme Court, it repeated its insistence on due process and reversed the convictions. But, again, this had little effect on the states, whose law-enforcement officers seemed unmoved by such reversals.

In 1943, the Supreme Court ruled, in McNabb v. United States, that in federal criminal cases any protracted detention of a suspect violated a federal statute ordering that suspects be promptly taken before magistrates, and that confessions obtained during prolonged detention were inadmissible. This rule, the Court explained, was meant to check "resort to those reprehensible practices known as the third degree." Of course, the rule was binding only on federal courts, but it was expected that their behavior would serve as an example to the states.

However, judges on lower federal courts also apparently couldn't believe that the justices had been serious, and began ruling that before a defendant could claim coercion under the McNabb rule he had to demonstrate that there was a causal relationship between the length of time he had been detained and his confession. To deal with this circumvention, the Supreme Court ordered in 1957, by way of Mallory v. United States, that any unnecessary delay in taking a federal prisoner before a magistrate made a confession automatically inadmissible in court. Still, the prevailing abuse of the right against involuntary self-incrimination was the continuing use of the third degree in state cases, and the McNabb-Mallory rule didn't touch those at all.

Stymied by the intransigence of state officials, the Court went off in several different directions to stem these atrociously unjust practices. One of the chief means by which police often got evidence against suspects was by searching them without a warrant and using the evidence forcibly uncovered against them. Of course, this violated the Fourth Amendment's stricture against "unreasonable searches and seizures" and ignored the requirement that the police must have "probable cause" to believe a crime has been committed before they may seize evidence or arrest a person.

Moreover, this kind of practice also violated the Fifth Amendment, since it indirectly compelled a person to betray himself by giving up evidence of his culpability through force. Finally, in 1961, the Court decided, in Mapp v. Ohio, that the Fourth Amendment was binding on the states. In effect, this meant that state violations of the amendment could be taken into federal court. That ruling made the Amendment's most effective and intrinsic element—the exclusionary rule, which prohibits unreasonably seized evidence from being submitted in court—also binding on the states. In 1963, the Court also made the Sixth Amendment right to counsel binding on the states through Gideon v. Wainwright, and a year later expanded this ruling, in Escobedo v. Illinois, by holding that the right to have a lawyer commenced as soon as a suspect was taken to a police station.

Like the Court's ruling on the Fourth Amendment, the one on the Sixth Amendment had a salutary effect on the right against compelled testimony, since the first piece of advice that any lawyer will give to a client who is suspected or accused of a crime is to say nothing at all to the police. But law-enforcement officers who were temporarily dismayed by this limitation on them soon got around it—by torturing suspects before taking them to the station house. To prevent this recourse, the Court took the giant step of applying the Fifth Amendment to the states, by way of Malloy v. Hogan, in 1964.

Then, two years later, the Court expanded its protection by ordering, in Miranda v. Arizona, that every suspect in a criminal case must be warned of his constitutional rights from the moment he becomes a suspect—including the right to have a lawyer present at any stage of the proceedings against him, the right to remain silent, and the right to be warned that whatever he says may be used against him. In time, this order created a new form of the old swearing contest, in which policemen swore in court that they had given the Miranda warning, defendants swore that they hadn't, and judges and juries invariably believed the policemen. Even so, the Miranda decision made a compelling point: If the highest court in the land could not prevent injustice, at least it would not condone it. Speaking for the five-man majority in Miranda, Chief Justice Earl Warren said that "the privilege against self-incrimination—the essential mainstay of our adversary system—is founded on a complex of values."

He went on to explain, "All these policies point to one overriding thought: the constitutional foundation underlying the privilege is the respect a government—state or federal—must accord to the dignity and integrity of its citizens. To maintain a fair state-individual balance, to require the government to shoulder the entire load [in proving a person's guilt], to respect the inviolability of the human personality, our accusatory system of criminal justice demands that the government seeking to punish an individual produce the evidence against him by its own independent labors, rather than by the cruel, simple expedient of compelling it from his own mouth."

On the same day that the Court applied the Fifth Amendment to state criminal cases, it also handed down its decision in Murphy et al v. Waterfront Commission of New York Harbor, which resolved a jurisdictional conflict that had previously existed among the states and between the states and the federal government in regard to grants of immunity. Before Murphy, when one state granted a witness immunity another state or the federal government could then prosecute him on the basis of his testimony, since no state could grant immunity from prosecution by another state or by the federal government.

In Murphy, the Court ruled that when a person was forced to testify in one jurisdiction his testimony could not be used to prosecute him in another jurisdiction. However, to interfere as little as possible with the federal system, the decision allowed an exception to the absolute-immunity standard laid down in Counselman and upheld in Brown, Ullmann, and other Supreme Court decisions: it permitted use immunity to be employed in a dual-sovereignty situation when only one jurisdiction has any sort of immunity provision. Although the Court thereby made use immunity constitutional in narrowly circumscribed cases, the overall effect of the Murphy decision was to broaden the coverage and scope of the Fifth Amendment privilege by making it far more difficult to prosecute a person for what he testified to in *any* jurisdiction.

That the Court meant to hold to the strict Counselman-Brown requirement of transactional immunity in all other circumstances was demonstrated a year after Murphy, when the Court struck down a congressionally authorized use-immunity statute. In that case, Albertson v. Subversive Activities Control Board, the Court unanimously found the statute unconstitutional, again cited the Counselman-Brown rule requiring absolute immunity in exchange for compelled testimony, and declared that any immunity statute must be measured by this standard.

In sum, almost everything done by the Warren Court to interpret and apply the Fifth Amendment to the whole range of criminal law in America did little more than assure everyone of the rights that most people believed they had possessed all along. Even so, the indignant outcry from police, prosecutors, judges, politicians, the press, and laymen against the Court was so immediate and so clamorous that one might have thought the Bill of Rights had been scrapped altogether rather than at last restored in one small part to the purpose that its authors had meant it to serve.

"The natural progress of things is for liberty to yield and government to gain ground," Jefferson wrote, and some years later he added, "Timid men . . . prefer the calm of despotism to the boisterous sea of liberty." The rise in crime in the United States over the past dozen years has driven a lot of timid people to seek the calm of despotism by giving up their liberty to government on every level in the name of law and order. To the ignorant citizen and to the stupid judge, the Fifth Amendment right seems like a refuge for the guilty. On occasion, the Supreme Court has tried to correct this attitude In 1956, for instance, the Court said in an opinion on a Fifth Amendment case, "At the outset we must condemn the practice of imputing a sinister meaning to the exercise of a person's constitutional right under the Fifth Amendment." But the following year President Eisenhower told a press conference, "I must say I probably share the common reaction: If a man has to go to the Fifth Amendment, there must be something he doesn't want to tell." The President's failure to see that such a man might have good and innocent reasons—and the right—not to tell something led Justice Hugo L. Black to observe a little later, "The value of these constitutional privileges is largely destroyed if people can be penalized for relying on them."

Few aspects of American law have distinguished the right wing from the left wing as clearly as their attitudes toward the Fifth Amendment. On the right, it has long been attacked as a refuge for the guilty, who, it is said, *should* be compelled to admit their crimes and be strictly punished for them. And on the left, it has long been defended as the essential bulwark against an inquisitorial government—in Jefferson's view, *all* governments—which may condemn and punish the innocent along with the guilty.

The leading spokesman for the right-wing viewpoint is Chief Justice Warren F. Burger. Long before he was appointed to the Supreme Court by President Nixon, Burger publicly attacked the Fifth Amendment sanction at every opportunity. As a judge on the Court of Appeals for the District of Columbia Circuit, he often criticized his liberal colleagues there for applying the sanction too strictly in their rulings. And at a law symposium that Burger attended the year before he became Chief Justice, he questioned the validity of such fundamental principles of our legal system as the presumption of innocence, trial by jury, and the right against compulsory self-discrimination.

On the last point, Burger said at the law symposium, "Certainly you have heard—and judges have said—that one should not convict a man out of his own mouth. The fact is that we establish responsibility and liability and we convict in all the areas of *civil* litigation out of the mouth of the defendant." To some legal scholars, it seemed astonishing that a man who made no distinction between the civil law and the criminal law—who failed to note, for instance, that their penalties are a loss of money on the one hand and a loss of freedom and perhaps life on the other—could have become Chief Justice of the United States.

Soon after the Nixon Administration took office, Attorney General John N. Mitchell ordered a secret study made of the feasibility of altering the Fifth Amendment, either by drafting a law that would weaken its stricture against compelled testimony or by abolishing its privilege altogether through a constitutional amendment. Apparently, the second course seemed too long and too uncertain, so the Department of Justice concentrated on the first approach.

A couple of years earlier, Congress had set up the National Commission on Reform of the Federal Criminal Laws, and it was still at work on its assignment when Nixon and Mitchell took over. Along the way in its deliberations, the Commission adopted a recommendation made by a consultant: that transactional immunity be replaced by use immunity across the board. In effect, the proposal endorsed a broader form of use immunity than the laws of the eighteen-sixties, which the Supreme Court first rejected in 1892 and again and again in later years.

The use-immunity proposal stated that anyone who was compelled to testify could not be prosecuted directly on the basis of that testimony or indirectly on the basis of leads from it to other evidence, but that one could be prosecuted after being compelled to testify as long as the evidence used against one was obtained independently of, and was untainted by, the coerced testimony. Early in 1970, the use-immunity proposal was drafted in a separate bill, which was introduced in the House by three repersentatives who had served on the Commission and were also members of the House subcommittee having jurisdiction over such legislation.

A single day was allotted for a hearing on the proposal to rewrite the Fifth Amendment. Of the six witnesses who testified on the subject, only one, a spokesman for the American Civil Liberties Union, opposed use immunity.

The Nixon Administration's principal legal defense for backing the innovation was that the Supreme Court's decision in Murphy v. Waterfront Commission—that is, the narrow technical exception allowing use immunity in circumscribed cases—had made use immunity in general wholly constitutional. The witness from the A.C.L.U. and various critics who were not heard by the subcommittee complained that such a law would have many drawbacks.

Once a prosecutor could force a prospective defendant to testify about his crimes, for instance, the immense advantages that the government already had in manpower, money, and official intimidation would become gigantic, for then the prosecuter could immediately confine his search and concentrate all his resources on one person—the person who was granted use immunity and forced to testify against himself. And once the main target was sighted, a less than scrupulous prosecutor could easily fabricate a claim that the evidence used in court against the witness had been uncovered independently of the testimony elicited under compulsion.

Even if a prosecutor was scrupulously fair, anyone among the many employees in large United States Attorneys' offices or in even larger metropolitan district attorneys' offices might inadvertently follow up a lead that came originally from a witness's testimony, and someone else might unwittingly offer it in court as untainted evidence. Of course, prosecutors are often exceedingly ambitious, and the best way for them to get ahead is by building a record of crime-busting—even if that means, as it all too frequently does, using illegally acquired tips from wiretaps or bugs, covertly broadening court-imposed limits on search warrants in order to pick up unauthorized material evidence, or ignoring third-degree methods used by police to extort confessions.

Since the Bill of Rights was written to control such prosecutors, critics of the use-immunity bill pointed out, it was folly to encourage such men to legally force a man to talk and then to illegally use his words against him—the course that would almost certainly be taken by the incompetent, lazy, or vicious prosecutor. Moreover, when two or more suspects were involved in a case, use immunity could be employed to force each of them to testify against the other, which, in effect, would amount to their testifying against themselves, since the testimony of one could be used as independent evidence against the other.

Finally, federal immunity laws of the past had applied only to specific crimes that were difficult or impossible to solve without the help of a confession from someone who was involved. But the use-immunity proposal being considered by the House subcommittee provided that it would replace all transactional-immunity statutes and would be applicable to all crimes covered by the federal code four years after enactment by Congress.

The House subcommittee, which was controlled by a strong liberal majority, approved the use-immunity bill with only one vote being cast against it—by William Fitts Ryan, Democrat of New York, who said that it would destroy the Fifth Amendment. Afterward, the parent Judiciary Committee, which was also controlled by liberals, approved the measure with little discussion and sent it to the floor of the House as part of the Organized Crime Control Act of 1970.

That act, which was perhaps the most undemocratic and repressive piece of legislation to be seriously considered by Congress in a generation, passed with little debate and almost no opposition; when the final vote was tallied up, only twenty-six members of the House had voted against it. In the Senate, only one member—Lee Metcalf, Democrat of Montana—voted against the measure. It was an election year, Nixon had made crime a basic issue of his Presidency, and, as fully expected on all sides, Congress was not of a mind to sacrifice itself on the altar of democracy.

In the legal community, though, it was widely believed that the use-immunity law was so flagrantly unconstitutional that not even a Supreme Court headed by Chief Justice Burger could uphold it. But few Court-watchers anticipated that Nixon would soon have four appointees on the Court. Their effect was rapidly made clear in at least one respect. "In no area of criminal justice was the Nixon Court's new departure so swift and veering as in cases arising under the Fifth Amendment's self-incrimination clause," wrote Professor Levy—now Mellon Professor at the Claremont Colleges, in California—in his recent book "Against the Law: The Nixon Court and Criminal Justice."

He went on, "The Court decided fourteen such cases during just the first two years of Burger's incumbency. . . . In all but one of the fourteen cases the right claimed under the Fifth Amendment lost." Of the thirteen assaults on the Amendment that succeeded, the most destructive was the decision in the case of Harris v. New York, which was handed down in 1971. The opinion of the Court was delivered by Chief Justice Burger, whose target was the Miranda ruling that a suspect must be warned of the right to remain silent, of the right to have a lawyer, and of the right to be told that anything one says may be used against one in court. Although the Miranda rule made any statements obtained in violation of it inadmissible as evidence, Burger undercut this guarantee by announcing for the majority of the Court in Harris that self-incriminating statements taken in violation of Miranda *can* be used during a trial to test a defendant's truthfulness if he takes the stand.

That is, once a suspect says something self-incriminating to the police before he is warned of his rights, his words cannot be used against him at the time of his trial as evidence of his guilt but can be used against him "to impeach his credibility." Of course, the immediate, practical, and overwhelming result of the new rule was to prevent any person who had made such an incriminating statement, no matter how trivial, from speaking in his own defense at his trial, for no defense lawyer could allow a client to swallow the judicial fiction that jurors would ignore self-incriminating remarks when it came time for them to decide about overall guilt or innocence.

In effect, then, the Court wiped out under such circumstances an accused person's fundamental right to defend himself. And, perhaps worse, the decision indirectly encouraged policemen and prosecutors to ignore the Miranda rule long enough to obtain some kind of incriminating statement, even one that they knew was misleading, in order to prevent suspects from later defending themselves in court. "The opinion in Harris taught that government may commit crimes in order to secure the conviction of criminals," Professor Levy observed, and added, "It taught the odious doctrine that in the administration of the criminal law, the end justifies the means and the Constitution can be circumvented."

A few months after Congress passed the use-immunity law, several young men in California were subpoenaed by a federal grand jury investigating draft evasion in that area, and were asked questions about a dentist who was suspected of having provided them with unnecessary dental work to make them ineligible for military service. They refused to testify, were granted the newly enacted form of federal use immunity, again refused to testify, and were imprisoned for contempt of court.

The case—Kastigar et al v. United States—went to the Supreme Court, which handed down its decision in the spring of 1972. To the amazement of most constitutional scholars, the Court upheld the law without qualification by a vote of five to two, with two justices not participating. The same scholars were amazed by the majority opinion's lack of craftsmanship, logic, and awareness of legal history. The opinion, written by Justice Lewis Powell, so misinterpreted the Court's own precedents, Professor Levy said, that it "left them twisted like pretzels."

Powell's basic argument was that transactional immunity was actually *too* broad—broader, in fact, than the Fifth Amendment right itself—and that use immunity was precisely "coextensive" with that right and thus a proper substitute for it. Since this view was flatly at odds with almost everything the Court had said on the subject over a period of eighty years, Powell was obliged to reject the entire line of Court rulings during that time without expressly saying so by overruling them. To this end, he began with the Counselman decision, the first of the line, and simply declared—erroneously—that it had upheld use immunity; its statement that only transactional immunity could replace the privilege itself, he said, was merely dictum and "cannot be considered binding authority."

To be sure, the Counselman opinion on this point could be described as dictum (a statement that is less than intrinsic to the order of the Court in a given case, and is meant to serve more as a future guide than as a present command), but it wasn't dictum after the Court made it the central point, four years later, in Brown v. Walker, and in a long series of decisions that subsequently reaffirmed the doctrine of absolute immunity. The only exception in that series was the Murphy decision's acceptance of use immunity in certain kinds of dual-sovereignty cases, and Powell squeezed through this loophole, even while denying that he was doing it, to justify the Court's ruling that use immunity is fully constitutional in all cases.

With the decision in Kastigar, the long struggle to stop government from forcing its way into the innermost privacy of people's thoughts, associations, and consciences largely came to an end. The right wing's final victory in this contest between the state and the individual was doubly remarkable in that the state itself had long felt restrained by tradition against using any form of immunity frivolously. The traditional reluctance of Congress, the courts, and the executive branch to wield such a potent weapon carelessly grew out of several factors—among them the fear that corrupt prosecutors would give "immunity baths" to those guilty of serious crimes; the belief that grants of immunity constitute grave invasions of citizens' privacy and should be resorted to only when all other law enforcement methods have failed; and, finally, the knowledge that compulsory immunity turns people into informers, a despised breed throughout American history.

The danger of ignoring these factors soon became clear. After the Court's decision in Kastigar, state legislatures enacted similar laws replacing transactional immunity, and local prosecutors began summoning thousands of witnesses before grand juries. There is no record of the number of people who have been compelled in state cases to testify against themselves and others or who have been subsequently prosecuted for what they revealed. Nor are the federal records complete. But one comparison is enough to reveal the extent of the new law's use: up to the mid-nineteen-sixties, the Department of Justice had granted immunity only a few dozen times; in the eighteen-month period following the Kastigar ruling, the Department was called upon to grant immunity to more than five thousand witnesses.

Hundreds of these grants were made in political cases prosecuted by the Nixon Administration, which devised the law chiefly for that purpose. Although the Administration's ostensible social justification for use immunity was that it was essential to the fight against organized crime, use immunity, or any other form of immunity, is largely valueless in such cases. The Mafia's *omertà* code, which can be roughly translated as "death to informers," makes a few months in jail for contempt of court a comparative slap on the wrist. In fact, a mobster's insistence on silence in order to receive such a sentence is the best way for him to prove his loyalty, and is doubtless a means to promotion within a grateful mob hierarchy. In addition to organized racketeering, the kinds of crimes that have been said to be controllable only by way of enforced immunity laws are bribery, extortion, gambling, consumer fraud, bootlegging, and commercial larceny—all but the last of which are most often committed by organized criminals, too.

For those crimes that aren't, probably the most effective and certainly the fairest kind of immunity would be voluntary immunity, which a prospective witness who wants to talk could accept as protection from prosecution; those who don't want to talk often lie anyway when they are forced to, and while they are sometimes convicted of perjury, that doesn't generate the information that immunity is supposed to produce.

In any event, before 1970 federal immunity statutes were specifically designed to be used only in those cases where little else would work. Now, with use immunity having replaced *all* federal immunity laws and covering *all* federal crimes, the government can, in Judge Grosscup's words, "probe the secrets of every conversation." Today, any person can be summoned before a grand jury, a court, or a legislative committee and forced to answer all questions that may be asked. The opportunities for political oppression that this opening provides are practically unlimited. Of course, political freedom was the primary goal of men like John Lilburne and the Framers of the Constitution, and political freedom was one of the basic reasons behind the adoption of the Fifth Amendment. But an even more fundamental goal of the amendment, like the rest of the Bill of Rights, was to preserve and nourish that fragile, necessary, and wondrous quality that gives meaning and purpose to human life—individuality.

RHODESIAN CHROME

Mr. CANNON. Mr. President, the subject of Rhodesian chrome is once again becoming a congressional issue. The Senate's Foreign Relations Committee is staffing S. 2111, a bill to prohibit the importation of Rhodesian chrome so long as United Nations sanctions against Rhodesia are in effect. In that regard an article written by Milton Friedman, a noted economist, which appeared in the May 3, 1976, issue of Newsweek appears to be most apropos. I accordingly commend it to my colleagues for reading and request unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RHODESIA

(By Milton Friedman)

Of the 49 countries in Africa, fifteen are under direct military rule and 29 have one-party civilian governments. Only five have multiparty political systems. I have just returned from visiting two of these five—the Republic of South Africa and Rhodesia (the other three, for Africa buffs, are Botswana, Gambia and Mauritius). If this way of putting it produces a double take, that is its purpose. The actual situation in both South Africa and Rhodesia is very different from and very much more complex than the black-white stereotypes presented by both our government and the press. And the situation in Rhodesia is very different from that in South Africa.

Neither country is an ideal democracy—just as we are not. Both have serious racial problems—just as we have. Both can be justly criticized for not moving faster to eliminate discrimination—just as we can. But both provide a larger measure of freedom and affluence for all their residents—

black and white—than most other countries of Africa. Both would be great prizes for the Soviets—and our official policy appears well designed to assure that the Soviets succeed in following up their victory in Angola through the use of Cuban troops by similar take-overs in Rhodesia and South Africa.

The United Nations recently renewed and strengthened its sanctions against Rhodesia. The U.S. regrettably concurred. We have, however, had enough sense to continue buying chrome from Rhodesia under the Byrd amendment, rather than, as we did for a time, in effect forcing Rhodesia to sell its chrome to Russia (also technically a party to the sanctions) which promptly sold us chrome at double the price.

THE BACKGROUND

Rhodesia was opened up to the rest of the world less than a century ago by British pioneers. Since then, Rhodesia has developed rapidly, primarily through its mineral production—gold, copper, chrome and such—and through highly productive agriculture. In the past two decades alone, the "African" (i.e., black) population has more than doubled, to 6 million, while the "European" population (i.e., white) has less than doubled, from about 180,000 to less than 300,000.

As Rhodesia has developed, more and more Africans have been drawn from their traditional barter economy into the modern market sector. For example, from 1958 to 1975, the total earnings of African employees quadrupled, while those of European employees a little more than tripled. Even so, perhaps more than half of all Africans are still living in the traditional subsistence sector.

Europeans have a much higher average income than Africans in the market sector—perhaps in the ratio of as much as 10 to 1. But Africans in the market sector have a much higher average income than their fellows in the traditional sector—in about the same ratio. Both Europeans and Africans have benefited from their cooperation. Modern cities like Salisbury, an extensive network of roads and communications, productive farm lands, mines and industrial works—all this would have been impossible for a population of whites that even today totals fewer than 300,000. On the other hand, without the knowledge, skill and capital provided by the whites, Rhodesian blacks would today be many fewer and far poorer. To judge from the crude evidence that is available, the Rhodesian blacks in the modern sector enjoy an average income that is considerably more than twice as high as that of all the residents of the rest of Africa, excluding only South Africa.

RACE RELATIONS

The relation of the whites to the blacks is complex: a large dose of paternalism, social separation, discrimination in land ownership, and little or no official discrimination in other respects. In particular, there is no evidence of that petty apartheid—separate post-office entrances, toilets, and the like—that was our shame in the South and that I find so galling in South Africa. The education of the blacks has been proceeding by leaps and bounds. Today, half or more of the students at the University of Rhodesia are black.

Guerrilla warfare from outside and inside the country has produced a reaction by the government that can properly be described as repressive. But the provocation has clearly been great and it is important to maintain a sense of proportion. More than half the defense forces patrolling the borders are black. We were told that more blacks volunteer for the defense forces than can be accepted. The streets of Salisbury give a visual impression of a black sea with occasional white faces that brings to life and gives new meaning to the 20-to-1 numerical population ratio. It is very difficult to reconcile that visual impression with any widespread oppression or feelings of oppression by the blacks. If that existed, Rhodesia could not easily maintain such internal harmony or so prosperous an economy. During the past ten years of sanctions, Rhodesia grew in real terms more rapidly than in the prior ten years—and more rapidly than the rest of Africa.

"MAJORITY RULE"

The external pressures against Rhodesia arise from its unwillingness to grant "majority rule" within a definite and brief timetable. Whatever the merits or demerits of "majority rule" as an abstract principle, the imposition of sanctions against Rhodesia on this ground is a striking example of a double standard. The other former African colonies of Britain that were granted independence without question and without sanctions do not have anything approximating what Americans regard as majority rule. They have minority rule by a black elite that controls the one party permitted to exist. If the elite minority in Rhodesia had happened to be black instead of white, Britain would have rushed to grant them independence and provide "development assistance."

"Majority rule" for Rhodesia today is a euphemism for a black-minority government, which would almost surely mean both the eviction or exodus of most of the whites and also a drastically lower level of living and of opportunity for the masses of black Rhodesians. That, at any event, has been the typical experience in Africa—most recently in Mozambique. In his trip to Black Africa, Secretary Kissinger would do well to talk to some of the exploited masses and not only the elite—but needless to say, he will not find it easy to do so in the one-party states.

Rhodesia has a freer press, a more democratic form of government, a greater sympathy with Western ideals than most if not all of the states of Black Africa. Yet we play straight into the hands of our Communist enemies by imposing sanctions on it! The Minister of Justice of Rhodesia cannot get a visa to visit the U.S.—yet we welcome the ministers of the Gulag Archipelago with open arms. James Burnham had the right phrase for it: suicide of the West.

EXPORT-IMPORT BANK FINANCING NOTIFICATION

Mr. PROXMIRE. Mr. President, I call the attention of my colleagues to a communication I have received from the Export-Import Bank pursuant to section 2(b)(3) of the Export-Import Bank Act notifying the Congress of a pending Eximbank loan and guarantee application relating to the construction of two plants in Poland, one to produce color television glassware and the other to produce color television tubes. Section 2(b)(3) of the act requires the Bank to notify both Houses of Congress of any proposed loan, financial guarantee, or combination thereof in an amount of $60 million or more at least 25 days of continuous session of the Congress prior to the date of final approval. Upon expiration of this period, the Bank may give final approval to the transaction unless the Congress dictates otherwise. In addition, in the case of any Eximbank loan to a Communist country in the amount of $50 million or more, section 2(b)(2) of the act requires the President to determine and report to the Congress that such transaction is in the national interest. The President's determination and report to the Congress in this regard accompanies the communication from the Bank.

In this case, the Bank proposes to extend one loan in the amount of $30.5 million and another in the amount of $37.9 million, together with a guarantee of loans by private lenders in the amount of $19.4 million and $24.1 million respectively, to Bank Handlowy w Warszawie S.A., an agency of the Polish People's Republic to assist UNITRA, the Polish foreign trade enterprise, in the construction of the color television glassware and color television tube plants. Exim's total participation would cover approximately 90 percent of the total U.S. cost of the two projects. The loans will bear interest at the rate of 8¾ percent per annum and be repayable semiannually over a 4½-year period beginning April 5, 1982.

Mr. President, I ask unanimous consent that the letter from the Bank pertaining to these transactions, together with the accompanying materials, be printed in the Record.

There being no objection, the letter and material mentioned was ordered to be printed in the Record, as follows:

WASHINGTON, D.C.,
April 22, 1976.

Hon. Adlai E. Stevenson III,
Chairman, Senate Subcommittee on International Finance, Russell Senate Office Building, Washington, D.C.

Dear Mr. Chairman: In accordance with section 2(b)(3) of the Export-Import Bank Act of 1945, I have reported to the President of the Senate and the Speaker of the House of Representatives on two applications currently pending consideration by the Bank. Also submitted was a determination by the President that these transactions are in the national interest, as required under Section 2(b)(2) of the Export-Import Bank Act.

I respectfully furnish herewith copies of these documents for your consideration.

Sincerely,

Stephen M. DuBrul, Jr.

WASHINGTON, D.C.,
April 22, 1976.

Hon. Nelson A. Rockefeller,
President of the Senate,
Washington, D.C.

Dear Mr. President: Pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended, Eximbank hereby submits the following statement with respect to two transactions involving the extension of credit to Bank Handlowy w Warszawie S.A. (Borrower) to enable the Borrower to assist UNITRA (Foreign Trade Enterprise) in purchasing United States goods and services required for the construction of a plant to produce color television glassware and a color television tube plant in Poland. The Eximbank loans for the subject transactions will exceed $60,000,000.

As required under Section 2(b)(2) of the Export-Import Bank Act of 1945, as amended, the President has made a determination that these transactions are in the national interest. A copy of that determination is attached hereto.

A. DESCRIPTION OF TRANSACTIONS

1. *Purpose*

The transactions to which this statement relates are the sale by Corning Glass Works of United States equipment, technology and technical assistance for construction of a new facility to produce glass funnels and other glassware for color television picture tubes and the sale by RCA Corporation of United States equipment, technology and technical assistance for construction of a complete color television picture tube plant. Eximbank is prepared to extend to the Borrower direct loans totalling $68,501,950 to assist in financing the purchase of this equipment, technology and technical assistance. Repayment of the Eximbank loans will be unconditionally guaranteed by the Government of the Polish People's Republic.

2. Identity of the borrower

Bank Handlowy w Warszawie S.A. is a joint stock company and an agency of the Polish People's Republic. It has been designated by the Government of the Polish People's Republic as the authorized entity for the financing of purchases of goods and services of United States manufacture or origin.

B. EXPLANATION OF EXIMBANK FINANCING

1. Reasons

The proposed Eximbank loans, totalling $68,501,950, will finance the export of United States goods and services valued at $124,549,000. This will have a favorable impact on income and employment in the areas where the suppliers of the United States goods are located. Major employment benefits will be realized, as a total of 4,069 man/years of labor are required for the capital equipment in the transactions and additional labor will be required for the consumable supplies and services involved. In addition, many of the orders for equipment for these transactions will be placed with relatively small firms.

No adverse impact upon the United States economy is foreseen as a result of these exports. The subject facilities are designed to produce product primarily for the Polish domestic market and other East European markets. U.S. producers are not exporting to these markets and Corning/RCA will not undertake to repurchase any of the output.

In view of the magnitude of these transactions and the repayment terms required, Eximbank's loans are necessary to enable the U.S. manufacturers to secure these sales.

2. Financing plan

The total estimated contract price of United States goods and services to be supported by Eximbank's financing is $124,549,000, which will be financed as follows:

	Glass plant	Tube plant	Total	Percent of U.S. costs
Cash payment	$5,552,190	$6,902,710	$12,454,900	10
Eximbank loan	30,537,045	37,964,905	68,501,950	55
Private unguaranteed loan	19,432,665	24,159,485	43,592,150	35
Total	55,521,900	69,027,100	124,549,000	100

(a) Eximbank Charges

Disbursements under the Eximbank loans will bear interest at the rate of 8¾% per annum. Eximbank will charge a loan commitment fee of ½ to 1% per annum on the undisbursed portion of the Eximbank loans. Interest and fees will be payable semiannually.

(b) Repayment Terms

Loans extended for the purchase of United States goods and services in connection with the subject transactions will be repaid in 14 semiannual installments. The first 5 installments and a portion of the 6th installment will be applied to the repayment of the unguaranteed private source loan beginning October 5, 1979, and a portion of the 6th installment and all of the last 8 installments will be applied to the repayment of the Eximbank loans beginning April 5, 1982.

Sincerely,

STEPHEN M. DUBRUL, Jr.

MEMORANDUM FOR THE PRESIDENT AND CHAIRMAN OF THE EXPORT-IMPORT BANK OF THE UNITED STATES

THE WHITE HOUSE,
Washington, D.C., April 21, 1976.

In accordance with Section 2(b)(2) of the Export-Import Bank Act of 1945, as amended, I hereby determine that it is in the national interest for the Export-Import Bank of the United States to extend credit and participate in the extension of credit in connection with the following cases involving the purchase of United States products and services by the Polish People's Republic or an agency or national thereof:

A. Eximbank Credit No. 6190:

Borrower: Bank Handlowy w Warszawie S.A.

Project: Purchase of United States equipment, technology and technical assistance required for construction of a plant to produce glass funnels for color television tubes.

Total U.S. Costs (Approximate): $55,521,900.

Cash payment: $5,552,190 (10%).

Eximbank loan: $30,537.045 (55%).

Participation financing without Eximbank guarantee: $19,432,665 (35%).

B. Eximbank Credit No. 6192:

Borrower: Bank Handlowy w Warszawie S.A.

Project: Purchase of United States equipment, technology and technical assistance required for construction of a color television tube plant in Poland.

Total U.S. costs (approximate): $69,027,100.

Cash payment: $6,902,710 (10%).

Eximbank loan: $37,964,905 (55%).

Participation Financing without Eximbank guarantee: $24,159,485 (35%).

GERALD R. FORD.

DESEGREGATION AND THE CITIES, PART II, THE COURT AND HOUSING DESEGREGATION

Mr. BROOKE. Mr. President, the Supreme Court handed down an important unanimous decision on metropolitan housing segregation on April 20. The Court, in Hills against Gautreaux, ruled that because both HUD and the Chicago Housing Authority had unconstitutionally used public housing to intensify segregation, the lower courts had authority to order construction of subsidized housing outside the city limits to remedy the damage. The decision is an important judicial recognition of the metropolitan character of the housing market and it may move Chicago toward the kind of "fair share" housing approach which has been voluntarily adopted in several other metropolitan areas. The decision is likely to have only a gradual and limited impact on housing segregation, even in Chicago.

The Supreme Court, in its decision, cites an important recent Federal district court decision ordering HUD to enforce the housing requirements of the Housing and Community Development Act of 1974. This decision, dealing with metropolitan Hartford, has stimulated increased HUD attention to the act's requirement that some provision be made to begin to provide housing for those who work in suburban communities but cannot find housing there. Given the limited nature of the decision, the great complexity and long delays in the process of producing housing, and the extremely small national investment now going into subsidized housing, neither decision will make any significant difference in the broad trend of spreading segregation in the short run. They may, however, help trigger national debate about the need for a strong and positive housing policy working against the kind of intense segregation that has often made busing the only way to desegregate urban schools. After the text of the Hills against Gautreaux decision and excerpts from the Hartford case, I have included interpretations of the Gautreaux holding by officials and experts interviewed by the New York Times and the Baltimore Sun and the response of the National Committee Against Discrimination in Housing.

Mr. President, I ask unanimous consent that the above-mentioned material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Supreme Court of the United States—No. 74–1047]

HILLS V. GAUTREAUX

[April 20, 1976]

MR. JUSTICE STEWART delivered the opinion of the Court.

The United States Department of Housing and Urban Development (HUD) has been judicially found to have violated the Fifth Amendment and the Civil Rights Act of 1964 in connection with the selection of sites for public housing in the city of Chicago. The issue before us is whether the remedial order of the federal trial court may extend beyond Chicago's territorial boundaries.

I

This extended litigation began in 1966 when the respondents, six Negro tenants in or applicants for public housing in Chicago brought separate actions on behalf of themselves and all other Negro tenants and applicants similarly situated against the Chicago Housing Authority (CHA) and HUD.[1] The complaint filed against CHA in the United States District Court for the Northern District of Illinois alleged that between 1950 and 1965 substantially all of the sites for family public housing selected by CHA and approved by the Chicago City Council were "at the time of such selection, and are now" located "within the areas known as the Negro Ghetto." The respondents further alleged that CHA deliberately selected the sites to "avoid the placement of Negro families in white neighborhoods" in violation of federal statutes and the Fourteenth Amendment. In a companion suit against HUD the respondents claimed that it had "assisted in the carrying on and continues to assist in the carrying on of a racially discriminatory public housing system within the City of Chicago" by providing financial assistance and other support for CHA's discriminatory housing projects.[2]

The District Court stayed the action against HUD pending resolution of the CHA suit.[3] In February of 1969, the court entered summary judgment against CHA on the ground that it had violated the respondents' constitutional rights by selecting public housing sites and assigning tenants on the basis of race.[4] *Gautreaux* v. *CHA*, 296 F. Supp. 907. Uncontradicted evidence submitted to the District Court established that the public housing system operated by CHA was racially segregated, with four overwhelmingly white projects located in white neighborhoods and with 99½% of the remaining family units located in Negro neighborhoods and 99% of those units occupied by Negro tenants. *Id.*, at 910.[5] In order to prohibit future violations and to remedy the effects of past unconstitutional practices, the court directed CHA to build its next 700 family units in predominantly white areas of Chicago and thereafter to locate at least 75% of its new family public housing in predominantly white areas inside Chicago or in Cook County. *Gautreaux*

Footnotes at end of article.

v. *CHA*, 304 F. Supp. 736, 738–739.[6] In addition, CHA was ordered to modify its tenant assignment and site selection procedures and to use its best efforts to increase the supply of dwelling units as rapidly as possible in conformity with the judgment. *Id.*, at 739–741.

The District Court then turned to the action against HUD. In September of 1970, it granted HUD's motion to dismiss the complaint for lack of jurisdiction and failure to state a claim on which relief could be granted. The United States Court of Appeals for the Seventh Circuit reversed and ordered the District Court to enter summary judgment for the respondents, holding that HUD had violated both the Fifth Amendment and § 601 of the Civil Rights Act of 1964, 42 U.S.C. § 2000d (1970), by knowingly sanctioning and assisting CHA's racially discriminatory public housing program. 448 F. 2d 731, 739–740.[7]

On remand, the trial court addressed the difficult problem of providing an effective remedy for the racially segregated public housing system that had been created by the unconstitutional conduct of CHA and HUD.[8] The court granted the respondents' motion to consolidate the CHA and HUD cases and ordered the parties to formulate "a comprehensive plan to remedy the past effects of unconstitutional site selection procedures." The order directed the parties to "provide the Court with as broad a range of alternatives as seem . . . feasible" including "alternatives which are not confined in their scope to the geographic boundary of the City of Chicago." After consideration of the plans submitted by the parties and the evidence adduced in their support, the court denied the respondents' motion to consider metropolitan relief and adopted the petitioner's proposed order requiring HUD to use its best efforts to assist CHA in increasing the supply of dwelling units and enjoining HUD from funding family public housing programs in Chicago that were inconsistent with the previous judgment entered against CHA. The court found that metropolitan relief was unwarranted because "the wrongs were committed within the limits of Chicago and solely against residents of the City" and there were no allegations that "CHA and HUD discriminated or fostered racial discrimination in the suburbs."

On appeal, the Court of Appeals for the Seventh Circuit, with one judge dissenting, reversed and remanded the case for "the adoption of a comprehensive metropolitan area plan that will not only disestablish the segregated public housing system in the City of Chicago . . . but will increase the supply of dwelling units as rapidly as possible." 503 F. 2d 930, 939. Shortly before the Court of Appeals announced its decision, this Court in *Milliken* v. *Bradley*, 418 U.S. 717, had reversed a judgment of the Court of Appeals for the Sixth Circuit that had approved a plan requiring the consolidation of 54 school districts in the Detroit metropolitan area to remedy racial discrimination in the operation of the Detroit public schools. Understanding *Milliken* "to hold that the relief sought there would be an impractical and unreasonable over-response to a violation limited to one school district," the Court of Appeals concluded that the *Milliken* decision did not bar a remedy extending beyond the limits of Chicago in the present case because of the equitable and administrative distinctions between a metropolitan public housing plan and the consolidation of numerous local school districts. 503 F. 2d, at 935–936. In addition, the appellate court found that, in contrast to *Milliken*, there was evidence of suburban discrimination and of the likelihood that there had been an "extra-city impact" of the petitioner's "intra-city discrimination." *Id.*, at 936–937, 939–940. The appellate court's determination that a remedy extending beyond the city limits was both "necessary and equitable" rested in part on the agreement of the parties and the expert witnesses that "the metropolitan area is a single relevant locality for low rent housing purposes and that a city-only remedy will not work." *Id.*, at 936, 937. HUD subsequently sought review in this Court of the permissibility in light of *Milliken* of "inter-district relief for discrimination in public housing in the absence of a finding of an inter-district violation."[9] We granted certiorari to consider this important question. 421 U.S. 962.

II

In *Milliken* v. *Bradley*, *supra*, this Court considered the proper scope of a federal court's equity decree in the context of a school desegregation case. The respondents in that case had brought an action alleging that the Detroit Public School System was segregated on the basis of race as the result of official conduct and sought an order establishing "'a unitary, nonracial school system.'" 418 U.S., at 723. After finding that constitutional violations committed by the Detroit School Board and state officials had contributed to racial segregation in the Detroit schools, the trial court had proceeded to the formulation of a remedy. Although there had been neither proof of unconstitutional actions on the part of neighboring school districts nor a demonstration that the Detroit violations had produced significant segregative effects in those districts, the court established a desegregation panel and ordered it to prepare a remedial plan consolidating the Detroit school system and 53 independent suburban school districts. *Id.*, at 733–734.[10] The Court of Appeals for the Sixth Circuit affirmed the desegregation order on the ground that, in view of the racial composition of the Detroit school system, the only feasible remedy required "the crossing of the boundary lines between the Detroit School District and adjacent or nearby school districts." *Bradley* v. *Milliken*, 484 F. 2d 215, 249. This Court reversed the Court of Appeals, holding that the multidistrict remedy contemplated by the desegregation order was an erroneous exercise of the equitable authority of the federal courts.

Although the *Milliken* opinion discussed the many practical problems that would be encountered in the consolidation of numerous school districts by judicial decree, the Court's decision rejecting the metropolitan area desegregation order was actually based on fundamental limitations on the remedial powers of the federal courts to restructure the operation of local and state governmental entities. That power is not plenary. It "may be exercised 'only on the basis of a constitutional violation.'" 418 U.S., at 738, quoting *Swann* v. *Charlotte-Mecklenburg Board of Education*, 402 U.S. 1, 16. See *Rizzo* v. *Goode*, —— U.S. ——, ——. Once a constitutional violation is found, a federal court is required to tailor "the scope of the remedy" to fit "the nature and extent of the constitutional violation." 418 U.S., at 744; *Swann*, *supra*, at 16. In *Milliken*, there was no finding of unconstitutional action on the part of the suburban school officials and no demonstration that the violations committed in the operation of the Detroit school system had had any significant segregative effects in the suburbs. See 418 U.S., at 745, 748. The desegregation order in *Milliken* requiring the consolidation of local school districts in the Detroit metropolitan area thus constituted direct federal judicial interference with local governmental entities without the necessary predicate of a constitutional violation by those entities or of the identification within them of any significant segregative effects resulting from the Detroit school officials' unconstitutional conduct. Under these circumstances, the Court held that the interdistrict decree was impermissible because it was not commensurate with the constitutional violation to be repaired.

Since the *Milliken* decision was based on basic limitations on the exercise of the equity power of the federal courts and not on a balancing of particular considerations presented by school desegregation cases, it is apparent that the Court of Appeals erred in finding *Milliken* inapplicable on that ground to this public housing case.[11] The school desegregation context of the *Milliken* case is nonetheless important to an understanding of its discussion of the limitations on the exercise of federal judicial power. As the Court noted, school district lines cannot be "casually ignored or treated as a mere administrative convenience" because they separate independent governmental entities responsible for the operation of autonomous public school systems. 418 U.S., at 741–743. The Court's holding that there had to be an interdistrict violation or effect before a federal court could order the crossing of district boundary lines reflected the substantive impact of a consolidation remedy on separated and independent school districts.[12] The District Court's desegregation order in *Milliken* was held to be an impermissible remedy not because it envisioned relief against a wrongdoer extending beyond the city in which the violation occurred but because it contemplated a judicial decree restructuring the operation of local governmental entities that were not implicated in any constitutional violation.

III

The question presented in this case concerns only the authority of the District Court to order HUD to take remedial action outside the city limits of Chicago. HUD does not dispute the Court of Appeals' determination that it violated the Fifth Amendment and § 601 of the Civil Rights Act of 1964 by knowingly funding CHA's racially discriminatory family public housing program, nor does it question the appropriateness of a remedial order designed to alleviate the effects of past segregative practices by requiring that public housing be developed in areas that will afford respondents an opportunity to reside in desegregated neighborhoods. But HUD contends that the *Milliken* decision bars a remedy affecting its conduct beyond the boundaries of Chicago for two reasons. First, it asserts that such a remedial order would constitute the grant of relief incommensurate with the constitutional violation to be repaired. And, second, it claims that a decree regulating HUD's conduct beyond Chicago's boundaries would inevitably have the effect of "consolidat[ing] for remedial purposes" governmental units not implicated in HUD's and CHA's violations. We address each of these arguments in turn.

A

We reject the contention that, since HUD's constitutional and statutory violations were committed in Chicago, *Milliken* precludes an order against HUD that will affect its conduct in the greater metropolitan area. The critical distinction between HUD and the suburban school districts in *Milliken* is that HUD has been found to have violated the Constitution. That violation provided the necessary predicate for the entry of a remedial order against HUD and, indeed, imposed a duty on the District Court to grant appropriate relief. See 418 U.S., at 744. Our prior decisions counsel that in the event of a constitutional violation "all reasonable methods be available to formulate an effective remedy," *North Carolina State Board of Education* v. *Swann*, 402 U.S. 43, 46, and that every effort should be made by a federal court to employ those methods "to achieve the greatest possible degree of [relief], taking into account the practicalities of the situation." *Davis* v. *Board of School Comm'rs*, 402 U.S. 33, 37. As the Court observed in *Swann* v. *Charlotte-Mecklenburg Board of Education:* "Once a right and a violation have been shown, the scope

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Footnotes at end of article.

of a district court's equitable powers to remedy past wrongs is broad, for breadth and flexibility are inherent in equitable remedies." 402 U.S., at 15.

Nothing in the *Milliken* decision suggests a *per se* rule that federal courts lack authority to order parties found to have violated the Constitution to undertake remedial efforts beyond the municipal boundaries of the city where the violation occurred.[13] As we noted in Part II, *supra*, the District Court's proposed remedy in *Milliken* was impermissible because of the limits on the federal judicial power to interfere with the operation of state political entities that were not implicated in unconstitutional conduct. Here, unlike the desegregation remedy found erroneous in *Milliken*, a judicial order directing relief beyond the boundary lines of Chicago will not necessarily entail coërcion of uninvolved governmental units, because both CIA and HUD have the authority to operate outside the Chicago city limits.[14]

In this case, it is entirely appropriate and consistent with *Milliken* to order CHA and HUD to attempt to create housing alternatives for the respondents in the Chicago suburbs. Here the wrong committed by HUD confined the respondents to segregated public housing. The relevant geographic area for purposes of the respondents' housing options is the Chicago housing market, not the Chicago city limits. That HUD recognizes this reality is evident in its administration of federal housing assistance programs through "housing market areas" encompassing "the geographic area 'within which all dwelling units . . .' are in competition with one another as alternatives for the users of housing." Department of Housing and Urban Development, FHA Techniques of Housing Market Analysis 8 (Jan. 1970) *quoting* The Institute for Urban Land Use and Housing Studies, Housing Market Analysis: A Study of Theory and Methods, c. II (1953). The housing market area "usually extends beyond the city limits" and in the larger markets "may extend into several adjoining counties." *Id.*, at p. 12.[15] An order against HUD and CHA regulating their conduct in the greater metropolitan area will do no more than take into account HUD's expert determination of the area relevant to the respondents' housing opportunities and will thus be wholly commensurate with the "nature and extent of the constitutional violation." 418 U.S., at 744. To foreclose such relief solely because HUD's constitutional violation took place within the city limits of Chicago would transform *Milliken's* principled limitation on the exercise of federal judicial authority into an arbitrary and mechanical shield for those found to have engaged in unconstitutional conduct.

B

The more substantial question under *Milliken* is whether an order against HUD affecting its conduct beyond Chicago's boundaries would impermissibly interfere with local governments and suburban housing authorities that have not been implicated in HUD's unconstitutional conduct. In examining this issue, it is important to note that the Court of Appeals' decision did not endorse or even discuss "any specific metropolitan plan" but instead left the formulation of the remedial plan to the District Court on remand. 503 F. 2d, at 936. On rehearing, the Court of Appeals characterized its remand order as one calling "for additional evidence and for further consideration of the issue of metropolitan area relief in light of this opinion and that of the Supreme Court in Milliken v. Bradley." *Id.*, at 940. In the current posture of the case, HUD's contention that any remand for consideration of a metropolitan area order would be impermissible as a matter of law must necessarily be based on its claim at oral argument "that court-ordered metropolitan relief in tihs case, no matter how gently it's gone about, no matter how it's framed, is bound to require HUD to ignore the safeguards of local autonomy and local political processes" and therefore to violate the limitations on federal judicial power established in *Milliken*. In addressing this contention we are not called upon, in other words, to evaluate the validity of any specific order, since no such order has yet been formulated.

HUD's position, we think, underestimates the ability of a federal court to formulate a decree that will grant the respondents the constitutional relief to which they may be entitled without overstepping the limits of judicial power established in the *Milliken* case. HUD's discretion regarding the selection, of housing proposals to assist with funding as well as its authority under a recent statute to contract for low-income housing directly with private owners and developers can clearly be directed towards providing relief to the respondents in the greater Chicago metropolitan area without preempting the power of local governments by undercutting the role of those governments in the federal housing assistance scheme.

An order directing HUD to use its discretion under the various federal housing programs to foster projects located in white areas of the Chicago housing market would be consistent with and supportive of well-established federal housing policy.[16] Title VI of the Civil Rights Act of 1964 prohibits racial discrimination in federally assisted programs including, of course, public housing programs.[17] Based upon this statutory prohibition, HUD in 1967 issued site approval rules for low-rent housing designed to avoid racial segregation and expand the opportunities of minority group members "to locate outside areas of [minortiy] concentration." Department of Housing and Urban Development, Low-Rent Housing Manual, § 205.1, ¶4(g) (Feb. 1967 rev.). Title VIII of the Civil Rights Act of 1968, expressly directed the Secretary of HUD to "administer the programs and activities relating to housing and urban development in a manner affirmatively to further" the Act's fair housing policy. 42 U.S.C. § 3608(d) (5) (1970).

Among the steps taken by HUD to discharge its statutory duty to promote fair housing was the adoption of project selection criteria for use in "eliminating clearly unacceptable proposals and assigning priorities in funding to assure that the best proposals are funded first." Evaluation of Rent Supplement Projects and Low-Rent Housing Assistance Applications, 37 Fed. Reg. 203 (1972). In structuring the minority housing opportunity component of the project selection criteria, HUD attempted "to assure that building in minority areas goes forward only after there truly exists housing opportunities for minorities elsewhere" in the housing market and to avoid encouraging projects located in substantially racially mixed areas. *Id.*, at 204. See 24 CFR § 200.710 (1975). See generally Maxwell, HUD's Project Selection Criteria—A Cure for "Impermissible Color Blindness"? 48 Notre Dame Law. 92 (1972).[18] More recently, in the Housing and Community Development Act of 1974, Congress emphasized the importance of locating housing so as to promote greater choice of housing opportunities and to avoid undue concentrations of lower income persons. See 42 U.S.C. §§ 5301(c) (6), 5304(a) (4) (A), (C) (ii) (1970 ed., Supp. IV); H. R. Rep. No. 93-1114, at 8.

A remedial plan designed to insure that HUD will utilize its funding and administrative powers in a manner consistent with affording relief to the respondents need not abrogate the role of local governmental units in the federal housing assistance programs. Under the major housing programs in existence at the time the District Court entered its remedial order pertaining to HUD, local housing authorities and municipal governments had to make application for funds or approve the use of funds in the locality before HUD could make housing assistance money available. See 42 U.S.C. §§ 1415(7) (b), 1421b(a) (2) (1970). An order directed solely to HUD would not force unwilling localities to apply for assistance under these programs but would merely reinforce the regulations guiding HUD's determination of which of the locally authorized projects to assist with federal funds.

The Housing and Community Development Act, of 1974, 42 U.S.C. § 1437 *et seq.* (1970 ed., Supp. IV), significantly enlarged HUD's role in the creation of housing opportunities. Under the § 8 Lower-Income Housing Assistance program, which has largely replaced the older federal low-income housing programs,[19] HUD may contract directly with private owners to make leased housing units available to eligible lower-income persons.[20] As HUD has acknowledged in this case, "local governmental approval is no longer explicitly required as a condition of the program's applicability to a locality." Regulations governing the § 8 program permits HUD to select "the geographic area or areas in which the housing is to be constructed," 24 CFR § 880.203(b), and direct that sites be chosen to "promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons." §§ 880.112(d), 883.209(a) (3) (1975). See §§ 880.112(b), (c), 883.209(a) (2), (b) (2). In most cases the Act grants the unit of local government in which the assistance is to be provided the right to comment on the application and, in certain specified circumstances to preclude the Secretary of HUD from approving the application. See 42 U.S.C. §§ 1439(a)-(c) (1970 ed., Supp. IV).[21] Use of the § 8 program to expand low-income housing opportunities outside areas of minority concentration would not have a coercive effect on suburban municipalities. For under the program, the local governmental units retain the right to comment on specific assistance proposals, to reject certain proposals that are inconsistent with their approved housing assistance plans, and to require that zoning and other land use restrictions be adhered to by builders.

In sum, there is no basis for the petitioner's claim that court-ordered metropolitan relief in this case would be impermissible as a matter of law under the *Milliken* decision. In contrast to the desegregation order in that case, a metropolitan relief order directed to HUD would not consolidate or in any way restructure local governmental units. The remedial decree would neither force suburban governments to submit public housing proposals to HUD nor displace the rights and powers accorded local government entities under federal or state housing statutes or existing land use laws. The order would have the same effect on the suburban governments as a discretionary decision by HUD to use its statutory powers to provide the respondents with alternatives to the racially segregated Chicago public housing system created by CHA and HUD.

Since we conclude that a metropolitan area remedy in this case is not impermissible as a matter of law, we affirm the judgment of the Court of Appeals remanding the case to the District Court "for additional evidence and for further consideration of the issue of metropolitan area relief." 503 F. 2d at 940. Our determination that the District Court has the authority to direct HUD to engage in remedial efforts in the metropolitan area outside the city limits of Chicago should not be interpreted as requiring a metropolitan area order. The nature and scope of the remedial decree to be entered on remand is a matter for the District Court in the exercise of its equitable discretion, after affording the parties an opportunity to present their views.

The judgment of the Court of Appeals remanding this case to the District Court is affirmed, but further proceedings in the District Court are to be consistent with this opinion.

It is so ordered.

MR. JUSTICE STEVENS took no part in the consideration or decision of this case.

FOOTNOTES

[1] The original complaint named the Housing Assistance Administration, then a corporate agency of HUD, as the defendant. Although the petitioner in this case is the current Secretary of HUD, this opinion uses the terms "petitioner" and "HUD" interchangeably.

[2] The complaint sought to enjoin HUD from providing funds for 17 projects that had been proposed by CHA in 1965 and 1966 and from making available to CHA any other financial assistance to be used in connection with the racially discriminatory aspects of the Chicago public housing system. In addition, the respondents requested that they be granted "such other and further relief as the Court may deem just and equitable."

[3] Before the stay of the action against HUD, the District Court had certified the plaintiff class in the CHA action and had rejected CHA's motion to dismiss or for summary judgment on the counts of the complaint alleging that CHA had intentionally selected public housing sites to avoid desegregating housing patterns. 265 F. Supp. 582.

[4] CHA admitted that it had followed a policy of informally clearing proposed family public housing sites with the alderman in whose ward the proposed site was located and of eliminating each site opposed by the alderman. 296 F. Supp. 907, 910, 913. This procedure had resulted in the rejection of 99½% of the units proposed for sites in white areas which had been initially selected as suitable for public housing by CHA. *Id.*, at 912.

With regard to tenant assignments, the court found that CHA had established a racial quota to restrict the number of Negro families residing in the four CHA family public housing projects located in white areas in Chicago. The projects, all built prior to 1944, had Negro tenant populations of 7%, 6%, 4%, and 1% despite the fact that Negroes comprised about 90% of the tenants of CHA family housing units and a similar percentage of the waiting list. A CHA official testified that until 1968 the four projects located in white areas were listed on the authority's tenant selection form as suitable for white families only. *Id.*, at 909.

[5] In July of 1968, CHA had in operation or development 54 family housing projects with a total of 30,848 units. Statistics submitted to the District Court established that, aside from the four overwhelmingly white projects discussed in n. 4, *supra*, 92% of all of CHA's family housing units were located in neighborhoods that were at least 75% Negro and that two-thirds of the units were situated in areas with more than 95% Negro residents. *Id.*, a 910.

[6] The District Court's remedial decree divided Cook County into a "General Public Housing Area" and a "Limited Public Housing Area." The "Limited Public Housing Area" consisted of the area within census tracts having a 30% or more non-white population or within one mile of the boundary of any such census tract. The remainder of Cook County was included in the "General Public Housing Area." 304 F. Supp., at 737. Following the commencement of construction of at least 700 family units in the General Public Housing Area of the city of Chicago. CHA was permitted by the terms of the order to locate up to one-third of its General Public Housing Area units in portion of Cook County outside of Chicago. See *id.*, at 738–739.

[7] The Court of Appeals found that "HUD retained a large amount of discretion to approve or reject both site selection and tenant assignment procedures of the local housing authority" and that the Secretary had exercised those powers "in a manner which perpetuated a racially discriminatory housing system in Chicago." 448 F. 2d, at 739. Although the appellate court stated that it was "fully sympathetic" with the "very real 'dilemma'" presented by the need for public housing in Chicago, it ruled that the demand for housing did not justify "the Secretary's past actions [which] constituted racially discriminatory conduct in their own right." *Ibid.*

[8] The court's July 1969 order directing CHA to use its best efforts to increase public housing opportunities in white areas as rapidly as possible had not resulted in the submission of a single housing site to the Chicago City Council. A subsequent order directing the submission of sites for 1500 units by September 20, 1970, had eventually prompted CHA to submit proposed sites in the spring of 1971, but inaction by the City Council had held up the approval of the sites required for their development. See *Gautreaux* v. *Romney*, 332 F. Supp. 366, 368.

The District Court subsequently took additional measures in an attempt to implement the remedial orders entered against CHA. In May 1971, the city of Chicago and HUD agreed to a letter of intent that provided that the city would process sites suitable for use by CHA to permit the authority to commence acquisition of sites for 1,700 units in accordance with a specified timetable. HUD then released certain Model Cities funds on the condition that the City Council and CHA continue to show progress toward meeting the goals set forth in the May letter. After the city fell far behind schedule, the District Court granted the respondents' request for an injunction directing HUD to withhold $26 million in Model Cities funds until the city remedied its existing deficit under the timetable. See 332 F. Supp. 366, 368–370. The Court of Appeals reversed the injunction, holding that the District Court had abused its discretion in ordering funding cutoff. 457 F. 2d 124.

Between July 1971 and April 1972, the City Council failed to conduct any hearings with respect to acquisition of property for housing sites and did not approve land acquisition for any sites. 342 F. Supp. 827, 829. Following the filing of a supplemental complaint naming the mayor and the members of the City Council as defendants, the District Court found that their insertion had prevented CHA from providing relief in conformity with the court's prior orders. In a further effort to effectuate relief, the court ruled that the provision of Illinois law requiring City Council approval of land acquisition by CHA "shall not be applicable to CHA's actions . . . taken for the purpose of providing Dwelling Units." *Id.*, at 830. The Court of Appeals upheld the decision. 480 F. 2d 210.

[9] Although CHA participated in the proceeding before the Court of Appeals, it did not seek review of that court's decisions and has not participated in the proceedings in the Court.

[10] Although the trial court's desegregation order in *Milliken did* not direct the adoption of a specific metropolitan plan, it did contain detailed guidelines for the panel appointed to draft the desegregation plan. 345 F. Supp. 914 (FD Mich.). The framework for the plan called for the division of the designated 54-school district desegregation area into 15 clusters, each containing a part of the Detroit school system and two or more suburban districts. Within this framework, the court charged the panel with the responsibility for devising a plan that would produce the maximum actual desegregation. *Id.*, at 918, 928–929 Sec. 418 U.S., at 733–734.

[11] The Court of Appeals interpreted the *Milliken* opinion as limited to a determination that, in view of the administrative complexities of school district consolidation and the deeply-rooted tradition of local control of public schools, the balance of equitable factors weighed against metropolitan school desegregation remedies. See 503 F. 2d, at 935–936. But the Court's decision in *Milliken* was premised on a controlling principle governing the permissible scope of federal judicial power, a principle not limited to a school desegregation context. See 418 U.S., at 744.

In addition, the Court of Appeals surmised that either an interdistrict violation or an interdistrict segregative effect may have been present in this case. There is no support provided for either conclusion. The sole basis of the appellate court's discussion of alleged suburban discrimination was the respondents' exhibit 11 illustrating the location of 12 public housing projects within the portion of the Chicago Urbanized Area outside the city limits of Chicago. That exhibit showed that 11 of the 12 projects were located in areas that, at the time of the hearing in November of 1972, were within one mile of the boundary of a census tract with less than a 70% white population. The exhibit was offered to illustrate the scarcity of integrated public housing opportunities for the plaintiff class and for lower-income white families and to indicate why the respondents did not "expect cooperation from the suburban areas" in providing housing alternatives in predominately white areas. In discussing the data underlying the exhibit, counsel for the respondents in the trial court expressly attempted to avoid the "possible misconception" that he was then asserting that the suburban municipalities and housing authorities were "guilty of any discrimination or wrongdoing." In view of the purpose for which the exhibit was offered and the District Court's determination that "the wrongs were committed within the limits of Chicago," it is apparent that the Court of Appeals was mistaken in supposing that the exhibit constitutes evidence of suburban discrimination justifying metropolitan area relief.

In its brief opinion on rehearing, the Court of Appeals asserted that "it is reasonable to conclude from the record" that the intracity violation "may well have fostered racial paranoia and encouraged the 'white flight' phenomenon which has exacerbated the problems of achieving integration." 503 F. 2d, at 939–940. The Court of Appeals' speculation about the effects of the discriminatory site selection in Chicago is contrary both to expert testimony in the record and the conclusions of the District Court. Such unsupported speculation falls far short of the demonstration of a "significant segregative effect in another district" discussed in the *Milliken* opinion. See 418 U.S., at 745.

[12] The Court in *Milliken* required either a showing of an interdistrict violation or a significant segregative effect "[b]efore the boundaries of separate and autonomous school districts may be set aside by consolidating the separate units for remedial purposes." 418 U.S., at 744. In its *amicus* brief in *Milliken*, the United States argued that an interdistrict remedy in that case would require "the restructuring of state or local governmental entities" and result in "judicial interference with state prerogatives concerning the organization of local governments."

[13] Although the State of Michigan had been found to have committed constitutional violations contributing to racial segregation in the Detroit schools, 418 U.S., at 734–735, n. 16, the Court in *Milliken* concluded that the interdistrict order was a wrongful exercise of judicial power because prior cases had established that such violations are to be dealt with in terms of "an established geographic and administrative school system." *id.*, at 746, and because the State's educational structure vested substantial independent control over school affairs in the local school districts. See *id.*, at 742–744. In *Milliken*, a consolidation order directed against the State would of necessity have abrogated the rights and powers of the suburban school districts under Michi-

gan law. See *id.*, at 742 n. 20. Here, by contrast, a metropolitan area remedy involving HUD need not displace the rights and powers accorded suburban governmental entities under federal or state law. See Part III–B, *infra*.

[14] Illinois statutes permit a city housing authority to exercise its powers within an "area of operation" defined to include the territorial boundary of the city and all of the area within three miles beyond the city boundary that is not located within the boundaries of another city, village, or incorporated town. In addition, the housing authority may act outside its area of operation by contract with another housing authority or with a state public body not within the area of operation of another housing authority. Ill. Rev. Stat. c. 67½, §§ 17(b), 27c (1959).

Although the state officials in *Milliken* had the authority to operate across school district lines, the exercise of that authority to effectuate the Court's desegregation order would have eliminated numerous independent school districts or at least have displaced important powers granted those uninvolved governmental entities under state law. See n 13, *supra*.

[15] In principal markets such as Chicago, the Standard Metropolitan Statistical Area is coterminous with the housing market area. See Department of Housing and Urban Development, FHA Techniques of Housing Market Analysis 13 (Jan. 1970); Department of Housing and Urban Development, Urban Housing Market Analysis 5 (1966).

[16] In the District Court, HUD filed an appendix detailing the various federal programs designed to secure better housing opportunities for low-income families and represented that "the Department will continue to use its best efforts in review and approval of housing programs for Chicago which address the needs of low income families."

[17] It was this statutory prohibition that HUD was held to have violated by its funding of CHA's housing projects. See 448 F. 2d 731, 740.

[18] A HUD study of the implementation of the project selection criteria revealed that the actual operation of the minority housing opportunity criterion depends on the definition of "area of minority concentration" and "racially mixed" area employed by each field office. The meaning of those terms, which are not defined in the applicable regulations, 24 CFR § 200.710 (1975), varied among field offices and within the jurisdiction of particular field offices. Department of Housing and Urban Development, Implementation or HUD Project Selection Criteria for Subsidized Housing: An Evaluation 116–117 (Doc. 1972).

[19] For fiscal year 1975 estimated contract payments under the § 8 program were approximately $10,700,000 as compared to a total estimated payment of $16,350,000 for all federal subsidized housing programs. The comparable figures for fiscal year 1976 indicate that $22,725,000 of a total $24,800,000 in estimated contractual payments are to be made under the § 8 program. See Hearings on Department of Housing and Urban Development—Independent Agencies. Appropriations for 1976, before the Subcomm. on HUD—Independent Agencies of the House Comm. on Appropriations, 94th Cong., 1st Sess., pt. 5, at 85–86 (1975). See also *id.*, at 119 (testimony of HUD Secretary Hills).

[20] Under the § 8 program, HUD contracts to make payments to local public housing agencies or to private owners of housing units to make up the difference between a fair market rent for the area and the amount contributed by the low-income tenant. The eligible tenant family pays between 15% and 25% of its gross income for rent. See 42 U.S.C. § 1437f (1970 ed., Supp. IV).

[21] If the local unit of government in which the proposed assistance is to be provided does not have an approved housing assistance plan, the Secretary of HUD is directed by statute to give the local governmental entity 30 days to comment on the proposal after which time the Secretary may approve the project unless he determines that there is not a need for the assistance. 42 U.S.C. § 1439(c) (1970 ed., Supp. IV). In areas covered by an approved plan, the local governmental entity is afforded a 30-day period in which to object to the project on the ground that it is inconsistent with the municipality's approved housing assistance plan. If such an objection is filed, the Secretary may nonetheless approve the application if he determines that the proposal is consistent with the housing assistance plan. § 1439(a). The local comment and objection procedures do not apply to applications for assistance involving 12 or fewer units in a single project or development. § 1439(b).

The ability of local governments to block proposed § 8 projects thus depends on the size of the proposed project and the provisions of the approved housing assistance plans. Under the 1974 Act, the housing assistance plan must assess the needs of lower-income persons residing in or expected to reside in the community and must indicate the general locations of proposed housing for lower income persons selected in accordance with the statutory objective of "promoting greater choice of housing opportunities and avoiding undue concentration of assisted persons." 42 U.S.C. §§ 5304(a)(4)(A), (c)(ii). See H.R. Rep. No. 93–1114, at 8. See also *City of Hartford* v. *Hills*, —— F. Supp. ——, Civil No. H–75–258 (Conn., Jan. 28, 1976). In view of these requirements of the Act, the location of subsidized housing in predominantly white areas of suburban municipalities may well be consistent with the communities' housing assistance plans.

[Supreme Court of the United States—No. 74–1047. On Writ of Certiorari to the U.S. Court of Appeals for the Seventh Circuit]

CARLA A. HILLS, SECRETARY OF HOUSING AND URBAN DEVELOPMENT, PETITIONER, VERSUS DOROTHY GAUTREAUX ET AL.

[April 20, 1976]

MR. JUSTICE MARSHALL, with whom MR. JUSTICE BRENNAN and MR. JUSTICE WHITE join, concurring.

I dissented in *Milliken* v. *Bradley*, 418 U.S. 717 (1974), and I continue to believe that the Court's decision in that case unduly limited the federal courts' broad equitable power to provide effective remedies for official segregation. In this case the Court distinguishes *Milliken* and paves the way for a remedial decree directing the Department of Housing and Urban Development to utilize its full statutory power to foster housing projects in white areas of the greater Chicago metropolitan area. I join the Court's opinion except insofar as it appears to reaffirm the decision in *Milliken*.

[U.S. District Court, District of Connecticut]

MEMORANDUM OF DECISION, JANUARY 28, 1976

City of Hartford v. Hills, Civil No. H–75–258.

I.

This case is the culmination of a confrontation between the City of Hartford and seven of its suburban towns. At issue is the propriety of the decision by the United States Department of Housing and Urban Development (HUD) to approve federal community development grants to these towns. The plaintiffs contend that this approval was improper, because of the emphasis in the applications on non-housing expenditures, and upon local rather than regional needs.[1]

The plaintiffs are the City of Hartford, Connecticut; eight city officials;[2] and two representatives of a class consisting of minority, as well as low and moderate income, persons now living "in deteriorating, inadequate, or over-costly housing in the City of Hartford, Connecticut."[3] The plaintiffs seek declaratory and injunctive relief against the seven towns,[4] the Secretary and other officials[5] of the Department of Housing and Urban Development, and the Department itself. The plaintiffs claim that the defendant officials have failed to live up to their obligations under Title I of the Housing and Community Development Act of 1974,[6] Title VIII (Fair Housing) of the Civil Rights Act of 1968,[7] and Title VI of the Civil Rights Act of 1964.[8] They also assert constitutional claims under the civil rights statutes[9] and the fifth amendment.

Specifically, the plaintiffs claim that the federal defendants abused their discretion in that they approved applications for community development funds under the 1974 Act although the statutory review standards mandated that the applications be disapproved. Similarly, they claim that HUD contravened Title VIII of the 1968 Act by failing to "affirmatively administer" the community development program in order to expand low and moderate income housing opportunities in Hartford's suburbs. Finally, they allege that HUD violated Title VI of the 1964 Act by approving these community development grant applications "in the face of a history by these applicant communities of discriminatory housing, zoning, and land use practices. . . ."[10]

A hearing was held on the plaintiffs' motion for a preliminary injunction, and the defendants' motion to dismiss or in the alternative for summary judgment. Shortly thereafter the defendants were preliminarily enjoined from "spending in any fashion" the funds at issue in this case. Later that order was modified to permit the release of urgently needed funds, most of which were expended for housing-related purposes. At the hearing on the modification request all parties agreed that final judgment could be entered on the basis of the record as it had been developed up to that point, and as it would be supplemented by several affidavits. All of those affidavits have now been filed, and the case is before me for a decision on the merits.[11]

* * * * *

IV.

As has been made clear by the preceding discussion, this case involves the new statutory framework for community development funding adopted by Congress in 1974. Title I of the Housing and Community Development Act of that year consolidated ten categorical grant programs into a single block grant program.[27] A three-year community development plan was required as part of the application, and appropriations were authorized through Fiscal Year 1977. Congress intended to streamline the administration of these federal programs,[28] by minimizing HUD's "front-end" review, substituting annual performance monitoring at the time when the future funding levels of grants to the particular community would be determined.[29] In place of the elaborate administrative review by federal officials which preceded grant approval under the ten programs, the new statute establishes a 75-day period, within which HUD must disapprove the application, or else it is automatically approved.[30] Furthermore, the statute directs HUD to approve the grant unless certain very limited conditions exist: (1) the community's true needs are not reflected in the application; or (2) the proposed projects will not meet the needs described; or (3) the proposal does not comport with other legal requirements.[31]

The new Act also gave local communities a greater role in determining how to spend their federal funds by requiring citizen participation and expanding the range of eligible activities. All the projects, however, must be

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Footnotes at end of article.

directed toward accomplishing the central objective of the legislation:

> "The development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income."[32]

Congress did not leave local communities with merely this broad statement of purpose. Rather, it legislated seven specific goals, thereby establishing national priorities to govern the use of community development funds. The Act also sets forth an extensive list of eligible activities, and requires that HUD disapprove applications for grants for any project not so qualified.[33] Three of the seven specific goals explicitly urge that moneys be spent on behalf of persons of low and moderate income.[34] Two speak directly,[35] and three more indirectly,[36] to the housing needs of that segment of the populace.

The plaintiffs' position is that one of these Congressional goals, in particular, is of great importance in this lawsuit—that concerned with reducing:

> "The isolation of income groups within communities and geographical areas and the promotion of an increase in the diversity and vitality of neighborhoods through the spatial deconcentration of housing opportunities for persons of lower income. . . ."[37]

They argue that this is one of the primary goals of the Act, and that it was to be achieved, at least in part, through another aspect of the Act—the Housing Assistance Plan.[38] The Housing Assistance Plan (HAP), which is to be completed by the applicant community, must contain a survey of the housing stock of the community, an assessment of its housing needs, a goal for the provision of assisted housing, and a description of the location of existing and proposed lower income housing. The 1974 Act also made the HAP the basis for assistance under many of the federally subsidized, low-income housing programs.[39] As such, it is an important link between the housing and the community development sections of the Act.[40] The significance of this cannot be overestimated. Congress left no doubt of the pivotal role it intended for the HAP by excluding it from the list of application requirements which might be waived by the Secretary.[41]

The plaintiffs charge that HUD disregarded the statute by approving these grants without requiring the communities to complete one element of the "needs" section of the HAP; that part which requires a community to estimate the housing needs of low income persons 'expected to reside" within its borders.[42] Six of the defendants towns[43] had their grants approved despite their submission of a "zero 'expected to reside'" figure on their applications. The plaintiffs argue that this was not an accurate estimate of the housing needs which existed among persons in this category.[44] This omission, they argue, effectively emasculated the "needs" section of the applications themselves. They further argue that, if what they describe as "needs" had been included, the projects proposed by the towns would then have been inappropriate to the "needs" disclosed for the community. If either of these are true, they contend, the Secretary would have been mandated to disapprove the applications, under § 5304(c)(1) and (2). Finally, they also contend that HUD's approval of these grants, despite the towns' failure to make a realistic projection of the influx of new low-income residents, is contrary to the "legal review" duties imposed upon the Secretary by § 5304(c)(3). This is the source of their claims under the federal civil rights acts; it is also the basis of their claim that HUD has not even complied with the 1974 Act itself.

HUD's failure to require an accurate projection of low-to-moderate income persons expected to reside in the communities was not the result of an oversight. On May 21, 1975, while six of the seven communities' applications were still in the process of HUD review, the HUD Area Office received a memorandum from David O. Meeker, Jr., Assistant Secretary for Community Planning and Development at HUD.[45]

That memorandum informed the communities that they would be permitted to obtain approval of their first year grant applications, even without submitting figures in the "expected to reside" category. Two other approaches, involving estimates of this need, were suggested in this memorandum, but the option of whether to adopt them, or not to submit any figure, was given to each applicant community.[46] Mr. Thompson testified that the Meeker Memorandum was issued in response to "the difficulty all communities across the country were having on this 'expected to reside' element." The local HUD office approved these six grants pursuant to that directive. Thus, neither the towns nor the Area Office are entirely at fault.

The plaintiffs challenge this HUD directive, characterizing it as a *de facto* waiver of the "expected to reside" element of the Housing Assistance Plan, contrary to the non-waiver provision of the 1974 Act. The government argues that this was simply a deferral of that element, and well within HUD's authority in administering the Act.

Of course, deference is due to the construction of a statute by the administrative department responsible for its implementation. *Udall v. Tallman*, 380 U.S. 1 (1965). But this "sound principle . . . normally applies only where the relevant statutory language is unclear or susceptible of differing interpretations." *Shea v. Vialpando*, 416 U.S. 251, 262 no. 11 (1974). Thus, if the statute gives specific directions, *Koshland v. Helvering*, 298 U.S. 441, 447 (1936), or the administrative interpretation is not consistent with either the statute, *Morton v. Ruiz*, 415 U.S. 199, 232 (1974), or Congressional intent, *Espinoza v. Farah Manufacturing Co.*, 414 U.S. 86, 94 (1973), the administrative agency cannot amend it by regulation. *Koshland v. Helvering*, 298 U.S. 441, 447 (1936). This salutory rule is to be applied by the courts to prevent "the unauthorized assumption by an agency of major policy decisions properly made by Congress." *American Ship Building v. Labor Board*, 380 U.S. 300, 318 (1965). Although "[t]he court is not empowered to substitute its judgment for that of the agency" on matters of fact, *Citizens to Preserve Overton Park v. Volpe*, 401 U.S. 402, 416 (1971):

> "The courts are the final authorities on issues of statutory construction, and 'are not obliged to stand aside and rubber-stamp their affirmance of administrative decisions that they deem inconsistent with a statutory mandate or that frustrate the Congressional policy underlying a statute.'"

Volkswagenwerk v. FMC, 390 U.S. 261, 272 (1968) (citations omitted). As the Supreme Court stated in *Manhattan Co. v. Commissioner*, 297 U.S. 129, 134 (1936):

> "The power of an administrative officer or board to administer a federal statute and to prescribe rules and regulations to that end is not the power to make law—for no such power can be delegated by Congress—but the power to adopt regulations to carry into effect the will of Congress as expressed by the statute. A regulation which does not do this, but operates to create a rule out of harmony with the statute, is a mere nullity."

Undaunted by these principles of law, HUD contends that the Meeker Memorandum was not in conflict with the statute, but merely supplementary to it. However, the statute could not be more clear. The Secretary was also permitted to accept the of paragraphs (1), (2), and (3) of 42 U.S.C. § 5304(a), under certain conditions. And the Secretary was permitted to waive all or part applicant community's certification that it had complied with paragraphs (5) and (6). Only paragraph (4), that describing and requiring the HAP, is not mentioned. The canon of construction *inclusio unius est exclusio alterius* compels the conclusion that the Secretary was not empowered to waive the requirement that the application include a Housing Assistance Plan for the community. Such a creation of additional exceptions to statutory requirements, by administrative action, is not favored. *Carey v. Local Board No. 2, Hartford, Connecticut*, 297 F. Supp. 252, 260 (D. Conn.), *aff'd*, 412 F.2d 71 (2d Cir. 1969).[47]

The defendants correctly observe that HUD has not waived the entire HAP, but merely one of the elements that go into the community's assessment of its needs for lower-income housing.[48] The failure to submit a figure for the "expected to reside" category does not detract, for example, from each town's calculation of the housing needs of its present inhabitants who fall within the lower-income classification.[49] However, the "expected to reside" figure is the keystone to the *spatial deconcentration objective* of the 1974 Act.[50] The recent report issued by the United States Commission on Civil Rights[51] emphasizes that the Housing and Community Development Act of 1974 envisions a new direction in federal assistance programs because it:

> "for the first time ties the provision of community development funds to the provision of lower-income housing by requiring each locality to submit a housing assistance plan as part of its community development block grant application. To receive *community development funding*, a locality must address its needs for lower-income housing." (Emphasis added).[52]

The success of this new "carrot and stick" approach to the dispersal of low and moderate income groups depends upon the willingness of the suburban towns to provide federally-assisted housing within their boundaries. Of course, communities can choose not to participate in the program.[53] However, the Meeker Memorandum permits suburban towns to obtain funding under the Act without the *quid pro quo* Congress decided to require—their taking steps to expand housing opportunities for low and moderate income persons. Indeed, this requirement is one of the most important differences between the Housing and Community Development Act of 1974 and the categorical grant community development programs it replaced.[54] Thus, the Meeker Memorandum removes the incentive Congress provided for these communities to accept such federally-assisted housing, thereby effectively gutting the "enforcement" provisions of the Act.[55]

I conclude that HUD acted contrary to law when it approved these six grants, without requiring the towns to make any assessment whatsoever of the housing needs of low and moderate income persons who might be "expected to reside" within their borders. When HUD offered the towns the third option presented by the May 21, 1975 Meeker Memorandum, to submit no figure at all, and they all selected that option, they acted contrary to the clear implication of the statute, that the HAP could not be waived by the Secretary.[56] The preliminary injunction previously entered in this case will be made permanent with respect to the Towns of Enfield, Farmington, Glastonbury, Vernon, West Hartford, and Windsor Locks.

V.

The grant to the Town of East Hartford presents a somewhat different problem. Unlike the other defendant towns, East Hartford actually submitted a figure for the "expected to reside" portion of its HAP. The original HAP disclosed a total need for 135 assisted units in this category, including 81 elderly or handicapped, 16 large families, and 38 others. These figures were subsequently

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Footnotes at end of article.

reduced, to 131, 78, 15, and 38, respectively, in a revision of the HAP undertaken at HUD's request.

The plaintiffs contend that these figures understated the actual number of lower income persons who should have been "expected to reside" in East Hartford, based on the facts and data available at that time. They argue from this that the Secretary acted contrary to law because she was obligated to disapprove the East Hartford grant application, since the "expected to reside" figures were "plainly inconsistent" with the facts and data. 42 U.S.C. § 5304(c) (1) (1975 Supp.).

The issues presented for decision are whether the Secretary's approval of this grant was: (1) within the scope of her authority; and (2) neither arbitrary nor capricious. *Citizens to Preserve Overton Park v. Volpe*, 401 U.S. 402, 414–16 (1971). The answers to these questions—

> "Require the reviewing court to engage in a substantial inquiry. . . . Although this inquiry into the facts is to be searching and careful, the ultimate standard of review is a narrow one. The court is not empowered to substitute its judgment for that of the agency." [57]

Here the answer to the first question is simple. Congress dictated that the grants be approved, unless the Secretary made certain determinations. HUD established review procedures which delegated the power to approve applications to the Area Directors, but retained the power to disapprove in Washington.[58] The administrative record discloses that these determinations were not made with respect to the East Hartford application. On the contrary, the Hartford Area Office did "not consider the information submitted by the City of Hartford as 'facts and data,'" [59] and so concluded that conditional approval was warranted.[60] The decision to approve the grant was certainly within the "range of choices that the Secretary can make." *Citizens to Preserve Overton Park v. Volpe*, 401 U.S. 402, 416 (1971).

The second inquiry, however, presents more difficulty. The statute [61] requires me to determine, in essence, "whether the decision [to approve the grant] was based on a consideration of the relevant factors and whether there has been a clear error of judgment." 401 U.S. at 416. I conclude that the Secretary has abused her discretion in both respects. HUD's approval, without taking the steps required to obtain the "generally available" information it needed to evaluate these applications, and without considering such information, amounts to arbitrary and capricious decision-making. Furthermore, the decision to approve the East Hartford application, in the face of this "generally available" information, constituted a clear error of judgment, and was not in accordance with law. In other words, HUD was doubly at fault—it did not obtain the generally available information required for a proper review, and it acted upon the basis of inadequate information.

HUD does not claim that it was able to critically appraise the "expected to reside" figures in the East Hartford application. Mr. Lawrence Thompson, the Hartford Area Director, admitted that—

> "In reviewing the HAPs, it was apparent that there was an absence of reliable data upon which to evaluate the surveys of housing needs of lower-income groups expected to reside in the community as a result of planned or existing employment facilities." [62]

As a result, HUD was unable to calculate its own estimate of "expected to reside" figures, or even "to make a determination as to the accuracy of the figures supplied by the defendant towns." [63]

Mr. Thompson suggested that more data was not gathered because, in the time that would have taken, the 75-day review period would have been exceeded, and the grants would have been automatically approved,[64] He acknowledged that all the local communities were having great difficulty in developing "expected to reside" figures, and that this caused him to suspend processing of all pending applications during May 1975, to await expected instructions from HUD in Washington, D.C.[65] These instructions came in the Meeker Memorandum of May 21, 1975, discussed in Part IV of this opinion. That memorandum set forth a methodology, developed by the central office, for computing an "expected to reside" figure for a community, based on the U.S. Census Bureau's "Journey to Work" tables.[66] It was the apparent unavailability of these figures on a municipality-by-municipality basis for the Hartford SMSA that led the Area Office to conclude that it was unable to prepare its own "expected to reside" figures, or to review those proposed by East Hartford.[67] However, a similar breakdown, lacking only income figures for the commuters, proved to be available from the Connecticut Department of Transportation, on only two days' notice! [68]

Mr. Thompson also stated that East Hartford was not given the opportunity to submit a "zero" as its "expected to reside" projection, as were the other six defendant towns,[69] only because its application was approved before processing was suspended.[70] Thus, it was simply happenstance that a figure for "expected to reside" was included in the East Hartford HAP at all. The record demonstrates that, so far as HUD was concerned, that number might have had no validity whatsoever—it was untested and untestable. HUD's approval of the grant to East Hartford in such circumstances cannot be considered a proper exercise of discretion. Rather, it was an abandonment of its duty to review and evaluate the housing needs projection for those persons "expected to reside" within East Hartford. I conclude that HUD's approval of East Hartford's grant application was contrary to law.

There is no doubt that HUD did not conduct a rigorous review of the East Hartford "expected to reside" projection. It justified this failure by pointing to an alleged absence of data. In fact, however, a wide variety of alternative data sources was available. For example, HUD's own instructions suggest the use of census materials; code enforcement records; local agency records; 701 plans; or studies done by reputable research, community service, or planning organizations, such as private consulting firms.[71] The proposed HUD Regulations also list several data sources, such as approved development plans; building permits; and major contract awards.[72] One of the plaintiffs' expert witnesses, Mr. Paul Davidoff, also listed a number of other possibilities, including studies conducted by or for state agencies; plant or shopping center surveys; zip code information from the payroll records of local companies; or data gathered by the local chamber of commerce.[73] And Mr. Jonathan Colman, Director of Planning for the City of Hartford, testified that figures detailing commercial development, in the form of floor space completed or under construction, are compiled by the Connecticut Department of Commerce.[74] The HUD Regulations [75] and instruction sheet [76] do not require that the data used to review grant applications be published. The standard is simply that it be accessible . . . or . . . available to both the applicant and the Secretary. . . ." [77] The materials and data sources described above fall within this broad category, and HUD's failure to gather and consult them prior to its evaluation of East Hartford's grant [78] was an abdication of its responsibilities under the Housing and Community Development Act of 1974.[79]

The foregoing discussion is not intended to suggest that East Hartford invented its 135, then 131, figures, or that HUD's review of the East Hartford application was entirely passive. East Hartford developed its "expected to reside" projection from the waiting list for the East Hartford Housing Authority,[80] and the HUD Area Economist, William Flood, commented upon the unsatisfactory nature of that methodology.[81] The Hartford Area Office itself—

> "Agreed [with the City of Hartford] that a more comprehensive approach should be reflected in future HAPs. [But] HAO considered that using the waiting list *and 1970 census data* provided a satisfactory initial estimate of housing need in the absence of significant regional data. . . ." (Emphasis added).[82]

Even if it could be said that HUD adopted that waiting list as the data source for computing an "expected to reside" figure, and used it to review the East Hartford application, the approval of the grant on that basis constituted an abuse of discretion. The waiting list, alone, was clearly insufficient as a data base. Mr. Flood acknowledged this when he indicated that the first HAP submitted by East Hartford, using only the Housing Authority waiting list, was "clearly inconsistent with generally available data."[83] The revised HAP, which he found "marginally adequate" and "quite marginal," was based on the 1970 U.S. Census figures for low income persons in East Hartford, as supplemented by the Housing Authority waiting list information. That HAP raised the "currently existing need" figure from 331 to 473, increased the first and third year goals by 60 units,[84] and shifted the emphasis toward a closer balance between elderly and non-elderly housing.[85] However, no change was made in the data base from which the "expected to reside" element of the HAP was calculated, and that figure was actually reduced in the revised HAP! [86]

The objections Mr. Flood made to the use of the waiting list alone to estimate currently existing need apply with equal, if not greater, force to its use as the sole source for the "expected to reside" figures. For example, he pointed out that Section 8 subsidies are available to many families with incomes higher than the limits set for public housing, and that there are only a small number of units for large families in the existing inventory of the East Hartford Housing Authority. He also objected to the stale nature of the waiting list data, and the poor reputation of the housing authority.[87] The comments from Education/Instruction, a local civil rights research organization dealing with discrimination in housing and employment, parallel those made by Mr. Flood. They also point out that the availability of housing through the East Hartford Housing Authority was not publicized outside of East Hartford itself.[88] The Town itself acknowledged the validity of the criticism concerning the shortage of large-family units when it allocated a disproportionate share of its Section 8 funds to meet the needs of large families.[89]

The waiting list for the East Hartford Housing Authority may well be one factor upon which to base the "expected to reside" projection, but it cannot properly be the only one. The passivity with which HUD reviewed this element of the East Hartford HAP is well illustrated by the statement, made in comparing the criticisms of the application to East Hartford's response, that—

> "The inclusion of these figures [131] in the HAP appears to respond to the explicit comment of 'no reflection of needs' [of those presently working in East Hartford] made by Hartford. CROG's comment on this matter is also answered by the computation listed above." [90]

HUD had a duty to do more than accept any "expected to reside" figure proposed by East Hartford, however inadequate its size or derivation.[91] The administrative record discloses that it did not live up to that duty.

For the reasons outlined in the foregoing opinion, I have concluded that the Secretary abused her discretion in approving the community development entitlement grants to the seven defendant communities. The preliminary injunction previously entered in this case is hereby made permanent. The seven defendant Towns are enjoined from drawing upon the Treasury, or spending in any fashion, the entitlement funds granted to them pursuant to Title I of the Housing and Community Development Act of 1974, which are the subject of this lawsuit. The Towns may seek to obtain a new approval of these grant applications from HUD. This injunction may be lifted upon the filing with the court of such a new approval.

It is so ordered.

Dated at Hartford, Connecticut, this 28th day of January, 1976.

M. JOSEPH BLUMENFELD,
U.S. District Judge.

FOOTNOTES

[1] The funds are available under the Housing and Community Development Act of 1974. Pub. L. No. 93-383; 88 Stat. 633; 42 U.S.C. §§ 5301 *et seq.* (1975 Supp.).

[2] All eight are members of the Hartford Court of Common Council—the city's governing body.

[3] Paragraph 11 of the Complaint. These plaintiffs' Motion for Permission to Proceed In Forma Pauperis was granted on August 11, 1975.

[4] The seven towns whose grant applications are challenged are: East Hartford, Enfield, Farmington, Glastonburg, Vernon, West Hartford, and Windsor Locks. The towns were ordered joined, as additional defendants, on the motion of the United States Department of Housing and Urban Development.

[5] In addition to the Secretary, both the Regional Administrator and Area Director of HUD are named as defendants. All three are sued only in the official capacities.

[6] Cited in note 1 *supra*.

[7] Pub. L. No. 90-284; 82 Stat. 81; 42 U.S.C. § 3601 *et seq*.

[8] Pub. L. No. 88-352; 78 Stat. 252; 42 U.S.C. § 2000d *et seq*.

[9] 42 U.S.C. §§ 1981, 1982, and 1985.

[10] Paragraph 31 of the Complaint.

[11-25] Footnotes not printed in RECORD.

[26] See Parts IV and V *infra*.

[27] The new Community Development Program replaced the following ten development programs administered by the Department of Housing and Urban Development: the Public Facilities Loan Program authorized by Title II of the Housing Amendments of 1955; the Open Space Program authorized by Title VII of the Housing Act of 1961; the Planning Advance Program authorized by Sec. 702 of the Housing Act of 1954; the Water-Sewer, Neighborhood Facilities and Advanced Land Acquisition Programs authorized under Title VII of the Housing and Urban Development Act of 1965; the Urban Renewal, Code Enforcement and Neighborhood Development Programs authorized by title I of the Housing Act of 1949; and the Model Cities Program authorized by Title I of the Demonstration Cities and Metropolitan Development Act of 1966.

[28] 42 U.S.C. § 5301(b)(3) (1975 Supp.). *See also,* H. R. Rep. No. 93-1114, 93d Cong. 2d Sess. 2, 3 (1974); S. Rep. No. 93-693, 93d Cong., 2d Sess. 48, 49 (1974).

[29] 42 U.S.C. § 5304(d) (1975 Supp.).

[30] 42 U.S.C. § 5304(f) (1975 Supp.).

[31] 42 U.S.C. § 5304(c) (1975 Supp.).

[32] 42 U.S.C. § 5301(c) (1975 Supp.).

[33] 42 U.S.C. § 5305 (1975 Supp.) describes the eligible activities; 42 U.S.C. § 5304(c)(3) (1975 Supp.) requires disapproval of any application that proposes ineligible activities. Clarifying regulations were issued recently. 24 C.F.R. § 570.200 *et seq.;* 41 Fed. Reg. 2765 (January 19, 1976).

[34] 42 U.S.C. § 5301(c) (1), (3), (4) (1975 Supp.).

[35] 42 U.S.C. § 5301(c) (3) and (6) (1975 Supp.).

[36] 42 U.S.C. § 5301(c)(1), (2), (5) (1975 Supp.).

[37] 42 U.S.C. § 5301(c)(6) (1975 Supp.).

[38] The HAP is described in 42 U.S.C. § 5304 (a)(4) (1975 Supp.).

[39] Pub. L. No. 93-383 § 213; 42 U.S.C. § 1439 (1975 Supp.). This section virtually insulates a community from unwanted federally-assisted housing projects by permitting it to object to any application for assistance it deems "inconsistent" with its HAP.

[40] The newly-proposed HUD Regulations, note 11 *supra*, 24 C.F.R. § 570.303; 41 Fed. Reg. 2347 (January 15, 1976), acknowledge the importance of the HAP, describing it as "one of the most significant parts of the community development application process, [with] . . . a significant impact on various aspects of HUD-assisted housing program activities." *Id.* at 2348.

[41] U.S.C. § 5304(b) (3) and (4) (1975 Supp.).

[42] U.S.C. § 5304(a)(4)(A) (1975 Supp.). This information is to be given in Table II C of the applicant's Housing Assistance Plan.

[43] All but East Hartford.

[44] HUD's regulations state that this figure refers to lower income persons and families "planning or expected to reside in the community as a result of planned or existing employment facilities." 24 C.F.R. § 570.303 (b)(2). The plaintiffs offer, as examples of why they question the accuracy of a "zero" figure for any of the defendant towns, the fact that 4,600 Hartford residents commute more work in East Hartford, and that 6,980 more work in West Martford. Testimony of Jonathan Colman, September 22, 1975. These figures were from a study prepared by HARCON Associates, for the City of Hartford, based on information from the Connecticut Department of Labor. Furthermore, a study conducted in Glastonbury identified 806 persons working in the Town who resided elsewhere, but wanted to live in Glastonbury, and were eligible for federal housing assistance under the Section 8 program.

As Mr. Paul Davidoff, a lawyer and urban planner who served as a consultant to the City of Hartford in its review of the defendant towns' grant applications, testified:

"At the end, a judgment had to be made . . . [A] community might have made, for the first year, a tentative judgment. It might have been wrong. . . . But it isn't zero, because the zero figure is patently absurd in terms of the reality of what is happening in each of these communities. There is no basis at all, in fact, in any of the data on the growth of these communities . . . for zero to be put in."

Hearing of September 23, 1975.

[45] This memorandum, sent to all area office directors and all community planning and development division directors, was added to the record as Plaintiff's Exhibit 12, at trial, and as Exhibit B to the Affidavit of Lawrence Thompson, August 25, 1975. Mr. Thompson is Director of the Hartford Area Office of HUD. The memorandum provides, in pertinent part, that—

"Where, in the opinion of the reviewer, it is reasonable to assume that a significant portion of the potential need has not been included in the needs table of the HAP, the applicant should be contacted indicating that prior to HUD's tender of contract the applicant must:

(a) Adopt the HUD figure . . . , or

(b) Adopt its own figure . . . , or

(c) Indicate what steps the applicant intends to take in identify [*sic*] a more appropriate needs figure by the time of its second year submission."

The plaintiffs do not challenge the procedural propriety and legal effect of the May 21, 1975 Meeker Memorandum. Paraphrasing the analogous decision in *Fletcher v. Housing Authority of Louisville*, 491 F.2d 793, 799 n. 10 (6th Cir), *vacated and remanded*, 419 U.S. 812 (1974), it is HUD's decision to implement the memorandum, and not its issuance, which is involved here. Offering the options presented by the Meeker Memorandum to the six defendant towns is what the plaintiffs complain about, not the compliance by HUD with rule-making procedures before it issued the memo.

The degree of control exercised over the entire community development funding process by the HUD central office, in Washington, D.C., is illustrated by an excerpt from an earlier HUD directive, also issued by Mr. Meeker. Meeker Memorandum of November 29, 1974. Exhibit A to Affidavit of Lawrence Thompson, August 25, 1975. This earlier memorandum directs that:

"No CD programs may be approved, even conditionally, without approval of the HAP. Therefore, disapproval of the HAP amounts to disapproval of the whole CD program. Since CD plan disapproval can only be made at the Central Office, Area Offices finding a HAP unacceptable must follow the disapproval procedure described below. . . . The power to disapprove applications for entitlement funds is not delegated below my office."

[46] In letters sent out from the Community Planning and Development Division of the Area Office on June 2, 1975, to each of these six applicant communities. Because the local HUD Area Office was unable to develop its own "expected to reside" figures, only the second and third options of the Meeker Memorandum were presented to these towns.

[47] *See also, Marsano v. Laird*, 412 F.2d 65 (2d Cir. 1969).

[48] As Mr. Lawrence Thompson testified at the hearing: "The Housing Assistance Plan requirement is a statutory provision and it's way beyond my power to waive it. Only the Congress could." Hearing of September 24, 1975.

[49] HUD Regulations equate the terms "lower" and "low and moderate" income families, and define this group as those—

"Families whose annual incomes do not exceed 80 percent of the median family income of the area as determined by the Secretary with adjustments for smaller and larger families. . . ."

24 C.F.R. 570.3(o). The maximum annual income for these groups, during 1975 in the Hartford area, was $7,500 for low and $12,000 for moderate income families, depending on family size. Plaintiffs' Exhibit 10, Affidavit of William Slitt, September 16, 1975, ¶ 5.

The 1972 median incomes for the seven defendant towns, as set forth in the Affidavit of Jonathan Colman, July 29, 1975, Exhibit A to Plaintiffs' Memorandum in Support of Motion for A Preliminary Injunction, are as follows:

East Hartford: $12,000.
Enfield: $12,789.
Farmington: $13,712.
Glastonbury: $15,000*.
Vernon: $12,338.
West Hartford: $14,796*.
Windsor Locks: $13,372.

At the hearing of September 22, 1975, Mr. Colman testified as to the substantially lower 1970 Census median income figures for these towns. He further testified that even the 1972 figures quoted above had risen considerably by 1975.

*The base year for these two figures is not clear from the Affidavit.

[50] Testimony of Paul Davidoff, September 23, 1975. Mr. Thompson of HUD also agreed that the "expected to reside" figure is "an important requirement," and is "the only specific element of the Act that I can identify that operationally connects [the spatial deconcentration of lower-income persons] with what we do and the applicants do." Hearing of September 24, 1975.

[51] *Twenty Years After Brown: Equal Op-*

portunity In Housing, United States Commission on Civil Rights (December, 1975).

[52] *Id.* at 32.

[53] As have both Berwyn and Cicero, Illinois. *Id.* at 61 n.191. Indeed, the Town of Vernon applied for only $25,000 to build a residential park, although its first-year entitlement grant, under the statutory "hold harmless" formula, was over $100,000. 42 U.S.C. § 5306. Testimony of Jonathan Colman, September 23, 1975. The Town has since obtained a discretionary grant under the Act in the amount of $150,000. Letter of January 7, 1976, to the court, from Martin B. Burke, Town Attorney.

[54] *Twenty Years After Brown: Equal Opportunity In Housing,* United States Commission on Civil Rights (December, 1975) at 60.

[55] The newly-proposed HUD Regulations, see note 11 *supra,* suggest that HUD is contemplating a partial waiver for yet another year, in certain circumstances. 24 C.F.R. § 570.303(c) (2) (vi); 41 Fed. Reg. 2347, 2349 (January 15, 1975). As stated in note 11 *supra,* the validity of this proposed regulation is not, however, before me in this case.

[56] This decision avoids any need to assess the propriety of HUD's conclusion that the needs, as described in these six towns' applications, were not "plainly inconsistent" with "significant facts and data, generally available and pertaining to community and housing needs and objectives," and that the proposed projects were not "plainly inappropriate to meeting the needs and objectives identified by the applicant," as required by 42 U.S.C. § 5304(c) (1) and (2) (1975 Supp.). Those issues are, however, addressed with respect to the East Hartford application, in Part V *infra* of this opinion.

[57] 401 U.S. at 415–16. The cautionary instruction concerning the narrow scope of review is particularly appropriate in this case, since the Secretary herself has been given only a very limited range of discretion. 42 U.S.C. § 5304(c) (1975 Supp.). Congress clearly built a presumption of approval into the Act with this restrictive review standard and the automatic approval provision. 42 U.S.C. § 5304(f) (1975 Supp.).

[58] Meeker Memorandum of November 29, 1974. Exhibit A to the Affidavit of Lawrence Thompson, August 25, 1975.

[59] Memorandum to the East Hartford Entitlement File, May 19, 1975. Attachment J to the Administrative Record for East Hartford.

[60] Memorandum to Lawrence Thompson, April 24, 1975. Attachment O to the Administrative Record for East Hartford. The grant approval letter, dated May 2, 1975, is Attachment L to the Administrative Record.

[61] 5 U.S.C. § 706 provides:

"The reviewing court shall—

* * * * *

(2) hold unlawful and set aside agency action, findings, and conclusions found to be—

(A) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law."

[62] Affidavit of Lawrence Thompson, August 25, 1975, § 12.

[63] Affidavit of William Flood, September 12, 1975, § 5. Exhibit B to the Defendants' Memorandum in Support of Motion to Dismiss or in the Alternative for Summary Judgment. Mr. Lawrence Thompson testified to the same effect at trial, stating that HUD lacked the data necessary "to compute a substitute figure to the figure that was supplied by the applicant." Hearing of September 23, 1975.

[64] Pursuant to 42 U.S.C. 5304(f) (1975 Supp.). Affidavit of Lawrence Thompson, August 25, 1975, § 13. The East Hartford application was received by HUD on March 24, 1975. Supplemental Affidavit of Lawrence Thompson, September 12, 1975, § 19. Exhibit A to the Defendants' Memorandum in Support of Motion to Dismiss or in the Alternative for Summary Judgment. The application was approved in a letter from Mr. Thompson, dated May 2, 1975. Attachment L to the Administrative Record for East Hartford. Thus, appropriately five weeks still remained on the "75-day clock" at the time the East Hartford application was approved.

[65] Supplemental Affidavit of Lawrence Thompson, September 12, 1975, ¶7. This problem was not limited to the Greater Hartford area. Affidavit of Allan Thornton, November 6, 1975 ¶4.

[66] Meeker Memorandum of May 21, 1975. Plaintiffs' Exhibit 12 and Exhibit B to the Affidavit of Lawrence Thompson, August 25, 1975.

[67] Affidavit of William Flood, September 12, 1975, ¶4.

[68] Affidavit of Paul Davidoff, October 21, 1975, ¶9, and Affidavit of Jonathan Colman, October 22, 1975, ¶3.

[69] In letters sent out by the HUD Area Office on June 2, 1975. Affidavit of William Flood, September 12, 1975, ¶8.

[70] Supplemental Affidavit of Lawrence Thompson, September 12, 1975, ¶22. Indeed, East Hartford received a similar letter on June 5, 1975. Affidavit of William Flood, September 12, 1975, ¶9. Attachment M to the Administrative Record of East Hartford. This letter emphasized the importance of the "expected to reside" element of the HAP, informed the Town of the options the Hartford Area Office had extended to the other communities, and stated that East Hartford, while not required to alter its HAP at that time, would be required to address this need at the time of its next submission, in accordance with HUD regulations.

[71] Instructions for Form HUD–7015.8 thru 11. Plaintiffs' Exhibit 2 at trial.

[72] 24 C.F.R. § 570.303(c) (2) (i) (A); 41 Fed. Reg. 2347, 2349 (January 15, 1976).

[73] Testimony at the Hearing of September 23, 1975.

[74] Testimony at the Hearing of September 22, 1975. These figures can be used to estimate new employment opportunities generated by that construction. HUD's awareness of the relationship between new commercial construction and new employment opportunities is demonstrated by Plaintiffs' Exhibit 14, a letter to Stephen Fils, Town Manager of Farmington, from Lawrence Thompson, March 9, 1972.

[75] 24 C.F.R. § 570.306(b) (2).

[76] Plaintiffs' Exhibit 2, note 71 supra.

[77] 24 C.F.R. § 570.306(b) (2).

[78] It is clear from the record that HUD's review was not based on this sort of data. "I chose to approve these seven applications after determining they were not plainly inconsistent with the facts and data available [*sic*] at that time." Affidavit of Lawrence Thompson, August 25, 1975, ¶ 14. Also, see Affidavit of William Flood, September 12, 1975, ¶ 5.

[79] 42 U.S.C. § 5304(c) (1) (1975 Supp.).

[80] Attachments D and K to the Administrative Record for East Hartford. The Town used the 40 per cent of the applicant pool who were not residents of East Hartford as its "expected to reside" estimate.

[81] Memorandum to Harry Reese, April 18, 1975. Attachment O to the Administrative Record for East Hartford.

[82] Memorandum to the East Hartford Entitlement File, May 15, 1975. Attachment J to the Administrative Record for East Hartford.

[83] Memorandum to Harry Reese, April 14, 1975. Attachment O to the Administrative Record for East Hartford.

[84] The increase consisted entirely of an allocation of $120,000 of Section 8 funds. All 60 units were to be in already existing housing.

[85] Attachments D and K to the Administrative Record for East Hartford.

[86] *Id.*

[87] Memorandum to Harry Reese, April 14, 1975. Attachment O to the Administrative Record for East Hartford.

[88] Letter to Ms. Connell, Chairwoman of the Ad Hoc Committee on the Housing and Community Development Act, CRCOG. Attachment H to the Administrative Record for East Hartford.

[89] Attachment K to the Administrative Record for East Hartford.

[90] Memorandum to the East Hartford Entitlement File, May 15, 1975. Attachment J to the Administrative Record for East Hartford.

[91] HUD's Acting Regional Administrator, Harold Thompson, emphasized this duty in a memorandum to the Area Director, Lawrence Thompson:

"In sum, these allegations [by the City of Hartford] are, in our opinion, well-documented and of a very serious nature. Therefore, whatever your decision may be regarding this matter, please ensure that the administrative file reflects a reasonable decision-making process."

Plaintiffs' Exhibit 13, Memorandum to Lawrence Thompson, April 29, 1975.

[From the New York Times, Apr. 26, 1976]

Impact of Court's Ruling on Low-Income Housing Is Seen Far Off

(By William E. Farrell)

CHICAGO, April 25.—The Supreme Court's ruling last week that Federal courts can order the construction of low-income public housing in white suburbs to alleviate urban racial segregation is being greeted by some suburban officials with a mixture of criticism and indifference.

At the same time, civil rights advocates, while hailing the court's 8-to-0 ruling as an important breakthrough, are warning that it will take a long time before the decision has a tangible impact.

They are also cautioning against interpreting the decision as a panacea that will bring relief to minorities in the decayed housing that amounds in the nation's inner city slums.

The Court, acting in a 10-year-old Chicago suit, Hills v. Gautreaux, said on Tuesday that Federal courts could order suburban public housing to ease racial segregation in cities even when the suburbs involved have not been proved guilty of practicing housing discrimination.

In effect, the decision permits Federal courts to order a "metropolitan area" plan to deal with central-city segregation rather than limiting such a plan to the geographic confines of the city proper.

It is this aspect of the ruling that has pleased civil rights leaders, particularly in light of the Court's ruling in 1974 in a Detroit school desegregation case in which it said that a Federal judge could not impose an area-wide plan to end segregation in a single school district.

The housing case, named for Dorothy Gautreaux, a deceased litigant in this suit, involved the Federal Department of Housing and Urban Development, which in 1974 had been found by a United States Court of Appeals to have violated the Constitution for years by allowing federally subsidized public housing in Chicago to be built only in black neighborhoods.

Alexander Polikoff, who handled the case for Mrs. Gautreaux and the others as a lawyer for the American Civil Liberties Union and a local group called Businessmen for the Public Interest, said in an interview that the decision meant that "a crucial concept is now before us."

"It will take a long time," Mr. Polikoff said. "After all, it took us 40 years to develop our residential apartheid pattern."

The real significance of the ruling, he said, is that it might force a change in the direction of Federal housing policies.

The Supreme Court ruling means that the Gautreaux case now goes back to Judge Richard B. Austin in United States District Court here, where a hearing to discuss a metropolitan housing plan has been called for May 24.

The Supreme Court decision was hailed by Mayor Richard J. Daley of Chicago, who fought Judge Austin's original ruling in 1969 when it was limited to scattering public housing in white neighborhoods of the city, but not the suburbs. Virtually no public housing has been built in Chicago since then.

"The only way to do something about housing is on a metropolitan basis," Mr. Daley told newsmen.

But a number of officials of the suburbs that gird the nation's second-largest city felt that the decision threatened property values and usurped the prerogatives of local government.

"You cannot solve Chicago's public housing problem by placing public housing in the suburbs," said Nicholas Glase of Niles. "The Court can decide what it wants, but as long as Congress does not appropriate any funds for public housing construction in the suburbs, there won't be any."

"The Court is trying to protect one group's rights at the expense of other groups in society," said Mrs. Edwin Dropka, president of Save Our Suburbs, a coalition of Illinois suburban civic organizations.

MAYOR GIBSON'S VIEW

Kenneth A. Gibson, Mayor of Newark, one of the nation's most beleaguered urban centers, said that while he was pleased with the court ruling, "I have to concern myself with our residents and the public housing we have to offer them. We've had our own problems and this is what I must be concerned with."

Norman Threadgill, president of the Newark chapter of the National Association for the Advancement of Colored People, said of the decision: "This may eventually have some meaning, but it will take quite a few years before the decision has any measurable impact at all."

A canvass of suburban officials in the Detroit area—a city with a large black and poor population—showed that most were not overly concerned about the ruling.

An exception was Mayor Ted Bates of Warner, who said, "People will be up in arms. We are losing home rule to the cities. They are trying to take away the people's rights."

Donald Harm, city manager of suburban St. Clair Shores, said: "I'm not upset or worried by the decision."

Dr. Francis A. Gornegay, executive director of the Detroit Urban League, said he hoped the decision would help school integration. Some foes of school busing have argued that the clue to ending school segregation lies in ending housing segregation.

Several civil rights advocates said they hoped to see the decision used to achieve that purpose.

"It's a great theory right now," said William Drew, Milwaukee's Commissioner of City Development. "But the problem is there is no housing program now. If Congress did enact a new housing program, I'd recommend we do build in the suburbs."

In Atlanta, Mrs. John Delle Johnson, executive director of the local branch of the N.A.A.C.P., said thhe ruling "will naturally help the integration of schools. It will also help economically to allow poor people to live in the suburbs where new jobs are coming."

James Wallace, economist for the Department of Housing and Urban Development in the Boston area, said: "This decision will have considerable impact because in the past we have dealt with city and not suburb."

One housing expert in the private sector, who has been involved in attempts to build low- and moderate-income suburban housing, said the short-term impact of the decision would be negligible but that eventually the decision could help loosen suburban intransigence to minority-group housing.

[From the Baltimore Sun, Apr. 24, 1976]

RULING EFFECT DOUBTED

Officials in Baltimore and Anne Arundel counties had mixed reactions yesterday to the Supreme Court ruling that federal judges may order the Department of Housing and Urban Development to foster low-income housing in suburbs.

But, leaders in both counties said the order will have little effect on their subdivisions.

"The preliminary assessment I have received is that the opinion of the Supreme Court will have little effect if any on Baltimore county," said Theodore G. Venetoulis, the county executive.

Mary Christhilf, the executive director of the Anne Arundel county Housing Authority, echoed his words, saying, "I don't believe it will have any effect on the county at this point."

Mrs. Christhilf said she believes the county has had a good public housing record up to this time.

But the order drew the wrath of many elected officials in Baltimore county.

"Over my dead body HUD will tell us where to build our housing. We are perfectly capable of making those decisions ourselves," the Baltimore County Council chairman, John O'Rourke (D., 7th), said.

Another councilman, Clarence E. Ritter (R., 3d), said, "This is just another example of what too much big government can do. They are taking away decisions that should be made at the local level."

The court approved unanimously the concept of "metropolitan" or areawide relief to ease housing segregation.

The decision raises the prospect that a number of lawsuits will be filed or pressed around the nation by civil rights and open housing groups seeking to establish metropolitan housing plans as remedies for housing segregation.

No such suits have been filed as of yet in the Baltimore area.

NATIONAL COMMITTEE AGAINST
DISCRIMINATION IN HOUSING, INC.,
Washington, D.C., April 28, 1976.

EDITOR,
The Washington Post,
Washington, D.C.

DEAR EDITOR: The degree to which the recent Supreme Court decision in Hills v. Gautreaux has nationwide impact rests with the Department of Housing and Urban Development. The decision will be a major victory only to the extent that HUD acts affirmatively to carry out the mandate on a national level.

While the Supreme Court decision did not specifically require the lower court to order a metropolitan public housing dispersal plan as a remedy, Justice Potter Stewart, wirting for a unanimous court, said that "an order directing HUD to use . . . federal housing programs to foster projects located in white areas of the Chicago housing market would be consistent with and supportive of well-established federal housing policy."

Specifically, the Housing and Community Development Act of 1974 mandates deconcentration of housing for lower income families on a metropolitan basis. The Act also requires municpalities, including suburban municipalities, seeking HUD funding for community development activities to submit Housing Assistance Plans providing for the housing needs of lower income families as a condition of eligibility for receiving those community development funds. Further, Congress established a new program, called Section 8, which permits construction of lower income housing throughout metropolitan areas with no necessity for local government approval.

It is important to stress that the effect of the Supreme Court decision is only to open the door to the realistic possibility of expanding housing opportunities for low income minorities beyond the boundary lines of central cities to which they have previously been confined. Whether that door remains open so that minorities can pass through it or whether it is again slammed shut depends as much on what HUD does in response to the high court ruling as on what the District Court does.

HUD is already subject to a variety of desegregation mandates, established through prior Supreme Court decisions, Congressional enactments, Executive Orders, and its own regulations, which clearly call for vigorous implementation of the spirit, as well as the letter, of the Gautreaux decision.

Thus, Gautreaux is only the most recent in a long line of Supreme Court decisions, including Shelley v. Kraemer and Jones v. Mayer, that establish the responsibility of government to assure against the exclusion of racial minorities from white residential areas.

Congress has acted to the same end in passing the Federal Fair Housing Law in 1968, intended not only to eradicate housing discrimination, but also, as the Supreme Court has emphasized, "to replace the ghettos by 'truly integrated and balanced living patterns' ". In 1974, Congress enacted the economic equivalent of this policy of racial integration by passing the Housing and Community Development Act, aimed at reducing concentrations of lower-income families in central cities.

The Executive Branch, through issuance of President Kennedy's 1962 Executive Order on Equal Opportunity in Housing, has also acted as a strong participant in the governmental effort to broaden housing opportunities throughout metropolitan areas. And HUD itself, through its regulations implementing constitutional and statutory desegregation mandates, has fully supported this total governmental effort.

The issue, then, is not whether metropolitan-wide desegregation is consistent with legal and policy requirements. On that issue, all three branches of the federal government have spoken with one voice and acted with one resolve. Rather, it is whether HUD will respond affirmatively and creatively to the Supreme Court ruling, or whether it will drag its heels and resist joining in the monumental task of achieving metropolitan-wide desegregation.

For too long, the nation has been embroiled over the divisive issues of busing and school desegregation. There are some who have contended that busing is too high a price to pay to achieve the goal of racially integrated schools. The answer, they say, lies in housing desegregation. NCDH has been skeptical of these protestations and has questioned the genuineness of the arguments of those who suddenly purport to have discovered the virtue of residential desegregation.

The right to attend a racially desegregated school is a present constitutional right which must not be denied to any child on the basis of a pledge for the future which may take decades or even generations to be redeemed. Nonetheless, residential desegregation can ease the task of school desegregation and can remove busing, the single most divisive issue, from the unproductive dialogue that has prevailed for too long.

The effort to achieve metropolitan-wide residential desegregation will take many years. The effort must begin immediately and HUD must be a key factor in that effort. HUD already has the tools with which to make significant progress in achieving this goal. The question is whether the Department is willing to use them.

Cordially,

EDWARD L. HOLMGREN,
Executive Director.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If there be none, morning business is closed.

RELATIONS WITH THE SOVIET UNION

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of unfinished business, Senate Resolution 406, which the clerk will state.

The legislative clerk read as follows:

A resolution (S. Res. 406) relating to the importance of sound relations with the Soviet Union.

The Senate proceeded to consider the resolution.

The ACTING PRESIDENT pro tempore. Under the previous unanimous-consent agreement, the time until 1 p.m. is equally divided and controlled by the Senator from Alabama (Mr. ALLEN) and the Senator from California (Mr. CRANSTON).

Mr. CRANSTON. Mr. President, I ask unanimous consent to have the Senate consider an amendment which I send to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from California (Mr. CRANSTON) proposes an amendment:

On page 6, between lines 6 and 11, substitute the following:

"Beyond this determination to do all that is necessary to defend and protect our Nation, we believe that an integral part of our national security policy should be to seek through negotiations to reduce, moderate and stabilize the military competition between the United States and the Soviet Union.".

Mr. CRANSTON. Mr. President, I have discussed this amendment with the distinguished Senator from Alabama and the distinguished Senator from North Carolina, who have evidenced particular interest in this resolution and in these matters.

The amendment is self-explanatory. It simply seeks to stress that along with the other points in the resolution in regard to seeking to negotiate a reduction of the burdens and dangers of the strategic arms race in ways that assure that we will not be inferior to the Soviet Union, we should also seek to reduce, moderate, and stabilize the general military competition with the Soviet Union—with the same obvious intent that we not get into an inferior position, and that any agreements be carefully spelled out and in a form that enables us to know that they are being observed by the other side.

If there is no discussion, and I think there is not, I think we are ready for a vote on the amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Senate consider another amendment which I send to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered. The amendment is in order. The amendment will be stated.

The legislative clerk read as follows:

On page 7, at the end of the resolving clauses, between lines 11 and 12, insert the following: "Finally, the American objective is to achieve individual freedom and peace in the world. We believe that the people of our country want their government to translate this aspiration into practical measures. We recognize that the possibilities for constructive cooperation between the United States and the Soviet Union may be limited but we declare it to be the American purpose to carry on a process whose ultimate aim is to enlarge the sphere of cooperation as much as may prove possible.".

Mr. CRANSTON. Mr. President, this amendment is also self-explanatory. I have also discussed this amendment with the distinguished Senator from Alabama and the distinguished Senator from North Carolina, and they are in accord with it.

The principal purpose of this amendment is to summarize at the end, after various amendments that have now been added to the resolution as reported from the Foreign Relations Committee, the basic objective of the resolution and of the American people. That objective, plainly, insofar as the American people are concerned, is to achieve individual freedom and peace in the world, in our land, in the Soviet Union and in all lands.

It is my view it would be helpful to wrap up the resolution with this summation.

If there is no debate, and I believe there is none, I think again we are ready for a vote.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CRANSTON. Mr. President, I shall now speak briefly in regard to the resolution.

Passage of this resolution, with its amendments, and what we say about it in this debate, will send a useful message to the Soviet Union. I hope the message will be understood.

The U.S. Senate and the American Government are not the puppets of some "ruling clique"—as the men in the Kremlin sometimes seem to assume. We are, instead, the representatives of the American people—in all their multitude and in all their diversity. As such, we understandably respond to their diverse, and sometimes conflicting, aspirations and anxieties.

The Soviet leaders would do well to understand that this resolution is not a product of a group of men at the top trying to foist their views on the American people. It is, rather, a reflection of the American people's hopes for peace—and concerns about Soviet intentions—which are naturally shared by many Members of this body.

This resolution should make clear to the men in the Kremlin that though there are apparent contradictions in the expressed policies of the United States, there is also a basic cohesiveness. We in the Senate and all of us together in our country speak with many different and divergent voices. But all of us—so-called hawks and so-called doves; liberals, moderates, and conservatives; Republicans, Democrats, and independents; northerners, southerners, easterners, and westerners—are united in our desire for peace and our hatred of repression.

It is important that the Soviet Government fully understands that though some of us are worried about the adverse effects increased defense spending may have on the American economy and in our ability to achieve domestic social goals, we are all concerned about the adverse effects that increased military spending by the Soviet Union may have on world peace.

We do not want the United States to get bogged down in Vietnam-type wars on the continent of Africa or anywhere else. But we also oppose Soviet imperialism and trouble-mongering in Africa and elsewhere. And we want a halt to Cuban military adventurism.

Many of us deplore the fact that the United States promiscuously spends millions of dollars to give military aid and economic comfort to many dictatorial, antidemocratic governments around the world. But all of us detest the repressiveness and tyranny of Communist rule.

The message of this resolution may be complex but it is clear:

The U.S. Senate favors the process of détente, by whatever name it is called. We are willing to meet the Soviet Union halfway by taking steps to reduce tensions between our two nations and to regulate our many competitive and conflicting interests to avoid war.

But the process of détente will in no way lessen our determination to remain unchallengeably strong militarily—while pursuing negotiations to control and reduce the military burdens carried by both the people of the United States and the people of the Soviet Union.

Nor will pursuing détente weaken our resolve to protect our vital interests against international hanky-panky by the Soviet Union or its friends, or to defend our allies against attack.

We believe that both the United States and the Soviet Union must work harder if the process of détente is going to work. We both must stop playing the dangerous game of nuclear "Can you top this?" and of military move and countermove in every corner of the globe. And we both must stop substituting pietistic platitudes for positive actions.

In a word: For a long time now, the foreign policies of both the United States and the Soviet Union have stood in need of considerable improvement. We think theirs needs far more improvement than ours. They think ours needs far more improvement than theirs. This resolution, hopefully, will move us both in the right direction.

Mr. ALLEN. Mr. President, I yield myself such time as I may use.

Mr. President, this resolution is not necessary, in the judgment of the Senator from Alabama. It will accomplish no worthwhile purpose. In fact, the resolution, as I see it, will picture the United States as being in a servile, subservient, Uriah Heepish position.

What answer will we get from this resolution? A monolithic silence from the Kremlin.

Here we are protesting our desire to enter into negotiations that will avoid a holocaust, that will avoid a conflict between Russia and the United States. What we ought to be doing is seeing to it that we have the strongest military posture in the world.

If we are all the time asserting our desire for negotiations, our desire for agreements, without putting our faith and our trust in our own strength, the message it will deliver to the Soviets is the message that we must be mighty weak here in this country if we have to pass a resolution of this sort protesting our desire and maintaining our desire for negotiations with the Soviets.

There would be no response whatsoever to this resolution from Russia, from the Soviet Union.

They will ignore it or they will say, "Yes, our adversaries are mighty anxious to reach agreement, they are mighty anxious to negotiate, therefore, we can demand a higher price in any negotiations that do take place because the United States is so anxious to negotiate that their military strength must not be as strong as we have thought."

I view this resolution as being counterproductive in protecting the security of the United States. It is not going to bring forth a response from the Soviet Union. It is not going to cause them to keep their commitments. It is not going to cause them to be less of a threat to the United States.

Another thing that I disapprove of is the apparent approval in this resolution, more or less in the fashion of buying a pig in a poke, in giving tacit and actual approval to the Vladivostok accord and the Helsinki accord.

We all know that in the Helsinki accord, the main thing Russia was seeking there was to get rubberstamp approval from the United States of its military conquests in World War II.

I just hate to be giving approval to what Russia did in World War II when it took over all of Eastern Europe and to say, "Well, we are going to protect the present boundaries after they have taken over half of the continent."

They are going to respect those boundaries, but it gives approval to what the Russians have done since World War II.

I do not like that and I do not like approval of the Vladivostok accord, because I do not suppose anybody knows altogether what is in that accord. As far as I know, it has not been before the Senate and I do not think it will be.

Why should we give blanket approval to the Vladivostok accord?

Mr. CRANSTON. Will the Senator yield at this one point?

Mr. ALLEN. Yes.

Mr. CRANSTON. The resolution specifically states in regard to Vladivostok that these agreements are "to be submitted to the Senate as a treaty."

So there is no blank check and there should not be.

Mr. ALLEN. The subsequent agreement, yes. The subsequent agreement, not the present agreement, that subsequent agreement.

Mr. CRANSTON. This refers only to the principles.

Mr. ALLEN. Yes, this is not agreements in being. What the Senator is talking about there, according to the language of the resolution, is agreements entered into subsequently.

Mr. CRANSTON. That is correct. All we are talking about in terms of agreements entered into is the basic principles which are found in terms of seeking to reduce the dangers of the nuclear arms race.

We explain the hope that they will be translated into a formal treaty that binds the Soviet Union and us into implementation of this.

Mr. ALLEN. Yes; but I do not see why the Senator found fault with my statement that the Vladivostok accord has not been before the Senate for approval.

Mr. CRANSTON. I am talking about the Vladivostok accord, and its basic principles. They are not binding because they are not concise. The objective is to get them translated into something that then can be considered by the Senate.

I am sure the Senator would wish the Senate to consider it, as I would.

Mr. ALLEN. Yes; I understand. I am saying, though, that we are giving more or less advance approval to the Vladivostok accord, we are giving approval to the Helsinki accord. As I say, waiting in the wings is the resolution that endorses Mr. Kissinger's African policy, and we say here that we are going to use our military strength to protect our vital interests and our allies and our friends. Yet, Mr. Kissinger enlists the support of all of the African nations against the existing government in Rhodesia, and also by inference the existing government in South Africa.

So this does not seem we are looking after our friends, because we are subsidizing those who oppose our friends.

I feel that we have everything to lose and nothing to gain by the passage of this resolution.

Yes; let us implement these accords, let us put them into effect, let us abide by them. But what assurance are we going to have that the Russians are going to abide by this?

This is a unilateral approach, as I see it, though it calls on Russia to do a great thing, but we are pledging to abide by these accords and, in effect, we call on Russia to do the same thing. But we can rest assured that they are not going to agree to anything that is not to their best interests.

The resolution is in language that, after we get through reading it, we have not learned a great deal because, in effect, it says that we do not want to have an attack by Russia, we do not want to have hostility with Russia, and we want to enter into agreements, want to enter into negotiations, to prevent that happening.

Well, is that not our attitude without putting it in the form of this resolution?

For further guidance of those who would have a part in these negotiations, along with the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) and the distinguished Senator from North Carolina (Mr. HELMS), I have submitted an amendment. We will have a vote on it shortly after 1 o'clock.

This resolution, after giving these whereases, ends up with some principles that the Senate is stating, in this sense of the Senate resolution, that it supports.

But there is not too much meat in those statements of principle that the Senate is called upon to state it supports. In order to put some meat into the resolution, in order to furnish a guide to negotiators of these treaties and agreements on the part of the United States to which the resolution refers and which the Senate wants to enter into, we have proposed that following the statement "We therefore support"—and the resolution lists certain things they support, one being the principles of the Vladivostok agreement of November 1974, whatever that is—we have something that we can sink our teeth into in carrying out the phrase "We therefore support." It is, "the principle that any future treaty or agreement between the United States and the Soviet Union shall not limit the United States to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union."

That, in effect, is the Jackson amendment to the offensive nuclear weapon limitation agreement that the Senate passed in September 1972, I believe.

In SALT I I think most will concede, and statistics will bear it out, we froze in an advantage of about 3 to 2 in favor of the Soviet Union as against the United States in offensive nuclear weapons. This amendment says to our negotiators:

> In any future agreement do not bring in any agreement which does not provide for parity in the area of nuclear weapons with Russia.

These are instructions. This has some meat in it. This, in effect, tells our negotiators that if they come in with an agreement:

> Do not bring it in unless it provides for parity between the United States and the Soviet Union in the area of nuclear weapons.

We all know that the Soviet Union is responsible for some 15,000 Cuban troops that are in Angola and poised to take part in other invasions on the African continent—against some of our friends, I might say. So the second amendment that we are proposing, and it will be voted on after the other amendment, in listing the principles that we support, is "A joint effort on the part of the United

States and the Soviet Union to bring about the immediate withdrawal by Cuba of all of her armed forces from Africa."

This is going to send a message to Russia. Mr. President, in talking about the message that is being sent, there is not too much being said unless we have something concrete in it. So this tells Russia that we know that they can have those troops withdrawn. We are calling for a joint effort on the part of the United States and the Soviet Union to bring about that withdrawal of Cuban troops.

I am delighted to say that the distinguished Senator from California (Mr. CRANSTON) agrees with the thrust of these amendments and he has agreed at the proper time to support these amendments. I appreciate his cooperation, and I appreciate his sincerity in putting some real meat into this resolution. I do not feel the resolution is necessary or that it is advisable, even with these improvements, assuming they are agreed to, and I believe they will be agreed to.

I am going to have to vote against the resolution, though I know it is going to pass overwhelmingly. But I feel as if we would be passing a resolution which really has some meat in it if we do adopt these amendments.

Mr. President, I reserve the remainder of my time.

Mr. HELMS. Will the Senator yield?

Mr. ALLEN. I yield such time as the distinguished Senator from North Carolina desires.

Mr. HELMS. I thank the distinguished Senator.

First of all, Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. HELMS. As the Senator from North Carolina understands it, the order is for the vote on the first Allen-Byrd-Helms amendment to occur shortly after 2:15, is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct. The vote is to occur subsequent to the vote on the veto override. All votes pertaining to this resolution will occur subsequent to that veto override.

Mr. HELMS. I thank the Chair.

And subsequent to that there will be 5 minutes of debate divided equally on the second amendment, following which there will be a rollcall vote, is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. HELMS. The yeas and nays have been ordered on the second amendment?

The ACTING PRESIDENT pro tempore. The yeas and nays have been ordered.

Mr. HELMS. I thank the Chair.

Mr. President, I commend the distinguished Senator from Alabama for his comments here today. I have tried to cooperate with the distinguished Senator from California, the principal sponsor of the pending resolution, so that there may be an up or down vote on it. But I share the concerns expressed by the Senator from Alabama in connection with this resolution, particularly at a time when a Presidential campaign is in progress in which there is so much obfuscation about the Panama Canal issue.

I am apprehensive that adoption of this resolution will send a signal to the dictator in Panama that we do not intend to defend our rights there. I think it is an unwise time, if indeed there could ever be a wise time, even to imply weakness on the part of the United States.

This Senator from North Carolina, Mr. President, who has no doubt whatsoever about the rights of the United States concerning the Panama Canal. It is sovereign territory. It is our territory. It is our canal. Let others go on the television and on the campaign trail and say, "Oh, we really do not own it." And the response of the Senator from North Carolina is, "Baloney." Every part and parcel of the historical record shows that we do own it, and I am astonished and dismayed at pretenses to the contrary.

Mr. President, what is being ignored in the Panama Canal debate across this country today is the fact that the United States has friends in South America who are hoping and praying that we will not yield in a moment of weakness for political reasons. They have said to me, in effect:

> Senator, what in the world is going on in your country? Do not your leaders understand there are those of us in South America who do not want communism?

We are dealing with a dictator who has gone over to Havana and embraced Fidel Castro, who has exported communism to Angola at the behest of the Soviet Union. He is exporting communism to Central and South America. And here we are today with a resolution, motivated by the highest and purest intent on the part of the able Senator from California, a resolution which the Senator from North Carolina feels will simply add to the impression that is growing all around the world that the United States is now no more than a paper tiger.

We are not a paper tiger if the American people can be informed, Mr. President.

All we need is to be Americans again. I do not suggest that we go around picking fights or starting wars, but I do suggest that now more than at any other time in our history, certainly in our more recent history, it is time for America to stand up. It is just as simple as that.

I do not think that by any Senate resolution, or otherwise, we ought to add to any impression that we are timid, or that we are frightened, or that we are going to yield our principles or our rights.

As to the resolution itself, Mr. President, I was interested in comments by the distinguished Senator from Illinois (Mr. STEVENSON), who said in this Chamber yesterday afternoon:

> ... if the object of this resolution is to support détente, that is to say, a lessening of tensions with the Soviet Union, then it is unobjectionable. It is a statement of the obvious. If, on the other hand the Senate is asked to convey some meaning by this resolution, what is it?

And then the Senator from Illinois said:

> I have read the resolution three times and cannot say. It is capable of any number of differing interpretations, some of which are altogether unacceptable to me and, I daresay, to the membership as a whole.

That is on page S6498 of the RECORD.

So I say again, Mr. President, with all due respect to, and total friendship for my friend from California, I shall have to vote against his resolution.

Mr. President, I reserve the remainder of my time.

Mr. CRANSTON. Mr. President, I am not really surprised to have heard from the two Senators that, despite the amendments that we have adopted, that they offered, they still oppose the resolution and have reservations about its consequences. Plainly this resolution has one overriding purpose, and that is to state the commonsense view that we must continue to find answers short of war in relations with our major adversary in the world at the present time, the Soviet Union. We know that we will have ongoing competition with them. We know that we will have certain conflicts and do have certain conflicts with them, and that they will not end. But we also know that it is in our mutual interest and in the interest of the world to seek to regulate, control, and channel those competitions and those conflicts in ways that keep us from war.

The Senator from Alabama said that the Soviet Union will not respond to this resolution. He stated that the Soviet Union will ignore this resolution. I do not know whether or not the Soviet Union will respond. I hope that they will. I hope they will respond by actions designed to reduce tensions between our two countries. If that is their course, they will find the United States reciprocating.

If, on the other hand, they take steps that deepen the strains and stresses, they will find us placing more emphasis on military might and less emphasis on seeking to negotiate our differences—because that will appear perhaps all too difficult under prevailing circumstances. That will mean an increasing burden of arms for the people of both nations, increasing dangers for the people of both nations and for our world.

As to the statement by the Senator from Alabama that the Soviet Union will ignore this resolution, I happen to know that is not the case. I happen to know that they have paid great attention to it. They have analyzed carefully inside the Kremlin and in the press in the Soviet Union the evolving nature of this resolution, its changing terms, and the debate in the Senate that has been conducted in connection with the consideration of this resolution.

I happen to know that the Soviet Union has deep interest in what all of this means. They are seeking to understand the conflict among ourselves in the Chamber and in this country over détente, over our relations with the Soviet Union, over our military program, and over the accompanying policies advocated so strongly by so many of us who are seeking to reduce tensions between ourselves and the Soviet Union.

In my opening remarks today I sought to interpret what I think all of this means. Obviously, a number of different Senators with different philosophies and different viewpoints have offered various proposals that are now embodied in this resolution, reflecting different viewpoints, constituencies, and philosophies.

But, all in all, we have a resolution, with those particular approaches now embodied in it, that states the general view held by an overwhelming majority of this body. While, on the one hand, we intend to remain unchallengeably strong militarily, at the same time we have the twin determination to seek to negotiate our differences and regulate our relations with the Soviet Union in ways that lead us away from war.

President Ford has stated that we are the strongest Nation in the entire world. I believe that that is a true statement. And the Senator from Alabama concurs in that because he so stated yesterday in responding to a statement by the distinguished Senator from Minnesota (Mr. Humphrey), who stated his view that we are the strongest Nation on Earth. Senator Allen stated, referring to Senator Humphrey:

> When he says that we do have the strongest military strength of any nation in the world, I think that is great. I certainly hope and believe that that is true.

So plainly we are not dealing from weakness; we are dealing from strength. We intend to negotiate from strength but we hope that we can use that strength in positive, creative, constructive ways to lead us away from the colossal dangers of nuclear war, and to lead us also away from the dangers of conventional war, which if it breaks out between the United States and the Soviet Union, would likely lead swiftly to nuclear war.

Mr. President, I suggest the absence of a quorum.

I ask unanimous consent that the time for the quorum call, from its inception, be charged equally to both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I ask unanimous consent that the Secretary of the Senate may be authorized to make clerical changes in the resolution, including the renumbering of sections, if it should be adopted.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that I may send to the desk an amendment that I have discussed with the Senator from Alabama.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. CRANSTON. I send the amendment to the desk.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk read as follows:

> At the end of the amendment by the Senator from California (Mr. Cranston) insert the following: "In the belief that the lessening of international tensions must remain a continuing United States goal, we".
>
> On page 6, line 11, strike "We".

Mr. CRANSTON. Mr. President, that is simply to make the language track more carefully and appropriately than it does following the adoption of the previous amendment. I think there is no reason to debate it. I ask that we vote now.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CRANSTON. Mr. President, we have only a few minutes remaining. If the Senator from Massachusetts is ready now, I will be delighted to yield to him.

Mr. KENNEDY. Mr. President, first I commend the leadership that has been provided with respect to this resolution by the Senator from California.

This resolution is timely in terms of the debate in the Senate. Hopefully, it will reflect the concern that many of us in this body have about the continued progress that can and must be made in order to make the world safe for diversity. I think that should be one of the principal challenges of American foreign policy—to recognize that there will be differences, but that we want to make the world safe for the expression of those differences. This means basically to try to make progress in areas which are in the interest of the people of the United States, in the interest of peoples in other countries, and in the interest of the cause of peace.

I think that the area uppermost in American foreign policy is to try to reach additional agreement with respect to strategic arms—continued progress in SALT II.

One of the reasons I support this resolution, Mr. President, is that it is an expression of the Members of the Senate that they do not want to see the election year interfere with orderly progress in trying to move us back from the dangers of nuclear holocaust.

This is important in terms of the peace and security of the people of the United States, and the peace and security of people around the world. This measure offers us an opportunity to vote as individuals to urge further progress on that issue. This is not only a sensible and responsible position, but also one quite clearly important for our national security.

Also, progress in the area of strategic arms is essential if we are really going to be serious about the danger of the proliferation of nuclear weaponry around the world. I fear that this still continues to be a matter of great consequence and great importance and great danger for the people of the United States and people around the world.

Hopefully, further negotiation in the area of strategic weaponry can bring us into a sane position on the issue which confronts us. There should be continued hard negotiation, obviously protecting our vital interests but also advancing the cause of peace.

Finally, Mr. President, I think there is a particular timeliness in this resolution because of the issue of Diego Garcia—the whole question whether we are going to see another arms race opened up in the Indian Ocean, with all the implications that has for contributing, not to the safety or the security of our interests in that part of the world, but rather to a serious destabilizing effect in that part of the world. Important testimony has been given to the appropriate committees, the Committee on Armed Services and the Committee on Foreign Relations. Hopefully, this resolution today will indicate that we here are serious about seeing whether there can be serious negotiations on that important issue, which can save the taxpayers billions of dollars, and be an opportunity to avoid further potential areas of conflict between the United States and the Soviet Union.

Mr. President, all of us are mindful of the areas where we continue to be in conflict with the Soviet Union. My support for this resolution does not mean that we have to trust the Soviet Union or believe that it will make any agreement that is not going to be hammered out as the result of extremely difficult negotiations. What the resolution does say to the American people is that we feel that hard-nosed negotiations which are successful can be extremely meaningful in advancing the cause of peace in the world, and can make an important contribution to the security and the strength of the United States.

Mr. President, I therefore express my strong support for Senate Resolution 406, the resolution on relations with the Soviet Union introduced by our distinguished colleague from California (Mr. Cranston). I am pleased to be a cosponsor of this resolution.

As we engage in debate on the future of U.S. foreign policy, it is clear that our relations with the Soviet Union remain of paramount importance. This is particularly so with regard to preventing a nuclear war—mankind's final war, in which there would be no winners, and very likely not even any survivors.

In submitting this resolution, Senator Cranston and the cosponsors of both parties were deeply mindful of the need to reaffirm U.S. concern for the vital issues in United States-Soviet relations, and to direct attention to matters that cannot be neglected even in an election year.

It is disappointing to many of us that the debate about U.S. foreign policy this year has so far failed almost completely to raise some of the most important questions facing this Nation. The clear running waters of open debate have been thoroughly muddied; and the American people are being misled about the dangers to the United States. The danger does not lie in the size of our defense effort:

We have more than enough nuclear power; we are equivalent to the Soviet Union, and have three times as many warheads.

NATO forces in Europe are nearly as large as those of the Warsaw Pact, and are superior in quality. We thus have forces and a doctrine in Europe that would make any Soviet attack an act of madness, bringing inescapable ruin on the Soviet Union and its European allies.

The Library of Congress now tells us that, since 1969, the United States has been outbuilding the Soviet Union in ships, by 12 percent in numbers and by 71 percent in tonnage; and that at the current rate of production, by the mid-1980's we will be maintaining a 480-ship Navy to the Russians' 435. And even during the last 18 years—including the major years of Soviet ship construction—we have outbuilt them in tonnage by 3.3 million tons to 2.6 million tons. Surely this put the lie to charges that we are inferior at sea.

The Soviet Union *does have* more men under arms—as it has always done, except at the height of the Vietnam war. Yet the Soviet Union has to maintain a million men on the Chinese frontier; it has garrison forces in East Europe; it has a rapid turnover of draftees; many of its military forces are used for civilian purposes; and the Soviet military is inferior in both training and the quality of its weaponry.

We do, indeed, need to look seriously at our defense posture. But the problem is not in the level of our effort; it is in the kind of weaponry we are buying. For example, the $1.5 billion we are being asked to spend this year, on a B-1 bomber we do not need, would buy 7 attack submarines, 15 frigates, 80 to 100 tactical aircraft, or 3,000 tanks. We have also built a Navy of large, nuclear powered ships, when what we need are smaller ships, surface-effects vessels, and attack submarines.

Thus for all these reasons, it is clear that we have more than enough forces to defend ourselves and our allies. These are clear and simple facts, and no amount of distorted election rhetoric—no amount of effort to drop the word détente from our vocabulary—can change them.

No, Mr. President, the potential danger to the United States does not lie in our defense effort; rather it lies in our apparent reluctance to move forward in critical areas of arms control in this election year.

Next January, there will be only 9 months left before the 1973 agreement on offensive missiles expires. That is precious little time in which to get such a major agreement. And if there is no agreement, the consequences for the United States, for bringing the nuclear arms race under control, and for peace itself could be incalculable.

We are also faced with the growing challenge of nuclear proliferation—the most important single problem remaining in nuclear weapons. Yet by failing to push forward at SALT II, by failing to go beyond the threshold test-ban treaty—which will do nothing to limit proliferation—to a real comprehensive test-ban, we are only leaving everyone hostage to the threat of further proliferation.

And we must now face again the issue of Diego Garcia and Indian Ocean arms control.

Mr. President, I am profoundly disturbed by events of recent weeks in this area. When Congress voted funds for Diego Garcia last year, it impounded the funds until April 15, to give the President time to contact the Soviet Union about arms control in the Indian Ocean. He did not do so, and the administration issued a report to the Congress that is almost incredible. Suddenly, there is apparently a new reason for not trying to regulate naval competition in the Indian Ocean: Soviet involvement in Angola, some 2,500 miles distant.

Yet are we to sacrifice an effort to regulate competition in the Indian Ocean—hard by the Persian Gulf and the subcontinent—because of what happened last year in a distant part of Africa? Are we to suspend an effort to get in our self-interest, where otherwise we may see a new arms race that will dwarf problems of southern Africa? Last week, I read with admiration Secretary Kissinger's speech in Lusaka. In that, he stressed the issue of human rights and majority rule as the best American approach to southern Africa. He mentioned the problem of superpower involvement only in passing—as many of us in this body had long urged him.

This was a sensible approach. Yet almost at the same moment, the administration was telling Congress that this factor of superpower involvement was sufficient to delay efforts at arms control in the Indian Ocean, a distant and far more vital area.

This is an extraordinary chain of logic, and calls into question the good faith of the administration.

Today's Washington Post provides us with yet another revelation. Yesterday, our former Ambassador to Saudi Arabia, Mr. James Akins, testified that, last year, Saudi Arabia offered to provide aid to Somalia, to decrease its dependence on the Soviet Union. The Senate will recall that it was this dependence that was last year's main argument for our base at Diego Garcia. Yet the offer from Saudi Arabia was turned down. Why? Ambassador Akins reports information that the Pentagon did not want to lose the money for the Diego Garcia base. If this report is true, it is a serious indictment of administration policy and good faith on Diego Garcia.

Mr. President, the administration has a case to answer on this whole subject.

For all these reasons, therefore, I believe it is vital that the Senate of the United States, in this resolution, call the administration back to its senses. It is vital that we enter the national debate on United States-Soviet relations, to show again what is important, and what is not. And it is vital that we press for those actions in arms control, now, that can help us build a safe and secure future for ourselves, for generations yet to come, and for all mankind.

Mr. President, I urge my colleagues to join in support of this resolution.

I ask unanimous consent to have articles from the Washington Post and New York Times printed at this point in the RECORD, along with the administration's report on Diego Garcia.

There being no objection, the articles and the report were ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 5, 1976]

Saudi Offer of Aid Reported

(By Laurence Stern)

Former U.S. Ambassador to Saudi Arabia James Akins told a Senate subcommittee yesterday that the State Department turned a deaf ear last year to a Saudi government offer to finance military and economic aid programs to Somalia as a means of eliminating the Russian presence there.

Akins said he was informed by a State Department colleague that the reason he received no answer from Washington to the Saudi offer was that the Defense Department was pressing its case for development of a major U.S. naval base in the Indian Ocean on Diego Garcia island.

A powerful Pentagon argument to Congress on the Diego Garcia base last year was the growing threat of the Soviet presence in Somalia.

"This is the most dishonest thing I have heard in 30 years in Congress," exclaimed Sen. Stuart Symington (D.-Mo.), who opposed the Indian Ocean base in the Senate Armed Services Committee.

"... The argument was used with great persuasion in Congress that since the Russians were in Somalia it was necessary to establish a base in Diego Garcia," he said.

Congress approved $13.8 million for a permanent naval base on the Indian Ocean island after a stormy battle over costs and increasing military rivalries in the region.

Subcommittee Chairman Frank Church (D-Idaho), after hearing Akins, said, "the circumstantial evidence certainly suggests a relationship between the desire of the Navy for the Diego Garcia base with a continuation of the Russian presence in Somalia to justify the base."

Akins said the Saudi offer was relayed to Washington through him because of the growing concern of the Saudi government over the Russian naval buildup in Somalia.

This concern, the former ambassador said, was stimulated by U.S. officials who made available to the Saudis photographs of Soviet naval facilities in Somalia. The Saudis, said Akins, "became very frightened."

The terms of the Saudi proposal which he reported to Washington, Akins said, was that the Saudis would provide some $15 million in economic support and for the supply of U.S. military aid to Somalia.

Akins said he had no idea whether the proposal was acceptable to the Somalis because it was stopped dead in Washington.

[After Akins' testimony, Symington confronted Defense Secretary Donald Rumsfeld and Navy Secretary William Middendorf about the allegations, Reuter reported.

[Both denied knowledge of the reported Saudi offer. A State Department spokesman declined to comment on the testimony.]

Akins, a 22-year career Foreign Service veteran and specialist in Arab affairs, was dismissed as ambassador to Saudi Arabia last year in the wake of his differences with Secretary of State Henry A. Kissinger over dealings with the Saudi government and on oil policy questions. He is no longer in the Foreign Service.

In another revelation, Akins acknowledged in reply to a question that the State Department denied him permission to go to London in late 1974 in an effort to persuade Prince Fahd to agree to a large auction of Saudi oil—a move that would have moderated the steep climb in Persian Gulf oil prices.

Top Saudi government officials, Akins said, had asked him to intercede with Fahd who was under pressure by other oil-producing countries to call off the auction.

Akins testified under oath that his trip to see Fahd was vetoed by superiors in Washington on grounds that the State Department lacked travel funds for the Jidda-to-London journey and that his presence in London would be "too conspicuous."

On another matter, Akins said he was not aware of the use of Saudi Arabian arms agent Adnan Khashoggi as an intermediary in contacts between President Nixon and King Faisal during and after the 1973 Middle East war, as reported yesterday in The Washington Post.

Questioned about The Post article, Akins said: "I was not aware of any such communications and I don't believe they took place?" If they had, he told the subcommittee, it would have been "highly irregular and improper."

However, he said that the Saudi defense minister Prince Sultan, had confided to him that Khashoggi had boasted in Riyadh "that he got me removed (as ambassador) in reprisal for having blocked agent fees."

The former diplomat testified ruefully that "I still think it (Khashoggi's boast) is a joke, but I don't think it's as funny anymore."

[From the New York Times, May 4, 1976]

STUDY FINDS A DECLINE IN SHIPBUILDING FOR SOVIET NAVY

(By John W. Finney)

WASHINGTON, May 3.—A library of Congress study has found that the number of ships built for the Soviet Navy has declined substantially in recent years, portending a possible reduction in the size of the Soviet fleet.

The study, prepared for the Senate Budget Committee, reported that in the 1969–1976 period, an average of 17.4 ships were delivered annually to the Soviet Navy. This was less than half the annual delivery rate of 45.5 ships during the 1958–1968 period, when the Soviet Navy was engaged in a large-scale buildup.

If the current construction rate is continued, the study said, it will sustain a navy of about 435 ships instead of the present fleet of about 750 combat, support and auxiliary ships. The reduction would be dictated in large measure by the fact that the Soviet Union is not building enough ships to replace the large number of destroyer escorts and submarines built during the 1960's, which face obsolescence in the 1980's.

AMERICAN AVERAGE

In contrast, for the last 20 years delivery of ships to the United States Navy has averaged about 19 ships a year—a construction rate, the study said, sufficient to maintain the current fleet of about 480 ships.

The study was made public at a time when the Administration, and Congress face a crucial, multibillion-dollar decision on whether to expand the shipbuilding program to build up to the Navy's long-held goal of a 600-ship fleet in the mid-1980's.

On the basis of instructions received from President Ford at a meeting of the National Security Council meeting last Saturday, Defense Secretary Donald H. Rumsfeld will appear before the Senate Armed Services Committee tomorrow to present what Pentagon officials described as the first installment on a major, long-term shipbuilding program.

In the defense budget submitted to Congress last January, the Administration asked for $4.4 billion in the coming fiscal year for the construction of 111 ships at a total cost of $35 billion.

REQUEST TO BE AMENDED

Pentagon officials said Mr. Rumsfeld would amend next year's request to provide for additional ships while stating that the Administration was still studying the Navy's long-term shipbuilding objectives.

According to Senate sources, Mr. Rumsfeld was insisting on testifying in closed session, contending that the long-term shipbuilding plans, which the Defense Department has talked about openly in the past, are secret. Some Senate Demorcatic aides voiced the suspicion that the Secretary's desire for secrecy may be politically motivated, particularly after Mr. Ford's defeat by Ronald Reagan in the Texas Republican Presidential primary last Saturday.

One of the charges being made by Mr. Reagan is that Administration has allowed the United States to slip into a position of military inferiority, including naval power. If Mr. Rumsfeld testified in a public session, he might be forced into the position of acknowledging that the Administration had not yet developed or approved a long-term shipbuilding program designed to increase the Navy beyond its present size.

A SHIPBUILDING GAP

One of the arguments for a larger defense budget made by Secretary Rumsfeld—and since picked up by Mr. Reagan—is that, since 1962, the Soviet Union has built four times as many ships for its navy as has the United States.

The Library of Congress study, comparing the United States and Soviet shipbuilding programs of warships 1,000 tons and more, presents a somewhat different picture.

Since 1958, the study said, more ships have been delivered to the Soviet Navy than to the United States Navy (722 to 377), but the United States, which builds bigger ships, such as aircraft carriers, leads in tonnage built (3.3 million tons to 2.6 million tons).

And, since 1969, the study said, the United States has led the Soviet Union in the number of ships constructed by 12 percent and in tonnage by 71 percent.

Both the United States and the Soviet Union appear to have problems with their shipbuilding capacity.

In testimony to be published shortly by the Senate Armed Services Committee, Adm. James L. Holloway 3d, the Chief of Naval Operations, said the Soviet Union had a "major problem" in providing enough shipyard capacity to repair and overhaul the present fleet.

"The majority of the expansion in Soviet shipyards is designed to improve the repair facilities and reduce the time lag in overhaul periods," the admiral said.

APRIL 15, 1976.

Hon. MIKE MANSFIELD,
U.S. Senate.

DEAR SENATOR MANSFIELD: In keeping with the request of the Congress for a report on negotiating initiatives with regard to mutual arms restraint in the Indian Ocean, I am sending letters to the Chairmen of the appropriate Congressional committees which include a statement of the Administration's position on this question. Knowing of your particular interest in this issue, I thought it appropriate to send you a copy of the Administration's report.

Sincerely yours,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

REPORT ON INDIAN OCEAN ARMS LIMITATION

The Executive Branch has given careful consideration to the issues involved in arms limitation in the Indian Ocean area. We have examined the technical problems involved in any such limitation and we have considered the issue of arms limitation in the broader political context of recent events in the region, as well as our overall relationship to the Soviet Union. We have concluded that although we might want to give further consideration to some arms limitation initiative at a later date and perhaps take up the matter with the Soviet government then, any such initiative would be inappropriate now.

The situation in the Indian Ocean cannot be considered in isolation from past and possible future events on the African mainland. Soviet activities in Angola and the Soviet buildup of facilities in Somalia have raised major questions about the intentions of the Soviet Union in areas bordering on the Indian Ocean. While reemphasizing our support for majority rule in Africa and for political solutions of regional problems by regional stakes, we have made clear that we cannot acquiesce in the use of Soviet or surrogate forces as a means of determining the outcome of local conflicts.

We are now seeking to encourage the Soviet Union to conduct itself with restraint and to avoid exploiting local crises for unilateral gain. An arms limitation initiative at this time in a region immediately contiguous to the African continent might convey the mistaken impression to the Soviets and our friends and allies that we were willing to acquiesce in this type of Soviet behavior.

For these reasons, we could not consider seriously an arms limitation initiative focused on the Indian Ocean without clear evidence of Soviet willingness to exercise restraint in the region as a whole. This view has been reinforced by our examination of the technical issues which would be involved in any arms limitations negotiations. Although the technical complexities do not in themselves preclude negotiations, it is evident that a successful arrangement could occur only within a general political framework of mutual restraint in this region.

Clearly, it is not in our interest for this region to become a theater of contention and rivalry, nor would the states of the area welcome such a development. In fact, over the past two years the naval deployments of the United States and the Soviet Union have remained relatively stable. For our part, we will continue a policy of restraint in our military activities in the Indian Ocean area. We intend to proceed with our planned improvements to the support facilities on Diego Garcia, but there is no present intention to go beyond the plans as presented to the Congress last year or to increase our naval deployments to the area.

We, of course, hope that the Soviets will exercise restraint in the area. We will watch carefully to determine the impact on the Soviet military presence of their expansion of naval and air support facilities in Somalia. Restraint in Soviet Indian Ocean deployments, coupled with a more general forebearance from adventurism in the region as a whole, would provide a better context for considering the possibilities for arms limitation in the Indian Ocean. Thus, while we will keep open the matter of a possible future arms limitation initiative as a potential contribution to regional stability and to our relationship with the Soviet Union, we do not perceive it to be in the U.S. interest just at this time.

CHILD DAY CARE STANDARDS ACT—H.R. 9803—VETO

The ACTING PRESIDENT pro tempore. Under the previous unanimous-consent agreement, the hour of 1 p.m. having arrived, the Senate will now proceed to consideration of the veto message on H.R. 9803, with a vote thereon to occur at 2 p.m.

The ACTING PRESIDENT pro tempore (Mr. LEAHY) laid before the Senate a message from the House of Representatives, which was read, as follows:

> The House of Representatives having proceeded to reconsider the bill (H.R. 9803) entitled "An Act to facilitate and encourage the implementation by States of child day care services programs conducted pursuant to title XX of the Social Security Act, and to promote the employment of welfare recipients in the provision of child day care services, and for other purposes", returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

The ACTING PRESIDENT pro tempore. The question is, shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time be equally divided between the manager of the conference report, the Senator from Louisiana (Mr. LONG) and the ranking Republican Member, the Senator from Nebraska (Mr. CURTIS).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I ask unanimous consent that Mr. Donald V. Moorehead, chief minority counsel of the Committee on Finance, be accorded the privilege of the floor during debate and vote on the veto of H.R. 9803.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I urge the Senate to sustain the veto of H.R. 9803. This is ill-advised legislation. It extends the already long arm of the Federal Government even further into the lives of our citizens.

As Senators are aware, Mr. President, this legislation provides that the mandatory staffing ratios for day care centers receiving funds under title XX of the Social Security Act will go into effect on July 1, 1976. Moreover, additional funds are provided to enable States to meet these stringent requirements.

The basic premise of this bill is that it assumes that we in Washington have such a monopoly on wisdom and sensitivity that only we can decide how many children can be adequately entrusted to one adult in a day care center. This premise is simply wrong as a matter of principle. We in Washington do not have the ability to select a single set of standards that will be appropriate to the needs of children in Minnesota, New York, Nebraska, and the other 47 States. Our States are themselves better qualified to determine what staffing ratios are appropriate for quality day care. Our citizens realize that Washington does not know all the answers and we should begin to realize that fact ourselves.

These staffing ratios are also objectionable on practical grounds. First, even among day care professionals, there is a dispute about whether the particular standards mandated by this bill are appropriate. At our direction, HEW is studying the issue to give us its best judgment. Why do we refuse to await the facts that we ourselves asked for? Second, where is the evidence that the somewhat different standards adopted by States such as Oklahoma are inadequate? There is no such evidence and yet we are ready to reject the ability—and I believe the right—of Oklahoma and other States to care for their children. Third, in some cases, the standards are unrealistic. For example, staffing ratios are imposed by this bill which could not be met by our best hospitals or our best schools. I see no logic whatsoever in such an approach.

This bill recognizes that the States cannot afford these standards so it provides for more Federal funds to permit compliance. This simply compounds the problem. We are cutting back on many existing programs and rejecting new ones for lack of funds. Yet, here we are providing more funds to meet standards that we cannot be certain are appropriate. Imposing these staffing ratios is a serious mistake. It is no less a mistake because we bury it in a wave of Federal dollars.

For these reasons, Mr. President, I urge my colleagues to sustain the veto of this bill and begin to return government to our citizens where it belongs. Such action, coupled with legislation postponing these staffing ratios, will give us time to consider the President's block grant program and alternative proposal. First, however, we must sustain this veto. Our citizens increasingly realize that Washington does not have all the answers. We should begin to realize the same fact.

Mr. President, I yield 10 minutes to the distinguished Senator from Oregon (Mr. PACKWOOD).

The PRESIDING OFFICER (Mr. GLENN). The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that John Calvin of my staff have the privilege of the floor during consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, this bill, I think, brings into clear focus one of the philosophical issues we face this year and frankly, this election, bringing it into clearer focus than any other issue we are likely to vote on this year, with the exception, maybe, of general revenue sharing and I hope we vote on this. This issue is a microcosm of general revenue sharing.

In this bill, we are funding money to impose upon day care centers throughout the United States mandatory Federal standards. I mean it in exactly the way I am saying it—mandatory standards. Mandatory staffing standards. No flexibility, no choice in the State as to whether they might want to open up in the State 2 or 3 centers with a slightly larger staff. If they are going to have a day care center, for every child from zero to 6 weeks, they have to have one adult. One adult for one child from zero to 6 weeks. The assumption is that a child of from zero to 6 weeks has to have one adult to take care of it. I do not know what this presumption is for the mother of twins in such a circumstance. From 6 weeks to 2 years, there must be one adult for every four children; from 2 years to 3, there must be also one adult per four children; for children from 3 to 4 years, one adult for five children; from 4 to 5, seven children per adult; from 5 to 6 years of age, seven children per adult; for ages 6 to 9, 15 per adult, and from ages 10 to 14, 20 children per adult. That is the absolute standard. No variance. Any variance, no Federal money.

Now, what is the message that voters are sending to candidates this year if the news media's description of the campaigns is accurate? That message is boo on Washington; get them off our backs. Jimmy Carter is sweeping the Democratic primaries. Certainly, Governor Reagan has done well recently. But in both cases, these men are running well as somebody from outside of Washington, somebody who is saying, return government to the States, return it to local government.

What do we do? We turn around and impose exact standards of how many adults per child day care centers in this country must have.

Where did we get this magic wisdom? What makes us so all-fired smarter than every State welfare division in this country, most of whom have different standards from the Federal Government-imposed standards? How did we come to this infinite wisdom of what is right?

We are going to write it into law now and forever more. I do not think we are that smart. I do not think we are any smarter than Mississippi or California or New York as to what their day care standards ought to be.

Let us go even further than that. The Federal Government really is not too sure of what these standards ought to be. In 1974, we passed a bill that directed the Department of Health, Education, and Welfare to set up a study to determine what HEW thought day care staffing standards ought to be. In 1974, we ordered that Commission to report some time between January and June of 1977. And that Commission is working now. What are we saying in this legislation? "Never mind, we don't care what the Commission is doing. We are going to impose these standards right now."

I shall make a bet that if we pass this legislation, if we do not sustain the veto, and we simply terminate whatever work this Commission might be doing, or at least the validity of the results, we will not terminate the Commission. They will go on studying this problem for another year, even though we, by this act, are going to impose the standards.

All I am saying is this: One, if we have any faith that the act we passed in 1974 has some credibility and we are going to ask HEW to study this and come forth with a recommendation to Congress, then we should not be imposing Federal standards until that report is made.

Second, I think we are saying in this legislation that despite all of the election results—I bet I can read the CONGRESSIONAL RECORD and every one of us has said it. Despite the fact that every one of us has said at one time or another, get the Federal Government out of regulation, off our back, out of State control, zoning, EPA, whatever it is—every one of the people in this Senate has said it at one time or another. Despite the fact that we give lip service to that, here we are coming down the road, imposing compulsory staffing standards on day care centers throughout this country.

I think it is bad judgment. I think it is bad planning. I think so long as we have asked our own Department of Health, Education, and Welfare to recommend to Congress what standards they think are appropriate, the minimum we can do to at least be consistent with ourselves is to wait until that report is submitted to this Congress.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. If there is no one here from the majority side to use time, it is my understanding that if the time is not used, it runs against both sides.

The PRESIDING OFFICER. That is correct.

Mr. CURTIS. The minority are here, have used time, were ready to use more, but we do not want to exhaust the time that we have. I therefore ask unanimous consent that if time is not used by the majority, it run against the majority only.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, the President vetoed the bill before us, and the House of Representatives has voted to override that veto. I hope that the Senate will also vote to override the veto.

In his veto message, the President indicates that the issue before us is whather or not the Federal child care standards applicable to the social services program are appropriate or whether indeed there should be any Federal standards. But that is not the issue before us. That issue was settled on January 4, 1975, when he signed into law the Social Services Amendments of 1974 which deny any Federal funding to child care programs under the Social Security Act which do not meet specified Federal standards. These standards set requirements for staffing ratios, safety and sanitation, suitability of facilities, and other matters. These standards were not accidentally adopted. They were debated on more than one occasion. They were opposed, and I was among those who once opposed them. But they were also enacted, and they are now the law today.

The issue before us in H.R. 9803, then, is not whether we will impose Federal standards. We have already done that. Congress did it. The issue is whether we will make it possible for the States to obey that Federal law without seriously curtailing their child care programs. H.R. 9803 will accomplish this by providing additional child care funding—$125 million for the period between now and September 30 of this year—and by making it attractive for States to meet the Federal child care staffing requirements by employing welfare recipients in child care jobs.

In addition to providing new funding, H.R. 9803 also makes some necessary modifications to the Federal child care standards, not to make them more stringent, but to ease somewhat their applicability in certain instances. The Federal staffing standards for preschool children would be waived under the bill retroactive to February 1, the expiration of the last waiver, and up to July 1 of this year to give States an opportunity to come into compliance.

Child care centers and group homes would be exempted from the Federal requirements if they serve only a minimal number of federally paid-for children. Family day care mothers would be permitted to exclude their school-age children in determining the maximum number of children they may care for. Far from being a bill to establish Federal child care standards, H.R. 9803 is a bill—the only bill with immediate prospects of enactment—which gives some relief from the impact of the Federal standards which are now in the law.

Unfortunately, for essentially technical reasons related to the new congressional budget process, H.R. 9803 deals with the child care problem on only a temporary basis. I hope that we will be able to expeditiously bring this matter back to the Senate to resolve it on a permanent basis. H.R. 9803 will, however, meet the immediate crisis of providing the funding and other relief that will enable existing child care programs to continue in operation under the law. I urge the Senate to vote to override the President's veto of this bill.

Mr. MONDALE. Mr. President, I ask unanimous consent that Bert Carp and Sidney Johnson be given floor privileges during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who seeks recognition? Is all time yielded back?

Mr. LONG. Mr. President, I ask unanimous consent that I might suggest the absence of a quorum and that it be charged equally against both sides.

The PRESIDING OFFICER. Is there objection?

Mr. CURTIS. Mr. President, I would like very much to accommodate my distinguished chairman.

I would agree to the unanimous consent if it be charged to neither side.

Mr. LONG. That is all right with me.

Mr. CURTIS. And then debate beyond 2 o'clock, if necessary.

The PRESIDING OFFICER. The result would be the same, the vote would still occur at 2 o'clock.

Mr. CURTIS. And that be set aside and the vote be moved back to the appropriate time.

The PRESIDING OFFICER. That would be a change that would require unanimous consent.

Mr. CURTIS. Well, that is what is pending, the unanimous consent.

Mr. LONG. Mr. President, I ask unanimous consent that the vote be changed to 2:15. That will give us time, I should think, to have the quorum call.

Mr. PACKWOOD. I object.

The PRESIDING OFFICER. Objection is heard.

Who yields time?

Mr. CURTIS. Mr. President, I yield myself 2 minutes.

Mr. President, my distinguished chairman is correct in his statement that this has already been enacted into law, a law whereby the Federal Government, the Congress, fixes the number of children for one adult in a day care center. But it has not been implemented and, therefore, this action is timely, the President was correct in vetoing it, his veto should be sustained.

Can you imagine the Senate of the United States, wrestling with all the problems, foreign and domestic, that we have, will periodically be engaged in a debate whether or not someone in charge of day care centers should look after 12 youngsters, or 14, or 20?

It is clearly not the responsibility of the Federal Government. It is clearly not the responsibility of anybody in Congress. It is bad legislation. It is made worse by the fact that we are in this proposal saying to the States, "If you will accept this wrong principle, we will give you some money to help comply with it."

Mr. President, that has been the path followed to the destruction of representative government, that has been the path followed in taking away from the people at the local level their proper voice in matters of self-government that belong locally.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. How much time has now been charged to the minority and how much to the majority?

The PRESIDING OFFICER. Twelve minutes to the minority, 13 minutes to the majority.

Mr. CURTIS. Mr. President, the minority is prepared to yield back the remainder of its time if the majority is.

The PRESIDING OFFICER. It would take unanimous consent to change the time of the vote.

Mr. LONG. Mr. President, we would not want to change the time for the vote.

I renew my suggestion, Mr. President, that we might suggest the absence of a quorum and charge it equally against both sides.

Mr. CURTIS. Very well.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I ask unanimous consent that the Senate stand in recess until 5 minutes of 2 o'clock this afternoon, and that at that time a quorum call be ordered.

The PRESIDING OFFICER. Is there objection? If there be no objection, the Senate will stand in recess until the hour of 1:55 with a quorum call following——

Mr. CURTIS. Reserving the right to object, and I shall not object, but I want to check with Senator PACKWOOD.

Mr. MANSFIELD. Mr. President, we will stay in session then. Just withdraw it.

Mr. CURTIS. Mr. President, may we have the unanimous consent request restated?

The PRESIDING OFFICER. The unanimous consent request was that the Senate stand in recess until the hour of 1:55 p.m., with a quorum call to occur at that time, and the vote still to occur at 2 p.m. Is objection heard?

Mr. PACKWOOD. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LONG. Mr. President, I renew my suggestion that we might have a quorum call with the understanding that it will be charged equally to both sides.

The PRESIDING OFFICER. Is there objection?

Mr. MONDALE. Will the Senator yield before making that motion?

Mr. LONG. I yield.

Mr. MONDALE. Mr. President, I ask unanimous consent that Larry Gage, of Senator HATHAWAY's staff, be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there objection to the equal division of the quorum time?

Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PEARSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, I ask unanimous consent that Mr. Charles Warren, of Senator JAVITS' staff, be allowed the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS SUBMITTED ON H.R. 9803

Mr. DOMENICI. Mr. President, I rise to vote to sustain the President's veto of the conference report on H.R. 9803. Mr. President, I agree with Suzanne Woolsey, senior research associate at the Urban Institute that the substance of the dispute today has to do with the proper staff-child ratios to be imposed on day-care centers and whether the Federal Government or the States should do the imposing. I would also suggest that the Federal moneys designated for the administration of the federally imposed standards is another important aspect of the dispute.

This bill will only postpone the imposition of several Federal standards—standards often restrictive and burdensome to conscious day-care operators throughout the country. Although some standards would be modified by this bill, most are not. My vote to sustain the veto should be interpreted as my opposition to these Federal standards for day-care centers. Delaying their enactment really will not help in the long run.

When Congress enacted the legislation last year, the standards were to have been effective last October 1. Day-care center operators in New Mexico and throughout the country wrote to protest. These were not sleazy, marginal day-care centers set out to make an easy buck. Rather, they were trying to do a good job serving the children of working mothers at a reasonable cost to the centers and to the parents. They told us they did not mind realistic standards, but the ones imposed by Congress last year simply could not be met. Congress, finally recognizing some problems not earlier envisioned, passed legislation to postpone the enactment of the standards for 6 months to give us time "to study the new regulations" we had just passed. To my knowledge, the past 6 months were wasted; little, if any, review was made by the House Ways and Means Committee. And, here we are again faced with another delaying ploy. My question is, "For what?" Delaying further will not help as the past 6 months delay indicates.

Let us drop the standards we have apparently imposed too quickly and which may, in fact, be too burdensome and unrealistic.

I believe the States can get more out of the dollar and can do a better job in this area than the Federal Government with the inevitable redtape and exhaustive forms. I believe the Federal Government does not always know best. Nor are programs best administered away from the people directly involved. Let the people complain to their State governments. Let the day-care center operators have a say in what are reasonable minimal standards for their part of the country. Let the parents talk and discuss standards with their community day-care centers and their State government. I believe that has to be a better approach than everyone trying to bang on the doors of a remote Washington.

Mr. TUNNEY. Mr. President, I will cast my vote to override President Ford's veto of H.R. 9803, the child day-care center bill. I believe this veto to have been unjustified for several clear reasons. First, the title XX day-care program has provided and can continue to provide child-care services for those lower income persons throughout the Nation who, but for the day-care centers, would find it impossible to seek or hold employment. Second, the measure will relax the application of Federal day-care standards presently in force within the title XX day-care program, and will provide Federal matching funds to enable States better to deal with the HEW-developed staffing ratios. Were it not for this legislation, countless States, including my home State, would be badly pressed to meet the tremendous cost of the staffing ratios under the title XX program.

This legislation furthermore, marks the first time since 1972 that the Federal Government has infused additional sums into the title XX program. These dollars have been badly needed. In Los Angeles County alone, a survey of various kinds of day-care centers shows thousands of children on waiting lists—10,000 just for the 82 centers run by the Los Angeles City Unified School District. A national study by the Child Development Committee of the National Commission on the Observance of International Women's Year pointed out that 6 million children need day-care services because their parents work, and yet only 900,000 of these children currently are served. The influx of additional Federal dollars, if only to help meet strict staffing ratios, at least will enable the title XX day-care programs to be continued at the same level of operation instead of being cut back because adequate funds were not available to cope with the new staffing guidelines.

This legislation will go a long way to insure that quality day care is provided to those persons and their children who qualify for title XX benefits. Moreover, it should begin to ease the strain on States which must comply with new HEW guidelines. Whereas the veto would spell additional costs to the individual States, the override of this veto would mean that the individual States would receive Federal dollars to help defray the cost of compliance with the HEW standards. In fact it would cut the cost of compliance in half. The measure is within the congressional budget, as measured by both Budget Committees.

Last, this measure will not require States to change their own day-care standards. It only mandates that where Federal funds are used to provide care for young children outside their homes, the Federal Government will take some responsibility to see that the care received meets minimum standards. The sums provided will allow States to help keep the fees for child care down, particularly at those sites which serve both welfare and nonwelfare children.

I frankly believe that this legislation offers a sage means of dealing with a variety of difficulties which arose when the HEW title XX day-care standards were developed, and will allow the program to provide continued quality day-care services to thousands of families whose income capabilities are inextricably tied to the availability of adequate day care. I urge my colleagues to join in voting to override the veto of this measure, demonstrating once and for all that Congress has the force of will to overcome Presidential whim on a matter as serious as this.

Mr. STEVENS. Mr. President, I am going to support the President's veto of this legislation. I would, however, like to clarify my position at this time. I am in favor of day-care centers. The bill before us does not provide for additional day-care centers; it only provides additional funding for staffing of the existing centers.

Eighty percent of the funds authorized in this bill, or $100 million, will be distributed to the States based on a population formula. The State of Alaska has anticipated that $1.4 million annually is required to meet the costs of implementing the regulations. By the calculations of my staff our State's share of the $100 million will be approximately $130,000. So even on this half year basis, the State of Alaska will have to come up with about $500,000 and that is assuming that we are able to obtain some of the discretionary funds included in the authorization. Some States have less need for Federal staffing money, yet they too will receive a distribution based on population—not need.

I must also question one other well-intentioned provision of the bill which is the incentive given to the employment of welfare mothers in day-care centers. If a woman is employed in a center, it stands to reason that her pre-school-aged children will have to attend the center. This further reduces the spaces available for children of mothers who work outside of the home. It is conceivable that with the required staffing ratios, an unemployed mother can be put to work in a day-care center and be paid for caring only for her children.

While I am voting to sustain this veto, I would like to reiterate the fact that this is not an anti-day-care vote. I feel that this particular legislation will further increase the burdens on the existing day care centers rather than expanding the availability of day care services which are greatly needed in almost every part of this country.

Furthermore, I think that the people most directly concerned with day care centers—the parents of the children involved—should have more to say about the day-care centers than the Federal Government.

Mr. HATHAWAY. Mr. President, yesterday, our colleagues in the House of Representatives voted 301 to 101 to override the President's veto of H.R. 9803. I think we can safely consider that vote an overwhelming one during an election year, and I am pleased to note that both of my Republican colleagues from Maine—BILL COHEN and DAVE EMERY—voted to override.

It is time now for the Senate to complete the job.

The controversial segments of this bill, Mr. President, concern child day-care staffing requirements under title XX, and the ability of many State and local agencies to meet those requirements. This bill would suspend the requirements until July 1 of this year, and at the same time provide ample additional funding to enable the States to meet the requirements.

I will not dwell at length on this aspect of the bill at this time, since so many of my colleagues have spoken and will speak to this issue. However, I would underscore the fact that this is not a vote on whether we agree with the HEW standards. Whether or not we agree with them—and I can well sympathize with those Members who feel perhaps they have gone a bit too far—the stringent standards will go into effect. It is not realistic to expect Congress to be able to schedule another bill solely to postpone the effect of the standards—even if we were inclined to do so. What this bill does is provide a little breathing space for the day-care programs—and more importantly, provide them adequate funding to permit compliance with the standards, and therefore avoid the loss of child care programs considered vital to provide people with jobs, rather than welfare.

I do want to call my colleagues' attention to another aspect of this legislation, involving title XX funding for alcoholism and drug abuse treatment programs. Specifically, the second part of this bill permits retention in the law of three amendments I offered which were first accepted by the Senate last autumn. These amendments, taken together, greatly eased the problems associated with such funding for States which have selected alcoholism and drug abuse as services to be provided under this law.

My home State of Maine, for example, set aside over $1 million out of its total $12 million title XX money for alcoholism services. However, it was discovered that they would not be able to make effective use of that money without some changes in the law or regulations. In particular, the restrictions on use of title XX funds for medical and room and board purposes were being construed too narrowly to permit funding of any alcoholism services. In addition, statutory requirements of confidentiality of patient and client records were in danger of being violated under the new regulations.

My amendments sought to resolve these problems, without in any way effecting the underlying bases for the regulations—which are largely directed toward the perfectly sound theory that title XX was not meant to be a medical program. Essentially, they exempt a very short-term detoxification period from the requirements, if the client goes on to further treatment. And the amendments also mandate that the entire alcoholism and drug abuse treatment process be considered, rather than any individual service component, in applying the medical and room and board restrictions.

Mr. President, these amendments are no longer controversial to any of the parties involved. The administration originally opposed them, but the last time around supported the amendments, as in keeping with their philosophy of easing title XX restrictions on the States.

However, these amendments will go down the drain right alongside the controversial ones, if the Senate does not vote to override this afternoon. And many States, which have set aside title XX funds for these services, will be hurt in the process. As it turns out, most of these are the smaller States, which have fewer independent resources for alcoholism and drug abuse treatment. New York, California, and Wisconsin, for example, set aside little or no title XX money for these purposes. But Maine, Maryland, South Carolina, Iowa, West Virginia, and others set aside relatively sizeable amounts.

On December 17, I held hearings before my Subcommittee on Alcoholism and Narcotics into the effects of these amendments. Testimony was presented that 42 out of 45 States surveyed felt these amendments were required, even though only 33 of those States set aside title XX money for alcoholism or drug abuse. In a separate survey by drug abuse experts, 20 out of 20 States demanded that the amendments be retained.

I have asked that a copy of the transcript of these hearings be available for you at this time, and you should have copies on your desks. I ask that you pay particular attention to the letters from 34 top alcohol and drug abuse officials in 25 different States who wrote supporting these amendments.

I strongly urge you to vote to override the President's veto of this bill.

SENATE OVERRIDE OF CHILD CARE VETO IS ESSENTIAL

Mr. HUMPHREY. Mr. President, I urge my Senate colleagues to join with the House in decisively overriding the President's veto of H.R. 9803.

The primary purpose of this bill is to assist the States in meeting Federal standards for child-care centers which provide services to children served by title XX of the Social Security Act, social services.

In order to ease the burden of compliance with Federal standards of care which must be provided in certain child-care centers, this bill would postpone until July 1, 1976, the deadline for compliance with Federal regulations which became effective on February 1. Principal among these regulations is a requirement that these centers have a specified number of staff members for the number of children served.

Congress has acted to ease the burden on State governments in meeting these standards by increasing, at an annual rate of $250 million, the $2.5 billion ceiling on social services. H.R. 9803 provides that $125 million will be made available through October 1, 1976. These funds will be distributed on an 80–20 matching formula, on the basis of State population.

In my own State of Minnesota, the increased cost of compliance with these regulations would be some $11 million, with a total of some 3,340 extra staff needed for both title XX and non-title XX children. Approximately 20 percent of these additional staff members could come from welfare rolls in Minnesota. Under the current formula, Minnesota receives $46,325,000 in social services funds. Its allocation under H.R. 9803 for the period from April 1 to October 1, 1976, would be some $2,316,000.

Other provisions of the bill have the effect of further relaxing Federal standards. These standards, for example, may be waived by the States for centers in which fewer than five children or 20 percent are children whose care is provided with Federal funds. Moreover, mothers who manage home day-care facilities will be allowed to disregard their own school-age children in the determination of child-staff ratios.

Finally, the bill seeks to provide incentives for giving jobs to those who currently are receiving public assistance by allowing States to reimburse 100 percent of the first $5,000 in salary for these employees. Up to $4,000 may be reimbursed in profitmaking centers, with the additional $1,000 subject to an existing tax credit, which currently is scheduled to expire on June 30.

Mr. President, there has been a good deal of controversy over this bill. Some of our colleagues, as well as the President, have criticized the imposition of any Federal standards in the area of child care. They believe that the States must be totally responsible for setting child care standards. In many States, staffing ratios and other standards do exist. But in others, there are no standards, or where they do exist, they are not always consistent with the Federal interagency day care requirements—FIDCR—which technically have been in effect since 1968, although full compliance has not been achieved.

These standards, Mr. President, will apply only to child-care centers in which a certain number of the children served receive support under social services. If you brush away all the political rhetoric, what it boils down to is accountability. Where Federal funds are involved, the Federal Government has a responsibility to see to it that certain minimum standards are enforced, to insure that these children receive the kind of care they deserve. The money made available in this bill is simply to ease the burden the States will face in meeting these minimum standards.

These facts have been realized by more than two-thirds of the House, and I hope that my colleagues in the Senate will follow suit by overriding the President's ill-advised, ill-conceived veto of this important bill.

Mr. TAFT. Mr. President, after much hard study, I have decided to vote to sustain the President's veto of H.R. 9803.

This bill has been advertised as essential to the provision of adequate day-care services for children of working parents across the country. It has been said that thousands of day-care centers will have to close for lack of funds if this bill does not pass. This is simply not the case.

It is true that we have painted ourselves into something of a corner by prematurely enacting Federal day-care center staffing requirements. This was done in spite of the fact that the Congress, recognizing the inadequacy of information in this area, has commissioned the Department of HEW to conduct a major study of our day-care needs. The solution to the problem is simply to extend the recently ended moratorium on imposition of these standards until further information is available. H.R. 9803, which would make emergency funding available to help those States which have not yet complied with the Federal standards, would be the second of two wrongs which do not make a right.

The day-care standards area is clearly a case in which the States, knowing better than Washington the needs of their people, the availability of personnel, and the quality of private, State, or local day-care centers, are in a superior position to determine programs and assess standards.

The President has proposed a block grant approach to title XX social service programs. This grant, of slightly over $2.5 billion, would represent an 11-percent increase in Federal funding for the social service programs, a part of which could go to day care. It is hoped that the States will continue to provide proportional matching funds.

I said that it is hoped that the States will provide such funds, because the block grant proposal also contains a provision which eliminates the requirement for State matching funds. In addition, the proposal eliminates most restrictions and requirements on the use of the Federal funds. It does add emphasis that the funds are to be used for services to low-income citizens, with income below the poverty guidelines, but it allows the States to choose which programs are best suited to meet the needs of the people in their areas.

This is not to say that the block grant approach does not have its difficulties. I am concerned that some States might choose to cut back sharply on their own contributions to title XX programs, either across the board, or by shifting funds rapidly out of one service and into another. I would look favorably on some sort of maintenance-of-effort requirement, and restrictions which would require that shifts in emphasis be done gradually, so as not to result in the sudden curtailment of any class of services.

There are many States, including Ohio, which would benefit from the removal of the matching requirement for title XX services. This would be especially true if there existed a maintenance-of-effort provision in the block grant program. For example, my own State of Ohio is entitled, under the population formula, to nearly 140 percent of the Federal title XX money it now receives. The money is not forthcoming because the State has not put up the required matching funds. This has been the free choice of the State legislature and the people of Ohio against raising State taxes. Nonetheless, it means giving up certain Federal funds. If the State were to continue its current spending for title XX programs, and if the administration's block grant proposals are adopted, the State's title XX services would receive an increase of roughly 33 percent in funding. Even if State effort were not maintained, this would mean an increase of nearly 9 percent for these services.

Increases of this magnitude would permit the State to maintain services of all types while still being able to shift emphasis to programs which are most urgently needed in particular localities.

Because the President's block grant proposal is a far better solution to the problem of title XX services, including day care, and because H.R. 9803 moves in the opposite direction from the block grant program, by increasing mandated expenditures while reducing local flexibility, I have decided to support the President's veto of this measure. I do not believe we should be taking action which might jeopardize a block grant proposal which, with a few modifications, will be a major improvement over current policies.

Another serious problem with H.R. 9803 are the serious inequities across States in the distribution of funds.

According to the Senate Finance Committee, many States, including Ohio, have already met the Federal standards. Thus, if we read the bill's fine print, we learn that Federal money could replace, rather than increase, the money given to day-care centers by the States. Furthermore, these States are ineligible for the special categorical grants the bill provides for States which are not even close to meeting Federal standards. States already in compliance will send a great deal of tax money to Washington to pay for this bill, and get back very little indeed.

In short, we need an extension of the moratorium on imposition of these Federal standards, and we need to take a hard look at the block grant alternatives, especially if such an alternative contains a maintenance-of-effort provision, and a clause to make sure that any shifts in emphasis are gradual rather than sudden.

Mr. PROXMIRE. Mr. President, when the day care bill was before us in January I voted against the amendments which were designed to delay the implementation of the new standards proposed by the Department of Health, Education, and Welfare, but I voted against the bill on final passage for two specific reasons.

First, at that time there was a controversy as to whether or not the additional funds were in the congressional budget.

A memorandum to Congressman BROCK ADAMS, the chairman of the House Budget Committee, printed in the CONGRESSIONAL RECORD for January 29, 1976, during the debate on the bill, stated that—

> The House Budget Committee staff can find no indication that the new day care benefits were ever specifically contemplated in the FY 1976 budget resolution.

As it has been my policy to vote against most proposals which are outside the budget or which exceed the budget in any significant way, I felt I should vote against final passage of the bill even though my votes on the amendments were essentially favorable to the program.

Second, unemployment had been running at 8.5 percent for the fourth quarter of 1975—which were the latest figures then available—which led me to believe that the most welfare mothers whose children were cared for by day care centers would not themselves be able to find employment due to the generally high level of unemployment then in effect.

Since then two things have happened.

First, the funds provided in this bill for this fiscal year and for the fiscal year beginning in October have been included in the congressional budget ceiling.

Second, there has been a significant drop in unemployment, including unemployment among adult women who are heads of households and supporting relatives, so that the opportunities for those whose children are in day-care centers to gain part or full-time employment is very much greater than it was.

Thus the argument that some welfare mothers can work in day-care centers taking care of children of other welfare mothers who can then gain employment is much truer now than it was in January when the latest unemployment figures indicated unemployment at 8.5 percent for the fourth quarter of last year.

I have, therefore, decided to vote to override the President's veto on the grounds that the reasons for my initial opposition no longer apply due to the fact that the congressional budget includes the funds under its ceiling and the unemployment situation has improved considerably.

Mr. MONDALE. Mr. President, I rise to join the distinguished Senator from Louisiana (Mr. LONG) in urging the Senate to override the President's veto of H.R. 9303, the emergency day care services bill.

The record will show that I have long believed in a strong State role in the administration of social services. For nearly 2 years I worked closely with a broad coalition including the Governors and other State officials as a chief sponsor of the new title XX of the Social Security Act. That bill, signed into law in January of last year, freed the States from excessive HEW regulations and established fundamental State control over the flow and direction of social service funding, within a congressionally imposed ceiling. I am proud of our accomplishments in that bill.

But at the same time, I have been impressed with the special responsibility we in the Federal Government must bear when we undertake to provide care for children, and especially young children, outside their homes. And that is why I have supported, and must continue to support, Federal minimum standards for federally financed day care.

It is important to understand that the existing standards, first established in 1968, do not only establish child/staff ratios. They also require day care centers receiving Federal aid to meet their States' own safety and health standards.

And there is presently widespread failure to meet safety and health standards as well as child/staff ratios. A 1974 GAO study of 607 centers in 9 States found 425 failing to meet health and safety requirements, and 243 failing to meet child/staff ratios. This is an inexcusable record of failure—almost of child neglect—by all levels of government.

The plain fact is that we can expect little progress in the near future without continued Federal standards.

And, whether States and day care providers act voluntarily or at Federal urging, the plain fact is that meeting health and safety standards and improving child/staff ratios will cost money—more than $200 million over the next year, according to State estimates collected by the staff of the Senate Finance Committee.

In many cases this is money that States simply do not have, and cannot obtain from local governments or private sources. Unless additional funds are provided, meeting standards will require reducing services. And reducing services will risk driving tens of thousands of working families back onto the welfare rolls, increasing Federal, State, and local costs.

I would hope that no one in this body wants to be responsible for providing substandard care to young children.

And certainly most of us do not want to drive working, taxpaying Americans back onto the welfare rolls. This is the dilemma that H.R. 9803 attempts to solve, in a balanced and reasonable way.

First, the bill further relaxes the application of day-care standards—by permitting States to waive Federal child/staff ratios in centers with fewer than 5 or fewer than 20 percent title XX-connected children and by permitting the disregard of a family day care mother's own school age children in the application of child/staff ratios to family day-care homes. These changes are estimated to cut the cost of compliance with the standards in half.

Second, the bill provides additional funding for day care at the annual rate of $250 million, effective as of this April 1. These funds, which will be available as an entitlement on an 80–20 Federal-State matching basis, will help to meet the additional cost of compliance with the standards.

Third, where day-care employees are hired from the welfare rolls the bill would permit States to reimburse 100 percent of the cost of the first $5,000 of salary cost, with no Federal match. With respect to profitmaking day-care centers, the bill would limit such reimbursement to $4,000, with the remaining $1,000 supplied by an extension of the existing incentive tax credit, scheduled to expire June 30.

I believe this emphasis is a hopeful one, promising both to reduce the net cost of this program by reducing Federal and State welfare payments, and to provide productive work for many who long for this opportunity. I would note that funds for training are available on an 80–20 matching basis under this bill, and on a 75–25 basis under existing law outside the title XX ceiling.

Fourth, the bill extends suspension of the child/staff ratios from February 1 until July 1, to permit necessary adjustments to be made.

In order to satisfy objections raised by the House Budget Committee, all provisions in this bill would expire on October 1 of this year. Grants of $125 million to States would be available during the 6-month life of this bill, and further extension will be in order following adoption of the first concurrent resolution on the budget, scheduled to take place by May 15.

This compromise bill cut the cost of compliance with day-care standards in half. It supplies funding to meet these costs. It is within the congressional budget, as measured by both Budget Committees.

And if this bill does not become law the existing, tougher standards must be applied retroactively, back to February 1.

If this bill does not become law, there will be no waiver. The cost of compliance will double.

If this bill does not become law, there will be no funds to help States, local governments and day care providers come into compliance.

Mr. President, this bill does not require States to change their own day care standards. It says only that where Federal funds are used to provide care for children outside their homes, then the Federal Government has some responsibility to see that the care they receive meets minimum standards.

And H.R. 9803 calls for only a modest investment in decent care for children whose families are struggling toward economic self-sufficiency. It is the kind of investment that Americans should be glad to make.

This bill has received broad support from Governors and other State officials in a majority of States, and from organizations ranging from the American Public Welfare Association to the AFL–CIO. The House of Representatives overrode the veto by a vote of 300 to 101. I would urge the Senate to join in enacting H.R. 9803 into law.

Mr. BUCKLEY. Mr. President, I will be voting to sustain the President's veto, but, for the record, I would like to take exception with one of the reasons he gave for his veto.

The President took exception with the fact that the legislation stipulates rigorous standards for the staffing of child care centers. It happens that I was the coauthor, with the Senator from Minnesota (Mr. MONDALE) of the amendment establishing the standards about which the President complains. The fact is that there is very ample evidence that significant damage can be done to infants who are in effect warehoused in institutions supervised by an inadequate staff that cannot develop the continuing identity with a single adult that is essential to the healthy development of very young children.

My reasons for supporting these high standards in a bill that I nevertheless voted against is that if Federal funds are to be utilized to promote the establishment of a national network of child care centers, then the Federal Government has a duty to see to it that those centers are operated in a manner that will not, on the best of evidence, do more harm than good.

My central problem with the legislation involves other considerations. First of all, it represents still another intrusion by the Federal Government into an area in which the States and localities are totally competent to make their own decisions in response to the demands of their own citizens.

Second, Federal sponsorship of the programs in question inevitably carries with it an implicit endorsement of certain institutionalized arrangements for the care of very young children that will tend to undercut the more personal arrangements that the vast majority of working mothers make, arrangements which, because they involve a constant relationship between a given adult and the child in question, provides the healthiest environment for the very young.

Third, the insertion of "specialists" and administrators between mother and child tends to encourage the dangerous myth that parents somehow are not competent to look after their own children.

It seems to me that the institution of the family is already under sufficient stress in our country without adding one more area for bureaucratic intervention. I therefore urge my colleagues to vote to sustain the veto.

Mr. President, at this point, I ask unanimous consent that there be printed in the RECORD an essay on the bill by Daniel Oliver that appeared in the April 23, 1976, issue of the National Review Bulletin. It states a lot of commonsense things that have been too rarely heard in connection with public discussion of this very important and mischievous bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AT HOME

(By Daniel Oliver)

There is nothing new about organized day care: it has existed in this country since the 1800s. What the current debate is about is how much the Federal Government should get involved in the business—and whether greater federal involvement won't be at the expense of the private day-care facilities now operating in the country.

There are three ways in which the Federal Government could get involved. One would be for the Federal Government to provide a tax break for the parent who may have to send his child to a day-care center in order to go to work himself. A second would be for the Federal Government to provide money to existing day-care centers. A third would be for the Federal Government to get into the day-care center business itself, and this is where the controversial Child and Family Service Act (CFSA), sponsored by Senator Walter Mondale (D., Minn.) and Representative John Brademas (D., Ind.), comes in. It has aroused spirited opposition from those who fear that it will be the thin edge of the wedge of further government interference in the way Americans have traditionally brought up their children. Those who are fighting the bill have seen how federal monies in other areas have led to tightened federal controls.

Obviously there are many working mothers with children. In 1960, 18.6% of all married women with children under six who lived with their husbands had jobs. In 1974 the figure was 34.4%. Among widows, divorcees, and women not living with their husbands, the figure was 54%. (There are also numerous households with a single male parent.) In all, about six million children of pre-school age in 1974 had working mothers. But licensed day-care facilities can accommodate only a million of them. Where have the other five million been? Playing in the street? Surely, the argument has gone, there is a demonstrable need for more federal support for licensed centers. But there are alternatives to federal intervention, such as building more local centers, or even persuading mothers to stay home and look after their own children. In fact, most of the other five million children are receiving family or neighborhood-centered care, which most working mothers in all income brackets seem to prefer.

But it is not the preference of the AFL–CIO or the National Federation of Teachers. They favor the Mondale-Brademas CFSA, which would finance day care, with "prime sponsors" (i.e., centers) designated by the Federal Government. To be sure, they favor it with a difference: they want to "prime sponsors" to be the schools.

Actually, the Mondale-Brademas bill is very similar to one vetoed by President Nixon in 1971. Former HEW Secretary Caspar Weinberger said that bill would be impossible to administer because it involved thousands of prime sponsors, would duplicate existing programs, and would be very expensive. The Mondale-Brademas bill would authorize first-year spending of $150 million, second-year spending of $700 million. And in the third year: $1 billion.

How much control would parents maintain over their children in CFSA centers? Lots, claim the bill's supporters. No child would be subjected to experimentation without the knowledge of the parent, who can exempt the child if he or she chooses. But how much easier it would have been to provide for no experiments without *prior consent*. And that's not all. The wording of the bill is ambiguous as to who in fact is considered to be the parent. According to the statute, a parent is "any person who has primary day-to-day responsibility for any child": a definition that could seem to include the day-care-center woman and possibly even exclude the "real"—non-statutory—parent.

CFSA is suspect for other reasons too. It has provisions that would prevent private, "for-profit" centers from participating fully in the programs: i.e., eligibility would be based not on performance, but on politics. Additionally, some are suggesting that provisions should be included in the bill requiring that, in staffing the centers, preference be given to mothers on welfare. That too suggests that proponents are less concerned with the quality of the care given the children than with a jobs-creation bill.

Often those who favor this kind of day-care/child-development legislation have a mechanistic view of society in which efficiency and convenience supersede traditional social values. Many favor women's liberation and abortion. Pregnancies that interfere with careers—or with pleasure—have to be "terminated." Children who interfere with career development or job holding belong in day-care centers. That's part of the current social revolution. But despite fancy titles and rhetoric that always promises benefits for children, modern day care seems designed mainly to liberate women from their family responsibilities.

Ironically, one of the reasons for working may be the very incentive that subsidized baby-sitting offers. For most people, the expenses of a job—clothing, transportation, taxes, nurses, whatever—are costs to be considered in computing the real value of a salary. But if the baby-sitting is free, the net proceeds from the job are correspondingly higher.

The Child and Family Services Act is a concept that would get the Federal Government right into the middle of child rearing, with rules and regulations and approved methods for this and that. It would push bureaucratic entanglements down to the six-year-old level and younger—which, on second thought, may be exactly where they belong.

Mr. PERCY. Mr. President, I have been a proponent of quality enrichment day care governed by reasonable standards. It is only through adequate standards and licensing that children in federally assisted day care programs can be assured adequate care and protection. The Federal interagency day care requirements have been basically in effect since 1968, and through the years they have received much public review, comment, and refinement. States, however, have been continually lax in enforcing the standards. Federal standards, even if we are to go the route of block grants as proposed by the administration, are necessary. Where Federal moneys are concerned, the Federal Government cannot abrogate its responsibility to account for their use.

H.R. 9803, notwithstanding, existing law mandates States' compliance with the Federal Interagency Day Care Standards to qualify for Federal day care funding. Day care centers in most States are not up to standard, and most States need the funding provided by H.R. 9803 to come into compliance. The defeat of H.R. 9803, therefore, would result in virtually every State losing a substantial portion of its funding for day care services.

Illinois currently receives $30 million in Federal funds for day care services. These services reach some 40,000 children. Most of Illinois day care programs do not comply with the new Federal standards requiring stricter staffing ratios. If these standards are enforced, programs affecting an estimated 35,000 children could not continue. Illinois, which supports the standards, needs the $13 million that H.R. 9803 would provide to meet the standards. The money would be used to improve medical, nutritional, program, and safety standards in Illinois day care programs and, also, to hire welfare recipients—thus taking them off the welfare roll—as additional staff for those programs.

As I understand it, the full amount provided in this bill has been included in the Senate budget resolution.

For these reasons I am voting to override the veto of H.R. 9803.

Mr. DOLE. Mr. President, although I have previously made known my reservations concerning this legislation, I would just like to briefly explain again my position in support of the President's veto of H.R. 9803.

In the minority views of the Finance Committee report on this bill, we expressed our uniform concurrence with the objectives which it was designed to accomplish. We did take exception, however, to the manner in which it would address the goal of quality day care services for every child of working parents.

Notwithstanding the efforts by many to characterize opposition to this measure as a vote against the very concept of day care centers, my views have not changed on the matter of preempting State responsibility and authority through imposition of mandatory Federal staffing standards. I continue to believe, that is, that we are making a big mistake by asserting Federal control over an area of traditional local jurisdiction.

Unfortunately, there are many features of this measure which I would like to see enacted—and am confident it would be if considered independently. I refer in particular to the amendment governing funding of medical services provided to addicts and alcoholics under State social services programs, as well as the general limited financial support for upgrading of day care supervision itself.

Such provisions make it very difficult to oppose H.R. 9803 and I regret that, on balance, my fundamental objection to Federal intervention with regard to the staffing ratios compels me to do so. I would like to point out, however, that should the motion before us fail this afternoon, I have every expectation we can give expeditious consideration to an acceptable alternative which will meet most of the administration's concerns and satisfy the desires of those advocating an override.

As is typical of many lobbying efforts, Mr. President, this bill has been somewhat "oversold" by its proponents with the suggestion that it would go beyond staffing requirements alone and somehow affect health and safety conditions of day care operations. While I can certainly appreciate the enthusiasm of those who have inspired it, I am afraid that is a rather inaccurate representation of what this bill seeks to accomplish.

The real thrust of H.R. 9803 is nothing more than to require every State to come into compliance with a magic set of Federal day care staffing standards as of July 1, 1976. The propriety of that mandate is thus the paramount issue to be decided by our coming vote—and with the House having twice indicated its preference for a suspension, there is no question we can and should allow HEW to complete its study of the matter before approving final implementation.

Those who favor this legislation in its present form should be willing to understand, Mr. President, that we have been deliberating this problem since last September—and that a failure to resolve it now would simply mean a brief delay until a suitable substitute can be drafted. I hope Senators who are concerned over the "State responsibility" aspect of this legislation—but do not want to be portrayed as an opponent of quality day care—will give that observation their attention before casting a vote on the pending motion.

The **PRESIDING OFFICER**. The question is, shall the bill pass, the objections of the President of the United States to the contrary not withstanding? The yeas and nays are required. The clerk will call the roll.

The legislative clerk called the roll.

Mr. **SPARKMAN** (after having voted in the negative). Mr. President, I have voted "nay." I have a live pair with the Senator from Indiana (Mr. Hartke), and the Senator from Connecticut (Mr. Ribicoff) if present and voting they would have voted "yea." I withdraw my vote.

Mr. **ROBERT C. BYRD**. I announce that the Senator from Indiana (Mr. Hartke) is necessarily absent.

I further announce that the Senator from Florida (Mr. Chiles), the Senator from New Hampshire (Mr. Durkin), and the Senator from Connecticut (Mr. Ribicoff) are absent on official business.

Mr. **GRIFFIN**. I announce that the Senator from New York (Mr. Javits) is absent on official business.

The yeas and nays resulted—yeas 60, nays 34, as follows:

[Rollcall Vote No. 165 Leg.]

YEAS—60

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Gravel
Hart, Gary
Hart, Philip A.
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Schweiker
Scott, Hugh
Stafford
Stevenson
Stone
Symington
Tunney
Weicker
Williams

NAYS—34

Allen
Baker
Bartlett
Bellmon
Brock
Buckley
Byrd, Harry F., Jr.
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hruska
Laxalt
McClellan
McClure
Morgan
Nunn
Packwood
Roth
Scott, William L.
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Sparkman, against.

NOT VOTING—5

Chiles
Durkin
Hartke
Javits
Ribicoff

Mr. **CURTIS**. Regular order.

The **PRESIDING OFFICER**. On this vote, the yeas are 60 and the nays are 34. Two-thirds of the Senators present and voting not having voted in the affirmative, the bill, on reconsideration, fails of passage.

ORDER OF BUSINESS

Mr. **MANSFIELD**. Mr. President, I yield to the distinguished Senator from Massachusetts (Mr. Brooke).

Mr. **BROOKE** addressed the Chair.

The **PRESIDING OFFICER**. Will the Senator please suspend while we restore order in the Chamber? Will Senators please take their seats?

Does the majority leader ask unanimous consent to vacate the previous order in order to seek recognition of the Senator from Massachusetts?

Mr. **MANSFIELD**. Yes, Mr. President, to lay it aside temporarily for the purpose of recognizing the Senator from Massachusetts.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Will the Senator please withhold for a moment while the Chair attempts to obtain order in the Senate? Will the Senate please be in order?

The Senator from Massachusetts is recognized.

VISIT TO THE SENATE BY MEMBERS OF THE HOUSE OF LORDS OF THE UNITED KINGDOM

Mr. **BROOKE**. Mr. President, the U.S. Senate is honored to have four distinguished members of the House of Lords of the United Kingdom: Lord Montagu, the Duke of Marlborough, the Duke of Argyll, and Earl Dunmore.

RECESS

Mr. **BROOKE**. Mr. President, I ask unanimous consent that the Senate stand in recess for 5 minutes so my colleagues may be able to meet these distinguished members of the British Bicentennial Heritage Mission.

[Applause.]

There being no objection, the Senate, at 2:21 p.m., recessed until 2.26 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Baker).

RELATIONS WITH THE SOVIET UNION

The Senate continued with the consideration of the resolution (S. Res. 406) relating to the importance of sound relations with the Soviet Union.

AMENDMENT NO. 1632

The **PRESIDING OFFICER**. Under the previous order, the Senate will resume consideration of Senate Resolution 406 with 5 minutes of debate on the pending Allen amendment, to be equally divided and controlled between the Senator from Alabama (Mr. Allen) and the Senator from Minnesota (Mr. Humphrey), and the vote thereon to follow,

The clerk will state the amendment.

The second assistant legislative clerk read as follows:

Amendment proposed by Mr. Allen:

On page 6, between lines 19 and 20, add the following new section:

"Sec. 2. The principle that any future treaty or agreement between the United States and the Soviet Union shall not limit the United States to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union.".

Renumber subsequent sections accordingly.

Mr. **HELMS**. Mr. President, I ask unanimous consent that the names of Senator Domenici, Buckley, and Hansen be added as cosponsors of the amendments of Senator Allen, Nos. 1632 and 1633.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent, in view of the fact that the vote is going to be very close, that the votes on the two Allen amendments and on passage of the resolution, which is the pending business, take up only 10 minutes apiece.

The **PRESIDING OFFICER**. Is there objection? Without objection, it is so ordered.

Who yields time?

Mr. **ALLEN**. Mr. President, I yield myself such time as I may use.

Mr. President, the resolution announces a number of principles which it supports and it calls on the Soviet Union and the United States to enter into negotiations and to reach agreement placing limitations on the arms race.

It does not give any criterion as to what those agreements shall provide.

This amendment adds, as a principle which the resolution supports, and I read from the amendment, the principle that any future treaty or agreement between the United States and the Soviet Union shall not limit the United States to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union.

In other words, this would say that the U.S. Senate supports the concept of parity as between the United States and the Soviet Union in the area of nuclear strategic weapons and that any future agreement shall not provide that the United States shall be inferior to the Soviet Union in this area.

This is a concrete statement of a principle that subsequent agreements with the Soviet Union on the part of the United States must contain, and the amendment has been agreed to by the managers of the resolution.

I think that it is necessary to have some definite language as to what these agreements shall contain or shall not contain.

It puts some meat into the resolution.

As it is, it is just a conglomeration of words without spelling out anything definite. This puts some real meaning into the resolution, and I urge the adoption of the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I would like to support the amendment of the Senator from Alabama. I want to point out that, in a colloquy yesterday between the Senator from California and the Senator from Alabama, when the amendment was offered, it was made plain that the implication of this amendment is not that we would be unwilling to sign a treaty that permitted different numbers for different weapons. It simply comes out firmly against our signing a treaty that would leave us in an overall position inferior to the Soviet Union. Rather obviously, no Senator would approve of our signing a treaty which left us inferior in overall strength. We might be inferior in one particular type of missile; we might be superior in some matching number of bombers, for example. The overall situation is what would be taken into account, the overall comparisons of the Soviet strength and the American strength.

At the same time, of course, while firmly against signing a treaty that would place us in an inferior overall position, the amendment does not exclude the choice, not in terms of a treaty but just our choice in terms of the national interest, of not seeking to match the Soviet Union in every respect if they choose to spend more than is necessary for their defense. We do not have to spend more than is necessary or invest in more than is sufficient for our defense; I emphasize the word "sufficient."

Mr. President, I ask unanimous consent to insert at this point in the RECORD a letter from the Department of State to Senator SPARKMAN, the chairman of the Foreign Relations Committee.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., May 3, 1976.

Hon. JOHN SPARKMAN,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: Secretary Kissinger has asked me to reply to your letter of March 25 requesting coordinated Executive Branch comments on S. Res. 406, concerning "the importance of sound relations with the Soviet Union," which was submitted by Senator Cranston on March 16. We have directed our comments to the resolution as it was voted out of Committee on April 13.

We consider the resolution constructive and useful, and consistent with the goals of our foreign policy. We believe the resolution strikes a proper balance between the necessity of maintaining a militarily strong and united America and the traditional American aim of lessening international tensions and reducing the danger of nuclear war. The resolution is realistic in terms of its acknowledgment of the significant conflicting interests between the United States and the Soviet Union; at the same time it stresses, and very appropriately in our view, that it is in the U.S. national interest to seek to moderate these conflicts and promote the exercise of restraint.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

Sincerely,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

The PRESIDING OFFICER. All time on the amendment has expired. Under the previous order, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Indiana (Mr. HARTKE), the Senator from Colorado (Mr. HASKELL), and the Senator from Louisiana (Mr. LONG) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES), the Senator from New Hampshire (Mr. DURKIN), and the Senator from Connecticut (Mr. RIBICOFF) are absent on official business.

I further announce that, if present and voting, the Senator from Connecticut (Mr. RIBICOFF) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. PACKWOOD) is necessarily absent.

I also announce that the Senator from New York (Mr. JAVITS) is absent on official business.

The result was announced—yeas 91, nays 0, as follows:

[Rollcall Vote No. 166 Leg.]

YEAS—91

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary
Hart, Philip A.
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Laxalt
Leahy
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—9

Cannon
Chiles
Durkin
Hartke
Haskell
Javits
Long
Packwood
Ribicoff

So Mr. ALLEN's amendment (No. 1632) was agreed to.

AMENDMENT NO. 1633

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the second amendment of the Senator from Alabama (Mr. ALLEN), on which there shall be 5 minutes debate, equally divided and controlled by the Senator from Alabama (Mr. ALLEN) and the Senator from Minnesota (Mr. HUMPHREY), to be followed by a vote thereon.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alabama (Mr. ALLEN) for himself and others proposes amendment No. 1633.

The amendment is as follows:

On page 6, at the end of line 25, add the following as a new section:

SEC. . A joint effort on the part of the United States and the Soviet Union to bring about the immediate withdrawal by Cuba of all of her armed forces from Africa.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, does the Senator from Alabama wish to address himself to this amendment? We debated it yesterday. I am prepared to yield back my time.

Mr. ALLEN. Mr. President, I waive my time in view of the fact it has been debated.

Mr. HUMPHREY. I waive whatever time may be remaining.

Mr. ALLEN. Mr. President, I ask unanimous consent that the name of the Senator from Florida (Mr. STONE) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is all time yielded back?

Mr. HUMPHREY. All time is yielded back.

Mr. BARTLETT. Mr. President, I wish to ask the Senator from Minnesota a question.

Mr. HUMPHREY. I am happy to do so, but the Chair has permitted me to yield back the time.

The PRESIDING OFFICER. The Chair rules the time has not yet been yielded back.

Mr. HUMPHREY. Mr. President, I yield to the Senator from Oklahoma.

Mr. BARTLETT. I appreciate the action of the Chair and the Senator from Minnesota.

On page 5 on the very bottom line the resolution says:

> . . . the United States must remain unchallengeably strong militarily . . .

Will the Senator tell me what that means? Does that mean the United States militarily would be No. 1, or second to none, or exactly how would he describe it?

Mr. HUMPHREY. I think as to the rather unique word "unchallengeably" strong—I do not have the provision there. Just a minute. We debated this yesterday.

Mr. BARTLETT. It says—

> . . . the United States must remain unchallengably strong militarily . . .

Mr. HUMPHREY. It simply means what the Senator and I would say as boys that no one on the block can whip us.

Mr. BARTLETT. We are No. 1; is that what it means?

Mr. HUMPHREY. It means we are the toughest of the lot. That is it. I hope it is No. 1. That is the only way that I know to be "unchallengeably strong."

I never had the chance to be No. 1, but I like the language.

Mr. BARTLETT. I thank the Senator.

Mr. HUMPHREY. I yield back the remainder of my time.

Mr. HUGH SCOTT. Before the Senator does, I wish to say I think the Senator from Minnesota at some point in his life, in the past, or in the future, ought, by God, to be No. 1.

Mr. HUMPHREY. I compliment the Senator from Pennsylvania for his wisdom and judgment.

The PRESIDING OFFICER. The Chair feels it should not except.

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Hartke) and the Senator from Nevada (Mr. Cannon) are necessarily absent.

I further announce that the Senator from Florida (Mr. Chiles), the Senator from New Hampshire (Mr. Durkin), and the Senator from Connecticut (Mr. Ribicoff) are absent on official business.

I further announce that, if present and voting, the Senator from Connecticut (Mr. Ribicoff) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. Packwood) is necessarily absent.

I also announce that the Senator from New York (Mr. Javits) is absent on official business.

The result was announced—yeas 92, nays 1, as follows:

[Rollcall Vote No. 167 Leg.]

YEAS—92

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary
Hart, Philip A.
Haskell
Hatfield
Hathaway
Helms
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—1

Hollings

NOT VOTING—7

Cannon
Chiles
Durkin
Hartke
Javits
Packwood
Ribicoff

So Mr. Allen's amendment (No. 1633) was agreed to.

The PRESIDING OFFICER (Mr. Goldwater). Under the previous unanimous-consent agreement, without intervening amendment, motion, or debate, the Senate will now proceed to vote on Senate Resolution 406, as amended.

Mr. HUMPHREY. Mr. President, there is no time for debate now under the understanding?

The PRESIDING OFFICER. That is correct.

Mr. HUMPHREY. So we proceed at once.

The PRESIDING OFFICER. That is correct.

The question is on agreeing to the committee amendment, as amended.

The amendment was agreed to.

The PRESIDING OFFICER. The yeas and nays have been ordered on the resolution. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENSON (when his name was called). Present.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Hartke) is necessarily absent.

I further announce that the Senator from Florida (Mr. Chiles), the Senator from New Hampshire (Mr. Durkin), and the Senator from Connecticut (Mr. Ribicoff) are absent on official business.

I further announce that, if present and voting, the Senator from Connecticut (Mr. Ribicoff) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. Packwood) is necessarily absent.

I also announce that the Senator from New York (Mr. Javits) is absent on official business.

The result was announced—yeas 85, nays 8, as follows:

[Rollcall Vote No. 168 Leg.]

YEAS—85

Abourezk
Baker
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Fong
Ford
Garn
Glenn
Gravel
Griffin
Hansen
Hart, Gary
Hart, Philip A.
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—8

Allen
Bartlett
Eastland
Fannin
Goldwater
Helms
Scott, William L.
Stennis

ANSWERED "PRESENT"—1

Stevenson

NOT VOTING—6

Chiles
Durkin
Hartke
Javits
Packwood
Ribicoff

So the resolution (S. 406), as amended, was agreed to as follows:

S. Res. 406

The importance of sound relations with the Soviet Union

Resolved, it is the sense of the Senate that:

(a) United States relations with the Soviet Union are a central aspect of United States foreign policy, and thus it is critically important that we should sort out the difficulties that exist in the Soviet-American relationship, and define the national interest in that relationship.

(b) Without illusions about the fundamental differences which separate the United States and the Soviet Union, we believe that the survival of the values we cherish in our free society requires the most careful and judicious regulation of relations between these two great powers. We proceed, then, from a recognition of the fact that the United States and the Soviet Union have, and are likely to have for some time, many competitive and conflicting interests. But we believe, nevertheless, that it is in the interest of both countries to regulate this competition and these conflicts so that they do not lead to war.

(c) The basic premise of the United States approach to this relationship is that the United States must remain unchallengeably strong militarily, both to insure United States security and to contribute to the security of our friends and allies abroad. This military strength must include a strategic capability which is fully sufficient to deter any Soviet attack on the United States or its allies, and which leaves no room for misperception by the Soviet Union of our readiness and determination to defend our vital interests and allies.

(d) Beyond this determination to do all that is necessary to defend and protect our Nation, we believe that an integral part of our national security policy should be to seek through negotiations to reduce, moderate, and stabilize the military competition between the United States and the Soviet Union.

(e) In the belief that the lessening of international tensions must remain a continuing United States goal, we therefore support:

(1) Efforts to conclude, as soon as practicable, negotiations on a timely basis to implement the principles of the November 1974 Vladivostok accords and, in addition, to continue to negotiate to reduce mutually the strategic military forces permitted each country under those accords. These agreements, to be submitted to the Senate as a treaty, should be based upon actions founded on clearly stated and verifiable stipulations.

(2) The principle that any future treaty or agreement between the United States and the Soviet Union shall not limit the United States to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union.

(3) Initiatives on the part of both the United States and the Soviet Union demonstrating a commitment to the achievement of peaceful solutions in present and potential areas of conflict, in ways consistent with the mutual obligations of both powers to refrain from seeking advantages by exploiting troubled areas of the world.

(4) A joint effort on the part of the United States and the Soviet Union to bring about the immediate withdrawal by Cuba of all of her armed forces from Africa.

(5) Other diplomatic, economic, commercial, and cultural initiatives which are undertaken with a careful regard for the balance of risks and advantages, which are implemented on a mutual and reciprocal basis, which are consistent with the economic and national security interests of the United States, and which support the implementation of the Articles of the Final Act of the

Conference on Security and Cooperation in Europe—particularly the provisions relating to respect for human rights and cooperation in humanitarian fields.

(6) Taking actions in all these matters in close consultation and cooperation with our allies.

(f) Finally, the American objective is to achieve individual freedom and peace in the world. We believe that the people of our country want their Government to translate this aspiration into practical measures. We recognize that the possibilities for constructive cooperation between the United States and the Soviet Union may be limited, but we declare it to be the American purpose to carry on a process whose ultimate aim is to enlarge the sphere of cooperation as much as may prove possible.

Sec. 2. (a) The Congress finds that—

(1) the three Baltic nations of Estonia, Latvia, and Lithuania have been illegally occupied by the Soviet Union since World War II;

(2) the Soviet Union appears to interpret the Final Act of the Conference on Security and Cooperation in Europe, signed at Helsinki, as giving permanent status to the Soviet Union's illegal annexation of Estonia, Latvia, and Lithuania; and

(3) although neither the President nor the Department of State issued a specific disclaimer in conjunction with the signing of the Final Act at Helsinki to make clear that the United States still does not recognize the forcible conquest of those nations by the Soviet Union, both the President in his public statement of July 25, 1975, and the Assistant Secretary of State for European Affairs in his testimony before the Subcommittee on International Political and Military Affairs of the House Committee on International Relations stated quite explicitly that the longstanding official policy of the United States on nonrecognition of the Soviet Union's forcible incorporation and annexation of the Baltic nations is not affected by the results of the European Security Conference.

(b) Notwithstanding any interpretation which the Soviet Union or any other country may attempt to give to the Final Act of the Conference on Security and Cooperation in Europe, signed in Helsinki, it is the sense of the Congress (1) that there has been no change in the longstanding policy of the United States on nonrecognition of the illegal seizure and annexation by the Soviet Union of the three Baltic nations of Estonia, Latvia, and Lithuania, and (2) that it will continue to be the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

Sec. 3. This resolution shall be transmitted by the Secretary to the President of the United States.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 2679, which the clerk will state.

The second assistant legislative clerk read as follows:

A bill (S. 2679) to establish a Commission on Security and Cooperation in Europe.

The Senate proceeded to consider the bill which had been reported from the Committee on Foreign Relations with amendments as follows:

On page 1, line 8, after "with" insert "or violation of";

On page 2, line 2, after "Fields." insert the following:

The Commission is further authorized and directed to monitor and encourage the development of programs and activities of the United States Government and private organizations with a view toward taking advantage of the provisions of the Final Act to expand East-West economic cooperation and a greater interchange of people and ideas between East and West.

On page 3, beginning with line 13, insert the following:

Sec. 5. In order to assist the Commission in carrying out its duties, the President shall submit to the Commission a semiannual report, the first one to be submitted six months after the date of enactment of this Act, which shall include (1) a detailed survey of actions by the signatories of the Final Act reflecting compliance with or violation of the provisions of the Final Act, and (2) a listing and description of present or planned programs and activities of the appropriate agencies of the executive branch and private organizations aimed at taking advantage of the provisions of the Final Act to expand East-West economic cooperation and to promote a greater interchange of people and ideas between East and West.

On page 4, line 1, strike "5." and insert "6.";

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is established the Commission on Security and Cooperation in Europe (hereafter in this Act referred to as the "Commission").

Sec. 2. The Commission is authorized and directed to monitor the acts of the signatories which reflect compliance with *or violation of* the articles of the Final Act of the Conference on Security and Cooperation in Europe, with particular regard to the provisions relating to Cooperation in Humanitarian Fields. The Commission is further authorized and directed to monitor and encourage the development of programs and activities of the United States Government and private organizations with a view toward taking advantage of the provisions of the Final Act to expand East-West economic cooperation and a greater interchange of people and ideas between East and West.

Sec. 3. The Commission shall be composed of eleven members as follows:

(1) Four Members of the House of Representatives appointed by the Speaker of the House of Representatives. Two members shall be selected from the majority party and two shall be selected, after consultation with the minority leader of the House, from the minority party. The Speaker shall designate one of the House members as chairman.

(2) Four Members of the Senate appointed by the President of the Senate. Two members shall be selected from the majority party and two shall be selected, after consultation with the minority leader of the Senate, from the minority party.

(3) One member of the Department of State appointed by the President of the United States.

(4) One member of the Defense Department appointed by the President of the United States.

(5) One member of the Commerce Department appointed by the President of the United States.

Sec. 4. In carrying out this Act, the Commission may require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Subpenas may be issued over the signature of the Chairman of the Commission or any member designated by him, and may be served by any person designated by the Chairman of such member. The Chairman of the Commission, or any member designated by him, may administer oaths to any witness.

Sec. 5. In order to assist the Commission in carrying out its duties, the President shall submit to the Commission a semiannual report, the first one to be submitted six months after the date of enactment of this Act, which shall include (1) a detailed survey of actions by the signatories of the Final Act reflecting compliance with or violation of the provisions of the Final Act, and (2) a listing and description of present or planned programs and activities of the appropriate agencies of the executive branch and private organizations aimed at taking advantage of the provisions of the Final Act to expand East-West economic cooperation and to promote a greater interchange of people and ideas between East and West.

Sec. 6. The Commission is authorized and directed to report to the House of Representatives and the Senate with respect to the matters covered by this Act on a periodic basis, and to provide information to Members of the House and Senate as requested.

Mr. HUMPHREY. Mr. President, the sponsor of the bill had to be at a committee meeting temporarily, so I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that Eugene Iwanciw of my staff be accorded the privilege of the floor during the course of the debate on this matter, including the votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, we are going to take action on Senate bill S. 2679, to establish a Commission on Security and Cooperation in Europe.

This proposed legislation, which is of very significant importance, is the handiwork of the distinguished Senator from New Jersey (Mr. Case). It fits in very properly with the action that we have just taken on Senate Resolution 406, which relates to the relationships of the United States to the Soviet Union and other countries in the cause of international peace and security.

The Soviet Union proposed a European security conference in 1954, and periodically repeated its request in subsequent years. In line with the progress made in the first SALT talks, the 1971 Berlin Four Power Agreement, and the Soviet agreement to negotiate mutual and balanced force reductions in Europe—MBFR—the

United States agreed to the Soviet proposal for a conference on security, and initial preparatory talks began in November 1972. In addition to the Soviet request for discussions on European frontiers and on economic and technological cooperation, the United States and its NATO allies insisted that the conference also address itself to human rights and humanitarian questions. The Soviet Union reluctantly acquiesced.

The conference met in Helsinki in July 1973, to formulate and approve an agenda, resumed in September 1973, and continued in session in Geneva for nearly 2 years. It concluded on August 1, 1975, with the signing of the declaration at a summit meeting in Helsinki. The 35 participants included all the European states, both Communist—except Albania—and non-Communist, the United States and Canada. Several nonparticipating Mediterranean states—Algeria, Egypt, Israel, Morocco, Syria, and Tunisia—were permitted to make statements. The nine members of the European economic community signed the declaration individually and as a unit.

The Helsinki declaration comprises four main parts, the first three of which have been popularly labeled "baskets:" the first, on security in Europe, includes the declaration of principles guiding relations between participating States and the document on confidence building measures; the second deals with cooperation in the fields of economics, science, technology, and the environment, and the third deals with cooperation in humanitarian and other areas. The fourth part concerns followup to the conference, and possible steps to encourage compliance with its principles and undertakings.

Basket three has four separate sections: human contacts, information, cultural cooperation, and educational cooperation. The first pertains most directly to governmental policies governing the States' own citizens. Its provisions are, therefore, more relevant to rights than are the other sections, which largely concern exchange of privileges or benefits among the participating States.

Other parts of the declaration deal with steps to execute certain principles and confidence-building measures—Basket 1; economic and scientific cooperation—Basket 2; security and cooperation in the Mediterranean—interposed between Baskets 2 and 3.

These are followed by a summary of the "followup" provisions and, in conclusion, by some reflections on the document's prospects and a discussion of possible steps on the intergovernmental, governmental, and nongovernmental levels to encourage compliance with its principles and undertakings.

On November 17, 1975, Senator CASE introduced S. 2679 providing for the creation of a Commission on Security and Cooperation in Europe designed to monitor the acts of the signatories to the conference on security and cooperation. This was just after the Soviet Union refused to let one of its most distinguished citizens, Andrei Sakharov, travel to Oslo, Norway, to receive his Nobel Peace Prize in person.

The bill would establish an 11-member commission, including members of the congressional and executive branches of Government. The proposed Commission on Security and Cooperation in Europe will show that we are just as concerned about the human rights aspects of the Helsinki agreement as the military and trade sections.

On April 13, 1976, the Foreign Relations Committee met in open session and voted, by voice vote without dissent, to report the bill favorably with an amendment by Senator PELL. The Pell amendment gives the commission the added task of monitoring and encouraging programs of the U.S. Government and private organizations relating to the provisions of the final act on expanding East-West economic cooperation and the interchange of people and ideas between East and West.

The committee agreed to another part of Senator PELL's proposal that the President be requested to submit a semiannual report to the commission providing information on actions reflecting compliance with or violation of the provisions of the final act, and giving a description of present or planned programs of the U.S. Government and private organizations aimed at taking advantage of the provisions of the final act or agreement.

Senator PELL's amendment was designed to help insure that the commission will play a more central role in the carrying out of the Helsinki final act, particularly those aspects of it relating to cooperation in humanitarian fields. In agreeing to this amendment to S. 2679, the committee emphasizes that the reference to East-West economic cooperation is in no way intended to offset the implementation of the provisions of the Trade Act of 1975 relating to freedom of emigration.

Mr. President, the Helsinki agreement, that was argued here yesterday is a statement of principle. The purpose of this Commission is to see whether or not the signatories to that agreement live up to those principles and to give an accounting on a continuing and regularized basis to Congress and the people of the United States, since we are one of the signatories.

In the committee report, which I have in hand, let me quote that section that is noted as "Purpose":

> The purpose of S. 2679 is to establish a Commission on Security and Cooperation in Europe to monitor the acts of the signatories of the Final Act of the Conference on Security and Cooperation in Europe with particular regard to the provisions relating to Cooperation in Humanitarian Fields. The Commission is also to encourage the development of programs to expand East-West economic cooperation and cultural interchange.

I note that, in the views as expressed herein by the administration, the administration says in its response to the committee that—

> . . . we share the interest of the sponsors of these bills in effective monitoring of CSCE implementation, . . .

Then they go on to say that, while the administration does not support all of its provisions, it recognizes the importance of the monitoring field or the monitoring activity.

The bill, I think, is a proper addition to what action we have taken thus far.

Mr. ALLEN. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. ALLEN. I am wondering if the Senator has considered the fact that the function of this Commission could well be an executive function as distinguished from mere congressional oversight and congressional action. I am wondering, based on the precedent of the case of the distinguished Senator from New York (Mr. BUCKLEY) in Buckley against Valeo, when we found as to a commission performing executive functions and consisting of a majority of the members appointed by Congress, that a commission could not perform executive acts. I am wondering as to monitoring and encouraging the development of programs and activities of the U.S. Government and private organizations, with a view toward taking advantage of the provisions of the final act to expand East-West economic cooperation and a greater interchange of people and ideas between East and West, if that would not be an executive function as distinguished from a mere congressional function.

Mr. HUMPHREY. It is my judgment that it would not violate the court ruling that came in the case to which the Senator referred on the Federal Election Commission. The Federal Election Commission had administrative functions that it was performing, and it was not in a sense monitoring; but the Federal Election Commission also had powers and authority for penalties and all that went with any violation of law.

But I think that the Senator from New York, who has had an interest in this matter, might want to make an observation because he was one of the litigants in the case to which the Senator from Alabama has referred.

I yield to the Senator from New York for a comment.

Mr. BUCKLEY. I thank my friend from Minnesota. I believe his comments are exactly on target, and I also cite that there is precedent for a commission of this sort in the National Commission on Water Quality that has recently completed its work. It was established with membership from both the House of Representatives and the Senate, appointed by the respective officials of the two bodies, plus public members appointed by the President. Vice President ROCKEFELLER served as Chairman of this Commission. Its function was to study, draw conclusions, and make recommendations. But it had no power. It had no authority. I believe that under these circumstances the Commission that is envisaged in this legislation will not run counter to the findings of the Supreme Court.

Mr. ALLEN. I appreciate the comment of the distinguished Senator from New York. I am not persuaded, however, and certainly do not care to make any point. If the sponsors are willing to take that risk, it is certainly all right with me.

Mr. CASE. Mr. President, the explanations that have been given by our subcommittee chairman, the Senator from

Minnesota, are very complete and really require no further embellishment. The point that the Senator from Alabama brought out and the explanation of the issue raised by the Senator from New York further amplifies, I think, and makes completely clear the purpose of this particular mechanism that we propose to create.

Mr. ALLEN. I inquire as to the precedent cited, if that is a precedent of the Supreme Court, or whether that is a mere precedent of a previous congressional enactment, which was not tested in the courts? Could I have an answer to that question?

Mr. CASE. I am glad to yield to the Senator from New York if he has a specific answer. I do not know whether the Water Quality Commission mechanism has been before the court on that issue or not.

Mr. BUCKLEY. It has not been litigated.

The Senator from Alabama is entirely correct. It is a precedent within this body and not a legal precedent.

Mr. HUMPHREY. I also add for the legislative history that the so-called Hoover Commission, the Commission on the Reorganization of the Executive Branch of the Federal Government, which consisted of Members of Congress, members of the executive branch, as well as the public, I do not believe has been tested in the courts, but it is precedent.

Mr. ALLEN. I suggest the precedent cited by the distinguished Senator from New York, followed then by the action of Congress in setting up the Federal Election Commission, did perform an executive function that has merely been continuing in the same old rut which was stricken down by the Supreme Court and will probably have the same action taken with respect to it as to the Water Quality Commission if it were tested in court.

Mr. CASE. Mr. President, I do not care to delay action which I understand is virtually, if not entirely, already foreshadowed on this in a favorable light.

In a variety of ways over the years, Congress has shown its concern for the protection of human rights. Aid to countries stricken by drought or other disaster and foreign aid bill amendments to curtail aid to governments allegedly engaging in brutality against their own citizens are just some of the ways Congress has demonstrated its feelings that the well-being and rights of individual human beings must be considered in shaping foreign policy.

The bill establishing a special commission to monitor compliance with the 1973 Helsinki accords is another expression of the legitimate concern with the fate of human beings around the world.

The proposed 11-member Commission would focus on the human rights aspects—including reunification of families—of the final act of the Conference on Security and Cooperation in Europe, which was signed on August 1, 1975, by 35 nations, including those of Eastern and Western Europe, the United States, and Canada.

The conferences leading to the final agreement were a result of efforts by the Soviet Union, dating back to 1954, to hold a European Security Conference.

As part of the give and take of the negotiating process, the final agreement signed in Helsinki contained provisions—commonly known as Basket Three—dealing with cooperation in humanitarian and other fields.

This section was agreed to by the Soviet Union and other members of the Warsaw Pact, as well as the western nations.

There are other important sections of the Helsinki accords, and these too deserve scrutiny.

But to many of us, the Basket Three affecting human rights is the most important part, for relations between nations depend not only upon military balances and economic muscles but also on the way they treat people.

We are all too familiar with the heartrending accounts of families separated by the Iron Curtain, of refugees being unable even to meet openly with their aging parents who still live in Warsaw Pact countries.

Thus I believe it is important that we do not let the Helsinki Pact's Basket Three become just another scrap of paper to be discarded by governments at their convenience. We should take a close look at how the signatory nations abide by such pledges as the following one in the Helsinki accord:

> The participating States will deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family, with special attention being given to requests of an urgent character—such as requests submitted by persons who are ill or old.

The proposed Commission, consisting of four Members from each House of Congress and three from the executive branch, will provide a good way of analyzing and reporting the compliance with the Helsinki Pact.

The measure, originally introduced in the House of Representatives last year by Congresswoman Millicent Fenwick will help Congress as well as the executive branch gather information on whether the nations which signed the Helsinki accord actually live up to their pledges. The State Department and Defense Department undoubtedly will keep track of any violations in their traditional areas of interest. However, Congress should have the machinery to gather data in the area of human rights which all too often appears to be of only secondary concern to the executive branch.

In the bill (S. 2679) I introduced in the Senate and Senator Claiborne Pell amended before it was approved by the Senate Foreign Relations Committee on April 13, the President shall submit semiannual reports to the Commission on actions by the signatory nations reflecting compliance or violation with the provisions of the Helsinki accord.

These reports, plus information gathered from other sources by the Commission, will help us obtain a more complete picture of the degree of compliance with the Helsinki accord, especially in terms affecting the citizens of signatory nations.

It is important to have such information as we proceed in our relations with other countries of Europe, especially those of Eastern Europe. Foreign policy and foreign relations should also take into account human relations.

By approving the Commission, we will make clear our continuing concern about human right.

About 8 months have passed since the completion of the Helsinki Conference on Security and Cooperation in Europe. Only preliminary research on the outcome of that Conference and the implementation of the provisions of the Conference, especially the provisions relating to humanitarian issues, is available. One research paper, prepared initially at the request of the Atlantic Treaty Association in Brussels and since revised gives important clues about what might be expected in the future on implementation of the Conference provisions.

I ask unanimous consent that this research paper be printed in the Record. Its message is clearly stated. It suggests as a best course for the West—

> To nudge the Soviet Union in certain directions by firmly and persistently reminding Moscow both publicly and privately of the commitments it has undertaken in signing the Helsinki document. This is likely to be a difficult and wearisome process, one that calls for patience, firmness, and an ability to accept a good deal of frustration.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CASE. It seems to me that continuity is most important in carrying forward such a task and that a commission to monitor the Helsinki Conference is the best institutional route to follow.

The Helsinki declaration contains a number of provisions relating to humanitarian issues. Because of the length of the entire conference document, those specific provisions on humanitarian issues have been excerpted for the benefit of Members concerned with the matter.

I ask unanimous consent that these excerpts be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. CASE. I add that in addition to the Members of the Senate whose names appear on the bill, as it is at the desk, there were several others who asked to be joined as cosponsors. One of them is Senator Pell and another is Senator Javits and if I have missed anyone else around. Mr. Humphrey. Me—Mr. Case. Senator Humphrey, indeed. Senator Humphrey is so ubiquitous in this matter that we always assume he is a member. Let his name appear first before all the rest at that particular point.

Mr. President, I ask unanimous consent that these Senators be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. I do believe that I have no further remarks to make at this time.

EXHIBIT 1

SOVIET ATTITUDES AND POLICY TOWARDS "BASKET THREE" SINCE HELSINKI*

(By F. Stephen Larrabee, March 15, 1976)

INTRODUCTION

On August 1, 1975, the Conference on Security and Co-operation in Europe (CSCE), which opened in Helsinki on July 3, 1973, and continued in Geneva from September 18, 1973, to July 21, 1975, ended in Helsinki. Attended by representatives of thirty-five states from Europe and North America, the conference marked an unprecedented effort to expand areas of East-West détente and cooperation. The principal document to emerge from the conference was the Final Act, which contains three major sections:

1. Questions relating to Security in Europe, including the Declaration on Principles Guiding Relations between Participating States (Basket One);
2. Co-operation in the Field of Economics, of Science and Technology, and of the Environment (Basket Two);
3. Co-operation in Humanitarian and Other Fields (Basket Three).

While all the sections of the Final Act are of equal importance, the third section (Basket Three) was by far the most controversial and the most difficult on which to achieve agreement. Its inclusion in the Final Act was the result of hard, intensive bargaining on the part of the West and underscored the West's belief that détente, if it is to be meaningful, cannot simply be limited to an improvement in interstate relations but must bring improvements in the lives of the individual citizens in both parts of Europe and contribute to "a freer flow of people, information, and ideas." Yet, however successful the West may have been in ensuring that humanitarian aspects be made an integral part of the Final Act, history will judge the conference, as U.S. President Gerald Ford rightly stressed in his address to the Helsinki summit, "not by the promises we make, but by the promises we keep"—by the extent to which the noble sentiments expressed in the Final Act, particularly those in Basket Three, are implemented in practice.

More than six months have passed since the conclusion of the Security Conference and the signing of the Final Act. While this is too short a period of time to make any definitive judgment about the success or failure of the conference, one may nonetheless legitimately raise the question how much progress has been made to date towards the implementation of many of the provisions contained in the Final Act, particularly those contained in Basket Three. To what extent, in other words, has the Soviet Union acted to implement the pledges it signed at Helsinki? The answer to this question is of particular importance because the Soviet Union's willingness to implement these provisions is regarded by many in the West as the acid test of its commitment to genuine East-West détente and one of the key criteria for judging the significance of the conference itself.

The following pages examine Soviet attitudes and policy towards Basket Three since the conclusion of the Helsinki summit; they represent only a tentative appraisal and make no claim to be comprehensive. They do, however, try to deal with many of the central issues that have emerged over the last six months and that are likely to be of importance in the future. At the same time, they are written in recognition that the final verdict must be left to future historians.

BASKET THREE IN THE MULTILATERAL PHASE: SOVIET GOALS AND TACTICS

Before discussing Soviet policy regarding Basket Three since the conclusion of the Security Conference, it may be helpful to review briefly the role played by Basket Three in the multilateral negotiations in Helsinki and Geneva and the positions taken towards it by the Soviet Union and its allies. This may help to put current Soviet policy in a more meaningful perspective and give us a better appreciation of its nuances.

The West and the East entered into the multilateral phase of the Security Conference with different goals and conceptions of what each side hoped to achieve. At the very outset these differences were reflected in disagreements over the content of the conference's agenda. The Soviet Union and its allies sought to limit the agenda to a discussion of a Declaration of Principles governing interstate relations and questions related to co-operation in the fields of economics, science, and technology. Initially they rejected the Western view that the conference had to lead to an opening of borders in Europe—not just to a sanctioning of them—and that for détente to be meaningful it had to contribute to "an increase free flow of people, information and ideas" as well as an expansion of cultural cooperation.[1]

A month after the multilateral phase of the conference began, however, General Secretary of the CPSU Leonid Brezhnev, in a speech on the fiftieth anniversary of the founding of the USSR, signaled the Soviet willingness to discuss questions related to an expansion of cultural contacts and information—but under the condition that this co-operation respected "the sovereignty, laws, and customs of each country" and served "the mutual enrichment of peoples, increased the trust between them and promoted the ideas of peace, freedom, and good-neighborliness."[2] The addition of the latter phrase was important; it served to restrict both the nature and scope of any projected co-operation, and throughout the negotiations over Basket Three the Soviet Union and its allies continually sought to dilute many of the provisions by attaching such qualifying phrases, which, if they had been accepted, would have significantly limited the scope of any free flow of people, information, and ideas. Moscow also sought to inhibit—or at least restrict—a genuine free flow and expansion of cultural contacts by limiting them to official cultural exchanges which, from its point of view, would be easier to control. In general, the Soviet side considered Western attempts to make the provisions of Basket Three as airtight as possible an unwarranted attempt to interfere in its internal affairs—a fact that, as one Western delegate has noted, severely complicated the negotiations and made any type of agreement extremely difficult.[3]

In particular, the Soviet Union and its allies sought to get many of the qualifying clauses inserted in the preamble to Basket Three because this established the general framework for the more specific provisions. By and large, however, the West was successful in avoiding this. While the preamble does commit the participants to pursue certain goals such as a strengthening of peace and the enrichment of the human personality, it states that the expansion of the free flow of people, information, and ideas and a widening of cultural contacts "contribute to the achievement of these goals." In so doing, the preamble makes no distinction between the type of exchanges—i.e., between those that strengthen the cause of peace and those that don't; all serve the general goals set forth in the preamble.[4]

Despite the criticism to which many of the provisions in Basket Three have been subjected in the West, when one compares the initial Soviet position on Basket Three to the final text, it is fair to say that the West was generally successful in defending its conceptions and getting them written into the Final Act. There were several reasons for the *relative* success of the West: (1) the strong united front presented by the West throughout the negotiations, which was due in particular to the co-ordination of Western policy within NATO and the EEC; (2) the support of the neutral countries on many key issues; (3) the fact that the East was the main *demandeur;* it wanted a Final Act in order to exploit it for foreign and domestic purposes, and this gave the West a certain leverage in the negotiations.

The West, of course, did not get everything it wanted; it failed, for instance, to obtain the right to set up reading rooms. On the whole, however, it did reasonably well—better, in fact, than might have been expected. Much of the language in Basket Three and the Final Act is admittedly vague, but this was bound to result from the effort to achieve a consensus. To be sure, the provisions are only declarations of intent and are not legally binding. Nonetheless, they represent a commitment to undertake certain measures that cannot easily be ignored—a fact well-illustrated by the Soviet reaction to the Helsinki agreement over the last six months, to which we now turn.

Soviet Attitudes and Policy Since Helsinki: Continuity and Change

Since the conclusion of the Security Conference, the Soviet Union has placed the primary emphasis on Basket One—the ten-point Declaration of Principles governing relations between participating states—particularly article three, which sanctions the "inviolability" of the postwar European borders, and article six, which prohibits interference in the internal affairs of any state. Article six has been used as a rubric to restrict those aspects of Basket Three that Moscow finds distasteful or threatening to internal stability. At the same time, the Soviet Union has sought to use it as an instrument to criticize certain aspects of Western policy, such as the attempt by the EEC to use economic aid to push Portugal in a more democratic direction, which Moscow charged was "flagrant interference" in the internal Portuguese affairs and thus a violation of the Helsinki Agreement.[5]

Overall there have been two particularly striking features about Soviet policy towards the European Security Conference since the conclusion of the Helsinki summit. The first has been a continuity of Soviet attitudes towards Basket Three with those expressed during the negotiations. The ink was hardly dry on the agreement before the Soviet Union began resurrecting many of the restrictive interpretations of Basket Three that the West had rejected and succeeded in preventing from being included in the Final Act. In his speech to the Helsinki summit, for instance, Soviet Party leader Brezhnev praised the expansion of cultural contacts and improvements in the free flow of people, information, and ideas envisaged in the Final Act. At the same time, however, he noted that these had "to serve the goals of peace and trust" and could not be used "to sow discord among peoples."[6] Moreover, in the official Soviet communique on the results of the Security Conference, signed on August 6 by the Politburo, the Presidium of the Supreme Soviet and the U.S.S.R. Council of Ministers noted that co-operation in humanitarian fields has to be based on "observation of the laws and customs of each country."[7]

Both these statements, it should be noted,

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*This is a revised version of a paper presented to a seminar on "The Helsinki Agreements and their Implementation" sponsored by the Atlantic Treaty Association in Brussels, February 23 to 24, 1976.

Footnotes at end of article.

placed substantial qualifications on the provisions included in Basket Three; they implied that the Soviet Union would oppose any free flow of information, people, and ideas that it felt did not serve the goals of "peace and trust" or that conflicted with its own laws and practices. They thus considerably watered down the intended pledges and, in essence, left the decision as to what aspects of the provisions would be implemented to the discretion of the Soviet Union itself.

In his speech to the Helsinki summit, Brezhnev also stressed that the main conclusion of the conference was that no one should try, on the basis of foreign policy considerations, to "dictate" to other states how to manage their internal affairs. "It is only the people of each given state, and they alone," he emphasized, "who have the sovereign right to decide their internal laws"—a theme that was repeatedly echoed in the Soviet media in the initial weeks after the conference adjourned.[8] What Brezhnev seemed to be saying was that Basket Three could not be used as a club to force changes in Soviet internal laws or practices. Thus, even before the Security Conference had officially ended, Brezhnev had served notice that the differences that had so divided East and West in regard to Basket Three during the course of the negotations had by no means been eliminated and that the Soviet Union intended to implement the provisions contained in Basket Three—but in accordance with its own restricted interpretation of their meaning.

The second—and perhaps even more striking—feature of the Soviet approach to the Helsinki agreement has been the noticeable shift of emphasis and change of tone in Soviet commentary about the conference. Initial Soviet comments were marked by an exuberance and optimism that seemed to reflect a belief that Moscow could exploit the atmosphere of détente created by the conclusion of the conference in order to further its foreign policy goals in Europe. The conference was heralded as "an unprecedented event of international significance" that had laid the basis for a new state of détente.[9] It was seen by Soviet commentators as "a triumph of reason" that had been made possible by the "materialization of détente" and that would contribute to its further expansion. The main emphasis during this initial period—one that has continued into the present period—was on the need to follow up political détente with "miliary détente." From the Soviet point of view the atmosphere at Helsinki was expected to have a favorable effect on the talks at Geneva and Vienna and open up "a new chapter in Europe's history."[10]

In the first several weeks following the conclusion of the Helsinki summit, moreover, the Soviet Union went out of its way to stress that the conference represented a "balance of interests." As Brezhnev noted in his speech to the summit, the conference had been a "common success for all participants"; there has been neither "victors nor vanquished, winners not losers." Rather the conference had been a "victory for reason" in "which everyone" had won. This theme was repeated often in the Soviet press after the conference and seemed aimed at offsetting the impression prevalent in many circles in the West, particularly the United States, that the Soviet Union had been the sole beneficiary of the conference.

By September, however, much of the enthusiasm for Helsinki had become more restrained and was replaced by a new defensive tone as (1) Western leaders such as Harold Wilson and Giscard d'Estaing began to remind Moscow that its commitment to détente would be judged to a large degree by the manner in which it implemented the provisions of Basket Three; and (2) as its own citizens began to cite Moscow's signature on the Helsinki agreement as justification for greater freedoms at home.[11] Increasingly, Moscow began to find itself on the defensive as a result of this dual pressure, and this sensitivity began to be reflected in its media.

The new tone in regard to Helsinki was signaled by an article in *Izvestia*[12] by Georgi Arbatov, Director of the USA Institute and one of the Soviet Union's foremost experts on international affairs. The article calls for elaboration because it sets forth what have since become the main features of the Soviet response to Basket Three. In his article Arbatov makes several important points:

1. Détente does not mean that the Soviet Union has pledged itself to accept the social status quo in the world or halt its support for national liberation struggles—a point amply demonstrated by recent Soviet behavior in Angola.

2. It is wrong for the West to think that the Soviet Union "owes" them anything in return for accepting the present European borders, particularly in regard to the implementation of Basket Three.

3. The Soviet Union has far outstripped the West in terms of concrete fulfillment of the Helsinki agreement.

4. The West is trying to use Helsinki as a wedge to interfere in Soviet internal affairs, even though the Final Act strictly prohibits such attempts.

5. Although Moscow intends to implement the pledges undertaken at Helsinki, this does not mean that it will fling open its doors to "anti-Soviet, subversive propaganda, materials preaching violence or stirring up national and racial strife, and pornography."

6. Détente does not mean that the ideological struggle has ended, but it does necessitate renunciation of "ideological diversions and subversive methods of 'psychological warfare.'"

7. In the light of Watergate, Vietnam, and a host of other well-publicized scandals, what "moral right" do U.S. politicians have to talk about "eternal values of freedom and democracy"; before lecturing others on these values, the U.S. ought to "put its own house in order first."

Arbatov's article marked the beginning of an increasingly vociferous "counter-offensive" aimed at combatting Western criticism of the Soviet position on Basket Three and at demonstrating that the Soviet Union has been more scrupulous in implementing the Helsinki agreement, particularly Basket Three, than the West. Following the line set down by Arbatov, Soviet publicists have stressed that more Western films are shown in the Soviet Union than Soviet films are shown in the West, that the Soviet Union publishes nine times as many books by Western authors as Britain publishes by Soviet authors and four times as many as the US publishes by Soviet authors, that more people study Western languages in the Soviet Union than study Russian in the West.[13] They have also charged that whereas the Soviet Union has published the Helsinki agreement in full in *Pravda* and *Izvestia*,[14] no major Western newspaper has published the full text[15]—a point given particular stress by Brezhnev in his speech to the Seventh Party Congress of the Polish United Workers' Party in Warsaw last December.[16] In fact, Brezhnev's speech to the Congress typified the increasingly defensive tone that has crept into Soviet commentary on Helsinki lately. Besides accusing the West of overemphasizing certain "bits" of the Helsinki agreement, Brezhnev charged that "certain circles in the West" have—"contrary to the spirit of Helsinki"—been conducting a campaign of "misinformation" and "slander" against the Soviet Union and its allies.

Perhaps the most illustrative example of recent Soviet defensiveness on the issue of Basket Three, however, was a hard-hitting article in *Pravda* on February 20, 1976, signed by I. Alexandrov, a pseudonym usually employed to signify high-level Kremlin thinking. The article provided the most complete and authoritative Soviet response to date to mounting Western criticism of Moscow's footdragging in the implementation of Basket Three. Reacting strongly to Western criticism of the Soviet treatment of dissidents—a controversy that had been revitalized by accusations made at a widely publicized press conference in Paris on February 3 held in connection with the arrival of the mathematician Leonid Plyushch in the West—Alexandrov decried the "slanderous assertion" that dissidents are put in special psychiatric hospitals.[17] Soviet medicine, he noted, "guarantees that only the mentally deranged are subject to treatment, but it cannot guarantee that so-called dissidents are not among the mentally deranged." Furthermore, Alexandrov continued, as far as emigration is concerned, there has been a decline in the number of persons, especially Jews, leaving the Soviet Union; but this is due, he said, to a decline in the number of persons wishing to leave the Soviet Union and not to any restrictions imposed by the Soviet state. These "facts," he claimed, are "a convincing reply to all who hypocritically accuse the Soviet Union of failing to implement the third section of the Final Act of the Helsinki Agreement." The Soviet Union, Alexandrov stressed, "carefully observes all clauses of the Final Act," and accusations against it are "nothing but an attempt on the part of certain elements to camouflage their own numerous and crude violations of the accords reached in Helsinki."

The award of the Nobel Peace Prize to dissident scientist Andrei Sakharov appears to have been one of the major developments that prompted the Soviet authorities to step up this counter-offensive. The award was clearly an embarrassment to the Soviet leadership and put them in a difficult position in regard to allowing Sakharov to attend the award ceremony in Oslo since they could hardly grant a visa to Leonard Kantorovich, another Soviet scientist who had been awarded the prize and at the same time refuse a visa to Sakharov without calling attention to their own empty claims about the implementation of Basket Three. The final decision to refuse Sakharov a visa was justified on the grounds that he was privy to "state secrets" and that the refusal was for this reason entirely "in keeping with Soviet legislation." However true this may have been, few persons in the West could fail to recognize that it was a hollow excuse and an open admission of political weakness—one, moreover, that directly violated both the letter and the spirit of the Helsinki agreement.

One of the main elements of the Soviet counter-offensive in recent months has been an increasing emphasis on the fact that détente does not mean an end to the ideological struggle—a point that Brezhnev sought to make particularly clear during Giscard d'Estaing's trip to Moscow in October by openly rejecting the French President's call for "ideological détente." Whatever the state of Brezhnev's health at the time, it was clear from his response that French-Soviet relations had already caught a chill even before Brezhnev canceled his appointment with Giscard.

Another element of the Soviet counter-offensive that has taken on greater prominence lately has been the attacks made against the Western news media. While Radio Liberty and Radio Free Europe have been the main targets,[18] the Deutsche Welle and the BBC have also been subject to sharp criticism. In the case of RL and RFE, the aim has been to exploit the current antipathy towards the CIA—which has resulted from recent revelations of the agency's misdeeds—in order to

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Footnotes at end of article.

discredit the radios, even though they are funded through appropriations from the US Congress. The recent, successful Soviet attempt to obtain the revocation of RFE's accreditation to the Winter Olympics in Innsbruck is indicative of this stepped-up campaign. As Secretary of State Henry Kissinger has emphasized, the revocation is a clear violation of the Helsinki agreement.[19] It also should be noted that the action establishes an ominous precedent.

Recent Changes in Soviet Internal Laws and Practices

Having outlined Soviet attitudes towards Basket Three and their evolution, let us return to the initial question posed at the outset of this paper: to what extent has the Soviet Union taken steps to implement the provisions contained in Basket Three? What concrete changes have occurred in Soviet practice as a result of Helsinki?

In the initial months following the conclusion of the conference, there was little evidence that the Soviet Union had begun to change any of its policies or practices in order to facilitate "a freer flow of people, information, and ideas" or expand cultural contacts, nor that it intended to do so. Indeed, just the opposite seemed true, as the decision to refuse Sakharov a visa to attend the Nobel Prize ceremony in Oslo illustrated. Moreover, Moscow reiterated on numerous occasions that it would implement the provisions of Basket Three only if they did not conflict with Soviet laws and customs and warned the West that Basket Three could not be used "to interfere" in Soviet internal affairs. In fact, Moscow's constant emphasis on the fact that the declaration of principles in the Final Act strictly prohibited outside interference in the internal affairs of other states seemed designed to disguise its own footdragging in regard to implementing many of the provisions.

In the last several months, however, Moscow has undertaken a number of measures aimed at demonstrating that it intends to comply:

Newspapers. On January 21 TASS declared that eighteen Western newspapers, among them *The New York Times, Frankfurter Allgemeine Zeitung,* and *Corriere della Sera* would go on sale in the Soviet Union some time in 1976; these, TASS stressed, were in addition to newspapers such as *Le Monde, The Times,* and *Neue Zuricher Zeitung,* which were already on sale in the Soviet Union. However, it should be noted that the latter papers are only available in small numbers—in the case of *Le Monde,* for instance, the number of copies available is about forty—and then only in tourist hotels where they are not on open display but hidden under the counter. Whether this will continue to be the practice with the eighteen other newspapers was not indicated by TASS, but past Soviet practice gives little encouragement in this regard. Nor does the fact that the TASS announcement was not printed in the Soviet papers.

Journalists. Helsinki has brought some moderate improvements in the working conditions for foreign journalists who represent a number of Western countries, including the United States and France. They have been granted multiple entry visas, allowing them to travel in and out of the Soviet Union more freely; also, as of March 1, Western journalists will no longer have to apply for a special permit if they wish to visit an area outside the restricted forty-kilometer limit. As is presently the case with diplomats, they will simply be required to give notice of their travel plans twenty-four to forty-eight hours in advance, specifying the reasons for their journey, their destination and exact route, their proposed means of transportation and any expected stopovers or breaks. However, since the state holds a monopoly on most facilities, the authorities can still prevent visitors from traveling to certain places, by exploiting technicalities such as lack of accommodations or unavailability of required means of transportation. On the whole, it would seem that openness in, and accessibility to news remains as difficult as before.

Exit Permits. Recently the Soviet Union has indicated a relaxation on its part in some of the rules and regulations related to emigration. According to Western sources, some of the measures taken so far have included:

1. reduction of the fee for obtaining an exit permit from 400 rubles ($540) to 300 rubles ($405).

2. relaxation of the requirement for a character reference from the applicant's supervisor and Party secretary at his place of work. This document was often difficult to obtain because applicants may have been dismissed from their jobs or hostile officials were unwilling to issue the document.

3. provision for review of cases every six months instead of ever year.

4. provision for appealing refusals within the state visa system.

There have also been unconfirmed reports that much of the paper work required for visas will be simplified and that the "knowledge of secrets act" which has blocked the emigration of many Jewish scientists to date, may be made more flexible.[20] However, the above-mentioned changes do not affect the 500 rubles ($675) fee charged for renunciation of Soviet citizenship by persons emigrating. Moreover, to date there has been little indication that more visas will be issued in general.[21]

The Soviet Union has also shown a greater willingness to allow a number of prominent dissidents such as Alexander Lunts, Leonid Plyushch, and Ernest Neizvestny to emigrate; this move seems to have been co-ordinated with the recent changes in emigration rules in an effort to give the appearance of complying with the Helsinki agreement. However, a number of other prominent émigrés—such as Benjamin Levich, the highest-ranking Soviet scientist ever to apply for an emigration visa, and Andrei Amalrik, author of the controversial essay *Will the U.S.S.R. Survive Until 1984?*—have been refused visas.

In addition to prominent dissidents who have been allowed to leave, there have been some Soviet citizens who have at first been refused visas and then later granted them. For instance, Helena Bonner, Sakharov's wife, was allowed to go to Italy after initially being refused a visa. Alexander Sokolov, a journalist who married an Austrian girl while she was studying in Moscow was finally allowed to leave after his case received a great deal of publicity in the West and after the personal intervention of Austrian Chancellor Bruno Kreisky. The wife of Boris Spassky, the Soviet chess champion, was also granted a visa after originally being turned down on a technicality. However, these are individual cases and can by no means be considered the general norm. But in each instance the persons involved were either well known or their cases had attracted considerable attention in the West, which testifies to the importance of Western public opinion and pressure in ensuring Soviet implementation of Basket Three.

It should also be noted that while the Soviet Union has begun to implement certain aspects of Basket Three in token compliance with the Helsinki agreement, it has also taken other steps that appear aimed, at least in part, at inhibiting emigration and making life more difficult for dissidents. One of the most notable of these was the introduction last November of a regulation regarding the receipt of money and gift remittances from abroad. Under the new regulations, which went into effect on December 22, 1975, it is no longer possible for benefactors abroad to transmit hard currency to Soviet citizens. (Up until December 22 Soviet citizens had been able to receive such remittances in the form of hard currency certificates redeemable in special *Vneshposyltorg* stores [22] accessible only to restricted clientele such as diplomats and high Party officials.) It will also no longer be possible for foreign benefactors to give Soviet citizens prepaid gifts of Soviet cars and appliances, etc. through such remittances. Instead, gifts of money will have to be received by Soviet citizens in rubles from the state bank of foreign trade at the official exchange rate. The Soviet Union has also introduced a new currency regulation that adds a thirty percent tax on foreign currency coming into the Soviet Union.

Those who will be hit hardest by the new rules are the dissidents and persons who have applied to emigrate; such people often find themselves fired from their jobs and are dependent upon gifts and donations from abroad in order to survive. The overall effect of these new measures will be to discourage people from applying for visas to emigrate and to make life more uncomfortable for them if they do apply.

HELSINKI AND BEYOND

Looking back over the last six months since the adjournment of the European Security Conference, it is hard to escape the conclusion regarding Soviet implementation of Basket Three, that the "harvest," as *The Economist* (January 31, 1976) aptly put it, is pretty meager. Despite a constant reiteration that it intends to implement the provisions of Basket Three, the Soviet Union has made very few genuine efforts to take steps towards this end. Moreover, in its public statements it has justified its testudinate approach by reviving a number of qualifying restrictions that the West had, through persistence and firmness, succeeded in eliminating from the Final Act. The overall effect of the resurrection of these restrictions has been to make the Helsinki document subordinate to Soviet laws and customs rather than to make Soviet practice or behavior conform to the standards set down in the Final Act itself.

Despite Soviet footdragging and evasion, however, some changes have occurred. They have come slowly and grudgingly, and by Western standards they have been far too few and limited; but they have nonetheless occurred. Moreover, it is clear from the increasingly defensive reaction of the Soviet Union in recent months that the Soviet leadership is under considerable pressure at least to give the appearance of carrying out the provisions of Basket Three. In other words, the leaders of the USSR clearly recognize that they cannot ignore the issue even if they cannot afford to go about fully implementing the provisions. Thus, at the very least, Helsinki has forced the Soviet Union to confront the problem of human rights more directly than heretofore, and the West has succeeded in ensuring that the question of human rights remains an integral part of the process of a relaxation in East-West tensions, even if all the provisions related to it have yet to be implemented.

For many in the East as well as the West, this may be small consolation. Their answer is likely to be that results—not tokenism—are what matter and that by this standard the Soviet Union is found culpable. Yet it would be wrong, as one of the Western delegates recently pointed out, to judge the results of the Helsinki conference by Western standards, however dedicated one may be to these and however dearly one believes in their universality.[23] The final Act was achieved by a consensus; this inevitably involved compromises and the inclusion of language so vague that it literally invites evasion. But the West, nevertheless, did succeed in wresting from the Soviet Union a com-

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Footnotes at end of article.

mitment to respect certain norms that it can no longer easily disregard and that, even if implemented, only promise a partial improvement in the lives of the individual Soviet citizen.

The implementation of many of the provisions of Basket Three obviously poses many serious and objective problems for the Soviet leadership. It is unrealistic to expect the Soviet Union to implement many of these provisions overnight or even in six months. To do so would entail a major transformation of the Soviet system—an event that, however desirable it might be to many in the West, is unlikely to occur in the near future. Given the present nature of the Soviet system—the excessive centralization, the commitment of the present elite to an outmoded ideology increasingly at variance with the demands of a more interdependent international system, and the elite's fear of any change that would endanger or diminish its power—progress towards achieving a greater liberalization of Soviet society along the lines envisaged in the Helsinki document is bound to be slow and arduous. Change, if and when it comes, is most likely to be the result of a gradual process, a process of *kleine Schritte* (small steps), to use a phrase common in West German political circles some years ago. It is likely to come about, moreover, as a product of essentially internal processes, processes that the West can to some degree influence but can neither create nor control. The best it can do is to use Helsinki to nudge the Soviet Union in certain directions by firmly and persistently reminding Moscow both publicly and privately of the commitments it has undertaken in signing the Helsinki document.

This is likely to be a difficult and wearisome process, one that calls for patience, firmness, and an ability to accept a good deal of frustration. It is bound to be met with resistence and marred by occasional setbacks. But in the long run such a policy may meet with greater success than an all-or-nothing approach that seeks major changes immediately. To what degree the issue of human rights should be linked to other issues is a question to which there is no clear-cut answer; it will depend on the individual circumstances in each specific case. However, as a general principle—as Marshall Shulman has suggested—"the effective combination of private and group pressure with a formal government position of noninterference in Soviet internal affairs might have long-run advantages over an explicit and frontal government-sponsored challenge." [24]

While recognizing that to the extent changes envisaged in Basket Three of the Final Act occur, they are likely to come about as a result of a gradual process of small steps, it is vitally important for the West to continually demonstrate an unshakable commitment to the principle that improvements in the individual citizen's lot is a fundamental element of détente. A weakening of the West's commitment would not only imperil the long-range chances for the realization of human rights in the East, but could contribute to their erosion in the West. As Leo Labedz has rightly pointed out:

"If it does not defend its cultural values, if it fails to stand firm on the question of cultural freedom in general, the West will not only throw away the chance of the eventual evolution of the Communist régimes toward more civilised cultural standards, but will also gravely jeopardise the chances of these standards in the West." [25]

The leaders in the West ought to bear this steadily in mind as they look at Helsinki and beyond.

FOOTNOTES

[1] For a good discussion of the Soviet position on Basket Three during the negotiations, see Gerhard Henze, "Neue Aufgaben der Entspannungspolitik," *Europa Archiv*, 18/1975, pp. 567–577. The author was a member of the West German delegation to the Security Conference in Geneva.

[2] *Pravda*, December 22, 1972.

[3] Henze, *op. cit.*, p. 571.

[4] *Ibid.*, p. 573.

[5] *TASS*, in Russian, August 9, 1975; *Pravda*, August 8; August 10; and August 27, 1975.

[6] *Pravda*, August 1, 1975.

[7] *Pravda*, August 7, 1975.

[8] See, in particular, the *Pravda* editorial of August 3, 1975.

[9] *Pravda*, August 8, 1975. See also Brezhnev's speech to the summit which stressed the "historic significance" of the conference, (*Pravda*, August 1, 1975).

[10] *Izvestia*, August 5, 1975.

[11] In the last six months Radio Liberty's *Arkhiv Samizdata* has received more than fifty documents that refer to the Helsinki agreement and call on the Soviet government to implement the provisions contained in Basket Three. See also Peter Osnos in the *International Herald Tribune*, October 8, 1975, on Moscow's internal problems with the Helsinki agreement.

[12] September 3, 1975. An abridged version of the article was published in the *New York Times* on October 8, 1975.

[13] *Satsialisticheskaya industriya*, December 5, 1975.

[14] The full text of the Helsinki agreement was published in *Pravada* and *Izvestia* on August 2, 1975.

[15] *Izvestia*, August 16, 1975; *Radio Moscow*, in English to North America, November 5, 1975, 23:00 GMT.

[16] *Pravda*, December 10, 1975.

[17] For the text of Plyushch's press conference, see *Le Monde*, February 4, 1976.

[18] See in particular *Pravda*, January 15, January 30, and February 2, 1976; also, *Izvestia*, February 3, 1976.

[19] In a cable sent to Julian K. Roosevelt, the US member of the International Olympic Committee. See Henry Bradsher, *The Washington Star*, February 14, 1976.

[20] *The New York Times*, January 21, 1976.

[21] In 1974, for instance, 84,637 American tourists visited the USSR while 11,037 Soviet citizens visited the US (*Turist*, No. 10, 1975, p. 29). Most of the Soviet visitors to the US are believed to have been on official business as diplomats, commercial representatives, and exchange students (see RL 73/76, "Foreign Travel by Soviet Citizens," February 6, 1976).

[22] *Vneshposyltorg* is an agency of the Ministry of Foreign Trade that operates a network of hard currency and "certificate ruble" stores in which Soviet citizens holding "certificate rubles" may buy imported and other scarce goods at advantageous prices.

[23] Henze, *op. cit.*, p. 576.

[24] Marshall D. Shulman, "Toward a Western Philosophy of Coexistence," *Foreign Affairs*, October 1973, p. 56.

[25] See his excellent essay, "Shadow Over Helsinki," *Encounter*, June 1973, p. 88.

Exhibit 2

Excerpts From Helsinki Declaration: "Declaration of Principles Guiding Relations Between Participating States"

VII. Respect for human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief—

The participating States will respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion.

They will promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights and freedoms all of which derive from the inherent dignity of the human person and are essential for his free and full development.

Within this framework the participating States will recognize and respect the freedom of the individual to profess and practise, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience.

The participating States on whose territory national minorities exist will respect the right of persons belonging to such minorities to equality before the law, will afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms and will, in this manner, protect their legitimate interests in this sphere.

The participating States recognize the universal significance of human rights and fundamental freedoms, respect for which is an essential factor for the peace, justice and well-being necessary to ensure the development of friendly relations and co-operation among themselves as among all States.

They will constantly respect these rights, and freedoms in their mutual relations and will endeavour jointly and separately, including in co-operation with the United Nations, to promote universal and effective respect for them.

They confirm the right of the individual to know and act upon his rights and duties in this field.

In the field of human rights and fundamental freedoms, the participating States will act in conformity with the purposes and principles of the Charter of the United Nations and with the Universal Declaration of Human Rights. They will also fulfil their obligations as set forth in the international declarations and agreements in this field, including inter alia the International Convenants on Human Rights, by which they may be bound.

Cooperation in Humanitarian and Other Fields (Basket 3)

SECTION 1—"HUMAN CONTACTS"

Co-operation in Humanitarian and other fields

The participating States

Desiring to contribute to the strengthening of peace and understanding among peoples and to the spiritual enrichment of the human personality without distinction as to race, sex, language or religion.

Conscious that increased cultural and educational exchanges, broader dissemination of information, contacts between people, and the solution of humanitarian problems will contribute to the attainment of these aims,

Determined therefore to co-operate among themselves, irrespective of their political, economic and social systems, in order to create better conditions in the above fields, to develop and strengthen existing forms of co-operation and to work out new ways and means appropriate to these aims,

Convinced that this co-operation should take place in full respect for the principles guiding relations among participating States as set forth in the relevant document,

Have adopted the following:

1. Human contacts

The participating States

Considering the development of contacts to be an important element in the strengthening of friendly relations and trust among peoples,

Affirming, in relation to their present effort to improve conditions in this area, the importance they attach to humanitarian considerations,

Desiring in this spirit to develop, with the continuance of détente, further efforts to achieve continuing progress in this field,

And conscious that the question relevant hereto must be settled by the States concerned under mutually acceptable conditions,

Make it their aim to facilitate freer movement and contacts, individually and collectively, whether privately or officially, among persons, institutions and organizations of the participating States, and to contribute to the solution of the humanitarian problems that arise in that connexion.

Declare their readiness to these ends to take measures which they consider appropriate and to conclude agreements or arrangements among themselves, as may be needed, and

Express their intention now to proceed to the implementation of the following:

(a) Contacts and Regular Meetings on the Basis of Family Ties—

In order to promote further development of contacts on the basis of family ties the participating States will favourably consider applications for travel with the purpose of allowing persons to enter or leave their territory temporarily, and on a regular basis if desired, in order to visit members of their families.

Applications for temporary visits to meet members of their families will be dealt with without distinction as to the country of origin or destination: existing requirements for travel documents and visas will be applied in this spirit. The preparation and issue of such documents and visas will be effected within reasonable time limits: cases of urgent necessity—such as serious illness or death—will be given priority treatment. They will take such steps as may be necessary to ensure that the fees for official travel documents and visas are acceptable.

They confirm that the presentation of an application concerning contacts on the basis of family ties will not modify the rights and obligations of the applicant or of members of his family.

(b) Reunification of Families—

The participating States will deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family, with special attention being given to requests of an urgent character—such as requests submitted by persons who are ill or old.

They will deal with applications in this field as expeditiously as possible.

They will lower where necessary the fees charged in connexion with these applications to ensure that they are at a moderate level.

Applications for the purpose of family reunification which are not granted may be renewed at the appropriate level and will be reconsidered at reasonably short intervals by the authorities of the country of residence or destination, whichever is concerned; under such circumstances fees will be charged only when applications are granted.

Persons whose applications for family reunification are granted may bring with them or ship their household and personal effects; to this end the participating States will use all possibilities provided by existing regulations.

Until members of the same family are reunited meetings and contacts between them may take place in accordance with the modalities for contacts on the basis of family ties.

The participating States will support the efforts of Red Cross and Red Crescent Societies concerned with the problems of family reunification.

They confirm that the presentation of an application concerning family reunification will not modify the rights and obligations of the applicant or of members of his family.

The receiving participating State will take appropriate care with regard to employment for persons from other participating States who take up permanent residence in that State in connexion with family reunification with its citizens and see that they are afforded opportunities equal to those enjoyed by its own citizens for education, medical assistance and social security.

(c) Marriage between Citizens of Different States—

The participating States will examine favourably and on the basis of humanitarian considerations requests for exit or entry permits from persons who have decided to marry a citizen from another participating State.

The processing and issuing of the documents required for the above purposes and for the marriage will be in accordance with the provisions accepted for family reunification.

In dealing with requests from couples from different participating States, once married, to enable them and the minor children of their marriage to transfer their permanent residence to a State in which either one is normally a resident, the participating States will also apply the provisions accepted for family reunification.

(d) Travel for Personal or Professional Reasons—

The participating States intend to facilitate wider travel by their citizens for personal or professional reasons and to this end they intend in particular:

—gradually to simplify and to administer flexibly the procedures for exit and entry;

—to ease regulations concerning movement of citizens from the other participating States in their territory, with due regard to security requirements.

They will endeavour gradually to lower, where necessary, the fees for visas and official travel documents.

They intend to consider, as necessary, means—including, in so far as appropriate, the conclusion of multilateral or bilateral consular conventions or other relevant agreements or understandings—for the improvement of arrangements to provide consular services, including legal and consular assistance.

They confirm that religious faiths, institutions and organizations, practising within the constitutional framework of the participating States, and their representatives can, in the field of their activities, have contracts and meetings among themselves and exchange information.

(e) Improvement of Conditions for Tourism on and Individual or Collective Basis—

The participating States consider that tourism contributes to a fuller knowledge of the life, culture and history of other countries, to the growth of understanding among peoples, to the improvement of contracts and to the broader use of leisure. They intend to promote the development of tourism, on an individual or collective basis, and, in particular, they intend:

To promote visits to their respective countries by encouraging the provision of appropriate facilities and the simplification and expediting of necessary formalities relating to such visits;

To increase, on the basis of appropriate agreements or arrangements where necessary, co-operation in the development of tourism, in particular, by considering bilaterally possible ways to increase information relating to travel to other countries and to the reception and service of tourists, and other related questions of mutual interest.

(f) Meetings among Young People—

The participating States intend to further the development of contacts and exchanges among young people by encouraging:

Increased exchanges and contacts on a short or long term basis among young people working, training or undergoing education through bilateral or multilateral agreements or regular programmes in all cases where it is possible;

Study by their youth organizations of the question of possible agreements relating to frameworks of multilateral youth co-operation;

Agreements or regular programmes relating to the organization of exchanges of students, of international youth seminars, of courses of professional training and foreign language study;

The further development of youth tourism and the provision to this end of appropriate facilities;

The development, where possible, of exchanges, contacts and co-operation on a bilateral or multilateral basis between their organizations which represent wide circles of young people working, training or undergoing education;

Awareness among youth of the importance of developing mutual understanding and of strengthening friendly relations and confidence among peoples.

(g) Sport—

In order to expand existing links and co-operation in the field of sport the participating States will encourage contacts and exchanges of this kind, including sports meetings and competitions of all sorts, on the basis of the established international rules, regulations and practice.

(h) Expansion of Contacts—

By way of further developing contacts among governmental institutions and non-governmental organizations and associations, including women's organizations, the participating States will facilitate the convening of meetings as well as travel by delegations, groups and individuals.

Mr. CASE. If the Senator from Minnesota will permit, I yield to the Senator from Rhode Island who contributed so much to the development of the bill.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PELL. Mr. President, I congratulate the Senator from New Jersey on this bill which goes so very far to translate the fine words and bold promises and prospects that came out of the Helsinki Conference into actual actions.

I know when one travels in this part of the world, when one talks to Eastern and Central Europeans they adopt a somewhat jaundiced view of the Helsinki Conference. They wonder if those words will result in any change in their own way of life, whether it is more likely there will be an exchange of journalists, whether a daughter will more likely be able to go and see her aged parents, whether children will be able to rejoin their parents. This is what the so-called Third Basket has held out to the peoples in Europe, and I would hope that with the passage of this bill establishing a Monitoring Commission, the Commission which will receive a report twice a year from the President on how far the Conference's words have been translated into events and also will serve as a spur to make sure that on the American side we follow up as much as possible the openings that there are behind the curtain to move ahead in this way.

For this reason, I think this Commission will serve a very real purpose and will help many unfortunate people who are now having a pretty miserable time of it in Eastern Europe.

Many fine statements were included in the Helsinki Final Act, but its ultimate significance will depend on the degree to which all of its provisions are implemented by all the signatories. Although the Final Act does not have the force of law and its implementation is voluntary, there is nevertheless a strong moral obligation on the signatories to translate its promises into reality.

For the United States and its NATO allies, the Final Act contains important statements of Western principles and ideas, including provisions in the humanitarian and information fields. So far, however, little action has been taken by the Soviet Union and its Warsaw Pact allies which could be described as implementation of the Final Act.

While there are no indications that the Warsaw Pact countries plan to ignore those provisions of the Final Act which are of particular importance to the West, it is clear that they intended to be very selective as regards degree, method, and timing of implication. Furthermore, there are differing views between East and West as to what the various provisions of the Final Act mean in terms of implementation.

It is important, therefore, that we in this country have a mechanism to evaluate the actions of the East in terms of our concept of what the Final Act means and what we believe the Warsaw Pact countries have agreed to do. Such a mechanism should be as open as possible so that the American people can see that their Government is determined to insure that the Final Act is not a cynically concocted collection of flowery phrases but is a guide to concrete action in breaking down the barriers between East and West.

The Commission which the distinguished Senator from New Jersey has proposed to be established would provide such a mechanism, and I am proud to be a cosponsor of his proposal. The Foreign Relations Committee has supported this proposal and agreed to an amendment of mine to strengthen the Commission by expanding its charter to include, along with monitoring compliance with the Final Act, the encouragement of American programs to take advantage of the provisions relating to cooperation in the economic, humanitarian, and information fields.

My amendment would also require the President to submit a semiannual report to the Commission providing information on actions reflecting compliance with or violation of the provisions of the Final Act, and giving a description of present or planned programs of the U.S. Government and private organizations to take advantage of the provisions of the Final Act in the fields I have just mentioned.

My amendment is designed to insure that the United States does not take a passive attitude toward implementation of the Final Act but takes the initiative in developing programs which will constitute a test of whether the Helsinki Act means what it says, particularly in the humanitarian field.

I, therefore, urge that S. 2679 with my amendment be agreed to.

Mr. CASE. Mr. President, I yield to the Senator from New York, who is a cosponsor of the bill and who has an amendment.

Mr. BUCKLEY. Mr. President, I congratulate the Senator from New Jersey for his initiative in bringing this matter before the Senate. I believe that the establishment of the proposed commission is something of signal importance.

Many of us were highly skeptical about the Helsinki Accords because we felt that, in practice, the Soviet bloc would utilize those provisions that tended to consolidate their grip on the Warsaw Pact nations while ignoring those features that inconvenience a totalitarian system.

One of the things that impressed me very early on, when representatives of Western Europe first met in Helsinki to outline an agenda, was the insistance that if we are truly concerned with establishing conditions for peace that extend through the years, this can be achieved only by somehow or other loosening the Communist system so that there can be some sort of intercourse—people to people and not just government to government.

Therefore, it seems to me that Basket III is essential to the viability of the Helsinki Accords, and it is therefore incumbent upon us, as we have approved this agreement, to see to it that those portions that are most important to the West—and I think most important to peace—be lived up to.

It is an extremely important step forward. I believe that the people of the United States entitled to month-by-month information on compliance. The very fact that this body will express its concern in this matter may bring extremely important pressures to bear on the countries of Eastern Europe and on the Soviet Union to liberalize their system and to avoid such intolerable practices as dictating that Radio Free Europe not be able to report the Olympics, and so forth.

Mr. President, yesterday, I had the opportunity to present testimony on this matter before the House Subcommittee on International Political and Military Affairs; and I ask unanimous consent that this statement be printed in the RECORD, as it will amplify the points I have made.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATOR JAMES L. BUCKLEY, TESTIMONY BEFORE THE HOUSE SUBCOMMITTEE ON INTERNATIONAL POLITICAL AND MILITARY AFFAIRS, MAY 4, 1976

Mr. Chairman, I wish to thank you and the members of the Committee for the opportunity to testify with regard to this important legislation. I would also like to extend my appreciation to Congresswoman Fenwick for her cooperation in this matter. I understand the time constraints with which you are dealing and will attempt to keep my remarks brief.

The Final Act of the Conference on Security and Cooperation in Europe signed last August is another step in our policy of detente with the Soviet Union, and it must be viewed in that context. The goal of this policy is to ease the tensions that have existed in the past and to encourage cooperation in many areas, especially in resolving disputes. In other words, this policy is to move U.S.-Soviet relations from that of confrontation to cooperation. The Final Act must thus be judged in this context.

Mr. Chairman, a policy of cooperation between East and West, between the Soviet Union and the United States is important and needed, and I endorse such a policy. My concern lies in whether the Soviet Union and its satellites in Eastern Europe accept this policy with the same interpretation that we do; whether the Soviet Union is prepared to change its policy of confrontation; or whether detente and the Final Act are just other means for continuing the policies of the past.

We have all heard much criticism of the U.S. policy of detente. It has been pictured as a one-way street where the Soviet Union is the recipient of U.S. concessions without any concessions on its part. There is no doubt that there have been some advances in U.S.-Soviet relations. But the question of whether sources of tensions have really been eased is still left unanswered. Whether any substantial steps toward cooperation have been made is still in question. Whether the Soviet Union has really changed its policy of hostility toward the West and the United States is still in doubt.

The events of the past two years bring into question this policy of detente, of which the Helsinki Accords are a part. Even as increased contact between East and West was taking place, events contrary to cooperation were occurring. Vietnam and Cambodia were conquered as a consequence of Soviet military aid. With Soviet support, Communists sought to take over the government of Portugal; Cuban troops were airlifted by the Soviets and Soviet military aid was provided to Communist forces in Angola. These events do not ease, but rather increase international tensions and the risk of conflict.

The policy of detente has hardly been successful in these cases. And the policy of detente is an issue in discussing the Final Act because it was in the spirit of detente that the United States became a signatory to this agreement. The success or failure of the policy of detente gives us an indication of whether we can expect the Helsinki Accords to represent a step forward or backwards on the road to peace. The degree of compliance with or violation of agreements under the policy of detente by the Soviet Union gives us an indication of the degree of compliance with or violation of the articles of the Final Act which we can reasonably expect from the Soviet Union and Eastern European countries.

Mr. Chairman, we already have some evidence of the degree of seriousness with which the Soviet Union is approaching the articles of the Helsinki Accords. While the goal of the Final Act and detente is to avoid international conflict, the Soviet Union continues to support revolutionary activity in Western Europe, Africa, Latin America, and Asia.

While the Final Act calls for a free flow of information and ideas between East and West, the Soviet Union has attempted to decrease rather than increase this flow. The Soviet Union and its East European satellites exerted pressure on the International Olympic Committee to rescind the accreditation of Radio Free Europe to cover the Winter Olympics. That action was not in the spirit of the Olympics, detente, or the Helsinki Accords. Rather, it was a direct attack on the freedom of the press and an attempt to institute on an international scale the type of censorship that is prevelant throughout the Soviet Union and Eastern Europe. This attack on the freedom of the press gives us cause for alarm for the future of press coverage of international events. The Summer Olympics in Montreal and the Olympics in the Soviet Union four years from now serve as useful examples.

The Helsinki Accords specifically call for cooperation in the reunification of families, the lessening of restrictions on marriages between citizens of different nations, and the easing of restrictions on emigration. I am very concerned that these provisions of the Final Act be implemented by all the signatories.

Yet hardly a day passes when I do not receive letters from constituents whose families are still in the Soviet Union or Eastern Europe. There have been repeated attempts to obtain exist visas for these families so that they can be united with their loved ones in the United States. And there have been repeated rejections of these applications for exit visas. For the record I am submitting a partial list of names of individuals who have had their applications for exit visas rejected. I can also state that my experience has been that Soviet and East European authorities have generally not been cooperative in these matters.

Instead of an easing of emigration policies, I find evidence that people in the Soviet Union who apply for exit visas are subjected to harassment, dismissal from employment, and even arrests. This is not in the spirit or the letter of the Helsinki Accords.

My remarks today do not even touch on the violation of human rights that is so widespread throughout the Soviet Union. The evidence in this regard speaks for itself.

I support the goals of Basket III, incorporated in the Final Act of the Conference on Security and Cooperation in Europe, but I feel that the American people must be given some assurance that the Helsinki Accords will be observed by all the signatories. I am concerned that the Final Act not become, as detente has become, a one-way street in which the benefits of increased trade and technology flow to the Soviet Union without any concessions on their part to the very factors about their regimes which give rise to suspicion in the first place.

It is for this reason that I feel it is necessary for the Congress to monitor those acts of the signatories of the Final Act which reflect compliance with or violation of it. The establishment of a Commission on Security and Cooperation in Europe is the best means to perform that monitoring function.

I have heard proposals that this same purpose could be achieved through alternative means, such as the use of existing Congressional committees. As a practical matter I think that that course would be ineffective in this instance. The proposed Commission is important in that its sole function would be to monitor the Soviet Union's compliance with the Final Act. The many other obligations of a Congressional Committee, however energetic, would divert attention from this critical task.

Furthermore, by involving the Executive Branch in this Commission, we would be able to utilize the valuable information and expertise lodged in the Departments of State, Defense, and Commerce.

Lastly, the creation of this Commission would stress the importance with which the Congress views compliance with the Helsinki Accords; and this in itself will create pressures for compliance with its humanitarian provisions by the Eastern bloc.

For all these reasons, I support the legislation in its present form and I ask the Committee to act favorably on it.

Once again, Mr. Chairman, I thank you for allowing me to present my views on this important legislation.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments en bloc.

The committee amendments were agreed to en bloc.

Mr. BUCKLEY. Mr. President, at this time, I offer an amendment which I have discussed with the sponsors of the bill, and I send it to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

At the end of the bill, insert the following:

Sec. 7. There is authorized to be appropriated to the Commission for each fiscal year and to remain available until expended, $250,000 for the purpose of carrying out the provisions of this act.

Mr. BUCKLEY. Mr. President, I believe that the amendment speaks for itself. It is impossible to do the work we envisage unless we have minimum staffing. I believe this figure is reasonable and will give the Commission what it requires in order to function.

Mr. HUMPHREY. Mr. President, we have discussed this matter with the distinguished Senator from New York. I believe it is very much needed. As a matter of fact, it is what will give teeth to the Commission.

I commend the Senator from New York for his statement—namely, that we need to monitor what is taking place under the so-called Helsinki accords, particularly as it relates to the freedom of movement and freedom of communication, because many people do look upon these accords as but window dressing and to the Soviet advantage. It seems to me that we should hold their feet to the fire, so to speak. We should constantly bring to the attention of the United States and to the people of the world what progress, if any, is being made under these accords and what effect these accords are having upon human rights and human relations.

The Senator's statement was extraordinarily clear and helpful, and I wish to be privileged to associate myself with him.

On behalf of the subcommittee and the committee—we discussed this matter with the chairman of the committee and the members of the committee—we accept the Buckley amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUMPHREY. Third reading, Mr. President.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2679

An act to establish a Commission on Security and Cooperation in Europe

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is established the Commission on Security and Cooperation in Europe (hereafter in this Act referred to as the "Commission").

Sec. 2. The Commission is authorized and directed to monitor the acts of the signatories which reflect compliance with *or violation of* the articles of the Final Act of the Conference on Security and Cooperation in Europe, with particular regard to the provisions relating to Cooperation in Humanitarian Fields. The Commission is further authorized and directed to monitor and encourage the development of programs and activities of the United States Government and private organizations with a view toward taking advantage of the provisions of the Final Act to expand East-West economic cooperation and a greater interchange of people and ideas between East and West.

Sec. 3. The Commission shall be composed of eleven members as follows:

(1) Four Members of the House of Representatives appointed by the Speaker of the House of Representatives. Two members shall be selected from the majority party and two shall be selected, after consultation with the minority leader of the House, from the minority party. The Speaker shall designate one of the House members as chairman.

(2) Four Members of the Senate appointed by the President of the Senate. Two members shall be selected from the majority party and two shall be selected, after consultation with the minority leader of the Senate, from the minority party.

(3) One member of the Department of State appointed by the President of the United States.

(4) One member of the Defense Department appointed by the President of the United States.

(5) One member of the Commerce Department appointed by the President of the United States.

Sec. 4. In carrying out this Act, the Commission may require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Subpenas may be issued over the signature of the Chairman of the Commission or any member designated by him, and may be served by any person designated by the Chairman of such member. The Chairman of the Commission, or any member designated by him, may administer oaths to any witness.

Sec. 5. In order to assist the Commission in carrying out its duties, the President shall submit to the Commission a semiannual report, the first one to be submitted six months after the date of enactment of this Act, which shall include (1) a detailed survey of actions by the signatories of the Final Act reflecting compliance with or violation of the provisions of the Final Act, and (2) a listing and description of present or planned programs and activities of the appropriate agencies of the executive branch and private organizations aimed at taking advantage of the provisions of the Final Act to expand East-West economic cooperation and to promote a greater interchange of people and ideas between East and West.

Sec. 6. The Commission is authorized and directed to report to the House of Representatives and the Senate with respect to the matters covered by this Act on a periodic basis, and to provide information to Members of the House and Senate as requested.

Sec. 7. There is authorized to be appropriated to the Commission for each fiscal year and to remain available until expended $250,000 for the purpose of carrying out the provisions of this Act.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. CASE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I compliment the Senator from New Jersey and thank the Senator from New York and the able and diligent Senators from Alabama and Rhode Island.

Mr. CASE. Mr. President, on behalf of all those named, I thank the Senator from Minnesota for his sparkling performance today.

QUORUM CALL

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR HARRY F. BYRD, JR. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the orders for recognition of Senators previously entered, Mr. HARRY F. BYRD, JR., be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the conclusion of the order for the recognition of Senators tomorrow, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ASIAN DEVELOPMENT FUND

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar Order No. 731, with the understanding that there be no action taken thereon today.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 3103) to provide for increased participation by the United States in the Asian Development Fund.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia.

There being no objection, the Senate proceeded to consider the bill.

ORDER FOR CONSIDERATION OF S. 3103 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the conclusion of routine morning business tomorrow, the unfinished business, S. 3103, a bill to provide for increased participation by the United States in the Asian Development Fund, be called up for action thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. The Senate will convene at 12 noon tomorrow. After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Senators PROXMIRE, GOLDWATER, CULVER, MANSFIELD, and HARRY F. BYRD, Jr.; after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes with statements limited to 5 minutes each; at the conclusion of which the Senate will resume the consideration of the then unfinished business, S. 3103, a bill to provide for increased participation by the United States in the Asian Development Fund. Rollcall votes are expected thereon.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 noon tomorrow.

The motion was agreed to and; at 4:07 p.m., the Senate adjourned until tomorrow, Thursday, May 6, 1976, at 12 noon.

NOMINATIONS

Executive nomination received by the Senate May 5, 1976:

NATIONAL CENTER FOR PRODUCTIVITY AND QUALITY OF WORKING LIFE

George Henry Kuper, of the District of Columbia, to be Executive Director of the National Center for Productivity and Quality of Working Life (new position).

EXTENSIONS OF REMARKS

PROMINENT CHICAGO ENTERTAINER NOMINATED FOR THE MUSIC HALL OF FAME

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. FARY. Mr. Speaker, Mr. Joseph "Pat" Paterek has been nominated by the Polish Roman Catholic Union of Chicago for the Music Hall of Fame, after 40 years of entertaining in radio, television, and concerts throughout the world.

Mr. Paterek will be honored at a banquet in Chicago on May 9, 1976 when he will receive a "Mr. Personality" award.

I have followed Joe "Pat" Paterek's career in the entertainment world and the great contributions he has given to the people of Chicago and I am happy to realize that his exceptional talents are now being recognized.

I concur with this nomination, and would like to present this brief biography of Joseph "Pat" Paterek:

BIOGRAPHY OF JOSEPH "PAT" PATEREK

Joe "Pat" Paterek was born on May 21, 1919 in Chicago and was one of eight children born to Joseph and Mary Paterek. Joe's father was Slovak and his mother was of Polish origin. Joe Pat attended the following schools—St. Pius, American Aircraft Institute and Midwestern Conservatory of Music and he graduated with high honors.

In 1937, Joe met his bride-to-be, Irene Desecki, while playing at a picnic at a small grove on Archer Avenue. They were married on Thanksgiving Day, November 26, 1942.

Three months after being married, Uncle Sam pointed his finger at Joe and he entered the Army Air Corps in March 1943. He served various branches of service. He took his basic training at Keesler Air Force Base in Biloxi, Mississippi and was assigned to a special unit of the Army Air Force. Joe played shows, radio programs, and many memorable engagements at Biloxi, Mississippi; Kingman, Arizona; Bakersfield, California; and Long Beach, California, entertaining the G.I.s and civilians in many radio shows, theatres, service clubs, and U.S.O. shows. While in service, Joe made many acquaintances with stars of screen, radio, and now television.

After Joe's discharge in April, 1946, he enrolled at the Midwestern Conservatory of Music under the G.I. Bill and studied Accordion, Piano, Voice, Harmony, History of Music, Conducting, Ear Training, Orchestration, and Arranging.

In 1946, Joe started a new orchestra and played his first engagement at the Pulaski Ballroom with a ten piece band for the 18th Street Business Men's Association.

In 1947, Joe and Irene Paterek became the proud parents of a baby girl which they named Joan Marie.

In 1958, Joe Pat was on tour to Europe which was sponsored by Station WOPA and John Zola. They visited Shannon and Dublin, Ireland; Paris, France; Berlin, Warsaw, Krakow and Zakopany.

During the past years Joe Pat has played programs for Sig Sackowicz, Rudy Orisek, Junior Zielinski, John (Zola) Pszczola, Chet Gulinski, Chet Shafer, Ed Oskoerko, Uncle Henry Cukierka, John Baski—just to mention a few.

Ballroom engagements included the Aragon, Trianon, Merry Gardens, Riverview Park, Crystal Palace in Paw Paw Lake, Michigan; Peplin Hall in Mosinee, Wisconsin; and the Concord in the Catskill Mountains, New York.

Hotel engagements were the Edgewater Beach, Palmer House, La Salle, Sherman House, Bismarck, Conrad Hilton, Pick Congress, Morrison and others.

Country Clubs included the Chevy Chase, Midwest, Evergreen Park, Cog Hill, Bunker Hill, and Elmhurst.

Through the years Joe has played at many hospitals such as Hines, Vaughn, Oak Forest, Great Lakes, Saint Joseph's and many Senior Citizen's Homes.

Also, Joe was invited by the entertainment director for a Presidential Inauguration to participate in a show of many ethnic backgrounds.

Joe and his International Polka Stars played the Polish American Congress Man of the Year Award banquet held in December

1975 at Chicago's McCormick Place. It was the banquet that Leon Jaworski, famed Watergate prosecutor, received the Man of the Year Heritage Award.

Another one of his latest endeavors included Joe and his ten piece band at the Bobby Vinton concert which provided music before the concert and for folkdancing during the intermission.

Citations and Certificates . . . 1961—Certificate of Appreciation—American Cancer Society . . . 1961—May 4th—Illinois Council 301 K of C—Certificate of Merit . . . 1964—October 9th—Lions of Illinois Candy Day for the Blind—Shareholders Certificate . . . 1965—October 15th—Heart of Chicago Community Council Citation . . . 1970—Polka Express—Band of the Year Award.

ISRAELI INDEPENDENCE DAY

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. DELANEY. Mr. Speaker, the Declaration of the Establishment of the State of Israel is, without question, one of the most impressive declarations of modern times. It is equally inspiring that the high ideals proposed by this young, yet ancient, nation some 28 years ago have been fulfilled and that they serve not only Israel but the cause of free men throughout the world.

It is fitting that the United States of America was the first country to recognize the new State of Israel. Through 20 centuries of the Diaspora, the Jewish people had preserved their identity, their heritage, and their unity. Their contribution to our own country from the arrival of the first band of 23 Jewish settlers via Brazil in 1654 has been truly outstanding. Nine Jews were among the signers of the Nonimportation Resolutions of 1765—the first real step toward our own independence; they took this determined action although it meant potential financial suicide since most Jewish trade had been carried on with England. Twenty-four Jews were officers in our Colonial Army. David Salisbury Franks acted as paymaster of the colonial troops at Montreal in 1776 and was sent by Robert Morris in 1781 with secret messages to John Jay in Madrid. He was appointed in 1785 vice consul at Marseilles, and in the following year played a crucial role in negotiating the treaty between the Colonies and Morocco. Isaac Franks, after serving as aide-de-camp to General Washington during the war, was appointed lieutenant colonel in 1794. In the South, Mordecai Sheftall of Savannah, deputy commissioner general of issues to the Continental troops in Georgia during the British occupation, and commissioner general of purchases and issues to the militia, put his entire salary at the disposal of American physicians to purchase much-needed medicines; he was seriously wounded at the siege of Savannah. Manual Mordecai of South Carolina served on Washington's staff as well as with General Marion, and gave up a fortune to bolster the cause of independence.

Mr. Speaker, it was on May 15, 1948, that the Jewish people attained independence for their ancient fatherland. The will to preserve and protect the hard-won freedom of Israel has inspired the best efforts of great minds in every field. The outstanding contributions the people of Israel are daily making to the world's scientific, technical, and literary expertise is a reflection of their dedication to the betterment of man—a tradition which has characterized the Jewish people throughout the centuries. Even if little more than the spirit of their greeting—Shalom—had been given the world, we would have gained. But they have given us much more.

At a time when tensions continue to torment the entire Middle East, at a time when Israel once again gives thanks for the miracle of renewed birth, it is my earnest hope that the canticle of Solomon once again will echo through the Fertile Crescent:

> . . . lo, the winter is past, the rain is over and gone;
> The flowers appear on the earth;
> The time of the singing birds is come,
> And the voice of the turtle is heard in our land.

A strong mazzel tov to the Israeli people for a prosperous and peace-filled future.

TRIBUTE TO MORGAN M. MOULDER

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. ICHORD. Mr. Speaker, I would like to take this opportunity to recognize and honor former Congressman Morgan M. Moulder, a great statesman and personal friend from Camdenton, Mo. During his 14 years in Congress, Mr. Moulder held many important House committee positions and authored several significant pieces of legislation. The Congressman from Missouri was a member of the Public Works Committee, Interstate and Foreign Commerce Committee, and Committee on Un-American Activities. As a member of the House Un-American Activities Committee, he was responsible for alerting the people to the dangers of communism and for legislation protecting our national security.

After leaving Congress in 1962, Mr. Moulder continued his many public services as mayor of Camdenton, Mo., without charge or acceptance of salary. Morgan Moulder has been and is now afflicted with the disease of bone cancer, but even so, he was elected to the office of prosecuting attorney last year by approximately 1,900 votes, the largest majority ever given a Democrat in Camden County, Mo. Today, I pay great tribute to Morgan M. Moulder for the outstanding work he has done in Congress and for his community of Camdenton, Mo. I am certain that the people of Missouri and the Nation whom Mr. Moulder has served so well will join me in honoring this gentleman from Missouri. I would like to insert a recent tribute by Steve Ritchie to former Congressman Moulder and the article honoring Mr. Moulder in the Reveille of Camdenton, Mo.:

Remarks for Former Member of Congress Morgan Moulder, Appreciation Day, Camdenton, Mo., April 11, 1976

(By Steve Ritchie)

To be with you today and to be able to participate in this tribute for Morgan Moulder is truly an extravagant honor . . . and I couldn't be more proud to be anywhere on the face of the earth at this hour.

Over two years ago, I decided to resign from 10 years as an Air Force Fighter Pilot and run for Congress. One of the reasons was that I wanted to try to be like Morgan Moulder—I wanted to try to provide the type of leadership, example and character that Morgan Moulder took to Washington from Missouri.

Unfortunately, very few members of Congress are of the quality of the man we honor today. He's a statesman of the highest order—the kind it took to elevate America, a very poor country 200 years ago, to the greatest nation in the history of mankind.

Morgan Moulder understands the principles and the value of: hard work, discipline, integrity, fiscal responsibility, the laws of supply and demand, and free enterprise.

His votes, his actions, and his influence in the U.S. Congress and throughout his life have been a constant reflection of his great effort in the struggle to restore and preserve these principles.

Morgan Moulder is also a man who recognizes the tremendous importance of maintaining the strength of our republic. His leadership and his accomplishments on the House UnAmerican Activities Committee were unparalled.

Congressman Moulder understood many years ago that the United States of America is the single most important force for the freedom of many ever established on earth—that we are the champions of freedom—that we hold the banner—and as such, we must be ever alert to threat.

Morgan Moulder has dedicated much of his life to the preservation of freedom. Few Americans have fought as hard, stood as firmly, or spoken as honestly as this uncommon man.

He is a great believer in the following words of Thomas Jefferson: "Yes, we did create a near perfect republic but, will we keep it or will we, in the enjoyment of plenty, forget the memory of liberty. For material abundance without character is the surest way to destruction."

Morgan Moulder knows that we Americans have captured that elusive eagle of individual liberty. He knows that we can feed it, care for it, love it, protect it and it will fly. Or, we can over burden it, over control it, abuse it, neglect it and it will die. The choice is ours.

He has set a manificient example for us to follow in the continuing and all important battle to convince our people that Freedom is never Free.

Morgan Moulder, we salute you, we love you, we thank you, and we thank God for you and God Bless you.

Hon. Morgan M. Moulder To Be Recognized April 11 for Many Years of Faithful Service

In honor of Mr. Moulder's many years of faithful service to our community, the Xi Delta Upsilon Chapter of Beta Sigma Phi would like to extend to everyone a special invitation to attend an Honor Tea on Sunday, April 11 from 3–5 p.m.

This will be an informal gathering and a time of visiting with Mr. Moulder and his family and friends. It will be held in the Library of the Camdenton High School. Plan now to attend.

Morgan M. Moulder was born August 31, 1904, in the home at the old county seat town of Linn Creek, Camden County, Mo., the son of Fred J. and Margaret Moulder, the

5th generation of ancestors, all born in Camden County, Mo. He married Nedra White of Linn Creek. One daughter, Marcia, and 5 grandchildren were born of their marriage.

Mr. Moulder was elected five times to the office of Prosecuting Attorney and was one of the most effective prosecutors of the prohibition laws, moonshiners and bootleggers, prior to the repeal of the prohibition laws. His memories can recall the steam boat and railroad tie business days of old Linn Creek to present day outer space and atomic energy days. As attorney and Prosecuting Attorney he defended and protected the interests of the people and the County of Camden in State and Federal Courts during the construction of Bagnell Dam and formation of the Lake of the Ozarks in all controversies and litigation for the people and the public interests. He incorporated the town of Camdenton, served as its attorney and as attorney for Camdenton School District without charge or acceptance of any pay for his services. During the 1930's and depression years he served as Camden County chairman of Red Cross, C.C.A., P.W.A. C.W.A. (Civil Works Administration) and secured federal projects for construction of school gymnasium at Stoutland, school buildings at Macks Creek and Camdenton, sidewalks, gravel streets, island parks on square in Camdenton, county roads and at the same time was Prosecuting Attorney and Mayor of Camdenton. Also the P.W.A. (Public Works Administration) project for construction of toll bridge revenue bonds for Hurricane Deck bridge across the lake and later while serving in Congress he influenced the Small Business Administration to sell the toll bridge revenue bonds to the State Highway Commission at about ⅓ of face value and free the bridge of toll charges.

He was appointed by President Roosevelt to serve as Special Assistant U.S. District Attorney for the western District of Mo. in 1943 and served as such until he was appointed to the office of Circuit Judge by Governor Donnelly in the year of 1947, in which office he served until he was elected as Representative in Congress from Mo. in the November election of 1948. He was elected to serve 8 consecutive terms in the U.S. Congress during which period of terms he received National recognition for his services on the Interstate and Foreign Commerce Committee and the Committee on UnAmerican Activities. He has been personally acquainted with six presidents of the U.S. and a guest at luncheons and dinners at the White House on numerous occasions. While serving in Congress he traveled to most of the countries of the world where he participated in international affairs.

As a result of Congressional redistricting he retired from Congress and returned to his old home in Camdenton which is one of the first three new homes constructed in Camdenton, where he continued his many public services as Mayor of Camdenton without charge or acceptance of any salary.

Mr. Moulder has been and is now afflicted with the dread disease of bone cancer, but even so, he was elected to the Office of Prosecuting Attorney last year by approximately 1900 votes, the largest majority ever given a Democrat in Camden County. He is most proud of and grateful to his friends and the people for the fact that he has won in 18 primary and general elections to the public offices he has served in during the past 48 years.

CINCO DE MAYO—A DAY OF GLORY

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. DANIELSON. Mr. Speaker, it is with great pride that I ask my colleagues to join with me in recognition of this day, Cinco de Mayo, the 5th of May, a very special holiday in Mexico and in many communities throughout our Nation and the world.

It was 114 years ago today that the great Battle of Puebla was fought under the brilliant leadership of Gen. Ignacio Zaragoza. On May 5, 1862, though greatly outnumbered in men and artillery, General Zaragoza and his troops repelled the enemy three times, finally defeating a part of the army of Napoleon III, then considered to be the most powerful and famous army in the world.

In this, our Bicentennial Year, let us pause to reflect why Cinco de Mayo is of such great significance. The Battle of Puebla on that day remains a shining example of what courage, valor, patriotism, and love of freedom can mean against very formidable odds. Cinco de Mayo in Mexico is comparable in importance to the United States' celebration of the 4th of July.

Throughout many communities, as well as in the 30th Congressional District which I am privileged to represent, many civic and cultural programs are being held in observance of Cinco de Mayo. I ask my colleagues to join me in paying tribute to the moral, cultural, and historical significance of Cinco de Mayo, and to extend our warmest greetings to Mexico and to those of Mexican heritage on this very special holiday.

BALANCED FEDERAL BUDGET SHOULD HAVE PRIORITY

HON. JACK EDWARDS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. EDWARDS of Alabama. Mr. Speaker, each year I send my constituents in the First District of Alabama a legislative questionnaire to learn their position on major issues with which we are confronted here in the Congress. I have recently completed the compilation of the results and I would like to share them with you and the other Members of the House:

QUESTIONNAIRE RESULTS—BALANCED FEDERAL BUDGET SHOULD HAVE PRIORITY

Eighty-seven percent of the approximately 10,000 citizens who returned my 1976 Legislative Questionnaire said they favor a balanced budget even if it means cutting back on or eliminating some programs that they highly favor.

This overwhelming opinion was compared to ten percent who said no to the balanced budget question, Question No. 1, and three percent who had no opinion.

Such a strong response indicates to me that many citizens of the First Congressional District of Alabama understand that cuts in federal spending have to be made if our government's financial condition is to be brought under control. These cuts have to come even in programs that affect us directly.

Excessive government spending each year is the key to many of our nation's problems and I am glad that so many in Southwest Alabama realize this basic fact.

On Question No. 3, "What action or combination of actions at the federal level would be most beneficial to stimulating employment," most said that employment through the private sector was the best way to cure unemployment. Fifty-one percent said they would favor increasing tax incentives to private industry in order to encourage expansion in the private sector, and 33 percent said they feel no federal action is needed; the economy should be allowed to take its own course.

This compared with 11 percent who said appropriating more federal money for public service jobs might help and four percent who said increasing federal spending to stimulate employment might be the answer.

An interesting return was Question No. 4, pertaining to the future of the Social Security Trust Fund. The question read, "Social Security authorities have testified to Congress that by the 1980's there will not be enough money left in the Social Security Trust Fund to continue the present level of benefits."

In view of this situation, citizens were asked to select the answer closest to their suggestion for the possible solution. Forty-six percent said the Social Security Trust Fund should be replenished from general tax revenues, 20 percent said the fund should be replenished by increasing payroll taxes and 15 percent said benefits should be cut. Seventeen percent had various other suggestions, such as turning Social Security over to private insurance companies, allowing only those who pay into the fund to receive benefits and taking Medicare out from under Social Security supervision.

The large number who favor dipping into the general fund to help the Social Security Trust Fund may not realize that to do so would eventually result in an increase in income tax for everybody and would probably make the Social Security Program another welfare handout by creating another political football. The general fund is already $600 billion in debt. While this might appear to be the answer at a quick glance, the long-term ramifications would be disastrous in my opinion.

The answer to Question No. 5 came as a bit of a surprise. Forty-nine percent of those returning the questionnaire said present laws should be amended to prohibit the manufacture and sale of "Saturday Night Specials" and other cheap handguns. Another 20 percent said they feel legislation requiring the licensing and registering of all types of firearms should be passed.

These two percentages were compared with 19 percent who said no further legislation is needed because present laws are satisfactory, and 11 percent who said all gun laws are an unconstitutional infringement on the right to bear arms.

Tabulations do not total 100 percent on each question because some chose not to answer some questions and in cases where more than one answer was marked to one question, none of the answers to that one question were counted. I sincerely appreciate those who took the time to give me their opinion and I will be mindful of the collective results when voting on these issues in the House of Representatives.

Other questions and results, not referred to above, were:

2. With both inflation and unemployment plaguing our economy today, which would you rather see eliminated first: Inflation, 80 percent; unemployment, 18 percent.

6. Legislation has been introduced in this session of Congress which would require courts to set a minimum sentence of five years for any federal crime where a weapon is used. Do you support this approach as a crime deterrent? Yes, 82 percent; no, 11 percent; no opinion, 5 percent.

7. Do you feel the activities and expenditures of the CIA should be closely monitored by Congress? Yes, 47 percent; no, 49 percent; no opinion, 2 percent.

8. Should these CIA reports be released to the public? Yes, 11 percent; no, 87 percent; no opinion, 1 percent.

9. Do you think the United States finan-

cial contribution to the United Nations (which currently runs about one-fourth of the U.N. budget) should be: Maintained, 5 percent; increased, 1 percent; reduced, 52 percent; terminated, 41 percent.

10. Do you favor the United States retaining the Panama Canal or relinquishing it to the Country of Panama? U.S. retention, 97 percent; relinquishing to Panama, 2 percent.

11. Do you favor increasing trade between the United States and Communist countries? Favor, 56 percent; oppose, 43 percent.

12. Do you think the United States should get involved in another country's affairs to prevent a Communist takeover? Yes, 47 percent; no, 49 percent; no opinion, 2 percent.

ERDA AUTHORIZATION FOR FISCAL 1977

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. DINGELL. Mr. Speaker, this week the House is scheduled to consider H.R. 13350—the ERDA authorization bill for fiscal year 1977.

Sections 108 and 306, which are identical, authorize ERDA to retain millions of dollars of receipts annually and to use the revenues as operating expenses to fund ERDA programs without further appropriation by Congress. Normally such revenues are required by 31 U.S.C. 484 to be deposited into the Treasury. I believe that this provision violates rule XXI, clause 5 of the House Rules which provides that no bill "carrying appropriations shall be reported by any committee not having jurisdiction to report appropriations. . . ." Clearly, the Science and Technology and Joint Atomic Energy Committees do not have such jurisdiction.

This is the grossest form of backdoor financing. I plan to offer an amendment to these sections requiring such revenues to be subject to annual appropriation acts.

Sections 107 and 305 of the bill, which are identical, authorize ERDA to spend possibly millions for engineering design and construction projects merely on the basis that ERDA has proposed a bill to authorize such construction. Such a bill may never be enacted or even considered by Congress. The Senate report—94–762—of the Joint Committee on the companion bill (S. 3105) states—pp. 57–58:

> The authority is limited to permitting ERDA to contract for advanced architect/engineer services for construction projects that are deemed by the Administrator to be essential to meet the needs of national defense or the protectio nof life and property or health and safety prior to Congressional authorization.

However, this limitation is not a part of the bill itself. I think it should be. It is my intention to offer an amendment to insert this limitation in these two sections so as to make it clear that this authority applies only in emergency situations of this type.

I urge your support for both of these amendments.

ITALY'S FUTURE MUST BE OUR CONCERN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. BIAGGI. Mr. Speaker, the recent collapse of the government of Premier Aldo Moro has caused tremors of concern throughout the Western World. The collapse coupled with the announcement of elections on June 20 and 21 has given rise to new fears of a Communist controlled government in Italy.

In the months ahead it is imperative that the Christian Democrat Party reestablish itself as the dominant political party in Italy. They must begin by trying to restore the confidence of the Italian people, as well as work with the other non-Communist parties in Italy to form an effective coalition government.

The Italian people cannot be deceived by the sugar coated promises of the Italian Communist Party when they profess their dedication to the principles of democracy. Communism and democracy are as alien to one another as death and life. I cannot envision the Italian Communist Party establishing a revolutionary new precedent, and adopting democratic principles in their ideology.

Many are conceding the June elections to the Communists. I prefer to believe that the Italian electorate will demonstrate their continued support of democracy and not allow the Communists to gain control of their nation.

An editorial appeared in Tuesday's Baltimore Sun discussing the situation in Italy. I offer it for the consideration of my colleagues:

ITALY AT THE BRINK

The inability of Italy's non-Communist parties to agree on a basis for rule has precipitated the election they dread. If the momentum of recent elections is maintained, the Communists should finally surpass the Christian Democrats as the largest single party in Parliament with a bloc too large to exclude from a ruling coalition. They would return to a role in Italy's central government after three decades' exclusion.

Italy's importance to NATO and to Western strategies in the Mediterranean cannot be overstated. The Italian Communist party's professed dedication to democracy and even to NATO, and its concomitant annoyance to Moscow are more charming than reassuring. Several democratic governments have survived Communist participation, Italy's among them, but the ones in Eastern Europe that vanished heard siren songs similar to Enrico Berlinguer's national democratic communism before they fell. Moscow's ability to pull the Italian party's strings is still very great. This election is being fought against a background of economic crisis, recurrent violence, despair in the democratic left, and a tincture of corruption and stagnation among the Christian Democrats. The scandals of political payments by multinational defense and oil corporations could not have come at a worst time.

Yet possibly the despair has gone too far and the weaknesses in the Italian political structure are misunderstood. A party that has ruled for three decades as the Christian Democrats have must be expected to suffer arteriosclerosis and corruption, in any country and under any system. Power corrupts; absolute power atrophies. The Italian weakness, in European terms, is the absence of a democratic left alternative. The Socialists, with 9.6 per cent of the vote in 1972 and the Social Democrats, with 5.1 per cent, are not up to the responsibility that democracy imposes. The most to which either can aspire is a junior partnership, with the party of capitalism and the Church, or with the party of dictatorship and suppression.

Italian elections are normally marked by marginal shifts, not wild swings. Even this pattern induces fear that one more Communist gain will realign power. But there is a new issue, the Communists themselves. The very voters who put Communists into every major city government north of Rome must, for the first time, consider issues of security and democracy. The Communists, no longer the vehicle of safe protest, are on the defensive. Moscow is heavy baggage to carry. World currency markets are betting on a Communist plurality, but the Italian voters have yet to decide.

VISIT TO CAPITOL HILL BY THE HONORABLE ALAIN POHER

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. SOLARZ. Mr. Speaker, I am pleased to announce that Congress will have the honor tomorrow of hosting a most distinguised visitor, Mr. Alain Poher, the President of the French Senate, who will be here under the auspices of the Committee of Concern for Syrian Jewry.

Mr. Poher has been President of the French Senate since 1968. He previously was elected President of the European Community three times beginning in 1966. His record as a leader of the European Community dates back to his close association with Robert Schuman starting in 1946, his work with the European Coal and Steel Community and his key role in the evolution of the Common Market and the European Parliament.

Mr. Poher was also an active figure in the French Resistance during World War II. For his service, he was honored with the Croix de Guerre and the Medal of the Resistance.

His willingness to fight for noble and just causes is amply reflected in his current work to help alleviate the unfortunate plight of the Jewish community in Syria. Mr. Poher is the chairman of the International Conference for Deliverance of the Jews in the Middle East. He has chaired two international conferences in Paris, in 1970 and 1974, to consider the situation of the Jews in the Middle East.

In 1969, Mr. Poher began a systematic and ultimately successful effort to get Jews out of Iraq. In the last 3 or 4 years, he has concentrated on the Syrian Jewish question. His close connection with the Jews in Israel dates back long before 1969. In fact, in 1961 he led a group of European Parliamentarians to Israel.

Mr. Poher's concern for Jews in the Middle East is based both on his deep humanitarian concerns and his feelings for the historical role of the Jewish people in the world. His magnanimous work is a cause for celebration for us all.

For a Syrian Jew to take up the cause of the Syrian Jewish community is an obligation.

For a Jew who is not of Syrian extraction to take up the cause of Syrian Jews is to be expected.

But for a Christian, like Alain Poher, to provide leadership in the fight to secure the release of the Jewish community in Syria can only be called a mitzvah.

In the best and most profound sense of the word, Mr. Alain Poher is a righteous gentile and he deserves the applause and appreciation of men and women of good will all over the world.

ABILITY COUNTS

HON. JOHN Y. McCOLLISTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. McCOLLISTER. Mr. Speaker, Americans are becoming more aware of the tremendous potential of the physically and mentally handicapped. We are also aware that past policies of isolation have not only worked a cruel and unnecessary personal hardship on the handicapped, but have deprived this Nation of the fruits of their creativity and their labors.

The President's Committee for Employment of the Handicapped deserves our heartfelt thanks for its effective efforts in portraying the situation of handicapped persons and its leadership in integrating the handicapped into the Nation's work force.

Every year, the committee sponsors an essay contest among students. This year's Nebraska "Ability Counts" contest winner is Miss Deniece Bowers, a student at Northwest High School in Omaha. Her essay is particularly effective in communicating the urgent need to assure the handicapped their full share of employment opportunities in this country. I commend it to my colleagues:

HOW A HANDICAPPED PERSON APPROACHES LIFE

A pair of bright brown eyes sparkle up at us from an incredibly thin face as Bill's head-stick enables him to type out the words, "Do you think, as a writer, I ought to stick to knitting?" A victim of cerebral palsy, Bill is 100% disabled; he can neither walk, nor talk nor sit in his wheelchair without supportive braces and restraining straps. Yet, in the story published by our local newspaper, which was written by Bill—his head-stick, and electric typewriter—he explains that his journey into a live world came about through the encouragement of his friends, his special teachers, and his parents. Through them and his own determination, he now plans a college career!

Like Bill Rush, Sue Costanzo too has conquered the polio which left her badly crippled. With the aid of her therapist, her doctor, her family and friends, and her attendance at regular public school, Sue now performs her duties as an executive of a large local insurance company, from her wheelchair.

There are also, of course, some like Jane B., who finished school by correspondence and now supports herself as a typist, doing research papers in her own home. Her rheumatic heart condition does not permit her to hold a regular position outside the home or even to attend church, theatre, and social functions regularly. Yet, she too is happy and self-supporting.

And we cannot fail to mention young Hardy who continues to enjoy working at a trade he has learned at Goodwill Industries here. Although attempts to place him outside the Goodwill were unsuccessful because of Hardy's continued struggle against epilepsy, he grins as we talk to him and jokes with his friends at this sheltered workshop.

It seems only appropriate that we begin our profile of achievements of this magnitude. Indeed, they are spectacular; yet how often they go un-noticed. How often too do young and old people with similar handicaps fail to succeed in this manner because their parents and friends have tried to "protect" them from the very people and agencies which could and would help them most, were they but given the chance. Oh yes, some might say, these are just a few isolated cases! Indeed, they are not! We could recount countless such cases, and we shall mention others as our profile progresses, but we wish also to stress the part that their non-handicapped counter-parts play in building up this profile of accomplishment. The President's, governor's, and mayor's committees for employment of the handicapped have sponsored countless publications, programs, media announcements, projects, and generally enlightened an otherwise uninformed public concerning the potential of those some 15,000,000 people in our country today whom we have called disabled. Most importantly, together with the employers who have profitted by the hiring of rehabilitated handicapped, they have begun to refurbish a profile which has long needed polishing by giving these people, roughly ⅕ of our total population, a CHANCE to become self-sustaining happy people. Further, the architects and builders have enhanced this opportunity by widening stair-wells, elevators, ramps, lowering foundations, and providing special parking for handicapped to make it possible for them to get to the jobs for which rehabilitation agencies have equipped them.

Yet, you and I are also a part of this profile, as Kay Neil, polio victim, permanently paralyzed, reminds us. She uses her expertise as a handicapped to help those in worse shape than she.

We can volunteer our aid to agencies formed to assist retarded children, mental restorees, youngsters who cannot recognize dyslexia as a fault they can help. We can welcome the so-called handicapped to our social gatherings, our churches, our homes! Like us, they want to be accepted, to be fulfilled by those they admire, to respect themselves for their ability to demonstrate what they can do! And after all, Albert Einstein, too suffered dyslexia, yet achieved world-wide renown despite his handicap.

Such lines in the profile as these remind us that education and enlightenment are true keys to the major solution of the problem of receiving the handicapped in our world for what they can do, rather than for what they cannot do, by training them for jobs for which their inabilities sometimes gear them. For instance, the inability to see often enhances the ability to hear; indeed, inability to see may even enhance the ability to smell. Many perfumeries employ blind testers. Deaf people make excellent key-punch operators. Enlightenment opens many doors; once inside, the handicapped do the rest with their lowered absenteeism, promptness, lower accident rate, cooperation, and anxiety to please.

Such essay contests as this help to align a more favorable profile of accomplishment as they point out the fallacy of such ideas as heightened insurance rates as the result of handicapped workers and to show the necessity of hiring the RIGHT person for the RIGHT job. Further, such organizations as NARC, Organization of Aiding Retarded Children, was unknown to me until I prepared this paper. Nor did I realize that youth like myself are being solicited to aid in its program. Certainly, I was unaware that mentally retarded persons hired by our federal government have increased from 361 in 1964 to 7,030 in 1970; and further that mentally restored persons rehabilitated into federal-state vocational rehabilitation programs have increased from about 10,001 in 1947 to over 6,300,000 in 1970.

We might well think of the last part of the profile as actually the most important for this puts the "I" in "integration". Sears Roebuck, Boeing Aircraft Corporation, the Federal government, Prominent insurance companies and banking plants, international airports, public stenography departments, and college and high school faculties—even income tax centers, radio broadcasting companies, and dictaphone services—though they hire increasing numbers of rehabilitees and restorees—can do little more than we. They can provide the understanding and encouragement by providing job opportunities for the handicapped. The "I" can become "We" as each of us welcomes them into our churches, schools, apartment complexes, recreation crowds—not only by friendly smiles—but by helping in the drive to make these establishments readily accessible to the physically handicapped.

Furthermore, our willingness to admit that the handicapped are showing themselves far more "able" than "disabled." Also that for every tax dollar spent on the rehabilitation, counselling, placement, and training, the handicapped who earns nets $5 or more to our income tax returns: such facts as these should be made common knowledge to show the economic soundness, as well as the social soundness, of our hiring and integrating the handicapped.

Nor can integration stop with hiring so-called handicappeds and working with them. As Jerald C. Murphy points out, in his editorial, proposed housing projects making accessibility possible for handicappeds is not the answer. It would be more honorable, he states, to get the handicapped living with the non-handicapped to facilitate a give and take situation of the talents, personalities, and interests of all, this would eliminate one-sidedness, such as the handicapped being reinforced by an environment of those similarly situated. Why not make all housing projects accessible to both handicapped and non-handicapped? Wouldn't this be practical for those "normal" people who may also need such help, even if for temporary periods? Fewer steps and widened aisles are more comfortable for all. Despite the widening of aisles in some of our local stores, primarily for the benefit of the handicapped, haven't all of the customers profited?

An integrated profile remains to be drawn, although the 1970 drawing is much more encouraging than the 1959 or the 1960 diagram. Yet many answers are within our grasp. Let us all be aware of the sharp corners to be rounded off on the profile; then, perhaps ALL citizens in our 200 year old country, as normal, can be EQUAL, enjoying liberty and justice together—Integrated!

RALPH ALTMAN

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. STEIGER of Wisconsin. Mr. Speaker, an outstanding member of the Federal civil service, Ralph Altman, has retired this week. His valuable advice and assistance will be sorely missed.

In my service on the Unemployment Compensation Subcommittee I have had the opportunity to work with Ralph Altman on a number of occasions. His understanding and familiarity with the intricate details, as well as the broader policies underlying the Federal-State unemployment compensation system have made him an invaluable asset.

This month marks the 35th anniversary of Ralph Altman's service with the Federal Government; he has served well in his current capacity as Deputy Administrator, Unemployment Insurance Service at the Department of Labor, and has provided the Unemployment Compensation Subcommittee with a tremendous amount of assistance. His easy manner has made him that much more valuable to us in our deliberations.

He has participated in the development of every unemployment compensation legislative proposal put forward by the Department of Labor in the past 15 years and has served with great distinction under both Democrat and Republican administrations.

I know that my colleagues on the Unemployment Compensation Subcommittee join with me in saying thank you to Ralph Altman and wishing him the very best—and a long and enjoyable retirement.

BICENTENNIAL DISRUPTIONS: THE PEOPLE'S BICENTENNIAL COMMISSION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. McDONALD of Georgia. Mr. Speaker, the Bicentennial commemoration on the Fourth of July in Philadephia has been made the target for mass demonstrations by several violence-prone U.S. revolutionary groups—one demonstration is being organized by the Cuban-controlled Puerto Rican Socialist Party—PSP—and the terrorist Weather Underground's Prairie Fire Organizing Committee, with the support of the Communist Party, U.S.A., American Indian Movement, Venceremos Brigade, and assorted others; a separate demonstration is being organized by the Maoists of the Revolutionary Communist Party, U.S.A.—RCP—and its front groups, the Revolutionary Student Brigade, the Vietnam Veterans Against the War, and so on.

However, Washington, D.C., has also been made the target for a number of activities which also have the potential for causing public disorder and violence. A number of these actions are being organized by the People's Bicentennial Commission—PBC.

The PBC, a nonprofit foundation operating from suite 1010, 1346 Connecticut Avenue, NW., Washington, D.C. 20036 [202/833-9121 and 800/424-1130], is a nationally active group of New Left extremists who seek to use the Bicentennial of the American War of Independence to legitimize a call to a second Marxist revolution to bring about "economic democracy," the PBC's current euphemism for socialism.

The PBC was founded in 1971 as the People's American Revolutionary Bicentennial Commission out of the Johnny Appleseed Movement begun by former CPUSA organizer John Rossen. My distinguished colleague, Mr. ICHORD, first called attention to the dangers posed by the PBC in December, 1973. And I have continued with additional current material on the PBC's activities. It is to be deeply regretted that we in the House no longer have an Internal Security Committee to investigate subversive and extremist organizations.

In recent weeks the PBC has received national media attention for its mailings of tape recordings and letters to wives of corporate executives asking them to demand to know what "corporate crimes" their husbands may have committed; and for another mailing to executive secretaries asking them to gather evidence of any crimes their employers may have committed and "turn them in" for prosecution.

Operating on a budget of $300,000, the People's Bicentennial Commission has already demonstrated its potential for causing violent disruptions at Bicentennial commemorations of the Boston Tea Party reenactment; at the April 19,1975, 200th anniversary of the Battle of Concord Bridge when the drunken and unruly crowd organized by the PBC attempted to disrupt the President's speech; and in several confrontations with the private Freedom Train exhibit.

The PBC's organizing for July 4 is now in full swing; and recent PBC rally announcements state:

> The peoples Bicentennial Commission will hold a July 4th gathering on the steps of the Capitol—Washington, D.C.
>
> The rally will call for a rebirth of the democratic promise of social, political and economic justice set forth in the Declaration of Independence by challenging the power of big business and special interests.
>
> The PBC celebration will begin at sunrise with a commemoration service honoring the men and women who for two hundred years have dedicated their lives to America's democratic principles—from the American Revolution through the Abolition, Women's and Peace Movements to the civil rights campaigns and Labor struggles.
>
> A march will be held after the service from the Jefferson Memorial to the Capitol Building where the major portion of the day's activities will be held.

Publicity for the July 4 rally is being generated by radio and college press advertising, by the distribution of posters and stickers—50,000 posters and 100,000 stickers—and by an east coast tour by PBC founder Jeremy Rifkin and his co-director, Ted Howard, a product of the Institute for Policy Studies—IPS—Washington's radical think-tank.

The PBC plans include a "Patriots Caravan" on July 1 through 3, and have announced:

> PBC is designating special Patriots Caravan Routes from every section of the country. These special routes will allow all the local caravans and individuals to feed into the main cross-country routes to Washington, D.C. * * * continually building larger and larger caravans as everyone rolls toward Washington.

The PBC's speakers list for the Capitol rally includes Eqbal Ahmed; Dr. Barry Commoner; Phil Foner; Nick Johnson; Flo Kennedy; Jonathan Kozol; Sid Lens; Sam Lovejoy; Karl Hess; Ed Sadlowski; Dr. Benjamin Spock; and Carole Tucker-Foreman.

Politically, the speakers range from liberals like former FCC Commissioner Nicholas Johnson and education critic Jonathan Kozol through a former leading member of the Communist Party, U.S.A. who remains close to that organization—Philip Foner—and Trotskyist Sid Lens to the openly violence-oriented. In the latter category, attention is drawn to Eqbal Ahmed, now the Institute for Policy Studies/Transnational Institute's "authority on third world revolution; Florynce Kennedy, an attorney who has contributed to the climate of violence at many rallies and demonstrations; and Samuel Lovejoy, Venceremos Brigade veteran and successful, admitted saboteur of a nuclear powerplant under construction in Massachusetts.

Regional coordinators for the PBC July 4 events are: Randy Barber and Mary Murphy—Boston—Midwest: Bob Leonard—Johnson City, Tex.—Bill Peltz—Urbana, Ill.—John Stauber—Madison, Wis.—Phil Cushway—Ann Arbor—Rocky Mountains: Don Smith—Bozman, Mont.—west coast: Davis Helvarg—San Francisco.

PBC Washington, D.C., staff include: Moreen Banks,* Ann Chase, Margot Gold, Ted Howard,* Carolyn Nelson, Jeremy Rifkin,* Sheila Rollins,* and David Winship—* indicates members of the PBC board of directors.

The PBC's ranks may be augmented by the Communist Party, U.S.A., whose general secretary, Gus Hall, recently said that the CPUSA plans to participate in "people's Bicentennial activities" in Washington on the Fourth of July; and by members of several militant American Indian groups who are heading for Washington in several car caravans; and additional reports will be forthcoming.

BETTER HEARING AND SPEECH MONTH

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. MITCHELL of New York. Mr. Speaker, it is often said that the ability to communicate is our most human characteristic. Yet, in this country today speech and hearing impairments comprise the largest single handicapping condition. Ten percent of all children and adults in the United States have speech, language or hearing impairments which greatly diminish their ability to communicate.

May has been designated as "Better Hearing and Speech Month"—a time when all should listen and be aware that nearly 10 million Americans, or 1 out of every 20 persons, suffer from a speech or language disorder—that each year 60,000 Americans suffer from aphasia, the loss of the ability to use speech and language, due to a stroke or head injury, that there are more than 1 million persons in the United States who stutter, one half of whom are children.

Only those who are afflicted by these impairments know the suffering and pain of not being able to communicate—to learn—to listen—effectively. Yet, many disabilities can be corrected by surgery or through proper therapy by professionals. All too often, however, these deficiencies go unnoticed by teachers, parents, and friends.

So let us make May a month in which we listen—a time when we pay tribute to the hundreds of professionals in the field who dedicate their time and energy to restore the communicative facility.

I join with the professionals in my own 31st Congressional District in calling the public's attention to Better Hearing and Speech Month and ask that we continue to give those people who are afflicted our continued aid and understanding.

CHANGING THE REVENUE SHARING FORMULAE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. HARRINGTON. Mr. Speaker, today the Government Operations Committee considers an amendment to alter the revenue sharing allocation formulae. The purpose behind this change, which I endorse, is to give greater fiscal attention to areas with high incidences of poverty. Unfortunately, the proposal indirectly discriminates against small and medium sized communities, many of which—particularly in the Northeast—are experiencing economic crises as serious as those of New York, Boston, and Detroit.

It is for this reason that I will vote against the formula changing amendment. In this regard, I would like to bring to my colleagues' attention an excellent article written by James M. Howell, chief economist and senior vice president of the First National Bank of Boston, that examines the revenue sharing extension legislation in terms of current economic conditions in the New England region. Mr. Howell's article originally appeared in the Boston Herald Advertiser on March 28, and therefore refers to an earlier, slightly different version of the formula changing amendment. But the essential themes of his essay remain critically important. I hope my fellow Members, especially those on the committee, will give it serious consideration.

Excerpts from the article follow:

REVENUE SHARING: AT THE CROSSROADS

(By James M. Howell)

As a key component of President Nixon's "New Federalism," Revenue Sharing became law in 1972. At that time, the prospect of $5–$6 billion to be apportioned annually among 39,000 units of local government enabled its supporters to build a broad-based national coalition: liberals favoring its larger share of aid to central cities over suburbs, conservatives endorsing the shift of spending authority away from Washington, businesses and homeowners enthusiastic about its tax relief features, and governors, mayors, and other local officials understandably the program's staunchest advocates.

Yet, a program which initially boasted such widespread approval is today the subject of sharp controversy.

On March 16 and 23, I traveled to Washington with a team of experts from The First National Bank of Boston to press for the prompt renewal of Revenue Sharing and to insure that any formula for distributing funds would guarantee equitable treatment for New England and the older, industrialized states of the Northeast and the Midwest.

Collectively, these states share many common economic problems, including high living and business costs, decaying cities, and lagging growth. We were especially disturbed by a proposed formula change that would drastically shift Federal funds from these economically mature states to the rapidly growing South and Southwest. The Northeast now receives $1.7 billion annually; Massachusetts alone will get $211 million this year.

In witnessing a House Government Operations subcommittee "working session" on Revenue Sharing legislation and in discussing the program's fate with Congressional leaders, it became clear that the future shape of Revenue Sharing is still largely undetermined. Despite the encouraging possibility of renewal, at least on a short-term basis, Congressional differences over fundamental issues could conceivably result in a political impasse.

As the only significant federal program of general purpose aid to state and local governments, Revenue Sharing plays an essential role in the maintenance of public services and provides a necessary stimulus to regional economic growth. Despite these benefits, critics charge that it has failed to bring about new programs for the poor, has hindered the modernization of local government, and has contributed to a widening of the federal deficit during a potentially inflationary period.

One of the most significant issues for New England in the Revenue Sharing debate involves the formulas which determine how funds are allocated among the states. Under the present system, a state's total allocation is based on the more advantageous of either a five-factor formula which tends to favor the older, industrialized states such as Massachusetts or a three-factor formula which favors the more rural states.

Each state government receives one third of its formula allocation, while the remaining two thirds is distributed among its cities, towns, and counties. Since the enactment of Revenue Sharing, Massachusetts and its localities have collectively received almost $750 million, amounting to $129 for every person residing in the state. Tables 1, 2, and 3 indicate the amounts at stake for Massachusetts in the renewal controversy.

Legislation has been introduced by Dante B. Fascell (D-Florida), a senior member of the House Government Operations Committee that would depart radically from the existing allocation system. Basically, this approach attempts to apportion funds largely on the basis of low-income population of a state or locality.

Our analysis of the impact of this formula change is summarized in Table 4. Five of the six New England states, and all other industrialized Northeastern and Midwestern states, would face drastic cuts. (New York is the lone exception, and its share remains unchanged.)

But these are the states whose economies are already severely weakened. Moreover many of their state and municipal budgets have achieved a precarious balance by relying on continued Revenue Sharing funds. An abrupt change in the program—or even prolonged uncertainty—could have grave financial repercussions on state and municipal access to credit markets.

Just as Southern states would gain under the Fascell formula at the expense of the economically mature, industrialized states, Southern communities of all sizes would gain at the expense of small- and medium-sized towns and cities in the Northeast. Despite the fact that most Northeastern cities with populations over 100,000 would, like their Southern counterparts, benefit, the majority of communities in other population brackets would suffer.

As Table 5 illustrates, in Northeastern communities ranging from 50,000 to 99,000, 82 percent would lose under the proposed formula, whereas in the New South, 81 percent of such communities would gain.

Thus, while Boston's share of Revenue Sharing would more than double under the Fascell formula—and the shares of several other big cities would be enlarged—the vast majority of the medium-sized cities and localities in Massachusetts would experience decreases in their allotments (see Table 6).

Undeniably, our central cities desperately need more federal funds. But our studies demonstrate that the economic growth of a region frequently is triggered by economic development in small- and medium-sized communities. As the centers of technology move from central cities to the suburbs, it becomes extremely important to encourage the development of these outlying communities, which constitute the new "growth poles" of a metropolitan area.

Any Revenue Sharing formula, therefore, must help to insure the viability of our larger cities and smaller and medium-sized communities.

At the same time, what is needed is a cooperative regional approach to reverse the pattern of federal favoritism toward the South and the Southwest—areas which surely do not need additional fiscal incentives to grow.

The Revenue Sharing controversy has been useful then in bringing the subject of regional disparities in Federal assistance programs to the surface. But whereas the formula issue is significant, apart from the question of whether Revenue Sharing will be renewed, other concerns are complicating the ultimate fate of Revenue Sharing. . .

Public interest groups—such as the League of Women Voters and National Urban Coalition, which have throughly documented the problems associated with Revenue Sharing—are pressing for tighter antidiscrimination provisions, alleging that requirements barring discrimination against minorities or women in programs assisted by Revenue Sharing funds have not been adequately enforced. These groups also want clearly defined procedures for public participation in determining how the funds are used.

Although the goals of stronger civil rights enforcement and greater citizen participation are desirable and workable changes to achieve them must be sought, prolonged disagreement over the most satisfactory way to achieve these ends should not block renewal of the program. When we consider the drastic effects which abrupt termination of Revenue Sharing would have, it becomes clear that renewal of the program—perhaps in a form which represents compromise by all—must be the prime objective.

As local governments grapple with the difficulties of planning budgets and tax rates without knowing the outcome of the Revenue Sharing debate—delays in the submission of Boston's budget were due largely to the program's uncertain future—the House Subcommittee on Intergovernmental Relations continues to evaluate the comparative merits of the 41 Revenue Sharing bills that have been introduced.

The Ford administration has proposed extending Revenue Sharing for five more years, funded at about $40 billion with relatively few changes. Governors, mayors and county officials support this simple extension, wary of any major modifications that might diminish its chances of passage. . .

The most probable outcome will be a shorter-term extension with annual appropriations, and perhaps strengthened civil rights and citizen participation procedures. Less likely is a longer extension with or without a formula change. The most disturbing alternative is that the program might be allowed to expire at the end of the year.

In the final analysis, the fate of Revenue Sharing may rest with the public—and its willingness and ability to convince its Congressional leadership that the program's survival should be a top legislative priority. Local officials have done their part. Recently, Mayor Arthur Clark of Waltham led a group of mayors who called upon the New England Congressional delegation, urging them to push for the quick renewal of Revenue Sharing. There are signs that the New England Congressional Delegation is intensifying its support for the renewal of Revenue Sharing.

But even if a Revenue Sharing program based on a formula more acceptable to the Northeast is ultimately achieved, our efforts to obtain a fair share of funds under domestic assistance programs must not end. Further empirical work needs to be undertaken on the flow of federal aid into our region and the impact of such aid on our regional economy. A united bloc of Congressmen from the highly industrialized and economically mature areas could effectively seek more generous federal aid for our region—a strategy that would hasten the economic recovery of New England.

We are not advocating greater sectionalism. The fact is the economically mature area of the country has financed billions of dollars of public services for all other regions of the country. Over time these Federal transfers have done their job, and the once needy regions now stand on the threshold of rapid growth and prosperity. It is time to reverse the process and to recognize that the mature, industrialized states—which have contributed so much to this country's economic well-being—are now the ones most sorely in need of help.

TABLE 1.—WHAT FEDERAL REVENUE SHARING NOW MEANS TO MASSACHUSETTS TAXPAYERS

	Payments received through December 1975	Payments during 1976
State government	$249, 133, 570	$70, 488, 071
County governments	28, 631, 693	7, 946, 341
Cities and towns	470, 637, 044	133, 036, 269
Total	748, 402, 307	211, 470, 681
Per capita	129	36. 48

TABLE 2.—*What the Extension of Federal Revenue Sharing Will Mean to Taxpayers Over Next 5 Years*

(Assumes Continuation of Present Formula)

	1977–82
State Government	$431, 555, 859
County Governments	47, 274, 603
Cities and Towns	815, 847, 119
Total	1, 294, 667, 581
Per Capita	$214. 00

TABLE 3.—WHAT FEDERAL REVENUE SHARING PAYMENTS MEAN TO SELECTED MASSACHUSETTS CITIES

	Annual (1976)	All payments received to date[1]
Boston	$21, 276, 980	$80, 805, 144
Worcester	5, 039, 496	18, 334, 777
Fall River	2, 757, 440	9, 733, 087
New Bedford	2, 891, 832	10, 365, 153
Lawrence	1, 542, 984	6, 028, 259
Lynn	2, 405, 908	9, 173, 871
Salem	1, 038, 464	4, 146, 058
Springfield	3, 652, 164	14, 001, 752
Cambridge	2, 657, 072	9, 220, 867
Lowell	2, 246, 028	8, 684, 917
Medford	1, 404, 304	5, 348, 065
Newton	1, 076, 812	3, 723, 416
Somerville	1, 891, 348	8, 557, 042
Waltham	1, 212, 192	4, 929, 179
Quincy	2, 005, 912	6, 455, 898
Brockton	2, 413, 416	8, 931, 310

[1] Through December 1975

TABLE 4.—*Formula Impact on the Fascell bill on the economically mature, industrialized States contrasted with the New South States*

The Industrialized States

Losers

	Percent
New Jersey	−25
Maine	−24
Connecticut	−22
New Hampshire	−20
Vermont	−20
Rhode Island	−17
Illinois	−17
Ohio	−12
Michigan	−12
Pennsylvania	−11
Indiana	−9
No change	
New York	0
Gainers	
Massachusetts	+1

The New South States

	Percent
North Carolina	+36
Arkansas	+25
Georgia	+21
Alabama	+19
Virginia	+19
Kentucky	+18
Mississippi	+16
Texas	+15
Tennessee	+13
Louisiana	+9
Oklahoma	+7
Florida	+5
West Virginia	+4
Losers	
Maryland	−2

TABLE 5.—FORMULA IMPACT OF THE FASCELL BILL BY CITY SIZE IN SELECTED INDUSTRIALIZED STATES AND IN THE NEW SOUTH STATES

[Percentage of cities that gain revenue sharing funds]

	100, 000 and more	50, 000 to 99, 000	25, 000 to 49, 000	3, 500 to 24, 000
Industralized States	55. 3	17. 8	7. 9	4. 6
New south States	73. 7	81. 2	48. 0	45. 3

Note: Industralized States include: Massachusetts, New Jersey, New York, Ohio, and Rhode Island. New South States include: Alabama, Florida, Mississippi, North Carolina, and South Carolina.

TABLE 6

FORMULA IMPACT OF THE FASCELL BILL ON MASSACHUSETTS CITIES AND TOWNS

City and town size	Number of cities and towns	Percentage receiving more under Fascell bill
100,000 and more	5	100. 0
50,000 to 99,000	16	43. 8
25,000 to 49,000	41	12. 2
2,500 to 24,000	203	6. 9

ACTUAL DOLLAR CHANGES IN EXISTING REVENUE SHARING LEVELS TO THOSE IMPLIED IN FASCELL BILL

	Current entitlement	Fascell entitlement	Difference
Boston	$21, 300, 807	$44, 413, 635	+$23, 112, 828
Springfield	3, 677, 623	5, 822, 437	+2, 144, 814
Fall River	2, 775, 896	4, 452, 153	+1, 676, 257
Worcester	5, 869, 096	6, 856, 059	+986, 963
Cambridge	2, 675, 151	3, 607, 324	+932, 173
Brockton	2, 429, 190	2, 835, 619	+406, 429
Pittsfield	1, 371, 726	1, 323, 998	−47, 728
Attleboro	422, 789	236, 931	−185, 858
Somerville	1, 891, 349	1, 644, 973	−246, 376
Watertown	1, 013, 803	576, 420	−437, 383
Framingham	1, 250, 215	579, 473	−670, 742

LEGISLATION TO AID INDEPENDENT GASOLINE DEALER

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. MOFFETT. Mr. Speaker, I am pleased to report the progress of the House Energy and Power Subcommittee on what I consider to be a most important piece of legislation in aid of the independent gasoline retailer. As a cosponsor of H.R. 13000, a bill to "provide for the protection of franchised distributors and retailers of motor fuel; to prevent deterioration of competition in gasoline retailing; and to encourage conservation by requiring that information regarding the octane rating of automotive gasoline be disclosed to consumers," I am optimistic that markup of the measure will take place shortly.

My conversations with gasoline retailers in Connecticut along with testimony presented before both Houses of Congress over the past fews years indicate that the need for such legislation is evident. Although Connecticut already has a franchise law on the books, I believe that the fear of retribution by the majors has led to an underutilization of the law by independent dealers, and that Federal legislation would greatly alleviate the plight of the independent service station owner.

H.R. 13000 provides for a more balanced relationship between the dealer and the supplier. It has already been recognized by the courts that the relationship between the dealer and the supplier transcends the normal relationship because in the petroleum industry the supplier is also generally the landlord. The dealer is then placed in the position of not only satisfying the obligations of a tenant but also satisfying the supplier's marketing objectives. To do this, he often finds that his actions are of greater benefit to his supplier-landlord than to his own business interest. If he does not comply with the supplier's demands, he faces the real threat that his lease will not be renewed.

This bill will simply give the service station dealer his day in court through his own private initiative. He will have the opportunity to utilize the courts as a referee in his struggle with an unequal partner. Testimony before our subcommittee has revealed that present laws and remedies are inadequate to deal with the problems the dealer faces in his relationship to his supplier. Success in the courts has been rare because present laws are not directed to the peculiar kind of relationship in which the dealer finds himself. After many years of litigation, the record is now clear that this legislation is necessary.

In addition, the growing share of the retail market being taken over by the major oil companies is evidence enough that this legislation is needed. The elimination of thousands of service stations and the conversion of service stations to company operated gas and go facilities may benefit the consumer in the short term, but I hate to think of the result a few years from now when there are no independent service station operators and the public is forced to go to retail establishments which operate in a monopoly environment, free from the perfecting services of competition.

The Senate has already passed a dealer day in court bill, and the bill I have cosponsored represents the input of all concerned parties. It is a measure whose time has come. I hope we will see it enacted into law in the very near future.

MAJ. GEN. ALBERT B. JONES RELINQUISHES COMMAND OF ARMY RESERVE UNIT

HON. ROBERT G. STEPHENS, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. STEPHENS. Mr. Speaker, on April 25, my long-time friend, Albert Bruce Jones, relinquished command of a distinguished Army Reserve unit, the 81st U.S. Reserve unit.

General Jones has been an outstanding example of the best in the great Army Reserve program, having spent over 4 years in Washington on active duty as the executive in charge of that program. During that time, he fought manfully for the continued vitality of the Reserves.

As a tribute to his service, the Athens (Ga.) Daily News published an editorial on April 27, 1976, which I am pleased to set out in full below:

MAJ. GEN. ALBERT B. JONES RELINQUISHES COMMAND OF ARMY RESERVE UNIT

Maj. Gen. Albert B. Jones has relinquished his command of the 81st U.S. Army Reserve (ARCOM) which embraced some 12,000 citizen soldiers in Georgia and Florida and guided some 140 subordinate units.

Perhaps the most welcome part of this news is that General Jones is not retiring from the Army. He began his Army career some 38 years ago in the ROTC program at the University of Georgia where he now serves as assistant to the president.

The years between are filled with service to his country. The details of that we will leave to the news columns. But we want to say a few words about the man. General Jones is what the vast majority of Americans consider to be the image of professional soldiery. He is dignified, reserved, determined and dedicated. Yet he is also a very personable friend and citizen.

He has done his job well and deserved the commendations given him at special ceremonies in Atlanta Sunday when the command was turned over to his successor.

The Atlanta native, while carrying out his duties with the Army, serves in perhaps one of the toughest positions at the present time that a man could undertake—at a time when most would seek easier ways. But this is the nature of the man. He also keeps busy in other activities which benefit the community as well as those with whom he comes in direct contact.

The picture of General Jones in uniform, erect and proud, is the kind of image we need more of.

But the quality of the devoted worker, the determined soldier and the continuing loyalty and good faith are the type characteristics we see as worthy of special commendation as General Jones ends another phase of his military career.

On behalf of his fellow soldiers and fellow citizens, we say a thank-you and "well-done" to General Jones as we welcome the fact that he will continue to serve.

WINT SMITH

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. RHODES. Mr. Speaker, I am saddened by the passing of a good friend of mine and former Member from Kansas, Wint Smith, who served 14 years from the Sixth District of Kansas.

Wint Smith was a man of courage and action, a man dedicated to principle, and a man of deep convictions and decisive action. He served this Nation in three wars, and performed with distinction, from the Mexican border clashes of 1916, through World War I, where he served 24 months overseas, and on the Omaha Beach and the Battle of the Bulge in World War II.

He was a good friend of my family and his advice and support were treasured by my father when he was State Treasurer of Kansas, and later by me. I received my first committee appointment in Congress from Wint Smith, and relied on his wisdom and guidance during my early days in Congress.

The Nation has lost a great soldier-stateman, and I have lost a close personal friend.

The Belleville Telescope, published in Belleville, Kans., by Merle Miller, paid tribute to the outstanding career of Wint Smith, as a soldier, public servant, and private citizen. Text of the editorial is as follows:

A TRIBUTE TO WINT SMITH, STATESMAN

Wint Smith of Mankato, probably one of the strongest men ever sent to Congress from Kansas, died Tuesday morning in a Wichita hopsital.

During his tenure in Washington Wint headed important committees and was chairman of a labor investigation committee that took courage such as we seldom see today in Congress.

Throughout his lifetime he served his country, first in the armed services during two World Wars, and in each he commanded American forces with pride in his men that made strong fighting forces. He attained the rank of Brigadier General.

Even after he retired from Congress he continued his fight to preserve standards that he felt had made America great. He worried about the free spending in Congress, he opposed the mightly strength of the labor unions which he felt had gotten too powerful, he fought the battles of rural America and the farmer because he knew their problems having been a rancher and livestock raiser in Jewell county. As a side line he established a museum to preserve some of the pioneer records of North Central Kansas and Jewell county.

His wishes in life were simple, but he recognized the importance of freedom. He realized the importance of the free enterprise system and nothing upset him like the grafters in government.

To many Wint Smith was sound and thought like the people from the Midwest whom he tried to serve so valiantly.

THE URBAN CRISIS: A FORGOTTEN ISSUE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. RANGEL. Mr. Speaker, it is indeed distressing that at a time when the problems of our cities are becoming more pressing than ever, these problems have inspired no coherent dialog among candidates for the Presidency. Our cities can be saved from decay, and they are clearly worth saving, yet the current presidential contenders evidently do not wish to acknowledge that the urban crisis is even an issue.

The absurdity of this situation has been observed by Russell Baker of the New York Times. In his column Tuesday, Mr. Baker perceptively notes that Presidential candidates are ignoring our urban problems while dwelling upon many irrelevant "issues" or avoiding issues altogether. The result has been a sort of second-class citizenship for the millions of Americans living in urban settings; they can turn to no Presidential candidate who will address the concerns they must live with every day.

Mr. Speaker, I hope that my colleagues—and the candidates as well—will take note of Mr. Baker's arguments in the column that follows, and will reevaluate their perceptions of the real election-year issues accordingly:

ANOTHER COUNTRY

(By Russell Baker)

New York City is closing hospitals, public schools and colleges. Gerald Ford and Ronald Reagan are worried about the Panama Canal.

New York City is supporting a million people on welfare, many of them exported from other sections of America to hold down local taxes. Jimmy Carter says Americans are splendid folks.

New York City's old people are being terrorized by muggers. Gerald Ford and Ronald Reagan want to spend $20 billion for a new bomber.

New York City's South Bronx is going the way of Dresden under "Bomber" Harris. Jimmy Carter and Gerald Ford are worried about neighborhoods losing their ethnic characteristics.

New York City is losing its middle-income people to the suburbs. Ronald Reagan is alarmed about losing Angola.

New York City has more than ten percent of its work force unemployed. Gerald Ford is delighted about the improvement in the economy.

New York's building industry is near a standstill. Jimmy Carter says he will never tell a lie.

One could go on with these illustrations of why, if you are a New Yorker, the Presidential campaign seems to be happening in another country. There is the ineffable Governor Brown's reflection that we may not need cities any longer, which may be good long-range visionary philosophy but doesn't come to grips with the problem of getting to work if the subway is struck.

When President Ford was thundering damnation on New York last year, it seemed probable that the Presidential campaign might concern itself with city problems and, at least, produce some wider national understanding of them, which might lead to new Federal domestic policies. Even this mild expectation has been destroyed by the bizarre course the campaign has taken.

With only Carter, Ford and Reagan remaining as strong candidates at this stage, cities have ceased to exist as a subject of political discourse. The contest now is for the South and the suburbs, which, judging from the campaigns that have brought the three leaders to the top, are even more remote from the urban reality than New Yorkers had suspected.

If New Yorkers were left with any doubt during the Ford attacks that they were out of phase with the American majority, the primary elections should have removed the last wisp of suspicion. One scans the utterances of the big three in vain for evidence that they are aware cities exist.

The Ford campaign, disappearing off the scope at times in its attempt to outdo Reagan in conservative orthodoxy, is all Panama, Africa and Pentagon. It is hard to imagine either of them descending from the international cosmos long enough to wonder about garbage collection. The only urban question apt to rouse them is whether fluoridation is a Communist conspiracy.

Nor is there much more in the Carter campaign. Actually, Carter is not campaigning; he is giving the country a massage. After Vietnam and Watergate, he seems to have calculated, and accurately, that the country wants to spread out on the table, turn off its minds and have its weary psyche caressed and soothed.

In the New York primary, he did not lie. He did not promise Federal miracles to make the subways run on time. He took basically the same line the President had taken, which was that New York had a Mayor Beame problem rather than a problem peculiar to urban America. Bitter medicine. At first one was tempted to say, "He doesn't understand, either." but on reflection, it is obvious that he understood all too well that, in this time, showing excessive concern for the cities can hurt where it matters most, in suburbs and Southland.

He offered little except the statement that there was "great affection" in the country for New York. And his television audience laughed. And Carter lost New York very badly. And became the new Democratic idol.

It must be a curious sensation for New Yorkers to find themselves so completely eliminated from the Presidential politicking so early in the game. They didn't even make it to the play-offs.

One consolation is the detachment with which New Yorkers can watch the contest from here in. Seeing no stake in the outcome, they have only the pure sport of the thing to observe. It is going on right now in another country whose people find Panama, Angola and not being lied to by politicians among the most urgent matters of the day, which is possible when your schools and hospitals aren't being closed and you don't have to get up the money to support all the losers those splendid folks in that other country keep sending you.

In the fall, of course, we will argue about international power and decency in Washington, and care again, and, afterwards, go on sending billions to Washington to keep from losing sheikdoms, principalities and tribes here and there across the waters.

CONGRESSMAN GLENN ENGLISH SPEAKS UP FOR RURAL POSTAL SERVICE

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. STEED. Mr. Speaker, I would like to call to the attention of the House remarks which were made Tuesday befor the House Committee on Post Office and Civil Service on the matter of the closing of small rural post offices. These comments were made by my friend and colleague from the Sixth District of Oklahoma, Congressman GLENN ENGLISH, who represents a large rural district and is fully aware of the importance of these small post offices.

The article follows:

STATEMENT OF CONGRESSMAN GLENN ENGLISH, SUBCOMMITTEE ON POSTAL SERVICE

Mr. Chairman, it's certainly a privilege for me to have this opportunity to speak up on behalf of the people in my part of Oklahoma, and those in many other rural areas, concerning the Postal Service's plans for smaller communities.

There's no doubt that the U.S. Postal Service has gotten into increasingly serious trouble since it began operating independently a few years ago. Since that time, its problems and deficits have risen at an incredible rate.

This distinguished subcommittee is well aware of some of the unusual management decisions which may be responsible for most of the serivce's problems, and in the interests of saving time, I will not go into them here. But I do believe that it is significant that, shortly after taking over the responsibility for mail delivery nationwide, the new corporation replaced many of the old Post Office Department's most experienced officials, and set up in their place a complex, expensive, and untested system to automate mail handling. Not surprisingly, the costs of this system led to large cost increases—even as the machines themselves were helping lower the quality of mail service nationwide.

But we are here today to look at just one aspect of the new plan which the Postal Service's executives have proposed the unilateral reduction of mail service to small rural communities.

Mr. Chairman, in 1977 the operating budget of the Postal Service will be about $14 billion dollars. And by that time, the corporation's total deficit will have built up to about $3 billion, and will be growing at the rate of more than $1.5 billion every year.

We are told that one of the principal ways in which the Service wants to cut its costs is by shutting down rural post offices. I'd like to point out a major problem with that idea.

The most extreme proposal I have seen calls for the closing of two-thirds of America's smallest post offices—which would mean that 12,000 communities would lose their facilities. If ever one of these 12,000 offices were closed, the net savings to the system would be only $100 million—just seven tenths of one percent of the annual Postal Service budget. Most versions of this plan do not involve such a large number of post offices—so that the savings involved becomes even less significant in comparison with the system's operating costs.

But even if the Postal Service would gain a significant dollar benefit from closing small offices—which it clearly would not—I believe that there's a lot more involved in this action than simple cost accounting.

Since it was first established, the U.S. Post Office has diligently sought to provide the best service possible to every citizen in America. And for many years, the Post Office Department did just that. The small post office became a center of community life—staffed by helpful, sympathetic local citizens who went out of their way to help meet the needs of their neighbors.

I just don't believe that any part-time "contract carrier" could provide the same high quality service to rural customers.

But even more important, I believe, is the fact that without a post office, many hundreds of communities would completely lose their identity.

Mr. Chairman, I am one of those who strongly believes in the importance of maintaining a healthy rural America. And I believe that the rural post office is a crucial center for community activities—a link which helps those who produce America's food and fiber to maintain their sense of identity in a nation of big cities.

I am extremely disturbed by the Postal Service's attitude towards the rural customers it is supposed to serve. And I'm disturbed by its reluctance, even after repeated requests, for information about, or justification for cutbacks in the part of Oklahoma I am fortunate to represent.

I believe that cutting a small fraction of one percent of the Postal Service budget by reducing rural services is truly an irresponsible proposal, and I urge this subcommittee to reject this, or any other plan which ignores the needs of postal customers. I think that the most important place to look for savings is at the highest level of the system—among those who have administered the corporation during the last few disastrous years.

In conclusion, Mr. Chairman, I am adamantly opposed to the wide-scale closing of rural post offices, and to other similar proposals which discriminate against Americans who have chosen not to live in one of our Nation's overcrowded cities.

I would like to thank you, and the other distinguished members of the Postal Service Subcommittee for giving me this opportunity to appear before you today.

TRIBUTE TO MRS. OLIVE RUBY

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. KETCHUM. Mr. Speaker, it is with great pleasure that I call to the attention of my colleagues the accomplishments of Mrs. Olive Ruby, of Santa Clarita, Calif. Mrs. Ruby has been selected to receive the Santa Clarita Republican Women's Club, Federated, "Woman of the Year Award," a distinguished honor of which she is most deserving.

On May 11, Mrs. Ruby will be appropriately recognized at a luncheon, paying tribute to her great dedication, and naming her Woman of the Year. These honors are not uncommon for this fine and selfless lady; she has, in the past, also received the Woman of the Year Award presented by the Newhall-Saugus Chamber of Commerce.

I know that all my colleagues will join

with me in congratulating Mrs. Ruby for a job well done, and in extending best regards to her.

NATIONAL RURAL HOUSING COALITION TESTIMONY

HON. FRANK E. EVANS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. EVANS of Colorado. Mr. Speaker, I would like to take this opportunity to commend to the attention of my colleagues testimony by the National Rural Housing Coalition before the Subcommittee on Agriculture and related agencies of the House Appropriations Committee. This information will be important to those concerned with rural housing problems and the fiscal year 1977 budget:

STATEMENT OF THE NATIONAL RURAL HOUSING COALITION BEFORE THE SUBCOMMITTEE ON AGRICULTURE, COMMITTEE ON APPROPRIATIONS, MARCH, 1976

The National Rural Housing Coalition has carefully studied the budget of the Farmers Home Administration, and finds it unacceptably inadequate.

General Elliott, the Administrator of Farmers Home, in testimony before the Senate this year, referred to the demand for FmHA credit as "insatiable." Mr. Elliott and others have long recognized the need for additional Farmers Home staff if Farmers Home programs are to be expanded, or even adequately maintained at their current level.

Yet FmHA's response in the light of this situation is to stress "management" and to shift even further away from servicing poor people toward providing credit for people with more nearly adequate incomes.

For example, Farmers Home utilized the funds provided last year for additional staff only in part for additional staff. The $12.3 million increase provided by the Congress for fiscal 1976 was intended to provide FmHA with 750 to 1,000 new full time employees. Instead Farmers Home is using one third ($3.9 million) of the funds provided to hire 400 full-time employes, 200 part-time employees and 100 temporary employees. It is using $4.7 million to absorb pay increases, $1.7 million for travel expenses, $0.9 million for increased postage and $1.0 million for training.

As this Committee well knows, the Administration formally rescinded the appropriations made last year for farm labor and self-help housing, as well as a supplemental appropriation of $500 million for the Rural Housing Insurance Fund. In the face both of evidence of need and clear Congressional intent, the Administration again makes its annual attempt to kill off the only two Farmers Home programs capable of serving very low income families: self-help and farm labor. It ignores a Congressional directive to implement the rent supplement program.

In the face of unprecedented demand for funds, the Administration proposes to stretch out its authorization for the Rural Housing Insurance Fund, rather than using money which Congress has provided. In January, Farmers Home divided what was left of each state's allocation into six equal parts, and these amounts are being released on a monthly basis. Thus, technically, the funds are adequate for the rest of the year, although General Elliott stated in his Senate testimony that each state is using its monthly allocation "either early in the month or as soon as the month is on them."

One concept of good management is to take whatever is at hand, and stretch it out as long as possible, regardless of the extent of the need to be filled. A better concept of good management is to examine the extent of the need, and to see how much of it could be filled if the necessary resources and support were provided, and then to undertake to secure those resources. Farmers Home is clearly operating under the first concept. We urge that Congress adopt the second concept.

If the current budget is approved, a Farmers Home Administration, with perhaps 400 more staff people than this year, will be processing loans for 9.8% fewer subsidized housing units and 6.1% fewer unsubsidized housing units. This is based on Farmers Home's own budget estimates, without including use of the half billion dollar supplemental authorization. Since time has run out on this rescission, and it was not approved by Congress, it should be noted that Farmers Home has the capacity this year to finance an estimated 157,600 units, while next year it is proposing a total of only 125,925 units. This is a drop of 31,675 units, or 23.0%.

The National Rural Housing Coalition urges, instead, that the movement be in the other direction: that there be at least a 25% increase in the numbers of units handled under each of the major Farmers Home programs. This requires an increase of $2,193 million in the Rural Housing Insurance Fund, to $4,905 million.

We urge the restoration of the Section 516 Farm Labor Housing Grants and Section 514 Housing Loans at an expanded level: $20 million for grants and $25 million for loans.

We urge the provision of Section 523 Self Help Technical Assistance Grants at the full level authorized: $10 million.

We urge the immediate implementation of the Rent Supplement Program, for which Section 8 is not a substitute. We estimate a need of $13 million.

We urge, instead of allocating $20 million for loans under Section 504, that this amount be split so that $10 million would be allocated for grants and $10 million for loans. The repair grant program for very low income families was authorized in 1949. Although the program was in operation for a number of years, it was terminated in 1966 with the insertion of language in the Agricultural Appropriations Act prohibiting the use of FmHA administrative funds to administer Section 504 grants. This prohibition should be deleted. The need for the grant program, if anything, has increased. The rising costs of fuel have given far more urgency to making it possible for very low income owners—primarily elderly people living on fixed incomes—to make their houses weathertight. We are not proposing a higher level for Section 504 for the sole reason that Farmers Home has not as yet been capable of administering the program at the $20 million level.

We urge an immediate increase of at least 25% in full-time, permanent staff positions, and sufficient additional funds for other expenses, for the Farmers Home Administration. The real constraints, as we see them, on the increases in numbers of loans and staff relate to FmHA's capacity to find and train additional people, and to absorb expanded programs. $210 million is needed.

Our budget proposals start from the premise that the Farmers Home Administration has the primary responsibility for meeting the housing and community development needs of the communities which it serves: rural areas and towns of less than 20,000 located outside of metropolitan areas. Unfortunately, census and other statistics which throw light on housing needs are not organized so as to make it possible to obtain accurate estimates of the true housing needs of Farmers Home service areas. Even more unfortunate is the fact that precise estimates would be irrelevant because it is so abundantly clear that the Farmers Home Administration does not now have the capacity to respond adequately, given the scale of needs we know are there.

I recently had occasion to prepare an estimate of current housing needs, and to project the program levels which would be required if they are to be met by 1980. My estimate for nonmetropolitan areas—a good substitute for rural when using census and other data—was as follows:

An estimated 9 million units need to be repaired, rebuilt or replaced, because they now do not meet minimum standards of decency. That is, they lack basic facilities such as plumbing, or are not watertight and weathertight and otherwise in sound repair.

An estimated 5–6 million new units should be built, to provide for population growth and movement into rural areas, and to replace those substandard houses which should be demolished. Two-thirds of these units need subsidy to serve low or moderate income people.

An estimated 6 million households need subsidies of some sort to reduce their housing expenses to 25% of their incomes.

These needs can be met by 1980 if we have the will to do so: we have the resources and the skills, but so far we lack the consensus and determination.

The Farmers Home budget for 1977 proposes to meet only a tiny fraction of these needs. Indeed, FmHA is cutting back from this year's levels, as follows:

Program	Units		Change
	1976	1977	
Subsidized housing loans:			
Purchase of new dwellings	31,750	27,750	−4,000
Purchase, existing dwellings	25,400	22,200	−2,200
Repair and rehabilitation	6,350	5,550	−800
Very low income repair (504)	8,000	7,275	−725
Rural rental housing (515)	17,360	17,400	+40
Subtotal, subsidized housing	88,860	80,175	−8,685
Unsubsidized housing loans:			
Low-income loans, individuals	7,000	6,400	−600
Moderate income loans	37,000	33,350	−3,650
Rural rental housing loans	4,740	5,800	+1,060
Subtotal, unsubsidized	48,740	45,750	−2,990
Total	137,600	125,925	−11,675

The budget again attempts to kill the farm labor and self-help housing programs and refuses, despite clear Congressional intent, to implement the rural rent supplement program authorized in 1974. The net effect is that Farmers Home is retreating from serving moderate income people, and almost entirely refusing to serve rural poor people, with the most desperate housing needs.

In addition to, but not overlapping with, the Farmers Home programs are the nonmetropolitan allocations of housing subsidy funds by the Department of Housing and Urban Development. HUD is required to allocate at least 20%, but not more than 25% of its subsidy funds to nonmetropolitan areas. Assuming that this works out to be 25% of the units, the HUD allocations for nonmetro areas would be:

Program	Units 1976	Units 1977	Change
Sec. 8:			
New or rehabilitation	31,250	31,250	0
Existing	41,250	41,250	0
Bail-out	27,500	27,500	0
Subtotal	100,000	100,000	0
Public housing	15,690	1,500	−14,190
Sec. 235: 5 percent program	18,750	25,000	+6,250
Sec. 236: Rental housing	7,500	0	−7,500
Total	141,940	126,500	−15,440

These budget estimates may well be misleading, since Section 8 levels for 1975 are but a fraction of the 1976 and 1977 estimates, and the Administration is making no new legislative proposals to deal with the problems inherent in Section 8 as a housing production program. Indeed, HUD's own estimates are that only 4,000 new or rehabilitated Section 8 units will have been completed by the end of fiscal 1977.

Even using the most generous interpretation possible of the Administration's proposals, nonmetropolitan housing programs will meet, at best, a tiny fraction of the need.

There is another side to the budget's housing proposals: tax expenditures. Revised estimates for 1976 put federal tax expenditures for housing at over $10 billion. (The change from the $11.4 billion forecast last year is primarily because of the increase in the standard deduction, which means fewer taxpayers will itemize their deductions.) If the homeowner credit is not extended, the 1977 figure will drop somewhat below $10 billion—but there is strong support for extending this credit, which has already cleared the Senate once.

Tax Expenditures for Housing (as shown in Table F–1, Special Analyses, Budget of the United States Government, Fiscal Year 1977):

[In billions of dollars]

	1975	1975	1977
Deductability of mortgage interest on owner-occupied homes	5.4	4.5	4.7
Deductability of property taxes on owner-occupied homes	4.5	3.7	3.8
Deferral of capital gain on home sales	.8	.8	.9
Credit for purchase of new home	0	.6	.1
Depreciation of rental housing in excess of straight line	.4	.4	.5
Total	11.1	10.1	10.0

To these totals, which are readily identifiable, should be added a substantial portion of the tax expenditures for interest-free bonds (totaling $1.4 billion for 1977) and for expensing of construction period interest and taxes ($0.6 billion for 1977). Thus, we are spending, through our tax system in forms which primarily benefit high income people, several times as much as we propose to spend for subsidized housing.

It is, therefore, inaccurate to say that we cannot afford federal spending for housing. Rather, we must admit that we now have substantial federal funds involved in housing and recognize that these funds go primarily to affluent people and to urban areas.

Broadly defined, the responsibility of the Farmers Home Administration is to meet the housing needs of those rural Americans who cannot otherwise obtain decent housing within their means because of lack of income, lack of available financing or unavailability of suitable sites. Conceptually, it should be a simple and straightforward process to decide what is required to meet this responsibility:

(1) Determine the size of rural housing needs

(2) Determine what can be met through private sources

(3) Develop programs to deal with remaining needs, with primary reliance on the Farmers Home Administration

(4) Project a specific, step-by-step series of actions to enable FmHA to meet these needs.

While analysts may differ somewhat on the numbers, it seems clear to us that any serious effort to do the above will reach one obvious conclusion: Given the scale of rural needs which cannot be met by existing private institutions, the staff and programs of the Farmers Home Administration should be expanded as rapidly as possible until they are several times their present levels. To do this in an orderly fashion, we propose that the rate of expansion of staff and production under major programs be at least 25 percent annually. Using their approach, we strongly urge this committee to recommend the following program levels for fiscal 1977:

[Dollars in millions]

Program	Fiscal year 1976 appropriation	Fiscal year 1977 Administration	Fiscal year 1977 Coalition
1. Salaries and expenses	$158.0	$168	$210
2. Sec. 502 subsidized	1,503.0	1,343	2,546
3. Sec. 502 unsubsidized	840.0	949	1,697
4. Sec. 515 subsidized	267.0	300	375
5. Sec. 515 unsubsidized	73.0	100	250
6. Rent supplements			13
7. Sec. 516 farm labor grants	7.5		20
8. Sec. 514 farm labor loans	10.0		25
9. Sec. 523 self-help T/A grants	9.0		10
10. Sec. 504 repair grants			10
11. Sec. 504 repair loans	20.0	20	10
12. Sec. 525(a) T/A			3
13. Sec. 525(b) loan fund			2
14. Water and sewer grants	250.0		300
15. Rural housing and development research			10
Subtotal, capital (repayable)	2,713.0	2,712	4,905
Subtotal, operating or grants	424.5	168	576
Total	3,137.5	2,880	5,481

Appendix: Computation of Program and Budget Levels Proposed for Fiscal Year 1977 by the National Rural Housing Coalition

1. Salaries and Expenses: $20 million.

The Administration's proposal is $168 million, for the same staffing level as 1976. This is a 25% increase. $167,656,000 plus 25% is $209,570,000.

2. Section 502 Subsidized Home Ownership: $2,546 million.

Administration proposes $1,343,000,000 to fund 55,501 units @ $24,198. The 63,500 units provided in FY 76 plus 25% is 79,375 times $24,198 is $1,920,716,200. This leaves out the $500 million supplemental (for the Rural Housing Insurance Fund, arbitrarily assigned here) plus 25% is $625 million. The two figures total $2,546 million.

3. Section 502 Unsubsidized Home Ownership: $1,697 million.

In prior years, the ratio between subsidized and unsubsidized loan authority has been 60/40. $2,546 divided by 60% is $4,243 minus $2,546 equals $1,697.

4. Section 515 Rental, Subsidized: $375 million.

17,360 units were provided in 1976, plus 25% is 21,700. Average 1977 cost per unit is budgeted at $17,241. 21,700 x $17,241 is $374 million, rounded up to $375 million.

5. Section 521 Rent Supplement: $13 million.

The 1974 Act authorized up to 20% of each 515 project to have rent supplements, except that 100% of elderly or farm labor units could carry supplements, as well as more than 20% where the Administrator found it needed. This proposes that 20% of 515 subsidized units carry supplements in an amount arbitrarily set at $250 monthly. 20% of 21,700 is 4,340 @ $250 monthly equals $13,020,000.

6. Section 515 Unsubsidized Rental: $250 million.

The figure is derived from the subsidized amount, to preserve the 60/40 ratio. $375 divided by 60% is $625 minus $375 is $250 million.

7. Section 516 Farm Labor Housing Grants: $20 million.

Provides 2,500 units at an average grant of $8,000 per unit.

8. Section 514 Farm Labor Housing Loans: $25 million.

Provides 2,500 units at an average loan of $10,000 per unit. (The 514/516 programs are generally used in tandem.)

9. Section 523 Self-Help Technical Assistance: $10 million. This is the full amount authorized, and the amount provided in 1976.

10–11. Section 504 Repair Loans and Grants: $20 million. The Administration repeats its proposal for $20 million in loans for this program, but requests nothing for grants. Spending for this program has never yet approached $10 million. Therefore, we propose that the $20 million proposed by the Administration be split between loans and grants, in order to resume the grant program, terminated by an appropriations rider in 1966.

13–14. Technical and Supervisory Assistance: $5 million. Provisions for technical and supervisory assistance and site loans were added in Section 525 by the Housing and Community Development Act of 1974. No funds have been requested. Although $5 million is authorized for technical assistance and $5 million for site loans, we propose only half of the total amount on the assumption that, if appropriated, the funds will be rescinded and therefore an appropriation of $10 million would not be used.

14. Sewer and Water Grants: $300 million. This is the full amount authorized by Section 1926 of the Consolidated Farmers Home Administration Act of 1961, as amended.

15. Research: $10 million. Funding for this function in Farmers Home has never been sought. This is one-seventh of the research budget proposed for HUD, which is increased from $53 million to $71 million in the Administration's budget for 1977.

NOTE.—Of the total amounts proposed, $4,905 million would be repayable; only $576 million represents grants or operating expenses. The grant total is $5,481, a 90% increase over the Administration's request of $2,880 million.

PERSONAL EXPLANATION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. MAZZOLI. Mr. Speaker, on Friday, April 30, 1976, due to prior commitments I was not present to vote on one bill coming before this body. Had I been present I would have voted as follows: "Yea" on rollcall No. 221—final passage of H.R. 365, the Firefighters Benefit Act.

END STEREOTYPING OF GHETTO BLACKS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. BIAGGI. Mr. Speaker, recent press reports have indicated that the Governor of Rhode Island, Philip Noel, made some rather intemperate remarks regarding conditions in black ghettos. Ordinarily, this would be a problem for the people of Rhode Island to deal with. However, Governor Noel is also chairman of the Democratic Governor's Conference and head of the Democratic National Platform Committee. As such he will have an influencial role in determining the policy of one of the major political parties of this country and the one that could control both the Congress and the Presidency next year. His remarks, then, become of national concern.

Jack Anderson quoted the Governor as saying:

> Take a kid from a black ghetto, bus him across town to a white school, he's there four hours under classroom instructions. Then he's back in the ghetto for the other 19 hours or 18 hours . . . He's back in that sweat hole, or whatever he comes from, with a drunken father and a mother that's out peddling her— . . . you know, with all the problems you have in the ghetto.

I do not agree with busing either, but not for these reasons. I believe that all children, given the best possible education, will benefit by having the opportunity to rise above the conditions under which they were raised and be well-developed human beings and successful Americans. They do not have to be bused to get that education.

Further, all blacks in the ghetto do not have drunken fathers and mothers that are prostitutes. This patronizing characterization is the worst remark of all. It continues the stereotyped image that poor blacks living in ghettos are drunks, welfare cheats, and criminals and that nothing can be done for them. This is far from the truth.

The vast majority of poor blacks—and poor whites for that matter—are striving to better themselves and get out of the ghetto. A mother with four children, left without husband and father because he was the victim of a criminal assault which is all too frequent in the ghetto, has no choice but to go on welfare in hopes that she and her children will survive. However, she will do all she can to see that her children get a good education and have the opportunity to escape from the environment that killed their father.

I grew up in the ghettos of New York City. Unemployment, crime, prostitution, and drunks were the order of the day. I survived and many others survived. We got an education and went on to better ourselves and escape poverty.

Many blacks in the ghetto are doing the same thing. Many more could do it if the barriers to equal educational and job opportunities are removed. The efforts of our political leaders must be directed toward this end—not toward continuing the negative stereotypes of ghetto blacks.

EXPANDING CONSUMER CREDIT UNDERSTANDING

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. LITTON. Mr. Speaker, recent surveys have shown that today's youth question the honesty and integrity of business. This is truly unfortunate, and much needs to be done to help restore such confidence.

And I am proud to say the Missouri Consumer Credit Association is doing something. Two years ago, Missouri's first woman association president, Virginia Rutledge of St. Louis, initiated a statewide education program among high school seniors. An essay contest was established, and a statewide speaking program begun.

The results have been amazing. Students from throughout the State have become interested in the consumer credit industry, and they have done a great deal of independent research. The essay contest is also being supported by the International Consumer Credit Association under the direction of William Henry Blake, the executive vice president.

Therefore, it is with great pride that I request this year's first place essay be inserted in the CONGRESSIONAL RECORD. It is a tribute not only to the consumer credit industry, but also to David Dalton of St. Louis, the young man who was inspired by what these businessmen and women had to say:

HOW TO USE CONSUMER CREDIT WISELY

(By David R. Dalton)

Everyone is a consumer, since everyone at one time or another uses goods or services. In the first one hundred years of our country the people were more independent, and depended upon themselves for most of the things they needed. As a result of the industrial revolution and the people moving from the farms to the city, the people became more dependent upon their fellow man. This gave rise to a larger market for businesses to sell their goods. Mass production could now be used which held down the unit cost of an item.

Today, through the wise use of consumer credit, the American family can enjoy many material advantages in the present while being able to pay for them in the future. Business is also helped since more goods are needed to replace ones which have been purchased through the use of credit. This stimulates the economy which is good for everyone.

There are many different types of credit plans which are commonly used by the American consumer to obtain durable, or nondurable goods and services, or to just obtain cash. Some of these are service credit, charge accounts, bank cards, installment credit, and personal loans.

Since credit is a privilege, it must be established and maintained. To establish credit you, as a consumer, must first formally apply. You are asked questions regarding your income, where you work, how long you have worked there, where you live, and how long you have lived there, if you have a bank account, and where, and how much you are paying for monthly instalment purchases. These questions relate to the six C's of credit: character, capital, capacity, conditions, collateral, and common sense. You may also be asked to provide personal or business references to aid in the determination of you as a credit risk. One very important thing to remember is never give false information when filling out a credit application as this has ruined many a credit rating. After all the information you provided has been checked, a decision is made concerning you as a credit risk. If it is determined you are a "good" risk, you will receive the credit for which you applied. The process is the same for most businesses, but once you have established credit with the business, the procedure from then on is usually much shorter.

Throughout the country there are organizations which maintain credit records on people within a particular area. These are known as Credit Bureaus. These Credit Bureaus exchange information on credit users and make information concerning credit applicants available to credit sales managers of member business firms. Many Credit Bureaus are members of the Associated Credit Bureaus, Inc. and also of the International Consumer Credit Association.

Credit Bureaus only record your credit rating; they don't make it. It is up to you to build a good credit rating. Use credit only if you are able to repay your debt. Do not over extend yourself. If a situation arises where you cannot make your payment on time, contact your creditor immediately and explain the facts to him. If the creditor is reputable, an agreement can usually be worked out if you have a good credit record.

As stated earlier, there are several forms of credit. The following is an explanation of each.

Instalment sales credit should be used for more expensive goods which cannot be paid out of one pay check. An instalment purchase requires an exact quotation of the price. Find out how much of a down payment is required, the finance charge, and the Annual Percentage Rate you would pay for the use of the credit. If you decide to accept the credit, a conditional sales contract is drawn up. This contract will contain all of the terms of the contract including the amount of the monthly payments. Perhaps the most important thing to remember is to never sign a contract without reading it. Make sure there are no blanks which could be filled in later as this is a binding contract for both parties. If you do not pay the monthly payments, the creditor may repossess the goods and charge you with the loss, legal fees, collection fees, and other costs involved. This is known as a Deficiency Judgment. However, the creditor will usually prefer to work out an agreement.

There are several forms of charge account credits available. The oldest and best known charge account type is the open account. This is an arrangement between the store and the customer. It permits the customer to walk into a store, purchase anything, no matter how high the price may be and walk out with it. There is no finance charge if the entire amount is paid at the end of a thirty day period.

Another form of charge account credit is the revolving credit. This sets a limit on the amount which can be charged. Usually only 10% must be paid at the end of a thirty day period. A finance charge is usually incurred.

The option charge account is a combination of an open account and a revolving credit. It sets a limit on the amount which can be charged but payment can be anywhere from a minimum established by the store to the full amount. A finance charge is made only on the amount outstanding.

Service credit is unique in that there are no goods which can be repossessed. It is totally and fully dependent upon faith. The faith that the customer will pay later. The only recourse is to simply not supply the service to the customer in the future until he has paid his bill in the past.

The personal instalment loan is strictly a cash loan. Once you receive the cash you can do anything you want with it. Collateral is usually required and repayment is by the instalment method. Sources of this type of loan are commercial banks, Consumer Finance Companies, Credit Unions, insurance policies, pawnbrokers, and personal sources.

Some of the advantages of these kinds of consumer credit are that it makes it possible for families to have the immediate use of things they need while paying for them in the future. It underwrites mass production, mass distribution, and mass consumption which achieves lower prices. It encourages habits of thrift. It gives experience in money management and helps to develop a more responsible attitude toward budgeting. It makes possible the savings of time and labor, and, thus, household expenses. It adds convenience and availability to purchasing. It makes it unnecessary to dip into savings. It eliminates the embarrassment of making financial demands on relatives and friends. It sustains employment and distribution of goods the year around. It also contributes to a constantly improving standard of living.

The expense of credit is figured into the finance charge. This involves the investigation of the credit applicant, record keeping, collections, credit losses from others who have not paid, overhead and the cost of the money itself. If a charge for the use of money could not be made, it is doubtful that the credit suppliers and businesses would remain in business.

Most states have laws controlling the charges which can be applied to loans. In some loans the finance charge is deducted before the money is turned over to the consumer while in other cases the charge is paid each month by the consumer. Also, if it is paid each month the finance charge may be on the full balance at the outset of the contract or on the declining balance.

During the past few years several consumer protection bills have been passed. They are aimed at protecting the consumer from dishonest creditors. These bills require what must be in a contract, the limit of finance charges that can be assessed, the amount which a consumer can be charged when a lost or stolen credit card is used, and that credit records must be accurate, etc.

In conclusion, the consumer should understand all contracts completely before signing them and know what the costs will be. The consumer should use credit to buy only those things he needs and wants, and should not buy more things than he can pay for. He should protect his credit record. If payment cannot be made, the consumer should contact the creditor and explain the circumstances. Also, the consumer should do business with reputable firms only. In some instances cash is more advantageous than credit, if the credit costs are too high. Be a smart consumer. Always choose the lowest finance charges available. Also, consumer credit is one of the consumer's most valuable financial assets. As a consumer guard your credit as a sacred trust at all times.

VOTING RECORD OF CONGRESSMAN JONATHAN B. BINGHAM

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. BINGHAM. Mr. Speaker, on Friday, April 30, 1976, I unavoidably missed two rollcall votes on H.R. 12987, the emergency job programs stopgap extension. I wish to record here what my position would have been had I been recorded as voting:

Rollcall No. 217, motion to agree to the Abzug amendment to provide employment for unemployed or underemployed artists in public service jobs; "yea."

Rollcall No. 218, motion to pass H.R. 12987, emergency job programs stopgap extension; "yea."

MEANWHILE, BACK AT THE RANCH CALLED REVOLUTION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. McDONALD of Georgia. Mr. Speaker, recently I read an article by Mr. James D. Bales that appeared in the Christian News for March 22, 1976, which showed how ideology ties together everything the Communist world does in marching toward its goal of 100 percent domination of the world. Mr. Bales did an admirable job, I felt, and therefore I wish to call it to the attention of my colleagues. The article follows:

Meanwhile, Back at the Ranch Called Revolution

(By James D. Bales)

While certain things are taking place in one place, an entirely different set of events may be transpiring at another place. Therefore, sometimes a story, play or picture may go from one place to another and say, "meanwhile back at the ranch"—or wherever it may be. While an innocent (although no one of age has a right to be that ignorant) Congressman in Washington recently said that he could not understand what interest the USSR had in Angola, meanwhile back at the main ranch, called revolution, the USSR and its satellites are implementing their plans for world conquest. While some are talking about Cuba changing for the better, and the need for better relationships with Cuba, meanwhile at the ranch called Cuba they are continuing to send their troops to several parts of the world. They are not there for purposes of rest and recreation but for revolution.

WHILE WE TALK ABOUT DETENTE

While we talk about detente, and psychologically and otherwise weaken ourselves with false hopes, meanwhile the USSR through its servants sends out the revolutionary line throughout the world. The line is not just something to be talked about but also to be acted upon. Let us consider some of the things which were said in the World Marxist Review for December 1975. It carries the line from the USSR to all parts of the world where her agents and collaborators are at work. One must keep in mind that the Communist emphasize that the theory is the guide to practice and that their directives must be carried out and not just meditated on. Knud Jesperson, Chairman of the CP of Denmark wrote: "There is ample proof that peaceful coexistence does not mean that imperialist ideology has become less anti-communist—nor has socialist ideology become less anti-imperialist. That follows from the very nature of the international class struggle. Marxists-Leninists have never denied that ideological contradictions will exist as long as there is a class basis for them. They have maintained, and now more emphatically, that the ideological struggle between classes and social systems can and should be conducted in a way that rules out military conflicts.

"The ideological struggle remains a sharp form of confrontation not only internationally, between opposed social systems, but also within each country. These are two aspects of one and the same phenomeon." (World Marxist Review, December, 1975, p. 4)

Communists maintain that we represent the exploiting class, that they represent the exploited class (workers of the world), and that as long as non-Communist societies exist there will be antagonism and conflict between the capitalists and their allies and the workers and their allies. This struggle takes place between classes within non-Communist societies and it take place on the international level between Communist countries and non-Communist countries. These are not two different struggles but only two different areas—within countries and between countries—in which the conflict takes place.

MILITARY CONFLICT WITHIN A COUNTRY

Jespersen's statement about solving problems without military conflicts has reference to their use of peaceful coexistence and detente to avoid a major military conflict between non-Communist countries and Communist countries. This would be too destructive to communism, at the present time, and therefore they want to win the world through the power and craftiness of Communist countries, by what they call national liberation wars, and by various types of conflicts within non-Communist countries.

Detente and peaceful coexistence do not mean maintaining the status quo and they include, not exclude, armed conflict. Therefore Jespersen wrote:

"The principles of peaceful coexistence do not concern the question of power within any country. They do not imply preservation of the social or political status quo. They do not contradict the right of any people or nation to choose its own political or social system, to opt for any form or forms it may consider necessary. Precisely that is their class content.

"Peaceful coexistence is no barrier to revolution. On the contrary, it creates favorable conditions for the peoples to settle the question of their social order as they themselves see fit.

"The Communist parties presented a clear concept of this at their 1969 International Meeting. Its Main Document says that the policy of peaceful coexistence 'helps to promote the class struggle against imperialism on a national and worldwide scale. Determined class struggle for the abolition of the monopolies and their rule, for the institution of a genuinely democratic system, and for the establishment of socialist power, whatever may be the road leading to this goal, is an inalienable right and duty of the working people and their Communist parties in the capitalist countries. The Communists of the world are in solidarity with this just battle.

"'Mass action against imperialism is a condition for implementing the policy of peaceful coexistence.'

"This concept, which was formulated before the détente, is still entirely valid. In conditions of peaceful coexistence, as the Communists see it, it is possible—the Maoists' concept notwithstanding—to eliminate new links from the imperialist chain, carry out deep-going democratic changes, establish working people's power and assure the victory of socialism.

"Imperialist propaganda, on the other hand, tries to deter the peoples from taking their future into their own hands. It tells them that changing the social system in the conditions of peaceful coexistence is ruled out, because their country would get no support from the socialist world and would be confronted by the concerted power of the whole capitalist world." (8, 9)

This makes it crystal clear that Communists within a country think they are within their rights when they use any means, which they deem will contribute to their conquest of power, within non-Communist countries. It is not only their right but also their duty.

Furthermore: "The Communists of the world are in solidarity with this just battle". The so-called socialist (Communist) world will support them. This is what they are doing in Angola not only with aid, but also with Communist troops from Cuba.

NO VIOLATION OF HELSINKI AGREEMENT

The Helsinki agreement with the Communist spoke of the inviolability of frontiers, and no interference in the internal affairs of various countries. What the Communist meant is that there must be no interference in the countries which they have conquered, but that it is their duty to help (they are not really interfering) their brothers in other countries as they struggle to overthrow the government of those countries. As Erwin Scharf, a member of the Political Bureau and Central Communist Secretary of the CP of Austria, put it: "The principles of peaceful coexistence, which are taking root as a standard of international relations, include respect for the sovereign equality of all countries, the inviolability of frontiers, and noninterference in internal affairs. Constrained to accept these and other important principles, the imperialist powers proceeded to interpret them as recognition of the status quo in various countries. The advocates of anti-communism, who pursued a cold war policy for years but are compelled to reckon with the results of the European Security and Cooperation Conference, insist now, with reference to the principles of peaceful coexistence, that there be no changes in the system existing in West European countries. Bruno Kreisky, Chairman of the Socialist Party of Austria, described the revolutionary process in Portugal as a 'threat' to détente and peaceful coexistence." (15)

"We are in the presence of an obvious distortion of the nature of both the Portuguese events and the results of the Helsinki Conference." (15)

In other words, the signing of the agreement in Helsinki was simply an autographing party where we collected the autographs of members of the Communist criminal conspiracy who viewed the autographing party as a form of war and as a tool for additional conquests. There should be a cheaper way of getting their autographs for those who want to collect such signatures.

DOES IT NEED TO BE MADE CLEARER?

For those who do not see what they are talking about, they make it even clearer. Jesperson said: "Peaceful coexistence is alleged to be an 'ideological compromise' between the two social systems obligating the socialist countries to refrain from solidarity with peoples reconstructing their society on revolutionary lines. Imperialism, on the other hand, is allowed the 'right' to export counterrevolution in 'its own' part of the world. Some even insist on this ideological compromise as the condition for honoring the principles of peaceful coexistence in international relations. They want world peace to be paid for with an end to class struggle.

"But the class struggle cannot be stopped as long as there are antagonistic classes. At present, the line of attenuating the class struggle is directed mainly against the working people in capitalist countries fighting to change the social system.

"U.S. imperialism's leading spokesmen claim the 'right to action.' And certain right-leaning West European Social-Democratic statesmen, too, have of late resorted to similar arguments to justify outside interference in the revolutionary movement of the peoples. This is in glaring conflict with the essential principles of peaceful coexistence, the letter and spirit of the Helsinki accords." (7b–8)

Scharf stressed that the Communists help wars—such as in Angola, although it is not mentioned by name—which enlarge the Communist world and shrink the so-called imperialists' sphere of influence. All this helps détente—which shows how they view détente. "The socialist countries' constant readiness to come to the aid of national-liberation movements and developing countries in their struggle for political and economic independence is evidence of their dedication and selflessness. The resulting contraction of the imperialist powers' sphere of influence has facilitated the process of détente." (13)

Pieter Keuneman, General Secretary of the Communist Party of Sri Lanka, stressed that they have recently won victories and that these point the way to other victories. "The national-liberation movement has been making rapid and impressive progress in the new conditions created by the growing strength of the socialist community, the ascendant process of detente and the increasing class struggles in the capitalist countries. This is most vividly expressed in Asia. The ignominious failure of the U.S. aggression in Indochina is an outstanding landmark in the history of Asia's battle for liberation. The victories of the patriotic forces of Vietnam, Laos and Cambodia have a significance that goes far beyond Indochina." (21)

COMMON BOND

Communists throughout the world have a common bond—their ideology, says Jesperson. "Such anti-Leninist views will not stand up to criticism. They imply that socialist ideology has shed its internationalism. Of course, there are differences in Communist ideological policy in different countries. That is only natural: in some the dominant ideology is bourgeois—the ideology of the ruling class, of monopoly capital. In others the dominant ideology is socialist. Conditions of struggle differ, too, and hence the concrete aims of ideological policy and activity cannot be the same. But all this does not alter the fact that genuine socialist ideology is one and the same everywhere, regardless of geography, climate or national frontiers. It is the same because it has a common theoretical foundation, Marxism-Leninism, and a common class basis, the community of vital interests of the working class in all countries of the world, and these interests are inseparable from existing socialism. In that lies the strength of the socialist ideology which our enemies are trying to undermine by, among other things, counterposing some of its elements to others.

"Such is the plan, and such are the means used by the anti-Sovieteers to vilify socialism, undermine peaceful coexistence, and impede the world revolutionary process." (5)

WHAT ARE THEY DOING IN ANGOLA?

Have not the Communists made clear what they are doing in Angola? They are there to carry out their duty to help conquer the world for communism. It cannot be conquered, at least at this stage of their warfare against us, in one dazzling movement so they must use the salami tactic—i.e., take a slice at a time until finally enough slices have been taken that the roll of salami has been completely consumed. In other words, bit by bit they are carrying out their duty to conquer the world. Anyone who does not know what they are up to has refused to study the evidence, or is so young that he has not yet had time to consider the evidence. Their words and their deeds are there for all who have eyes to see, ears to hear, and hearts which are willing to understand what the words and deeds prove.

PHILIP KERBY WINS PULITZER PRIZE

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. WAXMAN. Mr. Speaker, the Pulitzer Prize for distinguished editorial writing was awarded this week to one of Los Angeles' most talented and respected journalists, Philip Kerby. He was honored by the Pulitzer committee for his lucid and perceptive Los Angeles Times editorials against secrecy in Government and court-imposed censorship of trial proceedings.

I have known Phil Kerby for many years, and I am exceptionally pleased that his principled and unswerving devotion to the defense of civil liberties has earned him this prestigious recognition. In my judgment, the Pulitzer committee could not have selected a finer recipient.

Phil Kerby began his career 45 years ago as a reporter for a Colorado newspaper, the Puleblo Chieftain. It was during the 1950's, as the editor for Frontier magazine, that he earned a national reputation as a spokesman or liberal and progressive viewpoints.

In 1967, when Frontier magazine was absorbed, Kerby became associate editor of the Nation where he continued his efforts to promote a better public understanding of and appreciation for our constitutionally guaranteed personal freedoms.

In commenting on Kerby's Pulitzer Prize, Anthony Day, the L.A. Times editorial page editor, described him as a "strict constructionist on the bill of rights. He is as strong a defender of liberty as anyone I know in this business. His ideas are as sinewy as his prose."

The profession of journalism needs more Phil Kerby's. We all benefit from their vigilance.

CHAIRMAN HÉBERT'S DECISION TO RETIRE

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. SPENCE. Mr. Speaker, it was with a great deal of mixed emotion that I received the news of Chairman HÉBERT's decision to retire at the end of this Congress. It is a conflict between the knowledge that a man who has served his country so long and so well deserves a rest; and the realization that we, his colleagues, would thereby lose the benefit of his counsel and friendship.

The national media was not always fair and objective in its coverage of Congressman HÉBERT's tenure as chairman of the Armed Services Committee. As a professional journalist himself, this treatment at the hands of the press must have been especially galling to Mr. HÉBERT. But I can assure this body from personal experience that it did not affect his leadership on the committee in any way.

I came to the Armed Services Committee as a freshman member on the minority side, which is hardly a position to elicit a great deal of attention on any committee. But the chairman could not have been more gracious, helpful, and fair to me.

Throughout his service on the committee, as in all of his dealings with fellow Members of Congress, EDDIE HÉBERT has been known as a man of integrity whose word can always be trusted. It is an enviable reputation which any person would be proud to own, and in the case of Mr. Hébert, it is especially well deserved.

I am personally indebted to Chairman Hébert for his wise counsel, and for the interest that he has shown in me during my years on the committee. I shall miss him, as will we all, but I know that my colleagues will join me in wishing for Congressman Eddie Hébert a happy, healthy, and fruitful retirement.

MISLEADING FOOD STAMP AD RETRACTED

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. RICHMOND. Mr. Speaker, I would like to insert into the Record an unusual advertisement entitled, "Important Information About Food Stamps," which appeared in the Washington Post recently. This ad was published as corrective advertising by the same firm that ran the now infamous Parade magazine ad last June which purported to show how a family earning $16,000 a year could receive food stamps.

That firm, Consumers Publishing—and its subsidiary, Center for Public Information—was subsequently sued by the Food Research and Action Center—FRAC—a public interest law firm and advocacy center in New York, which claimed the Parade ad was misleading. The Post advertisement is a result of an out-of-court settlement stemming from this litigation.

I am calling your attention to this corrective ad because I believe the original Parade ad triggered, to a large extent, the current food stamp controversy. That Parade ad and its $16,000 figure, has been constantly cited as fact by public officials and many legislators even though the ad clearly distorts the truth. Hopefully, the Parade ad and its use as a tool for destroying the food stamp program can now be laid to rest.

The Agriculture Committee has now completed its study of food stamp program participants and had confirmed the Department of Agriculture's findings reported in the Post advertisement: The food stamp program does not serve high- or middle-income people. When we talk of knocking people off the program, therefore, there are few, if any, high-income people to eliminate.

Any reforms we adopt should not only close alleged loopholes and tighten eligibility requirements, but also fulfill the intent of the program as a guarantee of nutritional adequacy by helping to afford participation to those eligible households not now able to receive this assistance.

I hope our work to enact food stamp reform legislation in the coming months can now return to reasoned judgment, instead of reacting to the near hysterical call for arbitrary cutbacks that has characterized the debate thus far.

The ad follows:

IMPORTANT INFORMATION ABOUT FOOD STAMPS

During 1975, an extensive national advertising program was conducted by the Center for Public Information featuring booklets which intended to explain the U.S. Government's Food Stamp Program. Such booklets were in no way authorized by the Food Research and Action Center Inc. (FRAC), a public interest law firm concerned with food stamp matters.

We further wish to clarify any confusion that may have arisen regarding some important elements of the Food Stamp Program as set forth by the U.S. Department of Agriculture [1] and the U.S. Senate Select Committee on Nutrition and Human Needs.[2]

WHO IS USING FOOD STAMPS?

The fact: 97% of all food stamp households have gross incomes below $750 a month ($9,000 a year).

The fact: 87% of all food stamp participants are in households with gross incomes under $500 a month ($6,000 a year).

The fact: Over half of all food stamp households have gross incomes below $3,000 a year.

The fact: The U.S. Department of Agriculture has concluded that food stamp program participants "tend to be the poorest of the poor."

WHY HAS THE FOOD STAMP PROGRAM GROWN?

The fact: From 1961 to the present, the number of counties in the Food Stamp Program has increased from 6 in 1961 to 3,046 at present. Much of the increase in participants has been due to people switching from the old Commodity Food Program to the Food Stamp Program, and to new counties entering a food program for the first time.

The fact: In fiscal year 1975, unemployment increased to a high of 9.2% in May, 1975. During this period, the Food Stamp Program—for the first time in three years—grew substantially to meet the needs of the newly unemployed. Since unemployment has declined, Food Stamp Program participation has declined.

DOES THE FOOD STAMP PROGRAM SERVE ALL THOSE IN NEED?

The fact: More than half of the people living on incomes below the poverty level are not being reached by the Food Stamp Program.

BILL TO RESTORE CORPORATE INCOME TAX

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. GIBBONS. Mr. Speaker, the Revenue Adjustment Act of 1975 may have inadvertently repealed the corporate income tax. Section 4(a) of that act intended to amend the definition of the normal tax which is contained in section 11(b) of the Internal Revenue Code of 1954. However, section 4(a) of the act amended section 11(a) of the code "to read as follows", instead of section 11(b). As a result, the amendment struck out the provisions of section 11(a) which provided:

> A tax is hereby imposed for each taxable year on the taxable income of every corporation. The tax shall consist of a normal tax computed under subsection (b) and a surtax computed under subsection (c).

I have today introduced a joint resolution which will restore the above language imposing the corporate income tax by providing that section 11(b), instead of section 11(a), of the code was amended by the Revenue Adjustment Act of 1975.

CLEVELAND PLAIN DEALER SUPPORTS U.S. CONTINUING AS THE SUPPLIER OF NUCLEAR FUEL

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. JAMES V. STANTON. Mr. Speaker, as one who supports expanding the uranium enrichment plant in Portsmouth, Ohio, as a means of supplying the enriched uranium that nuclear power-plants will need in the coming years, I find that the arguments for such a policy, and against the Ford proposal for placing the industry in private hands, were well summarized in an editorial of the Cleveland Plain Dealer. For the benefit of my colleagues, I would now like to insert this editorial, which appeared on April 24, into the Record.

NUCLEAR PLAN DANGEROUS

A plan to let private industry into the uranium enrichment business is being pushed by the Ford administration. It is a bad plan. It would raise electricity costs and make taxpayers guarantee the venture, win or lose. It is also dangerous.

The government would surrender its present monopoly, which makes uranium enrichment nonprofit and holds prices down. It would create a plant in Alabama run by the Uranium Enrichment Associates (UEA).

UEA would be given the government's highly classified nuclear technology. How then could rigid controls be kept on that technology? Or on the weapons-grade plutonium that results from use of the uranium in reactors? UEA could spread atom dangers throughout the world. Even now efforts are being made by three private groups to stop shipment of enriched uranium from the United States to India, which exploded a nuclear device in 1974 after Canada had supplied enriched uranium.

Taxpayer money, up to $1 billion, would be poured in just to launch the UEA project. Then electric utilities would have to pay 34% more for fuel enrichment to support the private plant. Nuclear fuel could cost $700 million more a year.

The government would have to guarantee that the plant would work. It would have to buy and stockpile much of the UEA's output. It would have to raise its own prices so UEA could be competitive.

Additions to the present government enrichment plant near Portsmouth, O., would cost $2.8 billion. This would be the economical way to add to enrichment capacity. It would be nearly matched by the expected costs of the UEA plan. Total federal guarantees could run up to $8 billion.

We said on March 29 that this private venture would be a mistake. We are all the more convinced, now that more facts have come out, that the plan is a bad one and should be rejected.

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[1] "Food Stamp Program," Response to Senate Resolution 58, Food and Nutrition Service, U.S. Department of Agriculture, June 1975.

[2] "Food Stamps": The Statement of the Hon. William E. Simon, Secretary of the Treasury, with a Staff Analysis, December 1975.

AN ACT TO REGULATE HUMAN EXPERIMENTATION CONDUCTED BY THE DEPARTMENT OF DEFENSE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. DOWNEY of New York. Mr. Speaker, the Army has recently released a report summarizing an 8-month investigation into its human experimentation program. The report, prepared by the Army's Inspector General, reviews more than 20 years of experimentation on humans with chemical agents.

The report revealed that Army officers gave LSD to unsuspecting American soldiers, Europeans and Asians during the late 1950's and early 1960's, in violation of accepted moral and ethical principles as well as the Army's own regulations.

The report is also replete with examples of negligence and mismanagement of the Army's drug testing program.

Human subjects were told by Army personnel that they could "withdraw" from the experiments at any time even though those same Army personnel did not possess the antidotes necessary to completely reverse the effects of the experimental drugs.

Individuals were coerced by their superiors into volunteering and subtle pressure was applied at all levels to "encourage" participation in the experiments.

No notations were made in the medical records of those on whom the experiments were performed, and the volunteers were never informed about the type of chemicals which were being administered to them.

In short, the administration of this program has been disastrous. The Army's report points out the pressing need for the imposition of much more severe restrictions upon the Army's management of this aspect of its chemical warfare program.

On April 29, I introduced H.R. 13457, an act to regulate Defense Department experimental procedures on human subjects. This act will provide the kind of effective oversight which the Army has thus far been unable to maintain internally. I insert, for the RECORD, a summary of this legislation together with articles by Joseph B. Treaster of the New York Times and Charles W. Corddry of the Baltimore Sun which describe the Army report:

AN ACT TO REGULATE DEFENSE DEPARTMENT EXPERIMENTAL PROCEDURES ON HUMAN SUBJECTS

Section 1. Statement of Policy and Purposes.

Section 2. Definitions.

Section 3. Jurisdiction.

Section 4. Authorization.

(a) No human experimentation may be undertaken unless the Secretary certifies that the risks are "substantially outweighed by the sum of the benefit to the subject and the importance of the knowledge to be gained."

(b) A detailed statement must be filed with the Committees on Armed Services prior to the beginnings of any experimentation which describes, among other things: the purpose of the experiments, the anticipated risks, the procedures to be followed, the information to be gained, the procedures for informed consent, the names of all personnel conducting the experiment.

(c) The Secretary of Defense must determine that the procedures are adequate and justified.

(d) "No experimental procedure shall be undertaken without the express approval of the Committees on Armed Services of the Senate and the House of Representatives."

Section 5. Informed Consent.

Informed consent means that a person must, knowingly, voluntarily, and intelligently, and in a clear and manifest way, give his consent to participation in the experimental procedures. The subject shall be free to withdraw consent at any time with no adverse consequences as a result of such withdrawal. Consent shall be deemed withdrawn 30 days after it is given.

Section 6. Standards for Informed Consent.

(a) Human subjects must be advised: how the experiment is to be performed, the risks of death or serious disability if such risks are 0.5 percent or more; any risk of greater than 1 percent frequency even if it is not considered serious (e.g., headache, nausea, dizziness, temporary amnesia), the likely extent of all side effects and the extent to which they may be controlled.

Human subjects must also be told "the nature, likelihood and extent of changes in and intrusions upon the person's personality, patterns of behavior or any facet of mental activity which might result and the degree to which these may be irreversible.

They must be told the approximate number of times the experiment has been performed before, any uncertainty about its outcome, the manner in which the subject's case will be monitored, and that the subject will not suffer from withdrawing consent.

(b) The individual conducting the experiment shall obtain a written statement from the subject that he or she has told all the foregoing and has had sufficient time to make a reasoned judgment.

Section 7. Limitations on Experiments Involving Prisoners and the Involuntarily Confined.

Section 8. Medical Records. Detailed notations in the medical records of participants is required.

Section 9. Supervision.

(a) All experimental procedures shall be monitored by Defense Department officials, who shall keep records of the names and addresses of all human subjects and their next of kin or legal representative.

(b) The on-site representative is authorized to terminate any experiment if the circumstances so warrant it.

(c) The defense department may impose additional requirements.

Section 9. (d) The on-site representative shall report any unanticipated problems or risks to the Committees on Armed Services.

Section 10. Termination.

(a) A final report on each experiment including the names of all participants shall be filed with the Committees on Armed Services.

(b) With regard to long-term programs, annual reports shall be submitted.

(c) Follow-up physical or psychological examinations shall be given to all participants within six months after termination.

Section 11. Penalties.

(a) Any person who violates section 4(a) shall be subject to a fine of not more than $5,000 and discharge from the department.

(b) Any contracting party that violates section 4(a) or who fails to comply with the Act shall be subject to fine of not more than $10,000 and barred from government contracting for a period of not less than 5 years.

Section 12. Remedies. Any participant in an experimental program conducted in violation of section 4(a) or 5(a) may bring a civil action against the contracting party or the Department of Defense in a United States District Court for damages and for reasonable attorneys fees.

[From the New York Times, Apr. 28, 1976]

G.I.'S, FOREIGNERS USED IN LSD TESTS

(By Joseph B. Treaster)

WASHINGTON, April 27.—Army officers gave LSD to unsuspecting American soldiers, Europeans and Asians in the late 1950's and early 1960's in a series of military intelligence experiments that flagrantly disregarded moral and ethical standards as well as the military's own policies and regulations, according to an internal Army report made public today.

The report was prepared by the Inspector General of the Army after an eight-month investigation of the service's more than 20 years of experimentation on humans with drugs.

The Army report gave no indication that any of the unsuspecting subjects suffered any untoward effects. But the Senate Select Committee on Intelligence Activities, commenting on the Army experiments in a report released Monday, said that one American soldier had exhibited "symptoms of severe paranoia" while under the influence of LSD and that a suspected Asian espionage agent had gone into a semicomatose state for 28 minutes, after being given the drug, and had remained unresponsive for three hours.

In its more than 250-page report, the Inspector General's office said it had found numerous irregularities and violations of policies and regulations as it studied the Army experiments that involved several thousand American military men and civilians and cost more than $110 million.

The report initially omitted the material on the unwitting intelligence experiments on the basis of National Security.

CRITICISM ON INCENTIVES

In one of its more striking sections, the report criticized the Army for using such coercions as bonuses of more than half a private's monthly pay and "subtle command pressures" to induce the participation of the more than 3,400 soldiers who "volunteered" for the drug experiments.

In most areas, the report made no clear assertion of blame or responsibility, but it said the intelligence experiments were "the fault" of the Army's highest officers in intelligence, chemical warfare and medicine.

The report asserted, however, that no evidence had been found that the experiment had been approved by either the Army Chief of Staff or the Secretary of the Army.

Asked if anyone had been disciplined for the intelligence experiments, an Army spokesman replied, "Not to our knowledge."

The report made only passing reference to the only known fatal victim of the Army's drug programs—Harold Blauer, a civilian who died as an unwitting test subject in a drug experiment sponsored by the service at the New York Psychiatric Institute in 1953. The report said that a later report would deal with the case of Dr. Van M. Sim, who was removed as head of the Army's human experimentation programs last July as the Inspector General's investigation began in the aftermath of widespread disclosures of the tests by journalists.

TESTS ON SECRET DATA

In the intelligence experiments, the report said, 30 to 35 American soldiers were given repeated doses of LSD—in some more than 20 doses—over a period of two years at the Edgewood Arsenal in northeastern Maryland.

One series of tests centered on a simulated "diplomatic cocktail party" where the experimenters attempted to get unwittingly drugged soldiers to divulge secret military information.

In the two experiments where the Senate Committee said there were adverse reactions, as well as those involving six other Asians and nine Europeans, the Army was seeking both "operational" information and additional data on the impact of LSD, the Army report indicated. The locations of the experiments in Asia and Europe were deleted from the published version of the report.

The American soldier who reacted with symptoms of paranoia had been accused of stealing 166 secret documents from his European post, the Army report said.

He was kept in detention in "voluntary protective custody," for nearly six weeks, was interrogated under sodium pentothal (sometimes called "truth serum") and hypnosis in addition to LSD, then eventually discharged from the service on the ground of "unsuitability," the report said.

Among the factors in the soldier's mandatory discharge, the report said, were the necessity of preserving the secrecy of the LSD experiments, "the possible unfavorable publicity arising from the soldier's recollection of the 'bizarre' methods employed" by the Army experimenters and, finally, the opinion of psychiatrists who evaluated the soldier "that he had severe psychiatric disorders."

[From the Baltimore Sun, May 3, 1976]

ARMY REPORT FAULTS ETHICS, MORALITY OF HOLABIRD, EDGEWOOD LSD TESTS

(By Charles W. Corddry)

WASHINGTON.—The Army officers' format was a simulated social situation, rather like a "diplomatic cocktail party," where interrogators spiked the drinks of unsuspecting "volunteers" with LSD to see whether they would yield up secret information while drugged.

It began in August, 1958, at a time when intelligence officers at Fort Holabird and medical officers at Edgewood Arsenal were fascinated with the possible use of hallucinogenic drugs in intelligence work.

They experimented at Edgewood for two years, without high-level approval as it now turns out. But long before that phase ended, the experimenters found the results so "rewarding" that they were proposing "field tests." These in due course involved surreptitious use of LSD on unwitting Europeans, and possibly Asians, to "confirm or refute" the findings at Edgewood.

Now, 18 years after the intelligence-related tests began, the Army says they were violations of moral and ethical standards governing use of humans in research and of Defense Department and Army policies and regulations.

The Army also says that no one has been punished.

Dr. Van M. Sim is no longer head of experimentation programs involving humans, a spokesman said, but is still working at Edgewood.

The Army told the story of Edgewood's intelligence-related drug tests in a special chapter—with "confidential" labels removed at the last moment—of a new 250-page report. The report was prepared by the office of the inspector general, Lt. Gen. Herron W. Maples, as a result of investigations begun last year after wide publicity on Army drug experiments.

The joint intelligence and medical phase of the "volunteer program" had an "unusual relationship" to Edgewood's overall psychochemical drug work. It was connected, the report said, with concern in the 1950's about use of such drugs by potential enemies and with intelligence officers' "striving to improve their own interrogation methods."

In the Edgewood experiments, the report said, 30 to 35 volunteers were used, though some may not have received the drug. Some may have had more than 20 doses of LSD over the almost two-year period.

The evidence showed that volunteers did not give their "informed consent" before first being given LSD and were denied information with which they could assess the hazards.

After the first surreptitious administration of LSD, in a simulated "social situation," volunteers were fully briefed on the drug and the project, the report said, and none withdrew. Most, but not all, evidence was said to indicate the subjects stayed in the program, not because of superiors' pressures, but because they thought they were making a contribution to intelligence "and perhaps to national defense."

The report gave no suggestion that anyone suffered from the experiments and said there was excellent medical care.

In its long inquiry, the inspector general's staff found no evidence that the Edgewood-Holabird intelligence undertaking had approval at any higher level than the head of the Intelligence Board at Fort Holabird and the director of the Medical Research Laboratories at Edgewood. The Army surgeon general's office was not, as far as could be learned, given a chance to review the plan.

In the subsequent "field test" in Europe in 1961, the report said, the object was to see whether the LSD technique "could be employed as an aid to interrogation and whether or not the technique does enhance the exploitability of actual subjects of intelligence interest."

Ten individuals—nine foreign nationals who were Army intelligence sources and an American soldier—were involved in the European tests. None were volunteers "in any sense of the word." The soldier had been involved in theft of about 166 secret documents, the report said. It said the use of LSD in interrogating him was not experimental but operational and was in "flagrant disregard" of regulations.

The soldier later was given an administrative discharge instead of a court martial, one reason being his "severe psychiatric disorders," another being the desire to avoid publicity about "bizarre" interrogation methods.

There was no evidence that either the Army chief of staff or the Army secretary, Gen. George Decker and Elvis Stahr, knew anything about the European tests. The "fault" in this case lay primarily with the assistant chief of staff for intelligence. At that time, Maj. Gen. John M. Willems filled the post, a spokesman said. The "fault" was shared by the offices of the surgeon general and the chief chemical officer.

An effort was made in 1962 to extend the experiments to the Pacific area. The efforts apparently crumbled and much about them was excised from the report. It said 78 nonvolunteer foreign nationals and a U.S. serviceman, reportedly a volunteer, were "involved." But the report left vague whether the foreign nationals actually received LSD.

In summarizing, the Army report said there was no evidence of LSD use by any Army intelligence agencies after April 10, 1963.

MAY 17—NATIONAL DAY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. ANDERSON of California. Mr. Speaker, on May 17 the people of Norway—and Americans of Norwegian descent—will celebrate National Day, commemorating Norway's birth as an independent nation.

This holiday closely parallels our own Fourth of July. For it was on May 17, 1814, that Norway adopted a constitutional form of government and declared itself an independent nation for the first time since 1319.

Prior to 1814, Norway was part of a combined state with Denmark. However, with the capitol located in Copenhagen, Danish interests, often heavily influenced by the turbulent events in continental Europe, took precedence over the concerns of the more remote region of Norway. For instance, in 1807 Denmark found it expedient to side with France during the Napoleonic wars, which led to much suffering in Norway when the British navy blockaded the coast. This heightened nationalistic sentiment in Norway, as they saw their interests sacrificed for their continental partner.

Thus, when the Treaty of Kiel ceded Norway to Sweden in 1814, the Norwegian people refused to be traded at the whim of another nation. On April 10, 1814, a popularly elected National Assembly met at the Eidsvold Iron Works outside Kristiana—now Oslo—to draft a new constitution for the now independent nation of Norway.

On May 17, 1814, the assembly closed its proceedings by completing the constitution and electing Prince Christian Fredrik to be King of Norway.

After a brief war with Sweden during the summer of 1814, the first Storting, or Norwegian Parliament, agreed to a union with the Swedish kingdom. However, Norway won the right to keep its own constitutional form of government, and the union with Sweden proved to be so loose that Norway dissolved it in 1905, once again becoming an independent nation.

Today, the 17th of May is celebrated both as a day of independence, and as the most important of spring festivals. In Norway, it is marked by a parade of thousands of children as they salute the King before the Royal Palace.

At times during Norway's history, the National Day celebrations reflected the internal debates and dissension inherent in any free society. But even the cruel Nazi occupation during World War II could not dim the independence of the Norwegian spirit—and National Day has remained a time to honor and celebrate that heritage of freedom.

Mr. Speaker, as our own Nation celebrates 200 years of liberty, it is especially fitting that we recognize other countries as they commemorate their own holidays of independence. The

United States celebrates the Fourth of July; and Norway honors its birth as a free nation on May 17—National Day.

CONTROL OF CONVENTIONAL ARMS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. HAMILTON. Mr. Speaker, the rapid growth in the international arms trade has increased tensions in the world and focused attention on the need for controls over conventional arms trade.

While the threat which nuclear weapons pose to our survival makes their control a matter of the highest priority among nations, the increased flow of conventional arms threatens stability and diverts resources from urgently needed economic development.

The nations of the world are becoming increasingly alarmed at the quantity and quality of the arms traffic. World military expenditures in 1974 reached $275 billion and, as measured in constant dollars, have continued to increase worldwide during the past decade. During this same period the trade in conventional arms has more than doubled and the United States has exported as many weapons as all other nations combined. Not only has the volume of trade risen dramatically, but so has the proliferation of sophisticated weapons systems.

There are many formidable obstacles to controlling trade in conventional arms. The supplier countries, like the United States and the U.S.S.R., hope to bolster the security of the recipient country or to gain influence over its policies. The denial of arms to a country seeking them can cost a supplier nation much goodwill and influence. The recipient nations consider such arms as essential to their own national security and any limitation as an encroachment on their right of self-defense. They see limitations on their access to arms as a technique by major powers to control them.

Economic considerations are also important. Arms transfers can reduce the unit cost of weapons to the supplier country's own armed forces. They can generate employment, produce a favorable balance of payment, and maintain defense production in the supplier country of a particular item. So suppliers of arms have been less than enthusiastic about proposals to limit arms sales. In addition, a major obstacle to international controls is the growing number of countries that produce arms.

Despite these obstacles, the momentum for arms control will probably grow, principally because money spent on arms diverts important resources from unmet social needs and because of the urgent need to increase military stability in potentially explosive areas of the world. Besides, most Americans do not want an image as "a merchant of death" and are uneasy that many of the arms we sell go to governments which use them, not for genuine national security purposes, but to repress their own people.

Thus far, little progress has been made toward limiting the international flow of conventional arms. Since World War II several initiatives have been taken. Embargoes have been tried on a limited basis with varying degrees of success but none has been totally effective. Some regional initiatives, like the 1974 Declaration of Ayacucho by eight Latin American countries, show some chance of success. As with other forms of arms control agreements, success appears most likely in areas where they are least needed.

It is not easy to know what steps should be taken toward the control of conventional arms. No person wants to risk the security of his country by denying it sufficient arms for defense. At the same time the continuing global expansion of arms and forces attests to the need for effective arms control.

As the dominant supplier of arms, we in the United States must take the lead in focusing greater attention on the issue of arms control, seeking some kind of rational control of arms sales. We must exercise restraint in both the quantity and the quality of the arms sales, making sure that any sale is in our national interest and subordinating economic gains to foreign policy objectives and assuring that our military capabilities are not diminished by any sale. Such restraint is a prerequisite for effective international control measures. But, in the long run, control of the global arms trade will require international cooperation and multilateral agreements among suppliers and recipient countries. No one country can control the flow of arms. To be effective, arms limitation agreements among recipient countries must also be supported by the major arms supplying nations. An arrangement to discourage the arms race in the Middle East, for example, is a principle component of any lasting settlement in that troubled area and it must include the United States, the U.S.S.R., as well as the recipient countries.

We must also pursue more vigorously in international forums, especially the United Nations, the formulation of international restraints on the shipment of arms. These restraints might include agreements not to use force to solve international problems, to achieve a mutual reduction in arms and armed forces in areas where the presence of opposing forces is dangerous, and regional initiatives toward control of arms.

The Congress, which has shown increasing interest in arms control through a variety of legislative measures, should work with the President to formulate and implement a coherent overall arms export policy. It should also increase its scrutiny over large arms sales.

The frustrations of trying to negotiate reductions in conventional arms trade must not interfere with further efforts to live in a more tranquil world.

THE 19TH DISTRICT CLUB

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. GOODLING. Mr. Speaker, since I have been a Member of Congress, I have devoted a great deal of attention to trying to keep myself informed of the needs and wishes of those persons who elected me. As a part of this effort, I have developed an extensive communications program which includes the production of a weekly television program, the distribution of weekly columns and news releases, monthly distribution of a newsletter, the mailing of an annual questionnaire, frequent town meetings within the 19th district and a regular series of telephone discussions with high school students.

As you know, some involuntary taxpayer funds are available for some of these types of expenses as a result of action taken last year by the House Administration Committee. However, I have chosen not to use those funds, but instead have paid most of my office communications costs from voluntary funds raised for that purpose by an organization known as the 19th District Club.

When this organization was formed in 1975 for the purpose of raising voluntary funds to help defray those costs, I made two pledges. That I would permit neither the solicitation nor expenditure of any funds by this organization in any year when I was a candidate for relection and that I would make an annual accounting of proceeds and expenditures in the CONGRESSIONAL RECORD.

During 1975, thanks to the help of many constituents from throughout the congressional district, the 19th District Club raised $17,151 by holding a series of $25 per person receptions and breakfast meetings in the 19th district.

During the same period, communications expenditures by the 19th District Club in my behalf also totaled $17,151 and were committed to the following categories:

Reception Expenses	$3,472.08
Printing	9,409.32
Newspaper Subscriptions & Clipping	826.40
Radio & TV	858.25
Photography	850.23
Postage	142.08
Misc. Office Expenses, including town meeting expenses, office equipment maintenance, and stationery costs	1,592.64
Total	$17,151.00

THE INSIDERS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. HARRINGTON. Mr. Speaker, the editors of the New Republic have aptly pointed out that U.S. foreign policy tends to reflect the interests and assumptions of a very narrow elite, comprised mainly of lawyers, bankers, foundation executives, and big-name academics who occupy the social stratosphere of New York and Washington. This is the group from which our Secretaries of State, national security advisers, and lesser officials of the foreign affairs bureaucracy tend to be chosen, and the homogeneity of their backgrounds and private interests inevitably finds expression in the policies the United States pursues in the world. The isolation of this group from the common citizen accounts in large measure for the obsessive secrecy and distrust of the public that has characterized our foreign policy in recent years, and it probably says a great deal also about the official U.S. attitude toward the struggles and aspirations of Third-World peoples.

As the New Republic editors suggest, it is important to keep this bit of sociology in mind when assessing the foreign policy positions of this year's Presidential candidates. At least as significant as the ideas the candidates have espoused—and as a group they have espoused very few—is the advisers they have chosen to supply the ideas. Looking at the list, it is sobering to note that the foreign affairs establishment, in spite of its disastrous track record in Vietnam and elsewhere in recent years, still seems to hold a firm monopoly on official wisdom.

The magazine's editorial follows:

HENRY'S SUCCESSOR

Though he is likely to survive the superficial cuts and bruises of the campaign, Henry Kissinger now finally is showing his political mortality. Whether or not the Democrats win in November, this peerless, flawed man is coming to the end of his historic mastery of U.S. foreign policy. His leaving will please many people in both parties who once were in his thrall. In the two years since in Salzburg he threatened to resign and sent shivers through the press and Congress, the emerging record of Kissinger blunders and deception has reduced the appeal of his brilliance and charm.

But before his critics celebrate the exit of Super K, they should reflect on what the country will probably get in his place. For almost a quarter century, under both Republicans and Democrats, the office of Secretary of State has been the preserve of a small ingrown elite clustered mainly in New York and Washington. Many of the lawyers, bankers, foundation executives and house academics of this foreign policy Establishment have sat by the phone waiting for a call from the White House asking them to manage America's role in the world, or, as luck would have it, to judge the "soundness" for the office of one of their colleagues. The call often came. Unsure of their own abilities and their grasp of diplomacy, politicians from Harry Truman to Lyndon Johnson turned to the Establishment to fill the most important cabinet post. The elite served up patrician lawyers Dean Acheson and John Foster Dulles, and later, Rockefeller Foundation president and erstwhile bureaucrat Dean Rusk. The rest is history, much of it unpleasant.

Richard Nixon departed from tradition. Accurately feeling himself to be a hated outsider by this Establishment, he relied for his foreign policy on a relatively obscure Harvard professor named Henry Alfred Kissinger, whose independence and intellect had put him in the company though never in the league of the Achesons, the Dulles and Rusks. Lecturing to the fleshy faces around those seminars at the Council on Foreign Relations, Kissinger quickly discovered the ultimate dirty little secret of the foreign policy club: its intellectual shallowness. He saw the incestuous jockeying for position, the endless gossip, the common obsession with keeping a blurred, unexceptionable reputation for the moment when the President might call. Lost in the seamy scramble was any genuine thought or debate about foreign policy. "Very little in the experience that forms these men," Kissinger wrote prophetically in 1961," produces the combination of political acumen, conceptual skill, persuasive power, and substantive knowledge required for the highest positions of government." Theirs was, he went on, "a style of life that inhibits reflectiveness." Privately, his opinion of the grasping and incompetence of the elite was expressed in plainer language.

The Establishment's claim to rule, its irresistible power over self-doubting souls like Johnson, Hubert Humphrey or even now Jimmy Carter, has always been its "experience." For the men now elbowing their way into line for high office under the Democrats, "experience" means, no matter how much they and we would like to forget it, Vietnam. Reading the recent speeches and articles of employable former officials, however, it's hard to imagine how the Kennedy and Johnson administrations made it through those eight years and 20,000 American dead with so many policymakers so fiercely opposed to the war. They'd been discreet. They hid their dissent so well that most of them went right on watching silently or actively contributing to the duplicity and disaster. Those not directly involved in Vietnam stood by while the war devoured every worthwhile initiative in our foreign policy. Most of Kissinger's real accomplishments—SALT, the Middle East mediation, the opening to Peking—were authentic prospects in American diplomacy years before, but they had atrophied in the policy paralysis and bureaucratic stagnation of the Democrats. Yet among the many men who served in the key jobs at the level of assistant secretary in State or Defense in the 1960s—men who now quietly advise the candidates and expect to govern again—there was not one resignation in public protest. The Establishment, as everyone knows, has its unwritten rules about "going public" that way. Consuming ambition kept members of the elite from telling the truth to the American people about the most costly US mistake in this century.

And what about the future in this painful new world of inflation and resource scarcities? Is the Establishment qualified to deal with such human issues? The conflict of interest is congenital. As lawyers, financiers, foundation grandees—all wards of big money—their bread-and-butter clients are the vast corporate powers that are adversaries of the public interest from Kansas City to Kinshasa, wherever people want a fair say in their economic destiny. Presumed so worldly, the elite tends to be provincial and isolated. Driven snugly past the slums of New York and Washington on the way to their comfortable exiles, they are often oblivious to the life of their own communities, let alone the rest of the United States. Nor is the Establishment in tune with the national demand for a more open foreign policy. Its contempt for the public was plain in the secret government it has conducted. Democrats should remember that the Pentagon Papers rival anything Kissinger has perpetrated in the art of public lying. Many of the CIA horrors unearthed by the Church and Pike committees are traceable to operations approved by officials in the Johnson administration whose zeal for intervention and purchasing foreign governments is another part of the past that must be dropped down the memory hole if Democrats are to take office.

If all this seems abstract, consider a sampling of the men who are now most prominently mentioned as foreign policy advisers by Democratic candidates or as potential Republican successors to Kissinger.

Cyrus Vance, who is awaiting Jimmy Carter's inauguration, was a high official in the Pentagon throughout the '60's, including 1964–1967 as McNamara's deputy secretary of Defense, and is now a New York lawyer serving on several corporate boards. Vance was a major participant in a foreign policy that destroyed the last Democratic President, yet his recollections are unshared and his views on world issues, as one observer put it recently, are "invisible to the naked eye." Wouldn't it be useful to know more?

George Ball, long the favorite of the moderate wing, is a former undersecretary of State to Dean Rusk now come to Wall Street, where he is a senior partner at Lehman Brothers. Ball's gentle but insistent dissent on Vietnam is publicly recorded in the Pentagon Papers, though thanks to Dan Ellsberg, not Ball, who resigned quietly in 1966 and even returned to be UN ambassador in 1968 without confusing the public with facts about how they were being governed. Would he feel differently next time? And is he not of all the pretenders the most preoccupied with foreign policy as an instrument for investment opportunities?

Eugene Rostow, a former undersecretary of State for political affairs under Johnson, is admired by harderliners. Like his brother Walt, he was an ardent supporter of the Vietnam policy at its nadir in 1966–68. He is now back at Yale as a law professor, but he left behind at State a record in the handling of international financial issues that, unattended, led to the collapse in 1971 of the postwar economic system. Would his candidacy for Secretary of State survive an examination of that record?

Paul C. Warnke, mentioned by many as a prospect for State or Defense, was an assistant secretary in the Pentagon under Johnson, and is widely credited with dissent on the war, though the Pentagon Papers account of the fateful post-Tet decision on troop reinforcements raises serious questions about that. Warnke's qualifications also include tenure as an adviser to Sen. Muskie in 1972. He is a partner in Clark Clifford's Washington law firm. Would Warnke have told the truth about Angola, Chile, Cyprus?

The list could go on: Benjamin H. Read, president of the German Marshall Fund, who was Rusk's executive secretary coordinating Vietnam diplomacy; Thomas L. Hughes, president of the Carnegie Endowment and former director of State's Intelligence and Research who stood by while the 303 Committee, Democratic predecessor to the 40 Committee, performed its interesting duties; Zbigniew Brzezinski, Columbia professor, director of David Rockefeller's Trilateral Commission of U.S., Japanese and European multinationals, and one of Kissinger's favorite Establishment caricatures, who was briefly a consultant to Johnson and would like to extend his service with Jimmy Carter.

On the Republican side, the possibilities and their record are more familiar and no less depressing. Thus there is talk of Melvin Laird, whose years in the Pentagon under Nixon, from Cambodia to the carpet bombing of Hanoi, are a hint of the quality of his future service. Elliot Richardson, if he is not vice president, would bring to the State Department a career as a reliable toady, modified only by his idiosyncratic behavior at the end of the Watergate ordeal. Or perhaps it will be Donald Rumsfeld, from Defense, who dismantled the poverty program for Nixon, and was a groping ambassador at NATO. Then there is John Connally, the most successful political switch-hitter of the age, barely out from under the shadow of personal corruption, yet eagerly serving the most avaricious and corrupt multinationals. Or the restless Nelson Rockefeller, who actually believed until last week that Henry Jackson's top staff had been infiltrated by Communists. This only hints at how inappropriate this vain and ambitious man would be.

That these fellows, particularly the Democrats, have such backgrounds is disturbing enough. But the deeper injustice, to the public and to them, is that the question of policy and people in foreign affairs is one of the most studiously ignored issues of a presidential campaign, and one of the most costly.

There may well be men on our list who would be better Secretaries of State than the incumbent. But what can be seen on the slick surface is not reassuring, and the usual procedure is that no one will know until the appointment has been made, the polite confirmation given, and it is too late.

Democratic candidates should be required to discuss this issue—the kind of man they'd put in what can be the second most important office in government—with the same sense of obligation they now apply to their campaign and personal finances and to the state of their health. Which men (or women) do they have in mind? Where do they stand, and what are their records? Can one reasonably expect them to be alive to the new economic issues if their worlds are so largely bounded by executive suites on the East Coast? Do their records reveal a commitment to arms control, but without appearing too eager to the Russians? Or an awareness of the bureaucratic inertia that crippled policy under LBJ? Can they distinguish between worthy ally and tyrannical client, between a genuine national interest and the often diametrically opposed interests of large corporations? Are they individuals who have demonstrated a devotion to an open and democratic foreign policy, the betrayal of which did so much to drive the last Democratic administration from office in disgrace? And who are the people, the train of aides, they would bring with them? Would those often important assistants be people of fresh and independent mind, or merely anxious replicas of their Establishment elders?

If such an examination were made, a new Democratic President might be obliged to exclude anybody who'd held a policy-level job with Kennedy and Johnson, and be doing us all a favor. It would be too harsh a rule. Obviously one can find exceptions to the Establismment everyman: lawyer Clark Clifford, who all but singlehandedly turned around Johnson on the war, or Chester Bowles, who resisted the coopting and the glibness. But those exceptions are too few and now too old.

The alternative is for the American people, for Carter or whoever survives as a candidate, to learn at last to trust themselves with their own diplomacy. The foreign policy elite was never the best and the brightest; only the most available when politicians and the rest of the country foolishly abdicated its good sense and responsibility. We could have a more humane, democratic foreign policy, one that deserves the public faith demolished by Kissinger and his Democratic predecessors, if the next Secretary of State is free of the taint of Establishment ambition, isolation and ignorance. Hundreds of Americans, in labor, business, the sciences and the academy, yes, even electoral politics, are shrewd negotiators with a sense of their own nation who could lead that foreign policy. But if Kissinger's successor is dredged from the same old reservoir, if the only real change at the State Department is a decline in virtuosity, liberals and conservatives alike will soon be missing Henry more than we can now imagine.

DANIELSON SOUNDS ALARM ON DESTRUCTION OF POSTAL SYSTEM

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. CHARLES H. WILSON of California. Mr. Speaker, this morning my colleague from California (Mr. DANIELSON) testified before the Subcommittee on Postal Service, Committee on Post Office and Civil Service, regarding his concern for the future of the U.S. Postal System if current administrative policies are continued.

His remarks were very pertinent and I wish to call them to the attention of our colleagues and insert them in the RECORD at this point:

STATEMENT OF HON. GEORGE E. DANIELSON

Mr. Chairman and members of the subcommittee: I am pleased to appear before you today to express my opposition to recent proposals by the Postmaster General to curtail Saturday window service and to eliminate Saturday delivery of most personal and business mail. However, my concern goes far deeper than that, for I am convinced that the entire Postal System, as it is structured today, is based on a false premise and is doomed to disaster.

The Postal Reorganization Act which was passed in August, 1970, proclaimed the policy of the Postal Service to be (Sec. 101(a) (b), Title 39, U.S. Code):

(1) that the Postal Service shall be operated as a basic and fundamental service provided to the people by the Government of the United States;

(2) to provide prompt, reliable and efficient postal services in all areas;

(3) to provide these services without apportioning costs such as to impair the overall value of such service; and

(4) to provide a maximum degree of effective and regular services to all communities, both urban and rural.

I wholeheartedly agree with all of those policies, but I submit that the present Postal Service has failed miserably in achieving any of them. I also submit that one of the prime causes of the failure, a concept which I do not agree with, is the myth that the Postal Service should be run like a business.

The establishment of Post Offices and Post Roads was specifically listed by the Founding Fathers as one of the powers of the Congress in the Constitution of the United States. (Article I, Section 8) The establishment and operation of the Postal Service was not considered to be a "business", it was an essential government service which was to be provided to the people along with the regulation of interstate and foreign commerce, the coining of money, the raising and support of armies and navy, and the establishment of courts. No one asks today if the Army or the Commerce Department, or Agriculture Department, has shown a profit, or if the Courts are in excellent financial shape. So, why are we trying to take a vital service like the Post Office and "reform" it to the point that it is unavailable to the people it was established to serve?

On January 1, 1976, the cost of sending a first-class letter went from 11c to 13c. I do not have to tell you that this action was not favorably viewed by our constitutuents, the American people. We all received a large volume of mail expressing outrage at the increase. That news alone is disturbing. But, what is even more disturbing to me is the attitude of our Postmaster General in this matter. He has been quoted as saying "it is clear from recent experience that there is a lot of price elasticity in our business. As rates go up, our volume declines. If we continue what we are doing, we could destroy the Postal Service." (Business Week March 29, 1976, page 63) So, what's new or surprising about that? It is eminently clear to me that the Postal Service is deliberately following the business practice of eliminating the service and customers that are not "profitable" to the system. Unfortunately, the "unprofitable" customers are my constituents and yours, at their private residences. According to statistics available, the average household mails 135 letters, cards, and postcards annually. (Business Week March 29, 1976, page 70). These letters are not mailed bulk rate at a lot of 500 or more. They are Christmas greetings and personal messages that are important to the individuals who mailed them. But, it appears that these letters are not important to the Postal Service.

What is even worse, it is becoming increasingly clear that in following this practice the Postal Service is systematically and certainly cannibalizing and destroying itself.

The raise in postage has not been the only tactic used. In February of this year, the Los Angeles District Office of the U.S. Postal Service mandated the curtailing of window service throughout the area by 80%, regardless of community needs or alternative means of reducing costs. Although this action was partially delayed, the possibility of this action still remains.

If the order to close 80% of the window service in the Los Angeles area is executed, most communities in my district will be without window service. The Postal Service may consider the closing a fiscally sound remedy but what are these people to do? There are many Senior Citizens in my District that do not have transportation readily available to them. They can not ride over to the next city to get to a Post Office. Unlike many cities on the East Coast, there is no public transportation service that will in any way adequately serve these people. Therefore, postal service on Saturday will end for them.

And, what about the people who work during the week? Many of my constituents do not work near their homes. Many drive up to twenty or thirty miles to reach their jobs. How are these people going to get to the post office near their home to pick up or mail packages? They can not drive all the way back to their home area on their lunch hour just to conduct some business at the local post office.

And now, in the name of fiscal necessity, the Postal Service is proposing a permanent curtailment of Saturday window service and the ending of Saturday mail delivery. Why? The Postal Service says that by cutting Saturday delivery services there will be an annual savings of $350 million. (Congressional Research Service letter of March 23, 1976). But, what will be the repercussions of such an action? If the rise in postal rates is any indication of how the public will react, there will be a vast reduction in the use of the Postal Service for the delivery of personal packages. And, who will benefit most from this situation? The answer is simple. The private carriers.

It was reported in the Los Angeles Times, on March 31, 1976, that the major postal unions feel that there is a "conspiracy" to turn the U.S. Postal Service over to private enterprise. A review of the recent actions of the Postal Service establishes that that theory has a great deal of credibility and probability. But, I suspect that the blame does not rest solely with the management of the Service. After all, it is a government corporation and is beholden to the Chief Executive and the Executive Branch and reality demands that we look directly at the White House when we diagnose and fix responsibility for the shocking self-destruction which today characterizes our Postal Service.

In January of this year, the President's Council on Wage and Price Stability recommended that private companies be allowed to compete against the Postal Service in delivering first-class letters. The Council announced that this action would lower postal costs through competition. That is ridiculous on its face and amounts to no more than a clever ploy to curry the support of an anguished public which had just suffered an additional boost in postal rates and was in a mood to do almost anything to obtain lower rates. It is obvious to all who would think seriously about the matter that the private carriers would promptly take on deliveries in the heavy volume, profitable, areas and would leave the non-profitable, low traffic, areas to be served by the Postal Service at taxpayers' expense.

Even though my District is in the heavily populated area of Los Angeles County, and would doubtless receive both government-provided postal service and private service, I am satisfied that the people in the rural and less-populated areas would suffer. It is obvious to me that private companies will only deliver to areas in which there is high population density and where delivery costs will be low. What about the "unprofitable" regions? Who will deliver to them? I'll tell you who—it will be the United States Postal Service. And, the balance that now eases some of the expense of delivering to these remote areas will be eliminated. The result will be higher postal rates and even less service for these people and an increase in the already alarming deficit of the Postal Service.

It is equally sinister and shocking that as of Monday, March 29, 1976, the President's budget advisers had refused even to meet with the Postmaster General. The Postmaster General has been quoted as saying that "they haven't been willing to return any of my telephone calls." Although Budget Director James T. Lynn has denied any attempt to ignore completely the requests of the Postmaster General he has admitted that "the process has dragged on for too long and I should have met with them (Bailar) before this." (Los Angeles Times, Wednesday, March 31, 1976, Part 2, pages 1 and 2)

We cannot allow the Administration to hand the postal system over to private enterprise as a fat and profitable political plum. That would be an abdication of the Constitutional power and duty that was given to Congress.

Therefore, Mr. Chairman, it seems to me that the Postal Service should not be allowed to curtail needed services since that would be detrimental to the American people whom they are supposed to serve, my constituents and yours, and it would in the near future destroy the postal system.

More important than this, it is about time that the myth that the Postal Service should be run to make a profit be recognized for what it is—a myth—an untruth, and contrary to the principles of our Constitution. The only way to run the Postal Service, or any other activity, as a profitable business is to eliminate all "unprofitable" aspects of that service. That would mean that we would have a postal system that would be unavailable to many of the American people, in fact, no postal service at all. The name of the system is the United States Postal Service—not the United States Postal Business.

SMOTHERING DEBATE ON A FAMILY BILL

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. FRASER. Mr. Speaker, in recent months we have all been aware of the prolonged and curiously virulent attack against Senator Walter Mondale and his Child and Family Services Act. Opponents have developed a scare campaign based on nonissues and in the process have thoroughly muddied prospects of rational debate on Federal child care legislation.

I think we all need to know more about the people and motivations behind this campaign. I therefore call your attention to the following enlightening article by Ms. Geri Joseph of the Minneapolis Tribune:

SMOTHERING DEBATE ON A FAMILY BILL

(By Geri Joseph)

To be a politician in the United States is to be part of a hazardous and confusing profession, subject to often irreconcilable and sometimes irresponsible views we call public opinion. Nobody knows that better than Minnesota's Sen. Walter F. Mondale.

Last year, the senator won high praise from the American Academy of Pediatrics. It gave him its first award for excellence in public service for his demonstrated concern for children.

This year, however, Mondale finds himself under fierce attack for his proposed Child and Family Service Act of 1975, which seeks to provide a variety of quality child and family services. These would be voluntary and by community and parent organizations.

The campaign against the bill has reached such proportions that Mondale's staff of four in Minneapolis has spent several weeks doing nothing but responding to letters and calls, and his Washington office has been similarly deluged.

The situation is particularly frustrating because a careful reading of the bill reveals that it contains none of the dreadful proposals critics are quoting in letters to the editor or distributing in mimeographed handbills all over the country. Their charges that the bill is Communist-inspired and that "Reds" in our government are "trying to take our children away from us" are the typical, fear-mongering jargon used by extremists.

But the campaign has been so widespread and insidious that this columnist, curious about where critics are getting their information, called one of the letter writers. He is George C. Bergland of LeRoy, Minn., an ordained Baptist minister serving the nondenominational Bethany Bible Church.

From what he told me, it appears that Mondale and his bill are getting the "treatment" from some of the nation's numerous right-wing strongholds. Bergland said the several sources of his information include a magazine published by Bob Jones University in Greenville, S.C.; the Christian Crusade Weekly, a publication of an organization called the Christian Crusade with offices in Tulsa, Okla., and the Church League of America in Wheaton. Ill. This last group, he said, has been in business for 40 years and is the "most reliable." He explained, "They make some startling statements, but they've never been sued yet. . . ."

I asked if he was aware that his letter makes false claims about what is in the Mondale bill. Well, he replied, "it all points to the taking over of education of chidren from the parent, exactly what the Communists are doing. We want to stop it if we can." The bill, he implied, is a foot in the door of chaos. "Remember," he added, "public education was voluntary, too, to begin with."

The organizations he cited are all too familiar to anyone who keeps an eye on the "radical right" movement in this country. The stridently anti-Communist Christian Crusade, for example, was until about a year ago headed by Billy James Hargis, a highly successful fundraiser. Hargis endorsed the John Birch Society, claimed traitors were everywhere and preached against civil rights "If you want to serve nobody but a blue-eyed German at your place of business, that is your right," he said once.

Bob Jones University, run by a family "dynasty"—Bob Jones, Dr. Bob Jones Jr., and now Bob Jones III—is a fundamentalist school, avowedly segregationist in the past. At one time, students and faculty reportedly could be expelled if they did not believe that God intended segregation of the races. Only last September, under threat of losing its federal tax-exempt status, the school changed its enrollment policy that had excluded unmarried black students.

As for the Church League of America, as far back as 1964 it was condemned by a prestigious committee of 80 national leaders as one of 12 front groups of the John Birch Society. That same year, the United Church Women accused the Church League and similar organizations of spreading doctrines that breed "suspicion, division and hatred."

The current hysterical charges against Mondale's proposals deserve to be condemned in the strongest possible terms. Not only are they untrue, but in their shrill appeal to fear and prejudice, they smother attempts at rational discussion of the bill. And there are serious questions to be raised. For example: Does this proposal try to do too much? Is it too costly? Is it necessary to create yet another bureaucratic structure and more committees to do the job called for in the bill?

Between the scare campaign waged by right-wing groups and the real concerns about the bill, it does not have a prayer of becoming law this year. Nevertheless, I would like to offer an encouraging word to Mondale:

Not many politicians are as concerned as you have been about the impact of government policies on family life. Nor have they been as committed to the idea that the healthy development of children—with all that implies for education, medical care, a decent home environment—must be among government's top priorities.

Some of your advisers have felt that your preoccupation with these matters does not give you enough political "visibility" or "mileage." Never mind. A lot of us think you are on to something fundamental to the well-being of our country. Please keep trying.

BETTER SPEECH AND HEARING MONTH

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. JONES of Tennessee. Mr. Speaker, I would like to take this opportunity to recognize what may be a little known but very important national obserance that extends throughout the month of May; that observance is "Better Speech and Hearing Month."

The importance of this observance cannot be over emphasized because it recognizes the very fragile and important capability to communicate that each and every human being possesses. Without this one capability, our own democratic system could not function.

Yet, speech and hearing impairments comprise the single largest handicapping condition that affects our people. Fully, 10 percent of all children and adults in the United States have speech, language, or hearing impairments which diminish their ability to communicate effectively. Without that ability to communicate properly, an individual's talents and abilities may be wasted.

Throughout this Nation, speech therapists and speech and language pathologists strive daily to restore communicative faculties of those persons who are impaired by speech and hearing handicaps. This observance should be a time that we recognize those dedicated individuals whose efforts are aimed at relieving the impairments of their fellowmen.

At the same time, it should be a month when each of us can take a look at those who are so afflicted and rededicate ourselves to reaching a solution to this very severe situation. Hearing and speech impairments usually do not receive the overwhelming sympathy and understanding that other crusades do, but correcting this handicap is just as important for the future of both those who are so handicapped and for the future of our Nation.

BETTER HEARING AND SPEECH MONTH

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. MITCHELL of New York. Mr. Speaker, it is often said that the ability to communicate is our most human characteristic. Yet, in this country today speech and hearing impairments comprise the largest handicapping condition. Ten percent of all children and adults in the Unted States have speech, language or hearing impairments which greatly diminish their ability to communicate.

May has been designated as "Better Hearing and Speech Month"—a time when all should listen and be aware that nearly 10 million Americans, or 1 out of 20 persons, suffer from a speech or language disorder—that each year 60,000 Americans suffer from aphasia, the loss of the ability to use speech and language, due to a stroke or head injury—that there are more than 1 million persons in the United States who stutter, one-half of which are children.

Only those who are afflicted by these impairments know the suffering and pain of not being able to communicate—to learn—to listen—effectively. Yet, many disabilities can be corrected by surgery or through proper therapy by professionals. All too often, however, these deficiencies go unnoticed by teachers, parents and friends.

So let us make May a month in which we listen—a time when we pay tribute to the hundreds of professionals in the field who dedicate their time and energy to restore the communicative facility.

I join with the professionals in my own 31st Congressional District in calling the public attention to Better Hearing and Speech Month and ask that we continue to give these people who are afflicted our continued aid and understanding.

ETHNIC HERITAGE BICENTENNIAL COMMEMORATIVE MEDALS ACT

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. MINISH. Mr. Speaker, I am pleased to note that the Ethnic Heritage Bicentennial Commemorative Medals Act, which I introduced on June 3 of last year, passed the House last Friday under unanimous consent.

This measure, which already cleared the Senate under the sponsorship of Senator HARRISON A. WILLIAMS, provides for the striking of medals commemorating the roles that individuals of various ethnic backgrounds played in contributing to the founding of the United States of America. The Bicentennial Administration is charged with designating the actual medals from among those immigrant heroes whose dedication and sacrifice serve as shining examples of patriotic achievement as we prepare to celebrate our second century of independence. In my opinion, our Bicentennial activities would be incomplete without due recognition of their noteworthy achievements.

We are a nation of immigrants and, as such, feel a deep sense of pride in the numerous contributions made by those American Revolution heroes who share our heritage. The story of our country's struggle for independence is replete with references to deeds performed by individuals of diverse ethnic backgrounds. Many of these deeds were crucial and perhaps even decisive in giving birth to the greatest and most successful democracy in the world.

Italians, Jews, Irish, Hungarians, Germans, Poles, blacks, and Ukrainians constitute but a few examples of the diversity in heritage of our Bicentennial heroes. Let me cite just a few of many heroes who, in my estimation, would qualify for the medals and who have not previously been formally and adequately heralded for their deeds.

Thaddeus Kosciuszko was the brilliant engineer for Poland who designed the fortifications which contributed to the decisive victory at Saratoga. This British defeat tipped French opinion in favor of an open alliance with America.

James Armistead was a black man who started out as Lafayette's orderly and went on to become the Colonies' most successful intelligence agent and scout.

Haym Salomon, a Jewish patriot, contributed large sums of money to the revolutionary government and negotiated loans from France and Holland to help finance the war effort.

Philip Mazzei first came to America for business opportunities from his native land of Italy, but quickly became active in the American struggle for independence. Mazzei played a very substantial role in bringing an end to British influence in the Northwest Territory.

Mr. Speaker, in conclusion, I urge final favorable action on the Ethnic Heritage Bicentennial Commemorative Medals Act as soon as possible. The formal commemoration of the gallant efforts of these men will serve to deepen the pride that all American citizens share upon the occasion of our Bicentennial celebration.

TRIBUTE TO MRS. STEPHANIE STRAND

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. KETCHUM. Mr. Speaker, each year the Salvation Army in Lancaster, Calif., presents an awards banquet, honoring outstanding citizens in the community for their selflessness and dedication. This year, they are honoring a grand lady, Mrs. Stephanie Strand, with their "Others" Award. The name of the award is derived from words spoken by the founder of the Salvation Army, William Booth: "Others must always be our first concern." No more fitting statement could apply to Stephanie Strand.

It is readily obvious that any individual receiving such an award would be charitably inclined. Mrs. Strand has made this her motto in living, believing that it is her responsibility to use her energy, finances, and abilities in a manner that is, as she says, pleasing to God. She is never too busy to listen, to give a word of advice, or to extend a helping hand. She has never backed away from any instance in which her intervention might bring some hope to others. This attitude would be commendable in anyone; with Mrs. Strand, it is even more so, for one remarkable reason: she is 90 years of age.

It is no wonder that Stephanie Strand has a stern word of reproach for those who say, "Well, I'm 70 years old, and have no one to help me," quickly reminding them of the many gifts they have to offer others, and the great worth they have in their community.

For the past 4 years, Mrs. Strand has volunteered with the "Someone Cares" program of Antelope Valley Medical Center. She does a magnificent job, often working as much as 4 days a week, arranging for transportation of the elderly and disabled so they may receive proper medical care.

She is also a full-time Sunday school teacher of fourth grade students at the Lutheran Church, and can proudly attest to having taught Sunday school for over 50 years.

Mrs. Strand has been very active continually with the Salvation Army, Caritas Community Center, and North Antelope Valley Coordinating Council. She lends her philanthropic support to the Muscular Dystrophy Foundation, and has assisted financially in the construction of five churches. Her support of a mission in Guatemala has been invaluable.

Twice widowed, Mrs. Strand has raised three sons and a daughter. She began her career of giving as a teacher, in Montana, teaching first through eighth grades in a one-room schoolhouse. She did not have the advantages of the sophisticated educational institutions we know today—yet twice her students competed scholastically, and returned triumphantly with top honors. She still attends, and remains active in, the Retired Teachers' Association.

Mrs. Strand and her late husband managed a number of properties, and often assisted young couples in purchasing their own homes without down payment, and with low monthly payments.

Today, she says she stays active by being concerned for others. Surely, there is none more deserving of the laudable "Others" award than this outstanding woman.

To me, Stephanie Strand manifests an American tradition which I fear is vanishing: people, doing for people, without the help of Uncle Sam. Having learned of her amazing accomplishments, I believe that many of my colleagues may realize that if all our citizens were Stephanie Strands, there would be no need for massive Federal assistance programs. She is not only a concerned citizen, a successful career woman, a dedicated mother, and a highly respected individual—she is the backbone of America, and I am very proud to know her.

I know that all present in this Chamber will gladly join me in paying tribute to Stephanie Strand today.

REPRESENTATIVE BROCK ADAMS PRESENTS CASE FOR A U.S. ECONOMIC FOREIGN POLICY

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. BONKER. Mr. Speaker, I want to call to the attention of my colleagues an important address on foreign economic policy recently delivered before a business group by one of this Chamber's true mentors, Representative Brock Adams. Combining his renowned senses of compassion and hardheaded economics, Representative Adams suggests that the ominous North-South hemispheric confrontation will be eased less by rhetoric than by the concrete exchange of technology and capital for raw materials.

This would be mutually beneficial. Our exports are running at $100 billion a year and our foreign trade and investment activity now accounts for more than 21 percent of our GNP and 8.6 million jobs. Moreover, our dependency on foreign sources of vital raw materials is growing. To forestall the use of commodities such as platinum, cobalt, or aluminum as political leverages, as has been our dangerous experience with oil, Representative Adams urges a new U.S. initiative to negotiate arrangements for joint ventures, protection of foreign investment, and supplies of raw materials.

On the other side of the coin, less-developed countries can and should benefit from the know-how and venture capital of our multinational corporations.

Representative Adams sensibly suggests the creation of a Department of Foreign Trade and Investment to formulate a coherent foreign economic policy and coordinate the Government's efforts to implement it.

One final point that deserves emphasis is Representative Adams' warning against the temptation to impose tighter credit if the American economy suffers outside inflationary pressure due to the prices of raw materials being bid up by Western countries recovering from recession.

Representative Adams' speech follows:

Needed Now: A U.S. Economic Foreign Policy

(By Congressman Brock Adams)

I. AMERICA VERSUS RUSSIA—OUR ECONOMY IS STILL AHEAD

I am very pleased to have this opportunity to address the Electronic Industries Association. Your association, the firms you represent, and the products your workers produce are compelling evidence that American ingenuity is not dead, a skilled and productive American labor force can still compete successfully in world trade, and quality products are not passe.

You have a right to be proud of your accomplishments. Your products represent the cutting edge of the advanced technology products which are a leading contribution to our current favorable world trade position. Only Agriculture can be cited as a sector of our industry which contributes more to our export balance, even then, it is clear that our advantage is due to the application of American advanced technology.

To be more specific, our exports are now running at about $100 billion per year. Something over 20% of that consists of agriculture products; the rest is spread over the wide range of products that America makes and the rest of the world wants.

Let me add here, since I am from Seattle, that I am particularly pleased that a good share of these remaining products happen to be Boeing Aircraft of various shapes and sizes.

So we can be proud of our accomplishments in world trade. Wherever we go we will find that American advanced technology products from computers and electrical connectors to hybrid seeds and soybeans, are the sought after goods in the marketplace. If an atmosphere of free competition prevails and trade barriers can be overcome, it is American goods which will be preferred.

Yet, despite these accomplishments, there are those who take perverse pleasure in poor mouthing our nation's position in the world and exaggerating the accomplishments of others. Let me be precise. I am distressed and disturbed by the current trend to portray the Soviet Union as some sort of paragon of success and strength and the United States as a decaying failure. Why they do so, I am not sure.

Certainly I can understand the motives of those who would want to point out specific instances where the United States might need improvement. Certainly I can sympathize with military analysts who worry about whether in a specific weapon system area the Russians may be pushing the "state of the art" a little more drastically than we are, or might even be out-producing us in certain essential inventory items, like tanks and trucks. These are understandable concerns. It is their responsibility to point them out, and it is a valuable contribution.

But I cannot understand, and must reject out of hand, the position of former Secretary of Defense Schlesinger as he expressed it in the January issue of Fortune magazine. In that article he stated, and I quote, "the West is clearly in disarray and within a few years could actually be at bay." I find this hard to swallow.

Are we about to be at bay because we had the good sense not to be pulled into the quagmire of Angola so soon after we managed to extract ourselves from the swamps of Vietnam? Are we, the United States, at bay if we can ship over a billion dollars of food to the less developed nations under our Food for Peace programs, and on top of that we have enough surplus left over to bail out the failure of the Soviet collective farm system?

I wonder who is at bay when we have just concluded a five-year agreement to supply the Soviet Union with at least six million metric tons of grain per year, representing one billion dollars in annual export earnings for the American economy. That is one billion dollars, which they won't have to finance whatever expansionist illusions they might still possess, and one billion dollars which we can use to strengthen our economy and to finance investment in the expansion of our economic system.

At the same time that we can point to these successes from our technology and free enterprise system, our competitor is experiencing massive failures on every hand. In short, they have not been able to deliver the goods. Last week the CIA revealed that they consider the Russian space program to be in shambles. A week earlier, the Russians fired their Minister of Agriculture. That poor fellow had to take the rap for the continued failure of the Russian system, which has tried every approach to agriculture except the one that works: the one we use.

II. A BUDGET FOR SUSTAINED ECONOMIC RECOVERY

Today we have started to mark up the First Budget Resolution which must be reported from Committee by April and completed by May 15.

I have recommended to the Committee the following key fiscal policy aggregates:

	Billion
Outlays	$412.8
Revenues	363.0
Deficit	49.7

My budget recommendations have the following major objectives:

(1) To continue and sustain the economic recovery underway so that growth will continue through 1977 and unemployment will continue to decline;

(2) To provide a reasonable balance between spending for domestic and defense needs;

(3) To encourage needed reforms in Federal programs; and

(4) To promote more realistic budgeting.

The President's restrictive fiscal and spending policies threaten to arrest the beginnings of economic recovery we are now experiencing. This policy reflects a callousness toward the unemployed which Congress must reject. Therefore, the principal fiscal policy goal is to assure a sustained recovery through 1977.

To achieve that objective—

(1) The 1975 tax cuts should be extended, but the Congress should reject the Presi-

dent's mixed bag of additional tax proposals, providing further cuts in progressive general income tax rates on the one hand, and off-setting them with increases in regressive social security tax on the other hand, and

(2) The Congress should continue its FY 1976 policy of targeted spending over the President's budget to provide economic stimulus and reduce unemployment; it should reject the President's approach to economic stimulus through tax incentives to the business sector.

The President's policy of phasing out the public service jobs program should be scrapped. The Congressional budget should provide employment and training programs targeted at special groups (such as summer youth, welfare recipients, and the aged).

In addition, the weakest sector of the housing industry—rental housing—should be stimulated through increased HUD assistance ($5 billion) for rental housing mortgages.

Adoption of these proposals would reduce the unemployment rate at the end of 1977 to 6.2%, well below the President's projection of 6.7%.

III. ECONOMIC RECOVERY—BACK TO THE THIRD WORLD SQUEEZE PLAY?

I think that the beginning of worldwide economic recovery will again force us to give new attention to our relations with Latin America and other areas of the world from which we draw our raw materials. These countries will increasingly be in a position to exercise "commodity power".

In our fixation with the oil crisis, we may overlook our dependence on foreign sources for other vital raw materials. The Department of the Interior estimates that by 1985, we will be 100% dependent on foreign sources for chromium, platinum, cobalt, manganese, aluminum and tin; we will be more than 75% dependent for asbestos, titanium, nickel, tungsten, and lead. And the countries that control these commodities have clearly been tempted to follow the so far successful example of OPEC.

I think the United States is only beginning to face this new reality. It has expressed a willingness to consider participating in some commodity agreements, such as the International Tin Agreement, whereby we would be assured of availability at reasonable prices and the less developed countries would be assured of stable earnings. The U.S. has also suggested expansion of international financial arrangements to stabilize the export earnings of the LDC's. But much more will be needed to reach a mutually acceptable accommodation between the developed and developing portions of the world.

Some economists believe that this growing confrontation between the industrial countries with high rates of consumption and less developed countries with a large proportion of the yet to be developed raw materials (sometimes called the North/South confrontation) is at least as important as the conflict between East and West. And this North/South confrontation can have a serious impact on our own economic recovery.

One consequence of the world-wide recession, with its drop off in demands, was a sharp reduction in commodity prices. But now the economies of all the developed nations are turning up. West German's production level in January was only 5% less than it was at the peak of the boom; it is predicted that Japan's mining and manufacturing production will grow by 10.4% in fiscal year 1976; and even in the battered economy of Britain, industrial production grew by one percentage point in January.

Obviously the demand for raw materials—not just from the United States, but from every major manufacturing country—will put increasing pressures on raw material supplies and prices. Moreover, when demand is again pressing at the limits of supply, we can expect a whole series of little "OPEC's" to come into action.

What concerns me is that the Ford Administration's response to these outside inflationary forces will be to stampede the Federal Reserve Board into clamping down on credit, forcing up the interest rates, and thus halting the recovery. It is quite clear that the Ford Administration will tolerate a monstrously high unemployment of more than 7% as a callous trade-off for a low inflation rate.

Thus our foreign economic policy, or lack of it, and our methods for dealing with "commodity power" can have a critical affect on our domestic economy.

IV. NEEDED—A FOREIGN ECONOMIC POLICY

I have suggested that we move into a new era in the world, in which changing economic relationships will underline the importance of a foreign economic policy, and in which foreign economic policy is given as much importance as our diplomatic or defense policies.

Our foreign trade and investment activity now accounts for more than 21% of our Gross National Product. It is estimated that 8.6 million U.S. jobs are trade related. The Bureau of Labor Statistics estimates that each additional billion dollars in U.S. exports creates 72,000 more jobs—a figure that assumes even greater importance when we understand that there are more than 7 million unemployed in the United States.

Yet our government is not set up to develop or to carry out a coherent foreign economic policy.

I believe that to give foreign trade and investment the importance that it merits, we should have a Cabinet level Department of International Trade and Investment. As my good friend and expert in foreign trade, Dan Goldy, has suggested, a Department of International Trade would provide a "counterweight to what we are essentially foreign political considerations given to problems by the State Department; what are essentially international monetary considerations given to the problems by the Treasury Department; and what are essentially security considerations given to international problems by the Defense Department."

What we have now in the Cabinet is a multiplicity of voices, each representing differing interests and each competing with the other to impose its views on our foreign economic policy. This incoherence was vividly displayed in the way in which the first grain export deal was handled, and in our failure to deal effectively with the OPEC oil cartel.

The lack of a consistent policy has left our businessmen confused as to what our government's policy is toward the Arab boycott and towards unethical business practices in overseas countries. We should explore whether a Cabinet reorganization of Commerce and Labor, and the creation of both a domestic economic Cabinet position and a foreign economic Cabinet position would be the best framework to pursue a coherent foreign economic policy in the future.

Our present mechanism only responds to events as they happen rather than preparing for the future. It seems to me that we must begin to deal with less developed nations which have the reserves of undeveloped resources in a way that is mutually beneficial to them and to us. They need our technology, our know-how, our investment capital and new markets, just as much as we need their resources. The Japanese have shown remarkable skill in developing joint ventures in Latin America, especially in Brazil. Perhaps their lack of military power has helpfully honed their skills as traders and investors. But they have set an example that we would do well to follow.

The presently available instruments of a free enterprise foreign economic policy are the American internationally-based companies, which have been viewed with some suspicion by the foreign countries in which they work and have been accused of exporting jobs by the American labor movement. Some developing countries see the multinational as a foreign company extracting their raw resources without providing the benefits of downstream processing. Many Americans see them as going abroad to avoid taxes and to exploit cheap labor.

I think the figures on the importance of foreign trade in terms of U.S. employment indicate that the activities of multinationals abroad can and do contribute to job development here at home. U.S. foreign economic objectives might best be served, therefore, through balanced tax and export policies to discourage multinationals from moving their principal operations overseas and turning their American facilities into foreign-held subsidiaries. Such a policy would be much better for the American worker. It should be possible to see to it that American-based multinationals pay their fair share of taxes and do not use their supranational status [as a means] for global tax evasion.

From a positive point of view, the multinationals of necessity can be a major instrument for carrying out a coherent U.S. foreign economic policy. They have the know-how and the capital to build and operate the plants to provide processing of the LDC's raw resources. They have the ability to enter into the joint ventures which I think will increasingly characterize our relations with the owners of raw materials. They can't be blamed for not forwarding American foreign economic policy goals when we don't have a coherent foreign economic policy. The nation must deal with other nations on a multifaceted basis which means government and business must act together.

We need a Department of Foreign Trade and Investment to work with our private sector so as to carry out the developments of this type of arrangement and to negotiate with foreign governments appropriate protection for American investments. Without such foreign investments, the U.S. will become increasingly short of the basic materials needed for the operation of our economy.

Our stake in foreign trade is great, and it will grow. Our technology and our capital can do much to aid the less developing countries to improve their own standard of living and to provide the food for growing populations. Trade gives us the means of influencing in the beneficial way the policies of overseas countries and providing greater stability to the world. Certainly it would be far better to be the world's merchant of technology than the world's largest salesman of weapons.

It is time now that we begin to ease the confrontation between the haves and the have nots through the exchange of technology and capital for raw materials. It is often said that generals are always prepared for the last war. We must not let ourselves be trapped by the stereotypes of the Cold War and by ideological dogmas as we enter a new economic era.

RETIREMENT OF BEAUMONT A. HERMAN, PRESIDENT OF WESTERN NEW ENGLAND COLLEGE

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. BOLAND. Mr. Speaker, on April 21 I attended a banquet in Springfield, Mass., honoring Beaumont A. Herman, who is retiring as president of Western New England College after 21 years of distinguished service.

When Herman was appointed WNEC president in August 1954, the school was an evening college operating out of the second floor of the old Springfield YMCA building. The college had only about 773 part-time students who took courses in accounting, engineering, business, and law.

Through the tireless efforts and astute leadership of Mr. Herman, the school has grown to serve more than 4,000 graduate and undergraduate students, full and part time, all on a $15 million main campus. Due to Mr. Herman's dedication and devotion WNEC was able to overcome early difficulties and achieve its present esteemed position.

Mr. Herman set three major objectives for himself when he was chosen to head this fledgling institution. During his 21 years as president, he strove for and reached the milestones of accreditation, a new campus, and the creation of a day college division. In realizing these objectives, he demonstrated unflagging energy and dedication.

Mr. Speaker, Dr. Herman did not begin life as a resident of western Massachusetts. He was born in Novo Scotia. Before attending Harvard University, he attended Cambridge High and Boston Latin School. In 1931 he was graduated Phi Beta Kappa from Harvard. He received his doctorate from Boston College in 1937. From these beginnings, Beaumont Herman came to Springfield, where he has remained. His 21 years of service at WNEC placed him behind only one other New England collegiate level president in terms of service. His service to our community place him first in the esteem of Springfield.

The mark Dr. Herman has made on the Springfield community in particular will be felt for many years to come. Western New England College stands today as a lasting tribute to the man who transformed it into one of the finest institutions in New England. I wish to extend to Dr. Herman every good wish in the future and the heartfelt thanks of our region for enriching the community with his years of unselfish service.

Mr. Speaker, I append hereafter an editorial which appeared in the May 2, 1976, Springfield Sunday Republican. In recounting the debt of gratitude Springfield owes Dr. Herman, the Republican fails only in its inability to plumb the depths of Springfield's gratitude to this wonderful man.

The editorial follows:

DR. HERMAN'S JOB COMPLETE

It's a tough job, developing a small college, operating in second-floor rented rooms, into a fully accredited institution with a $15 million campus. Nobody knows it better than Dr. Beaumont A. Herman, because he did it.

Herman's 21-year presidency of Western New England College, the longest tenure of any college president in New England, comes to an end in June with his retirement. Saying it's well deserved would be pallid recognition of his record.

In a time when public higher education has mushroomed, putting enrollments of private colleges and pushing some into bankruptcy, Herman's achievement has been the more remarkable. At the outset, he alone was certain it could be done.

Few in the community agreed with his early decision to fight for accreditation; nor were the accrediting agencies impressed. There were doubts that the city could support three colleges—and that WNEC, having so little to start with, was ready to even try for accreditation.

Perhaps being unaware of what was involved played a part in his decision. But once into the struggle, Herman refused to turn back. With the help of a loyal board of trustees he gained not only accreditation but a new campus and a day college division.

Today WNEC has some 3500 students and more than 200 faculty members; it offers education in the arts and sciences, and has expanded its original curriculum of accounting, business administration and law.

All this is a reality because it was Beaumont Herman's dream 21 years ago. For that Springfield, and especially those who have benefitted over the years as WNEC students, can be grateful.

CINCO DE MAYO

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. ANDERSON of California. Mr. Speaker, today is May 5, "Cinco de Mayo," which is celebrated by Mexicans and Mexican-Americans as the beginning of a revolution against foreign domination. For it was on this day in 1862 that Ignacio Zaragosa led a small band of patriots against a force of 6,000 French soldiers in the town of Puebla, winning a stunning victory against overwhelming odds.

Traditionally, Cinco de Mayo has been a day of celebration to honor the defense of freedom, very similar in spirit to our own Fourth of July. So it is not at all surprising that California, as well as other parts of the United States with a strong Mexican heritage, is still very aware of the importance of the Cinco de Mayo, with annual festivities held in honor of this important occasion.

In this Bicentennial Year, Cinco de Mayo—as a holiday commemorating a great battle fought in defense of the principles of freedom, justice, and equality—presents us with a fitting opportunity to see that these principles have been applied to all of our citizens equally—especially in regard to our Mexican-American citizens.

Mr. Speaker, I firmly believe that in this Bicentennial Year, the prospects have never been greater for truly equal opportunity of our people, regardless of race or national origin. Indeed, we can almost be said to have completed a full circle in our history.

Before California joined the Union, our State was a part of Mexico. Indeed, for the first 30 years of statehood, California was an officially bilingual State, with both Spanish and English widely recognized and used. Spanish is still an important language in our area, but until last year it did not appear on official ballots during elections.

The Voting Rights Act Amendments of 1975 have altered that situation for the better. This June, when our primary elections are held, Spanish-speaking citizens will once again be able to vote on a ballot printed in their own language, as they did for the first time in last November's elections. The Bilingual Services Act, enacted on a State level, has insured that Spanish-speaking citizens will be able to participate fully in our society without the burden of language as a barrier.

These changes merely reflect trends in our society as a whole. New doors of opportunity are being opened to men and women of all races and backgrounds. Opening those doors has often proven to be a long and ardous process.

Now that these doors are opening, we must be sure that they stay open—and that there are individuals standing ready to take advantage of these portals. Education and training will eventually prove to be the strongest tools for progress ever forged.

So on this Cinco de Mayo, as we join our Mexican neighbors and Mexican-American citizens in observing this celebration of freedom, we remember all that has been done in the past to guarantee freedom and equality—and we look forward to what must yet be accomplished.

PHILADELPHIA CITY COUNCIL SUPPORTS LEGISLATION GUARANTEEING A JOB TO ALL WHO DESIRE WORK

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. EILBERG. Mr. Speaker, the council of the city of Philadelphia recently adopted a resolution supporting legislation guaranteeing a job to every individual who desires work. The council members were moved by the continuing high rate of unemployment and the erosion of our standard of living and, as conscionable members of society, wish to demonstrate their support for the Humphrey-Hawkins bill, the Full Employment and Balanced Growth Act—H.R. 50 and S. 50—instead of the Ford administration's policy of providing incentives for people to remain unemployed.

At this time I enter into the RECORD a copy of the resolution:

RESOLUTION

Memorializing the President and the Congress of the United States to support legislation guaranteeing a job to every individual who desires to work, through the enactment of a permanent Federal Job Program

Whereas, The official unemployment rate in this country is much higher than the figures released by the Federal Government indicate and the fiscal crisis now facing Philadelphia is directly related to the national economic recession; and

Whereas, The Federal Government has neglected the problems of low and middle income people, and the President's new budget places additional hardships on those least able to afford it, including the unemployed; and

Whereas, The President vetoed important legislation that would have provided tens of thousands of jobs for the unemployed and tens of millions of dollars of aid to our cities; and

Whereas, The high level of chronic unemployment constitutes a grave threat to the health, welfare and security of the citizens of Philadelphia and that of millions of families across the nation; and

Whereas, Millions of young people looking for work for the first time are finding that jobs are not available to them; and older workers, laid off after many years of experience, are discovering that they too are being denied the opportunity to work; and

Whereas, The integration of women into the work force on a nondiscriminatory basis is being critically threatened by the lack of jobs; and

Whereas, High unemployment erodes the hard fought for gains in the standard of living of the nation's currently employed workers. The right to a decent job at a living wage should be the right of every person in this nation, a right recognized by the U.S. Congress; therefore

Resolved, By the Council of the City of Philadelphia, That we hereby memorialize the President and the Congress of the United States to support legislation guaranteeing a job to every individual who desires to work, through the enactment of a permanent Federal Job Program.

Resolved, That certified copies of this Resolution be forwarded to the President of the United States, the President pro tempore of the United States Senate, the Speaker of the House of Representatives, the Governor of the Commonwealth of Pennsylvania, and the members of the Congressional Delegation from the City of Philadelphia, and the United States Senators representing the Commonwealth of Pennsylvania.

NO ADDITIONAL CONTROLS FOR U.S. ECONOMY

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. ARCHER. Mr. Speaker, a question many of us hear from our constituents has been: What is the best way to put Americans to work? The answer is reliance on our free enterprise system. If we adopt policies to encourage capital formation, business expansion, and a lifting of the regulatory hand of the Federal Government on segments of our economy, we will make it possible for our economy to grow and to create permanent jobs.

An approach we should not take is to make the Federal Government the sole instrument for new jobs by economic planning and creation of so-called public service jobs. This approach will not create permanent jobs. Instead, this approach will cost the taxpayers billions of dollars, increase the power and size of the Federal Government, and would seriously hamper the operation of the private sector in our economy. There are advocates who maintain that the only way to prosperity is for our country to adopt a program which has proved a failure in so many nations—centralized economic planning.

A bill entitled the "Full Employment and Balanced Growth Act of 1976" has been introduced in the House and the Senate. One of its supporters called it "the best method for dealing with the unemployment crisis." University of Virginia professor of economics, G. Warren Nutter, in his pamphlet "Central Economic Planning: The Visible Hand" noted that the bill "would create an elaborate apparatus for central planning and empower it to formulate, enact, and implement a comprehensive middle-range plan." If enacted, this measure would be a major step to establish extensive Federal Government control over our economy and would further restrict the operation of the private sector. It would attempt to replace the system which has brought our country tremendous prosperity and freedom—the market economy based on private enterprise. It would replace this successful formula of private enterprise with a program of Federal Government planning, a visible hand of coercion over our economy.

If this bill is ever enacted, it would be disastrous for our economy. I would like to enter into the Congressional Record an excellent editorial from the Chicago Tribune pointing out the deficiencies in the Full Employment and Balanced Growth Act of 1976—April 1, 1976:

[From the Chicago Tribune, Apr. 1, 1976]

Mr. Humphrey's Jobs for All

Sen. Hubert Humphrey, the leading noncandidate for the Democratic presidential nomination, and Rep. Augustus F. Hawkins (D., Cal.) have sponsored a bill whose goals are noble but naive.

Their bill in effect would guarantee a job to every American who wants to work by requiring the government to establish economic planning procedures and employment programs that would bring unemployment down to 3 per cent within four years.

The plan approaches the serious problem of unemployment and the individual hardship and overall loss of demand it causes with solutions which would carry no guarantee of benefit to the economy as a whole.

The bill is particularly defective in these respects:

It defines "full employment" at 3 per cent unemployment, a figure which would be difficult, if not impossible to attain without creating serious inflationary pressures.

By providing public jobs at "prevailing" wages, it would tend to institutionalize nonproductive work, reducing the incentive for participants to return to jobs in the private sector.

It very likely would encourage private companies to lay off workers at the slightest economic twinge, thereby increasing either unemployment or the government's make-work payroll.

And there is a serious question whether it would attract enough people to push unemployment far below what it otherwise would be. The notion that the unemployment rolls are clogged with people who don't want to work is overly simplistic but the present level of benefits is high enough to tempt people to be unnecessarily selective in finding jobs, thereby prolonging their unemployment. Harvard Economist Martin Feldstein has estimated that this adds about 1.25 percentage points to the unemployment rate.

The Humphrey-Hawkins bill is probably motivated more by politics than by economics, and fortunately is not likely to become law this year. It is an attack, if only indirectly, on President Ford—a means of focusing the election year blame on him if unemployment remains high, whether he deserves the blame or not.

The proposal will add more sound than light to the debate over guaranteed jobs—a debate which is likely to go beyond the election. Part of the problem is defining "full employment," a term whose definition is in the mind of the definer. Mr. Humphrey says 3 percent unemployed. Most economists say 5 to 5½ per cent. A decade ago full employment was 4 per cent unemployed. Others, such as Alan Greenspan, the President's chief economic adviser say full employment is the level of unemployment which can be sustained over an extended period.

The trouble with seeking precise definitions is that the unemployed are not all in the same category. Some are out of work longer than others. Some aren't looking for new jobs as hard as others. The great majority are unemployed for six to eight weeks and are waiting to return to their old jobs.

Those who favor an active government role in employment cite the recent high level of unemployment combined with inflation—nicknamed "stagflation"—as evidence that the old economic ways don't work any more. The obsequies are likely to prove premature. For one thing, inflation has been abetted by new factors such as energy and food prices, which have risen because of international action more than domestic inaction.

But in any event the inflation rate has declined since 1974 from nearly 13 per cent to less than half that, and unemployment, which peaked at 8.9 per cent last May, has gone down slowly but steadily to 7.6 per cent since then. This is just what would be expected under the "old economic ways."

Because employment normally trails the economic recovery by several months, unemployment should continue to decline as the economy soaks up unused capacity. If this happens, we expect to hear less and less about the Humphrey-Hawkins bill as the election approaches—and the air will be cleared of a lot of economic pollution.

EDUCATING HEW

HON. KENNETH L. HOLLAND

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. HOLLAND. Mr. Speaker, 1976 is our Nation's Bicentennial Year. It is only fitting that in this year we move to eliminate regional biases now long a part of our attitudes and our laws. The South, North, East, and West are no longer readily identifiable according to outlook or philosophy. The American people move often and at great distances bringing about an increasingly homogenized population. The problems of the Northeast are the same as those of the Southeast. It is time we recognized this fact and brought our laws into conformity.

Recently, I introduced H.R. 13605, a bill to amend the Elementary and Secondary Education Act of 1965. The purpose of the bill is to prohibit the Commissioner of Education from putting a school district into noncompliance with provisions of this act, thus terminating its eligibility for Federal funding if that school district has been in compliance for 5 or more years with the Civil Rights Act of 1964. It will require that there be a judicial determination of a violation of the civil rights.

The effect of this amendment is to allow school systems across the country which were once out of compliance but which have successfully demonstrated their good faith efforts to correct the objects of noncompliance for a period of more than 5 years to be removed from the Civil Rights/HEW list of undesirables. These schools would then be subject to the same investigatory exercises of HEW/Civil Rights, but would no longer stand out as easy marks for supervisors looking to fill compliance quotas.

My State of South Carolina once made segregation a part of its life and laws. Today the State of South Carolina and many other of the Southern States are cited as the finest examples of peaceful and effective integration while the strife continues in other parts of the country. Our communities accepted the changing ideas in our country and worked together to smoothly adapt to the new order. It is possible that other areas of the country, so shocked by open segregation in the South, failed to look into their own backyards, the same backyards which HEW is now trying to enter.

The present law quite logically makes it simplest to enter those States which once had de jure segregation written into the State constitution of laws for the purposes of reviewing integration efforts. It has been most difficult for HEW/OCR to substantiate the existence of segregation in States where it exists in fact but not in law, a circumstances which has allowed overzealous HEW officials to focus in with increased vehemence on school districts already marked.

The primary effect of this bill is to shift the burden of proof in HEW administrative proceedings, after a school system has proven its compliance, through 5 or more years of compliance. Presently, the mere allegation of "disproportionate" grouping or "less than exact" ratios is enough to authorize HEW/OCR to conduct a compliance review requiring thousands of working hours and thousands of dollars to small systems, mostly in rural areas. The result of this whole process is poorer education for all the children—a result directly contrary to results which the Elementary and Secondary Education Act and the Civil Rights Act were enacted to bring about. The administration, the teachers, the school boards, the parents, and even the children are counted, percentaged, divided, reapportioned, colored, and coded. Recess schedules are documented as are cafeteria assignments. It has become my considered opinion that, because of the now well-documented overzealousness among officials, HEW/OCR is in some instances blocking the schools from performing their responsibilities of teaching children to read and write and obstructing the improvements in overall education it was intended to bring about.

This legislation has no racial motivation. The efforts of HEW/OCR have brought about changes in school systems which have benefited the children and the communities in which they live. They have carried out the difficult portions of Federal laws as directed.

The calls and letters I receive come from across my State and across the country, from black and white alike. They come from concerned parents and administrators mostly who see all constructive efforts being dissipated by constant HEW demands for information, statistics, and complete reformation of their education plans. A school system which develops an innovative approach to teaching reading and receives a Federal grant to carry it out may end up with a program displaying few characteristics of the original after HEW finishes making their adjustments. The overall concern of all the people involved is that the children receive a quality education and from educators and not figures on statistical analyses of the racial, intellectual, and age breakdown of the classrooms.

In 1975, I was forwarded a copy of a letter written from the Chief of the OCR of HEW, region IV, Atlanta, to a school superintendent in my district. The letter was a requirement of specific statistical information within several weeks relating to the racial composition of faculties, student bodies, school bus passengers, special education classes, recess breakdown, and more. Thinking that this must be a unique reporting required of a school district which had been out of compliance, I checked with several other school administrators in the fifth district and around the State and found that not only are such requests commonplace, but compose only a part of the statistical information regularly required prior to frequent on-site reviews. These administrators brought to my attention the thousands of dollars and hours spent compiling statistics which could be better spent on programs to educate children.

I became tremendously concerned about the way the paperwork burden had grown. In addition, the increasingly long and seemingly all-powerful arm of HEW appeared to be far overstepping the monitoring role Congress intended it to play. The end result of HEW's constant involvement is that the impact of the Federal funding involved is substantially diluted and the only people who benefit by many of their rulings are the bureaucrats themselves.

As a result of my concern I wrote a letter back to the head of HEW/OCR, region IV, Atlanta, using their format and requesting similar information including the following:

A list of each school district in the United States from which HEW is seeking information of the sort being sought in South Carolina.

A list of each school district—nationally—being visited by HEW's civil rights officials, a list of districts found to be out of compliance with the Civil Rights Act, and the nature of the violations charged against such districts.

The names of all personnel in the Atlanta office, including race, age, position, degree, and years of service.

A statistical analysis of personnel reflecting the racial percentages and including a percentage breakdown by race on those persons in the higher policy-making levels.

Two to three months later I received a 4-pound 7-ounce, 6-inch-tall stack of $8\frac{1}{2}$- by 11-inch pages of statistical information on HEW/OCR administrative staff and procedures. It had taken their staff of hundreds with the resources of the entire Federal Government including computers, researchers and enviable filing systems more time to assemble this information than they had given a small school district with an administrative staff of 2 to 10 people including janitors to complete a similar job. The OCR staff who prepared the report for me later admitted that it had made them realize just how much work such a demand can require.

Now if this horror story depicted a one-time event, my amendment would not be necessary. However, this is an annual occurrence in most school systems and, in my judgment, retards improvement of the educational opportunities of our children.

Southern school systems are like rural school systems everywhere. They have less money to work with due to a much lower tax base than urban areas. These systems must stretch every dollar they can acquire and use innovation and imagination to fill in the holes. In order to fulfill OCR requirements these school systems must take money from the educational programs, thus defeating the purposes of providing the Federal funds.

I have introduced this legislation, not in the hopes of circumventing the OCR, or similar provisions in the ESEA, but rather in the interest of furthering quality education. A school system, which has not been proven to be out of compliance with these acts should not be subject to HEW sanctions. The burden of proving their allegations must be on HEW in all cases which have been in compliance for 5 or more years for it is HEW and not the individual school districts which have adequate resources to make detailed statistical analyses and expert studies.

The American system of jurisprudence is built on the principle that a person is innocent until proven guilty. Under this law, the Congress has effectively denied this protection to all school systems in States which once had de jure segregation, or segregation written into its laws. I feel that it is time we as a nation and as the Representatives of the American people recognize and consider each entity individually. The States which once had segregation in their laws can no longer be categorically lumped together as a monogeneous mass dissimilar from other regional masses any more than those States which once outlawed alcohol or automobiles or women's right to contract.

In my judgment, each school district across the Nation has the right to stand alone, without reference to geographical location, and make its case. Once that system has proven itself to be in compliance to the extent that HEW/OCR finds no objectionable practices for 5 years after a finding of noncompliance, that system should no longer bear the burden of proving itself to be complying in good faith. To do otherwise is to continue to "punish" a school system for its inequities of the past.

The prescribed method of presenting a grievance in the United States is through our courts of law. When we have a complaint against a business for damages suffered on its premises, we bring it to court to settle the differences; we do not call the bank and order them to stop loaning the business dollars. This legislation will require a court finding that the system is not in compliance with these provisions of ESEA before a system, formerly determined to be in compliance by the Commissioner of Education before the Commission could terminate, refuse to grant, refuse to continue, or defer action on an application.

Mr. Speaker, I urge all of my colleagues in the House to join me in cosponsoring this bill which will accord all regions the equal respect they have earned and credit them with equal responsibilities for their actions. It is time that the Congress recognized what HEW apparently has not: Quality justice and good race relations are facts of life in the South.

WASTE OF OUR TIMBER SUPPLIES

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. BROWN of California. Mr. Speaker, the need for improved waste utilization in many sectors of our society is becoming more apparent with each passing day. This also applies to our timber management practices.

Much has been said about the possible reductions in timber supply as a result of restrictions on clearcutting and other guidelines within the National Forest Timber Management Reform Act (H.R. 11894). But little attention has been given to the waste of countless usable board feet of timber by the inefficient utilization of felled wood left at logging sites.

In these days of short timber supplies and high costs, I find it very questionable that such practices as those summarized in the following two articles, which I would like to insert into the RECORD, practices such as burning usable wood fibre, are being used by the Forest Service. This needs to stop, and H.R. 11894 has a section which would increase efficiency of utilization.

The articles follow:

[From the Sunday Missoulian, Feb. 15, 1976]

Allegedly Valuable Burned Cedar Is Termed "Worthless"

(By Don Schwennesen)

An eastern Idaho forester, publicly criticized by industry last week for burning allegedly valuable timber, says the material is a fire hazard and is virtually worthless.

Nobody will buy it or even haul it away, he said in an interview with The Missoulian Friday.

But there's plenty left, according to Powell District Ranger Larry Cron, and it will be available for public inspection and sale again this summer.

And he says if nobody wants it, more will be burned again this fall—weather conditions permitting.

At issue is an estimated 200,000 to 300,000 board-feet of old cedar that was slashed—or cut down as worthless—in 1967 to make room for new trees on what Cron says is some of the most productive timber-growing land on his district.

The slashed material has been gleaned for salvageable wood several times, he said, estimating that only about 40,000 board-feet of usable material is at issue—much of that very marginal.

Cron also revealed that two cedar shingle mill operators at Kamiah and Orofino, Idaho, who had criticized the burn as a waste of materials they might have purchased, failed even to submit bids on his district's most recent cedar sale.

The 67,000 board-foot Martin Trap Cedar sale, which included 28,000 board-feet of cedar and additional volumes of cedar product material and pulp logs, was awarded Thursday to a Lolo operator for $2,276.

"We don't like to see waste of a resource," said Cron but "if it isn't economical (for industry to use the material) we can't afford to live with the (fire) hazard, either."

Neither Cron nor any of his staff was working on the Powell Ranger District in 1967 when the cedar was slashed at Badger Creek, an area about six miles east of Lochsa Lodge and a mile north of U.S. 12.

Badger Creek is part of a larger, 3,000-acre Lower Powell Sale area where diseased and insect-damaged grand fir and white pine were selectively harvested in 1958, before U.S. 12 was built.

Remaining after the sale was "a stand of defective cedar and cull grand fir," according to an official summary of the sale history.

Older cedar trees tend to rot and decay from within, and most of the Lower Powell cedar was in this category.

"There wasn't any market for the cedar or cull grand fir at the time, so they were left standing," Cron said.

"The intent was to wait until U.S. Highway 12 was constructed and harvest the defective cedar as cedar products," the summary explained.

From 1960 to 1966, salvage operators worked through the area, but they only took the best.

"Salvage was largely limited to high-value, cedar-shake, bolt material," according to the summary.

In 1967, timber was slashed on about 10 per cent of the 3,000 acres to remove shading so that new tree growth could begin. The slash had been scheduled for burning in the fall, but extremely hazardous fire conditions that fall prevented the burn.

Foresters were stumped about what to do with the slashed trees. Meantime, young trees began growing, Cron said.

In 1973, with young trees already several years old, a private contractor was paid $12,250 to carefully retrieve the slashed logs at Beaver Creek on 25 acres where the fire hazard was highest.

Cron described the area as a V-shaped draw where trees had been slashed "from the streambed up to mid-slope."

"It's one of the worst burning situations you can get into," he said.

The operator and two subcontractors were allowed to haul away usable material over a two-year period—and were even allowed to make posts and poles on site—something Cron said would not have been allowed had not the leftover slash been scheduled for burning.

* * * * *

The two cedar mill operators reportedly interested in buying the Badger Creek slash—Dennis Arave of Orofino and Del Robe of Kamiah—had not tried to contact him or his staff.

"We haven't seen them, in spite of the fact they say they've been here," he said. "I don't feel uncomfortable about this at all. If we're defensible anywhere, this is it."

[From the Missoula (Mont.) Missoulian, Feb. 11, 1976]

Massive Cedar Burns Reported

SPOKANE, WASH.—The U.S. Forest Service has deliberately burned several hundred thousand board feet of valuable cedar recently in two national forests the Spokane Daily Chronicle reported Monday.

Some area loggers say the burns are merely the latest example of unnecessary cedar destruction, the newspaper said.

But Forest Service officials have defended their actions, saying the massive burns are periodically necessary because the timber is economically unmerchantable and blocks replanting of clearcut sections in national forests.

CONTRACTOR PAID

In one case, the newpaper said, the Forest Service paid a private logging contractor $12,250 to stack an estimated 300,000 board feet of cedar for a series of huge bonfires last October in the Clearwater National Forest, near Lolo Pass, on the Idaho-Montana border.

At about the same time, about 100,000 board feet of cedar were torched by the agency in the Kaniksu National Forest north of Priest Lake on the Washington-Idaho border.

Forest Service District Ranger Larry Cron at the Powell Ranger station in the Clearwater National Forest said 30 decks of cedar material were burned there because repeated attempts to sell the material fizzled and all the "economically salvageable" product had been removed.

"HAD TO BE BURNED"

At Priest Lake, District Ranger Dan Montgomery said the agency "had to burn" an estimated 100,000 board feet of cedar in two adjoining areas because a private logger, who had paid $565 for the timber, failed to haul the product away in a prescribed time period.

However, the newspaper said, Orofino, Idaho, cedar mill operator asked the Forest Service about buying the cedar decks at the Clearwater site, but wasn't given a chance.

"I told them I'd like to buy it but I never got a bid sheet, and the next thing I heard it had been burned," said Dennis Avare.

* * * * *

"The Forest Service continues to burn millions of board feet of cedar throughout this region . . ." Roby said. Both Avare and Roby blamed clearcutting practices for most of the cedar waste.

Avare and Roby said that because they couldn't get enough cedar product material from the Forest Service last year, they are having to buy it now at higher prices elsewhere.

G. Thomas Hodgson, a St. Maries, Idaho, logger, said he is aware of other Forest Service timber sales "that have quite a bit of salvage cedar left on them."

"BUREAUCRATIC SETUP"

"I think it's a bureaucratic setup and a problem hard to identify that will take a long time to correct," Hodgson said.

"There has been a waste of all (forest) products," said Warren Davies, deputy regional forester in Missoula, headquarters for 13 national forests in the Inland Northwest.

"Sometimes it's called waste because there's no immediate market for it," Davies said.

Davies' assistant, Edward Anderson, timber sales superviser for the same region, said, "Our policy is not to waste but we recognize other management objectives, too. One is to get areas back into production—to grow trees for the nation."

"MANY ARE NECESSARY"

Many burns are necessary, Anderson said, to reduce "fire hazards from slash and debris and unutilized material."

Cron said public bids on the Clearwater National Forest cedar were not issued "because in our professional opinions, loggers would lose money coming up here to take that cedar out."

Cron said it was "news" to him that Avare and Roby had sought to buy the cedar salvage rights before the burn. "I think they're kidding themselves and are guilty of Monday morning quarterbacking," Cron said.

Montgomery, the Priest Lake ranger, said cedar in that area was burned last year to conclude a clearcut operation begun 10 or 12 years ago.

"Yes, there was some usable material left but we had to get this land back into production—to grow a new crop of trees," he said.

Montgomery acknowledged that a district policy prohibiting the public from taking cedar from the Priest Lake Ranger District—even when it has been slashed to the ground and about to be burned—has angered some people.

But he maintained the policy is required to prevent persons from cutting dead, standing cedar trees which are commercially usable.

REGULATORY REFORM ACT

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. KASTEN. Mr. Speaker, a major priority in this session of Congress is to regain control over the growth of the Federal bureaucracy and the myriad of rules and regulations that have evolved as a result.

I am a cosponsor of H.R. 11026, the Regulatory Reform Act, which proposes to bring regulatory agencies back under the control of elected representatives. It presents the best approach to inject public accountability into the regulatory process.

Last week the Senate Judiciary Committee's Subcommittee on Administrative Practices and Procedures held hearings to study a number of proposals to require congressional review of administrative rules and regulations. I submitted testimony to the subcommittee which I will include at the conclusion of my remarks.

There is a growing realization of the need for congressional review of rules and regulations promulgated by the regulatory agencies, many of which encroach on legislative domains. A particularly glaring example of this was brought to my attention recently by a constituent who related a presentation made by an unusually candid FTC staffer. The young man told a Washington seminar, which my constituent was attending, of his participation in a series of public meetings at several locations across the country to develop the FTC's "holder-in-due-course" credit regulations now going into effect. This constituent was concerned—and a little surprised—by the young man's frank admission that this really should have been a legislative process.

This rare admission but reveals a situation widely recognized. The Federal regulatory agencies have grown to such enormous proportions in size, staff, and costs that the thousands of rules they establish and the cost and paperwork burden they generate are now beyond reach of adequate congressional control.

Only through reform of the regulatory structure can we hope to make the Federal bureaucracy responsive to the public it is supposed to serve. In my statement, I outline how H.R. 11026 will return accountability to the regulatory process, through both congressional review procedures and submission of cost-benefit analyses of proposed regulations.

The American people—thoroughly frustrated and exasperated with Washington interference in every move they make—deserve at the very least a greater measure of accountability from the major producers of redtape. This bill is a major step in that direction.

My statement follows:

REGULATORY REFORM ACT

(Testimony by Representative Robert W. Kasten, Jr., before the Subcommittee on Administrative Practices and Procedures, April 27, 1976)

Mr. Chairman, it gives me great pleasure to have the opportunity to appear before your committee and speak in favor of H.R. 11026, the Regulatory Reform Act.

As you know, much of what the American people regard as the Federal Government is the complex bureaucracy of Federal administrative agencies. The Federal Government, as most people know it, is not the legislative process carried on by elected representatives. The government as most Americans have contact with it is endless forms to be filled out and faceless bureaucrats.

The bill I am sponsoring would be the first major legislation in the last thirty years to reform the operation of federal agencies so that they will better reflect what we Americans need and so that they will perform as we intended that they perform.

As you may know, the federal agencies promulgate over 300 new agency rules per year, over 7,000 rule amendments, over 12,000 pages of rules in the Federal Register per year. In addition to published regulations, the Register's 60,221 pages for 1975 included all proposed rules, all Executive Orders, and notices from federal agencies. No citizen can possibly be charged with the duty of knowing all those rules and tracking proposed regulations that might affect him.

The rules subject Americans to massive regulation and often provide for regulation of activities never contemplated by the Congress at the time the agency was created.

As a consequence, Americans often find themselves involved in complex legal red tape with the Federal Government.

My proposal would bring the agencies back under the control of elected representatives by—

(1) Making every agency demonstrate to the appropriate Senate and House committee that the economic benefits of a proposed regulation exceed its anticipated costs to consumers;

(2) Requiring the Congress to review and approve every regulation proposed by agencies, except those rules which relate to purely internal housekeeping matters and do not affect persons outside the agencies;

(3) Providing that employers and employees have joint responsibility for compliance with regulations and protect employers from penalties for noncompliance where the violation can be shown to have been caused by the negligence or inaction of others;

(4) Relieving persons from liability from breaking agency standards where such violation was necessitated by compliance with other rules promulgated by the same or a different agency;

(5) Eliminating unnecessary paperwork, report filing and record keeping requirements; and,

(6) Doing away with costly red tape delays by requiring an agency to complete findings and make its final determination within six months from the date that a proceeding is initiated.

The fact that the administrative process has strayed from the intent of Congress has been demonstrated over and over again.

You may recall the example of the Department of Transportation's National Highway Traffic Safety Agency which adopted a regulation requiring that no automobile could start unless the seat belts of all passengers were locked. It was necessary for Congress, as an expression of very strong public objection, to repeal that provision.

Even more outrageous was the ruling by the Environmental Protection Agency relating to in-town parking and automobile emissions in Boston. The ruling would have prohibited parking downtown and eliminated parking garages.

Such a major policy decision has no business being made by an administrative agency; it involves a much greater exercise of authority than intended by Congress.

There are other examples. Occupational Health and Safety Administration regulations expose an employer to potential fines and forced plant closings for violations by employees of his business even though employee violations were in direct disobedience of his instructions.

Often OSHA regulations are unnecessary and improperly drafted and lack coordination with other federal agencies such as the Environmental Protection Agency or the U.S. Department of Agriculture. One of the best (or worst) examples is an OSHA edict requiring grated floors in supermarket butcher departments to minimize the danger of slipping. On the other hand, the USDA won't approve grated floors because of contamination risks because gratings are difficult to clean.

Once a business has been charged with a violation, the resulting administrative proceedings are extremely lengthy and complicated. Frequently it is more economical for the employer to pay the fine for a violation which never actually occurred than to become involved in the administrative process.

Another point to be made is that the cost of the regulation frequently has little or no relation to the benefit derived. It was recently estimated by the Department of Justice that the administration of the Privacy Act of 1974 would affect 8,000 record systems, and not the 850 Congress was told in testimony when the Act was adopted. The administrative cost has been estimated to exceed $1 million in its first year alone.

Not only is the administrative process expensive, it also is indecisive. Businesses and others who fall subject to regulation can get involved in proceedings that go on for years.

We are, of course, vitally concerned with nuclear safety. But does it ultimately serve any useful purpose to have the licensing process drag on for 3 or 4, even 5, years before a decision can be made.

The same situation exists at many other agencies. The filing requirement at the FCC for radio and television stations every three years at license renewal time often involves thousands of pages, many of which cannot possibly be read by the Commission.

But many of the activities carried on in the form of regulation are really legislative—for example, the recent change of interpretation issued by the FCC on presidential news conferences and on-the-spot interviews in the *Aspen Institute* decision. Congress has passed no law, yet in mid-stream the well established policy is reversed.

One of the most humorous examples of present regulatory incompetence is the so-called Yak Fat Case of the Interstate Commerce Commission.

To demonstrate how outrageous the rate regulation for the trucking industry had been, Hilt Truck Lines, Inc. filed a tariff listing a proposed rate for hauling yak fat from Omaha to Chicago at 45 cents per hundred pounds.

Almost as soon as the tariff was submitted, the railroads had filed a fully documented complaint requesting the ICC to suspend the yak fat rate because it was patently below cost and therefore illegal. Their documentation purported to show in some detail that Hilt's yak fat hauling costs added up to 63 cents a hundred pounds—based on a railroad rate on comparable traffic, not yak fat—meaning an 18-cent loss.

The ICC's Board of Suspension dutifully voted to suspend yak fat, ordering a full-fledged investigation and giving Hilt Truck Lines thirty days to defend their 45 cent rate. Before the month was out the railroads notified the ICC they had formed a yak fat arguing committee, including some of the biggest names in western railroading: Burlington, Rock Island, Chicago Great Western, Milwaukee Road, and the Illinois Central.

They were, however, deprived of their chance to argue as the 30 days passed with no submission from Hilt, leading the ICC and the railroads to suspect they had been taken.

Nonetheless, the Commission issued an order closing the case because Hilt had failed to sustain the burden of proving its rate legal.

Hilt Truck Line, of course, never had hauled yak fat and, in fact, Tom Hilt only knew of one rather skinny specimen of a yak, a lonely resident of the Pioneer Park Zoo in Lincoln, Nebraska.

Mr. Chairman, we are not talking about a question of sacrificing adequate government regulations. On matters of public safety what is needed is thorough regulations. After all the expense and effort, it is absolutely incredible that the FAA can be responsible, in part, for the lack of proper written landing instructions which caused the tragic crash of the TWA jet near Dulles Airport in Virginia.

What is needed is a reordering of priorities. It is no wonder that citizens believe today in greater number than ever before that the Federal Government is not responsive to their needs.

Some states, including Nebraska, Connecticut, and Michigan, have already taken the lead and cleaned the cobwebs out of state agencies by providing for legislative review of agency regulations.

The Congress has allowed this fourth branch of government, the administrative agencies, to come into existence and to consume all of us in our daily lives.

All of these incidents are a sad reflection of the state of the Federal Government. The proliferation of Federal regulatory agencies in the last three decades has resulted in the Congressional deletion of enforcement and prosecutorial authority to persons not subject to the ordinary accountability to the electorate required by our system of checks and balances.

As I have shown, too often that lack of accountability leads to abusive and arbitrary actions, unnoticed until citizens get caught in the web of the bureaucracy.

Mr. Chairman, I hope that your committee will thoroughly analyze the legislation which I support, for it will in my judgment advance the interests of all Americans by restoring government responsibility to accountable representatives.

KISSINGER'S DANGEROUS PLAN TO CRUSH RHODESIA

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. CRANE. Mr. Speaker, the program outlined by Secretary of State Henry Kissinger in his speech in Lusaka, Zambia, calls, in effect, for the United States to subsidize the Maoist regime of Mozambique as a reward for its closing its borders to Rhodesia. It calls, in addition, for the repeal of the Byrd amendment, which would make us solely dependent upon the Soviet Union for chrome. It encourages violence and terrorism in Africa and directly interfere in the internal affairs of both Rhodesia and South Africa, some thing Dr. Kissinger refuses to do with regard to the Soviet Union or Communist China.

How Western interests can be advanced by encouraging the destruction of pro-Western, anti-Communist governments is impossible to understand. In addition, it is clear that, despite many policies with which I and other Americans disagree, the people of Rhodesia and South Africa have more freedom than do those living elsewhere on the African continent. In both Rhodesia and South Africa there is freedom of religion, vigorous opposition parties, and a vocal free press. None of this may be said about the country Dr. Kissinger would like to subsidize—Mozambique. That country is a one-man, one-party dictatorship which has eliminated freedom of religion, is eliminating private property, and has imprisoned all who fail to submit.

Discussing the Kissinger speech, Human Events, in its lead editorial of May 8, declared that—

> The Kissinger speech was larded with cynical, hardcore hypocrisy. He claimed his program to destroy the Rhodesian government . . . was part of America's "unequivocal commitment" to "Human rights, as expressed in the United Nations Charter". . . The secretary must have gagged on his own rhetoric. Clearly, there is no assurance that a transfer to complete black rule in Rhodesia will assure majority rule or any of the other ideals he named. Of the 49 countries in Africa, 15 are ruled by the military and 29 have one party, civilian governments. Only five are multiparty political systems, and two of the five are the Republic of South Africa and Rhodesia.

Human Events concludes that—

> A diplomatic policy which has the United States actively encouraging and, in effect, financing guerrilla terrorists to collapse a friendly, prosperous, pro-Western regime is sheer madness and thoroughly bankrupt. Moreover, it is really difficult to believe that the way to win new friends is to stab old ones. Yet this is precisely the policy that this Administration has now staked out in Lusaka.

I wish to share with my colleagues the important editorial from the May 8 issue of Human Events together with excerpts from Dr. Kissinger's Lusaka statement and insert them into the Record at this time:

Kissinger Outlines Plan To Crush Rhodesia

In an extraordinary program outlined last week in the Zambian capital of Lusaka, Secretary of State Henry Kissinger, with President Ford's fullest backing, committed the United States to the destruction of the white-ruled, prosperous and currently stable country of Rhodesia.

Consulting Hubert Humphrey for advice, but without a shred of authorizing legislation from the Congress, the secretary virtually declared war against a nation whose thriving economy has benefited her neighbors and which has yet to export a single revolutionary to disturb the peace of any nation in Africa or elsewhere.

Where are all those voices that used to bellow about undeclared wars undertaken by the executive? In the teeth of the Senate Intelligence Committee's release of a report condemning U.S. involvement in the internal affairs of other countries, the Churches, the Kennedys and the Hatfields are as silent as the tomb on the Kissinger plan.

In the name of preserving "world peace," Kissinger pledged U.S. tax dollars to the Maoist, terrorist regime in Mozambique, which currently harbors about 4,000 guerrillas whose short-term goal is the killing and maiming of loyal Rhodesian blacks across the border. In the name of humanitarianism, Kissinger promised tax dollars for the relief of black, Rhodesian "refugees," who are, in fact, potential anti-Rhodesian warriors. In the name of promoting the economic "well being" of the people in southern Africa, the secretary urged the nations tangent to Rhodesia to bring the runaway British colony to its knees through an economic boycott. As in the case of Mozambique, the United States stands ready "to alleviate economic hardship" of any country bordering Rhodesia that implements sanctions against the Ian Smith regime.

To make even more effective a program that might well be called "Operation Strangulation," the secretary said the U.S. "will approach other industrial nations to ensure the strictest and broadest international compliance with sanctions" imposed against Rhodesia by the United Nations.

As a way of showing an earnest of our intentions, the secretary also pledged to wage a vigorous battle to repeal the Byrd amendment, which permits the U.S. to import Rhodesian chrome, a crucial ingredient in the manufacture of such key defense items as jet aircraft, long-range missiles and nuclear submarines.

The supposed purpose of this astounding declaration by the secretary is to ensure that within approximately two years time, Rhodesia, now largely ruled by 270,000 whites, will be turned over to the black majority. The secretary, who is so tolerant of Communist regimes that he openly advocates expanded trade with them, is pitiless toward Rhodesia.

The Salisbury government, he says, "must understand that it cannot expect United States support either in diplomacy or in material help at any stage in its conflict with African states or African liberation movements." Until a negotiated settlement has been reached in which the black African majority obtains the right to rule, said Kissinger, Rhodesia will face "our unrelenting opposition."

The United States position on Rhodesia is clear and unmistakable, he asserted. As President Ford has said, "The United States is totally dedicated to seeing to it that the majority becomes the ruling power in Rhodesia." We do not, Kissinger emphasized, "recognize the Rhodesian minority regime. The United States voted for, and is committed to, the U.N. Security Council resolution of 1966 and 1968 that imposed mandatory economic sanctions against the illegal Rhodesia regime.

"Earlier this year we co-sponsored a Security Council resolution, which was passed unanimously, expanding mandatory sanctions. And in March of this year, we joined with others to commend Mozambique for its decision to enforce these sanctions even at great economic cost to itself."

Having outlined his program to do in Rhodesia, the secretary of state offered a somewhat less hostile policy toward South Africa, but hinted that this was just for the nonce. Kissinger urged South Africa to relinquish Southwest Africa (Namibia) and eventually end its policy of apartheid (racial separation). "The United States," said Kissinger, "appeals to South Africa to heed the warning signals of the past two years. There is still time to bring about a reconciliation of South Africa's peoples for the benefit of all." But, Kissinger ominously continued, "there is a limit to that time—a limit of far shorter duration than was generally perceived even a few years ago."

The Kissinger speech was larded with cynical, hardcore hypocrisy. He claimed his program to destroy the Rhodesian government as constituted was part of America's "unequivocal commitment" to "human rights, as expressed in the United Nations Charter, and the Universal Declaration of Human Rights." We support, he added, "self-determination, majority rule, equal rights and human dignity for all the people of southern Africa—in the name of moral principle, international law and world peace."

The secretary must have gagged on his own rhetoric. Clearly, there is no assurance that a transfer to complete *black* rule in Rhodesia will assure *majority* rule or any of the other ideals he named. Of the 49 countries in Africa, 15 are ruled by the military and 29 have one-party, civilian governments. Only five are multiparty political systems, and two of the five are the Republic of South Africa and Rhodesia!

As economist Milton Friedman, who recently returned from Rhodesia, suggested last week in an article, that country has more freedom, prosperity and racial harmony than most nations in Africa. To judge from the evidence available, he said, "the Rhodesian blacks in the modern sector enjoy an average income that is considerably more than twice as high as that of all the rest of Africa."

"The relation of the whites to the blacks," he added, "is complex: a large dose of paternalism, social separation, discrimination in land ownership and little or no official discrimination in other respects. In particular, there is no evidence of that petty apartheid—separate post-office entrances, toilets and the like—that was our shame in the South, and that I find so galling in South Africa. The education of the blacks has been proceeding by leaps and bounds. Today, half or more of the students at the University of Rhodesia are black." (For further comments on the status of blacks in Rhodesia, see M. Stanton Evans' column on page 10.)

Guerrilla warfare from both outside and inside the country has produced a repressive reaction by the government, Friedman conceded. "But the provocation has clearly been great, and it is important to maintain a sense of proportion. More than half the defense forces patrolling the borders are black. We were told that more blacks volunteer for the defense forces than can be accepted. The streets of Salisbury give a visual impression of a black sea with occasional white faces that brings to life and gives new meaning to the 20-to-1 numerical population ratio. It is very difficult to reconcile that visual impression with any widespread oppression or feelings of oppression by the blacks. If that existed, Rhodesia could not easily maintain such internal harmony or so prosperous an economy. . . .

"'Majority rule' for Rhodesia today is a euphemism for a black minority government, which would almost surely mean both the eviction or exodus of most of the whites and also a drastically lower level of living and of opportunity for the masses of black Rhodesians. That, at any event, has been the typical experience in Africa—most recently in Mozambique."

What is so enormously ironic, however, is that it is Mozambique—a one-party, totalitarian, Marxist regime—that Kissinger so fervently applauds and fawns over in the very speech in which he calls for a worldwide crusade to crush Rhodesia for its failure to establish majority rule.

In his speech in Lusaka, for instance, the Secretary commended Mozambique for closing its borders to Rhodesia and promised the African dictatorship $12.5 million in American tax dollars to reduce any economic blows it may have suffered as a result.

Mozambique is headed by President Samora Machel, who has promised a gradual transition to communism, beginning with indoctrination lessons to combat "individualism" and capitalist and traditional values. Samora Machel has nationalized all private homes, called for the collectivization of agriculture and made children over the age of six wards of the state. He is also trying to uproot religion and has put an end to infant baptism. About a week before Kissinger delivered his Lusaka statement, the Washington *Post* reported that three American Protestant missionaries had been picked up by security police shortly after Mozambique had gained independence from Portugal. "They have not been charged," said the *Post*, "and have been refused legal counsel or consultation with U.S. embassy officials."

In typical Communist fashion, Samora Machel is busily engaged in the business of exporting revolution. In the last three years the guerrilla forces now harbored by him have shown their devotion to "human dignity" and "racial harmony" by butchering more than 230 Rhodesian civilians, more than 200 of these being black.

A West German reporter, Hans Germani, who has been in the border area between Mozambique and Rhodesia, writes: "What is actually going on in Rhodesia is a series of police actions conducted by Army and police strike forces of around 6,000 men against a couple of hundred terrorists . . . who are hardly fighting the army and the whites but who rather see the task as murdering, robbing and terrorizing wealthy Africans and who provided themselves, with the aid of Russian supplied AK carbines and RPD machine guns, with money, food and black girls under 15 years old if possible. The No. 1 target of their assault is all Africans who, through hard work and acceptance of white civilization, have made something of themselves."

Such, then, is the new Ford-Kissinger African policy. While it has been packaged in high-flown, liberal rhetoric, it is nothing but crass, diplomatic opportunism, a squalid effort to appease the radical liberationist elements on the Dark Continent.

By savaging such nations as Rhodesia and squeezing South Africa—by attempting, in short, to liquidate or cripple nations friendly to the United States before the Soviets and Cubans can—we hope to win favor in the eyes of most of black Africa. This is a deeply immoral game and far too high—and needless—a price to pay

If the whites eventually lose control of Rhodesia, so be it. But a diplomatic policy which has the United States actively encouraging and, in effect, financing guerrilla terrorists to collapse a friendly, prosperous, pro-Western regime is sheer madness and thoroughly bankrupt. Moreover, it is really difficult to believe that the way to win new friends is to stab old ones. Yet that is precisely the policy that this Administration has now staked out in Lusaka.

Excerpts From Kissinger's Lusaka Declaration

"United States policy for a just and durable Rhodesian solution will therefore rest on 10 elements:

"*First*, the United States declares its support in the strongest terms for the proposals made by British Prime Minister Callaghan on March 22 of this year; that independence must be preceded by majority rule which, in turn, must be achieved no later than two years following the expeditious conclusion of negotiations. We consider these proposals a basis for a settlement fair to all the people of Rhodesia. We urge that they be accepted.

"*Second*, the Salisbury regime must understand that it cannot expect United States support either in diplomacy or in material help at any stage in its conflict with African states or African liberation movements. On the contrary, it will face our unrelenting opposition until a negotiated settlement is achieved.

"*Third*, the United States will take steps to fulfill completely its obligation under international law to mandatory economic sanctions against Rhodesia. We will urge the Congress this year to repeal the Byrd Amendment, which authorizes Rhodesian chrome imports to the United States, an act inconsistent with United Nations sanctions. In parallel with this effort, we will approach other industrial nations to insure the strictest and broadest international compliance with sanctions.

"*Fourth*, to insure that there are no misperceptions on the part of the leaders of the minority in Rhodesia, the United States, on the conclusion of my consultations in Black Africa, will communicate clearly and directly to the Salisbury regime our view of the urgency of a rapid negotiated settlement leading to majority rule.

"*Fifth*, the United States government will carry out its responsibility to inform American citizens that we have no official representation in Rhodesia nor any means of providing them with assistance or protection. American travelers will be advised against entering Rhodesia; American residents there will be urged to leave.

"*Sixth*, as in the case of Zambia a few years ago, steps should be taken—in accordance with the recent U.N. Security Council resolution—to assist Mozambique, whose closing of its borders with Rhodesia to enforce sanctions has imposed upon it a great additional economic hardship. In accordance with the U.N. resolution, the United States is willing to provide $12.5 million of assistance.

"*Seventh*, the United States—together with other members of the United Nations—is ready to help alleviate economic hardship for any countries neighboring Rhodesia which decide to enforce sanctions by closing their frontiers.

"*Eighth*, humanitarian provision must be made for the thousands of refugees who have fled in distress from Rhodesia into neighboring countries. The United States will consider sympathetically requests for assistance for these refugees by the U.N. High Commissioner for Refugees or other appropriate international organizations.

"*Ninth*, the world community should give its support to the people of Rhodesia as they make the peaceful transition to majority rule and independence, and should aid a newly independent Zimbabwe [Rhodesia]. To this end, we are ready to join with other interested nations in a program of economic, technical and educational assistance, to enable an independent Zimbabwe to achieve the progress and the place in the community of nations to which its resources and the talents of all its people entitle it.

"*Finally*, we state our conviction that whites as well as blacks should have a secure future and civil rights in Zimbabwe that has achieved racial justice. A constitutional structure should protect minority rights together with establishing majority rule. We are prepared to devote some of our assistance programs to this objective.

"In carrying out this program we shall consult closely with the presidents of Botswana, Mozambique, Tanzania and Zambia."

THE ADVERTISING LAWYER

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. HUNGATE. Mr. Speaker, as the consumer will soon receive the benefits of legal advertising, I thought the following article from the New York Times Magazine would be of interest:

THE ADVERTISING LAWYER

(By Stephen Gillers)

Lawyer advertising is not new. Lawyers have always managed to find indirect ways to get themselves known. Some represent controversial clients, then hold press conferences and go on television. Others write best sellers about their lives in court or their readiness for the defense.

What is being debated now, however, is the question of whether lawyers should be permitted to advertise themselves directly, as if they were, for example, chewing gum ("Double Your Verdict, Double Your Fun") or household cleanser ("In 4 Out of 5 Cases, Our Firm Got Substantially Better Results Than Law Firm X"). There seem to be three basic points of view in this great debate:

(1) Many lawyers are opposed to legal advertising. They say it will lead to destructive competition. Competition is all right, they say, for a business, where the goal is profits. But it is unseemly and demeaning for a profession where the goal is service to humanity. Lawyers who make this argument usually have many rich clients, and a lot of profits, and don't really need more.

(2) Other lawyers want legal advertising. They say it will lead to fairer competition. They think that if they can just let everyone know their office address, how dynamic they are, how little they charge for a case, and that they will accept BankAmericard, pretty soon they'll have lots of rich clients, and lots of profits, and they will then also be able to oppose advertising.

(3) Finally, some nonlawyers want legal advertising. (Lawyers invented the word nonlawyer to describe everyone else in the world. No other profession does this. Did you ever hear of a nonarchitect?) These nonlawyers want legal advertising because, they say, it will lead to healthy competition. They believe advertising will make for more informed consumers, and greater citizen-access to the law and the courts.

Recently, the American Bar Association agreed to recommend to state bar associations that lawyers be permitted to advertise in the Yellow Pages of telephone directories—and virtually no place else where clients are likely to look. This monopoly will doubtless make Yellow Pages ad salesmen very happy, but it will also lead to some interesting ads. The new A.B.A. rules say that lawyers will be allowed to mention such things as their fields of concentration, office hours and the names of regular clients; they may even quote prices. It is not inconceivable, therefore, that your Yellow Pages of the future might carry an ad like the one above (see Exhibit A).

EXHIBIT A

Let your feet do the walking "Why stay longer?" See the "get-out-of-prison" people. Pierson & Pumpernick "The Plea-Bargaining Experts" day or night, call toll free (800) 325-2111.

Yellow Pages ads may be only the beginning. Since legal advertising will eventually result in more money for the profession as a whole, probably no force in the world will be able to stop it. Madison Avenue will have a golden opportunity to pioneer in a completely new creative field. Imagine opening your favorite magazine to see an ad like the one at the lower left corner of this page (Exhibit B).

EXHIBIT B

Stick it to the Doctor: Nobody likes going to the doctor and removing one's clothes, being pinched and pushed all over, made to lie on cold, hard tables for hours—and then, worst of all, getting a huge bill and small comfort.

If you've had an experience like this recently, perhaps you should make an appointment to speak with one of our attorneys. There is no charge—even if we take your case. That's because our fee is entirely contingent on results. We get paid only if you do.

What do you have to lose? A sizable verdict might even help restore your health.

Remember: If the condition persists, see your doctor. If it still persists, see us. Carmichael & Jellinek, Lawyers.

Even more wondrous to contemplate is the inevitable 30-second television spot: a colorful montage of woodsy images, swaying trees and bathing nymphettes, accompanied by the following voice-over: (Words flash on screen:)

"Yes, it's spring again, the season of rebirth. Nature's way of telling you to come out of your shell and enjoy life.

"Perhaps you've been contemplating a personal rebirth lately. A new life. A freer way of being alive. Doing the things you never quite got around to when you were single.

"How long has it been? The world is different today. Look around you. It's freer, easier. . . . How would you fare in today's world if you were on your own again? What would you do first?

"If these thoughts have crossed your mind more than once, why not give us a call, today, while our Spring Divorce Sale is in progress. Let us tell you what's involved in becoming unattached. Candidly and in complete confidence.

"Remember . . .

"You could be free by summer. . . ."

You have nothing to lose but your spouse. Hamilton, Karp & Parkinsen, Attorneys at Law.

Highly specialized services are likely to be advertised. Lawyers might commission leading agencies to develop hard-hitting media campaigns stressing unique public images. For example, from a radical lawyer we might see the ad at center, below (see Exhibit C):

EXHIBIT C

Is your political defense fund in trouble? You say you don't even have enough money to get a body-language expert to assist in picking the jury?

You gave a fund-raising party at an X-rated movie and no one came?

You need help: Hire a lawyer with a proven record of getting criminal cases the kind of press attention that will lead to international awareness of how the Government is ganging up on your comrades.

Quit fiddling around with pocket money from guilt-ridden liberals. You need a radical solution.

Naturally, if legal advertising has its expected result, more people will be hiring more lawyers more often. Inevitably, there will also be more instances of dissatisfied clients who conclude that they retained the wrong attorneys and would like to get rid of them. Assistance will surely be required from those who know just how to discharge a lawyer. The advertising campaign below, in Exhibit D, might make this service available to the world:

EXHIBIT D

Have your own Saturday night massacre: Fed up with counsel but afraid to let him go? Let us do it for you. We'll fire any lawyer you wish. Any time of day. Any day of the week. We act fast. No questions asked. Massacre Associates—Fees on request—slightly higher Saturday nights.

POLISH AND PROUD

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. DINGELL. Mr. Speaker, as a proud American of Polish descent, I would like to insert in the CONGRESSIONAL RECORD an article on early Polish settlers in this country. The article compiled by Walter J. Kush was carried in the Mercier News. Historical data in the article was obtained from "Poles in American History and Tradition" by Dr. Joseph A. Wytrwal.

The article follows:

POLISH AND PROUD

PRE-REVOLUTIONARY ERA

(By Walter J. Kush)

It was on October 1, 1608 that Captain Christopher Newport anchored his ship off the Jamestown Coast of Virginia; he had the following Poles on board: Michael Lawiski, a Polish nobleman; Zbigniew Stefanski, a glass production specialist; Jan Mata, a soap producer; Jan Bogdan, pitch, tar and ship building expert; Stanislaw Sadowski, and Karol Zrenica.

These Polish immigrants to Jamestown were the first champions of American civil liberties. Because they were not of English descent, they were disfranchised by company authorities. In protest they refused to work until accorded the same privileges as those given to the English settlers. Thus it happened that the summer of 1619 witnessed not only the first popular assembly in America but also the first labor walkout.

Among the early Polish settlers to reside in New Amsterdam at the tip of Manhattan Island was Daniel Litscho. He is mentioned for the first time in 1648, as a tavernkeeper in New Amsterdam. In 1651 he participated in Stuyvesant's expedition against the Swedes on the Delaware.

Of greater importance to the small Dutch city was the appointment of Dr. Alexander Kurczewski to the position of teacher. A teacher of languages, he established the first Latin school in what is now New York city. He was also one of the city's first physicians.

John Rutkowski and Casimir Butkiewicz, also had been engaged as teachers. Wojciech Adamkiewicz was a successful builder in the old Dutch city. Captain Marcin Krygier had been elected co-burgomaster in 1653.

In 1662, an exiled Polish nobleman, Olbracht Zaborowski settled in New Amsterdam. Zaborowski held positions of authority, being among other things, the first Justice of the Peace for upper Bergen County, New Jersey.

John Zabriskie, grandson of Olbracht Zaborowski, filled the office of justice in New Jersey.

Poles settled in the Delaware Valley as early as 1650. There were a few Polish immigrants in Pennsylvania and Virginia.

Polish pioneers also participated in the French and Indian War. Among them were Christian Passasky, John Syrotjack and Peter Collaska.

Many highly educated Poles rendered useful services to America in delimination of her boundaries. George Wenceslaus Golkowski made surveys of the territory around Nazareth and other settlements in Pennsylvania.

Captain Charles Blaszkowicz, a surveyor in the British service prior to the Revolutionary War, surveyed the coast of New England and drew the first map of that territory.

Casimir Theodore Goerck was appointed surveyor for the city of New York on April 6, 1785. Goerck married Elizabeth, sister of Cornelius Roosevelt, a merchant of New York and a great-great-grand uncle of Theodore Roosevelt, and consequently, a blood tie connects a Polish immigrant with two presidents of the United States.

The most prominent Polish frontiersman was undoubtedly Anthony Sadowski who came to Philadelphia before 1714. A daring individual, he became an Indian trader and interpreter in the colony. He established a trading post that is said to have been the forerunner of the busy industrial City of Sandusky (a corruption of the Sadowski), Ohio.

Reverend Post, born in Chojnice, Poland, in 1710, also played an important part in opening up the West to English settlement. He came to America in 1742 and in 1743 he did religious work among the Iroquois Indians.

THE REVOLUTION

Thaddeus Kosciuszko came to Philadelphia in 1776, bringing to the Continental Army a schools of Poland and France. Appointed colonel of engineers and assigned to the northern army, he organized the defenses of Ticonderoga, Mount Independence, and West Point. He also contributed to the defenses of Bimis Heights. His greatest service in aiding the American cause was in strengthening the fortifications of Saratoga, where the British surrendered to General Gates on October 17, 1777.

When General Greene became commander of the southern army, Kosciuszko joined him as chief-of-engineers. For his distinguished services, Congress awarded him American citizenship, a pension with landed estates in Franklin County, Ohio, and the rank of brigadier-general.

Before his departure for Europe, Kosciuszko authorized Thomas Jefferson to use proceeds from the sale of his estate to obtain freedom for Negro slaves. He also established a school for Negroes which exists to this day.

Of all the Polish officers who took part in the American War of Independence, Count Casimir Pulaski was the most professional. He joined the American forces as a volunteer and eventually rose to command four regiments of cavalry. Later he resigned this command to organize a mixed body of light infantry and cavalry with lances. During the recruiting of this Legion, Pulaski visited Bethlehem, Pennsylvania, where he ordered from the Moravian Nuns a banner for his Legion. This incident served as a theme for Henry Wadsworth Longfellow's well-known poem, "Hymn of the Moravian Nuns of Bethlehem at the Consecration of Pulaski's Banner."

Pulaski proved his military abilities to such an extent that he has often been called the "Father of the American Cavalry." It was by bold cavalry attacks that Pulaski saved Washington's army from destruction at Brandywine and at Warren Tavern; and it was at the head of his own "Legion" that he marched into South Carolina and lifted by sheer bravery the impending siege of Charleston. In defense of Savannah, 1779, Count Pulaski was mortally wounded; he died on board the United States brig "Wasp" where he had been taken for treatment.

Miecislaw Haiman, in "Poles in New York in 17th and 18th Centuries," writes that Poles from Connecticut, Delaware, Georgia, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, and Virginia, also participated in the Revolutionary War.

Captain Felix Miklaszewicz, a true swashbuckler in the boldest tradition of the sea, was among the few foreigners who served on the seas under the American flag during the Revolutionary War. Miklasiewics's privateering was so successful that he was able to purchase his own vessel.

Besides the American Continental Army, the militia, and privateering, there was yet another field in which the Poles fought for the independence of the United States, namely, the French army sent to America by King Louis XVI in 1780. Captain John Kwiryn Mieszkowski, Lieutenant Count Michael Grabowski and Lieutenant George Uzdowski served under General Armand Louis de Gontaut Biron.

Captain Mieszkowski was born in Karczew, Poland, on March 30, 1744. He distinguished himself by exceptional bravery during the siege of Yorktown.

AFTER THE REVOLUTIONARY WAR

A distinguished Pole who came to America during the post war period was Julian Ursyn Niemcewicz, a celebrated poet. He spent two weeks at Mount Vernon as Washington's guest, an event he described in poetry and verse. One of his poems commemorates a touching episode involving Washington, who on hearing his narrative of Poland, wept over his misfortune.

From the Revolutionary War period until 1836, there are some traces of liberty-loving Poles emigrating to the United States.

Karol Blaszkowicz and Theodore Puderowski, who served as a drummer in the United States Navy, participating in the War of 1812.

Father Thomas Praniewicz, the first Polish resident of Philadelphia in the nineteenth century, came to America in 1819. He was followed by Father Boniface Krukowski, S.J., who came in 1882 and was associated with the Jesuit Mission at Goshenhoppen.

In the thirties, several Polish Franciscan Fathers were laboring in the United States, among them was Father Anthony Rossadowski, former chaplain in the Polish army in the 1830 Insurrection.

Father Gaspar Matoga, who came to the United States in 1848 and completed his studies at Fordham University, was the first Polish priest to be ordained in the United States.

At the solicitation of Bishop Carroll, a number of Polish priests, all former members of the disbanded Society of Jesus, came to America. One of the most prominent was Father Francis Dzierozynski. On August 12, 1823, Father Dzierozynski became Superior of the Jesuits in America, then organized under the title of the Mission of Maryland.

An exile, Kazimierz Stanislaw Gzowski, started his life in America. He married an American from Erie, Pennsylvania; after several years they migrated to Canada. In 1870 he built the International Bridge over the Niagara, then considered a miracle of modern engineering.

Josef Truskolaski, took up the study of engineering, and eventually won renown as a surveyor in Louisiana and Utah.

Captain Alexander Bielaski made difficult surveys in Florida between 1835–1837 and was a pioneer engineer of the Illinois Central Railroad.

Strzelecki, Holynski and Schwathka were also among America's foremost explorers.

Stanislaw Hernisz published in 1854 the first English-Chinese dictionary in America.

The first petition for a married woman's property law in New York reached the state legislature in 1836. It was the work of Ernestine Louise B. Potowski-Rose. She was born in Piotrkow, Poland on January 13, 1810.

Another famous woman of Polish nationality was Dr. Marie Elizabeth Zakrewska. She founded the New England Hospital for Women and Children. The first Negro trained nurse, Mary Elizabeth Mahoney, graduated from this hospital in 1879

At the time of the Civil War there were some 30,000 Poles in the United States. Of this number, 4,000 fought in the ranks of the Union Army and 1,000 served the Confederacy.

By a queer coincidence the Poles were among the first to die on both sides in battle. According to official records, Thaddeus Strawinski, an eighteen-year-old student, was the first to die in the attack of the Confederate on Fort Sumter, the first battle of Civil War. And the first Union officer to die was Captain Constantine Blandowski, who helped save Missouri for the Union.

Vladimir Krzyzanowski was a colonel in the Union army. He distinguished himself at the battle of Cross Keys and Bull Run. His reputation increased after the battle of Chancellorsville and Gettysburg.

Joseph Karge was another Pole who rose to the rank of general in the Union army. He distinguished himself in operations against "Stonewall" Jackson in defense of Virginia and Washington.

The number of Poles who attained the rank of captain in the Union army is astounding. Research has revealed no less than twenty who had achieved this rank.

WORLD WAR I

When the United States entered World War I, of the first 100,000 volunteers who answered the summons of President Wilson, no fewer than 40,000 were Poles. Before that conflict terminated, 300,000 Polish immigrants and Americans of Polish descent served.

Although the Polish population in the

United States did not exceed 4 percent of the population, on the casualty lists of World War I, Americans of Polish descent accounted for 12 percent of those who lost their lives.

WORLD WAR II

In World War II more than 900,000 served in the Armed Forces. According to Army and Navy records, approximately twenty percent of the United States Armed Forces on the eve of World War II consisted of men of Polish extraction.

Rose Radziminski of California had 11 sons in the Armed Forces. Similarly, Francis Dyke of Chicago had eleven sons in the Armed Forces.

A few hours after the Japanese attack on Pearl Harbor, the War Department notified Peter Niedzwiecki of Grand Rapids, Michigan, that his son, Robert, had fallen in the attack.

Americans of Polish descent have long been numerous and notable in the officers' corp of the United States Army. Scores have graduated from West Point Academy. In 1939, the West Point Class of 456 cadets was headed by Stanley Dziuba of Polish extraction. The following attained the rank of general in World War II: Joseph Barzynski, John Rataj, John Wisniewski, Matyka and Krygier.

Staff Sergeant Alexander Kaczmarczyk died at sea on the twelfth day of Captain Eddie Rickenbacker's twenty-one day saga of endurance and fortitude. Sergeant John Bartek survived this ordeal.

Sergeant Tony Postula with two companions survived thirty-two days of hunger and thirst in the Pacific. Leo Lapacinski had killed thirty-six Japanese soldiers in the battle of Tulagi in the Solomons. Marine "Skee" Wilski had killed one hundred Japanese soldiers on Guadacanal.

Sergeant John J. Zygmunt, armed with a bazooka, held up eight German Tiger tanks, knocking one of them out completely. This was the first time an American bazookaman had eliminated a Tiger tank.

Sergeant Alexander A. Drabik seized the Remagen Bridge over the Rhine River during the critical 1945 American advance on Germany. The taking of the undamaged bridge facilitated the American advance into the heartland of Germany.

William Grabiarz, joined the Army when he was only 18 as a volunteer. He participated in five great battles in the Pacific. For his bravery he received nine distinctions among them the Purple Heart and the Congressional Medal of Honor.

Lt. Col. Francis S. Gabreski of Oil City, Pennsylvania, shot down thirty-one German planes to become one of America's flying aces.

Sgt. Joseph J. Sadowski of Perth Amboy, New Jersey, gave his life for his comrades and won the Nation's highest award, the Congressional Medal of Honor, which was awarded posthumously to his parents.

The first American soldier to disembark on Sicily was Sgt. Joseph Parylak; the first to land at Anzio was Pvt. Walter J. Krzystofiak of Summit, Illinois; the first American chaplain to set foot on French and German soil was Captain Vanantius Szymanski of Detroit.

The first American woman to land on Munda and New Georgia was Army nurse Second Lt. Dorothy P. Shikoski from Green Lakes, Wis. Lt. George Klimanowicz of Stevens Point, Wis., was one of three American officers who first entered German territory in August, 1944.

In a German cemetery next to Gen. George S. Patton lies Detroit born Pfc. John Przywara.

There is more, much more; suffice it to say, "That's how it was through the years."

1776–1976—OUR HERITAGE, OUR FUTURE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. GILMAN. Mr. Speaker, recently I was pleased to have conducted a contest for high school seniors in the 26th Congressional District of New York on the subject of "1776–1976—Our Heritage, Our Future" and what it means to them as citizens.

Because of the intense feeling of pride that these essays exhibit for the accomplishments of our Nation and the belief in its future, it is a privilege to submit, for the review of my colleagues, the four essays which won honorable mention:

1776–1976—Our Heritage, Our Future

(By Barbara Healy)

"All men are created equal." This is one of the statements found in the Constitution. Throughout history the quote has not been interpreted as the men who formulated the Constitution meant it to be. Instead the American people have looked down upon others who are unlike themselves in skin color, religion, and customs.

A prime example of this practice is the American Indian. In the beginning, the Indians and the settlers lived together in peaceful coexistence. But then the settlers needed more land and started to push the Indians out of theirs. They took their homes and put them on reservations where they could not hunt for food to feed themselves or live free lives.

The next people to arrive were the Irish. They came because of the potato famine in Ireland and because of political persecution by the English. After the Irish came the Chinese also for a political reason, the Boxer Rebellion.

Right from the beginning of the formation of our country we have had slaves. These were men, women, and children who were held in bondage without the right to practice the religion they wanted or the freedom to spend their day the way they would have liked. They were often mistreated by their masters, and many of the families were broken up.

At the turn of the century many women and children worked in "sweat shops." Many times these places were poorly lighted and provided unsanitary conditions. Most of these women and children worked for long hours, many of them twelve to sixteen hours a day, for very little pay.

In the 1960's the rights of the black people became a prestigious matter. Even though almost a century before slavery had been abolished, these people were still not being treated as equals. Through the formation of civil rights groups Blacks "have come a long way, baby." In most cases they can now hold the same jobs as other people and get equal pay for doing it.

As you can see throughout the brief history of the immigration of America I have given you "All men are created equal" but equal rights are not given at all. Each time a new group of people enters the United States they are frowned upon or perhaps treated unjustly. In the future I hope men will treat each other as equals and with respect.

1776–1976—Our Heritage, Our Future

(By James D. Ring)

Living during such a celebration as our Bicentennial is a great privilege and makes me proud to be an American.

The Bicentennial reminds me of our heritage, where people from all parts of the world joined together on one continent, contributing the good parts of all their cultures to form a great Nation. Each one of our forefathers came to this country to find his dream; with hard work they did succeed.

This formed a pattern for all of us Americans. For me, I reflect on our heritage as an inspiration to work and reach my goal, no matter what hurdles I might have to take.

Every day a pattern is being laid out to better ourselves and the world conditions. This is why we are such a great Nation; we are always there to help other countries.

When I think of our two-hundredth birthday, I think of not only celebrating a birthday but also commemorating our men and women who fought for our country from the Revolution to Vietnam; who fought for what our country stands for.

As John F. Kennedy once stated, "Ask not what your country can do for you, ask what you can do for your country." If all of us would keep this in mind, we will always remain a great Nation.

1776–1976—Our Heritage, Our Future

AMERICA'S HERITAGE AND FUTURE

(By Michelle R. Sarjeant)

America has been fairly good to most peoples of the world. Many people who have immigrated to America have found religious freedom and a better way of living. Many minorities, though, have experienced discrimination from Americans. Blacks had been in slavery for over 300 years before the Civil Rights Bill was passed saying that they had the same privileges as others. Yet even now, discrimination in jobs and housing has not ended.

The Indians, who were in America before the white man, were pushed off their land and made to move so that the white man could build and farm. Tribes of Indians were massacred because they were, in my opinion, "in the way."

Women, up until 1920, were not allowed to vote and they also had a hard time obtaining a good education. Up until now, it has taken a lot of patience and determination for a woman to be accepted even in a medical or law school because these were said to be "men's jobs."

Every person in America, with the exception of the Indian, is an immigrant to a descendant of immigrants, and the immigrant has played a major role in the development of America. Each group has contributed vision and dreams—in addition to skill and labor. The Poles and Slavs built steel plants; the English and Scots mined gold, etc.

Immigrants have expanded, too, the arts, sciences and other fields. Albert Einstein, who was from Germany, became a noted American scientist. Irving Berlin, whose music is popular all over the world, was from Russia. The shoe-lasting machine, invented by Jan Matzeliger, a Black man from Dutch Guiana, not only revolutionized the shoe industry but also made Lynn, Massachusetts the "shoe capital of the world."

However, in spite of the fact that America's heritage has been enriched by the diverse cultures of many peoples, I—as a Black person—question whether the year 1976 is a year of celebration for Blacks. Perhaps by the year 2063, a true celebration will take place in which Americans of all creeds and colors can fully participate.

1776–1976—Our Heritage, Our Future

(By Rhonda Weingarten)

When one thinks of 1776, our bicentennial year, one immediately reflects upon two hundred years and tries to appreciate what this country means, and what has been accomplished. Even the most cynical of observers will admit we have gone from a very disunified weak confederation of states to a strong fifty-state union.

During the past two hundred years we have experienced different movements, tragedies, joys and wars. We have lived through periods of sectionalism in the early 19th century, expansionism and "manifest destiny" during the latter part of the 19th century, conservatism and laissez-faire in the 1920's and liberalism and social reform through the 1930's 40's and 60's. In addition the United States has constantly undertaken world leadership during crises such as the world wars while at other times remaining totally isolation-created. We also cannot forget other critical situations—the Great Depression, the present economic crisis, the intense civil strife caused by the slave issue and the Civil War, the campus revolts, the assassinations of the 1960's.

It is somewhat incredible that this nation has experienced such vast change and growth in our relatively short heritage.

After much retrospection, one may ask "What does the future hold?" It appears that the present status of the United States in domestic and foreign terms is at a low ebb. Domestically we are not only plagued with economic problems, such as recession and inflation, but social ones as well. Throughout the world we appear to have lost the magic touch of leadership we once had. In addition, because of Watergate, Americans can no longer maintain then naive beliefs that all of our government is clean and honest.

As viewed from our present state, the future looks quite bleak. The view brightens however if we think of our democratic system as the key to our future destiny and continued growth and change. Though our democratic processes have many flaws, including a very slow process of change, it does afford us the right to speak and be heard. It has created a balance no other country has—a system which has given rise to innumerable ideas and programs, even while having the capability of taking quick, necessary action in time of tragedy and despair.

Though we will continue to have prosperous and trying times, I am confident America will always remain a solid, strong, and balanced country because our democratic system brings out the strength and character of our people.

OIL DIVESTURE WON'T HELP

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. YOUNG of Alaska. Mr. Speaker, the issue of mandatory divesture of oil companies has been an issue of some concern to the Members of Congress in recent months. The proponents of divesture argue that it would increase competition and bring down artificially high oil prices. The unfortunate result, however, is just the opposite. Divesture, because it would cause massive paperwork and lengthy squabbling, would substantially delay crucial investment decisions that are so important to our energy independence effort.

Competition in the industry is aided, as an economist will explain, by free entry and exit in the market. If a producer cannot enter the distribution market, and vice versa, then the number of potential entries into the markets will be reduced. And it is those who are directly involved with the oil business in some capacity who are most likely to enter a particular market, and not an outsider unfamiliar with the business. The result of fewer entries means less competition, and fewer companies. Divesture would also hurt our chance to increase competition abroad.

Prof. M. A. Adelman, writing in the May 1 Washington Post, explained the issue of mandatory divesture. He is a noted professor of economics at the Massachusetts Institute of Technology. Believing that it is important for all Members to closely consider the arguments put forth by Professor Adelman, I would like to insert his article at this point:

SPLITTING THE OIL COMPANIES WON'T HELP

(By M. A. Adelman)

Congress should reject the proposals for disintegration of oil companies into separate entities for producing, refining, and marketing. "Vertical divestiture" would be expensive. It would diminish competition at home. It would waste our chance to increase competition abroad. And it would make almost no difference, one way or the other, in terms of efficiency.

The industry's contention, that vertical integration helps efficiency, is unfounded. Common ownership of these activities, by one company, neither saves money nor costs any. (There are bound to be some exceptions to the rule; relatively, they are unimportant.) Most companies became integrated long ago for reasons that are now history. They have stayed integrated because there is no reason to change. One oil company president says integration gives "security of supply" of crude oil to the refinery. As Frederic Scherer, chief economist at the Federal Trade Commission, has pointed out: If "security of supply" is a problem, that is a signal of a noncompetitive crude market, where sellers can deny supply to some buyers. In fact it is no problem. Anybody can buy any amount he wants, except when governments restrict the supply.

The industry's job, of arranging an immense flow of sticky combustible liquids, is made no easier or harder by common ownership of the segments. A company that on paper is balanced and produces "enough" crude for its own use actually has to dispose of much or most of it to others. Oil is where you find it, scattered in thousands of fields all over the country or the world. It often doesn't pay to bring it home.

If we could by some magic wake up tomorrow to find that three or four going concerns had overnight replaced every integrated oil company, there would be no substantial loss. But in fact divestiture would be a vast exercise in shuffling papers, transferring title to huge assets of plant, cash, and people (and also assigning debt). Every company would try to keep the best and sell or spin off the rest. Investment decisions on the new plant and equipment and methods needed to cope with new situations today need all the attention possible. They would have to be kept on the back burner because too much money would depend on sorting out what was already in place.

When it was all over, even putting to zero the costs of delay and disruption, we would have less competition because refiners, for example, would no longer be free to enter marketing, or vice versa. Freedom of entry helps keep any trade competitive. Customers and suppliers are usually better informed about the trade than outsiders. A crude producer on one side, a marketer on the other, may know that refining some product in some part of the country is yielding some lush returns, which they would like to share. Their ability to enter refining, or even the threat of new entry, helps persuade those already inside to build new capacity. If they don't, the newcomers will. Divestiture would stop vertical entry.

A Boston marketer, Northeast Petroleum, prospered and grew over the years and is now completing, in Louisiana, the only new American refinery in several years. The divestiture bill would keep such people out of refining unless they stayed small enough in marketing—in which case they would not be refining candidates.

Increasing barriers to entry is odd because the stated purpose of vertical divestiture is to increase competition in oil. But if each sector of the oil industry is competitive, there is no way by which vertical integration can make it less so. Market power at any one stage of the industry can be spread backward or forward through vertical integration. A refiner monopoly would have the crude producers and the marketers at its mercy. But if there is no power, there is nothing to spread. Hence the crucial question becomes: How competitive are the various segments of the oil industry?

In the United States, state and federal governments have often intervened to restrict output and raise prices, because the domestic industry could not rig the market by its own effort. The domestic oil industry was and is strongly competitive. Concentration is low.

The refining segment is the most concentrated. But even here the largest four sellers account for 33 per cent of sales, the largest eight for about 58. It takes the largest 20 to get to 85 per cent. This is, of course, far less concentrated than steel or aluminum or automobiles; in fact, oil refining is just about average for all manufacturing industry. Grocery retailing, per local metropolitan area, is more concentrated than oil refining nationally, and the oil market is close enough to national to make the national statistics relevant.

When the largest four account for only a third, and even the largest 20 account for 90 per cent, they cannot act together, except secretly, to restrain output or raise prices. It is no bad thing that the great size of the oil companies puts them into the goldfish bowl, their every move scrutinized.

Low concentration and many competitors insure competition because each seller—today, because of imports, even the whole American industry—is a "price-taker." He adapts to the price but cannot affect it, because he cannot affect the industry's total output—which sets the price. The burden of any independent action in expanding sales, by offering customers more, is borne by the industry; the benefit goes all to the maverick. (For this reason, an oil company owning coal mines that produce only a small per cent of the coal will act like an independent coal producer, and produce every bit of coal profitable at the current coal price. Any effect on the price of oil will penalize the oil industry as a whole and will have no effect on his profits.) And every competitor knows that if he doesn't act independently, somebody else will.

Some fear that oil companies can control output and prices through joint ventures. This fear should not survive a little reflection. Joint ventures are most important in bidding for federal lands, with payment in billions. Even a little collusion would be very rewarding. None has been alleged. (Even a small improvement in bidding procedure is well worth seeking, however.) Once a group wins a bid, the amount of production they can develop, even in the biggest lease, is tiny relative to the market. In their own interest the owners must operate the lease as though they were a single independent firm, unable to influence price. For maximum profit, they must push the output to the point where additional expansion would inflict cost higher than the price.

Finally, vertical divestiture would not disturb the cartel of the producing nations. The cartel is endangered only when more oil is offered than demanded. When and if suppliers crowd each other out by offering better terms, and a game of musical chairs begins, the price will drop.

It is a truism today that the cartel nations use the multinational oil companies to clear the market. The governments sell almost exclusively through oil companies, whose margins are too narrow to allow any but trifling price cuts. Therefore the companies cannot put additional amounts on to the market to displace a rival, who might retaliate by cutting price again. "Hard bargaining" by independent refiners, dealing with independent producing companies, will accomplish no more and probably even less than today's integrated producing companies dealing with the cartel governments.

Only the governments can oversupply, because only they have the cheap crude. So long as nearly every government refrains from independent offers, the total offered in the market adds up to the total demanded by consumers. Then the cartel holds together, and can even tolerate a maverick or two. Saudi Arabia, in the summer of 1974, earned millions of brownie points with our government by announcing a crude oil auction to bring down prices. After getting the maximum publicity, they cancelled the auction. That was a lesson. (Our State Department, which learns nothing and remembers nothing, is still high on "cooperation" with the cartelist-in-chief.) Put Aramco (Arabian-American Oil Co.) into the picture, or leave it out, and the result is the same—no additional supply, no beating down the price.

What the cartel nations really fear, as Iraq said so well last autumn in threatening Kuwait, is "competitive bidding among producers." For the next few years the great excess of producing capacity will keep the cartel vulnerable. That excess may last into the 1980s, or it may not. But now is the time to use the excess as a lever to damage the cartel and bring down prices.

Vertical divestiture would keep Congress and the oil industry busy for years, spinning their wheels, going no place, postponing investment decisions, losing a chance for active defense against the cartel, admitting finally: "I wasted time, and now doth time waste me."

THE BALANCE(S) OF POWER: II (iii)—A PANORAMIC PERSPECTIVE

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. BRECKINRIDGE. Mr. Speaker, Secretary of Defense Donald H. Rumsfeld discussed in broad terms the U.S. military posture vis-a-vis the Soviet Union in an interview in the March 15, 1976, U.S. News & World Report. I insert in the CONGRESSIONAL RECORD as part of my continuing series on "The Balance(s) of Power":

Q. Mr. Secretary, we are constantly being warned by the Pentagon that Russia in the next few years may outstrip the United States as the world's leading military power. Does that mean that even a defense budget of 112.7 billion dollars—such as the one now proposed—isn't adequate?

A. The first point that has to be made is that the United States does have today what can be described as "sufficiency" or "rough equivalence." That is my judgment and the conclusion of those who assess the balance—the naval balance, the strategic balance, the balance in Central Europe. By "rough equivalence," I do not mean to imply equality in each respect. I mean, in a broad sense, considering all of the elements of military capability, that we have today the strength necessary to balance the Soviet Union.

However, if the trends of the past 5 or 10 or 15 years—of Soviet military expansion and U.S. contraction—are permitted to continue, we would clearly arrive, at some point, where we could not say that we had sufficiency or rough equivalence. The long and the short of it is that, unless we act now to arrest those trends, the United States would move into a position of inferiority to the Soviet military capabilities.

Q. Even with the kind of money the Pentagon is now asking?

A. That brings me to a second point. So far as spending for military capability is concerned, we have observed a steady increase, in real terms, on the part of the Soviet Union over the past 10 to 15 years. During the same period, U.S. defense spending—again, in terms of real purchasing power—has decreased steadily.

This has resulted in a greatly expanded research-and-development base and production rates in the Soviet Union that, in most instances, exceed ours.

Soviet military-manpower levels have increased also, from 3.4 million to something in the neighborhood of 4.4 million—excluding some 400,000 border guards and security forces. The U.S. has 2.1 million Americans in uniform.

While the Soviet Union has been increasing its defense spending by an average of 3 per cent a year since 1965 in real terms, our baseline defense budget has been declining in real dollar terms.

The U.S. intelligence community, of course, refines the estimates of the Soviet defense effort. In the past, it was estimated that the Soviet Union was devoting 6 to 8 per cent of its gross national product to military capability. Now it appears that those figures may well be somewhere between 10 and 15 per cent.

By way of contrast, the U.S. is devoting a little more than 5 per cent of our GNP to defense. This provides some idea of the relative burden the two countries are willing to accept for national security. A Soviet level of effort of 10 per cent of their GNP to defense would be equivalent to a 200-billion-dollar defense budget in this country, instead of the 100 billion dollars the President is proposing.

The result has been a major shift in the balance of power. The United States has moved from a position of clear superiority to one of rough equivalence with the Soviet Union. If we wish to maintain rough equivalence, we cannot continue to take billions of dollars out of the defense budget year after year to fund other programs that some desire in the nondefense portion of the federal budget.

Q. Will this year's defense budget reverse those trends?

A. It will not reverse the trends, but it will arrest them. The budget is designed to permit us to continue our policy of maintaining rough equivalence with the Soviet Union.

Q. What hopes do you have of Congress approving that budget in view of the big cuts made in Pentagon requests in recent years?

A. My guess is that the Congress will come to the conclusion that it would be totally unacceptable to the American people to allow these adverse trends to continue. I see evidence that this could well be the year when the Congress will recognize the now-clear fact that the time is past when we can take billions of dollars out of the defense budget and put it elsewhere in the federal budget without having it do serious damage to the national security. That is my sense of the situation. I hope and trust I am correct. It would be foolhardy to risk waiting another year.

I think there's an appreciation of the fact that we would be living in an extremely different world if we were to send a signal that we were willing to accept those trends in the years ahead, and abandon our policy of maintaining rough equivalence. A United States that was seen as an inferior power, or moving toward an inferior position, would inject a dangerous instability in the world.

Q. How do you reconcile that view with the attitude of Congress toward the Angola civil war—the vote to cut off any American support for the pro-Western forces there?

A. I look at Angola, and the congressional response, as a somewhat isolated incident.

The national debate on Angola was imperfect and imprecise. It was confused in that some argued against "another Vietnam." We heard during the debate: "No more Vietnams. We don't want to get involved."

This, of course, was a terrible misrepresentation in that no one was advocating another Vietnam. However misleading, that argument had appeal in mobilizing people to the cause of opposing financial assistance to certain factions in Angola, as was proposed.

My view is that the American people are pretty wise. On an important issue, the American people will find their way to the right judgment, over a period of time. That's what our system of government is about. And it works. It has worked for 200 years, and there's no doubt in my mind that it will work in the future.

Q. Is your budget, then, based on the premise that the U.S. will continue to play a role of world policeman?

A. No. We determine the necessary forces with a view to three principal balances:

One is the strategic balance, where we wish to maintain not precisely the same forces the Soviet Union has, but what can be described as equivalent forces.

Second is the naval balance, where we have a considerably different problem than the Soviets have. They are basically a continental power, while the United States, with allies and interests overseas—in Europe and Northeast Asia—requires a greater naval capability.

Finally, there is the balance in Central Europe, which is weighed not simply by looking at the considerably larger Soviet ground force, but by considering the relative strength of the Warsaw Pact and the NATO alliances.

An additional factor that influences the sizing of our forces is the number of and degree of conflicts we wish to be prepared for. In the 1960s, we maintained forces that were supposed to be capable of fighting 2½ wars. That was adjusted in the early 1970s. What has been proposed in recent budgets is that we have the capabilities for a 1-plus war crisis—that is, a major conflict plus some other problem in the world, but not 2½ as in the past. There are understandably a number of distinctions between the pre-Vietnam War force structure and what we envisage in the President's budget now before the Congress.

Q. What does the large-scale Soviet intervention in Angola tell you about their policy and intentions? Was that just an isolated incident?

A. Obviously not. Between 1971 and 1975, the Soviet Union and Cuba together provided military and economic assistance in the neighborhood of 3 billion dollars to the countries of Africa. This reflects a considerable interest on the part of the Soviet Union—and the Cubans working with them—to increase the number of airfields and port facilities available to them, and to increase the number of governments that are friendly and responsive to them. And it reflects their willingness to pay to achieve this influence and these military capabilities.

Q. Are the Russians likely to have any more success in taking over and running a place like Angola than they've had in other African and Mideast countries?

A. Just as other powers that have attempted to control or influence countries far from their shores, the Soviets have had an uneven history. They've had some successes and they've had some failures. The fact remains that the continent-bound—clearly second-class power—post-World War II Soviet Union is gone. Today, you see a first-rate military power from a strategic standpoint, with vast increases in its naval capabilities and its ability to project power throughout the world, and with sizable land forces.

With that growing power, the Soviets are interesting themselves to a considerable degree in nations throughout the world. The facts are that ports and airfields around Africa have considerable military value to the Soviet Union.

Q. Do you see Soviet military intervention in Angola as a precursor of similar moves in other areas?

A. I do. If one reads Soviet writings and their own descriptions of their opportunities in world affairs, it's clear that they consider such interventions to be fully consistent with their policy.

Q. How does that jibe with the policy of détente that Russia is supposed to be pursuing with the U.S.?

A. It fits their view of détente. The Soviets believe that what they are doing in terms of their involvement in various countries around the globe and in terms of the development of their military capabilities is consistent with détente. I would anticipate that anyone who thinks that this is going to change in the period ahead is going to be found to be wrong.

Q. Many people in this country assumed that détente was supposed to prevent crises of this sort—

A. If one thinks that détente means that the Russians are our friends—that we can trust them, and that they will conduct themselves the way we do in our country, that they believe in freedom and individuals, God-given rights of man, that they will not continue to support "just wars of national liberation," or that they will not continue to develop substantial military strength to serve their interests—anyone who thinks that is dead wrong. That is not what Soviet policy or behavior is all about.

Détente, most precisely, from our standpoint, is an approach that the United States is using with the Soviet Union to determine if it's possible to relax tensions.

Is it sensible to try to lower the level of potential confrontation with the Soviet Union, if it can be done in a way that benefits our national interests and does not adversely affect our security? I believe the answer is "Yes."

Does that mean that such a policy will solve all the problems of the world? No, it does not.

Does it mean that it's going to transform the Soviet Union into a system that is compatible with the beliefs of the United States? No, it does not.

Q. If we are trying to lower the level of confrontation, why increase our spending on defense?

A. Your question touches on what is probably the most difficult problem that we, as a free country, have to face.

That is the seeming contradiction between having a relationship with the Soviet Union that is not fully hostile and belligerent, and yet recognizing the fundamental need for the U.S. to maintain a strong defense.

We must understand that it is because of our strength that we can pursue such a policy. Free people, in our country and other free countries in the world, have to be careful to avoid a sense of euphoria that can accompany a marginally improved relationship between our countries.

We have to avoid being lulled into thinking that, because our strength has given us relative peace and stability, we therefore no longer need to be vigilant. That is just plain wrong. We *do* need to be vigilant. And we must be wise enough to realize that the reason we are at the negotiating table with the Soviet Union is because we are militarily strong.

Q. Would a second Strategic Arms Limitation Agreement with the Soviets enable us to reduce defense spending?

A. It's clear that no SALT agreement or negotiation of this type can do everything. No one agreement is going to dramatically reduce spending. We've seen Soviet spending continue to go up since SALT I in 1972 and, indeed, since the provisional agreement negotiated at Vladivostok in November, 1974. It is clear that the agreements have not led the Soviets to reduce their spending.

So I wouldn't look for any agreements to enable us to safely reduce spending as such. The hope is that we can reach some caps which limit some of the major systems and restrain the growth that has taken place in strategic systems. This could, in some manner, enable us to restrain the growth in spending on those systems that would otherwise be necessary.

Q. Does your defense budget assume that there will be a SALT II agreement?

A. The budget that we've presented is based on the need, with or without SALT, to see that our strategic forces are maintained in a fully ready posture to provide the necessary deterrence to avert a nuclear conflict.

Even with a SALT II agreement, presumably setting a ceiling of 2,400 on the number of strategic vehicles, and 1,320 on the number that can be MIRVed [multiple, independently targeted re-entry vehicle], we will have to replace our aging bomber force at some point. As the Soviet Union improves the accuracies of their missiles in the late '70s and early '80s, we will have to have dealt with the problem of the survivability of our Minuteman force. That is why we are seeking funding for research and development for MX—a more survivable replacement for existing ICBM's.

Also, given the possibilities of improvements in antisubmarine warfare, it's important to produce the Trident—a better, quieter boat which will provide a more secure base for some of our submarine-launched ballistic missiles.

So it would be misleading to suggest that a SALT agreement is going to reduce defense spending in the near term. A good agreement could restrain the growth that will be needed.

However, it is not reasonable to say that, because a SALT agreement doesn't do everything, it doesn't do anything.

Q. You believe then that the U.S. must maintain the "triad" of strategic forces indefinitely—that is, bombers, land-based missiles and submarine-launched missiles——

A. There is no question in my mind but that we must.

Q. There's considerable controversy over the B–1 as a replacement for the B–52. Is it still necessary to build such a costly and sophisticated aircraft, now that you also are developing a long-range cruise missile that can penetrate Russian air defenses?

A. I've noticed that some people talk about these two as though they were duplications. They are not. The cruise missile will have a quite different use than a B–1. It is based on a new technology—essentially that of pilotless, subsonic aircraft—for which tactical doctrine has not been fully developed. We seem to have a considerable lead over the Soviet Union in this field.

Cruise missiles potentially are very accurate, but slow. They can be launched from aircraft, from land, from surface ships or from submarines. They could well have a variety of potential uses, both strategic and tactical. In our budget we are funding the air-launched cruise missile with the thought that it would be a valuable weapon to be carried by a B–52 for a variety of purposes.

But when you look at the range of the targets our various strategic forces might be required to attack—and, for deterrence, must be able to attack—there's no doubt in my mind but that it will be necessary to have a suitable follow-on as the B–52s age. That's what the B–1 is all about.

Q. Some critics say it's a luxury that we can't afford now——

A. The funds that are provided in the budget are not designed for an ideal world. What they reflect is an awareness by President Ford that the strategic balance is exceedingly critical, that we must have deterrent forces that are sufficient to dissuade the Soviet Union in the years to come from believing that they could launch a disarming first strike—or accompish the same thing by threatening to use their strategic forces.

Can we afford the B–1? It's clear to people who reflect on it that we cannot afford *not* to have a capable bomber force.

I recall an incident just before the Korean War in 1950 when a senior general told the House Appropriations Committee that the country simply couldn't afford a 16-billion-dollar budget. Six months later, the United States had a 48-billion-dollar budget and found, indeed, that we could afford it. A year later, we had a 60-billion-dollar budget, and found we could afford that. We can, we have found, afford to assure our freedom and security.

It strikes me that most Americans are convinced that the United States must have a strategic capability that is capable of dissuading the Soviets from believing that they could gain an advantage in using, or threatening to use, their strategic forces.

Q. Mr. Secretary, in comparing the Soviet and American defense efforts, how much allowance do you make for the fact that the Russians feel they have to build up against China as well as the U.S.?

A. There's no question but that the Soviets have improved their capabilities on the Chinese border, in manpower and in weapons. But it is also true that they have simultaneously improved their capabilities in Europe on the Warsaw Pact border. They have increased their troops facing the [NATO] Alliance in Western Europe by roughly 140,000. They also have improved the sophistication of their tactical air force, weapons and air defenses.

It is not factually correct to suggest that Soviet military advances can be attributed exclusively to a reaction to their relationship with the People's Republic of China. There has been far too great an expansion of the Soviet military capabilities to dismiss it on that basis.

Secondly, we already have taken fully into account any adjustment in our own military position warranted by the altered relationship between the Soviet Union and the People's Republic of China.

Thirdly, it would be exceedingly unwise for us to assume that leadership changes could not alter the present relationship between those two countries very rapidly. As is said, intent can change overnight; capabilities call for the closest attention.

Q. Is the high cost of maintaining a volunteer force squeezing the defense budget in a way that you have to cut back on essential modernization of the services?

A. There are few notions which anger me, but the idea that the United States has to use compulsion because we are unwilling to pay the U.S. armed forces at a level roughly competitive with the private sector is one of them.

I have no problem with using conscription to the extent we need it. But I am bothered by the idea that we have to use compulsion—in effect, taking 1 out of every 3 or 4 young men, imposing a tax on them by drafting them into nonvolunteer service, and then, in addition, in effect paying them 50 to 60 per cent of what they would be earning in the civilian-manpower market.

Such proposals are made on the grounds that this country can't afford to pay people in the armed services a decent wage. That is simply not true. We can afford a volunteer force. And given normal circumstances, we should, in my judgment, be able to get the numbers and kinds of people we need by competing in the civilian-manpower market. Indeed, the volunteer force is working well.

Q. What about the feeling you find among a lot of people that the volunteer Army has done away with the concept of national service and created a kind of mercenary service?

A. Not a lot of people—a few people say that. In my view, they're wrong.

Q. Have you given any thought to the idea of setting up a special budget for military-retirement pay that accounts for about 8½ per cent of the defense budget?

A. Yes, I've given some thought to it. I have never been one for shell games, but it does strike me that it might be useful to do this. Retirement pay is not reflected in the budgets of other departments and agencies. We have a study in progress—looking at the specifics of the retirement program, because it is taking a substantial sum of money every year. I have examined the idea, simply because retirement pay shouldn't be considered in the balance with expenditures for current military capability.

Q. Mr. Secretary, a number of studies have appeared recently suggesting that we could buy a better defense establishment with the same money by making fundamental changes—for example, by giving up big, expensive nuclear carriers, or making do with a less-sophisticated bomber than the B-1. Why isn't this being done?

A. I would guess that there is not another department of our Government that gets looked at and analyzed as carefully as does the Department of Defense. We're not at a loss for suggestions of what ought to be done. However, any suggestion that there's a free lunch in life is wrong. There isn't a free lunch.

There is no magic. There is no place where someone suddenly is going to find a great bundle of billions of dollars through so-called efficiencies.

We continue to seek further efficiencies and economies, as do others. But it is past time to stop eroding U.S. military strength on the basis that we can find vast savings without compromising our national security.

RURAL POSTAL SERVICE CUTS

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 5, 1976

Mr. HARKIN. Mr. Speaker, I had the opportunity to testify before the Post Office Subcommitte of the Committee on Post Office and Civil Service today regarding the closing of small, rural post offices and the effect of service cuts to rural America. I wish to share my thoughts today with other Members of the House:

TESTIMONY BY CONGRESSMAN TOM HARKIN ON DEFECTIVE SERVICE CUTS TO RURAL AREAS BEFORE HOUSE SUBCOMMITTEE ON POSTAL SERVICE

Mr. Chairman and members of the Committee, I appreciate the opportunity to share my views regarding the service provided by the United States Postal Service (USPS). As the representative from the 8th most rural Congressional District, I am particularly concerned that recent service cuts affect rural communities and citizens far more than urban families.

PRESENT PROBLEMS

There is little doubt that the USPS faces severe financial problems. The growing deficit this year, expected to reach $1.5 billion, has forced the Service to attempt to cut costs by eliminating certain services. Much of the expected deficit be attributed to (1) general inflation, (2) services which are mandated by the Postal Reorganization Act, and (3) low rates for certain classifications of mail mandated by the Act. I feel that the reduction in volumes has also been a participating factor. I am sure the Committee is well aware of the many studies which indicate that present postal rates are meeting with customer resistance, resulting in volume drop. However, there is also a growing feeling that the service provided by the USPS has deteriorated and that the service provided is not worth the money.

Will the economic recovery restore postal volumes to projected levels? Only time will answer this critical question. Only time will tell if the postal service can improve its service to competitive levels for parcel post. Only time will tell whether the competing modes of communications will replace the mails for the delivery of checks and the payment of bills. Such modes as the electronic transfer of funds pose serious challenges to the USPS, and electronic transfer of funds could result in the loss of billions of pieces of mail annually.

The mails provide several essential services, however, which will not be replaced by other modes. These essential services include utilization of the mails for advertising, notice of meetings, newsletters and magazines, and personal and business correspondences. The proliferation of mail order firms has also provided Americans with national markets to purchase goods and services. Parcel post remains an essential function of USPS, particularly for areas not served by the United Parcel Service, such as some small towns in rural America. These rural citizens need the access to national markets more than residents in large communities or commercial centers. Access depends upon a reliable parcel post delivery system.

In light of the growing USPS deficit and the future uncertainly regarding postal volumes, I feel that it is imperative to allow the Postal Service to take needed economy measures. However, I also feel that it is equally imperative that Congress take a greater role in overseeing the operation of USPS, especially in areas regarding cuts in the public service function of USPS and in the management decisions. Such oversight could have prevented the debacle with the billion dollar bulk mail system.

I commend the actions of Chairman Henley and others in recognizing this responsibility in H.R. 8603. This bill originally addressed the growing realization that the goals of a self-sufficient USPS by the year 1984 may not be a realistic objective. In all likelihood, federal subsidies will be necessary into the future. I hope that these subsidies can be kept within reasonable bounds by economy measures taken by USPS.

SMALL TOWN POST OFFICES

I am one of the more than 50 Members of Congress who have filed suit with the Postmasters to block the mass closing of third and fourth class post offices. I feel such action was necessary to prevent indiscriminate closings. I am also a co-sponsor of the Small Post Office Preservation Act introduced by Rep. Kastenmeier which I feel establishes clear Congressional direction to USPS in the operation of the closings and sets out solid guidelines to retain quality service for these rural communities. I grew up in the town of Cumming, Iowa, which had the Post Office located in the local grocery store. From my experiences, I am intimately aware of the essential public service and social function provided by small, rural post offices.

Last June the General Accounting Office recommended closing two-thirds of the 18,000 third and fourth class post offices in the United States. This would mean the closing of 400 post offices in the State of Iowa, roughly 100 of which are located in the Fifth Congressional District. Such action would mean the loss of 45% of the post offices in my district. From information which I have received, the USPS plans to consider 18 of the 40 small, rural post offices over the next two years in the 515 and 516 zip code areas of my district. I am concerned that this represents the full implementation of the GAO recommendations and a significant loss of service to many of my constitutents.

I have brought with me the voluminous petitions, letters, and post cards which I have received regarding the desire to retain these offices. It is obvious to me that the USPS has not taken into consideration the needs and desires of these rural communities. Attachment #1 is a copy of a letter from the Town Council in Luther, Iowa, with the questionnaire sent by USPS. The community had but five days to answer the questionnaire and return it to the Service. The community has a gas station which has submitted a bid for designation as a Community Post Office. The great animosity and hard feelings could have been avoided had the Service initially attempted to find a Community Post Office. In contrast, the Omaha District Office of USPS has utilized a door to door survey in the community of Arion, Iowa, just north of my district. The Arion survey will result in the smooth transition to alternate service without the rumors and inuendoes of the Luther action. At a time when the Postal Service image with the public has declined, I feel greater steps should be taken to work with communities on such delicate issues.

However, it appears that the USPS has not taken steps to ensure that the needs and desires of communities are considered. For example, attachment #2 is a letter from one post master to another confirming a meeting on plans to study certain communities. Listed in the letter is the town of Marne, Iowa, which maintains a Second Class Post Office. All these communities have populations less than 200 people regardless of the fact that several businesses in Marne do considerable business by mail. The annual receipts of the Marne Post Office are roughly $25,000.

These small communities have an intense sense of pride and community identity. Most are taking steps to better themselves and the quality of life for the residents through state and federal programs such as Farmers Home Administration sewer and water loans and grants. I am concerned that these rural development programs and the proposed closings may be working at cross purposes. An example of these community betterment projects is the community of Shambaugh, Iowa, which has 178 people and which will be surveyed in the near future; Shambaugh, Iowa, was the place at which 4-H was founded.

Nearly all of these communities have large grain elevators and other businesses. For example, the Percival elevator does $15 million worth of business annually. McClelland and Mineola both have banks. Imogene has a lumber yard, grain elevator, and implement store. These businesses rely upon parcel post for sending and receiving parts for machinery. Grain elevators utilize the parcel post at times to send samples of grain to a grain inspection firm. A delay of one or two days can be quite costly in time and money.

Any plan to close a post office in favor of a rural route should definitely consider the distance to a nearby post office. A distance of only ten miles would involve at least a half hour to mail a parcel, send a certified letter, purchase stamps, and conduct other essential business. This is extremely difficult for the large number of elderly residing in rural America. Many of the counties in my District have populations of 25% to 30% over the age of 65.

Many constituents have written me regarding the planned closings. A banker from Paton, Iowa, states, "There is some cost in providing service in any event, and we believe that the dollars that might be saved will not begin to off-set the social and economic loss that will take place in these communities if their local post office is removed."

The city council of Shannon City, Iowa, writes, "For many of our elderly citizens, it is their only means of communicating with their family and friends. If the Shannon City Post Office is closed, the nearest facility that would be able to provide postal service would be Afton, Iowa, which is approximately 12 to 14 miles from Shannon City." From a Madrid, Iowa, insurance agent, "The Postal Service is the one government agency that serves all the people. . . . Other government agencies are not expected to 'break even' or operate at a profit. . . . From where I am, dealing with the public every day, the complaints I hear about the Postal Service have to do with deterioration in Service, NOT with cost of operating the department."

From a postal employee, "Cutting Saturday service altogether will only delay mail and make a mess for the following day. Ask any employee of the post office what the situation is a day after the holiday."

A farmer from R.R. 1, Madrid, near the town Luther writes, ". . . the fact remains that their presence (Madrid rural boxes) does not mean the service offered by the Luther Post Office is not needed."

Regarding the need to get newspapers through the mail, an elderly Bouton citizen writes, "...old people that don't drive and the paper boy don't (sic) stay ... boys around here don't like to deliver papers any more." A grocer in Marne writes, "Since we have no newspaper in our town, all of my advertising is done by direct mail.... If the post office should close, it will be a big step towards the closing of my store here in Marne, Iowa."

From a Little Sioux resident, "The Post Office is the hub to our little town and so many older people depend on it for money orders. We do a big money order business as we don't have a bank."

And finally a retired Postmaster writes, "I realize in a few cases it is justified (to close a post office), but I do believe more could be saved in the running and maintenance of the office of the Postmaster General and staff, etc., than could be by this drastic act."

The Postal Reorganization Act of 1970 states that: "Sec. 101 (b) The Postal Service shall maintain effective and regular postal service to rural areas, communities, and small towns where post offices are not self-sustaining. No small post office shall be closed for operating at a deficit unless the quality of mail service is maintained, it being the specific intent of the Congress that effective postal service be insured to residents of both urban and rural communities."

This section has apparently been defined by USPS to mean only delivery service, but not the other essential services provided by a local post office.

The USPS established a list of criteria which should be used to close a post office. They are good criteria, however, they are also discretionary and extremely broad, such as the criteria which allows the closing of a post office if conditions relating to the community make it impractical to operate a post office and effective service can be provided by another office. Under this criteria, the need for community approval can be overlooked.

The Small Post Office Preservation Act deserves serious consideration by this committee, because it provides the same criteria in very specific terms. It would give Congressional direction to USPS while allowing the Service to take needed economy measures. For example, a post office can be closed only if a CPO is maintained in the community with the identity of the community maintained by the mailing address. Such discretion requires that service be maintained at present levels with the use of a local businessman as the part-time post master. Great savings can be achieved under such a plan. However, if the majority of the community approve of some other plan, a different option would be open to the Service. Therefore, the Service is directed and required to sell its plan to the community.

USPS could take action to close post offices with fewer than 35 customers with specific Congressional direction as to the criteria to be used. It may take more time to develop the case, but it would give the Postal Service discretion for these extremely small post offices. For example, it would establish the growth or decline of an area's population as one criteria. I feel this is needed in bringing actions into conformity with the objectives of the Rural Development Act.

Without this type of clear direction, USPS can replace a post office with a rural route or a non-personnel branch. Neither of these options would provide the service that is desired by all citizens. While a CPO would be slightly more costly than either of these options, the savings to USPS would still be substantial. A CPO could, if combined with rural delivery, actually bring rural customers into par with urban citizens who receive mail to their door at no cost. As you know, most small town post offices require postal patrons to rent boxes in the post offices.

RURAL ROUTE CONSOLIDATION

One aspect not considered by the Postal Service in the closing of these small post offices is the effect upon farmers. Recently, action has begun to combine the rural routes of Mondamin and Little Sioux. These towns are eight miles apart and have populations of 420 and 240, respectively. The Little Sioux farmers are concerned that their address will be changed to Mondamin. Thus, to receive a package they would have to travel to Mondamin rather than Little Sioux. Even if the post office at Little Sioux were to become a CPO in the future, the change of address would still adversely affect the farmers. Therefore, I would like to see direction also given to the Postal Service that any address change be approved by the affected customer.

SATURDAY DELIVERY

Rural customers would be harmed far more by the elimination of Saturday delivery than would those in larger communities. As you know, the distances between farms makes it more costly to provide newspaper delivery on a daily basis than in larger communities. The rural population must rely upon USPS for newspaper delivery, which is a day late as it is. Elimination of Saturday delivery would increase the delay to two days over the weekend. During a three-day weekend, the delay would increase to three days.

Newspapers provide a multitude of services to the individual besides communicating the news. Newspapers have advertising, want ads, and detailed market information. Because of time delay, businesses would have to convert to other forms of advertising sales targeted for farmers. The farmers would also be denied up-to-the-minute details regarding market conditions and analysis, essential to the efficient operation of a farm. In short, elimination of Saturday delivery would hurt rural postal customers far more than urban customers.

Again, I appreciate the opportunity to appear before this Subcommittee.

ATTACHMENT NO. 1

LUTHER, IOWA,
March 6, 1976.

DEAR MR. HARKIN: This is a copy of the letter that the Boxholders of the Luther, Iowa 50152 Post Office received on February 24, 1976 with instructions to have it returned to Des Moines by March 1.

There was no plan included in the choices to "leave the post office as is" . . . therefore many thought that they had to choose one of the plans offered.

Even though it was Tuesday when these letters were delivered, I as Mayor started contacting the resident of Luther and we were able to hold a town meeting on Thursday night of the same week. There were many resident who could not attend because of the short notice and they had other obligations. The strong feelings of those who did attend however were that to lose our Post Office is to lose our town identity and an over-all loss to our community. We felt that once it was taken out of our town we knew we would never get it back.

A petition was started and has been signed by those patrons in Luther that have boxes in the Post Office along with rural people who patronize the Luther Post Office.

We feel our Business places will suffer if the Post Office is removed from our town and also feel the inconvenience for our older residents should be a factor in keeping it open. We know we cannot get "better service" through any of the plans offered by the Postal Service Letter.

We protest the closing of the Luther, Iowa Post Office.

RAY EPPERT,
Mayor.
DANIEL KEKEMILLER,
Councilman.
ROBERT E. EIDE,
Councilman.
RAY W. BRABAT,
Councilman.
GORDON SEVERSON,
Councilman.

DES MOINES POSTAL SERVICE,
Des Moines, Iowa.

To the Postal Customers Receiving Mail Service at the Luther, Iowa Post Office:

As you know, the postmaster at Luther will retire on May 31, 1976. When a vacancy occurs in the Postmaster's position, the operation, staffing, and postal facilities of an office are reviewed with special emphasis placed upon community needs, and how they can be efficiently and economically met.

We hope to accomplish two objectives with this letter.

1. Prevent erroneous information and/or rumors by presenting our problems and alternatives to its solution.

2. Solicit your comments and suggestions on the service needed.

I'm sure you will agree with us that the present operation, with receipts of approximately $4996.00 and operating costs of approximately $16,200.00 per year, cannot be considered economical. We are, therefore, considering the following alternatives on which we would appreciate your comments.

PLAN NO. 1—COMMUNITY POST OFFICE

Community post offices are operated under a contract and can ordinarily be combined with an existing business. All Postal services will continue to be provided. Under this arrangement, a community maintains its name, ZIP code and identity by a listing in the Directory of Post Offices. A member of the community is awarded the contract as a result of bidding.

We have communities which are more than twice as large in population as your community that have approved this type of postal service.

PLAN NO. 2—RURAL SERVICE

Rural delivery service provided directly in front of each residence so that it will not be necessary for you to walk to the post office. Rural carriers not only deliver mail, but will accept mail for dispatch, sell stamps, money orders, etc.

This is especially welcomed by elderly people and others with physical handicaps, or those where husband and wife work.

PLAN NO. 3—COMBINATION OF PLANS NO. 1 AND NO. 2

PLAN NO. 4—A NON-PERSONNEL RURAL BRANCH

This service provides mail service into lock boxes, and this is performed by the rural carrier. He will remain at the unit a minimum of fifteen minutes each delivery day to conduct stamp sales and other postal needs.

We must explore every possibility to reduce cost where service needs are not sacrificed. As a postal customer and taxpayer, which alternative will best serve your postal needs? (An envelope which requires no postage has been provided for your convenience).

FRANCIS X. SARCONE,
Postmaster/SCF Manager,
Des Moines, Iowa.

ATTACHMENT NO. 2

BRADDYVILLE, IOWA,
January 17, 1976.

DEAR MILT: Friday, Jan. 16, 1976, a meeting was held at the Omaha District Office, Charlie Dickey presiding, on the closing of small Post Offices. In attendance were 3 members each from Neb. League and NAPUS 1 from Branch PO's, 1 postal Supervisor, Clarence Bush for the League of 515–516 and myself for NAPUS 515–516.

We were instructed to inform our people of the Post Offices to be closed so those concerned could better themselves for a like or better position if they desire to remain with the Postal Service. As you have read no positions of level 12 or below will be filled.

Before any closings take place your town will be surveyed as each of the towns marked on the map for considered closings was based on the population. The District is in hopes these can be accomplished within a year; great pressure is put on the District to achieve these closings and they could come in less time to meet the demands.

The Post Offices marked for closing are: Blanchard, Imogene, Northboro, Shambaugh, Yorktown, Barlett (6 months), Percival (6 months), Arion, Marne, Westphalia, Mineola (6 months), Honeycreek (6 months), Tennant (already in process).

Sincerely,

R. D. STEWART.

H.R. 12801

A bill to amend title 39, United States Code, to establish procedures to regulate the manner in which the United States Postal Service may close post offices serving rural areas and small communities and town

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, **That this Act may be cited as the "Small Post Office Preservation Act of 1976".**

SEC. 2. Subchapter IV of chapter 36 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 3663. Closing small post offices

"(a) **The Postal Service may not close any post office which serves any rural area or any small community or town unless—**

"(1) **persons who are regularly served by such post office approve such closing in accordance with subsection (b);**

"(2) the Postal Service establishes and maintains a rural station or branch (A) which provides postal services which are being provided by such post office; and (B) the operation of which does not result in any change in the mailing address of persons who are regularly served by such post office; or

"(3) the Postal Service establishes a rural route in accordance with subsection (c) to serve the rural area or small community or town involved.

"(b) (1) If the Postal Service proposes to close a post office which serves a rural area or a small community or town, the postmaster of the post office involved may post a petition proposing such closing in such post office.

"(2) Such petition shall be posted for 30 days. The Postal Service may not carry out the proposed closing unless a majority of the persons who are regularly served by such post office sign such petition during such 30-day period.

"(c) The Postal Service may close a post office which serves a rural area or a small community or town, and establish a rural route to serve such area, community, or town, only if the Postal Service has determined that the following conditions have been satisfied—

"(1) an equivalent or improved level of postal services will be provided to persons who are regularly served by such post office;

"(2) less than 35 family units are regularly served by such post office;

"(3) another post office facility is easily accessible to persons who are regularly served by such post office;

"(4) a substantial decrease has occurred in the revenues and patronage of such post office during the 3-year period immediately preceding the date upon which the Postal Service proposes to carry out such closing; and

"(5) the Postal Service has sought to carry out such closing through a petition under subsection (b), and such petition has failed to receive a sufficient number of signatures in accordance with subsection (b) (2).

"(d) **The Postal Service may close a post office serving a rural area or a small community or town under subsection (a) (2) or subsection (a) (3) only after posting public notice of such proposed closing. Such notice shall be in effect no less than 30 days before the Postal Service may carry out such closing.".**